

# Sustainability Statement

## Our Philosophy

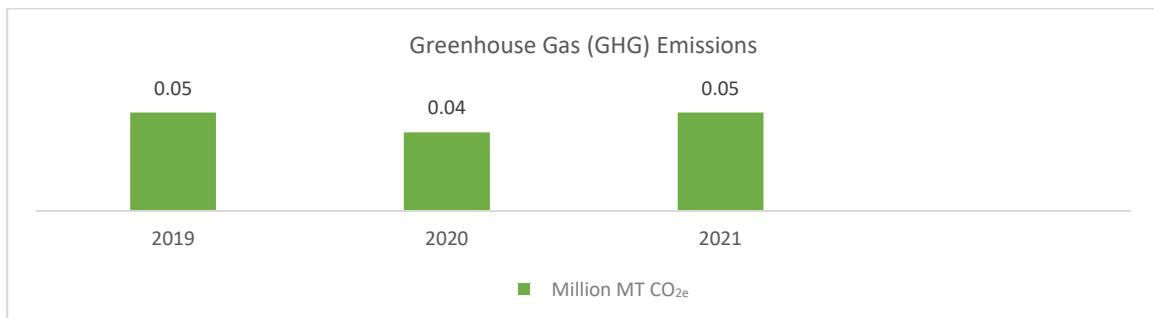
At Texarkana Aluminum we believe that Sustainability is the key to developing a long term platform for a financially strong and efficient business, and only a business focused on the long term has the capability to give back to the community. At the core of our identity as a Sustainable business are the unique attributes of the product itself. As a producer of aluminum coil and sheet, we fabricate product that is lightweight, durable and infinitely recyclable, contributing significantly to the global sustainability solution. In addition, our commitment towards Sustainability spans across our fabrication operations with a focus on continuous improvement as we drive towards our vision of eventual carbon neutrality.

## Initiatives To Date

- **Recycling content:** 65% of the aluminum cast from our captive furnaces comprise of recycled aluminum, creating two distinct sustainability advantages:
  - By procuring scrap metal for our furnaces, we directly contribute to the reduction of our carbon footprint in the environment
  - Recycled aluminum uses ~5% of the energy needed to make new aluminum <sup>1</sup> — reducing carbon emissions

We expect to improve our scrap aluminum utilization rate from 65% to 75%+ in the near future

- **Emissions:** Maintaining our record of zero environmental non-compliances<sup>2</sup> is merely a foundation on which we aim to significantly reduce our carbon footprint. Through a focus on process control and an enhanced maintenance program, our emissions are significantly below current regulatory thresholds. In addition, we spent \$5MM to collect 97% of VOCs from our emissions to reuse for our new cold mill coolant. Furthermore, our new dome furnace and future melting furnaces will use low NOx high efficiency regen burners.



- **Energy use:** We measure our energy use and have a process improvement focus to reduce unit energy consumption. In 2020 we implemented 6 phases of energy efficient LED lighting projects that upgraded 471 fixtures with a new lighting system that was able to reduce energy waste by 48 percent, equivalent to 1,411 MT of CO<sub>2e</sub>. Additional phases for our warehouses are planned in the near future.

### **Ongoing and Future Initiatives**

As our strategy continues to evolve in our journey and vision towards eventual carbon neutrality, we stay humbly focused on initiatives that have direct, measurable benefits on the environment, such as:

- Exploring new and innovative ways to maximize recycling content in our cast house
- Using “green” prime aluminum when possible, produced via sustainable energy sources
- Institutionalizing the continuous improvement process of Sustainability through an Environmental Management System such as ISO 14001:2015 and/or seeking membership and certification from the Aluminum Stewardship Initiative (ASI)
- Encouraging a Sustainability mindset amongst our stakeholders, including our suppliers
- Focusing on emissions reduction
- Optimizing our water usage and recycling where practical
- Improving energy efficiency (eg LED lights)
- Aligning with select and evolving reporting standards embodied within the Sustainability Accounting Standards Board guidelines and the Task Force on Climate-Related Financial Disclosures.

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1. *Source: The Aluminum Association*

2. *Since new ownership*

Rev B: October 2022

### Appendix – Additional Air Emissions and Water Usage Data

Texarkana Aluminum was acquired as an idled facility in November 2018 and the rolling mill began production in 2019. The Cast House began production under current management in 2020. Given the ramp up in production activities between 2019 and 2021, the tables below have been presented to reflect emissions data on an absolute basis as well as on a per unit produced basis.

#### On an absolute basis

Metric	Unit	2019	2020	2021	Comments
Air Emissions					
Particulate Matter	MT	13.05	9.36	22.45	
Volatile Organic Compounds	MT	19.05	48.76	67.95	Facility Production Increases account for VOCs as the Rolling Mills came up to Operating Capacity
Nitrogen Oxides	MT	47.59	34.37	43.79	Facility Production Increases account for NO <sub>x</sub> as the Aluminum Casthouse came up to Operating Capacity
Sulfur Oxides	MT	0.29	0.21	0.24	
Carbon Monoxide	MT	40.49	28.86	21.17	
Hydrogen Chloride (HAPs)	MT	3.03	1.45	3.09	
Chlorine (HAPs)	MT	0.09	0.04	0.08	
Dioxins and Furans are emitted from our Aluminum Casting Operations at very low levels of less than 5 grams annually. Lead emissions are emitted as a product of combustion at very low levels of less than 5 kilograms annually.					
Metric	Unit	2019	2020	2021	Comments
Greenhouse Gas (GHG) Emissions					
Total GHG Emissions	Million MT CO <sub>2e</sub>	0.05	0.04	0.05	
We had zero biogenic emissions. Reported Greenhouse Gas Emissions are limited to products of Combustion from sources using Natural Gas for fuel.					

#### On a per MT Produced basis

Metric	Unit	2019	2020	2021	Comments
Air Emissions					
Particulate Matter	Lbs / MT Produced	0.47	0.19	0.40	
Volatile Organic Compounds	Lbs / MT Produced	0.68	1.00	1.20	Facility Production Increases account for VOCs as the Rolling Mills came up to Operating Capacity
Nitrogen Oxides	Lbs / MT Produced	1.70	0.71	0.77	Facility Production Increases account for NO <sub>x</sub> as the Aluminum Casthouse came up to Operating Capacity
Sulfur Oxides	Lbs / MT Produced	0.01	0.004	0.004	
Carbon Monoxide	Lbs / MT Produced	1.45	0.59	0.37	
Hydrogen Chloride (HAPs)	Lbs / MT Produced	0.11	0.03	0.05	
Chlorine (HAPs)	Lbs / MT Produced	0.0031	0.0009	0.0015	
Dioxins and Furans are emitted from our Aluminum Casting Operations at very low levels of less than 5 grams annually. Lead emissions are emitted as a product of combustion at very low levels of less than 5 kilograms annually.					
Metric	Unit	2019	2020	2021	Comments
Greenhouse Gas (GHG) Emissions					
Total GHG Emissions	Million MT CO <sub>2e</sub>	0.05	0.04	0.05	
We had zero biogenic emissions. Reported Greenhouse Gas Emissions are limited to products of Combustion from sources using Natural Gas for fuel.					


**TEXARKANA ALUMINUM, INC.**

Metric	Unit	2019	2020	2021	Comments
Water Usage					
Purchased	m3/yr	112,415.53	88,804.36	174,512.41	TCl - Texarkana assumed control of the Casting Operations in 2020 and reached normalized state in 2021
Discharged	m3/yr	76,555.28	60,799.49	104,808.79	TCl - Texarkana assumed control of the Casting Operations in 2020 and reached normalized state in 2021
Recycled	m3/yr	21,516.15	16,802.92	41,822.17	TCl - Texarkana assumed control of the Casting Operations in 2020 and reached normalized state in 2021