

Case Study

# Aluminium Duffel

European leader in the manufacture  
and sale of aluminium rolled products  
for diverse industries worldwide.





## Company Overview

Aluminium Duffel is a European leader in the manufacture and sale of aluminium rolled products for diverse industries worldwide. It features state-of-the-art technology, including the widest Automotive cold rolling mill in Europe and a CALP-line (Continuous Annealing Line with Pre-Treatment). Their manufacturing facilities produce rolled aluminium for everything from highly designed cladding for building facades to automotive body sheet. Almost everything they make is manufactured to specific customer requirements. They employ around 1.000 people and produce 200.000 tons of high-value aluminium rolled products annually.

An aluminium manufacturer possesses several key strengths that contribute to its success in the industry. These strengths are represented by the unique features of aluminium, a material known for its lightweight yet durable nature. Aluminium's excellent corrosion resistance makes it suitable for various applications, while its high strength-to-weight ratio is advantageous in weight-sensitive industries like aerospace and automotive. Furthermore, aluminium is highly recyclable, aligning with eco-friendly practices and sustainability goals. The versatility of aluminium is a notable advantage, as it can be easily extruded, cast, machined, and formed into various shapes and sizes to suit specific requirements. Its superior thermal conductivity makes it ideal for applications requiring heat dissipation. Moreover, aluminium's modern appearance enhances its appeal in architectural and design contexts, such as windows and curtain walls. Sustainability is further promoted through energy-

efficient manufacturing processes, reducing the carbon footprint. Aluminium manufacturers often offer cost-competitive solutions, considering long-term benefits and reduced maintenance costs due to aluminium's corrosion resistance and durability. Customisation options allow customers to specify product dimensions and finishes. Leading aluminium manufacturers invest in research and development to innovate and develop new alloys, technologies, and applications. With a global presence and strong supply chains, they ensure a steady source of raw materials and finished products. Rigorous quality control processes guarantee product consistency and reliability, while years of industry expertise enable them to provide effective solutions and address customer needs comprehensively. These combined strengths establish aluminium manufacturers as competitive and adaptable players across various industries.

One of the biggest challenges was overcapacity, particularly in China, which led to a surplus of aluminium in the global market. This oversupply put downward pressure on aluminium prices and created challenges for producers who struggled to operate profitably in this environment. Trade tensions and tariffs were another major concern. Trade disputes, especially between the United States and China, had a direct impact on the global aluminium market. These disputes and associated tariffs could disrupt supply chains, affecting both the cost and availability of aluminium. Environmental regulations also weighed heavily on the aluminium industry. Stricter environmental standards required costly upgrades to reduce emissions and improve sustainability. As a consequence, these

regulatory requirements impacted on the production costs for aluminium manufacturers. Furthermore, aluminium production is energy-intensive, making it susceptible to fluctuations in energy prices. Variations in energy costs, especially in regions with high energy prices, could significantly affect the cost structure of aluminium.

## The Challenge

Given that Aluminium Duffel generates 20% of its revenues in the United States, their business is exposed USD foreign exchange risk. Their company policy is to be risk-averse towards market price fluctuations and their treasury department was looking for a way to reduce their foreign exchange exposure, as much as possible.

Aluminium Duffel's treasury department was approaching banks and brokers to assist in this case – to provide credit lines, and also to offer technical support in the use of FX derivatives.

## Why Corpay?

At the decision-making stage, what multiple aspects made Corpay stand out from the crowd, such as the sense of reliability, their automated processes, the flexibility of their solutions, but most of all their comprehensive product offering that helped solved our problems.

Corpay has an outstanding client-facing team who supports their clients proactively and professionally, and who are always thinking outside the box. Their team is very approachable, friendly, knowledgeable, hands-on, and tackles issues immediately. Furthermore, Corpay has an efficient KYC process, which enabled us to be onboarded quickly.

Corpay connects us with the ability to act and react very quickly to changing market situations and offers connectivity directly, or through, our 360T software. Moreover, their team is in very close contact to the customer, which means they can be reached in a blink of an eye.

## The Solution & Results

- Our foreign exchange exposure has been reduced by approximately 20% overall.
- We are saving effort and time thanks to Corpay's hands-on and customer-friendly approach. No chasing or reminders are needed for this team.
- Increased knowledge by the very approachable Corpay Team.
- Very lean and quick KYC process.

Delivering 20% of its aluminium rolled products in the US market, Aluminium Duffel's Treasury Department was looking to lower its USD foreign exchange exposure. At the same time, Aluminium Duffel was approached by the Corpay Team who immediately understood our needs and suggested the right solutions. Given that a quick resolution was necessary, it came in handy that Corpay has an excellent and efficient KYC process with a quick turnaround time. With the Corpay Team always available for immediate feedback and support, they are able to (re)act swiftly to changing markets.

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