



SVC Products Sustainability Charter

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1. Introduction to SVC's Sustainability Charter

Our vision is to be a leader in environmental sustainability within the precast concrete industry in Australia. We are committed to minimising our impact on the environment through adopting long-term sustainable actions across our business operations.

Mission Statement

Our vision is to be a leader in environmental sustainability within the precast concrete industry in Australia.

We are committed to minimising our impact on the environment through adopting long-term sustainable thinking across our business operations. These include, reusing, repurposing and recycling wherever we can, embracing new technologies and innovation - while mitigating negative environmental impacts and continuously evaluating and improving our environmental management system.

Our short-term priorities include a focus on implementing our Sustainability Charter, establishing baseline environmental metrics for carbon emissions, renewable energy, water consumption and waste production, in order to establish appropriate reduction targets moving forward.

Our medium-term goals are to undertake research, design and testing of new technologies and approaches to precast concrete manufacturing, while working closely with our stakeholders and the wider industry to contribute to sustainable development outcomes in the regional, and global precast concrete industry.

In the long-term, our mission is to significantly reduce our carbon footprint and achieve carbon neutrality as a business, while embracing circularity across our value chain, giving-back to environmental restoration projects and positively influencing our suppliers and customers to mitigate our indirect environmental impacts.

1.1 Introduction to SVC's Sustainability Charter

The SVC Products (SVC) Sustainability Charter defines our commitment to minimising the environmental impact of both our day-to-day business operations and our medium to long-term impacts.

This is our holistic strategy which sets out our sustainability mission. It outlines our approach to continual improvement and the prevention of pollution and environmental degradation.

Our Charter is supported by risk-based thinking in order to take a proactive approach to managing our sustainability related risks, opportunities, targets and objectives.

Industry context

Concrete is the second most used material on earth (after water) - and makes up around 8% of global carbon emissions - more than triple the emissions from aviation fuel (Goldman Sachs, 2021).

Yet a sustainable approach to concrete manufacturing extends beyond just thinking about carbon and must consider the end-to-end environmental impacts, which should have low embodied energy, be produced with minimal waste by-products, be durable, consist of a high thermal mass and incorporate recycled aggregates wherever possible (ASCE, 2008).

Concrete production and the industry as a whole must continue to evolve and innovate to account for both short and long-term environmental impacts. We therefore recognise this responsibility and opportunity to help lead the way in sustainable concrete manufacturing in Australia.

A Glossary of Terms for the Charter is outlined in Appendix 1.

1.2 Objectives of the Charter

Our Objective is to outline and enhance our environmental performance. We have and will continue to do this through a range of strategies, such as efficient use of natural resources and the reduction of waste.

Our approach and timeframes for achieving our objectives will assist us in growing our circular approach to business. This in turn will integrate our life-cycle thinking throughout our operations, with an aim to enhance both internal and external communication in relation to our sustainability objectives.

1.3 SVC's Sustainability Principles

This Sustainability Charter reflects SVC's core values of trust, experience, innovation, approachability, excellence, accountability, imagination, customer-focus, dedication and integrity. The sustainability-specific principles that underpin this Charter include:

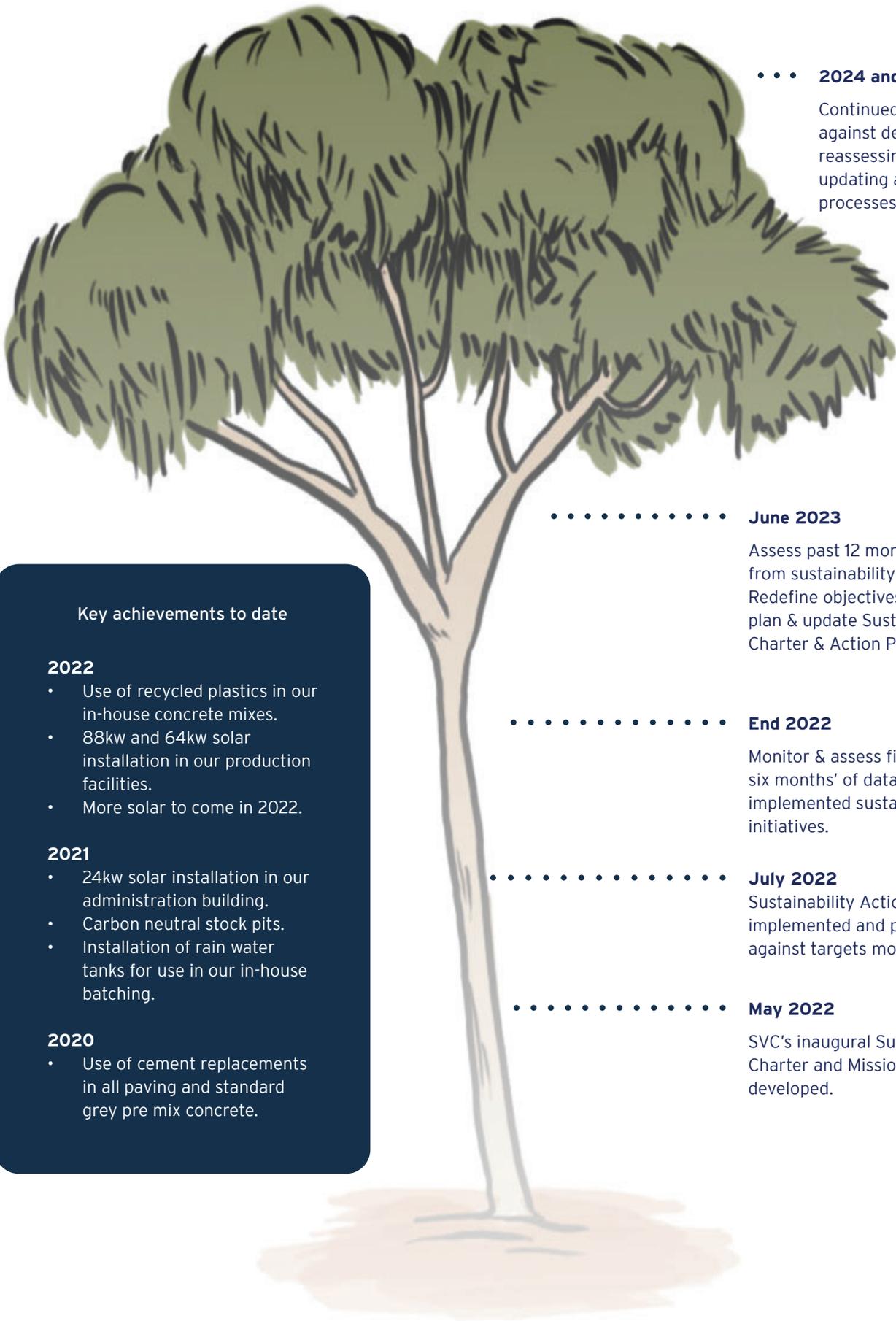
- **Sustainability** - We think carefully about the raw materials we use in our manufacturing process and seek to reuse, repurpose and/or recycle our materials, products and waste wherever possible.
- **Partnership** - We are committed to sharing our progress openly with all our stakeholders and the wider industry to help share challenges, learnings and opportunities for the wider benefit of the community and industry.
- **Agility & Quality** - Our products are designed and manufactured with durability and longevity in-mind. We consider our products end-of-life and actively plan to minimise their environmental impact.
- **Innovation** - We constantly seek to explore innovative and new technologies and approaches to sourcing materials and manufacturing our products. We seek to be at the forefront of sustainable trends and development in precast concrete.
- **People** - We are open-minded and value collaboration across our business operations from our suppliers, to our clients, employees and wider-industry stakeholders, we work closely with others to achieve our sustainability mission and help contribute to building a

better world for future generations.

- **Education** - We promote a culture of learning by encouraging our employees to upskill and to stay up to date with industry changes and technical knowhow. We do this so that we can share our expertise and provide a reliable source of information.
- **Integrity** - Our integrity fuels our purpose and drives our commitment. We are committed to transparency and believe that everyone should be given a voice to express their ideas to help create success.



SVC's sustainability journey...



• • • **2024 and beyond**
Continued progress against defined objectives, reassessing targets and updating actions and processes as required.

• • • • • • • • • • **June 2023**
Assess past 12 months' data from sustainability objectives. Redefine objectives for 2-year plan & update Sustainability Charter & Action Plan.

• • • • • • • • • • **End 2022**
Monitor & assess first six months' of data from implemented sustainability initiatives.

• • • • • • • • • • **July 2022**
Sustainability Action Plan implemented and progress against targets monitored.

• • • • • • • • • • **May 2022**
SVC's inaugural Sustainability Charter and Mission Statement developed.

Key achievements to date

2022

- Use of recycled plastics in our in-house concrete mixes.
- 88kw and 64kw solar installation in our production facilities.
- More solar to come in 2022.

2021

- 24kw solar installation in our administration building.
- Carbon neutral stock pits.
- Installation of rain water tanks for use in our in-house batching.

2020

- Use of cement replacements in all paving and standard grey pre mix concrete.

2. Identifying sustainability-related risks, material issues & opportunities

2.1 Identification of sustainability-related risks

SVC has identified and assessed several sustainability-related risks that are relevant to the development of this Charter and SVC’s wider business operations.

These are recorded in our Environmental Impacts & Aspects register which is reviewed at various levels across the business. Actions to address Impacts are monitored and reported monthly to the Executive team and Board.

Figure 1 - Roles & responsibilities

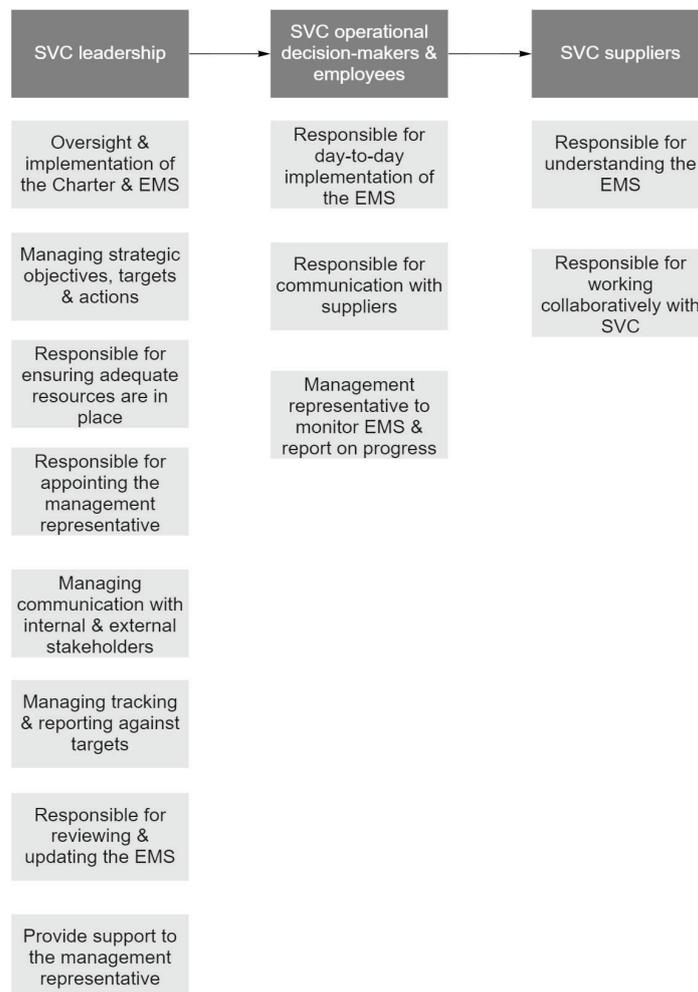


Figure 2 - The 'Plan' phase

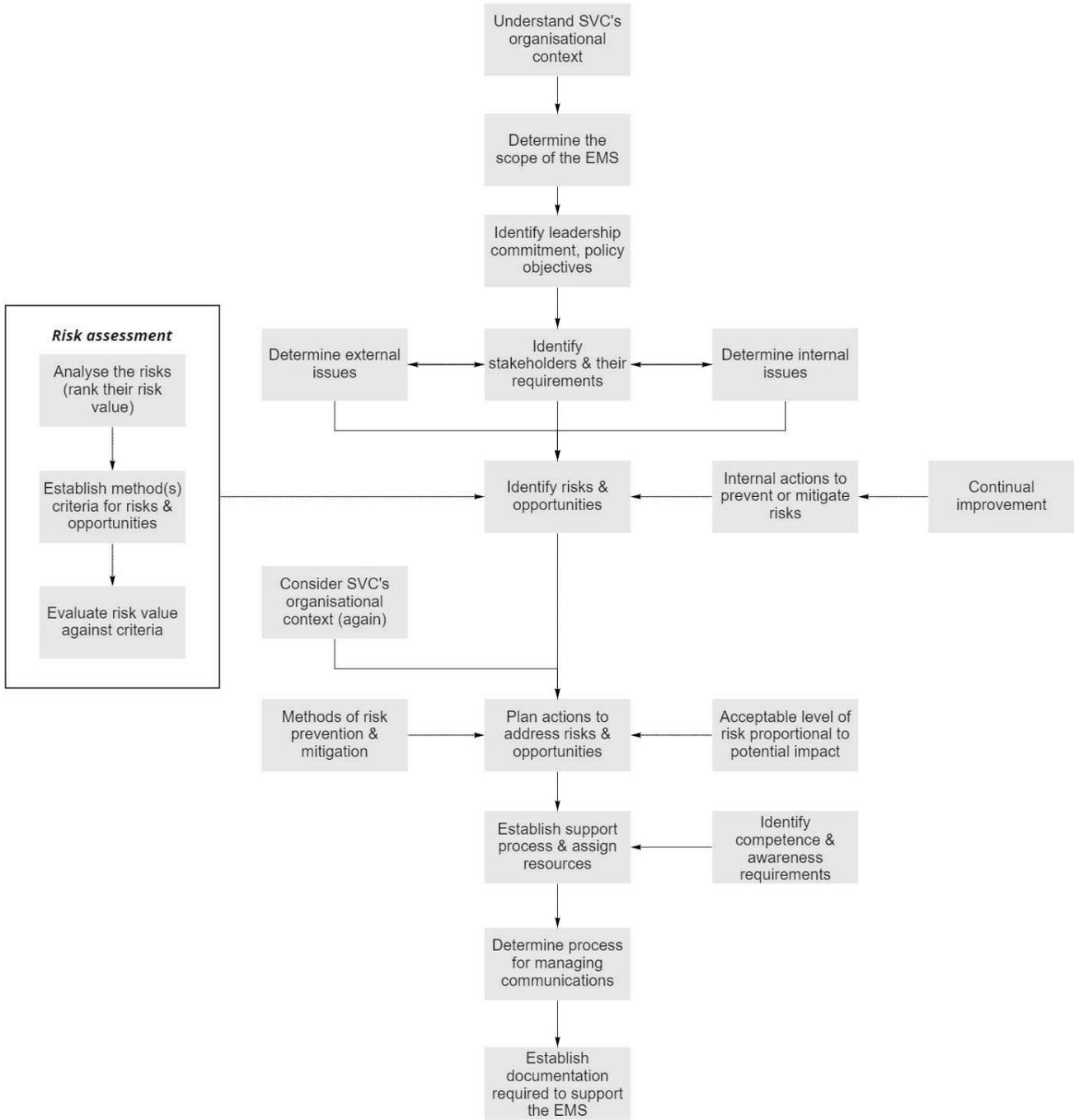


Figure 3 - The 'Do' phase

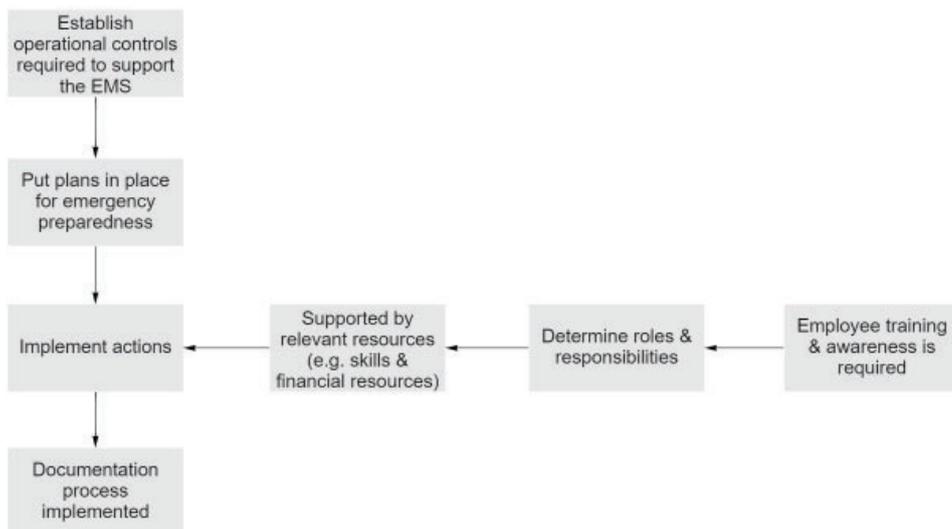


Figure 4 - The 'Check' phase

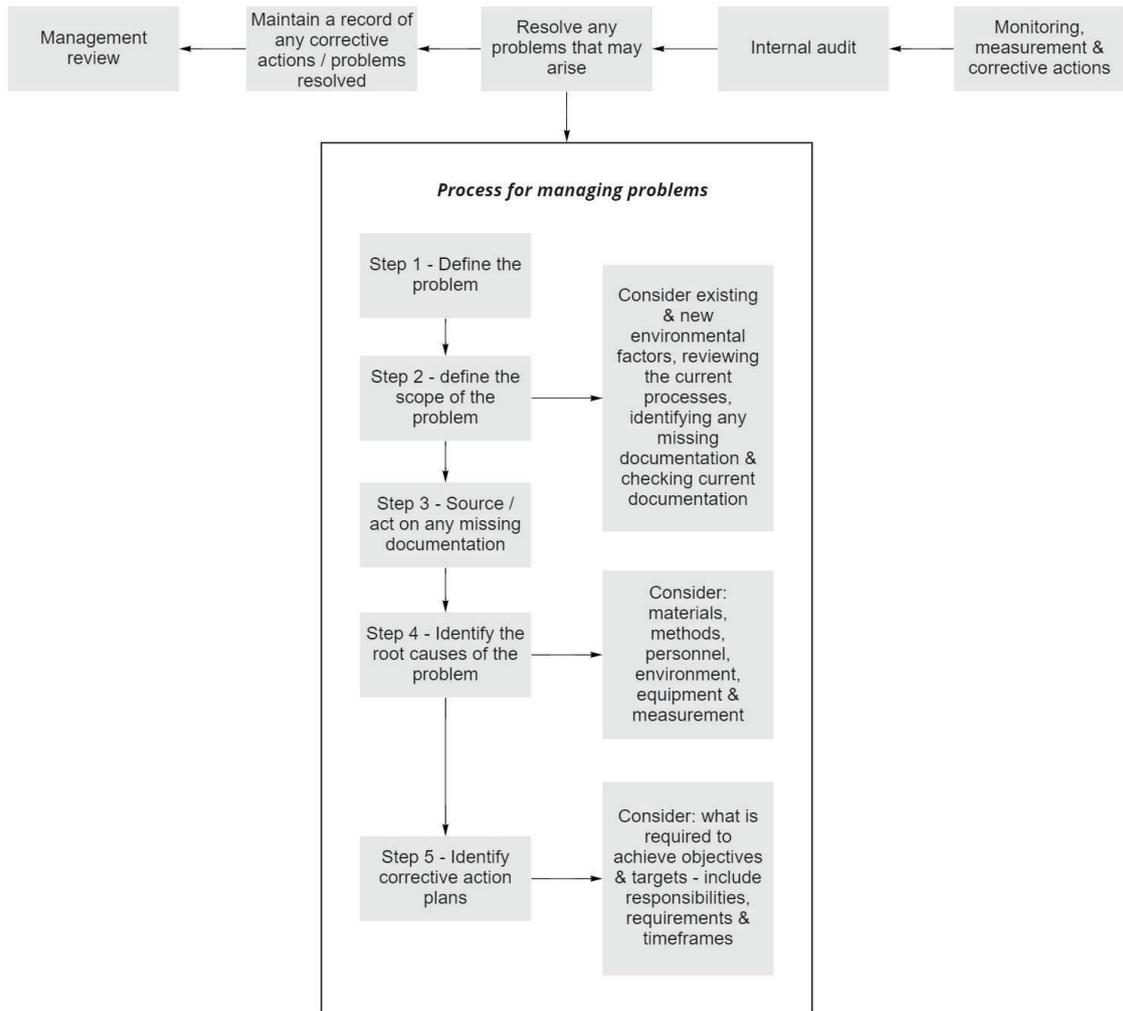
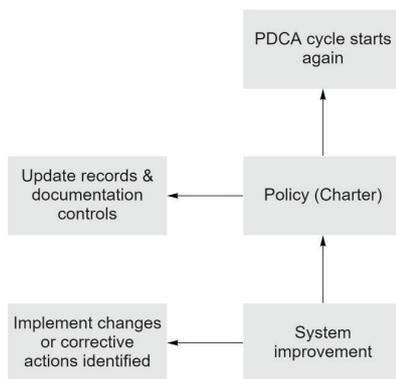


Figure 5 - The 'Act' phase



2.2 Identification of sustainability-related opportunities

Through the development of this Charter, SVC has identified a range of sustainability-related opportunities for consideration and exploration, which have helped to inform the corresponding environmental actions, objectives and targets described in this Charter.

SVC also recognises that precast concrete manufacturing has many benefits to the conventional approach of pouring concrete on site.

These inherent benefits include:

- **Less waste** - As a result of less concrete being rejected and thrown away as a result of inconsistencies or faults, while also being less waste from delivery delays that result in wasted concrete when pouring is not adequately timed. There is less waste of concrete moulds than at a construction site due to increased efficiency and control in the manufacturing process. There is also typically less steel reinforcement wasted than at a construction site, due to the controlled environment in which precast manufacturing occurs.
- **More control** - There is more control and improved monitoring of raw materials than is possible when pouring concrete at a construction site. Quality control is also easier when concrete is manufactured off-site, where attention can be paid to quality and uniformity.

Concrete itself can also have substantial environmental benefits over the long-term being fire resistant, recyclable, resilient to weather and having a high-performing thermal mass, which assists with the energy efficiency of buildings and their operational costs over the lifetime of a building.



3. Sustainability focus areas & priorities

3.1 SVC's sustainability focus areas & priorities

We have considered how focus areas align with the United Nations Sustainable Development Goals (SDG's) to understand how our sustainability approach connects with global best practice and works to help achieve the SDG's.

Our focus areas have been identified as incorporating:

- Life-cycle thinking** - Adopting a life-cycle mindset helps us to think about the entirety of our environmental impacts, including those which are directly within our control in addition to those that we may not be able to control, but can influence. Integrating life-cycle thinking into our business operations helps us to apply a meaningful EMS that has significant benefits across our supply chain and for the communities in which we operate. This includes using natural resources more efficiently and sourcing them carefully.

This focus area aligns with:



- Technology & innovation** - We embrace new technologies and approaches to manufacturing precast concrete in order to stay abreast of new opportunities to reduce our environmental impact, while becoming more efficient and effective in our work.

This focus area aligns with:



- Reusing, repurposing & recycling** - We seek to close the loop in our value chain wherever possible and identify opportunities to embrace more sustainable practices. This helps us to reduce waste, integrate recycled materials within our supply chain and reduce costs.

This focus area aligns with:



- Decarbonisation** - We recognise the significant impact that concrete production has on global GHG emissions and we are committed to prioritising carbon reduction strategies and leveraging the opportunities that exist to reduce our emissions throughout our business operations.

This focus area aligns with:



- **Toxicity mitigation & pollution control** - We are committed to mitigating risk associated with pollution, contamination or hazardous materials in our manufacturing process, while also avoiding the use of toxic materials in our supply chain.

This focus area aligns with:







4. Implementation & operation

4.1 Resources, roles & responsibilities

In order to integrate this Charter into SVC's day-to-day business operations and long-term organisational strategy, it is essential that the resources, roles and responsibilities required to achieve the objectives and targets outlined in the Charter are clearly understood and appropriately allocated.

- **Responsibilities of operational decision-makers & SVC employees** - SVC operational decision-makers - in particular the management representative - are responsible for the day-to-day implementation of the Charter, together with internal communication (including with suppliers) and the ongoing tracking and reporting of the targets and actions outlined in the Charter.
- **Responsibilities of suppliers** - SVC suppliers are responsible for understanding the Charter and SVC's short, medium and long-term sustainability objectives. Suppliers are responsible for working collaboratively with SVC and providing adequate and transparent information on the environmental impact of the products and/or materials they supply to SVC.
- **Sustainability web-page on svc.com.au** - A high-level summary of the key messages from this Charter will be shared on SVC's website via a dedicated page, where the summary document will also be available to download.

4.2 Communication

A key component to the success of this Charter, relies on it being effectively communicated with all important stakeholders - particularly SVC employees and suppliers.

All internal communications of the Charter will be led by the HSEQ Officer with support from the Marketing and CX Manager - and an external sustainability consultant.

Our sustainability mission statement and Charter will be shared in the following ways for different SVC stakeholders:

- **Comprehensive Sustainability Charter** - This Charter will be shared with all SVC team members including employees and the SVC Board. Where relevant and required, it will also accompany tender submissions and other formal company policies.
- **SVC's sustainability summary** - A high-level summary of the key messages from this Charter will be shared in a summary document, which will be primarily used with SVC suppliers.





5. Monitoring & measurement

5.1 Our approach to monitoring & measurement

In order to effectively achieve all the initiatives, targets and commitments set out in this Charter, we have clearly outlined our sustainability targets, actions and corresponding responsibilities and timeframes for FY 2021-2022 (and beyond) in our Sustainability Action Plan. This includes a commitment to monitor our environmental impacts on a regular basis, in line with our existing HSEQ reporting processes.

We acknowledge that working to achieve sustainable development outcomes is a long-term, never-ending process of continual improvement and we are therefore committed to consistently reviewing and updating our strategy.

5.2 Charter improvement

We seek to continuously improve this Charter to ensure our EMS is relevant, realistic and ambitious - while maintaining alignment to our company values, sustainability principles and key focus areas. A particular focus will be placed on risk mitigation and prevention throughout the application of this Charter. If issues arise through our informal or formal internal auditing, then adjustments will be made to ensure the Charter remains agile and accurately reflects and responds to any potential challenges. If one of our sustainability targets is achieved, then another target will be established. If we find it challenging to reach a target, then we will develop an alternative approach to achieving it, which may require reallocating resources. These approaches will ensure that this Charter improves over time and continues to be relevant for SVC's changing work and the changing context in which our company operates.

6. Our achievements

6.1 Our achievements to date

Our key sustainability achievements to date include:

2020

- **Use of cement replacements in all paving and standard grey pre mix concrete** - to reduce the embodied carbon of our concrete products, we use supplementary cementitious materials (SCM) such as fly ash and slag to reduce the volume of portland cement required (by circa 13% - 40%) in our concrete mixes.

2021

- **24kw solar installation in our administration building** - our first solar generation system on-site assists with reducing our carbon footprint and reliance on the grid.
- **Carbon neutral stock pits** - in addition to using carbon neutral stock pits, all pits also use recycled materials, including recycled sand and water.
- **Installation of rain water tanks for use in our in-house batching** - a 10,000-litre rain water tank was installed at our in-house batching facility to be used for slumping mixes and wash out. Scoping for possible locations and sizes of additional tanks at other sites has also been undertaken, with two tanks totaling 38,000 litres installed in Modialloc.

2022

- **Use of recycled plastics in our in-house concrete mixes** - due to our focus on life-cycle thinking and reusing, repurposing and recycling, we use soft plastic (which is upcycled into plastic pallets by REDcycle) as an aggregate in our concrete mixes.
- **88kw and 64kw solar installation in our production facilities** - after the installation of our first solar system in 2021, we are expanding our solar capacity to total a generation of an additional 152kw's in 2022.
- **More solar to come in 2022** - there will be more solar installed across our locations later in 2022.



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7. Appendices

7.1 Glossary of Terms

Carbon emissions -

The release of carbon dioxide into the atmosphere over a specified area and period of time. This reference is also often meant to include emissions from other greenhouse gases not just carbon dioxide (since other greenhouse gases are typically converted to their carbon dioxide equivalent value when their emissions are quantified). These emissions stem from the burning of [fossil fuels](#) and the manufacturing of cement; they include carbon dioxide produced during consumption of solid, liquid, and gas fuels as well as gas flaring.

Carbon footprint -

[The total greenhouse gas emissions caused by an individual, event, organisation, service, place or product, expressed as 'carbon dioxide equivalent'.](#)

Carbon neutral -

Means that any carbon emissions released into the atmosphere from a country or organisation's activities is balanced by an equivalent amount being removed (e.g. through purchasing carbon offsets).

Concrete replacement (SCM) -

Supplementary cementing material (SCM) contributes to the properties of hardened concrete through hydraulic or pozzolanic activity. Supplementary cementing materials are often added to concrete to make concrete mixtures more economical, reduce permeability, increase strength, or influence other concrete properties.

Decarbonising (or decarbonisation) -

Means the reduction of carbon. The term used for the process of removing or reducing the carbon dioxide (CO₂) output.

Embodied energy -

The sum of all the energy required to produce any goods or services, considered as if that energy was incorporated or 'embodied' in the product or material itself.

Environmental impact -

A recurring process of enhancing an environmental management system with the end goal of improving the overall environmental performance that is in line with the organisation's environmental policy (ISO 14001 definition).

Environmental management system (EMS) -

An environmental management system (EMS) provides organisations with a framework that helps them to identify, manage, monitor, and control the organisation's environmental impacts in a holistic manner. It contains the need for consistent progression of an organisation's systems and approach to environmental issues (ISO 14001 definition).

Greenhouse gas (GHG) -

A gas that absorbs and emits radiant energy within the thermal infrared range, causing the greenhouse effect. The primary greenhouse gases in Earth's atmosphere are water vapor, carbon dioxide, methane, nitrous oxide, and ozone.

Life-cycle -

A systemic framework that takes a holistic view of the production and consumption of a product or service and assesses its impacts on the environment through the entire life cycle.

Material issues -

Any issue that is important for an organisation to consider and manage - either as a result of the organisation having an impact on the issue or the organisation being impacted by the issue (usually assessed in terms of the impact of the issue on the organisation vs the importance of the issue to stakeholders).

Natural resources -

Materials from the Earth that are used to support life and meet people's needs. This includes resources that exist without any actions of humankind, such as those for commercial and industrial use, aesthetic value, scientific interest and cultural value.

Stakeholder -

An individual or group that has an interest in an organisation and can either affect or be affected by the organisation. The primary stakeholders in a typical corporation are its investors, employees, customers, and suppliers.

Sustainability -

Described as development that meets the needs of the present, without compromising the ability of future generations to meet their own needs. In addition to natural resources, sustainability also includes social and economic resources and needs.

Value chain -

The sequence of activities an organisation performs in order to design, produce, market, deliver, and support its product or service.

Volatile Organic Compounds (VOCs) -

Compounds that have a high vapor pressure and low water solubility. Many VOCs are human-made chemicals that are used and produced in the manufacture of paints, pharmaceuticals, and refrigerants.

End document.



