

SUSTAINABILITY REPORT

2009 / 2010



*Low Energy -
Low Carbon Buildings*


Kingspan[®]
Insulated Panels

WELCOME TO

Kingspan Insulated Panels

Welcome to Kingspan Insulated Panels' fourth Sustainability Report. The aim of this document is to tell you more about the division's progress since last year's report as well as providing detailed performance data relating to Kingspan's operations for the period January 2009 - March 2010.

Kingspan Insulated Panels is part of Kingspan Group plc and is the world's largest manufacturer of insulated panels. This report describes the social, economic and environmental sustainability measures taken within an increased number of operations in the Insulated Panels division only.

This year's report covers the Kingspan Insulated Panels Division Head Office and manufacturing site in Holywell, its insulated panel manufacturing sites at Sherburn, UK, Kingscourt in Ireland and Sydney, Australia.

It also covers Kingspan's Door Components business in Belgium and the insulated panel sales offices in New Zealand, France, Belgium, the Netherlands, Singapore and Dubai.

From January 2010, we commenced reporting on Kingspan's Profiles and Sections business in the UK.

The Global Reporting Initiative

The Global Reporting Initiative (GRI) has pioneered the development of the world's most widely used sustainability reporting framework, from its conception in 1997. This framework sets out the principles and indicators that organisations can use to measure and report their economic, environmental and social performance. There are three levels of reporting within the GRI Sustainability Reporting Framework; they are titled C, B, and A (A being the highest). The criteria found in each level reflect an increasing application or coverage of the GRI Reporting Framework.

For 2009 / 2010 a level C report was achieved and this has been checked by GRI to ensure it complies with the GRI Reporting Framework. The company will continue to build on its success by reporting on further aspects of its sustainability performance and incrementally expanding the application of the GRI Reporting Framework over time.



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An introduction

from our Divisional Managing Director

This is the fourth year that Kingspan discloses its sustainability performance and the 2009 / 2010 report covers Kingspan's Divisional Head Office, the manufacturing sites at Sherburn, UK; Kingscourt, Ireland; Leuze-en-Hainaut, Belgium and Sydney, Australia, as well as the insulated panel sales offices in New Zealand, the Netherlands, France, Belgium, Singapore and Dubai. We have also commenced reporting on the Profiles and Sections business in the UK from January 2010. Our entire divisional business operation is now covered by this GRI Level C report.



The word Sustainability may be perceived by some as a feel good 'buzzword' with little meaning or true substance. However, the true meaning of the word is the 'capacity to endure' and the potential for long term well being, which is wholly dependent on the well being of the natural world and the responsible use of its natural resources.

At Kingspan Insulated Panels we are genuinely striving to appreciate the true meaning of the word Sustainability. This report illustrates some of Kingspan's successes in the area of sustainability and, equally importantly, outlines the areas in which we intend to improve.

The 15 month period covered by this report has been a challenging time for the business. However, although some of our aspirations in moving our sustainability agenda forward have not been fully achieved, we have managed to make significant progress in a number of areas.

We have exceeded our 20% waste to landfill reduction target and have made significant progress in reducing our energy consumption. We also have ambitious plans to generate more on-site renewable energy through both PV and wind.

Our overarching aim is to get as close to zero-carbon as is possible at our largest production facility in Holywell, with the long-term goal of rolling that target out across our entire division.

1 Gilbert McCarthy
Divisional Managing Director,
Kingspan Insulated Panels



Kingspan Insulated Panels' Energi Centre at Holywell, UK

Kingspan Insulated Panels' efforts to be at the forefront of sustainability best practice in its industry were once again rewarded with the company's retention of the Manufacturer of the Year Award at the 2009 Building Awards. In 2009 and 2010 the Holywell Head Office and factory also entered the Sunday Times Best Green Companies Award. Both applications involved a rigorous assessment of all operations including a confidential employee survey. Kingspan was awarded a place on the prestigious Green List and in both years finished 1st in Wales. The Holywell site was also awarded the Royal Society for the Prevention of Accidents (ROSPA) Gold award in 2009 and 2010.

Kingspan Insulated Panels is committed to making progress across the whole sustainability agenda in 2010 / 2011 for the benefit of our stakeholders and the broader community.

The aim of this report is to illustrate some of Kingspan's successes and also where it intends to improve. Kingspan Insulated Panels would greatly value your comments relating to any aspect of the report and its approach to sustainability. Kingspan has provided a feedback form on its website, www.kingspanpanels.com/GRIreport

Gilbert McCarthy

Kingspan Insulated Panels

The operations covered by this report form part of the Kingspan Group plc, which was founded as a small family business in Ireland in 1972. Kingspan Group, which became a public company in 1989, was initially involved in the manufacture of metal cladding and roll formed structural sections. Kingspan Group's turnover was €1125.5m in 2009. In 1977, the company introduced its first insulated panel and by 2009 the manufacture of insulated panels and doors as a whole made up 52.7% of the Group's total turnover.

Our goal is to engage with industry to ensure building regulations implementation delivers maximum economic and environmental benefits.

2 Kingspan Insulated Panels new office in Tiel, Holland which we share with Kingspan Insulation.



Kingspan Insulated Panels has established a leading global position in the design and manufacture of high quality **FIREsafe** Insulated Roof, Wall and Façade Systems for the construction industry. Kingspan's range of insulated panels has been successfully used across the globe on retail, distribution, commercial, industrial, leisure, hospital and education projects. The performance advantages of Kingspan Insulated Panel Systems are well recognised by property investors, building owners, designers and contractors.

Sustainability Policy

Kingspan Insulated Panels is the most highly recognised brand in the markets which it serves across the world. Striving for sustainability in all its business products and operations is its corporate responsibility and this is reflected in its commitment to engage both employees and suppliers in achieving this goal. Kingspan Insulated Panels aims to adopt and apply best practice sustainability principles by ensuring environmental, social and economic parameters are considered in an integrated way in product and service delivery.

To this end, Kingspan Insulated Panels will:

- Incorporate the ethos of sustainability into the vision and values of the organisation
- Continually improve operational performance through the setting of long-term objectives and targets related to sustainability and review progress regularly
- Comply with or exceed applicable legal and policy requirements related to the environmental and social aspects of the organisation
- Optimise energy and raw material usage and prevent or minimise pollution and environmental damage
- Continually monitor sustainability performance and actively communicate progress annually in the form of a published Sustainability Report, using the Global Reporting Initiative (GRI) guidelines

Vision

“To be a global leader in sustainable business and establish a leading position in providing sustainable, renewable and affordable best practice solutions for the construction sector”

3 EnergiPanel balloon at Holywell





Moving Forward

- Kingspan Insulated Panels is dedicated to adopting and becoming fully involved in supporting the implementation of its Sustainability Policy
- The responsibility for implementing this vision and strategy lies with the Divisional Managing Director
- This policy forms a framework for its activities, product design, services and decision-making. It promotes engagement of the entire organisation and is reviewed annually
- Communicate and actively promote awareness and acceptance of this policy to everyone working for, or on behalf of, the organisation (including employees, shareholders, suppliers / sub-contractors and customers)
- Ensure employees are given adequate training in sustainability issues and are fully involved in helping deliver the Sustainability Vision and Policy
- Implement a Code of Conduct and support sustainability guidelines for key suppliers, contractors and other interested parties to ensure they comply with the Kingspan Insulated Panels Sustainability Policy

This policy will be reviewed and updated before Kingspan Insulated Panels prepares its 2010 / 2011 Sustainability Report.

4 Carisbrooke Shipping, Cowes, UK, specified KS1000 MR which achieves an 'A+' rating according to the Green Guide to Specification as does the architectural wall panel which is used as a carrier for Kingspan Thermoatle

Management Systems and Governance

Kingspan Insulated Panels reports to the Kingspan Group Board which consists of 11 Directors - 5 of whom are Executives. The non-executive Chairman is responsible for the efficient and effective working of the Board, including timely communication with shareholders. For more information about the Kingspan Group Board and corporate governance, please refer to the Kingspan Group plc Annual Report and Financial Statements 2009, available at www.kingspan.com.

Kingspan's most significant risks in terms of product quality, health and safety and

environment are managed primarily through formal management systems certified by the International Organisation for Standardisation (ISO) www.iso.org. The manufacturing sites at Kingscourt, Holywell and Sherburn have all achieved ISO 9001 (quality management), ISO 14001 (environmental management) and OHSAS / ISO 18001 (health and safety). The manufacturing site in Leuze-en-Hainaut is currently working towards attainment of all these standards. All these management systems are third party certified, audited and then, subsequently, regularly audited.



5 An ariel view of Kingspan Insulated Panels' Head Office and manufacturing plant in Holywell, North Wales

[GRI EN28]

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.

6 Early in 2010, Kingspan Door Products in Belgium formed an 'ECOteam' of 8 volunteers, one from each department, who meet on a regular basis to reflect on possible actions to implement and motivate their colleagues to change their behaviour.

The objective of this approach is to encourage all employees to take ownership of actions for environment and waste in the company. This programme has been launched by IDETA (an intercommunal development agency).

The main focus of the group has been defined and the group will, initially, concentrate on 4 subjects; Energy, Purchase, Paper and Waste. The rationale is to think greener and reduce costs and waste. The ECOteam has subscribed to the following Agencies in Belgium: DETA, B & vert and Espace Environnement.

Management of Key Environmental Risks and Opportunities

Kingspan's governance of environmental and social issues, particularly with regard to research and development, is well established. The company has also developed a clear reporting structure for its priority environmental issues. For each issue there is a team at each manufacturing site which feeds information to the divisional environment team, headed by our Divisional Operations Director. Ultimately it feeds into the Divisional Sustainability Team, which is headed by Kingspan's Divisional Managing Director.

Kingspan is committed to training and updating all employees on environmental and sustainable initiatives across the Insulated Panels division.



In 2009 we introduced an electronic training programme for employees at Holywell. The training programme is based around our employee environmental awareness brochure.

On completion of the module the employee takes a test and is given a certificate on successful completion.

The company recognises that there is more to do in formalising its approach to the management of the socio-economic aspects of sustainability and its wider sustainability impacts in terms of engagement with stakeholders throughout the supply chain. This is being addressed.

This report serves to highlight Kingspan's successes in managing its sustainability impacts in terms of health and safety, the environment and customer service. It also demonstrates sustainability impacts where performance needs to be improved and highlights what Kingspan intends to do in this regard.

During 2009 and January - March 2010, Kingspan did not receive any fines or non-monetary sanctions for non-compliance with environmental laws and regulations.



Awards

Kingspan Insulated Panels has been recognised for many years for its achievement in sustainability, receiving numerous prestigious awards including retaining the Manufacturer of the Year Award at the 2009 Building Awards. In 2009, Kingspan Insulated Panels entered the Sunday Times Best Green Companies Award. The application involved a rigorous assessment of all operations at the Divisional Head Office in Holywell, North Wales and a staff survey completed by over 40% of all employees. Kingspan Insulated Panels finished 21st overall and 1st in Wales. It intends to apply again in 2010.

Kingspan Insulated Panels also applied for the Royal Society for the Prevention of Accidents (ROSPA) award. There are three levels: bronze silver and gold, and Kingspan Insulated Panels Holywell site was awarded gold in both 2009 and 2010.



“Kingspan Panels has shown a commitment to protecting the health and well being of its employees and others. We hope other businesses and organisations will follow its lead and strive for continuous improvement in Health and Safety management.”

David Rawlings
ROSPA awards manager



- 7 Sunday Times Best Green Companies award
- 8 Gold ROSPA award
- 9 Building Manufacturer of the Year Award for 2007, 2008 and 2009

Energy Security, Environmental Capability - A Kingspan Overview

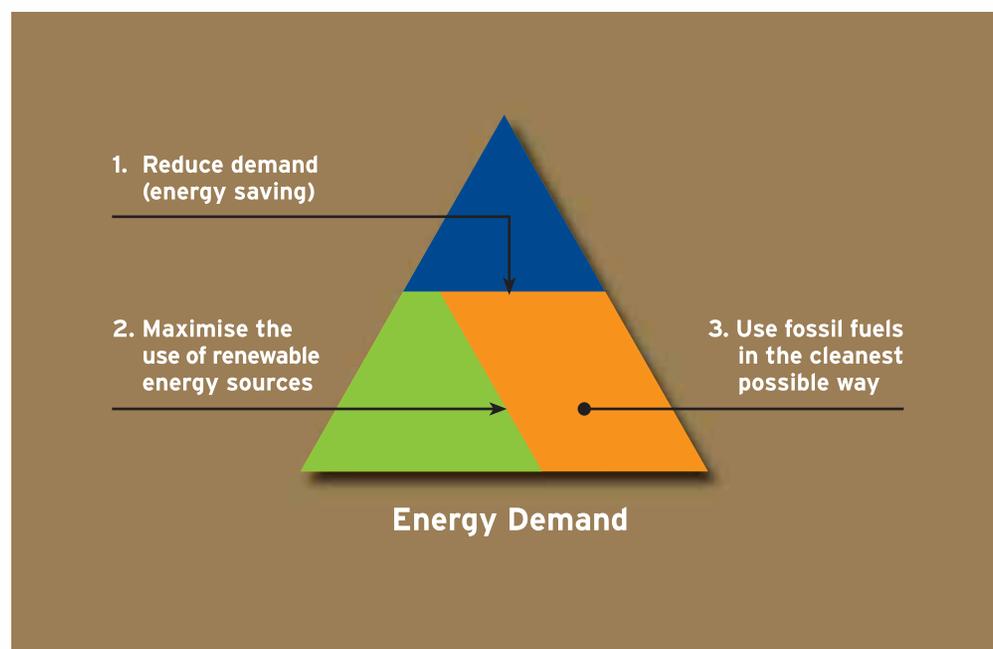
Energy security is now prioritised alongside the climate change debate. Some energy analysts¹ have suggested that securing the UK's supply of energy is more important than tackling climate change, because, they have warned, the UK's economy could be wrecked if there is no action to plug the energy shortfall predicted for the next decade.

This echoes the stark realities of escalating costs outlined in the Stern Review on the Economics of Climate Change, published in October 2006, not to mention the human cost, as extremes of weather continue to take their toll. But whether our main drivers are the economy or the environment, what is clear is that strong and definitive action must be taken to improve the current situation.

The good news is that solutions are already available. All that is needed is a clear long

term strategy and sound investment in our building stock and infrastructure so that we can fully utilise the technology available now and make a real difference.

The Trias Energetica model provides a logical approach to tackling the key issues of energy security and climate change by promoting three steps towards sustainable energy production: reduce use; use renewables; be efficient with the remaining resources.



¹ Ian Fells report, University of Newcastle, September 2008

Step One - Energy Efficient Buildings

The first step is to reduce energy demand and one of the simplest ways to do this, for both new build and refurbishment projects, is to use insulated panel systems, which offer high thermal performance and low air leakage.

Over the past 30 years insulated panels have evolved as a particularly thermally efficient and economic method of constructing the roofs and walls of buildings.

Such panels have been used extensively in refurbishment as they are ideal for re-cladding walls and roofs. Insulated panels offer the best long term insulation performance for lowest thickness and weight and can transform the energy efficiency of a building to meet current standards with immediate payback on investment.

The reason they are so effective is that high performance insulation is an integral part of

the panel system, so excellent U-values are guaranteed. For example, many older buildings have U-values of $0.6 \text{ W/m}^2\cdot\text{K}$ or worse, so over-cladding with an insulated panel system that provides a U-value of $0.25 \text{ W/m}^2\cdot\text{K}$ results in huge energy savings and rapid return on investment, as well as improving the aesthetics of the building and providing a more economic and environmentally sound solution than demolition.

Air tightness also has a significant impact on energy efficiency - heat escapes with air, so the more air leaking out of a building, the more heat goes with it. Insulated panels can achieve a rate lower than $5 \text{ m}^3/\text{hr}/\text{m}^2$, with some projects having tested at rates below $2 \text{ m}^3/\text{hr}/\text{m}^2$, markedly improving energy efficiency and well below that which is currently required by the building regulations.



10 Castle College Technology Centre, Nottingham
Photograph courtesy of Redshift Photography

Step Two - Renewable Energy

The development of sources of renewable energy is a crucial part of the strategy to cut carbon emissions, but for these to work they must also be economically viable. As technology evolves and becomes more widespread, the economics will improve. However, it is initiatives such as the feed-in tariff, a government initiative available in many countries, which present massive opportunities to move renewable energy out of the niche and into the mainstream market in readiness to meet the target for zero-carbon domestic buildings in 2016.

One of the key aspects for the success of integrating sources of renewable energy into our construction programmes is the ease with which they can be incorporated into building design. Kingspan Insulated Panels has a number of solutions which meet this criterion, starting with the building envelope itself.

Simple Renewable Energy Solutions 1

powerpanel

Photovoltaic (PV) systems generate clean, inflation proof electricity, reduce energy costs and can generate electricity to be fed into the national grid or used within the building itself, thereby allowing the building owner to benefit from the feed-in tariff system, where available. Even if the sky is overcast, PV is proven to produce electricity.

Every kW produced has zero-carbon emissions, which significantly reduces the carbon footprint. It reduces dependency on fossil or nuclear fuels and helps to meet corporate social responsibility needs. Such an investment could increase the saleable / rentable value of the building and would enhance Energy Performance and Display Energy Certificate ratings.

Kingspan designs, manufactures and supplies approximately 20 million m² of insulated roof, wall and façade panels per annum and works in close conjunction with leading building investors, owners, developers, designers and construction teams for the property market. This capability has enabled us to introduce a range of fully integrated solar photovoltaic solutions for roofs, walls and façades from a single, trusted provider, eliminating multi-sourcing, installation and building envelope integration risks.



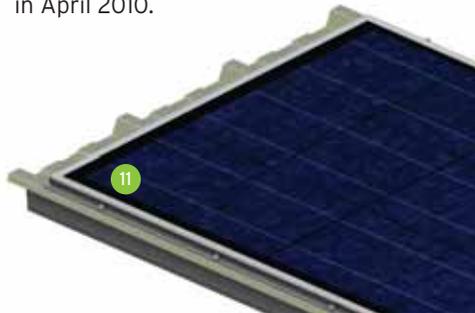
Kingspan PowerPanel Systems consist of three different product offerings, including crystalline silicon modules for roofs and walls and a thin film solar laminate for roofs:

- PowerPanel Roof Module - a range of insulated panels with a crystalline module fixed directly to the crowns.
- PowerPanel Wall Module - a crystalline module fully integrated with Kingspan Complete Wall and Façade Systems.
- PowerPanel Roof laminate - a range of insulated roof panels manufactured with a thin film solar laminate adhered directly to the surface.

The outstanding advantage of this system is that there is a single-source integrated roof, wall, façade and solar PV provider. Kingspan offers a full project analysis / viability, design, supply, installation, testing, commissioning and handover service. The system is optimised and value-engineered for rapid installation, and provides maximised investment return and 'feed-in tariff' income where available.

Once installed, the system is virtually maintenance-free and, most importantly, available with the comprehensive Kingspan 25 year Total Guarantee.

The first Kingspan PowerPanel System project was recently commissioned by Sustainable Energy Systems for their new training facility at Brook House, Great Eccleston. The installation was completed in April 2010.

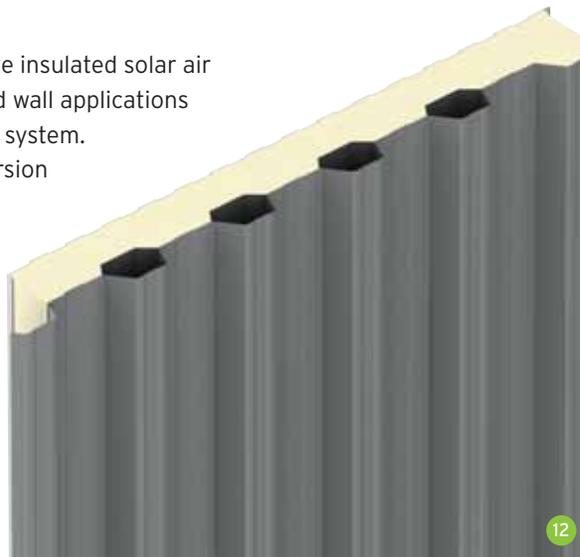


Simple Renewable Energy Solutions 2

Kingspan EnergiPanel

Kingspan EnergiPanel is an innovative insulated solar air heating system designed for roof and wall applications as a supplement to the main heating system.

The system comprises a modified version of a standard Kingspan KS1000 FC Five Crown Box Profile panel. Profiled hollows beneath the crowns allow air movement up through the panel and the air is warmed by the simple process of using the outer steel skin as a solar energy absorber. The darker the external colour of the panel the greater the solar absorption.



The rate of airflow up through the panel is determined by the temperature of incoming air. Temperature sensors constantly monitor the external air temperature and vary the fan speed to ensure the supply air temperature is above the required internal temperature of the building. The regular circulation of warm fresh air drawn into the building improves the overall quality of indoor air, making the working environment healthier and more comfortable.

The system offers a low cost and reliable renewable energy source which can provide rapid payback on investment and help deliver up to 3 credits in BREEAM 2008 assessments. Kingspan's large scale test facilities have shown that heating costs can be reduced by as much as 20%, offering the potential to significantly reduce a building's carbon emission rate. The introduction of a renewable source of energy into the building composition can also increase the likelihood of obtaining planning permission where Merton pro-renewables planning policies are being implemented.

Because it is a single component system, Kingspan EnergiPanel allows fast track construction and with there being no additional steel, solar absorber plate, supporting framework or additional fixings involved, the overall carbon footprint associated with the installation is minimised. It integrates seamlessly with other panel systems from the Kingspan range and is available in a range of colours. It uses Kingspan's existing state of the art insulated panel technology coupled with a tested and proven solar air heating capability.

The EnergiPanel Solar Air Heating System has the flexibility of being either integrated with the existing HVAC system or utilised in a standalone heating capacity. It is also available with the Kingspan Total Guarantee covering both the thermal and structural performance.



The LPS 1181 Grade EXT-B certified panels can offer not only verified fire performance, but also Part L2 (England and Wales) Building Regulations and Section 6 (Scotland) Technical Handbooks compliance. Free support from Kingspan **envirocare**® Technical Services can ensure the most efficient building design.

CASE STUDY: KINGSPAN PROVIDES THE ENERGI FOR ASDA

Asda's new £42 million 'eco-depot' at Sutton Courtenay, Didcot, was designed by Architects, Chetwoods, and serves 33 stores across the South of England. The new 'eco-depot' has replaced the former distribution centre three miles away, providing an extra 250,000 sq ft of space, making a total development of 424,000 sq ft.

A whole host of energy saving technologies, including Kingspan EnergiPanel, which is the only insulated panel able to generate renewable energy in the form of solar air heating, have been utilised.

Nigel Hupfield of Chetwoods said "Kingspan EnergiPanel acted as a cost-effective solution which helped to answer the sustainability objectives of our client. The panels have the potential to cut running costs and carbon emissions which is something that we will be monitoring, and these advantages are enhanced by the competitive pricing of the panels."

The Kingspan EnergiPanel in Merlin Grey integrated easily with the rest of the wall cladding of the depot which comprised Kingspan's KS1000 RW Trapezoidal System in Goosewing Grey, Merlin Grey and Sapphire Blue. All of the panels were supplied in Kingspan's XL Forté™ colour range.



Step 3 - Be Efficient

The final step is to be efficient with our remaining resources - where fossil fuels have to make up the shortfall in energy supply this should be done as cleanly and as sparingly as possible. The first and most significant effort towards this will have already been made if we have ensured that

our buildings and appliances are constructed to maximum efficiency; but even more important is the need to continue educating people to safeguard our resources, to think about energy security and to be environment aware.



14 Kingspan Optimo™ and Kingzip® were specified to help meet required standards and strict regulations during the building of St Thomas Primary School in Swansea.

15 A combination of Kingspan's KS1000 TS Tile Support System and the KS1000 Zip Kingzip® Standing Seam System were used during the building of a £65m Oncology and Haematology Unit at Castle Hill Hospital, Hull.

The sustainability

to reduce the impact of our products

Sustainable Product Stewardship

Kingspan Insulated Panels is fully committed to developing products that are sustainable throughout their lifecycle, from manufacture and application to their disposal. Kingspan continues to work with BRE and leading waste management companies to further quantify and reduce the impact of its products.

- 1 Our objective is to ensure sustainability is considered in the design and manufacture and promoted in the installation, use and disposal of Kingspan Insulated Panels' products and services.

16 Recycling waste panels at Kingspan's Kingscourt factory. Steel is recycled and insulation is returned to the manufacturing process.



Building Research Establishment

Kingspan Insulated Panels has adopted BRE's Environmental Profiles Assessment Methodology to quantify the environmental impact of its panels. BRE analysed data across a range of environmental issues, from cradle (inception and raw materials) to grave (disposal) of some of Kingspan Insulated Panels's key products. This is known as lifecycle assessment (LCA) and is becoming increasingly important, given the pressures placed upon the global environment. An updated Green Guide to Specification, which underpins the Environmental Profiles awarded by BRE, was released in 2008. The guide gives details of the requirements for the materials section of the Code for Sustainable Homes and environmental assessment method, BREEAM. The new guide contains 1,300 generic specifications compared to the previous 300. BRE issued new ratings for Kingspan's products under the new scheme.

Green Guide and 'A+' Rating

Kingspan Insulated Panels is delighted that its Architectural Wall Panel and Trapezoidal Roof and Wall product range have all been reassessed under the latest Green Guide to Specification and achieved 'A+' ratings. The benefits of BRE's Environmental Profiling Certification include: independent, verified and audited performance according to internationally recognised methodology; provision of data for achieving additional credits in BREEAM schemes; ability to input data for Envest 2 (design tool for optimising building environmental impact and whole life costs); and, identification of areas for further improvement.



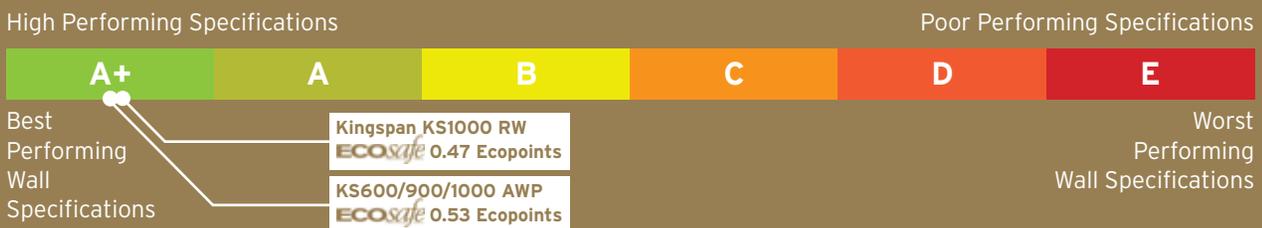
17 Kingspan's pallet return scheme in action

Commercial Cradle to Grave Diagrams

Roof Specification*



Wall Specification†



* Low Pitched Roof: KS1000 RW Panel with ECOsafe insulation core manufactured at Holywell. Supported on cold rolled steel purlins and structural sections. Steel facings; generic organic coatings. Insulation 120mm core thickness.

† External Wall: KS1000 RW Panel with ECOsafe insulation core manufactured at Holywell vertically laid. Supported on cold rolled steel rails. Steel facings; generic organic coatings. Insulation 70mm core thickness. KS600/900/1000 AWP Panel with ECOsafe insulation core manufactured at Holywell horizontally laid. Supported on cold rolled steel rails and structural frame. Steel facings; generic organic coatings. Insulation 80mm core thickness.



End-of-Life of Kingspan Insulated Panels

To ensure high quality independent research, Kingspan Insulated Panels commissioned the Steel Construction Institute to prepare a report on the review of the end-of-life disposal options for steel-based building envelope systems. This report was originally completed in 2006 and updated in November 2007. One of the key outcomes of the report was that the recycling of insulation core from all types of metal cladding systems was problematic.

The research found that demolition resulted in the insulation generally going to landfill - whether it be PUR, PIR, rock fibre or glass fibre. In the light of this conclusion, Kingspan Insulated Panels continues to actively explore ways of stimulating the end-of-life management of its panels, including an on-going reduction in the environmental footprint of new products to reduce the future legacy.

Closed Loop Recycling

In current production, waste PIR is now recycled into the manufacturing process at our Kingscourt site in Ireland. This process allows all production waste to be fully recycled and has opened the door to potentially allow Kingspan insulated panels to be fully recycled at the end of their life. We are currently rolling out this technology to our other manufacturing sites.

18 Kingspan balers are provided to construction sites for management of waste

19 Bales of plastic packaging for recycling

Managing Ozone-Depleting Substances

Since January 2004, all Kingspan insulated panels have been manufactured without any Ozone Depleting Substances (ODS). However, some panels were manufactured with ODS before 2004 and current legislation governing the recovery of ODS - EC Regulation 1005 / 2009 - requires recovery to be carried out 'if practicable'.



A commercial service for dealing responsibly with insulated panels containing ODS at their end-of-life is now available. Kingspan Insulated Panels is aware of a number of projects where panels have been re-processed successfully using refrigerator recycling plants. Kingspan has also been highly instrumental in the development of a Disposal Guide by the trade association Engineered Panels in Construction (EPIC), which is primarily aimed at offering guidance to demolition contractors dealing with panels at end-of-life. The Guide was commissioned during 2008 and published in 2009. With the current EU ODS regulation under review, Kingspan's contribution is being seen as particularly helpful in identifying the technical and economic feasibility of disposal options. Indeed, the development of strong relationships with the recycling community has enabled the provision of detailed analysis in support of the European Commission's research in this area. The potential for voluntary carbon finance to be harnessed in this field is a particularly exciting prospect, since it may stimulate the management of ODS containing products well beyond the scope of insulated panels themselves.

Current Production and Cost Neutral Disposal

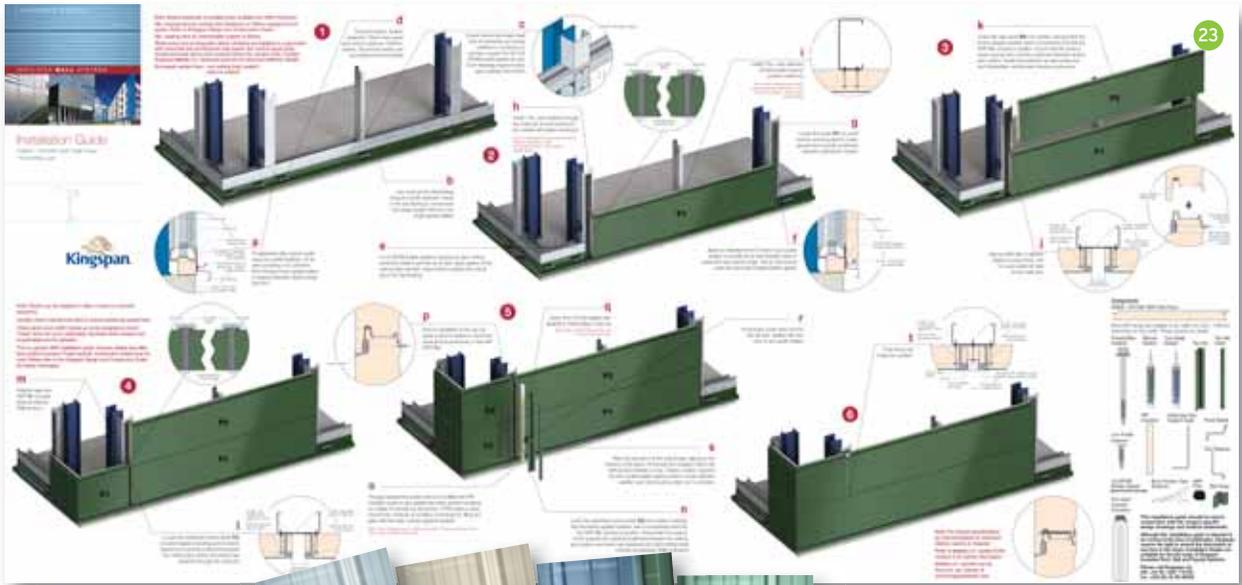
Re-use is always the preferred option for panels but, if this is not possible, panels produced since 2004 are often suitable for processing through conventional shredder plants once they have reached the end of their useful life. The cost of processing panels through shredder plants can be approximately cost neutral with the transport costs from site being covered by the scrap value of the steel. Economics for specific buildings will be dependent on transport distances and the prevailing price of scrap steel.

Recycling On-site

Kingspan Insulated Panels is continuously looking at new and innovative ways to reduce waste on-site through reuse and recycling. In line with Kingspan's policy to reduce, reuse and recycle, Kingspan Insulated Panels in the UK now offers several options to its customers to participate and reduce waste on-site in a sustainable way. There are currently five options, free of charge or for a small fee, on offer to Kingspan customers to help reduce the impact on the environment and to manage the use of available resources: pallet return, plastic packaging recycling, a recycling service for panel off-cuts and spare panels, return of blue crown protectors for KS1000 RW panel and return service for polystyrene blocks for packs of Kingzip® Standing Seam panels.



- 20 Panel production in Leuze-en-Hainaut, Belgium
- 21 Recycling of blue crown protectors
- 22 Commercial shredding facilities offer a solution for recycling the metal content of non-ODS containing panels at end-of-life



Importance of Installation and Training

Training is critical in reducing mistakes and, therefore, waste in the construction process. Correct installation improves the air tightness of the completed building and improves the life expectancy of the product. Kingspan Insulated Panels offers a comprehensive Field Services Engineering Support Package, assisting our customers with contractor training on the installation

of products, both theoretical and practical workshops along with an ongoing training scheme, issuing identification cards certifying training has been successfully completed.

The publication of easy to use, step by step, installation guides has been very successful.

Training

A wide range of stakeholders, including architects, designers, contractors, legislators, insurers and suppliers, visited the Kingspan Energi Centre in Holywell, North Wales in 2009 with over 670 attending specific product training and installation courses. Across the Kingspan Insulated Panels division, training is fundamental and Kingspan employees are committed to ensuring that a wide range of stakeholders are educated on a range of issues concerning insulated panels and doors.

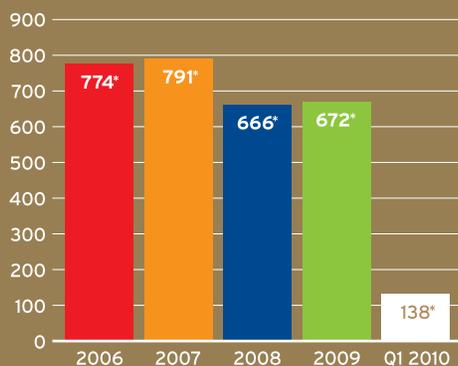
Total Panel Guarantee

Kingspan Insulated Panels' Total Panel Guarantee offers 25 year panel structural and thermal performance guarantee and up to 30 years coating guarantee. The Kingspan Total Panel Guarantee provides assurance for all the key performance areas of an insulated roof, wall and façade system and ensures Kingspan Insulated Panels systems are designed for excellent air tight performance, which will optimise performance under the Energy Performance of Buildings Directive (EPBD).



Contractor Training

(Total number of contractors trained)



* Holywell, Kingscourt and Sherburn.

Site Visits

(Total number of site visits)



The sustainability

to reduce our carbon footprint

Carbon Management

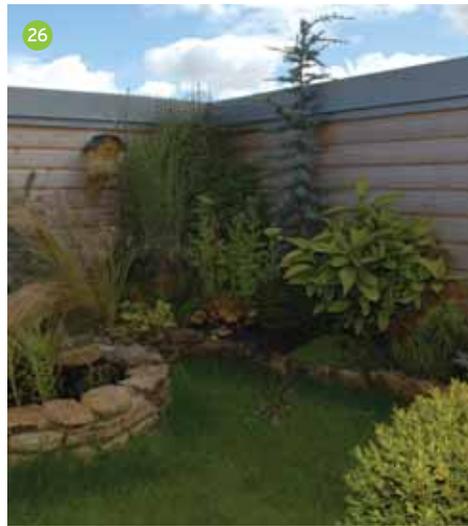
The year 2009 was important for international climate change policy, as it was intended to be the deadline for agreeing a post-Kyoto Protocol architecture for the management of global climate change. In the event, no binding international agreement could be achieved.

2 Our objective is to measure and actively reduce Kingspan Insulated Panels' carbon footprint, not only of our own (and our supply chain's) operations, but also of our clients' buildings. We aim to go beyond carbon neutrality.

25 Architectural Wall Products,
Boulangier, Lille, France



Agreement was reached to cap global temperature rise at 2 degrees Celsius, but the climate change action plans published by developed countries and some of the larger developing countries in early 2010 are judged not to go far enough to achieve this level, potentially leading to a temperature increase of 3-4 degrees Celsius this century. A commitment was made for achieving a binding agreement by the end of 2010. The key fact remains that there is an urgent need to improve the thermal efficiency of existing buildings worldwide. There is also a clear need to ensure that new buildings are completed to the highest thermal standards. Historically, there has been much resistance to such changes because of perceived cost. A combination of public awareness of climate change, increasing energy costs and the recognition of the high lifetime costs of occupying poor quality buildings is beginning to focus attention on the issue across the globe.



[GRI EC2]

Financial implications and other risks and opportunities for the organisation's activities due to climate change.

[GRI EN3]

Direct energy consumption by primary energy source.

[GRI EN4]

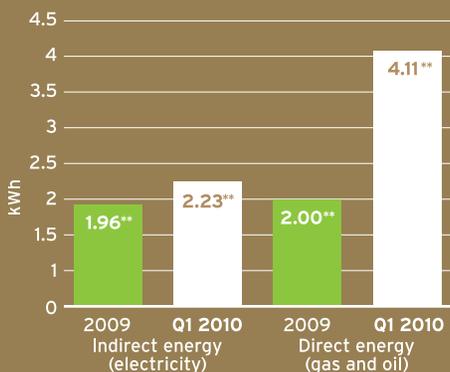
Indirect energy consumption by primary source.

[GRI EN16]

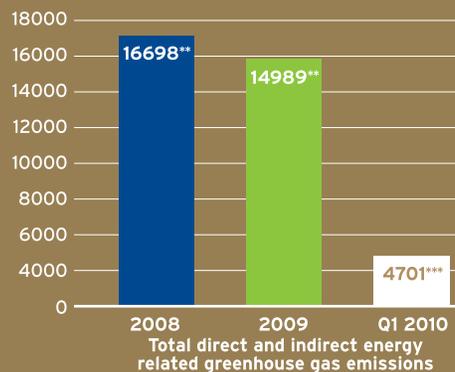
Total direct and indirect greenhouse gas emissions by weight.

Energy

Energy Consumption per unit of Production



Greenhouse Gas Emissions, Tonnes CO₂e¹



1 Summary of Conversion Factor Sources

Country	Source
Ireland	http://www.sei.ie/Publications/Statistics_Publications/Emission_Factors .
UK	Fact sheet CTL018: Energy and carbon conversions 2008 update Carbon Trust 2008.
Netherlands - Gas	The Netherlands: list of fuels and standard CO ₂ emission factors SenterNovem Vreuls 2006.
Netherlands - Electricity	CO ₂ & Energy: France & Worldwide 2009 edition Ministère de l'Écologie, de l'Énergie, du Développement durable et de l'Aménagement du territoire.
Belgium - Electricity	CO ₂ & Energy: France & Worldwide 2009 edition Ministère de l'Écologie, de l'Énergie, du Développement durable et de l'Aménagement du territoire.
Belgium - Oil (default value) France	The GHG Indicator: UNEP Guidelines for Calculating GHG Emissions 2001.
Australia	CO ₂ & Energy: France & Worldwide 2009 edition Ministère de l'Écologie, de l'Énergie, du Développement durable et de l'Aménagement du territoire.
New Zealand	National Greenhouse Accounts (NCA) factors Department of Climate Change Australian Government 2008 (Electricity factor is for New South Wales territory). All energy used by our office in New Zealand was supplied from 100% renewable sources.

* Holywell, Kingscourt and Sherburn.
 ** Holywell, Kingscourt, Sherburn, Belgium, Australia, France, New Zealand, Netherlands.
 *** Holywell, Kingscourt, Sherburn, Belgium, Australia, France, New Zealand, Netherlands and Profiles and Sections.

The higher energy consumption in January - March 2010 is a seasonal factor based on increased plant heating requirements in the winter months in Europe. We expect the overall energy consumption rate will be significantly lower over a 12 month period and are targetting an overall 4% reduction in 2010 / 2011.



Australia

In Australia, an ambitious carbon trading scheme (Carbon Pollution Reduction Scheme) was shelved, in spite of this being the cornerstone of plans to reduce the country's greenhouse gas emissions by up to 25% by 2020. The scheme is now likely to be delayed until 2013 due to domestic opposition, budget constraints and uncertainty over global action on climate change. The reduced focus on early action, when combined with economic challenges, may impact Australia's efforts to reduce carbon emissions in the short to medium term. Meanwhile, the Australian Building Codes Board (ABCB) completed a consultation on transforming energy efficiency in buildings, to which Kingspan responded with a call for higher standards

for thermal refurbishments and a more consistent enforcement of energy standards. The Australian Building Code Board has published its revised standards which are due to come into effect in 2010. The Australian government is also overseeing efforts to obtain better information on buildings' energy performance and is in the process of developing a national building framework to deliver consistency as to how energy efficiency is assessed and rated throughout the Country. Kingspan welcomes this effort and is looking forward to seeing the implementation of stronger minimum energy efficiency standards for new and existing buildings.



27 Boggo Road Science University, Australia

28 KingspanKS MR (Micro-rib) was specified for Mercy Age Care, Australia

Belgium

Following the adoption of the climate and energy package in 2008, Belgium agreed to reduce greenhouse gas emissions by 2020 by 15% compared to 2005 levels in sectors such as buildings, road transport and farming (i.e., sectors not covered by the Emissions Trading System). Furthermore, Belgium has committed to achieving, by 2020, a share of energy from renewable sources in gross final energy consumption of 13% (up from 2% in 2005). The federal government and the three regions (Flanders, Wallonia, Brussels) promote renewable energy and energy efficiency.

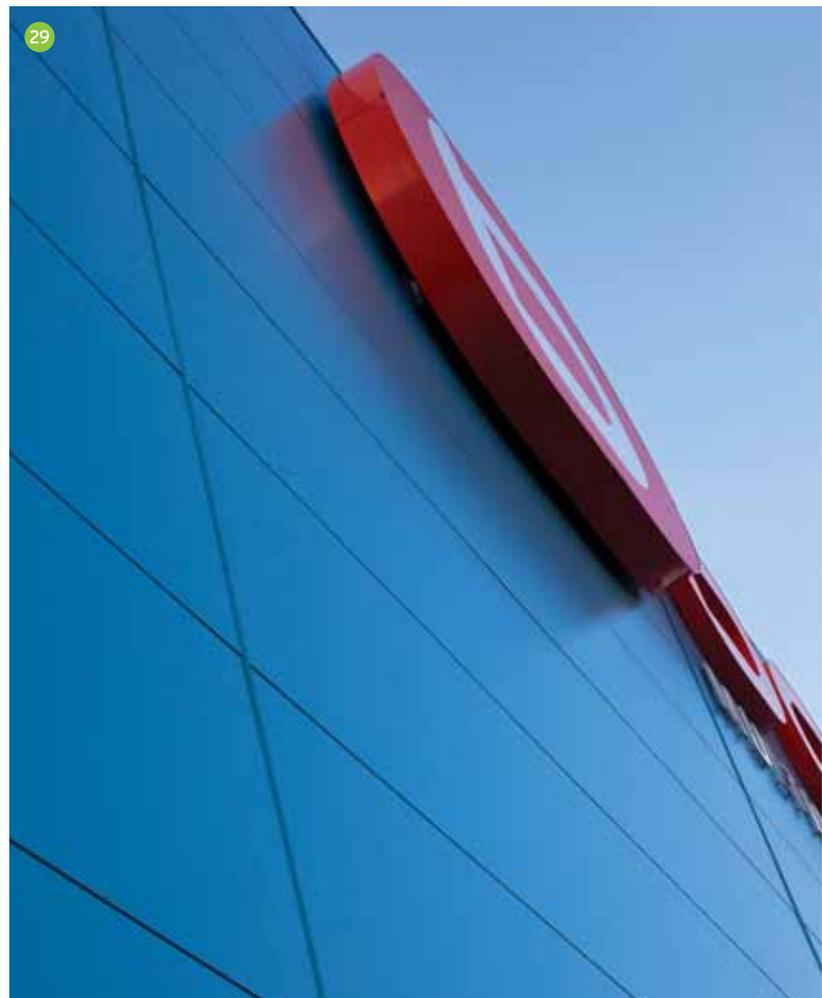
The federal government offers a tax reduction on 40% of invoiced expenses, ranging from double glazing to solar panels, with a fixed maximum amount per year and per home. Additionally, the regions have supplementary subsidy schemes for promoting energy efficiency. For example, the Brussels capital region gives subsidies for insulation, energy efficient household appliances, boilers, heating systems and solar energy. The regions also adapted their legislation in line with the Energy Performance in Buildings Directive. Further efforts have been made to transposing European Directives into national and regional laws. At different government levels, more measures have been implemented to reduce greenhouse gas emissions, including new and higher subsidies for insulation.

France

France has recently issued Stratégie nationale de développement durable 2010 - 2013 which sets out plans for sustainable development.

The collection of data on buildings' energy efficiency is being improved but studies of barriers in this sector are urgently needed. Ideally, such information can be used to develop a comprehensive policy package of measures to improve the energy efficiency of the new and existing building stock based on the declarations and targets set in the Grenelle (2007 Grenelle de l'environnement). A new renovated house ('Maison Rénovée') certification, which makes use of the Energy Efficiency Diagnosis (DPE) building efficiency grading scheme, is a significant step towards the establishment of a standardised efficiency measure in the construction sector.

29 Architectural Wall Products, Boulanger, Lille, France



Ireland



In responding to climate change, Ireland has entered into a range of international obligations to reduce energy usage and greenhouse gas (GHG) emissions. The latest set of obligations target emissions reductions of 20% by the year 2020, compared with 2005 levels. Ireland has already taken a number of steps towards achieving these targets, notably by increasing the energy efficiency standards to be met by new buildings via progressive improvements in building regulations. To date, there has been less emphasis on the potential available from the better management of existing buildings. However, the National Energy Efficiency Action Plan 2009-2020 (NEEAP) has highlighted that the building stock, both residential and non-residential, is a major contributor to Ireland's total GHG emissions, and that there is very significant scope to reduce emissions by improving energy efficiency in the sector.

In this context, Kingspan sponsored Caleb Management Services Limited and DKM Economic Consultants to produce a report which focused on the opportunities for refurbishing the existing built stock, to improve its energy performance and reduce carbon emissions. CALEB considered the commercial and public building stock while DKM considered the residential stock. In commissioning this report Kingspan expects to contribute to the development of Ireland's efforts to drive emission reductions and at the same time enhance energy security and generate employment growth in the construction sector.

The report, 'Transforming Ireland's Existing Building Stock to meet CO₂, energy security and employment goals' was launched in September 2009. It offered a review of carbon emission reduction and economic costs and benefits arising from an accelerated refurbishment of Ireland's

30 Coca-Cola Dublin, KingZip® used on the roof and grey-white MR used on the walls

31 Kingspan Topdek and Kingspan Woodtherm™ were used on Ireland's largest Tesco, Maynooth, Ireland

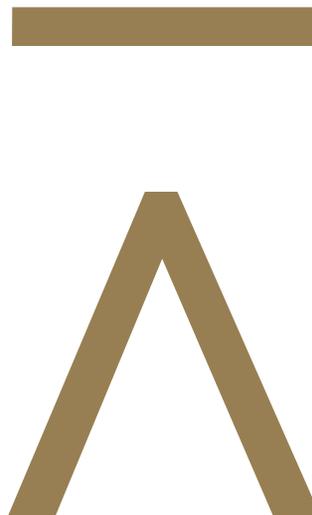




building stock. It also provided an assessment of the relevant stock and of existing energy efficiency schemes, before offering a view of potential GHG reduction, energy security, employment and economic opportunities from an accelerated effort to refurbish the stock in a large-scale action over a period to 2020. The conclusions were based on a review of key drivers and barriers to the uptake of large-scale refurbishment programmes. The report makes recommendations towards achieving higher levels of refurbishment. It concluded, inter alia, that for the residential sector, greenhouse gas emissions would be reduced by 3.3 million tonnes CO₂ per year in 2020, representing 25% of the emission reduction required in Ireland by that year. National energy usage would be reduced by 13,000 GWh per year, representing some 8.5% of 2008 final demand. Up to 23,000 direct, indirect and induced jobs would be created. For the non-residential sector, a programme of accelerated refurbishment to BER Level 'C' would reduce CO₂ emissions by

1 million tonnes CO₂ per year by 2020 from thermal efficiency measures alone. Cost savings would be €770 million per year and in excess of 8,000 GWh per year in energy demand could be avoided. This represents approximately 5% of final energy demand or 35% of service sector based demand in 2020. An estimated 2,800 direct long term jobs would be created.

33



- 32 KS1000 LP Lo-Pitch used on Millfield College, Belfast, Northern Ireland
- 33 Benchmark logo. Kingspan's new energy efficient wall facade range, Benchmark, was launched early in 2010

UAE

In the United Arab Emirates, for the last few decades, rapid urbanisation has been characterised by forms of imported western architecture which were not environmentally responsive to the region's climatic conditions. High-rise buildings with large areas of glass façade and huge demand for electricity for air conditioning can be seen in all new urban centres such as Dubai and Abu Dhabi. These unsustainable designs of residential and commercial buildings, besides being huge consumers of energy and water, are massive contributors to GHG emissions.

In an attempt to reverse this trend, the Government of Abu Dhabi has been developing a set of measures to deal with these issues, including the launch of the Estidama Programme and the Pearls green building rating system which will become integrated into the building code and partly enforceable, as well as the launch of the Emirates Green Buildings Council.

Netherlands

The Netherlands has implemented a wide range of fiscal incentives to encourage energy efficiency in the built environment. Measures include subsidies for energy savings advice, sustainable energy installations and improvements in energy efficiency by 4 or 5 energy label steps, glazing and improvements to education buildings. As part of the More with Less programme (Dutch: Meer met Minder), the government continues to implement voluntary agreements with key players within the Dutch housing, energy and construction sectors, to substantially reduce energy consumption in existing buildings by 2020. Reducing barriers for owners of buildings is designed to stimulate them to invest in energy saving measures, which should lead to over 200,000 buildings being refurbished annually. The programme uses the energy performance certificates for buildings (a result of the EPBD directive) to identify saving potential and monitor progress.

In Dubai, the Dubai Electricity and Water Authority issued the second phase of its Green Building Regulations in April 2010, aimed at reducing energy demands of new buildings by up to 40%.



34

34 Kingspan KS1000FL panel installation at Doha airport



35

35 Rosada Factory Outlet, Roosendaal, Netherlands

Singapore

Our Singapore Office is a member of the Singapore Green Building Council. More information about SGBC can be found at www.sgbc.sg/ In July we co-sponsored the international 'Green Buildings and Sustainable Construction 2010' in Singapore www.sustainableconstructionasia.com/Event.aspx?id=282438&qclid=CMie67-45a1CFdFA6wodSRqYxg

David Tyndall, our Regional Manager presented Kingspan's aims at the 'Innovation Islands - A Green Future' event in Singapore in November 2009. This was a forum discussing how companies embrace sustainability within their corporate strategies.



New Zealand

In the past, energy efficiency awareness has not been high in New Zealand, partly because energy prices have been low and a significant amount of energy is generated from renewable sources. Government focus on energy efficiency has grown substantially in recent years and it is now a key component of its energy policy.



The Government's Warm Up New Zealand: Heat Smart scheme, for instance, now offers grants towards the cost of insulation and heating for all New Zealand homes built before 2000. Commercial and industrial buildings account for about 9% of New Zealand's annual energy consumption and 4% of carbon dioxide emissions. The revised Clause H1 of the New Zealand Building Code now requires improved thermal performance (insulation) in all new residential and non-residential buildings larger than 300m² and in alterations to both. New houses and major extensions to existing houses must use 30% less heating energy to achieve healthy indoor temperatures than previously.



- 36 Innovation Islands event, Singapore
- 37 Hastings Court House, New Zealand, utilising KingZip® Roof and Architectural Wall Products

UK

In late 2009, the UK launched a consultation on how to balance the need for strong economic recovery in the building sector with the need to achieve domestic and international carbon saving objectives. The consultation included a review of a number of proposals the government made on how to ensure all new domestic buildings fall in-line with the UK's zero-carbon definition by 2016.

In December, the UK published a consultation on the proposed changes to the Code for Sustainable Homes in 2010. Also in December, the Carbon Trust published a detailed analysis of the non-domestic building sector and assessed the steps required to deliver low-carbon building stock.

The UK's Department of Energy and Climate Change announced it would be running five pilot projects. The 'Home Energy Pay As You Save' pilots will give households the opportunity to invest in energy efficiency and microgeneration technologies in their homes with no upfront cost, instead

spreading repayments over a long enough period so that repayments are lower than their predicted energy bill savings, meaning financial and carbon savings are made from day one.

Kingspan Insulated Panels sponsored a further piece of work on the costs and benefits of refurbishing the United Kingdom's public sector building stock. The report 'The UK's approach to the thermal refurbishment of non-domestic buildings in the Public Sector' built on previous research completed on the benefits that could be realised from refurbishing non-residential buildings in the UK. The findings from the public sector study confirmed that energy cost savings of £1.43 billion per year could be achieved while reducing CO₂ emissions by 1.2 million tonnes and creating 17,600 jobs in the construction sector. The report was launched in March 2010 at the Energy and Environment 2010 Conference sponsored by Kingspan. At this conference, Kingspan Insulated Panels also launched its manifesto for non-domestic buildings.

Changes to UK Building Regulations

From 1st October 2010 it is all change for England, Wales and Scotland as the latest regulations governing the thermal performance of buildings come into force. The changes are a key part of the journey to zero-carbon buildings - to be achieved in 2016 and 2019 for domestic and non-domestic buildings respectively. The changes in 2010 will deliver buildings with 25% lower CO₂ emissions for England and Wales and 30% lower emissions in Scotland. Whole building modelling remains the mode of compliance.

In England and Wales a new 'notional building' has been developed and is seen as the starting point for the design of a compliant building. The notional building has significantly improved building fabric compared to the 2006 version as summarised in the table below.

Notional building U-values	2006	2010*
Wall	0.35 W/m ² K	0.26 W/m ² K
Roof	0.25 W/m ² K	0.18 W/m ² K
Glazing	2.2 W/m ² K	1.8 W/m ² K
Air permeability	10 m ² /hour/m ² at 50Pa	5 m ² /hour/m ² at 50Pa

* England and Wales

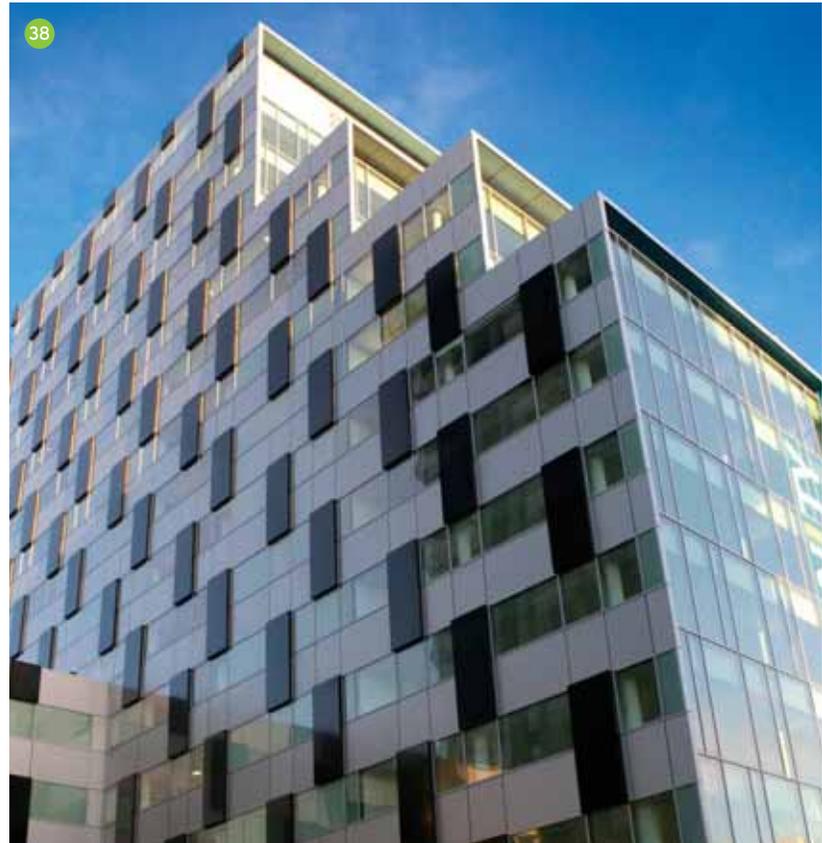
Building fabric U-values in Scotland have been reduced by 20% on roofs and 10% on walls. Kingspan Insulated Panels has a RIBA approved and Construction Services Approved CPD Seminar to help clarify the changes and look at optimum building solutions for non-domestic buildings. Please contact Kingspan to book a free CPD.

In 'Insulate and Generate', Kingspan called upon the UK Government to work with the construction industry to:

- Help deliver cost effective zero-carbon buildings by 2019
- Extend 'Pay-As-You-Save' loans for businesses and public sector to invest in energy efficiency refurbishment
- Streamline incentives for investing in microgeneration technologies

Kingspan Insulated Panels was also active in reducing carbon emissions and energy consumption across the division. The main thrust of indirect energy reduction over the period of this report was the improvement of insulation around our laminators and a project to convert the heating systems to gas from electricity. The indirect energy savings are in the region of 800,000 kWh per annum.

In 2009 the solar photovoltaic panels and wind turbine at the Kingspan Energi Centre at Holywell delivered 2529 kWh electricity.



Renewable Energy

At Holywell, Kingspan has been measuring wind speed on a meteorology mast for the past 24 months which has helped the company determine the financial feasibility of installing a large scale wind turbine at the Holywell site. The trials have proven positive and Kingspan has decided to proceed with commissioning a large scale wind turbine. The division is committed to running all of its European manufacturing plants by means of renewable energy and is investigating renewable technologies for both its Kingscourt and Sherburn sites.

Carbon Management Solutions - dcarbon8

In 2006, Kingspan Insulated Panels was the first UK manufacturer to sign up to membership of dcarbon8. dcarbon8 is a carbon solutions company, that works with companies to manage the carbon footprint associated with their business operations or product manufacture. In 2010, Deloitte LLP acquired dcarbon8 as part of a strategy to offer a wider range of carbon and sustainability advice. Kingspan continues to engage dcarbon8.

[GRI EN7]

Initiatives to reduce indirect energy consumption and reductions achieved.

[GRI EN18]

Initiatives to reduce greenhouse gas emissions.

The sustainability

to make the most of what we've got

Optimise Use of Resources

There are resource implications during the whole lifecycle of our product. However, it is at its manufacturing sites where Kingspan has the greatest opportunity to control and thus optimise its use of resources and it has continued to test and implement ways to minimise waste and harmful emissions.

3 Our objective is to minimise waste, harmful emissions and water usage associated with the manufacture, distribution and, where possible, the end-of-life management of Kingspan Insulated Panels' products and services.



Pollution

Any spills over 20kg are considered significant. In 2009 we had only one significant spillage when a hydraulic fluid hose on a fork lift truck burst releasing approximately 100 litres of hydraulic fluid (mineral oil) onto the tarmac of a loading area. An emergency spill kit was used to contain and mop up the fluid. Disposal of the fluid was completed in a safe manner with no contamination to the local environment.

Water

As a proportion of inputs into the manufacturing process, water is relatively small compared to other resources. However, Kingspan does use water for general catering and sanitary purposes at all of its sites. The total water usage for all sites for 2009 was 15,425 cubic metres. Kingspan is committed to maximising our use of harvested rainwater. In 2009 we harvested 110 cubic metres of rainwater which amounted to 0.7% of our total water use. We aim to increase the amount of water harvested and reused in 2010.

Waste

Waste is a significant issue in the manufacturing sector, both for its growing cost implications and environmental impact. Waste is considered as part of our ISO 14001 management system and Kingspan is continually looking for new ways to reduce the generation of waste and where it is generated, to reuse and recycle wherever possible. Kingspan currently recycles steel, paper, cardboard, wood and plastic. In 2009 a total of 7,232 tonnes of these materials were recycled. Kingspan Insulated Panels now offers customers a full pallet return service to its UK sites and also launched services for recycling all Kingspan insulated panels packaging from construction sites. In the three month period to March 2010, 2188 tonnes of waste was recycled.

Total Weight of Waste in Tonnes (landfill)



* Holywell, Kingscourt and Sherburn.

** Holywell, Kingscourt, Sherburn, Belgium, Australia, France, New Zealand, Netherlands.

*** Holywell, Kingscourt, Sherburn, Belgium, Australia, France, New Zealand, Netherlands and Profiles and Sections.

An ambitious waste to landfill reduction target of 20.0% was set for 2009. Kingspan achieved this target with an overall reduction of waste to landfill of 20.7%. A target of a 20.0% reduction has again been set for 2010 / 2011.

[GRI EN8]

Total water withdrawal by source.

[GRI EN22]

Total weight of waste by type and disposal method.

[GRI EN23]

Total number and volume of significant spills.

[GRI EN10]

Percentage and total volume of water recycled and reused.

The sustainability

to design for the future

Sustainable Building Design

The recasting of the European Performance of Buildings Directive by the European Commission means that pressures to improve the energy performance of European buildings will grow over the coming years. Kingspan Insulated Panels will do its bit because all of its products are designed to maximise the performance of the buildings in which they are used.

4 Our objective is to consider best practice building design when constructing and refurbishing Kingspan Insulated Panels Manufacturing facilities and ensure the sustainable management of all sites used by Kingspan Insulated Panels.

40 Architects Bowman Riley specified Kingspan EnergiPanel™, a unique solar air heating system from Kingspan Insulated Panels, to transform the new Morrisons building into its own energy generator





There has been an increasing demand for Kingspan's **envirocare**® Technical Services during 2009. The advisory service was introduced in 2006 to meet the demand for sustainability advice from developers, designers, specifiers and construction engineers. Kingspan's **envirocare**® Technical Services offer a range of important services including:

- Whole building energy / CO₂ modeling for Part L2 and Section 6 compliance
- Solar panel (PV) calculations
- EnergiPanel and Solar air heating calculation service
- Project specific model specifications - either NBS or Kingspan format
- Attending design meetings
- Generating construction / junction details in line with current Building Regulations
- Thermal calculations for junctions (Ψ and f_{min} values)
- Wind load and snow load calculations
- Condensation risk and thermal performance calculations
- Roof drainage calculations
- Advice on general building physics issues
- Construction details approval service prior to installation
- Support of fire / insurance related issues
- Full technical product information support

[GRI EN6]

Initiatives to provide energy-efficient or renewable energy-based products and services and reductions in energy requirements as a result of these initiatives.

Kingspan **envirocare**® Technical Services is introducing a new whole building energy modelling service to its clients in respect of the new Part L2 Building Regulations requirements being introduced in October 2010 in England and Wales.



Kingspan *ECOSafe* Insulated Panels

All Kingspan *ECOSafe* insulated panels have a low GWP (Global Warming Potential) and help to deliver optimum performance in environmental assessment methods such as BREEAM. All panels manufactured in Holywell, UK, Australia, Belgium and Ireland have the *ECOSafe* core.

BREEAM-In-Use

The BREEAM-In-Use scheme was launched in early 2009. It is designed to help reduce the running costs of buildings and to improve the environmental performance of existing buildings. It consists of a standard and easy-to-use assessment methodology and a 3rd party certification process that provides a clear and credible route map to improving sustainability.

One well recognised way to reduce the UK's environmental impact lies in better management and improvement of the existing building stock. BREEAM-In-Use has been developed to identify and encourage better building management and better targeted investment in existing building stock.

The BREEAM-In-Use scheme enables building managers to self-assess the performance of their portfolio using the online BREEAM-In-Use tool. Training is provided to license BREEAM-In-Use Auditors to verify the building manager's self assessment and provide a certificate.

BREEAM-In-Use assessment differs from the established BREEAM schemes in that BREEAM assessors undertake an assessment of new buildings and submit the data to BRE Global to review and issue a certificate, whereas for BREEAM-In-Use, the Auditor is trained to verify the data obtained by the building manager and issue the certificate themselves. The assessment tool enables building managers to see the impact of their building and existing systems and initiatives, as well as the potential impact of any proposed changes.

The following credits are available when using Kingspan insulated roof and wall panels for BREEAM Industrial building assessments.



Credit	Assessment	Credits available
MW1	Materials	up to 3 Credits
MW 8	Responsible Sourcing	up to 3 Credits
P1	Refrigerant GWP	up to 1 credit (EP)
P4 (2006) / Mat 6 (2008)	Insulation	up to 2 Credits
E1	CO ₂ Reduction	up to 15 credits (Envirocare / EP PowerPanel)
ENE5	Low Zero-Carbon Technologies	up to 3 credits (EP / PowerPanel)
P6	NOx Emissions	up to 1 credit (EP)
HW11	Ventilation Rates	up to 3 credits (EP)

Note: (EP) refers to EnergiPanel



BREEAM, Netherlands

In 2009 Kingspan supported the development of Breeam-NL with our knowledge of sustainability in general, more particularly, sustainable building. All the joint activities led to the launch of Breeam-NL for new build in October 2009.

Three Kingspan employees were trained to be Breeam-NL Experts and the new Kingspan office in Tiel (the Netherlands) served as a pilot project for BREEAM-NL to benchmark this new tool.

43 In 2009 the construction of the TNT headquarters, called TNT Green Office, started in Hoofddorp, The Netherlands. The ambition of TNT Real Estate regarding new buildings is very high. TNT wants less, but better quality, sustainable square meters.

All TNT buildings are designed and built to be very energy efficient and CO₂-emission-free. The first Green Office, developed within a plan for environmentally friendly and sustainable buildings, is designed by architect Paul de Ruiter and expected to be completed in November 2010.

[GRI EN6]

Initiatives to provide energy-efficient or renewable energy-based products and service, and reductions in energy requirements as a result of these initiatives.

[GRI EN26]

Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation.

The use of green roof technologies is continually growing as architects see the value in terms of biodiversity, stormwater management, improved life expectancy and thermal performance of the roof as well as the enhancement of air quality by lowering CO₂ levels. Kingspan Envirotek™ is a structural green roof system that is demonstrated at our Kingspan Energi Centre and is now providing a sustainable solution to architects and developers across Europe.

44 Kingspan Envirotek™ Roof Garden

EU Energy Performance of Buildings Directive (EPBD)

The EPBD deals with a very complex sector with multiple stakeholders and a variety of approaches to the management of energy performance in buildings across the member states and has therefore experienced several challenges in implementation. Nevertheless, the Directive has been fully transposed into national law by 25 out of the 27 member states, with Greece and Latvia not having done so as of December 2009. Member states have tightened their minimum energy efficiency requirements and have stepped up their enforcement actions to ensure a full implementation of the legislation. One of the remaining challenges is the lack of qualified and accredited experts tasked with the certification of buildings. Member states also had to prepare for the end of the derogation period for the implementation of the EPBD and the EU agreement with regard to the Directive's recast.

Product Development

Kingspan Insulated Panels is at the forefront of innovative design and product development. 2007 saw the introduction of Kingspan EnergiPanel and the development of different projects across the globe in 2008 with excellent results. Since the launch of Kingspan EnergiPanel, its use has helped provide renewable energy for a range of buildings. In 2010, Kingspan's photovoltaic offering, PowerPanel, was launched, providing a complete turnkey solution to maximise the benefits of renewable solar energy and Feed in Tariffs, where available. The Research and Development Centre in Kingscourt, Ireland, is focused on creating innovative and sustainable product solutions to meet the demands of today's marketplace.

Our R&D team has introduced several new initiatives to help make more sustainable buildings, these include:

- Rake cutting of panels in the factory to help minimise cutting and waste on-site
- Using rainwater as a component in the formulation of our **ECOsafe** PIR insulation
- Factory applied weather seals which are tack free to aid end of life dismantling and subsequent recycling
- New 2 metre wide roof panel which is totally free of packaging; panels are loaded directly off the line onto the awaiting trailer
- We are in the process of switching away from GRP rooflights, which involve manufacturing waste going to landfill, in favour of polycarb where waste is fully recycled





Green Building Councils

In 2008, Kingspan was the first participant of the Dutch Green Building Council. Since then, according to a Dutch saying, mountains were moved and the Dutch construction industry has dramatically changed opinion on building with the emphasis now firmly on Sustainability.

In 2009 the initiative to set up a local Green Building Council in Belgium was also taken by Kingspan and about 90 other Belgian companies. All participants were divided into four groups, each of which specialises in a different aspect of the Green Building Council. Kingspan participates in the group for quality assurance. This choice was made because no matter which building system is chosen, the quality of construction will ensure durability and long-term performance. Quality will therefore be crucial for the success of the Belgium Green Building Council.

Kingspan Insulated Panels is also an active member of the Green Building Councils in UK, Singapore and Australia.

In September, Kingspan Benelux invited other members of the Dutch Green Building Council to take their golf equipment and play a round on the golf course of Broechem (Belgium). It was a highly successful day which helped all participants look at sustainable building from a new perspective.

The sustainability

to design for the future

Ethical Procurement and Supply Chain Management

Given the large environmental impact of Kingspan's raw materials, it is important to manage this process in the most sustainable way. Kingspan is engaging with its supply chain to achieve this, using its purchasing power to bring about lasting and positive change.

5 Our objective is to develop an ethical procurement strategy for procuring materials and services. Engage with prioritised suppliers and contractors to ensure that they align to similar sustainability standards and seek to build long-term relationships with key suppliers and contractors.

46 Transport to site is a key part of our supply chain. We work with transport providers to optimise loading and minimise emissions associated with their activities.



Suppliers

Kingspan aims to have all of its suppliers accredited to BS EN ISO 9001 / 14001 and OHSAS 18001, which cover quality, health and safety and environmental management. Although this is not currently compulsory for its suppliers, Kingspan has many long-standing relationships with them and as such they are either working towards this accreditation, or have already achieved it. Work is underway on drafting an official Kingspan Ethical Procurement Strategy which the company hopes to launch in 2010.

Customers

Throughout 2009 Kingspan worked closely with its customers on important issues such as the better management of site waste. It has continued to promote methods to dispose and recycle packaging more effectively along with its pallet return service. Kingspan worked closely with many of its key customers and clients on mechanical handling solutions. The use of mechanical handling plant and equipment can reduce the time spent working at height and the need to manually handle panels, dramatically accelerating build times and reducing health and safety risks posed on-site.

[GRI EN2]

Percentage of materials that are recycled input materials.

Sustainable Procurement of Materials

Steel is a major component of Kingspan's insulated panels. Approximately 20-25% of the steel is recycled content resulting in, typically, the recycled content of a panel being 14.5 to 17.5%. Kingspan's work with BRE on environmental profiles means that it continues to identify environmental impacts in its supply chain. It is using this to identify priorities for engagement with key suppliers to find ways to reduce this impact.

Internal Procurement

All Kingspan literature is printed on paper sourced from at least 80% post-consumer waste with the remaining fibre Totally Chlorine Free (TCF). In recognition, the range has been awarded both the NAPM and Eugropa recycled marks, two of the most prestigious certificates available. The entire process strictly adheres to the Forest Stewardship Council (FSC) chain of custody and the printing process is free of Volatile Organic Compounds (VOCs). All inks used are vegetable based, minimising impact on the environment.



The sustainability

to get everyone involved

Stakeholder Engagement

Kingspan's insulated panels are supplied directly to its customers, primarily contractors, who fit its panels on-site. However, Kingspan also considers the architects, developers and end users who design and occupy the buildings to be key stakeholders and it is essential to the success of its business that it remains responsive to their needs. Kingspan maintains a variety of formal and informal networks through which it keeps abreast of stakeholder needs.

The diagram below shows our key stakeholder groups and how we engage with them

6 Our objective is to engage with key stakeholders in Kingspan Insulated Panels Sustainability Strategy and ensure our employees are fully involved in helping deliver the Sustainability Policy.



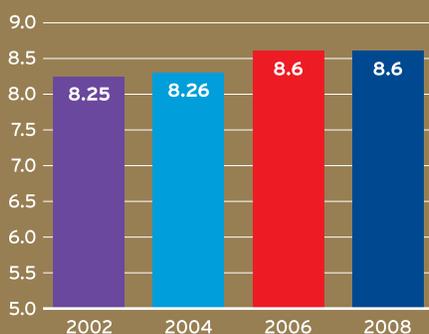
Kingspan Insulated Panels Market Communications

Kingspan ensures that this Sustainability Report is sent to a large stakeholder base, mainly through an e-bulletin with a link to its website. Every month Kingspan sends a personalised e-bulletin to all its contacts. These include architects and contractors and each e-bulletin is tailored to suit the audience. Internal staff also receive a copy. This ensures that all stakeholders are updated on various issues within the industry with a major focus on environmental and sustainability topics.

Customer Engagement

A customer survey was carried out in the UK during the spring of 2008 by Kingspan Insulated Panels, questioning key stakeholders on a range of key issues. The overall customer satisfaction score achieved was 8.6 out of a possible 10. This bi-annual customer survey will be repeated in 2010.

Score Out of 10



Sustainable Schools in Holland

Sustainable Schools is a collaboration between different companies with the objective being knowledge transfer and the development of a socially responsible and sustainable design to build schools. By offering the customer - boards of schools that want to construct or renovate - a total concept in building, Sustainable Schools differentiates itself from all other existing concepts.

Sustainable Schools specialises in offering advice on energy and indoor environment and is able to provide a school with an EBA (Energy and Indoor Environment Advice) at short notice. With an EBA, a request for subsidy can be submitted to the Dutch Ministry of Economic Affairs.

With the focus on energy and indoor environment, it was a logical step for Kingspan to join this initiative. Together with the other partners, Kingspan endeavors to encourage the education sector to only build sustainable schools.

MVO NL

In 2009 Kingspan Benelux made a commitment to MVO Nederland, a national knowledge network on corporate social responsibility (CSR), the starting point for all entrepreneurs who want to preserve their business and the world in which they operate.

Within this network, approximately 1,000 business associations, companies and Non-Governmental Organisations (NGOs) come together to discuss and action CSR initiatives. Together they represent more than 100,000 entrepreneurs.

MVO Nederland and its network helps and advises entrepreneurs how to get started with CSR. We seek to support organisations which are new to the field of CSR, sharing knowledge on operating in a sustainable way, tapping into Kingspan's wealth of knowledge.

Employee Awareness

Kingspan continues to train its employees at Holywell, Kingscourt and Sherburn in ISO 14001 and the wider sustainable development agenda. Employees at all its sites have been issued with Environmental Awareness and Energy Awareness booklets. The next stage is to develop employee training on waste management.



[GRI PR5]

Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.

48 Xavier School, Australia, Runaway Bay on the Gold Coast, Kingspan's products were used for both the walls and roof of the school Activity Centre

The sustainability

to consider the interests of others

Social Responsibility

Kingspan's employees and contractors are essential to its success. Therefore, it is the company's responsibility to ensure that employees' health, safety and well being is considered at all times. It is committed to communicating with its employees. Some formal methods of union consultation and a works council are used. However, Kingspan is also keen to promote direct communication with its employees through a variety of methods.

7 Our objective is to support Kingspan Insulated Panels' employees and uphold our corporate social responsibility to the communities in which we do business.

[GRI EN14]

Strategies, current actions, and future plans for managing impacts on biodiversity.

49 The opening of the regenerated western side of the Greenfield Dock by the Mayoress of Holywell.



Our Employees

Site	Full-Time Permanent	Part-Time Permanent	Temporary	Management Positions (including directors)	Turnover
2009**	828	23	5	87	35.5%
2010***	937	29	8	99	1.1%

** Holywell, Kingscourt, Sherburn, Belgium, Australia, France, New Zealand, Netherlands.

*** Holywell, Kingscourt, Sherburn, Belgium, Australia, France, New Zealand, Netherlands and Profiles and Sections.

Community Investment

As a large and successful international company, Kingspan recognises its role in contributing to the communities in which it operates. In 2009 Kingspan donated money to community investment projects including sponsorship to employees taking part in charitable events. Kingspan Insulated Panels is also supporting the Welsh Assembly's **'All Wales Coastal Path Project'** for 2012. Across the Insulated Panels division it endeavours to work closely with the communities in which it operates to ensure it brings as much benefit to the regions as possible.

Greenfield Dock Grand Opening

Monday 24 August 2009 saw the opening of the regenerated western side of the Greenfield Dock by the Mayoress of Holywell.

The opening, which coincided with the Big Dee Festival, is the result of the first phase of a regeneration project undertaken by a group of stakeholders and companies including Kingspan Insulated Panels to improve the dock. It has involved new tarmac and signs, as well as general improvements.

One of the main objectives of this project was to upgrade the dock for the benefit of the local community and more generally to attract visitors to the area by making it a key access point to what will eventually become the All Wales Coastal Path.

Mark Harris, Divisional Building Technology Director of Kingspan Insulated Panels said, "Over the past few years we have worked on events with Flintshire Countryside Services, such as the Big Dee Day which was a great success in cleaning up the estuary, and we are delighted to have been able to help regenerate the dock area."

He added, "As well as supporting the regeneration, we wanted to contribute to the opening, and as the Dee Festival is a family event with various activities taking place, we supplied a BBQ and sponsored face painting for the children on the day."

[GRI LA1]

Total workforce by employment type, employment contract and region.

[LA2] Partial

Total number and rate of employee turnover by age group, gender and region.

[GRI EN11]

Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

Employees

In 2009 all employees received a formal performance appraisal which included an assessment of training needs. 380 of our employees are covered by collective bargain arrangements which amounts to 44% of all employees. By 2006 Kingspan had achieved OHSAS 18001 at all of its manufacturing sites with the exception of our site in Leuze-en-Hainaut which is currently working towards this. OHSAS 18001, in conjunction with increased resources applied to the management of health and safety, has helped to deliver significant improvement in its performance. There were no fatalities in 2009 / 2010 and Kingspan Head Office in Holywell was awarded the Gold ROSPA Award.

[GRI LA7]

Rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities by region.

[GRI LA12]

Percentage of employees receiving regular performance and career development reviews.

[GRI LA4]

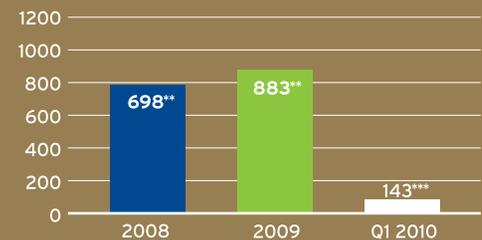
Percentage of employees covered by collective bargaining agreements.

Absenteeism



* Holywell, Kingscourt and Sherburn.
 ** Holywell, Kingscourt, Sherburn, Belgium, Australia, France, New Zealand, Netherlands.
 *** Holywell, Kingscourt, Sherburn, Belgium, Australia, France, New Zealand, Netherlands and Profiles and Sections.

Days Lost Due to Accidents



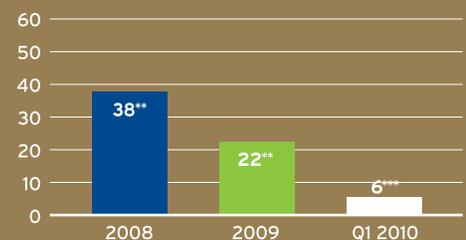
Total Accidents

(1-3 days absence)



Total Reportable Accidents

(Greater than 3 days absence)



RHS Chelsea Flower Show 2009

Experts collaborated to create a historical and sustainable inspired garden - Elizabethan Perfume Garden at RHS Chelsea Flower Show 2009 used the latest sustainable technology co-sponsored by Kingspan Limited.

Architect Laurie Chetwood and landscape designer Patrick Collins joined forces with leading experts from Gazeley, global providers of sustainable logistics space, P&G Prestige Products and long-standing partners, to create a garden that combined Elizabethan scents with modern day cutting-edge sustainability for the 2009 RHS Chelsea Flower Show.

An original recipe for rosewater infused perfume created by Queen Elizabeth I in the 16th Century was the inspiration for the garden, along with modern day sustainability techniques bringing together old and new. The garden, which was sponsored by Gazeley, Chetwoods, P&G Prestige Products, as well as co-sponsors, including Kingspan, included the following unique elements:

- Architecture that thrilled and created all of the senses and creates an aura of well being, while being environmentally sound
- A pocket perfumery, from growing plants to distillation, production, bottling and selling
- A spiral in the central apothecary where the perfume was produced

The garden took inspiration from pioneering sustainable technologies developed by Gazeley. The central perfumery incorporated a sculptural wind turbine, rising from its centre like a flower stamen to power the lighting and irrigation of the garden. It was fed from this central feature with water and electricity from the borehole / rainwater harvesting, photovoltaic panels and the wind turbine. The garden wall was cedar and incorporated ecological features such as insect 'hotels' as well as wet and dry habitats.



Jonathan Fenton-Jones, Director of Sustainability and Global Procurement at Gazeley said, "Gazeley is proud to be supporting the perfume garden at this year's Chelsea Flower Show. It is important the people understand the importance of how sustainable processes and technologies can easily be applied to modern day developments."

"Combining modern day construction and sustainability has been central to Gazeley's business strategy since 2001. Gazeley works with an array of experts that form the international sustainable virtual team to combine leading-edge materials, technologies and construction processes to create the most environmentally advanced logistics spaces in the world."

All partners involved recognised the importance of ensuring the legacy of this unique garden, which was recycled to inspire future generations and promote the role of sustainability in modern day life.



As well as modern day construction, the garden focused on encouraging visitors to touch the past through the sense of smell. To do this not only did they design a scent-filled garden P&G Prestige Products also created a modern interpretation of Queen Elizabeth I's perfume to mark the event. A proportion of sales of the perfume was donated to SolarAid, a charity that enables the world's poorest people to have clean, renewable power.

"We want to connect with visitors in multiple ways," says Laurie Chetwood. "We want them to be able to walk through and experience our garden, enjoy it and learn how perfumes are made at the same time - the story of perfume from plant to bottle. Then, when they are entranced by the magic of perfume, they will be able to experience an historic scent that reminds them of the garden but most importantly provides an olfactory window into the past and a hint of the personality of Queen Elizabeth I."

Sherburn

The Sherburn site is Kingspan's second largest manufacturing arena, after Head Office in Holywell.

There, an employee car sharing scheme is actively encouraged with a take up of approximately 20% of the staff.

Charity days are a big deal at Sherburn - Red Nose Day, Wear it Pink Day, etc., with participation by almost every employee.

Sherburn donates money to charity in lieu of sending Christmas Cards to customers, usually one which had touched an employee during the preceding year. For example, Eve charity was supported when the wife of one of it's employees died from ovarian cancer. St Catherine's Hospice in Scarborough is also supported regularly. Sherburn has a close relationship with the local primary / junior school and has been supportive both financially and with furniture donations.

Responsibility to the local environment is also a priority. For example, there are regular 5 mile walks along the A64 road which leads from the factory, to pick up any litter and picnic tables have been made for some local schools from waste wood which would otherwise have been consigned for shredding.



52



53

Australia



54

[GRI EC1] Partial

Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.

52 Charity days are a big deal at Sherburn

53 Picnic tables have been made for some local schools

54 The Antipodean All Star 5 a-side soccer team, which participates in many local events

Benelux

10 Miles for charity

On April 26th the Belgian team joined the ING Antwerp Run and ran 10 miles for the Belgian Make a Wish foundation. On September 6th the Dutch team participated in the Tilburg 10 Miles. They choose to support the Dutch Children's Cancer Association Kika.

For both runs, customers as well as staff were invited to join. Kingspan sponsored every mile completed by a customer with €5. Every single mile completed by a member of the Kingspan staff was sponsored with €10.



55 The Kingspan team taking part in the ING Antwerp Run

56 A roofing system and rooflights donated for the refurbishment of Middle Park Community Centre, Eltham in association with Children in Need

Well in Africa

Amongst other donations, Kingspan Benelux helped finance the build of a new well in Ghana, Africa, where there is still a desperate need for clean drinking water. The Kaskazini Foundation in the Netherlands realised these needs and supports the development of a particular village in Ghana. With the new well, people and cattle can be fed and cleaned. In the past, the foundation has also helped to build a school, a library and a corn mill. As a result of all this, the women can attend to other business instead of doing hard labour grinding the corn and children can go to school. This way the development continues for future generations of the village of Danyame.

UK - Children In Need



Kingspan Insulated Panels donated its KS1000 RW trapezoidal roofing system and Kingspan Polycarb Rooflights for the refurbishment of Middle Park Community Centre, Eltham in association with Children in Need.

The managers of Middle Park Community Centre, Lin and Pat, have been working tirelessly for the past 27 years, over 12-15 hour days to provide a hub for the whole community which offers activities and support for up to 150 children every day.

The roof panels are also covered by the Kingspan Total Guarantee, providing a thermal and structural performance guarantee.

2009 Targets Update

Objectives	2008 Targets	Achievement
Sustainable Building Design	Publish a minimum of 2 new brochures / white papers on subjects associated with sustainable building design.	Kingspan published 2 white paper research reports in 2009. The first covered the opportunities for reducing carbon emissions, creating employment, improving energy security and saving costs through refurbishment of non-domestic buildings in the UK. The second report looked at similar opportunities in Ireland. A third report was issued in 2010, covering the opportunities for carbon reductions in public sector in the UK. Refer to pages 34 and 35.
	Launch a minimum of one new product with the aim of enhancing the environmental sustainability of buildings.	In 2009 we launched a 2 metre wide roof panel. This system results in significantly faster erection on-site and helps reduce the time spent working at height - a key aspect of improving safety on-site. A further significant advantage is that all packaging has been removed.
Ethical Procurement and Supply Chain Management	To further develop a specific Kingspan Insulated Panels responsible procurement policy to cover ethical and environmental issues in all procurement.	Ongoing. We will report in detail in 2011.
	Use environmental profile data to target suppliers to reduce overall environmental impact.	This is an ongoing process with suppliers being encouraged to reduce their own carbon footprints.
Stakeholder Engagement	Further develop a strategy for measurement of employee training across the Division.	Ongoing. All new employees are given environmental sustainability training and we have established an e-training programme for some employees. This program will be rolled out further and expanded in 2010 / 2011.
	Develop our relationships with key stakeholders including trade associations and Government bodies to help promote sustainable construction.	We are deeply engaged with a number of important trade associations and organised a reception at Westminster in 2009 to promote awareness of the opportunities for non-domestic refurbishment in the UK. Ed Milliband, the then Secretary of State for Energy and Climate Change was the keynote speaker.
Social Responsibility	To increase matched giving for employee fundraising.	Ongoing pending a decision in 2010 / 2011.
	To review and disseminate our community investment strategy.	Community investment is at the heart of our operations - see pages 48 - 54.
Sustainable Product Stewardship	To train a minimum of 500 contractors at the Holywell visitor centre, and conduct a minimum of 400 site visits.	Achieved and exceeded.
	Extend certified Environmental Profiles to a wider range of panel products.	We took out a contract with BRE for extending environmental profiles to our whole product range. The process is ongoing.
	Promote knowledge of the recycling options for Kingspan panels - both current and historical production.	We continued to promote the availability of recycling services through our website, email communications and brochures.
Carbon Management	Continue to work with dcarbon8 to assess and reduce our carbon footprint.	dcarbon8 was acquired by Deloitte in 2010 and no longer provides membership services. We are still in contact with dcarbon8 and investigating how we can work together.
	Continue the process towards achieving on-site renewable energy production at all our sites.	This process has continued and we are now close to signing a deal to erect a wind turbine at our Holywell site. We are also looking at options for solar PV systems.
	Issue waste awareness booklet to all employees.	Owing to the general business environment this project was put on hold in 2009. It is our intention to progress training on waste reduction in 2010 / 2011.
	Reduce Divisional carbon footprint by 667 tonnes CO ₂ .	Target achieved. In fact we reduced the carbon footprint of the operations covered by our 2009 report by 1709 tonnes CO ₂ . We have set a target for a 4% reduction in 2010 / 2011.
Optimise Use of Resources	To double our use of harvested rainwater.	We believe that this objective has been achieved but owing to a fault on metering rainwater harvesting on a new facility to provide water for a plant facility at Holywell we do not have the supporting data. We have carried over the target to 2010 / 2011.
	To reduce waste to landfill by 20% compared to 2008.	Target achieved.
	To promote the return of packaging from construction sites.	We have continued to promote this service in the UK. In 2009 we received 36,369 pallets back from construction sites in the UK.
	To reduce primary energy consumption by 5%.	Target achieved. Total reduction expressed in CO ₂ terms was 10.1%.

2010 / 2011 Targets

Objectives	2010 / 2011 Targets
Sustainable Product Stewardship	To maintain the number of contractors being trained and site visits being made.
	Extend BRE certified Environmental Profiles to a wider range of panel products in the UK.
	Further investigation and work on recycling insulation foam.
	To review and achieve appropriate Lifecycle Product Certifications for markets such as Australia, Benelux and France in particular.
Carbon Management	Continue the process towards maximising use of renewable energy and other energy sources to reduce energy requirements at all our sites.
	To reduce Divisional carbon dioxide emissions by 4%.
Optimise Use of Resources	To make progress on rainwater harvesting and report on progress.
	Double our use of harvested rainwater.
	To reduce waste to landfill by 20% compared to 2009.
Sustainable Building Design	Publish a minimum of two new brochures / white papers on subjects associated with sustainable building design.
	Launch a minimum of one new product with the aim of enhancing the environmental sustainability of buildings.
Ethical Procurement and Supply Chain Management	To further the development of a Kingspan Insulated Panels responsible procurement policy to cover ethical and environmental issues in all procurement.
	Use environmental profile data to target suppliers to reduce overall environmental impact.
Stakeholder Engagement	To further develop and implement e-training for employees. To focus on waste management in particular.
	To develop strategies and plans to help governments develop carbon reduction strategies.
Social Responsibility	Work with Flintshire Countryside Services to help protect and develop the Dee Estuary coastline.
	Finalise the development of our Community Investment Strategy.
	Continue to support employees in their charitable work.

Acknowledgements - Kingspan wishes to thank the following in the preparation of this report.

- **Caleb Management Services Ltd**

Caleb Management Services is a leading UK consultancy in the field of building efficiency, sustainable construction, climate change and the wider sustainability agenda. Much of this work is as a policy adviser to Government and its agencies.

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GRI Content Index

Profile Indicators	Description	Page Number
1.1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and its strategy.	6-7
2.1	Name of the Organisation.	ISFC
2.2	Primary brands, products and / or services.	8
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures.	ISFC
2.4	Location of the organisation's headquarters.	ISFC
2.5	Number of countries where the organisation operates.	ISFC
2.6	Nature of ownership and legal form.	ISFC
2.7	Markets served.	ISFC
2.8	Scale of the reporting organisation.	8
2.9	Significant changes during the reporting period.	ISFC
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3.1	Reporting period.	ISFC
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3.3	Reporting cycle.	ISFC
3.4	Contact point for questions regarding the report or its contents.	BC
3.5	Process for defining report content.	12
3.6	Boundary of the report.	ISFC
3.7	Limitations on the scope or boundary of the report.	ISFC
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities.	Kingspan Insulated Panels Division does not have joint ventures, subsidiaries, leased facilities or outsourced operations.
3.10	Explanation of the effect of any re-statements of information provided in earlier reports.	Not Applicable.
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied.	For 2009, the report has been expanded to cover our operations in Singapore and Dubai and, in 2010, the Profiles and Sections business in the UK.
3.12	GRI content index.	58 - 59
4.1	Governance structure of the organisation.	11
4.2	Indicate whether the chair of the highest governance body is also an executive officer.	11
4.3	Number of members of the highest governance body that are non-executive members.	11
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	11
4.14	List of stakeholder groups engaged by the organisation.	46
4.15	Basis for identification and selection of stakeholders with whom to engage.	46

Economic Performance Indicators	Description	Page Number	Extent of Reporting
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	53	Partial
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	27	Fully

Environmental Performance Indicators	Description	Page Number	Extent of Reporting
EN2	Percentage of materials used that are recycled input materials.	45	Fully
EN3	Direct energy consumption by primary energy source.	27	Fully
EN4	Indirect energy consumption by primary source.	27	Fully
EN6	Initiatives to provide energy efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	16-18, 39, 42	Fully
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	35	Fully
EN8	Total water withdrawal by source.	37	Fully
EN10	Percentage and total volume of water recycled and reused.	37	Fully
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	49	Fully
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	48	Fully
EN16	Total direct and indirect greenhouse gas emissions by weight.	27	Fully
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	35	Fully
EN22	Total weight of waste by type and disposal method.	37	Fully
EN23	Total number and volume of significant spills.	37	Fully
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	46	Fully
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	12	Fully

Labour Practice Indicators	Description	Page Number	Extent of Reporting
LA1	Total workforce by employment type, employment contract, and region.	49	Fully
LA2	Total number and rate of employee turnover by age group, gender, and region.	49	Partial
LA4	Percentage of employees covered by collective bargaining agreements.	50	Fully
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.	50	Fully
LA12	Percentage of employees receiving regular performance and career development reviews.	50	Fully

Product Performance Responsibility Indicators	Description	Page Number	Extent of Reporting
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	47	Fully

For more information and to provide feedback on this report please visit: www.kingspanpanels.com/responsibility

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