Delivering on our **commitments**

urenco

enriching the future

Sustainability report 2010

URENCO's Vision, Mission and Values

URENCO believes that nuclear power will play a fundamental role in meeting the increasing future demand for sustainable global energy. URENCO is a leading supplier in the global enrichment market, with demand for the Group's services continuing to increase. "Enriching the future" is therefore our commitment, through the global deployment of our nuclear products, services and technology to support sustainable nuclear energy.

Living Our Values

The Values of Safety, Integrity, Flexibility, Development and Profitability guide everything we do at URENCO and remain a strong focus across the Group. Our Values inform both strategic and operational decision-making, alongside more everyday activities across the Group at employee level. Formally introduced in 2005, our set of relevant and robust Values are now deeply embedded in the culture of the Group, forming a solid benchmark against which our behaviours are consistently checked. Understood and accepted by all employees, the Values assist employees in the achievement of the Group's commitment of 'enriching the future'.

Safety

We will operate to the highest standards of safety, environmental and security requirements.

Integrity

We will conduct all our relationships with honesty, fairness and respect.

Flexibility

We will be responsive to the market to best meet our customers' needs through flexible deployment of our skills.

Development

We are committed to the sustainable growth of our business through the continuous development of our employees, services and products.

Profitability

We are committed to generating profits to secure our future and reward our shareholders and employees.

Contents

Sustainability Report 2010

Chief Executive Officer's Review

The URENCO Group is working alongside the worldwide nuclear industry following the Japanese earthquake and tsunami to ensure that appropriate lessons are learned from the Fukushima nuclear power plant and action taken to ensure optimum safety at all nuclear facilities worldwide.

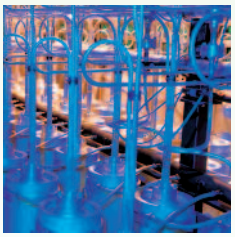
Upholding the highest standards in health, safety and environmental issues is a top priority for URENCO. We have dedicated teams at each of our facilities to ensure full compliance with our regulatory obligations and to maintain our safety standards.

URENCO is a service provider to generators of nuclear energy. We believe that nuclear power is important for a balanced, safe and reliable energy mix. Nuclear energy offers a low-carbon solution for a world that is faced with increasing energy demands and limits on carbon emissions. Through our contribution to the enrichment stage of the nuclear fuel supply chain, URENCO plays a key role in enabling the sustainable generation of electricity for millions of consumers worldwide.

In 2010, URENCO celebrated 40 years since the signing of the Treaty of Almelo. This Treaty enabled the company to create a business model based on international co-operation and sustainable development. Over four decades, we have built a reputation for safe, secure and reliable provision of enrichment services and have become a leading supplier in the nuclear industry.

The Group's 2010 financial results demonstrated another year of growth. Delivery volumes increased 14% on 2009, reflecting increased demand for enrichment services, as well as growth in URENCO's market share. The commencement of operations at our enrichment plant in the US was a key achievement for the Group in 2010. I am particularly pleased that URENCO's outstanding safety record during construction of the facility received recognition from the US National Safety Council.

Regrettably, there was a minor reportable release of uranium hexafluoride at our German site in 2010. Although a report by the German nuclear authority concluded that our existing emergency plan functioned properly, we have taken measures to further strengthen our procedures. In line with our Values, we continue to place great emphasis on safeguarding the wellbeing of our employees and the communities in which we operate.



Looking forward

Our ongoing focus is on safety, environmental stewardship and quality. Maintaining the highest standards in these areas is a key expectation from all of our stakeholders. Our plans for the coming years include:

- Meeting our customer order book and completing projects on time and to budget.
- Employee development to nurture our skills base and provide effective human capital for the future.
- Progress in the construction of the Tails Management Facility, to provide a sustainable and retrievable storage option for our by-product material.
- Ongoing investment in research and development to ensure safety and efficiency.

I would like to thank all our employees for their commitment to our Values and contribution to the success of URENCO.

Helmut Engelbrecht
Chief Executive Officer

About URENCO

URENCO's core service is enriching uranium for use in nuclear power plants. We operate four enrichment facilities in the UK, the Netherlands, Germany and the United States, serving over 50 customers in 18 countries around the world.



URENCO is one of the four major uranium enrichment suppliers worldwide. We have a global market share of 27%.

Our customers provide uranium hexafluoride (known as 'feed') to be enriched at one of our facilities. Using our world leading centrifuge technology, the Group provides safe, cost-effective and reliable uranium enrichment services.

Conducting our work safely, transporting our products securely and minimising our environmental impact are fundamental to the way in which URENCO operates.

URENCO: Key Performance Statistics	
EBITDA	€813.6 million
Revenue	€1,267 million
Capital expenditure	€703 million
Operational facilities	4
Markets served	18
Customers	50
Employees	1,325
Global market share	27%*
Lost time incidents: Employees Contractors	 4 9

*Internal estimate

Stable isotopes

In addition to uranium enrichment, URENCO also uses its centrifuge technology to separate isotopes of other elements for use in medical, industrial and research products.

For example, URENCO stable isotope technology produces 'stable precursors' which are used in gamma cameras that detect diseases in various organs. The technology is also employed in Positron Emission Tomography (PET) cameras which are used mainly for the diagnosis of cancer and monitoring the progress of cancer.

URENCO

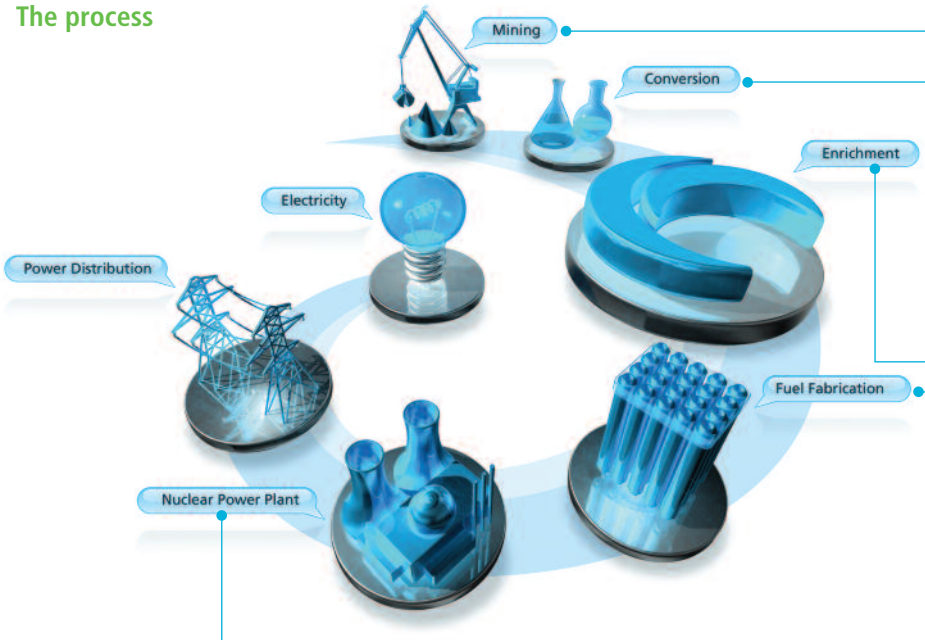
Our role in the nuclear fuel supply chain

The nuclear fuel supply chain consists of four key stages: mining, conversion, enrichment and fabrication. This chain of processes converts uranium ore that is extracted from the earth into nuclear fuel for sustainable civil power generation. URENCO operates in the enrichment stage of the process.

What is nuclear fission?

Nuclear fission is the process whereby a heavy unstable atom splits into more components, releasing energy as heat.

The process



Mining

Uranium ore is extracted, purified and milled becoming concentrated uranium oxide, also known as 'ore concentrate' or 'yellow cake'.

Conversion

The ore concentrate is then chemically converted into uranium hexafluoride (UF6), and transported to one of URENCO's enrichment facilities.

Enrichment

Uranium consists of two isotopes: uranium 235 (U235) and uranium 238 (U238). The U235 is fissionable and used by light water nuclear power plants. The centrifuge enrichment process increases the concentration of U235 from 0.7% to a level of 3% to 5%, which is sufficient to sustain a continuous fission reaction in a nuclear power plant. UF6 is heated to turn it into a gas, which is fed into URENCO's gas centrifuges.

Fuel Fabrication

Once the uranium has been enriched, it is transported to fuel fabricators. They convert the enriched uranium into pellets which are loaded into fuel rods.

Nuclear Power Plant

The fuel rods are transported to nuclear power plants to generate a safe and reliable source of electricity.

Uranium stewardship

URENCO is committed to its uranium stewardship responsibilities. Our daily operations prioritise safety and accurate tracking of uranium. All transport containers are manufactured and maintained to international standards, licensed by regulatory authorities.

Using centrifuge technology

URENCO uses its own world-leading centrifuge technology to enrich uranium. A gas centrifuge consists of an external casing housing a rotor which spins at high speed. Uranium is fed into the centrifuge as gaseous uranium hexafluoride and the two isotopes of uranium are separated by the spinning force. The heavier isotope, U238, is pushed closer to the outer wall than the lighter isotope, U235. The gas nearest to the rotor axis is enriched in U235.

The uranium enrichment process

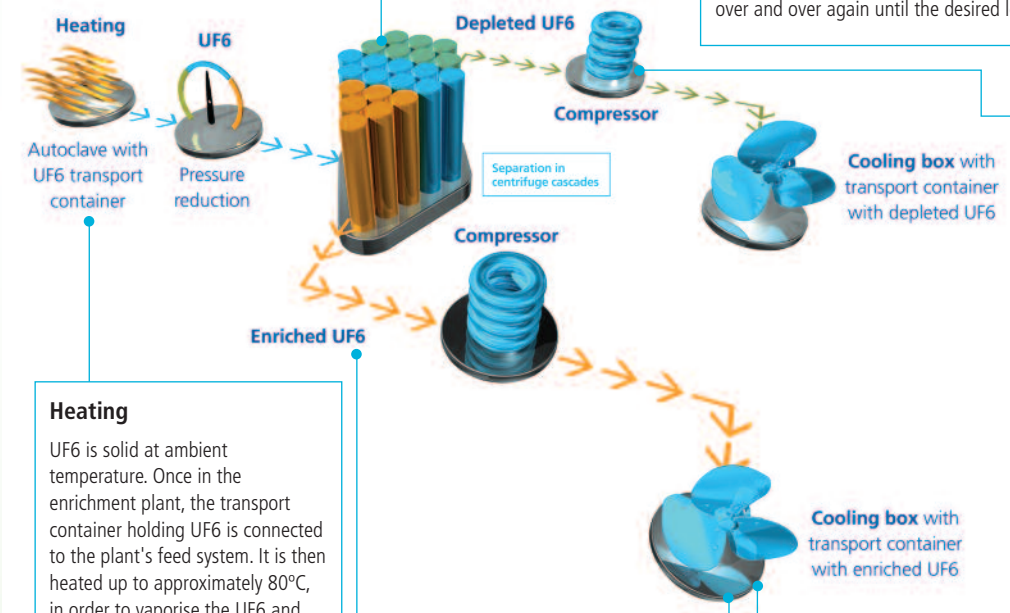
Uranium is delivered to URENCO in secure and internationally standardised transport containers.

When the uranium reaches URENCO's facilities, it has already been converted to uranium hexafluoride (UF6). This happens at the 'conversion' stage of the nuclear fuel supply chain.

All **enrichment** technologies used on an industrial scale require a gaseous process medium. UF6 is the only suitable chemical compound of uranium for centrifuge enrichment because it can be readily turned into a gas by the application of heat and vacuum.

Separation

The gaseous UF6 is fed into a centrifuge containing a cylindrical rotor that spins at high speed. The spinning force separates the two isotopes of uranium. The centrifugal forces push the heavier U238 closer to the wall of the rotor than the lighter U235. The gas closer to the wall becomes depleted in U235, whereas the gas nearer the rotor axis is slightly enriched in U235. This process is repeated over and over again until the desired level of enrichment is achieved.



Heating

UF6 is solid at ambient temperature. Once in the enrichment plant, the transport container holding UF6 is connected to the plant's feed system. It is then heated up to approximately 80°C, in order to vaporise the UF6 and turn it into a gas at + pressure.

Depleted UF6

The depleted uranium hexafluoride is known as 'Tails'. Tails are collected in cooled, sub-atmospheric containers and weighed to ensure all material can be accounted for. Tails still contains 30-50% of the natural uranium 235 concentration and has the potential for re-enrichment. It is stored at our facilities in internationally approved cylinders pending future re-enrichment or conversion to a chemically stable form for long-term storage e.g. U3O8.

In line with our commitment to long-term, sustainable operations, URENCO has undertaken significant investment in the Tails Management Facility, which is currently under construction at URENCO's UK facility. For further information, please see page 19.

In addition to storing depleted UF6 on URENCO sites, we contract with third parties to chemically transform depleted UF6 into the most stable uranium compound U3O8. This material is either stored on sites or, in the case of our Dutch facility, transferred to COVRA, the Central Organisation for storing radioactive materials.

Enriched UF6

All containers are accurately weighed and analysed to comply with the requirements of the European Atomic Energy Community (Euratom) and the International Atomic Energy Agency. All UF6 shipments to and from URENCO are made in approved containers which are transported in a licensed protective casing which meets international standards.

Cooling

The product containers are cooled and the UF6 vapour solidifies in the container. When filled, the containers are homogenised and sampled to check the enrichment level before being delivered to the customer.

Product take off

The enriched UF6, now containing 3% to 5% of the U235 isotope, (depending upon the customer's requirements) is compressed and flows into product cylinders.

Our customers and our business

URENCO has built a reputation for high quality, reliable enrichment services using proven technology. We have set targets to increase capacity in order to meet growing demand for our services. In addition, we have introduced a new Enterprise Resource Planning (ERP) system in order to enable us to best respond to our customer needs.

Building lasting relationships with customers

Our customer contracts last for 10 to 20 years. URENCO considers maintaining high levels of customer satisfaction throughout the contract duration an imperative. Although the contracts are long, clients value our ability to respond flexibly and quickly to their needs. In 2010, we upgraded our SAP systems across our facilities. The result is a bespoke system for planning production which enables us to meet customer needs quickly and enhance inventory management.

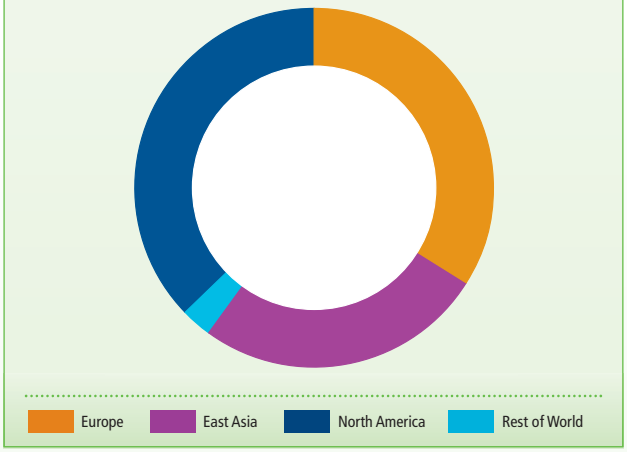
We monitor customer satisfaction through an independent survey conducted every three years. The last survey highlighted high levels of satisfaction with URENCO's services. The next survey will take place in 2011. As a result of building long term relationships with clients, we have an order book that stretches beyond 2025.

Our global customer base

Over the past four decades, URENCO has built strong links with over 50 customers in 18 countries. In 2010, we increased our global market share from 25% to 27%[3].

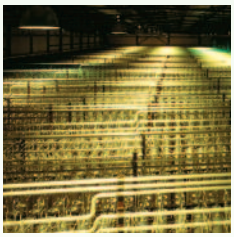
70% of deliveries go to US and European utilities and East Asia accounted for 25% of all deliveries in 2010.

URENCO SW DELIVERIES BY REGION:2010



3 Internal estimate

A major achievement in the history of the Group came in June 2010 with the inauguration and start of commercial operations at URENCO's new facility in the US. This milestone event was the culmination of several years of extensive infrastructure and plant investment.



Building our capacity

The Group measures capacity in tonnes of separative work (SWU). Last year we increased capacity by 14% to 13,000 tonnes of separative work per annum (tSW/a). Our aim is to achieve 18,000 tSW/a by 2015.

The chart below shows capacity growth at our facilities, due mainly to expansion projects. URENCO's newest facility in the US became operational in June 2010, contributing to our increased capacity. The capacity goal for URENCO USA is 5.9 million kgSW/a by 2015.

Separative work: definition and context

A Separative Work Unit (SWU) is the standard measure of the effort required to increase the concentration of the fissionable U235 isotope. The capacity of enrichment plants is measured in tonnes SWU or 1000s SWU per year (tSW/a).

A large nuclear power station with a net electrical capacity of 1,300 MW requires annually about 25 tonnes of enriched uranium with a concentration of 3.75% U235. This quantity is produced from about 210 tonnes of natural uranium using about 130 tonnes separative work.

An enrichment plant with a capacity of 1,000 tSW/a is, therefore, able to enrich the uranium needed to fuel seven to eight large nuclear power stations.

CAPACITY tSW/a						
LOCATION	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
URENCO Nederland	2,900	3,500	3,600	3,800	4,400	4,600
URENCO UK	3,400	3,700	4,200	5,000	5,050	5,000
URENCO Deutschland	1,800	1,800	1,800	2,200	2,750	3,200
Total capacity tSW/a	8,100	9,000	9,600	11,000	12,200	13,000*

* Total includes 200 tSW/a from URENCO USA operations

Governance

We operate in a highly regulated industry and robust internal governance structures are essential to ensuring that we comply with our legal obligations in all the markets where we operate. In addition to the Board and Shareholders, URENCO reports to a Joint Committee of representatives from the UK, Dutch and German governments. The Committee supervises URENCO with respect to non-proliferation issues, further strengthening our governance and accountability structures.

Joint Committee

Based upon the principles of the Treaty of Almelo (see page 9 for further information), URENCO regularly reports to, and seeks advice from, the 'Joint Committee'. The Committee is comprised of representatives from the governments of Germany, the Netherlands and the UK (Treaty signatory countries). It considers questions regarding safeguards systems (as established by EURATOM and the International Atomic Energy Agency), export arrangements and security procedures, alongside other non-proliferation issues. The Joint Committee also considers issues connected with any changes in URENCO's ownership structure and transfers of technology. URENCO's Executive Management meets with the Joint Committee on a periodic basis.

Board of Directors

The Board of Directors is responsible to the Shareholders for company policies, strategic direction and key decision making. The Board meets regularly to consider matters such as the strategic business plan, financing policy, major capital projects and regulatory issues.

The Board comprises the Chairman, six Non-Executive Directors and two Executive Directors. Two Non-Executive Directors are appointed by each of the Company's Shareholders. An additional Non-Executive Director is elected onto the Board by unanimous resolution of the Shareholders and elected into the position of Chairman of the Board. The two Executive Directors are elected by the Board. A full list of Board Members is available in URENCO's Annual Report.

Audit Committee

The Audit Committee is responsible for monitoring, on behalf of the Board, the Group's financial reporting; the integrity of its financial statements and its systems of internal control (financial, operational, compliance and risk management). The Audit Committee report to the Board on these matters, making recommendations where appropriate.

Compliance

The Group Assurance Director oversees a Group Compliance function and is responsible for reporting on health, safety and environment performance. In addition, each facility has its own compliance team that implements health, safety and environment programmes, monitors performance and liaises directly with the relevant local authorities.

Risk management

URENCO's success is dependent upon our ability to manage and mitigate the key risks facing our operations. As such, the Group maintains a dedicated risk management function. This function has been strengthened in 2010, taking into account the increasing size and diversity of URENCO's activities. Risk registers are established on a site basis and are regularly monitored through Site Risk Management forums. The top organisational risks and associated mitigation strategies are reported on an Annual basis to the Audit Committee.

Treaty of Almelo

4 March 2010 was the 40th anniversary of the signing of the Treaty of Almelo, an international agreement between the UK, German and Dutch governments that led to the creation of URENCO.

The Treaty represented a formal legal step towards a tripartite enrichment venture and established essential principles for the supervision of centrifuge technology. The Treaty set out agreements on the protection of technology and intellectual property, operational approaches and security within a non-proliferation framework. This marked the start of a new age in enrichment operations for civil purposes. Since then, additional Treaties have included the US and France. The Treaty of Almelo remains the cornerstone of international collaboration on non-proliferation.

The signing of the Treaty of Almelo in 1970 has enabled URENCO to operate safely for four decades, providing high quality enrichment services and contributing to a sustainable energy supply worldwide. The URENCO model is a template of international co-operation for peaceful purposes.

The signing of the Treaty of Almelo in 1970 has enabled URENCO to operate safely for more than four decades, providing high quality enrichment services and contributing to a sustainable energy supply worldwide.

The role of the nuclear industry today

Since the signing of the Treaty of Almelo 40 years ago, nuclear power has played a key role in meeting growing energy demand globally. It is cost effective, low carbon and provides a high level of security of supply.

In light of recent events in Japan, the nuclear industry has a responsibility to investigate and learn from the incident at the Fukushima nuclear power plant. A number of governmental reports have been commissioned in order to analyse the sequence and impact of events at Fukushima.

For example, the UK Weightman Report has called for the review of a wide range of nuclear safety matters, including emergency procedures and public contingency planning. The interim report revealed no reason to curtail the operation of existing nuclear plants, nor any significant gaps in the scope or depth of the safety assessment principles for nuclear facilities in the UK[4]. The report reassures the government that nuclear can be a part of the future energy mix, with a focus on the importance of continuous improvement.

In addition to national reviews, existing nuclear reactors in the EU will be subject to stress testing, developed by the European Nuclear Safety Regulators Group and the European Commission[5].

In the US, the nuclear industry has also commenced an assessment of events in Japan, and is taking steps to ensure that US nuclear reactors can ably respond to events that may challenge the safe operation of facilities[6]. These actions include verifying each plant's ability to manage major challenges, a total loss of off-site power, flood and other vulnerability mitigation.

The nuclear industry will continue to retain its strong focus on safety. In addition, the industry has committed to further develop its openness and transparency in all communications. The industry has also committed to work together to ensure continuous improvement in all areas of design, operations and nuclear safety.

The worldwide nuclear industry is built upon the strong foundations of an unfaltering dedication to safety; transparent regulatory and operational infrastructures; and systematic processes to identify and incorporate lessons learned[7].

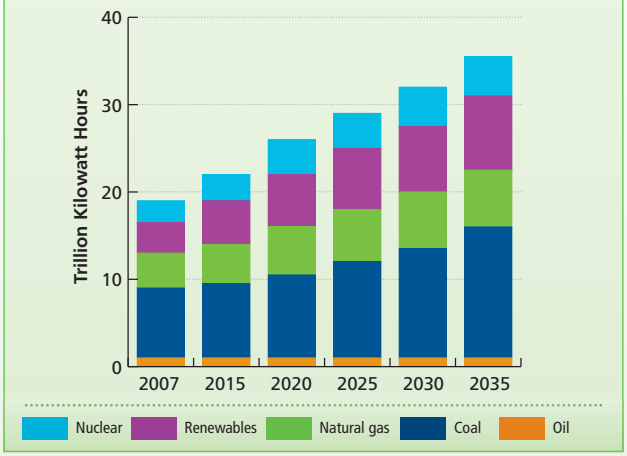
Current and predicted use of nuclear energy

Nuclear energy is an important component in current and future power generation. It provides a secure and sustainable energy supply at an affordable cost. The operational nature of nuclear power plants, consistently generating steady and dependable power, ensures base load energy requirements are met.

At present, nuclear satisfies around 30% of EU and 15% of worldwide electricity demand. With growth in demand set to continue[8], the nuclear industry is able to provide additional capacity in order to meet this demand as part of a balanced energy mix. Furthermore, according to the OECD[9], reliable uranium supply will be available for at least the next century, making it a key source of global energy into the future.

Forecast Global Energy Demand

WORLD ELECTRICITY GENERATION BY FUEL 2007-2035[10]



4 Weightman interim report, May 2011
5 Ministerial statement by Chris Huhne, UK Secretary of State, 18 May 2011
6 NEI Congressional Testimony, 12 April 2011
7 NEI Congressional Testimony, 12 April 2011
8 IEA World Energy Outlook 2010
9 IAEA Red Book, 2007
10 US Energy Information Administration: International Energy Outlook 2010

As a source of low carbon electricity, nuclear energy can help make the goal of, for example, an 80% reduction in carbon emissions in the EU by 2050, a realistic possibility.

Energy for a low carbon future

There has been widespread coverage and public debate relating to the impact of human activity and carbon emissions on the earth's climate. Taking action to reduce carbon emissions has become a priority for governments worldwide. In particular, the European Union has set challenging, long-term targets for emissions reduction.

As a source of low carbon electricity, nuclear energy can help make the goal of, for example, an 80% reduction in carbon emissions in the EU by 2050, a realistic possibility. The IPCC estimates that the energy produced using nuclear power saves approximately 2.2 – 2.6 gigatonnes of CO2 per annum[11]. This is equivalent to half of all greenhouse gases emitted annually by the EU[12]. Indeed, the UK Committee on Climate Change in the 'Renewable Energy Review' states that "nuclear should play a key role in taking Britain towards a clean prosperous future as it is a safe power and the lowest cost, large scale, low-carbon electricity source."[13]

Public policy

URENCO supports the long-term carbon reduction targets that the European Commission has established.

Given the important role that nuclear energy can play in a low carbon future and to build on Europe's position as a leader in nuclear energy provision, we support the creation of a new common nuclear energy framework to enable the European industry to use its experience to help the safe and secure development of nuclear energy globally.

We also support the creation of a formal European strategy and Board to lead the promotion of nuclear energy. In this respect, we support public debate; two-way dialogue responding to public concern and reaching a new energy consensus; and advocate accurate and transparent communication across all areas of the nuclear industry.

Furthermore, there are three nuclear policy areas where focus is required at the European level to promote more nuclear energy and deliver carbon reductions:

- Maintaining the highest standards in safety.
- Extended investment programmes for new, modern nuclear power generation.
- Further development to reduce the impact of nuclear generation on the environment.

11 Calculations are based on the assumption that this energy would otherwise have been generated from coal. Climate Change 2007: Working Group III: Mitigation of Climate Change, Coordinating Lead Authors: Ralph E.H. Sims (New Zealand), Robert N. Schock (USA), IPCC, p269

12 Climate Analysis Indicators Tool, World Resources Institute

13 The Renewable Energy Review – 9 May 2011, accessed 24 May 2011

Stakeholder engagement

We recognise that there is continuing public interest in the nuclear industry and URENCO's role within it. We aim to listen to our stakeholders and use a variety of techniques, from customer surveys to community liaison meetings, to understand stakeholder requirements.

We recognise our stakeholders as those who the Group affects most as a business, and in turn, those who can influence our business.

URENCO is committed to building long-term relationships with our key stakeholder groups. Below we give some examples of our main mechanisms for engagement.

STAKEHOLDER GROUP	MECHANISM	ACHIEVEMENTS IN 2010	PLAN FOR 2011
Customers	• Regular (every 3-4 years) Ipsos MORI survey to assess customer satisfaction • 'Opt-in' Customer alert system and social media usage for news and corporate event updates • URENCO is a B2B company and therefore has strong relationships with all customers; in this respect, it maintains constant contact on an ongoing basis	• URENCO USA becomes operational, enabling the Group to deliver on its commitments closer to its customer base • Increase in global market share to 27% • Order book extends beyond 2025	• Build upon social media usage to engage in two-way dialogue with customers e.g. BlackBerry application • New website launch to ensure user-friendly and fresh information source
Investors	• Investor website • Investor update events • Full Year results webcast • 'Opt-in' Investor alert system and social media usage for investor updates	• Full Year results audio and video webcast hosted on URENCO website • Continuation of 'The Enricher' newsletter • Digital version of Annual Report & Accounts for ease of viewing	• Investor newsletter and email alerts • New website launch to ensure user-friendly and fresh information source • Utilise social media to engage in two-way dialogue with investors
Students	• School science workshops • Science Day events • 'Richie Enrichment' with dedicated website & DVD issued upon request • Apprentice educational support and training • Educational sponsorship and support	• School science workshops now hosted regularly at all URENCO facilities and delivered to more than 15,000 children since inception • Publication of Richie newsletter • Educational support for our group of Apprentices and Interns across all facilities, resulting in a number of awards • Sponsorship and development of ENELA (European Nuclear Energy Leadership Academy) • Hosted facility visit to students at World Nuclear University	• Development of secondary school science workshops • Continuation and expansion of well-received and successful science workshop programme

Responding to stakeholder concerns

Following the catastrophic earthquake, tsunami and the subsequent incidents at the Fukushima nuclear power plant in Japan, a number of URENCO stakeholders, such as customers and investors, expressed concerns on how the events would impact upon URENCO's operations and future business. We wanted to respond quickly and openly to our stakeholders' concerns and published a comprehensive Questions & Answers document on the Group's website. It answered questions discounting the possibility of similar events at URENCO's facilities, described our emergency procedures and explained the likely impact of events in Japan on URENCO's forward strategy. Social media tools were also used to communicate this information in real-time updates. At the Group's Annual Investor Update event, face-to-face communication with URENCO's Senior Executives provided an opportunity to discuss any remaining investor questions.



STAKEHOLDER GROUP	MECHANISM	ACHIEVEMENTS IN 2010	PLAN FOR 2011
Local Community	• Local stakeholder surveys • Local liaison dialogue • School science workshops reach local communities & families	• Stakeholder dialogue sessions • Community support initiatives	• Continuing strong community relationships through charitable donations and sponsorship • Representation on local committees • New website launch to ensure user-friendly and fresh information source
Employees	• Group-wide employee survey carried out (every 2 years) • Daily updated Group intranet • 'Infopoint' newsletters across the sites & Group magazine published quarterly • 'Infoscreens' • European Works Council to enable employees to communicate with the Board	• Meet the CEO sessions at each facility relating to each of the URENCO Values • Employee volunteering at URENCO's School Science Workshops • Family Science Days run across facilities to communicate with employee family members • 'We are URENCO' business strategy publication outlined strategy in easy-to-digest manner	• Introduction of 'talking heads' facility on URENCO TV • New Group intranet developed in consultation with employees • New website launch to ensure user-friendly and fresh information source
Governments / supra-national organisations e.g. European Union	• One-to-one meetings • Public affairs and lobbying documents • Structured communication with Governments/EU through URENCO's Joint Committee • Site visits from key officials	• URENCO published 'URENCO's Vision' for European Members of Parliament to highlight the role of nuclear in the future energy mix, resulting in a number of high profile meetings between URENCO and key European thought leaders and policy makers • Each facility hosted key visits from governmental representatives and dignitaries for tours and information, for example the Director-General of the IAEA • Key exhibitions and trade visits to new markets e.g. China and India	• UK, EU and US consultations to encourage support and investment in nuclear • Further information and education on the nuclear industry through external communications, particularly in light of recent events in Japan
Shareholders	• Regular contact and liaison through working groups. Shareholders hold sub-committee meetings that feedback on proposals to the executive team • Formal shareholder meetings	• Regular updates on Group intranet of key messages from Joint Committee meetings are hosted on Group intranet for employees to view	• Continued regular meetings and improvements in communication

Health, Safety & Environment

URENCO is committed to being at the forefront of health, safety and environmental performance. Through continual improvement we endeavour to minimise the impact of our activities on the health and safety of employees, contractors, members of the public and on the environment.

Our management approach

In all our countries of operation we are regulated by government authorities. These authorities approve the design and operating principles of our sites to ensure safety and site security. They also undertake monitoring and inspect the sites to ensure compliance with both national and international standards. We work closely with our regulators in all our markets and report regularly to them.

This control and regulation is designed to deliver a number of vitally important safeguards. These include ensuring that uranium is not misappropriated and that total quantities are accounted for accurately. It also ensures that the technology for producing enriched uranium is not acquired by unauthorised persons and that plant produces enrichment for civil purposes only.

Our number one priority is to ensure the highest safety procedures are in place and followed by everyone at all our facilities. We promote a strong safety and compliance culture in order to ensure a safe working environment. The health and well-being of our employees is paramount and medical support is available for all employees, such as regular health checks.

All sites are required to comply with our health, safety and environment (HSE) policy as well as the relevant laws in their country of operation.

HSE responsibilities at Group and facilities

Overall responsibility for health, safety and environment within the Group is co-ordinated by the Group Compliance Function and HSE management meetings are held quarterly. Day-to-day HSE accountability lies at site level, and each facility has a Head of Compliance, supported by a HSE team, who liaise with the Group Compliance Officer.

At our US site, it is a condition of our Nuclear Regulatory Commission (NRC) license to have a robust Corrective Actions Program in place. This means that any nuclear safety and/or quality issues are reported and promptly rectified. It also promotes a culture of continuous improvement.

Unveiling a new technique for reporting trace metals

In March 2010, representatives from our UK Chemistry Services department presented research on a pioneering new method of toxic metal analysis. This followed a requirement from the UK Environmental Agency requesting reporting limits for trace metals in UUK discharges to be improved.

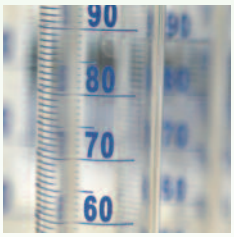
The new procedure uses ICP-MS (inductively coupled plasma mass spectroscopy, an analytical technique) to achieve lower limits of detection than previous methods and removes interference in some analyses, therefore improving the accuracy of the constituents of effluents.

All of our European enrichment sites have environmental management systems accredited to the international standard EN ISO 14001 as well as ISO 9001. Our US facility is subject to similar quality requirements as set forth under the NRC's regulations.

Safeguards

The Group complies with the highest industry and regulatory standards, and URENCO's centrifuge technology is verified and protected by international treaties. A strong focus is placed upon security and safeguards, and URENCO plays an active role in steering the future of nuclear safeguards with its representation at International Atomic Energy Agency (IAEA) conferences and technical meetings, alongside membership of ESARDA, the European Safeguards Research and Development Association. Through this, the Group has an important role in ensuring that civil nuclear power remains a safe, secure and reliable energy supply.

We aim to constantly improve our emergency preparedness and use crisis management exercises to review emergency plans, rehearse our procedures and liaise with emergency services.



Radiological safety

All our enrichment facilities undertake environmental monitoring on a regular basis to ensure that they are not adversely impacting on the environment.

We monitor for doses of radiation received by our radiation workers using formal industry-approved systems. We use a risk-based approach, so that all work with ionising radiation must be justified such that the resulting benefit is greater than the risks. All projects are monitored to ensure that doses are kept 'As Low As Reasonably Possible' (ALARP).

In January 2010, there was an incident at our German facility. A minor release of uranium hexafluoride occurred that was contained within a cylinder preparation area. Air in the area is filtered so there was no release to the environment or to the local population.

One employee involved in the incident was transferred to the nuclear medical department of Münster University Clinic. The employee was exposed to small traces of uranium and the radiological contamination was negligible. The contamination recorded was a maximum of 1.1 mSv, which equates to less than 5% of the legally annual permitted dose (20 mSv).

Industry leader in safety, US

In 2010 our newest site opened in New Mexico, US. We achieved no Lost Time Accidents for 11 million hours of construction and were named as 2010 USA Industry Leader for Safety.

Water cooling in Germany

A water cooling system was designed and developed for URENCO's German site. Students from a local technical college in Münster developed the cooling water supply system for UF6 devices. The engines have been rebuilt to provide more efficient, secure and consistent cooling to various buildings. This project is forecast to deliver savings in water cooling electricity consumption of 150 MWh, equating to approximately 40%.

Although a report by the German nuclear authorities concluded that our existing emergency plan functioned adequately, we have taken additional active measures to work together with doctors and regional hospitals to increase awareness of contamination and to improve cooperation. The main findings of the nuclear authorities were:

- There were no adverse effects on the environment.
- Due to the low levels of uranium involved no detrimental health effects for the employee are anticipated.
- Immediate action taken after the event with regards to the hospitals was sufficient.
- URENCO has introduced measures to ensure that lessons learnt are incorporated into operational procedures.

What is ionising radiation?

Ionising radiation is radiation with enough energy so that during an interaction with an atom, it can remove tightly bound electrons from the orbit of an atom, causing the atom to become charged or ionised.

Health, Safety & Environment

continued...

Emergency planning

Emergency planning is a crucial aspect of our overall HSE management. All facilities carry out annual exercises developed in close cooperation with the relevant national regulatory authorities, agencies and emergency services.

We aim to constantly improve our emergency preparedness and use crisis management exercises to review emergency plans, rehearse our procedures and liaise with emergency services. We also hold regular fire drills with our on-site fire brigade and local fire departments. We have liaised with local hospitals to improve local plans for the potential transfer of a contaminated worker. Drills cover a range of scenarios, including security threats and equipment malfunction and we routinely involve local fire departments.

Uranium enrichment

Uranium enrichment is a physical process that handles natural materials without changing their chemical or physical characteristics. No additional radiation hazard is created.

Sharing best practice

As part of our "One URENCO" initiative, we have undertaken a benchmarking exercise across all our facilities to assess our environmental, health & safety, and transportation practices. This is with the aim of sharing best practice and to implement 'joined-up' approaches to management. Following emergency exercises, we share lessons learned across all sites. In addition, we also work closely with colleagues across the nuclear industry to share knowledge, skills and good practice.

Recycling Centre opens

On 11 June 2010, Helmut Engelbrecht, CEO, officially opened our new Recycling Centre in the Netherlands. The site will house all cleaning and residue removal processes under one roof, providing a more efficient and environmentally friendly service to the Group.

Our global environment policy

We continue to ensure that our activities are performed in a safe manner and with due regard to the environment. Specifically, we:

- Assess the environmental impact before all new activities, products and services are introduced.
- Periodically review the environmental impact of existing activities, products and services.
- Consult with employees on environmental issues.
- Develop and review environmental objectives and initiatives.
- Minimise waste and use of natural resources and encourage re-use of materials.
- Ensure that all activities that may affect the environment are adequately resourced and carried out by, and under the control and supervision of, competent people.

We encourage and expect commitment to good health, safety and environmental practice from all employees and contractors at URENCO facilities.



- Strive to select suppliers of materials and services who operate to appropriate environmental standards which are consistent with this policy.
- Audit the management system which flows from this policy.
- Provide information on environmental performance to employees, contractors, members of the public and other relevant stakeholders.

We encourage and expect commitment to good health, safety and environmental practice from all employees and contractors at URENCO locations.

UK site awarded the Carbon Trust Standard

In 2010, our UK site was awarded the Carbon Trust Standard. The Standard is independently verified and is only given to companies that can demonstrate good carbon management and year-on-year emissions reductions. Our UK site and Head Office participate in the Carbon Reduction Commitment, a mandatory energy efficiency scheme.

Environmental activities at our office locations

The Communications teams, working alongside Go Green teams, at each facility are responsible for discussing and implementing new environmental initiatives. Some examples of activities at our facilities are shown below.

On Earth Day, 22 April 2010, URENCO USA celebrated its green credentials with a range of activities arranged by the sites Go Green teams. The facility also signed up to New Mexico's 'Adopt a Highway' programme to conserve and clean up a section of the local New Mexico landscape.

We held Go Green week at our Head Office in June 2010. This was designed to raise awareness of environmental issues and encourage greener living. A 'Go Green Blog' ran for employees to share ideas and thoughts relating to environmental issues. As part of the Go Green initiative, employees at our UK site walked, pedalled and ride-shared more than ten thousand miles, removing this mileage in car journeys. UUK now participates in the government 'Cycle to Work' scheme, offering employees discount benefits when purchasing cycles for commuting to and from work.

Health, Safety & Environment: Transportation

Our priority is to ensure that we transport our material in a safe, secure and reliable way in order to protect the public and the environment at all times.

Managing our transport operations

Our transport function enables the safe, reliable and economical transport of UF6, including tails, to and from our plants in the US, the Netherlands, Germany and the UK. We ensure that all our transport is compliant with the existing national or international regulations for the transportation of hazardous material. All of our shipments are undertaken using internationally approved containers which are independently inspected and tested on a regular basis.

Our transporters

All of our transport is provided through sub-contractors. We directly manage the transportation of 60% of our contracts, while the remaining 40% is managed by our customers. Our transporters undergo an initial supplier audit, and are subsequently audited every three years to ensure they meet relevant national and international guidelines as well as URENCO's own standards which meet or in many instances exceed regulatory requirements. We consistently monitor changes in legislation and security risks, as well as social, political and environmental events which may affect the transport of radioactive material.

Managing risks in transportation

Our primary concern is ensuring the highest safety levels for the public, our employees and our contractors and the environment. To minimise the risks of transportation accidents, we have a number of strategies in place:

- Ensuring that all the drivers used by our subcontractors are trained and they are approved for transporting radioactive material by competent security authorities.
- Ensuring that all approved transporters have robust emergency response plans in place, these arrangements differ dependent on country and are often provided by third party organisations who specialise in emergency response.
- Ensuring that all of our subcontractors have robust infrastructure for responding to an incident and ensuring that key contacts are available with emergency plans in place.
- Ensuring competent authorities have approved transporters to ship radioactive material.
- Using only audited and approved URENCO suppliers and re-auditing them every three years.

- Ensuring emergency response plans are in place and that we are able to effectively communicate to relevant stakeholders, such as local and national governments.
- Ensuring our transporters plan the most risk free routes after taking account of other regulatory requirements when transporting materials.

URENCO places the utmost importance on the quality of its transports and has in place a comprehensive quality improvement program. This program seeks to maintain and where possible improve the standards of transport that URENCO undertakes. URENCO has in place a comprehensive quality management system certified to ISO 9001 that is applied to its transport activities.

Method of Shipment

Most of our shipments are made using a combination of road and sea, but URENCO does also use rail. Transporting by rail helps us to reduce the number of vehicles used but irrespective of the method used, we comply with relevant country laws in the transportation of our material by road, rail and sea.

We also work with our transporters and industry peers to notify each other of any new risks to routes and where necessary make the changes needed to minimize these risks. All shipping agents perform structured risk assessments as necessary.

We notify our security authorities if there have been any suspicious activities, such as vehicles following our transporters. Our transporters are legally obliged to report any events to the regulators.

Health, Safety & Environment: Uranium stewardship

URENCO readily acknowledges its responsibility for the safe stewardship of uranium, its by-products and the facilities used to store depleted uranium.

Key achievements in 2010

- No missed deliveries.
- No significant incidents.
- All deviations from requirements monitored, investigated and improvements implemented to prevent repeat and to improve standards.
- No breaches of relevant transport regulations.
- Implemented a new 24 hour reporting procedure to allow transporters to report any event immediately to URENCO.

Environmental improvements

In terms of maximising the efficiency of our road transport, we are constrained by regulation. We are unable to always use the shortest routes possible. Instead we must use the route agreed by relevant authorities and which minimises risk and maximises safety. In recent years, we have moved from one cylinder to two cylinder load lorries for tails transportation, which has proved beneficial in reducing the number of lorries required.

Depleted uranium

In addition to storing depleted UF6 on URENCO sites, a contract with a third party exists to chemically transform depleted UF6 into the most stable uranium compound U3O8. This material is either stored on sites or, in the case of our Dutch facility, transferred to COVRA, the Central Organisation for storing radioactive materials.

What is Tails Management?

During the uranium enrichment process, depleted uranium hexafluoride (UF6), or tails, are made as a by-product. The tails contain 30 to 50% of the natural uranium 235 concentration and therefore have potential for re-enrichment in the future. We currently store UF6 in internationally approved transport cylinders pending future re-enrichment or de-conversion to a form suitable for long-term storage.

Developments in 2010

In 2010 we received regulatory and planning approval for a Tails Management Facility (TMF) located at our UK site. URENCO ChemPlants are responsible for the build and operation of the TMF. 90% of the site preparation works were carried out in 2010.

The TMF will comprise a UF6 tails deconversion plant and a number of storage, maintenance and residue processing facilities to support our long-term strategy for the management of tails pending future reuse. We included a number of operating efficiencies into the design of the facility which is expected to commence operations in 2015 and which will service our European enrichment facilities.

More than 100 jobs will be created during the construction phase and a further 80 technical jobs will be available once the site is operational.

Until the TMF project is completed, we make full provision for the safe deconversion of material and long-term custody of our tails in dedicated well managed stores.

Future objectives

In relation to tails management we have set the following objectives:

- Safety will remain our priority throughout construction and once the TMF becomes operational.
- Completion of construction and successful commissioning of the tails processing plant on schedule.
- Completion and commissioning of long-term retrievable Uranium oxide store in 2014.

Employees

URENCO's success is driven by the quality of our employees. We actively recruit people who share our vision, beliefs and passion for our industry. Our priorities are to provide a safe working environment and to treat all employees fairly and honestly at all times.

Our employee base

URENCO employs over 1,300 people across the Netherlands, UK, Germany, and the USA. The majority of our workforce is employed in technical roles at our four enrichments plants. We also employ some 140 Head Office employees.

The safety and well-being of our employees is our number one priority. We have dedicated compliance teams at each of our sites to uphold the highest standards in health and safety. For further information, see page 14 on Health, Safety and Environment at site level.

In addition to providing a safe place to work, we want to attract, retain and develop the most talented individuals in our sector. To do this, we aim to manage performance and career development proactively, monitor employee satisfaction levels and communicate openly with employees, work councils and trade unions.

We have Human Resources teams at each site, as well at Group level, so that employees have direct, local access to the support they need.

Managing performance and career progression

As the industry within which URENCO operates becomes increasingly competitive, attracting and retaining skilled and knowledgeable employees is essential to our success. Retention rates across our operations are high but we know that we must continue to work to be an employer of choice. Integral to this is the need to pay attention to performance and to the development of our people.

A Group-wide Performance Management System (PMS) has been introduced which will help to ensure that performance and appraisals are managed consistently across the business. At the core of the PMS are the key competencies needed in our employees in order to deliver URENCO's business objectives. The system is also designed to help identify areas for development and career progression.

The roll-out of the PMS system commenced in 2009 and should be completed during 2012.

Listening to our employees

Like all responsible companies, we aim to be responsive to the opinions of our workforce. We monitor employee satisfaction via a Group-wide survey conducted every two years and work with external experts to benchmark satisfaction levels at each site against national averages.

We also seek employee views on URENCO's 10 year 'Business Plan', which sets the direction and strategy for the company over the forthcoming decade. It is updated annually and employees have the opportunity to give their views to the Chief Executive via an annual Roadshow presentation that visits all sites.

We completed our 2nd Group-wide Employee Survey in early 2011. The first took place in 2008. The results were reported to the Executive and all employees during May and June of 2011.

The response rate was 86.2% (an increase on 82.8% in 2008) and the level of satisfaction for the Group increased against 2008 and is higher than the external benchmark.

The survey results have been analysed to identify the areas that have improved since the last survey, as well as where we need to make more progress, at site and Group level. Targets and actions have been produced at site and Group level following this analysis.

Like all responsible companies, we aim to be responsive to the opinions of our workforce. We monitor employee satisfaction via a Group-wide survey conducted every two years.

Training and development

Training is managed largely at site level where local HR teams are best placed to address local employee needs. At Group-level, we run regular Nuclear Fuel Cycle seminars for new employees and piloted a cultural awareness course in 2011.

Where possible, we offer employees opportunities for development through internal placements at different sites or different functions within the business. For example, employees from the UK, the Netherlands and Germany have taken up secondments or, in some cases, transferred to our US facility.

We recognise the importance of bringing new talent into the company and employ apprentices at all our sites. URENCO takes responsibility for their professional and technical development by providing mentoring and support through the qualification process. The apprenticeship does not focus solely on engineering and mechanical skills; participants also develop the attitudes and behaviours that are essential to the safe and efficient operation of URENCO's enrichment facilities.

We also help non-technical specialists with their professional qualifications, for example, accountancy and other business qualifications.

Apprenticeships at our German facility

Our apprenticeships focus on building soft skills such as communication and team work, as well as developing technical knowledge and safe behaviours. To help boost these skills, the HR team and Works Council at our German facility have created a workshop for electrical, mechanical and administrative apprentices that uses teambuilding activities to develop confidence and creativity among trainees.

Employee relations

URENCO respects and promote employees' rights to freedom of association and collective bargaining. URENCO's facilities in Germany and the Netherlands have active Works Council's in place. The members work with management (at site level) to discuss and resolve issues affecting employees. At our UK operating facility, there is a Company Consultation Forum which includes representatives of the workforce.

In addition, a European Forum, comprising trade union and works council representatives from each site, meets URENCO's Chief Executive on an annual basis to foster mutual understanding. The CEO presents the business plan and runs a discussion session with Forum members.

Embedding the URENCO Values

The URENCO Values were first developed in 2006 to guide employee behaviour and decision-making.

To reinforce and further embed the Values across the Group in 2010, we held a series of discussion forums on the Group intranet and 'Meet the CEO' sessions for employees to highlight how the Values are reflected in URENCO's day-to-day operations. URENCO's values are Safety, Integrity, Flexibility, Development and Profitability (see the inside front cover of this report for more details).

Community

We aim to be a responsible neighbour in the communities where we operate and all our sites actively support charitable initiatives. In particular, we use our community programme to promote science and engineering in local schools and colleges.

Our strategic focus

Supporting our local communities is central to our aim of being a good corporate citizen. We focus our giving around four key areas: education, culture, health and environment.

URENCO has a global charitable donations and sponsorship policy in place and each site has the freedom to implement the policy in accordance with local community need.

Where possible, we use charitable giving to incentivise employee behaviour around our Values. For example, in recognition of reaching a safety milestone, URENCO UK made donations to four charities that had been nominated by employees. URENCO recognises and rewards individual employees' contributions to charitable causes and the community through the annual "Active in the Community" award.

Promoting science and engineering

A key focus of our community investment strategy is inspiring children and young people to take an interest in science and engineering.

School Science Workshops

Since its inception in the UK in 2006, our Science Workshop programme has reached over 15,000 primary school children in the UK, US, Germany and the Netherlands. The workshops explain the science behind URENCO's operations and provide interactive exercises to engage students. URENCO's Head Office runs three weeks of workshops annually and a number of local schools request repeat visits every year. Our German facility launched its Workshop programme in 2010 and our Dutch site aims to reach 100 schools within a 40 km radius of the site in 2011.

The Workshops also provide opportunity for volunteers to get involved with their local community. In the US, over 80 employees have helped to deliver sessions to more than 1,500 students.

Our sites carry out numerous other educational activities to engage young people. URENCO's Dutch facility, for example, played an active role in a 'Week of Science' organised by the City of Almelo in October 2010. The site arranged for pupils from three local schools to visit the plant and take part in a range of fun activities relating to URENCO's operations. Following the success of the visits, the children were invited to return to the site with their parents. Parents were taken on a tour of the SP5 plant while the children participated in a number of fun energy-related activities.

Our German site hosted a visit of 25 schoolchildren from Gronau's twinned town, Epe in the Netherlands. Pupils were encouraged to practice their German by asking questions about the site and its operations.

Richie Enrichment

Richie Enrichment is a mascot for URENCO's education programme. It was developed in 2006 as a fun and innovative way of engaging younger students in science and engineering. Since then, URENCO has developed a Richie Enrichment website to explain nuclear energy and science to children, and the mascot is widely used in family days and education workshops hosted by URENCO across all our sites.

Where possible, we use charitable giving to incentivise employee behaviour around our Values. For example, in recognition of reaching a safety milestone, URENCO UK made donations to four charities that had been nominated by employees.

Scholarships

In addition to engaging school-age children, we also support older students studying science and technology at an advanced level. For example, URENCO USA has established an annual scholarship for students pursuing an Associate of Applied Science in Energy Technology at New Mexico Junior College. In 2010, we awarded 12 Energy Technology Programme scholarships and hosted a dinner to celebrate the recipients and their academic achievements.

In addition, URENCO's Dutch site sponsors the University of Twente fund, providing financial support over three years. The fund offers scholarships for promising international students and distributes three annual prizes to promote outstanding achievements of former students.

At our UK site, URENCO sponsors a 'Young Achiever of the Year' award for school pupils excelling in the field of engineering.

Developing skills for the future of our industry

URENCO supports a number of industry-wide initiatives designed to build skills and leadership capabilities within the sector.

For example, URENCO has been working in collaboration with industry peers and the European Commission to create the European Nuclear Energy Leadership Academy (ENELA). The aim of the Academy is to train graduates and high potential employees from different backgrounds to become leaders in the nuclear sector. URENCO is a founding member of the Academy, and has made a financial commitment to ENELA for the next 5 years. The Shareholders signed a treaty in January 2010 to launch the Academy and URENCO is represented on ENELA's advisory board and Project Working Group.

URENCO is also a founding member of the National Skills Academy for Nuclear in the UK, an organisation which addresses the key skills and training challenges facing the nuclear industry.

In addition, URENCO supports the World Nuclear University (WNU), a global initiative pioneered by the World Nuclear Association. WNU is committed to enhancing international education and leadership in the peaceful applications of nuclear science and technology. WNU facilitates an annual Summer Institute in Oxford, and the 2010 participants visited URENCO's UK site as part of the study programme.

Volunteering and employee fundraising

We actively encourage our employees to fundraise and volunteer within their local communities. In 2010, employees at URENCO USA took part in group volunteering events including a highway clean up and home improvement initiatives for local senior citizens. Employees also played a key role in fundraising $130,000 for United Way, a foundation that represents a coalition of charities in the United States.

At Head Office, employees also get involved in a range of community initiatives. Last year, employees took part in 'Give and Gain Day', an annual event run by Business in the Community to match businesses across the UK to local community projects. The URENCO team were tasked with transforming the wildlife pond at a local school, for children to use as part of the science curriculum.

Performance Indicators

STRATEGY AND ANALYSIS

1.1 Statement from the most senior decision-maker of the organisation.

Please refer to page 2 in this report.

1.2 Description of key impacts, risks, and opportunities.

Please refer to pages 2, 3, 8, 10 – 17 of this report.

2.1 Name of the organisation.

URENCO.

2.2 Primary brands, products, and/or services.

Please refer to pages 4 – 7 in this report.

2.3 Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.

http://www.urenco.com/content/17/company-structure.aspx

2.4 Location of organisation's headquarters.

Marlow, UK.

2.5 Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.

Please refer to page 6 and 7 in this report.

2.6 Nature of ownership and legal form.

http://www.urenco.com/content/25/urenco-limited.aspx

2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).

Please refer to pages 3, 6 and 7 in this report.

2.8 Scale of the reporting organisation.

Please refer to pages 3, 6 and 7 in this report.

2.9 Significant changes during the reporting period regarding size, structure, or ownership.

Please refer to page 6 in this report.

2.10 Awards received in the reporting period.

Please refer to pages 3, 12, 13, 15 and 17 in this report.

3.1 Reporting period (e.g., fiscal/calendar year) for information provided.

Please refer to page 37 for report parameters.

3.2 Date of most recent previous report (if any).

URENCO Sustainability Report 2009.

3.3 Reporting cycle (annual, biennial, etc.).

Annual.

3.4 Contact point for questions.

These are available on page 37 of this report or on the URENCO Group website.

3.5 Process for defining report content.

URENCO is aware of the importance our stakeholders place on Corporate Responsibility and our approach to sustainable activities and reporting. When preparing this document we take into account feedback from, and information requested by, all stakeholders but most prominently from our customers, investors and regulators. The report adopts the GRI framework where possible to enable benchmarking against our competitors and to structure the content into a format that is easy to review each year. It is our intention and goal to develop and improve the quality of the report year on year.

Please refer to page 37 in this report.

3.6 Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.

Please refer to page 37 in this report.

3.7 State any specific limitations on the scope or boundary of the report (see completeness Principle for explanation of scope).

Please refer to page 37 in this report.

3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.

Please refer to page 37 in this report.

3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.

Please refer to page 37 in this report.

We have used Defra conversion factors in calculating our carbon footprint.

3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).

There are no re-statements of information.

3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.

The report scope now includes our US facility which commenced operations in June 2010.

3.12 Table identifying the location of the Standard Disclosures in the report.

This table is available from pages 24 – 34.

3.13 Policy and current practice with regard to seeking external assurance for the report.

We do not currently have our report assured externally. Due to the high levels of regulation in our industry, most of the data provided in this report has been internally audited. We may consider external assurance of our report in future years.

4.1 Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.

Please refer to page 8 in this report and pages 30 – 31 in the 2010 Annual Report.

4.2 Indicate whether the Chair of the highest governance body is also an executive officer.

Please refer to page 30 in the 2010 Annual Report.

4.3 For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.

Please refer to page 30 in the 2010 Annual Report.

4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.

Please refer to pages 8, 20 and 21 in this report.

URENCO does not have any minority stakeholders.

In the UK, URENCO's CEO holds regular meetings with employees to update on developments in the Group. In addition, the CEO chairs an annual forum constituted from employee nominated representatives from across the whole Company, brought together to discuss business matters.

No issues were raised by the Joint Committee or employees during 2010.

4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives.

Please refer to pages 32 and 34 of the 2010 Annual Report.

4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.

Please refer to page 36 of the 2010 Annual Report.

4.7 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.

Please refer to page 31 of the 2010 Annual Report.
This is carried out by the Remuneration and Appointments Committee.

4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.

Please refer to the inside front cover of this report.

Our Values are applied across URENCO.

We use our Values to promote the behaviours and conduct that we expect all employees follow.

4.9 Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.

Please refer to pages 30 – 31 of the 2010 Annual Report.
The Board meets quarterly and Lost Time Accident rates are the first agenda item at each meeting.

4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.

The Joint Committee oversees the performance of the Board.

4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organisation.

Please refer to pages 14 – 19 of this report.

4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.

The Carbon Trust Standard is a UK voluntary standard. URENCO was awarded the Standard in 2010.

4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organisations.

World Nuclear Fuel Market
NAC International
World Nuclear Association
World Nuclear Transport Institute
CBI
Nuclear Industry Association
NucNet
Nuclear Industry Association – Foratom
European Nuclear Society
European Nuclear Energy Leadership Academy

4.14 List of stakeholder groups engaged by the organisation.

Please refer to pages 12 – 13 of this report.

4.15 Basis for identification and selection of stakeholders with whom to engage.

Please refer to pages 12 – 13 of this report.

4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.

Please refer to pages 12 – 13 of this report.

4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.

Please refer to pages 12 – 13 of this report.

Health, Safety & Environment performance data

ECONOMIC

Our Annual Report provides an overview of URENCO's business, economic performance and market presence. See pages 10 – 23 of our Annual Report and for more information.

The Group's financial goals are set out in the company's annual strategic document, the Business Plan. This publication is presented to all employees through a roadshow led by the Chief Executive Officer and Chief Financial Officer.

In terms of indirect economic impact, the Group employs a large number of people in the communities around each of our facilities. As such, the company supports local economies through both employment and usage of local services. URENCO also ensures that it supports local community initiatives through a comprehensive sponsorship and donations package.

The responsibility for economic management lies with the Group's Chief Financial Officer.

ECONOMIC PERFORMANCE

EC1 **Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.**

Refer to the Group's Annual Report publication on the following pages: 2, 36, 39 and 41.

Total tax paid for 2010 by the URENCO Group (including its 50% share of ETC): EUR 138.6 million.
Paid in the UK: EUR 63.4m.
Paid in Germany: EUR 35.2m.
Paid in the Netherlands: EUR 40.0m.

ENVIRONMENT

URENCO is a leading supplier in the nuclear fuel supply chain, ensuring the safe and secure generation of electricity for future generations. Our environment policy focuses on assessing and minimising the impact of URENCO's operations on the environment.
See pages 14 – 17 of the Sustainability Report for an overview of how we manage our environmental impacts and our environment policy.
The environment policy is agreed by the Chief Executive Officer and administered by the Group's Compliance representatives at each of URENCO's facilities. Their responsibilities cover energy, water, emissions, biodiversity and regulatory compliance.
Our sector is heavily regulated and we work closely with regulators in all markets to ensure we are fully compliant with all legal obligations.

Page 19 of the Sustainability Report details the development of a Tails Management Facility. This facility, once operational, will process URENCO's European inventory of depleted uranium tails, a by-product of the enrichment process. This will provide a sustainable, retrievable storage solution for URENCO's by-product, tails.

URENCO aims to minimise waste from production and operating activities and encourages the use of natural resources and recycling of materials where possible. For example, at URENCO's facility in the Netherlands, a Recycling Centre recently became operational. The facility houses all decontamination and cleaning activities, which improves efficiency in cleaning and waste disposal processes. Similar facilities will be established at each of URENCO's facilities in due course.

Page 18 of the Sustainability Report gives an overview of how we manage our transportation from a health, safety and environment perspective.

ENERGY

EN3 Direct energy consumption by primary energy source.

Diesel – 9,477,323.8 KWh.
Petrol – 1,416,981.4 KWh.
Gas – 22,547,899 KWh.
Oil – 902,272 KWh.
Total = 34,344,476.2 KWh.

Defra guidance has been used for all fuel to energy conversions.

EN4 Indirect energy consumption by primary source.

Total renewable energy purchased – 17,951,645.7 KWh.
Total non-renewable energy purchased – 452,151,501.3 KWh.
Total energy purchased = 470,103,147 KWh.
UNL are currently unable to separate renewable from non-renewable energy therefore this has been assumed as non-renewable.

EN5 Energy saved due to conservation and efficiency improvements.

A total of 88,622,930 KWh has been declared, saved though projects and changes of equipment on two sites.

EN7 Initiatives to reduce indirect energy consumption and reductions achieved.

UD introduced a water cooling project which resulted in estimated savings of 150,000 KWh, and the UNL site changed production equipment which resulted in an estimated saving of 88,472,930 KWh.

WATER

EN8 Total water withdrawal by source.

Total domestic water used – 138,854 m^3.
Total river water used – 262,069 m^3.
Total water used = 400,923 m^3.

EN9 Water sources significantly affected by withdrawal of water.

The Rivers Dee and Rivacre in the UK are not protected rivers and therefore have no given biodiversity rating. However in 2009, the Environment Agency classed the rivers as follows:

Rivacre Brook – Chemistry C, Biology E, Nitrates 3, Phosphates 5.
River Dee – Chemistry A, Biology E, Nitrates 2, Phosphates 4.

KEY:
Chemistry A = Very good, all abstractions, very good salmonid fisheries, cyprinid fisheries and natural ecosystems.
Chemistry C = Fairly good, potable supply after advanced treatment, good cyprinid fisheries, natural ecosystems or those corresponding to good cyprinid fisheries.
Biology E = Biology is restricted to pollution tolerant species.
Nitrates 2 = Low.
Nitrates 3 = Moderately low.
Phosphates 5 = Very high.
Phosphates 4 = High.

BIODIVERSITY

EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

No URENCO facility owns environmentally protected land although there is an identified 0.93 km^2 of protected land adjacent to one site and a further recognised 22.324 km^2 of protected land within a 10 km radius.

EMISSIONS, EFFLUENTS AND WASTE

EN16 Total direct and indirect greenhouse gas emissions by weight.

A total of 1,489,366.5 tonnes of CO2 was generated on URENCO sites during 2010.

EN18 Initiatives to reduce greenhouse gas emissions and reductions achieved.

See page 15.

EN19 Emissions of ozone-depleting substances by weight.

0.5184 tonnes of ozone depleting emissions were generated on site in 2010. This does not include the UUSA site as this was not fully operational. Therefore this metric was not measured in 2010 but will be addressed in 2011.

EN20 NOx, SOx, and other significant air emissions by type and weight.

No significant levels of SOx or NOx were generated from any site and were therefore not measured. However, radiation air emissions were measured in 2010 and the combined site totals are: Alpha – 0.48769 MBq and Beta – 0.426 MBq. All were within regulatory limits. These emissions figures represent very low levels of radiation, and therefore fall well below any maximum regulatory limits.

EN21 Total water discharge by quality and destination.

A total planned discharge of 44,508.55 m^3 was discharged to water courses, 50,077 m^3 to sewers. The USA site was unable to measure all discharges of water from processes due to major construction work.

EN22 Total weight of waste by type and disposal method.

A total of 1,373.971* tonnes of hazardous waste and 2,695.113 tonnes of non-hazardous waste was produced (see chart on page 35).

Total waste generated = 4,068.084 tonnes.
On average more than 70% was recycled or reused.
* Due to construction works, the UUSA site generated 298.2 tonnes of contaminated soils – this is naturally occurring oil.

EN23 Total number and volume of significant spills.

It has been confirmed URENCO had no significant spills of oils, chemicals, fuels in 2010.

EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.

The only water course that URENCO discharges into is the Rivacre Brook near to UUK, see EN9. The total water discharge for 2010 was 44,508 m^3.

COMPLIANCE

EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.

There have been no fines or monetary sanctions in this category.

LABOUR PRACTICE

URENCO's employees are vital to the Group's success. The recruitment and retention of high-calibre individuals is a key focus for our human resources team.

URENCO complies with all employment regulations relating to working practices, health and safety, and human rights. URENCO strives to provide a workplace where employees are inspired and challenged, and where their performance is effectively and fairly managed. For further information on managing performance, employment issues, labour relations and training, see pages 18 – 19 of the Sustainability Report.

Safety is a priority and core Value for the URENCO. For further information on managing health ans safety, see pages 12 – 14 of the Sustainability Report.

Labour practices and initiatives are overseen by the Group's Head of HR.

EMPLOYMENT

LA1 Total workforce by employment type, employment contract, and region.

A total of 91% of all employees were full-time (FT) in 2010 and % site specific as follows:
Germany – (FT) 68%; Netherlands – (FT) 93%; USA – (FT) 100%; UK – (FT) 97%.

LA2 Total number and rate of employee turnover by age group, gender, and region.

The URENCO Group employee turnover was 6.5% for 2010.
Employee turnover rate by location and age are as follows:

Location:	UD: 2.89%	UNL: 5.2%	UUSA: 10.9%	UUK: 5.0%	Marlow: 5.7%
Age:	20-29: 6.6%	30-39: 4.0%	40-49: 2.9%	50-59: 6.8%	60+: 25.8%

Note – this data is based on the actual numbers of employees during 2010 and not mean numbers used for other calculations, such as Lost Time Accidents.

LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.

No site has significant differences in benefits given to current part-time employees compared with full time employees. The UK have stated that part-time employees receive benefits on a pro-rata basis, against full time benefits.

LABOR / MANAGEMENT RELATIONS

LA4 Percentage of employees covered by collective bargaining agreements.

A total of 46% of all employees were represented by unions regarding wage negotiations.

LA5 Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.

The range of notice period is between 1 day and 3 calendar months depending upon the country in which the site is located. However, 77% of employees have 30 days or more notice.

OCCUPATIONAL HEALTH AND SAFETY

LA6 **Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.**

A total of 91% of all employees are represented at scheduled employee and management health and safety meetings.

LA7 **Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.**

See LTI chart on page 36.

Number of LTIs to employees rate	Employee work related cases rate	Employee medical treatment rate
0.38	0.38	0.38

Please note that contractors are excluded from this data.

TRAINING AND EDUCATION

LA12 **Percentage of employees receiving regular performance and career development reviews.**

During 2010 a total of 80% of all employees received a personal performance review.

DIVERSITY AND EQUAL OPPORTUNITY

LA13 **Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.**

11.2% of managers are female; 88% are male.
21% of non-managers are female; 79% are male.

The age breakdown of managers is as follows:	The age breakdown of non-managers is as follows
20-29: 2%	20-29: 16%
30-39: 11.2%	30-39: 23.9%
40-49: 40.2%	40-49: 25.6%
50-59: 40%	50-59: 27.2%
60+: 6.6%	60+: 7.4%

HUMAN RIGHTS

We recognise our responsibilities as a business and an employer to ensure we uphold human rights in our decision-making. Human rights are considered during supplier and contractor selection processes and we recognise employee rights, especially the freedom of association and collective bargaining, (see pages 18 – 19 of the Sustainability Report).

URENCO is committed to non-discrimination in the workplace and treats any discrimination incidents very seriously, escalating any case to the relevant management level. Comprehensive complaints and grievance policies are also in place for all employees, and these are utilised in the appropriate situations.

Code of Conduct & Misconduct

URENCO employees are made aware of URENCO's expected behaviours upon joining the Group. Overall, the URENCO Values of Safety, Flexibility, Development, Integrity and Profitability act as a benchmark for all employees to consistently check their own behaviours and actions. Formal policies exist which encompass Human Rights considerations such as anti-bullying and anti-corruption.

NON-DISCRIMINATION

HR4 Total number of incidents of discrimination and actions taken.

It has been confirmed there are no cases of discrimination reported within the Group.

SOCIAL

We recognise the importance of building strong relationships with key stakeholders, including our local communities. For more information on how we manage these relations, please see the stakeholder engagement section on pages 10 – 11, and pages 20 – 21 for information on community investment.

URENCO is committed to the detection and avoidance of corruption at all levels. Charitable donations are made at a set level and approved by management, and must be made to a charitable account. All social involvement is made in line with our 'key pillars' of education, culture, environment and healthy living.

For information on our public policy positions, see page 9.

CORRUPTION

SO3 Percentage of employees trained in organisation's anti-corruption policies and procedures.

Only URENCO Deutschland have conducted training for all employees in 2010. However, there is a commitment to roll out a training programme before July 2011 throughout the rest of the Group.

SO4 Actions taken in response to incidents of corruption.

There have been no recorded cases of actions taken against employees or other businesses connected to URENCO for 2010.

PUBLIC POLICY

SO5 Public policy positions and participation in public policy development and lobbying.

Please refer to pages 10 and 11 of this report.

SO6 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.

Please refer to page 36 of the 2010 Annual Report.

ANTI-COMPETITIVE BEHAVIOUR

SO7 Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.

The Group Legal team have confirmed there was no such actions taken against URENCO in 2010.

COMPLIANCE

SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.

URENCO have not received any fines or monetary sanctions in 2010.

PRODUCT RESPONSIBILITY

URENCO's core business is the provision of enrichment technology and services, for the purpose of enriching uranium material. Safety is a main priority for the Group and a URENCO core Values. The utmost importance is placed on the safe movement of UF6 at all stages of the enrichment process. The following sections of this Sustainability Report explain our approach in more detail: pages 12 – 14 for information on our overall management of environment, health and safety; page 15 for information on transportation and page 16 for tails management.

In addition to URENCO's uranium stewardship, the Group complies with the highest industry and regulatory standards, which provide high levels of safety and security for our employees, the environment and the public. URENCO's centrifuge technology & enrichment facilities are verified and protected by international treaties. A strong focus is placed upon security and safeguards, and URENCO plays an active role in steering the future of nuclear safeguards with representation at the International Atomic Energy Agency (IAEA), alongside membership of the European Safeguards Research and Development Association (ESARDA). Through this, the Group plays an important role in ensuring that civil nuclear power remains a safe, secure and reliable energy supply.

The Head of the Group Business Assurance function oversees URENCO's performance on product responsibility.

PRODUCT AND SERVICE LABELLING

PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.

URENCO carries out an independent customer survey every three years. In our last survey, 75% of respondents rated URENCO as customer-oriented, reliable, friendly and helpful.

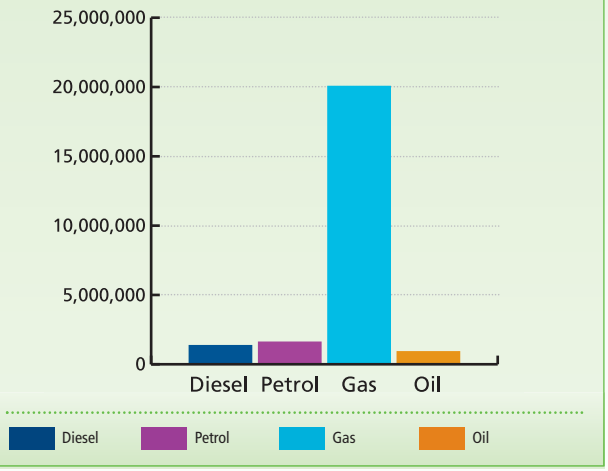
COMPLIANCE

PR9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

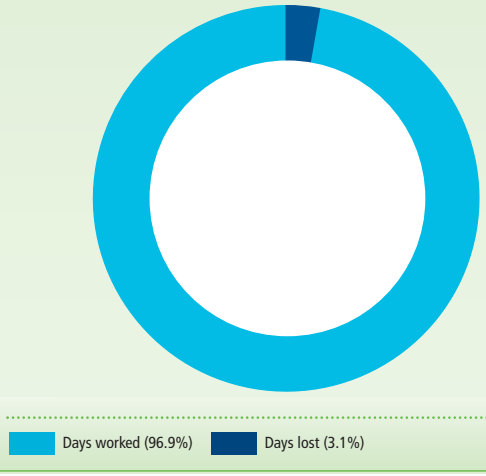
There were no fines reported in 2010 for non-compliance with legislation on URENCO sites.

Graphical Data

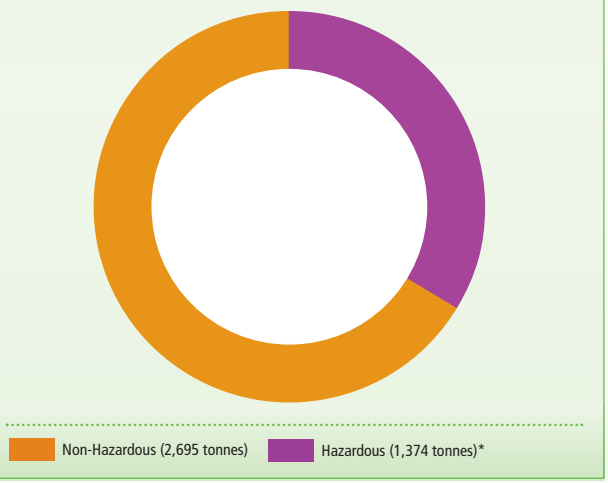
DIRECT ENERGY IN KILOWATT HOURS BY FUEL SOURCE



DAYS LOST DUE TO ABSENCE COMPARED WITH DAYS WORKED

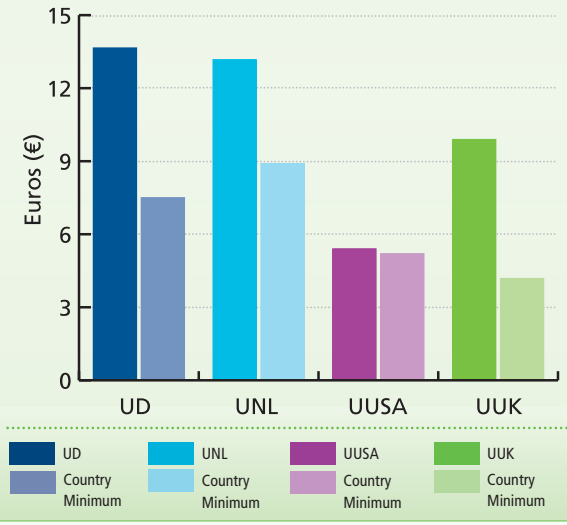


TOTAL HAZARDOUS & NON-HAZARDOUS WASTE

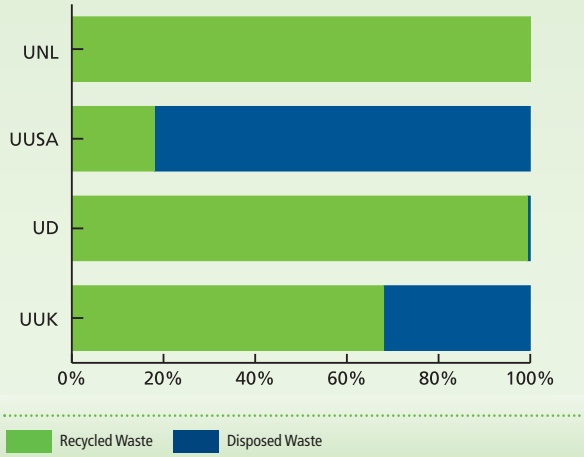


*Due to major construction works the UUSA site have generated nearly 300 tonnes of contaminated soils due to the natural high oil content in that area. These have been categorised as 'Hazardous' in the above chart.

WAGE COMPARISON – URENCO v COUNTRY MINIMUM

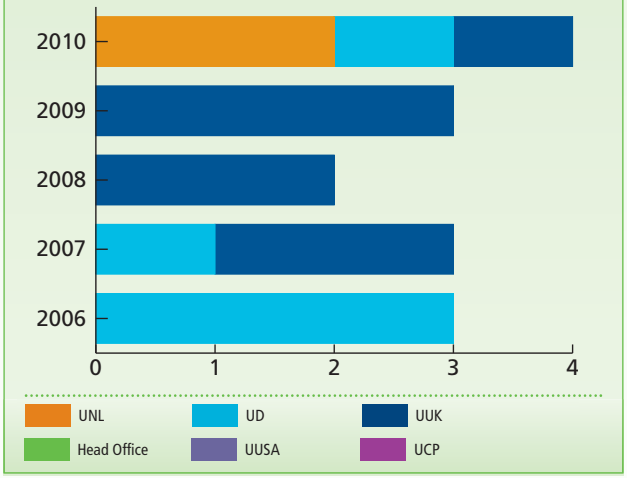


PERCENTAGE WASTE RECYCLED & DISPOSED OF BY SITE



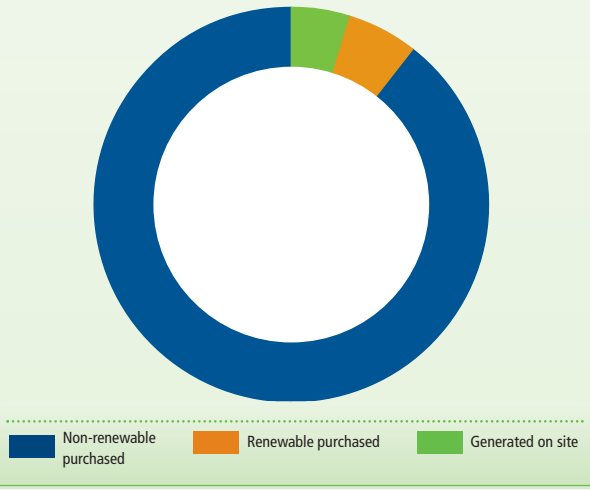
*There are significant differences in country specific methods of disposal and recycling which may result in limiting the percentage of waste that can be recycled. However the overall average percentage rate is more than 71%. It is worth noting the UUSA site has only come on line after major construction works which are still ongoing, therefore normal waste streams are not fully established.

EMPLOYEE LTIs 2006 – 2010



Whilst actual numbers of LTIs remain low there has been an increase by one injury each year for the past two years. This is currently under investigation to establish if all LTIs were realistically preventable. No real trend has been established to date as there are very low numbers of LTIs to compare, which are distributed over three countries and of varying categories and root causes.

TOTAL DIRECT AND INDIRECT ENERGY USED 2010



LOST TIME INJURY RATE 2006 – 2010

Lost Time Injury (LTI) rate is calculated using LTIs per 200,000 hours worked. Although numbers have risen over the last two years, the LTI rate and actual numbers of LTIs remain low. Only 4 lost time injuries to URENCO employees were recorded in 2010.

Report Parameters

Reporting period and cycle

This report is a review of the URENCO Group's Corporate Responsibility activities during 2010. All data covers the calendar year 2010 unless otherwise stated. Where data is presented from outside this reporting period, it is to provide context for the Group's operations or achievements.

Report scope

The data and information contained in this report relate to the URENCO Group and its wholly-owned subsidiaries; URENCO ChemPlants and Stable Isotopes. URENCO ChemPlants is the company responsible for the construction of the new Tails Management Facility (TMF) at URENCO's UK facility. Stable Isotopes, which uses URENCO's centrifuge technology to separate isotopes for commercial, medical and industrial applications, is located at the Group's facility in the Netherlands. Data and information relating to Enrichment Technology Company (ETC) are not included in this report unless specifically referenced. ETC is a joint venture company owned in equal share by URENCO and Areva, and has the exclusive responsibility for the development and manufacture of URENCO's centrifuge enrichment technology.

Boundary and limitations of the report

Data in this report have been collected from URENCO's operations as listed above. URENCO's newest enrichment facility in the USA became operational in June 2010 and we have included UUSA data where possible. We aim to provide full data on UUSA next year.

Process for defining report content

There are a number of areas determined by URENCO's executive management team which are considered a priority across the Group: environment, health and safety. These topics are given precedence within the report.

GRI guidelines

URENCO has published a Sustainability Report according to the Global Reporting Index (GRI) guidelines since 2005. In writing successive Sustainability Reports, we have looked to the GRI framework to expand the scope of our reporting over time. Applying the GRI principles to this report, we have self-declared our report to meet the requirements at level B.

Data measurement and internal audit

Technical data for this report has been collated across the URENCO Group, using relevant regulatory guidelines. URENCO's operations adhere to the regulatory requirements of the nuclear industry in each operational country, and uphold the strict safeguards, security and non-proliferation agreements that are in place internationally. The URENCO operating environment is audited, ensuring a high degree of data accuracy. We also carry out internal audits on technical data and adherence to GRI principles within this report. There are no re-statements of data in this report. Our statistics are calculated using both mean data and actual figures, which may result in a slight discrepancy in final numbers.

External support

URENCO utilised the assistance of an external company, Corporate Citizenship, in preparing this report.

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Glossary of Terms

Areva

The French energy and connectors Group.

Audit Committee

The Audit Committee is responsible for monitoring, on behalf of the Board, the Group's financial reporting; the integrity of its financial statements and its systems of internal control (financial, operational, compliance and risk management). The Audit Committee report to the Board on these matters, making recommendations where appropriate.

Centrifuge

URENCO uses its own world-leading centrifuge technology to enrich uranium. A gas centrifuge consists of an external casing housing a rotor which spins at high speed. Uranium is fed into the centrifuge as gaseous uranium hexafluoride and the two isotopes of uranium are separated by the spinning force. The heavier isotope, U238, is pushed closer to the outer wall than the lighter isotope, U235. The gas nearest to the rotor axis is enriched in U235.

ChemPlants

URENCO ChemPlants, a subsidiary company of URENCO, is responsible for the construction and operation of the Tails Management Facility at URENCO's UK site at Capenhurst.

Deconversion

This is the process of removing the volatile fluorine component from uranium hexafluoride to make stable uranium oxide (U308). URENCO has chosen to use U308 as the long-term retrievable storage form of uranium.

Enrichment

The step taken in the nuclear fuel cycle that increases the concentration of U235, relative to U238 in order to make uranium usable as a fuel for light water reactors.

Enterprise Resource Planning (ERP)

URENCO has in place a comprehensive ERP system, which is a bespoke system for planning production which enables us to meet customer needs quickly and enhance inventory management.

ETC

Enrichment Technology Company Limited.

Euratom

The European Atomic Energy Community, established in 1957 by members of the European Union.

Feed

Natural or reprocessed uranium, previously converted to UF6.

Gaseous diffusion

Gas centrifugation is a uranium enrichment process which uses porous barriers to increase the proportion of the useful U235 isotope.

Global Reporting Initiative (GRI)

The GRI is the reporting framework which provides guidance on sustainability performance reporting.

IAEA

International Atomic Energy Agency.

Ionising radiation

Ionising radiation is radiation with enough energy so that during an interaction with an atom, it can remove tightly bound electrons from the orbit of an atom, causing the atom to become charged or ionised.

Joint Committee

The committee of representatives of the Governments of the Netherlands, the United Kingdom and Germany that oversees URENCO's compliance with the Treaty of Almelo.

Louisiana Energy Services LLC

Parent company for URENCO USA; 100% owned by the URENCO Group.

Nuclear fission

Nuclear fission is the process whereby a heavy unstable atom splits into more components, releasing energy as heat.

Nuclear fuel supply chain

The multiple steps that convert uranium as it is extracted from the earth to nuclear fuel for use in power plants. Uranium enrichment is one step in the nuclear fuel supply chain.

NRC

Nuclear Regulatory Commission – the United States Nuclear regulator.

Order book

Contracted and agreed business.

Separative Work (SWU)

A Separative Work Unit (SWU) is the standard measure of the effort required to increase the concentration of the fissionable U235 isotope. The capacity of enrichment plants is measured in tonnes SWU or 1000s SWU per year (tSW/a).

Tails (Depleted UF6)

Uranium hexafluoride that contains a lower concentration than the natural concentration (0.711%) of the U235 isotope.

Tails Management Facility

Managed by URENCO ChemPlants, the Tails Management Facility is currently under construction at URENCO's UK facility at Capenhurst. The facility will comprise a UF6 tails deconversion plant and a number of associated storage, maintenance and residue processing facilities to support URENCO's long-term strategy for the management of tails, pending future re-use.

Treaty of Almelo

In the early 1970s the German, Dutch and British Governments signed the Treaty of Almelo, an agreement under which the three partners would jointly develop the centrifuge process of uranium enrichment.

Treaty of Cardiff

In July 2005 the German, Dutch, British and French Governments signed the Treaty of Cardiff, an agreement between the four Governments to supervise the collaboration between URENCO and Areva in their Joint Venture, ETC.

Treaty of Washington

In July 1992 the German, Dutch, British and United States of America Governments signed the Treaty of Washington, an agreement which was required in order to permit the establishment of the National Enrichment Facility.

tSW

Tonnes of Separative Work.

tSW/a

Tonnes of Separative Work per annum.

UEC

URENCO Enrichment Company Limited.

Uranium

A fairly abundant metallic element. Approximately 993 of every 1,000 uranium atoms are U238. The remaining seven atoms are U235 (0.711%), which is used in today's nuclear power stations to generate energy by fission.

Uranium Hexafluoride (UF6)

All enrichment processes today work with gaseous material; therefore uranium is converted to UF6.

URENCO USA

URENCO's fourth enrichment facility in New Mexico, US, owned and operated by Louisiana Energy Services LLC.

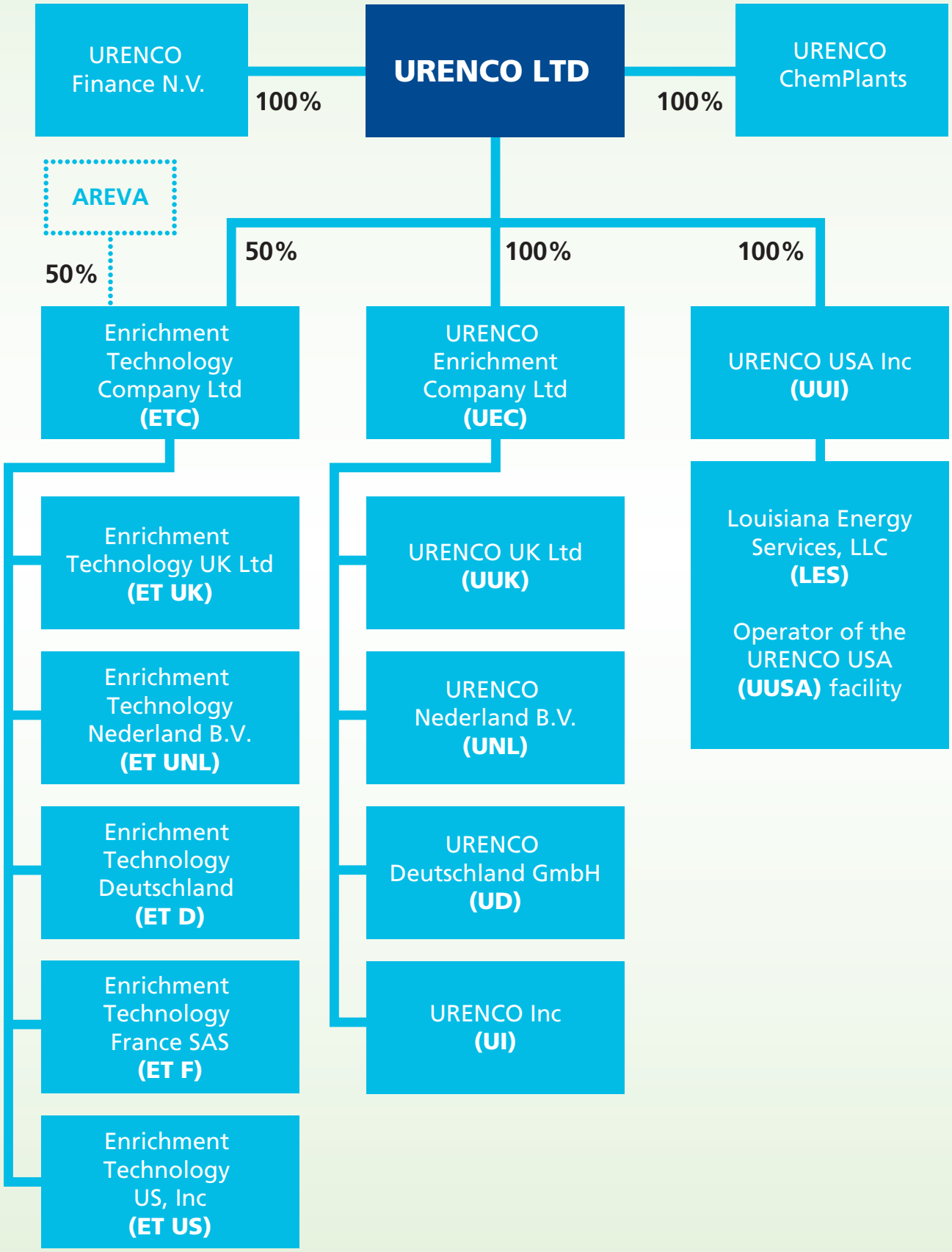
USEC

USEC Inc, based in the US.

U308

Uranium oxide, the most stable form of uranium.

The URENCO Group



urenco

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