

Environmental Social Governance

2022 - 2023

Delivering ESG through
Invest. Improve. Integrate. Innovate.

SigmaRoc

Registered number: 05204176

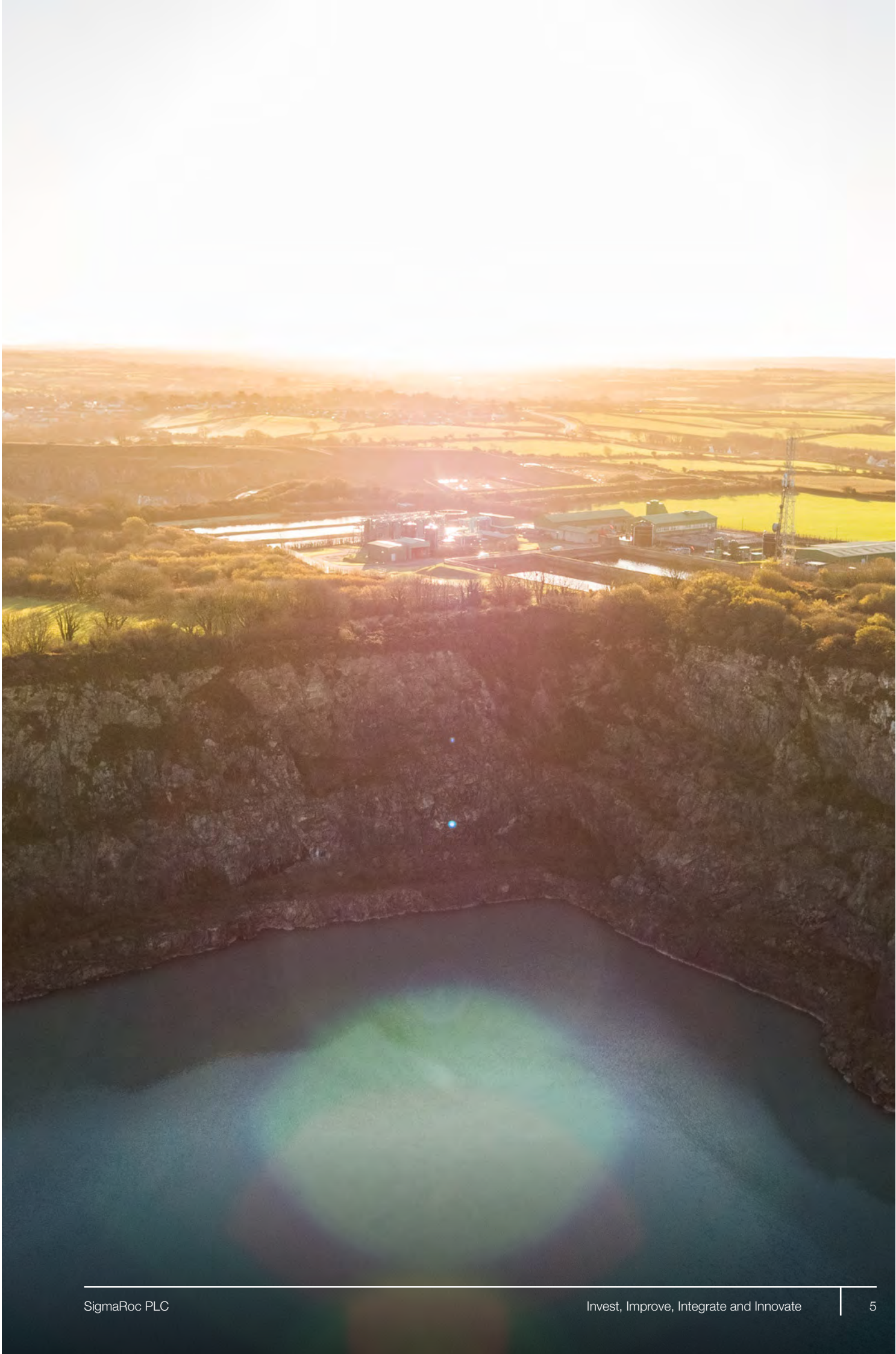
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ENVIRONMENT

- Published first ESG report which contains extensive detail on its Environmental, Social and Governance policies and initiatives, as well as a detailed roadmap to net-zero.
- Strategic JV agreement with ArcelorMittal to create a new net-zero European lime producer.
- Partnership with Aqualung to construct Europe's first industrial scale carbon capture facility, with the objective of rolling out across the Group's entire kiln network and capture all kiln process emissions by 2030.
- Continued investment in Greenbloc manufacturing facilities to keep pace with demand.
- Accelerated collaboration with Marshalls on pushing existing technologies to their limits while also developing new manufacturing techniques for low carbon and carbon free products.
- Increase green energy sourcing initiatives including new wind and solar installations and further increases of existing solar capacity on site at Soignies
- Energy surveys commissioned across platforms that have found multiple opportunities and savings.
- PPG platform acquired and developed additional UK sites to facilitate the development and manufacture of ultra-low carbon products



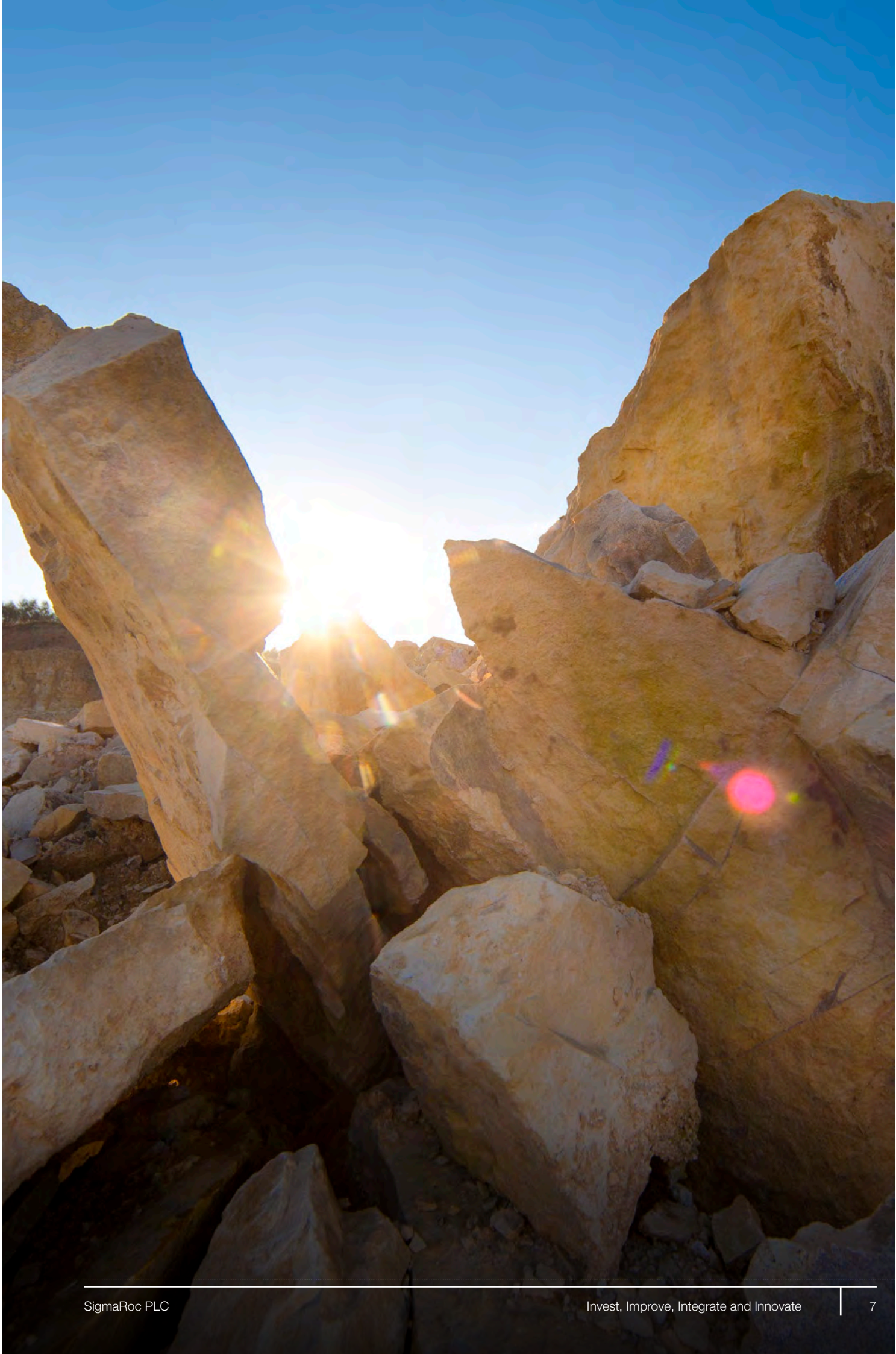
SOCIAL

- 13% year-on-year reduction in incident frequency rate; 19% reduction in serious harm frequency rate and over 70% year-on-year increase in near hit, hazard, and risk reporting. This data is not just limited to employees, but included all those that work on our sites including contractors.
- Climate and supervisor surveys that has allowed each business to focus on key areas identified by our employees.
- Continued development of our working relationships with the military and military employment charities
- Engagement of apprenticeship schemes as well as school and university placements to offer careers to those both at the start of their careers or those looking for change or coming back to work later in life.



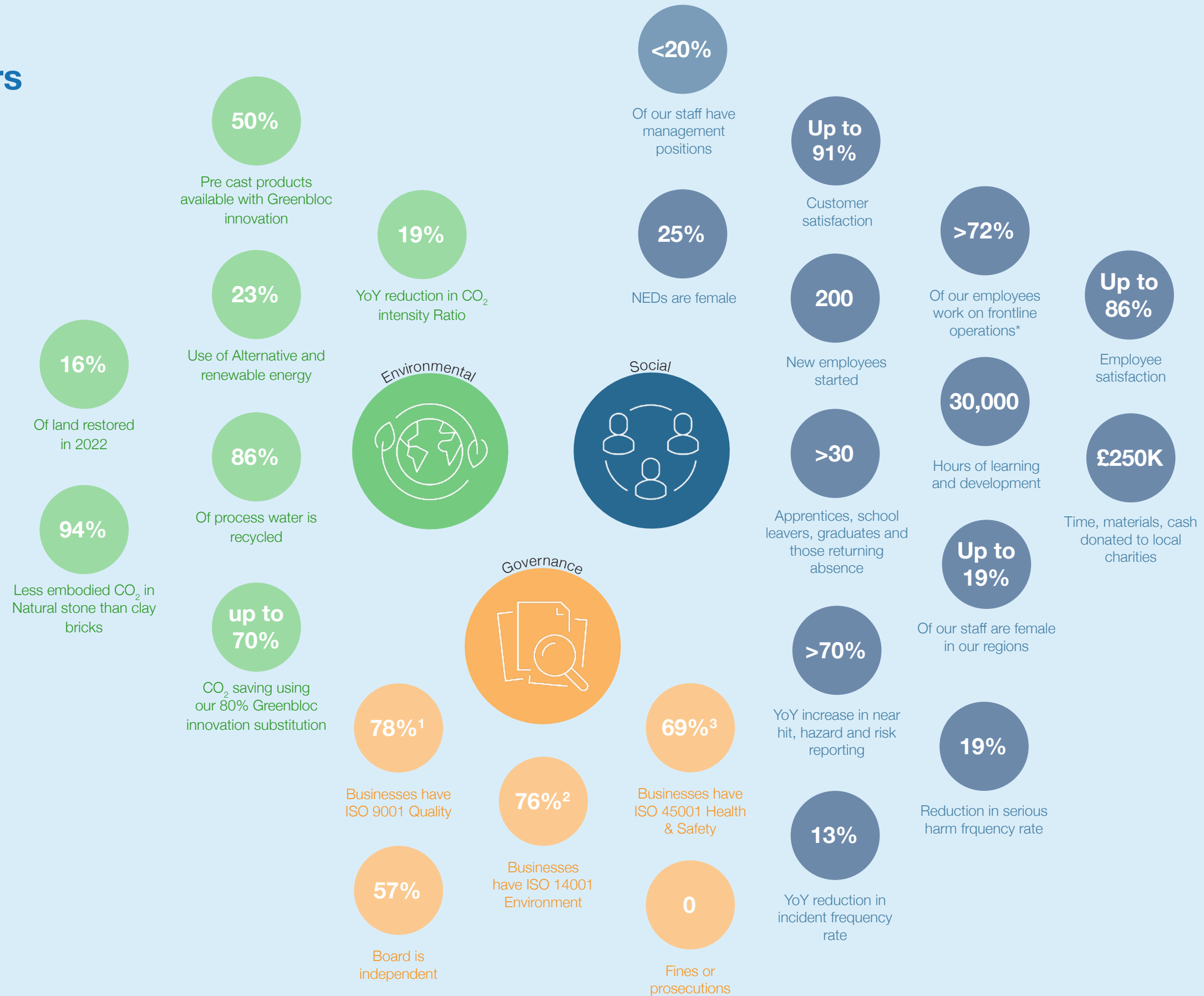
GOVERNANCE

- Appointment of Axelle Henry as an independent NED.
- Appointment of Company Secretary to bolster the Group's already strong corporate governance function, reporting to the Board on all compliance related matters.
- Alignment of cyber security policy as well as other overarching policies across the Group.
- Enhancement of governance education within the Group through the use of Formity training and compliance system.



SRC OVERVIEW

ESG in numbers



^{1,2,3} Based on Group Revenue, not number of businesses

Executive summary



SRC OVERVIEW

Executive Summary

Dear Shareholders,

2022 represented a real validation of our model as SigmaRoc delivered significant financial, strategic and ESG progress, despite a volatile and at times extremely challenging backdrop. Our achievements reinforce our belief that the businesses that form this Group and the more than 2,000 people that work for them, are of exceptional quality.

This is particularly true of the operational and sales staff who, across the Group, had to contend with a series of acute challenges ranging from rapid cost inflation, energy availability and supply chain disruption. It is also true of the various support teams, who in a complicated year managed to keep the ship on course to deliver on all priorities we set well before 2022 started.

In April 2022 the Group published its first ESG report which contains extensive detail on its Environmental, Social and Governance policies and initiatives, as well as a detailed roadmap to net-zero. This report continues to provide further detail on a large number of initiatives already in place across the Group to manage its energy use and sourcing, as well as accelerate its successful track record in innovation to both meet demanding ESG targets and further enhance competitiveness.

In summary, we aim to:

- provide the option for 100% of manufactured products to utilise waste/recycled materials by 2025;
- utilise 100% of production materials by 2027;
- be free of fossil fuel use by 2032; and
- achieve net-zero by 2040.

We are not aware of any other operator in the lime sector having committed to these targets and no other building materials producer is presently able to offer certified products with ultra-low carbon credentials totally free of cement, across the entire range of its products.

More specifically, feasibility studies have been initiated across the Group to further increase green energy sourcing. These include new wind and solar installations and further increases of existing solar capacity on site at Soignies.



Max Vermorken

CEO

Executive summary

Furthering our governance initiatives, Julie Kuenzel was appointed as Company Secretary in September 2022. Julie holds a Bachelor of Commerce Degree, is a Chartered Accountant and working toward membership with the Chartered Governance Institute UK & Ireland. Julie has over 20 years’ experience working in a wide range of industries in senior management positions. More recently, Julie has been focussed on providing financial and corporate governance advice to listed companies. Julie replaced Westend Corporate, who remain as the Group’s financial accountants. Julie’s appointment bolstered the Group’s already strong corporate governance function, and she reports to the Board on all compliance related matters.

In April 2022, Axelle Henry joined the Board as an independent NED. Ms Henry brings significant financial skill to the Group given her role as CFO of a major investment fund and also adds fresh perspective to the Board with her knowledge of sectors which are more brand and innovation oriented.

To support both our businesses and our communities, we are continuing to develop our working relationships with the military and military employment charities and are registered with the Career Transition Partnership. We will help facilitate resettlement and transition from military to civilian life as well as support civilian spouses and partners of serving and ex-Forces personnel on their journey into employment.

Across all our platforms, our business model of local business for local communities ensures that we continue to integrate into the areas we work, supporting both other local businesses, projects, and communities.

Safety:

The Group has continued to progress and improve its safety culture in 2022 by focusing on 3 key areas:

- 1. Structure & Compliance by ensuring corrective actions are properly closed out and on time;
- 2. Proactive Prevention by focusing on each businesses’ 3-5 core risks; and
- 3. Learn & Improve through thorough investigations and timely communication.

We are pleased to report a 13% YoY reduction in incident frequency rate; 19% reduction in serious harm frequency rate and over 70% YoY increase in near hit, hazard and risk reporting, taking into account all those that work on our sites, employee and contractors alike. One positive engagement initiative, set up in Belgium in 2021, has YoY resulted in an increased engagement of nearly 400% for near hits, hazard, and risk identification and a subsequent reduction in SHIFR by 23%.

With the addition of three new businesses during the year the Group has leveraged its established health & safety tools and procedures, including the internally developed safety management system HighVizz which has helped increase reporting, decrease incidents, and improve safety awareness and culture.

Net Zero:

In September 2022 the Group entered into a strategic

JV agreement with ArcelorMittal to create a new net-zero European lime producer. The JV will be located close to Dunkirk’s harbour and ArcelorMittal’s steelworks, with ArcelorMittal being the main consumer of the lime produced. To reduce CO₂ emissions, the lime production process will use heat recovered from the ArcelorMittal steelworks plant and biofuels rather than natural gas. The location of the operations will allow the JV to be part of the Dunkirk CO₂ hub. The combination of these CO₂ reduction initiatives will enable the JV to offer net-zero lime.

In November 2022 we announced our partnership with Aqualung to construct Europe’s first industrial scale carbon capture facility in Scandinavia, with the objective of rolling out across the Group’s entire kiln network and capture all kiln process emissions by 2030.

Innovation:

The market reaction to Greenbloc has surpassed our expectations. We have invested significantly in our own manufacturing facilities to keep pace with demand, while the PPG platform has also acquired and developed additional UK sites to facilitate the development and manufacture of ultra-low carbon construction products that go beyond concrete blocks.

From the start of this year every product currently manufactured by SigmaRoc’s PPG platform is now available in a cement-free ultra-low carbon option. 2023 will see up to 50% of all products produced across the PPG platform falling under Greenbloc low carbon alternative ranges.

Our strategic collaboration agreement with Marshalls, which was established on the back of our leadership in the market with Greenbloc, accelerated during 2022. We have multiple workstreams focusing on pushing existing technologies to their limits while also developing new manufacturing techniques. Together with Marshalls, we remain committed to improving how concrete is specified within the build environment and reducing its carbon footprint significantly.

In the Channel Islands all ready-mix concrete and concrete products are now offered with a low carbon cement blend option, and the ultra-low carbon offering for ready-mix concrete is gathering traction in the market.

In West Wales, Harries contributed to a successful “nappy-enhanced” asphalt trial, whereby 2.4km of roadway was surfaced using asphalt that contained recycled nappies. The fibres from the nappies improve binding of bitumen with aggregate, resulting in a more durable road surface which is expected to remain in situ for up to 20 years while also providing reduced road noise.

As part of our commitment to employees as well as their families and the communities they love and work in, West Wales held a Family Fun Day with over 200 people attending. This was an opportunity for everyone to come together, have fun and relax as well as raise money for local charities with additional support from other local businesses.

Forward look

The Group will continue its ongoing focus on ESG in 2023 by committing to:

- Minimising our impact on the natural environment, including watercourses and water consumption, as well as protecting biodiversity and promoting new habitats for flora and fauna everywhere we operate;
- Ensuring awareness of health & safety issues; reducing the number of work accidents, and their severity; reducing stress and promoting wellbeing; and preventing exposure to hazardous substances (including nanomaterials) to all those that work on our sites;
- Providing training and promotion of career development, as well as life-long learning and employability for our

colleagues;

- Anti-Slavery & Human Trafficking and Human Right & Community policies, both internally but also with regards to our suppliers and customers;
- Improving the material efficiency of products; and
- Ongoing cyber security evaluation, education and testing.

Finally, the Group looks forward to continuing its aggressive ESG journey with regards to Net Zero

Max Vermorken
Chief Executive Officer



SigmaRoc overview



The Group consists of 3 geographically defined core regions: the North East, West and North West. Within each region are platforms of 1-4 businesses which are grouped by product types. Each platform has an EBITDA of approximately £10-20 million and approximately 200 colleagues.

We ensure that our platforms are managed by strong entrepreneurial teams who operate independently while benefitting from the resources of a larger group.

These essential values allow us to remain agile and responsive to local customer needs.

We target organic revenue growth over the business cycle, while delivering attractive operating margin and strong cash flow.

This is then accelerated through carefully selected value enhancing acquisitions.

SRC OVERVIEW

Decentralised business model

Every acquisition is made on the basis that it can stand on its own two feet and not just be a route to market. Historically in our industry, standalone businesses have been purchased due to their individual success, often to only become routes to market and have their value eroded.

Our decentralised business model allows us to ensure that all our product and service offerings are capable of sustaining target level performance in their own right, leveraging group opportunities where it is in their best interest. This has allowed us to build a competitive construction materials group focussed on the long term benefits our industry has to offer.

The ability to extract the maximum value of every product and service we offer has been conceived on five simple statements:

1. Commodity market set apart by quality of product and service

A family approach of being local and personally known to the customer base, with the management skill and approach of a major allows our business to compete with anyone.

2. Local products that do not travel

Construction materials are a local product, consumed and produced locally, due to their high mass to price ratio. This brings a particular dynamic to the sector, focussed on local and fragmented.

3. Synergies are local not global

Each local market is different, with its own particularities, competitive pressures and local history. Our platform structure allows local synergies to be maximised that are best for each platform ensuring true cost savings and empowered businesses.

4. Agility and speed

Autonomous local managers fully understand requirements of local markets; each decentralised business can decide what is best for it at any moment in time allowing nimble reactions to changing economic environments as well as major events such as the COVID-19 pandemic and the Russian invasion of Ukraine.

5. Decentralised approach

A decentralised approach that extracts maximum competitive value from each business, reducing unnecessary central costs and ensuring self-sustaining value driven businesses by empowering autonomous management.

Our decentralised model allows our platforms and businesses to focus on their delivery whilst a lean group level structure ensures governance and performance of the operations and the ability to engage in proactive investment activities.



NEW NORTH SEA ENERGY INFRASTRUCTURE

Offshore wind farms

- Operating
- In progress or application
- Concept or development

Hydrogen-electrolyser projects

- Operating
- In progress or application

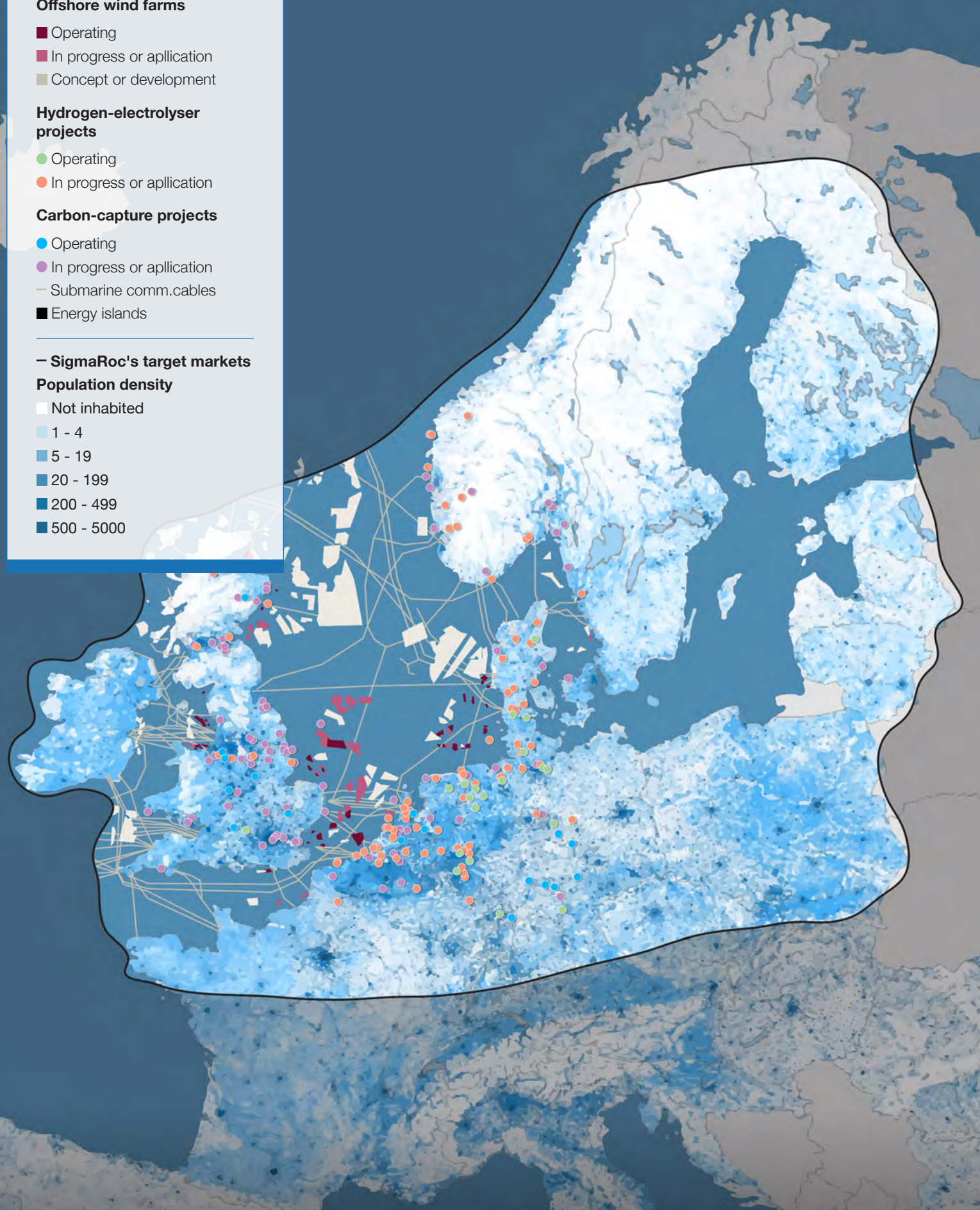
Carbon-capture projects

- Operating
- In progress or application
- Submarine comm.cables
- Energy islands

— SigmaRoc's target markets

Population density

- Not inhabited
- 1 - 4
- 5 - 19
- 20 - 199
- 200 - 499
- 500 - 5000



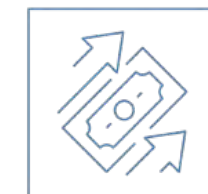
SRC OVERVIEW

To become the leading European quarried materials Group



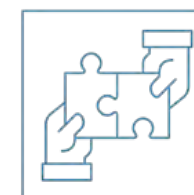
WHERE?

Northern Europe where there is high density of infrastructure, population and industry.



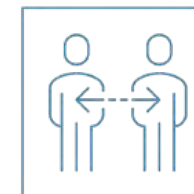
WHAT?

Quarries, lime and associated operations which benefit from barriers to entry and pricing power.



WHY?

Because these markets can be horizontally integrated to drive cost synergies.



HOW?

By implementing a local, flexible platform-based model focused on empowering and helping managers.

The power of the North Sea

The North Sea has always been economically significant, with six countries bordering it, being Belgium, Britain, Denmark, Germany, the Netherlands, and Norway. It is characterised by its high density of infrastructure, population, and industry.

There is one resource that the North Sea has an infinite amount of: awful weather. The sea has an infinite amount of wind, with average wind speeds of ten meters per second, making it one of the gustiest areas in the world. In 2022, North Sea countries auctioned 25 gigawatts in wind power capacity, making it the busiest year yet, with nearly 30 gigawatts worth of tenders scheduled for the next three years. By 2050, the North Sea countries aim to install 150 gigawatts of wind power, equivalent to 24,000 of the world's largest turbines.

However, the North Sea region is also undergoing a transformation beyond the energy sector. Carbon capture and storage (CCS) projects are multiplying in the area, as the cost of CCS is decreasing and political resistance is easing. For example, the Netherlands has the Porthos project in Rotterdam, which would capture 2.5 million tonnes of CO₂ annually for 15 years. Equinor and its partners have also completed drilling operations for a CO₂ injection well near Bergen, Norway, as part of the Northern Lights project.

Carbon capture projects are also part of SigmaRoc's roadmap towards becoming net-zero. Indeed, the Group has installed its first carbon capture facility in Q1 2023 in Scandinavia with the aim to capture all kiln process emissions by 2030. Overall, Europe currently has more than 70 CCS facilities in various stages of development.

The North Sea region is also becoming a hub for data processing and storage. The area has low electricity prices, a cold climate, a highly skilled workforce, and favourable

data laws, making it an attractive location for data centres. New submarine data cables are being installed in the region, with demand for data centres projected to grow 17% annually until 2030. Major cloud companies such as Amazon Web Services and Microsoft Azure have already built server farms in the Nordics.

The sea is the answer

Europe's shift towards renewable energy and a greener economy could draw more economic activity north. The abundant energy sources of the North Sea region, particularly wind and hydro power, have attracted companies involved in renewable energy, steel production, electric vehicle battery production, and wind turbine manufacturing. The move is expected to have a significant impact on Europe, both economically and politically.

Aker Horizons, a renewable energy firm, aims to establish a green industrial hub in Narvik, Norway, powered by offshore wind. In Boden, Sweden, h2 Green Steel is building Europe's first new steel mill in half a century that will run on green hydrogen. The energy-intensive parts of the steel production process could move to where they can be done more efficiently, near renewable energy sources, while the labor- and knowledge-intensive parts could remain in Europe's steelmaking heartlands.

Others moving north include industries such as makers of electric-vehicle batteries, which also require lots of energy to produce.

The new North Sea economy could have a profound impact on Europe. It could shift the balance of power within littoral countries, and give Europe an economic and geopolitical boost.

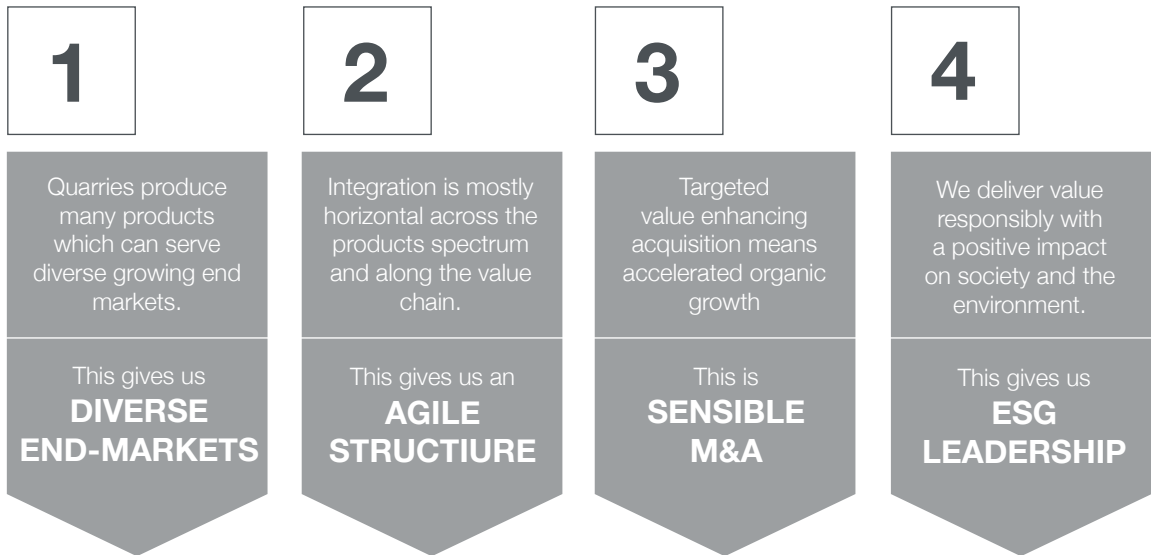
As SigmaRoc continues to expand whilst committing to its industry leading ESG targets, the Group aims to grow in the most dynamic region of Europe.

Our core operating principles and key deductions

CORE OPERATING PRINCIPLES



KEY DEDUCTIONS



Our Strategy

During the year we continued to Invest, completing three acquisitions, and entering into a strategic joint venture agreement with ArcelorMittal.

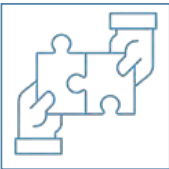
Our platforms continue to focus on Improving their businesses, as demonstrated by the increased financial and operational performance of the Group despite numerous operational challenges during the year.

Recently acquired businesses continue to be Integrated into the wider Group network. As we have done consistently

to date, we will look to integrate our newly acquired businesses and continue to unlock synergies where appropriate.

We continue to Innovate through various new and ongoing initiatives, including expanding the market reach of Greenbloc, our strategic collaboration with Marshalls, piloting Aqualung in Scandinavia with a view to decarbonising the Group’s kiln network, digitising safety reporting through HighVizz and developing other low carbon solutions such as ultra-low carbon offerings for ready-mix in the Channel Islands.

With each business, by adhering to our investment principles and applying our Improvement and Integration programs, we have ensured both improved performance and value.



The power of the Platform

Since its inception our Group has operated using platforms as the core to its operating model. The reason for this structure is fourfold and underpinned by a search for the most effective architecture for a group active in the construction and minerals space.

The strategic logic

Construction materials and industrial minerals are produced from quarries and ancillary activities. These operations typically have highly localised markets as the product does not travel far. Service and proximity to the end customer are therefore key. Local platforms based around a small number of quarries which service these local markets are therefore tactically the most relevant unit. Their proximity to end market and end customer ensures highest service levels and agility to respond to changes in local dynamics.

The building blocks

Each platform consists of a small number of compatible assets, typically starting from a series of high-quality quarries. The output of the quarries is maximised to ensure all extracted materials can find a profitable use. This leads to horizontal integration along the quarry product spectrum and sometimes local vertical integration to maximise profitability at a local level. Each platform has a dedicated General Manager and Finance Manager to oversee the activities. They report under standard reporting frameworks, both operationally and financially. Operations are managed by one or more operations and commercial managers, who keep close contact to both end markets and production. Often the General Manager has a double role also taking responsibility for either sales or production thereby keeping the organisation light.

Operational autonomy

Operationally the platforms are designed to function with maximal autonomy. Following standard operating protocols, they are encouraged to manage their destiny as if they were independent businesses. This approach ensures maximal agility at a local level, thereby targeting proximity to the end customer, best in class service levels and decision speed. Twice a month all platforms check in with central management to coordinate their local strategy. In between these formal meetings constant interaction with central management ensures a coordinated approach exists.

Operational flex

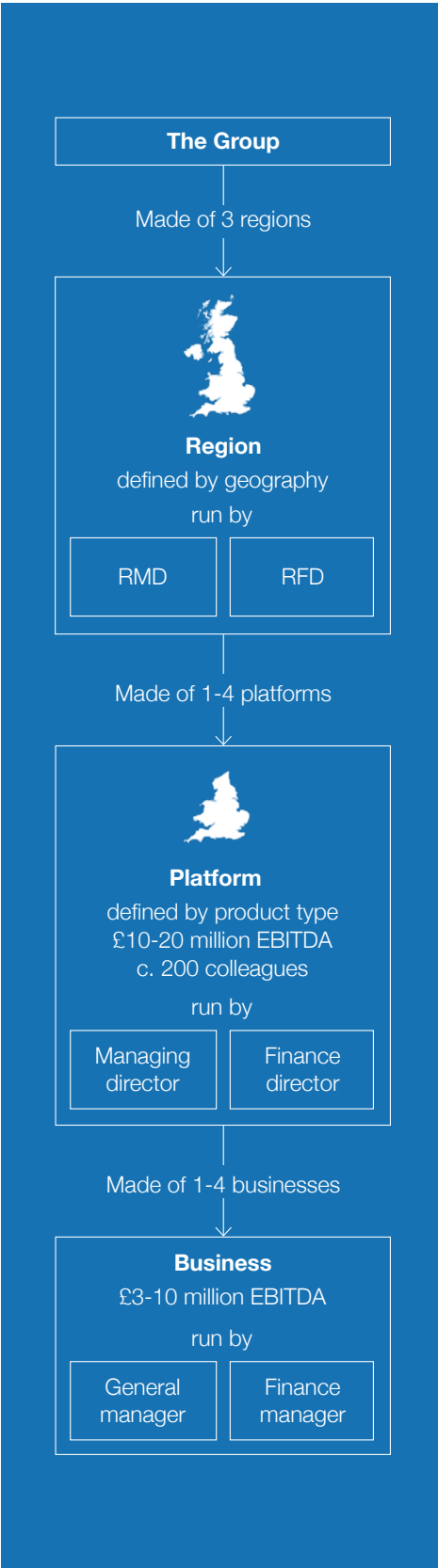
Given the local nature of the business the agility of the platforms is a key driver of the strategy. When market conditions change, given the proximity to the end market, the platforms can respond rapidly and address these changes. When input costs rise or change because of macro-economic changes, the local platforms can rapidly adjust their operating methods accordingly. As a result of this structure, our fixed to variable cost structure is much skewed to variable with nearly 70% of the costs being variable. Only an agile and locally focussed business can take advantage of this fact and adjust its operations to match market conditions. This was achieved during the many complicated years we have faced since starting the company, be it Brexit, Covid or the Ukraine conflict.

Targets and controls

A highly decentralised operating structure needs clear targets and clear controls. These are in place through various layers which cross and therefore present several interaction points. Financial and reporting and cash standards are identical for all operations. Operational performance is controlled through target metrics and output targets. Capital expenditure requires group sign-off and or centralised management to ensure maximal efficiency when capital is spent. As a result each platform’s evolution is monitored on various levels to ensure operational and financial performance.

Standardised model for an agile structure

OPERATING MODEL

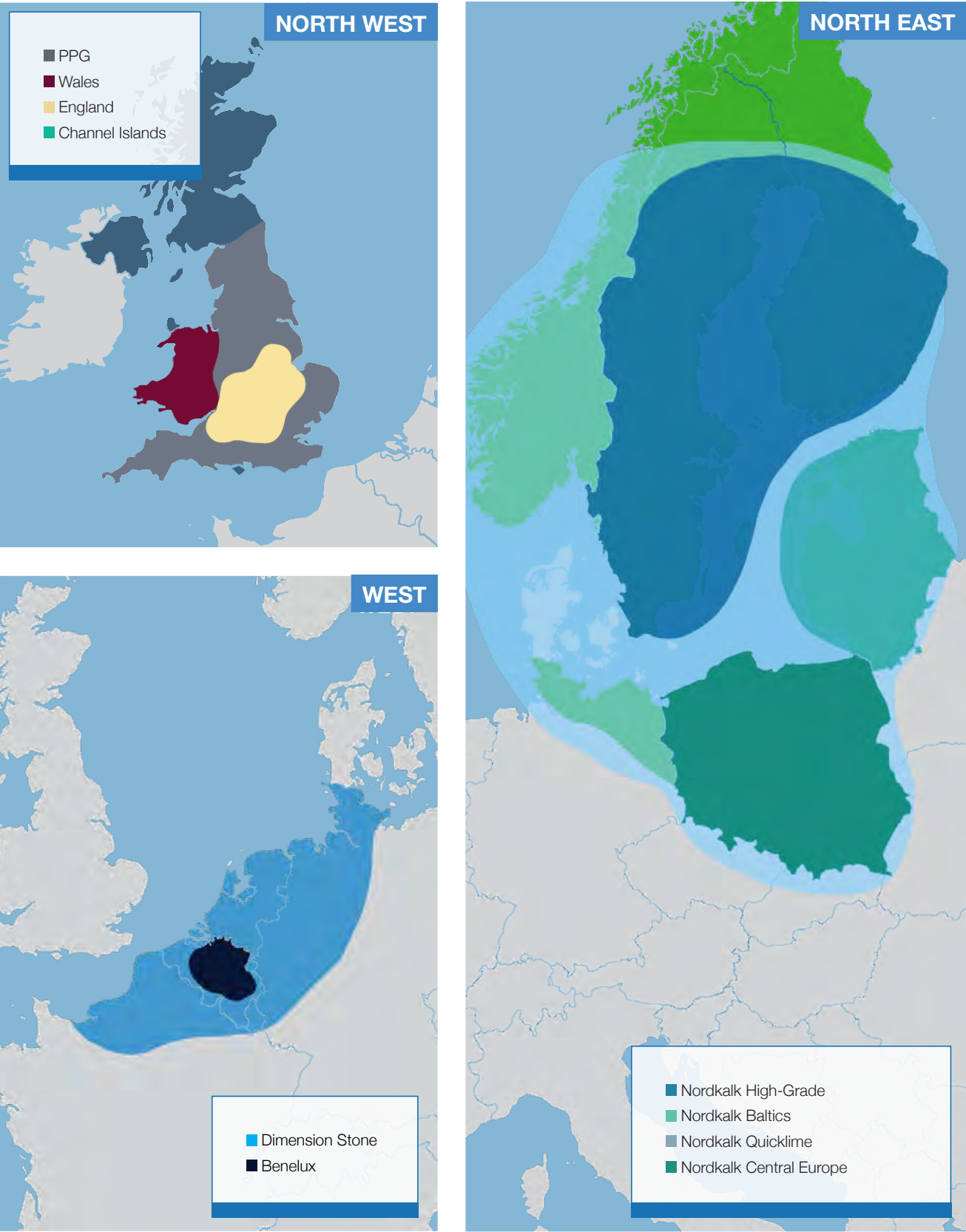


WHERE ARE WE NOW?



Ten platforms across three regions

EXPANDING LOCALLY USING PLATFORMS AS A STRUCTURE



Our end-markets



CONSTRUCTION

Products: Aggregates, Cement, Ready-Mix Concrete & Concrete Products, Asphalt, Building Stone, Dimension Stone

Customers value the quality and consistency of our ready-mix concrete products, the breadth of our portfolio, our expertise in large projects and our flexibility and reliability. We also offer a range of innovative concretes including Greenbloc, our ultra-low carbon concrete blocks.



CHEMICAL INDUSTRY

Products: Quicklime, Slaked Lime

The chemical industry uses limestone-based products in the neutralisation and cleaning of process and waste waters, and as raw material and filler in various chemical processes. For example, both limestone products and slaked lime are needed in order to produce the calcium chloride spread on roads to reduce dust and slipperiness.



METAL & MINING

Products: Quicklime, Slaked Lime

To remove impurities from ores, quicklime is added and the mixture is melted at high temperatures. The silicates bond with the lime to form a liquid called slag, which is immiscible with the molten metal. This slag, which is full of impurities, can be easily drained out, leaving behind the purified metal. It is used to make calcium supplements. Inside the human body, calcium oxide reacts with water to form calcium hydroxide which later breaks down into calcium and hydroxyl ions to be absorbed by the body.



PULP, PAPER & BOARD

Products: GCC, PCC, Quicklime, slaked lime, limestone powder

The paper and cardboard industries use lime-based coating pigments and fillers such as GCC (Ground Calcium Carbonate). GCC is made from concentrated and fine-ground calcium carbonate and used to make fine paper, cardboard packaging and pulp-based paper.



ENVIRONMENT & AGRICULTURE

Products: Quicklime, Slaked Lime, Limestone Powder, Agrilime, Fodder

Although widely known as Soil Stabilisation, there are a number of distinct processes which can be carried out by the addition of quicklime to waterlogged, clay bearing or contaminated land. Improvement is the first process step, which is the drying out of water bearing material by the heat generating reaction with quicklime, this also converts some of the free water to hydrated lime. Using this process, it is possible to convert an unworkable site into a solid working platform providing a base for construction development, or alternatively as a potential area for agricultural use.

Lime as an essential product

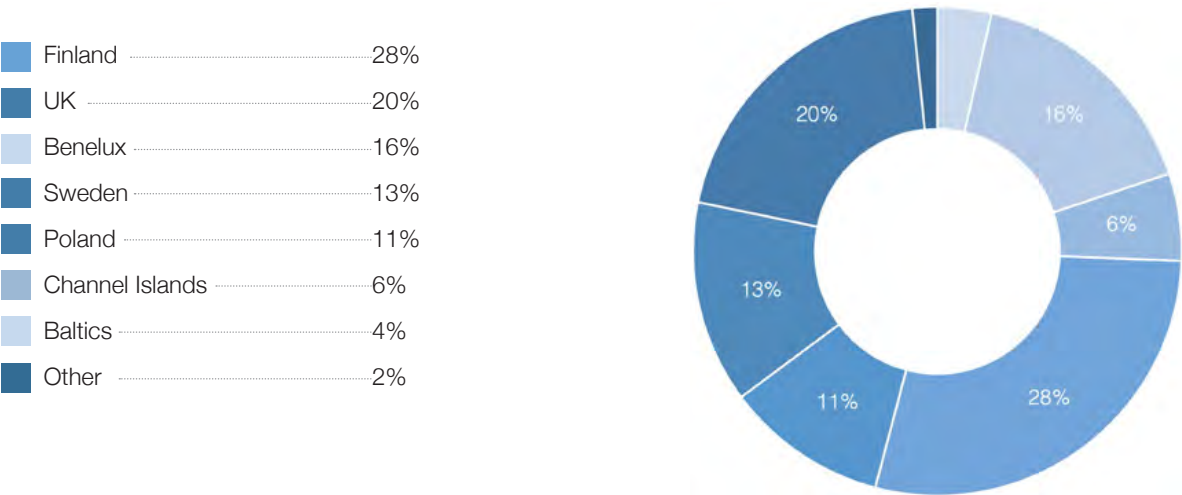
Lime is an essential element in the production of a series of other products, such as sugar, paper and glass.

1 Sugar	4 Plastics	7 Soil stabilisation	10 Water Treatment
2 Paper	5 Plaster	8 Agriculture	11 Iron & Steel
3 Glass	6 Aluminium	9 Asphalt	12 Flue Gas Purification

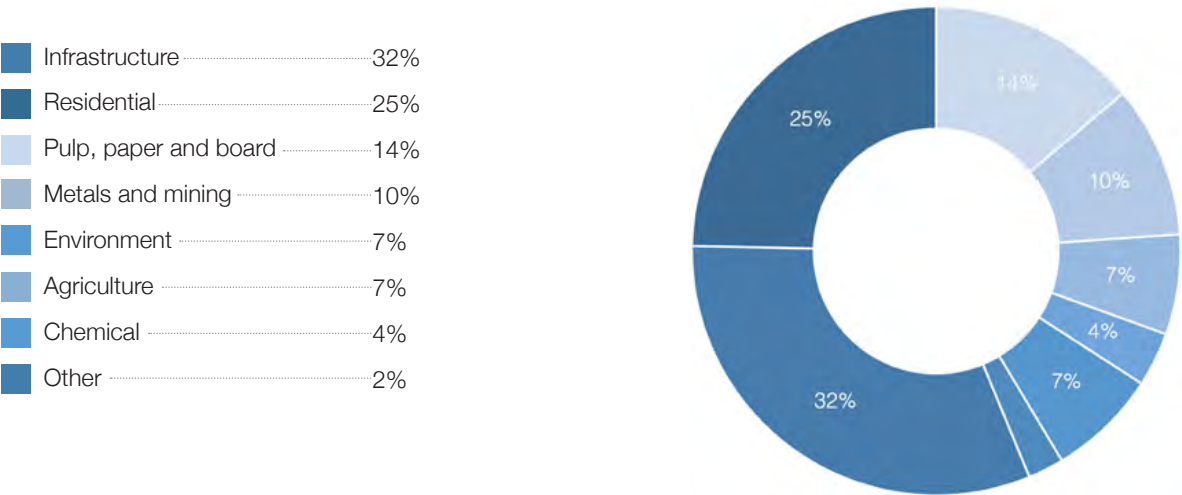


End-markets diversity means greater resilience and more opportunity

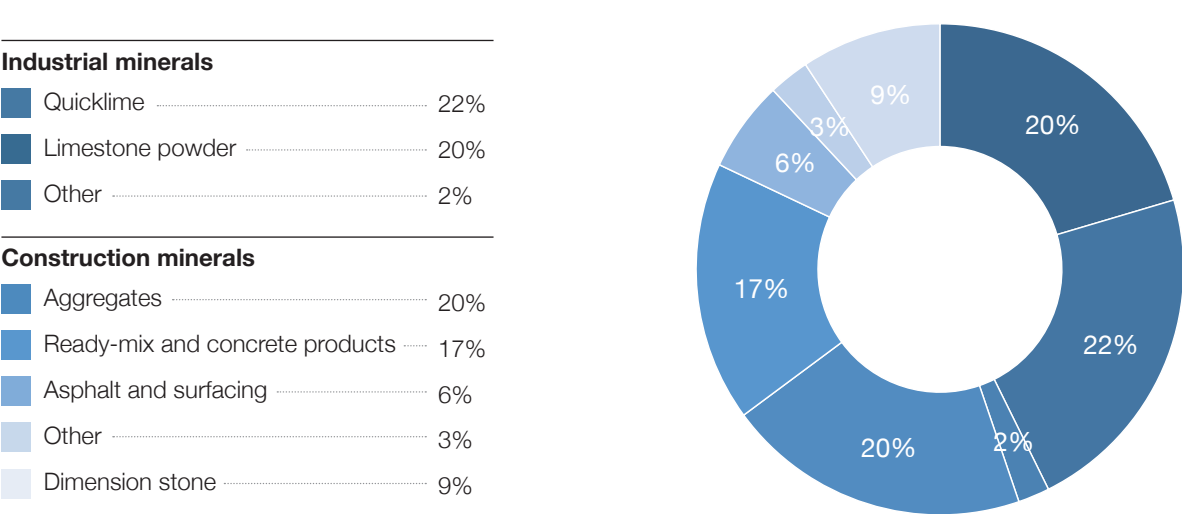
FY22 REVENUE SPLIT BY COUNTRIES



FY22 REVENUE SPLIT BY MARKETS

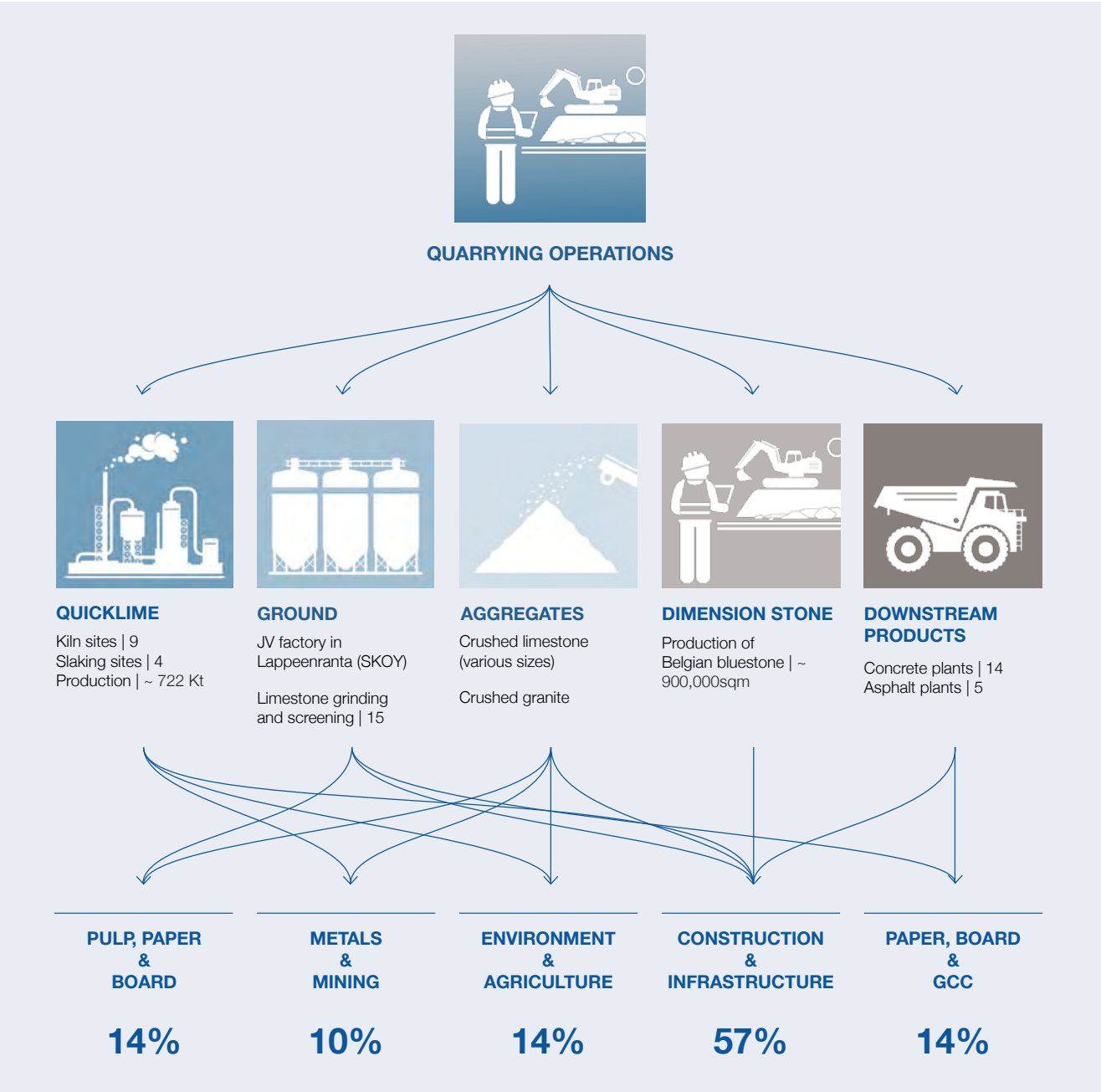


FY22 REVENUE SPLIT BY PRODUCTS



Each quarry can serve many markets

MINERALS	COLLEAGUES	SITES	PLATFORMS	REGIONS
1.6bnt	c.2050	84	10	3



CASE STUDY: CARRIERES DU HAINAUT

Carrieres du Hainaut is one of our largest operations in Belgium, where we produce around 1.5m tonnes of construction aggregates, 1m square metres of dimension stone and 15k tonnes of high grade powder annually. The quarry therefore services major infrastructure projects, interior design of the highest level,

as well as the chemical industry. Our extraction effort, whether we extract one of these products or all of them is broadly the same. Our operating model focusses on horizontal integration, control of our operating cost and increasing margins. That is the consequence of our business model.

ESG overview

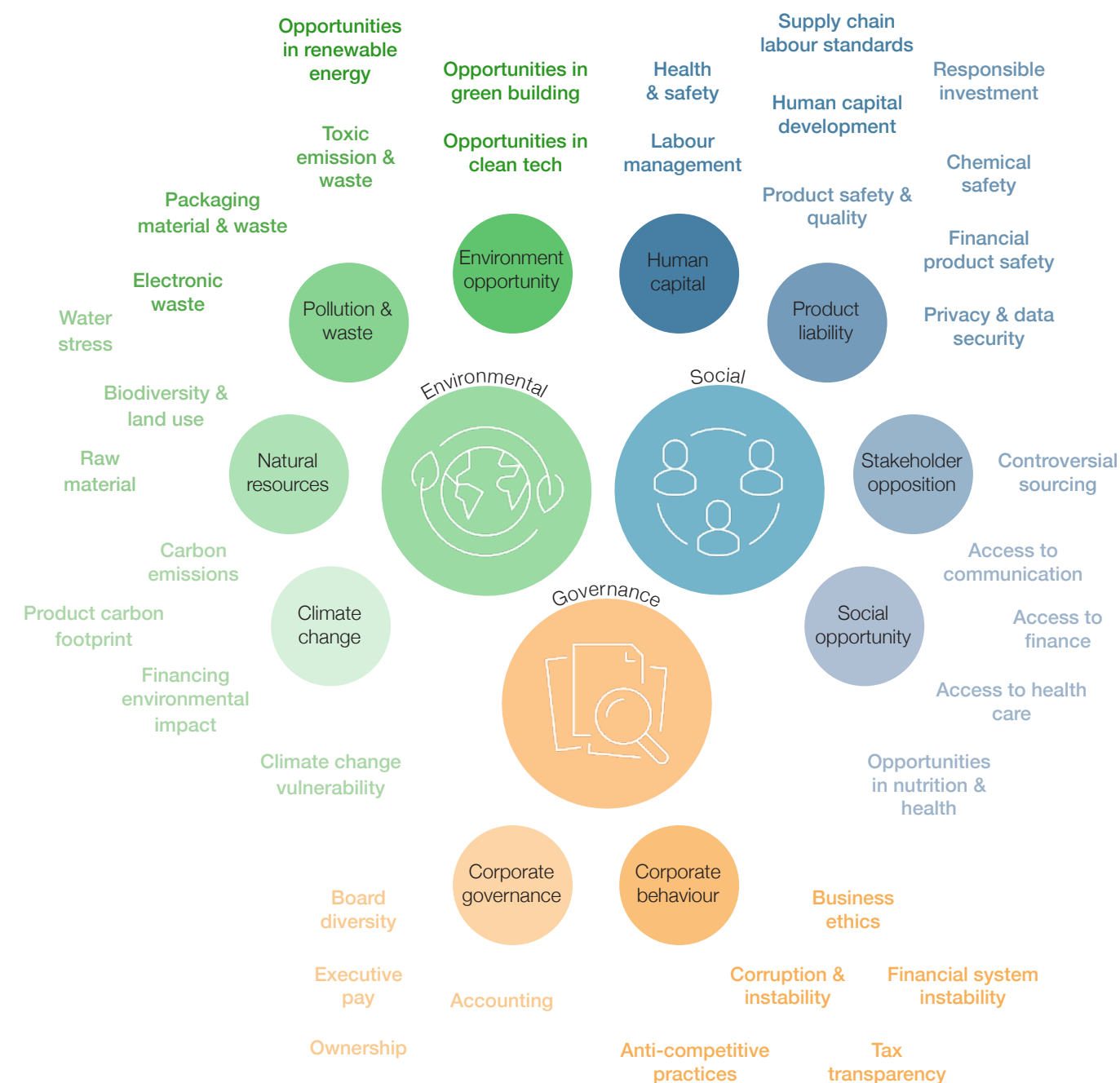


ESG OVERVIEW

ESG

SigmaRoc has and will always be committed to the principles of ESG. ESG encompasses a company's Environmental, Social and Governance aspects, however there is no global definition, with each company and sector potentially having different focus priorities.

Following on from our 2022 and 2021 annual report and standalone annual 2021 ESG Report, we continue to commit to reporting and disclosure of ESG and sustainability matters through frameworks such as TCFD and SASB. During 2022, we have extended our pledge by committing to Science Base Target Initiatives.



Frameworks

TCFD & SASB

The Group's ESG report has been guided using the principles of TCFD and SASB. Whilst TCFD recommendations serve as a global foundation for effective climate-related disclosures, in

terms of disclosure, the Group has adopted, where possible, the SASB Construction Materials disclosure topics and accounting metrics.

SASB standards represent a clear solution to TCFD implementation having rigorously developed TCFD-aligned reporting tools to promote disclosures in a way that is both

Frameworks

cost-effective and useful for all stakeholders.

As of August 2022, the International Sustainability Standards Board (ISSB) of the IFRS Foundation assumed responsibility for the SASB Standards. The ISSB has committed to build on the industry-based SASB Standards and leverage SASB’s industry-based approach to standards development and encourages preparers and investors to continue to provide full support for and to use the SASB Standards until IFRS Sustainability Disclosure Standards replace SASB Standards.

ISSB in 2022 published exposure drafts consolidating content from the TCFD, CDSB, SASB, Integrated Reporting, and WEF IBC’s stakeholder capitalism metrics into a coherent whole with the intention to become the global standard-setter for sustainability disclosures for the financial markets.

The TCFD standards set out recommended disclosures structured under four core elements of how companies operate:

- Governance – The organisation’s governance around climate-related risks and opportunities;
- Strategy – The actual and potential impacts of climate-related risks and opportunities for an organisation’s businesses, strategy, and financial planning;
- Risk Management – The processes used by the organisation to identify, assess, and manage climate-related risks; and
- Metrics and Targets – The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

SBTi

Science-based targets provide a clearly defined pathway for companies to reduce greenhouse gas (GHG) emissions, helping prevent the worst impacts of climate change and future-proof business growth. They show organisations how much and how quickly they need to reduce their GHG emissions

Through the 2015 Paris Agreement, world governments committed to curbing global temperature rise to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C. In 2018, the Intergovernmental Panel on Climate Change warned that global warming must not exceed 1.5°C to avoid the impacts of climate change. To achieve this, global GHG emissions must halve by 2030 – and drop to net-zero by 2050.

Targets are considered ‘science-based’ if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement.

As we continue our commitment to net zero, SBTi is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science.

There are 5 stages of SBTi:

1. **Commit** Register online and submit a letter to commit to setting a science-based target, or to have existing targets independently verified.
2. **Develop a target:** Develop target(s) in line with SBTi science-based criteria.

3. **Submit target for validation:** Review of targets by SBTi team of technical experts to validate it against our science-based criteria.
4. **Announce target and inform stakeholders:** SBTi will publish targets on their Companies Taking Action Page.
5. **Disclose progress:** Disclose company’s emissions annually and monitor progress on reaching target.

Through our SECR reporting we have strong data, which will allow us to submit our targets by H1 2023 for verification, thereby strengthening our commitment to our net-zero program.

The ability to capture our data on a regular basis allows us to focus on our ongoing and future reduction programs to ensure we achieve our science-based and net-zero targets.

ESG Road Map and Focus Areas

As a business our overall aim is to ensure sustainable returns to our shareholders. As a Group we are committed to ensuring this can be done in a manner where we minimise risks and seize opportunities so that our business continues to be strong in the years to come.

Our focus on returns to shareholders is through our 4i principles, all of which are underpinned by ESG.

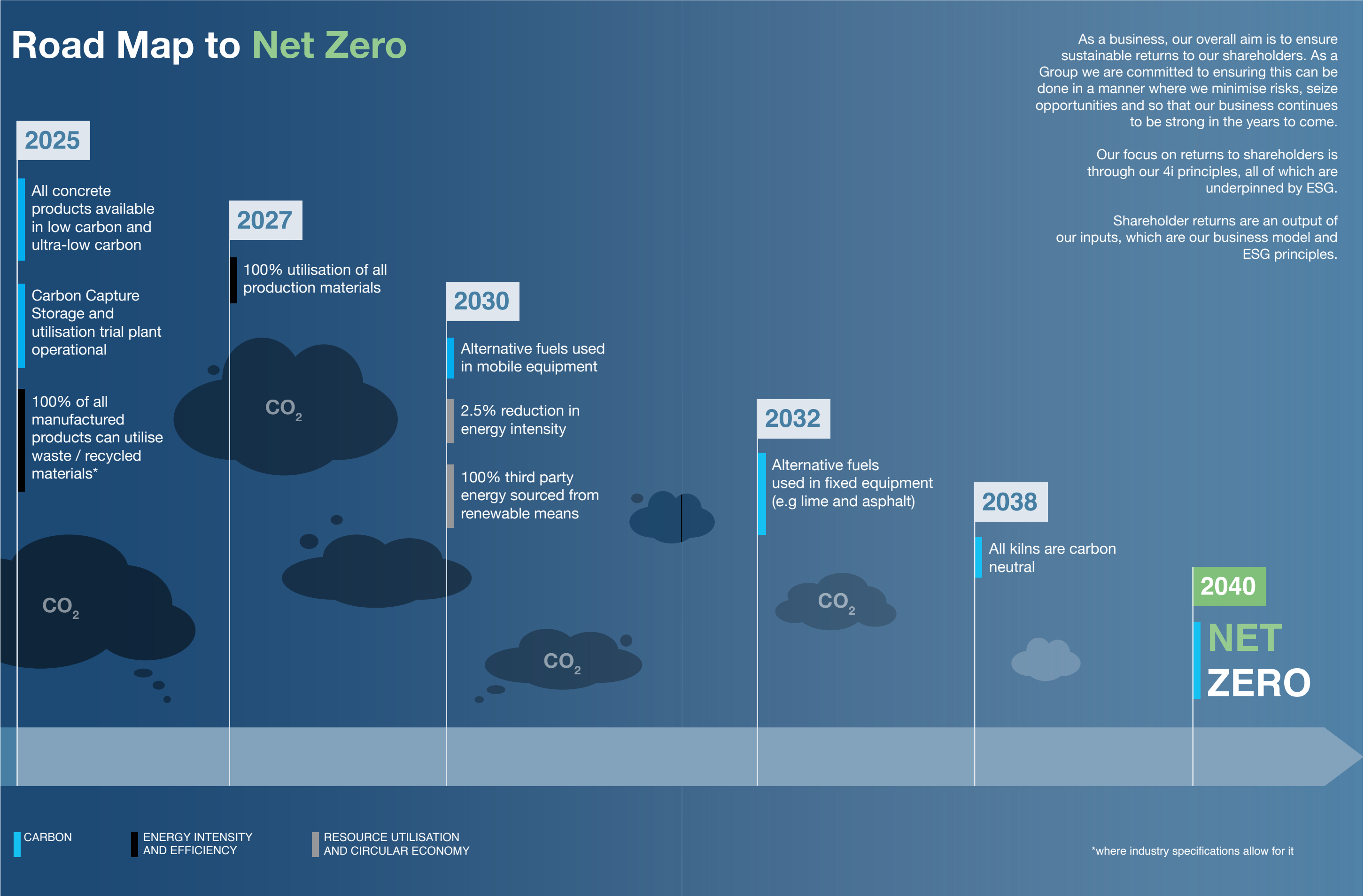
Shareholder returns are an output of our inputs, which are our business model and ESG principles.

In 2022 we were pleased to announce the following progress on our road map:

- 50% of concrete products available in low carbon and ultra-low carbon;
- Aqualung agreement signed with the intention to have all kilns carbon neutral by 2030, with the first module ordered and commissioning underway;
- Trials with alternative fuels for fleet, and electronic fleet and mobile equipment;
- Upgrade of fuel handling systems and burners underway in Nordkalk for the use of alternative fuels;
- Site and Virtual PPA under review across each business with some businesses already expanding their renewable energy sources;
- Products such as asphalt, concrete, and concrete products are already using, where specification allows, waste / recycled materials such as nappies, RAP, PFA, GGBS and recycled aggregates;
- The production of quicklime uses waste materials as fuel in the process of making quicklime;
- Set up of Baltic Aggregates enables the aggregates not suitable for industrial mineral application to be processed and supplied to construction markets.



Greenbloc, CCP



ESG Disclosure

TCFD pillar	Recommended disclosure	SigmaRoc summary
Governance	<div><div>– Board’s oversight of climate-related risks and opportunities.</div><div>– Management’s role in assessing and managing climate related risks and opportunities.</div></div>	<div>The Board has the highest level of responsibility for climate-related issues and is supported by various committees including the Audit Committee, which is responsible for monitoring ESG performance.</div> <div>In 2021, the Board agreed a road map to developing ESG through TCFD, SASB and development of ESG targets with 2022 being the first year of reporting to SASB and where data limited, putting process in place to capture for the following year.</div>
Strategy	<div><div>– Climate-related risks and opportunities identification.</div><div>– Climate-related risks and opportunities impacts.</div><div>– Resilience of the organisation’s strategy.</div></div>	<div>ESG is core in all of our key decision-making.</div> <div>Both the Board and management teams review where climate-related risks and opportunities might occur, as well as their significance and connection to other risks.</div> <div>This information allows us to challenge our strategy to ensure it is as resilient as possible.</div>
Risk Management	<div><div>– Identifying and assessing climate-related risks.</div><div>– Managing climate-related risks.</div><div>– Integration into overall risk management.</div></div>	<div>Climate-related risks and opportunities are identified and managed both locally and at Group level with our CTO coordinating all aspects.</div> <div>The identification, assessment and effective management of climate-related risks and opportunities are actively discussed during Board and management meetings.</div>
Metrics and Targets	<div><div>– Climate-related metrics.</div><div>– Scope 1, Scope 2, and Scope 3 emissions.</div><div>– Climate-related targets.</div></div>	<div>To ensure meaningful and appropriate metrics and targets for our stakeholders, we adopted SASB recommended disclosures.</div> <div>We also comply with SECR, which is independently produced, and voluntarily expand the remit to include all our operations, not just the UK.</div> <div>As a further commitment in 2022 we committed to SBTi and will use the 2022 data to submit and independently validate targets.</div>

SASB provides industry-specific standards for disclosing performance on sustainability topics including, but not limited to, climate in a comparable manner that are reasonably likely to have a material effect on financial performance of companies in each industry. They will be used when assessing the relevant disclosures under the Metrics and Targets Pillar of the TCFD and are among the most frequently cited tools in the TCFD’s Implementation Annex.

SASB Topic	Accounting Metric	Category	Unit of Measure	Code	2022 Result
Greenhouse Gas Emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations.	Quantitative	Metric tons (t) CO ₂ -e, Percentage (%)	EM-CM-110a.1	665,937 tCO ₂ e 90% covered by EUETS Further detail can be seen in the independent SECR data on pages 45-47
Greenhouse Gas Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets.	Discussion and Analysis	n/a	EM-CM-110a.2	The road to net-zero is detailed on pages 30-31 Our decarbonisation program of our kilns is detailed on page 48 The commitment to SBTi and the use of OneClick will allow for both independent targets to be set as well as tracked page 28
Air Quality	Air emissions such as:	Quantitative	Metric tons (t)	EM-CM-120a.1	
	(1) NOx,				699.10
	(2) SOx,				1544.19

SASB Topic	Accounting Metric	Category	Unit of Measure	Code	2022 Result
Energy Management	(1) Total energy consumed,	Quantitative	Gigajoules (GJ) Percentage (%) EM-CM-130a.1		4,413,519 GJ of energy
	(2) percentage grid electricity,				16% from grid
	(3) percentage alternative,				21% alternative energy including Guarantee of origin for alternative energy.
	(4) percentage renewable				2% renewable energy including guarantee of origin of renewable energy and solar PV
Water Management	Total fresh water withdrawn,	Quantitative	Thousand cubic meters (m.) Percentage (%)	EM-CM-140a.1	312,878m ³ of water withdrawn 14% of process water is drawn from fresh water supplies
Waste Management	Amount of waste generated	Quantitative	Metric tons (t)	EM-CM-150a.1	4,496,901t This is predominantly related to overburden removal at quarries. These materials are often stored or used for restoration purposes including the recultivation of indigenous soils for remediation. The creation of new business is also looking to use surplus material into other business streams and therefore reprocess historical and future material once deemed waste.
Biodiversity Impacts	Description of environmental management policies and practices for active sites	Discussion and Analysis	n/a	EM-CM-160a.1	Full detail is on page 35
Biodiversity Impacts	Terrestrial acreage disturbed; percentage of impacted area restored	Quantitative	Acres (ac) Percentage (%)	EM-CM-160a.2	3,737 acres of land is disturbed 16% of land was restored
Workforce Health & Safety	Total recordable incident rate (TRIR)	Quantitative	Rate	EM-CM-320a.1	Data has historically been collected as an amalgamation for Direct Employee, Contract employee and external contractors as it is believed that we are responsible for all those on our site regardless of employment status. The performance of health and safety can be found on pages 53-55
Workforce Health & Safety	Number of reported cases of silicosis	Quantitative	Number	EM-CM-320a.2	None For further information on occupational health, please see page 55
Product Innovation	Total addressable market and share of market for products that reduce energy, water, and/or material impacts during usage and/or production	Quantitative	Reporting currency Percentage (%)	EM-CM-410a.2	Market share is not a straightforward number to capture given all the industries and end markets we operate in, however in the Greenbloc and Sustainability section on pages 34-51 we clearly show how construction material product innovation is being driven.
Pricing Integrity and Transparency	Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities.	Quantitative	Reporting currency	EM-CM-520a.1	Zero

Environment



Key focus area	Targets	How did we do	Focus for 2023
Sustainable use of reserves and resources	Achieve Carbon net-zero road map targets.	Published first ESG report which contains extensive detail on its Environmental, Social and Governance policies and initiatives, as well as a detailed roadmap to net-zero.	Continue to focus and accelerate where possible our net-zero road map targets.
Responsible use key resources including raw material, mineral and water;	Reduction in energy intensity and increase in energy efficiency.	Energy surveys commissioned across platforms that have found multiple opportunities and savings.	Commissioning of first carbon capture Aqualung module.
Optimise energy use and minimise impact of our operations on the environment;	Maximisation of resource utilisation and circular economy.	Appointment of Kinect Energy to give dedicated focus on energy procurement and hedging.	Continue energy and fuel optimisation to reduce the reliance on fossil fuels.
Contribute to sustainable construction and address environmental aspects either through product production or use.		Increase green energy sourcing initiatives including new wind and solar installations and further increases of existing solar capacity on site at Soignies.	Submission and validation of SBTi data.
		Successful “nappy-enhanced” asphalt trial using asphalt that contained recycled nappies.	
		Partnership with Aqualung, to construct Europe’s first industrial scale carbon capture facility in Scandinavia.	
		PPG platform acquired and developed additional UK sites to facilitate the development and manufacture of ultra-low carbon products.	
		Our strategic collaboration with Marshalls focusing on pushing existing technologies while also developing new manufacturing techniques.	

ENVIRONMENT

Responsible use of key resources including raw material, mineral and water



Noora Guzman Monet

Sustainability Manager at Nordkalk

Noora Guzmán Monet (MSc of environmental science) works as a Sustainability Manager at Nordkalk Corporation. She has a background in environmental and sustainability consulting for over 15 years. She joined Nordkalk in April 2022. She works with all aspects of sustainability from biodiversity to human rights. Her focus is to keep up and accelerate sustainability performance and coordinate sustainability tasks within the Company. She is proud to be a part of a company that has a strong strategic focus on sustainability. Noora’s high energy is contagious and she believes strongly in positive change.

SigmaRoc understands the pressing need for businesses to preserve the environment they operate in, safeguarding our shared home for current and future generations.

SigmaRoc is dedicated to limiting and mitigating the impact of its activities on the environment and focusing on growing sustainably. To do so, we have implemented several policies including Biodiversity and Environment & Water.

Water management

Our operations are committed to minimising water consumption especially the amount of fresh water extracted, with 86% of our water being recycled and reused. In several sites, excess water is routed to local water supply companies for treatment and then use in local communities. Several of our quarries have extensive amounts of naturally collected water which, subject to agreement with local authorities, can and are being used as alternative water sources for local communities.

Biodiversity

Despite the Group operating over a large area of approximately 4,000 acres, this year saw around 16% restored according to agreed programs. Even in our working environments, we take a proactive approach to biodiversity and our sites have created working ecosystems. This includes breeding programs and the re-introduction of wildlife such as the Red Bill Chough, not seen for over 100 years, nesting of peregrine falcons, as well as other flora and fauna. Operational considerations not only seek to minimise impact, but also actively enhance biodiversity in surrounding areas.

Some sites are close to Sites of Specific Scientific Interest where our working relationships with local groups and national agencies have helped ensure they thrive. Where there is risk of impact, the valuable species are moved to other suitable or created areas.

The businesses’ environmental aspects are guided by their individual operating policies, ensuring that local requirements, as well as wider requirements, are met.

The operating policies list the guiding principles of the management system and provide a framework for setting quality, environmental and H&S goals supporting strategy and aiming for continuous improvements being implemented within all businesses.

Before commencing operation of a site, the potential environmental and social impacts are assessed through an Environmental Impact Assessment process, after which an application for an environmental permit is typically made.

During the operating phase of the sites, environmental management is guided by environmental permits, which set regulatory requirements for the operation and closure, and by the environmental management system of the businesses, many of which are certified to ISO14001.

Active sites have restoration and water management plans which are often set as part of the permitting process and are updated as required. The environmental management of the sites covers matters such as ecological and biodiversity impacts, waste generation, noise impacts, emissions to air, discharges to water, natural resource consumption, and hazardous chemical usage.

The Group is committed to minimising its impact on the natural environment, including watercourses, and protecting biodiversity everywhere it operates. We integrate biodiversity management into all steps of planning, production and closure of sites whilst maintaining a hierarchy of mitigation (avoid, minimize, restore, and finally offset).

ENVIRONMENT

Contribute to sustainable construction and address environmental aspects either through product production or use



Ian St Hilaire
Technical Sustainability Director in North West Region

Ian St.Hilaire is the Technical Sustainability Director for our North West region. With a background in concrete technology, project management and sustainable innovation, Ian is a leading figure in Concrete R&D and Concrete Sustainability Innovation. He is helping the Group further develop its sustainable products and support SligmaRoc’s strategy for achieving Net Zero. This includes pushing the boundaries of Greenbloc technology as well as developing new advancements in ultra-low carbon concrete.'

In November 2022 we selected a Group wide software, OneClick, that allows all our products to be reviewed with regards to carbon footprint as well as the management of our greenhouse gas (GHG) reporting:

EPDs: Environmental Product Declarations are needed if it is required to externally verify and publish the environmental profile of products. This can help our customers and their projects achieve certification credits like LEED, BREEAM, etc.

Product LCAs: Product Life Cycle Assessments enable environmental assessments of product to be conducted that do not require the data to be verified or published by a third party. This can help our customers and their projects make sustainable choices when using materials.

Product Carbon Footprints (PCF) or Carbon Assessments: This is similar to a Product LCA in that it is not externally verified or published, however, it only covers the carbon footprint (carbon dioxide equivalent) of the products; again helping our customers and their projects make sustainable product choices.

GHG Reporting: Allows us to manage, calculate, track and report emission sources according to ISO 14069, the GHG protocol, and CDP standard categories including:

- **Scope 1:** Direct emissions from stationary and mobile combustion sources, fugitive emissions, processes and biomass emissions;
- **Scope 2:** Indirect emissions from electricity, heating and cooling consumption;
- **Scope 3:** Purchased goods and services, capital goods, waste, business travel and commuting, investments, freight, use and end- the of-life of sold products, downstream leasing and franchises.

The software complies with EN/ISO standards and 40+ certifications. These include EN 15978, EN 15804, EN 15942, ISO 21931-1, ISO 21929-1, ISO 21930, BREEAM, LEED and HQE and can easily calculate product carbon footprints in line with ISOs 14040, 14044 and 14067, and EN 15804.

The use of OneClick not only shows our commitment to sustainability transparency through Environmental Product Descriptions (EPDs) but allows us to take full in-house control of our EPDs, both verified and bespoke, and is the leading software. This provides customers with the much needed environmental, full life cycle, cradle to grave, carbon embodiment data, and will substantiate the fact that products are the right choice for the environment.



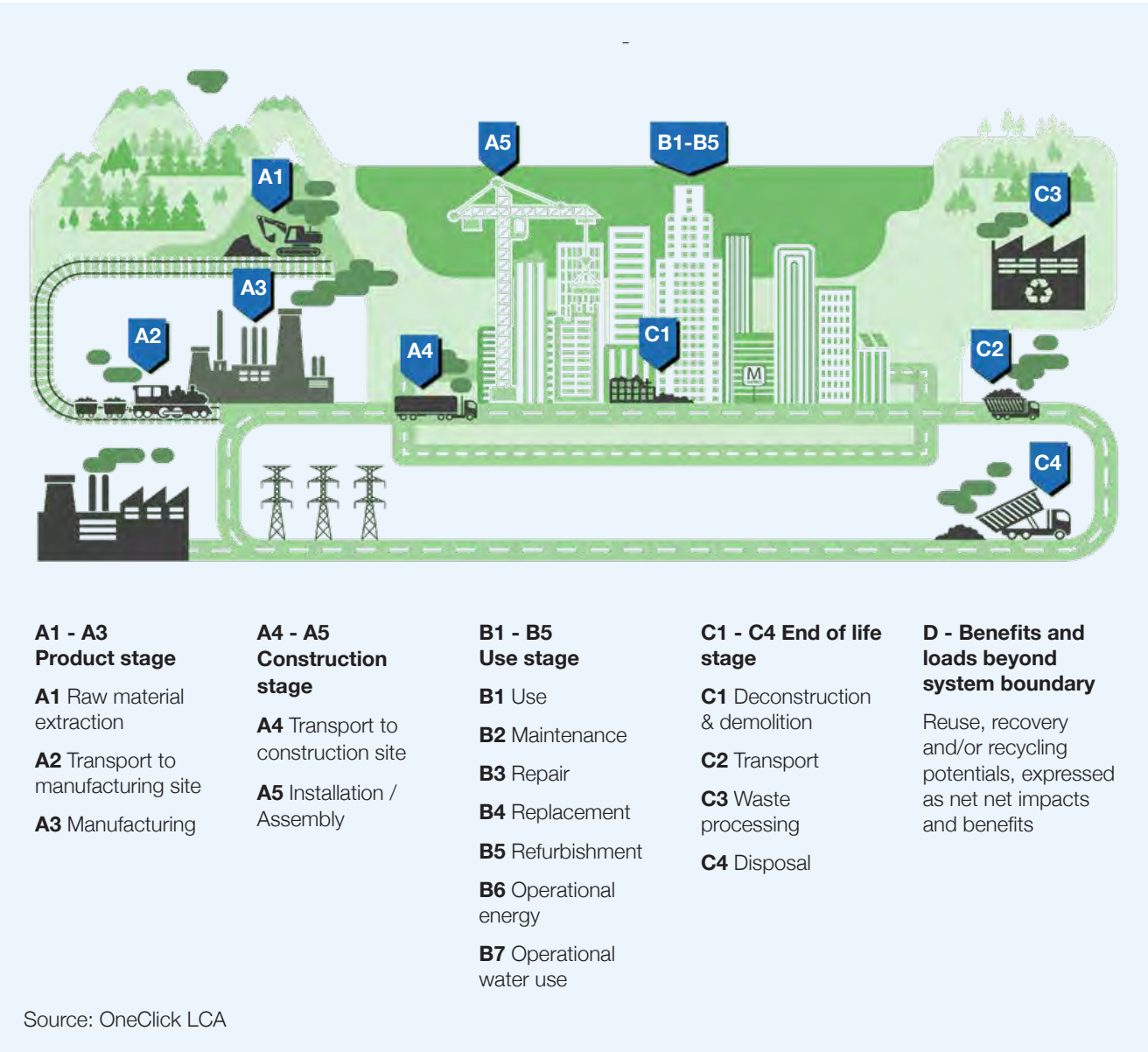
Bluestone, Carrières du Hainaut



Low embodied CO₂ through natural products and innovation

Embodied CO₂ or carbon means all the CO₂ emitted in producing materials. It’s estimated from the energy used to extract and transport raw materials as well as emissions from manufacturing processes. The embodied carbon of a building can include all the emissions from the construction materials, the building process, all the fixtures and fittings inside as well as from deconstructing and disposing of it at the end of its lifetime.

As an example, typical embodied CO₂ of various products for A1-A3 can be seen in the chart below.



Contribute to sustainable construction and address environmental aspects either through product production or use

Material Description	Embodied carbon (A1-A3) KgCO ₂ e/m³
Aluminium (powder-coated sheet)	19219
Galvinised structural steel	16882
Aluminium (bar and rod)	16152
Glass fibre Reinforced plastic (GFRP)	14046
Glass fibre	12879
Hot rolled structural steel	10782
Intumescent paint for steel	5650
PVC	2745
Flat glass	2375
Clay Bricks	550
Concrete 40 Mpa (unreinforced)	439
Concrete Blocks 12 Mpa	324
Bitumen Elastomer	293
Light concrete (autoclaved aerated)	288
Plasterboard	262
Icyene (polyurethane)	140
Fiber Felt	117
Vapour barrier (polyethylene)	83
Greenbloc	65
Granite/Basalt/Marble	33
Limestone	33
Natural Stone	33
Sandstone	33
Rockwool	46

Driving down CO₂ in manufactured products with Greenbloc



A building’s overall embodied carbon is inextricably linked to the composition of the products from which it is built.

Using Natural products with low embodied CO₂

A great way to reduce the embodied carbon dioxide is to use naturally low embodied carbon materials such as natural stone. As per the previous chart, natural stone only embodies 33 KgCO₂e/m³; this is 94% lower than clay bricks and 90% lower than traditional concrete blocks.

Our natural stone products from including our iconic Carrières du Hainaut’s bluestone, our Cotswold Cream and the unique Guiting Gold not only embodies less carbon dioxide than many other construction materials including Clay bricks, teel and traditional concrete blocks, but they have also proven to stand the test of time.

The monumental arches of the Cinquantenaire in Brussels were built out of bluestone in 1905. Today, visitors can still come and visit the 60 meters wide monument. The Victor Horta Museum (the Belgian architect’s former house) built in 1890 is another example of great architecture built with bluestone elements.

Throughout the years, many other great buildings were built throughout Europe using our limestone and natural stone products. These include the Medieval Museum in Waterford, as well as the infamous Musée du Quai Branly in Paris and Rijksmuseum in Amsterdam.



The Medieval Museum, Waterford



The monumental arches of the Cinquantenaire, Brussels

ENVIRONMENT

Contribute to sustainable construction and address environmental aspects either through product production or use

Manufacturing products with low embodied CO₂

Innovations in building materials are a key component in the growth of sustainable construction. Consumer and regulatory trends are largely driving adoption of sustainable building materials and processes that are more resource efficient and can reduce health impacts of buildings throughout their lifecycle. This is creating new business drivers for construction materials companies, with an opportunity to increase revenues. Furthermore, some new products require less energy to produce, or use largely recycled inputs, reducing production costs. Sustainable construction materials, therefore, can contribute to a company's long-term growth and competitiveness.

In 2021, SigmaRoc, via its PPG platform, launched Greenbloc. Greenbloc is a zero-cement technology, reducing the carbon embodiment of the concrete by 80%, which is achieved by removing 100% of the cement content. This year we have advanced the technology to improve the production process and further reduce the carbon embodiment. Greenbloc is no longer constrained by extended curing times. Our new advanced version can now be produced within the same curing time as our cement-based mixes, reducing curing times of the 2021 version by 75%. This further reduces the carbon embodiment through a reduction of scope 1 emissions associated with curing.

Greenbloc innovation now means that our typical concrete blocks can be close to the typical embodied CO₂ from natural stone

The end of 2022 brought advancements in alternatives across the entire PPG platform, with 50% and 80% cement replacement solutions produced at minimal additional cost, using new accelerating technologies that allow us

to produce in the same manner as traditional concrete products. 50% and 80% cement replacement provide a concrete CO₂ saving of 45% and 70% respectively. These new developments reduce CCP scope 3 emissions relating to cement and "Purchased Goods and Services" by over 13m CO₂ kge per annum.

2023 will see up to 50% of all products produced across the PPG platform falling under Greenbloc low carbon alternative ranges.

In 2022, Allen Concrete became the first site to switch to a low carbon cement. Their CEM I has been replaced by a CEM II-AL which contains 11% less cement clinker, the main ingredient that results in cement having high carbon embodiment. The CEM II-AL reduces Allen Concrete's concrete carbon embodiment by 9.9% and reduces the overall scope 3 emissions relating to cement and "Purchased Goods and Services" by over 320,436 CO₂ kge per annum.

Our future is in low carbon cement alternatives and the use of waste CO₂ in our concrete. Development is underway to produce the UK's first block that sequesters waste CO₂ into the concrete product, storing it permanently. This sequestration technology is the leading solution for carbon capture usage and storage (CCUS). It can be used to reduce our carbon embodiment further, and improves our environmental and sustainability branding, whilst also generating saleable carbon credits.

Our PPG platform remains the go-to provider of ultra-low carbon concrete solutions within the UK built environment and with plans underway for European expansion, we are excited by the opportunities we see ahead of us in 2023.



The Greenbloc product range

ENVIRONMENT

Optimise energy use and minimise impact of our operations on the environment



Martin Bains

Industrial Director

Martin joined the Company in November 2020 firstly running the CCP business then becoming SigmaRoc Technical Director in September 2021. With over 30 years in mineral processing, he has 22 years of cement manufacturing experience. Martin has extensive International experience having worked in Canada, Philippines, Austria, UK and France. He began his career working for Laporte Minerals in the UK, responsible for plant design and commissioning in Asia, South America and Europe.

Following this he joined Blue Circle Cement in Canada, working as a process engineer before moving to the Philippines where he worked on the integration of newly acquired businesses. Following the acquisition by Lafarge he joined Lafarge CTEC, based in Vienna, responsible for a team delivering technical support to over 40 integrated cement plants. Martin then managed Cauldon plant in the UK, where he worked with Charles and Max on the hive out of the UK cement business into LafargeHolcim. He became UK Industrial Manager then moved to the Regional Office in Lyon as Head of Production, responsible for more than 50 cement operations. Martin holds a degree in Chemical Engineering and has Chartered status.

Dealing with Carbon Dioxide

To deal with CO₂, it is crucial to understand how CO₂ is governed and how it is produced.

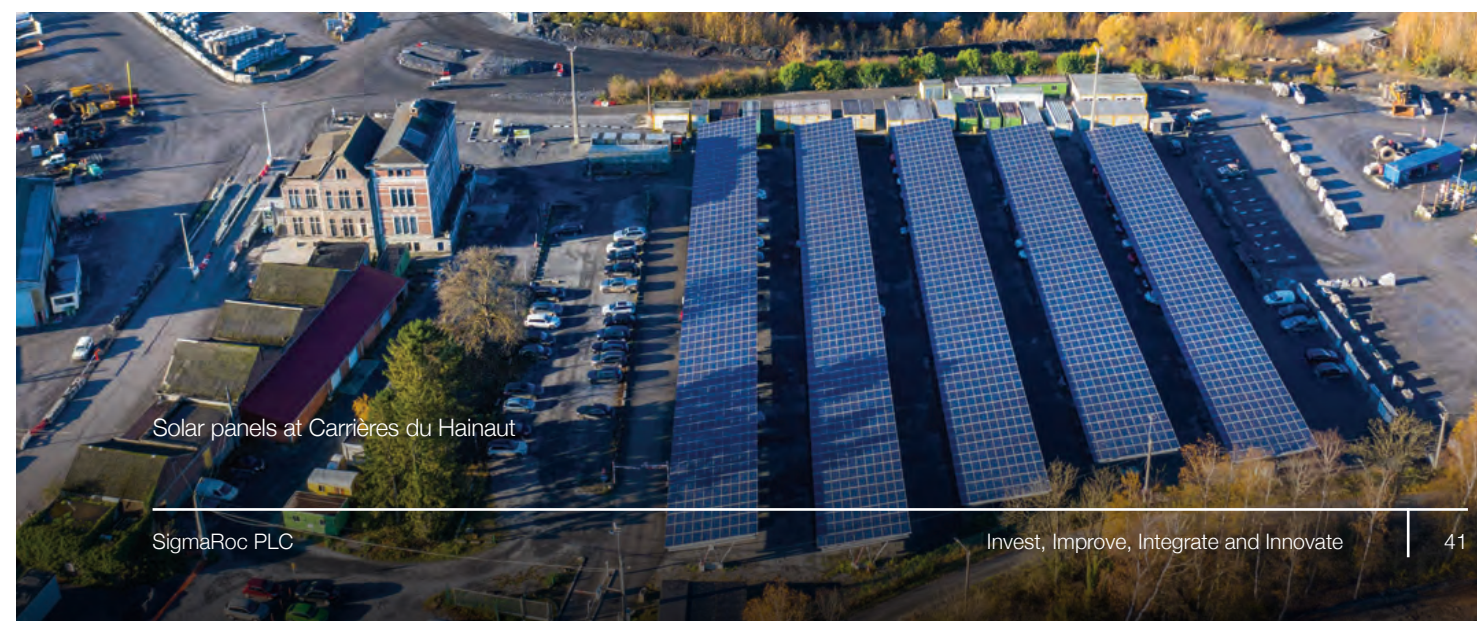
European Union Emissions Trading System (EUETS)

The EUETS regulates greenhouse gas emissions of energy and energy-intensive industries as well as inner-European aviation. The EUETS puts a cap on the carbon dioxide (CO₂) emitted by business and creates a market and price for carbon allowances. It covers 45% of EU emissions, including energy intensive sectors and approximately 12,000 installations.

The EUETS works on the 'cap and trade' principle. A 'cap', or limit, is set on the total amount of certain greenhouse gases that can be emitted by factories, power plants and other installations in the system within the cap, and companies receive or buy emission allowances which they can consume, or trade as needed.

An allowance gives the right to emit a tonne of CO₂, and any allowance surplus to requirement can be accumulated and used to offset future emissions or traded. The current surpluses were inherited from previous phases of the scheme where emissions were consistently below the system's cap. As such the value of these allowances was low and they were traded at less than €10/tonne.

The directive concerning Phase IV (2021-2030) of the ETS entered into force on 8 April 2018. However, secondary legislation and guidance documents defining the legislative background of the Phase IV Trading Period are still ongoing at the time of writing this report. The new benchmark values (the value at which the free allowance is set) is below the actual emissions of the covered industries, and this deficit, along with market measures such as a stability reserve held by the EU and the faster reduction in year-on-year allowances has driven traded prices up to current values of €80-€100/tonne.



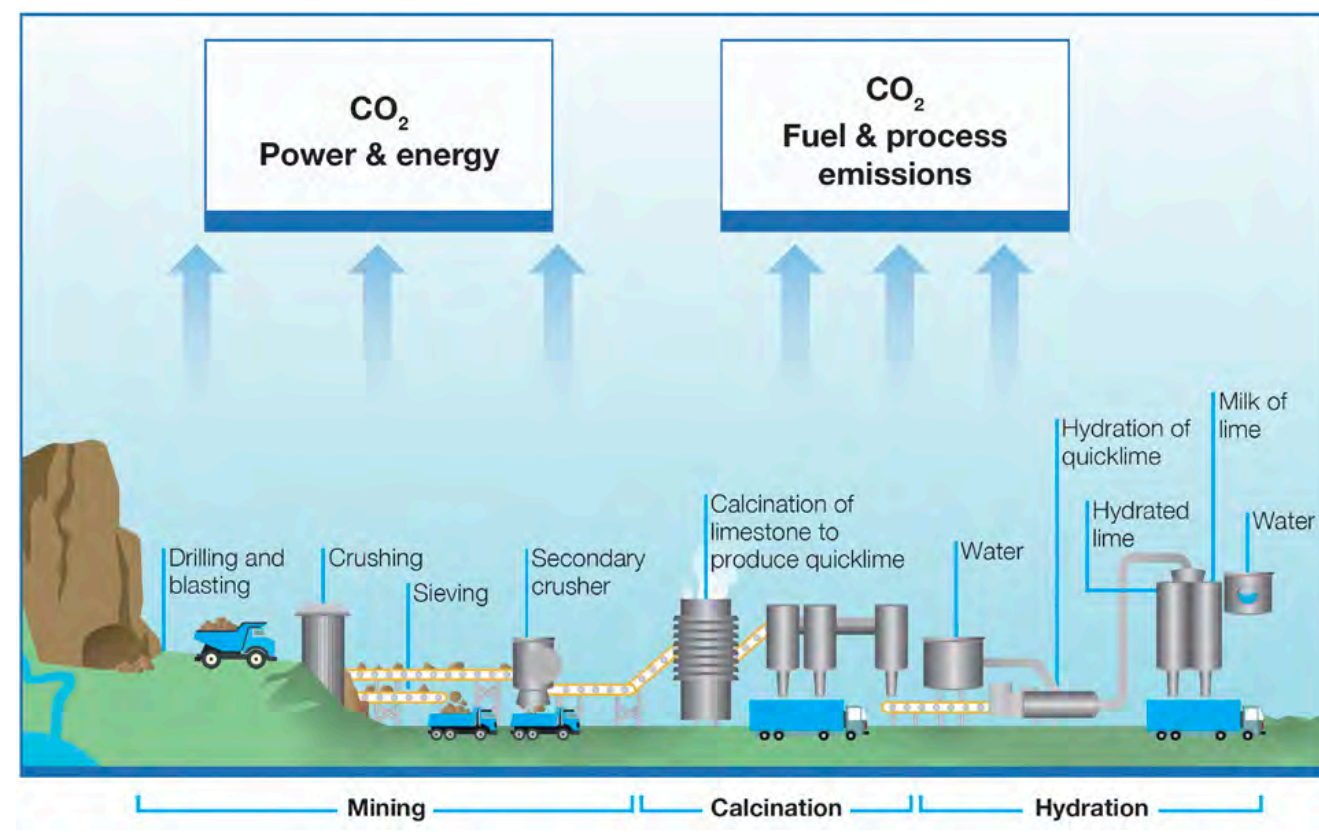
Solar panels at Carrières du Hainaut

ENVIRONMENT

Optimise energy use and minimise impact of our operations on the environment

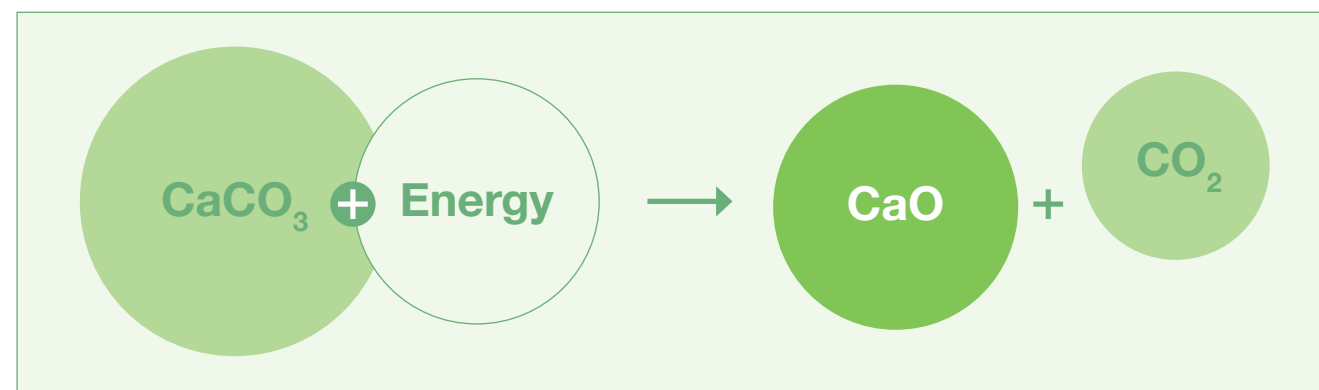
Lime Industry and CO₂

For lime there are sources of CO₂ along the production process, however there are two primary sources that make up the majority of CO₂ emissions: fuel and process emissions from the calcination part of the process.



Source: European Lime Association

The calcination process is simply the formula of deriving CaO from CaCO₃ using heat.



The two main sources of CO₂ from the calcination part of the process are as follows: Combustion CO₂ (~25% to 35%) is produced from the burning of fossil fuels, while process CO₂ (~65% to 75%) results from the actual calcination of limestone.

All the CO₂ sources have different mitigation solutions.

Power and energy CO₂ can be reduced through energy efficiency, renewable electricity, fuel efficiency and renewable / alternative fuels. We are actively working on renewable

energy solutions and Power Purchase Agreements.

Combustion CO₂ can be reduced by energy efficiency and fuel selection, as well as by carbon capture utilisation or sequestration (CCUS). We are in the process of moving away from fossil fuels and have started to commission our first module of the CCUS in April 2023.

Process CO₂ can only be addressed by CCUS, with our first module started to be commissioned in April 2023.

Carbon capture utilisation or sequestration

The emissions from lime kilns are well suited to technologies such as CCUS as they have a higher CO₂ content than most post-combustion gases and contain fewer contaminants due to using only limestone as feedstock and, due to product requirements, more stringent fuel quality requirements and typically lower gas filtration temperatures.

Post-combustion capture (PCC) systems constitute a technically and economically viable solution to reduce emissions in a variety of sectors. Retrofitting existing plants with post-combustion capture units may be the only effective and economically viable way to reduce emissions at the stack, without affecting the process upstream. The availability of a range of commercially ready technologies suitable for different types of CO₂ point sources is crucial for the wide deployment of CCUS systems. Given the wide ranges of plant sizes and flue gas specifications relevant to different emitting sources, it is unlikely that a single technology could fit best in all cases. Therefore, for effective process design, it is convenient to consider multiple technologies and select the most efficient and economically viable option to serve the purpose.

In addition to the membrane technology chosen by SigmaRoc, there are a few other options, each with their own opportunities and risks:

- Amine scrubbing is acknowledged as the most mature CCUS solution. Absorption-based processes for the separation of CO₂ from flue gases have been widely researched, and their effectiveness has been proven through testing on a variety of scales, from laboratory to commercial. For lime, this solution is both costly and requires a substantial footprint with significant energy consumption and issues with disposal of waste residues.
- Cryogenic capture and separation is a more recent development offered by industrial gas companies as an extension of their in-house process. For Lime, this solution is both costly and requires a substantial footprint with significant energy consumption.

SigmaRoc believes that membrane technology is optimally suited to our operations, in summary, due to the proven technology, small footprint, low capital and operating costs, and high efficiencies.

Membrane-based processes, on the one hand, are characterised by relatively simple process schemes (e.g. no flowing liquid phase, fewer auxiliary streams and fewer pieces of equipment), which make them cost-competitive at small scales. On the other hand, components like membrane modules are generally limited in their maximum size and benefit less than from economies of scale, but do offer a modularity that allows for smaller investments over time to follow market effects.

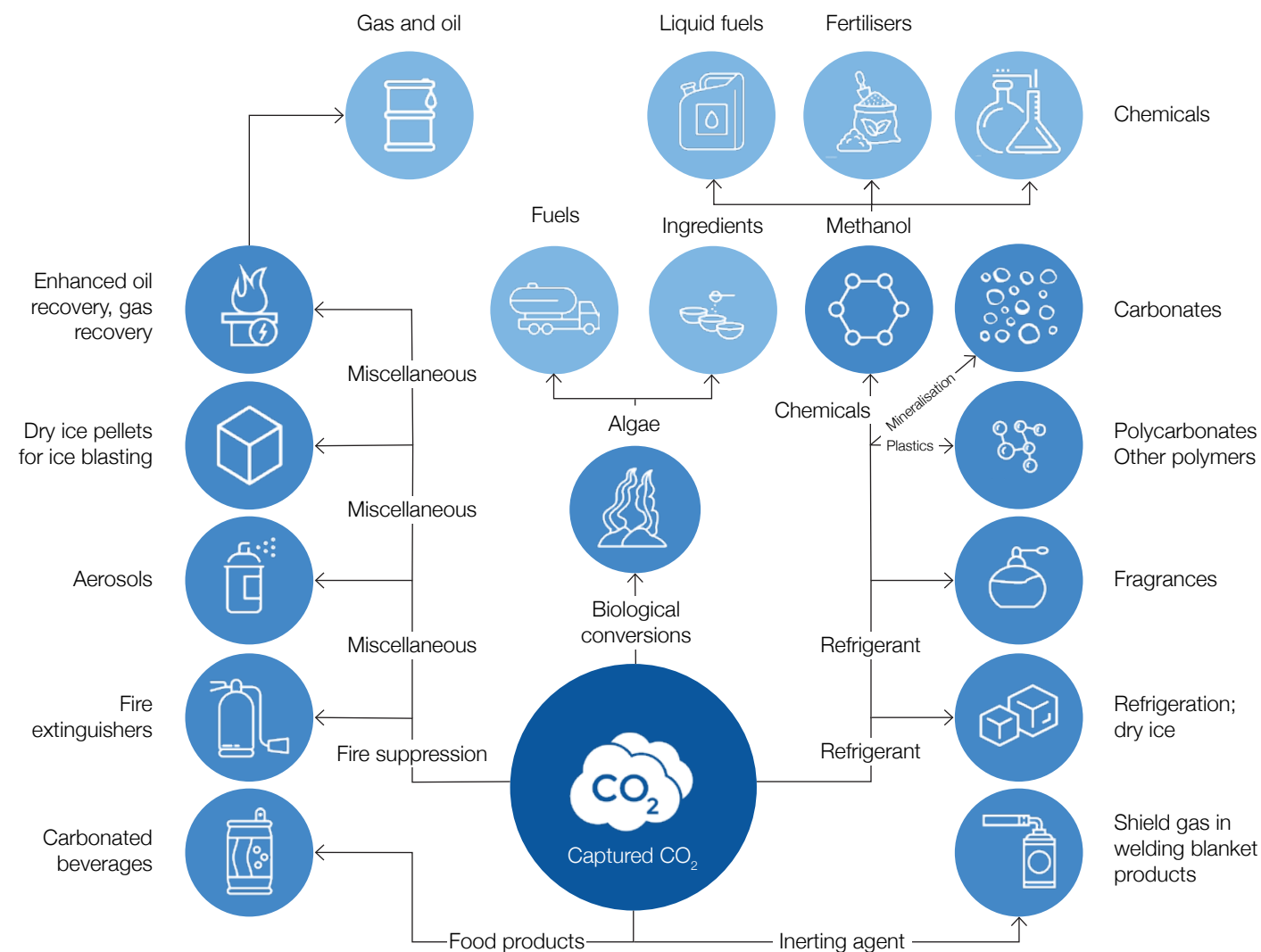
The choice to pursue membrane technology in our lime production process was based upon several criteria – capital requirement, footprint, cost of operation, complexity of operation and overall environmental impact.

Membrane technology is, as mentioned previously, limited in scale and suitable for modularity, allowing smaller capital investment to track, as an example, allowances in EUETS. The modules are small (within a sea container) and would require, in our largest plant, four modules to cover process emissions. There are relatively few moving parts, no hazardous liquids or residues and, due to efficient kiln processes where we have little remaining waste heat which can be used in amine technologies, a lower energy penalty to operate (typically less than 50% of competitive technologies). In addition, when the produced CO₂ is utilised in other processes, specific purity requirements could be met by the addition of another stage of separation within the existing modules.

There are several CO₂ and solid carbon utilisation pathways that are currently under development across an array of industries. Examples can be seen in the diagram on page 44.

ENVIRONMENT

Optimise energy use and minimise impact of our operations on the environment



Source: Wood Mackenzie, Lux Research

Streamlined Energy and Carbon Report (SECR)

Organisational boundary

Energy use and associated GHG emissions are reported across the Group as defined by the operational control approach. This includes all operations in the UK and Channel Islands (North West), Belgium (West) and Estonia, Finland, Poland, Sweden, Turkey and Spain (North East). This exceeds the minimum mandatory requirements set out in the 2018 Regulations for 'large unquoted companies', which only requires reporting of UK based energy use and emissions.

Reporting period

The annual reporting period is 1 January to 31 December each year and the energy and carbon emissions are aligned to this period. The energy and emissions for the newly acquired entities have been included from their respective acquisition dates. Reported emissions for Nordkalk in 2021 have been revised to present a full 12 months, thereby providing a more accurate like for like comparison with 2022 emissions.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. Emissions calculations were based on emission factors published in the 2022 UK Government GHG Conversion Factors for Company Reporting, Statistics Finland Fuel Classification 2022, Swedish Environmental Protection Agency Emission Factors 2022 and the latest available factors from the Association of Issuing Bodies (2021), Jersey Electricity (2020) and Guernsey Electricity (2020). The report has been reviewed independently by Briar Consulting Engineers Limited.

Electricity and gas consumption were based on invoice records with some pro-rata and benchmark estimations carried out to complete missing data. Transport usage was calculated from a combination of mileage and fuel records where possible. Transport is not necessarily reported separately outside the UK and Channel Islands as it is included within onsite fuel usage. Gross calorific values were used except for mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations. For large unquoted organisations, the 2018 Regulations define mandatory emissions as those originating in the UK coming from purchased electricity, gas combustion and purchased fuel for transport (including mileage expense claims). Reporting energy and emission sources outside of these sources is considered voluntary and reported separately.

The emissions are further divided into their relevant scopes as per the GHG Protocol. The scopes are defined as:

- **Scope 1:** Direct GHG emissions that occur from sources owned or controlled by the organisation.
- **Scope 2:** Indirect GHG emissions from the generation of acquired and consumed electricity, steam, heating or cooling.
- **Scope 3:** Other indirect GHG emissions that occur as a consequence of the organisation's activities but occur from sources not owned or controlled by the organisation.
- **Outside of scopes:** Biogenic CO₂ emissions that scope 1 impact are determined to be 'net zero', since the fuel source itself absorbs an equivalent amount of CO₂ during the growth phase as the amount of CO₂ released through combustion. Therefore, the direct CO₂ emissions are reported separately.



Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2021		2022	
Mandatory energy:	UK	Group Total ¹	UK	Group Total ¹
Gas	453,856	302,329,485	362,199	208,190,947
Purchased electricity	5,113,311	189,655,953	7,024,295	192,100,497
Transport fuel & site fuel	52,777,809	396,547,065	55,806,376	434,579,215
Total energy (mandatory)	58,344,976	888,532,503	63,192,870	834,870,659
Voluntary energy:				
Bioenergy	-	22,177,534	-	32,094,230
Coal	-	428,002,960	-	387,013,242
Generated electricity ²	-	1,906,467	-	4,499,105
Total energy (voluntary)	-	452,086,961	-	423,606,577
Total energy (mandatory & voluntary)	58,344,976	1,340,619,464	63,192,870	1,258,477,236

¹ The Group total includes emissions from the UK, Channel Islands, Belgium, and Nordkalk (Estonia, Finland, Poland, Sweden and Turkey, with Spain from August 2022 only).
² Electricity generated by solar photovoltaic panels. Reported energy includes any exported energy to the grid.

Breakdown of emissions associated with the reported energy use (tCO₂e)

Emission source	2021		2022	
Mandatory emissions:	UK	Group Total ³	UK	Group Total ³
Scope 1				
Gas	83	49,091	66	32,501
Company owned vehicles & site fuel	13,035	103,962	13,859	113,712
Scope 2				
Purchased electricity (location-based)	1,086	43,200	1,358	42,771
Scope 3				
Category 6: Business travel (grey fleet only)	77	103	88	311
Total gross emissions (mandatory)	14,281	196,356	15,371	189,295
Voluntary emissions:				
Scope 1				
Bioenergy (CH ₄ & N ₂ O)	-	1.4	-	2.0
Coal	-	140,333	-	131,205
Process related emissions	-	413,896	-	388,517
Total gross emissions (voluntary)	-	554,230	-	519,724
Total gross emissions (mandatory & voluntary)	14,281	750,586	15,371	709,020
Outside of scopes (CO ₂ only)				
Bioenergy	-	7,586		11,013
Petrol/diesel biofuel content	227	251	223	239
Intensity ratio: tCO ₂ e per million-pound turnover:				
Mandatory emissions only	193.0	423.2	142.3	351.9
Mandatory & voluntary emissions	193.0	1,617.6	142.3	1,317.9

³ The Group total includes emissions from the UK, Channel Islands, Belgium, and Nordkalk (Estonia, Finland, Poland, Sweden and Turkey, with Spain from August 2022 only).

Breakdown of emissions across the Group by region for 2022 only (tCO₂e)⁴

Emission source	2022			
	North West	West	North East	Total
Bioenergy (CH ₄ & N ₂ O)	-	-	2	2.0
Coal	-	-	131,205	131,205
Gas	66	108	32,328	32,501
Company owned vehicles & site fuel	18,431	6,180	89,101	113,712
Process related emissions	-	-	388,517	388,517
Scope 2				
Purchased electricity (location-based)	1,473	1,715	39,583	42,771
Scope 3				
Category 6: Business travel (grey fleet only)	95	-	216	311
Total gross emissions	20,065	8,003	680,952	709,020
Outside of scopes				
Bioenergy (CO ₂)	-	-	11,013	11,013
Petrol/diesel biofuel content	239	-	-	239
Intensity ratio				
tCO ₂ e per million-pound turnover	144.2	91.6	2,186.2	1,317.9

⁴ The North West includes the UK and Channel Islands; the West region includes Belgium; the North East region includes Nordkalk.

Intensity ratio

The intensity ratio is total gross emissions in metric tonnes CO₂e per total million-pound (£m) turnover. This is calculated separately for ‘mandatory’ emissions and ‘mandatory & voluntary’ emissions for the UK and regionally for the North West, West and North East SigmaRoc regions. This financial metric is considered the most relevant to the Company’s wide-ranging activities and allows a comparison of performance across other organisations and sectors.

Energy efficiency action during current financial year

Emissions for Nordkalk (the North East region) have been reported for a full 12 months in 2021 (despite joining SigmaRoc in September 2021) and 2022 to provide comparable annual emissions for the Group.

Consequently, the reported emissions reveal that Group wide relative and absolute emissions have reduced in 2022 despite the acquisitions of Johnston Quarry Group, RightCast and La Belonga.

Fuel consumption emissions in the North East region have reduced with a transition away from coal (reduced by 9,128 tCO₂e) and coke gas (reduced by 4,648 tCO₂e) to alternative and biofuel sources, such as recycled fuel oil (increased by 6,459 tCO₂e) and biofuel in Finland and Sweden rotary kilns.

Gross UK emissions have increased by 1,090 tCO₂e in 2022, largely due to the acquisitions of Johnston Quarry Group (1,816 tCO₂e) in 2022, which has countered emission reductions elsewhere in UK operations. Nevertheless, operational efficiencies at the Wales Platform quarries of Harries have resulted in energy efficiency improvements. In Blaencilgoed Quarry, usage of DERV has reduced by 0.14 litres per tonne of aggregate production when compared to 2021 data. At the

same quarry, power to a small submersible water pump has been converted from a diesel generator onto mains electricity, which has a lower carbon intensity.

At the Harries Bolton Hill Quarry, operational efficiencies have resulted in DERV usage reducing by 0.3 litres per tonne in mobile plant aggregate production, while at the main fixed crushing plant, electricity consumption has reduced by 1.5 kWh per tonne in aggregate production compared to 2021 data. Furthermore, a fabricated steel structure has been constructed at Alltgoch Quarry over the cold feed bins at the asphalt plant as part of a development to keep the aggregate and dust drier and save energy costs.

The Ronez operations are trialling low temperature asphalt to reduce use of gas oil and have been improving metering and monitoring of energy usage to identify further opportunities in 2023. At Poundfield Products, work has begun to replace the diesel-powered forklift truck fleet with electric powered models, while also investigating the feasibility of installing solar panels at the main manufacturing sites.

Supporting further reductions in CO₂, Poundfield, Aberdo quarry and our Llay manufacturing plant have all agreed to switch to renewable energy tariffs in 2023. This is 8 years ahead of our net-zero commitment, reducing scope 2 emissions by 106,000 CO₂ kge per annum. Poundfield has also invested in multiple electric FLTs as alternatives to current diesel options, which combined with Poundfield’s 2023 renewable energy tariff tmeans that Poundfield’s new electric FLTs will be carbon neutral, contributing to our scope 1 reductions.

The full report can be found in our 2022 Annual Report,

Environment case studies and examples

Creating Net Zero Lime

The Group is leading the industry on two fronts with regards to Net Zero Lime through its collaboration with ArcelorMittal and Aqualung.

In September the Group announced that it had entered into a JV agreement with ArcelorMittal, a leading global steel and mining company, to develop Europe's first fully net-zero CO₂ quicklime production for use in steel production and other applications.

Planning has commenced for civils, permitting and kiln specification, with final permitting approval expected toward the end of 2023, which will then facilitate commencement of civil works and construction of the first kiln.

By plugging into ArcelorMittal's carbon capture infrastructure, the JV's quicklime production can both be assured of its net-zero credentials and have proximity to its main offtake. Long-term supply of key inputs, such as limestone and kiln operations, plus offtake of quicklime produced, will be assured by the JV partners.

In order to supply the new lime kilns in Dunkirk, La Belonga was acquired in July 2022. La Belonga is a limestone quarry located in the north of Spain with 60 million tonnes of Reserves plus Resources and potential for a further 120 million tonnes, subject to permitting. La Belonga is strategic to the Group as it is a large reserve of high quality limestone, possessing high calcium oxide and low sulphur content, which is suitable for use in the steel industry, and is located close to the Gijon port providing export opportunities into the Group's European operations.

Around the same time, in November 2022 the Group announced that it had signed an agreement with Aqualung that will allow for the installation of a carbon capture membrane technology solution across all its existing operational kilns. The technology is modular, tested, and scalable, allowing for a phased and systematic roll-out across the Group's operations. In parallel, the parties will work on the entire carbon chain that includes the capture, sequestration and alternative uses or commercialisation of the captured CO₂. The Group thereby estimates that it will be able to dramatically bring forward its net-zero targets once full roll-out has commenced.

Lime kiln emissions are typically cleaner than other industrial applications and are more suitable to carbon capture, especially with regards to footprint and sizing. Aqualung's solution uses a patented membrane technology which is both compact and scalable. The technology allows for a comparatively simple, low energy solution that mitigates the risks and complexity associated with absorbents, their regeneration processes, and hazardous wastes. Membrane technology is proven and tested giving both parties the required assurances that it has a high chance of success when applied across an entire kiln network.

Construction has commenced, and the full unit has been prefabricated and shipped on-site to Scandinavia with plug-and-play integration to the plant. Commissioning and start-up started in April 2023. Once operational the Group will finalise the wide roll-out plan, estimated to be completed by Q3 2023. Full Group roll-out can then be launched.



Trial carbon capture pilot in Dunkirk



Visit of His Majesty The King and Her Majesty The Queen of Belgium in Carrières du Hainaut

Biodiversity worthy of the King and Queen of Belgium

2023 started off with a huge endorsement that the Belgian Royal Family, keen on biodiversity, wanted to see first hand our work at one of our largest sites in the Group.

On March 9 2023, His Majesty The King Philippe and Her Majesty The Queen Mathilde of Belgium were welcomed at Carrières du Hainaut's bluestone quarry in Soignies.

Our Royal guests were extremely engaging with the site's employees and the measures they have taken to preserve and develop biodiversity at the heart of the quarry.

The cliffs, ponds and sandy areas that make up the quarry form great breeding and living habitats for several species. In 2021, 27 species were recorded within the quarry, and Carrières du Hainaut hopes to continue to increase the number of species

on site through their participation in the LIFE program: a project funded by the European Union and the Walloon region to increase biodiversity in quarried environments through creating and maintaining living environments. With each year the site continues to improve the habitat to encourage bio-diversity including installing floating platforms in 2020 to add more bird-friendly spaces and a bat tunnel within the spoils in 2021.

New water pumps save energy and emissions in Finland

In 2022, as part of our on-going detailed audit of energy and power, the site identified that a modification and update to the pumping system could reduce energy consumption by approximately 25 per cent and emissions by 40%. This was actioned immediately, and the benefits have now been clearly seen; saving about 1400 MWh energy.

Environment case studies and examples

Considering the environment at every stage of our operations

Ronez’s demonstrable commitment to stewardship of the natural environment is a key element of their success in securing the long term security of reserves for our quarry operations. In Jersey, many years of preparation, which involved surveys to identify the presence and proliferation of protected species and breeding birds, allowed them to prepare improved habitat into which they could translocate fauna that would have potentially been impacted by the quarry development. Slowworms and invertebrates have been trapped under licence and moved to an area where “hiberniculars” have been constructed that will provide protection and enhance the breeding opportunities for the protected species.

A stream also crossed the site, the water from which predominately ran off and was lost to the sea. An existing pond was dredged, permanent facilities for intercepting and recovering the water were constructed, and now all the Company’s water for readymixed concrete and concrete products production is taken from this completely sustainable source.

The quarry development has also given an opportunity to alleviate the spread of the invasive species, Japanese Knotweed, which has become prevalent on land adjacent to our quarry. Land where the Knotweed is present has been stripped

of soil and subsoil, which has been buried at depth in the quarry. Clean overburden will then be placed above, which will seal the contaminated soil. Drainage has been designed such that spores from the knotweed cannot escape when pit water is pumped out in the future.

In considering the “human” impact as well as the natural environment, noise attenuation and visual screening bunds were constructed with topsoil from the quarry development site. These have been planted to a design that encourages native tree patterns and are being maintained in accordance with a long term management plan that will guarantee that all the new habitat cannot be neglected and will thrive in the longer term.

Circular Calcite

At Nordkalk’s largest production site in Finland, a by-product of the flotation part of the process, tailings or flotation sand, is generated. In the beginning of 2022, Nordkalk launched a new circular product “Circular Calcite”, which is based on tailings and intended to be used for soil improvement in agriculture. In addition to traditional calcite, the new product contains silicates, which have a high pH and, like limestone, have the ability to raise the pH of the soil. In spring 2022, “Circular Calcite” was granted an organic certification, which means it can be used for soil improvement even on farms specialising in organic farming.



Amongst other awards, Ronez also won the 2022 Jersey Construction Council Sustainability Award



Circular Calcite, Nordkalk

Social



Key focus area

Ensure people leave work in the same or better condition than when they arrived.

Support the physical and mental health of our employees and their families.

Attract, train, retain, and engage our workforce.

Be a good neighbour; Source local, buy local, sell local, invest local.

Targets

Total injury frequency rate and harm injury frequency rate reduction year on year.

Increase workforce engagement and retention.

Increase board diversity.

How did we do

13% year-on-year reduction in incident frequency rate; 19% reduction in serious harm frequency rate and over 70% year-on-year increase in near hit, hazard, and risk reporting. This data is not just limited to employees, but included all those that work on our sites including contractors.

Commitment to employees as well as their families and the communities through Family Fun Day with over 200 people attending.

Climate and supervisor surveys that has allowed each business to focus on key areas identified by our employees.

Increased female board diversity to 25% with regards to NEDs through the appointment of Axelle Henry.

Continued development of our working relationships with the military and military employment charities.

Engagement of apprenticeship schemes as well as school and university placements to offer careers to those both at the start of their careers or those looking for change or coming back to work later in life.

Focus for 2023

Continual roll out of supervisor alignment programme for Health & Safety.

Continued focus on 3 core Health & Safety areas: Structure & Compliance; Proactive Prevention; and Learn & Improve.

Alignment of all business to group core risks to continue to drive SIF reduction.

Continue to promote Board diversity in addition to current diversity of 25% of female NEDs.

Continue to work with government agencies, education establishments and communities to offer long term employment opportunities.

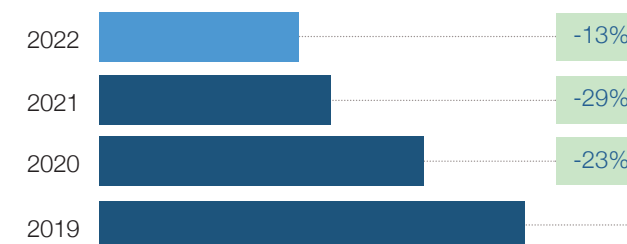
SOCIAL

Ensure people leave work in the same or better condition than when they arrived and support the physical and mental health of our employees and their families

2022 once again saw continued focus and commitment to health & safety across a larger and more diverse Group. Importantly, the Group has seen a further 13% reduction in the Total Recordable Incident Rate (TRIFR) and 8% reduction in Lost Time Injury Frequency Rate (LTIFR). Strong focus on near hits and hazard & risk elimination resulted in an increase in positive and lead indicating reporting by more than 70%. It should be clearly noted that when reporting we cover all those that work on our site regardless of employment status and as such this includes employees, agency staff, consultants, and contractors.

TIFR

TIFR per 1mhrs for employees and contractors



Operating in numerous countries across the UK and Europe, we continue to ensure compliance with local regulation, which is managed at a local level, whilst at the same time integrating these businesses to align with best practice Group H&S standards.



Managing directors visiting CDH



Clint White

HSE&P Director

Clint White is responsible for Group Health, Safety, Environment and Planning and has been with SigmaRoc since 2017.

Clint is a qualified geologist and Health and Safety professional having worked around the world in both underground and open pit mining as well as oil and gas for such companies as Ineos Fluor, Laporte Minerals and British Petroleum. He is primarily responsible for ensuring that SigmaRoc businesses maintain robust systems for the delivery of a compliant and progressive health, safety and environmental culture with a focus on continuous improvement.

During the pandemic, Clint championed our COVID-19 response, ensuring that all those involved with our operations and services were protected and conformed to the government criteria.

Clint has led the setup and promotion of working policies, health screening, asset disinfecting and fumigation, testing and wellbeing programs for those that have been self-isolating or working from home.

Ensure people leave work in the same or better condition than when they arrived and support the physical and mental health of our employees and their families

Principles

The Group continues to drive its overarching H&S standards which we believe supported the continual improvement in health and safety in 2022.

These principals help ensure employees' awareness of health & safety issues; reduce the number of work accidents, and their severity; reduce stress, and/or promote wellbeing and prevent the exposure to hazardous substances (including nanomaterials).



Structured & Compliant

- 1. All sites audited with identified improvement actions.
- 2. All corrective actions properly closed out and on time.



Proactive Prevention

- 1. Core risks with live action plan.
- 2. Uncontrolled Risks and hazards (HIRE) logged and actioned.



Learn & Improve

- 1. No repeat Events.
- 2. Performance and events promptly communicated throughout the businesses.

Core risks

SigmaRoc has worked closely with consultants and post-graduate researchers to continual improve our health & safety. This year has seen the focus on core risks which include:

- Contact with moving vehicles / objects
- Entrapment by machinery / moving parts
- Hit by suspended load / falling objects
- Falls from height
- Trapped by significant mass / energy
- Powders and COSHH material handling

Two primary areas of focus to improve our control of core risks has been on:

- 1. Serious Injury or Fatality (SIF) framework; and
- 2. Investigations.

SIF is the focus on events that could lead to Serious Injury or Fatality; in simple terms those events that cause or have the potential to cause life threatening / changing injuries. This work has been heavily developed in recent times and is seen to be the next evolution of well-grounded traditional H&S principles; driving the focus to those areas that are of the most serious nature. This has supported and aligns with our core risks and enables us to develop improved reporting to ensure action on those key areas.

The Group also maintains a strong focus on conducting detailed investigations, not only after an event has happened, but also before events happen. For example, through Bow Tie analysis, core risk events can be reviewed before they happen. This allows causes to be proactively identified so safety barriers can be implemented to mitigate routes to an adverse

H&S event. On the flip side, the effects and consequences of the event are also proactively identified so safety barriers can be implemented to mitigate the impacts of such an event.

Post event investigation, including investigation on near hits, and externally publicised events both in our industry and beyond, is conducted. The level of investigation is proportional to the severity and seeks to review not just the event, but also organisation factors, task and environmental conditions, individual and team actions, and absent or failed defences.

It is by these principles and through core risk management and investigation that the Group can act to continually deliver its year-on-year H&S improvement.

Front line leadership

Following on from 2021, in 2022 the Group concluded its initial Group front line leadership initiative. The Group continues to support and drive NEBOSH and IOSH (or equivalent) training of supervisor and front-line management as an on-going process.

2022 laid the foundation for the 2023 initiative to ensure all front-line leaders spend optimal time on site, leading and managing safety, quality, and productivity. This includes engagement of our front-line leaders, which includes both supervisors and managers, and working closely with them to ensure they continue to be supported and equipped, whilst identifying and eliminating unnecessary process and reporting, to maintain a safe, lean, and agile business.

By focusing on the inputs of having boots on the ground and lean processes driven by our front-line leaders, the Group is confident that it will see continued improvement in the output of not only safety, but also quality and productivity.

HighVizz

Our ability to manage and report safety continues to thrive and develop through our HighVizz app. This includes supporting SIF identification, as well as new modules such as pre-start inspections, and enables our teams to have lean processes and systems that ensure risks are managed more effectively and efficiently.

Culture

The safety culture of the Group continues to have strong focus, as every new business comes with differing approaches to safety prior to joining SigmaRoc. In 2022, the H&S part of the monthly senior management meeting was given its own specific meeting held two weeks earlier. The meeting has been expanded to a wider audience to promote focus, communication and prompt closure of actions, with the ability to follow up key actions in the main senior management team meeting two weeks later; thereby driving the “plan, do, check, act” cycle used by the UK HSE.

The initiative based on football league tables in Belgium has shown huge success and has resulted in year-on-year increased engagement of nearly 400% for near hits, hazard, and risk identification and a subsequent reduction in SHIFR by 23%.

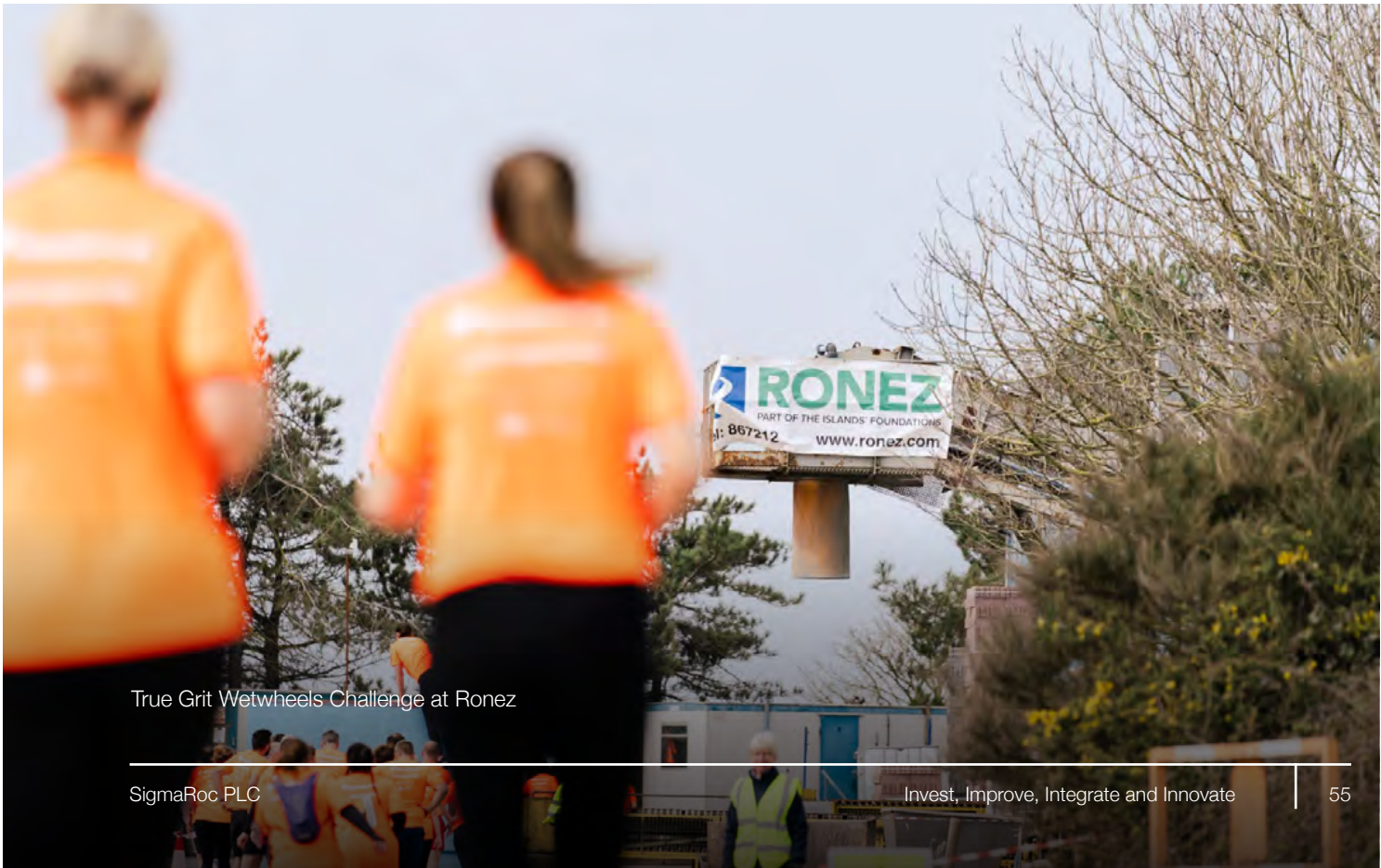
Occupational Health

Both SASB and the UK Minerals Product Association have a focus on occupational health, especially Silicosis. As a Group we have a hierarchy of controls, based upon best health and safety guidance and an assessment of the risks within our sites and workplaces ensuring compliance with HASWA 1974, MHSWR 1999, COSHH Regulations, L140 - HSE ACOP for HAVS, PUWER 1998, HSG258 - HSE Controlling

airborne contaminants at work (use of LEVs) and EH75-4 and INDG 463 Silica and control methods.

These include:

- Use of Risk assessments, safe systems of works and COSHH assessments;
- Minimising dust generated by our operations through engineering controls such as enclosing processing equipment and transfer points, water suppression, use of spray systems for dust encapsulation and local exhaust ventilation;
- Periodic personal and local monitoring by external consultants and subsequent personal assessments against recognised exposure limits;
- Health questionnaires and health surveillance of staff by Occupational Health specialists;
- Where surveys identify potential exposure above recognised exposure limits warning signage is posted and workers are required to wear appropriate respiratory protective equipment including full and half masks, and air fed breathing systems;
- Time limits set for and policy of job rotation to minimise exposure times in addition to the use of specialised PPE in areas of risk;
- Training for new employees and regular refresher training for existing employees to raise awareness of the risks to health that can arise from exposure; and
- Training in the correct use and maintenance of PPE provided to protect their health and other checks such as face fit testing for dust masks.



True Grit Wetwheels Challenge at Ronez

SOCIAL

Attract, train, retain, and engage our workforce

This year we welcome almost 200 new employees to the Group both to support our growth and replace natural churn due to aspects such as retirement.

Our new employees also include over 30 apprentices, school leavers, graduates and those returning from long periods of absence from work with more programs in place to continue this. Many of these placements have been recruited from local communities to where we operate.

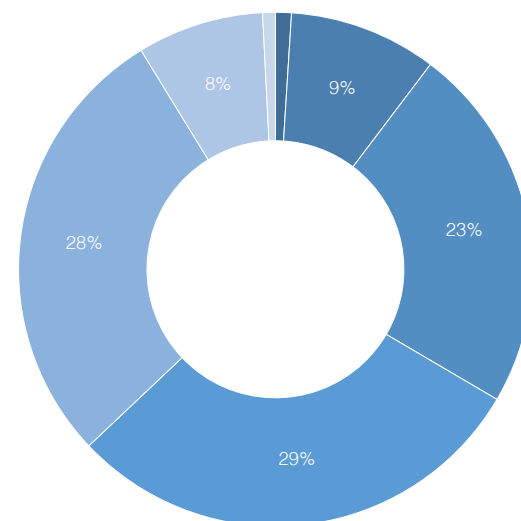
We continue to develop our working relationships with the military and military employment charities to help facilitate resettlement and transition from military to civilian life as well as support civilian spouses and partners of serving and ex-Forces personnel on their journey into employment. We are registered with the Career Transition Partnership.

Within our work force we have committed to over 30,000 hours of learning and development training including both in house and outsourced.

It is felt that we have a good demographic of employees, offering both opportunities to those new to a career all the way through to those that have dedicated a life long career to our industry who can and actively do pass on their knowledge and skills to others in the Group. We are especially proud of our long serving members of staff and the dedication they have shown their businesses, both previously to being acquired by SigmaRoc as well as since their integration into the larger Group.

AGE PROFILE

(years)



ACROSS OUR REGIONS

Of our employees work in frontline operations (wear PPE >70% of the time)

>72%

Of our staff are female

up to 19%

Of our staff have management positions

<20%

Of our management are female

up to 24%

SOCIAL

Be a good neighbour; Source local, buy local, sell local, invest local

Our success with both integration and our ongoing focus on our employees can be clearly seen both in our employee satisfaction surveys as well as our customer satisfaction surveys where our team's energy and passion has clearly allowed us to deliver the best we can to our customers.

Employees satisfaction

up to 86%

Customer satisfaction

up to 91%

Be a good neighbour; Source local, buy local, sell local, invest local.



Time, materials, cash donated to local charities

over
£250K

We understand and respond to the needs of our stakeholders. The Board is committed to and actively encourages effective relationships and communication with the Group's stakeholders. This will realise a greater understanding of each stakeholder's needs. The Board believes that by taking into account these needs and interests, the value for the Group and the long-term success of the Company will be maximised.

Colleagues

We recognise our dedicated workforce as a key driver of the value derived from the business. Our colleagues are offered development opportunities to further fulfil their potential. All colleagues are offered a fair benefits and compensation package relative to their role and level in the organisation.

Customers and suppliers

We work alongside our customers by striving to deliver the best customer service and seek innovative solutions to support many of the major projects on which we operate. We pride ourselves on going the extra mile and recognise customer loyalty as a key part of our long-term success. The Group also recognises the huge role its suppliers play in its long-term success. We endeavour to maximise value from our suppliers and work with them to support the delivery of our customers' needs.

Regulators/ local government/ industry associations

Developing and sustaining good relationships with the many regulators who govern our business is central to the success of our business and maintaining our license to operate. We are committed to adherence to our legal and regulatory requirements. We actively support our industry representatives in pursuing the best regulatory regime for our business.

Investors and lenders

Our investors and lenders play an important role in the continued success of our business. We maintain purposeful and close relationships with them, and our sustainable long-term growth strategy provides value for our investors and lenders.

Communities

We are at the heart of the communities in which we operate so recognise our responsibility to be good, supportive and engaged neighbours. Our businesses have active liaison programmes with the communities in which they operate, and they seek to take into account their interests and concerns in their operational activities.

We are making a material difference through the impact we have with everyone who lives, works, travels and socialises in communities throughout the UK, Channel Islands and Europe. The Board believes that it has acted in a way which is likely to promote the success of the Company for the benefit of its members and other stakeholders through the decisions it has taken in the year to 31 December 2022.

The Board is responsible for establishing the Group's long-term strategy and objectives; however, it recognises that the executive and senior managers of our businesses play an important role in achieving these goals. The Board has an effective delegation structure in place which allows local management and their workforces to engage effectively and react accordingly, to understand the needs of their suppliers, customers, communities and regulators at a local level. The Board is of the opinion that engaging the majority of its stakeholders on a local level is the most effective process for the long-term success of the Group.

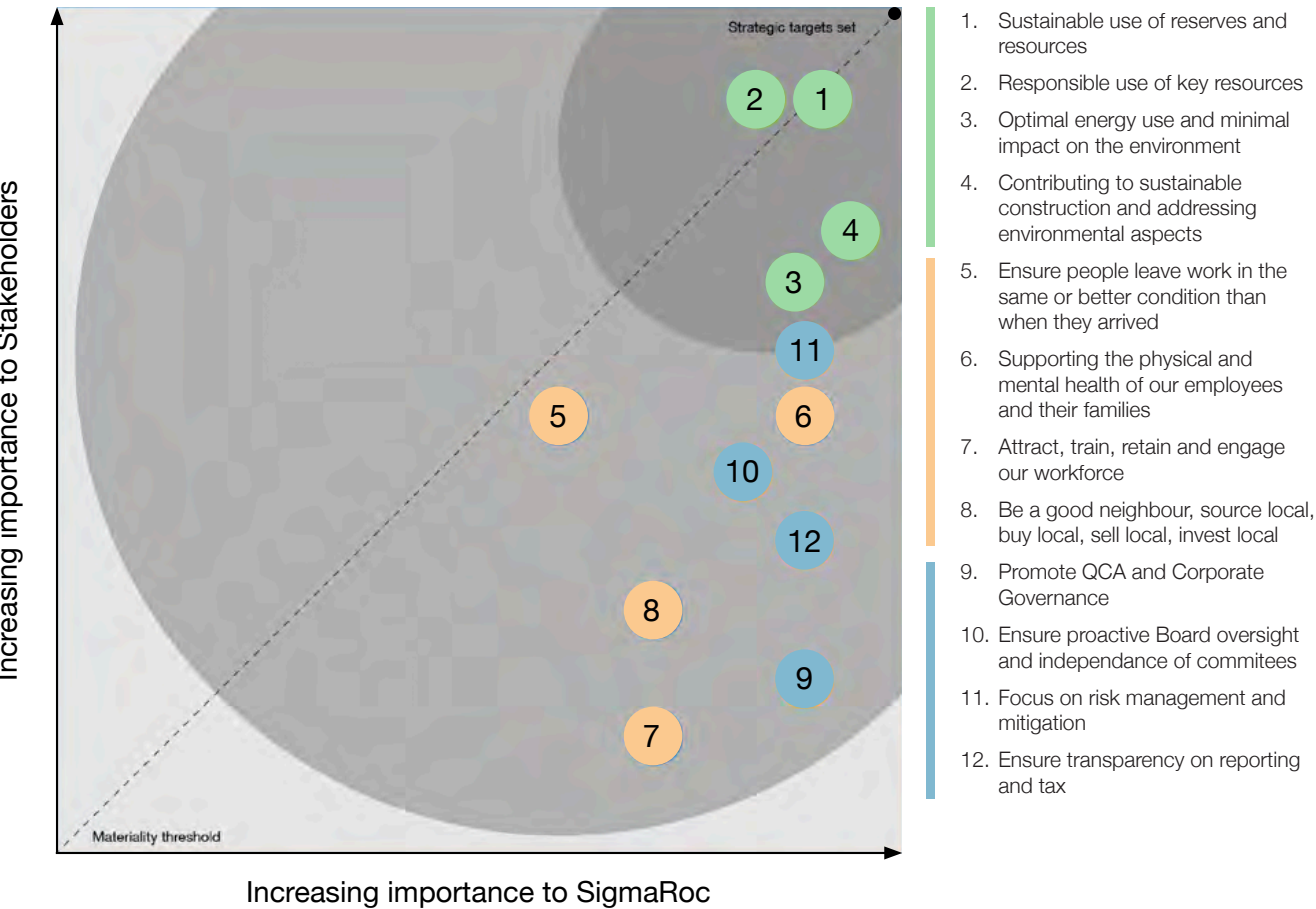
Be a good neighbour; Source local, buy local, sell local, invest local

Stakeholders

	Colleagues	Customers & Suppliers	Regulators/ Local government/ Industry associations	Investors & Lenders	Communities
Their material issues	Physical working conditions Pay and benefits Communication Opportunities for development and training Health, safety and wellbeing Sustainability	Cost Product de-velopment Service levels Sustainability commitments Product quality Payment practices	Climate change Emissions and discharges Site restoration and aftercare Health and safety Logistics practices Planning compliance	Governance Profitability and return on investment Sustainability commitments Environment Strategy	Noise Transportation routes Health and safety Environment Communication Support for local causes
Method of engagement	Colleague engagement surveys Colleague focus groups Intranet, post, emails, newsletters, notices and presentations. Colleague groups and social committees DNED for Workforce engagement Personal development reviews	Direct engagement Contracts and terms of business Third-party engagement Website Industry associations Tender quotations 360 feedback	Mandatory returns and applications Regulator visits and meetings Notices Liaison with local MPs and govern-ment offices Participation in industry associations	Capital mar-kets events Site visits and field trips One-to-one meetings Telephone calls Investor con-ferences Brokers' con-tacts AGM	Targeted consultations Local liaison meetings Social media Community events Letters, emails, notices Site tours Websites School visits
Value created	Improved engagement with colleagues will ensure we develop, motivate and retain our valued workforce while promoting and attracting new colleagues that want to work for us.	Engaging with our customers helps us deliver excellent customer service, build relationships to enable us to get the right product, to the right place, at the right time for the right price. Engaging with our suppliers helps us deliver a sustainable supply chain and circular economy	Through our engagement we are able to respond and contribute to sector needs and requirements and deliver on compliance and regulatory standards and have input in their development.	Our engagement with investors and lenders ensures that they have a clear understanding of our business and objectives and are prepared to continue with their financial support.	Positive engagement with our communities ensures that we understand and take into account their concerns and needs so that we can address these and improve the communities that we live and work in.

MATERIALITY ASSESSMENT

Increasing importance to Stakeholder vs. increasing importance to SigmaRoc



Highlights of stakeholder engagement in 2022

The Board, together with members of the Executive Committee and other senior and local managers, continued to engage proactively with all our stakeholders. The following are just some examples of those engagements in 2022.

Colleagues

Successfully evacuated family members of Ukrainian colleagues into Poland and provided support near the Ukrainian border to those that were unable to evacuate.

As part of our commitment to employees as well as their families and the communities they love and work in, West Wales held a Family Fun Day with over 200 people attending. This was an opportunity for everyone to come together, have fun and relax as well as raise money for local charities with additional support from other local businesses.

Customer and suppliers

During the year the Group had frequent engagement with ArcelorMittal, a customer and more recently strategic JV partner.

In September 2022, the Company's CEO and CFO met with the CEO of SASB to discuss their ongoing commercial relationship, with particular emphasis on sustainability.

Regulators, local government and industry associations

Each Platform works closely with their local regulators, governments and industry associations with many of our senior management team representing either working groups, committees or holding board positions such as our board position with the European Lime Association.

By having our Platforms work closely with these bodies, we ensure we are the forefront of our local communities, leading our businesses forward as ambassadors of best practice.

Investors and lenders

In May 2022 the Company returned to Mello, a private investor conference held in London, where it presented at two separate sessions to groups of 40 shareholders. The Company was also present at the Investor Show, a private investor forum where in the past two years it has displayed its more recent innovations and acquisitions, such as Greenbloc and Bath Stone.

In October 2022 the Company organised a private investor event at the Isokon Gallery in London, providing shareholders the opportunity to meet with the executive management team and receive an update on the Group's trading for the third quarter of 2022, as well as an update on its Greenbloc ultra-low carbon concrete product range.

Communities

We continue to develop our working relationships with the military and military employment charities and are registered with the Career Transition Partnership. We help facilitate resettlement and transition from military to civilian life as well as support civilian spouses and partners of serving and ex-Forces personnel on their journey into employment.

Across all our platforms, our business model of local business for local communities ensures that we continue to integrate into the areas we work, supporting both other local businesses, projects, and communities.

SOCIAL

Social case studies and examples

Kicking our way to better health and safety

With over 400 people on one site, health and safety becomes a big task in terms of both awareness and increasing reporting and openness. To engage the workforce and make improving as effective as possible, an engaging program was put together with the help of the employees: The Safety Football League.

The employees on the site have formed teams whereby each team can score goals based on certain tasks relating to health and safety that push them up or down the league. Members of the winning team receive both a personal gift quarterly as well as bragging rights for being the champions annually. Though simple and to some extent crude, the results have been tremendous with year-on-year increase in engagement of nearly 400% for near hits, hazard, and risk identification and as an output a reduction in SHIFR by 23%.



Passing our industry to the next generation

Following growth of the business, we had several roles available where we had the opportunity to look at hiring apprentices as well as upskilling our existing employees that would be an effective and productive way to grow talent and develop skilled and qualified employees.

Not only is this a great business opportunity for the apprentice whereby they can gain both on the job skills and expertise, whilst earning a salary, but productivity can increase with our existing teams gaining extra support.

Initially we used the Government Apprentice website, but

there was little uptake, therefore we looked at other avenues such as social media and employees families, friends and communities.

To date we have an array of apprentices and existing employees across the UK businesses including not only technical and engineering apprentices but also Business Administration, HR Support, Quality and Sales Administration.

We continue to develop and mentor our apprentices and existing staff through the period of their apprenticeship and training by giving full support and training to ensure they can become fully qualified. Once qualified, each person will have a career plan to help support them to their overall be it management or technical.



Work, Communities and Nature living in Harmony

The long term nature of planning and operating our quarry operations must clearly be reflected in our long term approach to sustainability and managing the environment around the quarry for greater benefit.

In 2015, quarry manager Seamus Gillespie and his team at Les Vardes Quarry, won the annual Insurance Corporation Conservation Award for work encouraging breeding peregrine falcons into the quarry. The team decided to use this small cash prize to “seed fund” the creation of a nature walk through the woodland and open meadows around the periphery of the quarry for the benefit of the community. Over time the Ronez team enhanced the trail with educational information boards at rest stops at points of interest with exceptional views across our site and the wider vista. The Company are now delighted to welcome the public freely to its land to enjoy the trail as well as hosting regular school visits.

However, not being content to stop after this success, Seamus has continued to enhance the facility and open more of our land for public recreation through the construction of a mountain bike trail around the quarry. The engagement with the mountain bike community has continued to expand, and the quarry now hosts the annual Guernsey “Mountain Bike Mayhem”, which is a firm fixture on the island’s cycling calendar.

The trail now also displays a number of chain saw carvings of figures from children’s books, which were placed in partnership with the Lions Club and has proven so successful that more locations are being developed on the Island. The whole project has provided tremendous improvements for the Environment, whilst also opening public access and giving educational and all manor of potential benefits for the community.

Building good neighbourhoods and being good neighbours

Building good neighbourhoods, educating young people, and caring for the environment are key to all our operations. The creation in recent years of the Social Dialogue Council continues to support this concept by implementing projects for the benefit of the local community together with residents and local authorities.

In 2022 we carried out several important projects for nearby villages including bringing stone from our quarry and paving a local road, a parking lot near the school and a bus stop. In one village there was no cultural centre or playground, apart from the school, where children and young people could meet and actively spend their time. With limited or no public transport, going to the next village was not feasible. Therefore, together with our partners and the local authorities, we worked closely with the community to build a project which would meet any technical and safety requirements and most importantly appeal to the children. Now the village square has swings, climbing walls, slides and exercise equipment, among others which the community now uses with very good feedback from the children.

SMS service to enhance communication with our neighbours

The blasting in our quarries often takes place at the same specific time. For decades, people have been able to check the time by the warning sounds from the quarries. But sometimes, a blast is needed at a different time, or in a different area of the quarry making the blast sound different. To manage any potential anxiety to the community which this may cause, in autumn 2022, we introduced a new SMS service for information about when a blast in their neighbouring quarry will take place. This is an easy-to-use and quick tool to inform our neighbours about the blasting in the quarries. It supports the other digital communication channels and builds trust between our sites and local communities.

Governance



Key focus area	Targets	How did we do	Focus for 2023
Promote QCA and Corporate Governance Codes;	Continue to implement, and transparently disclose, compliance and matters relating to ESG.	Appointment of Axelle Henry as an independent NED.	Review opportunity for improvement of Investor relations function within the Group.
Ensure proactive Board oversight and independence of committees;	Maintain ongoing compliance in a dynamic environment across multiple jurisdictions.	Appointment of Company Secretary to bolster the Group's already strong corporate governance function, reporting to the Board on all compliance related matters.	Interaction with institutional investors' ESG & Stewardship analysts to ensure compliance with reporting requirements.
Focus on Risk Management and mitigation, including cyber;		Alignment of cyber security policy as well as other overarching policies across the Group.	Be a leading business of compliance that meets the expectations of our shareholders and potential investors in a timely fashion.
Ensure transparency on reporting and Tax		Enhancement of governance education within the Group through the use of Formity training and compliance system.	

GOVERNANCE

Promote QCA and Corporate Governance

The Directors recognise the importance of sound corporate governance. As a company whose shares are traded on AIM, the Board has decided to comply with the QCA Code. In addition, the Directors have adopted a code of conduct for dealings in the shares of the Company by directors and employees and are committed to maintaining the highest standards of corporate governance. Garth Palmer, in his capacity as CFO, has assumed responsibility for ensuring that the Company has appropriate corporate governance standards in place and that these requirements are followed and applied within the Company as a whole.

The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its Shareholders and that Shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board.

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company

as a whole and the way that employees behave. A large part of the Company's activities are centred upon what needs to be an open and respectful dialogue with employees, clients and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Company does.

The key governance related matters that occurred during the financial year ended 31 December 2022 were:

- Appointment of Axelle Henry as an Independent NED.
- Appointment of Julie Kuenzel as Company Secretary, charged with overseeing Group wide compliance and reporting to the Board.
- Adoption of Competition Compliance and Diversity & Inclusion policies.

The QCA Code sets out 10 principles that should be applied. These are listed with an explanation of how the Company applies each of the principles in our annual report.


GOVERNANCE

Ensure transparency on reporting and Tax

To ensure transparency on reporting and Tax, the Group Financial Statements are audited by PKF Littlejohn whilst the Group Tax is managed by BDO. BDO also look after any PPA requirements. The Group Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards in accordance with the requirements of the Companies Act 2006. Due to the size and the coverage of the Group, KPMG are

enlisted as a component auditor of Nordkalk and Moores as a component auditor of the Belgian operations.

In terms of non-financial matters, the Group also engages external parties to ensure continued reporting transparency. Examples include the use of KPMG to review and verify the Nordkalk sustainability report and Briar Consulting Engineers Limited to compile and review our SECR.



Anthony Brockbank

General Counsel

Anthony is a qualified solicitor specialising in Corporate Finance, M&A and Equity Capital Markets. Anthony is a former partner at Fieldfisher and has over 35 years' experience in corporate finance transactions. Promote QCA and Corporate Governance Codes

GOVERNANCE

Ensure proactive board oversight and independence of committees

Our Board comprises an executive leadership team with extensive experience of the international aggregates industry, supported by experienced non-executive directors who bring strong governance disciplines and a valuable external perspective to our business.

Committees

Audit Committee

The Company has an established framework of internal control, the effectiveness of which is regularly reviewed by the Audit Committee in light of an ongoing assessment of significant risks facing the Company and the Group. The Audit Committee assists the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper internal business, and operational and financial controls.

The Committee is made up of Independent Non-Executive Directors

Remuneration Committee

The Remuneration Committee has been charged by the Board to ensure that the Group's pay and benefits practices are competitive, able to attract high calibre people and to ensure those people are suitably incentivised to perform and remain with the Group over the long term.

The Board is ultimately responsible for the Group's remuneration policy. The role of the Remuneration Committee is to determine the terms of employment for the executive directors and senior management of the Group within the framework established by the Board.

Nominations Committee

The Nominations Committee keeps the leadership of the Group under review, and ensures the Board is able to govern effectively now and in the future.

Safety Committee

The Safety Committee provides continuous oversight of health and safety practices and procedures across the entire Group.

AIM and MAR Compliance Committee

The AIM and MAR Compliance Committee monitors the Company's compliance with the AIM Rules for Companies and UK MAR and seeks to ensure that the Nominated Adviser is maintaining contact with the Company on a regular basis and vice versa. The Committee ensures that procedures, resources and controls are in place with a view to ensuring the Company's compliance with the AIM Rules for Companies and UK MAR.



David Barrett
Executive Chairman

Appointed to Board: August 2016

Independent: No

Committees: Nominations Committee

Background: Co-founded London Concrete in 1997, subsequently building the business from one concrete plant in London to over a dozen plants around the capital. London Concrete was sold to Aggregate Industries and is currently the number one concrete supplier in London, with flagship projects such as the London Olympics, the Shard, the US embassy and the new Bloomberg building. Having previously worked with Pioneer, David retired from London Concrete in 2015 and is widely considered an expert in the industry.

Other Directorships: David also holds directorships in various London based Companies including Thames Aggregates Limited, Thames Recycling Limited and Capital Concrete Limited.



Max Vermorken
Chief Executive Officer

Appointed to Board: August 2016

Independent: No

Committees: Member of the Safety Committee

Background: Prior to SigmaRoc, Max was strategic advisor to the CEO of LafargeHolcim Ltd (LafargeHolcim) Northern Europe, the world's largest construction materials group. His role included responsibility for the merger of Lafarge SA and Holcim Ltd in the region involving the only Day 1 integration of the two businesses following the hive-down and integration of two large asset portfolios – a mix which included two cement plants and a multitude of down-stream aggregates and construction materials assets. Prior to working for LafargeHolcim, Max worked in private equity at Luxembourg-headquartered The Genii Group, where he reported directly to its founding principals. Max holds a PhD in Financial Economics from University College London and Bachelor and Master degrees in both Civil Engineering and Financial Economics from University College London and the University of Brussels respectively.

Other Directorships: Max is also a Director of a consulting company Skyeeye Consulting Limited.



Garth Palmer
Chief Financial Officer

Appointed to Board: January 2017

Independent: No

Committees: Member of the AIM and MAR Compliance Committee

Background: Garth was Finance Director of SigmaRoc from inception until April 2020, at which point he stepped down from his part-time executive role, but remained as a non-executive board member and Company Secretary. In August 2021, in conjunction with the acquisition of Nordkalk, Garth returned as a full-time executive and Chief Financial Officer. Prior to joining SigmaRoc, Garth began his career providing audit and corporate services in Perth, qualifying at KPMG, before moving to London in 2005 where he provided compliance services across a range of industries. This led Garth to a Finance Manager role at Apple where he spent four years working on business process improvement, developing and implementing new and improved financial processes and systems before co-founding Westend Corporate LLP providing corporate and financial consulting services for AIM listed companies, predominantly within the mining and resources industries. Garth holds a Bachelor of Commerce Degree and is a member of the Institute of Chartered Accountants in England and Wales.

Other Directorships: Garth holds directorships in multiple businesses including Sport:80 Limited, GT Corporate Limited and GT Corporate AB.



Simon Chisholm
Non-Executive Director

Appointed to Board: April 2020

Independent: Yes

Committees: Chairman of Audit Committee; Chairman of the AIM and MAR Compliance Committee; Chairman of the Remuneration Committee; Chairman of the Nominations Committee

Background: Simon is currently the Head of Equity Capital Markets at Redburn (Europe), a subsidiary of Rotshchild & Co. Previously he was the founder and managing director of Feros Advisers spending over 20 years working in the investment arena including as a fund manager with Henderson. In 2013, Simon established Feros Advisers in response to the significant regulatory and technological changes that were impacting investment managers and quoted companies. Simon joined Berenberg in 2003 and established an office for them in London. Over the next 10 years Simon was one of the principal architects in building the business from 3 people in London to around 140 and establishing the bank as a recognised brand name in the global investment community. Before joining the sell-side, Simon was a fund manager investing in European equities first at Singer & Friedlander and then at Henderson Global Investors and ran European Smaller Companies investment products. After University Simon joined Coopers and Lybrand and qualified as a Chartered Accountant.

Other Directorships: Simon is the founder and managing director at Feros Advisers Ltd and Whiteford Ltd.



Jacques Emsens
Non-Executive Director

Appointed to Board: April 2020

Independent: Yes

Committees: Member of the Audit Committee

Background: Jacques is a founding member of JPSeven and is a member of the Board of Sofina, and numerous other companies. Jacques has a long history in defining and implementing strategies of industrial businesses including Sibelco. Jacques holds a degree in Business Administration from the European University of Antwerp, from the Université Libre de Bruxelles and from the London Chamber of Commerce and Industry and speaks French, Dutch and English.

Other Directorships: Jacques holds directorships in multiple businesses including JPSeven, Sofina, Le Pain Quotidien.



Tim Hall
Non-Executive Director

Appointed to Board: April 2019

Independent: Yes

Committees: Member of the Safety Committee, Member of the Remuneration Committee

Background: Tim has spent his entire career in the aggregates industry, most recently as CEO of Breedon South, a business he helped build from inception and from which he retired in August 2017. Prior to this he was director of Tarmac Limited's Western Area; managing director of Tarmac Western Limited, the company formed by Anglo American from the former assets of Nash Rocks, Tilcon and Tarmac. He spent the previous 27 years with Nash Rocks, latterly as managing director. Tim brings a wealth of experience and knowledge of the industry to the Board and will be an asset in SigmaRoc's continued development, as he has been with Breedon. Tim's knowledge and network within the industry supports SigmaRoc's growth in the aggregates and construction materials market in the UK.

Other Directorships: Tim holds directorships in multiple businesses including Langsun Developments Limited and T G Concrete Bridgnorth Limited.



Axelle Henry
Non-Executive Director

Appointed to Board: March 2022

Independent: Yes

Committees: AIM and MAR Compliance Committee

Background: Axelle has served as Chief Financial Officer for Verlinvest Group, a Brussels-based international investment business, since April 2014 and also serves on the board of directors for a number of their private companies, as well as Nasdaq quoted Vita Coco. She has held a variety of senior executive positions, including as Deputy Chief Financial Officer of Groupe Bruxelles Lambert. Ms Henry has over 20 years' experience in the Private Equity and Investment Sector, starting her career with KPMG as senior auditor. She holds degrees in commercial engineering from the Solvay Business School.

Other Directorships: Axelle holds directorships in multiple businesses including Verlinvest, Cofintra SA, Beverage Holdco Inc. and STAK Armonea.

Focus on risk management and mitigation, including cyber



GOVERNANCE

Focus on risk management and mitigation, including cyber

Risk

At a high level the Group's risk appetite is reviewed annually by the Board which defines and approves the level of risk the Group is willing to accept in pursuit of its strategy, thereby guiding management.

Our on-going identification and assessment of risks including ESG and climate-related risks allows both the Board and management to consult and adapt to ensure efficient and effective mitigation.

The risk management process has been proven to work effectively with COVID as well as with the Russian invasion and associated energy crisis whereby the level of risk is identified and assessed both at a platform level and at a Group level.

Directors and Senior Management teams continually identify and assess risks and opportunities for each of their respective businesses and areas. This ensures each platform can focus on what is important to their jurisdictions, thereby capturing nuances so they are not lost in a global overview, such as variances in reliance on Russian gas by country.

Risks are then reported and discussed with the CTO, and subsequently assimilated and reviewed at monthly Group management meetings, or even weekly risk meetings where appropriate, where local risks and overarching Group risks can continue to be identified and assessed. The CTO also coordinates with key subject matter experts on Investor Relations, Legal, Safety, Carbon & Energy, Environment, and Systems.

For example, an energy and power risk meeting was held weekly that supported our businesses to implement fast energy improvement programs thereby minimising the impact of the recent energy situation. This included changing production to low tariff hours including running plants solely at night by transferring day shifts to night shifts through coordination with unions essentially overnight.

Risks identified are assessed based on aspects such as consequence, impact, likelihood, inter dependencies, and associated timeframes (short-, medium-, and long-term time horizons) as well as their drivers such as Political, Operational, Economic, and Technical.

When assessing the potential size and scope of risks and opportunities input from industry governing bodies (who are in regular contact with government and associated agencies) as well inputs from our large shareholders and other stakeholders are used in addition to our usual assessment and prioritisation techniques. These include analysis of probability and impact, risk frequency, and risk urgency. Where necessary these are then modelled with scenario and sensitivity parameters to help assess both size and scope.

Board

The Board is responsible for the risk management and internal control and for reviewing effectiveness, with specific oversight of Code of Conduct, ESG risks and climate-related matters. These have a dedicated agenda item at Board meetings with the Board meeting at least four times per year. The Executive Board members also ensure these topics

have a dedicated agenda item at the monthly management meetings. The Executive members are charged with overall delivery whilst the Non-Executives challenge and give oversight and governance.

Audit Committee

The Audit Committee ensures independent oversight of the Board which considers risks and opportunities when setting and reviewing strategy, major plans of action, policies, annual budgets, and business plans. It further considers matters when setting performance objectives, monitoring Group performance, and reviewing and approving major projects, capital expenditures and acquisitions.

Risk Representative

To ensure the Board can monitor and oversee progress against goals and targets, Charles Trigg (CTO) continues to lead risk at a Group level. He works with each platform with regards to ongoing identification of risks, opportunities, and potential impacts on the business as well as reviewing performance metrics and targets and ensuring overall continual improvement. Charles then liaises with the Board and any relevant committees so that the Board is continually updated with regards to climate-related risks and opportunities as well as overall ESG matters.

Senior Management Team

The Group is set up as discrete operational platforms with each platform having its own management team. As such each platform Director is responsible for assessing and managing risks and opportunities for their respective platform. Managing Directors and the Company's executive management team meet monthly to ensure that Group objectives are met as well as ensuring local risks and opportunities are recognised and managed.



Charles Trigg, Chief Technical Officer

Focus on risk management and mitigation, including cyber

Risk	Description	Mitigation
Competition and Margins	<p>Increase in costs or prices; reliance on key suppliers and key customers, including national merchants, could impact supply and profitability.</p> <p>A number of existing competitors compete on range, price, quality and service. Potential new low-cost competitors may be attracted into the market through increased demand.</p>	<p>Operate a strategic purchasing plan to minimise key supplier risks, notably in cement and bitumen.</p> <p>Seek to offset rising commodity prices through our product pricing strategy and hedging programmes.</p> <p>Maintain a diverse customer and project base which focuses on quality, service, reliability and continuing focus on new product development.</p> <p>Operate a decentralised model matching focus of independents and new entrants.</p>
Economic and political	<p>The Group is dependent on the level of activity in its end markets. Accordingly, it is susceptible to economic downturn, the impact of Government policy, interest rates and any political and economic uncertainty, such as COVID-19.</p> <p>Difficult economic conditions could also increase our exposure to credit risk from our customers.</p>	<p>The Group has a strong focus on operational gearing, allowing it to be flexible during economically disruptive events.</p> <p>The Group has a diverse product portfolio across multiple end markets and jurisdictions.</p> <p>The Group's relationship with suppliers and customers allows for management of risk including credit risk and where necessary credit risk insurance is sourced.</p>
Energy and Power	<p>Though captured under Raw Materials sourcing and internal resources, given the current climate, this has been separated out.</p> <p>The Group is susceptible to significant increases in the price of energy and power, utilities, fuel oil, associated haulage costs and decreases in availability.</p> <p>Risks exist around our ability to pass on increased costs through price increases to our customers.</p>	<p>Energy and Power plans developed at all sites to ensure optimal energy and power use.</p> <p>The Group focuses on its multiple supplier and customer relationships, contracts and the use of hedging instruments.</p> <p>Ensure businesses have ability to manage stock and inventory to minimise disruption from energy and power.</p>
Environment and Climate Change	<p>Operational impact on the environment or the effects of climate change could expose the Group to regulatory breaches, significant disruption, reputational risk or a reduction in demand for our products.</p>	<p>Committed to reducing level of carbon emissions, reuse and recycling schemes and implementation of sustainability initiatives.</p> <p>Under SECR the Group has committed to monitoring all its operations, not just the UK, through an independent external organisation.</p> <p>Management, training, and control systems are in place to prevent environmental incidents.</p> <p>Promotion of EMS and ISO14001 accreditation and approximately 75% of our businesses are accredited¹.</p>

¹ Based on Group Revenue, not number of businesses

Risk	Description	Mitigation
Finance, Liquidity and Currency	<p>Foreign exchange risk: As the Group transacts in currencies other than Sterling, exchange rate fluctuations may adversely impact the Group's results.</p> <p>Credit risk: Through its customers, the Group is exposed to a counterparty risk that accounts receivable will not be settled leading to a financial loss to the Group.</p> <p>Liquidity risk: Insufficient funds could result in the Group being unable to fund its operations or to continue to invest organically or to undertake acquisitions.</p> <p>Interest rate risk: Movements in interest rates could adversely impact the Group and result in higher financing payments to service debt.</p>	<p>Foreign exchange risk: The Group undertakes limited foreign exchange transactions as it sells domestically or in domestic currency with largely local input costs. Some M&A, OpEx and CapEx requires foreign exchange purchases and management considers foreign exchange hedging strategies where significant exposures may arise.</p> <p>Credit risk: Customer credit risk is managed by each subsidiary. The Group principally manages credit risk through management of customer credit limits. The credit limits are set for each customer based on the creditworthiness of the customer and the anticipated levels of business activity. These limits are initially determined when the customer account is first set up and are regularly monitored thereafter.</p> <p>Liquidity risk: Ensure sufficient funding and facilities in place to meet any foreseeable peak in borrowing requirements and liabilities by maintaining strong relationships with our banks and shareholders. Internally, we continuously monitor forecasts and cash flows to ensure that we maintain significant headroom and have self-imposed 2 times leverage, which is only exceeded temporarily and worked down as quickly as possible.</p> <p>Interest rate risk: The Group finances its operations through a mixture of retained profits and bank borrowings, based on floating rates. Interest rate fixing has been reviewed but none have been entered into during the year or at the year end.</p>
Health and Safety	<p>Failure to manage health and safety risks could cause harm to our employees or those around us and expose the Group to significant potential disruption, regulatory breaches, liabilities and reputational damage.</p>	<p>We safeguard the health and safety of employees, contractors and others working on behalf of the Group, with experienced health and safety professionals who provide relevant training and help develop a strong culture alongside the management teams; all of which is overseen and audited by our Group HSEQ director and the support of consultants where necessary.</p> <p>We are constantly improving communication and reporting across the Group through simple and effective systems and processes such as our HS Engagement and Monitoring software, Visible Felt Leadership, HS Committees, back to work and pitstops.</p>
IT and Cyber	<p>Disruption to the IT environment could affect our operational performance and lead to reputational damage, regulatory penalties or significant financial loss.</p> <p>Failure to keep up to date with advances in technology could impact demand and our ability to access the market.</p>	<p>IT support teams and service providers continue to monitor and respond to new and expanding cyber risks by implementing best practice in IT security management, back-up systems and risk management software courtesy of our cyber insurance providers.</p> <p>Outdated software and hardware are updated and cloud solutions embraced to minimise negative impacts and allow continual operations.</p>
Legal and Regulatory	<p>Exposure to developments that lead to political, legal and regulatory changes requiring significant changes to Group operations which could impact the Group's financial results, together with any associated negative reputational damage.</p> <p>Inadvertent failure to comply with elements of a significantly increased governance, legislative and regulatory business environment.</p> <p>A legal or regulatory breach could result in disruption to operations, financial consequence and reputational damage.</p>	<p>Group general counsel and engagement of external specialists to monitor legislative changes and conduct ongoing training.</p> <p>Hold appropriate business accreditations and insurances and ensure there are compliance procedures, policies, ISO standards and independent audit processes which seek to ensure that regulatory and compliance procedures are fully complied with.</p>

Focus on risk management and mitigation, including cyber

Risk	Description	Mitigation
M&A	<p>Overpay; fail to integrate; fail to deliver the expected returns from an acquisition.</p> <p>Failure to identify potential acquisitions to sustain our growth strategy or not be an acquirer of choice.</p>	<p>Strong acquisition track record supported by our specialist advisers and rigorous due diligence processes.</p> <p>All acquisitions are approved by the Board and all acquisitions are subject to detailed due diligence processes which are executed by project teams, with progress monitored by the Board.</p> <p>We have developed a management structure which facilitates our growth strategy and, where appropriate, we make arrangements to retain acquired senior management and minimise negative change upon acquiring businesses.</p> <p>The Board uses its networks and reputation to review wider acquisition opportunities and our businesses are all tasked with bringing forward potential acquisition targets for review at Group level.</p>
Operational disruption and key equipment failure	<p>A material disruption at one of the Group's operational sites or at one of the Group's suppliers' facilities, could prevent the Group from meeting customer demand.</p>	<p>The Group has the ability to transfer some of its production across its network of plants and is able to engage subcontractors to reduce the impact of certain production disruptions. In relation to supplier disruption or failure, further third-party suppliers have been identified who can maintain service in the event of a disruption.</p> <p>The Group's wide geographical spread mitigates this risk to some extent and allows it to manage its production facilities to mitigate the impact of such disruption.</p>
Quality	<p>The nature of the Group's business may expose it to warranty claims and to claims for product liability, construction defects, project delay, property damage, personal injury and other damages. Any damage to the Group's brands, including through actual or alleged issues with its products, could harm our business, reputation and the Group's financial results.</p>	<p>The Group operates comprehensive quality control procedures across its sites with both internal and external audit reviews of product quality completed to ensure conformance with internationally recognised standards. All accredited staff undergo rigorous training programmes on quality and the technical teams carry out regular testing of all of our products to provide full technical data on our product range.</p>
Raw Materials sourcing and internal resources	<p>The Group is susceptible to significant increases in the price of raw materials, utilities, fuel oil and haulage costs and decreases in availability.</p> <p>Risks exist around our ability to pass on increased costs through price increases to our customers.</p>	<p>Resource expansion plans developed at all sites to ensure timely access to future materials.</p> <p>The Group focuses on its multiple supplier relationships, flexible contracts and the use of hedging instruments.</p> <p>Ensure businesses are self-sufficient with ability to increase resources through subcontractors during peak demands.</p>
Recruitment and retention	<p>Failure to recruit, develop and retain the right people.</p> <p>Failing to create a corporate culture that is based upon ethical values and behaviours.</p>	<p>The Board, Nomination Committee, and senior management teams conduct reviews and plan succession for key roles.</p> <p>The Board and the Remuneration Committee review all key aspects of remuneration to ensure appropriate packages are in place to assist in the attraction and retention of key employees.</p> <p>Each business has a grading and employee benefit structure with review of incentive plans underway to give help and support long term employee commitment.</p> <p>A focus on identifying internal talent and recruitment of upcoming talent is under review to ensure succession planning and maintain a dynamic talent pool which is supported with development plans.</p>
Technology and New Business Models	<p>Reduction in demand for traditional products.</p> <p>Risk of new competitors and new substitute products appearing.</p> <p>Failure to react to market developments, including digital and technological advances.</p>	<p>Digital and product development groups that work local and cross business reviewing both our industry and external offerings and opportunities.</p>



Focus on risk management and mitigation, including cyber

Cyber and Systems Risk Management

2022 had no significant IT incidents, while successfully implementing new ERP systems across the UK, commencing implementation of a new ERP system in the North East, and constantly looking to improve and innovate its operations wherever possible. Despite the challenging economic environment, we managed to work through a significant pipeline of projects, allowing the Group to stay at the forefront from a systems and digital perspective. The two main points of focus are innovating the Group and its internal processes as well as making sure cyber and risk management standards are at the highest level.

Cyber security and potential breaches of SigmaRoc IT systems can have a serious and disruptive impact on the Group. Failure to appropriately manage cyber risk could affect the financial performance of the Group, put employees at risk, result in disclosure of confidential information, damage our brands and reputation, and create legal exposure. The prevalence of cyber threats facing businesses has markedly escalated in recent times, partially attributed to the emergence of novel digital tools such as ransomware, growing involvement of nation-states, heightened interconnectivity, and a substantial rise in the profitability of cyber offenses.

SigmaRoc’s operational processes, encompassing industrial production, efficient operations, environmental management, health and safety, communications, transaction processing, and risk management, are reliant on digital capabilities. Additionally, the Group’s extended supply chains are also vulnerable to cyber threats, albeit largely beyond our direct control.

The Group closely monitors the security of these complex and intertwined supply chains to mitigate potential adverse impacts. The growing prevalence of machine learning and artificial intelligence also intensifies the sophistication and frequency of fraudulent activities. The advent of ‘Deepfake’ technology, which uses machine learning to manipulate audio and visual content, exacerbates the risk of phishing or fraud attacks that could impersonate senior executives.

Despite significant investments in the continuous improvement of its systems, processes, and networks, SigmaRoc acknowledges that achieving complete security is unattainable, however, it continues to work hard with the help of high quality third-party IT providers to improve IT safety and inform staff of tactical innovations utilised in cybercrime.

Due to the COVID pandemic, remote working has expanded the potential attack surface area, consequently elevating the risk of cyber assaults for all businesses. Also, the use of phone and tablet like devices has increased significantly in recent years as being part of the digital transformation of the Group. SigmaRoc has observed an increase in both the frequency and sophistication of cyberattacks directed towards its businesses.

The Group’s cybersecurity monitoring systems regularly identify endeavours to infiltrate the networks and systems. The increase was most noticeable post the announcement of the war in Ukraine. During 2022, there was an instance where one of our email servers experienced a substantial

series of attacks, however, the protection systems in place were stringent enough for these attacks not to have resulted in any significant breach of our IT infrastructure or caused any notable business disruptions.

The outlook of the Group is that the frequency of cyberattacks, which entail the manipulation of legitimate third-party software to spread malware or gain unauthorised access to systems by impersonating senior management, will rise. Additionally, the Group predicts that ransomware will continue to pose a significant threat to firms in the industry that have become ever more informatised over recent years.

SigmaRoc disseminates IT security protocols and imparts education to the Group’s personnel in order to bolster awareness of cyber threats. Monthly cyber security trainings are rolled out to inform staff of the most recent developments in cyber-attacks and ransomware practices. To mitigate cyber risks, SigmaRoc has organised the IT infrastructure in the Group in a manner similar to its decentralised platform structure. The Group employs a layered cybersecurity setup, proactive monitoring, independent penetration testing, off network data backups and data backup restoration tests to validate system security wherever possible.

To safeguard critical systems, the Group implements privileged access management protocols. SigmaRoc endeavours to keep its system software up to date and maintains regional platforms to enforce patch compliance. The Group employs multiple email security layers and segregated email servers on different locations running different domains. Also, the Group hardens its computers and servers to counter malware. The corporate applications and communications employ multiple layers of security, including two-factor authentication and virtual private network (VPN) technology for remote access where required or recommended.

SigmaRoc does not deploy a global approach to IT security, but applies the same standards for the different platforms to proactively monitor and manage cyber risks and segregate the different servers. Segregating servers prevents spill-over effects from an attack and mitigates the impact on the Group as a whole. SigmaRoc regularly engages third-party penetration testing to independently verify the security of our IT systems as well as engaging with Cyber Insurance providers who not only support prevention, but have fast response for rectification of any attacks.



Fons Vermorken, Chief Information Officer

Membership and accreditation

Membership to trade organisations, industry bodies and other agencies is critical to ensure continual improvement in all that we do and to help facilitate the ongoing changes our industry and our customers face. Across our platforms we both support and are supported by National and International bodies such as:

- Mineral Product Association (MPA): UK industry trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar and silica sand industries.
- Federation Industries Extractives (Fediex) of which we have representation on the Board.
- European Lime Association (EuLA) of which we have representation on the Board.

- Industrial Minerals Association Europe (IMA Europe).
- European Calcium Carbonate Association (CCA).
- International Lime Association (ILA).
- FedBeton: Federation for ready-mixed concrete in Belgium.

Further to these bodies, businesses in the Group also have ISO accreditation or equivalent in ISO 9001 Quality (78%¹); ISO 14001 Environment (76%²) and ISO 45001 Health & Safety (69%³). Some businesses are currently going through ISO accreditation programs. Benelux was reviewed, however the local business and product accreditations held were deemed to have greater relevance than the ISO, for both our customers and end-users.

^{1,2,3} Based on Group Revenue, not number of businesses



Governance case studies and examples

Formity

Ensuring adequate training is provided on key aspects such as Bribery and Corruption and Anti Slavery and Human trafficking is on aspect; ensuring that our employees have understood the training is something else.

Formity is a cloud-based compliance solution with a focus on publicly listed companies and professional service providers that helps ensure we are compliant with our regulatory duties in an easy and effective manner.

At the front end, the user gains access to training and a test to show understanding of the training received. In the back end, our compliance teams can see a dashboard showing completion status of each module as well as being able to generate reports to ensure compliance.

This is a great example where a simple tool can be implemented that is systems agnostic and reaches all employees via their email, mobile phone or communal tablets and training devices.

HighVizz

Keeping our colleagues safe and secure operating in a safe work environment is the main priority of every site manager and the Group as a whole. In order to facilitate this, we developed our own tailored solution based on the input of our operation managers who ultimately know what's best for their people.

HighVizZ is a real-time health and safety system. Rather than being a reporting tool puts the emphasis on incident

prevention and implementing a stringent safety culture. The tool being available on the phone of each of the employees allows instant reporting but more importantly incites to have discussion around safety that comes from within the operation rather than being imposed by senior management.

Over the years HighVizz has transformed from being a proactive incident investigation and reporting tool to now also being a tool to assist with equipment management maintenance and inspections. It is as important to make sure that the staff is working in a safe environment as it is that the tools and equipment being used is in pristine condition. A large part of keeping the workforce safe is making sure that the tools and equipment are regularly checked and maintained to make sure that maintenance stoops and breakdowns are limited to a minimum. Altering the regular flow of the working day to make ad hock adjustments to equipment is potential risk hazard that has to be managed with great care and prevented as much as possible.

Furthermore, having well maintained and smoothly running equipment will allow to reduce the Groups carbon footprint making maximal and optimal use of the tools available without having to stop and modify production and workflow schedules. Monitoring and preventing modifications to the workflow can now be done in a proactive way giving ownership to the operator and get the best possible results from the tools given to him.

Changing the mentality of the employee is the ultimate motivator and will lead to the best results.



Company information

Directors

David Barrett (Executive Chairman)

Max Vermorken (Chief Executive Officer)

Garth Palmer (Chief Financial Officer)

Tim Hall (Non-Executive Director)

Simon Chisholm (Non-Executive Director)

Jacques Emsens (Non-Executive Director)

Axelle Henry (Non-Executive Director) –
Appointed on 26 April 2022

Company Secretary

Julie Kuenzel

Registered Office

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W1B 4BT

Company Number

05204176

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2 Triton Square
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London
NW1 3AN

Nominated & Financial Adviser

Liberum Capital Limited
25 Ropemaker Street
London
EC2Y 9LY

Joint Brokers

Liberum Capital Limited
25 Ropemaker Street
London
EC2Y 9LY

Peel Hunt LLP
100 Liverpool Street
London
EC2M 2AT

Independent Auditor

PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
Canary Wharf
London
E14 4HD

Solicitors

Fieldfisher LLP
Riverbank House
2 Swan Lane
London
EC4R 3TT

Registrars

Link Market Services Limited
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Definitions

‘AGM’
an annual general meeting of the Company

‘AIM’
AIM Market of the London Stock Exchange

‘Allen’ or ‘Allen Concrete’
Topcrete Limited and its subsidiary undertakings, including Allen (Concrete) Limited

‘Aqualung’
Aqualung Carbon Capture AS

‘ArcelorMittal’
ArcelorMittal Global Holdings S.L.R.

‘B-Mix’
collectively, B-Mix Beton NV, J&G Overslag en Kraanbedrijf BV and Top Pumping NV

‘Benelux’ or ‘Benelux Platform’
the Group’s construction materials platform covering the Benelux market including GduH, B-Mix and Stone

‘Bluestone’
Belgian Blue Limestone local to the Hainaut region

‘Board’ or ‘Directors’
the board directors of the Company, being the existing Directors (whose names are set out on page 122 of this document), proposed Directors or both, as the context may require

‘Bow Tie’
visual tool to keep an overview of risk management practices

‘CapEx’
capital expenditure on property, plant and equipment

‘Carrieres du Hainaut’ or ‘CDH’
CDH Développement SA and its subsidiary undertakings, including Carrières du Hainaut SCA

‘CCUS’
carbon capture utilisation or sequestration

‘CEO’
Chief Executive Officer of the Company occupied by Max Vermorken

‘CFO’
Chief Financial Officer of the Company occupied by Garth Palmer

‘Channel Islands’ or ‘Channel Islands Platform’
the Group’s construction materials platform covering the Channel Islands market including Ronez and SigmaGsy

‘Cheshire Concrete Products’ or ‘CCP’
CCP Building Products Limited and its subsidiary undertakings

‘CO₂’
carbon dioxide

‘CO₂e’
carbon dioxide equivalent

‘Company’ or ‘SigmaRoc’
SigmaRoc plc

‘Coronavirus’, ‘COVID’ or ‘COVID-19’
coronavirus (COVID-19) infectious disease and its pandemic outbreak

‘Cuvelier’
Philippe Cuvelier S.A

‘Dimension Stone’ or ‘Dimension Stone Platform’
the Group’s dimension stone platform based in Belgium consisting of CDH

‘EBITDA’
earnings before interest, tax, depreciation and amortisation

‘eCO₂’
embodied CO₂

‘EMS’
environmental management system

‘England’ or ‘England Platform’
the Group’s construction materials platform covering the English market currently comprising of Johnston

‘EPD’
environmental product declaration

‘EPS’
earnings per share

‘ESG’
environment, social and governance

‘EUETS’
European Union Emissions Trading System

‘euros’, ‘EUR’ or ‘€’
the currency unit of the European Monetary Union

‘FD’
Financial Director of a business, platform or region

‘Financial Statements’
the consolidated income statement, consolidated statement of comprehensive income, statements of financial position, consolidated statement of changes in equity, Company statement of changes in equity, cash flow statements and the accompanying notes to the financial statements

‘FLT’
fork-lift truck

‘GduH’ or ‘Granulats du Hainaut’
Granulats du Hainaut SA

‘GGBS’
ground-granulated blast-furnace slag

‘GHG’
greenhouse gas

Definitions

‘Greenbloc’
the Group’s cement free ultra-low carbon precast product range
‘Group’
the Company and its subsidiary undertakings
‘Harries’
GDH (Holdings) Limited and its subsidiary undertakings including Gerald D. Harries & Sons Limited
‘HSEQ’
health, safety, environment and quality
‘H&S’
health & safety
‘IFRS’
International Financial Reporting Standards
‘IOSH’
Institution of Occupational Safety and Health
‘ISO’
International Organisation for Standardisation
‘ISO 14001’
international standard that specifies requirements for an effective EMS, provides a framework that an organisation can follow, rather than establishing environmental performance requirements
‘ISO 45001’
standard for management systems of occupational health and safety focused on reduction of occupational injuries and diseases, including promoting and protecting physical and mental health
‘JQG’, ‘Johnston’ or ‘Johnston Quarry Group’
Johnston Quarry Group Limited, Guiting Quarry Limited and its subsidiary undertakings
‘JV’
joint venture
‘kge’
kilogram equivalent
‘kWh’
kilowatt-hour
‘La Belonga’
La Belonga S.A.
‘LFL’
like-for-like comparative prepared on a pro-forma basis adjusted for impact of any acquisitions or non-recurring events
‘LTIFR’
lost time injury frequency rate
‘M&A’
mergers & acquisitions

‘Marshalls’
Marshalls plc, UK’s leading hard landscaping and building materials supplier
‘MD’
Managing Director of a business, platform or region
‘NED’
Non-Executive Director
‘NEBOSH’
the National Examination Board in Occupational Safety and Health
‘Nordkalk’
the Nordkalk group, consisting of Nordkalk Oy Ab and its subsidiary undertakings
North East’ or ‘North East Region’
the North East region of the Group comprising of Nordkalk
‘North West’ or ‘North West Region’
The North West region of the Group comprising PPG, England, Wales and the Channel Islands
‘NOx’
nitrogen oxides
‘Ordinary Shares’
the ordinary shares of 1 penny each in the capital of the Company
‘OpEx’
operating expenditure
‘PFA’
pulverised fuel ash
‘pH’
scale used to specify acidity or alkalinity
‘PKF’
PKF Littlejohn LLP
‘Poundfield’ or ‘Poundfield Products’
Poundfield Products (Group) Limited and its subsidiary undertakings, including Poundfield Products Limited
‘PPA’
purchase price allocation
‘PPG’ or ‘PPG Platform’
the Group’s precast concrete products platform covering the UK market including Allen, Poundfield and CCP
‘pro-forma’
financial information presented on a like-for-like basis adjusting for impact of any acquisitions and non-recurring events
‘QCA Code’
Quoted Companies Alliance’s Corporate Governance Code
‘Reserves’

mineral that has a high level of geological knowledge and confidence, is economically mineable, and includes modifying factors such as having permits and regulatory approvals in place
‘Resources’
mineral that has a level of geological knowledge and confidence and that there are reasonable prospects for eventual economic extraction
‘Ronez’
Ronez Limited and its subsidiary undertakings
‘SASB’
sustainability accounting standards board
‘SBTi’
Science Based Targets initiative
‘SECR’
streamlined energy and carbon reporting
‘Shareholder’
a holder of Ordinary Shares
‘SOx’
sulphur oxides
‘Sterling’, ‘GBP’ or ‘£’
pound sterling currency of the UK and Channel Islands
‘Stone’ or ‘Stone Holdings’
Stone Holdings S.A and its subsidiary Cuvelier
‘TCFD’
task force on climate-related financial disclosures
‘tCO₂e’
tonnes of carbon dioxide equivalent
‘TIFR’
total incident frequency rate
‘UK’
United Kingdom
‘Underlying’*
Underlying results are stated before acquisition related expenses, certain finance costs, redundancy and reorganisation costs, impairments, amortisation of acquisition intangibles and share option expense. References to an underlying profit measure throughout this Annual Report are defined on this basis
‘West’ or ‘West Region’
the West region of the Group including Dimension Stone and Benelux
‘YoY’
year-on-year
* these measures are not defined by UK IAS and therefore may not be directly comparable to similar measures adopted by other companies. These alternative

performance measures should be considered in addition to and are not intended to be a substitute for, or superior to, UK IAS measures but provide useful information on the performance of the Group and underlying trends.





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