



PPN 06/21 - Carbon Reduction Plan

Supplier Name: **Aggregate Industries UK Limited**

Publication Date: **September 2023**

This Carbon Reduction Plan captures the operations of Aggregate Industries UK Limited and all its subsidiaries.

Introduction

Aggregate Industries is one of the UK's leading construction materials suppliers. We're at the frontline of the construction industry, producing and supplying an array of construction materials. With over 200 sites and around 3,700 dedicated employees, we're home to everything from aggregates, asphalt, ready-mixed concrete, cement and precast concrete products. On top of that, we produce, import and supply construction materials, export aggregates and carry out national road surfacing and contracting services.

We are very conscious of our impact on the environment and are transitioning our business to play a significant role in the decarbonisation of the construction sector. Sustainability has long been at the heart of our business, from our values to our vision and is one of our strategic pillars and our people are leading a transformation of the construction industry to a more sustainable future.

We already have a well developed sustainable product range such as ECOPact, our low carbon concrete or Superlow, our carbon neutral asphalt. And we continue to invest in R&D and innovation to bring the most sustainable products to market.



Our Commitment to Net Zero

It is now widely accepted that climate change is happening as the world is facing significant global challenges, including those related to the climate. This presents us with the greatest challenge of our time and by accepting this challenge:

“Aggregate Industries is committed to achieving Net Zero emissions before 2050”

We are reviewing every aspect of the way we do business and we are working with our customers and industry partners to accelerate green construction in the UK.

Our cement business accounts for the vast majority of our emissions and we have already worked hard to reduce CO₂ emissions by investing in technology and developing new operating procedures. We have a 1.5°C Science-Based, [Net Zero Roadmap](#) in place for our cement division with robust targets and further investment opportunities to decarbonise our cement production by 2030.

Our plans are fully aligned with our owner Holcim Group, who were the first building materials supplier in the world to sign up to the Science Based Targets initiative's (STBi) 'Business Ambition for 1.5°C' demonstrating a genuine desire to achieve real and lasting change in protecting the environment.

Baseline Emissions Footprint - where are we now?

An important part of understanding how we can reduce emissions is to measure what is currently emitted from our operations, on the basis that “what gets measured gets managed”. We have calculated our emissions using the Department of Environment, Food and Rural Affairs (Defra) conversion factors.



We provide our baseline emissions for 2020 below alongside our latest 2022 emissions:

Baseline Year: 2020	
Additional Details relating to the Baseline Emissions calculations.	
<p>Our baseline year is 2020 as we have not previously calculated our scope 3 emissions as required by PPN 06/21.</p> <p>Our upstream emissions include fuels and raw materials used in the manufacturing of our products from external suppliers. Our downstream calculations also include inter unit transfers of our aggregates and cement supplied to our own factories.</p>	
Baseline year emissions:	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1 Includes liquid fuels, gases, waste derived fuels (WDF)	1,126,088*
Scope 2	67,171
Scope 3 Including upstream transport of raw materials & fuels, waste, business travel, employee commuting, downstream transport, and imported cement & clinker.	564,336 *
Total Emissions (tonnes)	1,757,595* *figures revised from 2020 report



2022 emissions:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1 Includes liquid fuels, gasses, waste derived fuels (WDF)	727,859
Scope 2	46,148
Scope 3 Including upstream transport of raw materials & fuels, waste, business travel, employee commuting, downstream transport, and imported cement & clinker.	927,025
Total Emissions (tonnes)	1,701,032

Carbon Intensity

We measure our carbon using an intensity metric whereby we measure the kilograms of CO₂ equivalent per tonne of product. We express this as kgCO₂e/tonne:

In 2020 carbon intensity was 29.08 kgCO₂e/tonne, in 2022 our carbon intensity was **17.77** kgCO₂e/tonne*, a **38.9%** reduction.

**scope 1 & 2 emissions*



Our approach to carbon reduction

We have set out our approach to carbon reduction in line with the emissions hierarchy but we have added our own dimension, 'collaborate' as working in partnership with our stakeholders is key to delivering our strategy.

AVOID: We will review business decisions and work to avoid adding additional emissions, wherever possible

REDUCE: We will apply efficiency principles across all of our operations

SUBSTITUTE: We will adopt renewables and low carbon technologies where practicable

COLLABORATE:

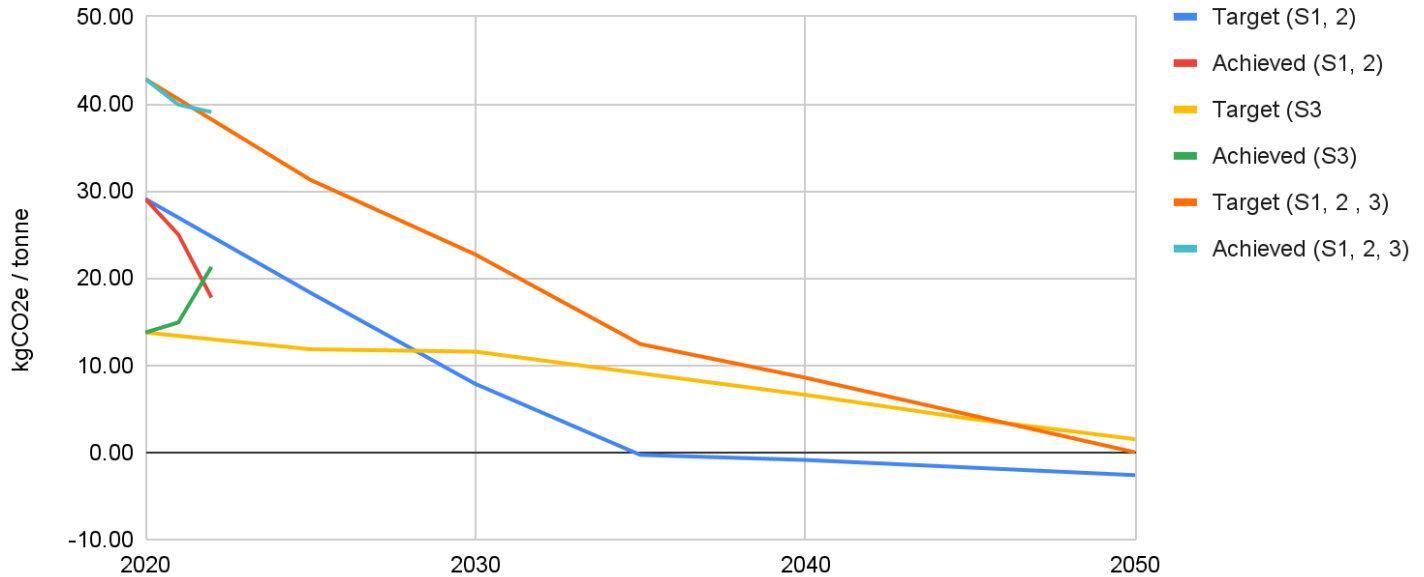
we will collaborate with all relevant stakeholders to work to reduce carbon emissions, including industry partners, customers and clients, government bodies

Emissions Reduction Targets

In 2023 we have launched our Net Zero Roadmap which provides in detail how we will achieve our vision to accelerate our journey towards Net Zero and achieve it before 2050. Within this document targets have been set for each of our business divisions in 5 year periods, with the first set due in 2025. The document can be found on our website and should be referred to for further information on specific targets and emission trajectories. The below graph summarises this plan and shows how we are currently progressing toward it. With the sale of our Cookstown cement plant there has been a significant drop in our scope 1 emissions and a near equivalent rise in our scope 3 emissions as we import more cement from outside of our operations. However, overall the trajectory of our total emissions is progressing as our strategy has set out.



Carbon Reduction Pathway



Carbon Action Plan

Traditionally we have focussed on the quality and longevity of our products. Whilst this will always be a critical component of our product development and innovation strategy, we are increasing our focus on decarbonisation and the use of recycled materials to significantly reduce embodied carbon within our products. We have made great progress so far and have a strong portfolio of sustainable products as detailed below.

Completed Carbon Reduction Initiatives:

We are accelerating our innovation pipeline to make it a greener and smarter world for all. We've already launched low carbon products across our readymix, asphalt and domestic landscaping ranges:

- Launch of ECOPlanet Green cement, reduces cement emissions by 30%
- ECOPact is a low carbon concrete that is sold at a range of low-carbon levels, from 30% to 100% less carbon emissions compared to standard (CEM I) concrete.



- Aggneo consists of a 50% blend of recycled aggregates.
- Bradstone ECO ranges - the same beautiful paving with a reduced carbon footprint of more than 20% and OldTown ECO Evolve - an even more sustainable choice with 35% less carbon

In addition to this we conduct a management systems approach to our every day operation and apply the principles of continuous improvement. Aggregate Industries are certified to ISO 14001 (Environmental Management standard), ISO 50001 (Energy Management standard) and PAS 2080 (Carbon Management in Infrastructure).

ISO 14001 and ISO 50001 have helped improve energy management and so reduce CO₂

PAS 2080 is focused on the products we supply to infrastructure projects where there is a need to demonstrate continuous improvement in reducing carbon in our products.

Future Carbon Reduction Initiatives:

We are working hard to identify opportunities to decarbonise our operations by developing net zero action plans for each of our business divisions. We have identified the following initiatives that will be applied in the delivery on any contract:

Carbon Reduction Actions	
Smart meters and data management	<ul style="list-style-type: none"> ● Roll out smart metering and energy data management across all operational sites. COMPLETED
Renewable and zero carbon electricity	<ul style="list-style-type: none"> ● Procurement of low carbon electricity supplies with zero emissions - COMPLETED ● Develop a renewable energy strategy - COMPLETED ● Instal renewable energy at our sites where feasible - ONGOING
Energy Management	<ul style="list-style-type: none"> ● Develop an energy and carbon savings strategy - COMPLETED
ISO 50001 Energy management Accreditation	<ul style="list-style-type: none"> ● Implement & maintain ISO 50001 Energy Management Accreditation to continually improve our energy efficiency and energy management plan. - COMPLETED
Low carbon and alternative fuels	<ul style="list-style-type: none"> ● Increase the use of low carbon and alternative fuels in our operations - ONGOING
Product Innovation	<ul style="list-style-type: none"> ● Increase our focus on decarbonisation and the use of recycled materials to significantly reduce embodied carbon within our products - ONGOING



Carbon Reporting	<ul style="list-style-type: none"> • Create a carbon calculator to enable us to report our product carbon footprint to customers - COMPLETED
Minimise waste	<ul style="list-style-type: none"> • We will apply the principles of the waste hierarchy and minimise waste generated across all our operations - ONGOING
Investigate use of future technologies	<ul style="list-style-type: none"> • We will explore carbon capture technologies that effectively collect CO2 from industrial processes and review the use of hydrogen - ONGOING

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standards for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard[1] and uses the appropriate Government emission conversion factors for greenhouse gas company reporting[2].

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard[3].

This Carbon Reduction Plan has been approved by the Aggregate Industries Executive Committee.

Signed for and on behalf of Aggregate Industries Limited:

Name: Kirstin McCarthy

Role: Sustainability Director

Signature:  DocuSigned by:
Kirstin McCarthy
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