

## Sustainability Statement

### Introduction:

Premier Group NZ Ltd is “home-grown” Kiwi organization with strong ties and deep connections to our community and our environment. We love where we live and are 100% committed to doing everything we can to keep New Zealand clean and green, and everyone around us healthy, happy, and safe.

In fact our company mission encapsulates all this in just a few words: Deliver happiness, create raving fans and beautify our world.

### Our sustainability strategy:

Our over-arching strategy for maintaining a safe workplace environment and sustainable manufacturing processes is lean manufacturing. Known by those who live and breathe a lean way of life as “the best green vehicle”, lean manufacturing improves efficiencies companywide daily by eliminating waste through continuous improvement. To achieve an ultimate lean organization, we have realised that the absolute top priority is investing in and growing our people! Through our Growing People Program (GPP) we give everyone the knowledge and tools they need to continuously identify and eliminate waste daily. We believe a lean mind-set is the ONLY way to have a truly sustainable, safe, and happy organization. We could talk about lean all day, but this is a sustainability statement, and we need to move on to a bit more detail so to summarise here are some helpful ways to implement lean. If you haven’t already, look them up. You’ll thank us later. (You can go to [www.premierbusinessacademy.co.nz](http://www.premierbusinessacademy.co.nz) to learn more and get started on your own lean journey. This is the ultimate approach to building a sustainable, save the planet business)

### The 3 pillars of lean:

1. See waste: The ability to identify wasteful actions and processes in your day-to-day work.
2. Fix what bugs you: Not putting up with waste. Stop what you are doing immediately and fix it.
3. Take before and after photo’s: Super important as it sets the standard moving forward and helps to celebrate all the wins.

### 2 second lean (2SL):

This is lean in action! The practical application of lean thinking and the best way to get 100% engagement. It is the art of making improvements on the fly as soon as you have identified waste. The principle being that if an improvement saves even 2 seconds in a process, then it is worth taking the time to make that improvement.

### The 2 underlying principles of lean are this:

1. A deep respect for people.
2. A deep respect for resources.



That leads us on to the next point. HOW does lean thinking have a practical application when it comes to sustainability and reducing environmental impact? Well in the pursuit of stripping away waste not only in our organization, but in our wider industry and the whole construction trade as well we have implemented the following 10-point plan:

1. 2SL: We must include this as the first step in the plan. It is the 2SL mind-set that leads to ALL the following initiatives. In a nutshell this means that every single person in our organisation has to make at least one 2 second lean improvement every single day. No exceptions. This leads to thousands of small improvements every year, eliminating incredible amounts of waste in every department.
2. Using recycled/by-product aggregates: Concrete is a wonderfully versatile product in that you can produce it or some derivative of it by mixing cement and water with any type of aggregate or even repurposed industrial waste (crushed glass etc.) We have developed our mix design to use where possible, industry by-products that otherwise go to waste. Our 2 main aggregates, 7mm chip for grey and darker products, and lime fines for our white products, are by-products of roading metal production, and decorative lime chip production respectively. By adjusting our mix designs we can repurpose an otherwise waste product into beautiful, new bricks and pavers. It also reduces our demand for purpose-made, finely graded aggregates. All of which have waste/by-products of their own.
3. Natural curing: During the curing process of concrete, the same amount of CO2 is produced no matter how fast the concrete cures. Many manufacturers in NZ and around the world use gas, electricity or coal fired kilns to speed up the curing process and drive down the need for stock holding. Our specially designed kilns rely only on the heat produced from the natural hydration/curing process of the concrete itself with no energy input whatsoever. This means we do have to hold a little more stock to meet our customers' needs but it's a small price to pay for the positive impact it has on the environment.
4. Recycling and treating all washdown water: This is typically a big issue in our industry and many concrete manufacturers take a fairly lackadaisical approach to it. Washdown water from concrete plants can be very toxic and very damaging to our waterways and is often flushed straight into stormwater by manufacturers. We are very careful to eliminate this possibility in our washdown process and control our water in 3 ways. 1. We recycle all washdown water through a series of catchments and bunded storage tanks. It is then used in subsequent washdowns. 2. Any excess water in the tanks (because of rainfall etc) is treated and pH tested before being allowed to enter stormwater. 3. Any excess water that does not meet the required pH level (rarely happens) is taken away by an approved hazardous waste contractor. This means we use very little water in our washdown process (85-90% is recycled) and we keep any hazardous substances out of our rivers, lakes, and oceans.
5. Rumbling/tumbling. Re-purposing rejects/seconds grade products: As with any manufacturer we get a few reject products with small imperfections (chipped corners etc) that are rejected by the quality



control team. Approximately 90% of these can be turned back into first quality, saleable bricks by sending them through our rumbling machine which softens and artificially ages the bricks and pavers for a beautiful, rustic look.

6. **Painter brick. Re-purposing site returns:** Many manufacturers have a zero-returns policy on their products. Those that do accept returns are usually scrapping them and carting off-site to hardfill/landfill sites. Where we receive returned product in good condition, it is resold at a discount rate as “painter brick” for customers who desire a painted brick finish.
  
7. **Crushing. Re-purposing rejected products and poor-quality site returns:** Despite both the above initiatives we do still have some rejects which are too defective to put through the rumbling plant and some site returns which not fit for painter brick stock. In this case we put them through our crushing plant which turns them back to a type of re-purposed aggregate. The nature of the product being ground depends on what it is re-purposed for. Some of the higher quality grades can be used in the manufacture of first grade bricks and pavers. The lesser quality aggregates are sold at a discount rate as a base course material for driveways, patios, and the laying of paving. This plus the previous 2 initiatives mean that we are currently repurposing all rejects and returns and sending no waste concrete to hardfill sites.
  
8. **Reusing packaging materials:** Some of our plastic packaging materials can be re-used multiple times before they reach the end of their useful life. We provide the means for our customers to send the plastic (PP) divider sheets that we use between our layers of product and the plastic pallet shrouds back to us to use again.
  
9. **Recycling packaging materials:** We have begun an initiative to move completely away from single use plastics such as polystyrene. This has proved completely successful in our dry cast division, and we have successfully transitioned 100% to PP plastics which are recyclable. We have begun the transition in our wet cast facility also, and while there are still some specifications to be finalized, we are confident that this transition will be complete by the end of 2023. As mentioned above the PP sheets can also be used multiple times depending on the condition before heading to recycling.
  
10. **Recycled content packaging:** With pallet wrap being the only packaging item we can’t currently re-use, repurpose or recycle, we insist that our pallet wrap contains at least 30% recycled content. This is a requirement in some parts of the world and really should be here in New Zealand if we are to be seen as world-leading in environmental protection.

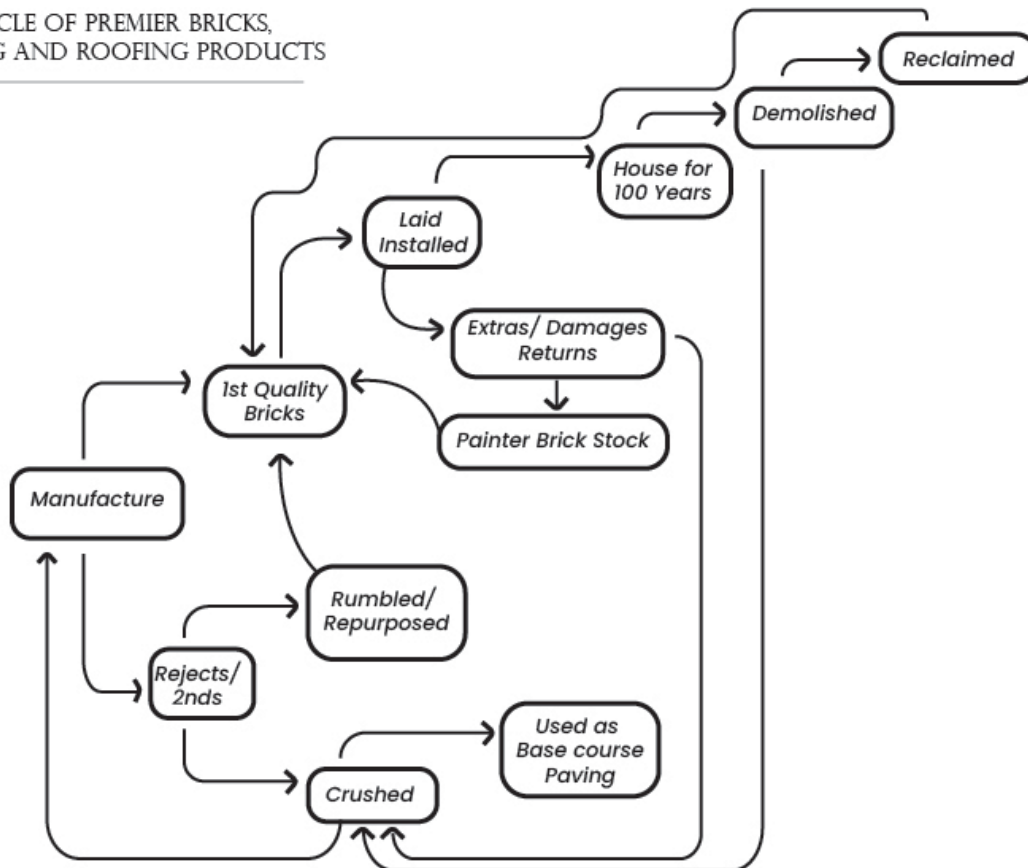


This plan is how we have a positive impact on our environment in a real and practical way as opposed to continuing with wasteful and harmful manufacturing processes and paying our way out through carbon credits for the sake of image as so many manufacturers do. It will continue to grow and expand over time as our team of lean thinkers continues to identify and cut waste from each and every process in our organization.

In conclusion, we are obsessed with the elimination of waste through continuous improvement, and we encourage and train other organisations to take the same approach through our Premier Business Academy. [www.premierbusinessacademy.co.nz](http://www.premierbusinessacademy.co.nz)

We love to pay it forward and would be honoured to be able to help you on your own lean journey!

LIFECYCLE OF PREMIER BRICKS,  
PAVING AND ROOFING PRODUCTS



Kind regards.

The lean team at Premier Group NZ.

