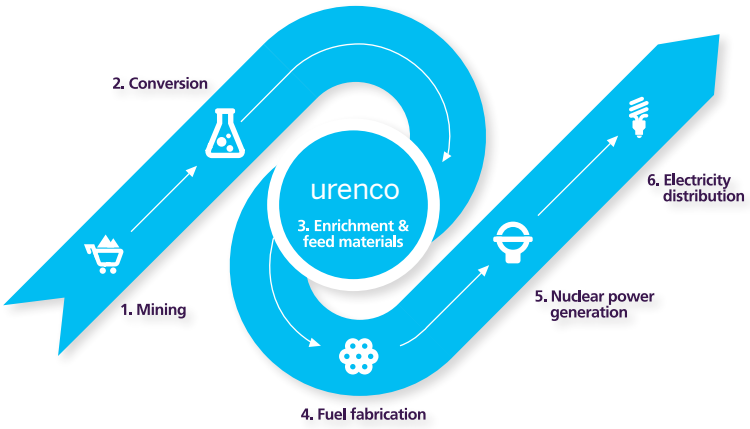
Our role in the nuclear supply chain

Urenco is an international supplier of enrichment services and fuel cycle products for the civil nuclear industry, serving utility customers worldwide who provide low carbon electricity through nuclear generation.



- Globally we work with organisations across the nuclear fuel cycle, including converters and fuel fabricators.
- We have four uranium enrichment facilities: Almelo in the Netherlands; Capenhurst in the UK; Eunice, New Mexico in the USA and Gronau in Germany.
- We have played an important role in the world's nuclear energy industry for nearly 50 years.
- We are working towards providing support to our customers to fuel all nuclear new builds, including the next generation of reactors.
- See more information on our customers on page 9 of our 2018 Annual Report.

https://urenco.com/about/nuclear-fuel-cycle

Managing risk and sustainability in the supply chain

- We adhere to International Atomic Energy Agency (IAEA) guidelines and all other national and international regulations regarding the transportation of nuclear material. We also adhere to strict regulatory requirements in all aspects of our own logistical procedures. In addition, we actively contribute to the development of the regulatory framework by attending IAEA workshops.
- We have made preparations for the UK's withdrawal from the European Union (EU) and Euratom treaty. We have identified and mitigated the material risks to our business that this presents. We have done all we can to ensure that our products are in the right locations across the world and international procurement of key supplies has been brought forward. Our ability to continue to provide services from our sites in mainland Europe, the UK and the USA enables us to ensure we can continue to serve our customers.

The essential role of nuclear power in a balanced energy mix

- We believe that a balanced energy mix is required to provide the world with a reliable and consistent supply of electricity. Some energy sources are most suited to cover gaps in electricity generation as soon as they are needed, while others, such as nuclear energy, provide a constant supply of electricity, which minimises the risk of power outages at peak times.
- Nuclear is the second largest source of low carbon electricity today after hydro-power (at around 10%). China will overtake both the USA and the European Union in nuclear production before 2030 [4].
- The International Energy Agency (IEA) predicts that rising incomes and an extra 1.7 billion people, mostly added to urban areas in developing economies, will push up global energy demand by more than a quarter to 2040[5].

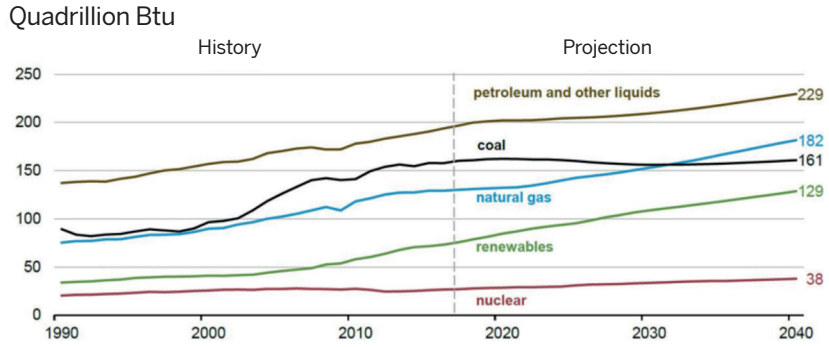
[4] Source: IEA, World Energy Outlook 2018 p. 26

[5] Source: IEA, World Energy Outlook 2018 p. 23

Our role in the nuclear supply chain

Figure 1

World energy consumption by energy source

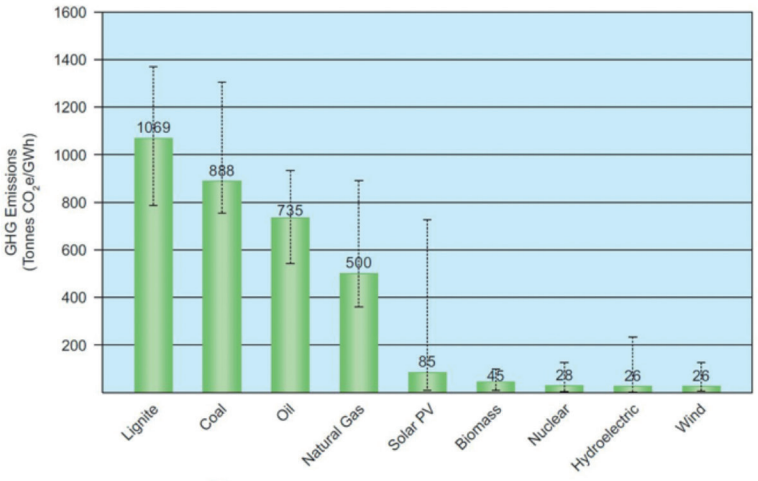


Source: IEA International Energy Outlook 2018_ https://www.eia.gov/pressroom/presentations/capuano_07242018.pdf

Figure 1 demonstrates the world electricity consumption through 2040 for all fuels.

Figure 2

Summary of life-cycle greenhouse gas (GHG) emission intensity



Source: WNA: http://world-nuclear.org/uploadedFiles/org/WNA/Publications/Working_Group_Reports/comparison_of_lifecycle.pdf

Figure 2 demonstrates the life-cycle GHG emissions of various energy sources. †

† Nuclear generation continues to produce less emissions than fossil fuels and wind generation when operational. However, the construction of nuclear power plants produces higher emissions, compared to wind.