



Team Thomas
Sustainability
Report 2021



Introduction

At Thomas Concrete Group, care for people and the environment is crucial. That's why sustainability is and has been important to Team Thomas for a long time – a fact that is best illustrated in our Group's Mission statement "To be the closest to customers and together actively contribute to building a sustainable society". Our company has highly competent and committed employees who develop and produce ready-mixed and pre-casted concrete. We care and want to make a difference.

In 2021, the COVID-19 pandemic continued to have a major impact on the way we work and socialize. The situation varied throughout the year and uncertainty was high. Many actions were undertaken to keep our team members as safe and healthy as possible. We continued to use special routines and equipment. Our entire team made an impressive effort, at the same time as our industry was fortunate compared to many other industries.

"We care and want to make a difference."

Concrete is an amazing and sustainable construction material. It is natural, beautiful, and creative. Unlike most other material being used that might only last fifty years, concrete can be described as a symbol of sustainability. After all, what other buildings stand for more than 2000 years, such as the ancient concrete buildings in Rome?

Together with all other companies in the construction industry, we have a great responsibility to be transparent and honest in our efforts to continuously improve sustainability performance. Every material used in construction has its own merits. Hence, it's important to always look at the facts and proven data when making a choice.

I'm proud of what our Group has done in the area of modern sustainability, but every day we have to actively continue working to improve. Hopefully, you'll find this report inspiring, and a good way to share with others what we do and what matters most at Thomas Concrete Group.

Hans Karlander
CEO and President
Thomas Concrete Group AB



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This is us



"We are Team Thomas, small enough to be quick and flexible, big enough to be efficient and professional"

– Hans Karlander



We are an independent, family owned Group producing and distributing high quality ready-mixed concrete and precast concrete elements to commercial and private customers. Our success is built on the added value we offer in exceptional personal service and technical competence. Our entire Group has a strong focus on environmental responsibility and employee welfare.

We are the Concrete Specialists.

7.8 billion SEK in consolidated turnover

(approx USD 850 million, 760 million EUR)

162 concrete plants

4 plants for precast elements (SE)

4 import terminals for binders and other raw materials (SE)

1 accredited central testing laboratory (SE)

3 national testing laboratories (DE, PL, US)

5.6 million m³ of concrete produced

5 countries

2 150 employees



Our Strategic Platform

Our culture

We are a committed team...

- that cares and acts in the best interest of our customers, colleagues and company.
- that constantly seeks possibilities, having high focus on profit and results.
- that is responsible and alert, always striving to be the best.
- that supports each other, sharing energy and having fun.

Our vision

To be perceived as being the best in our industry.

Best in terms of:

- Customer service
- Safety
- Quality
- Mindset
- Way of working
- Financial results

It is all about us

Our customers determine our future

Our heritage

We are an independent, family-owned Swedish company,

with high entrepreneurial and local spirit,

and with reliable, persistent long term thinking.

Our mission

To be the closest to the customers and together actively contribute to building a sustainable society.

Our customer offer

High quality concrete, knowledge and reliable services provided by a committed team.

- On time
- At site
- At agreed price





Concrete is Essential for Building Sustainable Societies

We live in a rapidly developing world where urbanization is at the forefront. There already is, and will continue to be, an increasingly growing need for infrastructure, tunnels, bridges, power plants, homes, schools, hospitals, and office buildings. Concrete is essential for building resilient and sustainable societies. At the same time, all building materials used today have an environmental impact. This creates the challenge of balancing economic growth, social responsibility, and environmental protection.

Determining whether a building material is sustainable requires that the economic, social, and environmental aspects that the material entails over the construction's entire life cycle are evaluated and weighed together. From a life cycle perspective, concrete meets high sustainability demands. Concrete is strong, durable, fire resistant, affordable, and locally available. A concrete structure has a service life that exceeds 100 years, during which it requires minimal maintenance. Concrete has many properties that serve as prerequisites for sustainable construction.

At Thomas Concrete Group, we believe that sustainability creates value for our business, our employees, our customers, our owners, and society. As the Concrete Specialists, we are determined to maximize this value and committed to continuously minimize the negative impact throughout the life cycle of concrete.



Concrete is Sustainable

Natural, Beautiful and Creative

The sustainability of concrete must be understood from a life cycle perspective. Read more on our website.

Strong and durable

Concrete has been used as a key construction material for thousands of years due to its durability and flexibility. Properly designed buildings last for a long time with a minimum need of maintenance, making concrete a sustainable construction material.

Locally produced

Ready-mixed concrete is always produced locally, with locally sourced materials, leading to short transportation distances.

Energy efficient

Due to the thermal mass and airtight nature of concrete homes, the temperatures inside remain stable, despite the outdoor weather. Therefore, concrete buildings have low energy consumption which reduces the need of extra heating and cooling.

100 % recyclable

Concrete is well adapted to a circular economy. Crushed concrete can be recycled as aggregates for newly produced concrete or be used as base layer in road constructions. In addition, crushed concrete absorbs even more CO₂.

Absorbs CO₂

Concrete does so spontaneously, throughout its entire lifetime, without impairment. Look around you, all exposed concrete you see absorbs CO₂, and thereby helps to remove CO₂ from our atmosphere. During the concrete life cycle up to 20 % of the CO₂ emissions is being absorbed back.

Does not burn

Concrete is fire resistant. Concrete cannot be set on fire or emit toxic fumes during exposure to fire. Firemen and insurance companies agree that concrete is an optimal building material.

Does not mold

Concrete is an inorganic and water resilient material, meaning that it cannot mold or rot. Concrete is therefore not affected by water leakages and climate changes that may lead to increased frequency of flooding, storms and precipitation.

Helps you sleep better

The extraordinary sound insulating properties of concrete creates quiet and peaceful homes. You will be less bothered by disturbing traffic noise or your next-door neighbours.



Accelerating the use of low carbon concrete

Our ambition to be the industry leader in providing sustainable products and services puts our Green Offer in focus. We have developed our Green Offer to facilitate the choice and use of low carbon concrete. Low carbon concrete is concrete with lower CO₂ footprint with the same high quality, function, and performance as traditional concrete. We achieve this mainly by replacing parts of the cement with alternative binders and by optimizing the amount of binder in the concrete.

Low carbon concrete is a key measure in the construction industry's climate transition. To inspire all actors in the industry to really use low carbon concrete, we are focusing our efforts on internal as well as

external sustainability education, information, and communication. At the same time, our research and development work continue towards achieving carbon neutral concrete construction.

During 2021, our KPIs remained on a stable level. However, after a few years with a positive trend in our safety KPI, we unfortunately saw an increase in 2021. We will put extra efforts in getting back on a downward trend and continue to strive relentlessly towards our vision to be the best in our industry.

During 2021, we initiated the development of our CO₂ roadmap which will be finalized in the beginning of 2022. In the course of 2022, we will focus our efforts

on actions to realize the roadmap combined with actions to build awareness around low carbon concrete to increase its use.

Let's explore the huge potential of low carbon concrete and together take a big sustainable step forward!



Karin Gäbel
Sustainability Manager
Thomas Concrete Group AB

Sustainability Governance

Sustainability is closely linked to Thomas Concrete Group's core business through our mission, and we integrate sustainability into all aspects of our business. Our overall objective is to create value for all our stakeholders, both by generating and maintaining the company's economic value and by building a sustainable society with added environmental and social value. Our Strategic Development Committee, consisting of the Group's top management, ensure that the sustainability agenda, long-term targets, and policies are aligned with the company's strategic framework.

To drive and coordinate our sustainability agenda and to guarantee a consistent approach across our Group, we have several Group-wide committees and networks. The Sustainability Work Group focuses on environmental sustainability, the Safety Council on safety and risk-elimination, the HR Network on employees and their well-being, the Technical Meetings on research and development, and the International Marketing and Communications Meetings on sustainability communication.

Thomas Concrete Group has set specific sustainability objectives, KPIs, in areas deemed highly relevant for our overall strategy. The KPIs provide

clear targets and make it easy to track our progress and development. To ensure that the targets are met, Thomas Concrete Group also has several policies with principles to guide decisions. These include a Safety Policy, Environmental Policy, Finance Policy, and a Purchasing Policy.

Management teams in our subsidiaries ensure that development projects, target setting, and reporting processes are aligned with the Group's sustainability agenda and adapted to local business and market conditions. They also report on local sustainability performance and progress.

Our Code of Conduct describes the expected behavior of every employee in interaction with colleagues, customers, local communities, and other stakeholders. The Code of Conduct serves as a baseline for personnel in their day-to-day work and is supported by education, routines, and instructions. All members of Team Thomas must adhere to the Code of Conduct.

Our ambition

To be an industry leader in providing sustainable products and services.

Supporting Global Initiatives

Sustainable Development Goals

Thomas Concrete Group supports the United Nations' Sustainable Development Goals and we focus on the goals where we can contribute the most. Throughout this report we have visualized how our actions are connected to the different goals.



Climate Change

Thomas Concrete Group supports the Paris Agreement. We are working towards a vision of zero carbon concrete to contribute to the construction industry's climate transition.



PARIS2015
UN CLIMATE CHANGE CONFERENCE
COP21·CMP11

Circular Economy

Buildings and infrastructure made of concrete are built to last. With an average service life that exceeds 100 years, concrete is an important building material in achieving circularity. Resource efficiency, reduced and circular use of materials, and minimized waste are important aspects of Thomas Concrete Group's contribution to a circular economy.



Digitalization

At Thomas Concrete Group, we firmly believe that digitalization of the construction industry is a key to find more efficient ways of working. Better transparency and real time data will help us make more sustainable choices in the future.



Balancing the Pillars of Sustainability

To successfully achieve our sustainable development commitments, we base our work in the three pillars of sustainability: society, environment, and economy. By focusing our efforts on these areas, we can assure our contributions embody the entire sustainability spectrum.

As defined in the Brundtland Report, sustainable development is *“Development that meets the needs of the present without compromising the ability of future generations to meet their own needs”*. Concrete is the foundation on which we build our future societies. It is a material that is fundamentally used across generations. Concrete structures that were built over 2000 years ago are still functional today. Therefore, concrete is, at its core, a sustainable material.



Our Focus Areas and KPIs

Safety

We put safety first and engage employees in the importance of it. All employees are educated in safety procedures in order to stay safe and avoid risks at our plants and at construction sites.

Read more on page 56

LTI (Lost Time Injury)
TARGET < 15
2025

ACTUAL 16.7
2021 2020 2019
 15.2 20

Binder optimization

In order to provide low carbon products, we are optimizing the binder content in our ready-mixed concrete. By introducing alternative binders and reducing the content of cement, the climate impact can be reduced significantly.

Read more on page 32

Alternative binders
TARGET > 50 %
2025

ACTUAL 27 %
2021 2020 2019
 26 % 28 %

Engagement index

We care for the health and wellbeing of all employees. We aim to become best in industry by building a strong Team Thomas.

Read more on page 60

EI (Engagement Index)
TARGET > 86
2025

ACTUAL 83
2021 2020 2019
 84 81

Energy & emissions

We are taking action on reducing our energy consumption in terms of making our production and transportation fleet more energy efficient, and by reducing our fossil fuel dependency.

Read more on page 36

Energy consumption
 (kWh/m³)
TARGET < 5
2025

ACTUAL 8.2
2021 2020 2019
 7.5 6.5

Economy

In order to have a sustainable development of our company, we need to have a solid base and a profitable business securing the future of the Group.

Read more on page 73

Solvency
TARGET > 40 %
2025

ACTUAL 48.0 %
2021 2020 2019
 47.8 % 45.8 %



Environment

Thomas[®]
Specialist
na pabelung

Environment



Environmental Policy

Thomas Concrete Group has a vision to reduce our long term environmental impact in all local and global processes. We will continually strive to develop solutions for a sustainable society of tomorrow.

Our Team mission is to integrate all business measures to reach this goal. With clearly defined objectives, compliance accountability, common development, and good dialog, we desire to be our customer's first choice as their concrete producer.

We clearly care for the environment of the present and future generations.

Permits, Regulations, and Industry Requirements will always be treated as our minimum level of environmental performance.

Environmental Objectives 2025

> 50 % alternative binders

< 5 kWh per produced m³ concrete

Life Cycle Assessment of Concrete

At Thomas Concrete Group, we have worked with Life Cycle Assessments (LCA) for many years. By assessing the environmental impact at all stages of the concrete life cycle, we can prioritize and adapt our sustainability work and our process and product development.

Raw Materials

The LCA of concrete shows that most of the environmental impact originates from the production of required raw materials. The impact is mainly due to the significant emissions of carbon dioxide from cement, which is one of the binders in concrete. When limestone, the main raw material in cement, is heated during cement manufacturing, carbon dioxide is released. As much as 90 % of the carbon emissions connected to concrete production come from cement production.

Read more on page 30.

Production and Distribution

The production of the concrete itself has relatively low environmental impact. Energy is used to mix the concrete and to heat or cool water and aggregates depending on season.

Concrete is produced near the construction site with local raw materials, which reduces the impact of transportation on the environment and society.

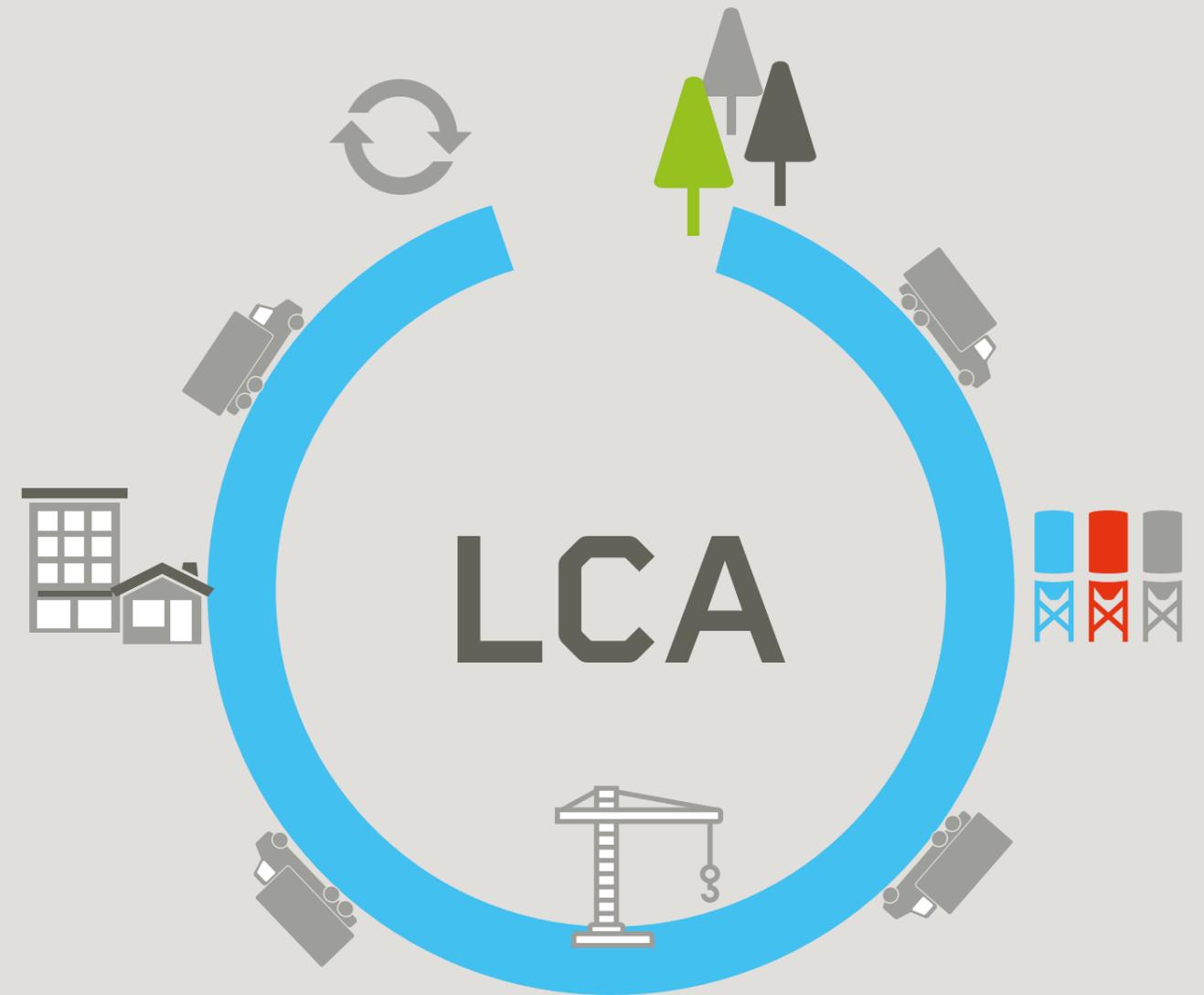
Read more on page 36.

Operation, Maintenance and Use of Concrete Structures

Concrete is a durable material with a long service life. It requires little to no maintenance, and its ability to store both heat and cold saves energy. A concrete structure absorbs carbon dioxide throughout its entire life cycle. This completely natural process is called carbonation, and it does not affect the properties of the structure. Up to 20 % of the carbon dioxide released during the production of the structure can be absorbed over its life cycle. From a life cycle perspective, concrete structures have low environmental impact.

End of Life

Concrete is 100 % recyclable, and crushed concrete absorbs CO₂ at an even faster rate.



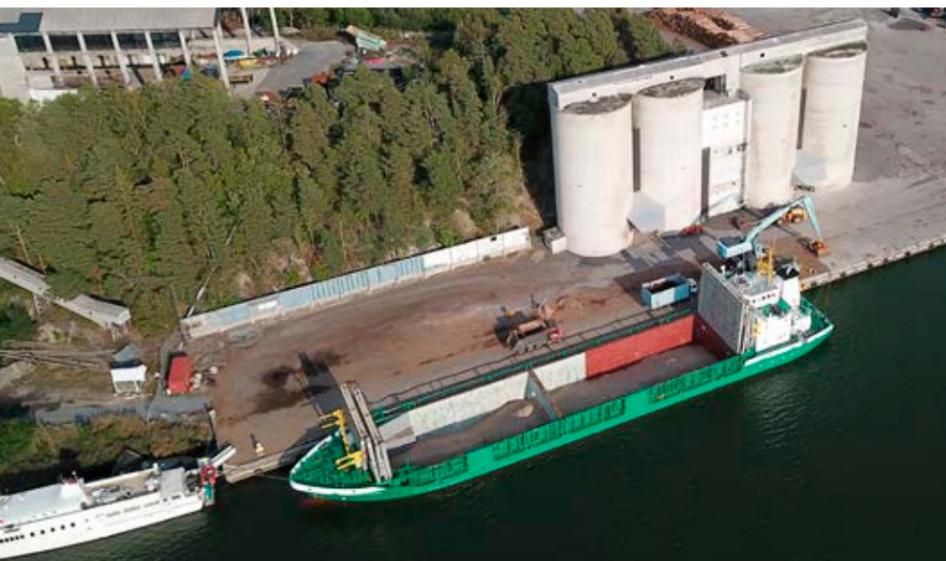


Raw materials

Concrete mainly consists of three natural raw materials: aggregates, binders, and water. Additionally, various admixtures that improve the properties of the concrete are included in small doses.

Today, Thomas Cement, Sweden, imports alternative binders to three of its terminals to ensure production and supply of low carbon concrete to the Swedish market. To safeguard logistics for future supplies of important raw materials, Thomas Cement, in 2021 acquired Stockholms Bulkhamn AB.

This is a strategic investment that complements the three binder terminals and that provides the Group with greater opportunities to develop concrete production using alternative binders and other raw materials.



The raw materials in concrete are:

aggregates 65–75%

water 15–20%

binders 10–15%

Concrete also contains <1% of admixtures





Binders

Cement is the adhesive that binds aggregates and water together to create concrete. Replacing cement with alternative binders, such as slag or fly ash, is an efficient method of reducing the use of cement and the related carbon emissions from cement manufacturing. We also continuously work to reduce our use of binders by optimizing our concrete compositions to require as little binder as possible.

Thomas Beton in Germany and Poland are producing and delivering high volumes of concrete with a large proportion of alternative binders as standard. In 2021, Thomas Beton Poland began using a new cement type that utilizes up to 34 % in alternative binders, including slag and fly ash. This innovative cement type carries a 40 % lower carbon footprint than traditional Portland cement.

The share of alternative binders used in the different countries varies significantly due to the cost and availability of raw material as well as the different demands and the maturity of the different markets. In 2021 Thomas Beton, Germany, used as much as 49 % alternative binders, Thomas Beton, Poland, used 30 %, Thomas Concrete, USA, used 25 % and Thomas Betong, Sweden, used 16 %.

In addition to using alternative binders, Thomas Concrete, USA, has utilized CarbonCure™ technology, which optimizes the concrete mix and reduces its carbon footprint by 5-6 %. Currently, 48 of Thomas Concrete's plants have been equipped with the technology. In 2021 alone, almost 15 370 tonnes (33.9 million pounds) of CO₂ emissions were reduced using CarbonCure™.

Water

Water is an essential ingredient in the production of concrete. It is also a necessity for maintaining clean trucks and plant mixers to avoid concrete build-up. Thomas Concrete Group aims for a circular water economy. We have water recycling systems at about 70 % of all our plants and installing water recycling systems is now a standard procedure at our new establishments. In the recycling systems, water, which has been used to clean the trucks and mixers, is separated from concrete residues in sedimentation ponds. The treated water is then reused in concrete production to reduce the use of fresh water.

At Thomas Betong, Sweden, the water recycling system consists of several ponds which the water

is pumped between to allow for further separation between the water and the concrete residue. As of 2021, 20 of the Swedish factories have been equipped with this system and further expansion is planned for 2022.

Thomas Beton in Germany installed three new semi-automatic funnel cleaning systems in 2019/2020. In 2021, three additional systems were installed and the plan is that all plants in Germany will receive this cleaning system in the future.

In 2021, Thomas Beton in Germany also invested in new concrete recycling facilities at two of its plants. The facilities use water to rinse the binder out of the concrete. The water then goes back into the production process, while the returned concrete is

left completely clean, which means that we can use it as aggregate in new projects without additional purification. Consequently, Thomas Beton will, in principle, not generate any concrete waste at all at these plants.

Alternative Binders

TARGET 2025 > 50 %

ACTUAL 2021 27 % 2020 26 % 2019 28 %



Semi-Automatic funnel cleaning system in Thomas Beton, Germany.



Aggregates

The choice of aggregate determines not only the quality of our product, but also its environmental impact. The texture of the aggregate surface affects the amount of water needed in the composition which in turn affects the need for additional binder. Aggregates have changed from natural stone to quarried, which often increases the water demand due to the altered texture. Therefore, we are actively searching for new compositions of aggregates that have textures which will reduce the amount of binder needed.

In 2021, Thomas Betong, Sweden began using washed, imported sand, combined with crushed aggregates in the Stockholm region. The sand improves the properties of the fresh and hardening concrete, as well as reduces the average use of cement by about 8%, which reduces the climate impact of the concrete.

Concrete Admixtures

Admixtures are added to the concrete to improve the properties of the concrete and provide productional, functional, economic, and environmental benefits. We use admixtures to optimize the concrete and reduce the need of cement in our concrete compositions, thus reducing our carbon footprint. Based on safety data sheets and performed testing, we ensure that the admixtures we use do not contain any hazardous substances.

Reinforcement Steel

Apart from aggregates, binders, water, and admixtures, our precast products also include steel, a common form of concrete reinforcement. About 90% of the reinforcement steel used is manufactured in-house. This allows us to fabricate our mesh and girders exactly according to our drawings, virtually eliminating waste for these products.



Production and Distribution



Our concrete plants are primarily powered by electricity. Additional energy may be required to heat or cool aggregates and water during cold or hot seasons. These heaters are almost exclusively driven by heating oil, except for a few plants which have natural gas as an energy source. We also conduct energy audits at all our plants to assess and improve our energy performance.

Thomas Betong, Sweden, has reduced its overall fossil fuel dependency by replacing parts of its fossil heating oil with biodiesel (RME) at all plants. For an annual consumption of approximately 880 000 liters heating oil, using 25% at the ready-mix plants and 100% RME at the precast plants, Thomas Betong decreased

its emissions with almost 30%, compared to using traditional fossil heating oil.

In 2021 Thomas Beton, Germany, signed a new contract with its energy supplier and is now using climate neutral electricity. Using climate neutral electricity saved over 1500 tonnes of CO₂ emissions compared to the German average.

Thomas Betong, Sweden, has since 2019 used EPD certified hydropower which is renewable and climate neutral.

This year we have put increasing efforts reviewing our KPIs and data. This has led to a more accurate but slightly higher value in energy consumption per cubic meter compared to previous years.

Concrete is a local product made with locally sourced raw materials. It is always distributed within one hour from the concrete plant, which allows for short transportation distances and low carbon emissions. We work actively at further optimizing our deliveries and transportation distances.

Thomas Concrete Group has during 2021 invested in its first 100% electric-powered concrete truck. The truck, which is produced by Volvo Truck Corporation will be primarily used for distribution of climate-improved concrete, which considerably reduces CO₂ emissions, like the truck. This investment is seen as the next step in our sustainability work and a test project for us as well as the entire construction industry in terms of how a fully electric

concrete truck works in daily operations. The electric power also means lower noise levels, which contributes to a better working environment for drivers and others working nearby.

Thomas Concrete, USA, is committed to continually replacing older trucks to reduce CO₂ emissions as well as oil and fuel usage. During 2021, 84 new trucks were purchased this year and 32 older trucks were retired.

In Poland, Thomas Beton is also gradually replacing its fleet for environmental purposes. During 2021 investments have gone into 10 new concrete trucks. All new vehicles meet the EURO 6 standard and replace old trucks with the EURO 4 standard, reducing fuel consumption and CO₂ emissions.



Energy & emissions kWh/produced m³ concrete

TARGET 2025 < 5

ACTUAL 2021 8.2

2020	2019
7,5	6,5

Our Green Offer

can include the following components:

Alternative binders

Recycled concrete

CarbonCure Technology™

Recycled aggregates

Concrete optimization

Thomas Concrete Group has developed a range of green products to make it easier for our customers to make more sustainable choices.

THOMAGRÖN®

THOMAGRÖN® is Thomas Betong's branded green offer in Sweden that includes product selections based on construction design. This offer has yielded a reduction in carbon footprint by up to 50 %.

In 2021, Thomas Betong, Sweden, launched a new climate-improved concrete for floor solutions, Thomagolv 4v Grön. By choosing the Thomagolv 4v Grön solution, moisture-proof flooring is ensured already 4 weeks after casting. The concrete solution also has a 60 % lower climate impact in comparison to traditional concrete.

In 2021, Thomas Betong introduced a precast concrete slab flooring with THOMAGRÖN®. Not only was the green precast flooring a new product offer from Thomas Betong, but it was also the first of its kind on the Swedish market.

THOMAGREEN®

Thomas Concrete, USA, offers THOMAGREEN® products produced with various alternative binders and Carbon-Cure™ technology. Thomas Concrete has also developed the new Thomagreen ICF mix, and has already built up to 25 residential buildings in Atlanta with it. ICF stands for "Insulated Concrete Form" and offers an environmentally friendly alternative with low energy consumption.

In 2021, Thomas Beton, Germany, developed and launched its green offer THOMAGREEN® to support the German market's growing demand for low carbon products and solutions.

Concrete with Lower Cement Content

Thomas Beton in Poland is producing and delivering high volumes of concrete with a large proportion of alternative binders as a standard.

In 2021, a retirement home in Tyresö, was the first building in Sweden to receive the NollCO₂ certification. Thomas Betong delivered climate improved prefabricated concrete slabs, which together with the ready-mix concrete, could reduce the climate impact with up to 50 %.





The blocks have multiple applications:

- Storage bins
- Marine dock anchors
- Create tiered/layered yards in hilly areas
- Prevent erosion in areas of instability
- Security barriers
- Tent tie downs
- Retaining walls
- Erosion control
- Traffic lane control

THOMABLOC

As part of our effort to create a circular economy, Thomas Concrete Group is working on ways to reduce the amount of concrete that is sent to landfills. This is done by optimizing concrete volumes for our customers, which reduces the amount of concrete residues returned to the concrete plant, and by maximizing opportunities for recycling and reuse of remaining concrete residues.

THOMABLOC is a sustainable alternative for recycled concrete and an important part of our focus on a circular economy. THOMABLOCs are smooth concrete retaining wall blocks in a variety of sizes. They work like large LEGOs for stacking and interlocking.

In 2021, Thomas Concrete, USA, casted 19 489 blocks, nearly a 7% increase from the 18 200 blocks that were made in 2020. This represents 2,923 truck loads of concrete recycled.

Thomas Beton, Germany, reused and recycled 13 122 m³ of concrete during 2021. Out of the concrete residues, 1 636 m³ were casted into concrete blocks and 11 404 m³ were sent out to new construction sites. About 15 328 m³ were sold and crushed into aggregates, with the potential for use in new concrete.

Thomas Betong, Sweden, has experienced continued growth in the production of blocks from concrete residues since their first casted block in 2016. A total of 3 207 blocks were produced from left over concrete in Sweden during 2021.



EPD

(Environmental Product Declaration)

We offer EPDs for products and projects to increase transparency and give our customers and the industry the opportunity to make more sustainable choices. An EPD is an official disclosure of the environmental performance of a product or material. The declaration is reviewed by a third party, and later verified and registered in an EPD system. During the last year, EPDs have become increasingly important, and we have therefore also increased our efforts in producing distinct and transparent EPDs.

We also work proactively with our raw material suppliers to increase the number of product specific EPDs for our main raw materials. Thomas Betong in Sweden currently offers EPDs for 5 of its ready-mixed products and for 3 precast products. This allows the customers to eco-label their buildings. Internally, it provides information on improvement potential.

Thomas Concrete, USA, currently has over 1500 product specific EPDs readily available, spread across 11 plants. In 2021 alone, over 470 new EPDs were generated for projects across multiple markets. Each year the EPDs are updated internally and verified by a third party for recertification. Customers can download all EPDs directly from ASTM International's database.

Thomas Beton, Germany, developed EPDs for 3 concrete products in 2021.



Concrete Sustainability Council (CSC) Certificates

Thomas Beton, Germany, offers its customers CSC-certificates to enable them to receive credits in green building rating systems such as BREEAM, DGNB, and Envision. Provided by the Concrete Sustainability Council, the CSC system is a product certification system which typically applies to all products manufactured by the certified plant. The certification aims to give the concrete production more transparency and to provide oversight of the entire value chain.

Thomas Beton has received the CSC-certification at 10 plants. Eight of the plants reached the Gold level, currently the highest of three levels. Thanks to the certification, the customers gain the ability to put green labels on their buildings.



CO₂-Calculator

Thomas Betong, Sweden, offers its customers a CO₂ Calculator through their website and mobile application. The calculations are based on European and international standards. The calculator visualizes how much carbon dioxide is being saved by buying its green products.

Thomas Betong also offers project specific CO₂ calculations and during 2021 they have conducted such calculations on 16 project and on 61 products.





Karlatornet Gothenburg, Sweden

Product:
Project unique low carbon concrete

Customer:
Serneke

Volume:
62 000 m³

Savings:
428 tonnes CO₂ prevented

Kahn Distribution Center Savannah, GA, USA

Product:
THOMAGREEN® with
Carbon Cure

Customer:
Southeast Concrete Systems / Evans
General Contracting

Volume:
12 600 m³

Savings:
137 tonnes CO₂ prevented

Kahn Distribution Center: Atlas Collaborative, LLC



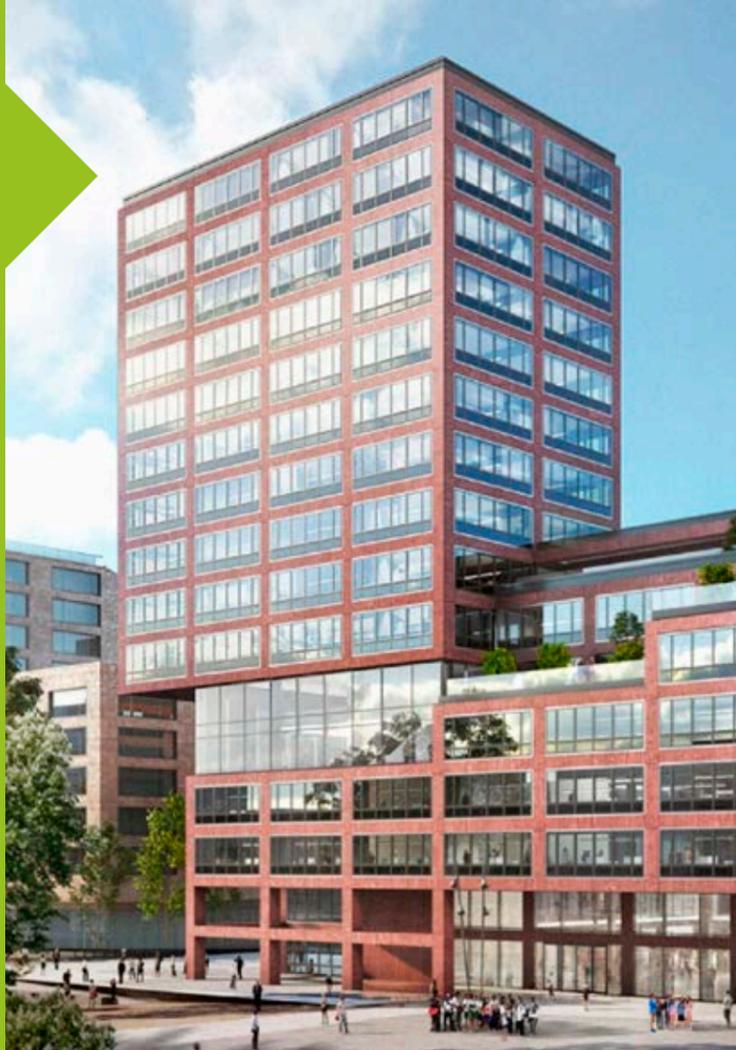
EDGE Hafencity Hamburg, Germany

Product:
Concrete for base/foundation with
CEM III/A 32,5 N-LH
Concrete for ceiling: optimized
C50/60, 90 days testing age

Customer:
Bauwens Construction GmbH & Co.
KG

Volume:
For base/foundation: 1000m³ with
CEM III/A 32,5 N-LH (na); concrete in
total: 20000m³

Savings:
Base/Foundation: 36 tonnes CO₂
prevented in comparison with CEM
III/42,5 N
Ceiling: 18 tonnes CO₂ prevented



Modernization of the sewage treatment plant Elbląg, Poland

Product:
Concrete exposed to freeze/
thaw attack, concrete exposed to
aggressive chemical environment

Customer:
Instal Warszawa S.A.

Volume:
843 m³ (until 04.11.2021)

Savings:
122 tonnes (until 04.11.2021)

Säffle Värmeverk

Säffle, Sweden

Product:

ThomaGrön Plus Brixly, Thomafrys Grön

Customer:

Brixly

Volume:

1 000 m³

Savings:

81 tonnes CO₂ prevented



Fox Hill Building 2

Fountain Inn, SC, US

Product:

THOMAGREEN® with Carbon Cure

Customer:

CBM Concrete / Pattillo Construction is General Contractor

Volume:

9 600 m³

Savings:

115 tonnes CO₂ prevented



Fox Hill Building 2: McMillan Pazdan Smith Architecture



Johannes-Kepler-Quartier

Lübeck, Germany

Product:

Concrete with special cement: CEM III/A 32,5 N

Customer:

Bonava Deutschland GmbH

Volume:

5 000m³ with CEM III/A 32,5 N; concrete in total: 10 000m³

Savings:

130 tonnes CO₂ prevented in comparison with CEM III/42,5 N

Wind Farm PRUSZCZ

Świecie County, Kuyavian-Pomeranian Voivodeship, Poland

Product:

Concrete for massive structures of 35 wind turbine foundations, low heat of hydration and frost resistant concrete

Customer:

SEEWIND Windenergiesysteme GmbH

Volume:

4 437 m³ (until 04.11.2021)

Savings:

586 tonnes (until 04.11.2021)



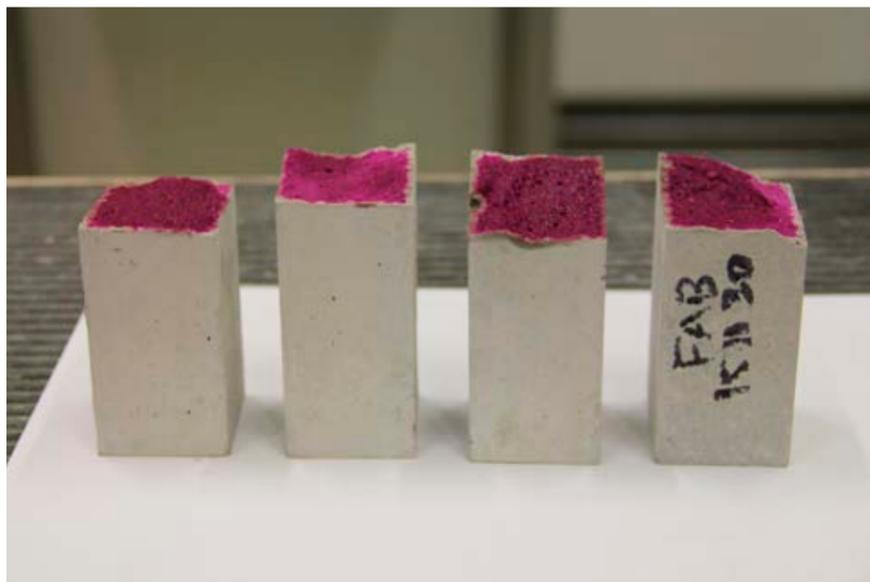


Research and Development

C-lab®

C-lab® is based in Gothenburg, Sweden, and is Thomas Concrete Group's accredited (ISO/IEC 17025) center for raw material and laboratory testing, technical consultation, and research and development. We are one of a few global concrete suppliers to operate our own research and development facility.

During 2021, 4 839 testing assignments were conducted of concrete, aggregates, and binders under strict national and international standard procedure requirements. When required, C-lab® also offers non-accredited testing, damage investigation, and structure assessment.



Roadmap to carbon neutral concrete construction

Concrete is the most used material on the planet. It is strong, durable, fire resistant and the raw materials are abundant almost everywhere. In today's society we rely on many forms of concrete, even if many are not aware of this, from pavements that we walk on, to high-performance concrete in tall buildings and the infrastructure that we rely on for transportation and for energy production. Concrete is a material which has low embodied energy and CO₂, but the challenge is that we are using so much concrete. Consequently, we need to further develop sustainable solutions enabling our customers to decarbonize.

To reach carbon neutral concrete construction is a challenge and there exists not one simple,

seemingly magical, solution that can accomplish this in a sustainable and economical feasible manner. In our roadmap, technologies for short- and medium-term implementation have been identified as well as innovations that are needed long-term. The roadmap focuses on demonstrating what we can do today in terms of material optimization as well as how we can improve construction methods and design. But it also outlines how we can further develop concrete technology and construction and implementing new alternative binders. However, to reach the net-zero goal, innovations are essential, these range from carbon capture, alternative reinforcements, digital fabrication to novel binders and concrete technologies.

Our roadmap is based on four focus areas. In each of these, levers for action that will guide us on our route towards carbon neutrality have been identified, these include: best practice; available and developing technologies; opportunities; and innovations.



Ingemar Löfgren
R&D Manager
Thomas Concrete Group AB

The four focus areas are:

1. Low carbon concrete
2. Low carbon concrete structures
3. Concrete in service life and user stage
4. Circular construction





Research Projects

BETCRETE 2.0

The project brings together 19 parties in a national strategy, with the goal of coordinating and communicating activities for the implementation of the cement and concrete industry roadmaps for carbon-neutral concrete construction. The project is coordinated by Research Institutes of Sweden (RISE). Thomas Concrete Group is responsible for two work packages: "Resource efficiency and sustainability indicators" and "Communication, education and advocacy." Addressing the first package, Thomas Concrete Group utilized key performance indicators to evaluate and benchmark sustainability performance in the concrete industry. For the second package, Thomas Concrete Group developed and published a road-map for "The use of activated clays in concrete in Sweden." The project continues through 2022 with publications on the concrete carbon cycle and the carbon uptake through carbonation during the life cycle.



Water in Green Cementitious Materials

This PhD research project was initiated by Thomas Concrete Group and is being conducted at Chalmers University of Technology in Sweden. To secure the use of new binders, with respect to long-term durability and moisture safe constructions, there is a need for understanding how the water in concrete with alternative binders is chemically and physically bound. The aim of this project is to develop applicable test methods for evaluating the water state in such concrete, which will enable faster implementation of new binders. During 2021 experimental methods based on conductivity measurements were developed for monitoring moisture and pore connectivity of concrete.

Supplementary alternative binders

In 2021, Thomas Concrete Group performed multiple tests on three different materials that potentially could be used as alternative binders. The tested materials were pumice, a natural pozzolan, silica sand from treated sewage sludge ash and an alternative metallurgical slag. In the testing a standard fly ash was tested for comparison as well as a limestone filler.

Associations and Certifications

To secure our business processes and methods, we have different standards and certifications to follow and we actively participate in industry associations which drive the industry to become more sustainable.

International Organization For Standardization (ISO)

Thomas Betong, Sweden, and Thomas Concrete, USA, are quality and environmentally certified in accordance with ISO 9001 and ISO 14001. Their improvement work is audited annually by an external party. In this way, they always need to improve and make operations better.



The Swedish Concrete Association

Thomas Betong, Sweden, is a member of the Swedish Concrete Association. They are conducting several activities to promote sustainability in the construction industry, with a large focus on long term thinking.



Svensk Betong

The Concrete Initiative

In Sweden, Thomas Betong is also a part of the Concrete Initiative, a group whose goal is to bring climate-neutral concrete to the market by 2030, and to make it universal by 2045.

National Ready Mixed Concrete Association (NRMCA)

Thomas Concrete, USA, is a member of the NRMCA, which is active in a number of initiatives to make the industry more sustainable.



Bundesverband Transportbeton (BTB) – Vero Association

Thomas Beton, Germany, is a part of a regional association for building materials named "Vero". Vero is a member of the ready-mix concrete Association BTB. BTB is the national provider for the CSC-certification. Additionally, they are involved in training initiatives of operators and drivers.

Ready Mixed Concrete Producers Association (SPBT)

Thomas Beton, Poland, is part of the SPBT, which for almost twenty years has been promoting concrete as an economical, sustainable, safe, and durable construction material.



Social

Team Thomas





Our culture

We are a committed team...

- that cares and acts in the best interest of our customers, colleagues and company.
- that constantly seeks possibilities, having high focus on profit and results.
- that is responsible and alert, always striving to be the best.
- that supports each other, sharing energy and having fun.

Social Objectives 2025

EI (Engagement Index) > 86

LTI (Lost Time Injury) < 15



Safety First

We always put safety at the top of our agenda. Thomas Concrete Group is working towards making safety much more than compliance. Safety is about our people, our customers, our teamwork, and our culture. In addition to keeping up with mandated government requirements, we continuously implement new safety measures.

In 2021, Thomas Concrete Group unfortunately saw a slight increase in our LTI frequency. Because of this we will of course continuously develop on our safety work and implementation of safety measures to get back to a downward going trend.

Lost Time Injury

TARGET 2025 < 15

ACTUAL 2021 16.7 **2020** 15.2 **2019** 20

Safety Vision

We are a committed team that cares and acts in the best interest of our customers, colleagues and company.

Our company vision is to be perceived as being the best in our industry including safety first.

We lead with safety and promote a culture where all employees value safety as a way of life.

Safety Policy

We ensure that safety is a value in every aspect of our business and measure it regularly.

We insist on a safe operating environment, application of safe operating procedures, and employee compliance with all company safety policies and governmental regulations.

Hans Karlander
CEO and President,
Thomas Concrete Group AB





Safety awareness

At Thomas Concrete Group we believe that an important step to increasing safety at work is to be aware of the safety issues and the risks in our surroundings in order to prevent them. To increase safety awareness in one of the divisions, Thomas Concrete, USA, held a special safety BBQ lunch at each of the 29 plants celebrating safety, heightening safety awareness, and sharing a meal together.

Each year, at Thomas Betong in Sweden, a designated safety week is conducted. This year's theme was Working on Heights. Activities that took place during the week were safety rounds where, for example, railings, fall protection and ladders were checked, but also workshops regarding our routines and knowledge. Risk assessments were also carried out with a focus on hazardous operations.

This year, Thomas Beton in Poland celebrated World Day for Safety and Health at Work on April 28th, indicating the need for continuous and comprehensive actions to improve safety. On this occasion, presentations, posters, flyers, and safety competition were prepared.

During 2021, Thomas Beton in Germany arranged a safety campaign across all sites to improve safety at work. The campaign included multiple activities such as posters, flyers and an idea box where employees could suggest their ideas for safety improvements. The safety campaign also included a competition on which plant that was the cleanest and safest. All plants in Germany were evaluated twice this year on the basis of certain criteria like appearance, order and cleanliness, safety equipment, the wearing of personal protective equipment and compliance with covid-rules. The plant with the best results received tickets to the "Miniaturwunderland Hamburg".



Low vibrating jackhammers

Several plants at Thomas Betong, Sweden, have invested in low-vibrating jackhammers that are below the input value for exposure to vibrations. Overexposure to vibrations can cause damage to nerves and vessels in both hands and arms. One of the worst operations to perform in terms of vibration is the removal of concrete residue in mixers, therefore this action is of great importance.

Safety inspections

During the summer of 2021, Thomas Beton in Poland conducted safety inspections at its plants. These inspections revealed a variety of strengths, including high security awareness among the employees and strong observance of health and safety regulations. In addition, the company has good training information material. All in all, all this has led to zero accidents at our Polish plants.

Thomas Concrete, USA, employees Bill Davis and Harvey Mapp are pictured here, at the Ben Hill Plant in Georgia. Bill is wearing his bright green "Zero is Choice" safety shirt with over 150 signatures of other teammates who talked about safety with Bill and reinforced their safety commitment by signing the shirt. Bill kicked off the "Zero is a Choice" campaign several years ago. "We make daily choices about hazards and safety. We know the safety rules and we must follow them to ensure our safety and the safety of others. We are the Concrete Specialists and that includes safety with every delivery."





Well-Being and Health

At Team Thomas, we strive for a sound working environment. Creating an atmosphere that emphasizes physical safety for all personnel and encourages a creative exchange where we can speak our minds and influence our work will contribute to healthy and happy colleagues.

Team Thomas

Engagement Index

TARGET 2025 > 86

ACTUAL 2021 83

2020 2019
84 81



Thomas Betong, Sweden, has for the second year in a row been named Career Company of 2022. The motivation stated that Thomas Betong, part of Thomas Concrete Group, is a dynamic organization that cares about its employees.

Employee Survey

We want Thomas Concrete Group to be a place for individual growth. All employees should feel that they can help improve Team Thomas as well as their own situation. To assist with this, we conduct the same employee survey throughout the entire Group biannually.

Survey Results From 2021 Revealed:

- We perform above the industry average in all indexes.
- High trust in company management and communication from the management, both locally and on group level.
- We are good at giving each other feedback in the team and on receiving feedback from managers. It is also high levels of support from the managers when needed. This is a great base to keep developing our Team Thomas spirit and culture. Ninety percent of us said we are willing to make an extra effort to make the company more successful.
- The knowledge is high about our Strategic Platform "It is all about us", and 86 % of us think it is clear how each team contributes to reach Thomas Concrete Group's key goals.

Our Survey Also Revealed Important Areas Of Improvement:

- There are too many teams which feel that there isn't enough recovery time between shifts and that the general stress level has increased. The COVID-19 pandemic and cement shortages have put a real stress on our organization in some areas. This is an ongoing priority and concern, and support is given to relevant teams.

Team Thomas Magazine

We are building platforms to improve communication between our many plants and operations. One cornerstone in our internal communication is our annual Team Thomas Magazine, containing company news from the whole Group. All employees in the Group received a copy.



Reduce overtime to improve employability

At Thomas Beton, Germany, the Leadership-team, in 2021 created an action plan to reduce overtime. The action plan includes activities to recruit new employees, to reduce the individual workload, to improve people-development, and to improve the communication between production, logistics and sales.

Keeping Employees Healthy during the Pandemic

The COVID-19 pandemic has required extra measures to be taken to keep employees healthy. First and foremost, our priority was to provide our employees with safe working conditions so that all employees would stay healthy, work safely, and return home safely.

Together, we in Team Thomas have made it through a difficult and uncertain time in a really good way. Even before the pandemic began, we had a strong sense of unity and team spirit. This enabled us to make the transition to working and socializing more digitally. Together, we have managed to maintain the energy, motivation and commitment that has enabled us to continue delivering concrete to our customers.



Campaign in the form of posters on the subject of digital stress

We live in an increasingly digital world, which has many benefits but if not managed with care, can cause damage to our mental health. Therefore, Thomas Beton in Poland took part in a campaign addressing digital stress. The aim was to promote health and well-being at the workplace as well as to promote programs and activities aimed at improving the psycho-physical well-being of workers by ensuring a balance of digital exposure during and after work. The campaign was conducted through posters which raise awareness among employees and employers of the consequences and risks created by digital imbalance when working remotely. There was also a presentation with the aim of raising public awareness of the negative effects of stress resulting from digital imbalance and how to deal with it.

Education and Development

Thomas Academy

Our success depends on our personnel, their engagement, and their ability to perform. We believe that education and mentoring programs along with daily tasks will lead the way for our personnel and make us the leader in our field.

During 2021, operations managers at Thomas Betong, Sweden, all attended an eight day training to deepen their knowledge in Quality and Standards, Work Environment and Leadership Training. The aim was to strengthen them in their role and positively influence the quality, efficiency, and well-being of the plants.

Thomas Betong has also organized a base course on concrete for all our truck drivers. The course contributes with knowledge regarding, among other things, the history of concrete, how it is used as a building material, its technical properties, and important aspects regarding driving a concrete truck. It is also an important opportunity to meet and strengthen the team surrounding the drivers as plant operators, technicians and managers also mingle at these training sessions.

Furthermore, Thomas Betong, Sweden, Thomas Beton, Poland as well as Thomas Beton, Germany have carried out sustainability education including our green offer in order to better communicate and

sell our green offer to consumers and prescribing customers. In Sweden also more in depth education has been held with technical sales staff.

At Thomas Concrete, USA, the team makes obtaining a CDL (Commercial Driver's License) accessible to individuals who couldn't afford it otherwise and contributes to Thomas Concrete's workforce by employing the individuals while they're obtaining their CDLs and afterwards. It's a win-win, supporting the local community, as well as Thomas Concrete.

External Education

Thomas Concrete, USA, has during the year co-hosted Lunch & Learn events with our partner, CarbonCure™, to present information to our customers on THOMAGREEN® with CarbonCure™ and the benefits of the technology in concrete as it relates to CO₂ savings.

In July of 2021 the Sales Department of Thomas Beton, Poland, organized a training for engineers and designers from one of our clients. They presented selected issues of concrete technology as well as demonstrated new tools in the field of digitalization of their service such as the MyConcrete® portal.



Students and Graduates

To focus on long-term development, we value young professionals. Thomas Concrete Group has a trainee program that aims to develop the business. We also offer technical supervision of master theses and put great value on new ideas. In all our operations, we can also offer summer internship and other similar positions more suited for a younger target group.

Thomas Beton, Germany, also offers a couple of different trainee positions to include young people in the organization.

It is important for Team Thomas to include people from various ages. This is a way to

see our company and our opportunities from different perspectives with the goal to constantly develop our organization. Every year, Thomas Concrete Group participates in several career fairs at technical universities in Sweden to meet and recruit young professionals, as well as inform them about concrete from a sustainability perspective. We also host webinars for engineering students to inform and educate on subjects we are currently working on, such as digitalization and sustainability. Both Thomas Concrete, USA, and Thomas Beton, Germany, have also hosted events for student as well as participated at local student fairs.



Local Community Involvement



Thomas Concrete Group supports The World Childhood Foundation

Thomas Concrete Group has, in 2021, continued to support the World Childhood Foundation's work with children's rights. Her Majesty Queen Silvia of Sweden founded the World Childhood Foundation in 1999 to support children at risk around the world and to fight for every child's right to a childhood.



Thomas Concrete for Harvest Hope

Thomas Concrete, USA, has been active in a variety of local charities. The initiatives often come from the personnel themselves and involve big personal commitment. As the COVID-19 pandemic swept across the USA and the world, the number of people facing acute food insecurity increased drastically. Harvest Hope, a food bank in South Carolina, had people lining up daily. Heartbroken by the sight, two Thomas Concrete employees mobilized the construction community to aid Harvest Hope, first in 2020 and then again in 2021. At their second annual Contractors for Hope Event, with the help of many of our local industry friends and partners, they were able to raise over \$34 000 along with over 900 kg (2 000 pounds) of food for the local Harvest Hope Food Bank.



Human Rights and Anti-Corruption

Our Code of Conduct is a policy document that is supported by education, routines, and instructions, and serves as a baseline for our personnel in their day-to-day work.

- We provide equal opportunities without regard to nationality, skin color, gender, religion, sexual orientation, social or ethnic origin.
- We do not allow discrimination or harassment.
- We provide a safe and healthy working environment and work for continual improvement.
- We work against corruption in all its forms, including extortion and bribery.

During 2021 Thomas Concrete Group reviewed the Code of Conduct. In connection to this, Thomas Betong, Sweden, translated the new group Code of Conduct to a local version as well as developed a new training package. Apart from an update on the policy itself the training includes a guide to different trade and building sector agreements as well as our customer agreements. All managers and key personnel did this training.

Thomas Beton, Poland, also published a new local version of the reviewed Code of Conduct, which the employees approved and supported by signing the document.





Economy



Economy

Financial Responsibility

For Thomas Concrete Group to be socially and environmentally responsible, we must remain financially solid. Without conducting profitable business, we cannot invest in the research and innovation that ultimately leads to the development of sustainable societies.

Thomas Concrete Group is an independent, family owned company. It was founded by Mr. Martin Thomas and the Group is still owned by the Thomas family, a family that has a sincere wish to nurture and develop the company for the future as a strong international and independent group.

In March 2021, the Thomas Family Foundation was formed. The foundation has two purposes. One is to create an opportunity for the Thomas family to continue to own and manage the company in the long term, the other is to finance independent scientific research and training.

The Thomas Family's goal has always been to build a business for future generations and to reinvest a majority of the profit. From the beginning, Thomas Concrete Group has aimed for a sustainable business, one that is profitable in the long term, and which creates a good workplace for its employees. By valuing accountability, compliance, clearly defined objectives, and good dialogue, we desire to be our customer's preferred concrete supplier.

Our long term financial objectives are ambitious. Overall annual targets are set and agreed upon in the forecast process, allowing us to improve results with each step along the way and achieve our vision of being perceived as the best in our industry.

Solvency

TARGET	> 40 %		
ACTUAL 2021	48.0 %	2020	2019
		47,8 %	45,8 %

Our Business Model

Team Thomas' core business is to develop, produce and distribute concrete products. The Group has a total of 162 ready-mix concrete plants as well as four plants for production of precast concrete elements. The Group also offers services, such as concrete pumping, quality controls and technical advisory, making Team Thomas a complete concrete supplier.

Thomas Concrete Group values long term investments and focuses on developing its business responsibly. This means that Thomas Concrete Group has an ambitious sustainability agenda with human and environmental focus in every detail.

We have served the market and our customers well in the past and we will continue with this, keeping a long-term focus to expand and to maintain our position as The Concrete Specialists.





Our Challenge

The economic situation can change suddenly, and it is not always easy to predict in time. The COVID-19 pandemic serves as proof of this. Quick downturns in the overall economy, as well as less public and private funding to the construction market, are some of the threats to our success.

When it comes to sourcing, we have a high dependency on raw material suppliers due to a limited number of main suppliers of binders and aggregates. Without active sourcing management, this supply system could lead to decreased quality and suddenly increased prices of aggregates and cement, which has been seen in many of our markets during the last year. Additionally, some of our suppliers, as well as some of our customers, compete with us in this system. For example, a construction company who purchases concrete from us in one region, might compete with us in another region.

The cement in concrete is what constitutes the major environmental impact, which is why part of the cement is replaced by alternative binders, such as fly ash and slag. However, an increasing demand and limited availability of these binders will impose restrictions looking forward, requiring us to focus on research to find new alternative binders.

There is a tendency to prescribe wood as the building material in a construction project. This is not only wrong, it also hampers further development. We need to join forces in our industry and advocate for material-neutral policies and regulations that are function and life cycle based. The material manufacturers will then, on equal terms, continue to develop new innovative and climate-optimized products, allowing the market to choose the most suitable material.

Regardless of the economic situation, the competitor environment, or the environmental impact of concrete, we can only be The Concrete Specialists with the right personnel. Loss of key staff can lead to loss of speed. Securing team members with high level expertise, education, and sales competence is imperative to ensuring that we are the closest to the customers and their go-to supplier.

Digitalization

At Thomas Concrete Group, we firmly believe that the digitalization of the construction industry will be a key to find more efficient ways of working. Better transparency and real time data will help us make more sustainable choices in the future. Therefore, we invest in business development projects and actively seek out new possibilities for our digital platforms.

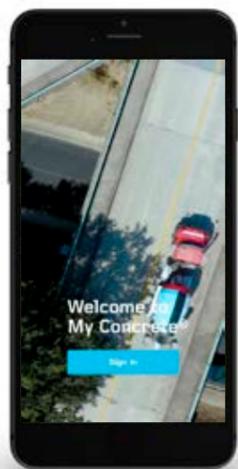


New CRM tool for presales, customer complaints and marketing

During fall 2021, Thomas Concrete Group began rolling out its new CRM (Customer Relationship Management) tool for its European companies. The new cloud-based version of the CRM tool will be used to manage customer relationships, complaints and marketing activities. In addition, everything will be available to access on your smartphone. CRM as an application will support us to secure that we can continue to develop the company long term, to maintain a solid customer focus and a proactive sales thinking, with great knowledge about buying and prescribing customers.

My Concrete® (Min Betong®)

In 2017, we launched the first version of our customer portal and mobile application My Concrete®. Since then, several upgrades have been released, and the application will continue to be our platform for providing improved digital services. My Concrete® facilitates and streamlines order and delivery management, offers real time tracking and push notifications about deliveries, and gives our customers the opportunity to download digital delivery tickets. We are currently in the process of eliminating our use of physical delivery tickets to minimize our paper usage and save our customers' time. With the help of My Concrete®, customers can better plan and coordinate their work at construction sites, thus optimize concrete transportation and placement time.



Monitoring Maturity with Sensors

As our digitalization journey progresses, we can offer more digital services to our customers. In January 2021 we started cooperating with Sensohive, a Danish company with expert knowledge in sensor devices. This collaboration has made it possible for us to offer a new service which allows our customers to monitor, in real time, how the maturity of the concrete develops. In-depth information about the maturity progress is sent directly to the My Concrete® portal for our customers to view, and a maturity report is available for download for each measurement. This allows for our customers to better plan their construction work, save time and money, and reduce their waste. Our ambition is to continuously develop services like these to offer our customers more knowledge.



Prognostication of future strength development in real time

A new service was launched in the fall of 2021 that, in addition to the maturity and strength measurements, also provides a real-time forecast of future maturity developments, something that is unique and has previously never been done in the Swedish market and probably not elsewhere. Using AI and weather data, we can provide a forecast of when the concrete will have reached its target strength. In doing so, we help our customers to better plan the construction process and reduce waste, saving both time and money on the construction site.





How We Have reported

THIS IS THOMAS CONCRETE GROUP

This sustainability report constitutes the Group's and the company's statutory sustainability report and is part of the administration report for Thomas Concrete Group AB with organization number 556062-2812. This year's sustainability report refers to the financial year of 2021 and contains information about the Group's sustainability work. The reported information and figures are aggregated for the whole group, containing information from all five main subsidiaries: Thomas Betong AB (Sweden), Thomas Concrete, Inc. (USA), Thomas Beton GmbH (Germany), Thomas Beton Sp. z o.o. (Poland) and Thomas Cement AB (Sweden). In this year's report, we include our precast business and a selection of KPIs and main activities have been highlighted. All areas are more thoroughly followed up country-wise.

ENVIRONMENT

Binder optimization

In this report we focus primarily on binders since they have the greatest environmental impact. The cement and alternative binder use is based on purchased volumes, volumes from our production systems, and manual analyses. When we measure binder optimization, we summarize the volume of purchased alternative binders with preblended alternative binders in our purchased cement.

The share of alternative binders has remained quite stable over the past three years, however, on a level half-way from our target. This is mainly due to lack of availability of fly ash and slag as well as a tradition of using traditional concrete* by the market.

Energy

Figures on energy consumption are derived from invoices and suppliers from all our ready-mix plants as well as our precast plants. Energy consumption is measured in kWh from electricity, diesel, and heating oil in liters. Total energy consumption is calculated using table values of energy content. We present usage per produced cubic meter. We have one plant with natural gas in Germany and a few in the USA, and a few with district heating in Sweden. These are not included in this report.

This year we have put increasing efforts reviewing our KPIs and data. This has led to a more accurate but slightly higher value in energy consumption per cubic meter compared to previous years.

Water recycling

Plants with water recycling systems are calculated as a percentage of our plants. In parallel to upgrading existing plants, we continuously upgrade and restructure our plant network. This leaves us with a varying number of plants.

SOCIAL RESPONSIBILITIES AND PERSONNEL

"To us, people and environment are crucial" – it is not just a saying. We invest a lot in our personnel, in international charity, and in making Team Thomas a positive change in local communities. We measure this through our Employee Surveys and to some extent also through our Customer Surveys.

SAFETY

Safety statistics are calculated with LTI (Lost Time Injury) and are presented as an aggregated number for the whole Group.

A history of poor safety results has led us to raise focus on safety and over the last few years we've seen a rapidly changing positive trend toward better physical safety performance. Our five-year goal is to be recognized as being the best in our peer group, with our safety performance in the top quartile.

Unfortunately, in 2021 we saw a slight increase in our LTI frequency. Because of this we will put increasing efforts developing our safety work and implementation of safety measures to get back to a downward trend.

EMPLOYEE SATISFACTION

Health and satisfaction statistics for our employees are measured with Engagement Index (EI). EI is based on surveys handed out to all employees. Last survey was carried out in 2021.

ANTI-CORRUPTION

Corruption is a risk that we keep under constant focus. For the moment we do not see it as a high-risk issue. With our Code of Conduct, which we continuously review and update, as well as our training in competition law, we feel secure that we maintain our business ethics on a high level.

HUMAN RIGHTS

We run a local business no matter where we operate. We have 100 % traceability of our materials and products which most certainly leaves us in a good position of saying that we fulfill, along with our main suppliers, the Universal Declaration of Human Rights. Our challenge is to make sure that our evaluation of suppliers is good and thorough enough, that it is being carried out at given intervals, and that we succeed in tracing those few suppliers who operate in countries outside of those from our subsidiaries.

Today our follow-up varies within the Group, partly because some of our plants are ISO certified and others not. We are evaluating a common method of setting our goal for Human Rights.

WHERE DO WE GO FROM HERE?

Launching our first Team Thomas Sustainability Report in 2016 was a great step. We have identified several areas to improve further. We also have the ambition to complement certain data going forward. Including:

- Transportation and distribution
- Concrete pumping
- Continue to improve how we monitor data including developing a CO₂ KPI

Finally, I wish to thank you for taking your time to read Team Thomas' Sustainability Report, and I hope that you will follow our journey. Please, feel free to contact us if you have any questions.

Hans Karlander

CEO and President, Thomas Concrete Group AB
hans.karlander@thomasconcretegroup.com

Report written by Eva Kultje with support from Karin Gäbel and input from the Team Thomas organization and various surveys.

