

BREEDON SUSTAINABILITY DATA BASIS OF REPORTING

The purpose of this document is to outline the process for data collection and verification for the sustainability performance data, as published in our Annual Report and online at www.breedongroup.com/sustainability

The following criteria apply to all sustainability performance data, unless otherwise stated. Further detail on each data set and target can be found in the appendices.

Organisational boundary

Sustainability performance data is collected from across our global operations. We aim to account for 100% of the data from the following entities:

- Wholly owned operations and subsidiaries
- Joint Ventures where we have operational control

Acquisitions

We aim to fully integrate any acquired entities from our data collection, consolidation and reporting processes within the first year of acquisition.

Divestments

For divested entities that are financially classified as “discontinued operations” (divested or held for sale); all current year and historical performance data, including normalised data from the discontinued operation will be excluded from the consolidation process for the reporting year in which the divestment took place.

For any divested entities that are not financially classified as discontinued operations, performance data will be included in current year up to the time of sale completion. In subsequent reporting years all data including historical and normalised data from the divested entity will be excluded from the consolidation process.

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Reporting period

The reporting period for our sustainability performance metrics is aligned to our financial reporting period, from 1 January through to 31 December. Data is reported externally on an annual basis.

Where it is not possible to provide complete data within this timeframe than actual data is collected for the period from January to October inclusive. This is then adjusted to the full reporting period through the application of an appropriate adjustment factor of 1.2.

Data verification and assurance

Data is reviewed and verified by the appropriate accountable persons and subject matter experts at point of reporting. Selected sustainability performance data is subject to external assurance, through a limited assurance engagement. A full assurance statement is available at www.breedongroup.com/sustainability.

Data quality

The aim of our reporting processes is to provide data that is complete, accurate and relevant to our operations. For any data that is subsequently found to be materially in error following reporting or where conversion factors may have changed, then this will be clearly indicated and the data restated for purposes of baselines and trend analysis.

For the purposes of materiality, we aim for each reported performance metric to be within $\pm 5\%$ of the true figure. All reported figures are subsequently reviewed during the next reporting cycle and where this results in a variation that exceeds $\pm 5\%$ of the original will be restated.

Where possible we report our performance metrics for a five-year window in order to demonstrate our long-term performance and commitment to continual improvement.

Further details, including Annual reporting statements and Limited Assurance Engagement opinion statements are available at www.breedongroup.com/sustainability.

Sustainability KPIs

GHG emissions

Scope 1 – GHG Process Emissions

Description/definitions

Annual tonnes of direct CO₂ emissions from operations which generate emissions directly from the manufacturing process e.g. calcination within our cement kilns.

Data source

Primary emissions data collected from in-scope operations, these include our two cement works at Hope and Kinnegad and our Kingscourt brickworks.

Calculation

Process emissions calculated following the monitoring and measurement standards within our EU and UK ETS permits.

Assumptions/Exclusions

Publication of data may fall prior to final external ETS data verification, however our standard data quality rules will be followed as described on page 2.

Verification

Limited third-party assurance

ISSB Framework Alignment

ISSB - EM-CM-110a.1

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Scope 1 – Total GHG Emissions

Description/definitions

Annual Gross GHG emissions from in-scope operations, including both process emissions (page 3) and combustion sources. Our GHG emissions are reported in tonnes of carbon dioxide equivalent (tCO₂e).

Data source

Primary process emissions data collected from in-scope operations, these include our two cement works at Hope and Kinnegad and our Kingscourt brickworks.

Primary fuel consumption data collected from all in-scope activities, including natural gas, diesel, LPG and other liquid fuels, and kiln fuels including waste-derived fuels.

Calculation

Calculations follow the methodology set out in GHG Protocol Corporate Accounting and Reporting Standard. Carbon conversion factors have been taken from UK Government GHG Conversion Factors for Company Reporting and the IEA emission factors for non-UK sites where appropriate. For sites that operate within the UK and EU ETS schemes, the ETS emissions data for kiln fuels has been used.

Assumptions/Exclusions

Publication of data may fall prior to data verification, however standard data quality rules will be followed. Biogenetic-related emissions from bio-fuels and fuels containing biogenic portion are reported separately (outside of scopes) as per GHG Protocol guidelines.

Verification

Limited third-party assurance

ISSB Framework Alignment

EM-CM-110a.1

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Scope 2 – GHG Emissions (Location-based and market-based)

Description/definitions

Annual indirect GHG emissions from the generation of purchased electricity consumed at our in-scope operations. Our GHG emissions are reported in tonnes of carbon dioxide equivalent (tCO₂e).

Location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

Market based emissions are based on a specific purchased contract or agreement.

Data source

Primary data collected through site electricity metering, through a combination of automatic and manual read meter readings.

Calculation

Calculations follow the methodology set out in GHG Protocol Corporate Accounting and Reporting Standard. Carbon conversion factors have been taken from UK Government GHG Conversion Factors for Company Reporting and the IEA emission factors for non-UK sites where appropriate.

Assumptions/Exclusions

N/A

Verification

Limited third-party assurance

ISSB Framework Alignment

S2.29.a.i.2.1

BREEDON SUSTAINABILITY DATA BASIS OF REPORTING



Total Scope 1 and 2 GHG Emissions

Description/definitions

Combined GHG emissions from Scope 1 GHG emission from process and combustion and Scope 2 location-based GHG emissions.

Data source

As per definitions above.

Calculation

As per definitions above.

Assumptions/Exclusions

Location-based Scope 2 emissions only.

Verification

Limited third-party assurance

ISSB Framework Alignment

S2.IE5.1

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Scope 3 - Category 1 (Purchased Cement and Clinker) (tCO₂e)

Definitions/description

Scope 3 Category 1 accounts for indirect emissions that occur as a result of Breedon's use of goods and services from companies outside Breedon's operational control.

This metric focusses on the manufacturing emissions from the cement and clinker which Breedon purchased in the reporting year only.

Data sources

Volume of cement and clinker purchased, including the production source of the material.

Carbon footprints or Global Warming Potential (GWP) figures from Environmental product declarations for the purchased cement if possible.

Calculation

Total mass of material in metric tonnes from each supplier multiplied by the relevant emissions factor taken for that material and reported in tCO₂e.

Assumptions/Exclusions

Where a specific carbon factor or GWP figure per tonne is not available, generic cement factors may be used for the geography of the production site.

Where the production site is unknown, the UK average cement embodied CO₂e should be used from UK MPA factsheet 18 document.

Verification

Limited third-party assurance

ISSB Framework Alignment

N/A

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Energy Consumption (MWh)

On-site combustion

Description/definitions

Total energy use in MWh of all fuels consumed at our operational sites including liquid solid and gas fuel sources including bio based fuels.

Data source

Primary fuel consumption data collected from each operational site covering all fuel sources used on site. Data collection follows the Breedon energy management standard and hierarchy of monitoring and measurement methods.

Calculation

Primary fuels data i.e. litres of diesel, is converted to MWh using gross CVs from UK Government GHG Conversion Factors for Company Reporting for the relevant reporting year.

Assumptions/Exclusions

Where consumption data is not available and delivered fuel data used instead, it is assumed all delivered fuel is consumed.

Verification

Limited third-party assurance

ISSB Framework Alignment

EM-CM-130a.1a

BREEDON SUSTAINABILITY DATA BASIS OF REPORTING



Electricity (MWh)

Description/definitions

Total consumption of electricity at all operational sites by Breedon assets in the reporting year, including consumption of electricity from onsite renewables generation.

Data source

Primary data collected through site electricity metering, through a combination of automatic and manual read meter readings.

Calculation

Sum of all electricity consumption converted to MWh.

Assumptions/Exclusions

Tenant consumption is excluded where metered data is available and recorded.

Verification

Limited third-party assurance

ISSB Framework Alignment

EM-CM-130a.1a

BREEDON SUSTAINABILITY DATA BASIS OF REPORTING

Road transport (MWh)

Description/definitions

Energy used in Breedon owned road vehicles for transportation of goods, or business travel.

Data source

Litres of fuel purchased taken from fuel card systems and management account reports.

Calculation

Primary fuels data i.e. litres of diesel, is converted to MWh using gross CVs from UK Government GHG Conversion Factors for Company Reporting for the relevant reporting year.

Assumptions/Exclusions

Assumes diesel used is average biofuel blend for conversion factor. For electric vehicles, any resulting electric consumption by the vehicle is not included in this metric.

Verification

Limited third-party assurance

ISSB Framework Alignment

EM-CM-130a.1a

BREEDON SUSTAINABILITY DATA BASIS OF REPORTING

Total energy consumption

Description/definitions

Combined Energy consumption in MWh from on-site combustion, electricity consumption and road transport.

Data source

As per definitions above.

Calculation

As per definitions above.

Assumptions/Exclusions

As per definitions above.

Verification

Limited third-party assurance

ISSB Framework Alignment

EM-CM-130a.1a

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Health and Safety

Combined LTIFR (employees and contractors)

Definitions

LTIFR – Lost time injury frequency rate

Lost-time injury - work-related injury that renders a person unable to attend work for one full shift or more (not counting the day of the injury)

Data source

Majority of injury data is recorded on Evotix, Breedon's incident management system. Data is provided to the Group Safety department on a monthly basis for businesses which do not operate this system. Data on hours worked by Breedon employees is calculated using the number of FTE across the group multiplied by factor to represent the average hours worked in month. Data on hours worked by contractors is collected from each operational site / business on a monthly basis.

Calculation

LTIFR = Total number of lost time injuries (from both employees and contractors) in the reporting period x 1,000,000 / Total numbers of hours worked by employees and contractors across the company in the reporting period.

Assumptions/Exclusions

Lost time injuries do not include home to work commuting incidents or restricted work injury cases. Non-work-related incidents shall be recorded and investigated but shall not be reported in Breedon H&S performance statistics.

Verification

Limited third-party assurance

BREEDON SUSTAINABILITY DATA BASIS OF REPORTING

Combined TIFR (employees & contractors)

Definitions

TIFR – Total Injury Frequency Rate

Total Injuries – Combined total of work-related injuries that resulted in first aid, medical treatment, lost time or fatality.

Data source

Majority of injury data is recorded on Evotix, Breedon's incident management system. Data is provided to the Group Safety department on a monthly basis for businesses which do not operate this system. Data on hours worked by Breedon employees is calculated using the number of FTE across the group multiplied by factor to represent the average hours worked in month. Data on hours worked by contractors is collected from each operational site / business on a monthly basis.

Calculation

TIFR = Total number of injuries (from both employees and contractors) in the reporting period x 1,000,000 / total numbers of hours worked by employees and contractors across the company in the reporting period.

Assumptions/Exclusions

Non-work-related incidents shall be recorded and investigated but shall not be reported in Breedon H&S performance statistics.

Verification

Limited third-party assurance

Employee LTISR

Definitions

LTISR – Lost Time Injury Severity Rate

BREEDON SUSTAINABILITY DATA BASIS OF REPORTING

Lost-time injury - work-related injury that renders a person unable to attend work for one full shift or more (not counting the day of the injury)

Data source

Majority of injury data is recorded on Evotix, Breedon's incident management system. Data is provided to the Group Safety department on a monthly basis for businesses which do not operate this system. Data on days lost is collected during the incident investigation process for employee incidents.

Calculation

LTISR = Number of lost work days (from employee lost time injuries) in reporting period x 1,000,000 / total numbers of hours worked across the company in reporting period.

Assumptions/Exclusions

Lost workdays is counted in calendar days from the day after the injury occurs to the day before the injured person returns to normal or modified work.

If a lost time injury results in the injured party unable to work for a full calendar year, the counting of lost days will cease the following calendar year. If the injured party leaves Breedon employment without returning to work, the counting of lost days will cease effective the date of departure.

Verification

Limited third-party assurance

% Revenue from Sustainable Concrete and Asphalt Products

Definitions/description

Sustainable Concrete and Asphalt products are those which Breedon's Technical Department determines are either: a lower embodied carbon than equivalent product; contains recycled materials to replace virgin material; or is designed to be more durable/last longer.

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Data sources

Product dispatch records for the reporting period shall be used to inform the total sales revenue. Highlighting the products that meet one or more of the criteria above using the product description, the revenue associated with the sale of products with enhanced sustainable attributes shall also be calculated from these records.

Calculation

Sustainable % = Revenue from Concrete and Asphalt product sales that meet one or more sustainable attributes criteria / Total revenue from Asphalt and Concrete sales in the period

Assumptions/Exclusions

Revenue is converted to GBP for sales outside the UK.

Verification

Limited third-party assurance

ISSB Framework Alignment

N/A