

A large circular graphic with a light grey background. A thick green line starts at the top left and curves around the top and left side of the circle. A thin blue line starts at the top right and curves around the right and bottom side of the circle. The text is centered within the circle.

Innovation
Growing
today for a
sustainably,
better tomorrow
together

Welcome to the Trifast Sustainability Report

Our purpose

To provide Trusted Reliability at every turn to our customers, suppliers and our people, empowering them to deliver sustainable products and solutions that add value to society and our planet

Our vision

To enable innovation today for a better tomorrow

Our mission

To promote an environment that is safe and fair, which motivates, develops, and maximises the contribution and potential of all employees

To be acknowledged commercially as a market leader in industrial fastenings in terms of service, quality, design, engineering support, ESG (environmental, social and governance), together with brand reputation

To continue to grow profitability, improve stakeholder returns through organic and acquisitive growth, and by driving continual efficiencies throughout the organisation

Our corporate strategy

- Investing for organic growth
- Project Atlas
- Engineering-led innovation
- Accelerated acquisition journey

➤ Find out more about our strategy on our website and 2022 Annual Report



Our culture

Our culture drives our performance

➤ Find out more about our culture on page 3 of our 2022 Annual Report



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Reporting scope and boundaries

This Sustainability Report provides an account of the management approach and performance trends of the material environmental, social and governance issues for Trifast plc

The reporting period used for the performance data is the financial year ending 31 March 2022

This report contains standard disclosures for the Global Reporting Initiative (GRI) standards and includes the activities and impacts that are under the control or significant influence of Trifast plc and its subsidiaries

➤ Please see our 'where we operate' maps on page 5

➤ **More information can be found in our Annual Report at <https://www.trifast.com/investors/our-reports/>**

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CEO introduction



Mark Belton

Chief Executive Officer



Our strategy sets out the blueprint for an exciting future

Ratings and achievements

During FY2022 we conducted a full review of our global KSLs and operational KPIs, which will be reported into the Trifast plc Board and our Operational Executive Board.

In addition, we have also included a second level of KPIs which we believe will support functional reporting of sustainability data.



These indicators have now been expanded to include a more detailed overview of our sustainability performance, supporting the ongoing commitment to our sustainability strategy.

I am pleased that our work to explore and assess climate-related risks and opportunities has gone well and for the first time this year our Annual Report includes disclosures in line with the Task Force on Climate-related Financial Disclosures (TCFD).



[Read more on our TCFD disclosures in our Annual Report](#)

Key sustainability stats

4.95%

reduction in our kgs CO₂e per £1k turnover during FY2022

7.5/10

Happiness index score

40/41

UK Corporate Governance Code (2018) provisions complied with

CEO introduction continued

Opportunities in a changing world

As part of our Sustainability Report last November, I highlighted our step change in ambition and our focus on a sustainable strategy. Our strategy sets out the blueprint for an exciting future for the business in its ambition to deliver sustainable products that add value to society, and to become a much bigger company.

The world is changing fast – not only as a result of the Covid-19 pandemic but through global technological advances, legislative changes, the way we work, shop, interact and collaborate with all our friends, family, colleagues, customers and suppliers. Our focus is to deliver innovation that supports our customers to create a sustainable future.

Innovation today for a better tomorrow

Change is good and creates opportunities for Trifast. Fasteners are usually down the list on the picking order when customers are designing new products or platforms, as they know they have a trusted supplier in Trifast that can help them overcome their application fastener challenges. Who would think that the humble fastener would require so much engineering expertise, but if it is not fit for purpose then the ramifications can have significant consequences on customer products and reputation.

If we look back over the years, we can see how our teams have successfully identified hotspots and emerging technologies and this, you may recall, was reflected in the way we presented the sectors in which we have a key presence, in the Annual Report and on our website last year.

The change in the mix of our business is clearly shown in the way we profile the markets in which we operate (see pages 8 and 9).

Within our key market sectors we have many exciting opportunities. In automotive, we specialise in the interior, including the dashboard, seating and lighting components used in both light and heavy vehicles. The ever-quicken growth in the electric vehicles and hybrid models in both categories across the world has enabled us to build our presence in the manufacture and supply of fasteners for electric vehicle (EV) charging units, connection points and battery technology. Here, we are also working with leading automotive manufacturers in developing new products that are lighter, critically safe and environmentally friendly. We believe that the opportunity in EV and hybrid fastener spend is almost double that available to us in a traditional internal combustion engine (ICE) platform.

It is not just within automotive where we see growth opportunities. The energy, tech & infrastructure (ET&I) sector is responding to the need for enhanced connectivity, e.g. 5G base stations, larger data centres, the Internet of Things and more efficient robotic, automated ways of working and living, with a growing demand to be powered via renewable energy products. All of these areas are fastener rich.

Within our health & home sector, the changes in the world since 2020 have seen our working lives transform, creating what has become, for many of us, a hybrid working environment with the need for more portable equipment as well as healthier lifestyles. As a result, we have benefited from the growth in health and wellbeing products, from electric bicycles and rowing machines, to coffee makers and respirators, which is creating more opportunities in a sector where we already have a strong presence.

There is also a move away from being a 'throwaway' society to one of 'repair'. Fasteners are critical in this change, allowing products to be repaired rather than thrown into landfill. Recent legislation known as 'Right to Repair Regulations' came into place within the UK and EU, and these will benefit several of our sectors. Where once manufacturers welded plastic parts into their applications to save costs, now they are using fasteners and this trend is here to stay.

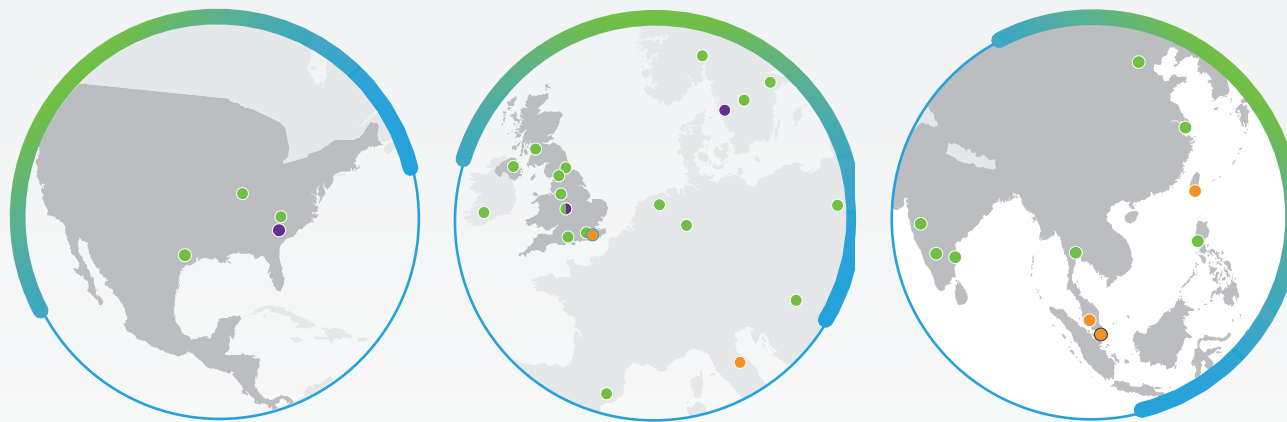
Our 'think global, work local' ethos has long been in our DNA and already makes a difference to the impact we have on the environment and this will continue as we 'on/near shore' suppliers and our own manufacturing. This provides further reassurance to our customers that we can sustainably support them globally.

Whilst there will continue to be challenges in the macroenvironment, as a team, we embrace technological and sustainability changes in our markets as this provides the opportunities for us to showcase and support customers today for their innovation tomorrow.

The Ecodesign for Energy-Related Products and Energy Information Regulations 2021 (SI2021 No.745), sometimes referred to as the 'Right to Repair Regulations', were made on 18 June 2021 and most of the provisions came into force on 1 July 2021. The Regulations apply to Great Britain (GB). Northern Ireland continues to be subject to EU eco design and energy labelling requirements under the Northern Ireland Protocol.

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Where we operate



○ Head office Trifast plc
 ○ TR Asia headquarters
 ● Manufacturing & distribution sites
 ● Distribution sites
 ● Technical & innovation centres

USA

Charlotte
Houston
Kentucky
South Carolina

UK

Trifast plc & Group Services
Uckfield
Belfast
Birmingham
East Grinstead
East Kilbride
Lancaster
Manchester
Newton Aycliffe
Poole

Europe

Germany – Verl
Holland – Oldenzaal
Hungary – Szigetszentmiklos
Ireland – Mallow
Italy – Fossato di Vico
Norway – Skytta
Poland – Warsaw
Spain – Barcelona
Sweden – Nacka, Tidaholm & Gothenburg

Asia

TR Asia headquarters
Singapore
China – Shanghai & Beijing
India – Bangalore, Chennai & Pune
Malaysia – Kuala Lumpur
Philippines – Manila
Taiwan – Kaohsiung
Thailand – Bangkok

Additional facts

c.1,300
colleagues

34
global locations

7
manufacturing sites

3
technical & innovation centres

c.75
countries supplied

Driving growth through our business model

Trifast is a leading international specialist in the design, engineering, manufacture and distribution of high-quality industrial fastenings and Category 'C' components principally to major global assembly industries

Our competitive strengths

A leading global brand

TR is a recognised and established global brand across a wide range of manufacturing sectors

Technical know-how & design-led engineering capabilities

Our engineering teams get involved from the start of the enquiry and design process, collaborating with our global OEM/Tier 1 customers to make the right fastener design decisions before full scale production begins and throughout the supply cycle

Global logistics

We have established secure and proven logistic networks across the world, offering seamless and reliable supply to over 75 countries. From complex VMI and 'just-in-time' delivery to local third-party warehousing and straightforward ex-works solutions, we are able to provide the most cost-effective supply logistics to suit our customers' needs

High-quality, multi-locational manufacturing

Our seven manufacturing plants are spread across Asia, Europe and the UK, enabling us to offer our customers enhanced engineering capabilities and greater flexibility of supply and pricing

Network of trusted global suppliers

Established and proven relationships across the world ensure Trusted Reliability and flexibility, all the more important in the current challenging supply chain macroenvironment

Strong investment record

Investment into our manufacturing capabilities and our high growth distribution sites is targeted to best support our global OEM/Tier 1 customers and underpin growth. Whilst our digital evolution, via Project Atlas, has been specifically designed to support a more integrated and global approach to market

How we do it

We are a 24/7 'full service provider' offering 'end-to-end' support to all our customers

Our in-depth understanding of customer needs through our dedicated account management teams allows us to better serve them, leveraging our global scale on a local basis

We continuously strive to develop relationships with new global OEM/Tier 1s, identifying opportunities for future routes to supply

Underpinned by our values and culture

Read more on page 3 of our 2022 Annual Report

Supported by our stakeholder relationships

Read more on pages 20 and 21

Our distinctive mix of engineering expertise, high-quality manufacturing and adaptable, reliable global logistics supports delivery of our purpose

Design



Assemblies cannot function without fastenings. Our custom-engineered components support the freedom and versatility of design necessary to allow our customers to create world-class products

In addition, we provide invaluable input when engaged early in the design phase. Our engineers' design expertise helps solve customer application problems within an assembly, providing cost efficiencies as well as enhancing performance

Produce



Our global manufacturing plants provide reliable, timely and high-quality products to our key customers around the world. The parts we choose to manufacture in-house tend to require more complex manufacturing processes and/or stricter quality requirements. This allows us to make best use of our extensive engineering know-how to drive the greatest value add for our customers

Procure



Two-thirds of the Group's revenue is sourced from our established global network of world-class external suppliers. This means we are not restricted by geography or in-house facilities. By being a 'one-stop' solution for all customers' components we are able to streamline and tailor the procurement process to meet our customers' needs

Deliver



Our established, secure and proven logistic networks across the world offer seamless, reliable, and cost-effective supply regardless of customer location – being where our customers need us to be is central to our Trusted Reliability

Creating value

For our customers

c.15 billion parts reliably supplied across the world

£31.7m invested in stock, to mitigate fluctuating demand levels

For our people

Remote and hybrid working appropriately supported across the globe

Launch of global LifeWorks system – offering support 24/7, 365 days a year

For our suppliers

No credit terms extended, to support sustainable supply

Enhanced communication, for improved capacity scheduling

For our shareholders

Return to interim and final dividend – 2.10p and 3.9x cover

TSR +11.6% ten-year CAGR

For our communities

£2.8m of direct taxes paid

Community projects supported in c.5 countries

Operating in attractive markets

Fast-paced markets driven by environmental and technological change create new opportunities across sectors, products and geographies

c.£60bn

Market worth

What sets Trifast apart

Trifast is one of only a handful of global fastenings suppliers, setting us apart from the many national and regional players that operate in our market. This puts us in a prime position to support our multinational and global customers as they continue to look to rationalise their supplier base

Our core markets



Light vehicle

Passenger vehicles, SUVs, niche builds, leisure and off-road – 2 & 4-wheelers

As ESG rules surrounding exhaust and noise emissions tighten, so too do the time frames for deployment of new technologies. The pace, agility and creative thinking required is epitomised by our sales and engineering teams around the world.

Even as we meet customer technical demands, whether that be through our own manufacturing locations or via our supply chain partners, the pressure to onshore with supply chain transparency has increased and will continue to do so.

Sector split

25%



Heavy vehicle

Vehicles and products associated with the bulk movement of people, goods and services

Whether a vehicle is light or heavy, it cannot avoid the progress of change. Burdened with a reputation for environmental pollution (noise, air quality or road damage) the heavy truck and van industries are focused on 'cleaning up their act', and this change heralds rapid design changes that would have previously occurred over a decade or more.

Front and centre of this sector transformation is electrification, for both the last mile delivery and the long-haul journey. This has been accompanied with stricter controls on country of origin and a demand for products to be made in the region in which they are used.

Electrification and tech deployment does not stop at trucks and vans, but continues into the yellow goods market, locomotive, material handling equipment and all these associated tiers.

Sector split

4%



Health & Home

Medical, health and domestic appliance industry

Our personal wellbeing has finally reached the top of the list for many governments, institutions and employers alike. While wellbeing is a deliberately broad term, from psychological to physiological and all that is in between, the change to society has brought into sharp focus the tools needed to promote better personal outcomes.

Our health & home market sector captures many of those tools that are of a physical construct – from rowing machines and electric bikes, to washing machines, coffee makers and hair dryers – they have all seen a recovery to or resurgence past pre-Covid-19 pandemic volumes.

The demand for these products intertwines with new technology deployment allowing connectivity (through Wi-Fi or 5G) to meet with longevity (improved battery performance, or Right to Repair Regulations).

Sector split

22%



Energy, Tech & Infrastructure

Power distribution, power generation, tech equipment and 5G infrastructure systems

The Internet of Things, 5G, working from home, urbanisation and the general connected nature of society drive investment and growth in infrastructures and products that unite all of these influences.

Changes in society drive consumer demands, along with governments committing to post-Covid-19 infrastructure programmes leading to high-value investments. Our customers have turned to TR to support with agility, engineering know-how and logistical nimbleness.

Sector split

17%



General industrial

Generalised industries not specific to any one end market, from sheet metal sub-contractors to machinery builders and plastic moulding companies

While regional needs vary from geography to geography, the fundamentals of this broad group of companies remains the same – industrial expertise, locally executed, requiring deeper inventory from its supply chain across a wider range of products.

Supply chain challenges and the risk of non-supply has been one of the core reasons for our growth in FY2022 – deploying the supply chain know-how and product knowledge of our sales and engineering teams to make parts available to this customer base when our competitors could not.

Sector split

13%



Distributors

Distributor customers in key geographies providing an outlet for TR Branded Products and associated fasteners

Our distribution customers remain an invaluable cornerstone of the broad offering TR brings to the market.

This carefully selected community of companies reaches geographies or territories that we cannot, representing the TR brand with a sense of purpose and professionalism.

The agility provided through real-time discussions in local languages has meant that we have seen a significant uplift in our success in this past year.

While this sector is often considered the barometer or early indicator of general market movements, our increased product ranges and broadened distributor customer base gives us the confidence in long term profitable growth and a continued differentiation from our peer group.

Sector split

19%



Read more in our annual report.

www.trifast.com/investors/our-reports/

Strategy introduction

Our strategy: Securing a sustainable future

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Trifast is committed to securing a sustainable future. Our sustainability strategy is helping us to play our part in shaping a sustainable economy, using our technical expertise to drive innovation that adds value to society and our planet

The strategy landscape

With our increased focus on taking firm action on sustainability, we are well placed to deliver transformational change within our operations, with our customers and across our supply chain.

Our strategy was developed to encompass five major drivers which are all underpinned by strong corporate governance.

Green growth	Customer expectations and a growing interest in clean technologies is transforming existing industries by implementing measures and driving innovation to be part of an ecologically sound economy. We already supply into the renewable energy and EV sectors, and expect to see significant growth with clean-tech companies and other companies adopting these principles
Circular economy	As a society we need to transition from a take-make-dispose approach to an economy in which we consider ecological impact as a key product design feature. Understanding and quantifying the effects on the environment supports engineers to develop alternative designs to improve re-usability and recycle-ability, while reducing its carbon footprint through using sustainable and low-impact production processes and materials. There are further development opportunities for Trifast to increase the use of recycled materials, and embedding circular design principles into product design through partnering with our customer base and supply chain
Work within our planet's limits	We must play our part in tackling climate change, single-use plastics, waste and linear consumption models. Legislators, investors and customers have already set clear expectations in this area, and we expect to see this continue to develop further
Supply chain transparency and co-operation	Supply chains continue to come under pressure from governments, customers and other stakeholders. It is essential that companies understand and remain transparent as to the operational aspects of their supply chains. Ensuring ethical practices continue to remain at the forefront of supply chain management embedding this as a cultural change within industry. Supply chain decisions are migrating rapidly to encompass all aspects of ESG when considering a supply chain partner. Looking at the year ahead there will continue to be emphasis on behavioural change adopting best practice in this area
Equality, diversity and inclusion	We remain committed to a fair and inclusive working environment and will be developing our ED&I strategy over the coming months. We will take into account relevant legislation and stakeholder expectations



Strategy introduction continued

Our commitments and key projects

Create socio-economic value

Commitments:

- We will implement a 'League of Intrapreneurs' chapter in 2022
- We will publish our first socio-economic value report by 2026

Key projects:

- Further develop our employee engagement campaign and surveys
- Implement sustainability learning and development
- Expand diversity programme
- Publish community value report
- Expand STEM programme

What we have achieved this year:

- Implemented our internal ESG communication structure
- Extended our employee engagement survey frequency and reach
- STEM presentations in schools to raise awareness
- Rolled out our global wellbeing and Employee Assistance Programme

Act on environment and climate change

Commitments:

- We will set a science-based net zero target for Scope 1 and 2 emissions by 2023
- We will expand this target to include Scope 3 emissions by 2026

Key projects:

- Develop a carbon management plan
- Introduce a waste and water strategy
- Publish our TCFD and Carbon Disclosure Project reporting (CDP)

What we have achieved this year:

- Transitioned carbon data into the Carbon Trust Footprint Manager
- Collated 2021/2022 water data
- Collated Scope 3 business travel data
- CDP reporting completed
- EcoVadis reporting completed

Build a sustainable supply chain

Commitments:

- We will develop a sustainable supply chain strategy by 2025

Key projects:

- Map the sustainability impacts and supply chain transparency for a product
- Implement supply chain charter
- Develop supplier sustainability risk register
- Complete a full life cycle assessment for two key products – external supply and internal manufacturing

What we have achieved this year:

- Developed our key suppliers with our Quality and Sustainability agreement
- Despite travel restrictions, completed 155 supplier audits

Enable sustainable innovation

Commitments:

- We will develop a sustainable innovation strategy by 2024
- We will launch a sustainable fastening solution with one of our clients by 2025

Key projects:

- Complete a 'cradle-to-cradle' feasibility study
- Complete a closed-loop manufacturing study
- New clean-tech market products study: creating sustainable design framework

What we have achieved this year:

- Commenced project planning
- First example life cycle calculations
- Recruitment of life cycle engineer/analyst
- Raised awareness in preparation of culture change

Our five-year sustainability strategy framework (2022-2026)



01. Sustainability governance

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Introduction



Lyndsey Case
Head of Governance



Our robust governance structure ensures a collaborative and proactive approach to implementing our sustainability strategy across the Group

Sustainability governance

We have developed a robust governance structure of Committees and Working Groups, led by our CEO with the support of senior managers and subject matter experts. By all working together we ensure a collaborative and proactive approach to implementing our sustainability strategy across the Group.

Brite Green continue to support the implementation of our integrated sustainability strategy.

Our sustainability structure



Our priorities



Trifast has well established and mature corporate governance processes. We have an effective Board which sets the strategic direction for the Company, supported by its Committees

Sustainable governance

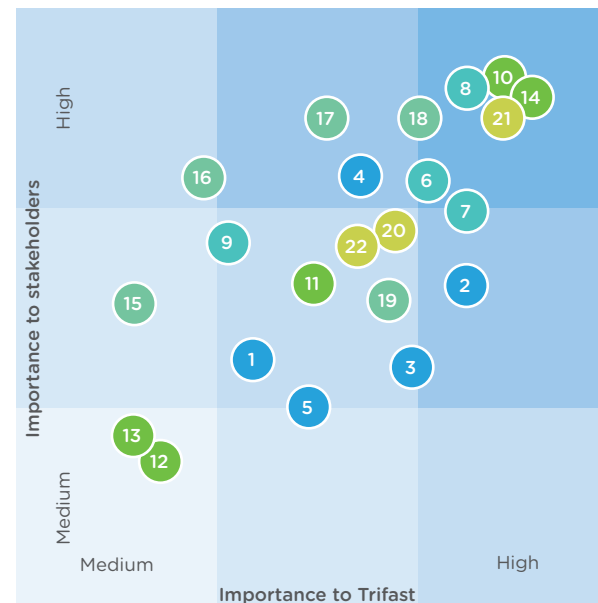
Material issues

During FY2021 the material sustainability issues for Trifast were identified as part of the sustainability strategy development process, using a risk-based approach which considered the five criteria set out in the AA 1000 standard:

- Direct financial impacts
- Policy-related performance
- Peer-based norms
- Stakeholder behaviours and concerns
- Social norms (including legislation)

We conducted desk-based research, direct correspondence and interviews with stakeholder groups to identify the themes that are most important to the business.

The analysis is undertaken at least every two years and will next be updated in 2023.



The results from the review established five key clusters:

01 – Sustainable governance

- 1 Robust governance structure and processes
- 2 Business ethics
- 3 Stakeholder engagement and communication
- 4 Trust and transparency
- 5 Coalitions and partnerships

02 – Create socio-economic value

- 6 Diversity, inclusion and equality
- 7 Training and development
- 8 Health, safety and wellbeing
- 9 Supporting communities

03 – Act on environment and climate change

- 10 Carbon and energy
- 11 Pollution prevention
- 12 Water
- 13 Biodiversity
- 14 Climate change

04 – Build a sustainable supply chain

- 15 Socio-economic impact in supply chain
- 16 Supply chain transparency
- 17 Business ethics and environmental management
- 18 Resource scarcity and supply chain resilience
- 19 Substances control and quality assurance

05 – Sustainable innovation

- 20 Sustainable materials, packaging and products
- 21 Supporting clean-tech markets
- 22 Closed-loop business model

Sustainable governance continued

Managing risks and opportunities

Our business planning and operations includes sustainability considerations in order to provide a framework for enhanced risk management that will help to identify new opportunities to protect and create value.

Growth markets such as electric vehicles and renewable energy have given new opportunities to Trifast. An increased focus on reducing our environmental impacts could also decrease operating costs and legal compliance burdens, as well as deliver new innovative products. The importance of diversity and skills has long been a priority of ours, and by investing in this area, we seek to attract, retain and develop world-class talent. Many of our key stakeholders seek better sustainability outcomes, and we anticipate that our sustainability strategy will help us to forge stronger relationships and collaborate to deliver better commercial and sustainability outcomes.

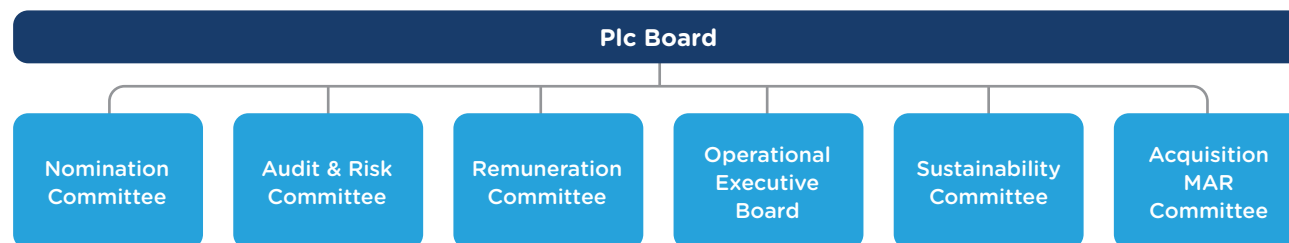
A range of risks have been identified, including, climate change, which will introduce increased disruption, cost and uncertainty, both from physical impacts and new legislation. Resource shortages also pose risks to the availability and cost of materials, and instances of poor sustainability performance within our supply chain or own operations could damage our reputation.

Through our sustainability strategy, we have sought to position ourselves to exploit the opportunities effectively and manage the risks robustly. Sustainability risks are considered and managed through our Group risk processes, which are set out in our Annual Report.

We employ the precautionary principle within our planning, seeking to avoid environmental impacts and risks.

Corporate governance

Trifast has well established and mature corporate governance processes. We have an effective Board which sets the strategic direction for the Company, supported by six Board Committees:



Our corporate governance practices are set out in detail in our Annual Report.

For more information on our sustainability structure please see page 15



Policies

Our sustainability practices are governed by our comprehensive Corporate Code of Conduct which sets out our vision, mission and core values, alongside the policies that ensure ethical business practices. The Code of Conduct is supported by a suite of corporate policies and guidance:

- Business Ethics and Responsible Behaviour Policy
- Anti-Bribery Statement and Policy
- Modern Slavery Statement
- Environmental Policy
- Health and Safety Policy
- Product Quality Procedures
- Equal Opportunities Policy
- Equal Pay Policy
- Dignity at Work Policy
- Whistleblowing Policy
- Charitable and Political Donations Policy
- Fair Competition and Anti-Trust Policy
- Freedom of Association and Collective Bargaining Policy
- Working Conditions and Human Rights Policy
- Sanctions Policy

We expect all our employees to understand and comply with these policies and the Code of Conduct also helps our customers, suppliers and distributors around the world understand our requirement for them to observe all relevant laws and regulations.

Adherence to the policies within the Code is audited as part of the Group HR audit process.

Stakeholder engagement

Stakeholder engagement is a core facet of our business and sustainability planning processes. The primary stakeholder groups we engage with are:

- Our people and contractors
- Investors and analysts
- Customers
- Suppliers
- Communities
- Regulators and governments

These have been selected as they have the largest influence on business performance and are most affected by our actions and decisions.

Sustainable governance continued

Stakeholder engagement continued

The Board recognises the significance of considering the Company's responsibilities and duties for the long term, with the aim of always protecting reputation and upholding the highest standards of conduct



The Group can only continue to grow and prosper over the long term if we all respect and understand the views and needs of our internal and external stakeholders



Our people

The Board recognises that the Group's greatest asset is its employees

The Directors communicate regularly with teams throughout the business via a variety of media

We continue to invest in our training provision for our employees to ensure that we have the best skill sets that are relevant to each of our job roles

Additionally, Trifast is committed to providing a safe and fair environment. We enforce this commitment through our health and safety management systems

Investors

Our investors enable the Company to grow

We maintain strong relationships with shareholders, ensuring they understand our progress and strategic performance and that we strive to understand how they view our business

The Board considers that an ongoing dialogue with all shareholders is important. We operate a structured programme throughout the year where management are available to all shareholders

Customers

Trifast prides itself on its long-standing partnerships with all its customers

Our reputation in the industry for quality is second to none at a time when customers are beginning to focus more and more on this. We are known for our commitment and ability to go the extra mile for our customers, solving issues before they arise and stepping in where competitors have fallen short

Suppliers

A combination of in-house manufacturing and established world-class suppliers enable us to be a truly 'one-stop' solution

Our suppliers and our global manufacturing sites provide us with the goods and services we rely on to deliver to our customers. They range from substantial multinational companies to small-scale local businesses providing bespoke services when they are needed

Communities

We recognise that our business activities have an impact on the communities in which we operate, and we remain committed to interacting responsibly with those communities

It is our responsibility to respect and value others and maintain high ethical standards in everything we do. We are committed to the care and stewardship of the communities and environments our businesses are involved in as a Group and across our 34 locations

Regulators/governments

We are committed to complying with applicable legislation

We make necessary declarations and submissions, including market announcements and compliance disclosures for issues such as diversity, packaging, hazardous and restricted materials, and carbon emissions

Sustainable governance continued

The Board acknowledges that there is a legal requirement for the Company to report on how the Board and its Committees have considered the requirements of Section 172 of the Companies Act 2006 in their decision-making

Section 172 statement

Businesses do not operate in isolation. Without a good understanding of who their key stakeholders are and how they impact upon and are impacted by the organisation, a business will fail to deliver sustainable value to shareholders and other stakeholders.

The Board considers its key stakeholders to be its people, investors, customers, suppliers, the communities in which we operate, as well as regulators and governments. We actively engage with our key stakeholders to understand their views and build effective relationships.

In addition to having regard to stakeholder considerations, the Board acknowledges its responsibility to consider long-term impacts and the Company's impact both upon and from wider society and the environment.

The Board delegates day-to-day management, risk and decision-making to its Operational Executive Board (OEB), but it maintains oversight of the Company's performance, and reserves to itself specific matters for approval, including the strategic direction of the Group, acquisitions and disposals, and entering into material contracts and purchase of fixed assets above set limits.

The Board monitors performance against strategy, and that decision-making is appropriate, by receiving regular updates, both in Board and Committee meetings and through monthly Board reports from the CEO, CFO and other OEB members, all of which enable it to make well-informed decisions for the long-term success of the Company and its various stakeholders.

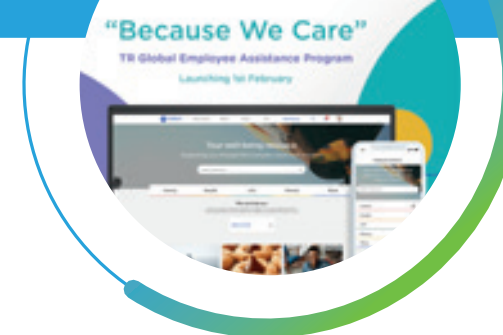
To aid effective decision-making, the Directors and the Senior Management team take into account the Group's policies, including the Group Code of Conduct and supporting corporate policies set out on page 19 in this report.

Section 172(1) Companies Act 2006 'Duty to promote the success of the company'

A director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a) the likely consequences of any decision in the long term
- b) the interests of the company's employees
- c) the need to foster the company's business relationships with suppliers, customers and others
- d) the impact of the company's operations on the community and the environment
- e) the desirability of the company maintaining a reputation for high standards of business conduct
- f) the need to act fairly as between members of the company

Supported by the Company Secretary and General Counsel, the Board, management, and anyone tasked with preparation of Board materials, give consideration to stakeholders in all matters requiring decision-making, including strategic decisions



Principal decisions

We define principal decisions as both those that are material to the Group, but also those that are significant to any of our key stakeholder groups.

In making the following principal decisions, the Board considered the outcome from its stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between the members of the Company:

Capital allocation to deliver strategy

During the year, the Board, OEB and other senior managers met to discuss its medium-term strategic roadmap approved during FY2021. The Group's core strategy includes delivering both organic and acquisitional growth. A key consideration for the long-term success of the business was the appropriate allocation of capital to deliver the strategy.

Further to the approval of the annual budgets, the Board discussed and updated the Group's acquisition criteria to ensure they are still relevant and approve next steps when key stage gates have been achieved.

The Board was pleased to announce the acquisition of North American specialist fastenings distributor Falcon Fastening Solutions Inc on 31 August 2021, as the first step on the Group's acquisition-led North America expansion strategy. The acquisition will extend Trifast's global OEM customer base and presence in non-automotive focus sectors as well as opening up growth opportunities with its global customers in key target states. All employees, including Falcon's President, Giovanni Cespedes, remained with the business.

During FY2021 the Board approved investment in new larger premises to facilitate future growth for two of our fast-growing sites. We are pleased to report that the first of these sites, TR Hungary, has now opened its new purpose built sustainable building, and plans for the second site are progressing well. Employees have been engaged throughout the process, with the impact on individuals being considered by the Board, with both new premises only being a short distance from the existing sites, it was felt that any negative impact would be low, and the better facilities would be welcomed.

Covid-19 response

The pandemic has had a dramatic impact over the last couple of years and has remained a consideration for the Board. The safety and wellbeing of the workforce and the continuation of the Group's operations and supply chain have been the main concerns.

The Board enacted the business continuity plan and introduced new working practices to limit the risk to our teams. This entailed the transition to home working and the implementation of Covid-19-secure workplace practices for all sites.

Employee wellbeing

Employee mental health has been a particular area of focus over the last couple of years; during FY2022 we implemented our Employee Assistance Programme - LifeWorks. This platform is now available to all global employees, offering 24/7 mental health and wellbeing support.

Russia/Ukraine

As a Group, we operate with a limited number of customers in Russia and Ukraine (less than 1% of Group revenue) and therefore the direct impact of the conflict has been minimal. Our Group sanctions policy has been designed to ensure that we remain compliant with any requirements and we have taken independent legal advice as appropriate.



[Read about our new sustainable building in Hungary on page 54](#)



[Read LifeWorks case study on page 37](#)



[Read more about our corporate strategy, acquisitions and investments in our FY2022 Annual Report](#)

Sustainable governance continued

How we have engaged

Further details on our Section 172 statement, key metrics, key topics and engagements can be found in our Annual Report.

Privacy and data protection

We process sensitive and personal information and have robust processes in place to ensure it is kept securely. We have data protection and information security policies in place and we have made substantial additional investments to our cyber security, including our back-up data storage and power systems, in recent years and have global IT policies in place that are managed by a dedicated in-house team. Comprehensive IT risk reviews and penetration tests are routinely carried out across all our sites and we hold ISO/IEC 27001:2013 accreditation in our Group IT function. We also maintain global cyber insurance which is underwritten with first class security in the London insurance market. Following the introduction of GDPR in 2018, we appointed a Group Chief Privacy Officer and implemented a framework of activities to ensure the Group's compliance with this legislation.

There have been no complaints or prosecutions, or instances of data loss or theft during the year.

Conflicts of interest

The Board has robust processes in place to avoid and manage conflicts of interest which might distort decision-making.

At Board and Committee meetings Directors are asked to declare if they have conflicts of interest with any of the agenda points. If the Chair determines a conflict is material, that Director would not be included in discussions or decisions for that subject. The Chair would ensure there is a quorum for the meeting to continue.

Whistleblowing

All employees are aware of the global Whistleblowing Hotline that is available to them in their own language. The hotline is hosted by a third-party company and is available for employees to anonymously report any activity or behaviour that they do not feel is appropriate. Every effort is made to protect the confidentiality of those who raise concerns and employees may come forward without fear for their position. No reports have been submitted to the hotline within the last 12 months.

EV – light vehicles

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We are supplying into both fully electric and hybrid models, and have a number of exciting new projects that we are working on

TR are actively involved in the supply chain of the Tier 1's, providing components that are destined for Electric Vehicles (EV). Fortunately, we supply very little product into combustion engines and instead we are focused on the cockpit of the car, interiors including seating, the battery housing, powertrain and trim.

The rapid acceleration of growth in EV and associated products, such as batteries and charging units, has required a different approach. No longer does it take time to go to market, as with conventional vehicle production, instead 'fast to market' is the byword as new and existing companies enter the market with the mindset that we are far more used to seeing in the electronics and IT sectors. In conjunction with this comes technical challenges as new products are developed requiring different solutions that meet the stringent requirements, particularly in the battery casings.

The interior of cars is evolving in new EV designs with a higher concentration of electronic components, console screens, air bag assemblies and seating configurations. More sustainable products such as stainless fasteners and fixings are being used and there are new requirements for electrostatic finishes. These challenges have been met on a number of recent applications. An example is us supporting a new battery housing project for a North America multinational. The product was designed and prototyped in the UK, and full production volume will be produced in North America. This was a new customer for us, and we were chosen as we could support this with our teams in the UK and USA. We are supplying into both fully electric and hybrid models, and we have a number of exciting new projects that we are working on.



Find out more online.

www.trifast.com/investors/our-reports/

02. Create socio-economic value

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Introduction



Helen Toole

Global HR and Sustainability Director

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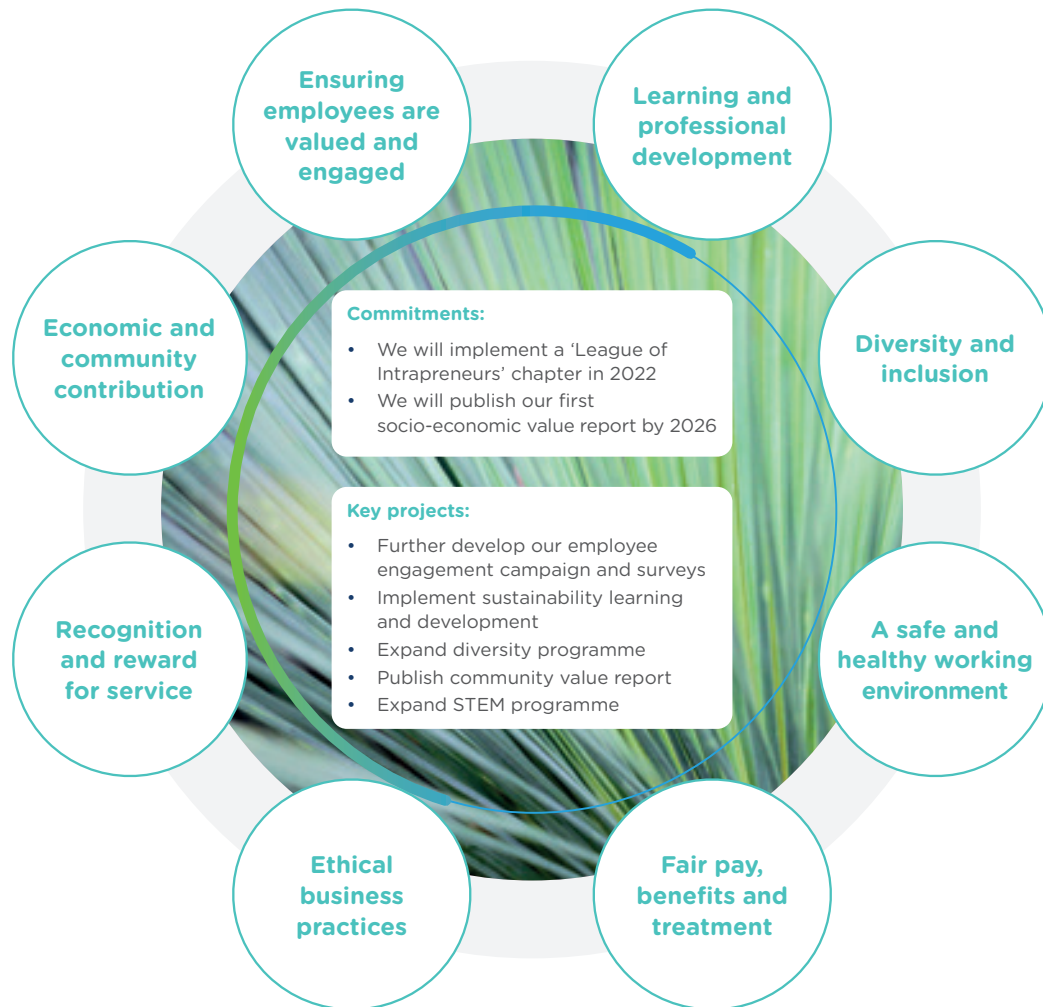
The culture of our business is important to us and we continue to work on ways to further embed our values within our workplaces, both in how we interact with each other and with our wider stakeholder groups

At Trifast, we pride ourselves on being a people-centred business and we are focused on being a responsible and responsive employer. We promote an environment that is safe and fair, which motivates, develops and maximises the contribution and potential of all employees, wherever they work for us.

It remains really important for us to attract and retain the best people. This has become increasingly important in the current macroenvironment and the challenges it poses. We have continued to roll out our HR system (D365 Human Resources) globally and all sites are now live and using the system. This has allowed much more efficient and effective reporting and an increased ability to be able to resolve any emerging themes more quickly and easily. The new system allows employees to engage in a comprehensive performance review process incorporating a skills analysis which in turn feeds into our ongoing training needs analysis process.

We are committed to looking after our people. We have excellent health, safety and employee wellbeing practices in place, all of which have been enhanced this year through the successful roll-out of new systems. We have a new environment, health and safety management system and in February 2022 we launched a new Employee Assistance Programme (EAP) globally. The EAP system allows access to a wide range of wellbeing support tools to all our employees in the language that is most appropriate for them. We continue to offer our employees competitive benefits, and engage with our workforce on an ongoing basis.

Our priorities



We are committed to making Trifast a great place to work and creating a positive impact in our communities. This means a caring and supportive culture that rewards success and invests in talent. It also means creating long-lasting positive impacts in our communities and local economies

Our approach



Global HR strategy

The HR strategy is on track, with many of our strategic projects either completed or nearing completion. Now that all of our people information is in one system, we are able to monitor our global HR KPIs more easily and react appropriately in a timely manner.

The culture of our business is important to us and we continue to work on ways to further embed our values within our workplaces, both in how we interact with each other and with our wider stakeholder groups.

The HR Business Partner network set up in 2019 continues to be invaluable. Throughout the year the network has come together every three weeks. This regular communication has allowed us to support each other throughout the pandemic and learn from each other's experiences. The network will continue to be used extensively to implement new policies, procedures and ensure that we are spreading best practice across the Group.

Part of the strategy included the roll-out of the new HR system (D365 Human Resources). This system is now live in all four global. This system allows for us to develop a new performance review process incorporating our core values, behaviours and corporate objectives.

Employee engagement

We have continued our cultural survey programme with two full cultural surveys through the year – one in November 2021 and the other in April 2022. The results have remained encouragingly stable and each location and department head has received the breakdown of the results for their team, with suggested actions to improve any low scores. Our 'Employee Voice' anonymous survey programme continues to provide all employees with the opportunity to contact us 24/7 365 days per year to tell us how they feel and why they feel that way. The Employee Voice system is regularly monitored so that we can act swiftly and appropriately.

Our ongoing programme of surveys will see regular engagement with our employees on a number of thematic topics to ensure that we are focusing our activity in the areas that will make a real difference to the working lives of our employees. This, in turn, will aid the retention of our people. This includes keeping under review our performance based component to our pay structures and our non-compensation benefits including pension and retirement, which will be relevant to the country of employment.

The Designated NED for staff engagement, who is also our Chair, undertakes regular visits to our sites to engage with our employees. This gives our employees the opportunity to have an open dialogue about things that might be affecting them at work. On a number of visits, the Chair is accompanied by other Non-Executive Directors. This is seen as a very positive step and during location visits has been very well received by our employees. Anonymised feedback is then given to the Group HR team so that the appropriate actions can be put in place. This process will continue during FY2023.

Our people

We have a global team of c.1,300 experts in a wide range of technical and professional disciplines. Our continued success relies on us attracting and retaining the best talent, investing in skills and knowledge, and working with our communities to develop a robust talent pipeline.

Staff turnover

We are delighted with our low staff turnover and our average length of service of 11.9 years.

Succession planning

We are continuing to develop our succession planning process. This allows us to identify senior and business-critical roles and ensure that we have plans in place to mitigate any risks associated with these roles. We have been able to identify whether these positions have an immediate internal successor, whether an individual within the business would be able to take the role with further development, or whether an external recruitment process would need to take place. The training and development needs identified during this process are being used to build out our global training strategy.



Our approach continued

Ensuring employees are valued and engaged

Our values



Trusted

The organisation and its employees need to trust each other – colleagues need to trust each other – the organisation needs to instil trust in its stakeholders



Reliable

We do what we say we will do when we say we will do it – both inside and outside of our organisation



Inclusive

We work together as a team and respect each other



Fair

We are thoughtful of every individual and consistent in how we interact



Ethical

We are mindful of our impact on others and the environment and demonstrate integrity in all our actions



Excellent

We add value and quality to everything we do for our customers and other stakeholders

Cultural pillars



Being inclusive but pragmatic and empowering



A 'Can Do' attitude, working in an agile manner to deliver practical results



Engaging with employees regularly and meaningfully



Providing development opportunities



Listening



Working together as a professional global team



Communicating openly, positively and regularly



Investing in the future – people/product/property



Saying thank you, being thoughtful and kind to each other



Celebrating success



Training and development

Talent management is a key driver of our success, and our learning and development programme is crucial to upskilling our people, retaining top talent and attracting new candidates in an increasingly competitive marketplace. We are totally committed to the development of all our employees across the globe, offering them formal and informal learning, as well as the opportunity to gain industry-recognised qualifications.

Our online training system has provided us with the chance to roll out relevant training to all our employees in their own chosen language. Within the last year we have recruited a new Global Training and Development Manager, who has been instrumental in developing our new Learning Management System. This system offers an individualised learning plan that is tailored to an employee's role. The system uses artificial intelligence (AI) to aggregate personalised content, allowing employees to identify which skills they might need to develop to enhance their career. Within this system there is also a social learning platform which fosters an informal approach; encouraging a collaborative workspace where subject matter experts can answer questions, share best practice and exchange ideas across our global network.

We have also implemented a new induction programme, allowing the business to interact more easily with new recruits before they start their role. This system includes introductory videos and messages as well as checklists for managers to ensure that all new employees have the best possible start.

Within the UK we are making great use of our Apprenticeship Levy funds, with eight employees currently undertaking apprenticeships that will provide them with professional qualifications – a further example of our desire to provide our employees with meaningful development opportunities.

Performance reviews

We are further developing our performance review system through our Dynamics 365 HR software. Both employees and managers contribute to the review and assess their skills and behaviours and their contribution to our culture and values. Performance goals are agreed and the system allows both managers and employees to track progress and update a performance journal which records evidence of good work on an ongoing basis.

This year due to Covid-19 restrictions we used a shortened version of the performance review which captured a self-reported wellbeing score, examples of good practice from the year, and the ability for employees to identify learning and development needs.

STEM careers

We are committed to playing our part in widening engagement in STEM subjects through our partnerships with schools and universities. These partnerships provide us with the opportunity to educate young people through talks and interactive presentations about what it is like to be part of a global engineering and manufacturing business. The links with the universities afford us access to students on placements who can join us to assist with specific projects but also provide access to graduates who would be interested in working within our industry.

We are committed to increasing our STEM activity and are increasing our connection with schools and universities in this regard.

Early career support, student opportunities and apprenticeships

We remain dedicated to providing opportunities for young people to understand how a global organisation operates. We hope to have university placement students again in the coming year.

Both Helen Toole, Global HR and Sustainability Director, and Warren Dipper, Group HR Manager, continue as Enterprise Advisers, providing a connection between schools and the local business community.

We are proud that we continue to provide apprenticeships throughout our locations.

Our approach continued

Diversity and inclusion

We are, as a global business, committed to treating everyone fairly and we recognise the strengths that a diverse workforce can bring. As an organisation we make every effort to eliminate discrimination, create equal opportunities and develop good working relationships between our teams. Our people represent a mix of cultures spanning 34 locations in 18 countries and this provides us with many opportunities to understand and value those cultures.

We are working on an updated diversity and inclusion strategy that will positively help to increase employee satisfaction and engagement, overall creativity and a sense of belonging. We will be taking targeted action, across our locations in all countries, to ensure that all legislative requirements are met and that as a business we go beyond our legal obligations to further build an environment that is totally inclusive.

The engineering sector faces a considerable challenge on diversity, especially in relation to attracting women into technical roles. According to the Women's Engineering Society, only around 14.5% of engineers in the UK are women and only a quarter of girls aged 16-18 would consider a career in engineering, compared to more than half of boys.

Through our work on STEM initiatives with schools and programmes to support young people to get experience in engineering, we are making concerted efforts to address these challenges.

As part of our sustainability strategy review in FY2023, we will review our performance and practices on diversity and inclusion, further develop our diversity and inclusion strategy and identify opportunities to make further improvements.

Gender pay gap

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 brought into effect a requirement for large UK employers, such as our largest UK trading subsidiary, TR Fastenings Ltd, to report publicly each year on the differences in the aggregate pay and bonuses for men and women. The Regulations mandate how organisations in England, Scotland and Wales with 250 or more employees must calculate a standard set of key metrics on their gender pay and gender bonus gaps and the format and medium in which they must report them.

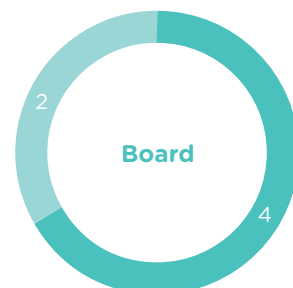
Our gender pay reporting continues to provide reassuring data that supports our reward and recruitment strategies.

The full gender pay gap statement for the reporting period is included below.

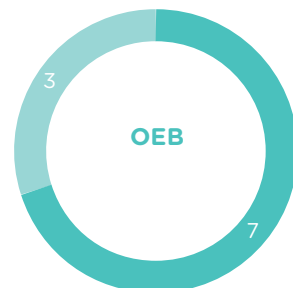
In brief

The table below shows our overall median and mean gender pay and bonus gap based on hourly rates of pay and bonuses paid, as at the snapshot date 5 April 2021.

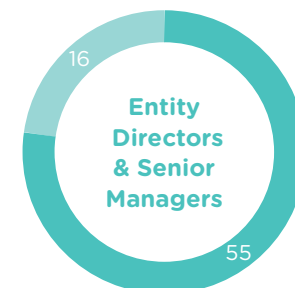
Gender diversity



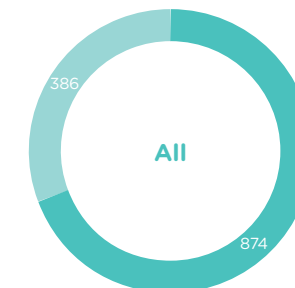
Male | 67%
Female | 33%



Male | 70%
Female | 30%



Male | 77%
Female | 23%



Male | 69%
Female | 31%



Pay and bonuses (female compared to male)

	Median	Mean
Hourly pay	+7.0%	-3.0%
Bonus pay	0.0%	+6.0%

The table above shows that based on a median average, our female employees are paid 7.0% more than our male employees. The mean average displays our male employees as being 3.0% higher paid than our female employees. This result represents a change in the mean average from -3.9% in FY2020 and the median average is now +7.0% compared to +3.9% in favour of female employees from FY2020.

These results compare very favourably when compared with the national average of male employees being paid 15.4% more than female employees.

Note that interpreting average earnings data is difficult currently, due to how Covid-19 has impacted the average weekly earnings data, including furlough, etc, which explains the complexities of interpreting earnings data in the current climate.

This means that comparisons with 2020 need to be treated with caution, and the focus needs to be on longer-term trends rather than year-on-year changes.

The bonus difference mean figure in the table highlights a 6% difference in favour of female employees; this was -10.5% in FY2020.

Proportion of colleagues awarded a bonus in FY2021

These charts illustrate that the number of men and women paid a bonus are primarily in line. As a Company we continue to reward all our employees. The only reason the statistics do not show 100% is due to eligibility criteria based on start and finish dates of employees.



Quartiles

The following charts illustrate the construction of each quartile.



This is our fifth year of reporting and we continue to see improved results, and parity across the UK business.

All of our decisions about recruitment, promotion, training and development are made within our framework of equality. Going forward, we will continue to ensure that all our employees reflect our Company values.

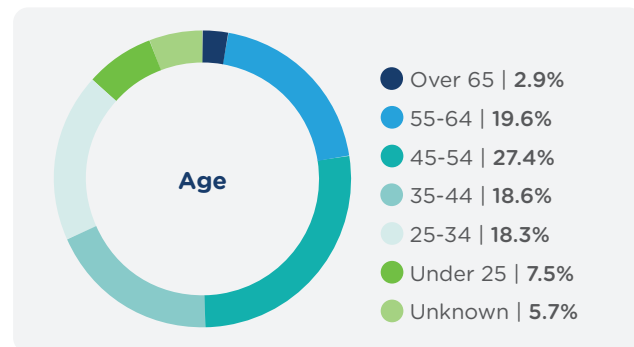
TR Fastenings, as with all of the entities within the Trifast Group, demonstrates its absolute commitment to all aspects of equality and fairness in the workplace.

Our approach continued

Diversity and inclusion continued

Age

We employ a diverse workforce, from school leavers through to over 65s. We have age data for all staff except those in Asia; this data will be gathered as part of the implementation of the new HR system, a breakdown is set out below:



Diversity on our Board

Two women serve on our Board of six (33% female representation).

The Financial Reporting Council's (FRC) guidance on board effectiveness recognises a breadth of diversity that goes beyond just gender and race, and includes personal attributes including intellect, judgement, courage, honesty and tact, and the ability to listen and forge relationships and develop trust.

This ensures that a board is not closely comprised of like-minded individuals. The Nomination Committee agrees that diversity is vital when reviewing the composition of our Board and possible new appointees.

At Trifast we promote diversity of gender, social and ethnic background, cognitive and personal strengths.

Appointing the right people to the Board and OEB with the appropriate balance of skills, knowledge, experience and culture is fundamental to the ongoing success of the Company. Using this approach, the Committee will continue to recommend the appointment of the best people with the right skills and potential. We will also make sure that all employees have an equal chance of being not only included but also developing their careers.

The Committee will continue to regularly monitor and review our position in this area and during the coming year will continue to develop our diversity and inclusion strategy and policies that will take into account the suggestions put forward in a number of papers, including the Parker and McGregor-Smith reviews, alongside the BEIS Select Committee's report.

Board evaluations

The Board undertakes annual evaluations of its own performance, that of its Committees, the Chair, individual Directors, and external audit. As part of this evaluation, the Board considers the balance of skills, experience, the independence and knowledge of the Board, its diversity, including gender, and how effectively the Board works together as a unit.



A safe and healthy working environment

The wellbeing of employees is paramount. This includes not only their physical health but also their mental health. We operate an effective health and safety management system across all our operations, with a focus on risk management and prevention. We manage health and safety issues alongside environmental issues within an integrated environment, health and safety (EHS) system.

Health and safety

Our CEO has overall responsibility for health and safety and is supported by the new EHS business partners. This Business Partner network has been set up to allow best practice to be shared across the Group. Our key areas of risk are:

- Musculoskeletal injury related to both moving and handling, and sedentary roles within our workforce
- Inherent risks associated with working with heavy duty machinery

Through our Health and Safety Policy, Trifast commits to:

- Provide safe and healthy working conditions which aim for the prevention of work-related injury or ill health
- Eliminate hazards, so far as is reasonably practicable, and reduce occupational health and safety risks
- Conduct its activities in full knowledge of, and compliance with, the requirements of applicable legislation, approved Codes of Practice and other requirements agreed by top management

We have a robust process to identify and manage risks in the workplace. Operations managers are responsible for implementing effective health and safety systems at each site. We have a formal risk assessment procedure and we conduct risk assessments covering all aspects of our operations. Risk mitigation measures and training have been implemented, and we have a strong reporting procedure to capture near misses and safety incidents. All incidents are investigated, which includes conducting root cause assessments and corrective actions.

We are working towards gaining formal recognition of our health and safety management approach by achieving certification to ISO 45001.

During FY2022 we began the rollout of our new EHS software platform EcoOnline. The system allows for easier data reporting, information sharing, risk assessments, audits and incident reporting. EcoOnline has now been rolled out in three of our four Global regions, with the rollout to our Asia sites due to take place during FY2023.

Our recorded data for FY2022 is taken from EcoOnline, covering UK, European and USA sites. All data is for both employees and contractors unless otherwise stated:

- Zero fatalities
- Zero reportable incidents
- Two internally recorded as “major” incidents, one was a collision with a moving vehicle and the other was a manual handling/trip incident
- Nine internally recorded as “minor” incidents, two trips, three collision with moving object, one substance to eye, three cuts
- Zero near misses reported
- Six non-injury RTA's

No injuries were long term or reportable – and all employees have returned to work.

Lost time caused by work related illness / injury:

- Contractors zero days lost
- Employees 104.5 days lost

Lost time injury rate for employees only:

- 0.992158 (calculation is number of accidents leading to absence multiplied by 200,000 divided by number of hours worked)
- 1,297,762 total hours worked
- 188,214 total days worked

We have a target for zero reportable incidents and another target to remain below one for our lost time injury rate, and are pleased to report that both of these have been achieved.

Mental health

A number of managers have been trained in mental health awareness and we have introduced our first mental health first aiders. As part of the review of our benefit provision we have sourced and rolled out an Employee Assistance Programme (EAP) providing mental health support for those who may be struggling with stress, anxiety or depression. The EAP also provides counselling sessions for employees, legal advice and advice on financial and more personal matters.

Over the coming months, we will be reviewing our benefit provision globally to ensure that we have the most appropriate support for all of our employees.

Our approach continued

Fair pay, benefits and treatment

Fair pay

To attract and retain high-calibre individuals, we aspire to become an employer of choice within our sector, maintaining a competitive reward package that balances fairness to our colleagues as well as responsible use of shareholders' funds. Our pay principles are as follows:

- Support the recruitment and retention of high-quality colleagues
- Enable us to recognise and reward colleagues appropriately for their contribution
- Help to ensure that decisions on pay are managed in a fair, just and transparent way
- Create a direct alignment between our Company culture and our reward strategy

Through the application of these principles, the Company has continued to attract industry specialists with global experience at senior levels.

The Remuneration Committee reviews the remuneration structure for management level tiers below the Executive Directors and pay outcomes for these roles. The Committee is also developing a process whereby it will be provided with feedback from the Company's various engagement tools, such that it has access to further context in making decisions on future pay outcomes. This information will be combined with the insights gained by Jonathan Shearman, who is the designated Non-Executive Director for liaising with the wider workforce. The Committee uses this information to ensure consistency and fairness of approach throughout the Company in relation to remuneration.

Benefits

Trifast offers a comprehensive suite of benefits to employees across all regions, tailored to the requirements of each country.

We keep our employee benefits under review to ensure that our offering is appropriate and relevant.

Ethical business practices

Economic and community impact

We are committed to supporting the communities in which we work. We have a direct positive impact by providing secure employment, and in some locations such as Fossato di Vico, Italy and Uckfield, UK we are one of the largest local employers. We also seek to work with local suppliers, further supporting the local economy.

Many of our employees and our sites engage in community and charitable initiatives, seeking to create a positive impact on issues that matter most to our teams and our communities.

Bribery and corruption

We have a zero-tolerance approach to all forms of bribery and corruption. Trifast plc is bound by the laws of the UK, including the Bribery Act 2010, in respect of its conduct both at home and abroad. In addition, we will uphold all laws relevant to countering bribery and corruption in all jurisdictions in which we operate, including the US Foreign Corrupt Practices Act.

Anti-bribery training will be included in our new online training provision and we will determine the employees who will be required to receive it.

LifeWorks

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This platform is now available to all global employees, offering 24/7 mental health and wellbeing support

During FY2021 we determined the business need for an employee assistance and employee wellbeing programme. After speaking with a number of organisations, we chose to move forward with LifeWorks.

LifeWorks offer a truly global solution, providing mental health and wellbeing support to all of our employees worldwide, in their local languages.

We completed the roll-out of this platform during FY2022, and have been pleased to see positive engagement from our people with LifeWorks, be it through online articles, podcasts, toolkits, interactive assessments or through the 24-hour support lines. It is updated frequently to keep the content fresh and relevant to the current climate, tackling the issues of the moment.

Trifast is committed to being there for our people, supporting with their mental health and wellbeing, and we are looking to continue to grow our services within this area.



Find out more online.

www.trifast.com/investors/our-reports/

03. Act on environment and climate change

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Introduction



Jenni Davies

Global Sustainability Manager

“”

Our sustainability strategy delivers a step change in environmental management at Trifast. Building on our track record of robust compliance, emissions reductions and solar energy, we are plotting our path to net zero carbon and managing the emerging climate risks and clean-tech opportunities

To be successful in the long term, businesses must operate in an environmentally responsible way. For Trifast, this includes managing energy, carbon and climate change; restricted materials, water, waste and the circular economy; and pollution prevention.

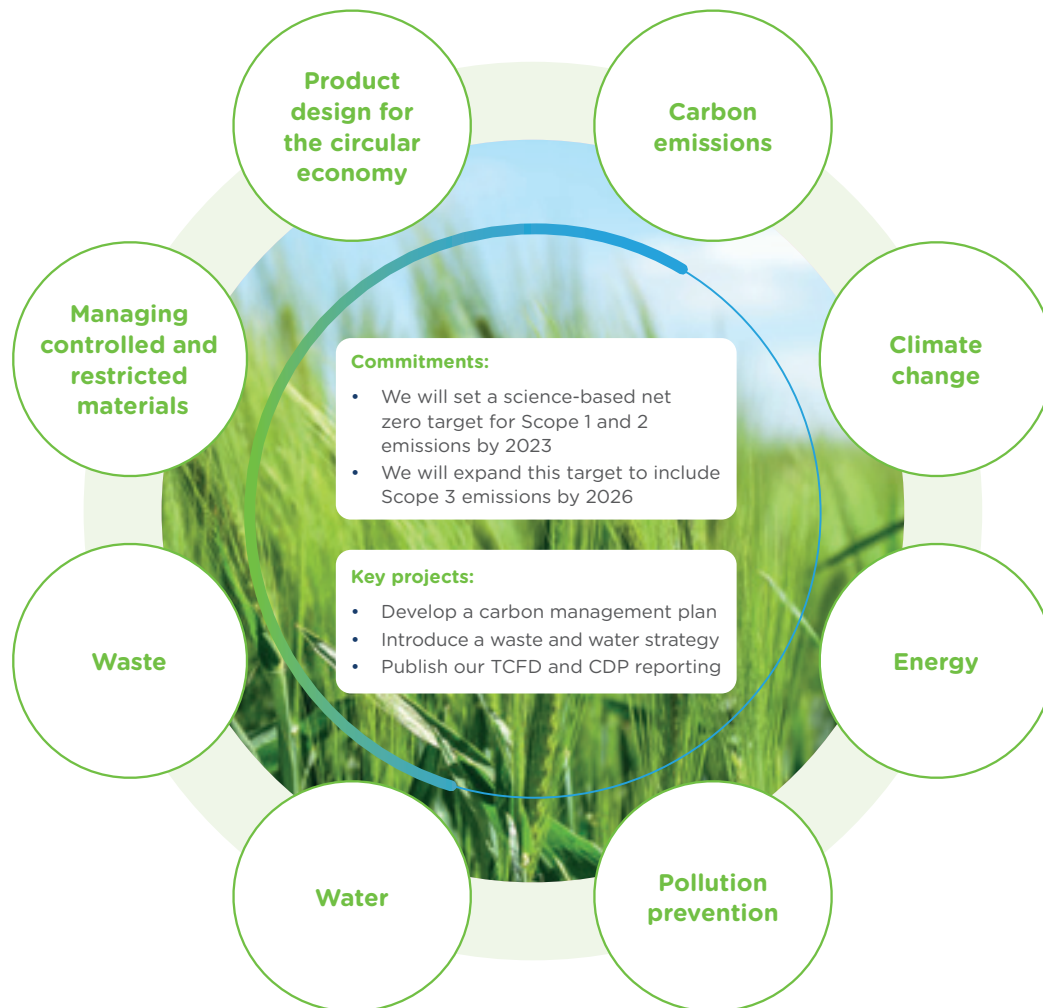
Now more than ever, climate change needs urgent action. Its effects can already be felt in our day-to-day lives, business operations and global supply chains, and it is clear that decisive global action is needed to avoid an irreversible climate catastrophe.

In our five-year strategy, we are establishing a science-based net zero target; first for our Scope 1 and 2 emissions, and then Scope 3.

We will develop a comprehensive programme to achieve our emissions targets, enhance our resilience to climate-related risks, and position ourselves to seize emerging opportunities.

This entails energy and carbon reduction within our own operations, and then tackling indirect emissions from travel and logistics, our supply chain, as well as water use and waste.

Our priorities



Trifast is committed to good environmental management across our operations and supply chain, and in the way we design products

Our approach

We actively manage environmental issues through our ISO 14001 certified environmental management system.

Our approach seeks to reduce the direct impacts from our own operations as well as across the life cycle of our products.

We work closely with our customers to deliver innovation that reduces environmental impact and accelerates electric vehicles and renewable energy. We are pleased to report that there have been no environmental incidents during FY2022.

Energy

Manufacturing is our largest area of energy use, representing around 80% of our global consumption. Our total energy use in FY2022 was 19,349.66 mWh. Electricity makes up around two-thirds of this, with the remainder being natural gas, gas-oil and LPG used for space heating.

ESOS

The Company is required to comply with the Energy Savings Opportunities Scheme (ESOS); we have had assessments completed by competent third parties on our business premises, to meet our ESOS requirements.

We are now assessing the recommendations from those reports to best align them with our upcoming sustainability roadmap.

	Manufacturing kWh	Distribution kWh	Total kWh
Asia	6,832,099	14,781	6,846,880
Europe	9,131,966	434,635	9,566,601
UK	435,372	2,337,482	2,772,854
USA		163,329	163,329
Total	16,399,437	2,950,227	19,349,664

We measure the energy/emissions intensity of our operations using three key metrics:

	FTE (kgs CO ₂ e/ FTE)	Turnover (kgs CO ₂ e/ £1k)	Floor space (kgs CO ₂ e/ m ²)
Total	5,253.64	31.69	96.63



Our approach continued

We are committed to acting to combat climate change, and reporting on its approach and performance. Our total carbon emissions have decreased by 4.95% of kg CO₂e per £1k turnover in FY2022

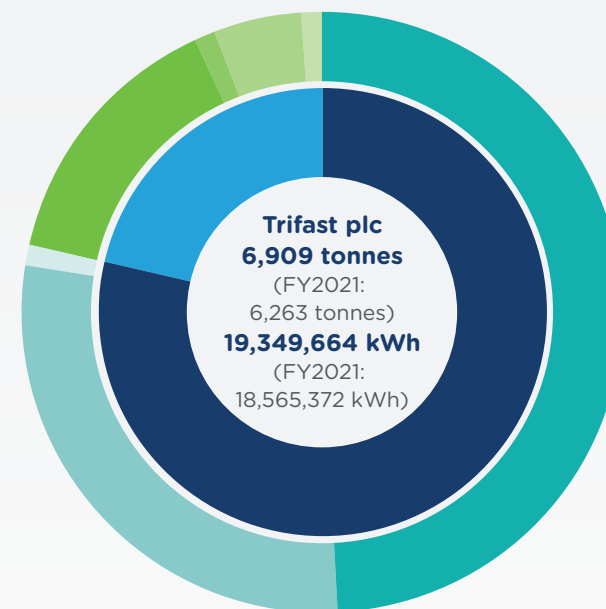
Carbon emissions

Trifast is committed to acting to combat climate change and reporting on its approach and performance. For FY2022 we have utilised the Carbon Trust Footprint Manager software for the first time, to streamline our reporting process. Our total carbon emissions have increased from FY2021; however, in comparison with our turnover, they have reduced from 33.34 kg CO₂e per £1,000 turnover to 31.69 kg CO₂e per £1,000.

Our main area of energy use is within our manufacturing facilities, followed by fuel use for distribution. Last year we began to look at our Scope 3 data and are pleased to be able to report our Scope 3 business travel data for FY2022.

In line with our sustainability strategy we will be setting our net zero strategy and emissions targets in FY2023.

We have continued to see increased requests from customers on our carbon emissions and management approach over this year. We have completed CDP (supplier and investor) and EcoVadis submissions during FY2022 and will continue to do so annually.



Total manufacturing 5,450 tonnes (FY2021: 5,137 tonnes) 16,399,437 kWh (FY2021: 15,171,888 kWh)	Total distribution 1,459 tonnes (FY2021: 1,128 tonnes) 2,950,227 kWh (FY2021: 3,393,484 kWh)	Europe distribution 339 tonnes (FY2021: 226 tonnes) 434,635 kWh (FY2021: 734,958 kWh)
Asia manufacturing 3,405 tonnes (FY2021: 3,202 tonnes) 6,832,099 kWh (FY2021: 6,444,704 kWh)	UK distribution 987 tonnes (FY2021: 807 tonnes) 2,337,482 kWh (FY2021: 2,461,598 kWh)	USA distribution 64 tonnes (FY2021: 54 tonnes) 163,329 kWh (FY2021: 131,451 kWh)
Europe manufacturing 1,957 tonnes (FY2021: 1,846 tonnes) 9,131,966 kWh (FY2021: 8,313,338 kWh)	Asia distribution 69 tonnes (FY2021: 40 tonnes) 14,781 kWh (FY2021: 65,476 kWh)	
UK manufacturing 88 tonnes (FY2021: 89 tonnes) 435,372 kWh (FY2021: 413,846 kWh)		

All figures have been restated, due to change over of emissions factors using the Carbon Trust data sets

Carbon emissions continued

Our Carbon footprint has increased from FY2021, this is an expected increase as most sites have been able to return to more normal working patterns during FY2022, and also the addition of our Scope 3 business travel data has contributed to this increase. Our emission intensity factors remain positive and show ongoing improvements. Electricity use remains as the main contributor to our Scope 1 and 2 carbon footprint.

	FY2022	FY2021
Total Scope 1 emissions	1,958.49	1,761.44
Purchased fuels	1,322.17	1,269.90
Company vehicle use	636.32	491.54
Fugitive Emissions	0.00	1.11
Total Scope 2 emissions	4,722.32	4,498.65
Purchased electricity	4,722.32	4,498.65
Total Scope 3 business travel	227.73	3.13
Air	202.92	3.13
Road	24.81	0.00
Total emissions	6,908.54	6,263.22

	Manufacturing tonnes CO ₂ e	Distribution tonnes CO ₂ e	Total tonnes CO ₂ e
Asia	3,405	69	3,474
Europe	1,957	339	2,296
UK	88	987	1,075
USA	—	64	64
Total	5,450	1,459	6,909

Fugitive emissions discounted from Scope 1 Footprint

Some numbers have been rounded up from decimals, actual total tonnes CO₂e for Trifast Plc is 6908.54



Our approach continued

Carbon emissions continued

	kg CO ₂ e per £1k turnover		
	FY2022	FY2021	% change
Trifast plc	+31.69	+33.34	-4.95
Asia	+77.30	+77.12	+0.23
USA	+3.66	+5.68	-35.56
Europe	+29.25	+28.71	+1.88
UK	+13.96	+13.97	-0.07

CDP

We have seen increased requests from customers on our carbon emissions and management approach over this year. We continue to proactively complete our CDP questionnaires for both investors and as part of the supply chain for our customers.

Task Force on Climate-related Financial Disclosures (TCFD)

During FY2021 we completed a detailed review of the potential impact of climate change on the business. The Board considers sustainability issues (including climate change) throughout the year and oversees the consideration of climate-related risks and opportunities under the TCFD disclosure requirements. Having established climate scenarios, we ran a climate change risk workshop with senior managers from across the business in 2022 to consider the most significant climate risks and opportunities. The findings have been considered as part of our business risk and financial planning processes and have been reviewed by the Audit & Risk Committee and its Risk Sub-Committee.



Please refer to our Annual Report for full details.

Note: Our emissions data includes all material emissions of the six Kyoto gases from direct sources and from purchased electricity, heat and steam and cooling where applicable. No direct source material emissions have been omitted.

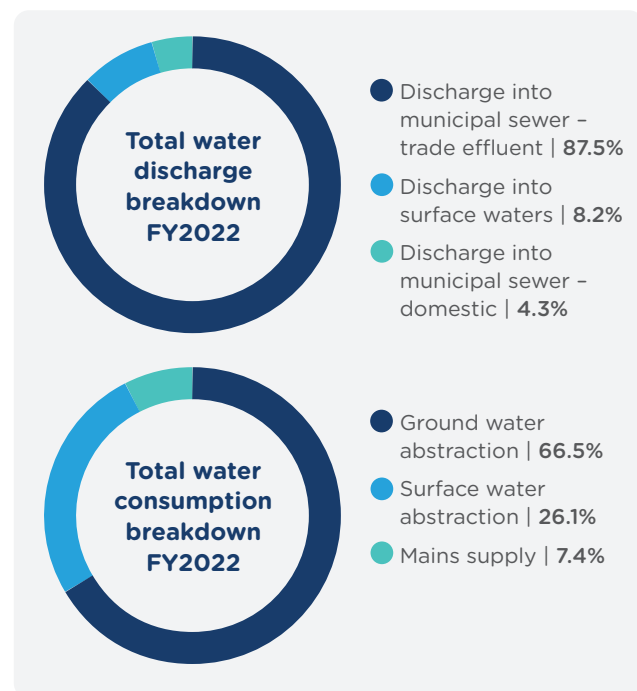
Figures are reported in tonnes of CO₂e (carbon dioxide equivalent). Reports are calculated in the following ways:

- Tonnes of CO₂e
- Tonnes of CO₂e per FTE (full-time equivalent)
- Tonnes of CO₂e per SQM (square metres of floor space occupied by the Company)

Our main source of emission factors is BEIS (2021), with other data selected to fill gaps or because it is deemed to be more accurate. IEA (2021) data is used for calculating emissions of non-UK, location-based electricity. For market-based electricity, a mix of AIB (2021), BEIS (2021) and EPA (2021) are used to calculate emissions for the residual mix. Where there is no residual mix factors available, the location-based factors from IEA are used.

Water usage

In line with our sustainability strategy we have begun to monitor our water use, sources and discharge routes – during FY2023 we will continue to collate and evaluate this data, to allow us to set a meaningful water strategy.



Waste

Waste is managed at the site level and we have made good progress to increase recycling rates over the period since FY2018.

In an effort to reduce waste generation, we supply fastenings to many of our customers in reusable plastic totes. The majority of our supplies, however, still arrive on our sites in plastic and cardboard packaging, and this is an area we hope to make improvements on in future.

Waste Stream	% recycling waste streams FY2018	% recycling waste streams FY2020	% recycling waste streams FY2022	% reduction of waste streams to landfill FY2018 to FY2022
Batteries	0.00	80.00	100.00	100.00
Cardboard	92.30	96.20	100.00	7.70
Confidential Substances	70.00	100.00	100.00	30.00
Electrical	12.50	14.00	12.50	0.00
General	0.00	0.00	0.00	0.00
Light bulbs	0.00	0.00	0.00	0.00
Metals	50.00	54.00	100.00	50.00
Oil	66.67	71.00	100.00	33.33
Plastic packaging	33.30	34.00	66.67	33.37
Toners	77.80	86.00	100.00	22.20
Wood	0.00	0.00	100.00	100.00
	88.90	95.00	100.00	11.10

Our approach continued

Pollution prevention

There are some minor emissions to water related to the manufacturing processes at our sites, and we do store and use materials that could have an impact on the environment if they were to be accidentally released. We have good controls in place to ensure we comply with all obligations in relation to water quality and pollution prevention. These include appropriate training, risk assessment and management processes, monitoring, and emergency response procedures.

During FY2022 we have had zero environmental controversies, and have also had no direct or accidental oil spillages.

Managing controlled and restricted materials

Due to the nature of the materials we use in some of our products and how they are used by our customers, Trifast is subject to a range of legislation related to controlled or hazardous materials. We have a dedicated material compliance team to ensure we manage our obligations effectively and can provide our customers with the necessary documentation.

Fasteners enable a more circular economy as they allow products to be opened up and repaired rather than thrown away. In developing our new sustainability strategy, we will explore the impacts, risks and opportunities related to material use and the circular economy across our entire value chain.

Carbon Trust

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Trifast has been working with the Carbon Trust during FY2021 and FY2022

Trifast has been working with the Carbon Trust during FY2021 and FY2022 to implement their Footprint Manager platform, allowing us to accurately gather and report on our Scope 1 & 2 GHG emissions, and for the first time our Scope 3 business travel. FY2022 has also seen us begin to gather our water usage data through this platform.

The Carbon Trust is a mission-led organisation that is seeking to accelerate the delivery of sustainable, low carbon economies by helping governments, businesses and organisations across the world to reduce carbon emissions and achieve greater resource efficiency.



Find out more online.

www.trifast.com/investors/our-reports/

04. Build a sustainable supply chain

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Introduction



John Dick

Global Supply Chain Director

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We believe we operate in a world where businesses must embrace their responsibility to influence the impacts in their supply chain. Our supply chain needs to operate to the same high standards that we set ourselves

Our supply chain is complex and global, and has a wide range of environmental and social impacts and risks. Metal components rely on high-impact activities such as mining and smelting. Suppliers and logistics partners are exposed to increasing risks from climate change, which is likely to affect the availability and cost of materials. Poor social practices, including human and labour rights, are more likely in some geographies and activities.

To create a sustainable supply chain, we need a clear understanding of these impacts and risks, as well as a shared commitment with suppliers to adhering to good environmental and social practices.

We believe we operate in a world where businesses must embrace their responsibility to influence the impacts in their supply chain. Our supply chain needs to operate to the same high standards that we set ourselves.

Over the next five years we will roll out a new sustainable supply chain standard for our suppliers and offer support for our smaller partners to implement improvements. We will also develop a sustainable supply chain strategy by 2025 which will set out how we will map our supply chain and conduct life cycle analyses to strengthen transparency and identify risks and opportunities.

Our ambition for 2026 is to have transparency of the critical pathways and partners in our supply chains. We will identify the key risks and opportunities and establish sustainability standards and reporting.

Our priorities



We are committed to sustainable supply chain management. Setting high standards for environmental and social practices, and driving innovation and collaboration to reduce the whole-life impacts of our products

Our supply chain

Our supply chain is global with materials and products being imported and exported across the globe; we need to understand the impact this is having

Sustainability risks

We live in a world where risks are ever present and an environment which is so dynamic, from the continued effects of Covid-19, to daily adverse weather conditions. The effect this has on our supply chain is all too real, however we need to understand these conditions and take precautions to manage our business through these challenges.

Our supply chain

Our goal is to help develop our key suppliers and improve the current programme and processes; 85% of spend is with 300 of our key suppliers. The objective of our sustainable supply chain approach is to ensure our products and suppliers comply with high standards of environmental management, social practices, corporate governance and business ethics set out in legislation and our supplier quality and sustainability agreement. We also aim to build close working relationships with suppliers to reduce the overall environmental impact of our products, share good practice and drive innovation.



Our approach

We actively manage and audit our key suppliers to ensure high standards in environmental management, social practices and corporate governance. This gives us confidence around compliance with legislation and our quality and sustainability agreement, and builds close working relationships that support good practice and innovation

Our sustainable supply chain approach comprises three key themes. Our supplier quality and sustainability agreement sets out our expectations for suppliers. We review the practices and policies of prospective key suppliers before we work with them and conduct performance reviews and audits on an ongoing basis to monitor compliance and foster a strong relationship that drives improvement and innovation.

If areas of concern are identified through on-site or desk-based audits, we agree improvement plans with the supplier. Failure to address the issues will lead to termination.

1: Standards:

Supplier quality and sustainability agreement should manage quality, environmental, social and corporate governance issues

Set clear expectations on how suppliers should manage quality, environmental, social, and corporate governance issues

In 2008 we created an internal standard for suppliers called the 'quality and sustainability agreement'. We require all our Approved Vendor List (AVL) suppliers to implement this agreement and provide us with declarations of compliance as part of the assessment process. To date, 85% of these suppliers have signed up to the agreement

We will develop an expanded sustainable supply chain standard, which will incorporate additional requirements for the management of environmental and social issues

2: Pre-contract review:

Supplier assessment and approval

Review potential key suppliers' ESG practices to ensure they meet our standards

Our supplier quality team carry out initial desktop reviews and on-site audits on any potential new AVL supplier. These assessments include quality and sustainability practices. Only suppliers who can demonstrate they meet our requirements will be approved. Once approved, AVL suppliers are re-audited every two years

3. Ongoing management:

Supplier reviews and audits

Conduct performance reviews and site audits to ensure suppliers continue to meet our expected standards and to build strong, collaborative relationships

Address any areas of concern or non-conformance through improvement plans. Where issues are not satisfactorily addressed, suppliers may be terminated

Annually we conduct audits and visits and we aim to increase this activity in FY2023. Every team member will be monitoring standards and working with our supply base to agree improvements

Improvement and action

- Following audits in FY2022 we have no major non-compliances to report. We also observed positive steps being taken to reduce carbon footprint by a number of our suppliers

Human and labour rights

Trifast recognises human rights as set out in the Universal Declaration of Human Rights and enshrined in EU and UK law through the European Convention on Human Rights and the Human Rights Act 1998. Our workplace practices are governed by our Corporate Code of Conduct, our HR policies, and our Business Ethics and Responsible Behaviour Policy, which commits Trifast to the highest standards in human and labour rights, employee conduct and compliance with all applicable legislation. It also sets out our commitment to ensuring employees have the freedom to associate or collectively bargain without fear of discrimination against the exercise of such freedoms.

Modern slavery

We comply with the requirements of the UK Modern Slavery Act 2015 and the California Transparency in Supply Chains Act 2010. Our suppliers are expected to meet the same standard on labour and human rights with safe working conditions, reasonable working hours, freedom of association, wages that comply with minimum wage legislation in the appropriate jurisdiction and no forced or inappropriate child labour.

We require slavery and human trafficking to be eradicated from our direct supply chain for the products we sell. Trifast's full statement on modern slavery and human trafficking can be found on the Company's website at www.trifast.com.

We monitor suppliers by performing regular assessments to assure ourselves of each supplier's commitment in this area. Given our supply chain includes a wide range of manufacturing activities across a number of emerging economies, the business ethics of suppliers are assessed as part of the procurement process and through site audits. Training on modern slavery is provided to all members of staff who work in our supply chain function.

Forced and child labour

We identified five kitting companies as high-risk suppliers due to the nature of their operations. We completed detailed on-site audits for each company during the year. No areas of concern were identified. We will continue to monitor risk areas and audit suppliers to ensure they continue to meet our standards.

Conflict minerals

We have obtained, or are in the process of obtaining, information from our current suppliers concerning the origin of the metals that are used in the manufacture of products. Based on information provided by our suppliers to this point, we do not knowingly supply products containing metals derived from the specified conflict regions.

To date we have received completed documentation from 1,593 suppliers globally. Which accounts for 81.7% of our suppliers.

TR Hungary

a new purpose built, sustainable greenfield site

“”

Working with a blank canvas, enabled us to incorporate the environmental and sustainable features and benefits for a ‘modern workplace’

Working with a blank canvas, prior to the new TR Hungary building being built, enabled us to incorporate the environmental and sustainable features and benefits for a ‘modern workplace’. The facility is in a green area with fields to the exterior, that cannot be used for further development, on a purpose-built estate with excellent transport networks.

Every feature was thoroughly researched, from the solar panels on the roof, to the triple glazing, and full air conditioning with added air quality monitoring equipment to ensure the comfort and wellbeing of our workforce. Automatic shutters on the warehouse roofing windows assist in cost-effective temperature control. Electric charging units have been installed to encourage the use of electric and hybrid vehicles, including company vehicles.

We engaged the service of a company to ensure that the ergonomics of the office furniture and other fittings came from a proven sustainable source. We have focused on the ambiance, the colour palette and comfort which included break-out seating areas to enhance the working experience.

Due to the large footprint of the building, it is mandated by the Hungarian authorities that we had to create a water catchment pond beside the warehouse for rainwater drainage. This is regularly checked and assessed for pollution levels, and our intention is that it becomes a feature with reed beds and planting to encourage wildlife and enhance the aesthetics of the building.



Find out more online.

www.trifast.com/investors/our-reports/



05. Enable sustainable innovation

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Introduction



Sven Brehler

Director of Engineering

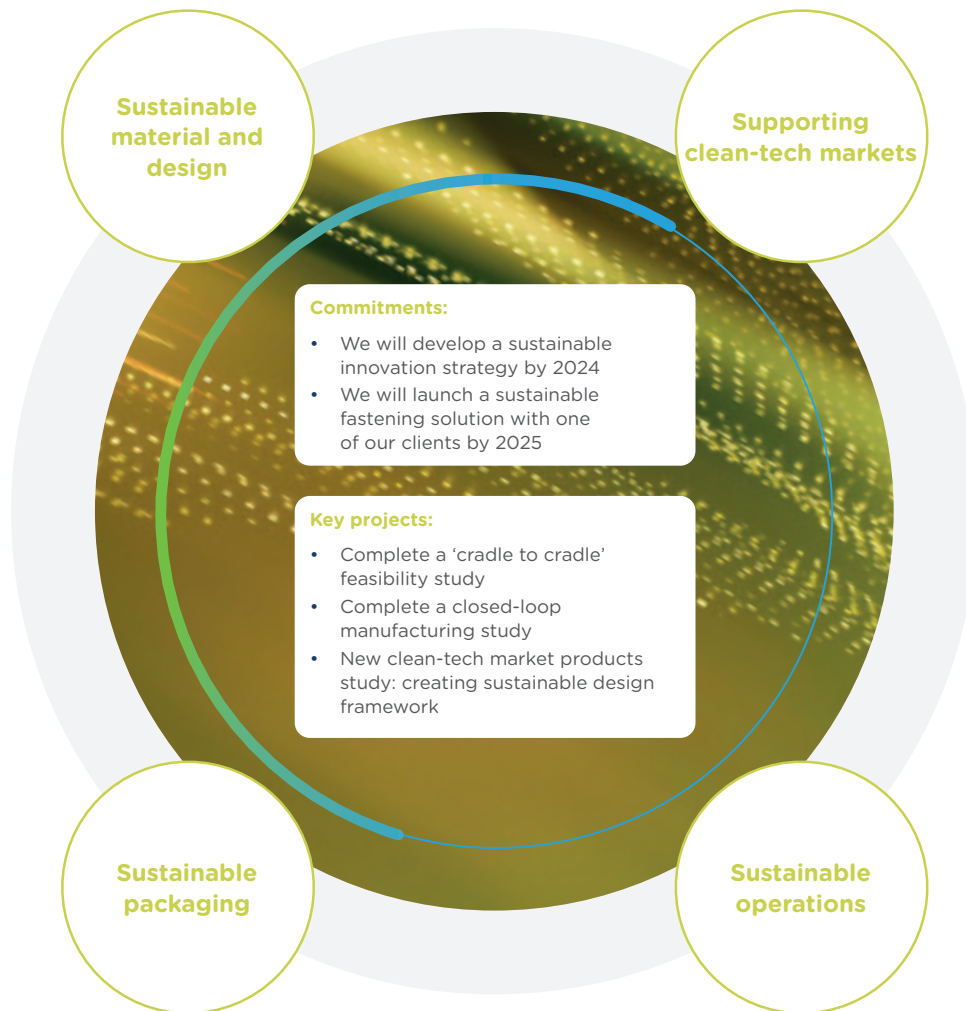
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To deliver a sustainable future we need to move from a linear make-take-waste consumption model to a closed-loop approach where products and materials are reused and recycled

Global environmental challenges such as climate change, plastic pollution and air quality require innovative new business models, products and services to address them. Trifast is committed to using our knowledge and expertise to develop innovative solutions that add value to society and our planet.

To deliver a sustainable future we need to move from a linear make-take-waste consumption model to a closed-loop approach where products and materials are reused and recycled. Collaborating with our customers and suppliers to support circular economy principles will be an integral part of our innovation processes.

Our priorities



We are committed to securing a sustainable future. This means supporting our existing customers and emerging clean-tech markets, and embedding sustainability principles in our products, packaging and operations

Our approach

Trifast is a recognised and established global brand across a wide range of manufacturing sectors. We pride ourselves on the end-to-end support that we offer to all customers. We are perfectly positioned to deliver innovative solutions as we design, problem-solve, test, manufacture, and source products. This means we deliver high-quality, often complex, components and logistical solutions to production lines across the world.

Our success and ongoing growth is based on a unique blend of our long-standing customer relationships, high-quality in-house manufacturing, sourcing know-how and adaptable, consistently reliable global logistics.

Design for environment

Incorporating design for environment principles into products offers exciting opportunities for innovation, which can both reduce environmental impacts and deliver commercial benefits. For example, the total life cycle environmental impacts can be reduced by specifying lower impact materials, such as bioplastics and recycled materials, or reducing the weight of materials used. This can deliver commercial advantages such as lower compliance and material costs, whilst reducing the environmental footprint of products.

Innovation can add to the functionality of fasteners, enabling a more sustainable economy through focus on disassembly and reuse of our customers' products. We must explore how to employ these sustainable innovations to optimise material and packaging use, while maximising reuse, recovery and recycling.

We will build on our existing expertise and innovation track record to help shape a more sustainable economy. We have many opportunities to embrace and our work for this strategy will focus on identifying and initiating attractive opportunities for us and our clients.

Our ambition for 2026 is to launch a new product with enhanced sustainability performance, and to collaborate with customers to deliver design upgrades that improve the whole-life sustainability performance of their products.



Design and application engineering



High-quality manufacturing



Sourcing of components



Flexible global logistics

Our approach continued

Materials and circular economy

Controlled materials

Due to the nature of the materials we use in some of our products and how they are used by our customers, Trifast is subject to a range of legislation related to controlled or hazardous materials. Trifast has a dedicated material compliance team to ensure we manage our obligations effectively and can provide our customers with the necessary documentation.

Fasteners enable a more circular economy as they allow products to be opened up and repaired rather than thrown away. In developing our new sustainability strategy, we will explore the impacts, risks and opportunities related to material use and the circular economy across our entire value chain.

Early engagement of Trifast engineers within the design curve allows to fully integrate fastener solutions with the lowest environmental impact. To achieve this, the engineering team works closely with both the customer and the supply chain to find an optimum balance between performance, commercial and environmental cost.

Disrupting technologies requiring novel solutions to problems previously not encountered are a key growth area for the Group. These areas require both the manufacturer and customer to align requirements and wishes with the actual capability and potential of the available manufacturing methods. Product simplification and requirement review allows improved manufacturability while maintaining fit for function and reducing environmental impact. Examples are components specific to the ongoing electrification.

Similarly, this process can be applied during running programmes through VA/VE (Value Analysis and Value Engineering), whereby applications are reviewed retrospectively.

Design for recyclability

Fasteners generally account for less than 2% of the complete product weight. Recycling value streams are therefore formulated around the materials with the highest content, are the most valuable or are easiest to recover. Fasteners can play a major role in the efficiency of recovery of materials by either aiding removability or the potential of separation, for example:

- Products manufactured of homogenous plastics can be ground to provide raw material for the remanufacture of plastic components. The use of steel fasteners will allow these to be magnetically separated from the ground material, allowing both plastic and steel to be recycled
- Using fasteners of similar materials as the main structure allows these to become part of the recycle. Where appropriate, for example on aluminium or steel fasteners, selecting a coating, which is thermally removed during the melting process or can become part of the newly cast alloy, increases the overall recyclability of the design and product





Design for manufacture

Within our seven manufacturing locations, TR has a wealth of engineering experience which customers can utilise. Our engineers work on refining tool design, production processes and efficiencies. This ensures the part is manufactured to the correct specification at the lowest possible cost. Feasibility engineers make sure we comply with customers' drawings and requirements to help identify any areas of concern or risk. Drawing on our expertise in developing products for high-volume production, we can provide advice on design and specification suited for most economical manufacture.

Design for assembly

Our fastener engineers can provide support and guidance when taking a design from prototype into serial production. Selecting a common drive system provides tool flexibility within the assembly line, but also enables remote maintenance or disassembly units to use universal tools.

Alternative drive systems or drive sizes can be applied to fulfil Poke-Yoke requirements during assembly or repair and maintenance. Similar product line optimisation and automation often requires modifications on existing fasteners. Our widespread experience in multiple applications and markets allows us to support customers making the right design decisions.

End-to-end design

Our engineering team forms an integral part within the Trifast structure, working closely with all other teams to ensure a smooth transition from ideation and concept creation to prototyping and serial production. Sustainable design development criteria also refer to the inherent and consistent process and product quality and its documentation, such as PPAP or other approvals.

Our approach continued

Sustainable material use

We use a wide range of materials in our products and during manufacturing. This includes a range of metals, plastics, lubricants and packaging materials. We employ a range of approaches to minimise material waste and losses:

Avoid waste	As a preference, we prioritise the use of manufacturing processes creating low waste, which include cold forming (used for nuts and screws) and bend/forming (for springs)
Reuse	We recover, filter and reuse lubricants extensively within our manufacturing processes. Where possible, we reuse bins, spools and packaging
Recycle	Some processes, such as machining (used to create ball joints) or stamping (used to make washers) involve the removal of material. We endeavour to recycle all metal manufacturing waste
Losses	There are some minimal losses of oils and lubricants during production, or through cleaning components for the heat treatment or plating processes

Fasteners and closed-loop business models

A core part of sustainable product design is the ability to repair and upgrade equipment. Mechanical fasteners make this possible, allowing easier assembly in the first instance and extending the useful life of a product. The ability to easily disassemble a product at the end of its life also increases recyclable yield and purity of resources, including metals, plastics and precious metals.

Fasteners often fulfil a structural role in products and vehicles, which can limit the opportunity for reusing the fasteners. As a result, fasteners should be designed to be easily recyclable, by using standardised material and coatings.

Through our new sustainability strategy, we will collaborate with customers to incorporate closed-loop design principles, helping to create more sustainable products and equipment.

Supporting clean-tech markets

Trifast supplies a wide range of clean-tech markets including renewable energy generation, energy efficiency technologies, recycling and waste management, and water and waste water.

There are three clean-tech growth segments emerging, which include:

Energy storage

Mobile and static battery technologies



Energy infrastructure

EV battery charging



Zero carbon transport

Electric and hydrogen vehicles



Our world-class design and engineering processes allow us to identify and deliver sustainability improvements for customers

Sustainable product design

We design products in collaboration with both the engineering teams of the customers and our supply base.

Product design incorporates four fundamentals: price, quality, sustainable supply and collaboration.

With a focus on cost, our design process targets a minimum ratio of waste. For example, designing parts to be manufactured using cold forming instead of machining reduces the amount of waste material from 60% to 5%. Even though that material can be recycled, this has to be through energy intensive processes, such as smelting.

Coatings are defined with the customer to ensure that the service life of the fasteners aligns with that of the end product. This avoids over-specifying a coating or requirement, saving costs by minimising raw materials use and energy consumption. Similarly, we avoid under-specifying finishes which would reduce the service life due to failure.



Our approach continued

Sustainable product design continued

Our design process also prioritises the lowest complexity, volume and size. This maximises the potential supplier base, allowing us to select the most suitable manufacturer. As a result, we can select suppliers with strong ESG practices, minimise raw material usage and limit the energy consumption, whilst delivering a part with minimal contribution to the overall weight of the application. The product will have a minimum of mixed materials to improve recyclability.

Designing the part in collaboration with the supply chain and customers will allow solutions to be found, which both optimises the application needs, as well as the available resources, whilst ensuring we meet all applicable legislative requirements.

For example, a combined reduction of product weight by 5% and changing from machining to cold forming can deliver up to 90% reduction in raw material use.

Sustainable packaging

The first fundamental of selecting and considering packaging of products is to protect the product, ensuring parts to be delivered as contracted.

Our preferred packaging consists of neutral boxes which have high levels of recycled content and are recyclable. We design packaging to:

- Maximise filling whilst meeting ergonomic requirements
- Protect the products during transit and storage
- Maximise pallet loading to achieve a high transport density

Small quantities can still be packaged in low-density polyethylene (LDPE), which is becoming more commonly recycled on a large scale.

With an increase in the supply into GreenTech sectors, we have seen growth in the use of single-use plastic due to the requirements of technical cleanliness. These require cleaned parts to be packaged to avoid contamination with dust.

We are working with suppliers and experts to improve packaging sustainability whilst delivering on the exacting requirements for quality and protection.

Further research is needed to better understand and manage the use of packaging within the business. This can be split into three supply streams, with decreasing influencing power:

- Own manufacture
- AVL suppliers
- Other suppliers

Sustainable operations

We have implemented lean manufacturing methodologies, such as 5S, which are designed to decrease waste and optimise productivity. Implementing 6 Sigma principles and investing in Industry 4.0 technology (with more capable and efficient Smart Production machinery) have laid the foundation for more sustainable operations.

We have also aimed to reduce our environmental impact through material choices. Using lead-free machining steels and materials which do not need heat treatment or coating has reduced our carbon footprint and water usage.

Customer innovation

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Customers' sustainability expectations will be a major driver in changing how assemblies are conventionally joined together. Carbon footprint awareness will be a key enabler in overhauling the approach to assembly of applications

Driven by end users and consumers, our customers are increasing their focus on environmental sustainability. There is a growing understanding of the ecological sustainability concept, increasing the call for action to be taken, often without a clear view on how this is to be achieved.

Key to reducing environmental impact is to understand and record what each part and process contributes. Carbon dioxide equivalent, or CO₂e, is a measure which describes different greenhouse gases in a common unit, which signifies the amount of CO₂ impacting global warming.

TR is researching the impact of CO₂e at product level. Obtaining an understanding of each individual contributing factor means that intelligent design choices can be made to develop products which can be more ecologically sustainable.

Without the presence of international standards or legislation, which are currently being developed, TR works closely with customers and supply chains alike to align methodologies and share best practice where possible. This includes creating awareness of required paradigm shifts in market expectations and conventional application design principles. Many fastener designs have been optimised over the last few decades and have now limited opportunity to reduce their CO₂e values. More benefits are to be achieved through design integration of joining methodologies, with defined CO₂e targets, as well as customer design acceptance. For example, making previously hidden screws a visible design feature, allowing a reduction of application weight and installation time, therefore reducing the overall carbon footprint of the application.

TR is investigating various features in fasteners, to improve assembly as well as removal, recyclability, and functionality.



Find out more online.

www.trifast.com/investors/our-reports/

Appendix

GRI index

		Key
This report includes standard disclosures from the Global Reporting Initiative (GRI) Standards. This index sets out the indicators we have and have not included, and those that are not material to Trifast, and where we have provided partial information from a particular disclosure.		Y – Reported NM – Not material P – Partially reported N – Not reported
GRI Standard	Reported	Page number
GRI 102: General disclosures		
Organisational profile		
102-1 Name of the organisation	Y	1
102-2 Activities, brands, products, and services	Y	10-11
102-3 Location of headquarters	Y	7
102-4 Location of operations	Y	7
102-5 Ownership and legal form	N	N/A
102-6 Markets served	Y	10-11
102-7 Scale of the organisation	N	N/A
102-8 Information on employees and other workers	N	N/A
102-9 Supply chain	Y	51-56
102-10 Significant changes to the organisation and its supply chain	Y	51-56
102-11 Precautionary Principle or approach	Y	20
102-12 External initiatives	Y	34, 38
102-13 Membership of associations	N	N/A
Strategy		
102-14 Statement from senior decision-maker	Y	3-6
102-15 Key impacts, risks, and opportunities	Y	19-20, 25

GRI Standard	Reported	Page number
Ethics and integrity		
102-16 Values, principles, standards, and norms of behaviour	Y	32-38
Governance		
102-18 Governance structure	Y	17, 20
102-19 Delegating authority	Y	17, 20
102-20 Executive-level responsibility for economic, environmental, and social topics	Y	17, 20, 24
102-21 Consulting stakeholders on economic, environmental, and social topics	Y	18-21, 24-25
102-22 Composition of the highest governance body and its committees	Y	Annual Report
102-23 Chair of the highest governance body	Y	Annual Report
102-24 Nominating and selecting the highest governance body	Y	Annual Report
102-25 Conflicts of interest	Y	26 and Annual Report
102-26 Role of highest governance body in setting purpose, values, and strategy	Y	15 and Annual Report
102-27 Collective knowledge of highest governance body	Y	31, 33 and Annual Report
102-28 Evaluating the highest governance body's performance	Y	36 and Annual Report
102-29 Identifying and managing economic, environmental, and social impacts	Y	19-25
102-30 Effectiveness of risk management processes	Y	20 and Annual Report
102-31 Review of economic, environmental, and social topics	Y	3-6
102-32 Highest governance body's role in sustainability reporting	Y	17
102-33 Communicating critical concerns	N	N/A
102-34 Nature and total number of critical concerns	N	N/A
102-35 Remuneration policies	Y	34-35 and Annual Report
102-36 Process for determining remuneration	Y	38 and Annual Report

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GRI Standard	Reported	Page number
Stakeholder engagement		
102-40 List of stakeholder groups	Y	21, 23
102-41 Collective bargaining agreements	N	N/A
102-42 Identifying and selecting stakeholders	Y	21, 23
102-43 Approach to stakeholder engagement	Y	21-25 and Annual Report
102-44 Key topics and concerns raised	Y	25 and Annual Report
Reporting practices		
102-45 Entities included in the consolidated financial statements	Y	Annual Report
102-46 Defining report content and topic boundaries	Y	1, 14
102-47 List of material topics	Y	14
102-48 Restatements of information	N	N/A
102-49 Changes in reporting	N	N/A
102-50 Reporting period	Y	1
102-51 Date of most recent report	N	N/A
102-52 Reporting cycle	Y	1
102-53 Contact point for questions regarding the report	Y	72
102-54 Claims of reporting in accordance with the GRI Standards	N	N/A
102-55 GRI content index	Y	66-71
102-56 External assurance	Y	72
GRI 103: Management approach		
103-1 Explanation of the material topic and its Boundary	Y	13-14
103-2 The management approach and its components	Y	20-25, 29-32, 41-48, 51-55
103-3 Evaluation of the management approach	Y	24

GRI Standard	Reported	Page number
GRI 205: Anti-corruption		
205-1 Operations assessed for risks related to corruption	N	N/A
205-2 Communication and training about anti-corruption policies and procedures	Y	38 and Annual Report
205-3 Confirmed incidents of corruption and actions taken	N	N/A
GRI 302: Energy		
302-1 Energy consumption within the organisation	Y	43
302-2 Energy consumption outside of the organisation	N	N/A
302-3 Energy intensity	Y	43
302-4 Reduction of energy consumption	P	44-45
302-5 Reductions in energy requirements of products and services	P	64-65
GRI 305: Emissions		
305-1 Direct (Scope 1) GHG emissions	Y	45-46
305-2 Energy indirect (Scope 2) GHG emissions	Y	45-46
305-3 Other indirect (Scope 3) GHG emissions	Y	45
305-4 GHG emissions intensity	Y	43
305-5 Reduction of GHG emissions	Y	44-46
305-6 Emissions of ozone-depleting substances (ODS)	N	N/A
305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	N	N/A
GRI 306: Waste		
306-1 Waste generation and significant waste-related impacts	Y	47
306-2 Management of significant waste-related impacts	Y	61-64
306-3 Waste generated	Y	47
306-4 Waste diverted from disposal	P	47
306-5 Waste directed to disposal	P	47

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GRI 308: Supplier environmental assessment		
308-1 New suppliers that were screened using environmental criteria	N	N/A
308-2 Negative environmental impacts in the supply chain and actions taken	Y	51-55
GRI 401: Employment		
401-1 New employee hires and employee turnover	P	31
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Y	38
401-3 Parental leave	N	N/A
GRI 402: Labour/management relations		
402-1 Minimum notice periods regarding operational changes	N	N/A
GRI 403: Occupational health and safety		
403-1 Occupational health and safety management system	Y	37
403-2 Hazard identification, risk assessment, and incident investigation	Y	37
403-3 Occupational health services	Y	37, 39
403-4 Worker participation, consultation, and communication on occupational health and safety	P	31, 37
403-5 Worker training on occupational health and safety	Y	37
403-6 Promotion of worker health	Y	37, 39
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Y	37-39
403-8 Workers covered by an occupational health and safety management system	Y	37
403-9 Work-related injuries	Y	37
403-10 Work-related ill health	N	N/A
GRI 404: Training and education		
404-1 Average hours of training per year per employee	N	N/A
404-2 Programmes for upgrading employee skills and transition assistance programmes	P	5, 29-33
404-3 Percentage of employees receiving regular performance and career development reviews	P	33

GRI Standard	Reported	Page number
GRI 405: Diversity and equal opportunity		
405-1 Diversity of governance bodies and employees		
405-2 Ratio of basic salary and remuneration of women to men	Y	35
404-3 Percentage of employees receiving regular performance and career development reviews	N	N/A
GRI 406: Non-discrimination		
406-1 Incidents of discrimination and corrective actions taken	N	N/A
GRI 407: Freedom of Association and Collective Bargaining		
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Y	55
GRI 408: Child labour		
408-1 Operations and suppliers at significant risk for incidents of child labour	Y	55
GRI 409: Forced or compulsory labour		
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Y	55
GRI 412: Human rights assessment		
412-1 Operations that have been subject to human rights reviews or impact assessments	N	N/A
412-2 Employee training on human rights policies or procedures	Y	55
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	N	N/A
GRI 414: Supplier social assessment		
414-1 New suppliers that were screened using social criteria	Y	54-57
414-2 Negative social impacts in the supply chain and actions taken	Y	54-55
GRI 418: Customer privacy		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	N	N/A

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This report may contain forward-looking statements which are made in good faith and are based on current expectations or beliefs, as well as assumptions about future events.

You can sometimes, but not always, identify these statements by the use of a date in the future or such words as “will”, “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “should”, “may”, “assume” and other similar words.

By their nature, forward-looking statements are inherently predictive and speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. You should not place undue reliance on these forward-looking statements, which are not a guarantee of future performance and are subject to factors that could cause our actual results to differ materially from those expressed or implied by these statements. The Company undertakes no obligation to update any forward-looking statements contained in this report, whether as a result of new information, future events or otherwise.

Contact

If you have comments or questions relating to our sustainability programme, you can write to Trifast plc, Trifast House, Bellbrook Park, Uckfield, East Sussex TN22 1QW or via email to sustainability@trifast.com.

Assurance

We will obtain external assurance of our next sustainability report.



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