O·C·O TECHNOLOGY

SUSTAINABILITY REPORT 2023–2024

THE KING'S AWARDS FOR ENTERPRISE
SUSTAINABLE DEVELOPMENT
2024

oco.co.uk

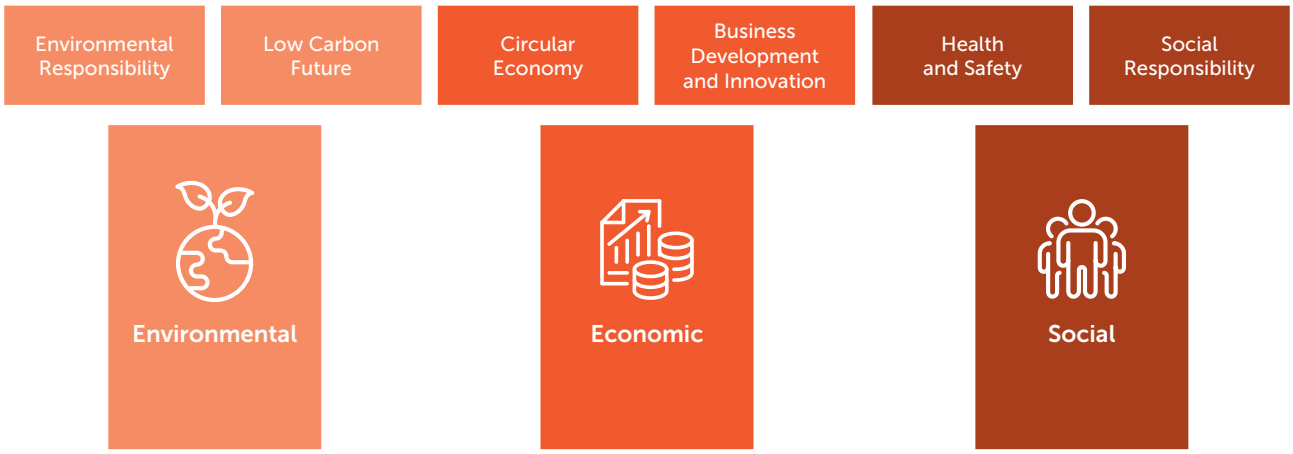
Executive Summary

What an incredible year it has been for us!

Firstly, we were delighted to win the National Sustainability Award for Carbon Capture & Storage.

Then we were nothing short of ecstatic to be the recipients of the much coveted King's Award for Enterprise in Sustainable Development.

So here is our fifth sustainability report. Our three pillars of sustainability: environmental, social and economic, continue to support our six key themes to structure our ongoing sustainability action plans and reporting:



2023/24 was all about growth, with us forming O.C.O Technology Group Ltd and O.C.O International Ltd. We formed Biscay Eco Aggregates together with our partners Petronor in Spain, and we look forward to building a new facility in Bilbao. We formed O.C.O Technology Australia PTY Ltd, and continue to work with our long term collaborators in Japan, launching a new brand 'Carbonel' to promote the technology.

The UK business has continued to grow, with a record amount of waste recycled and aggregate produced. All the while we have continued to maintain very high standards in our environmental and health and safety performance, and most importantly keep our ever growing team happy and healthy.

As a business we are looking forward to yet another prosperous year.

Steve Greig Group CEO

Business Development and Innovation

Protect, develop, and secure the business by exemplary compliance, continual improvement, and innovation

New UK site at Wretham, Norfolk

O.C.O Technology Group formed

Biscay Eco-Aggregates (BEA). New joint venture

Kobelco Eco Solutions - new 'Carbonel' brand

Business Development

Our business continued to grow this year with an increase in production output (see figure No.1) This has been greatly aided by the commissioning of our new UK facility at Wretham in Norfolk.

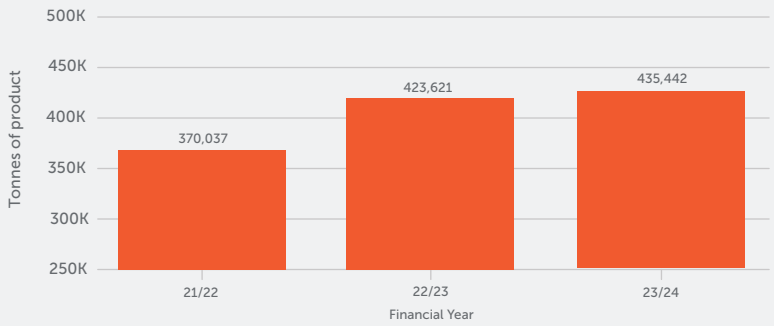
Our international growth has continued as we develop existing projects in Spain with the creation of a joint venture company, Biscay Eco Aggregates, with Petronor.

We have continued to promote our technology in Japan with our partners at Kobelco Eco Solutions, and have created a new brand 'Carbonel' [LINK].

We formed O.C.O Technology Group Ltd as a parent company to the many subsidiaries we are creating.

This year we formed a partnership with Total Aggregates Ltd to market a carbon friendly construction product called ReCO2, which combines O.C.O's Manufactured LimeStone with natural limestone.

Figure No.1 Aggregate production



Business Development and Innovation

Quality

Policies, processes and procedures to achieve business objectives

Quality of our product is paramount to our business.

Our aggregate product is tested against BS standards and in accordance with our End of Waste specification. The number of tests we carry out exceeded those required as we strive to maintain the highest standards (see Figure No.2).

This year the number of non-conformances per 1000 tonnes aggregate was 0.30 (see Figure No.3). This is almost half that of last year, and overall represents nearly a 75% reduction in three years.

We continue to be certified to ISO 9001 for quality management.

Figure No.2 Aggregate tests completed compared to number of tests required

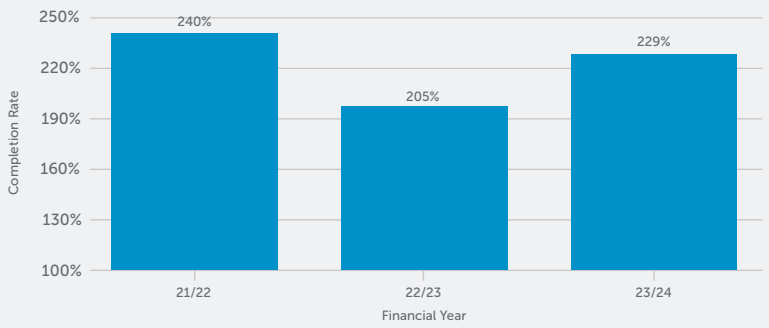
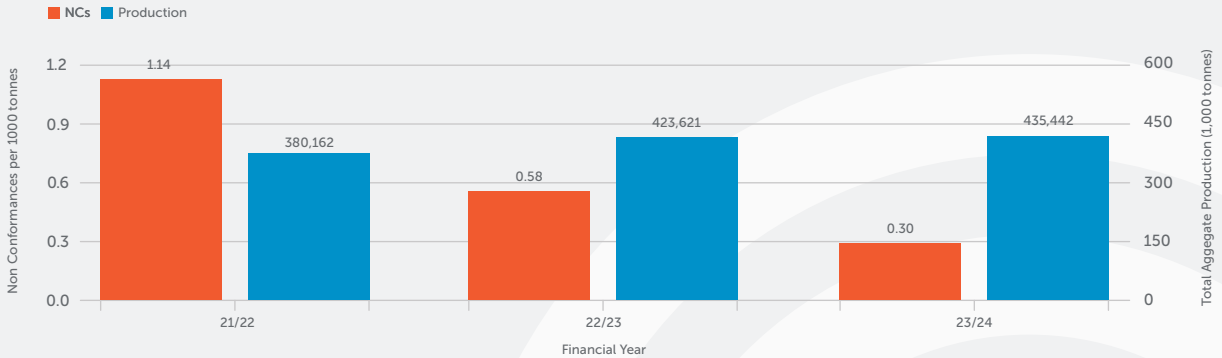


Figure No.3 Non-conformances and Aggregate Production



Business Development and Innovation

Innovation and R&D

Our business is built around the innovative process that allows waste materials to be treated to create carbon negative products.

R&D has remained a priority, consuming nearly 4% of our annual gross profit. Research includes developing enhanced products and harnessing direct from flue gas carbon dioxide capture.

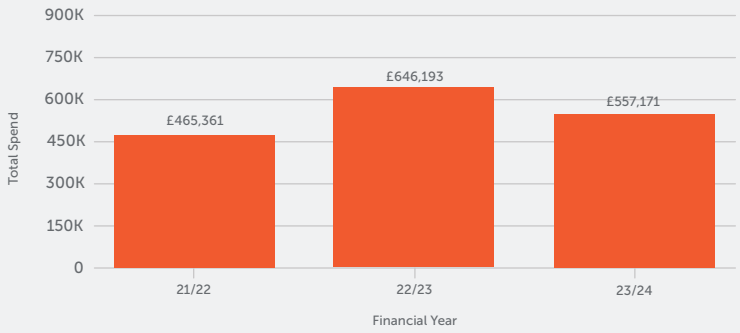
Our new £250k R&D laboratories at our Avonmouth site are now complete. This is enabling us to do more quality testing and even more cutting edge research.

O.C.O continues to collaborate to develop the use of our M-LS aggregate in low carbon asphalts and concretes. As part of our collaboration with Aggregate Industries, a new low carbon asphalt product called 'Foamix Eco' has been launched [LINK].

The laboratory continues to test a wide variety of new materials as potential feedstocks for our factories. This includes waste materials that can be valorised as our Manufactured LimeStone (M-LS) aggregate.

International project support is a major part of our R&D program, including the pjojects in Australia, Spain, Japan and the USA.

Figure No.4 Total R&D Spend



£250k state of the art laboratory

Evaluating new UK feedstocks

Supporting international development

Developing process enhancements

Over 100 projects completed

Group C.E.O Steve Greig meets King Charles III at the King's Award ceremony

O.C.O continues to be at the forefront of carbon mineralisation

Business Development and Innovation

Transport

Responsible management of transport

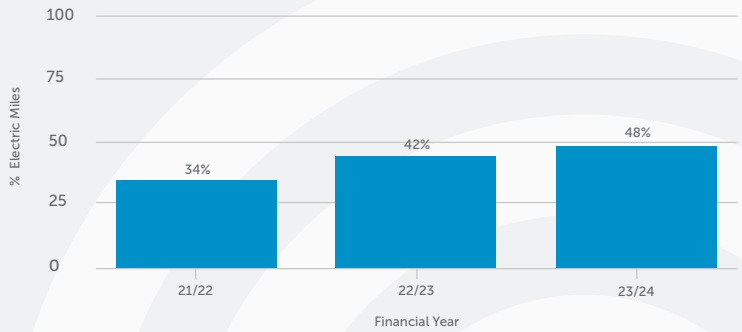
Haulage of raw materials into the business is mostly carried out by the material suppliers themselves together with Grundon Waste Management Ltd, who have a carbon neutral truck fleet including new tankers carrying biogenic CO_2 from suppliers including The Carbon Removers.

To ensure that hauliers are following best practice, they are encouraged to be certified to FORS (the Freight Operator Recognition Scheme). Currently, 87% of hauliers are certified; an increase of 11% compared to the previous year.

Gold	Silver	Bronze	Total
8%	33%	46%	87%
(-5%)	(+20%)	(-4%)	(+11%)

We have also introduced a target to increase year on year the percentage of contracted outgoing haulage loaded to 90% or above of load capacity to minimise the transport impacts; this year 80.1% of loads met this target, which is slightly lower than the 82.8% achieved last year. But the average delivery distance decreased from 59.4 miles last year to 40.8 miles this year. O.C.O continues to strive to minimise transport.

Figure No.5 Electric vehicle usage



Employee business mileage averaged 381 miles per 1000 tonnes aggregate. This is a slight increase compared to last year (359 miles per 1000 tonnes). However, O.C.O has invested in a number of electric vehicles, which now accounts for 48% of the total business mileage.

Circular Economy

Resource Use – Efficient Use of Constituent Materials

Protect natural resources by efficient use of constituent materials, maximising recovery, reuse and recycling

Over seventy-six percent of our M-LS aggregate constituent materials are recovered, recycled or by-products. This has steadily increased over the past three years. By using these materials, we are safeguarding virgin materials for the future and avoiding the environmental impacts associated with their production processes.

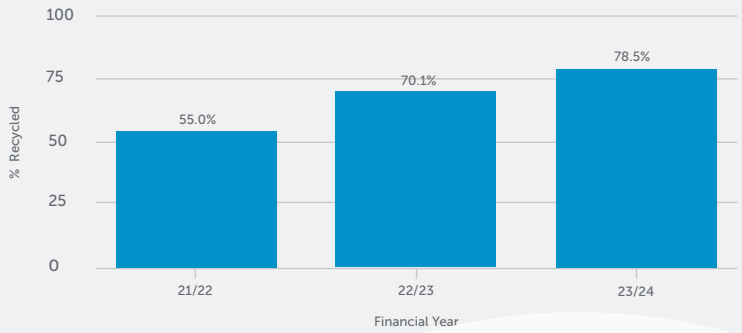
The energy from wastes residues that comprise around 50% of our constituent material is typically destined for landfill. By recycling this material, O.C.O enables these facilities to achieve 100% recycling of all their residues.

The business recycled over 188,000 tonnes of waste, which is almost an 8% increase over the previous year.

Work continues to increase the extent and range of recovered and recycled materials used in our production process. The company now uses lower carbon cements (CEMII) as well as carbon dioxide from a biogenic source.

Through extensive trials and testing, new materials such as crushed concrete and steel slag residues have been incorporated into the process as substitutes for natural materials.

*Figure No.*6 Percentage of constituent materials recycled



Waste Prevention and Waste Management

Minimise waste and avoid landfill

We are a net user of waste with, as noted above, the majority of our process inputs comprising recovered, recycled and by-product materials.

This year we recycled nearly 190,000 tonnes of wastes that would have otherwise been destined for landfill.

A small amount of waste arises from maintenance and administration activities, of which 96.3% was recycled.

Figure No.7 Waste Inputs

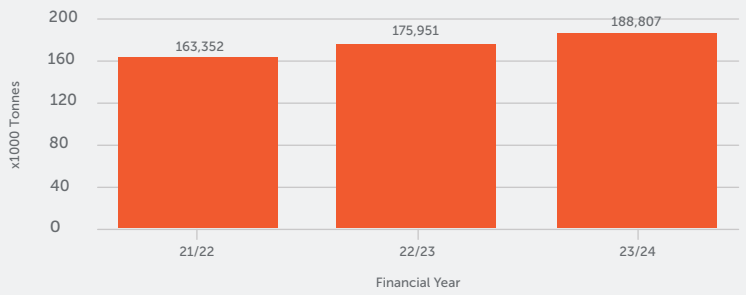
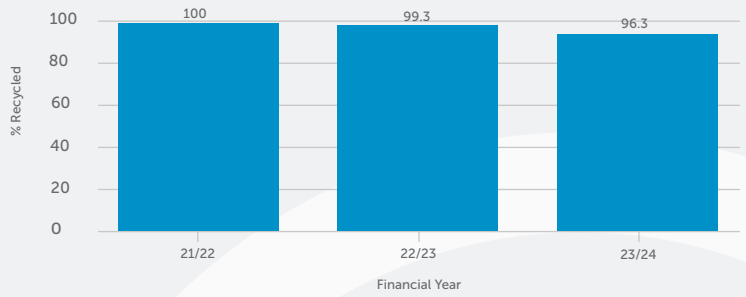


Figure No.8 Waste Recycling



Environmental Responsibility

Environmental Management

Maintain exemplary environmental performance

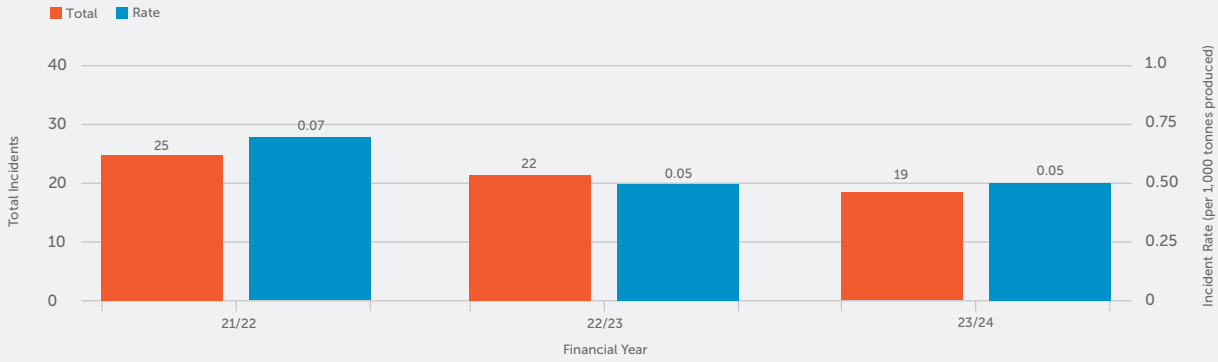
All our sites hold Compliance Band B classification or higher from the Environment Agency. According to the EA, sites in compliance bands A and B have demonstrated an expected level of permit compliance.

During the year, nineteen incidents were reported internally. These were all minor events involving small amounts of dust release.

This is a slight decrease compared to the previous year, and the overall environmental incident rate was maintained at 0.05 per 1000 tonnes of product manufactured.

All incidents were contained in the controlled permitted areas within the sites. Over 8,000 deliveries were completed without any issues.

Figure No.9 Environmental incident rates



Environmental Responsibility

Water

Minimise water usage & using captured water where practicable

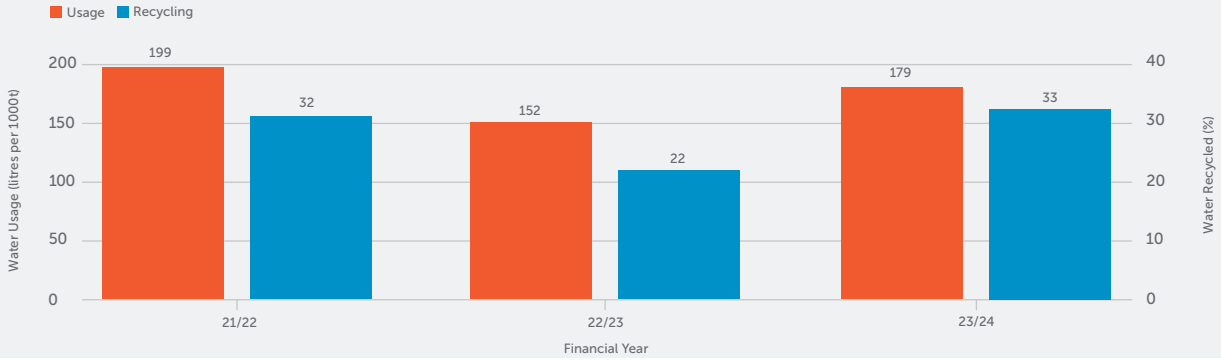
Our biggest use of water is in the manufacturing process for which it is an essential ingredient. Some water is also used for dust suppression and in the offices at each site.

We harvest rainwater at all three plants and are working to maximise the use of this and minimise the use of both mains water and abstracted borehole water.

Water plans have been prepared for all three sites enabling better understanding of flows, usage and any additional metering required.

Using estimates from flow rates, total consumption of water this year was 179 litres/ tonne aggregate produced, which is an increase compared to last year at 152 litres/ tonne. However, the amount of recycled water used increased from 22% last year to 33% this year.

*Figure No.*10 Water usage & recycling



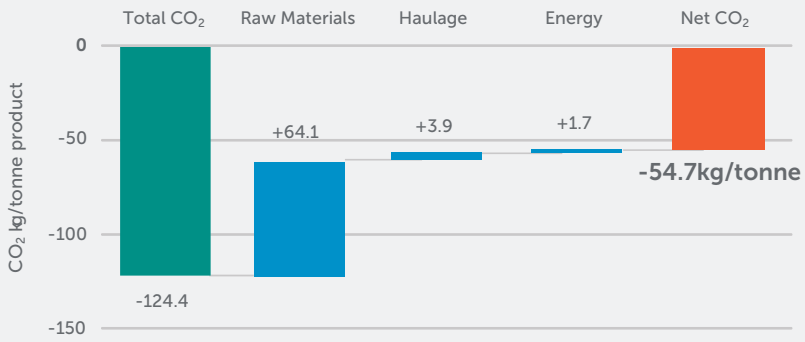
Low Carbon Future

Maximise carbon capture and minimise CO_2 emissions from raw materials and energy

Nearly twenty thousand tonnes of CO_2 were captured in our aggregate this year, as calculated by using the verified EPD carbon footprint of -54.7 kilograms CO_2 per tonne of aggregate produced and our production of 423,621 tonnes aggregate.

The breakdown of the carbon footprint is shown in *Figure No.11* below.

Figure No.11 Carbon Footprint Summary



Raw materials are the main source of embedded CO_2 with the greatest intensity coming from the relatively small amount of cement that is used. Low clinker cements are now being used at all three sites. All sites are now using biogenic liquid CO_2. from suppliers including The Carbon Removers. These changes, together with an overall increased use of recycled materials has reduced the overall impact by 20%.

Wherever possible we minimise the haulage of incoming raw materials by using suppliers who are closest to each of our sites. We apply the same principle to the distribution of our aggregate.

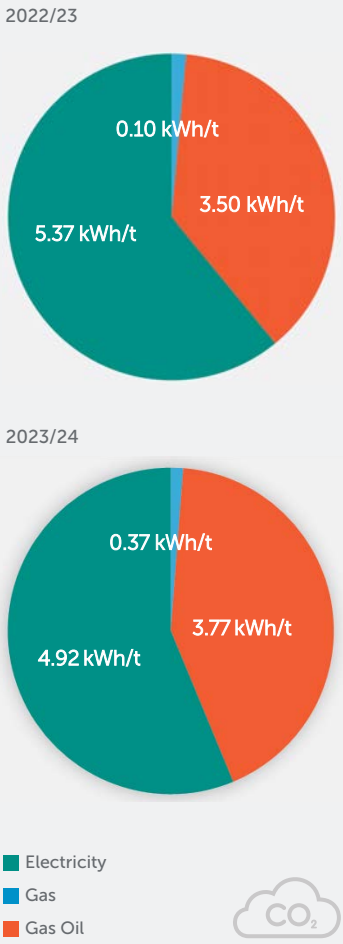
Though energy is a relatively small component of our CO_2 footprint, it is one that we manage and seek to minimise. Our main source of energy is electricity, which is now obtained from renewable sources. Gas oil is our second largest energy source being used by vehicles on site. Gas is used for heating the offices at Leeds. *Figure No.12* shows the analysis of energy consumption.

Energy use is monitored and discussed in monthly team meetings. The company has a perpetual management target to reduce energy consumption, by continual investment in process improvements to increase efficiency. Solar panels have been installed at Leeds and Avonmouth, as well as our new Wretham site.

O.C.O continues to offer high quality carbon credits via the Puro.earth registry. Major corporations such as Microsoft and Swiss Re are using these to help meet their carbon reduction targets.

We were also the proud recipients of the National Sustainability Awards 2023 for Carbon Capture & Storage.

Figure No.12 Analysis of energy consumption across all four plants



Health and Safety

Continuous Improvement to health and safety performance

The health and safety of all involved with the business is our highest priority.

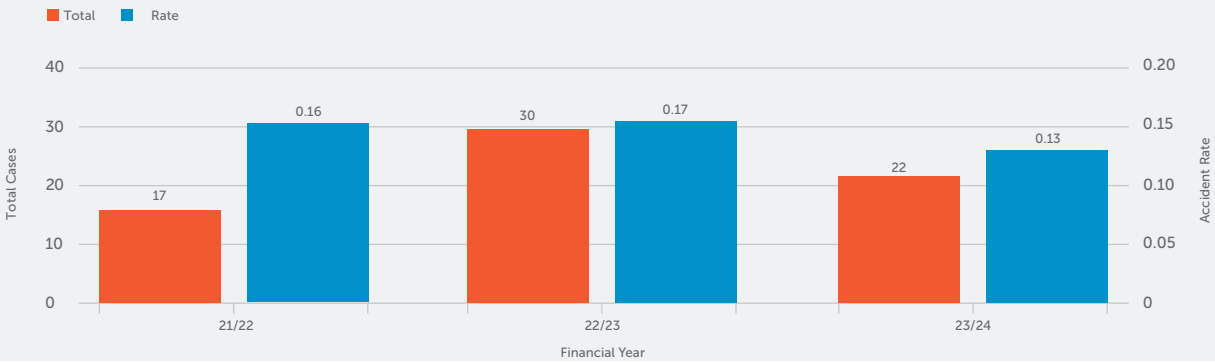
The total number of accidents this year was 22, the vast majority being simple first aid treatment cases. The accident frequency rate of 0.13 accidents per 1000 hours worked is lower than the previous year at 0.17.

We strive to have everyone in the business engaged with our health and safety systems. All sites have elected employees acting as representatives for health and safety for their teams. Committees meet each month to discuss opportunities and share best practice.

The company also continues to have regular health and safety surveys to ensure employee views are captured, and actively encourages and rewards staff suggestions.

The business has maintained a clean bill of health from its annual ISO 45001 audits, with no non-conformances or opportunities for improvement.

Figure No.13 Health & Safety



Social Responsibility

Staff Engagement

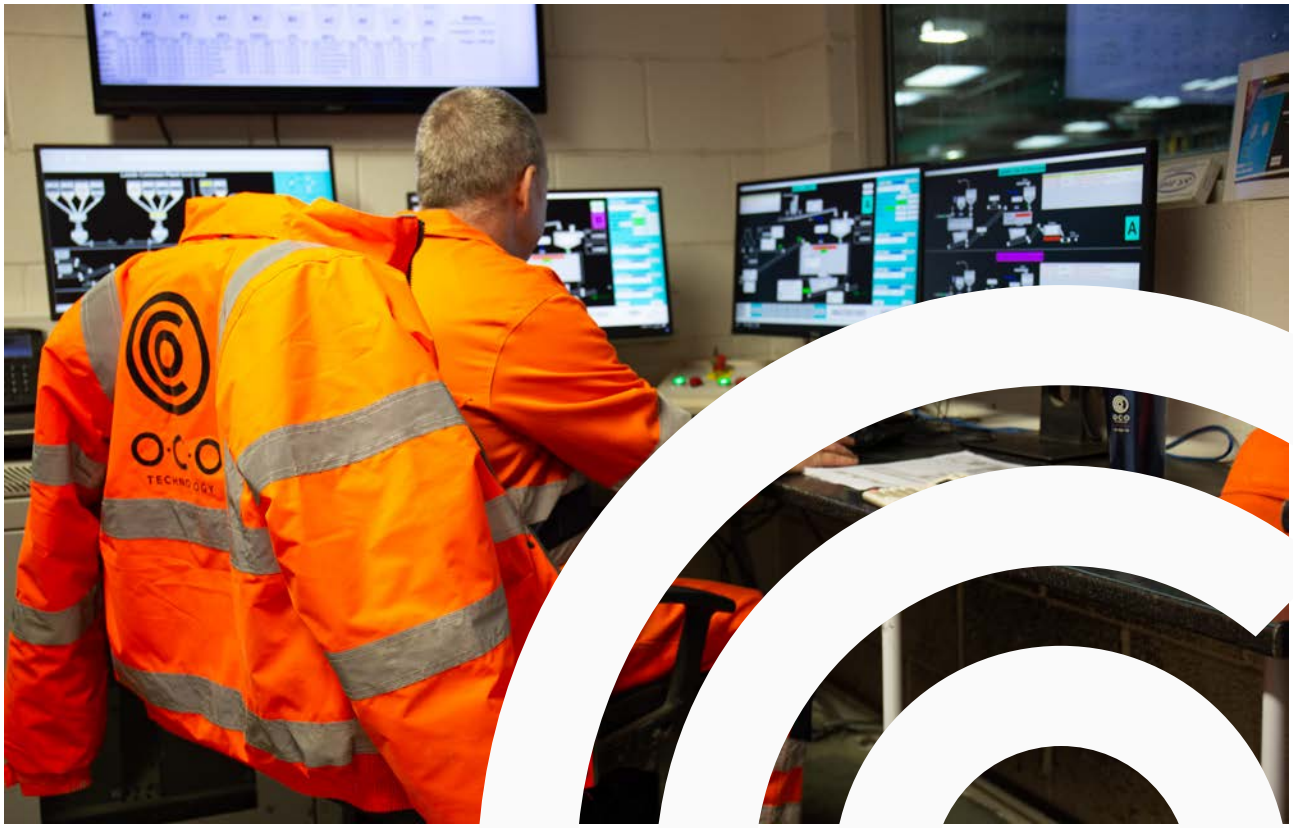
Staff to be positively engaged with the business

The annual survey was undertaken to help understand the views of staff about the Company. The response rate was 96% and valuable feedback was gained, identifying strengths and some areas for improvement. More than three quarters of those participating felt O.C.O is a great place to work and would recommend a us to friend.

The staff engagement scores remain positive. We continue to support and develop our teams through training and upskilling.

	21/22	22/23	23/24
I am proud to work at O.C.O	8.26	8.00	7.99
I plan to be working here in a year	8.45	7.66	7.91
I would recommend O.C.O to a friend	7.98	7.66	7.71
Overall O.C.O is a great place to work	7.98	7.69	7.72

1 LOW – 10 HIGH



Social Responsibility

Community and Engagement

Achieve stronger connections with external communities

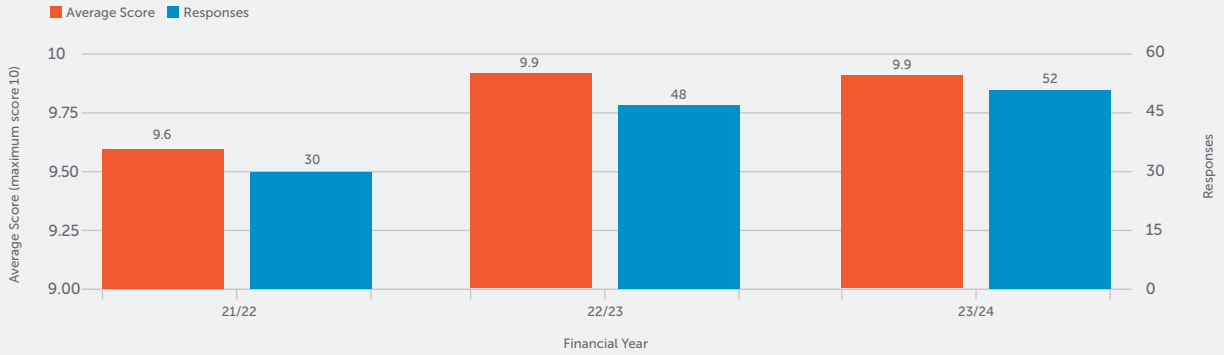
We operate a system to record and act upon any complaints from the local community; this year six complaints were received.

Feedback forms are provided to site visitors – the average summary score from the 52 completed questionnaires was 9.9 (on a scale of 1 – 10, with 10 being the highest level of positive feedback). This is an improvement over the previous year, when 48 responses gave an average score of 9.9.

External communications have been maintained this year; news stories have been routinely posted on the O.C.O website to improve communication with external stakeholders and several of these stories have been re-published externally. The business is also developing a social media strategy.

O.C.O have sponsored The Last Ride project, which aims to develop a greater understanding of climate change, showcase the beauty and fragility of our world, and most importantly share innovative and actionable strategies to preserve it [LINK].

Figure No.14 Stakeholder feedback



Social Responsibility

Employment and Skills

Training programmes that equip staff to excel in their role and develop their full potential

Last year, O.C.O introduced a new training system, HandsHQ, to assist in the management of role specific training, for new starters and refreshers for existing staff. The system provides numerous e-learning packages on core topics including manual handling, equality and diversity, mental health, and driver awareness.

We have started producing our own e-learning packages, to help educate our team about topics specific to the Company. We introduced an apprenticeship scheme, and several members of the team have enrolled. A number of employees have successfully completed professional development qualifications including NEBOSH and CIMA.

2,279 training hours were completed this year including both internal and external provision. This is a slight increase over the previous year. See figure No.13.

When asked about skills and development in the employee engagement questionnaire, all respondents agreed that they had the skills to do their job well. When asked if they received sufficient training to be competent in their role, 89% of respondents agreed they had. More than three quarters of respondents felt they had opportunities to develop and/or progress in their careers (see *figure No.14*).

Figure No.13 Training Hours

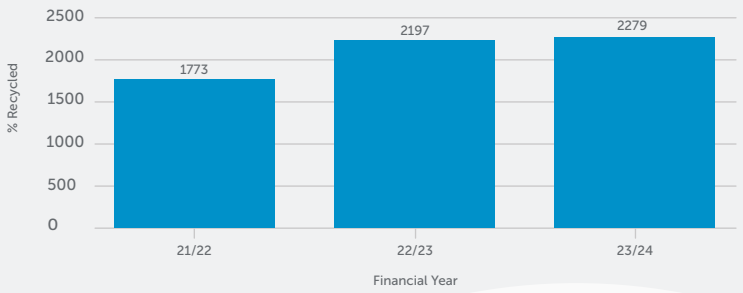
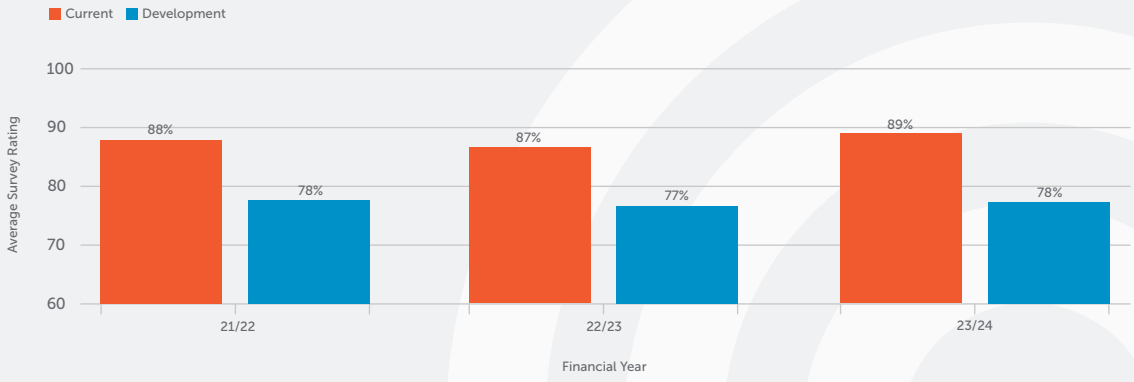


Figure No.14 Employment skills and development



United Nations Sustainable Development Goals

	**GOAL 1:** NO POVERTY	Economic growth must be inclusive to provide sustainable jobs and promote equality.
	**GOAL 3:** GOOD HEALTH AND WELL-BEING	Ensuring healthy lives and promoting the well-being for all at all ages is essential to sustainable development.
	**GOAL 4:** QUALITY EDUCATION	Obtaining a quality education is the foundation to improving people's lives and sustainable development.
	**GOAL 5:** GENDER EQUALITY	Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world.
	**GOAL 6:** CLEAN WATER AND SANITATION	Clean, accessible water for all is an essential part of the world we want to live in.
	**GOAL 8:** DECENT WORK AND ECONOMIC GROWTH	Sustainable economic growth will require societies to create the conditions that allow people to have quality jobs.
	**GOAL 9:** INDUSTRY, INNOVATION, AND INFRASTRUCTURE	Investments in infrastructure are crucial to achieving sustainable development.
	**GOAL 10:** REDUCED INEQUALITIES	To reduce inequalities, policies should be universal in principle, paying attention to the needs of disadvantaged and marginalized populations.
	**GOAL 11:** SUSTAINABLE CITIES AND COMMUNITIES	There needs to be a future in which cities provide opportunities for all, with access to basic services, energy, housing, transportation and more.
	**GOAL 12:** RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production patterns
	**GOAL 13:** CLIMATE ACTION	Climate change is a global challenge that affects everyone, everywhere.
	**GOAL 15:** LIFE ON LAND	Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss.

O·C·O TECHNOLOGY
CARBON CAPTURED

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