



# PPN 06/21 - Carbon Reduction Plan

Supplier Name: **Aggregate Industries UK Limited**

Publication Date: **30th September 2021**

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

## Introduction

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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

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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 by 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.

Currently our cement business accounts for the vast majority of our emissions and we have already worked hard to reduce CO<sub>2</sub> emissions by investing in technology and developing new operating procedures. We already have a 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 the Holcim Group, who set an ambitious pledge to get Net Zero by 2050. Holcim is 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?

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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 and this is also our current emissions year:

**Baseline Year: 2020 - this is also our current emissions year**

**Additional Details relating to the Baseline Emissions calculations.**

**Our baseline year is 2020 as we have not previously calculated our scope 3 emissions as required by PPN 06/21.**

**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.**

**Baseline year emissions:**

<b>EMISSIONS</b>	<b>TOTAL (tCO<sub>2</sub>e)</b>
<b>Scope 1</b> <b>Includes liquid fuels, gases, waste derived fuels (WDF)</b>	<b>1,059,739</b>
<b>Scope 2</b>	<b>67,180</b>
<b>Scope 3</b>	<b>Upstream transport of raw materials &amp; fuels: 46,043 tonnes.</b> <b>Waste: 462 tonnes</b> <b>Business travel: 130 tonnes</b> <b>Employee commuting : 3608 tonnes</b> <b>Downstream transport: 139,970 tonnes</b>
<b>Total Emissions (tonnes)</b>	<b>1,317,132</b>



## Carbon Intensity

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We measure our carbon using an intensity metric whereby we measure the kilograms of CO<sub>2</sub> equivalent per tonne of product. We express this as kgCO<sub>2</sub>e/tonne:

In 2020 carbon intensity was **28.2** kgCO<sub>2</sub>e/tonne\*

\*scope 1 & 2 emissions.

## Our approach to carbon reduction

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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

**OFFSET:** We will create offsetting opportunities where we cannot reduce or eliminate carbon

### **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

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Cutting our emissions to Net Zero is a journey. Whilst our vision is clear, we will accelerate our journey towards Net Zero and achieve it before 2050. The solutions will become clearer in time as technology evolves and will be at the forefront of promoting innovation to decarbonise our material production process and operations.

Our short term target is:

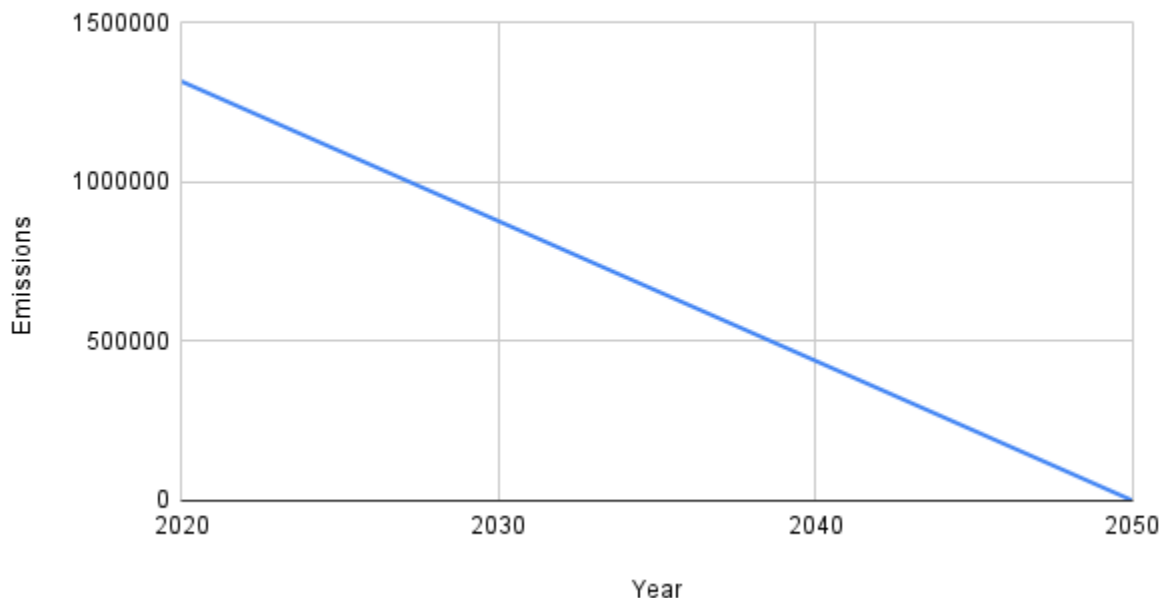
**To reduce our carbon emissions intensity by 10% by 2025\***

We will measure our carbon intensity and report annually on our performance.

We are currently taking a deep dive review into our operations to identify opportunities to decarbonise by developing net zero action plans for our business divisions. This will include new targets and we will update this plan once this exercise is completed.

The graph below shows current emissions and our projected pathway to 2050.

### Carbon reduction



\*scope 1 & 2 emissions.



AT THE HEART OF CONSTRUCTION



## Carbon Action Plan

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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:

- 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.
- SuperLow is the UK's first carbon neutral asphalt - low carbon asphalt with the remainder offset.
- 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 CO<sub>2</sub>

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	
<b>Investment in smart meters and data management platform</b>	Investment in smart metering and energy data management platform to collect and combine procurement, usage, and sustainability information from multiple data sources to improve and accelerate consumption visibility, emissions management and sustainability reporting.
<b>Renewable and zero carbon electricity</b>	Procurement of low carbon electricity supplies with zero emissions. We will also develop a renewable energy strategy, installing renewable energy at our sites where feasible.
<b>Energy Management</b>	Development of energy and carbon savings management plan and system to address climate impact, support emissions reduction and business growth strategy.
<b>ISO 50001 Energy management Accreditation</b>	Implementation and maintaining ISO 50001 Energy Management Accreditation to continually improve our energy efficiency and energy management plan.
<b>Heat and power consumption golden rules</b>	Implementation and application of onsite operational golden rules to reduce heat and power consumption and drive energy efficiency.
<b>Low carbon and alternative fuels</b>	Increase the use of low carbon and alternative fuels in our operations
<b>Product Innovation</b>	Increase our focus on decarbonisation and the use of recycled materials to significantly reduce embodied carbon within our products
<b>Carbon Reporting</b>	Measure embodied product carbon and decarbonise our product range. Report our product carbon footprint to customers and work with them to support the design of low carbon schemes
<b>Minimise waste</b>	We will apply the principles of the waste hierarchy and minimise waste generated across all our operations



**Investigate use of future technologies**

We will explore carbon capture technologies that effectively collect CO2 from industrial processes and review hydrogen

## Declaration and Sign Off

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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: K McCarthy

Date: 30th September 2021