BRC
TARGETING PERFECT SERVICE

Responsible Sourcing Review Document

2016

BRC is committed to being a responsible sourcing supplier, and as such have developed and implemented a responsible sourcing system that complies with the requirements of BES 6001 and the Eco-Reinforcement scheme. As part of the system there is a requirement to make available to stakeholders and others, key information that forms part of the Responsible Sourcing system.

This report is aimed to fulfil this requirement.

TARGETING PERFECT SERVICE

Company Information

BRC was founded in 1908 and since that time has been a leading force in the design, development and manufacture of reinforcement.

Today BRC are the leading UK manufacturer of steel reinforcement products for the Construction Industry. Wholly owned by Celsa Steel Services UK, BRC has the most enviable supply chain, being able to offer consistency of product and full traceability from steel works through the rolling mill process to the reinforcement products we manufacture and deliver to site.

Working closely with our customers we can offer a number of different options to finding cost saving solutions for the contracts we supply. 3D modelling and the use of BIM systems can help achieve such savings.

During 2011 in collaboration with our customers we further strengthened our approvals by joining Achilles, the third party pre-qualification service, recognised by the Construction Industry to improve industry service and promote sustainable supply relationships.

BRC also in 2011 were the first steel reinforcement supplier to join the Institute of Customer Service, to further differentiate BRC from it's competitors and move the business towards targeting perfect service.

BRC have strategically placed manufacturing facilities throughout the UK giving genuine total UK coverage. Flexible manufacturing locations all computer linked, geared towards servicing your contract, no matter what size. Whilst we are a national company we remain a local supplier.

BRC are very proud to have achieved Quality Assurance Level 1 nuclear approval for supply to recent contracts. A standard we offer to all our customers.

In addition to holding all the major accreditations for Health & Safety, Environmental and Quality Systems, BRC were the first UK fabricator to be awarded BES 6001 Eco Reinforcement. This award for sustainability emphasises our desire to ensure we offer all our customers the most up to date approvals.

TARGETING PERFECT SERVICE

RESPONSIBLE SOURCING POLICY

BRC is the largest supplier of steel reinforcement in the UK. Our responsive and innovative approach to business, coupled with a clear commitment to customer service has assured our position in the reinforcement market. All constituent material used in our product is sourced from one steel mill located in the United Kingdom which recycles steel scrap by utilising an Electric Arc Furnace (EAF).

BRC recognizes its business' potential environmental and ethical impacts. Our aim, therefore, is to ensure that the constituent materials used within our products and the supply chains that provide them are sourced responsibly, in accordance with the guidelines set out by the Eco-Reinforcement Standard. The requirements of the Eco-Reinforcement Standard require demonstration of a wide range of commitments. Many of these are covered in existing company policies. These commitments are not repeated here. As a result this policy document must be read in conjunction with BRC's Quality, Environmental and Health and Safety policy statements. BRC commits to undertake the following:

Ethics Adopt and apply standards of ethical behaviour appropriate to our activities.

Legal compliance Please refer to our Quality Policy, Environmental Policy and Health & Safety Policy.

Management systems Maintain, and improve, our internal management systems, as per internationally recognised standards to ensure we operate in a legal, efficient and financially sustainable manner.

Supply chain management

Engage with suppliers of our constituent materials to ensure, where practicable, they maintain management systems appropriate to the needs of our activities, including adherence to this policy.

Stakeholder and local community engagement

Identify and engage with stakeholders affected by our activities, including, where necessary, liaison with local community representatives.

Complaints and prosecutions

Maintain a transparent record of complaints and prosecutions and associated corrective actions, through our environmental management system.

Fundamental rights at work

Operate within international norms concerning human rights and labour practices.

Climate change, resource use, site stewardship, water usage, waste management, transport impacts

Develop and improve systems to monitor and mitigate our impacts.

Employment and skills

Implement fair operating practices with regards to employment and economic activities, including development of a skilled and competent workforce.

Contribution to the built environment

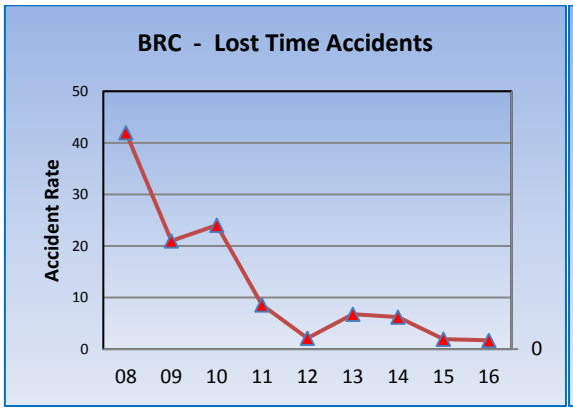
Aim to develop innovative and effective products that improve the quality and sustainability of the built environment.

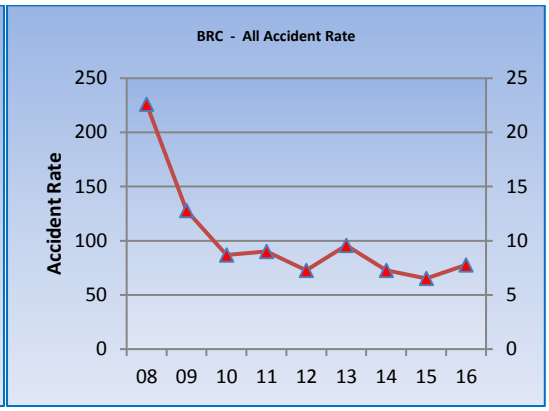
J.Collins
Managing Director March 2016

Health and Safety Information

All BRC manufacturing sites operate a safety management system that complies with the requirements of BS OHSAS 18001. The individual sites are also third party approved to the requirements of BS OHSAS 18001 by a UKAS accredited body. Copies of the certificates are available on the website.

BRC is committed to reducing accidents to zero, and have put in place a comprehensive action plan to achieve this.





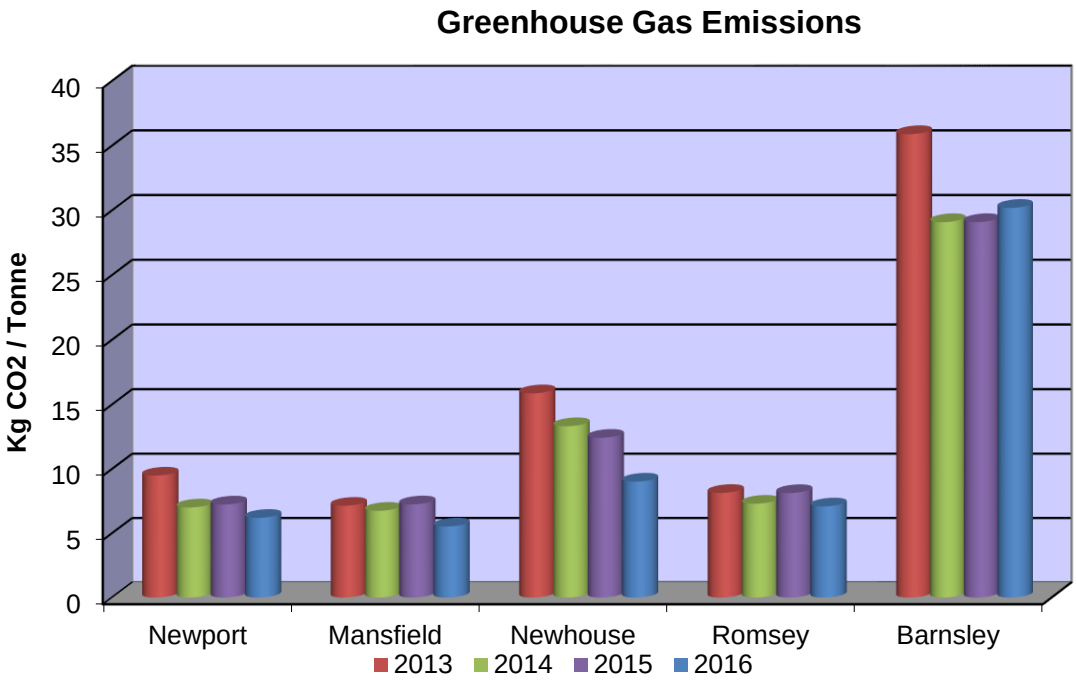
In addition BRC also offer safe delivery systems for customers on site;

BRC also actively looks outside of the company for ways of improving the company's health and safety performance and undertakes benchmarking visits to organisations or liaises with respected bodies in the industry that are recognised as having good safety practices.

Whilst the ultimate aim of the health & safety management systems is to minimise the harm to employees and others affected by activities of the company, BRC actively engages with other bodies in this area such as BAR (British Association for Reinforcement) and MPA (Mineral Products Association). In 2016 BRC was instrumental in helping to win the MPA Health and Safety Award for the outstanding achievement in the area of worker involvement.

Greenhouse Gas Information

BRC are committed to reducing greenhouse gas emissions associated with its processes to as low as is practically possible. A plan has been put in place to achieve this goal.



The greenhouse gas emission data for the Barnsley site is higher as it produces a different product type to the bar fabrication units, resistance welded mesh, and hence the greater energy usage. The Barnsley site uses a much small average bar size and the mesh is resistance welded that uses more electricity.

It is pleasing to note that whilst 2016 has been a challenging year in many ways the vast majority of the sites have achieved that target of a 5% reduction is Greenhouse Gas emissions.

The performance of the Barnsley site was affected by operational changes which affected the metric reported although the electricity consumption was less, this being by far the greatest energy consumption at the site.

In 2014 the Barnsley site signed a climate change agreement and is committed to a 6% reduction in energy consumption over the specified period. At present the site is well ahead of this target.

BRC has met its requirements in terms of Energy Saving Opportunities Scheme (ESOS) and the CRC Energy Efficiency Scheme.

The key inputs to greenhouse gas emissions are measured at each site.

Recylced Content

As a sustainable steel fabricator, BRC are committed to sourcing our constituent materials, manufacturing our products and supplying our customers in a responsible manner.

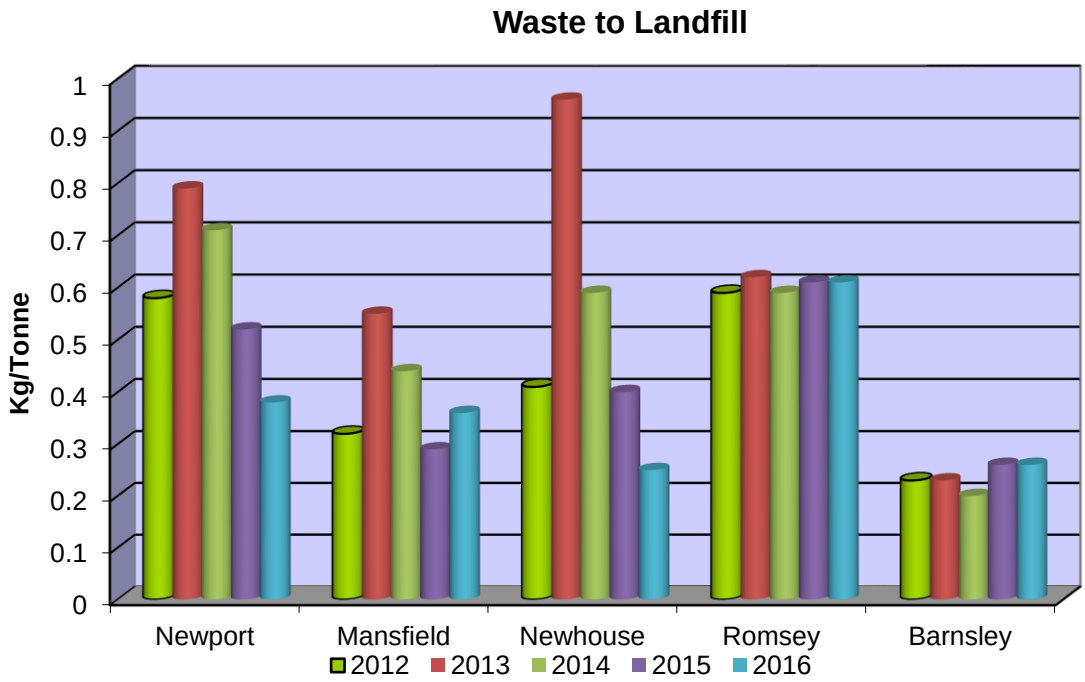
BRC's primary raw material is wholly sourced in the UK and supplied by CELSA UK. CELSA UK manufactures all of its products at its production sites in Cardiff from 100% recovered scrap metal. The manufacturing process uses fluxes and mineral additions to obtain the correct chemistry for the finished steel product. Therefore the overall recycled content of BRC's steel products will be reduced slightly to approximately 98%.

BRC's products are 100% recyclable at end of life.

Waste Management

BRC are endeavouring to ensure that any waste produced as a result of its activities in either eliminated, minimised, or reused, in line with the waste hierarchy, where it is not possible the waste shall be recycled. It is the aim of BRC to eliminate all waste to land fill or incinerated without energy recovery.

Set out below is the amount of waste that currently goes to landfill in kg per tonne of product supplied;

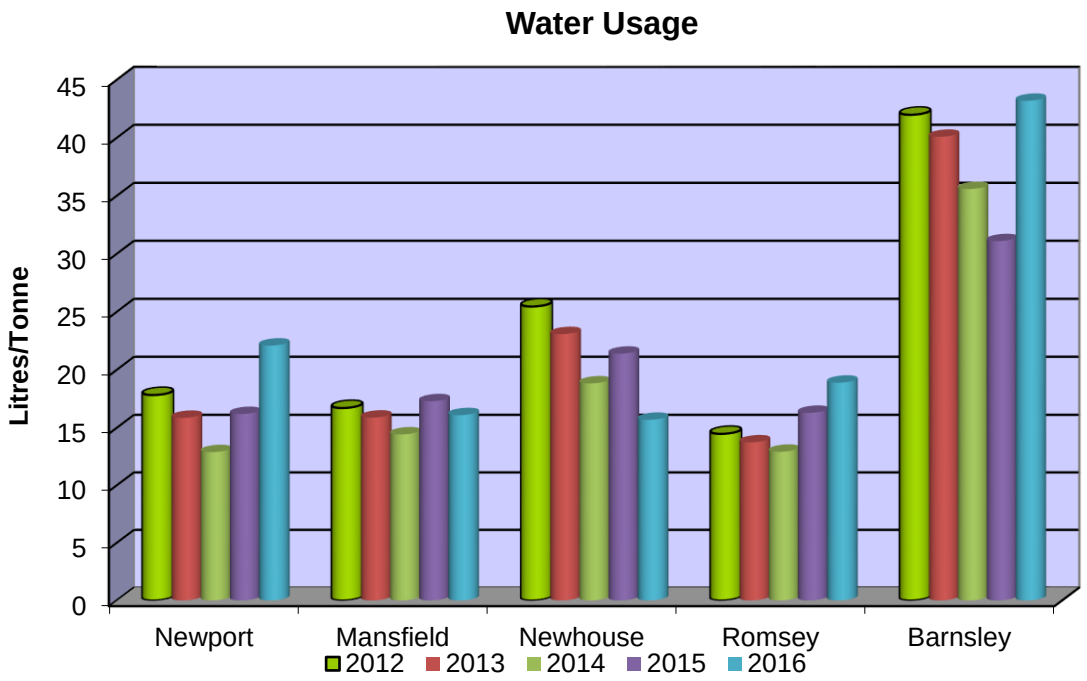


BRC complies with the various legislation regarding waste, for such items as electrical and electronic equipment, batteries, etc. It also meets its packaging waste responsibilities through membership of the Valpak compliance scheme.

On the whole the amount of landfill to landfill per unit tonne has decreased in 2016 compared to 2015.

Water Usage

BRC pursues efficiency in the management of water by monitoring water usage at each site, influencing its usage as well as ensuring all staff are aware of the issues surrounding water management.



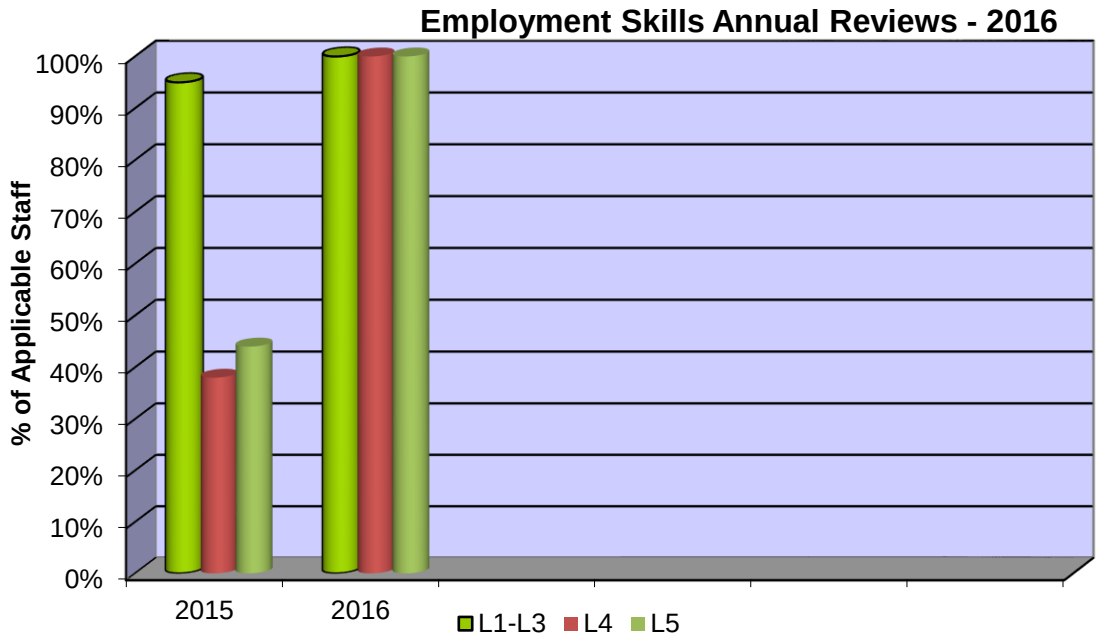
Similar to the explanation for the greenhouse gas emissions the water usage at the Barnsley site is higher than the other sites due to the use of water cooling for the resistance welding machines used to produce the welded mesh. The water cooling is a sealed system but some water leakage and evaporation is inevitable.

The increased water usage at the Barnsley site is again related to the operational changes mentioned previously.

Employee Skills

BRC acknowledge that training at all levels can lead to better performance by individuals which will benefit both the Company and the employee. The Company benefits through the increased efficiency and knowledge of its employees; and employees benefit from greater job satisfaction and the preparation for advancement to more senior positions.

All staff undergo a formal induction into the company that includes an overview of the responsible sourcing scheme. Managerial and supervisory staff receive an annual professional development review with intermediate reviews throughout the year. All operational are required to have an annual assessment giving an opportunity to discuss their specific duties.



The company has a target for all employees to take part in at least one review each review, at the moment this does not include agency staff who are not directly employed by the company, although this is under review for coming years.

The company operates a graduate recruitment scheme.

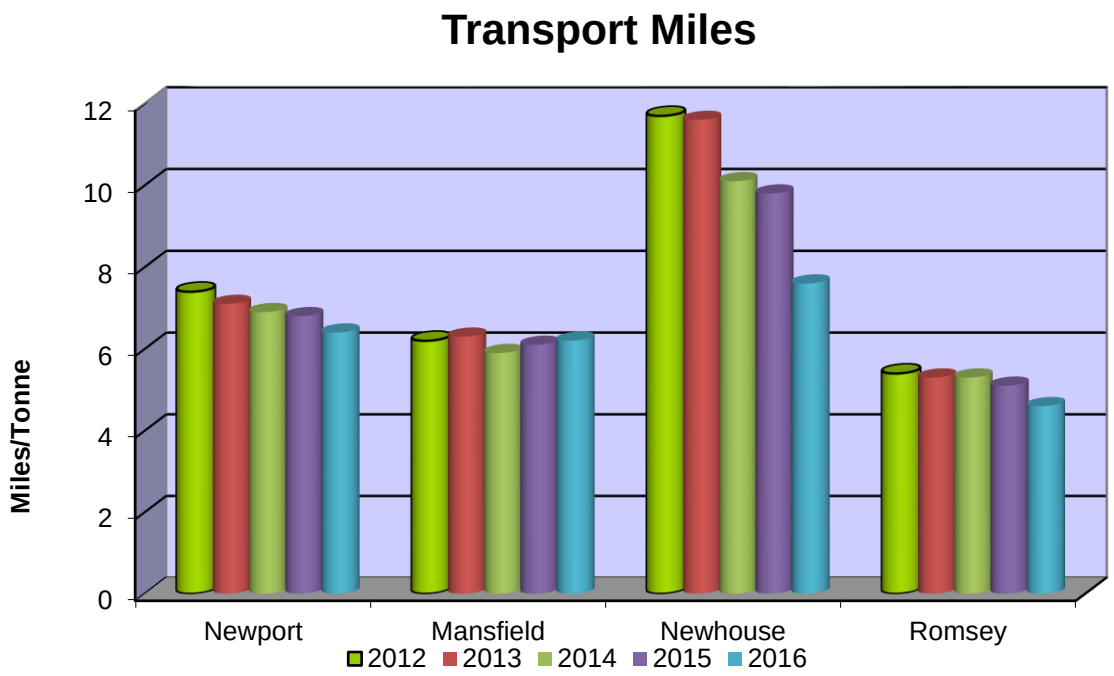
The company has a target of at least one training activity per year per employee. Training hours are measured in terms of the number of training hours per person on site, employee and agency staff.

	Newhouse	Mansfield	Newport	Romsey	Barnsley
Training Hours per person	97	34	32	4	75

Transport

BRC seeks a responsive and innovative approach to business, coupled with a clear commitment to customer service has assured our position in the reinforcement market. BRC, in partnership with its hauliers, is committed to reducing the adverse environmental impacts of transport associated with the delivery of reinforcing steel.

BRC require all suppliers of steel reinforcement to provide transport delivery data on the products supplied and BRC measure delivery to the customer's sites.



Barnsley is the site that manufactures fabric reinforcement and transfers stock loads as well as direct deliveries to customers on a national basis from a single site, so the miles per tonne figure is of a different order, at 58.3 miles per tonne.

BRC operates on a national basis and where practicable delivers to customers from the nearest manufacturing site, although the company realises that this is not always possible. Regardless of this the company seeks to minimise the number of loads used by maximising the load per vehicle recognising for cut and bent reinforcement it is not possible to use the full capacity of a vehicle and still safety load and off-load the product. The company aims at achieving 80% of the capacity of the delivery vehicle;

	Newhouse	Mansfield	Newport	Romsey
Utilisation	82%	89%	79%	74%

Local Community

We are living in a world that is becoming ever increasingly aware of its impact on the environment in its very widest sense of the meaning, and BRC is no exception to this. The need to address sustainability issues is becoming vital not only for our own interests but also customers and other stakeholders are demanding that we manage our impacts on the environment and society as a whole.

This commitment to sustainability begins on our own doorstep with the impact with have on our local community, both in a negative and a positive way. The first step is to define who are the stakeholders when we consider our interaction with the local community, the diagram below aims the answer this question. Once we have identified the relevant stakeholders there must be defined a set actions designed to improve on the impact with have on the local community.

The initiative to increase transport efficiency aims to reduce the impact of transport on the local community and local transport systems.

In 2016 the company actively engaged with local authorities and educational establishments in order to develop an on-going relationship with them.

Employees at the local sites are encouraged to get involved in local charity events nominated by themselves.

The company has received one noise related complaint and in response the company invested a considerable amount of money into reducing noise. In addition the company is seeking to raise this issue with the trade association BAR who are actively involved with the regulating authorities on this matter.