



Sustainable Growth Agreement

Superglass Insulation Limited and Scottish Environment Protection Agency

20 March 2017

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Between:

Scottish Environment Protection Agency ("SEPA")¹ Corporate Office Strathallan House Castle Business Park Stirling FK9 4TZ

and

Superglass Insulation Ltd ("Superglass")² Thistle Industrial Estate Kerse Rd Stirling FK7 7QQ

("each a "Party" and together the Parties")

¹SCOTTISH ENVIRONMENT PROTECTION AGENCY, a body corporate established under Section 20 of, and Schedule 6 to, the Environment Act 1995 ²SUPERGLASS INSULATION LIMITED, company number 02160591, registered office at One, London Wall, London, EC2Y 5AB

Our Joint Aspirations

The Parties agree to work collaboratively to deliver the commitments set out in this Sustainable Growth Agreement. The agreement aims to enable Superglass to further move its business towards long-term prosperity (environmental, social and economic success) by identifying opportunities for Superglass to go beyond compliance and develop new and innovative products and/or ways of working.

All applicable laws continue to apply to Superglass and nothing in this Sustainable Growth Agreement is intended to, or shall be deemed to:

- a. establish any partnership or joint venture between the Parties, constitute any Party as the agent of the other Party, nor authorise any of the Parties to make or enter into any commitments for or on behalf of the other Party; and
- b. adversely affect or prejudice the ability of SEPA to act in its capacity as a regulator.

What are Sustainable Growth Agreements?

Sustainable Growth Agreements are voluntary, non-legally binding, formal agreements through which an organisation (or organisations) and SEPA can explore new and innovative ways to improve environmental performance and focus on practical actions that deliver environmental, social and economic success.

Superglass's Vision

The Superglass vision is to focus on supplying end users, such as housebuilders in the UK and Ireland, with more innovative products, including insulation with acoustic properties that command a higher price.

Through the development of Superglass products and processes, Superglass aims to maximise their economic and environmental benefits, by utilising the best possible practices. In doing so, Superglass is striving to move beyond compliance.

Superglass is a manufacturer of glass mineral wool products, based at Thistle Industrial Estate, Kerse Rd, Stirling. Manufacturing of glass wool started on the current site in the 1950s with Superglass starting life in 1987. The manufacturing process uses more than 80% recycled glass and this post-consumer waste is sourced from around the UK. The type of insulation products manufactured at the site provide thermal, acoustic and fire insulation properties which are used in our walls, floors and roofs to retain heat in our homes, schools and businesses. Research has shown that over its lifetime, typical glass wool saves over 300 times the energy used in its manufacture and transport. Superglass products therefore have a generic British Research Establishment Green Guide rating of A+.

Superglass has held a Pollution Prevention and Control Permit for the site since 2005. In 2012, new management committed to investing in the factory and fully engaging with SEPA. Superglass has invested in projects to lower ammonia emissions, introduced a new Preventative Maintenance system, built a new resin batch plant, introduced new fiberising technology, replaced the furnace recuperator, introduced an Environmental Management System and vastly improved housekeeping. The timeline of this journey is illustrated in Figure 1.





Figure 1. Business Road Map

A new 'Futureworks' Innovation Centre was set up by Superglass in 2014 on the same site as the factory as a centre for study, new product development and joint working. A gateway to innovation, the centre also provides a space for research and collaborative working. Superglass has more recently set up a Research & Development Department which is focused on exploring new ways to reduce the reliance on fossil fuels, new innovative ways of manufacturing and new product development.

Why is SEPA working with Superglass?

SEPA's Regulatory Strategy **One Planet Prosperity** describes the 21st century environmental challenges that Scotland and other countries across the world face, including over-use of natural resources and climate change.

According to the ecological footprint measure, Scotland needs approximately three planets to sustain its current way of living³. There is, however, only one planet and most nations around the world face the dilemma of significantly overusing the planet's capacity to support human activity.

All parts of our communities, businesses and government will have key roles to play to enable Scotland to successfully tackle this 21st century challenge of creating social and economic success within planetary constraints.

In terms of environmental regulation, this effectively means that SEPA needs to:

- 1. get <u>all</u> those it regulates to meet their legal obligations and reach compliance; and
- 2. also help <u>as many</u> regulated entities as possible move beyond compliance.

Figure 2. Business Influence Map - Superglass

Sustainable Growth Agreements are one way of helping achieve this, recognising that the most successful businesses in the 21st century are those that will see environmental and social success as an opportunity to create business success.

Over the past three years, SEPA has made it clear to Superglass that it must fix its non-compliance problems. Superglass management has responded to this clear direction from SEPA and driven improvements so that the plant is now compliant, for example over the last few years there have been significant reductions in ammonia emissions to air.

SEPA is now excited to enter into a Sustainable Growth Agreement to firmly entrench this compliance performance and to help Superglass go beyond compliance. SEPA is hopeful that this will create environmental, social and economic gains for Scotland.

The Superglass Sustainable Growth Agreement captures the joint vision and aspirations of Superglass and SEPA. It focuses on the key areas of influence shown in Figure 2, to support Superglass on its beyond compliance journey. Key commitments by Superglass and SEPA within these areas of influence are set out in the following tables.



³ www.footprintnetwork.org/en/index.php/GFN/

Commitments

Commitment	Actions	Outcome			
1. Superglass will proactively seek innovative solutions to reduce water use and waste production and to maximise the opportunity to reuse, recover or recycle effluents and wastes that are produced	 a. Superglass – to reduce the volume of effluent produced by the Effluent Treatment Plant b. Superglass – produce by 2020 a Zero Waste to Landfill plan c. Superglass – investigate the potential use of waste glass wool in the manufacturing process d. SEPA will facilitate trials of new technologies that help improve environmental outcomes. 	 a. Improved production efficiency and reduced environmental impact through a 20% reduction in water use and effluent discharge using 2016 as a benchmark by the end of December 2017 b. 20% reduction of waste going to landfill by 2018 using waste data collected in 2015 as a benchmark c. Ongoing reductions to landfill 	4. To explore opportunities to reduce energy use within the entire site including the investigation of the reuse of heat produced by the furnace to the ovens and exploration of increasing the use of renewable energy sources	Superglass – undertake a factory wide review of energy usage and implement measures to reduce energy consumption	 Environmental and economic benefits associated with a reduction in energy consumption: a. Reduction in CO₂ emissions associated with a 10% reduction in energy consumption by 2018 b. Reduction in greenhouse gases c. Reduction in fossil fuel use with a target of 40% reduction in energy costs associated with the introduction of
2. To continue to explore opportunities for innovation, trials and the development of new products that will enhance the range of products Superglass manufactures	a. SEPA will facilitate trials that help to improve environmental outcomes including the investigation of alternative resin technology	environmental credentials and innovative products			upgraded plant by 2019 d. Less embedded energy per unit of product
	 b. Superglass – enhance the performance of and increase the range of applications for glass wool insulation products c. Superglass – achieve ISO 14001 accreditation by 2017 d. SEPA to support the use of workshops and seminars for sharing information and knowledge transfer for key stakeholders and Industry specialists 		5. Develop local community engagement with an emphasis on building positive community relationships	 a. Superglass – initiate contact with local community representatives listening and exploring opportunities for community gain but also addressing community concerns b. Superglass – explore the possibility of signing the Scottish Business Pledge, in order to look at opportunities for apprenticeship schemes, to work with young people from the local community and support community- 	 a. Greater understanding about Superglass's value to the community b. Greater ability for Superglass to understand and respond to local community views c. Identify opportunities for local community benefit
3. To continue to work with supply chains, transport and distribution companies and customers for better environmental outcomes	 a. Superglass – reduce transport fuel use and emissions b. Superglass – undertake a supply chain review to investigate whether each company within the supply chain has an environmental strategy, and identify opportunities in the supply chain to deliver positive outcomes 	 a. Increase load utilisation associated with the haulage of products and raw materials across the UK and achieve a target utilisation load of 98% by 2018 b. Wider environmental and economic benefits associated with the holistic production of glass mineral wool 	6. To work with SEPA to identify new emerging opportunities in order to improve economic, social and environmental outcomes	based social initiatives Superglass and SEPA will work together to identify new opportunities	Focus on practical activity that delivers real economic and environmental outcomes
	c. SEPA will support the investigation of a supply chain review and provide expert input		 In addition to the commitments above: SEPA will help Superglass implement success in terms of sustainable experiments of sustainable experiments. 	uccessful innovation in ways that	

2. SEPA will help facilitate engagement with key players and potential partners.

to the environment.

- 3. SEPA will consider the use of Superglass's Innovation Centre as a venue for meetings and Industry workshop/seminars.
- 4. SEPA will help facilitate access to Industry specialists and key Industry stakeholders in order to advise Superglass and share information.
- 5. SEPA will help to signpost Superglass to Scottish, UK and European supporting bodies for advice and financial support.

Sustainable Growth Agreement Management

- 1. All applicable laws continue to apply to Superglass and nothing in this Sustainable Growth Agreement is intended to, or shall be deemed to:
 - a. establish any partnership or joint venture between the Parties, constitute any Party as the agent of the other Party, nor authorise any of the Parties to make or enter into any commitments for or on behalf of the other Party; and
 - b. adversely affect or prejudice the ability of SEPA to act in its capacity as a regulator.
- 2. The Parties have agreed that this Sustainable Growth Agreement will remain in place for four years from the date of signing this Sustainable Growth Agreement.
- 3. This Sustainable Growth Agreement is not legally binding and creates no legal rights or legal obligations between the Parties. Both Parties are accountable and responsible for honouring their commitments in this Sustainable Growth Agreement.
- 4. This Agreement will be made available to the public by both Parties (e.g. on SEPA and Superglass websites).
- 5. Superglass and SEPA agree to review and document progress on a six monthly basis and report this to the SEPA and Superglass Chief Executives.
- 6. Opportunities to promote the Sustainable Growth Agreement and its outcomes will be included in the six monthly reporting to the Chief Executives.
- 7. There will be a formal Annual Review and joint Annual Reporting by SEPA and Superglass Chief Executives to assess progress against the commitments set out in this Sustainable Growth Agreement and to assess success.
- 8. The Annual Review and joint Annual Report can also identify areas of focus for the following year, possible amendments to the Sustainable Growth Agreement and opportunities to promote the Sustainable Growth Agreement.
- 9. The joint Annual Report on this Sustainable Growth Agreement will be presented to the SEPA and Superglass Boards and made available to the public.
- 10. Both Parties reserve the right to withdraw from this Sustainable Growth Agreement if they believe it is no longer effectively promoting their aspirations (going beyond compliance).
- 11. If a Party is considering withdrawing they will notify the Chief Executive of the other party of their intention. Both Parties agree to work together to seek a resolution wherever possible.

Signed For and On behalf of Superglass

Signed For and On behalf of SEPA

Further Information

Superglass

Website: www.superglass.co.uk Tel: 01786 451170 Email: Contact us via email

SEPA

Website: www.sepa.org.uk Tel: 03000 996699 Email: Contact us via email SEPA's Regulatory Strategy: One Planet Prosperity



www.sepa.org.uk 03000 996699 The Castle Business Park, Strathallan House, Stirling FK9 4TZ