SOLIDSOLUTIONS

SOLID SOLUTIONS MANAGEMENT

ENVIRONMENTAL, SOCIETAL AND GOVERNANCE (ESG) POLICY

TRIMECH GROUP

CONTENTS

INTRODUCTION

Solid Solutions Management (SSM and herein, "the company") is built on core principles of valuing its employees, cherishing its clients, enforcing honest business ethics, and recognising its responsibility to wider society.

In practice, this means that we seek to balance our responsibilities to all stakeholders, whether financially, socially, or environmentally involved to achieve the best outcome for everyone.

We believe the consistent application of these principles has not just underpinned but enhanced our growth and generated attractive returns for our owners and investors, as well as making SSM a safe, productive, and enjoyable place to work for our people.

We understand the impact our business operations have on our planet and recognise the need to drive positive, long-term, and sustainable environmental change. We recognise we have both a direct and indirect influence by being environmentally responsible ourselves in how we operate and, importantly, by providing products and services that enable our clients to transform their own products to be more sustainable.

To address our responsibilities, we have adopted a 'triple bottom line' approach where we evaluate and manage our performance in terms of **'People'** and **'Planet'** as well as **'Profit'.** This equates to:

- ⬡ **Societal Responsibility - People**
- ⬡ **Environmental Responsibility - Planet**
- ⬡ **Governance - Profit**

In the sections below, we explain the policies we have adopted and the actions we have taken, are taking, and will take to ensure we are genuinely corporately and socially responsible.

INDEPENDENT VERIFICATION

We understand the importance of verifiable claims, which is why in 2023, SSM partnered with **Ethy** to act as an independent verifier of our ESG claims.

Together, we are helping to shape the future impacts of our business, reduce and mitigate potential negative impacts, and contribute positively to the environment and communities across the globe.

SSM adopts a continuous learning approach to guide and develop strategies for long-term growth, ensuring our ethics and values are reflected in our day-to-day business to the continued benefit of our **People, Planet,** and **Profits.**

OUR ENVIRONMENTAL RESPONSIBILITY

SSM understands that the most challenging long-term problem facing humanity is the environment upon which we all depend. Whilst the negative environmental impact of our operations is relatively small, we do recognise our responsibility and take practical measures both to mitigate damage we may cause and, indeed, to offset such damage.

As our business evolves and grows, we recognise that the magnitude of our impact has the potential to vary significantly, and we accept the responsibility of ensuring that our commercial growth does not disrupt our commitments, while mitigating any negative impacts such growth may incur on our communities and environment.

The sections below describe the measures we are taking to be environmentally responsible.

Energy Consumption

SSM has a relatively low energy consumption as all our offices are modern (or have been refurbished) and are thermally efficient. Many of our smaller offices are in modern, shared buildings with minimal energy loss through windows and party walls.

Most offices have excellent energy efficiency ratings. When refurbishing offices, it has been a practice to use low energy LED lighting throughout and to actively identify and minimise other energy inefficiencies, e.g. replacing kettles with more efficient water boiling solutions.

Low Carbon Footprint

As primarily an office-based company, SSM has a low carbon footprint, typically measuring about 0.7 tonnes CO_2 per employee.

This is based on energy bills from landlords and fuel consumption and is reported on annually

We are a UK company serving UK clients, so international travel is minimal.

Business Travel

Other than heating and lighting in offices, our primary use of energy is fuel for business travel. To reduce burning fossil fuels the company has taken several initiatives:

- Adopting virtual meetings, with employees and customers taking advantage of these where relevant in order to reduce the amount of travel.

- Where on-site meetings are required, we look to minimise the amount of travel through encouraging sharing of transport.

- The company has a long-standing partnership with a vehicle leasing company who promote electric vehicles, of which a number of colleagues take advantage.

- Colleagues are incentivised to purchase electric vehicles by generous expense rates (electric vehicle business mileage is recompensed at the same rate as petrol / diesel)

We encourage colleagues to work flexibly, and many choose to work from home for part of their week. Since many colleagues work at a significant distance from their nearest office, this policy has helped to reduce the levels of commuting across the business, lowering the potential risks to the environment caused by our employees' daily commute.

Additionally, SSM offers our clients the option of virtual training for all of our training courses.

Previously all training was hosted at SSM offices, requiring attendees to travel. Now clients can choose to travel if they prefer in-person training or can attend a virtual training class led by an instructor remotely, significantly reducing miles travelled by clients and staff for training.

Carbon Neutrality

SSM is proud to have been a carbon neutral company since 2022 with verifiable carbon measuring and reduction targets.

Our annual carbon accounts consider upstream, in-house, and downstream emissions to calculate our carbon footprint. Our **ESG Management Team** then analyses our emissions and suggests a reduction plan and practical actions to further reduce emissions.

Whilst we endeavour to reduce our carbon footprint annually, we partner with **Ecologi** to ensure any remaining emissions are offset in a socially and environmentally conscious manner.

Thanks to **Ecologi**, the financial cost of our carbon footprint goes towards sponsoring climate and community projects around the globe to ensure we remain accountable for our carbon neutral status.

Water, Waste And Recycling

As well as energy, we recognise our responsibility to manage water and waste and to maximise recycling of materials. All of our offices are equipped with recycling facilities, and we have invested in hot and cold water dispensers to remove the need for plastic water bottles.

Our employees are aware of their individual and collective responsibilities to help reduce and eliminate unnecessary resource consumption.

Indirect Environmental Impact Of Commercial Business

As a supplier of engineering tools, products, and services, SSM is well-positioned to enable our clients to embrace process change, product innovation, material substitution, and achieve their own sustainability goals.

Software tools and services we supply enable the following:

- Sustainability assessments for products based on their materials, manufacturing processes, transportation, and end-of-life disposal.

- Evaluation of manufacturing processes enabling the consideration of more sustainable materials, operations alternatives, and reduced wastage.

- Simulation of products to evaluate power and energy consumption, identify and resolve inefficiencies, reduce reliance on physical prototyping, and enhance design durability.

- Design for assembly and disassembly.

- Workflow optimisation to encourage streamlining of processes and maximise resource usage.

SSM's software supplier, **Dassault Systèmes**, describe this technology as "facilitating innovation and collective intelligence", while setting their own ambitious sustainability objectives.

Compliance With UK Government 'Streamlined Energy And Carbon Reporting' (SECR) Framework

As a qualifying business, the company is subject to the UK Government **Streamlined Energy and Carbon Reporting** framework (SECR).

We fully comply with this framework and report our energy usage accurately (even though comparatively small) in our Annual Accounts, which are publicly available from **Companies House**.

OUR SOCIETAL RESPONSIBILITY

To be responsible to our society starts with our colleagues – ensuring they are not just treated well and fairly but are enabled to flourish and fulfil their potential as employees and responsible citizens. It also extends to our business partners and our local community where we can make a positive difference.

Care for Colleagues

SSM recognises the direct link between positively motivated colleagues and excellence in customer service. Positive motivation is achieved in environments where colleagues are safe, can develop their skills, are rewarded fairly and appreciate they are valued by the organisation.

Attracting, retaining and developing our teams is embedded in many policies (see Company Handbook) covering:

- Recruitment and Selection
- Staff Development and Training
- Appraisals
- Discipline and Grievance
- Sickness, Leave of Absence, Maternity, Paternity

Diversity and Inclusion

Additionally, we create safe and affirming environments where all our colleagues can flourish, regardless of gender, race and social or religious background.

- We have a comprehensive policy to enforce this.

Workplace Conditions, Health, Safety and Wellbeing

SSM is an office-based organisation and investments have been made to make all offices safe and pleasant environments. Risks are assessed and are small. Health and Safety training is given to all colleagues during induction.

All colleagues receive mental health awareness training and have access to help lines should they wish to get independent and confidential advice.

All offices have been purpose built or refurbished to provide high quality accommodation with good working spaces and, where feasible, some areas for eating and relaxing. Colleagues are encouraged to take regular breaks and exercise to help with wellbeing.

Colleague Development

As part of the 'knowledge economy', we understand that investment in education, on-the job learning, and coaching are critical to success.

Consequently, we invest in our teams, not only in terms of their technical and product knowledge, but also their soft skills, life skills and wellbeing.

Specifically, colleagues are encouraged to enrol on an internal **Talent Development Programme.** This training course is designed to benefit colleagues and help them understand themselves, their role, their team and to help them manage their own health and physical and mental well-being.

Colleagues showing leadership potential are invited to enrol on our **Leadership Development Programme**. This equips people for leading small teams, understanding the role of a leader, team dynamics, communications and how to manage in times of challenge and change.

We seek to delegate authority and responsibility so that all our teams are well managed and sufficient time is given to promote healthy relationships and personal wellbeing.

We believe the skills we teach are beneficial to our colleagues not only within the company but vital when working with clients and, indeed, positively beneficial to wider society by promoting personal responsibility, harmonious relationships, and good citizenship.

Colleague Engagement

To measure how well we engage our colleagues, SSM is committed to measuring colleague engagement by means of annual, confidential colleague surveys.

The results consistently show a high degree of colleague engagement and have resulted in nationally recognised awards. The findings of the surveys are acted upon with new initiatives and this information is shared with colleagues ensuring accountability.

An example of engagement is the quarterly **All Hands Call.** These virtual meetings are open to all colleagues. High level, confidential information is shared by **Directors** giving all colleagues understanding of business performance, new projects, new colleagues, health and safety information and any other topics that are of common interest.

Flexible Working

We recognise that employee wellbeing is intrinsically linked to personal choice and a degree of control over one's own activities. We also value the benefits of working collaboratively in teams and in person.

To facilitate both, we have adopted a flexible working arrangement where employees may work from home as agreed with their manager whilst still being required to spend most of their time in the office with colleagues. This arrangement has the added benefit of reducing commuting time and fuel benefiting the employee and the environment.

Building the SSM Community

Recognising the value of positive relationships between all colleagues and across different UK and Irish geographies, SSM has always invested in fostering excellent social relationships. This is facilitated by regular team and social events where colleagues can relax, participate in sports, have fun and get to know each other to develop personal connections.

Some events include spouses & partners as a form of inclusion and engagement. This has a positive effect on colleague motivation, engagement across teams, communication across seniority levels and pride in the company. This practice assists employee retention and recruitment.

Charitable Donations, Matched Funding, and Volunteering

SSM facilitates charitable contributions by enabling colleagues to make contributions to their chosen charities, especially from bonuses or commission.

Additionally, when a colleague participates in a charitable sponsored event, the company will match fund donations up to a specific, but generous amount.

The company also allows colleagues to request paid days off each year so they can volunteer for charitable or community projects.

Young People, Interns, Graduates and Work Experience

SSM recognises its responsibility to train young people and has always valued the energy and contribution younger people bring.

As a matter of practice, many new staff are employed interns whilst still completing their formal studies. Most of these students are offered salaried roles as graduates on completion of their studies.

Additionally, when requested, we offer work experience to school students to enable them to appreciate the products and services we offer and to encourage them if they are considering a career in design or engineering.

Local Suppliers

Where possible, and subject to availability, SSM seeks to engage local suppliers for materials, office supplies, cleaning, catering and other services.

We aim to positively impact our local communities and reduce negitive enviromental impacts associated withnegative environmental.

Modern Slavery Vigilance Education

Sadly, human trafficking and modern slavery are realities in our interconnected and mobile world. SSM deplores all human exploitation and educates its employees to be aware of such practices and how to inform the appropriate authorities.

OUR GOVERNANCE

SSM makes this commitment regarding corporate governance:

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"It is the Company's goal to maintain the highest standards of ethics, professionalism and business conduct as well as ensure that we act in strict compliance with the law at all times. We will not tolerate any behaviour or practice that compromises the Company's integrity or honesty. All decisions will be fair and based on transparent processes." *

This commitment is supported by the practices and policies as described below.

Independent Director

SSM is part of a wider, global group of businesses and at the top level there is an independent, non-executive director on its **Board of Directors**. This **Director** has the knowledge and experience to bring a wider perspective to decision making and to help SSM and the wider group take wise, fair, and ethical business decisions.

Codes of Practice and Conduct

The majority of SSM colleagues have direct customer -facing roles. We are committed to ensuring all our colleagues behave in an ethical, honest, and professional manner. What we expect is made explicit in the following documentation:

- Employee Handbook, Section 5 – Codes of Conduct
- Employee Handbook, Appendix G - Conduct at Work.

Corruption, Bribery, Gifts, Corporate Hospitality and Whistleblowing

All forms of corruption are unacceptable and are covered under the UK Bribery Act 2010 which came into force on 1 July 2011. This Act now regulates how businesses in the UK conduct their activities in the UK and overseas. SSM fully complies with this act and has policies and procedures that apply the provisions of the act to our business:

- Whistleblowing Policy
- Gifts Report Form

For further details on SSM corporate governance please see the full 'Business Ethics Policy Statement' (Appendix J of the Employee Handbook).

*EXCERPT FROM EMPLOYEE HANDBOOK, APPENDIX J, BUSINESS ETHICS POLICY STATEMENT

Service Level Agreements (SLAs), Statements of Work and Customer Feedback

The services SSM provides to our clients are defined by our 'Service Level Agreements' and 'Statements of Work'. These provide clear descriptions, definitions and/or performance metrics governing the products and services we sell and are readily available to our clients for accountability:

○ Technical Customer Support SLA (our technical phone and email help line).

○ Consultancy Services – 'Statements of Work' for each service sold.

As well as internal measures of our performance, we use **Feefo** (an independent, external feedback agency) to gather genuine feedback our products and services so we can ensure we meet, and usually exceed, our clients' expectations. The feedback is unfiltered and publicly available ensuring we are and transparent and accountable.

Transparency, Communication and Reporting

Transparency, good communication and factual reporting underpin our management ethos and practice.

Internally we share data extensively by means of departmental and individual performance. KPIs are available to view publicly in offices on wall mounted monitors and via computer-based reports.

High level and confidential corporate information (sales, marketing, technical and financial KPIs) is shared regularly with all colleagues by the Directors at a virtual meeting – the 'All Hands Call'.

Colleagues are encouraged to submit questions to the Directors in advance. The purpose is to inform all colleagues of corporate progress, to communicate important news and to ensure everyone can ask questions and raise concerns

GDPR and Personal Records

SSM complies with UK GDPR requirements. This applies to both customer data and employee data. Only necessary data is maintained, and it is cleansed regularly.

We don't share customer or employee data with any external organisations.

The only exception is for technical data where it is unavoidable and strictly necessary (e.g. escalation of software problems to **Dassault Systèmes**) and the data shared, other than the permitted contact details, is purely of a technical nature.

Legal Responsibilities and Financial Matters

The Company will:

○ Comply with all laws, rules and government regulations that are applicable to the Company.

○ Maintain accurate business records, following best practice in all respects.

○ Maintain financial statements and accounts in a manner that is accurate and auditable.

Employee Agreement

A full description of the SSM employment ethos, codes of conduct, HR procedures, business ethics etc. can be found in the SSM Employee Handbook. It is a contractual requirement for all colleagues to read the handbook in full and sign to signify their agreement.

THE SSM ESG MANAGEMENT TEAM

To facilitate ongoing ESG initiatives and to ensure current performance is accurately measured, SSM has a director -level team who monitor progress and drive change across the business.

This team is tasked with measuring and monitoring ESG performance, actions and outcomes and meet at least twice per annum.

Director-Level ESG Management Team

The members of this team include the following:

- ESG Lead
- Chief Financial Officer
- Operations Director
- Human Resources Director
- Regional Office Manager
- At least one representative of the Sales team
- At least one junior staff member and/or placement student

The team has delegated powers from the **Board of Directors** to ensure progress is maintained over the long-term and to drive new initiatives.

Monitoring Progress and Carbon Neutrality

The **ESG Management Team**, working with our suppliers and landlords to monitor our energy usage and business fuel consumption, ensure we offset our carbon footprint by working with **Ecologi.**

This team is responsible for ensuring that our carbon neutral status is maintained. They also ensure compliance with SECR, providing accurate updates of our energy usage.

Carbon reduction targets , process and facility efficiencies, and staff/client education are discussed comprehensively to instigate positive change through sustainable solutions.

Driving Change

Besides monitoring progress, the ESG Management Team are tasked with taking new initiatives that drive change in support the SSM ESG policy. This could include:

- Technical solutions to improve energy usage (e.g. fitting of motion sensors)
- Organisational improvements to facilities (e.g. adequate recycling facilities)
- Supplier management to encourage suppliers to provide greener products and services (e.g. removal of single use plastics by caterers)

The team works closely with the Regional Office Managers, who are well placed to influence landlords, suppliers, and colleagues with practical and meaningful solutions.

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