

Environmental & Responsible Sourcing Annual Report for 2015

This is our first annual sustainability report. We have numerous key performance indicators where we intend to measure our progress and set improvement objectives and targets for the coming years. We have benchmarked our current and future aspirations against our industry sector and have independently verified our data and information.

Supreme understands it has a responsibility to consider the operating carbon impact of all the activities associated with concrete manufacturing and transportation of its products.

We are committed to the protection of the environment and conducting our production operations in an environmentally responsible manner.

The company has a documented Environmental Management System (EMS), which is certified by BSI as being compliant with the requirements of the international EMS standard BS EN ISO 14001:2004. The EMS provides a framework for Supreme to reduce its negative impact on the environment by ensuring compliance with all relevant legislation, minimising pollution risks and committing to continually improve environmental performance.

Supreme commits to undertake the following:

- Identify and minimise environmental risks.
- Maximise the efficient use of resources including energy and water use.
- Minimise the emissions of greenhouse gases associated with our operations.
- Minimise waste.
- Identify efficiency savings.
- Help employees become aware of environmental issues.

Supreme Concrete is committed to operate to the principles of responsible sourcing and sustainable development and recognises that BES 6001 (Issue 3.0 2014) “Framework Standard for Responsible sourcing of Construction Products” provides an appropriate framework for structuring its operations and demonstrating performance to stakeholders.

Supreme Concrete Metrics Summary for 2015

Metric	Unit of Measure	2014 Verified Data ¹	2015 Verified Data ¹	2015 BPCF Indicator	Supreme 2016-20 Target
Quality	<i>Sites operating a QMS certified to ISO 9001 (%)</i>	100	100	84.3	Remain at 100%
Environmental	<i>Sites operating an EMS certified to ISO 14001 (%)</i>	100	100	86.3	Remain at 100%
Responsible Sourcing	<i>Sites certified to BES 6001 (%)</i>	0	0	62.6	Gain certification in 2016
Total Energy Use	<i>kWh/tonne</i>	24.3	25.3	46.8	Maintain below BPCF target
Total Carbon Dioxide (CO ₂)	<i>kg CO₂/tonne</i>	8.6	8.7	12.6	Maintain below BPCF target
Mains Water	<i>litres/tonne</i>	86.36	75.46	99.8	Maintain below BPCF target
Waste to Landfill	<i>kg/tonne</i>	4.0	4.8	0.56	Targeted reduction
Transport of Delivered Product	<i>Average km/delivery</i>	Not declared	138	110	Exceed BPCF target
	<i>Average tonne/ delivery</i>	Not declared	20.9	16.4	Exceed BPCF target
Employee Training	<i>hrs/employee</i>	Not declared	15.9	13.89	Exceed BPCF target
Local Communities	<i>Sites operating local community liaison schemes (%)</i>	Not declared	0	27.3	Introduce new assessment in 2016
	<i>Environmental incidents & complaints</i>	0	0	0	Maintain at zero
	<i>Sponsorship/ charitable donation (£)</i>	Not declared	0	N/a	No target
Health & Safety	<i>Sites operating an HSMS (%)</i>	100 (not certified to ISO 18001)	100 (not certified to ISO 18001)	Not declared	Remain at 100%

¹ - Independently verified data

Our Commitments to Continual Improvement during 2016



Quality Management System

- Maintain 100% certification to ISO 9001:2008 across the whole business.
 - Measure and manage the quality of our products at all locations.
 - We will aim to understand our customer feedback and complaints, and look to address root cause.
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Environmental Management System

- Maintain 100% certification to ISO 14001:2004 across the whole business.
 - Continue to ensure that we minimise our environmental impacts on the environment and do not undertake environmentally harmful action.
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BES 6001 Responsible Sourcing

- Implement the concept of Responsible Sourcing and make it a key part of all areas of our business.
 - Aim to attain certification to BES 6001 (v3.0) in 2016.
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Energy Management

- Maintain below the British Precast (BPCF) target for total energy used (kWh per tonne of production).
 - Strive to reduce our energy across our business, with assessments of greener alternatives to electricity and fossil fuels.
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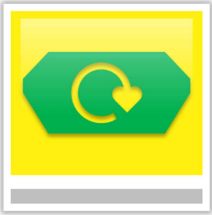
Carbon Management

- Maintain below the British Precast (BPCF) target for CO₂ emissions (kg CO₂ per tonne of production).
 - Continue to monitor and measure levels based on analysis of purchased energy and transport within our business and supply chain.
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Water Management

- Maintain below the British Precast (BPCF) target for mains water usage (litres per tonne of production).
 - Continue to monitor and measure mains water usage at site level and where possible, reduce our water consumption further.
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Waste Management

- Aim for a target reduction of waste sent to landfill. Due to geographical restrictions, some of our concrete waste is being sent to landfill.
 - Choose providers, where commercially practicable, who limit or actively reduce waste to landfill.
 - Assess our service providers annually to establish their commitments to the waste hierarchy.
 - Continue to segregate waste on sites, where practicable, to assist in landfill avoidance.
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Transport Management - Delivered Product

- Exceed the British Precast (BPCF) target for delivery mileage and optimising loads (average km per delivery; average tonnes per delivery).
 - Continue to use customer management and transport planning to improve and optimise haulage routing and delivered product loads.
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Employee Training & Development

- Exceed the British Precast (BPCF) target for training hours per employee.
 - Continue to train our employees to the highest standards for operational needs.
 - Support personal development, where appropriate, for individual progression and development.
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Local Communities

- Continue to encourage dialog and engagement with stakeholders and local communities where our business operates.
 - Continue with a target of no environmental or disturbance complaints in any given period.
 - Engage with our teams to nominate local charities based in and around the locality of each site. Supreme will contribute annual donations, based on the company's Charitable Donations Policy.
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Health & Safety Management

- All sites will operate to company Health & Safety Management System.
 - All sites will be audited each year to ensure compliance to legal and other requirements, and for continual development.
 - Continue to monitor and measure metrics for safety concerns and incident reporting, and ensure the highest levels of welfare and training.
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Greenhouse Gas Report 2015

Reporting Period

1st January 2015 to 31st December 2015

Organisational Boundary

We have used the financial control approach.

Operational Scopes

We have measured our Scope 1 and 2 emissions. We have not carried out sufficient measuring of Scope 3 emissions to report on.

Base Year

We have a fixed base year of 2014. We chose this year as it was the first year for which we considered we had reliable data and it was typical in respect of our operations.

External Assurance Statement

As part of Ibstock PLC, Supreme's data has been collated with the other members of the IBP Group, and we have received an independent external assurance statement from Lucideon CICS Limited. The assurance statement is available on request.

Carbon Offsets

We have not purchased any carbon credits (which reduce our GHG emissions).

GHG emissions summary for 2015

Metric	Unit of Measure	2014 Data (base year)	2015 Data	Supreme 2016-20 Target
Scope 1				
<i>Gas Oil Process Consumption</i>	<i>tonnes CO₂e</i>	976.5	845.1	Reduce by 20% (to base year)
<i>Kerosene Process Consumption</i>	<i>tonnes CO₂e</i>	136.1	109.5	Reduce by 20% (to base year)
<i>Leased Transport (Diesel)</i>	<i>tonnes CO₂e</i>	Not calculated	125.5	No current target
Scope 1 Total	<i>tonnes CO₂e</i>	1,112.6	1,080.1	
Scope 2				
<i>Purchased Electricity</i>	<i>tonnes CO₂e</i>	1,182.7	968.6	Reduce by 20% (to base year)
Scope 2 Total	<i>tonnes CO₂e</i>	1,182.7	968.6	
Scope 3		Not calculated	Not calculated	Ongoing review to measure Scope 3 emissions
Outside of Scopes				
<i>Forecourt Diesel (average biofuel blend)</i>	<i>tonnes CO₂</i>	Not calculated	4.2	No current target
Outside of Scopes Total	<i>tonnes CO₂</i>	Not calculated	4.2	
Total Gross Emissions	<i>Global tonnes of CO₂e</i>	2,295.3	2,052.9	Reduce by 20% (to base year)