

January 2019

SUMMERLEAZE NEWSLETTER



35,500

MWh of electricity exported across the group

508,000

Tonnes of aggregates sold

3,000,000

Cubic metres of biomethane injected

This year Summerleaze celebrates its 90th Anniversary. Peter Prior, Chairman reflects on the Company's history.

It is the 90th anniversary of Summerleaze this year, so it's appropriate to remember some of the vital moments in the company history and reflect on the changing relationship of business, the financial sector and society.

In 1928 my father was already 35 and had been through personal disasters and the whole of the First World War, and yet he had the courage to set up his own business, mechanising other people's gravel pits. My parents wouldn't borrow money but they eventually managed to save enough to buy land and sell gravel on their own account and from there the business thrived. It required much hard work, and I remember as a child being taken down to the 'shop' which meant workshop, to sit on the bench on Sundays, while my father did some repairs to equipment or built up bucket teeth with the welding rods (but I mustn't look at the welding).

When I joined the business in 1963, we ran a nearly worked out gravel pit at Taplow and the pit at Maidenhead, where we also produced ready mixed concrete in a rudimentary plant where we batched the cement and gravel in quarter cubic yard batches into 4 wheel Thames Trader truck mixers, which often got stuck on customers sites and whose chassis cracked regularly. The office was one room upstairs in my father's house. My father drove the dragline extracting the gravel, my elder brother did some of the repairs to the equipment and I did whatever needed to be done at the time...

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Chairman's Letter CONTINUED...

Any administrative work had to be done after the proper work was completed. It was the best business training that you could possibly have. We bought what we could afford to buy out of retained cash.

In 1977 I heard, through the person that we bought lorries from, that it might be possible to buy some land at Woodley, close to what was said to be the largest residential development in Europe. The moment that I heard the JCB hit gravel in the first test hole, I knew that we had to buy that land and my next few months were devoted to the negotiations, even though the deal used up nearly all of our cash reserves. We were on the edge but the pit earned us more than what we paid for it, every year for more than 20 years.

The nature of banking changed and our bank ceased to be the kind of support that it used to be. In 2002, the bank told us to close the landfill gas business, Summerleaze Regen, but we refused to do so, which we were able to do because we had accumulated just sufficient reserves, and Regen soon became very successful. But in view of its limited further prospects without the expenditure of substantial funds, that we were not comfortable in borrowing, we sold the business in 2007.

By this time we had purchased Holsworthy Biogas and we soon embarked on investment in pellet distribution through Forever Fuels. More recently we opened the biomethane injection plant at Bishops Cleeve. Despite a great deal of effort by everyone concerned, Forever Fuels proved to be such a financial burden on the company that we have transferred its staff and assets



My father died the next year and for the next 6 years we went through the transition to the next generation. This was a difficult period but it's vital for any company to have unified management and in 1984 the company was restructured and, for the first time, we had to borrow funds to complete the transaction. We were greatly assisted in securing funds by a subsidiary of National Westminster Bank. I was fortunate to have the support of my sisters Christine and Helen and all our staff.

It was during the very early 1980s that we became interested in renewables and after some false starts, we built our first power station generating electricity from Landfill gas at Gerard's Cross, which was officially opened in 1987 by the Energy Minister. We learnt a lot about extracting landfill gas and that business grew, eventually with the purchase of another company.

to Balcas Ltd where the Forever Fuels business will be able to thrive, as a distributor of the pellets that they make.

During this period, the gravel business faced its challenges, for example those presented by the construction of the Eton College Rowing Lake and the Flood Relief Scheme which could have swamped the local market for sand and gravel. By sharing the product of these schemes with three of our competitors, we were able to survive. Now with gravel pits at Denham, Burnham, Taplow and Bray and with substantial reserves and inert landfill potential, that business is well placed for the future.

Of course, during these years, we have embarked on projects that haven't worked out in the timescale and with the investment that we could live with. But I am proud to write that with the support of my colleagues and family, the company is financially sound, and able to move forward with new commercial projects without bank support. Our relationship with the world of corporate finance has gone full circle.



Summerleaze Listed in 1,000 Companies to Inspire Britain by the London Stock Exchange

Summerleaze has been identified as one of the 1000 Companies to Inspire Britain. The report is a celebration of the UK's fastest-growing and most dynamic SMEs across the UK.

Peter Prior, Chairman of Summerleaze Ltd. said:

'We are delighted to be included in this report. It's a testament to the hard work of our team that we continue to be dynamic and forward thinking and have been recognised in this report along with other high performing companies.

'We also pride ourselves on our support for the local community which we see as integral to our company ethos and we hope that our work with organisations across the county will inspire other businesses to follow suit.'

The Rt Hon Greg Clark, Secretary of State for Business, Energy and Industrial Strategy said:

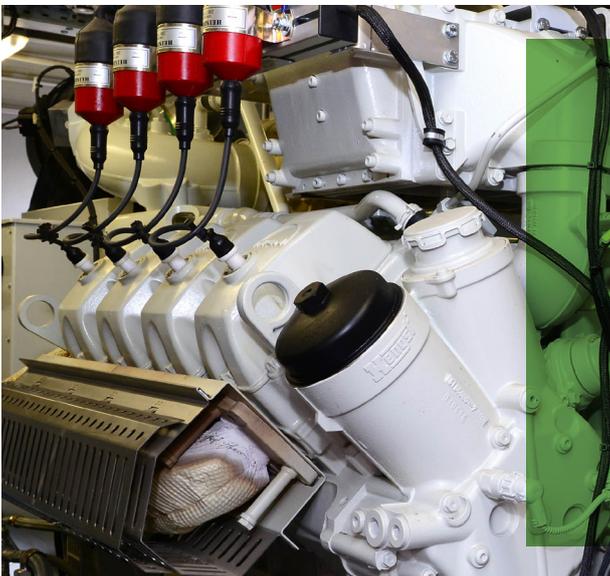
'I want to congratulate the 1000 companies from across the UK featured in London Stock Exchange Group's pioneering 1000 Companies to Inspire Britain report. Championing high growth innovative SMEs is crucial for the continued success of the UK economy and a country that works for everyone.'

Sales of aggregates have reached near record levels for another year with over half a million tonnes being sold from our Denham and Bray sites. In total Summerleaze's quarries at Denham, Taplow, East Burnham, and past sites at Woodley and Bray have produced over 19 million tonnes of aggregates.

The purchase of new sites, such as the one at Barge Farm, Taplow and the submission of the planning applications and environmental statements for Poyle quarry means that Summerleaze will be able to grow its core business in Maidenhead and West London, whilst maintaining a landbank into the future.



We are pleased to announce that we were shortlisted for the Community Legacy Award at the Thames Valley Business Awards in November. The award, which was sponsored by Peter Brett Associates, recognised companies that made significant contributions to their local communities and we were delighted to be highly commended for our work with charities and sports clubs around Maidenhead.

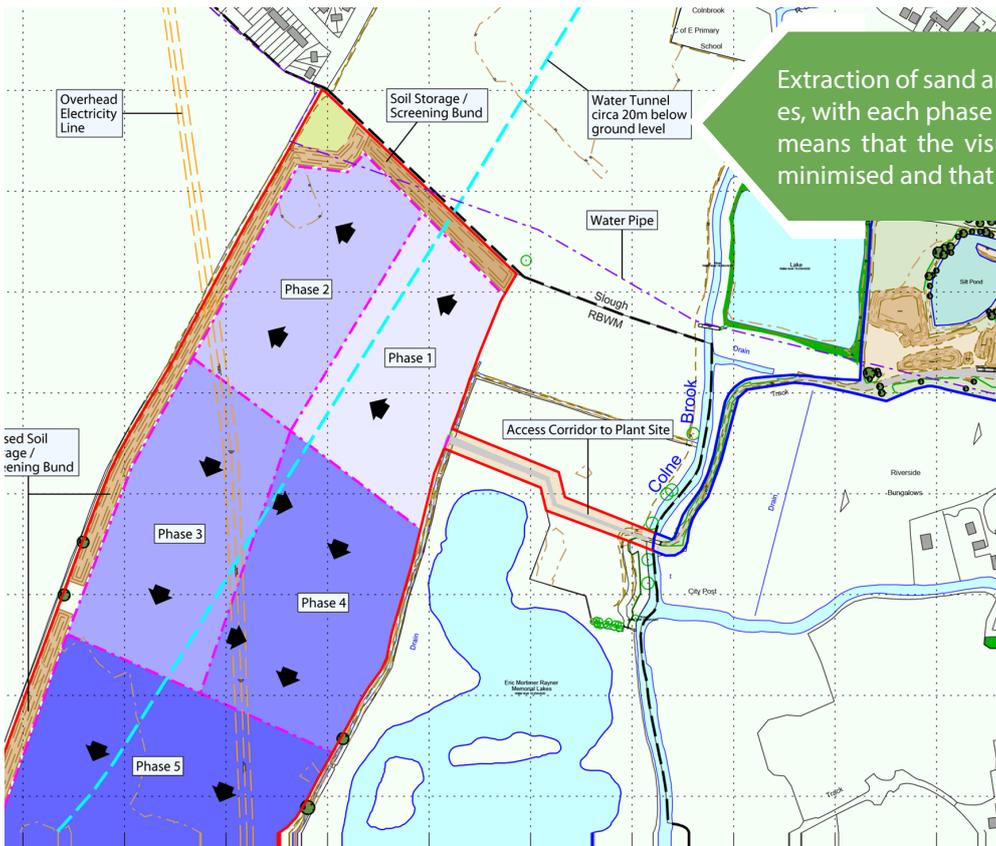


Holsworthy Biogas Plant has now processed over 1,000,000 tonnes of waste during its lifetime and has an annual capacity of 90,000 tonnes. In 2018 the plant exported a record 26,000 MWh of electricity, enough to power around 7,000 homes with green electricity.

Bishops Cleeve Biomethane Plant reached a record injection of over 3,000,000 kWh of biomethane in August 2018.

The landfill gas operation at the Waterbeach Research Facility has produced almost 10,000 MWh in the past year. Installation of a new Jenbacher J320 gas engine has improved the reliability of the plant and should significantly reduce any downtime in the coming year.

New mineral reserves added



Extraction of sand and gravel will take place in phases, with each phase being infilled progressively. This means that the visual impact to local residents is minimised and that restoration is as fast as possible.

A planning application for a new quarry and processing plant was submitted in November 2017. The area lies just south of Colnbrook and contains an estimated 800,000 tonnes of material to be extracted at a rate of 150,000 tonnes per year. The site will be progressively worked and restored as shown in the phasing plan (left). Material will be transported from the dig site to the pre-existing processing plant via dumper trucks before being dispatched to customers. This site will enable Summerleaze to expand its operations in the west of London, supplying larger volumes to new and existing customers. Planning permission is expected in early 2019 with development following later in the year.

Summerleaze has secured permission for a further 1.6m tonnes of material to be extracted at Denham Quarry, as well as purchasing Barge Farm in Taplow.

Permission has been granted for an extension to the existing site at Denham to allow the extraction of a further 1.60 million tonnes of aggregate and subsequent infilling and restoration with inert waste. This development will extend the operational life of the site by six years. The previous quarry is set to home the Hillingdon Outdoor Activity Centre which will be displaced by the High Speed 2 rail project.

In September 2017 Summerleaze purchased 280 acres of land at Barge Farm in Taplow. The farm contains an estimated 3.6 million tonnes of mineral which could be extracted at a rate of 200,000 tonnes per year. The as dug material from the site will be transported from the quarry via barge to a wharf near to Bray quarry. From the wharf it will be moved by conveyor to the processing plant on Monkey Island Lane.

Uncovering skeletons at Berry Hill Farm, Taplow

In preparation for the final mineral extraction phase at Berry Hill Farm an archaeological assessment was required. Whilst conducting the investigation Wessex Archaeology uncovered a late Iron Age / early Roman settlement consisting of several round houses and other enclosures. Amongst this they uncovered a skeleton believed to have been buried almost 2000 years ago.



Hindhay Landfill granted permission

The old chalk quarry in the north of Maidenhead has been granted permission for restoration to agriculture. This will mean filling the 300,000 m3 void with nearly 450,000 tonnes of inert waste. It is proposed that infilling will take place at a rate of 100,000 m3 per year. The site is currently being used as a recycling centre and has been since 2006.

Property Development



Three sites in Maidenhead have been put forward for property development.

Land at Spencer's Farm, Windsor Road, and Summerleaze Road has all been included in the RBWM's Local Development Plan.

The office site will be developed in Partnership with Shanly Homes and will provide around 100 houses with access via Summerleaze Road.

Spencer's Farm is one of the largest of 48 sites allocated in the emerging Royal Borough of Windsor and Maidenhead Local Plan, where 14,211 homes are proposed to be developed by 2033.

Spencer's Farm will contain up to 500 homes made up of approximately 30% affordable housing (both Shared Ownership and Social Housing), a number of 1 and 2 bed apartments and 3, 4, and 5 bedroom family houses. This will be developed alongside public sports facilities, and education provision. This project is being promoted in partnership with IM Land. The site will have en-

hanced pedestrian connectivity to local footpaths, cycle routes, and countryside links. Following the feedback received at the public consultation, IM Land are currently shaping the masterplan which will include development of new homes (including affordable homes), public open space and associated infrastructure.

Work has also begun on promoting land between Bray Lake and the Windsor Road for housing development. Current plans see around 100 homes being built along with improvements to footpaths and access around Bray lake. Again the site will contain approximately 30% affordable housing and include the provision of open space and a children's play area.

The land immediately adjacent to this development has been granted full planning permission for the construction of a new state-of-the-art hospice. Summerleaze sold land to Thames Hospice and expresses its continual support and further commitment to the Charity. Mike Lowe, Operations Director said: "Thames Hospice provides expert care for people living with life-limiting illnesses in East Berkshire and South Buckinghamshire. The charity plays an important role in caring for the physical, social, and psychological needs for its patients and their families". Work has begun as of the first week of 2019 and is expected to finish mid 2020.



We believe that the land at Spencer's Meadow is one of the most suitable areas for residential development contained within the RBWM draft plan, and that IM Land will promote the area to achieve a development complementary to the character of the local area in a sustainable way.



Andigestion ISO Accreditations

Andigestion has achieved certification under ISO 9001 for Quality Management, ISO 14001 for environmental management and OHSAS 18001 for Health and Safety.

The Quality Management Standard ISO9001 requires businesses to be customer focused, have strong management and an ethos of continual improvement. As an ISO 9001 certified organisation, Andigestion implemented a Quality Management System with requirements for all areas of the business, including facilities, people, training, services and equipment.

The Environmental Management ISO14001 requires businesses to actively measure and work towards minimising the impact they have on the environment. It is the principal management system standard requiring the formulation and maintenance of an Energy Management System. This helps to control Andigestion's environmental aspects, reduce impacts and ensure

legal compliance.

"Achieving these accreditations is a major milestone for Andigestion" said Environmental Compliance Officer, Tom Brown. "Not only does it show our customers that we are working to high standards, but it also motivates the team to continue striving for further success."

OHSAS 18001 is an internationally recognised British Standard for occupational health and safety management systems. The implementation of this system clearly shows Andigestion's commitment to the health and safety of employees to staff, customers, and the general public.



Tom Brown - Compliance Officer



Gloucestershire Society for Industrial Archaeology visit to Bishops Cleeve.

Andigestion welcomed the Gloucestershire Society for Industrial Archaeology (GSIA) to Bishops Cleeve for their annual Modern Industry visit. Tom Brown (Environmental Compliance Officer) gave a tour to the 20 visitors on a sunny July afternoon, talking them through the process from start to finish.

Dr. Ray Wilson, of GSIA said: "We all found it most interesting and very clearly explained. It is good that food waste can be used to produce energy and the residue put back on the land as fertiliser – nothing wasted!"



Wood chip sales at Holsworthy have been going from strength to strength since 2016.

The waste heat from gas engines at Holsworthy is now being used to dry woodchip, which is then sold via collection and delivery. The product can be delivered via tipping skips, walking floor trailers and blower trucks.

The wood is sourced locally from forests owned by Summerlease, Andigestion's parent company which minimises the environmental impact seen by other producers who haul timber long distances. In the past year over 15,500 m3 of dried wood chip has been sold to hotels, farms, and schools. This is twice the volume sold in the first year. Wood chip drying has the additional advantage of being eligible for payments under the RHI.

Growth for waste collection service

Following the successful launch of a food waste collection service covering Gloucestershire and Worcestershire in 2015, Andigestion expanded collection services to Devon and Cornwall in September 2016. Unprecedented demand and some large contract wins, has allowed the fleet to expand to nine vehicles all offering wheelie bin exchange services for food waste. Since January 2018 over 39,000 collections have been made in Holsworthy and 25,000 at Bishops Cleeve, bringing in a total of over 4900 tonnes of waste. Gareth Williams (Transport Co-ordinator) commented that "our customers really appreciate the service and the exchange of a dirty bin for a clean bin every time"

The service is unique in that rather than simply collecting the food waste from schools, restaurants and other businesses, Andigestion exchange the full bin for a clean bin. This eliminates any unpleasant odours and hygiene issues that the storage of food waste can present.



Innovative thinking is key to making the most of the resources at Andigestion.

Holsworthy Biogas Plant was bought by Summerleaze in 2004, initially the plant processed only agricultural waste but was quickly converted to process food waste. Making it the first food waste anaerobic digestion plant in the country. With the introduction of the Renewable Heat Incentive in 2011 there was an opportunity to make the plant more efficient and utilise some of the heat generated by the engines. A portion of this heat is now used to dry both wood chips and digestate.

West Country Woodland was acquired by Andigestion in 2017, they had been drying wood chip in our drying units since 2015. The wood chips are dried in

specially built skips supplied by a German company called LENZ. The system works by taking the waste heat from the exhaust gases of the engines to blow hot air into the base of the skip and up through the chip.

Digestate is also dried at Holsworthy using a belt dryer from a Dutch company called Dorset. Digestate is spread onto perforated metal plates which move through the dryer on a conveyor belt. The drying process reduces the volume of digestate needed to be spread on fields and drives off ammonia. This ammonia is captured by an acid cleaning system mounted above the dryer.

In addition to these modifications have been made to the pasteurisation circuit so that it now also uses heat from the gas engines under the Renewable Heat Incentive.

New food waste contracts for Holsworthy and Bishops Cleeve.

Andigestion have successfully won a number of large food waste contracts in the past year. Most notably Devon County Council, North Devon, Torridge District Council and Gloucestershire Schools.

These contracts represent a valuable waste stream providing good quality consistent feed to both plants.

The Gloucestershire schools contract sees waste collected from over 60 primary schools on a weekly basis.

Initially awarded in 2015 the contract has been extended as a result of the excellent service provided by Andigestion.

Summerleaze in the community

Summerleaze is committed to playing a full part in the community in which it operates and as part of this, has developed and helped many initiatives thrive in their local area.



Improved Access to the footpath network in North Maidenhead

As part of its commitment to support the local community, Summerleaze has been busily improving the footpaths around its premises to the benefit of walkers and cyclists. Footpath 12 which used to run on the road access to the North Maidenhead Cricket club has been diverted onto Footpath 13 at its entrance with Blackamoor Lane/Summerleaze Road. Footpath 12 is further diverted onto the permissive path in Butcher Dick's Meadow which has been widened and improved.



Summerleaze Strikes Sponsorship Deal with Berkshire Cricket Club

Berkshire Cricket will receive a significant sum, spread over a five year period – by far the biggest sponsorship deal in the club's history. Club chairman Neil Doody said: 'The sponsorship deal with Summerleaze will give a major boost to cricket in Berkshire.' The first cheque was presented by Summerleaze Chairman Peter Prior before the Marlborough Cup tie with Wiltshire at North Maidenhead CC, where he is also chairman. North Maidenhead will also host Berkshire matches at all levels, including the Women's 1st XI.



Phoenix Gym to move to Summerleaze Site in Fifield

We were pleased to hear that Phoenix Gym's long-awaited move to its Fifield site has finally been approved. Phoenix Gymnastics has been providing gymnastics for over 35 years and provides classes to over 1,000 children every week in RBWM. They are the largest provider of sport outside of the borough run leisure centres. Phoenix Gym is currently fundraising for the new gym buildings which will be built on land owned by Summerleaze in Fifield, Maidenhead. Summerleaze is leasing the land to them for a nominal annual fee.



We are proud to provide sponsorship to the Bray in Bloom Committee which has ensured that Bray Village has retained its gold award in the regional Britain in Bloom competition run by the Royal Horticultural Society and also received a Pride of Place award.



Andigestion donated £5,000 to the Holsworthy Sports Pavilion in to help refurbish the facility which will retain the original Victorian stone building as its centerpiece. This new build will be the home for Holsworthy Youth Football and Holsworthy Cricket Clubs who both currently play their respective sports within the park without adequate facilities.



Thames Valley Adventure Playground has celebrated its 35th anniversary. Summerleaze have supported them from, quite literally, their foundation. The site is leased to the playground for £1 a year and the foundations for the buildings were laid by Summerleaze. The charity continues to grow, providing outstanding service to the community.