

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Our Philosophy

At all times, the Group aims to maintain its operations in a safe, environmentally conscious and socially responsible manner, taking into account the needs of stakeholders. These include shareholders, members of staff, suppliers, customers and the wider local community.

Our approach considers the effects that we have on the environment and their significance.

Environmental

Hardide is committed to minimising its emissions to the environment in every aspect.

We have invested in the Martinsville, Virginia facility in order to align the capability with that of the UK. Although we generally coat parts for North American-based customers in our Martinsville site rather than doing so in the UK, there are occasions when customers have previously had to send parts to the UK to be coated. By being able to coat these parts directly in Martinsville, double freight transit across the Atlantic can be avoided, thereby reducing CO₂ emissions.

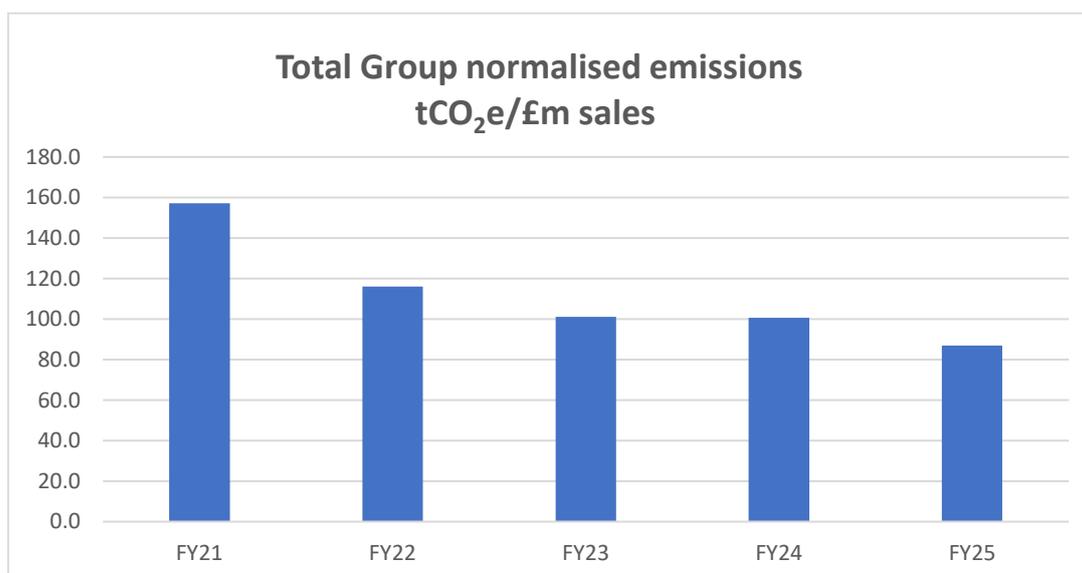
Hardide coatings benefit customers and the environment

One of the best ways of helping to protect the environment is to make parts that last longer in service; this is exactly what Hardide's coatings do. Hardide coated products greatly lower the life cycle costs of customers due to increased operating life of components by reduced wear and enhanced corrosion resistance. Some customer and test reports show over a hundredfold increase in useful operating life. Our coatings also help improve efficiency and provide further benefits to end-users that include reduced downtime and extended service intervals. Each of these features bring environmental and cost benefits.

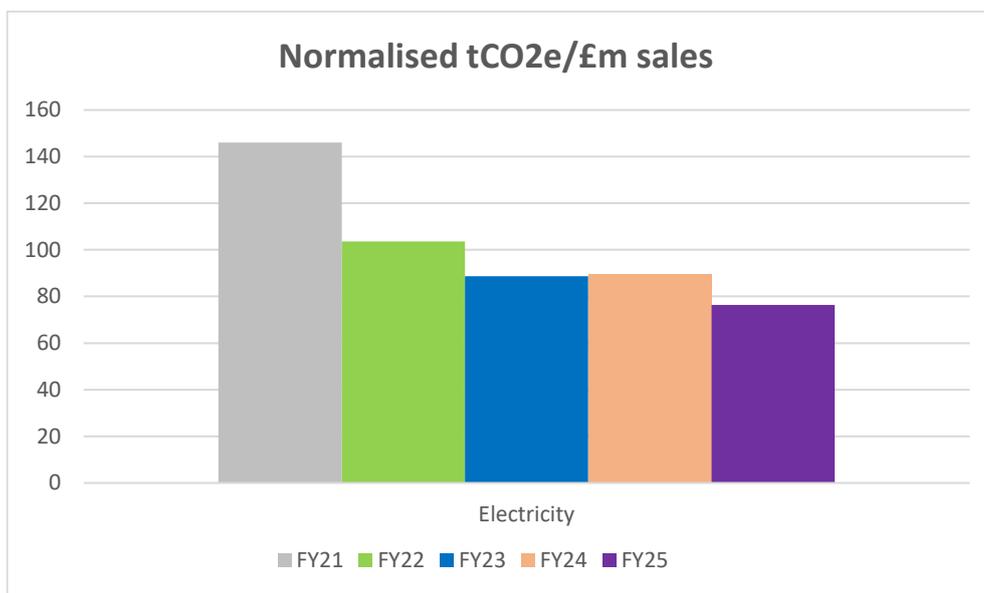
Hardide's coatings are non-toxic and are environmentally compliant. Used to replace hard chrome plating (HCP) on components, they eliminate the health hazard that the production of HCP presents and reduce the amount of toxic chrome sludge in landfills, which pose threats to both soil and groundwater. Hardide can be used instead of high-velocity oxy-fuel (HVOF) thermal spray coatings, which can contain cobalt. The use of cobalt is currently under review by the European Chemicals Agency and is thought likely to be restricted or possibly banned in the future.

Key metrics

In FY25 our total Group CO₂ emissions per £m sales has reduced by 14% compared with FY24.



In our UK facility, we have eliminated the use of natural gas and all electricity is now supplied from a renewable REGO-certified (Renewable Energy Guarantees of Origin) source. The only use of natural gas is at our US facility in Martinsville where it is used for workspace heating.



	FY25	FY24	Increase / (reduction) %
Total electricity used (kWh)	1,181,641	1,090,776	8.3
kWh / £m sales	195,960	230,608	(15.0)

Water Usage

	FY25	FY24	Increase / (reduction) %
Total water used (m³)	605.8	532.2	13.8
Usage (m³ / £m sales)	100.5	112.5	(10.7)

Waste

Most customer parts for coating arrive in packaging which is reused to return the parts back to the customer. Only a small amount of waste is sent to landfill and consists of such items as general office waste, non-reusable packaging and plastic containers from suppliers.

Metal residue resulting from the coating process and any metal used in masking and tooling of the products is segregated and sold to metal recycling companies.

All chemical process waste is stored and collected by specialist chemical waste disposal companies. All waste is segregated into waste streams and disposed of in accordance with local regulations. Waste transfers are recorded, verified and audited.

Landfill Waste

	FY25	FY24	Increase / (reduction) %
Total waste to Landfill (t)	11.1	11.3	(1.3)
t / £m sales	1.8	2.4	(22.6)

Transport

Customers are responsible for the transport of their goods both to and from our facilities, so Hardide has no influence on the choice of transport or routing.

Electric Vehicles

We are encouraging and supporting our employees in the move towards electric vehicle (EV) use and have four EV charging points at our Bicester site.

Social

Health & Safety

Hardide's priority is the health, safety and well-being of its employees, visitors and contractors. In addition to First Aiders, Hardide has trained Mental Health First Aiders to support our staff's mental wellbeing. To maintain physical health, we have an external Occupational Health provider which undertakes regular testing of our employees. We also enrol all staff into a Health Payment Plan which includes access to a 24-hour medical helpline.

Work Related Lost Time Incidents

We are pleased to report there were no lost time incidents in FY25.

	FY25	FY24
Total lost time incidents	0	0
Incident rate	0	0

Lost time incidents are classed as >1 day absence following day of incident. Incident rate is defined as the number of lost time incidents per 100,000 hours worked.

Local Community

Hardide is a socially-responsible company and we monitor our effect on local communities and society in general.

Our facility is located at an industrial estate away from any domestic housing, eliminating the potential for any noise to affect the local community.

Gender Diversity

	Males	Females	Total	Male %	Female %
Directors	6	0	6	100	0
Staff	23	4	27	85.2	14.8
Total Group	29	4	33	87.9	12.1

Pay equity – CEO pay as multiple of median UK earnings	5.89
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Governance

Key Metrics

Are the CEO's and Chairman's roles split?	Yes
Adheres to QCA Corporate Governance code?	Yes
Percentage of non-executive directors on Board	50%
Has an Ethics Policy?	Yes
Has an Environmental Policy?	Yes
Has a Discrimination policy?	Yes