



SUSTAINABILITY REPORT 2020

The next stage in our **sustainability journey**

At the heart of building

CHIEF EXECUTIVE'S STATEMENT



The response to the global pandemic, from everyone at Istock, has been incredible. I am so proud of the teamwork we demonstrated, our ability to adapt decisively, the determination to keep driving and to keep caring through rapidly changing and often challenging circumstances. I believe this shows what we are capable of as a business and continues our long history of leading responsibly.

Sustainability remained a priority throughout the year with the safety, health and wellbeing of our people resulting in strong progress against our safety target. Despite the disruption to production, we held a stable performance on our environment targets and continued to push on with our plans for decarbonisation. Highlights for me have been our move to 100% pure green electricity across the business, achieving BBA (British Board of Agreement) accreditation for new and existing systems and our commitment to a plastic packaging reduction target of 40%. These steps keep driving our business forward to meet the lower carbon and higher quality standards that our customers, regulators and, ultimately, homeowners require.

We began our journey towards disclosure against the Task Force for Climate-related Financial Disclosures (TCFD). This process will support our integration of sustainable thinking and behaviour at Istock, ensuring that every decision taken by each of us is environmentally and socially intelligent, as well as making sound financial sense.

The pandemic shone a light for all of us on the importance of our natural environment, our communities and of course our homes. This has made me even more determined for us to achieve our vision to ensure that our materials are at the heart of building homes and places where we can live and work better. Our efforts in 2020 mean we are well positioned to push on with our focus on decarbonisation of our products, processes and supply chain and further our commitments to our people and communities. I look forward to sharing our new strategy to achieve this later in 2021.

Joe Hudson
Chief Executive Officer



OUR SUSTAINABILITY JOURNEY



Our ambition is to be the most sustainable manufacturer of clay and concrete products in the UK.



**CUSTOMERS,
SUPPLIERS AND
PARTNERS**



ENVIRONMENT



PEOPLE



COMMUNITIES

Our products have been central to the creation of new homes and workspaces enabling people to live in comfort and safety for almost 200 years. We are proud of our role in shaping the look and feel of our built environment.

Ibstock plays an integral part in our built environment and we know that we are facing some big challenges not least the loss of natural habitats and the impacts of climate change. We have an important role to play in tackling these issues and working with our customers, our partners, our communities and of course our people to find solutions and focus our efforts in the most important areas.

This report provides an overview of our progress in 2020 on our Sustainability Roadmap. We launched our Roadmap in 2018, publicly setting out our sustainability targets and priorities for the first time.

Since then the attention on sustainability within Ibstock has shifted a gear as our targets help us prioritise and drive change throughout the business.

2020 was a year of many challenges but sustainability remained a priority and became a stronger narrative with our colleagues and stakeholders. We increased our focus on wellbeing of our people and strengthened our commitment to environmental protection.

Our progress is summarised on page 4 with some great achievements and some challenges across each of our four pillars. We share our 2020 highlights and a number of future actions and commitments for 2021 throughout the report.



OUR SUSTAINABILITY TARGETS AND PRIORITIES



CUSTOMERS, SUPPLIERS AND PARTNERS SEE PAGE 5

Improve sustainability through partnership, collaboration and innovation.

OUR TARGETS

20% of sales turnover from new and sustainable products by 2025

100% of suppliers to meet Sustainable Supplier Code of Business Conduct (SSCBC) by 2025

OUR PROGRESS IN 2020

11.7% of sales turnover from new and sustainable products

77% of our procurement spend meets the SSCBC

UN SDGs



ENVIRONMENT SEE PAGE 9

Improve the environmental performance of our products and operations.

OUR TARGETS

15% reduction in CO₂ per tonne of production

5% reduction in mains water use per tonne of production

Zero waste to landfill by 2025

40% reduction in preventable plastic packaging by 2025

OUR PROGRESS IN 2020

6% reduction in CO₂ per tonne of production from 2015 baseline

10% increase in mains water use per tonne of production from 2015 baseline

Waste per tonne of production metric increased by **10%** in 2020 but remains very low at **0.001**

Plastic packaging reduction trials underway in 2019

UN SDGs



PEOPLE SEE PAGE 13

Build a safe, healthy and happy workplace where our people can reach their full potential.

OUR TARGETS

50% reduction in LTIFR by 2023

Deliver on our ambition to develop a culture of fairness, inclusion and respect

Continuing to drive forward our best in class apprenticeship scheme

OUR PROGRESS IN 2020

40% reduction in LTIFR from our baseline year 2016

Pandemic accelerated our approach to flexible and remote working

Supported our existing apprentices through the pandemic

UN SDGs



COMMUNITIES SEE PAGE 17

Make a positive contribution to the communities around us and support the most vulnerable in society.

OUR TARGETS

100% of sites to report on community engagement

Fundraise for Shelter, our Group charity partner, in 2020

OUR PROGRESS IN 2020

Integrated community questions into our management reporting systems

£70k raised in year one with our charity partner Shelter

UN SDGs



GOVERNANCE
SEE PAGE 21

STANDARDS
SEE PAGE 38

POLICIES
SEE PAGE 39



NEW PRODUCT DEVELOPMENT

COLLABORATION

SUSTAINABLE SUPPLY CHAIN

CUSTOMERS, SUPPLIERS AND PARTNERS

NEW PRODUCT DEVELOPMENT



OUR TARGET FOR 2025

20% OF SALES
TURNOVER

FROM NEW AND SUSTAINABLE PRODUCTS

New product development is at the heart of our growth plans and we are committed to the continuous enhancement of our product portfolio to strengthen our market leading position. Our 2020 performance showed a year on year improvement again, despite the unprecedented disruption we faced, with almost 12% of sales turnover from new and sustainable products, which is in line with our expectations.

2020 POSITION



SEE PAGE 24 FOR MORE INFO



- Innovation remains a top priority for our business and is one of our three strategic pillars.
- We have a strong and growing product development pipeline in both our Clay and Concrete divisions.
- Our focus is on carbon reduction, resource efficiency and systemisation.

2020 HIGHLIGHTS



FUTURE ACTION



COLLABORATION



INFRASTRUCTURE INVESTMENT

We have worked in partnership with major rail and infrastructure businesses to make huge strides in our drive to reduce the embodied carbon of our concrete infrastructure products. The commitment from our partner customers and Ibstock Concrete to invest in trials, testing, equipment and people resource has enabled the teams to work hand in hand on mix design, testing and refinement which has led to a much stronger product solution. The products will be formally launched in 2021.

BUILDING ALLIANCE PACKAGING TASKFORCE

Challenges like reduction of plastic packaging and recycling of wooden pallets are shared across the housebuilding and wider construction sector. By working with peers to share experiences we are able to learn more quickly and tackle these issues together.

Mike Leonard, Chief Executive, Building Alliance said

"We share a common commitment to reduce the environmental impact of building products packaging. Through a collaborative cross- industry approach, supported by academia, product and process trials, we are confident of making substantial progress on the journey to net zero."

PARTNERSHIPS WITH INDUSTRY EXPERTS

Our focus on innovation and the development of market leading products and systems has led to us establishing strong partnerships with other industry experts.

By sharing our knowledge, passion and expertise, we have been able to bring to market high quality, safe, effective and efficient building solutions to enable our clients to build with confidence. Examples of this close collaboration include our partnership with Leviat (formerly Ancon) to develop our Nexus brick faced soffit and lintel systems, and Ash and Lacy with whom we developed our MechSlip mechanical fix brick slip cladding system.

SUSTAINABLE SUPPLY CHAIN



OUR TARGET FOR 2025

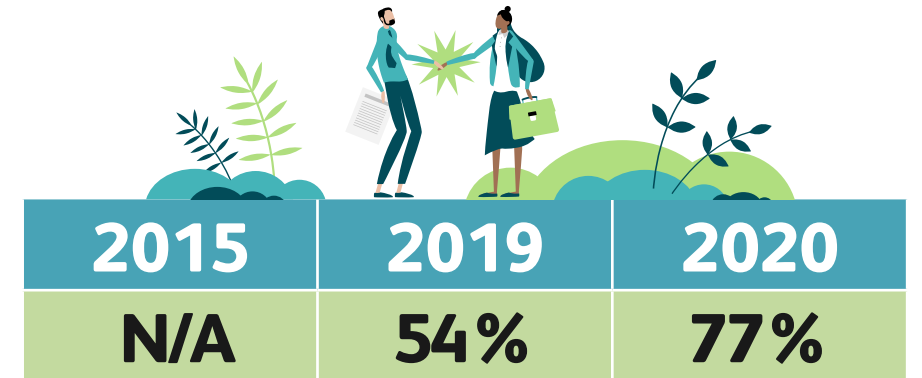
100% OF SUPPLIERS TO MEET SSCBC
(SUPPLIER SUSTAINABILITY CODE OF BUSINESS)

Responsible sourcing - Our [Supplier Sustainability Code of Business Conduct \(SSCBC\)](#) and [Sustainable Procurement Policy](#) put business ethics and sustainability at the forefront of our business dealings. Suppliers are asked to confirm their compliance with minimum standards and laws and then provide information where they go beyond compliance including setting carbon targets and environmental training for employees. In 2020 we moved to 77% of our supplier spend being compliant with the SSCBC and policy.

2020 POSITION



SEE **PAGE 25** FOR MORE INFO



- We remain on track to achieve our 2025 target.
- Through the COVID-19 pandemic we worked closely with our suppliers to ensure there were no disruptions in our supply chain.

2020 HIGHLIGHTS

STRENGTHENING UK SUPPLY CHAIN

OVER **95%** OF OUR SUPPLY CHAIN IS UK BASED

SILVER AWARD



FUTURE ACTION



SUPPLIER COLLABORATION WORKSHOPS



ENVIRONMENT

CARBON

WATER

WASTE

PLASTIC

BIODIVERSITY

ENVIRONMENT

CARBON



OUR TARGET FOR 2025

15% MINIMUM REDUCTION

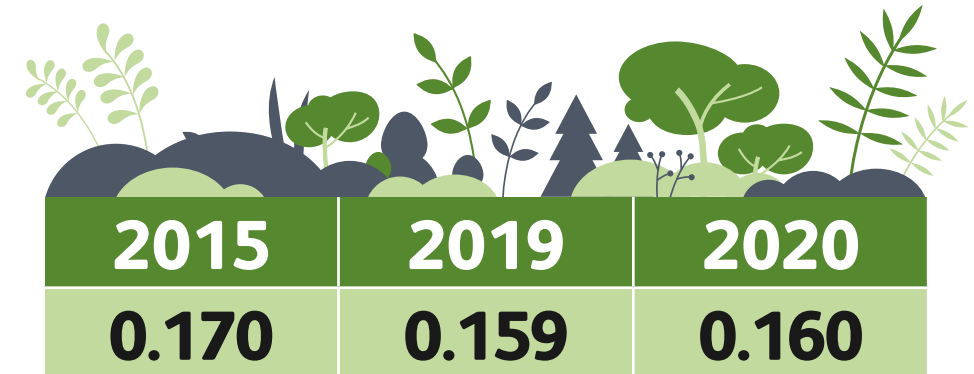
TONNES OF CO₂ PER TONNE OF PRODUCTION

Ibstock plc has set a reduction target of a minimum 15% by 2025 based on 2015 performance for scopes 1 and 2 based on an intensity ratio of tonnes of CO₂e per tonne of production. Emissions are calculated by applying global warming potentials and emissions factors to the activity data.

2020 POSITION



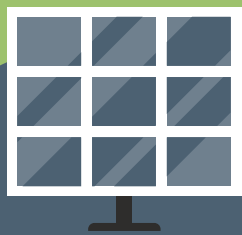
SEE **PAGES 26-29** FOR MORE INFO



- In 2020 our metric has shown a 6% reduction on 2015 and no improvement on 2019.
- Absolute carbon was 37% lower than 2019 due to the pause in production during the first COVID-19 lockdown.

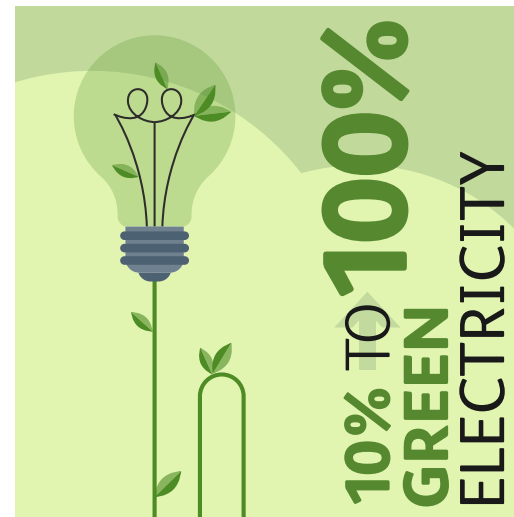
2020 HIGHLIGHTS

SOLAR PARK



20-30% OF LEICESTER FACTORIES' ENERGY

LAYBROOK KILN INVESTMENT



FUTURE ACTION

CARBON REDUCTION



INCLUDED IN SENIOR LEADER TARGETS



WATER



OUR TARGET FOR 2025

5% REDUCTION IN M³ MAINS WATER (FRESHWATER) USE PER TONNE OF PRODUCTION

Water scarcity is a growing concern in the UK. Almost 74% of our water came from a non mains supply in 2020. Due to the abnormal production year our metric increased by 10% against our 2015 baseline. We will be well placed in 2021 to properly assess our performance against our 5% reduction target assuming a more 'normal' production year and with the roll out of automatic meter readers for water at every factory.

2020 POSITION



SEE PAGE 29 FOR MORE INFORMATION

2015	2019	2020
0.100	0.105	0.110



READ MORE ABOUT OUR 2020 HIGHLIGHTS ON PAGE 29

- Sittingborne factory reduced mains water use by 50%

WASTE



OUR TARGET FOR 2025

ZERO WASTE TO LANDFILL

64% of our general waste is recycled. General waste is mixed waste from operations, offices and kitchens. Our waste per tonne of production metric increased by 10% but remains very low at 0.001, as shown in the table below. This increase was due to the inclusion of waste data from Longley Concrete, which was acquired in 2019. Recycling will be increased at Longley in 2021.

2020 POSITION



SEE PAGE 29 FOR MORE INFORMATION

2015	2019	2020
0.001	0.001	0.001



READ MORE ABOUT OUR 2020 HIGHLIGHTS ON PAGE 29

- Automation of delivery notes saving time, paper and 28 tonnes CO₂

PLASTIC



OUR TARGET FOR 2025

40% REDUCTION IN PREVENTABLE PLASTIC PACKAGING BY 2025 BASED ON 2019

A key change in 2020 saw the business adopt a new packaging target to reduce 40% of the absolute tonnage of preventable plastics by 2025 based on 2019 performance. We have also committed to remove 200 tonnes of preventable plastic packaging by the end of 2021.

SEE PAGE 29 FOR MORE INFORMATION

MEASURE OF PRODUCTION WILL BE IMPLEMENTED IN 2021



READ MORE ABOUT OUR 2020 HIGHLIGHTS ON PAGE 29

- Reduced plastic shrink wrap thickness
- 2021 trialling 30% recycled content in the thinner plastic

BIODIVERSITY



Through our recent materiality analysis, biodiversity, a key priority for our customers, will now be included in our sustainability measurement and reporting.

Environmentally sensitive estate management has always been a priority for Istock. Our UK estate supports over **nine miles of footpath, 43km of hedgerow and over 300 acres of woodland**. We take great care, working with local councils and wildlife partners, to ensure the land we manage is restored or enhanced following materials extraction.

All of our sites operating with due care and consideration for biodiversity and, in addition, a number of sites have enhanced Biodiversity Action Plans including our factory in Birtley, County Durham, which is working to enhance the **Birtley Union Brickworks Wildlife Site** near Gateshead through wetland enhancement and habitat management plans. We also know that biodiversity is important to our customers and we support them with a range of biodiversity products from **bat bricks** to **hedgehog gravel boards** for fencing. See **PAGE 30** for more information.

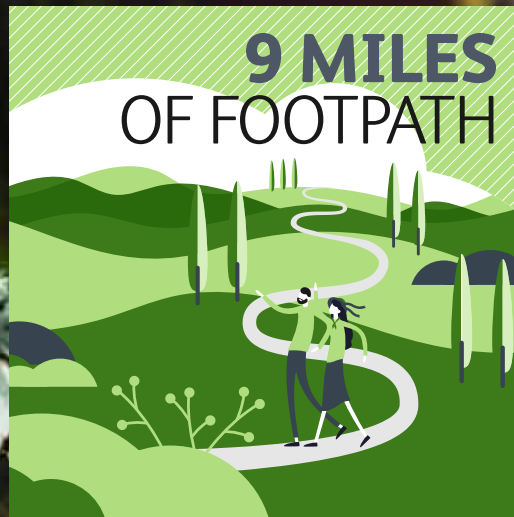
2020 HIGHLIGHTS

43KM OF HEDGEROW



300 ACRES OF WOODLAND

9 MILES OF FOOTPATH



FUTURE ACTION

SUPPORTING LOCAL PROJECTS



DEVELOPING OUR



BIODIVERSITY NET GAIN STRATEGY



**HEALTH,
SAFETY AND
WELLBEING**

**TALENT AND
EARLY CAREERS**

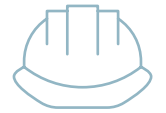
ENGAGEMENT

**DIVERSITY AND
INCLUSION**

PEOPLE

PEOPLE

HEALTH, SAFETY AND WELLBEING



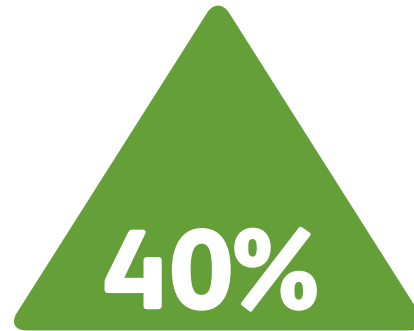
OUR TARGET FOR 2023

50% REDUCTION
IN LTIFR
(LOST TIME INJURY FREQUENCY RATES)

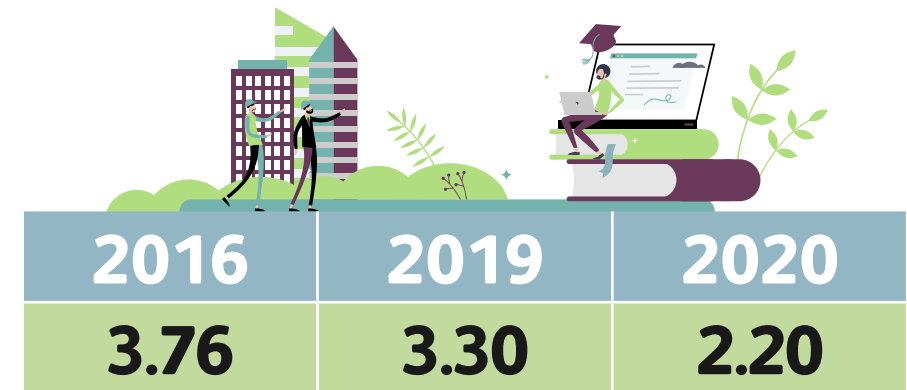
We are committed to building a safe, healthy and happy workplace where our people can reach their full potential.

Our focus on health and safety has meant that we are now ahead of our five-year target of a 50% reduction in the Lost Time Injury Frequency Rates (LTIFR) which now stands at 2.2 a 40% reduction in lost time injuries per one million hours worked.

2020 POSITION



SEE **PAGE 31** FOR MORE INFO



- Throughout 2020 health and safety has been our number one priority reflected in our improving LTIFR performance.
- Throughout the COVID-19 pandemic a range of wellbeing programmes have been implemented to support our colleagues.

2020 HIGHLIGHTS

LAUNCH OF OUR
6
HEALTH & SAFETY RULES

EAP LAUNCH WITH
589
EMPLOYEES BENEFITING FROM THE SERVICE IN 9 MONTHS

94 PEOPLE ACCESSED THE 'CYCLE TO WORK' SCHEME

BRITISH CERAMIC CONFEDERATION PLEDGE AWARDS 2020

- HEALTH AND SAFETY RESPONSE TO COVID-19 WINNER
- APPROACH TO DYNAMIC RISK ASSESSMENT WINNER
- SUPPORT FOR COLLEAGUE MENTAL HEALTH AND WELLBEING WINNER

TALENT AND EARLY CAREERS



Our investment in talent and early careers is essential for our succession planning, development of our people and building an engaged workforce.

2020 was extremely challenging with a restructure driven by the initial COVID-19 pandemic lockdown measures. We did however, continue to invest in our people with a focus on health and safety training, resilience and a new management programme for Team leaders. We continue to be so proud of our apprentices and, despite not being able to open the Istock Apprentice Programme for new joiners in 2020, we prioritised the safety and learning of our existing 35 apprentices supporting them through the year. See **PAGE 32** for more information.

2020 HIGHLIGHTS

NEW MANAGEMENT DEVELOPMENT PROGRAMS

WE UNDERTOOK
6712
TRAINING DAYS,
CONTINUING TO SUPPORT AND DEVELOP OUR COLLEAGUES

100%
OF OUR APPRENTICES HAVE MOVED INTO A **PERMANENT ROLE**

FUTURE ACTION

INVESTMENT
IN EARLY CAREERS

TALENT SUCCESSION PLANNING FOCUS

ENGAGEMENT



DIVERSITY AND INCLUSION



We believe engaged employees perform better and are more likely to reach their full potential if they feel supported and heard.

Whilst engagement and communication with our workforce is hugely important at Istock, it has never been more so than during 2020. Our commitment to communication through the pandemic has been vital and saw the use of multiple channels, approaches and styles to reach and engage with our varied workforce. See **PAGE 33** for more information.

We believe the diversity of our people strengthens our judgement, independence and decision making.

We also know that attracting a more diverse workforce widens our pool of talent which is key for our succession planning and sustainable growth.

In 2020 we have witnessed work and home life collide in a very unexpected way. This shared experience has reinforced the value of an inclusive corporate culture and we begin 2021 with a commitment to improving diversity in Istock and our sector in the coming years. See **PAGE 34** for more information.

2020 HIGHLIGHTS



FUTURE ACTION



2020 HIGHLIGHTS



FUTURE ACTION



COMMUNITIES

COMMUNITIES

SUPPORTING
LOCAL
COMMUNITIES

INSPIRING
FUTURE
GENERATIONS

FUNDRAISE
FOR SHELTER
OUR GROUP
CHARITY
PARTNER

SUPPORTING LOCAL COMMUNITIES



INSPIRING FUTURE GENERATIONS



Building connections with our local communities was different in 2020.

Colleagues supported and were encouraged to reach out to their own neighbours and communities to offer support during furlough or working from home in lock down. See **PAGE 35** for more information.

The shortage of bricklayers and skilled trades people in the construction sector present a huge challenge to our customers and our business.

In 2020 we continued to inspire young people into the sector through our education partnerships. See **PAGE 36** for more information.

2020 HIGHLIGHTS

1000s
OF BRICKS
DONATED

PPE DONATIONS

FUTURE ACTION

PLACEMAKING

2020 HIGHLIGHTS

2500
PUPILS AT THE SCIENCE
SUMMER SCHOOL

FLAGSHIP SCHOOL PARTNERSHIP

FUTURE ACTION

NHBC TRAINING HUB

FUNDRAISE FOR SHELTER OUR GROUP CHARITY PARTNER



In July 2020 we exceeded our expectations raising £70,000 for Shelter in the first year of our partnership.

Working with Shelter reminds us of the importance of a safe, affordable home for everyone and that the work we do can be part of the solution to putting an end to homelessness. See **PAGE 37** for more information.



COMMUNITIES :
FUNDRAISE FOR SHELTER OUR GROUP CHARITY PARTNER

2020 HIGHLIGHTS

OVER **50 COLLEAGUES**
TOOK PART IN THE
**SHELTER
BIG WALK**



€70,000

RAISED



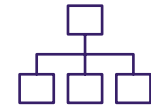
FUTURE ACTION

EXTENDING PARTNERSHIP FOR A
THIRD YEAR



SUPPORTING INFORMATION

GOVERNANCE 2020



HOW WE MANAGE SUSTAINABILITY AT IBSTOCK

Ibstock's sustainability activities are currently coordinated by the Sustainability Board (ISB) chaired by Claire Hawkings, Non Executive Director of the plc Board. The ISB benefits from additional expertise and independence with Isabel McAllister, the Responsible Business Director at Mace as external advisor. The ISB met twice in 2020 and considered progress against the Sustainability Roadmap the publication of the third Ibstock Sustainability Report 2019 as well as making programme recommendations to the Executive Leadership Team (ELT) for consideration and discussion with the plc Board. In 2021 the governance around sustainability will be strengthened with a Board ESG Committee to oversee our strategy and priorities in this area. This new Committee will be accountable to the plc Board replacing the ISB.

To support management and operational integration of sustainability throughout the business a Sustainability Working Group was established during the year. The working group includes operational leads for each of the sustainability commitments and targets and explores risk and opportunity related to these.



REWARDING SUSTAINABILITY LEADERSHIP

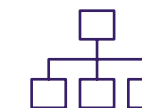
We have launched a new KPI that will track our performance against our carbon reduction target (15% reduction in CO₂ per tonne of production by 2025 against 2015 baseline year). This has been included as an additional measure under the Group's Long Term Incentive Plan. Further information on this can be found in the Ibstock plc Annual Report and Accounts 2020.

BUSINESS ETHICS

As the laws governing business dealings become ever more complex we need to ensure the judgements and decisions we make are taken with both the knowledge and application of the highest ethical principles. Ibstock operates appropriate policies and procedures to ensure that risks from unethical conduct and illegal business practice are reduced and eliminated as far as possible. These underpin our Code of Business Conduct, which together with our Supplier Sustainability Code of Business Conduct, sets out the behaviours expected of our staff and third parties we do business with. The Code of Business Conduct is underpinned by a number of additional standalone policies covering bribery and corruption, competition law and data protection. Taken together these policies ensure that we operate in an open, fair and honest manner in all of our business dealings.

Our Modern Slavery Policy confirms our zero tolerance approach to any potential or actual breaches of the policy and sets out the steps taken by Ibstock to prevent modern slavery and human trafficking in its business and supply chains. The Company's full Modern Slavery Statement can be accessed on the corporate website.

GOVERNANCE 2020



TASKFORCE ON CLIMATE RELATED FINANCIAL DISCLOSURE (TCFD) RECOMMENDATIONS ON CLIMATE CHANGE

Ibstock is committed to continuing its work to be able to provide disclosures that are consistent with the recommendations of the TCFD in 2021. Driving this process is a multidisciplinary project team comprising members of our sustainability team as well as colleagues from finance and the Company Secretariat. We will also use the external third parties for support where necessary.

THEMATIC AREA	REFERENCE
GOVERNANCE	The Board has responsibility to make sure that Ibstock is meeting its obligations and addressing the challenge presented by climate change. This manifests itself in its consideration of these issues at Board meetings as well as through the workings of the Ibstock Sustainability Board and Sustainability Working Group. Management is engaged through the Sustainability Board and the Sustainability Working Group. The ELT receive updates on these matters at regular intervals.
STRATEGY	Climate change has been identified as a principal risk and we have identified the risk of the achievement of our Net Zero carbon ambition as an emerging risk. We are committed to progressively aligning with the recommendations of the TCFD, as well as continuously improving our disclosure. The finance team at Ibstock are playing a key role in supporting the implementation of the TCFD recommendations, so that we are able to provide full disclosure from the 2021 reporting year.
RISK MANAGEMENT	We have a clear framework for the management of risk with in Ibstock. As mentioned above, climate change and the achievement of our Net Zero ambitions have been identified as principal and emerging risks respectively as part of this process. This will continue to develop over the year.
METRICS AND TARGETS	We are aware of the impact of our business on the environment and record and report our Scope 1 and Scope 2 GHG emissions. We have a set of targets that form part of our strategy in this area.

STAKEHOLDERS

During 2020 we conducted an internal review of our key stakeholders to establish whether these remained appropriate and relevant to the business model and mapped these against their influence and impact on the business. Employees, customers, suppliers, investors, communities and the environment form our priority stakeholder list.

MATERIALITY

Our 2020 materiality assessment, with our stakeholder groups, ensured our focus remains on the most relevant issues. The Group's approach has been benchmarked against competitors, supply chain partners and leaders from other industries. Changing industry needs, upcoming regulation and trends have been taken into account. In building long-term value creation with a sustainable business model we are prioritising the health and safety of our people; working to transform Ibstock to a Net Zero business and responding to market changes through our leading product innovation. Our sustainability pillars, and associated targets and commitments outlined in this report, remain material to our business. We also saw biodiversity and wellbeing move up in significance compared to our previous reviews and this will be reflected in our forward strategy.

SDGS

The United Nations' 17 Sustainable Development Goals (SDGs) provide the world with a blueprint to achieve a better sustainable future. At Ibstock we conducted an internal review of the UN SDGs against our sustainability programme and identified alignment with nine Goals where we can show targets and/or progress being made. We did not progress our reporting against the SDGs in 2020 due to the disruption caused by the COVID-19 pandemic. In 2021 will explore this further in line with the development of our new sustainability strategy.



RATINGS AND BENCHMARKING



CARBON DISCLOSURE PROJECT

Climate change continues to be included as a part of our principal risk and we are reviewing undertaking the CDP questionnaire in 2021.

OUR WEBSITE



Ibstock plc web site has been updated with a range of our sustainability stories and case studies.

www.ibstockplc.co.uk/sustainability



NEW PRODUCT DEVELOPMENT



New product development is at the heart of our growth plans and we are committed to the continuous enhancement of our product portfolio to strengthen our market leading position. As part of this focus, in 2020 we doubled our innovation target to achieve 20% of our sales turnover from new and sustainable products by 2025.

Our 2020 performance showed a year on year improvement again, despite the unprecedented disruption we faced, with almost 12% of sales turnover from new and sustainable products, which is in line with our expectations.

- Innovation remains a top priority for our business and is one of our three strategic pillars.
- We have a strong and growing product development pipeline in both our Clay and Concrete divisions.
- We are focussing on carbon reduction, resource efficiency and systemisation.

Looking ahead, our pipeline is strong with many products in the early research and development phase and a number of products in the final approvals phase. Our growth engine (our internal innovation process) includes a range of sustainability criteria and new products will all combine a long life with strong environmental and ethical credentials. Our focus on new and sustainable product development includes:

- lighter weight products
- lower embodied carbon
- systems to support ease of construction
- digital solutions

2020 HIGHLIGHTS

NEXUS XI®

Nexus XI® mechanical fix brick-faced soffit and lintel systems in 2020. This product development was in response to the amendments to Approved document B: Fire Safety to state that all materials used in residential buildings above 18m (11m in Scotland) must be of limited combustibility. By providing safety assurance and supporting ease of construction we have seen an extremely positive response from customers to the product launch.

CREATIVE DESIGN MIX

We are evolving our existing products to reduce the impacts of their production. Reducing virgin materials, utilising secondary aggregates and seeking lower carbon alternatives are all part of our process to reduce the embodied carbon and weight of our products.

In 2020 we successfully rolled out our SustainaCem integration into our concrete roof tile range.

Investment in state of the art laboratory at our concrete site in Anstone enabling us to trial unique, sustainable design mixes with customers and partners.

INVESTING IN TESTING AND CERTIFICATION

During 2020 we achieved BBA certification for both MechSlip and Nexus XI® from our brick cladding offering.

Both systems have been subjected to rigorous testing and auditing prior to certification. The testing looks at how the product performs by itself and as part of a wider system to meet the Building Regulations. The auditing process focuses on the manufacturing method, quality plans and materials used.

Ibstock's investment in independent certification provides reassurance for our customers that our systems are of the highest standard.

FUTURE ACTION

SYSTEMISATION AND OFF SITE CONSTRUCTION

Construction is increasingly moving towards systems that can be manufactured quickly and to high tolerance off site. While traditional brick will always be a critical part of the mix we want to ensure we have the right systems to support the evolution of modern methods of construction, where it is the preferred solution.

The systems we are working on lend themselves to the circular economy, while they have a long life span and meet all performance requirements, they can be dismantled at end of life for material reuse.

ECO-HABITATS RANGE

With our customers now applying Biodiversity Net Gain (BNG) to new developments (whereby on completion, a site will have a positive ecological impact, delivering improvements through habitat creation or enhancement after avoiding or mitigating harm). Ibstock is investing in our built-in eco-habitat product range to support biodiversity gains through the lifetime of the homes our customers build.

Our range includes:

- Bat bricks
- Swift, starling and swallow bricks
- Hedgehog gravel boards
- Bee bricks

SUSTAINABLE SUPPLY CHAIN



We are working closely with our suppliers on common challenges and priorities. A key focus in 2020 was the setting up of our packaging working group to focus on our single use plastic reduction programme, setting ambitious targets and engaging with suppliers. Reduction in use of virgin plastics is one great example with all our plastic edge strips now made from 100% recycled material.

Thinking differently with our logistics provider, Wincanton plc, has led to a reduction in vehicle movement through load optimisation providing cost savings for Ibstock and our customers and reducing the impact on the environment.

Like all businesses in the UK the COVID-19 pandemic presented many challenges with the procurement team being heavily involved in adapting the priorities of cleaning and catering companies to ensure that they were keeping areas safe.

There was also many challenges around sourcing and issuing the required PPE and sanitiser products but we ensured that all departments and factories had the correct PPE and equipment at all times. Part of our response to the COVID-19 pandemic was the provision of donations of Personal Protective Equipment, hand sanitiser and IT equipment to local NHS hospitals.

FUTURE FOCUS

- 2021 focus points include the completion of the first cycle of the SSCOBC that will see the code issued to all suppliers over £50K and will cover 90% of the company spend.
- 2021 will also see the commencement of an engagement programme with key suppliers and their Scope 3 carbon emissions.
- Greening our mobile plant – We are trialling, on several sites, electric fork lift trucks to eliminate diesel and gas oil at all sites. As technology advances, this replacement will accelerate.
- Green driving – We are supporting the uptake of electric vehicles (EV) with the installation of EV charging infrastructure throughout our portfolio. More than 25% of our car fleet is now hybrid or full electric.

2020 HIGHLIGHTS

STRENGTHENING UK SUPPLY CHAIN

As a group, over 95% of our raw materials are sourced in the UK from our quarries and our trusted partners who are engaged to ensure we are utilising the most efficient raw materials geography and innovation available.

We have been working to reduce risk and reduce carbon in our supply chain by transferring providers from outside to within the UK.

SUSTAINABILITY SCHOOL

Ibstock has been a member of the Supply Chain Sustainability School since its inception in 2012. Many of our customers partner with the School to support their supply chain to improve their sustainability performance. As a leading materials supplier we are committed to continuous improvement which we have demonstrated year on year through the School's survey. In 2020 we again improved our score from 3.8 in 2019 to 4.1 in 2020, retaining our Silver rating from the School.

Throughout 2020 we have accessed courses covering:

- Carbon reduction
- Plastic packaging reduction
- Fairness Inclusion and Respect (Diversity)
- Wellbeing
- Modern slavery in the Supply Chain

FUTURE FOCUS

We are piloting the expansion of access to the School learning pathways with selected cohort of colleagues from Sales, Specification, Technical and Supply chain teams throughout 2021. This will enable us to engage and track sustainability skills and knowledge of our workforce and supply chain.

We are also identifying opportunities to share good practice and speak at events to move our position to Gold status.

CARBON - MANAGING ENVIRONMENTAL PERFORMANCE



Optimising production efficiency of our factories and facilitating continuous improvement helps us meet our environment targets.

The introduction of our Sustainability Working Group this year has helped accelerate integration of our environmental targets into everyday measurement reporting and decision making. Environmental reporting is now included on every site's monthly operations report and discussed at monthly operations meetings. Targets for carbon and water reduction are set locally and aligned with Group sustainability targets so that sites can measure their progress, explore opportunities and are supported and encouraged to make decisions based on environmental improvements.

Ibstock has set a carbon reduction target of a minimum 15% by 2025 based on a base line of 2015 performance for scopes 1 and 2 based on an intensity ratio of tonnes of CO₂e per tonne of production. Emissions are calculated by applying global warming potentials and emissions factors to the activity data. Measurement of the reduction in carbon forms the basis of a new KPI that will be used as a fourth measure in the Long Term Incentive Plan for awards in 2021.

Scope 1 and 2 emissions are calculated in accordance with the methodology set out in the GHG Protocol (January 2015 revised edition). In January 2015, the GHG Protocol published a guidance document on the method used to account for Scope 2 greenhouse gas emissions, which introduces dual reporting:

- Location-based reporting, which reflects emissions due to electricity consumption from a conventional power grid. It therefore uses primarily an average emissions factor of the country's energy mix.
- Market-based reporting, which reflects emissions from energy consumption taking into account the specific features of the energy contracts chosen, and also considers the impact of the use of energy from renewable sources.
- Electricity emissions factors allow the hierarchy defined in the new scope guidance document of the GHG Protocol for market-based reporting. Suppliers' specific factors must be certified by instruments that prove the origin of electricity (guarantee of origin certificates).

	2015	2019	2020
Scope 1 Tonnes of CO ₂ e Combustion of fuel and operation of facilities	329,749	349,200	223,229
Scope 2 Tonnes of CO ₂ e Electricity	48,530	28,429	16,498
Intensity ratio Tonnes of CO ₂ e per tonne of production	0.170	0.159	0.160
Total energy consumption TWh	1.22	1.32	0.85
Green electricity TWh	N/A	N/A	0.007

(Following external verification figures differ slightly from those provided in the Annual Report and Accounts 2020)

Overall the business used circa 0.78 TWh gas in 2020, which is a 30% reduction on the 2015 baseline year and a 35% reduction on 2019. For electricity it was 0.07 TWh which is a 36% reduction on the 2015 baseline year and a 36% reduction on 2019.

The methodology used is based on invoiced data then a relevant emissions factor is applied to consumption volumes to calculate an overall energy and or emissions value for each energy category. Relevant factors used are taken from UK DEFRA (Department for Environment, Food and Rural Affairs) emission factor for reporting year.

Throughout 2020 Ibstock procured 10% of its electricity from a green source through its energy supplier Total Gas & Power. From the beginning of January 2021 we will be procuring 100% of our electricity through Total Gas & Power's Pure Green energy tariff. This enables us to report zero emissions for electricity under the GHG Protocol Corporate Standards, Scope 2 as the electricity can be matched to Renewable Energy Guarantee of Origin (REGO) certificates. Pure Green guarantees that the REGOs will only come from solar, wind or hydro sources. The generation mix of Total's Pure Green power is typically hydro/wave power (0.31%); solar (24.69%); and wind (75%).

Our progress in 2020 has been made more challenging with the impacts of the global pandemic being felt across our sector. However, our progress against our 2015 emissions benchmark year continues to show good progress with the following highlights:

- Our metric has shown a 6% reduction on 2015 and no improvement on 2019 performance. Absolute carbon which is better than expected due to having to restart all factories due to the pandemic was around 37% less compared to 2019.

- LED lighting represents c.13% of our total electrical power load. Over two-thirds of our brick factories have been upgraded to LED technology and although the impact of COVID-19 has meant we have not achieved our goal of completion by the end of FY2020, our upgrade continues.
- Ibstock's first solar park was installed at our head office in Leicestershire. With three manufacturing facilities based here, the solar farm provides between 20-30% of the site's normal electricity demand. The solar park went live in Q2 2020 and generated circa 2.1MWh.
- Greening our mobile plant – We are trialling, on several sites, electric fork lift trucks to eliminate diesel and gas oil at all sites. As technology advances, this replacement will accelerate.
- Green driving – We are supporting the uptake of electric vehicles (EV) with the installation of EV charging infrastructure throughout our portfolio. More than 25% of our car fleet is now hybrid or full electric.
- A number of transformational projects have been identified and are being worked on throughout 2020 to include dematerialisation and alternative fuels.

The strategic location of the Group's manufacturing plants, with a wide spread of factory locations across the UK, enables us to minimise the transferring distances of products from leaving our premises to reaching the customer. This assists in reducing the environmental footprint.



Michael McGowan, Sustainability Manager, Winner of Energy Manager of the Year 2020



NET ZERO CARBON - OUR PATHFINDER PROJECT



Our purpose is to build a better world by being at the heart of building. That drives everything we do, supported by our vision to enable the construction of homes and spaces that inspire people to work and live better.

Following on from our commitment made in our 2019 sustainability report to select a factory to become a pilot net zero site. We announced on World Earth Day 22nd April 2021 that our latest major investment would be at our Atlas site in the West Midlands and will be a pathfinder project to test and pilot operational efficiencies which, the company believes, will lead to Atlas becoming the world's only Scope 1 & 2 Net Zero brick factory.

A combination of reduced process emissions and greater thermal efficiency will cut the carbon intensity of bricks produced at the Atlas site by 50% compared to the existing factory. The remaining emissions will be offset using high quality emission reduction projects. Once completed, Atlas will be an exemplar of British manufacturing and global environmental best practice in the construction products sector.

By developing a working model we can test and learn as we go. This investment will build our understanding of the scenarios and decisions we need to make as a business to inform our pathway to Net Zero.

Net Zero is a journey. So, although we will not address Scope 3 emissions at the outset we have commenced a process to assess the materiality of emissions from our suppliers as a first step towards this target. This will ensure we have a full understanding of the emissions picture as part of our longer term Net Zero strategy, and will include:

- Mapping out supply chain processes and establishing carbon footprint
- Understanding of the hotspots and the risks
- Identifying the leaders and laggards in terms of their sustainability performance
- Identifying opportunities for emissions reduction
- Developing an implementation plan across the supply chain



The Group calculates that its Net Zero aims for Atlas will primarily be achieved through a rapid reduction in carbon emissions from the production process through:

- Significantly improved operational efficiency
- On-site renewable electricity generation
- Renewable energy procurement.
- For production from Atlas to reach Net Zero, the remaining emitted greenhouse gases will be offset through carbon credits or sequestration through rewilding or carbon capture and storage.

Over time, Istock will reduce the offset proportion further by the adoption of additional emissions reduction measures.



“ The **Net Zero** journey is one we share with our customers. We have seen a transformational shift in attitudes from all of our key stakeholders; and there is a ‘sea-change’ in how our customers, and, in turn, their customers, view environmental issues. As the UK’s leading brick manufacturer we recognise that we have to adapt and respond – and this is reflected in our Sustainability Roadmap to 2025.

We have been leading the way for some time within our sector, with our investments in new production capacity at our Throckley, Chesteron, Eclipse and Lodge Lane plants all reducing the carbon intensity of the manufacturing process, and as the recipients of multiple sustainability awards. However, we can do more, and we can go further. Our plan to invest in Atlas is at the heart of this. **”**

Joe Hudson
Chief Executive Officer

CARBON



2020 HIGHLIGHTS

SOLAR PARK

We have already been making progress. In 2020 Ibstock became the first major brick manufacturer in the UK to introduce on-site solar power.

Ibstock's first solar park was installed at our head office in Leicestershire. With three manufacturing facilities based here, the solar farm provides between 20-30% of the site's normal electricity demand. The solar park went live in Q2 2020 and generated circa 2.1MWh.



LAYBROOK KILN INVESTMENT

In 2020 we made significant investment at our factory in Laybrook, West Sussex, in order to remove production bottlenecks in the clay preparation area by the installation of a new large capacity box feeder and upgrading the kiln.

This involved:

- Increasing the drying capacity of the factory through the installation of a seventh drying chamber.
- The replacement of the kiln hydro case seal with a conventional sand seal to eliminate issues associated with the hydro case seal arrangement.
- Replacement of the current kiln car fleet with 42 new kiln cars.
- Upgrading to a new plant control system to bring it in line with current Group specifications.
- The introduction of a pack grab on the de hacker.

The combination of these upgrades will drive efficiencies, reliability and sustainability, including a 50% reduction in mains water use, at the Laybrook site.

100% PURE GREEN ELECTRICITY

In 2020 we accelerated our net zero journey with the procurement of 100% pure green electricity.

We are the first UK building manufacturer to procure 100% of electricity from renewable sources.

- Combating climate change is our main priority as we work towards being the most sustainable manufacturer of clay and concrete products in the UK.
- The switch to Pure Green electricity aligns with our Sustainability Roadmap target of reducing CO₂ per tonne of production by 15% by 2025.

WATER



We are working to reduce our water consumption in manufacturing with commitment to a 5% reduction in mains water per tonne of production by 2025.

We have made improvements in 2020 compared to 2019 but still remain behind our target with a 10% increase in m³ of mains water per tonne of production compared to our 2015 baseline. We will be well placed in 2021 to properly assess our performance against this target assuming a more 'normal' production year and with the roll out of automatic metre readers for water at every factory.

At Ibstock Concrete's largest facility in Sittingborne, where our Supreme pre-stressed T floor beams are manufactured, investment in the site reclaim system led to a 50% reduction in the mains water usage used at this site. Our Laybrook brick factory also produced a 50% reduction in its mains water use by converting the kiln from wet to sand seal equivalent. Both of these initiatives amounted to approximately 15,000m³ mains water reduction and contributes to our 5% target.

Raising awareness with colleagues of the cost of water to the business and the environmental impact of, in particular, mains water usage has helped teams drive these changes and look for further improvements.

	2015	2018	2019	2020
Mains water M³	214,501	263,167	249,854	165,983
Recycled water M³	116,876	435,004	713,533	834,832
Total water M³	331,377	698,171	963,387	1,000,815

WASTE



In 2020 our general waste was approximately 6,000 tonnes, 64% is recycled with the remainder going to landfill.

All of our waste streams are managed by approved contractors. Through collaboration over the past number of years our reporting of types and tonnage has improved, we are aware that not all wastes may go to landfill with some contractors diverting it to incineration or the use as a feedstock for alternative fuel generation. This is a key focus area in 2021 and beyond.

The hazardous waste in 2020 was approximately 204 tonnes. The majority is mineral fibre wool from upgrading kiln processes, the volumes can vary each year depending on required upgrades. Hazardous waste is treated in accordance with legislative requirements and checked as part of the auditing process.

Our general waste is mixed waste from operations, offices and kitchens. We are targeting to send zero waste to landfill by 2025.

Paper and printing waste is something we focused on in 2020. Our move, fast tracked by COVID-19 pressure, to digital delivery transactions, has simplified the process, saving time, eliminating 680,000 sheets of paper and saving 28 tonnes of carbon.

	2015	2018	2019	2020
Tonnes of waste to landfill	3,682	3,004	3,006	2,092
Tonnes of waste recycled	433	2,013	3,565	3,709
Total tonnes of general waste	4,115	5,017	6,571	5,801

PLASTIC



Over the last two decades plastic packaging has increasingly crept into everyday use for construction products. Recent public campaigns and conversations with our customers have helped us take a fresh look at our use of plastic packaging and specifically shrink wrap.

In 2020 we set a target to reduce preventable plastic packaging by 40% by 2025. Ibstock successfully completed shrink wrap downgauging trials and began the roll out for this across our estate. Downgauging reduces the thickness of the wrap without compromising the packs integrity. This significantly reduced our plastic consumption in the last six months. Due to COVID-19, production volumes reduced significantly, meaning that plastic use reduced accordingly. This reduction in plastic consumption, whilst welcome, is not an accurate reflection of our underlying reduction journey.

COLLABORATION

Challenges like reduction of plastic packaging and recycling of wooden pallets are shared across the housebuilding and wider construction sector. By working with peers and industry experts to share experiences we are able to learn more quickly and tackle these issues together.

Throughout 2020 Ibstock has been working with the Brick Development Associations Single Use Plastic Working Group and the Building Alliance Plastics Taskforce to share and explore future solutions.

	2015	2018	2019	2020
Tonnes of plastic	1,677	1,680	1,887	998

BIODIVERSITY



Avoiding nature loss and the protection of biodiversity are key to tackling climate change. Enhancing local ecology through habitat protection and restoration also contributes to local benefits including air quality and wellbeing.

With our customers now applying Biodiversity Net Gain (BNG) to new developments (whereby on completion, a site will have a positive ecological impact, delivering improvements through habitat creation or enhancement after avoiding or mitigating harm). Istock is investing in our built-in eco-habitat product range to support biodiversity gains through the lifetime of the homes our customers build.

BIODIVERSITY NET GAIN STRATEGY

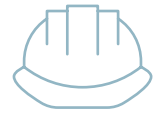
In 2020 we established our Biodiversity Working Group - chaired by our Head of Estates South. This Group will be developing our own Net Gain Strategy through 2021 ensuring our existing responsible estate management incorporates the Governments BNG measure.

SUPPORTING LOCAL PROJECTS

In early 2021 we supported a local champion, who since 2000 has annually organised a local road closure in her village, co-ordinating a team of volunteers to ensure as many toads as possible make it safely to their breeding sites. Working with Nottinghamshire Wildlife Trust our Istock Brick factory in Dorket Head, funded the closure and went along to help out.



HEALTH, SAFETY AND WELLBEING



Our ambition is to achieve zero harm for all of our people. We are making progress with a 41 % reduction in the LTIFR in 2020 relative to our 2016 baseline against which our Health and Safety Roadmap reports.

Our Head of Health and Safety reports directly to our CEO. Throughout 2020 we have maintained a sustained and focused approach to delivering our H&S roadmap with a combination of leadership, training and development and strong communication and feedback. We launched our new 6 H&S rules in 2020 and every employee across the business was trained on this. All our rules begin with 'I will...' meaning that each and every one of us has personal accountability for making sure that our workplace is safe at all times. We want to eradicate injury, no matter how small, for good. We have invested in a new safety measurement programme Safety, Health, Environment and Quality Assure to make safety reporting much easier for our teams. Our ambition is to achieve zero harm for all of our people and once again we had no work related deaths of employees or contractors in the 2020 financial year or the previous 3 years. Our emergency response procedure and our induction, registration and monitoring of contractor H&S is covered in our H&S system and our ISO standards 9001 and 14001. In 2020 our LTIFR dropped to 2.20 which equates to 41 % reduction since 2016. For onsite contractors there were no lost time incidents in 2020, which improves on the 2 LTIs in 2018 and 2 LTIs in 2019. All incidents are dealt with in accordance with both legislation and our robust health and safety procedures.

	2016	2017	2018	2019	2020
50% Reduction LTIFR Lost time Incident Frequency Rate	3.76	3.35	2.85	3.40	2.20

WELLBEING

During the year our wellbeing agenda has focused on supporting the mental health of our colleagues with the introduction of a number of great initiatives. The uncertainty the pandemic presented required us to take substantive action in order to be able to support the wellbeing of our workforce during lockdown, throughout the furlough period and through the subsequent organisational restructure. A variety of methods and channels were prioritised to get appropriate information, tips, guidance and support to all our employees. Istock launched its first Employee Assistance Programme (EAP) during the year. The EAP is a confidential support network offering employees and their families expert advice and compassionate guidance around the clock seven days a week on a wide range of issues including physical and mental health, alcohol/drugs dependency, debt, family issues and bereavement. Since its launch in April 2020, 589 colleagues have accessed the EAP site and 68 have logged on for a phone consultation.

STOP AND THINK!



OUR RULES FOR A SAFER WORKPLACE

- 1 Competence & Training.** I will not perform any activity that I'm not trained or authorised to do.
- 2 Risk Management.** I will not start any activity without assessing, understanding and controlling the risk.
- 3 Workplace Environment & Equipment.** I will not bypass any safety devices or SSOPs and I will wear the required PPE.
- 4 Health & Welfare.** I will not put my colleagues or myself at risk by being under the influence of alcohol or substances.
- 5 Systems and Procedures.** I will report all incidents and safety observations.
- 6 Leadership.** Through our Trust, Care, Courage and Teamwork values, I will lead by these rules.

Health & Safety **MUST BE** at the  of everything we do

TRUST | TEAMWORK | CARE | COURAGE

TALENT AND EARLY CAREERS



Our investment in talent and early careers is essential for our succession planning, development of our people and building an engaged workforce.

The skills shortage facing our sector, combined with an aging technical workforce, means we need to work hard to secure the best people for our business. 2020 presented many challenges but we were able to prioritise our growing talent pool and have commitment to even greater investment in talent development in 2021.

2020 HIGHLIGHTS

TRAINING

Against a backdrop of unprecedented disruption in 2020, we delivered 6,712 days of training which is equivalent to over 3 training days for every colleague.

	2015	2016	2017	2018	2019	2020
Total training days	5,871	7,800	7,586	7,318	11,149	6,712
Training days per employee	2.18	2.86	2.67	3.79	4.74	3.28

Although this was below the more than 11,000 days achieved in 2019, this is still a great achievement given the circumstances. Training focused on building our engineering capability and supporting our health and safety priorities. We are developing our emerging talent to support and strengthen our factory manager pipeline. We are supporting a cohort of colleagues to develop the skills and experience they need to progress within the business and achieve their potential.

MANAGEMENT DEVELOPMENT

We launched two new approaches in 2020:

- A new management development programme, linked to our values, for new factory team leaders – this will be rolled out further in 2021.
- A programme to upskill managers on how to build trusting teams – the concrete operations team were the first to receive this, providing excellent feedback that will be fed into future plans.

APPRENTICES

Our early careers programme continues to evolve at Istock whilst our apprentices continue to inspire us in their development and growth. Despite not being able to run our apprentice scheme for new joiners in 2020, we prioritised the safety and learning of our 35 existing apprentices and supported them through the year. Istock apprentices are selected as part of our succession planning and join the programme with a specific job role in mind. On successful completion of their course 100% of our apprentices have moved into a permanent role with Istock. We very much look forward to welcoming 2021's new apprentices.

FUTURE ACTION

ENCOURAGING YOUNG PEOPLE

2021 will see us put greater focus on our talent succession planning and pipeline. We will be mapping our future skills gaps and building our development programmes to support that gap and sourcing new talent where we need to. A key part of this is encouraging young people to enter our business and see the opportunity for a long term career in our sector. We will be expanding beyond our apprenticeship programme in 2021 to invest in early careers to encourage more young people to join our business.

ENGAGEMENT



We believe engaged employees perform better and are more likely to reach their full potential if they feel supported and heard.

Listening and responding to colleague voices proved vital throughout 2020.

Through the first COVID-19 pandemic lockdown, and the subsequent period of restructure at Ibstock, many roles were repurposed to provide colleague support and advice. Our formal structures for engagement, including the Listening Post and tiered manager meetings continued and we added our Safe Start programme, for every colleague returning from lockdown, to share concerns, request information and support and provide feedback to managers and leaders.

Throughout 2020 we have made progress against many of the areas of feedback provided by colleagues including:

- Introducing skills based pay for all concrete factories to align with contracts across the Group.
- Starting our journey to create a culture of everyday performance development across our entire workforce.
- Fast tracking our launch of the MyIbstock intranet site to improve communication across the Group.
- Running the 12 days of Care programme at Christmas to focus on wellbeing and giving back.

MyIbstock is our internal intranet site to support and connect all of our employees. The intranet enables two way communication with blogging, like and comments. This is just one of our newly introduced communication channels to our colleagues.

In December Ibstock launched its 12 Days of Care initiative in order to engage colleagues after a tough year with a range of fun, informative and charitable events, including virtual yoga and big breakfasts to help people connect. Feedback from colleagues suggested that 90% would like to see the event repeated in 2021.

We are committed to running the Best Companies Engagement Survey in 2021 this will help us recalibrate our engagement after a challenging time for all our colleagues in 2020. When we have analysed and shared the survey results, implementing action plans across teams, to further strengthen the relationship between colleagues, managers and with leadership at Ibstock, will be prioritised.

DIVERSITY AND INCLUSION



We believe the diversity of our people strengthens our judgement, independence and decision making.

Events over the past year have raised the significance and awareness of the social divides that exist in the UK for the general public but also for our leaders, our colleagues and our stakeholders. In tandem, we have witnessed work and home life collide in a very unexpected way. We have found that our shared experience in 2020 has reinforced the value of an inclusive corporate culture and we begin 2021 with a commitment to improving diversity in Ibstock and our sector in the coming years.

Our current employee population reflects the traditional nature of our industry across all diversity characteristics including age, race, gender, sexual orientation and disability. We recognise the challenge we face with 84% of roles being occupied by men including a higher percentage of men in factory-based production roles. Our office-based roles have a more even split of male and female employees including a higher representation of women in customer service roles.

	TOTAL MALE	TOTAL FEMALE	% MALE	% FEMALE
All Employees	1717	320	84%	16%
Senior Managers	22	5	82%	18%
Directors	5	2	71%	29%

* Headcount as at 31st December 2020

During the year the HR team presented a proposed Diversity and Inclusion (D&I) strategy to the Executive Leadership Team and the Ibstock Sustainability Board. A number of other actions to improve our performance included:

- Upgrading our maternity policy through the provision of enhanced maternity pay
- Supporting and enabling home working with remote working equipment and software rolled out just prior to the COVID-19 pandemic
- Bringing our recruitment in house giving us greater insight and control and enabling us to see a more diverse range of candidates
- Reviewing our corporate imagery to reflect our commitment to diversity

THE FUTURE

Our focus on building our culture of fairness, inclusion and respect will be further supported next year by the appointment of two senior sponsors for diversity and inclusion. Darren Waters, Managing Director for Ibstock Concrete and Ibstock Kevington who joined the business in 2021 and Rob Barnes, Group Supply Chain Director will take these roles. Key commitments in 2021 to support this role include:

- Understanding our diversity data to enable us to build an action plan around our gaps and needs.
- A programme to celebrate diversity in 2021 - driving positive engagements, events and discussions around inclusivity and diversity to build employee courage and confidence to speak out and lead a shift in culture to a more inclusive working environment.



“Having worked in a large multi-national organisation that championed diversity and inclusion, I have witnessed first hand the powerful impact this had on employee engagement and business performance. I am a passionate advocate of open and inclusive leadership, as it promotes fairness and equality, creating a workplace that is free of bias and discrimination. I am proud to be the co-sponsor of Ibstock’s D&I programme.”

Darren Waters,
Managing Director,
Ibstock Concrete and Ibstock Kevington

SUPPORTING LOCAL COMMUNITIES



We are committed to making a positive contribution to the communities around us and supporting the most vulnerable in society.

In communities local to our sites, Istock's support ranges from sponsoring local youth sports teams to working with local wildlife trusts to support biodiversity close to our sites. As a responsible business we are endeavour to be a good neighbour and an integral part of the communities we operate in.

2020 HIGHLIGHTS

PRODUCT DONATIONS

We continued our long history of product donations to colleges, communities and charities during 2020.

We donated 10s of 1000s of bricks and concrete products through the year. The impact of product donations can be meaningful beyond just practicing in a workshop. For example, Sheppey Training College brick laying course is working with Slough Fort Preservation Trust to restore the cell rooms in the old Guardroom of the Fort on the Isle of Sheppey. As part of their practical training students are helping with the restoration, learning crucial skills using the 3000 Istock bricks, donated by our Ashdown factory, matched to the original brickwork of the Fort.

PPE DONATIONS

Supporting our communities took on a very different meaning in 2020 and part of our response to the COVID-19 pandemic was the provision of donations of Personal Protective Equipment, hand sanitiser and IT equipment to local NHS hospitals. We saw colleagues across the country expressing their support for key workers and the NHS.

FUTURE ACTION

PLACEMAKING

The success of communities where our products are used is hugely significant for Istock. This is not just about the look and feel of the built environment but about the ability of people living in those communities to lead healthy and fulfilling lives. Our partnership with Well North Enterprises is helping us bring our purpose and vision to life through placemaking, which for Istock means how our products and our business, beyond the factory gate, can build and inspire better lives. This is a long term commitment and as our partnership evolves we aim be part of the transformative and sustainable change in local communities.



INSPIRING FUTURE GENERATIONS



The shortage of bricklayers and skilled trades people in the construction sector present a huge challenge to our customers and our business.

To help tackle this shortage Ibstock is working to inspire future generations to enter the construction sector.

2020 HIGHLIGHTS

SCIENCE SUMMER SCHOOL

Our engagement with the Science Summer School continued for the second year, inspiring young people in Rotherham and Sheffield to gain Science, Technology, Engineering and Maths (STEM) skills. Working with our partner Wales High School we challenged pupils to design an eco brick, testing and innovating to find new solutions. Over 2,500 young people joined the interactive digital programme, led by Professor Brian Cox, where the pupils from Wales High School shared their experience and findings. In 2021 we will be supporting the first Science Summer School in Skelmersdale local to our Ravenhead Brick Factory.

SCHOOLS PARTNERSHIP

Wales High School is a secondary school in Rotherham just down the road from our Anstone Concrete factory. Having worked with Wales High Science team for a year on the Science Summer School we are extending the partnership to support their STEM and construction courses through a combination of curriculum support, site visits, guest speakers from industry and careers talks. As the relationship evolves we will use our work with Wales High School to roll out school engagement opportunities to more of our sites across the country.

FUTURE ACTION

NHBC TRAINING HUB

In 2021 Ibstock will be supporting NHBCs first training hub in Tamworth to help develop the next generation of skilled tradespeople starting out in house building. This purpose-built facility will immerse apprentices in a realistic working environment. The site is next to an active Redrow Homes development and resembles a typical site compound, with a large covered central space for practical work alongside high-specification classrooms and welfare facilities. Ibstock will be donating the bricks for the training as well as expertise from our specification team and site visits to develop the apprentices understanding of how bricks are made.

Training Hub



Raising Standards. Protecting Homeowners

Built in partnership with



FUNDRAISE FOR SHELTER OUR GROUP CHARITY PARTNER



In July 2020 we exceeded our expectations raising £70,000 for Shelter in the first year of our partnership through colleague fundraising and matched funding from Istock.



Throughout the COVID-19 pandemic, the number of people who are homeless and those at risk of losing their home has increased significantly. In 2020, Shelter experienced a 20% increase in call to their Emergency Housing Helpline, and found that almost 445,000 private renters had fallen behind on their rent payments or been served with some type of eviction notice as a result of the pandemic. This was a challenging year for Shelter, who experienced a loss of fundraising income from charity shop closures and all third party fundraising challenges being cancelled. We too found it challenging to maintain momentum for fundraising during the pandemic; but by the latter half of the year we really bounced back as colleagues identified different ways to raise funds through virtual cycle challenges to Christmas guess who and our participation in the Shelter Big Walk.

THE FUTURE

In 2021 Istock and Shelter will extend their partnership for a third year and we will look to add our voice to Shelter's campaigns to help end homelessness. Istock will renew our new network of Charity Champions to lead our fundraising efforts across the business.



SOME OF OUR SITE CHARITY CHAMPIONS VIRTUALLY CONNECTING



IMPROVING STANDARDS



There are a number of standards operated throughout our businesses which include environmental, energy, quality and responsible sourcing. These provide a consistent set of procedures which are regularly reviewed internally and updated to identify ways in which they can be made more effective.

Throughout 2020 there were 28 minor environmental incidents and complaints recorded as part of our ISO 14001 Environmental Management System and all were dealt with as part of the procedural requirements.

All of these standards were certified externally and during 2020 no major issues were identified and continued certification was documented on formal reports issued.

ASSURANCE STATEMENT

The information and data contained within this report has been verified by Lucideon CICS Ltd as reliable and providing a fair and balanced representation of the reported environmental activities in the reporting period. A full assurance statement has been provided to Istock plc.

Third party verification. The key performance measures have been approved by Lucideon. [Click here to view.](#)



HEALTH AND SAFETY SYSTEMS

Since the deployment of our health and safety roadmap in 2019 good progress has been maintained and has enabled us to drive a sustained and focussed approach. The continued implementation of the roadmap this year has enabled us to drive a sustained and focused approach through a combination of leadership, training and development and strong communication and feedback. As a business we have in place an internal H&S system aligned with the ISO standards. They contain robust procedures and are audited on a regular basis. [Click here to read H&S Policy and other HR policies.](#)

2020 also saw the launch our new 6 H&S Rules to every employee across the business. All our rules begin with 'I will...' meaning that each and every one of us has personal accountability for making sure that our workplace is safe at all times. We want to eradicate injury, no matter how small, for good. We have invested in a new safety measurement programme Safety, Health, Environment and Quality Assure to make safety reporting much easier for our teams

OUR CREDENTIALS

Quality Management Standard: ISO 9001

ISO 9001 is the world's most widely recognised Quality Management System and helps businesses like ours to meet the expectations and needs of our customers. 87% of our UK sites have ISO 9001 in place. Due to the nature of the different manufacturing processes and to ensure that both raw materials and finished products are safe, durable and comply with the high quality standards set, a number of different BS and EN standards such as BS EN 771, 772, 490, 1217 are in operation at relevant sites. [Click here to view.](#)

Environmental Management: ISO 14001

All of our UK businesses have ISO 14001 in place, Istock Brick was the first to achieve certification at all sites to ISO 14001 in the year 2001. [Click here to view.](#)

Responsible Sourcing: BES 6001

95% of our UK businesses have the BES 6001 Responsible Sourcing standard in place with the final two factories working towards this. Istock Brick has consistently achieved and 'Excellent' rating, for a number of years, the highest possible level. [Click here to view.](#)

Energy Management Standard (EMS): ISO 50001

All of Istock Brick sites (49% of business operations) have the ISO 50001:2011 certification and we became the first UK brick manufacturer to implement this.

Our motivation for implementing ISO 50001 was to be more efficient with the energy we consume. This has enabled us to reduce energy consumption and as a consequence CO₂ emissions.

In addition our employees have benefited both at home and at work by becoming more aware of ways to improve energy usage. [Click here to view.](#)

Energy Saving Opportunity Scheme (ESOS)

All of Istock plc's UK operations are fully compliant with this scheme and have had relevant energy assessments carried out and will act on viable documented energy saving opportunities.

ENVIRONMENTAL COMPLIANCE AND COLLABORATIONS



We are committed to delivering positive environmental change to help create a sustainable future for all. Leading in sustainability requires ongoing internal and external engagement to enable the pace of change required.



European Union Emissions Trading Scheme (EU ETS) and UK Small Emitter and Hospital Opt Out Scheme

The EU ETS commenced in 2005 with Phase 1 running from 1st January 2005 to 31st December 2007, Phase 2 running from 1st January 2008 to 31st December 2012 and Phase 3 running from 1st January 2013 to 31st December 2020. It is the largest multi-national emissions trading scheme in the world and is a major pillar of EU climate policy. It is the UK Government's main policy instrument in reducing emissions of CO₂ in the industrial sector.

[Click here for more information.](#)



European Pollutant Release and Transfer Register (E-PRTR)

E-PRTR is the Europe-wide register that provides easily accessible key environmental data from industrial facilities in European Union Member States.

[Click here for more information.](#)

Climate Change Agreement (CCA)

Climate change agreements are voluntary agreements made between UK industry and the Environment Agency to reduce energy use and carbon dioxide (CO₂) emissions. In return, operators receive a discount on the Climate Change Levy (CCL), a tax added to electricity and fuel bills. The Environment Agency administers the CCA scheme on behalf of the whole of the UK.

[Click here for more information.](#)

Streamlined Energy and Carbon Reporting (SECR) and Green House Gas Reporting (GHG)

There are several schemes under which businesses have been expected to footprint their energy or carbon and Istock has a long history of going beyond compliance.

[Click here for more information.](#)

INDUSTRY BODIES



Representation and collaboration at industry level is crucial to move our sector forward. Istock is engaged and active with a number of key industry partners.

Istock ensures that its fulfilment and customer service capabilities to support and serve customers are maintained and actively engage with industry bodies to ensure the promotion of housebuilding and construction, whilst seeking to promote the differentiating qualities of our business in the core markets in which we compete.



British Ceramic Confederation (BCC)

The British Ceramic Confederation (BCC) represents the collective interests of all sectors of the UK ceramic industry. Working together to tackle common issues, and acting on its behalf in discussions and negotiations with government and regulators.

Sector experts provide wide-ranging professional advice to members, covering topics including health & safety, energy, emissions, planning, waste management, international trade, employment law and education and training. Our advice helps members to save money through tax relief/grants and take advantage of trade and innovation opportunities.

[Click here for more information.](#)



Brick Development Association (BDA)

The Brick Development Association is the national authority on clay bricks and pavers. Our 13-strong membership accounts for almost 100% of the sector's productivity here in the UK. Our role is to communicate the collective interests of our members and to ensure their products remain the material of choice in the UK's built environment.

From the breadth of product range and economic contribution offered by our largest, multinational members, to the bespoke craftsmanship offered by our smallest, local members, that which our clients have in common is a resolute commitment to manufacturing products of outstanding quality and developing one of our nation's most successful, sustainable supply chains.

[Click here for more information.](#)



British Precast Concrete Federation (BPCF)

British Precast Concrete Federation (BPCF) is the trade association for precast concrete manufacturers and members of the supply chain. The main aims of the federation are to promote precast concrete in the construction market; to disseminate information, through a range of industry representation and by shared knowledge, and to add value to its member companies.



Mineral Products Association (MPA)

The Mineral Products Association (MPA) is the trade association for the aggregates, asphalt, cement, concrete, dimension stone, lime, mortar and silica sand industries. With the affiliation of British Precast, the British Association of Reinforcement (BAR), Eurobitume. [Click here for more information.](#)



Home Builders Federation (HBF)

The Home Builders Federation (HBF) is the representative body of the home building industry in England and Wales.

[Click here for more information.](#)



The Institute of Materials, Minerals and Mining (IOM³)

The Institute of Materials, Minerals and Mining (IOM³) is a major UK science and engineering institution whose activities promote and develop all aspects of the materials cycle, from exploration and extraction, to characterisation, processing and application, to product recycling, re-purposing and reuse.

[Click here for more information.](#)