

NZAS sustainable development

2019 scorecard

SAFETY

Putting the health and safety of people first

1	5	0.1
Recordable injury	Recordable occupational illnesses	All Injury Frequency Rate (AIFR)

Safety It was one of our safest years in NZAS' history this year, and reflects the actions taken by each person each day to manage the risks in the workplace—an outstanding achievement.



Employee health and wellbeing Bystander (domestic violence prevention) training was held for NZAS' employee champions and a number of community stakeholders.



CASH

Maximising cash to increase our resilience

353,293t	\$58M	
Aluminium production	Local spend on goods and services	
4%	\$422M	\$56.35M
Increase on 2018 aluminium production	National spend on goods and services	Capital expenditure

GROWTH

Growing our business responsibly to benefit future generations

Strategic review

In October 2019, Rio Tinto announced a strategic review of its interest in NZAS. Three options are being considered: achieving a more competitive power arrangement to allow the smelter to run at its current full capacity, operating as a smaller smelter through curtailment, or closure.

PEOPLE

Building a workplace where we all feel valued, connected and can grow

767	225	10.1%
Full Time Equivalent (FTE) employees	Full Time Equivalent (FTE) contractors	Female employees (FTE)
16	\$90.9M	7.9%
Apprentices	Salaries and benefits paid	Employee turnover

People Phil Macaskill, NZAS' longest-serving employee, retired after 47 years.

Family Day was held to show family members where their parents and grandparents work.

PARTNERSHIP

Building relationships that enable us to operate and pioneer progress

\$54,124	25	0
Community investment	Community organisations supported	Significant community complaints

Partnering to operate



Supported the Graeme Dingle Foundation Southland's Kiwi Can Programme, which sets a foundation of values and life skills for children from 5-12 years of age.

Southland Science & Technology Fair—representation on the committee and providing the majority of judges.

Education partnership with Southland Girls' High School—four top performing Year 13 students carried out engineering projects on site.

Environmental stewardship

0

Significant environmental incidents

NZAS received Aluminium Stewardship Initiative (ASI) certification for responsibly produced aluminium—the highest internationally recognised standard, which sets us apart as producers of safer, smarter, sustainable metal.



Economic contribution to New Zealand

(includes salaries, partnerships, in-kind support, taxes, total national supplier spend)

\$595M



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OUR OPERATION

New Zealand's Aluminium Smelter (NZAS) converts alumina into aluminium using renewable hydroelectricity, resulting in one of the lowest carbon footprints for an aluminium smelter anywhere in the world.

The smelter is located on Tiwai Peninsula in Southland. NZAS is a tolling plant, producing primary aluminium in the form of ingot, billet, rolling block and t-bar. The smelter's alumina is supplied from refineries in Queensland and Western Australia. Approximately 90% of the aluminium produced at NZAS is exported.

NZAS is a joint venture owned by Rio Tinto (79.36%) and Japan's Sumitomo Chemical Company (20.64%).



CASE STUDIES

Positioning Tiwai for Success

NZAS is a pioneer in producing low-carbon, high-purity aluminium. The smelter's products go into high-tech applications and hardware across the IT, transport and construction industries, and are essential for human progress. Launched in 2019, the 'Positioning Tiwai for Success' (PFS) programme harnesses the smelter's proud heritage and innovative thinking to create a better future for employees, contractors, the business and partners by focusing on the five key priorities of Safety, People, Partnerships, Cash and Growth. Maintaining employee engagement, morale and safety to create an environment that allows people to achieve and exceed financial, operational and safety goals, is critical to our future.

Business Improvement - \$10k banked initiative

NZAS continually seeks to improve its cash position. In 2019, as part of the Positioning for Success strategy, the '\$10k banked' initiative was launched, along with other cash-generation projects. The intention was for each person on site to contribute \$10k worth of improvements to deliver cash back to the business. The Building Full Potential 'Deep Dive' workshops were held in May, with more than \$8.2M of initial ideas being generated. At year end, the target of \$7.5M was exceeded, with the site achieving total savings of \$7.95M. Idea-generation sessions are being scheduled across site in 2020 to target an additional \$7.5M of savings.

NZAS won Southland Business Excellence Award

NZAS was recognised as an outstanding Southland business by winning the Construction, Trades, Manufacturing & Distribution category at the 2019 Westpac Southland Business Excellence Awards. The smelter was also a finalist in the Innovation category for the IT team's cutting edge virtual reality technology.