



Respect | Integrity | Safety | Excellence

Accrofab Alcester & Derby

Environmental & Sustainability Policy

Introduction

At Accrofab (Alcester) Ltd. & Accrofab (Derby) Ltd., we are committed to minimising the environmental impact of our operations and contributing to a sustainable future. Guided by our RISE values—Respect, Integrity, Safety, and Excellence—we integrate environmentally and socially responsible practices into all aspects of our business, in alignment with our ESG strategy and Collective Ambition.

Through this policy, we are committed to the following high-level goals:

- 1) Carbon Reduction: Transitioning to a net-zero future by decarbonising our operations and value chain.
- 2) Energy Management: Enhancing energy efficiency and shifting to renewable energy sources across all sites.
- 3) Waste Management: Promoting a circular economy through reduction, reuse, and recycling practices.
- 4) Water Management: Conserving water resources and preventing pollution through responsible usage and discharge practices.
- 5) Alignment to the UN SDGs in particular SDG 7, 12 and 13

Environmental Objectives:

To ensure accountability and measurable progress, we have established the following targets:

- 1) Carbon Emissions:
 - Continue to calculate and reduce annual Scope 1,2 and 3 emissions across the Group, and by the end of 2026 have set a realistic target for achieving either Net Zero or Carbon Neutrality.
 - **To achieve CBAM Compliance by Jan 27**, ensuring that our operations align with carbon border adjustment mechanisms and support global climate action.
 - **To achieve ESOS Compliance by Dec 27**, driving energy efficiency improvements and reducing our carbon footprint in line with environmental regulations.
 - **To explore energy assessments and secure relevant grants**, supporting our efforts to optimise energy use and implement sustainable practices.
 - **To install machine electricity monitoring equipment**, enabling data-driven insights that will fuel our energy reduction initiatives and improve overall sustainability.

- **To complete the GSS ERP Installation**, advancing our transition to a paperless operation and further reducing our environmental impact.
- **To achieve EcoVadis Gold status by FY29 for Alcester & Derby**, demonstrating our commitment to sustainable practices and environmental responsibility.

Scope

This Environmental Policy applies to all operations, functions, and activities conducted at Accrofab (Alcester) Ltd. & Accrofab (Derby) Ltd. It encompasses the full scope of our business activities, including and associated with, the manufacture, machining, fabrication and assembly of metal components.

The policy is applicable to:

- All employees at every level of the organisation, including permanent, part-time, and temporary staff.
- Contractors and suppliers working on-site or engaged in services on behalf of the company.
- Visitors accessing our premises for business or operational purposes.
- Joint venture partners, consultants, and external stakeholders are involved in collaborative or supply chain-related activities.

We expect anyone operating within our premises or on our behalf to comply with the principles and requirements outlined in this policy.

This policy also extends to the upstream and downstream aspects of our value chain where practical and relevant, supporting our Responsible Procurement Policy and reinforcing our commitment to environmental responsibility throughout the lifecycle of our products and services.

Implementing this policy

RESPECT

We respect our environment, our people, and our community by actively working to calculate our carbon emissions and reduce our ecological footprint. This means taking responsibility for the emissions we produce, resources we use, and the impact of our actions.

- **Carbon emissions:** We will calculate our annual carbon emissions using valid GHG Protocol methodologies, alignment to the Paris Agreement and establish a pathway to Net Zero through target setting and investment in carbon reduction measures.
- **Sustainable Resource Use:** We commit to sourcing raw materials responsibly, minimising negative impacts on ecosystems. We engage our suppliers in ensuring sustainable sourcing practices throughout the supply chain.
- **Waste Reduction:** We are committed to reducing manufacturing scrap and rework by optimising our production processes and enhancing operational

efficiency. We set clear reduction targets utilising continuous improvement to minimise material waste, reduce costs, and support sustainable growth. Green Energy: We are committed to working with energy providers that supply renewable electricity and where possible strive to source 100% renewable. This ensures that all our operations are powered by clean electricity, further reducing our carbon footprint and demonstrating our unwavering dedication to sustainability and environmental stewardship.

- **Water Consumption:** We operate under a Non-Trade Effluent Discharge (NDT) consent permit, which defines our allowable discharge to sewer. Water usage in production is monitored to ensure compliance, with volumes tracked via utility bills to manage consumption and detect anomalies.
- **Air Pollution:** We monitor emissions from delivery vehicles, heat treatment ovens, and compressors as part of our air quality management. An air pollution survey is conducted every two years, including assessments of welding fumes and coolant mist. Dust extraction systems are in place to mitigate particulate emissions.
- **Biodiversity:** We are committed to protecting and enhancing biodiversity at our sites. The Derby site features a garden area, and biodiversity features such as insect habitats are being explored for Alcester. We also prioritise suppliers that offer carbon offsetting or replanting schemes, particularly for shredded confidential waste. Biodiversity goals are currently under development as part of our ESG Strategy.

INTEGRITY

Integrity guides our commitment to operating ethically, transparently, and responsibly, ensuring our environmental actions uphold the highest standards.

- **Compliance and Transparency:** We ensure strict adherence to all regulatory and customer requirements, including compliance with ISO 14001 and ISO 45001. We pledge to report on our environmental performance openly, publishing our EcoVadis sustainability rating annually as part of our governance.
- **Ethical Supply Chain:** We assess & select our suppliers to ensure that wherever possible, their practices align with our environmental and ethical standards, particularly by avoiding conflict minerals (3TG minerals) and promoting responsible sourcing.

Continuous Improvement: Through our Accrofab Operating System (AOS), we continually assess our environmental performance, actively seeking opportunities for improvement and innovation.

SAFETY

We prioritise the health, safety, and well-being of our employees, products, customers, and the broader community, including safeguarding the environment.

- **Health & Safety of Environment:** We adopt rigorous processes to prevent environmental incidents, including proactive risk assessments and hazard reduction strategies. By safeguarding our operations, we protect the natural environment in which we operate, ensuring our growth is sustainable and responsible.
- **Safe Operations and Emissions Control:** We implement safe operational practices that prioritise the reduction of greenhouse gas emissions, pollution prevention, and energy efficiency. Our goal is to gain an understanding of our GHG metrics to establish a reduction target, supporting long-term sustainability goals in line with our financial objectives.
- **Environmental Stewardship:** Safety extends to being proactive environmental stewards. We ensure the safe disposal of hazardous materials and are committed to complying with the requirements relating to REACH-regulated substances to reduce our impact on the planet, contributing to the goal of zero reportable accidents and 100% compliance with our EHS model.

EXCELLENCE

Excellence in everything we do means striving for industry leadership in sustainability by setting ambitious goals and surpassing expectations.

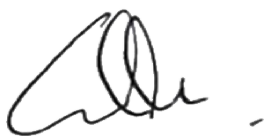
- **Energy Efficiency and Innovation:** We continually look for new innovations & opportunities to improve energy efficiency across our operations, reducing our overall carbon footprint. This directly supports our financial objectives by improving operational efficiency.
- **Exceeding Sustainability Standards:** We aim to go beyond compliance by adopting industry's best practices and exceeding environmental performance benchmarks. Our long-term target is to achieve a Gold Sustainability Rating from EcoVadis, solidifying our position as leaders in sustainable manufacturing while contributing to our organic growth and revenue goals.
- **Leadership and Collaboration:** Through collaboration with industry partners, customers, and the local communities, we aim to lead the way in sustainability, setting an example for the aerospace and defence sectors.
- **Product Use and Product End of Life:** We support environmental advocacy by helping customers understand and reduce their carbon emissions through the responsible use of our products. Where possible, these products are designed to be returned for dismantling and reuse, supporting circular economy practices and minimizing environmental impact.

Training and Awareness

Compliance is supported by training, site-specific guidance, and ongoing communication to ensure understanding and implementation of our environmental standards.

Monitoring and Review

This policy is integral to our Environmental Management System (EMS) and is reviewed annually by senior leadership to ensure continued relevance, effectiveness, and alignment with stakeholder expectations, evolving legislation, and best-in-class environmental performance standards.

A handwritten signature in black ink, appearing to read 'Ed Ashworth', with a small horizontal line at the end.

Ed Ashworth

Managing Director – Accrofab Group

Date of Review: 04/09/2025