



ESG: A journey not a destination

By Andrew Nuttall - European MD



The Paris Agreement on climate change in 2015 initiated a change in attitude in dealing with greenhouse gas emissions. The European Parliament ratified this agreement in 2016. The objective was to respond to global climate change and ensure that rising global temperatures were reduced and controlled getting back to preindustrial levels.

TR is a Trifast plc company and as such ESG became a very important part of our future strategy and a Sustainability Committee was formed by our CEO Mark Belton. Members of that Team came from key disciplines in the business to ensure that we covered all bases embracing the Environmental, Sustainability and Governance elements. This culminated in Trifast's Sustainability Report being published.

As MD for TR in Europe my focus has been on our distribution sites in Norway, Sweden, Holland, Germany, Spain, Hungary and the manufacturing facility in Italy. As part of a group transformation project, we had already embarked on creating a 'modern workplace' environment. This involved enhancing the IT infrastructure, the décor and image of our offices, break out areas for staff to relax and lunch together and generally creating a pleasant working environment. All sites are air-conditioned and accredited to ISO 14001 the environmental management system.

In 2022 we embarked upon further expansion and opened a new a distribution hub in Hungary to service that geographical area, and the 7 countries on their border. A new greenfield site allowed us to build and create from the ground up the most sustainable facility in our Group. This included triple glazing ensuring that in very

cold winters and very hot summers that working conditions were excellent and cost effective, and the furniture came from sustainable sources. Solar panels and electric charging units were included in the specification, and the air extraction filtration system throughout the building created a great working environment meeting the building code regulations that the Hungarian government have mandated. Even the runaway rainwater is collected in an ornamental pond which is checked by the environmental agency to ensure that there is no pollution present. Once that has matured, we will be adding reed beds to further cleanse the water and encourage wildlife. [See the full story here.](#)

However, a manufacturing location the size of TR VIC in Italy is a wholly different proposition. This facility is located in Umbria in Italy and had been in private ownership for over 40 years until TR acquired it in 2014. This location in Fossato has a long history of manufacturing high volume fasteners, working on developing products and creating innovative designs for the domestic appliance market.

Over the last 5 years we have invested heavily in creating a manufacturing facility that is 'fit for the future' creating a sustainable production facility cold forging industrial fasteners.

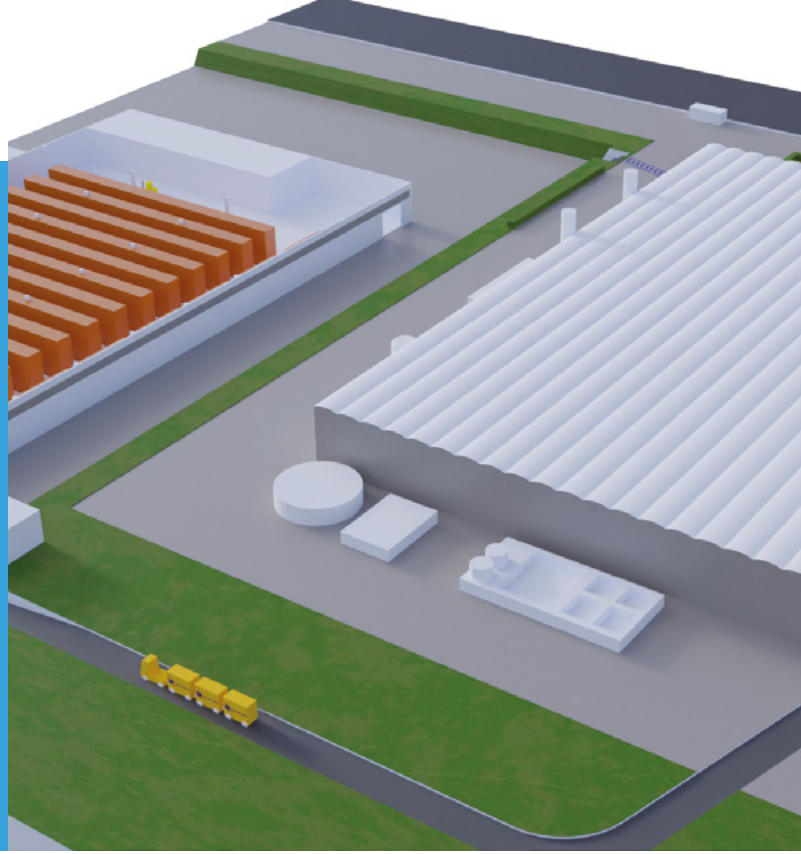
Customers' needs and requirements have also changed over the last 5 years. ESG is high on multinational's agendas, and the reporting of CO2 emissions is a key factor. Their questionnaires, and those of industry bodies such as SAQ 5.0 focussed on supply chain sustainability are also driving change and decisions on where they place business is depending on fulfilling and meeting the criteria. The pandemic added another dimension as companies re assessed their dependence on Asia with increased lead times and the disruption





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to supply chains that had been created. As a result, there has been a concerted drive by customers to 'near shore' to reduce lead times, the high cost of transportation and the need to be able to demonstrate Co2 reductions. It will be interesting however to see how the European cost of product versus anticipated Co2 savings will play out. We are however poised for further growth as we see that this desire to near shore is gathering momentum.

This year we are celebrating TR's 50th anniversary and our last major milestone was when we hosted a Group event for the 45th anniversary in TR VIC in Italy. We had 50 key personnel visit us from around the organisation including the Main Board of Trifast. This gave us an opportunity to completely revamp the offices, and all reception areas creating a modern environment prior to the event. Further investment followed and a roll out program of refurbishment of the main manufacturing location began, and investment in new Italian machinery. We were keen to diversify and had gained the IATF 16949 accreditation a few years before which has enabled us to attract and secure business with Tier 1s supporting the major OEMs. As a result, we invested in cold forging machines capable of making more complex and larger diameters, and in automatic packaging machinery. We have a conscious Industry 4.0 philosophy where feasible.

This investment continued with a recently opened extension to the manufacturing floor space creating an additional 33% capacity and injecting an additional 500-700 million pcs of new capacity. The last of the new machines are being installed during February. New efficient ventilation systems and power plants within manufacturing have been installed and major changes to the finished goods warehouse have been completed. This included infrastructure changes as we created

a new road into the revamped and re-racked warehouse that are Microsoft D365 compliant and operate electric tugs between both buildings. We have had an increased number of successful automotive customer audits since the pandemic and a high percentage of our new business wins have increased the sector diversification that we anticipated following the IATF 16949 accreditation.

I have a Sustainability Project Team in TR VIC headed up by Stefano Pisoni the Managing Director. We have initiatives underway including changes in the way we clean the product after forging to reclaim the oil for reuse and eliminate waste. Most of the domestic appliance manufacturers prefer their product in plastic woven sacks as they are easier to handle and tip into automatic feeders on the production line. We are working on alternative sack material that is organic and have two products on trial at the moment.

As I said in my earlier comments this is a journey not a destination and there is more work to be done, and we are fully committed to doing it. We have produced a video in house documenting this journey, [click here to view](#).

