SUSTAINABILITY REPORT 2024

FORTERRA PLC

SUSTAINABILITY REPORT

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TCFD DISCLOSURE NAVIGATION

Governance

Disclose the organisation's governance around climate-related risks and opportunities.

Recommended Disclosure	Page
a) Describe the Board's oversight of climate-related risks and opportunities.	24, 26, 27
b) Describe management's role in assessing and managing climate-related risks and opportunities.	24, 26

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.

Recommended Disclosure	Page
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	27
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	27
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	13, 14

Risk Management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

Recommended Disclosure	Page
Describe the organisation's processes for identifying and assessing climate-related risks.	12, 13, 27
Describe the organisation's processes for managing climate-related risks.	27
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	27

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Recommended Disclosure	Page
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	23, 39, 40
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	31-32 42-43
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	42, 43

The Group can state that in accordance with the Listing Rule 9.8.6 R, our 2024 Annual Report and Accounts include financial disclosures consistent with TCFD recommendations.

LETTER TO STAKEHOLDERS

> 2024 has been a year of sustainability progress for our business, and one in which we are pleased to introduce for the first time, the Forterra Climate Transition Plan."
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>
> **GINA JARDINE**
> Chair of the Sustainability Committee

I am pleased to present my first Sustainability Report as Chair of the Sustainability Committee and want to first thank Divya Seshamani for her invaluable contributions and leadership in this area throughout her time as Chair.

2024 has been a year of progress in our sustainability efforts as we work towards our 2030 targets and, ultimately, net zero. Our commitment to these goals remains strong, and while challenges persist – such as advancements in technology and the availability of alternative fuels like hydrogen – we continue to focus on what is within our control.

At the core of our ambition is the sustainability framework we have developed to support these targets. Built on three core pillars – Planet, Product, and People – this framework guides our decision-making, ensuring we fulfil our responsibility as a good neighbour and as an employer for future generations. It also plays a crucial role in delivering our Climate Transition Plan, which we are excited to introduce this year as a key milestone in our sustainability journey.

While many elements of this plan have been in place for some time, formally presenting them as a Transition Plan marks an important step in our commitment to environmental responsibility. Building on our existing efforts, the plan provides a clear path for achieving our decarbonisation goals, helping us to continue making meaningful progress towards a more sustainable future.

Absolute carbon emissions

44%

reduction (vs. 2019)

In 2024, lower production levels led to a 31% reduction in absolute carbon emissions compared to 2023 and a fall of 44% relative to 2019. Whilst absolute changes in emissions are distorted by market driven reductions in our output, we are also pleased to report a corresponding decrease in carbon emissions intensity – down 4% year-on-year for clay and 27% for concrete – resulting in a 16% reduction in overall emissions intensity at the Group level. This equates to an 11% reduction in carbon emissions intensity compared to the 2019 baseline. These improvements have been achieved despite ongoing operating inefficiencies across our manufacturing network, with 2024 brick production running at below 60% of installed capacity due to continued challenging market conditions. As markets recover and production increases, we expect further reductions in carbon emissions intensity, particularly as we make full use of our facilities, including recent investments.

A key factor in these reductions has been, and continues to be, improving efficiency across our operations. Our Desford factory, which is now operational, sets new industry standards for efficiency and serves as a strong example of our sustainability strategy in action. Beyond Desford, we are also investing in other projects with strong sustainability credentials. The redevelopment of our Wilnecote facility will lower the carbon footprint of each brick produced, while the construction of a new brick slip manufacturing facility at Accrington will enable us to bring a more sustainable product to market.

LETTER TO STAKEHOLDERS
CONTINUED

In 2023, our emissions footprint was impacted by the decision not to purchase Renewable Energy Guarantees of Origin (REGO) certificates. We are pleased to see this reversed in 2024, with a large proportion of our power – around 70% as of May – now sourced from the Forterra Solar Farm. This marks a significant step forward, with renewable energy expected to account for over 90% of our electricity usage at the lower production levels seen in 2024.

Product innovation remains central to our sustainability strategy. In 2024, we made significant progress in using calcined clay, derived from waste in our London Brick production process, as a low-carbon cement substitute. We are proud to be among the first in the industry to commercialise this approach, already incorporating calcined clay into our aggregate blocks, reducing both cement usage and the carbon footprint of our products.

The importance placed on sustainability, both within our business and by our stakeholders, is further reflected in the inclusion of sustainability-related targets in the performance metrics for long-term incentives under the Performance Share Plan (PSP). These targets cover key areas such as decarbonisation and plastic reduction and while wider market challenges have meant that progress has not always met our ambitions, these targets remain in place and will continue to guide our sustainability efforts in the years ahead.

Included within this Report is an overview of our key sustainability initiatives and credentials highlighting the progress made in the year, along with providing everything necessary to understand our sustainability journey. As always, we welcome feedback regarding our approach to sustainability and the appropriateness and transparency of our disclosures.

Gina Jardine
Chair of the Sustainability Committee

OUR SUSTAINABILITY FRAMEWORK

Our sustainability framework guides all aspects of our approach to sustainability. Our framework identifies the key areas of focus to ensure we operate our business with sustainability at its core.

PLANET

The Planet pillar frames our wider environmental responsibilities, with a particular focus upon greenhouse gas emissions. Material topics* include:

- Climate change adaption
- Greenhouse gas emissions
- Water management
- Air quality
- Waste management
- Energy management
- Biodiversity

PRODUCT

The Product pillar focuses upon some more specific industry and company level topics, including new product development, and the wider supply chain. Material topics* include:

- Product lifecycle: environmental impacts
- Plastic packaging
- Ethical and sustainable procurement
- Product innovation
- Pricing integrity and transparency

PEOPLE

The People pillar highlights our social responsibility objectives, including our utmost priority of ensuring health, safety and wellbeing across our business. Material topics* include:

- Health, safety and wellbeing
- Employee experience
- Succession and skills development
- Community and charity engagement
- Data protection and privacy
- Equality, diversity and inclusion
- Human and labour rights

*Material topics as identified from our previously completed materiality assessment. 2025 will see a new materiality assessment completed taking full account of double materiality concepts.

PLANET

OUR CLIMATE TRANSITION PLAN

Introduction

Purpose of the report

With the ultimate ambition of reaching net zero by 2050, our medium-term priority is to deliver a significant reduction in our emissions by 2030 and in this timeframe we have targeted to reduce our carbon intensity per tonne by 32% relative to 2019.

A key component of our decarbonisation strategy is our capital investment projects at our Desford and Wilnecote brick factories, more efficient and greener manufacturing capacity which alongside a number of other initiatives, including the manufacture of brick slips at our Accrington factory, fuel switching and renewal energy usage, will combine to deliver a meaningful reduction in emissions.

We are also looking to partner with technology providers to gain real live experience in factory environments within both carbon capture and storage and hydrogen fuel which will likely provide the longer-term pathway to net zero.

The Commission on Climate Change (CCC) sets out a recommended strategy for the UK to reach net zero by 2050 stating that 'most sectors will need to reduce emissions to close to zero without the use of offsetting.' Reliance on offsetting does not reduce the burning of fossil fuels which is the primary contributor to climate change.

Our plan for this transition is outlined across pages 9 to 27 of this Report.

OVERVIEW OF THE TRANSITION PLAN TASKFORCE (TPT) DISCLOSURE FRAMEWORK LINKING TO OUR OWN FRAMEWORK

Principles	Ambition	Action		Accountability	
Disclosure elements	01 Foundations	02 Implementation strategy	03 Engagement strategy	04 Metrics & targets	05 Governance
Disclosure sub-elements	**1.1** Strategic ambition **1.2** Business model and value chain **1.3** Key assumptions and external factors	**2.1** Business operations **2.2** Products and services **2.3** Policies and conditions **2.4** Financial planning	**3.1** Engagement with value chain **3.2** Engagement with industry **3.3** Engagement with government, public sector, communities and civil society	**4.1** Governance, engagement, business and operational metrics and targets **4.2** Financial metrics and targets **4.3** GHG metrics and targets **4.4** Carbon credits	**5.1** Board oversight and reporting **5.2** Management roles, responsibility and accountability **5.3** Cultures **5.4** Incentives and remuneration **5.5** Skills, competencies and training

PLANET

Ambition

Scope and boundaries of the report

In disclosing our Transition Plan for the first time, this section of the report will provide details of where we are in our journey towards both net zero, but also our journey towards best practice disclosure.

01 02 03 04 05

Foundations

1.1 Strategic ambition

Outline the overarching aims and objectives of the transition plan, including how the entity plans to contribute to a low GHG-emissions, climate-resilient economy.

We have a clear strategy to grow our business and create shareholder value whilst at the same time reducing our impact on the environment. Our strategy recognises that sustainability is critical in ensuring our longevity as a business. Our long-held strategic priorities sit hand-in-hand with our goal of reducing our impact on the environment. Increased use of modern methods of manufacturing improves efficiency, reducing both energy use and waste, reducing not only our costs, but the impact we have on the environment. We have embedded challenging sustainability targets within our strategy (for more information please see our targets on pages 22 and 23).

1.2 Business model and value chain

Describe the current and anticipated implications of the strategic ambition on the business model and value chain.

Our strategy focuses on maximising the investment in our own business to deliver a tangible and transparent reduction in carbon emissions. We will continue to evaluate the benefits carbon offsetting can provide and whilst it is possible that in the future there will be a need to use these in some form in order to reach net zero, we feel that at present we can have the greatest impact through investing to reduce our own emissions.

Using the latest technology as we are doing within our Desford, Wilnecote and Accrington factories, rather than purchasing offsets and allocating them to the emissions from a particular factory, is the most transparent and effective way of meeting our challenging carbon reduction targets and in the longer-term aiming for net zero by 2050.

More information on our approach and progress in this area is available in the 'Implementation Strategy' section of this Sustainability Report.

Our Business Model as well as 'Our Impacts' are detailed on pages 20 and 21 of our Annual Report, and how these manifest within our Climate Transition Plan is detailed here.

Greenhouse gas emissions

We manufacture two broad categories of products – those made from clay and those made from concrete. These products are regularly supplied in tandem to our customers and are used together in building high-quality homes and buildings. However, the manufacturing processes are very different and their carbon footprints, whilst similar overall, are built up in different ways.

Clay products

Clay is the primary raw material used to make bricks. The clay is typically sourced locally from our own quarries, limiting the environmental impacts of transportation to factories. The clay is ground and then formed into a brick shape using a variety of methods. The grinding and forming process uses electrical energy.

At this stage bricks contain significant amounts of moisture which must be removed before they can be fired. This drying process utilises recycled heat from our kilns.

The next stage is the firing of the brick which transforms the relatively weak dried clay into strong durable bricks that will last for generations. During the firing process, the bricks are heated to temperatures of over 1,000°C, triggering chemical reactions in the clay. Our kilns are fired by burning natural gas, whilst the clay itself also emits carbon dioxide as a result of a chemical reaction; we refer to this as process emissions. Once cooled, the bricks are packaged ready for despatch to our customers.

As a result of the emissions created by the burning of gas, as well as the embodied carbon released from the clay during the firing process, the majority of emissions from our clay brick manufacture fall into scope 1.

Concrete products

We make a range of concrete products, from aircrete blocks to precast concrete floor beams, using a number of different manufacturing techniques. Concrete is made by mixing aggregates, cement and water. It is then left to undergo a chemical reaction known as curing which can be accelerated by adding additional heat.

Our Thermalite lightweight aircrete blocks use pulverised fuel ash (PFA), a waste product from coal-fired power stations; with power generation from coal drastically diminishing in recent years, we now recycle previously landfilled ash in a process very similar to quarrying. Water, cement and other materials are mixed with the PFA. The cake, as it's known, undergoes a chemical reaction and begins to cure such that it can be removed from the mould and be wire-cut into blocks. The blocks are then cooked in a high-pressure steam oven known as an autoclave, which, like our brick kilns, is heated by burning natural gas. The blocks are removed from the autoclave, separated, packaged and once they have passed a strength test are ready to be supplied to our customers.

We purchase all of these raw materials, with cement having by far the largest carbon footprint. As such, the majority of the emissions from manufacturing concrete fall into scope 3.

It is important to emphasise that both our clay and concrete products contain similar levels of overall carbon dioxide emissions per tonne of product. However, the way in which these emissions are reported within the Greenhouse Gas Protocol scopes is very different.

The majority of the emissions associated with the manufacture of clay bricks are direct emissions under our control and are therefore disclosed in scope 1. The majority of the emissions associated with the manufacture of our concrete products are indirect emissions under the control of our suppliers and included in scope 3, and therefore not disclosed in our figures. Details of our scope 3 emissions are included later in this Report.

Scope 1

When reporting our emissions and setting targets to reduce these emissions, it is necessary to consider our product mix. To ensure full transparency looking forward, and when reviewing our past progress, we provide emissions figures for both our clay and concrete businesses. The scope 3 emissions associated with our concrete manufacture (and to a lesser extent clay) make the direct comparison between our total clay and concrete reported emissions more challenging; more detail on our calculations of scope 3 emissions can be found later in this Report.

Any change in product mix in our output between clay brick and concrete products could materially distort the comparability of our total reported scope 1 emissions year-on-year. Accordingly, we disclose the carbon emissions for our clay and concrete businesses separately providing much greater transparency on our carbon reduction progress.

It is important to recognise the amount of carbon we emit is directly related to the volume of product we manufacture.

Our key markets have historically exhibited a trend of cyclicality and as such it would not be meaningful to measure our performance solely on absolute emissions. Never more relevant than the current period, where significant absolute emission reductions have been driven by the reduced output that market forces dictated, we believe the most transparent way of reporting our carbon footprint is to separately report our greenhouse gas intensity ratio CO_2e (the carbon emitted per tonne of production output) for our clay and concrete products. We believe this will provide the most meaningful information from which to measure the reduction in our carbon emissions over time.

We recognise that carbon dioxide emissions are an inherent result of our manufacturing processes. The majority of our emissions are covered by the UK Emissions Trading Scheme (UKETS). The increasing cost of UKETS credits as well as a reduction in the number of freely allocated credits will increase our operating costs and by reducing our emissions we can deliver a reduction in these compliance costs.

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Scope 2

Having previously reported zero scope 2 emissions through the purchase of Renewable Energy Guarantees of Origin (REGO), in 2022, having acknowledged the requirement for further new capacity within the grid itself, working with a global leader in the management and development of solar energy projects, we committed to purchasing around 70% (at full production levels) of our electricity requirement from a dedicated solar farm, exceeding 150 acres in size situated in Nottinghamshire. The first power was taken from this site in May 2024; with this long-term agreement now in place we are again able to buy REGOs to 'green' the small portion of our usage not covered by the solar farm.

Scope 3

2024 marks the second year of reporting calculated scope 3 emissions, using 2022 data as a baseline across the 15 scope 3 categories using an independent third-party provider to ensure that the exercise was carried out in a manner that was both accurate and in line with best practice (further information on the methodology used is available on our website). The goods and services that we purchase account for c.75% of our scope 3 emissions and we remain committed to working with our supply chain partners to continue minimising this where possible.

One of the interesting discussions raised during the exercise focused on 'end of life' treatment of our products. Currently our products would be recycled into secondary aggregate and whilst this is positive within the circular economy, we have still accounted for the current emissions impact of recycled aggregate. However, due to the longevity of our products (>150 years) it is highly likely that there will be no carbon emissions associated with their recovery when the time eventually comes.

In 2024, cement continues to be the most significant contributor to our scope 3 emissions. Our technical team has been working alongside our procurement function and our suppliers to transition our concrete production from CEM I (regular Ordinary Portland Cement (OPC)) to CEM II (a mixture of OPC and various additives) cements where possible, and we are now in a position where more than half of our cement used is CEM II, saving around 4,200 tonnes of carbon in the last 12 months. We have also made significant strides in utilising calcined clay derived from our London Brick production waste as a low carbon cement substitute and are delighted to be one of the first in the industry to be commercialising calcined clay in this way.

As well as working with our cement suppliers (major global and UK-listed cement manufacturers including Heidelberg Materials and Breedon plc) to reduce carbon in this respect, our 'Product' section later in this Report gives further details around our innovations in cement reduction and replacement.

Looking ahead, sustainability will form an even greater element of our supplier selection and accreditation process into 2025 and beyond.

1.3 Key assumptions and external factors

Highlight the key assumptions and external factors that influence the transition plan.

Scenario analysis

Methodology

We have undertaken a scenario analysis exercise to better understand the external factors influencing our Transition Plan, and possible range of risks and opportunities our business could face under different future climate forecasts. The approach consisted of two stages, the first being a qualitative analysis to identify and assess the likely risks, and the second including quantitative modelling. In line with TCFD recommendations, we examined three scenarios (+1.5ºC, +2.0ºC, +4.0ºC above pre-industrialised levels by 2100) in order to capture the widest range of plausible impacts on our business. Both qualitative and quantitative analyses included a thorough assessment of transition and physical risks, and were modelled around the widely recognised Representative Concentration Pathways (RCPs) and Shared Socio-economic Pathways (SSPs).

During the qualitative phase, granular assumptions about the policy (Government), built environment, technological and physical changes associated with each warming pathway were examined by a working group comprised of the respective heads of relevant business functions (Strategy, Operations, Finance, Sustainability, Marketing). The risks and opportunities identified in the qualitative phase were then transferred to the quantitative modelling in order to assess the scale of their potential impact.

The quantitative modelling was undertaken with support from a specialist corporate climate modelling consultancy, and interrogated the warming pathways, modelling impacts across four categories: Operations, Supply Chain, Demand and Physical Effects. The outputs of this quantitative process allow us to better understand the relative impacts and opportunities arising from climate change, and a shift to a lower carbon macroeconomic model.

Steady path to sustainability ~ 1.5°C warming

The 1.5ºC pathway assumes significant proactive public and policy support for climate action, and a broadly unified global response. It assumes a wide range of factors including stronger regulatory interventions; enabling and disrupting technologies emerging sooner; and demand-led effects being more material. Rather than a predictive exercise in modelling, the scenario allows us to examine the various impacts of a faster shift towards addressing climate change.

Fossil-fuelled global growth ~ 4°C warming

The 4ºC warming scenario assumes that the global growth continues to be driven by fossil fuels, with limited changes to current economic models. Regulatory interventions are delayed or absent, with a broad range of achievement of national decarbonisation targets. Towards 2050, the effects of climate change become readily apparent to electorates, and rapid reactive change is effected late in the period. The pathway has limited impact on Forterra's near and medium-term operations, with significant impact in the long-term.

Implications for products (under 2°C – exaggerated under 1.5°C and delayed under 4°C)

- Bricks and blocks that are manufactured at a lower carbon intensity are likely to gain popularity
- Environmental product declarations (EPDs) and lifecycle assessments are likely to become the norm as product labels become mandatory
- Products that are geared toward refurbishment are likely to gain popularity
- Products with strong thermal characteristics are likely to gain popularity as rising energy costs increase the drive for better insulation
- Production facilities that are close to carbon capture, utilisation and storage (CCUS) cluster zones, or that have hydrogen as part of their decarbonisation plans will likely benefit from lower costs as carbon prices increase

Middle of the road: 2°C warming

The 2°C warming scenario is considered the most likely scenario, and assumes the UK remains on its current path to decarbonisation, broadly meeting its stated policy goals, with a range of adherence to targets by other nations. In specific terms, this means the UK achieves net zero by 2050 and meets its other environmental industrial strategy aims.

The scenario assumes some demand-led growth in low carbon masonry products, driven by carbon prices inflating the cost of emissions heavy products.

Policy: The UK integrates product carbon labelling across sectors in the near-term, although these labels do not become mandatory until the medium-term. The UK phases out coal usage completely by the mid 2020s and it establishes its first net zero industrial cluster by 2040. Building regulations stipulate that public buildings and infrastructure must meet both embodied and whole-life carbon targets.

Built environment: Building designs become more energy efficient, helping to drive down emissions and heating costs. Demand for high thermal mass products such as bricks and blocks continues to grow accordingly. Renovation and retrofitting increase in importance as growth drivers in the medium-term, especially as a response to green building regulations and rising electricity prices. As buildings become more thermally efficient, the component of embodied emissions from materials in the whole-life carbon footprint of buildings increases. This helps to drive steady demand for low carbon products and sustainable alternatives, with potential pricing premiums for the lowest emissions products.

Technology: The carbon intensity of the electricity grid is assumed to hit current targets, and is modelled on a linear basis to 2050. Within the building products sector, landfilled pulverised fuel ash (PFA) is being utilised as a raw material as coal fired power plants have closed and in the long-term, the UK's Government directs funds towards CCUS technology, CCUS-enabled 'blue' hydrogen, and electrolytic 'green' hydrogen. Carbon-cured concrete and lighter bricks become increasingly common.

Physical: Physical impacts of climate change appear gradually over the period, though effects on the UK are relatively minor to 2050. These effects include having eight days per month above 25°C in summer months. Damage to UK non-residential property is expected to increase by 26% and flooding damage to facilities in UK coastal regions is expected to increase by 48%.

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Resilience of our strategy

The scenario analysis we have undertaken has assisted in better understanding the risks and opportunities across a broad range of climate scenarios.

We would likely be subject to transition risks in a 1.5°C and 2°C warming scenario, which, if left unmitigated, would likely lead to potentially higher operational costs and lower revenues. This is especially true if demand for low carbon products rises, a Government penalty is implemented on high-carbon products, competitors are better able to access low carbon sources of energy and carbon costs rise. These financial impacts would be higher in a 1.5°C compared to a 2°C scenario as public and policy support for climate mitigation is assumed to be stronger. In order to avoid these risks, our strategy includes reducing the carbon intensity of our products, as demonstrated by our targets (on pages 22 and 23), and actively pursuing the opportunities outlined within this Report.

We would assume more physical risks in a 4°C warming scenario, resulting in increased cost from operational disruption. However, the majority of our factories are at low risks of extreme weather events such as flooding and so the overall financial impact of these risks is considered manageable.

We believe our strategy to be climate resilient, noting that it will continue to respond to evolving climate risk projections, with established procedures in place to identify and escalate climate-related risk as described on page 27.

Action

Detail the specific activities and initiatives that will be undertaken to achieve the strategic ambition.

01 | **02** | 03 | 04 | 05

Implementation strategy

2.1 – 2.4 Transition activities

We are committed to supporting the UK's ambition to reach net zero by 2050 and to demonstrate this we declared a near-term carbon reduction target of 27.5% (using the Science Based Targets initiative (SBTi) well below 2°C scenario) running from 2019 through to 2030.

This is supported by our Carbon Management Plan which maps out our decarbonisation plan, including both ongoing projects as well as the further technologies, infrastructure and process changes that will be required for us to meet this target – some of them are already commercially available such as solar panels and electric vehicles, whereas others, such as hydrogen and carbon capture are still, particularly from an infrastructure perspective, emerging within our sector.

Our vision is to take the learnings from the carbon journey of our existing factories and future proof any new developments to make sure all of the potential carbon savings can be incorporated, ultimately achieving a zero carbon production facility.

We acknowledge that significant reductions in our carbon footprint can be made by being proactive when designing our new factories; our Desford factory has reduced its energy consumption per brick by c.30% relative to the old factory it replaced. This is, however, only the start of our ambitions. Applying our Carbon Management Plan to this design process contributes to the blueprint for what could come next: the brick factory of the future.

The Brick Factory of the Future

The conceptual 'Brick Factory of the Future' displays our implementation strategy and forms the core of this Transition Plan. Development and progress varies across individual areas, however the pathway is in place to achieve our long-term decarbonisation ambitions.

Raw materials

The clays we use can be responsible for up to 80% of the carbon emissions of a brick factory depending on the type of clay seam that the factory is situated on. Our technical team is working to identify inert materials, that when fired, will not emit carbon, that can be substituted for these clays without compromising the look and performance characteristics of our products.

There is a finite amount of substitution possible before the performance and the aesthetic appearance is compromised and as such this approach must be deployed in combination with other emerging technologies to further reduce our impact. As such, innovation at a product level is key.

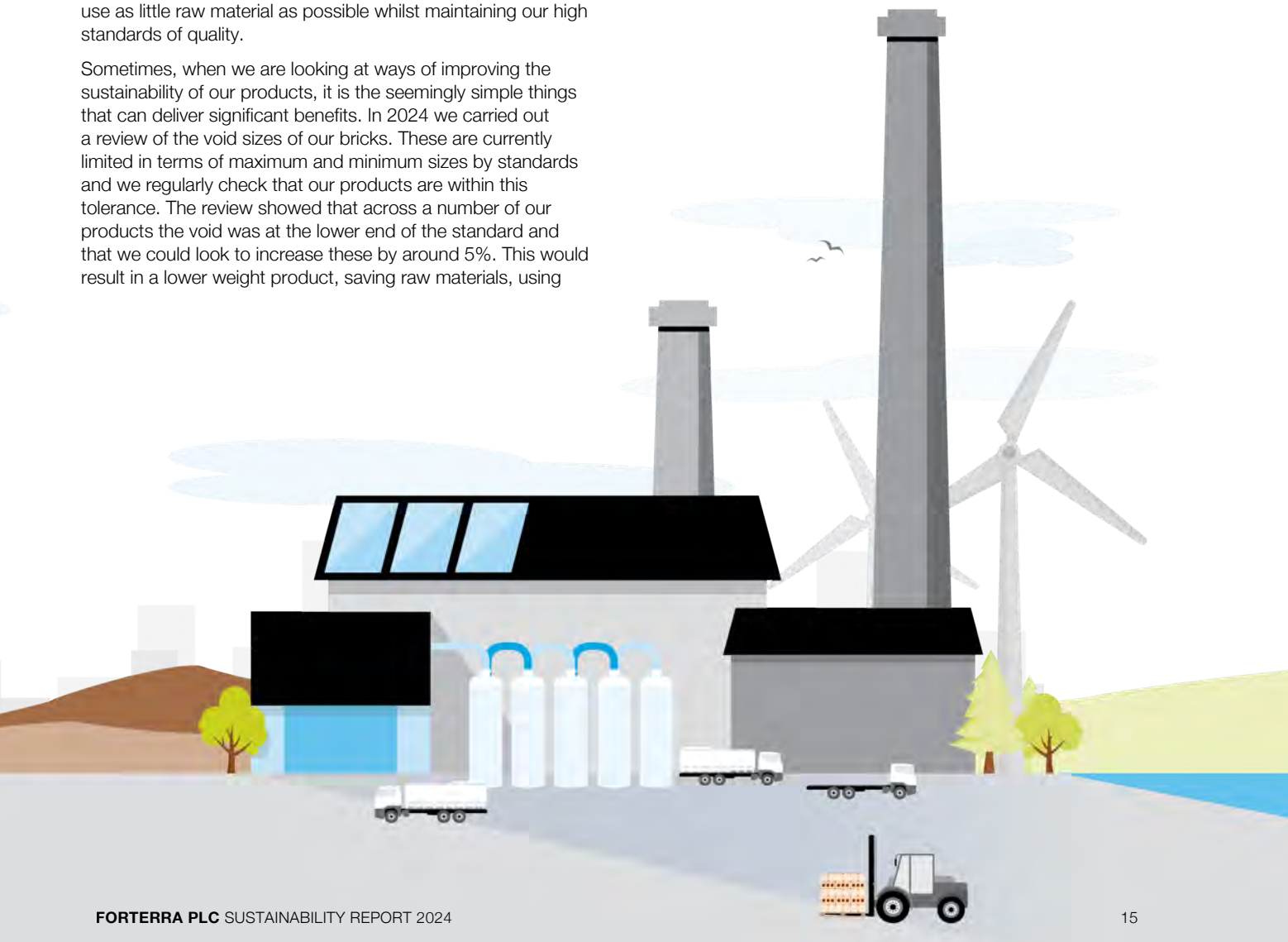
Product innovation

'As much from less' – the goal of our project to ensure that we use as little raw material as possible whilst maintaining our high standards of quality.

Sometimes, when we are looking at ways of improving the sustainability of our products, it is the seemingly simple things that can deliver significant benefits. In 2024 we carried out a review of the void sizes of our bricks. These are currently limited in terms of maximum and minimum sizes by standards and we regularly check that our products are within this tolerance. The review showed that across a number of our products the void was at the lower end of the standard and that we could look to increase these by around 5%. This would result in a lower weight product, saving raw materials, using less gas during firing with lower payloads on delivery vehicles. Increasing the void is a simple process, though in order to ensure that product quality wasn't compromised, a number of trials were carried out, gradually increasing the size until the optimum was reached for each factory. As a result of this work we saved at least 1,000 tonnes of carbon in 2024.

Efficiency

In order to meet both our 2030 carbon reduction goals and achieve net zero, we must ensure that we operate our factories in the most efficient manner possible and minimise the use of all of the inputs into our process including energy and raw materials. As displayed in previous sustainability reports, we have undergone step changes in the efficiency of our plants through our capital investment projects, delivering the Desford factory utilising 30% less energy per tonne than the factory it replaces. We are continuing this programme with redevelopment of our Wilnecote factory, which will come back online in 2025 and is expected to save similar energy per tonne of production as Desford.



PLANET
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Our brick slip production line at Accrington, where extrusion of slips and utilisation of an existing kiln will significantly reduce the waste associated with cutting traditional bricks into slips, is now nearing completion.

Beyond these projects we continue to review the energy performance of our factories either through our externally verified ISO 50001 Energy Management System or through the Energy Savings Opportunity Scheme, both of which focus our attention on areas for improvement. This sits at the heart of our manufacturing excellence programme; focusing on identifying inefficiencies in our business and developing plans to ensure they are addressed.

Water usage

Water scarcity will become increasingly topical in future years, particularly during drier summer months. Our factories are generally in close proximity to the quarries that supply their clay and as such we can take advantage of quarry lagoons to capture and recycle rain and process water, installing water treatment plants using technologies such as reverse osmosis to clean any captured water for reuse in the manufacturing process or welfare facilities.

A potential challenge is that whilst water is currently a low-cost raw material, the high energy demand of treatment plants can increase this significantly, as well as the carbon footprint of producing water in this manner; however this could mostly be offset by the use of renewable energy generated on site.

Packaging

We have continued to work towards our objective of halving the amount of plastic used to package our products. In 2024 this focused on the installation of a new 'belly banding' system at our Desford factory, which, after some initial commissioning issues, has resulted in a robust solution where our standard packaging offering will reduce the amount of plastic used by 50% across the brick business. We also accept that choice is key for our customers, and therefore much like supermarkets who still supply a plastic bag as required, we will continue to offer a wrapped solution to customers as an added cost option.

During the year we also continued our research into reducing the amount of packaging on our aircrete products. This is now at the transit trial stage ahead of final deployment as our primary goal for a packaging solution is that we do not compromise safety or the quality of products through this project.

Key to successful implementation is working with our customers to ensure that sites are ready to accept and handle our new packaging format with extra consideration required to ensure that the product is ready to use, for example the ability to store on clean and dry hard standing.

Case study

Brick slip production

Brick slips as a cladding material for buildings are becoming increasingly popular in the UK. The majority of these slips are currently produced by cutting traditional bricks. This is a very labour-intensive process and results in around 40-50% of the fired brick being discarded and therefore wasted. We have recently installed a state-of-the-art brick slip extrusion plant at our Accrington factory which can produce brick slips at various thicknesses and generate no additional waste from the process.

Renewable energy

2024 marked an important milestone in our sustainability journey as we began to utilise power generated from the Forterra Solar Farm in Nottinghamshire. This significant step forward for us will 'green' a significant proportion of our power demand, paving the way for us to recommence purchasing REGOs to cover 100% of our electricity usage. 2024 is also the first full year of generation from the rooftop solar installation at our Desford factory, providing almost 4% of the overall Group's demand.

Beyond these two projects we have additionally entered into discussions with a leading provider of renewable energy to progress plans for a number of further projects across our network, some to provide further renewable energy for our own business, and others to facilitate generation for our neighbours.

Mobile plant

The mobile plant we use at our factories (forklifts etc.) are responsible for c.2.3% of our carbon footprint and our aim for 2025 is to continue the rollout of the use of hydrogenated vegetable oil (HVO) across our business. Accepting that HVO is very much an interim solution ahead of the availability of future technologies, we have invested in alternative powered equipment such as electrically powered forklifts. We are pleased to report that the eight tonne forklift (the largest of its type in the UK upon delivery) at our Desford factory has performed well for over 18 months, proving further the potential to electrify large portions of this fleet.

Zero carbon firing

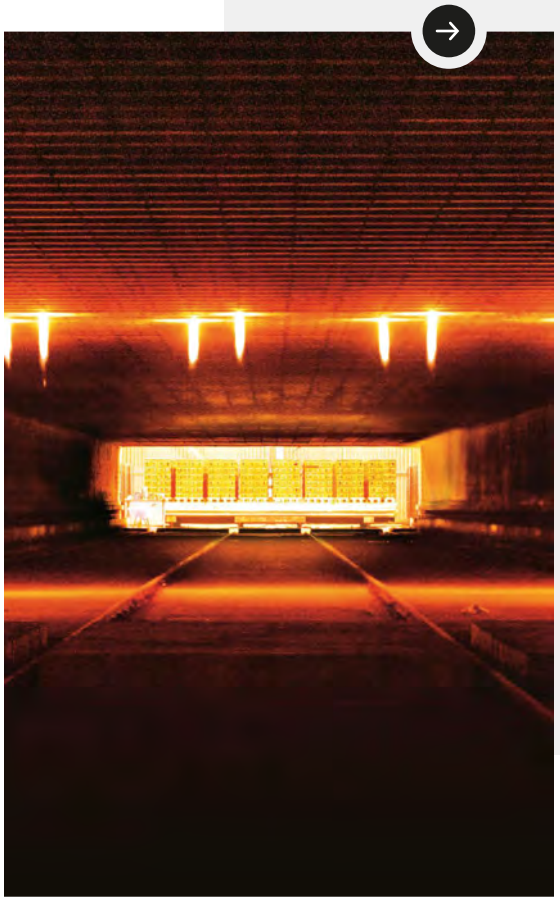
Within a brick factory, the drying and firing process is responsible for up to 60% of the carbon emissions. This therefore forms a fundamental area of focus in our decarbonisation efforts and we have been undertaking trials of both biomass and hydrogen blends as we see both fuels playing key roles in the future.

We have previously referenced blending hydrogen into natural gas to mimic the Government's plan to blend gas into the national network, as well as carrying out a firing trial using biomass at our London Brick manufacturing facility. 2024 was very much a year of consolidation in both of these projects. Ahead of progressing the use of biomass we wanted to ensure that we identified a sustainable UK supply partner before continuing with our trial programme, this has now been completed and we are planning a wide scale trial firing of over half a million bricks in early 2025.

The work done during the year around hydrogen firing has also focused on supply, meeting with numerous developers of green hydrogen generation projects, all of whom are being supported by the hydrogen production business model. The majority of these will supply relatively low volumes to particular factories requiring the use of tankers for transportation. With more clarity in place regarding supply, we will be continuing our research and development work into the use of both 50 and 100% hydrogen blends on our test kilns during 2025.

Considering longer-term networked approaches, where the projects are being planned that would deliver grid supplied pipelined hydrogen direct to some of our factories, we have continued to support the East Coast Hydrogen project and in May 2024 were part of a delegation that met with the previous Government's energy advisors in Downing Street to discuss the need for grid supplied hydrogen for sectors unable to electrify their processes or move closer to a hydrogen producer.

PLANET
CONTINUED



Case study

The challenges of electrifying brick manufacturing

In many industrial applications decarbonising can and will be achieved through electrification. However, in brick making this presents a number of significant challenges and is as such not currently viewed as the primary solution.

Whilst the products can be fired using electricity, this has only been proven in small volumes to date. Our factories are generally located in rural locations (reflecting the location of clay seams used to produce our products). This means that increasing the electrical supply to our factories would be difficult and take a number of years to come to fruition as this would likely require a significant increase in electricity demand. Entire new kilns would also be required – a process which would take our factories out of operation for long periods. Switching to hydrogen we believe is a much more logistically feasible solution; whilst we would need new burners and pipework, this is work that can be carried out whilst existing kilns remain operational.

Carbon capture

The ability to capture carbon despite the number of global projects being carried out at present remains an emerging technology for our sector as a result of the relatively low CO_2 concentrations in our exhaust streams. Over the last 18 months we have worked with engineering consultants to understand what the requirements of any system would be in terms of plant footprint and power requirements, whilst also engaging with leading suppliers of equipment as well as developers of innovative new solutions to ensure that when such solutions become available, these can be integrated into our plants.

Distribution

Around 5% of our carbon footprint can be attributed to our distribution fleet and we have made great strides over recent years in improving the fuel economy of our vehicles. In order to achieve zero carbon emissions we would need to transition to either electric or hydrogen powered vehicles.

Both electric and hydrogen delivery vehicles for our sector are in their early phase of development and as such are markedly more expensive than a diesel equivalent, and particularly in the case of electric vehicles, have significantly reduced range especially when carrying heavy loads. The weight of our products generally determines that the vehicles carrying our products reach legal maximum weights for UK roads, with electric vehicles currently better suited to delivering lighter products such as consumer goods.

Additional factors:

Air quality

Air quality is of growing concern in the UK and we understand that we must do all we can to minimise the impact on the communities around our sites. Our plants are subject to the Environmental Permitting Regulations and must operate in accordance with a permit issued by either the Environment Agency or the Local Authority. Each permit has at least one section focusing on emissions to air, with the regulating authority carrying out inspections to ensure compliance. In addition, the majority of our brick manufacturing facilities are required to carry out annual monitoring on the exhaust from the kiln to demonstrate compliance with any emission limits set out in the permit.

Our Kings Dyke brick factory is located in an air quality management area, and as a requirement of our permit we have installed, and operate, two ambient air quality monitoring stations. Since their installation in 2008 we have operated in accordance with our permits with no breaches of air quality limits.

Waste management

As a business we recognise the value of our raw material resources. Our waste quantities are low (c.100,000 tonnes) and represent about 5% of our production output, however large volumes of process waste streams are diverted and recycled for use in other products. For example, brick waste created at our Kings Dyke London Brick factory is crushed on-site and becomes a raw material for the neighbouring aggregate block plant, and is now also being further processed and used more widely as a cement substitute. All of our aircrete block production waste is recycled into other products in the business.

As a responsible operator, we comply with all waste management legislation and apply the waste hierarchy using segregation of wastes to ensure that the most appropriate disposal routes are utilised.

Biodiversity

Fragile habitats and associated biodiversity are at risk from climate change and deforestation across the globe. Within the UK, the Government has recognised our diverse range of natural landscapes and habitats, setting out a 25-year environmental plan focused on their protection and enhancement.

We are responsible for almost 2,000 acres of mineral bearing land and are therefore aware of our important role in supporting these national ambitions through the ongoing management, treatment and final restoration of this land after these minerals have been exhausted. Our quarrying operations are covered by planning consents, which include conditions for site restoration in accordance with the local mineral planning authority and taking into consideration local and wider environmental needs.

Depending on future use proposals, the quarry development will often lead to an improvement in the biodiversity value of the land involved, both during operation and when it moves into its restoration phase. The Kings Dyke nature reserve near Peterborough is an excellent example of how exceeding the requirements of the restoration plan has provided a local community asset and enabled a diverse range of habitats to thrive.

Whilst we are not yet reporting in line with the Taskforce on Nature-related Financial Disclosures (TNFD), a review group has been formed with the remit of considering our wider biodiversity agenda and the considerations required around future alignment in this area. We have identified a number of indicators to provide a framework for consideration of land use and environmental change as a result of our quarrying activities, and we support the Council for Sustainable Business Biodiversity commitment.

PLANET
CONTINUED

Action

01 02 **03** 04 05

Engagement strategy

3.1 – 3.3 Engagement strategy

Outline the approach to engaging with stakeholders, including employees, customers, investors and regulators.

We are proud of our progress and are keen to place our sustainability information in the public domain, ensuring the highest levels of transparency as we engage with our stakeholders.

Ensuring that all of our stakeholders are aware of the business's ambitions and values has never been more important to us and we communicate this through a number of different routes. For our employees we have regular stand down sessions and the CEO holds 'Town Hall Talks' at every site to inform our employees of business initiatives and receive feedback and answer questions relating to employee concerns. We also have quarterly employee forum meetings which are chaired by Martin Sutherland – one of our Non Executive Directors – allowing nominated representatives of the workforce to discuss issues. And finally, we have the 'Hear Me' engagement survey; a key platform for our team members to express their thoughts, challenges, and ideas. A number of our sites operate local liaison committees to ensure that the voices of the local communities are heard and all of our site operate an open door policy for the local community.

We engage with regulators and government directly or in conjunction with our trade associations where we are active members and chair a number of collaborative committees.

Describe how progress and updates will be communicated to shareholders.

Since 2020 we have been producing a comprehensive Sustainability Report, both in standalone form and within our Annual Reporting. This allows the Group to showcase its sustainability efforts formally, giving shareholders and other stakeholders access to relevant updates regarding our progress.

As well as this formal sustainability report, sustainability progress forms a core part of our regular communications with shareholders, across investor roadshows, conferences and more ad hoc interactions across the year.

We are committed to actively engaging with a number of sustainability disclosure bodies and rating agencies including the Carbon Disclosure Project (CDP), MSCI and Sustainalytics.

In 2024, we are proud to have received a 'B' 2024 CDP Climate score, recognising the progress we have made not just in our sustainability efforts, but also how these are disclosed. Whilst our journey towards best practice disclosure is always evolving, this is an important landmark and one we strive to continue to improve from.

CDP

OUR SUSTAINABILITY JOURNEY

2022-23
ACHIEVEMENTS

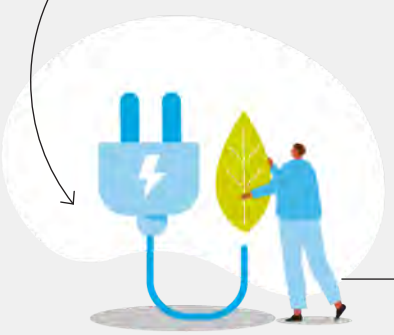
30% more efficient
Desford Brick Factory open.

Forterra Solar Farm
Generating c.80% of our electricity demand and now open.

2024
PROGRESS

Calcined clay
Utilising as a cement substitute, starting with our own aggregate blocks.

Plastic packaging
Ongoing work to meet our short-term plastic reduction targets.



2025 &
BEYOND

Alternative fuels
Working to better understand the use of hydrogen, synthetic gas and biomass within our production processes.

Carbon capture
We continue to engage with suppliers of carbon capture use and storage technologies (CCUS) monitoring systems in this rapidly developing area.

2030
TARGETS

People
Zero harm

Climate
27.5%
Absolute reduction in CO_2

Waste
50%
Reduction in plastic packaging

Innovation
10%
of revenue from new products

PLANET
CONTINUED

Accountability

01 02 03 04 05

Metrics & targets

4.1 – 4.2 Operational and financial metrics and targets

Collectively, our three pillars guide our future decision-making, ensuring we are successful in our overall objective of being a good neighbour and responsible employer, for generations to come.

It is important to note that our sustainability targets cover all three of our pillars, and whilst this Transition Plan is focused around Climate/Planet, a number of the targets highlighted in this section reference our equally important People and Product pillars, detailed later in this Report.

Our ambitions and targets

The ability to track our progress is essential to realising our sustainability goals and we have considered the most appropriate metrics and targets necessary for users to understand the impacts of our business.

4.3 GHG metrics and targets

In addition to disclosing our absolute greenhouse gas (GHG) emissions, we also provide additional disclosure showing the GHG intensity ratio (level of emissions per tonne of output) for both our clay and concrete products, recognising that absolute emissions vary with the level of our production according to market demand, shown clearly in the current cycle, and as such are not necessarily a meaningful measure of our progress against our targets.

4.4 Carbon credits

The majority of our emissions are covered under UK ETS and as such our efforts in emissions reduction are aligned with the financial incentives of reducing our compliance obligations under the scheme.

Streamlined energy and carbon reporting (SECR)

We have used the operational control approach to determine our organisational boundary for emissions purposes and calculated these emissions based on the UK Government's Environmental Reporting Guidelines (2019) and emission factors from the DEFRA 2024 Green House Gas (GHG) Conversion Factors for Company Reporting. Scope 2 emissions have been reported using both the location-based method of calculation and, to account for our use of renewable electricity through the purchase of REGOs in prior years, the market-based method for calculation. Our underlying energy use figure has been reported in GWh and includes fuel used in mobile plant, on-site generators and company vehicles. All our facilities are covered by the scope of our ISO 50001 certification which we have held since 2015. This is a third-party audited and certified scheme and has continual improvement at its core. We adopt a number of approaches to maximise energy efficiency; from LED lighting and the installation of variable speed drives on motors, through to the recycling of waste process heat from our kilns to power other areas of the plant.

Streamlined energy and carbon reporting	2024	2023	2022	2019
Scope 1 emissions (location-based) (tCO_2e)	**177,246**	241,598	294,352	299,679
Scope 2 emissions (location-based) (tCO_2e)	**10,812**	14,142	14,144	19,617
Scope 1&2 emissions (location-based) (tCO_2e)	**188,059**	255,740	308,495	319,296
CO_2e intensity kg per tonne	**117.1**	131.2	130.1	123.4
Total energy used GWh	**572.9**	791.6	969.7	956.3
Scope 1 emissions (market-based) (tCO_2e)	**177,246**	241,598	294,352	299,679
Scope 2 emissions (market-based) (tCO_2e)	**–**	14,142	–	19,617
Scope 1&2 emissions (market-based) (tCO_2e)	**177,246**	255,740	294,352	319,296
CO_2e intensity kg per tonne	**110.4**	131.2	124.1	123.4
Scope 3 emissions (tCO_2e)	**196,806**	247,348	298,372	n/a

OUR TARGETS

Key

Ahead of target/target currently met · Behind target on pro-rated basis · On track · SLL target[1] · PSP target[2]

Pillar	Topic	Target	Target year	Metric	2019	2023	2024	Target	Progress vs. 2019	Comment
PLANET	Group CO_2 emissions	27.5% reduction v 2019 baseline	2030	tonnes	319,296	255,740	**177,246**	231,489	-44%	Driven by market driven reduced production levels
	Group CO_2 emissions/tonne	32% reduction v 2019 baseline	2030	kg CO_2/ tonne	123.4	131.2	**110.4**	83.9	-11%	2030 target remains reliant on hydrogen/ carbon capture developments
	Clay products CO_2 emissions/tonne	33% reduction v 2019 baseline	2030	kg CO_2/ tonne	255.6	248.7	**239.7**	171.3	-6%	2030 target remains reliant on hydrogen/ carbon capture developments
	Concrete products CO_2 emissions/ tonne	80% reduction v 2019 baseline	2030	kg CO_2/ tonne	21.0	25.6	**18.8**	4.2	-10%	Reliant on factory upgrades at aircrete facilities, timing of which to be confirmed
	Power sourced from on site renewables	10% Group power usage	2025	%	0	0.7%	**3.7%**	10%		Progress slowed by market driven factors impacting our shorter term energy requirements
	Waste to landfill	Zero process waste	n/a	kg/ tonne	0.16	0.09	**0.01**	0.00	-94%	Negligible in 2024 and therefore seen as on track
PRODUCT	New product index	10% Group Revenue	2025	%	0.6%	3.3%*	**2.5%**	10%		New robust calculation established aligned to strategy
	Plastic packaging consumed	50% reduction v 2019 baseline	2025	tonnes	1,802	1,322	**963**	901	-47%	Positive reduction partially driven by market demand factors
	Plastic packaging	50% reduction v 2019 baseline	2025	kg/ tonnes	0.82	0.74	**0.66**	0.41	-19%	Positive reduction results to date though 2025 target in doubt as progress slowed to alleviate safety concerns
PEOPLE	Health and safety – Lost Time Incident Frequency Rate (LTIFR)	Zero harm ambition	n/a	no.	7.35	3.24	**2.25**	0	-67%	Whilst zero harm is always our goal, 2024 was a pleasing performance
	Membership of 5% Club	5% of employees in earn & learn positions	2025	%	3.2%	3.6%	**3.7%**	5%	16%	Market downtime has impacted ability to hire into E&L positions whilst also making redundancies

1. Three of our targets have been incorporated into the Sustainability Linked Loan (SLL) following the refinancing completed in January 2023.
2. Two of our targets have been applied to the 2023 and 2024 Performance Share Plan (PSP) awards.

* New product index calculation methodology amended in 2024. As a result of this more robust methodology, we have restated the 2023 comparator accordingly. Now measured as 'revenue from products launched within the last 5 years as a % of total revenue'.

PLANET
CONTINUED

Accountability

01 02 03 04 05

Governance

5.1 Board oversight and reporting

Sustainability sits at the heart of everything we do as a business, and as such is at the core of our strategy. Delivery on this strategy, as well as governance and oversight responsibility around climate-related risks and opportunities, ultimately sits with the Board. The Board's Sustainability Committee discharges this responsibility on behalf of the Board.

The Sustainability Committee receives progress updates as to the execution of the Group's sustainability strategy at each of the four committee meetings per year, reviewing ongoing compliance with TCFD requirements and progress against targets. As well as receiving feedback from the Executive Directors, and members of the Executive Committee, the Head of Sustainability and the Head of Health and Safety regularly attend Committee meetings.

The Board's Sustainability Committee includes the following within its terms of reference:

a. Defining the level of the Group's ambitions with regard to reducing its environmental impact and addressing climate risk;
b. Overseeing the development of the Group's sustainability policies, covering both environmental and wider social (people) matters;
c. Setting challenging environmental targets in order to meet the Group's goals and monitoring progress against these;
d. Monitor the Group's reporting under TCFD, Sustainable Accounting Standards Board (SASB) and other protocols as appropriate;
e. Overseeing the Group's health and safety performance and progress against its strategy; and
f. Ensuring that sustainability policy still satisfies its desired outcomes and evaluating management's performance in implementing policy and achievement against the targets set.

5.2 Management roles, responsibility and accountability

The Group's Head of Sustainability leads the day-to-day sustainability activity and reports to the Chief Financial Officer. The Technical Projects Director, reporting to the Chief Executive Officer, holds accountability for delivery of the key investments that will facilitate the achievement of our sustainability targets, including reduction of greenhouse gas emissions and reducing our use of plastic packaging. The Group also utilises a monthly sustainability review, with a group comprising the Chief Executive Officer and Chief Financial Officer, as well as a number of senior managers representing other functions of the business including strategy, finance and marketing. This group is tasked with ensuring that the Company's sustainability ambitions and targets are on track, and that climate-related risks are reported upwards to the Sustainability Committee.

5.3 Culture

We have been reporting sustainability-related metrics and progress formally for over 20 years (including previous corporate structures and ownership) and therefore at site level it is business as usual that we strive to produce the best quality products with the minimum use of resources. However, to achieve the step change required to meet net zero we also have a strong leadership team starting at the top of the business with the Board providing oversight and ensuring accountability against our corporate targets.

This approach is underpinned by our corporate values which embrace innovation, collaboration and excellence, to enable us to produce the most sustainable products in the most efficient manner whilst being an important part of the communities we operate in.

5.4 Incentives and remuneration

The importance attached to sustainability both within our own business and by our stakeholders is evidenced by the inclusion of sustainability-related targets within the Group's remuneration structure. Sustainability-related targets may be included as personal objectives in the Annual Bonus Plan and targets covering decarbonisation and plastic reduction are also included within the performance targets applied to the long-term incentives granted under the Performance Share Plan.

5.5 Skills, competencies and training

Our sustainability team has a vast experience of sustainability within the manufacturing sector and is a central resource which provides support to all aspects of our business from operations through to technical sales. Our business recognises that our people require the necessary knowledge and skills to carry out their tasks in a competent, responsible and safe manner. This is achieved by providing training to key personnel and then disseminating this information to site teams via toolbox talks. All of our sites have at least one person who has attended our three-day sustainability training course, which is accredited by the Institute of Environmental Management and Assessment (IEMA) but tailored to the challenges facing our business. We will continue to roll this training out to ensure that sustainability is firmly embedded within our business.

PLANET
CONTINUED

SUSTAINABILITY GOVERNANCE STRUCTURE

Robust and transparent governance is essential to delivering our sustainability ambitions

Board of Directors

Ultimate responsibility for sustainability-related matters through the Sustainability Committee

Executive Committee

Review and approve climate strategy, scrutinise performance, review progress on climate strategy and targets

Sustainability Steering Group

Tasked with ensuring that the Company's sustainability ambitions and targets are on track, and that all climate-related risks are reported to the Sustainability Committee

Cross Functional Working Groups

Task-specific working groups focusing on specific climate-related challenges e.g. Plastic Reduction Steering Group

RISK AND OPPORTUNITIES

Risk Management

Risk identification: Identify the key risks associated with the Transition Plan.

Our wider risk management protocols are explained in detail within the Risk Management and Key Risks section of our Annual Report (Risk Management section – page 84).

Climate-related risks are captured within our existing risk management process. As part of the work originally undertaken in 2021, we have amended our risk scanning horizon to allow the capture of longer-term climate-related risks which may not have an immediately measurable financial impact. In identifying climate-related risks, in accordance with the recommendations of TCFD, we have identified both the transitional risks associated with adapting our business to a lower carbon economy, along with both the longer-term acute risks associated with increasing severe weather events and the physical risks of long-term climate change such as rising sea levels. Our scenario-based analysis, as previously shown, considers both risks and opportunities as well as the different time horizons over which they may impact.

Key

Short: 0-3 years
Mid: 3-10 years
Long: 10-25 years

A full list of the risks and opportunities identified as part of this work is available on our website and in previous reports, and below summarised are what we deem the most material risks, and the timeframe within which they are deemed to relate under each climate scenario. The impact of these risks within our financial reporting has been additionally considered, and given the mid-long-term nature of the majority of our material risks below, we anticipate climate-related risks will not materially impact the Group in the short-term. Therefore, whilst considered, we do not believe there to be any impact within our modelling for viability purposes.

Topic	Scenarios		
	1.5°C	2.0°C	4.0°C
Transitional risk			
Policy and legal The most material risks relating to our business as a result of changes in policy or legislation relate to the potential for setting mandatory embodied carbon limits for construction products and an increase in financial liability as a result of increasing cost of carbon credits or reductions in free allowances. **Metric link:** relevant metrics around carbon intensity found on page 31.	Short	Mid	Long
Market As consumers become increasingly aware of the impacts of climate change and their ability to be a positive influence there is an expectation of a trend towards greener processes and products. This may however be offset by the opportunity that presents around thermal mass and the desire to make homes more energy efficient. **Metric link:** relevant metrics around carbon intensity and new products index found on pages 31 and 32.	Short	Short	Mid
Technology Potential demand impact as we await low carbon technologies becoming available for our sector. This may then lead to reduced access to capital to implement the necessary changes in our production methods. **Metric link:** relevant metrics around carbon intensity, renewables and low emissions vehicles found on page 31.	Mid	Mid	Long
Reputational The Forterra brand could be materially impacted as a result of negative perceptions around our products should lower carbon alternatives become available with similar performance characteristics. This could lead to a shift in consumer preferences to these competing materials. **Metric link:** relevant metrics around carbon intensity found on page 31.	Mid	Mid	Long

Topic	Scenarios		
	1.5°C	2.0°C	4.0°C
Physical risks[1]			
Acute There has been an increase in extreme weather events such as flooding over the last few years. While this poses a risk to our sites in terms of flash flooding in the longer-term, there is also a future opportunity where construction methods favour durable materials such as clay brick and concrete products.	n/a	n/a	Long
Chronic We recognise that the risk of rising sea levels triggered by increase in temperature will potentially lead to some area of the country becoming unsuitable for housing, leading to a requirement for increased housing elsewhere to compensate.	n/a	n/a	Long

1. Noting their long-term horizon, we do not currently report any relevant metrics in relation to our physical risks.

PRODUCT

Product innovation

Product development and innovation is a key pillar in our carbon reduction initiatives, crucial to our efforts in supporting the UK's ambition to transition to a lower carbon economy and meeting our target to be net zero carbon by 2050. Additionally, as the needs of our customers continue to change, we are working to adapt our product offer to meet these future requirements.

Housebuilder customers are increasingly focusing on build efficiency and waste reduction, with increasing interest in lifetime carbon implications of the materials and solutions being used. Alongside this, there is growing demand for lighter weight façade solutions which retain the aesthetic quality of brick and can be installed more rapidly onto buildings.

One of our primary objectives is to open new applications for our core product offering of clay facing bricks. Continuing development in construction technologies and growing focus on material efficiency is leading to some changes in the structure of the market. Adaptation of our core offer to take advantage of emerging trends has driven development of façade solutions such as SureBrick, a lightweight mechanically retained brick system, which meets all regulatory requirements for high-rise use and structural brick faced precast systems, designed for high-speed on-site assembly that retain the aesthetic of brick and form the structural element of a build.

These solutions have been developed specifically to meet the changing needs of construction and provide a brick aesthetic finish in an alternative manner where construction methodology has moved away from traditional bricklaying or where a lower carbon solution is being sought.

Many façade systems are reliant on using a brick slip or thin brick solution, to provide the aesthetic finish of a brick. Typically, this is achieved by cutting traditional bricks, removing the 'face' to use and disposing of the remainder, leading to high levels of waste. We are currently commissioning our new brick slip manufacturing facility in our Accrington factory, allowing manufacture of brick slips without the waste. This facility will save up to 75% of raw material and energy, offering a step change in sustainability. As we continue to develop systems and solutions for this emerging area, we are looking to continually optimise our products and designs to use less raw material and energy.

We continue to undertake numerous initiatives with the goal of reducing the material content of our products. Reducing the mass of traditional products can reduce the energy required in production, makes them easier to handle and use on site, and will also help to reduce vehicle mileage and the associated emissions through increasing the amount carried on each vehicle. Changes in building regulation also brings opportunity and our reduced section T-Beams for our Jetfloor insulated floor system are a great example; not only reducing the amount of concrete in the floor but providing an improved insulation performance, helping our customers meet the more challenging requirements of both Part-L and the future homes standard in 2025.

Cement is responsible for around 7% of global carbon emissions, and with many of our products utilising cement in their manufacturing process, is a significant contributor to our scope 3 carbon emissions. In order to reduce our overall impact we need to find lower carbon alternatives to this material. As part of this journey we reported last year that we had transitioned a number of our factories to using a lower carbon cement, CEM II, which is a blend of cement and limestone and has up to 16% lower embodied CO_2 per tonne. To further reduce the embodied carbon of our concrete products, our material scientists have been working with industry partners to commercialise the use of calcined clay produced from the

processed brick waste at our London Brick factory as a low carbon cement substitute. We are rolling out the use of this material across our concrete business in conjunction with a partner who will also be able to supply this innovative product to external users.

We continue to seek out opportunities to deliver further innovation to the market and are targeting 10% of our revenues to be delivered from new and sustainable products by 2025 (2.5% this year), having established a new more robust calculation methodology this year, restating the prior year figure accordingly. Our focus continues to be on new building solutions and raw material developments, both being areas where we can clearly demonstrate significant positive impacts upon our carbon footprint.

Continued investment in product development and innovation is critical to our future success. We continue to work to increase our spend in this area as previously communicated, as we suitably resource our business to dedicate additional time to our future state without having to compromise our current operational performance and customer service levels.

Case study

Calcined clay

Calcined clays are increasingly being used as a lower carbon cement substitute due to their cementitious properties. They are produced by heating certain clays to high temperatures before finely grinding them until they have a similar particle size to cement. Due to the high temperatures that they are fired to, they can, if heated using fossil fuels, have an embodied carbon figure of around 42% of regular cement. After significant research and development, we discovered that when finely ground, our waste London Bricks have effectively the same properties as calcined clay but having already been fired avoid the most energy intensive step in the calcination process. As a result the associated embodied carbon is about 11% of a regular cement and is a compelling alternative to Ground Granulated Blast-Furnace Slag (GGBS).

PRODUCT
CONTINUED

Case study

The clay brick: inherently sustainable

The history of the clay brick can be traced back for centuries, its versatility and longevity proven through countless historic buildings that are centuries old. Development of new technologies and improvements in efficiency have significantly reduced the energy intensity required during manufacture.

Typical buildings constructed from clay brick have lifetimes exceeding 150 years, the streets of the UK are lined with homes constructed in Victorian times. These robustly built homes are now highly sought after due to their well-proportioned interiors, and typically larger than average outside spaces. The clay brick construction alongside the availability of outside space has allowed extension and structural adaption of these buildings, to modify and modernise them as needs have changed. The timeless beauty and longevity of these buildings is a continuous advert for clay brick construction, however, times do change and on occasion brick buildings reach the end of their useful life and are demolished. The bricks themselves can be reclaimed and reused if in good condition, or alternatively be crushed and fed back into construction activity as an alternative raw material.

Our latest factories are significantly less carbon intensive than previous generation facilities, however, the carbon intensity of clay brick manufacture remains significant, due to kilns that are fired by natural gas and the carbon released from the clay during the firing process.

When considering the longevity of a clay brick building, the full lifecycle impact of the embodied carbon is incredibly low, alongside this, brick structures require little to no maintenance through their lives, whilst other comparable materials may require additional applications of protective coatings or surface treatments to enhance their lifetime.

As our climate changes, with more extremes of temperature, clay brick is well placed to construct buildings suitable for such a changing environment. The thermal mass properties of clay bricks naturally absorb heat, creating a heat buffer and helping prevent the inside of buildings overheating during the summer. During the colder months, bricks store heat through sunny days and slowly release this back as the temperature falls, helping to warm the building.

It is apparent that clay brick is inherently sustainable when its longevity is considered against that of alternative solutions. Our challenge is to refine and develop this versatile building product, further reducing the embodied carbon. With this focused effort, we are confident that the clay brick will continue to be the sustainable building material of choice long into the future.

Pricing integrity and transparency

We recognise that in many of our product categories our markets are characterised by a small number of large businesses, operating nationally, and enjoying large market share positions. In order to ensure the highest standards of integrity, we enforce a zero-tolerance approach to any anti-competitive activity.

All relevant managers and commercial employees are required to undertake annual online compliance training on both competition law and anti-bribery, with controls in place to record correspondence and communications with competitors.

The fines that can be levied on companies which are found to have breached competition law can reach 10% of annual turnover and companies can face damages claims from those wronged by anti-competitive actions. The risk of such fines, even if senior management were unaware of such behaviours, mean that compliance and monitoring obligations are taken extremely seriously.

Ethical and sustainable procurement

The procurement of third-party materials and services are critical to our value chain. In 2024 this expenditure totalled over £261m, including materials such as steel, insulation, cement, aggregates, pulverised fuel ash (PFA) and products used in our flooring solutions. Our environmental footprint is minimised through a focus on local sourcing with the majority of our materials procurement (excluding capital items) being UK-sourced, minimising environmental impacts of cross border transport logistics.

Our procurement management system is audited as part of our ISO 14001 and ISO 9001 accreditations. Compliance plays a key role within the system, covering over 1,400 suppliers' strict adherence with a range of governance topics including anti-slavery, bribery, competition law, data protection and equal opportunities. We adopt the Ethical Trading Initiative code of practice to ensure that worker rights are protected as part of the supplier onboarding process, and this is continuously reviewed.

Larger suppliers are required to meet relevant ISO standards including ISO 9001, ISO 14001 and IS0 45001, or equivalent, for example, all timber procured is FSC accredited. Our health and safety team assists and develops suppliers' standards to help them improve their own safety procedures where necessary.

Sustainable sourcing

Local sourcing of raw materials isn't always possible and where we do need to transport materials longer distances, we seek to do this in the most sustainable way possible. We utilise the rail network to transport PFA (a key raw material which is a waste product used in manufacturing our Thermalite aircrete blocks) to our factory. Since 2015 we have transported over half a million tonnes of material by rail, removing over 5 million heavy goods vehicle miles from the UK road network whilst also reducing carbon emissions.

PEOPLE

Our people are at the heart of everything we do. With a workforce of c.1,500 employees across the UK, we are proud to foster a workplace that prioritises engagement, growth, and inclusivity. Over the last year we made significant strides in reinforcing a culture where every individual can thrive and contribute to our success.

Health, safety and wellbeing

The continuous improvement of our health and safety performance remains our number one priority, working towards our goal of zero harm and an 'interdependent' safety culture where all colleagues actively look after not only their own safety and wellbeing but also that of others. We recognise that our workforce is our greatest asset, and strive to provide a working environment that is free of accidents and has a proactive awareness and support for positive physical and mental health.

2024 was the final year of our planned zero harm strategy that we set out in 2021. In this journey we have seen our All-accident Incident Rate (AIR) reduce by 43% and our Lost Time Incident Frequency Rate (LTIFR) by 43%. We have now embarked on the next phase of our journey, titled 'From base to brilliant' taking us from 2025 to 2030 in two phases, as we move health, safety and wellbeing from our new base level to brilliant, linked to both our manufacturing excellence programme and redefined values. This strategy will continue to ensure our continued compliance legislation, whilst moving the focus towards positive culture and behaviours.

Culture

In 2024 we continued to build on our behavioural health and safety journey. With the goal of improving engagement at all levels and improving senior management visibility with colleagues, our senior management, including members of our Board, were trained to undertake safety observations with colleagues in a variety of environments. As a result of this training, over 334 observations were recorded, equating to over 328 hours of time spent with colleagues discussing health, safety and wellbeing. Most of these interactions were discussing the positive behaviours of those being observed and thanking them for the safe work, recognising that as a business we uphold the highest safety standards as a matter of routine.

To ensure the behavioural health and safety training we have provided to management and colleagues in recent years remains centre of mind, we have invested in a new H&S induction programme ensuring the key messages delivered to our workforce in recent years are imparted to our new starters and management as they join the business.

Safety

In 2024, we maintained our certification to the ISO 45001 occupational health and safety management system standard with a programme of both internal and external audits to ensure continued adherence to the standard. Auditing is seen as a driver to continuous improvement and all sites were challenged throughout the year to drive continued compliance to procedures and ensure that documentation reflects the reality of work in operational environments.

Our LTIFR in 2024 showed a further improvement running at 2.25 incidents for every million-man hour worked, compared to 3.24 in 2023 and 3.79 in 2022. This is the lowest LTIFR the business has recorded in the last seven years and shows our continued focus on zero harm is really starting to take effect.

Of the 26 separate business areas monitored, 20 were Lost Time Incident (LTI) free during 2024, seven have been LTI free for over five years and three for over 10 years.

Training

We continued to provide a range of health and safety-related training, with key highlights within the year being:

- Our visible felt leadership (VFL) and safety observations training programme;
- For the 8th successive year, running an in-house National Examining Board for Occupational Safety and Health (NEBOSH) Certificate course with seven delegates attaining the qualification within the year;
- Three Institute of Occupational Safety and Health Managing Safely courses run; and
- Our colleagues continued to be provided with training, specifically the Institute of Occupational Safety and Health (IOSH) one-day working safely course alongside the traditional risk assessment and standard operating procedure training.

We held another successful national health and safety day at our Measham facility with the theme of 'Look after yourself and others'. Over 100 colleagues and managers came together to cover topics including the importance of maintaining physical health, how exercise promotes good mental health, how teamwork promotes great safety culture and the importance of reducing stress and having good sleep. All the topics were designed to ensure we 'turn up right for work', reducing the likelihood of becoming injured by proactive management of our health and wellbeing.

Health and wellbeing

We continued our journey to promote positive mental health and wellbeing throughout 2024. We again targeted three campaigns where the business brought colleagues together to discuss mental wellbeing and encourage healthy conversations. These were:

- Time to Talk Day, an event run by Mind and Rethink Mental Illness. The day promotes proactive conversations about mental health and how a conversation has the power to change lives.
- Mental Health Awareness Week, with the theme of 'no mind left behind' and the opportunity to raise money for the charity, Mind, and help ensure a future where everyone can get quality mental health care when they need it.
- World Mental Health Day, with the theme being workplace mental health. The theme highlights the importance of addressing mental health and wellbeing in the workplace, for the benefit of people, organisations and communities.

The Group continued to offer proactive support for physical health and wellbeing with its external partners including occupational therapy, health checks and physiotherapy to keep our colleagues physically fit and well. This is all part of our messaging focused on looking after ourselves, so we turn up to work right and are prepared to speak up and offer support to each other where a concern is identified. This was in addition to the statutory medicals received by all operational colleagues at our sites.

Health and safety awards

Ceramics UK Pledge – As in previous years, we submitted best practice entries into the Ceramics UK pledge awards. In 2024 we received 11 individual recognition awards, seven open category awards and two awards in conjunction with our contractors. The combined entries were reviewed and we received the Ceramics UK Pledge Award of Excellence in recognition of our impressive efforts on health and safety across the Group, which is the highest award from the event.

Mineral Products Association Health and Safety Awards – We submitted several entries to the MPA best practice awards and participated in the online event in November 2024. Two employees were individually recognised for their active work on improving health and safety and we received one highly commended and six certificates of merit in the 'safer by sharing' categories.

PEOPLE
CONTINUED

Case study

Visible felt leadership (VFL)

Our Executive Committee and Board members participated in our VFL training programme during 2024. The impact of having our most senior leaders attend these sessions was twofold. First, all colleagues knew that the initiative was supported at the highest level, and secondly, our colleagues got to see our leaders out in the factories and with the distribution fleet. Feedback was incredibly positive, having the opportunity to discuss safety with our leadership team and identify the positives of our proactive initiatives, as well as raising any concerns they might have.

Case study

Kirton safety day

As part of the celebration of our Kirton factory reaching the milestone of 10 years (and approaching two-million-man hours) without a lost time incident, they held their own health, safety and wellbeing day at the site, where colleagues attended sessions covering energy awareness, manual handling, an interactive hazard spotting exercise and silica dust awareness. Our guest speaker gave a powerful awareness session about the impacts of his accident that resulted in him being paralysed from the waist down. His talk not only covered the impacts of his physical injuries, but also the effects on his mental health and wellbeing and how it affected so many other friends and family too. His message and that of his friend who also attended the event is a clear reminder of why we should all look out for one another and ensure the highest standards of health, safety and wellbeing.

Equality, diversity and inclusion

Our commitment to developing a more diverse, equal and inclusive culture remains a key focus, as we continue to recognise the benefits a diverse workforce brings to our business. Further information about diversity at Board level can be found in our Annual Report (Corporate Governance Statement – page 113).

Whilst our industry continues to be male dominated, attracting female candidates into the sector remained a challenge but we have been successful in appointing a number of females to key roles.

The charts overleaf show our headline gender diversity statistics. Currently, 12% of our total workforce is female, with 18% of management positions (defined as direct reports to Executive Committee members) filled by females. Gender Pay reporting is detailed within our Annual Report (Annual Report on Remuneration – pages 155 and 156).

We are dedicated to fostering an inclusive and accessible workplace where individuals of all abilities can thrive. We recognise the value that people with disabilities bring to our team and are committed to providing equal opportunities and support. Our approach includes reasonable adjustments, ensuring physical and digital accessibility, and fostering a culture of understanding. We promote awareness of both visible and non-visible disabilities to create an environment where everyone feels valued and empowered. We have a zero-tolerance approach to any discrimination, harassment, or bias against individuals with disabilities. We are committed to treating every colleague with dignity, fairness, and respect, ensuring that all abilities are recognised, supported, and celebrated.

Employee experience

The Employee Forum continued to run throughout the year and was expanded to enhance representation across the Group. Attending the Employee Forum meeting were CEO, Neil Ash, and Non-Executive Director, Martin Sutherland who provided feedback to the Board.

Employee engagement remains a cornerstone of our strategy. In 2024, we launched initiatives aimed at enhancing communication, collaboration and connection within our workforce.

Following the trend of improving employee survey participation rates, rising to 78% in late 2023, during 2024 the focus was on talking to our employees, holding over 30 engagement sessions across the Group to collectively agree on action plans, acting on feedback from the survey to continually improve upon our employee engagement levels. We continued to work on the area of recognition which has been a theme identified in the survey over the last couple of years and as a result of this work several initiatives have been launched, namely, enhanced long-service awards, a flexible holiday buy and sell scheme, financial wellbeing assistance, and we are in the process of launching an employee recognition scheme where employees are able to nominate their co-workers for recognition. Our 2025 employee survey will be run in early 2025, having extended the frequency to 18 months to allow sufficient time for actions to be taken in response to feedback and to allow time for the success and benefits of these actions to be judged.

People development

We firmly believe that our employees are our most valuable asset, and investing in their growth and development is fundamental to our sustained success. During 2024 we commenced the rollout of competency frameworks within our manufacturing leadership teams, designed to align individual growth with organisational goals; this also included insights training and 360° feedback to provide our leaders with a holistic view of their strengths and areas for growth. This will provide clear role expectations and support our managers with their career development plans.

The inclusion of insights and 360° feedback has empowered our workforce to take ownership of their professional growth, strengthening their contributions to the Group's ongoing success. We are enhancing our annual review and appraisal PDP process to be more aligned with our strategic imperatives and Company values whilst encouraging development plans for all.

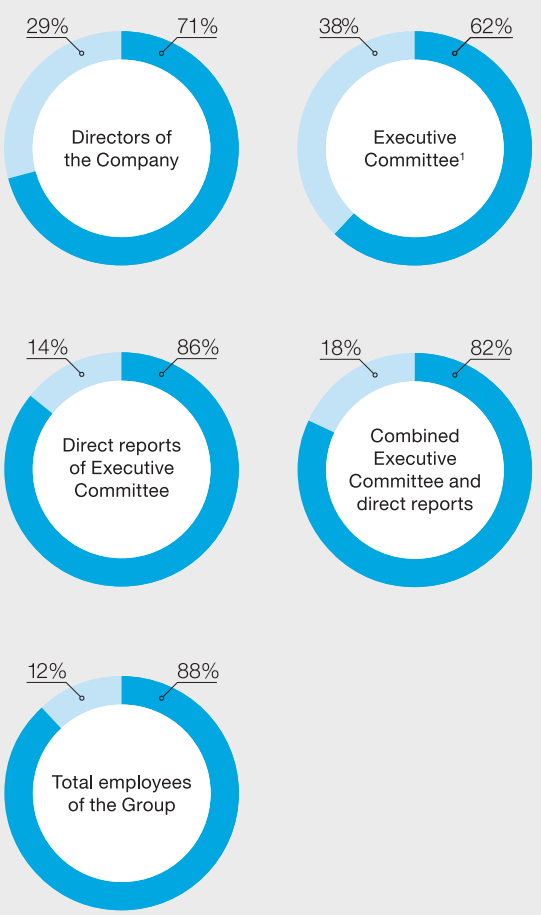
To ensure talent management remains high on the people agenda, in 2024 we continued work on our Forterra Talent Board and focused on career conversations to drive high performing teams across the business, streamlining our succession planning process to focus on senior management, employees with high potential and business critical roles.

In 2024, we expanded and enhanced our training and development initiatives to equip our team with the necessary skills and knowledge to excel in a fast-paced and ever-changing business environment. We introduced a wide range of courses designed to advance both technical and soft skills, including leadership, computer skills, HNC Level 4 Engineering, LEAN Six Sigma Black Belt, University Diploma in Concrete Studies, and the Certificate in Clay Drying and Firing, among others. These initiatives are integral to fostering a culture of innovation, collaboration and continuous professional growth, empowering our employees to thrive in their current roles while preparing them for future leadership opportunities within the Company.

We remain committed members of the 5% Club, a dynamic movement of employers committed to earn and learn as part of building and developing the workforce they need as part of a socially mobile, prosperous and cohesive nation. The Club exists to help its members and all employers increase the number, quality and range of earn and learn opportunities across the UK. By joining the 5% Club, members aspire to achieve 5% of their workforce in earn and learn positions (including apprentices, sponsored students and graduates on formalised training schemes) within five years of joining. Although challenging market conditions and the reductions we have needed to make to our workforce have hindered our progress in this area, we are proud to report some highlights of 2024, being that 17 employees successfully completed various training programmes in 2024. Additionally, three graduates from across the business completed the Graduate Rotational Excellence Program and the Junior Management Consultancy Level 4 Apprenticeship, all achieving Distinctions. At the close of the year, we had 25 active learners progressing through their respective training programmes.

PEOPLE
CONTINUED

GENDER DIVERSITY



1. Company Secretary has been included under Executive Committee.

Human and labour rights

We understand our responsibility to help eliminate slavery and human trafficking, both in our business and wider supply chain. We undertake our responsibilities under the Modern Slavery and Human Rights acts, including clear Company policies and relevant declarations. Our anti-slavery policy specifically covers the role of suppliers in meeting the same standards which we set ourselves.

The Board values and appreciates the contribution made by all employees at every level and is committed to protecting and respecting human rights. Each employee is treated fairly and equally, and the Group has measures in place to ensure that the Group is free from discrimination. Throughout the Group there is a zero-tolerance approach to any form of harassment or bullying, forced or involuntary labour, and child labour in any form. The Board is invested in the development of employees and has put in place measures to protect both their physical and mental wellbeing. The Group embeds its commitments to the protection of human rights through its Anti-Slavery and Human Trafficking Policy.

We are proud to be an accredited member of the Living Wage Foundation, with a firm belief that a hard day's work deserves a fair day's pay. Our commitment to pay the real living wage to all employees is unwavering and being a recognised Living Wage employer will help us attract and retain employees.

Looking ahead

As we move into 2025, we are committed to:

- Expanding our competency frameworks;
- Increasing female representation in operational roles through targeted recruitment drives;
- Continuing to build our talent pipeline with the recruitment of apprentices and graduates;
- Achieving a year-on-year improvement in our engagement survey scores;
- Building on our equality, diversity, and inclusion (EDI) strategy to ensure equitable opportunities for all employees; and
- We remain committed to prioritising training and development as a key pillar of our strategy for long-term growth and organisational success.

We recognise that our success is built on the strength of our people. Together, we are laying the foundations for a brighter future.

Local community and charity engagement

While our products help shape the built environment, we are also mindful of our impact on the communities near our factories – the towns and villages where many of our employees live. It is important to us that these communities thrive, and with this in mind, we support them through various initiatives.

Construction hubs

We take great pride in supporting further education colleges through our Construction Hubs scheme, which aims to build strong connections between education and industry. This programme helps young people embark on their careers in the construction sector.

The UK is currently experiencing a shortage of bricklayers due to several factors, including an ageing workforce, training gaps, the impact of Brexit and high demand for skilled tradespeople. To address this issue, we launched the Construction Hubs Scheme in 2023. As part of this initiative, Construction Hub status has been awarded to eight colleges and we have donated over 75,000 bricks at the start of each school year, along with blocks and other materials. This support helps train and inspire the next generation, enabling them to make a positive contribution to UK productivity.

Corporate charity and fundraising events

Each year, alongside supporting well-known national events like Red Nose Day, MacMillan Coffee Mornings, and the RBL Poppy Appeal, we organise a variety of fundraising activities across the Company to support our corporate charity. These events range from family and friends' gatherings to raffles, team challenges and charity shop donation stations.

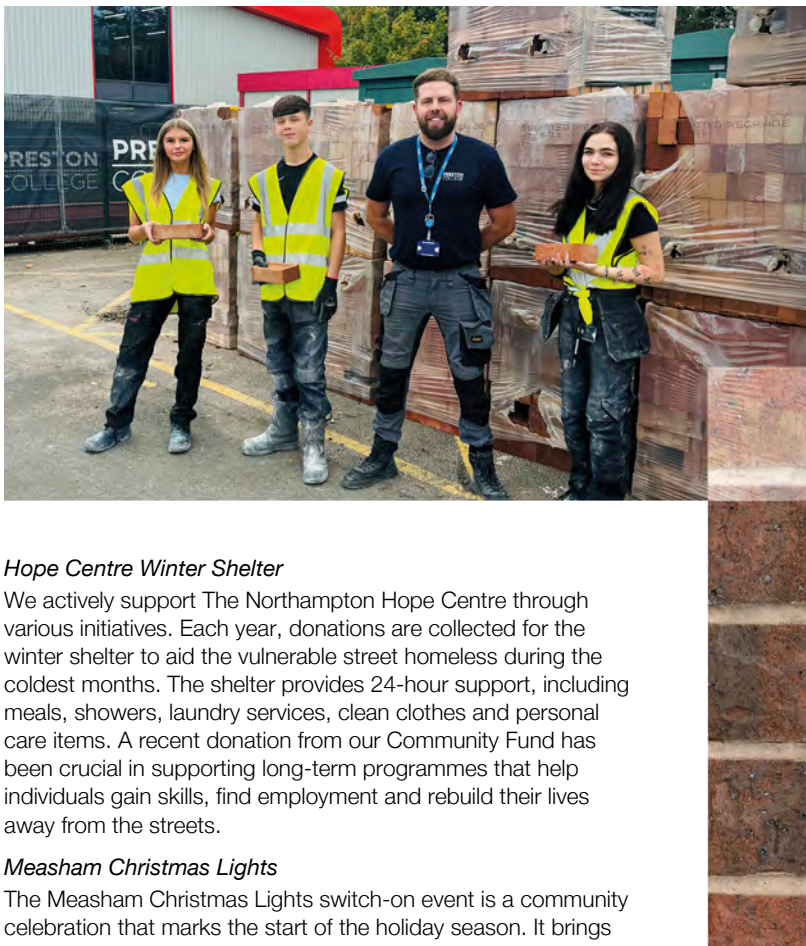
All funds raised go to our chosen charity, which in 2024 was Cancer Research UK, selected by our colleagues. During our partnership we have raised £19,000, and this collaboration not only helps to raise awareness and promote understanding of the impact of cancer but also provides mutual benefits for both parties.

2024 Community Fund initiative

To complement our fundraising activities, The Forterra Community Fund initiative invited local charities and projects to apply for a one-off community grant. Some examples include:

Raising Health

Raising Health, a charity for the Leicestershire Partnership NHS Trust (LTP), funds projects beyond standard NHS support. The LPT provides community and mental health services to over 1 million people in Leicestershire and Rutland. To enhance mental health care, the trust launched a pilot project using flow neuroscience headsets to reduce depression symptoms and we have donated funds for three headsets. With rising suicide rates, we are proud to support this vital initiative, contributing to innovative mental health solutions.



Hope Centre Winter Shelter

We actively support The Northampton Hope Centre through various initiatives. Each year, donations are collected for the winter shelter to aid the vulnerable street homeless during the coldest months. The shelter provides 24-hour support, including meals, showers, laundry services, clean clothes and personal care items. A recent donation from our Community Fund has been crucial in supporting long-term programmes that help individuals gain skills, find employment and rebuild their lives away from the streets.

Measham Christmas Lights

The Measham Christmas Lights switch-on event is a community celebration that marks the start of the holiday season. It brings together families, friends and neighbours to enjoy the festive lights and celebrate the spirit of togetherness. We donated £750 towards this popular event.

Silhouette Youth Theatre

Silhouette Youth Theatre, near our Northampton headquarters, offers affordable opportunities for young people in dance, drama, music and songwriting, fostering creativity and artistic expression. Our £1,000 donation from the Community Fund has been used to support the theatre's activities. This includes leadership development programmes that enhance employability and community productions that showcase young talents.

Whittlesey Festival

We supported the Whittlesey Festival by making a £1,000 donation. The annual festival is free to attend with either free or heavily subsidised activities, making it a budget-friendly event for families. Our contribution ensures the festival can continue to provide a fun and engaging experience for all ages to enjoy.

PEOPLE
CONTINUED

Kaotic Angel Foundation

We supported the Kaotic Angel Foundation by donating £1,000. This contribution helped the foundation continue its vital work in the community, including providing food bank services, supporting survivors of domestic abuse and aiding veterans. The Kaotic Angel Foundation, established by the Kaotic Angels UK Nomads LEMC motorcycle club, focuses on preventing and relieving poverty within the local community.

Grass roots football

Grass roots football clubs are essential to the community, fostering a sense of belonging and promoting a healthy lifestyle. We have provided financial support to several grassroots clubs nationwide, aiding their growth and development. For instance, Rossington Main Football Club used the funds to refurbish their clubhouse, Ollerton Town Football Club maintained and created new pitches, and Ibstock United Junior Football Club purchased new kits. These initiatives not only boost team morale but also enhance player performance. Additionally, Tamworth FC invested their donation in technology to support team development and provide training feedback.

Employee wellbeing

To promote a healthy, happy and safe workforce, we conducted monthly internal awareness campaigns focused on wellbeing. These campaigns covered a range of topics, including early detection of various cancers, tips for better sleep, healthy eating habits, eye health, exercise and more.

Our 2024 Safety Day was dedicated to wellbeing, emphasising the importance of staying fit and healthy, and highlighting key warning signs to watch out for.

SUSTAINABILITY REPORT

OUR REPORTING DETAIL

Group sustainability reporting

The following table covers our wider sustainability metrics, which are aligned where possible to the SASB disclosure for construction materials. We will continue to review this data suite on an ongoing basis for future reporting periods.

Additional disclosure					
Pillar	Topic	Metric	**2024**	2023	2019
Planet	Carbon emissions (scope 1, 2 and 3)	tonnes	**374,052**	503,087	
Planet	Group CO_2 emissions (scope 1 and 2)	tonnes	**177,246**	255,740	319,296
Planet	Carbon emissions (scope 1)	tonnes	**177,246**	241,598	299,679
Planet	Carbon emissions (scope 2)	tonnes	**–**	14,142	19,617
Planet	Carbon emissions (scope 3)	tonnes	**196,806**	247,348	
Planet	Group CO_2 emissions (scope 1 and 2)	kg CO_2/tonne	**110.37**	131.18	123.40
Planet	Clay products CO_2 emissions (scope 1 and 2)	kg CO_2/tonne	**239.72**	248.71	256.00
Planet	Concrete products CO_2 emissions (scope 1 and 2)	kg CO_2/tonne	**18.80**	25.58	20.90
Planet	Scope 1 emissions covered under emissions-limiting regulations	%	**86**	87	88
Planet	Energy consumption (absolute)	mWh	**572,931**	791,638	956,266
Planet	Energy consumption (absolute)	GJ	**2,062,552**	2,849,897	3,442,558
Planet	Energy consumption (kWh/tonne)	kWh/tonne	**357**	406	369
Planet	Energy sourced from alternative sources		**–**	–	
Planet	Electricity sourced from on-site renewables	%	**3.7**	0.7	
Planet	Electricity from renewable sources	%	**100.0**	0.7	
Planet	Percentage energy from grid electricity	%	**8.8**	8.6	100
Planet	Percentage of power from grid electricity	%	**96.3**	99.3	100
Planet	Ultra low emission vehicles (cars)	% of fleet	**95.4**	80.5	
Planet	Delivery fleet efficiency	mpg	**8.4**	8.4	7.5
Planet	Air quality – NOx emissions	tonnes	**152**	203	
Planet	Air quality – SO^2 emissions	tonnes	**3,267**	4,746	5,783
Planet	Air quality – particulate matter (PM10)	tonnes	**n/a**		
Planet	Air quality – dioxins/furans	tonnes	**n/a**		
Planet	Air quality – volatile organic compounds (VOC's)	tonnes	**n/a**		
Planet	Air quality – polycyclic aromatic hydrocarbons (PAHs)	tonnes	**n/a**		
Planet	Air quality – heavy metals	tonnes	**n/a**		
Planet	Total water withdrawn	dm^3	**400,803**	387,876	
Planet	Total water consumed	dm^3	**400,803**	387,876	
Planet	Water withdrawn in areas with high or extremely high baseline water stress	%	**48**	50	
Planet	Water consumed in areas with high or extremely high baseline water stress	%	**48**	50	
Planet	Mains water (absolute)	m3	**249,795**	259,856	287,101
Planet	Mains water (litres/ tonne)	litres/tonne	**155.54**	133.29	111.00
Planet	Waste generated	tonnes	**112,637**	99,989	107,609

SUSTAINABILITY REPORT
OUR REPORTING DETAIL CONTINUED

Additional disclosure					
Pillar	Topic	Metric	**2024**	2023	2019
Planet	Waste to landfill	kg / tonne	**0.01**	0.09	0.16
Planet	Waste recycled	%	**99.4**	99.0	99.0
Planet	Hazardous waste generated	tonnes	**116**	376	88
Planet	Hazardous waste generated	%	**0.1**	0.4	
Planet	Terrestrial land area disturbed	hectares (ha)	**527**		
Planet	Impacted area storage	%	**–**		
Product	New product index (revenue from new products)	% revenue	**2.5**	3.3	
Product	Percentage of products that qualify for credits in sustainable building design and construction certifications	%	**100**	100	
Product	Total addressable market and share of market for products that reduce energy, water or material impacts during usage or production	%	**n/a**	n/a	
Product	Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and antitrust activities	£	**–**	–	
Product	Plastic packaging consumed	tonnes	**963**	1,322	1,802
Product	Plastic packaging kg per tonne of packaged product	kg/tonne	**0.66**	0.74	0.82
People	Health and safety – lost time incident frequency rate (LTIFR)	no. of accidents per million man hours worked	**2.25**	3.24	7.35
People	Total recordable incident rate (TRIR) (direct employees)	rate per 200,000 man hours worked	**1.28**	1.24	
People	Near miss frequency rate (NMFR) (direct employees)	rate per 200,000 man hours worked	**9.70**	10.25	
People	Total recordable incident rate (TRIR) (contract employees)	rate per 200,000 man hours worked	*included within direct employees*		
People	Near miss frequency rate (NMFR) (contract employees)	rate per 200,000 man hours worked	*included within direct employees*		
People	Number of reported cases of silicosis	no.	**–**	–	
People	% employees in 'earn and learn' positions	%	**3.71**	3.61	3.20
People	Apprentices	no.	**22**	36	31
People	Graduates	no.	**1**	4	7
People	Charitable contributions	£	**34,194**	63,517	41,370

Output Data					
Pillar	Topic	Metric	**2024**	2023	2019
Product	Output clay products	tonnes	**665,659**	922,642	1,129,173
Product	Output concrete products	tonnes	**940,315**	1,026,961	1,459,242

FORTERRA

Forterra plc

5 Grange Park Court
Roman Way
Northampton
NN4 5EA

01604 707600
forterra.co.uk