

# **2023 Highlights**

-9.2% Emissions reduction\*

**921**Safety
dialogues

**£2,888,977**Social value\*

Launch of
Plasterboard
Take Back
Scheme
Train

**1666**Training hours

Founding strategic member of the Construction Inclusion Coalition















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Social Value

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## **About Knauf**

Knauf began as an idea from two brothers, Karl and Alfons Knauf when they secured the right to mine gypsum deposits in the Schengen community in Germany in 1932. The business expanded into the UK in 1988, when the Knauf Group built a state-of-the-art plasterboard factory in Sittingbourne, Kent. Just two years later a second plant was built in Immingham, North East Lincolnshire. Based on the banks of the River Humber, it has the capability to produce the complete range of Knauf Plasterboards, Thermal Laminates and foil backed Plasterboards.

Knauf has grown into a global industry leader spanning 90 countries, multiple brands and with more than 41,500 employees worldwide. Through our people and state-of-the-art plants, we produce high-performing solutions ranging from drywall systems, plasters and insulating materials all the way to external thermal insulation composite systems. Whatever your challenge, we are there with you each step of the way to help you to constantly improve how you build.

At Knauf, our purpose is clear and ambitious: 'Build on Us.'

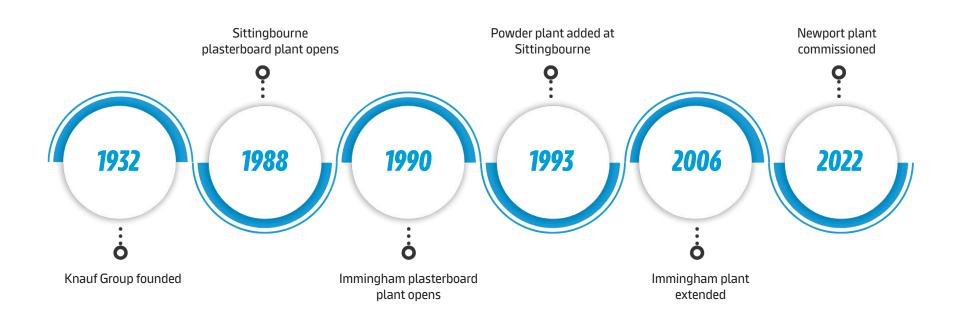
This purpose is our guiding North star, inspiring everything we do. It's about more than just building structures; it's about creating safer homes, using innovative building materials in community hospitals, ensuring our customers get what they want, when they want it for commercial projects, building local schools prioritising wellbeing, always putting safety first in everything we do.

41,500 global employees

Founded in

1932

In over **90 countries** 



# **Our Purpose**

Brand Values







Brand Benefits

You can count on us.

We make things work.

You achieve the best results with us.

Brand Promise

# Build on us.

Our Strategic Priorities We want Knauf to stand for being a great employer.

Value for our customers is core to our decision-making.

We always operate with the future in mind.

High performance is our way of operating.

Our Core Values Everything we do, every decision we take, we have the well-being of everyone in society in mind.

**MENSCHLICHKEIT** 

**PARTNERSHIP** 

We act as a team, support and trust each other. We grow together.

**COMMITMENT** 

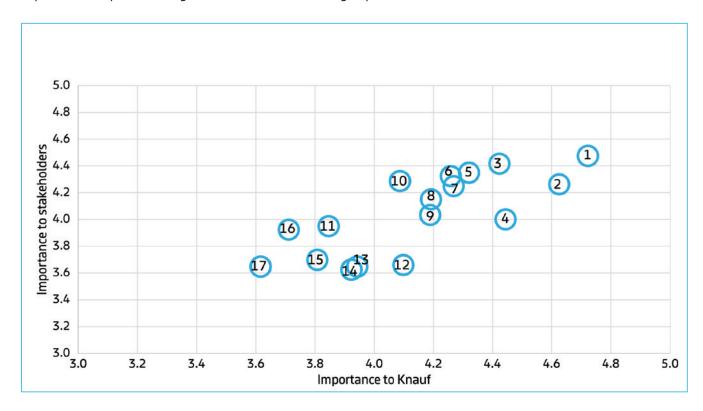
We are committed to our work, our colleagues and our community. We take responsibility and always go the extra mile.

**ENTREPRENEURSHIP** 

Our continued success is driven by a spirit of pioneering, innovation and change. We take initiatives and deliver the best results.

# **Materiality Matrix**

We have conducted a materiality assessment with our internal and external stakeholders to find out the materiality of Knauf's impact on the environment and society, and the importance of topics according to our different stakeholder groups.



Health and Safety of our products and systems is rated as the highest level of importance to both Knauf and our stakeholders, followed by Knauf being a diverse, inclusive and safe employer. Circular economy, and emission production and reduction are also areas of high importance, closely followed by data and transparency, and responsible sourcing. The findings from our materiality assessment will help us to prioritise our sustainability focus areas.

- 1. Health and Safety of products and systems
- 2. Diverse, inclusive and safe employer
- 3. Circular Economy
- 4. Regulation, policies and standards
- 5. Emission production and reduction
- 6. Data and transparency
- 7. Responsible sourcing
- 8. Waste Management
- 9. Sustainable products and innovation
- 10. Chemical management
- 11. Climate change risk management
- 12. Responsible economic growth
- 13. Transportation and logistics
- 14. Water use and conservation
- 15. Employee Development
- 16. Biodiversity and Pollution
- 17. Social value

# Sustainability Governance at Knauf

Global

**Uwe Knotzer** General Partner

Regional

Andrea Bucci
Member of the Group
Management Committee
Knauf Western Europe

Norbert Audeoud Corporate CI & Sustainability Director **Geoffrey Houbart** Sustainability Program Director

**David Joergens** Head of Competence Center Gypsum Recycling **Philippe De Vogel** Technical Director for Knauf Western Europe

**UK & Ireland** 

**Ian Stokes**Managing Director

Emma Delaney
People & Sustainability
Director

**Richard Gibbons** Head of Process Sustainability & Compliance

**Dr. Thomas Gladwell** Energy & Sustainability Manager

**Becky Newell**Sustainability
Proposition Manager

**Craig Rousell**Engineering and Process
Capability Development
Manager

# Knauf UK & Ireland **Our People**



# **The importance of sustainability –**A message from our managing director

At Knauf, we firmly believe that sustainability is the pathway to a better future. As the Managing Director of Knauf UK & Ireland, I feel a deep responsibility to lead by example and promote sustainable practices within our organisation and across the industry.

Almost 100 years ago, two brothers laid the foundations for Knauf. The same family has made the organisation the global leader it is today. Along this journey, we have fostered values of corporate responsibility: For nature, when we recultivate quarries, we take care of how we leave a place after our intervention. For our employees, whose wellbeing and development we put first in the 90 plus countries where we operate. For communities, partners, and future customers – by offering training and taking responsibility for the social and environmental conditions in our supply chain.

Our Planet Mark verification allows us to measure performance in our emissions and social value, and ensure progression. As part of Knauf's Global Sustainability Goals, Knauf are taking great steps to meet the demands of the market and understand what our customers expect. For the UK and Ireland, I'm proud of what we achieved in 2023, with some of our highlights including:

- -9.2% scope 1 and 2 emissions reduction
- The launch of Knauf Plasterboard Take Back Scheme for our customers
- Contributing £2,888,977 in social value within community projects
- Joining as founding member for the Construction Inclusion Collision (CIC), advocating diversity within the construction industry.

In 2023 we also launched our new branding and purpose. With 'Build on us', and one of our strategic ambitions being that we always operate with the future in mind, it is a clear focus on meeting the needs of future generations; the definition of a sustainable future. This showcases that sustainability is not a nice to have, but an essential part of the way we live and work. With our team, supply chain and customers engaged in this message we are ready to meet the challenges and opportunities that lie ahead.

Looking ahead to 2024 and beyond, we will continue to put people and communities first; with the safety, competence and diversity of our teams at the forefront of our minds. We will work towards achieving net zero, through our investment in our production and operations, as well as partnerships as we work towards the same common goal. As we aim to be a key player in the circular economy, our Plasterboard Take Back Scheme and recycling reprocessing partnerships become more important than ever, as we aim to help our customers meet their goals, while minimising our environmental impact and responsibly taking our business forward.

#### Ian Stokes

Managing Director



# The Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) are an urgent call to action to 'achieve a better and more sustainable future for all'. They are 17 interconnected goals that are designed to 'leave no one behind' and be achieved by 2030.

Through our actions, both directly and indirectly, we contribute towards the progress of some SDGs.

Throughout this report you'll see an icon where we believe we are in alignment with an SDG.









































# Our Goals & Our Progress

	Waste	Circular Economy	Chemicals	Water	Emissions	
Knauf Group -	0		0	-2%	-50%	Net Zero
Sustainability Goals	Waste to disposal as of <b>2032</b>	Be a leading actor of the circular economy	Products containing red listed chemicals as of <b>2032</b>	Water withdrawals yearly	CO <sub>2</sub> e emissions (Scope 1 & 2 on a 2021 baseline) <b>BY 2032</b>	CO <sub>2</sub> e emissions (Scope 1, 2 & 3) <b>BY</b> <b>2045</b>
2023 -	604.8 tonnes waste to disposal <sup>1</sup> in 2023 49% reduction compared to 2022	68% of our imported plastic packaging contained at least 30% recycled content in 2023	Products containing diisocyanates removed from Knauf UK & Ireland portfolio	412,709m² water withdrawals² in 2023 10% reduction per tonne of production compared to 2022	101,685.8 tCO2e emissions <sup>3</sup> in 2023 6% reduction per tonne of production compared to 2022	
Our Progress		Plasterboard Take Back Scheme introduced 9.1% recycled gypsum in UK produced plasterboards		compared to 2022		
2024 -	We will work to the waste hierarchy and look for alternative methods to disposal	We will continue to improve our packaging design	The Knauf Group are finalising the red list	We have projects and investment in place to optimise water usage	We have projects and investment in place to improve our production methods to optimise energy usage	
Our Next Steps		We are working on increasing the amount of recycled gypsum in our boards			We will commission a combined heat and power plant (CHP) to generate heat and electricity with an overall reduction in emissions.  Long term we aim to switch to lower carbon fuel sources.	

<sup>&</sup>lt;sup>1</sup> from our production operations, <sup>2</sup> water in manufacturing, <sup>3</sup> Scope 1 & 2, from Planet Mark data

## **Our Goals**

## **Emissions**

With 11% of global carbon emissions coming from building materials and construction<sup>1</sup>, it is our responsibility to reduce our impact.

The Knauf Group has made a commitment to reducing our emissions in scope 1 & 2 by 50% by 2032 (coinciding with 100 years of the Knauf Group) and reducing 30% of scope 3 by 2032 with 2021 as the baseline year.

The focus on our direct and indirect emissions will be through a number of measures, such as investigating the use of renewable energy, as well as innovating our production processes. At our Immingham plant, in 2024 we are commissioning a combined heat and power plant, which generates heat and electricity for the processes on site, and helps reduce our scope 1 & 2 emissions. We aim to have this functional by the end of 2024, generating up to 95% of the sites electricity. In addition to this, we are working on our indirect emissions such as our transport, which you can read about on pages 26–29. Across our supply chain it is important to us to work in partnership with our suppliers on emission reduction as well as a number of other environmental impact reductions.

## Waste

Waste is a huge problem for our industry, as the UK Government reported in 2018 that the construction, demolition and excavation sector was responsible for 62% of all waste<sup>2</sup>.

Our target on waste is an ambitious goal of zero waste to landfill and incineration from our manufacturing by 2032.

Although our target is centred on the waste that we produce, we believe it is important for us to help our customers achieve their waste goals, and also in order to achieve our goals or becoming a leading actor of the circular economy, the availability of recycled gypsum is important to us, hence we launched the Plasterboard Take Back Scheme, which you can learn more about on page 31.

## Water

Water scarcity is an increasing global problem due to climate change, with 2.3 billion people living in water-stressed countries according to the United Nations<sup>3</sup>.

We use water in the manufacturing of our plasterboard, and our goal is to reduce our water withdrawals by 2% annually. We will achieve this through investment in our production processes to produce efficiencies, and continuous optimisation of our recipes.

#### Source

- <sup>1</sup> Embodied Carbon World Green Building Council (worldgbc.org)
- <sup>2</sup> Water Scarcity | UN-Water (unwater.org)
- <sup>3</sup> UK statistics on waste GOV.UK (www.gov.uk)



# **Safety**

On 21st June 2023, the whole of the the Knauf Northern European Region stopped production for 1 hour to come together to talk about the importance of safety. This was followed by a day of activities from each Knauf business, reminding our colleagues of the values we live by each day.

In the UK and Ireland we offered first aid training, and fire safety/extinguisher training, as well as talks, and a hazard spotting competition for all to participate in.

While safety is considered every day, it's important for us to take a day to reflect on our own reasons for wanting to go home safely, and keeping our colleagues safe.

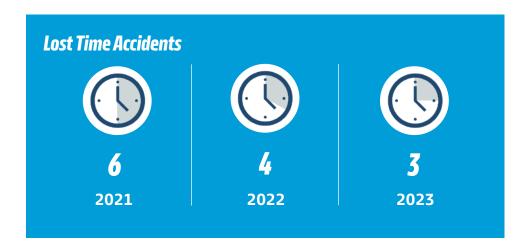
We also introduced safety dialogues in 2023 and it's great to see our colleagues having continuous conversations with each other about safety, reminding them when they see a potential hazard and keeping each other safe, with the number of safety dialogues up to 921 in 2023.

Lost Time Accidents in 2023



**921**Safety Dialogues in 2023

Community complaints in 2023





# Supporting our colleagues

In October we launched the Knauf Futures Hub, a platform which consolidated a range of services to support our colleagues including discounts, links to policies and resources, and peer-to-peer recognitions. It also saw the launch of Nudge, a financial wellbeing platform allowing our colleagues to feel more in control of their finances.

#### We also offer:

- Health care through Westfield Health
- Cycle to Work scheme
- Tech scheme
- 3 paid volunteer days
- Independent Pension Advice
- An additional day off for your birthday
- Elder Care support service
- A generous product allowance

- A confidential counselling service
- Holiday trading
- Company sick pay
- Option to Give As You Earn
- Tusker salary sacrifice car scheme
- Enhanced maternity and paternity
- Agile working
- · Mental health support and resources

We measure our employee engagement with the globally recognised Gallup Q12+ survey and scored 4.02/5 for satisfaction with Knauf as a place to work, and 4.03/5 overall engagement. Our teams work together to create action plans to work on to put in place improvements for the following year, and we aim to increase our engagement score again in 2024.

**4.03**/5
Gallup engagement score

**86%** 

Fully electric vehicles chosen by our employees with Tusker 1200

Miles saved with Cycle to Work scheme<sup>1</sup>



 $<sup>^1</sup>$  Planet Mark calculation for 9 employees on the scheme in 2023, number of approx. miles saved – based on an average distance from employee home to work place of 12 miles, multiplied by a set 100 days per year per participant

# **Competency**

Competency is important to Knauf, both within our internal teams, and increasing the skills and awareness of new entrants into our industry. The CITB forecasts that an additional 50,000 workers are needed per year to meet construction output by 2028<sup>1</sup>, so Knauf recognises the need to bring new apprentices into our industry. Throughout 2023, we have attended school and college events, to demonstrate apprenticeship routes, as well as practical demonstrations of our Airless Finish alternative to traditional plastering.

For our internal teams, online training was through the IHASCO platform, but changed to BuildU, a new Learning Management System provided by Docebo in October 2023.

BuildU has a wealth of learning resources, podcasts, and webinars for our colleagues to learn more about a variety of subjects, and they can create learning pathways personalised to their learning journey.

Our Technical department also set out a competency path comprising of a webinar training series throughout the year, and hands-on training sessions in our training schools for our colleagues to participate in.

Knauf were also bronze members of the Supply Chain Sustainability School in 2023, with plans to get to Gold level in 2024.



294

Hours of 'Environmental Awareness' training course completed

2831
IHASCO Training courses completed



<sup>&</sup>lt;sup>1</sup> https://www.citb.co.uk/about-citb/construction-industry-research-reports/construction-skills-network-csn/

# Knauf Step Challenge

In May 2023, to celebrate National Walking Month, we held the Knauf Step Challenge. In teams of 4, our colleagues had the month of May to get in as many steps as possible to try and win the coveted 'Golden Shoe' trophy for their team.

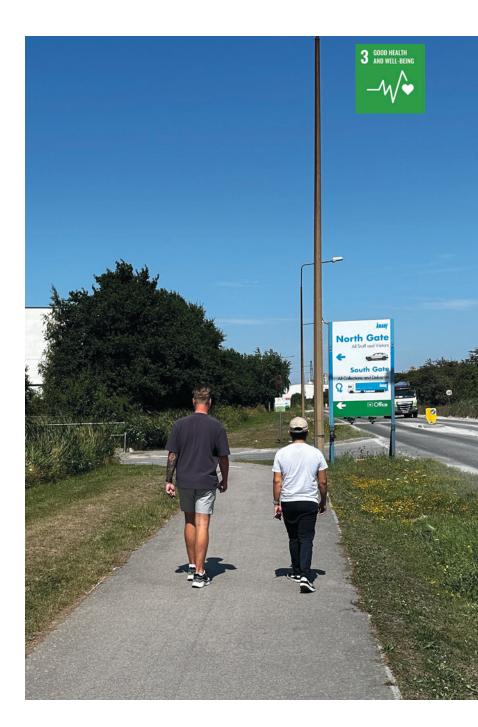
Using the Big Team Challenge app, the teams were motivated to get outside more, during their break or after work, often going with colleagues or family. Some swapped their usual form of transport to walk to work, and others took up running to count towards their steps, with an average daily step count of over 800,000 in total. The wellbeing benefits that our colleagues got from the challenge were reported back to us, and people enjoyed the friendly competitive nature of the challenge.

A total step count of 26,933,265 from 18 teams was a monumental effort, and we were pleased to congratulate the 'Wonder Walkers' as the team taking home the golden shoes.

After the success of 2023, we plan to repeat the challenge in 2024, but adding in a charity fundraising element to further incentivise the teams.

800,000 72

Daily steps Colleagues



# **Apprenticeships**

We're proud of all of our apprentices, and pleased that 2 received recognition for their hard work in 2023. Well done to Sarah, who joined us in September 2021 as HR Support Apprentice, who won The Apprentice of the Year Award, at MidKent College Student Awards 2023. Also well done to Olly, who joined us in September 2022 as Digital Marketing Apprentice, who was named Creative and Digital Apprentice of the Year at the East Kent Apprenticeship Awards 2023.

In October, we presented our products and apprenticeship opportunities to 1800 students at the Westlands School, with students from year 7–13 eager to learn about the route they could take for their career.

In December, we collaborated with Waterfront UTC Technical College at their careers fair, engaging with students from year 9–13 about their career aspirations within the construction industry and providing an insight into Knauf's products and business operations.

Top Awards for Knauf Apprentices - Knauf

### **VolkerFitzpatrick Apprentice Networking Event**

In April 2023, Knauf apprentices teamed up with those from VolkerFitzpatrick for a scavenger hunt at VolkerFitzpatrick's London office.

Recognising the importance of successful networking, the event focused on building this vital skill. It provided an excellent opportunity for our apprentices to connect with peers from another construction industry company. Participants not only explored London, they enjoyed learning about each other's companies, engaging in team-based adventures and honing their networking and communication skills.

Apprentices employed by Knauf UK & Ireland

New apprentices in 2023





# **Gender Pay Gap**

At the snapshot date of 5th April 2023, there were 438 people within our UK workforce: 351 men (80.1%) and 87 women (19.9%), with a slight decrease in our female population compared to 2022.

The mean gender pay gap has widened slightly for 2023, standing at 3.21% compared to 3.14% in 2022. The gap widening is influenced by the departure of some key senior personnel, as well as our ongoing efforts to recruit female apprentices.

The median pay gap sits at 3.98% for 2023, influenced by the largest proportion of our male population being in plant-based roles, occupying the mid-range and on the same salary.

The bonus gap reflects that women in higher quartile roles are typically receiving bonuses, as well as an exceptional bonus being rewarded to those who wouldn't usually receive them compared to the majority of men who receive bonuses across all pay quartiles.

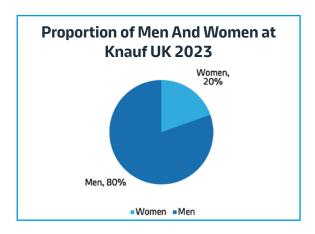
We acknowledge the importance of being a diverse and inclusive employer that values each one of its employees, and have a range of ongoing initiatives aimed at cultivating an open and inclusive working environment.

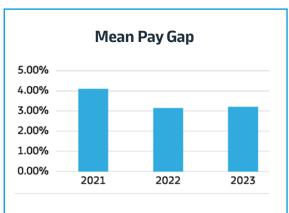
To view our full gender pay gap report please click here.

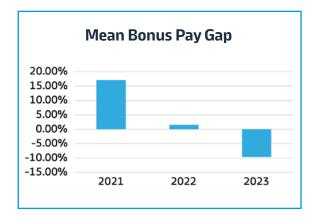
19.9% Women in our workforce 15% Of Women in leadership roles **3.21%**Mean Gender pay gap

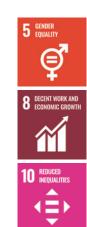


In November, Becky Newell, Sustainability Proposition Manager represented Knauf at the largest meeting of Women in Construction, as a Women in Construction Ambassador.









## **Construction Inclusion Coalition**

Knauf UK & Ireland partnered with a number of major organisations across the construction sector in the UK in 2023 to establish the Construction Inclusion Coalition (CIC).

The Construction Inclusion Coalition (CIC) is an industry wide effort with a singular objective to improve equity, diversity and inclusion across the UK construction industry, to ultimately retain and attract talent, and ensure the longevity of the industry.

The construction sector has one of the most rapidly aging workforces in the UK, with research showing that close to a million construction workers – around a third of the UK's total workforce – are set to retire in the next ten years. Despite this, the industry is currently only made up of 15% women and 6% from ethnic minority backgrounds, and faces challenges attracting and recruiting from a diverse pool of talent.

Alongside Coalition Partners, Knauf is urging businesses across the industry to join the initiative and take the Built on Better Pledge.

The pledge, as shown on the graphic to the right, covers seven key areas that members commit to work on.

Knauf will work alongside other Coalition Partners to enhance the impact of their individual equity, diversity and inclusion initiatives, by fostering collaboration and establishing a network to share knowledge and resources across the industry, and co-creating solutions that will make a difference. Progress will be tracked annually and shared in a public report.

For more information about the Construction Inclusion Coalition please visit www.builtonbetter.uk.

257
Colleagues received
Diversity at work
training in 2023

864.5
Hours of Dignity at work
workshops in 2023





## **Architectural Association Visit**

In November, it was a pleasure to host a visit to our Sittingbourne site from students and tutors of the Architectural Association in London, as part of a 'Climate Week' they were organising. The aim was for them to understand better the provenances of the materials they chose to design with, and understand the implications for their reuse and/or recycling. For this reason they were also keen to explore our partnership with Countrystyle and understand more about the recycling supply chain.

The students enjoyed a guided tour of the plant, technical talks and practical demonstrations, a talk from Encore Environment on our Plasterboard Take Back Scheme, and a visit to Countrystyle to see the recycling process.

We were pleased to be able to demonstrate our actions to the group, while educating and inspiring them about the key materials that they design with.

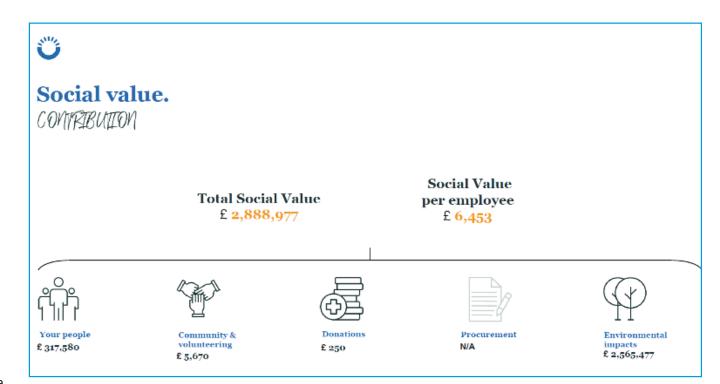


## **Social Value**

As part of our planet mark verification, we have been measured as achieving £2,888,977 social value in 2023.

We achieved this through:

- Training opportunities
- Apprenticeships
- Equality, diversity & inclusion training
- Mental health campaigns
- School & college visits
- Supporting people into work
- Work placements
- Volunteering
- Cycle to work programme
- Electric vehicle programme
- Donations



### What is social value?

Companies like Knauf create value outside of profit, making a positive contribution to society, for the economy, the community, or the environment. It is usually measured in monetary terms.









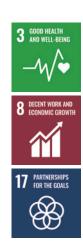
# **Charities we Support**



Knauf has been a proud corporate patron of CRASH since 1998. CRASH works on homelessness and hospice projects, and between April 2022–March 2023, Knauf provided help on 40 projects, through corporate donations, fundraising, and volunteering.

# bounce back.

Knauf is also pleased to support Bounce Back, a social enterprise that works with people inside and outside of prison, supporting them to change the direction of their lives to reduce offending. Knauf has provided training, and materials to support Bounce Back in their ongoing partnership.





Our work with the Royal British Legion (RBLI) supports veterans and people with disabilities across the UK. The RBLI provides us with fulfilment, signage, and FSC certified wooden pallet services.



In December, our colleagues spread some festive cheer with Save the Children Christmas jumper day, raising £242.



In 2023 we started working with Recipro, a social enterprise who sells donated building materials at highly discounted prices to charities, schools, and the local community, to reduce waste and support those at need.



In September, the Macmillan Coffee Morning raised over £756 with our colleagues enjoying a cuppa and some cake, as well as a raffle with prizes donated from suppliers and colleagues.

# **Community Days**

We provide all of our colleagues 3 paid volunteer days per year to help out in the community and make a difference outside of their normal work responsibilities. We continue to be inspired by how our colleagues choose to spend their days and are pleased to share a few of their stories.



"I used one of my volunteering days to take part in a beach clean in Minster, Isle of Sheppey, arranged by The Marine Conservation Society, who fight for a cleaner, better protected, healthier ocean: one we can all enjoy. The aim of the beach clean was to help stop harmful litter from reaching the ocean and collect vital data that is used to bring about positive change for our seas. Between all 32 volunteers we collected 158kg of rubbish from the beach!"

**Amy Best, Communications Assistant** 



"As an assistant scout leader, every summer we take the scouts away for a week's camping holiday, in 2023 it was a mix of outdoor activities, a trip into London and a visit to the Harry Potter studios. I used 2 of my volunteer days to help at the camp. Having been in Scouting most of my life I have both experienced and seen first-hand the impact Scouting can have on our young people. On this camp alone we had scouts, scared of heights, climb a tall vertical pole and jump off at the top, go down the slide at the ArcelorMittal Orbit and another conquer their fear of being on the water go out on a raft they helped build."

Paul Midgley, Market Manager (Trade)



"Knauf supported me with funding petrol mileage for the voluntary emergency blood couriering I complete which supports the NHS in East Kent. I would not have been able to complete 90% of emergency calls without the support of Knauf, which previously was done at my cost. In 2023, Knauf supported a distance of 1169 miles, covering:

- 1 emergency home dialysis sample
- 8 emergency blood restocks
- 5 emergency platelets/plasma restocks
- 7 emergency blood samples "

### Patrick Cantellow, Digital Marketing Manager



"The customer service team went to Rodmersham Village School on a volunteer day, helping our with some gardening within and around the school. We finished building a large wooden gazebo to go outside of the children's library, and also demolished a number of old areas within the playground and made the area safe for the children"

**Rob Flatt, Customer Service Manager** 









# **Eddy's Tour of Britain**

Five years ago, Eddy Clutton (Area Sales Manager) was diagnosed with Multiple Myeloma, an incurable bone marrow cancer. He was treated at Kettering General Hospital to prepare him for his first high dose chemotherapy (melphalan). This was followed by a stem cell transplant in February 2019 at Leicester Royal Infirmary. The treatment was successful and gave Eddy about 24 months of remission. In February 2023 Eddy underwent a second and last melphalan treatment and stem cell transplant. This has been successful and will give him another period of remission, estimated at around 12 to 18 months. Unless new treatments are found, this will be his last ever period of remission. This was Eddy's motivation for setting himself the challenge of an approximate 3,300 mile unsupported "Tour of Britain" bike ride. The tour started on July 29 2023 in Immingham and took around 74 days to complete. The shirt that Eddy wore for the challenge included several company logos who have all also donated to his charities.

By completing this remarkable challenge Eddy raised over £40,000 for the following charities:

- Cancer Research UK
- Kettering General Chemo Club
- Leicester Royal Infirmary Bone Marrow Transplant Unit

We're very proud of what Eddy has achieved in undertaking such a phenomenal journey and a first-class demonstration of Knauf values.

Well done Eddy!

**74** *Days* 

**3300** 

**£40k**Raised







# **Sustainability Champions**

The Sustainability Champions are a voluntary group of people from around the business, representing different departments such as the factory, commercial, technical and marketing teams. We work on projects or issues around the business and aim to improve for all; our mission statement is 'A cross-functional team, championing change to build a more sustainable Knauf'.

The term 'sustainability champion' first came about in 2009 in a book by Bob Willard, who describes sustainability champions as change agents, who act as catalysts for change, establish personal credibility about sustainability, and piggyback sustainability initiatives on existing processes. We aim to create a positive sustainability culture at Knauf UK & Ireland.

In 2023, some of our achievements included:

- Taking part in Recycle Week
- Organising 'Boots to Birdhouses': donating old safety boots to be repurposed into birdhouses for the local community
- Making the toilets in our office gender neutral
- Updating our mental health resources
- Wildlife photography competition for World Wildlife Day
- Wellbeing garden spring clean











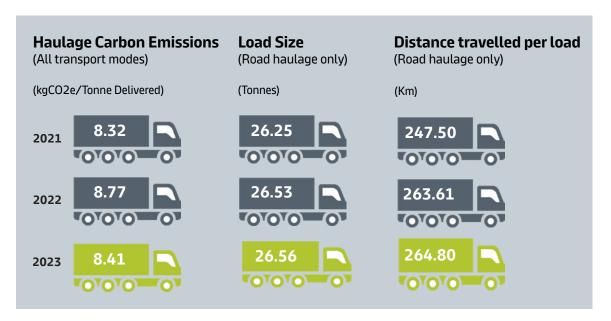
# **Logistics**

Our haulage emissions are currently calculated using standard conversion factors from the UK Government (Greenhouse gas reporting: conversion factors 2023)<sup>1</sup>. The carbon factors for freighting goods increased by 1.5% in 2022, returning to just under the 2021 value in 2023. Where Knauf uses a variety of transport options, from BioLNG trucks, diesel trucks, and train transport, the conversion factors do not always account for the difference in modern vehicle types, or load utilisation.

Our 2023 figure also includes a calculation of 4.55% of our road haulage being via BioLNG with an average emission saving of 96.25%, saving 215,146kg (as per page 27). In 2022 we introduced train deliveries to Scotland (as per page 28) with an average saving of 51% carbon over equivalent road haulage, the full benefits of which we are seeing in 2023, enabling us to deliver to Scotland with a similar emissions intensity to our much shorter average road delivery.

Our work with our haulier partners and our efficiencies in load size demonstrates our commitment to more efficient supply chains with a reduced footprint.

In 2024 we are developing improved reporting systems which account for our use of different fuel and vehicle types, which will reflect a more accurate picture of our carbon footprint.





<sup>&</sup>lt;sup>1</sup> Government conversion factors for company reporting of greenhouse gas emissions

<sup>-</sup> GOV.UK (www.gov.uk)

# Nicholls Partnership

Our haulage partner, Nicholls Transport, have embarked on a journey to use renewable fuel in its fleet of liquified natural gas (BioLNG) trucks. The fleet of 42 trucks runs on biomethane, a renewable natural gas, derived from dry manure which would otherwise be emitting methane into the atmosphere. Instead it is used to produce the biomethane. Nichols Bio-LNG emissions are verified by Renewable Fuel Declarations, produced by the Zemo Partnership, with the trucks continually achieving A+ rating and GHG emissions savings of up to 191% compared to their diesel-powered equivalents.

17% of our haulage with Nicholls in 2023 were using BioLNG, which saved 215,146 kg CO2e compared to diesel<sup>1</sup>.

Nicholls, the 2023 winner of 'The Clean Transport Award' at the Supply Chain Excellence Awards, hold a Bronze Ecovadis rating, also have the only Bio LNG refuelling station in the South East at its Sittingbourne facility, and has also installed photovoltaic cells on the roofs of its office block, workshop and warehouse and now produces enough electricity to power the entire site. It also captures all the rainwater that falls on the site and recycles this to use in its truck wash.

Nicholls continue to invest in BioLNG powered trucks as well as looking at other innovative ways to save emissions, and work in partnership with Knauf to offer efficient haulage options with reduced environmental impacts.

1796
Of haulage with Nicholls using BioLNG trucks

215,146 Kg CO2e saved compared to diesel





 $<sup>^{1}</sup>$  based on 1 gallon of diesel producing 12.17kg CO2 and a diesel truck doing 7.5 miles to the gallon, gas trucks averaging 96.25% saving on CO2e.

# Rail Haulage partnership

Knauf are proud to partner with Eddie Stobart logistics with their pioneering ESL Rail Doncaster to Mossend service, as an alternative method of transport to road haulage. It is the first in the UK to utilise curtain-sided rail boxes for freight transportation, not only offering side loading for enhanced efficiency, but rail reduces carbon compared to road by up to 76%, according to Network Rail<sup>1</sup>, with each freight train taking up to 60 heavy goods vehicles off the roads. The final emission savings are dependent on loading and final miles delivered.

Up to ten loads a day move from our Immingham site to Doncaster and on to Mossend, servicing the majority of Scotland on a day 1-3 basis. Dedicated driver teams have meant we now have specialist knowledge required to make sure the loads are secured and delivered in a safe fashion, and our Logistics, Supply Chain, and Warehouse teams have collaborated on the container design and loading to increase efficiency.

The new service removes on average 43,000 weekly road miles for Eddie Stobart, which translates to removing three hundred road journeys between Yorkshire and Central Scotland each week. In the first year of running the service, Eddie Stobart have generated a saving of around 2 million road miles – that is nearly nine times to the moon. Knauf are proud to have contributed towards this, working in partnership with Eddie Stobart and other like-minded companies to achieve this.

The project was shortlisted for the Rail Business awards for Rail Freight and Logistics Excellence, with Logistics Manager Brian Moran and Rachel Smith, Supply Chain and Business Systems Manager, both attending representing Knauf.

60 HGV's off the road per freight train **2,000,000**Road miles saved by Eddie Stobart





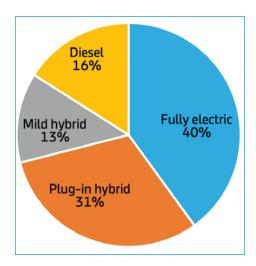
<sup>&</sup>lt;sup>1</sup> Railway Day – freight cuts emissions across Britain – Network Rail

# **Company Car Fleet**

Some of Knauf's teams are field based, visiting customers as part of their role and as such are provided with a company vehicle.

Our company fleet size is 52, of which 40% are fully electric, 31% are plug-in hybrid, and 13% are mild hybrid (electric and petrol) – of which these are due to be renewed in 2024 and move to either plug in hybrid or electric, depending on the driver's choice. 16% are diesel vehicles currently.

Drivers can only order hybrid or electric going forward as part of our commitment to reduce petrol and diesel vehicles.



**60%** decrease litres of diesel used in 2023 from 2022

84% electric or hybrid



# The Circular Economy

In 2023, at our Sittingbourne production site we used a substrate called flue-gas desulphurisation in our production, more commonly known as 'FGD', or synthetic gypsum, a byproduct from power stations, which is commonly used to make plasterboard around the world.

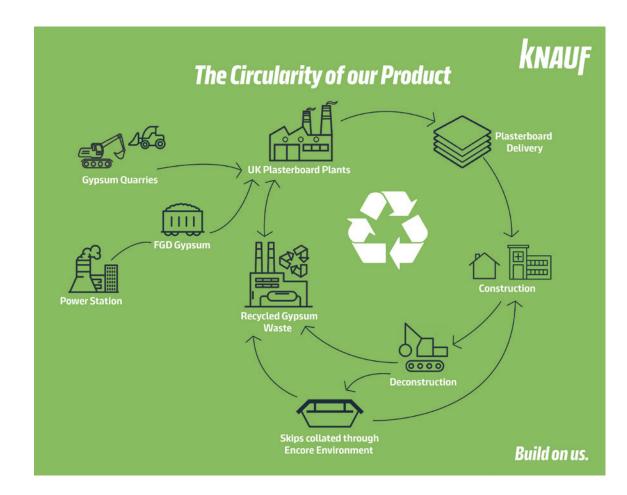
There are both positive and negatives to using FGD, like with most materials. FGD is an alternative to natural gypsum which is a virgin natural resource, and it is a byproduct which avoids it going to waste, and while it decreases the amount of water needed in plasterboard production, it can increase the amount of energy (and therefore emissions) needed for our calcining process.

We also include recycled gypsum in our production. We work with reprocessors like Countrystyle Recycling, located opposite our Sittingbourne plant, who process plasterboard from construction sites back into gypsum that we use in the production of new boards. We continually aim to increase the recycled content in our boards, however this can be affected by many things; quality and availability of recycled gypsum, and technical limits.

As coal-fired power plants around the world are closing, being replaced by renewable energy sources, the amount of available FGD is decreasing so we are increasing our use of recycled gypsum and natural gypsum.

The paper backing used for the front and back of the plasterboard is also made from recycled paper.

**9.1%**Recycled gypsum in our plasterboard production





## **Knauf Plasterboard Take Back Scheme**

We were pleased to launch the Knauf Plasterboard Take Back Scheme in 2023, delivered by our partner Encore Environment, who collaborate with a nationwide network of vetted recycling companies who can provide a total waste management service with additional social value, enhanced reporting and the opportunity to design out waste from the outset – allowing our customers to make the best-informed decisions.



Encore Environment is a waste management consultancy social enterprise, providing total waste management, data and customised solutions to support the construction industry move to zero waste. Their in-house BREEAM assessors offer a unique service with BREEAM compliant data as standard, alongside their extensive nationwide network of vetted waste processors. Encore Environment is ISO 14001 accredited and have recently gained their B-corp status, awarded for high standards of social and environmental performance, accountability and transparency.

Working in partnership with Knauf, they can advise on the data to allow you to make the best-informed decisions in terms of cost, carbon and waste impact, right from the design stage.





Our scheme goes beyond the waste handling process by incorporating comprehensive reporting on both volume and embodied carbon. Highlighted waste hotspots support waste reduction in future projects and substantiates sustainability claims.

Encore's ProjectDIVERT and Waste Wise Kids programmes create additional social value for projects, by supporting education of local children and providing alternative waste disposal routes. These initiatives can be evidenced in a bespoke project social value impact report providing a social enterprise spend value for the project and visual examples of the partnership in terms of carbon saving comparisons.

Find out more and register your site at <a href="https://www.knauf.co.uk/our-services/knauf-take-back-scheme">https://www.knauf.co.uk/our-services/knauf-take-back-scheme</a>



# **Packaging**

In 2023, we made the move to using 30% recycled content in our pallet hoods.

Using less virgin plastic in the production of pallet hoods, whilst still ensuring robust strength and ease of recyclability without being detrimental to the customer was an important motive, for Hannah Wrigley-Stevens, Buyer at Knauf, who was enthusiastic about this change.

"Moving to 30% recyclable content for our pallet hoods strikes the right balance between strength and sustainability. It also shows that we are serious about achieving our sustainability goals. This is something that we feel our customers will care deeply about, given that not only are the hoods made from recyclable content they are themselves recyclable and can be recycled in standard plastic recycling."

We make move to recycled pallet hoods – Knauf

Throughout 2023, we continued on our previous years' efforts to change our products in virgin plastic tubs to those containing at least 30% recycled content. We are pleased that in 2023, we achieved 100% of our ready-mixed products being in recycled content packaging, and we will continue to work on our other products in 2024.

Our commitment to reducing environmental impact of packaging - Knauf





## **Products**

Some of the products within Knauf's portfolio have energy or water saving benefits which can contribute to the whole lifecycle of the project:



### **Airless Finish**



Ready-mixed for reduced water added on site



Reduces working at height risks (can be applied up to 3 meters height from the floor)



<1% waste



Trace silica and VOC's (<0.01%)



## **Knauf Dry Screed Flooring**



Thermal conductivity rating 0.25 W/mK (Brio) 0.31 W/mK (Hugo) and 0.35 W/mK (Gifa FHB) (EN ISO 10456), ideal for increasing efficiency of underfloor heating, reducing ongoing energy demand



### **XPS Laminate Plus Boards**



Provides energy saving through enhanced performance (with a thermal conductivity rating of 0.033 W/mK)

You can find our Environmental Product Declarations (EPDs) on our website



Want to learn more? Contact your local Area Sales Manager <a href="https://">https://</a> www.knauf.co.uk/contact-us

# Case Study – Eden New Bailey

Accredited by BREEAM as Outstanding, Eden New Bailey, a 12-storey 115,000 sq ft office development in Manchester, demonstrates the potential of putting a fabric first approach at the heart of design to achieve net zero operational carbon.

This ambitious goal included one of the biggest green wall façades in Europe to enhance biodiversity, high performance building envelope with low embodied carbon, and being the first commercial new build in the UK to achieve 5.5 stars design reviewed target Nabers rating. As such, it was imperative the products specified were both high performing and meeting the criteria of the certification schemes to meet the demands of the brief.

The project posed the challenge of balancing performance on site with the long-term sustainability goal, which meant the team prioritised suppliers who could demonstrate a commitment to sustainability within their supply chain. Neil O'Toole, sub-contractor for Linear Projects elaborates: "Given the aim of the project, we needed to use specialist products. This combined with the familiarity we had with Knauf meant that they were specified for use within the building itself." Rahul Vishwakarma, the architect for the project from Make Architects continues. "Knauf offered guidance not just on their own products but on overall wall build ups which assisted in making design decisions. Furthermore, we found that their sustainability credentials aligned with the project."

The specialist products used included Knauf Shaftwall. Designed to meet fire safety requirements and building codes, Shaftwall provides high levels of fire protection, enhancing the level of safety within the building for occupants. Using Knauf Shaftwall also allows for greater space optimisation, by allowing for the creation of fire-rated vertical shafts, including elevator or stairway enclosures and horizontal shafts for electrical and plumbing services. What made Knauf Shaftwall really stand out for Rahul though was the versatility it offered. As he explains: "Knauf Shaftwall was perfect for use on this project because it can be adapted to different building designs and configurations. Giving us much greater flexibility in terms of the build-up and layout, thus allowing us to customize the system to meet the specific needs of the project. That it is durable and long-lasting was an additional benefit."

A range of Knauf High Performance Plasterboard was used to meet the acoustic requirements of the office space. Knauf Soundshield Plus and Performance Plus were used to ensure a quieter more comfortable working environment and to provide Knauf Performer wall types as partitions throughout the building. Furthermore, Knauf boards contain Recycled Gypsum along with Natural and FGD gypsum to form a strong core and system performance.

Knauf ready-mixed compounds also provided a sustainable addition to the products used; not only did they reduce the amount of water that needed to be introduced into the build, but also reduced the amount of waste produced as any unused product can be put back into the bucket and used for another project.

Read the full case study at Environment at the heart of Eden A3 Bailey - Knauf

**Architect: Make Architects** 

Main Contractor: **Bowmer and Kirkland (B & K)** 

Subcontractor: Linear Projects

Products used: Knauf Performer / Shaftwall / Wall

**Liner / MF ceilings / Knauf Encasements** 





# **Biodiversity**

In December 2023, Knauf carried out a Biodiversity Action Plan at our Sittingbourne and Immingham production sites, in accordance with the Chartered Institute of Ecology and Environmental Management (CIEEM) guidelines and BS 42020:2013.

Our action plan provides us with the strategic framework and road map to implement biodiversity improvements at our sites.

The plans include that an ecological baseline survey will be carried out in 2024, to identify the habitats and species present to create a site management plan.

















# **Compliance**

We are pleased to be recognised in the UK by numerous certification and accreditation bodies for our products and processes, as well as following policies across a broad range of topics across our supply chain.

Both of our production sites are ISO 14001 certified for our Environmental Management Systems. This internationally recognised ISO standard shows we are taking proactive measures to minimise our environmental footprint (through efficient use of resources and reduction of waste), comply with legal requirements, and achieve our environmental objectives, demonstrating our commitment to sustainability.

Our ISO 9001 standard recognises our commitment to quality, and our ISO 45001 demonstrates our occupational health and safety management. The ISO 50001 provides our efficient energy management framework.

We also hold BES 6001 certification for responsible sourcing, demonstrating our supply chain management and product stewardship.

View our latest certification: Certification and Accreditation | Knauf - Knauf

### You can find our most up to date policies on:

- Real Living Wage
- Social Responsibility & Business Ethics Policy
- Supplier Code of Conduct
- Modern Day Slavery Statement
- Sustainability Policy
- **Energy Statement**
- Safety & Wellbeing
- **Environmental Policy**

At our website: Our Policies - Knauf







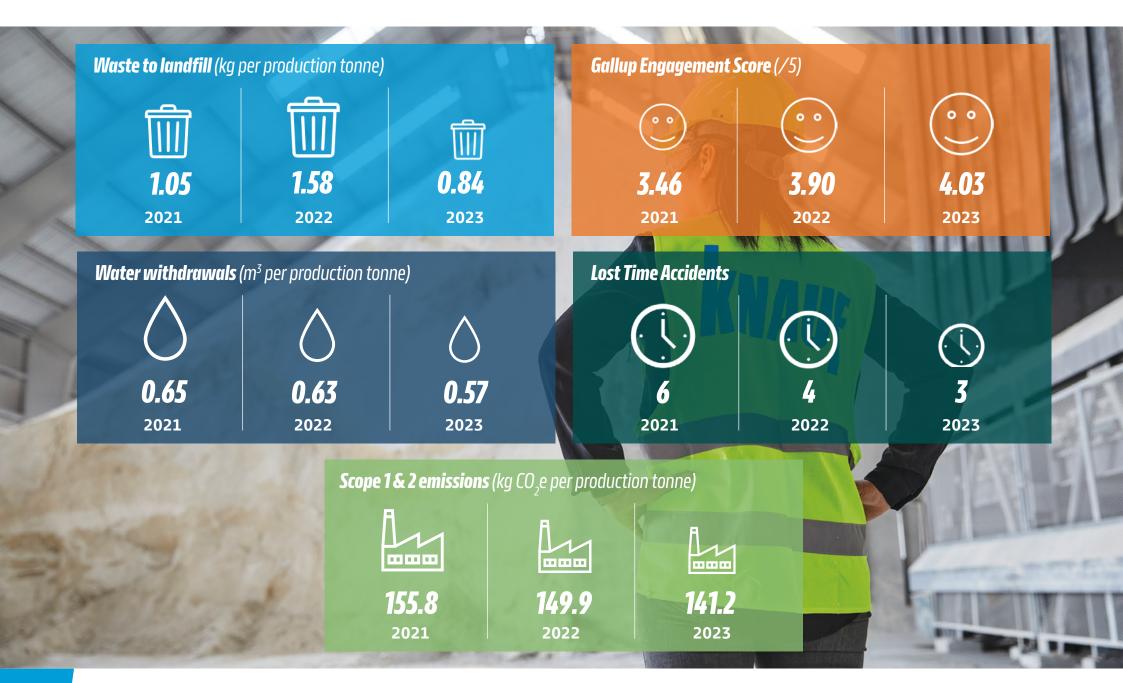
ISO 9001 ISO 14001 Environmental Management

Management CERTIFIED

ISO 45001 Health and Safety Management CERTIFIED

ISO 50001 Management CERTIFIED

# Three-year progress snapshot





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Creation Date: 17/07/2024 Revision Reference: 001 Revision Date:17/07/2024

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**Build on us.**