



Sustainability Report

20
23

Enabling the way towards
a sustainable future

2023 OVERVIEW

19.5%

REDUCTION IN
ENERGY INTENSITY
RATIO

72%

BELOW THE
MAXIMUM PERMITTED
EMISSION OF VOLATILE
ORGANIC COMPOUNDS
(VOC)



100%

OUR PRODUCTS
END-OF-LIFE
RECYCLABILITY

7.3%

REDUCTION IN SCRAP
RATES IN OUR SERIES
BUSINESS UNIT

64%

PROTOTYPE BUSINESS
SALES ASSOCIATED
WITH ELECTRIC VEHICLE
(EV) OR STRUCTURAL
LIGHTWEIGHTING



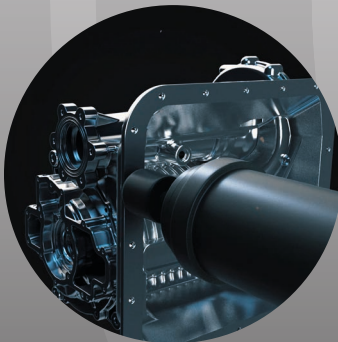
99.6%

WASTE DIVERTED
FROM LANDFILL



over
90%

OF OUR RAW
MATERIAL (METAL)
FROM RECYCLED
SOURCES



33,624

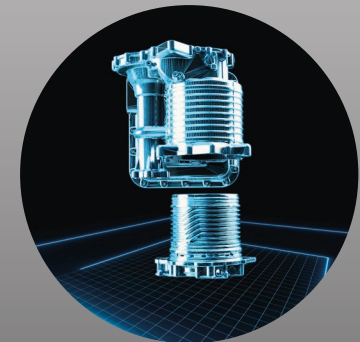
TONNES OF SAND
RECLAIMED ON SITE
AND DIVERTED
FROM WASTE

17

YEARS
ISO 14001 CERTIFIED

0

EHS
NONCONFORMITIES
FROM EXTERNAL
AUDITORS IN
2023



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Building on a strong heritage

Evolution Castings Group (ECG) was formed on the 29th June 2023 by acquiring the Grainger and Worrall group of companies to effect a management buyout ('MBO'). Prior to that date the Group had been under family ownership for 77 years. The transaction enabled the Group to blend the strong heritage of the business with new skills and a reset of the culture enabling all employees to have the opportunity to participate in the ownership of the Group.

We specialise in engineering pioneering sand casting solutions, revolutionising product development and innovation. Over the past decade, the Group has delivered cutting-edge aluminium prototype solutions globally, fuelling the growth of decarbonised mobility, playing a pivotal role in our journey towards a sustainable future.

A key facet in the ethos of the Group is a desire for sustainability, focused on supporting people, the planet, and the communities in which we operate, we strongly believe this is morally correct.

Through our sustainability initiatives, we collaborate with each other, our customers and our suppliers to drive positive change within our company and in our communities.

In 2023, we brought a renewed focus to our Environmental Social Governance (ESG) strategy, we challenged our selves on which United Nations Sustainable Development Goals were most relevant to the group, recognising all the goals are important.

We very much welcome your feedback on our activities and performance.

“This document illustrates the progress we have made in the last year in these areas and the commitment we have towards sustaining a better future for all.”

If you have any comments or questions, please contact the group’s sustainability team at ehs@gwcast.com



EVOLUTION
CASTINGS
GROUP



*AS OF 1ST OCTOBER 2023
GRAINGER & WORRALL MACHINING
BECAME PART OF GRAINGER & WORRALL LTD

A comment from our Chairman



Andrew Burn

Chairman Evolution Castings Group

“We can’t afford not to be the leaders on environment and social matters.”

“They are enablers of business effectiveness - for our team, our customers, our investors and stakeholders.

The threat of climate change is real, and we must help safeguard against threats to a healthy, stable environment, where our children and grandchildren can continue to enjoy all that our planet has to offer.”

How important is ESG?

In 2022, we began our intensive environmental journey, committed to making the world safer, cleaner, and more efficient for people and the planet.

We view environmental, social, and governance (‘ESG’) as a key lever to transform the performance of our company and our industries. Over the last year we enhanced our programs and commitments as well as increasing transparency in our reporting.

People are the key to achieving our vision of a better future for everyone. Innovative minds, engaged people, and diverse perspectives will be needed to meet the world’s pressing climate challenges. We build and reinforce our culture every day by operating ethically and responsibly.

Technology in a changing world

Our commitment to innovation has led to many high efficiency product and service offerings that are helping end customers reduce emissions in the field today.

We are investing in new technologies, products, and services that advance our industry towards a cleaner environment. We are bringing the latest technological advances forward to solve some of our industry’s toughest challenges.



A comment from our ESG lead



Adam Bramley

Head of Health, Safety
and Environmental
Sustainability

“We must take the necessary steps to reshaping the world today and the world of future generations.”

Our passion and drive to make a positive impact inspires my confidence in our ability to achieve a better world together.

Prioritising our focus

To enhance our ESG strategy and focus our reporting, we conducted a formal materiality assessment in line with Global Reporting Initiative (GRI) guidance.

You will find a summary of the findings in this report. By engaging with the relevant, stakeholders including customers, employees, suppliers and charities we gained a deeper understanding of ways we can address the most important issues facing the company and the industry.

Strategy and core values

Our strategy and purpose are enabled by our culture, which is built on a strong set of values. We have refreshed our values and harmonised many of our policies to provide a simple, memorable, and action-oriented way of expressing our culture. They are: caring, inspiring, growing, can do and outstanding . Our employees embrace and live these values every day, providing the underpinning ability to deliver for our customers and stakeholders today and far into the future.

But why now?

Embracing ESG as a central component of our strategy is not only the right thing to do; we also believe it will help to create long-term value. It is also quickly becoming a key agenda item for the communities in which we operate, customers, employees, suppliers, and other stakeholders. This is more important than ever before as our customers continue to set their own increasingly aggressive sustainability goals.

Board alignment to ESG



Keith Denholm - Chief Technical Officer

I am committed to the development of solutions that enable and support sustainability in transport (and other industries) through the application of technology in our many processes. I champion sustainable development goal 9 (Industry, Innovation, Infrastructure).



Alex Grainger - Corporate Development Director

My focus is on delivering strategic projects while optimising ongoing operations to drive sustainable growth in alignment with sustainable development goals 7 (Affordable and Clean Energy) and 9 (Industry, Innovation, Infrastructure).



Jay Schofield - Group Commercial Director

My mandate includes shaping a progressive sales strategy that aligns with the principles of ESG. This strategy aims to bolster how the business contributes to the markets in which we operate in a manner that is both sustainable and ethically conscientious. Aligning with goal 8 (Decent Work and Economic Growth).



Iain Johnson - CFO

Ensuring the business is and remains in a strong financial position enables further investment into new ways of working and safety projects which support our ESG strategy and performance. I fully support sustainable development goal 8 (Decent Work and Economic Growth).



Mark Davies - Chief Operating Officer

Our values are at the core of everything we do in the Group. Sustainable Development Goal 3 (Good Health & Wellbeing), is strongly aligned to our Caring value. Our most valuable resource are our partners without which our operation would not exist.



Izzy Gardiner - HR Director

My responsibility towards our ESG strategy has included the development, changes and implementation of policy. I also work closely with local communities and champion Sustainable Development Goals 4 (Quality Education) and 5 (Gender Equality).

Our sustainability mission

The Group's mission is to enable a sustainable and efficient delivery of innovative products that are essential to creating a better future for the world.

Sustainability is in our DNA, and it is a critical priority for the wider manufacturing industry.

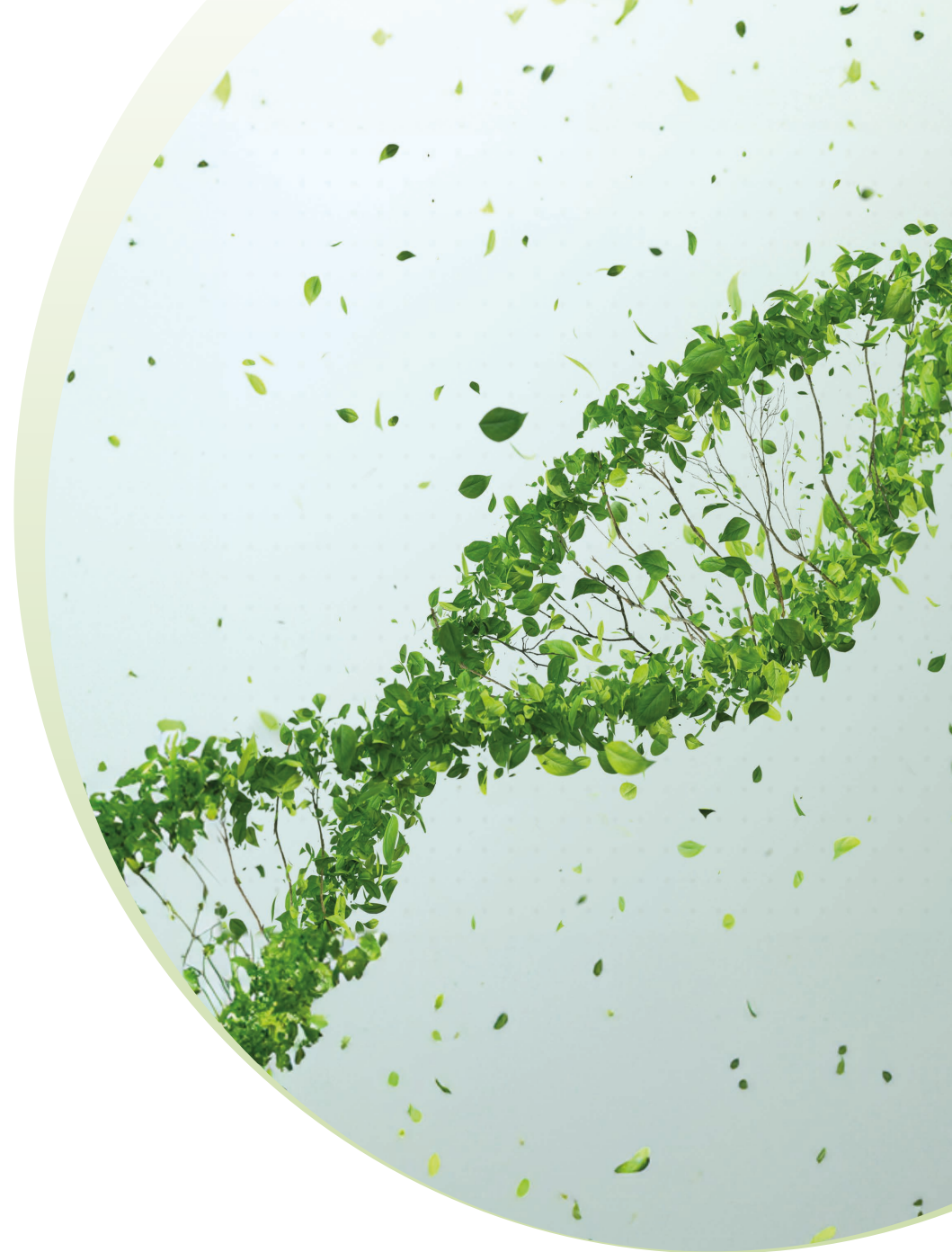
Engineering has a pivotal role to play in decarbonisation, as delivering new technologies and products to enable high standards of living at low environmental impact. To unlock the supply needed, the casting industry must adopt new technologies and become more sustainable.

Furthermore, the Group has a broad and diverse collection of stakeholders including customers, employees, suppliers and communities. In the pursuit of sustainability, it is important to

recognise the need to focus on the environmental and social impact of these stakeholders. So, while the industry's prize is significant, lots needs to change for it to maintain the social and environmental licence to operate.

This is where prototype companies like ourselves, have a key role to play, providing the technology and expertise needed to reduce the industry's footprint and helping to improve its reputation.

From mitigating operational impacts to delivering ground-breaking aluminium cast solutions for future technologies, we are dedicated to pioneering services that increase performance and accelerate our industries towards sustainability.

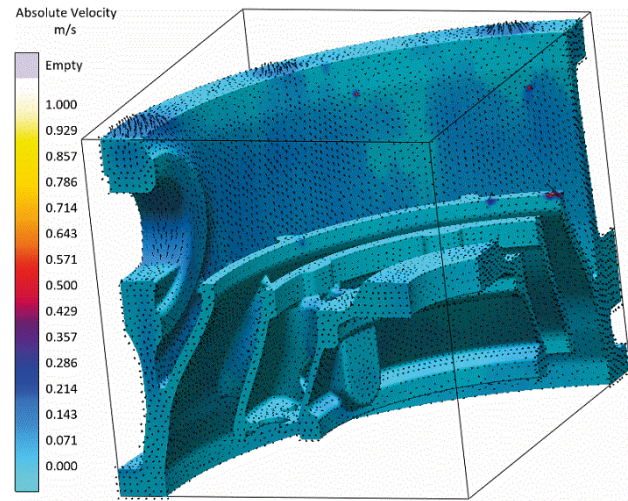


Sustainable value

The Group has been at the cutting edge of casting technology for over seventy years. As regulatory changes have driven technological innovation, we have helped world-class motorsport and automotive companies (Internal Combustion Engine, Electric Vehicle and alternative power trains) move with the times.

From battery enclosures to large structures, we're using our casting expertise, material knowledge and prototyping approach to help solve the complex problems of lightweighting, part count reduction and material optimisation.

Aluminium castings allow us to create the lightweight, complex metal shapes required to reduce fuel use and emissions, while still meeting performance expectations.

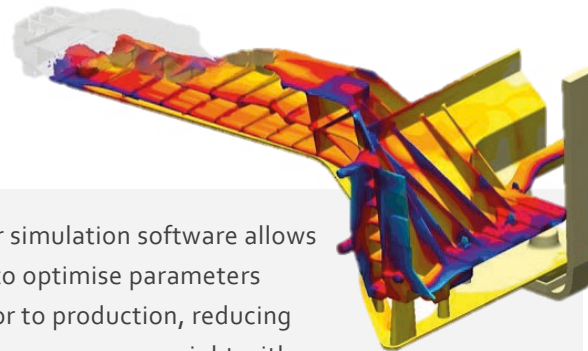


The Group's casting design is now focused on the preservation of good metal quality through improved fluid modelling of the filling process.

This is evident in the manufacture of giga casting structures (very large and thin walled castings) made at the Group. Without good filling controls the initiation of solidification defects would be uncontrollable.



Keith Denholm
Chief Technical Officer



Our simulation software allows us to optimise parameters prior to production, reducing any unnecessary weight with overengineering.

/// The route to sustainability is to waste less by making things right first time. This means making things perform better to use less material and irrecoverable resources such as energy. We work extensively in the virtual world, using exacting datasets and process models before embarking on real parts. Where waste is unavoidable, the good husbandry of metal and sand media mean that these are almost completely recycled without deterioration in quality. ///

Location



Our facilities

The Group employs over 700 staff at its headquarters in Bridgnorth, Shropshire.

Services

Engineering, 3D printing, high precision sand casting, machining and validation of aluminium and iron complex castings, for rapid prototyping through to niche volume production. Inspection support service and assembly.

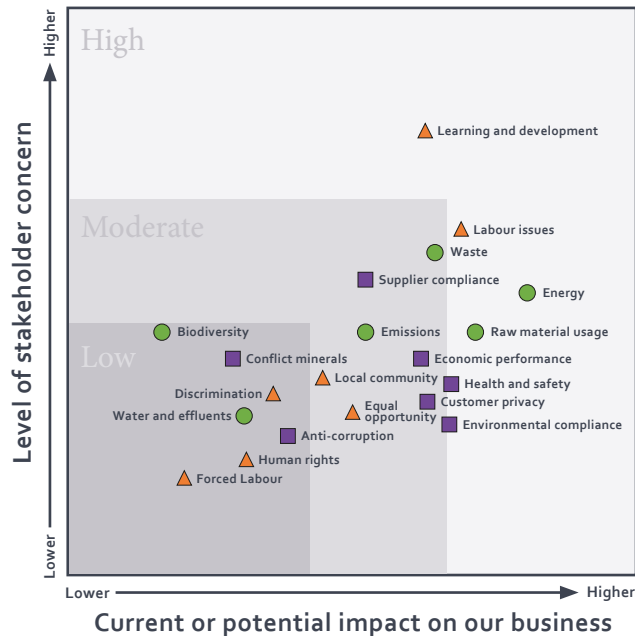
Markets served

Automotive, Motorsport, Marine, Defence, Infrastructure and Aerospace.

Typical components

Engine blocks and cylinder heads, electric drive units, alternative power train components, battery trays, gearbox housings and large structure castings.

Materiality process



Group ESG Material Priorities

- Learning and development
- Labour issues

- Energy
- Raw material usage

- Health and safety
- Environmental compliance

Materiality process: In accordance with the Global Reporting Initiative (GRI) guidelines we adopted the materiality model to help us prioritise our key priorities across the three categories - Environment, Social and Governance.

Identification: We identified a list of potential issues from three categories: Environment, Social and Governance. These issues were generated by peer review, stakeholder interviews, media interest and industry lead thoughts on sustainability. The GRI was used to help identify the selection criteria. www.globalreporting.org

Prioritise: The results of the issues identified along with further key challenges highlighted by our Board allowed us to prioritise these issues.

Review: The results of the analysis were reviewed by our stakeholders to ensure the issues identified were comprehensive and reflective of the strategic direction of the business.

The materiality matrix: The materiality matrix enabled us to plot the ratings of each topic. The x-axis represents the current or potential impact that economic, environmental and societal issues have on our business, while the y-axis represents the level of concern for stakeholder decision-making. Topics found toward the upper right-hand corner of the matrix are of higher concern and potential impact to the Group.

Materiality results: The results of the materiality assessment led us to focus on six key topics within the high priority category, seven within the moderate and seven within the lower priority scale.

Materiality Legend

- Environmental
- Social
- Governance



Alignment to the sustainable development goals

- In 2023, we introduced our Mental health policy.
- Within the Group we have mental health first aiders who are trained to provide support for partners.
- In line with our policy as an equal opportunities employer, we make reasonable accommodations for people with mental and physical disabilities (e.g., flexible work hours / shift patterns)
- In 2023, we also reviewed our drug and alcohol misuse policy and revised testing procedures. We introduced a clear statement of intent so that employees understand what action the Group will take should an incident of misuse be found to have occurred. We have a zero-tolerance policy but recognise that individuals also need support if they have a drug or alcohol dependency.

- All partners (our employees) can also benefit from the Group's Health Cash Plan. The scheme allows them to access counselling - both over the telephone and up to six face-to-face counselling sessions. Money towards dental, optical and physical therapy services.
- We continued to hold our ISO 45001 occupational health and safety accreditation achieving zero non-conformities in 2023.



- We have set out a framework that will ensure everyone has a learning and development passport.
- We are implementing a list of job skill requirements for every role within the company, which will help employees to know what they need to do for their job, next step along in their job family and the requirements for promotion within their department.
- New talent - three academic institutes have been approached to link with us, with the intention of achieving an inflow of graduates to our roles.
- We have also approached Shropshire Council to enquire as to what the company can do to support employees with English as a second language, apprenticeships and school leavers.
- We have linked with a tier 1 customer regarding Science, Technology, Engineering and Mathematics (STEM) opportunities

and what we can do to get more women into Engineering and other STEM roles.



- We want ECG to be a pilot supplier to lead the industry - this will showcase our work towards STEM, ESG, etc. and make us an exemplar business in the supply chain.
- Our aim is to welcome secondments from customers and vice-versa so we have a sharing of skills across the companies and a greater understanding of what we do in the industry.
- We also invest in the personal growth of our employees and recognise their achievements in the workplace through a framework of recognition programmes.
- We will continue to support learning and development programmes.

Alignment to the sustainable development goals

- The Group has published our Gender pay gap statement for a number of years. In 2023, we enhanced this by writing our Gender pay gap policy which stipulates our reporting and action planning procedures.
- Within our policy we include an explanation why the results show 'challenges'. If a challenge has been identified, we take new or additional actions to reduce or eliminate our gender pay gap.
- One of our female employees started as an apprentice with the company a few years ago. She is now forming a working group to discuss what we can do to improve the workplace for women and make engineering more attractive to women.
- We plan for long-term results e.g., tackling the underrepresentation of women in engineering or technology, by running a recruitment campaign.

- We are committed to identifying and addressing barriers experienced in relation to maternity (or other family related) leave or flexible working. We have reviewed our family leave policies during 2023.
- Analysis of our recruitment data shows that we have a reduced number of female applicants. We are actively seeking opportunities to bridge this gap by engaging with local academic institutions, promoting our business within the local community.



- We are conducting a feasibility study, to look at the payback on several energy efficiency measures, like photo-voltaic panels and battery storage, i.e., what will be the cost benefits for the future if we were to put these measures in place.
- We transitioned company car users onto a salary sacrifice scheme focused on EV and PHEV vehicles only and allow staff to charge their electric vehicles in line with the company EV charging protocol.
- Liaising with our customers and suppliers on joint ventures, looking at sustainability in the supply chain.
- We are in conversations with key organisations in the local area with a view to forming a group of 4 or 5 local organisations, sharing ideas and working together to set up a sustainability / ESG forum. We have also been working

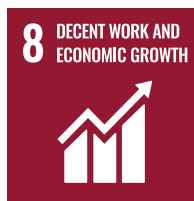
- closely with some of our key stakeholders to form partnerships, sharing ESG best practice and collaboration on ESG supply chain improvements.
- Bring together new energy efficient heating systems with smart controls to maximise energy reductions for heating the production environment in the colder months.



Alignment to the sustainable development goals

The mantra for our business is **“To support our customers world-wide, achieve success by helping them bring great ideas to life with outstanding engineering sand casted solutions.”**

To support this vision, the Group has set several short- and medium-term goals, these being:



- To embed the turnaround changes in the Group to ensure their sustainability.
- To grow the Group successfully and profitably by optimising the engineering capabilities and expertise.
- To instill the Group’s values and ensure that they are embraced by the workforce.
- To deliver profitable revenue growth to £100 million by 2026.
- To seek to expand the Group’s operations into the US either organically or by acquisition.
- To continue to facilitate the worlds transition to sustainable fuelled propulsion, power generation and lightweighted giga/large structures supporting our customers prototyping needs.
- To create a continual improvement and learning culture across the Group which empowers and develops the workforce.
- To develop and implement a market leading ESG strategy and in doing so positively impact the Group and the communities that the business is part of.

A functioning and resilient infrastructure is the foundation of every successful community. To meet future challenges, our industries and infrastructure must be upgraded. For this, we need to promote innovative sustainable technologies and ensure equal and universal access to information and financial markets. This will bring prosperity, create jobs and make sure that we build stable and prosperous societies across the globe.



As a group we are committed to:

- Upgrading infrastructure and retrofit plant equipment to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes.
- Enhancing our innovative support services through our research and development work with customers.
- Working with industry leading research and development companies to make the business ‘future fit’ with regards new technologies in areas such a digitalization, automation and energy.
- Promoting resilient purchasing ethics and support a policy of life cycle analysis of equipment.
- Optimising plant efficiency through digital monitoring systems that promote data driven improvements to process flow, downtime trends and cell optimisation.
- Focusing on decarbonisation across the Group.

Corporate responsibility dashboard

The table below summarises the initiatives, goals and targets that we have established as part of our strategy and their alignment with and support of the United Nations (U.N.) Sustainable Development Goals.

GRI Reference	The Group Objectives	Current performance measure or status	How we plan to deliver those performance improvement actions
Occupational health and safety	Continuous improvement of robust health and safety protocols to prevent accidents	Accident frequency rate and accident severity rate	Capital investment, training and enhanced proactive controls such as STAR and auditing
	Improve working conditions and promote the well-being of partners	Employee engagement survey score	Improvements to welfare facilities, air quality and well-being campaigns targeting personal health
	Using the hierarchy of controls, focus on elimination of hazardous processes via automation	Risk assessments and internal audits	Capital investment into automation of manual activities and high-risk equipment
Learning and development	Provide every partner with a learning and development passport	Not currently implemented	All partners to receive bespoke L&D passport for personal development by end of 2024
	Foster an environment where local talent is nurtured and supported through continuous development	Retention rates of current partners and	Improvements to partner packages and working environment
	Develop and implement training to all partners on 'What is sustainability'	Basic level of environmental awareness for all	Deliver a specific basic awareness course on ESG and sustainability to all partners
Raw material usage	Enhance transparency and traceability on the origin and processing of our raw materials	Conflict minerals reporting and policy	Traceability mapping of all significant raw materials and enhanced supplier auditing
	Embrace circular economy principles to reduce waste and maximise the lifespan of raw materials	Waste and quality KPI's	Decrease waste and increase the percentage of waste that is recycled vs waste for recovery
	Create and communicate a policy on ethical sourcing practices for raw materials	Current supplier code of conduct document	Develop and release a clear standalone policy on raw material ethical sourcing

Corporate responsibility dashboard

GRI Reference	The Group Objectives	Current performance measure or status	How we plan to deliver those performance improvement actions
Environmental compliance	Implement strategies to reduce carbon emissions to align with environmental compliance standards	Carbon emissions data and intensity ratios	Renewable energy, energy reduction projects, reduce scrap and increase RFT
	Enhance current waste management practices to increase recycling and minimise waste generation	Waste KPI's and data	Engage with our new waste supplier on more recycling initiatives.
	Conduct environmental audits of our suppliers and customer with high potential environmental impact	Supplier audits	Enhanced key supplier audits and auditing of our downstream supply chain
Labour issues	Promote diversity and inclusion, ensuring equal opportunities for all partners	Gender Pay Gap reporting. Monitoring of diversity statistics within the business	Introduce more family friendly policies to encourage applicants from our minority groups
	Establish a culture that values and celebrates our differences, building on 'Evolution Embrace'	Evolution Forums in place to promote the different voices within the business from all group	Dignity at Work training program to be at 100% completion (excluding those absence from the business). Program of promotional events throughout the 2024 to inform workplace over keys areas of interest
	Build on employee engagement scores focusing on 3 key areas of improvement	Employee Survey 2023. 3 areas of least satisfaction - Recognition, L&D and Performance Reviews	Bi-annual reviews introduced - monitoring completion. L&D Manager recruited, and Training Academy being developed for rollout in 2024 Recognition Programme created, with quarterly and annual celebrations
Energy	Transition towards 100% renewable energy sources for gas and electricity	Gas is currently not from renewable sources, electricity is currently 12.2% renewable	Target 100% renewable energy usage for gas and electricity
	Form a baseline and platform for collecting data for scope 3 emissions	Not currently calculated	Source a platform for collecting scope 3 data and introduce internal process to capture information
	Eliminate the use of gas oil and propane by 2028	Gas oil and propane usage figures	Replace gas oil heating for natural gas or electric heating. Switch LPG FLT's to Li-Ion

Our metal and responsible sourcing

We source the highest quality aluminium alloys produced from over 90% recycled aluminium scrap in new ingots from our supply chain. Recycling saves raw materials and energy, reduces emissions, the production of greenhouse gases and the demand on landfill sites.

The Group measures its metal to a high level of accuracy using Optical Emission Spectroscopy ('OES') and monitors compositional variation well within 'Industry standard'. This can be observed in real-time, via a digital board, that tracks trends and variation. This keeps Grainger & Worrall's material quality high to reduce waste and maintain compositional tolerances, meaning a more repeatable product for customers.



The Group is 100% committed to ensuring both the business and its products comply with conflict mineral provisions and ethical sourcing. No 3TG is intentionally added to our products and checks are completed on our metal providers to ensure our supply chain remains compliant.



Our values and our people

Our business thrives on the passion, expertise and dedication of our partners, suppliers and customers. That's why we invite our people to bring all their passion, inspiration, integrity and uniqueness into work each day, care for each other and treat each other like family.

Our values are set out below

Caring

People are at the heart of everything we do. We all look out for one another, and in doing so help to create a happy, rewarding, safe and healthy workplace. Everyone is included, respected and valued.

Inspiring

We collaborate with positivity and passion to achieve exceptional results by building strong relationships based on transparency, trust, leadership and responsibility. We challenge and support each other to go beyond what is expected, contributing to something exceptional.

Growing

We actively encourage continuous learning and development to help each person achieve their full potential. We are committed to an ethos that nurtures the strengths of every individual so they can perform to their best everyday.

Can-do

We work with positivity, passion and flair, embracing challenges as opportunities to innovate and adapt. We're responsive when this change, yet determined enough to go beyond to make things happen.

Outstanding

We are continuously striving to improve and innovate to maintain our position as a leader in our markets. Our people are key to our success, and we work together to ensure that everyone contributes to and shares in our achievements.



Gender equality

Gender Pay Gap

We are committed to creating a working environment in which every employee has the skills they need to carry out their job effectively and safely and to help them to achieve their full potential, and in which all decisions are based on merit.

In 2023, the Company is reporting a 1.4% decrease in our median gender pay gap since last year. Our mean gender pay gap is 12.98%, circa 2% below national average in the UK as per the office for national statistics.

Learning and Development

All our employees have the same access to learning and development opportunities, so ensuring women are given fair & equal opportunity to progress. Through our appraisal process, we develop a career plan for employees irrespective of gender.

Increased Awareness

We have embarked upon a series of promotional and engagement videos released across various social media platforms highlighting our staff and particularly emphasising the roles of women with our business.

Recruitment and Selection

The Group is an Equal Opportunity Employer. It will not unlawfully discriminate against any of the protected characteristics as identified by the Equality Act 10 of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including colour, nationality, and ethnic or national origin), region or belief, sex (gender) and sexual orientation.

There have been some changes to the proportion of males & females in each pay quartile in comparison with last year, with the proportion of women reducing by 2% in both the upper quartile and upper middle quartile and 3% in the lower middle quartile. The only quartile showing an increase being the lower quartile, which saw an increase of 2% when compared to the previous year's figures.

The significant under-representation of women in the engineering and foundry sectors at all levels within the UK continues to affect our gender pay gap statistics considering these two sectors combined forming much of our workforce.

Occupational segregation - the inequality in the distribution of women and men across different occupational categories which often commences in their educational choices - comprises a significant cause of our gender pay gap.

There remain relatively few females in senior leadership roles, and this is reflected in the proportion of males & females across all but the lower pay quartile.

Business and financial overview

In November 2022, the business determined that it was essential to make a step change in the approach being adopted with the turnaround. Additional situational and sector specific expertise was brought in alongside the existing statutory director of the group to address the significant financial and operational issues that existed in the Group. Consequently, rapid actions

were taken to address the liquidity challenges in the business, enhance the engagement with the internal and external stakeholders and conduct a detailed analysis of the operational activities of the business. This led to greater clarity in the internal reporting lines, enhanced KPIs and improved financial reporting.

Further, significant efforts were made to change the culture within the business and create an inclusive environment. In early April 2023, the Group agreed an aggregate pay increase of c£1.2 million for the employees, the largest pay increase ever awarded by the business. The 'Evolution Castings' era was also launched on 27 April 2023 alongside a reset of

the Group's values. Employee and Management fora were created and these meet frequently and the entire Group receives a weekly Evolution Newsletter. An 'Evolution Women' forum is also being created to consider the diversity within the Group and to support initiatives to bring women into engineering alongside other newly formed Employee Community Groups.

The impact of these changes meant that the financial and operational challenges within the Group started to be addressed. In turn the changes enabled improvements in the engagement with the workforce and external stakeholders. The results of the changes became apparent between December 2022 and May 2023 as the Group was able to substantially reduce its scrap levels within the business, dramatically improving efficiency and subsequently 'on time in full' KPIs. By May 2023, the Group had been able to increase production and dramatically improve gross castings by over 50% compared with the production being achieved in December 2022.

Improvements were also made to operational planning, increasing uptime, rightsizing operational teams, and overhauling material movements around the site. Technical improvements were made to address legacy tooling issues and the highest level of capex since 2018 was invested into the business, primarily in the production areas. Standard operating procedures were also reworked to drive production and address capacity constraints. A benefit of these changes is that parts can now be shipped in larger, more economic batches to customers.

These significant improvements also were put in place and enabled a management buyout of Grainger & Worrall Limited, Grainger and Worrall Machining and Grainger and Worrall Incorporated to be effected. From June 2023, the Group has been run by a mixture of new and existing senior employees. This transaction took place on 29 June 2023 via a new holding company Evolution Castings Group Limited. This transaction cemented the resetting of the organisation's culture and signified the start of the product and market diversification strategy initiative.

OVERVIEW OF GROUP POLICIES

**ANTI-BRIBERY
AND CORRUPTION
POLICY**

**GIFTS AND
CORPORATE
HOSPITALITY
POLICY**

**SECURITY OF
EMPLOYMENT AND
RECRUITMENT
POLICY**

**PRIVACY & DATA
PROTECTION
STATEMENT**



**CODE OF
CONDUCT**



**EQUALITY,
DIVERSITY
AND INCLUSION
POLICY**

**SAFETY, HEALTH
& ENVIRONMENT
POLICIES**

**MODERN
SLAVERY
POLICY**

**FAIR
PAY AND
GENDER
PAY GAP**

**HUMAN
RIGHTS
POLICY**

**TRAINING AND
DEVELOPMENT
POLICY**



**SUPPLIERS AND
THIRD PARTIES
POLICIES**



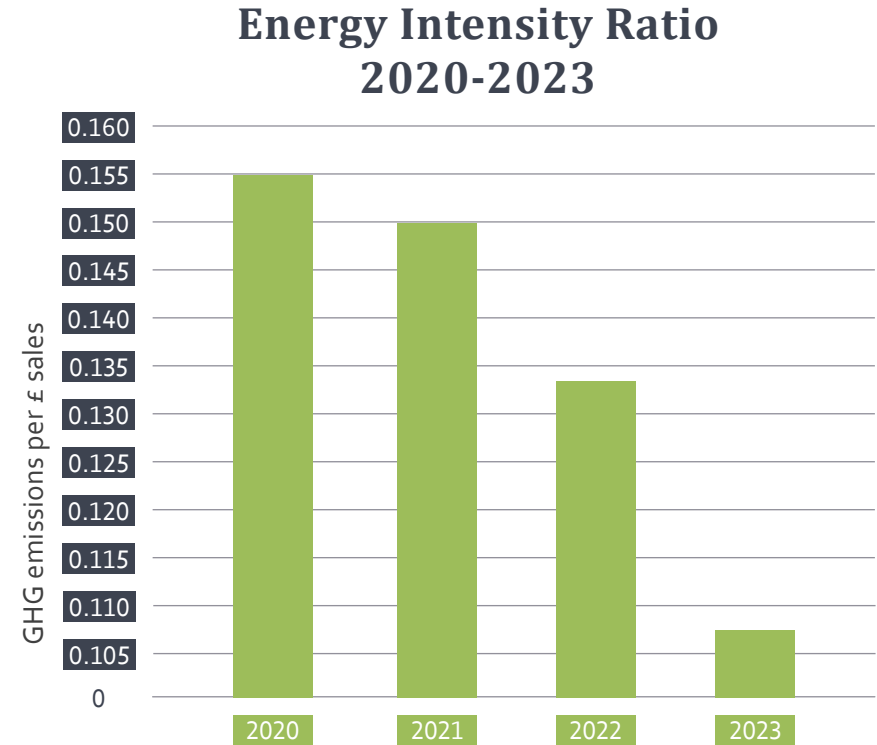
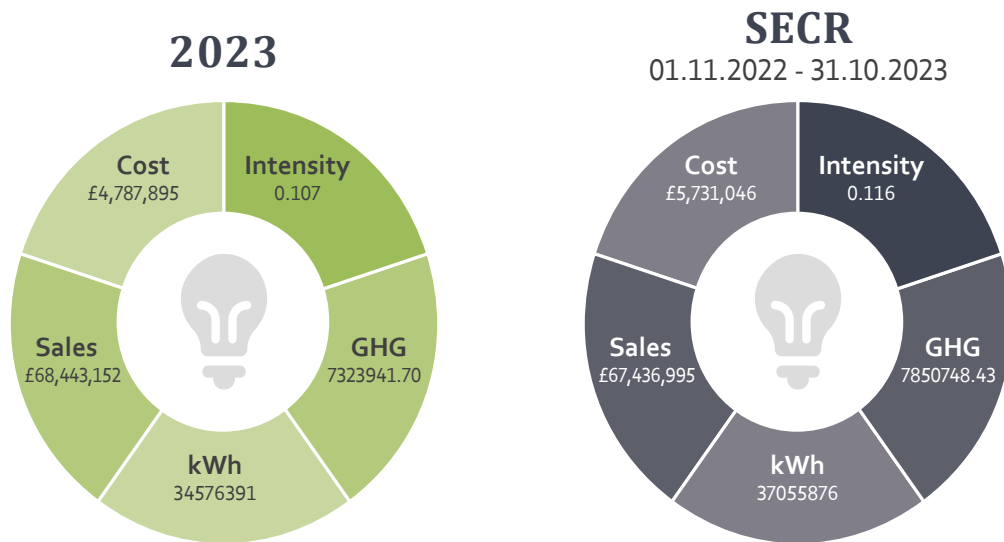
Our Impact



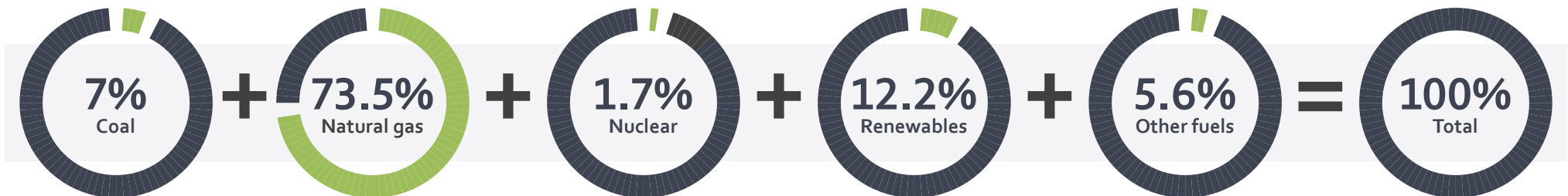
Decarbonisation

Following the unprecedented volatility within the energy market, we are proud to show a continued decline in our energy usage against sales.

With improvements to processes and increased efficiencies overall reduction of 19.5% on combined energy intensity.



Fuel source and % of our electricity supplied



Energy

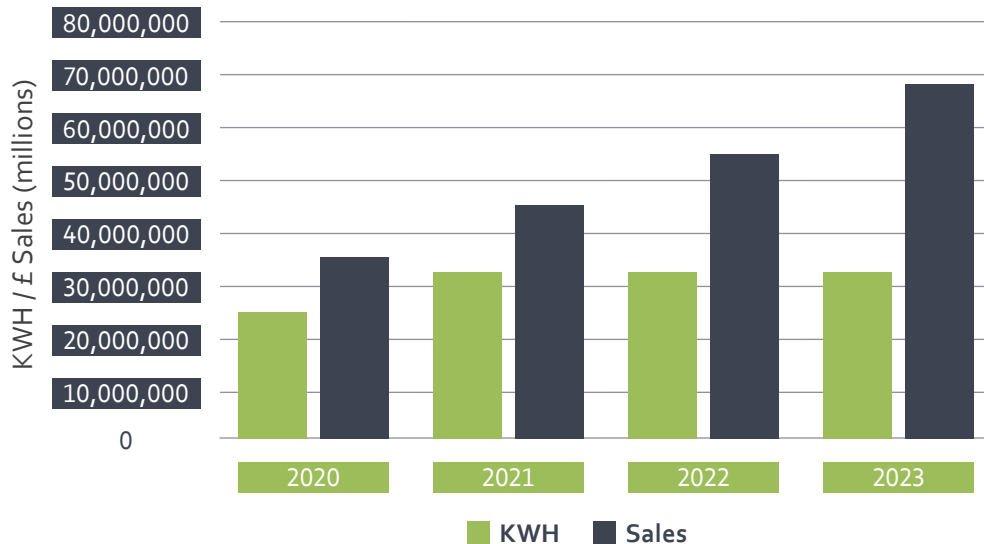
The Group looks to its expert engineering teams to harness changes to process, plant and product to actively find further reductions in internal energy usage and external energy saving opportunities recognising that the business operates in high energy intensive industry

Investment in new plant and equipment with key fundamental targets of being more energy efficient, has been the driving force of change in the business.

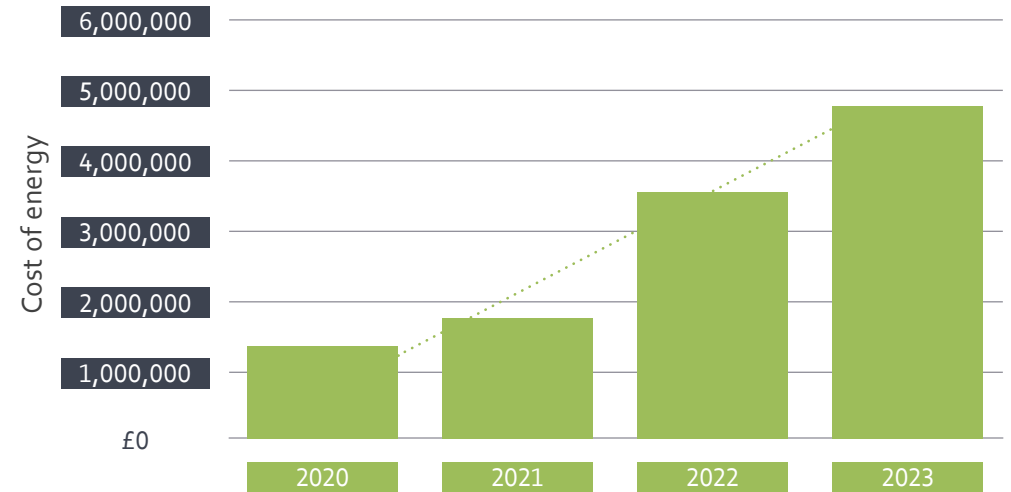
We now look to the future and how we can become self-sustainable with regards to clean and affordable energy solutions for ourselves and our many customers.

Developments in the Group's processes and efficiency have led to significant improvements in the energy intensity ratios (GHG tonnes per £ million revenue).

KWH vs Sales 2020-2023



Cost of Energy (£) 2020-2023

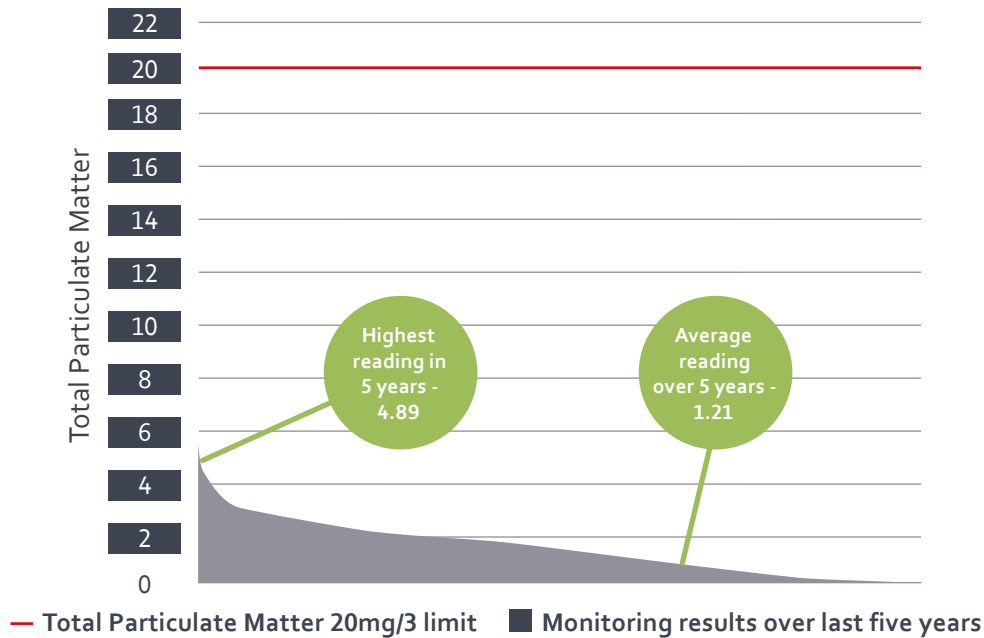


Emissions

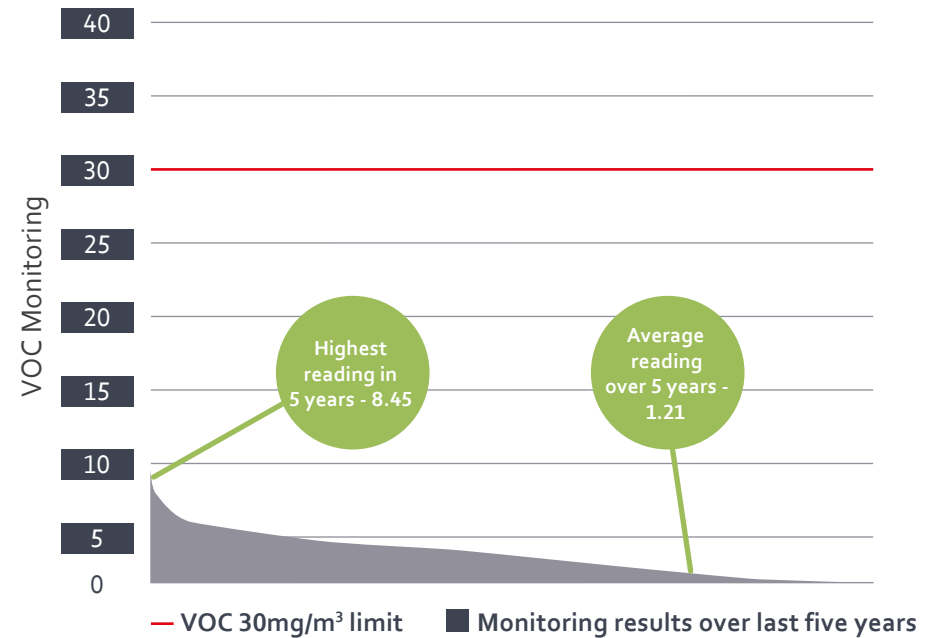
The Groups operational facilities are subject to environmental permitting under the requirements of the Environmental Permitting (England and Wales) Regulations 2016. The Pollution Prevention Control Permit requires the business to monitor Total Particulate Matter (TPM), Metals (Nickel, Cobalt and Chromium), Fluoride, Total VOC's (Volatile Organic Compounds) and Triethylamine. Following a performance review with the local authority we were pleased to see a reduction in monitoring frequency based on our historic performance against the emission limits. Our largest plant equipment uses continuous particulate monitoring and auto shutdowns the equipment if we reach 75% of the emission limit.



Graph showing all results for TPM over the last five years of monitoring



Graph showing all results for VOC over the last five years of monitoring



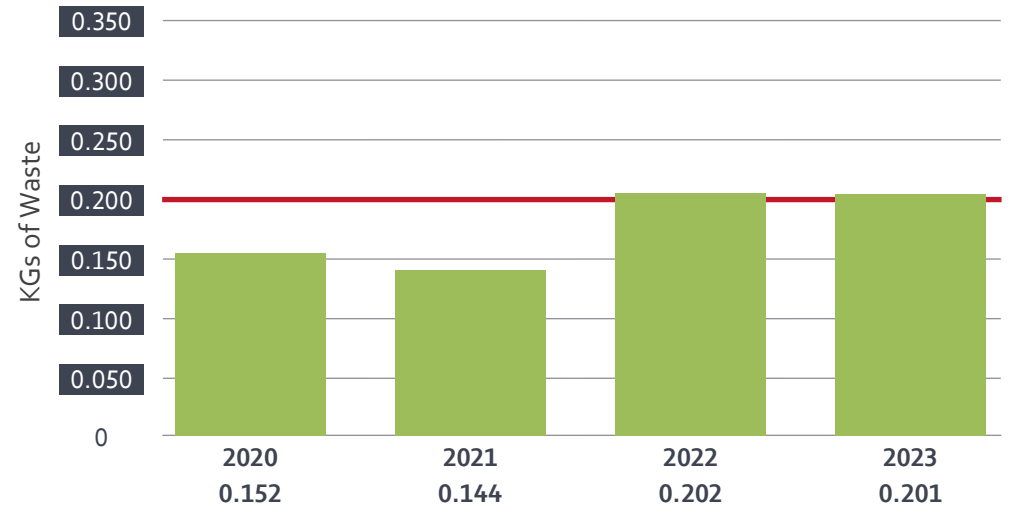
Waste

- Monitoring our waste streams is an essential part of our environmental commitment to reduce, reuse or recycle any of our production byproducts.
- We currently have recycled rates of 99.6% with a plan to be zero waste to landfill by 2025.
- We continuously look at ways of how we can reduce our waste produced and reduce the emissions associated with activities such as deliveries and collections.
- Signage was recently added to all waste locations across the site including maps of central locations to promote the correct disposal of various streams.
- We monitor and track every single waste stream against their retrospective waste classification codes.
- Our sales increased in 2023, while waste per unit of sale decreased. Through enhanced operational efficiencies, continuous team training and strategic capital investments, we anticipate further improvements ahead.
- Segregation and separation is very important to ensure that any waste that is produced can be recycled appropriately whilst accruing any rebates for waste streams such as metals.
- Reusing raw materials critical to our processes is at the heart of our environmental philosophy.
- We continue to work with our waste partners, exploring various disposal methods that will either reduce waste or complement our recycling initiatives.

Top three wastes by weight



Waste (KGs) per £ Sales



Low Carbon Solutions

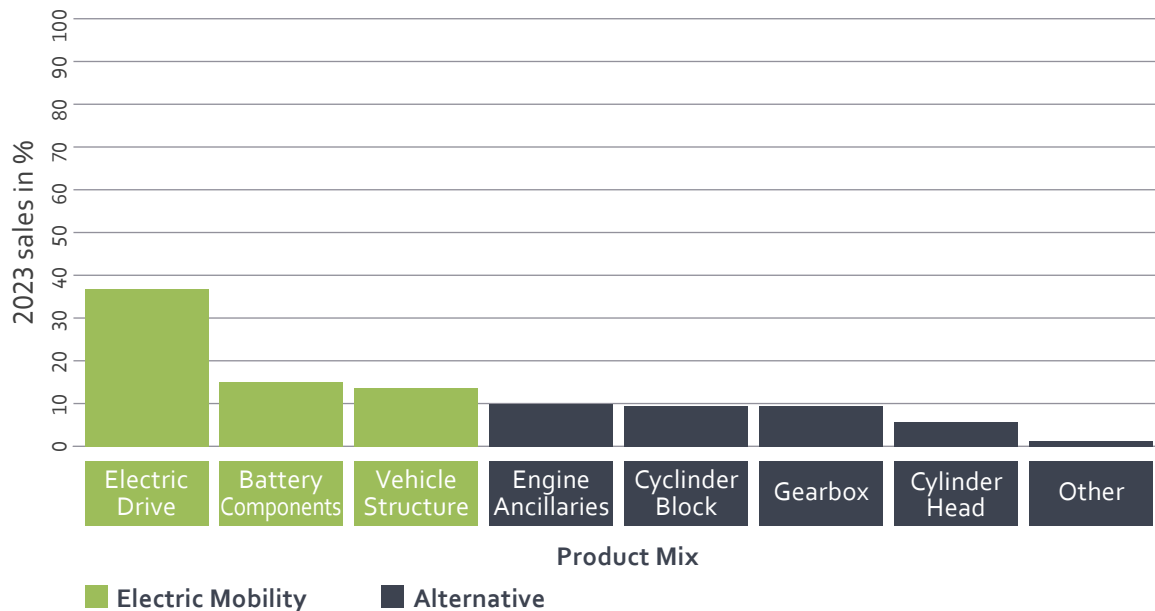
The Group is set to play an essential role in decarbonisation, assisting the transition to net zero.

In collaboration with our Customers, the Group develops new products that support the future of sustainable technologies, responding to the global challenge of reducing emissions and creating a carbon-neutral future.

From electric drive units, to reducing part count with large structures, we're using our engineering expertise to create lightweight, complex metal shapes that are integral to alternative powertrain solutions and reduced emissions, while still meeting performance expectations.



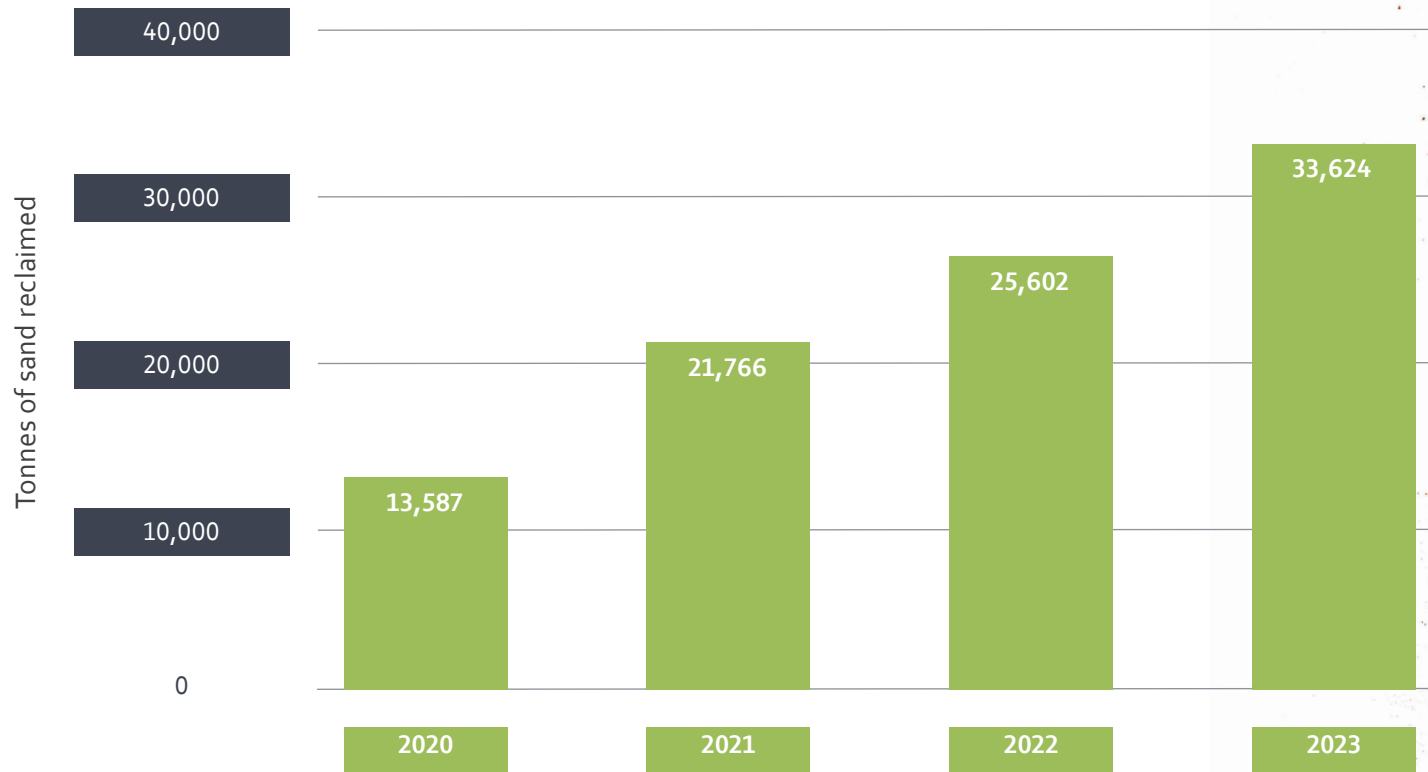
Prototype Business Unit Product Mix Sales 23



Sand

Sand reclamation is an integral part of our sustainable casting process. Reclamation of sand reduces waste and cuts the transportation of new material. This year we reclaimed 33,624 tonnes of sand (the same volume as 8.5 Olympic swimming pools).

Tonnes of Sand Reclaimed 2020 - 2023



Packaging



To help UK manufacturers and exporters demonstrate compliance with ISPM15, the Forestry Commission in Great Britain and the Forest Service, an agency within the Department of Agriculture and Rural Development in Northern Ireland, established a national wood packaging material marking programme in conjunction with the trade. The United Kingdom wood packaging material marking programme (UKWPMP) regulates the manufacture, repair and re-manufacture of ISPM15 compliant WPM in the UK and is administered by the Timber Packaging and Pallet Confederation ('TIMCON').

To further support the essence of reduce, reuse and recycle, Evolution Castings Group appointed an in-house representative to undertake repair work to its internal pallets to reduce pallets going off site via waste streams.

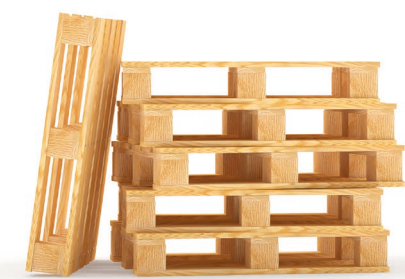
In 2023 year to date we have repaired over 870 pallets, saving 20 tonnes of wood from going to disposal/ recycling.

Extended Producer Responsibility ('EPR') legislation places significant accountability on product and packaging manufacturers, importers, and brand owners to reduce the environmental impacts of their products and packaging from cradle to grave and requires these businesses to financially contribute towards the costs associated with the collection, recovery, and disposal of the materials, as well as consumer awareness campaigns.

We continually monitor and keep records of all our packaging each year to check if we meet the thresholds of EPR legislation.

Based on current figures, the Group is currently not obligated to provide a full submission on its packaging. Although given the topic is so important we are registered as a non obligated member.

20
tonnes
of wooden pallets
refurbished
in 2023



Mental Health



On the 18th May we held our first mental health awareness 'wear it green' day. Employees were entered into a competition for best dressed team. On the day we provided free tea and coffee for everyone alongside cakes to promote conversations about mental health with the mental health team.



Since 2021, we have trained a number of employees who volunteered to be part of the mental health first aid team who are available to chat and signpost people in the direction of additional support. As a business we recognise that everyone can be affected by mental health at some point, and we will continue to explore new avenues and opportunities to help fully support people at all levels within the business, whenever it is needed.

Employee community groups



**EVOLUTION
EMPLOYEES**
PROTOTYPE • MOTORSPORT • SUPERCAR



**EVOLUTION
MANAGEMENT**
PROTOTYPE • MOTORSPORT • SUPERCAR



**EVOLUTION
WORLD**
PROTOTYPE • MOTORSPORT • SUPERCAR



**EVOLUTION
EMBRACE**
PROTOTYPE • MOTORSPORT • SUPERCAR



**EVOLUTION
WOMEN**
PROTOTYPE • MOTORSPORT • SUPERCAR

Employee engagement is something that is at the forefront of our Group. Building on the well-established employee forum, the Group identified further opportunity to enhance levels of engagement, inclusivity and feedback.

The Management forum was created in the summer of 2023 and is now a frequently used platform to discuss management updates across all areas of the business.

Three additional forums were created because of the amazing mix of people we have from different communities, backgrounds, nationalities and perspectives.

World

A forum to represent the different nationalities that we have across the Group.

Embrace

A forum to represent the different communities that we have across the Group.

Women

A forum to represent the inspirational women we have across the Group.



Community

As a large employer in the local area we recognise we have a responsibility to contribute to the communities that we are part of. This includes supporting local charities such as Severn Hospice, the food bank and various events.

Bridgnorth Food Bank provides an emergency food service for local people in crisis. The Food Bank is a part of Bridgnorth Community Trust - a Charitable Incorporated Organisation, sponsored and supported by the Christian Churches of Bridgnorth.

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- The food bank is manned by volunteers from the local community.
- The group proudly supports its local community emergency food service by making monthly food donations to aid its continued work.
- As part of our 'wear it green day' our partners donated over seven boxes of much needed essential goods to the foodbank.
- As the cost-of-living crisis continues, we understand that the need and demand for such services will continue to rise, and we hope that our support can relieve some of the burdens on the people and families of local community and supplement the fantastic work of the volunteers at the foodbank.



Severn Hospice

Severn Hospice gives specialist care and support free of charge to families across Shropshire, Telford & Wrekin and Mid Wales who are living with an incurable illness.

Each year a charity is chosen by the partners in our business. This year it was Severn Hospice.

The charity supports families through the good days and bad days because they believe that when cure is no longer possible, care is. Since 1989, they have given free care and support to more than 34,000 people and their loved ones during their time of greatest need. They now help more than 2,000 local people every year.

The hospice is part of health services offered to people living in Shropshire, Telford & Wrekin and Mid Wales but they are not part of the NHS. They are a completely independent charity, having to raise around two-thirds of their running costs.



All of the care they provide to thousands of people every year is only possible thanks to the generous support they receive from the communities they serve. Their services are funded through a combination of kind donations from local people, fundraising activities, their lottery and retail departments, gifts in people's wills and grants from the NHS.



In May, 30 partners participated in the Bridgnorth walk, a gruelling 22 miles walk from Bridgnorth to the Brow Clew (1,770ft) for our chosen charity. We also had several fund-raising events planned during 2023 including our traditional Christmas raffle.



Health and Safety

To drive a zero-incident culture, we empower people to focus first on safe behaviour, proactively identifying unsafe conditions and having meaningful safety conversations.

No business objective will take priority over health and safety, and no task is so important or urgent that it cannot be done safely.

Our goal is to be the industry leading in health and safety practices.

Providing partners with information, instruction, training and supervision ensures that the circle of duty of care is followed.

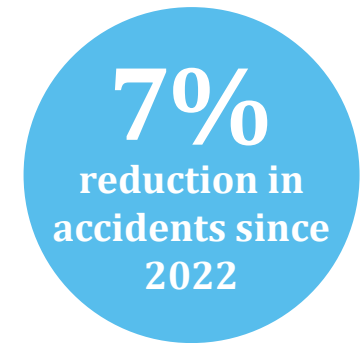
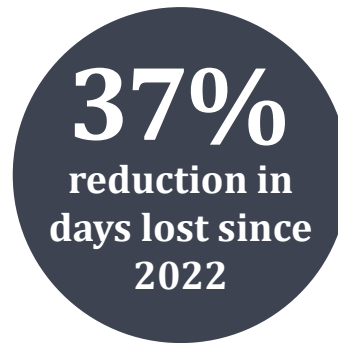
In addition to measuring safety performance outcomes, we use leading indicators such as observations, near misses, and behavioural conversations to measure the health and maturity of our systems and to identify hazards. All employees are encouraged to take an active role in promoting a positive safety culture through the Group **STOP. THINK. ACT. REPORT** ('STAR') process.


SAFETY PERFORMANCE					
Measure	2019	2020	2021	2022	2023
Fatalities	0	0	0	0	0
Accident Frequency Rate (AFR)	0.56	0.55	0.62	0.62	0.56
Accident Severity Rate (ASR)	0.90	0.66	1.06	2.34	0.81
Accident Incident Rate (AIR)	9.39	6.28	8.48	7.96	6.95
Total number of accidents	83	49	70	68	63
Total number of lost days	135	59	119	145	91

We believe that every employee has a right to a healthy and safe workplace. The Group's Environmental, Health and Safety ('EHS') team has oversight of policies and operational controls of Environmental, Occupational Health and Safety risks.

EHS excellence is a core part of our operating culture. It is the first thing we discuss and the last thing we sacrifice. The 'Perfect EHS Day' remains the basis of our EHS labours, and we celebrate every working day we complete with no injuries, accidents, or harm to the environment.

We achieved 311 Perfect EHS Days in 2023, a 5% increase from the previous year. Our total AFR reduced by 10% versus the prior year, keeping us well below the industry average. We still believe that one injury is too many and we remain fiercely committed to improving our workplace safety practices and culture every day.



An aerial photograph of a road intersection. The road is paved and has white dashed lines. There are traffic lights at the intersection. On the left side, there are green trees and a building. On the right side, there are more green trees. The sky is not visible. The overall scene is a typical urban or suburban street intersection.

Thank you for reading our first Sustainability Report.

The significant advances made across the Group in 2023 have given us a great position to drive forward our technology-enabling prototype services and products.

Complex aluminium castings play a significant role in sustainability initiative, promoting recycling and enhancing product efficiency. We will continue to increase our ability to provide pioneering solutions to support decarbonisation across the globe, in our facilities and also in the communities in which we operate.

Our strategy is to build our market leading positions, scaling our engineering services to support the global need for decarbonisation.

We continue our journey towards a sustainable future.