

Lagan Cement Group Spreads its Wings

November 2011

Despite the ongoing domestic economic situation, Lagan Cement Group is working hard to build a sustainable, long term business in Kinnegad and beyond.

It is a matter of some pride that we can announce that our cement manufacturing facility is currently running at nearly full capacity, boosted by a noticeable pick up in demand for bagged cement, and a large demand for our product from overseas. As most commentators predict Ireland's recovery will be export led, we are very pleased to be playing our part in this regard.

We are also developing a number of other complementary business interests including Lagan Brick, Fleming Fireclays, and Healy Brothers:

» Lagan Brick products supply clay bricks and accessories of our own Irish manufacture and some from the leading producers in Europe, to the Irish and UK market.

» Fleming Fireclays was founded in 1935 and is now a division of Lagan Brick. It has long prided itself on being at the forefront of clay technology and its research and development in this area means it is at the forefront of its business.

» Founded in 1958 and acquired by the Lagan Cement Group in 2010, the Healy Brothers continue to produce high quality concrete and concrete related products for the Cork market and places a very strong focus on achieving excellence in customer service.

Outside of Ireland, Lagan Cement Group is also spreading its wings. In November 2010, it launched Kingscourt Clay Products.

Based in Stoke-On-Trent in the UK, the primary focus of the business is to promote and sell clay building materials into the UK market with a special focus on products manufactured by the Lagan Group.

The group has also recently acquired an import terminal in the Netherlands which will allow it to export bulk cement directly to Belgian, Dutch and French markets.

Back in Kinnegad we continue to innovate, drive sustainability and environmental and health and safety excellence. This enables Lagan to continue to contribute to the local and wider economy and provide valuable employment here. In these recessionary times, we value our role as part of the local economy as much as we do as a neighbour.

As ever, we remain available to all of our neighbours to discuss any aspect of our operations, and our contact details can be found on the back page.



Sand Martin leaving its nest at Lagan Cement's active sand quarry this summer, captured by Sustainability Manager David Tobin.

Biodiversity Update

Lagan's biodiversity walk is going from strength to strength with a number of new residents and visitors spotted this summer, including a spectacular family of buzzards and our resident peregrine falcons. One particular measure we undertook this year was to plant a five acre wild flower meadow to attract butterflies and other insects to the area and also to provide winter food supplies to wild birds.

During the winter we expect to have a number of hibernating hedgehogs, foraging foxes, stoats, bats, badgers and more.

We have also had a steady stream of visitors over the spring and summer months including children from Kinnegad and Longwood schools. Meath County Council planning and environmental departments came to visit our site to view our biodiversity initiatives to help them develop their own sustainable planning objectives.

Lagan raises concerns over procurement plans

Lagan Cement has contacted its local TDs and other public representatives to raise its concerns about Proposed Construction Guidelines for Green Public Procurement (GPP).



Local jobs at risk

The principle behind the GPP initiative is to move the market towards providing environmentally superior goods, services and works in a cost-effective way.

Lagan supports this principal but has very serious concerns over the construction guidelines being proposed by the Office of Public Works. These recommend the importation of a cement substitute material - granulated blast furnace slag - to replace domestically manufactured cement.

Aside from the fact that endorsement of a specific substitute construction material contravenes European principles encouraging innovation and competition, this will be seriously damaging to Ireland's cement industry and will certainly not lead to a sustainable construction sector. Slag is a by-product of the iron and steel industry. Recommending its use, when there is no such industry in Ireland is not sustainable and would leave our construction industry largely dependent on slag imports.

Any such policy would have huge repercussions across Ireland's construction sector, damage our self-sufficiency, expose the sector to real commercial and supply chain risks and result in the loss of hundreds of jobs from the cement sector and downstream in the broad construction industry.

Furthermore, International Energy Agency figures indicate that slag can only satisfy 8% of global cement demand. It may be sensible to use slag in proximity to where it is produced but its restricted global availability does not support its sustainable use elsewhere.

Ireland is also seeking to reduce dependence on imported fossil fuels with the roll-out of renewable technologies. It makes no sense to now adopt a policy favouring the importation of a finite material, which is also in decline in Europe.



Importing materials is unsustainable

As an Irish manufacturer and local employer, Lagan is extremely concerned that the proposed guidelines as currently drafted are actually not aligned with sound sustainability principles and will have a very damaging impact on business, resulting in significant job losses.

If you would like to know more, or how you can help us raise our concerns with policy makers, please contact Tom McManus on 044 93 79 200.



Limestone: A natural Irish resource

Liquid Fuels Licence Granted

While environmental matters appear to be very much out of the news due to the focus on economics and recession, Lagan Cement continue to view environmental sustainability as being a key issue for the company.

With the environment in mind, Lagan Cement is delighted to have received notice from the EPA of its intention to grant a revised IPPC licence. This new licence will allow the company to expand its range of alternative fuels to include certain solvent based liquids.

The use of liquid fuels will further decrease the company's need for imported fossil fuels and assist in our efforts to reduce carbon emissions.

Known as Liquid Recovered Fuel (LRF), the material is a high quality liquid fuel, produced from the blending and processing of certain liquid wastes from industrial operations in Ireland. The LRF will be comprised of a mix of materials including alcohols, such as ethanol and acetone, and other liquids widely used in distillation and extractive processes.

LRF is an excellent cement kiln fuel and has been widely used in cement kilns across the EU and beyond for many years. Ireland is a significant producer of LRF and until now all LRF produced in Ireland has been exported for beneficial use in cement kilns across Europe. The use of LRF by Lagan will ensure that the benefit of these locally produced fuels is retained in Ireland.

LRF is a consistent, efficient and clean-burning fuel. LRF is a high quality liquid fuel, and no more hazardous than the diesel currently used for heating and transport purposes on site. Emissions will remain within current limits.

There are a number of benefits to using LRF as a fuel in a cement kiln. It has excellent properties for burning, with a high calorific value, which will enhance the usage of the other alternative fuels and reduce the need for gas oil, an imported fossil fuel. Secondly, it will further reduce the amount of fossil fuels being used at Lagan cement by replacing diesel and coal.

New Company Brand Launched

Lagan Cement recently launched a new company brand to reflect the culture of manufacturing only the highest quality Portland cement in our Kinnegad facility. The new brand 'Passionate about Quality' qualifies the company's goal and the hard work ethic of Lagan Cement staff.

The brand will now appear on all Lagan Cement official documents, and will be phased into the packaging on our cement bags.

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The Liquid Recovered Fuel is one part of our six point plan strategy which also addresses sustainable employment, fossil fuel reduction, community engagement and improving energy efficiencies.

High Standards Recognised

BES 6001 Responsible Sourcing Standard

The internationally recognised BES 6001 Responsible Sourcing Standard for Construction Products has been achieved by Lagan Cement after an independent assessment of our raw materials, manufacturing process and management systems.

The BES 6001 standard is used to manage the impacts of the product from the sources of its raw materials, through its manufacture and delivery and ultimately its use, reuse or final disposal. By achieving the standard, Lagan Cement has demonstrated that we are committed to sustainable production and are using our buying power to influence our suppliers to become more responsible in their businesses also.

This will ultimately give Lagan Cement a greater competitive advantage and will enable us to expand into further markets

where customers are demanding greater social accountability and environmental responsibility from products.

Chambers Ireland CSR Commendation

The Chambers Ireland Corporate Social Responsibility Awards were established in 2004 to recognise the work being carried out by Irish and multinational companies to improve the lives of their employees and to enhance the civic environment in which they operate.

This is a unique competition that offers the business community a chance to promote their efforts in CSR and gain recognition for best practice. The awards are presented in a variety of categories covering all areas of CSR.

Lagan Cement was nominated, shortlisted and received a certification of commendation for our efforts on environmental sustainability.

Excellence Through People Award

Following an extensive audit of our Employee Development and Training Programmes, Lagan Cement has achieved recognition through the Employment Authority, FÁS, with the Excellence Through People Award.

This is the National Human Resource Management Standard and reflects the company's continuing efforts to enhance performance and realise strategies through the management and development of all our employees.

Meath Business and Tourism Awards Finalist 2011

The *Meath Business and Tourism Awards* were established in 2010 as a means of recognising and celebrating the talents and skills of Meath businesses.

This year Lagan Cement are very proud to be associated with this important event and are finalists in the Environmental and sustainability category.

Community Update



Merry Christmas and a
Happy New Year to all our readers.



Community News

Kinnegad GAA grounds is the home of our bootcamp, it is run once a week and is open to anyone who wishes to join.

The new **Kinnegad Juniors** soccer pitch known as 'Lagan Park' was opened recently, we wish all the teams the best of luck and many wins in their new facilities.

Our annual **charity Christmas hampers** have been prepared and are ready to be handed out, thanks go to all those involved in this project.

A representative from **Lagan Cement** attended the Columba College Careers Fair in Killucan on 27th Oct. The fair was well attended and the Leaving cert students and their parents received plenty of helpful advice about their future career options.

International Energy Agency visit

The International Energy Agency, a UN body, visited our facilities in October to see how Ireland was recovering fuel resources. Pictured are some of the IEA delegates inspecting the plant.



Environmental Scholarship

Lagan Cement are delighted to announce that once again they are running their Environmental Sponsorship programme, this initiative is driven by the environmental team who work to ensure that the company maintains a close focus on its own commitment to best environmental practice and sustainable development.

The Environmental Sponsorship programme is open to all local leaving cert students who are considering pursuing a third level qualification in an environmental field.

Any local leaving cert students considering a third level environmental course who would like to be sponsored through college are encouraged to contact their career guidance teachers about this scheme.

If you have any **community news** you would like to advertise in this newsletter, please contact David Tobin on 044 93 79 200.

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Further Information

We hope you find this newsletter useful and informative. If you require any further information about the contents of this newsletter, or any aspect of our business, please do not hesitate to contact David Tobin, our sustainability manager, at 044 93 79200.