



Environmental, Social & Governance Report 2023

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About This Report

Reliance Precision's ('Reliance') ESG Strategy covers the three main pillars of sustainability: environmental, social and governance. This report is designed to present Reliance's ESG performance during 2023 and its key objectives for 2024 to its stakeholders.

It covers the reporting period from **1 January 2023 to 31 December 2023** and, unless otherwise stated, references both of Reliance's sites: Reliance Precision Limited (RP) and Reliance Precision Manufacturing (Ireland) Limited (RPMI).

If you have any questions relating to this report, please contact our Head of Quality:
alastair.wood@reliance.co.uk

Letter from our Managing Director

Reliance has formed part of the Huddersfield community for over 100 years and has been based in Bandon, Ireland for over 50 years. Our company vision is to 'build a company together that lasts' and we are confident that the way to achieve this is to look after our employees as well as the community and environment around us. Our ESG Strategy has been carefully designed to ensure that we continue to make positive changes and improvements across the Reliance group.

Our performance in 2023 reflects our commitment to ESG activities and I am proud of what we have achieved throughout the year.

Our energy reduction project, led by a cross-functional team at our Huddersfield site, resulted in a saving of 125,216 kWh per year and initiated process and facility improvements across the business.

In June, Reliance employees completed the National Three Peaks Challenge, raising money for local children's cancer charity, Candlelighters.

This year we also attained ISO 45001 certification at Reliance Precision Manufacturing (Ireland) Limited. ISO 45001 is now held across the group, along with ISO 9001, AS 9001 and ISO 13485.

All of these achievements would not have been possible without the continued support of the Reliance community. The following report has been designed to communicate a summary of our ESG Strategy and our environmental, social and governance performance over the last year.



Ian Walter
Managing Director

About Reliance

Mission

Reliance designs, manufactures, assembles and tests highly complex components and sub-assemblies that play a critical role in the performance of the final application.

Principles

1. Do right by people.
2. Support each other and grow.
3. Be proud to do the job right.
4. Think, make and progress.
- 5. Build a company together that lasts.**

Founded in 1920, Reliance Precision Limited is a family-owned engineering company specialising in the design, manufacture, assembly and test of highly complex components and sub-assemblies that play a critical role in the performance of the final application. Reliance's comprehensive product portfolio contains a range of standard products that can be readily modified – or combined as part of an Integrated Solution. The company is an established supplier to a diverse range of global markets including aerospace defence, analytical instruments and space. Our company Principles¹ are underpinned by our Vision: to build a company together that lasts. Reliance is committed to encouraging equality, diversity and inclusion amongst its workforce. We are one community to which everyone belongs.

Business Overview

£30m

Turnover

£4m

Investment

250

Employees across 2 sites
(205 in the UK, 43 in Ireland)

Our ESG Strategy

Our ESG Strategy provides an over-arching view of our environmental, social and governance aspirations. This report shows what we have achieved during 2023. Below are the ESG objectives we aim to complete in 2024.

Environmental

- To undergo full Scope 1 and Scope 2 carbon footprint audits and develop an improvement plan based on findings.
- Reduce electricity usage by 20%.
- Achieve ISO 14001 accreditation for RPMI.

Social

- To act on feedback from the 2023 Employee Engagement Survey.
- Continue to drive safety improvements to ensure we maintain 0 reportable accidents.
- Actively promote diversity and inclusion in the workforce.
- Continue to provide rewarding career opportunities for young people in the local area through our apprenticeship scheme. Typically taking on 6 new apprentices per year.
- Continue to support and run fundraising events for local charities.

Governance

- Maintain external certifications.
- Implement industry standard automated end-user screening application.
- Create internal compliance team.
- Ensure all products conform to compliance regulations.

Environmental

Environmental Management

Reliance has held ISO 14001 certification at its Huddersfield site since 2005². In 2024, the company will be targeting certification at its manufacturing facility in Bandon, Ireland.

Overview

We are passionate about developing and maintaining manufacturing locations that are in-keeping with the local environment and sympathetic to natural habitats.

Sustainability Targets

Sustainability targets will be developed following our upcoming carbon footprint audits. They will include ongoing measures including reducing electricity usage by 20%, reducing our carbon footprint and greenhouse gas emissions as well as ensuring that steps are taken to review and improve existing processes from an environmental perspective. For example, chemicals used by Reliance are continually reviewed to establish where more environmentally sound and sustainable options are available. This year, we removed all hexavalent chromates from our in-house passivation process to be entirely within REACH regulations³.

CO² and Greenhouse Gasses

Reliance is working with the Energy Savings Opportunity Scheme (ESOS) and EN16247-2 qualified

consultants. Following the completion of an initial survey (carried out in April 2022), a number of activities to support the reduction of CO₂ and other greenhouse gasses have been completed:

- A dedicated Energy Reduction team worked throughout 2023 to reduce energy consumption.
- Cycle to work and car-sharing schemes have been advertised to employees.
- Hybrid working practices have been reviewed.
- The number of electric vehicles in the company fleet has been increased.

Waste Streams

All of Reliance's waste streams are monitored to enable targeted waste reduction activities. Waste is managed in line with the '7Rs' philosophy – where waste cannot be avoided, we aim to recycle. This includes waste product from manufacturing activities as well as general waste⁴. We work closely with our supply chain⁵ and customers to reduce the use of plastic packaging and our annual plastic

usage is well within UK and EU Requirements. As per government requirements, Reliance phased out the use of single-use plastic items in its canteen ahead of the ban that came into effect on the 1 October 2023. The number of items available for takeaway was reduced and remaining packaging has been replaced with eco-friendly alternatives. In addition to this, a new composting bin has been purchased which will allow for food waste to be turned into compost. This will be free for employees to take home, for use in their gardens and allotments.

Discharge

Reliance works closely with local authorities and water suppliers to ensure that all liquid and gaseous discharge is clean and within UK and EU legal requirements⁶.

Energy Usage

Energy usage is a key environmental concern for Reliance. In 2022, a dedicated Energy Reduction team was established at RP.

The Energy Reduction team developed an Energy Reduction Investment Plan which was executed in 2023. The team was made up of employees from different areas of the business who are skilled in data analysis, project management and practical trades. The team implemented real-time energy usage monitoring across our Huddersfield site and successfully completed a number of projects, including:

- Voltage optimisation.
- Upgrading or replacing legacy equipment.
- Move to renewable energy sources⁷.

Energy use is one of our business key performance indicators (KPIs).

Energy Reduction Activities in 2023

Reliance's Energy Reduction Team completed a programme of electricity-saving improvements during 2023, focusing primarily on the company's Huddersfield site. Improvements included:

- The lighting in the car park was turned on during a fixed time period. Passive infrared sensors (PIRs) were installed to ensure they only switch on when motion is detected. This, combined with installing LED bulbs has resulted in a saving of 24,900 kWh per year.
- Compressor usage in Reliance's main cleanroom was investigated and streamlined resulting in a saving of 44,340 kWh per year.
- The motors in the cleanroom fan system were replaced and now allow for inverter driven control, saving 55,200 kWh per year.
- Voltage optimisation resulted in a 10% saving across all electricity usage.
- A new site transformer was installed, reducing site electricity usage by 3%.

In addition to these major savings, a number of smaller changes have contributed to electricity savings. For example, the majority of bulbs have been changed to LEDs and put on PIRs. Air conditioning use has also been optimised across site. At RPMI, a project focusing on compressor energy usage resulted in a 30% reduction of energy.

Our overall saving for 2023 at our Huddersfield site was 125,216 kWh.



Social

Employee Wellbeing

Reliance's first two company Principles are 'do right by people' and 'support each other and grow'.

Overview

Reliance is a family-owned business with world class skills and knowledge. The company has a strong welfare ethos, which is reflected in its company Principles. The business meets the UK Living Wage as a minimum for all employees. Individual and business related pay increases are reviewed annually.

Employees receive a share of company profits and performance-based bonuses where applicable. All employees are enrolled on the company pension and health insurance schemes⁸. Employee satisfaction is a company KPI and is tracked throughout the year.

Work-life Balance

We offer all employees enhanced levels of leave for maternity⁹, paternity¹⁰, shared-parental¹¹ and adoption¹² that goes beyond the requirements of both UK and Irish (EU) legislation. Employees are given the opportunity for flexible¹³ and home¹⁴ working where this is appropriate to their role.

Canteen Facilities

Employees have access to modern kitchen facilities. Our UK site has a subsidised canteen for the three main mealtimes.

Health and Wellbeing Services

Reliance offers access to a number of free Health and Wellbeing services^{15,16}. Each service is optional and offers a different level of support:

- Mental Health Clinic (1-to-1 support with a professional mental health nurse).
- Occupational health nurse (qualified nurse for medical checks and advice on medical issues).
- The Listening Space (1-hour session of deep listening provided by a training and consultancy firm).
- Health and Wellbeing Team (trained employees offering support and guidance to colleagues).
- Welfare Support (informal welfare chats delivered by the company's family owners).
- Private Health Insurance (employees have access to private health insurance, a health cash plan and a health advice and claims management service).

Employee Survey

Every November employees are asked to participate in an employee engagement survey, resourced through an external provider. Questions are designed around our company Principles and allow Reliance to track employee satisfaction levels and benchmark against other companies.

94% of employees say they are treated fairly at work

90% of employees think the company takes its environmental and social responsibility policies seriously

93% of employees are proud to work for Reliance

Diversity and Inclusion

Reliance is committed to encouraging equality, diversity and inclusion amongst its workforce.

Overview

We want to ensure that Reliance is one community to which everyone belongs. We are dedicated to ensuring that the company is free from unlawful discrimination¹⁷ and we are fully compliant with UK and EU Modern Slavery legislation¹⁸. We also ensure that our diversity and inclusion policies and programmes are in line within UK and EU legislation.

Diversity and Inclusion Team

Reliance's Diversity and Inclusion team is made up of representatives from across RP and RPMI. Reliance's D&I Champions are responsible for championing and raising awareness of inclusion and diversity. This involves collecting suggestions and working with the appropriate internal or external stakeholders to facilitate improvements.

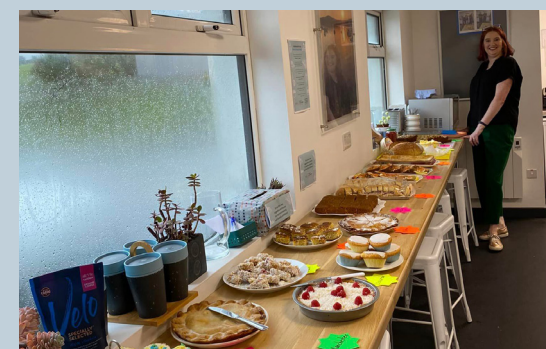
This year, the team worked with Inclusive Employers (a leading membership organisation for employers who are committed to prioritising inclusion and creating truly inclusive workplaces) and have begun writing a formal D&I Strategy. This will be finalised in 2024.

Workforce Diversity

Reliance monitors our proportion of female employees (20%) and the proportion of female leaders (13%).

National Inclusion Week

In September, Reliance's Diversity and Inclusion team organised world foods events as part of National Inclusion Week where employees were able to try foods from different cultures.



Health and Safety

Reliance is proud to hold ISO 45001 – ‘Occupational Health and Safety Management Systems’ certification¹⁹ for both its UK and Irish facilities.

Overview

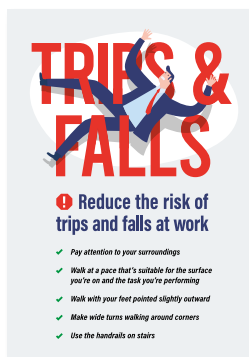
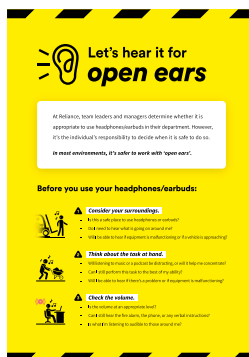
The health and safety of our employees and any visitors to our site is our primary concern²⁰. We review health and safety data every month and make changes to our processes and facilities accordingly. Our internal system enables all employees to report hazards, near misses and accidents. Health and safety posters are displayed across site to address topical issues and raise awareness of potential hazards.

Health & Safety Surveys

We review employees’ engagement with health and safety systems via informal monthly surveys and formally via the Health and Safety Executive (HSE) – Safety Climate Tool annual survey.

Qualified First Aiders

Nine percent of our workforce have a formal first-aid qualification. We have first aid facilities and defibrillators at both of our sites.



Health and Safety Statistics

9%

Employees First Aid Trained

0

Reportable Accidents (2023)

133

Near Miss/Hazards reported

Apprenticeship Scheme

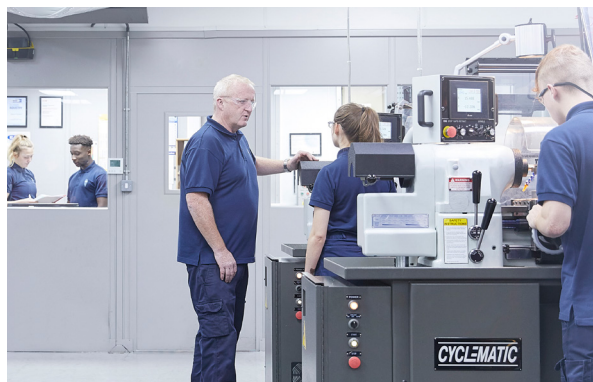
For over sixty years, Reliance has offered an apprenticeship scheme to support young engineers starting their careers.

Overview

We have a long-running, on-site apprenticeship Training School that is fully accredited by the EAL, The Institution of Mechanical Engineers (IMechE) and The Institution of Engineering and Technology (IET)²¹. All apprentices complete their NVQ Level 3 and are then given the options of continuing to Higher National Certificate (HNC), Higher National Diploma (HND) or apprentice degrees.

Top 50 SME Apprenticeship Employers 2023

This year, the Reliance Precision Apprenticeship Scheme was ranked as one of the Top 50 SME Apprenticeship Employers 2023 in the UK²². Reliance came in at #50 overall and was #4 of apprenticeship employers in the UK manufacturing sector. The national league table was first developed in 2020 by the Department of Education, in partnership with High Fliers Research.



Apprentice Statistics

92%

Apprentice retention rate

6

New apprentices in 2023

28%

of the workforce are
current or former
Reliance apprentices

Training

Reliance's second principle is 'support each other and grow'. Training is an important part of this.

Professional Development Scheme

Our Monitored Professional Development Scheme (MPDS) is recognised by the Institute for Mechanical Engineers (IMechE) and has been running since 2003²³. It is designed to guide developing engineers through the initial professional development to become Chartered Engineers (CEng) and corporate members of the IMechE or Institute of Engineering & Technology (IET). Employees from other functions are encouraged to work towards being chartered in their respective fields. Where appropriate Reliance will provide subsidies towards further education.

Personal Development Reviews (PDRs)

All employees undergo annual Personal Development Reviews (PDRs) where job related skills are identified and training plans are developed. Training is delivered in-house or through external providers²⁴.

Training activities during 2023

Throughout 2023, employees have taken part in a number of different training courses including:

- Green Belt Training
- Soft Skills Training (Apprentices)
- Export Control Training
- Project Management Training
- First Aid Training

1.3%

Turnover spent on training

65%

of employees trained in Lean or Six Sigma toolsets

29

Employees enrolled in further education



Community

Reliance has formed part of the Huddersfield community for over 100 years and has been based in Bandon, Ireland for over 50 years.

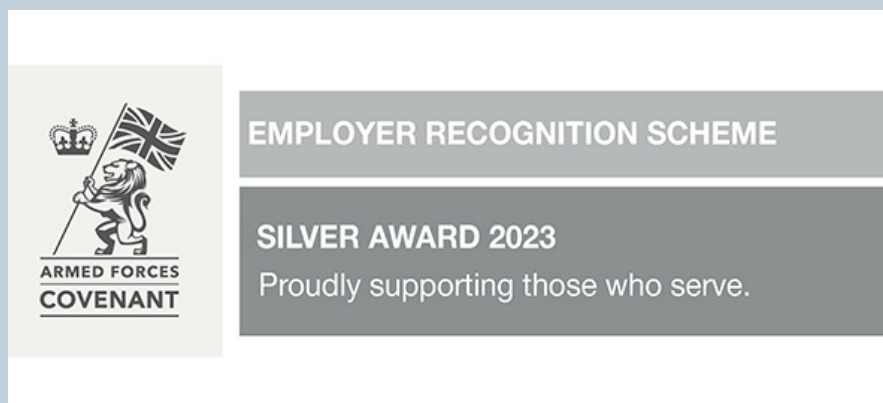
Overview

The majority of our employees live within close proximity to our sites. We always aim to be good neighbours and a benefit to the locality. We support local charities, community groups and sports teams.



Army Cadets from the local area visited Reliance in February 2023

Defence Employer Recognition Scheme (ERS) Silver Award



Reliance was granted the Defence Employer Recognition Scheme (ERS) Silver Award²⁵.

The scheme is designed to recognise employers who support the armed forces community and the wider defence industry. Those who receive the award must have signed the Armed Forces Covenant – a pledge to treat those who serve, or have served in the armed forces, fairly and with respect.

As a silver award holder, Reliance has shown that it pro-actively supports veterans and their

spouses or partners; reservists; cadets and Cadet Force Adult Volunteers (CFAVs).

The company's Armed Forces Network was established by veteran employees to provide assistance and advice to reservists and ex-military forces personnel within the Reliance community.

In addition to this, the organisation's 'Reserve Forces Training and Mobilisation Policy' provides a practical guide to help ensure reservists are available during times of mobilisation and supported during their subsequent demobilisation.

Charity

The Reliance community continues to support and run fundraising events for a number of local charities.

Overview

We donate to a number of local charities each year and support our employees when they wish to undertake fundraising challenges or host bake sales to raise money for good causes. For example, every December, employees at RPMI host a 'Christmas Jumper Coffee Morning' to raise money for Cork Simon Community.



Christmas Jumper Coffee Morning

Reliance Three Peaks Challenge & MOVEMBER

This year eleven Reliance employees completed the National Three Peaks Challenge to raise money for children's cancer charity Candlelighters. The team raised £9,043²⁶.

Reliance supported the team by paying travel and accommodation expenses for employees as well as contributing to the team's fundraising efforts. The challenge involved walking the highest mountains in Scotland, England and Wales within 24-hours. Candlelighters is a charity bringing light and hope to families facing childhood cancer across Yorkshire, providing emotional, practical and financial support from diagnosis and for as long as is needed, as well as funding research into childhood cancers.

In November, employees in UK and Ireland were encouraged to join 'Team Reliance' and grow a moustache for Movember. This was in response to an employee suggestion to raise awareness of prostate cancer, testicular cancer as well as mental health and suicide prevention. £2,742 was raised²⁷.



National Three Peaks Challenge Team



Team Reliance (Movember)

Governance

Our Customers

Reliance works with original equipment manufacturers (OEMs) across the analytical instrument, aerospace defence and space markets as well as providing high precision standard products and Integrated Solutions²⁸.

End User Screening

All customers undergo end user screening before acceptance of purchase orders. This ensures that Reliance complies with UK and EU legislation as well as providing confidence that all of our products are going to trusted end users²⁹.

Product Compliance

Production processes at Reliance conform to UK and EU regulations on: Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)³⁰; Restriction of Hazardous Substances Directive (RoHS)³¹; Substances of Very High Concern (SVHC) and Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)³. We actively work with our suppliers to ensure all externally resourced products and services and the broader supply chain also conform to these requirements.

General Data Protection Regulation (GDPR) and Data Protection

Reliance manages all personal data in line with UK and EU Data Protection and GDPR requirements³².

Our Suppliers

Reliance has a dedicated Procurement team that are responsible for supplier selection, screening, approval and monitoring.

Supplier screening

All new suppliers undergo a full screening process that includes Quality, Health, Safety and Environment management systems³³ as well as a review of any export or trade compliance concerns or sanctions.

Modern Slavery

All suppliers into Reliance must confirm that they have systems in place to detect and prevent modern slavery and comply with the UK's Modern Slavery Act (2015)³⁴.

Conflict Minerals

Where Reliance is required to utilise 3TG (tin, tantalum, tungsten and gold) materials, they are sourced from approved vendors that obtain the materials from recycled sources and fully comply with Conflict Minerals regulations. All use of these materials is reported using the Conflict Minerals Reporting Template (CMRT)³⁴.

Health, Safety and Environment

All Reliance suppliers are required to hold ISO 14001 (Environmental Management System) certification or have a suitable environmental policy in place. We are also pro-actively working with suppliers to reduce the use of plastic packaging⁵.

Suppliers are required to inform Reliance if they have had any Health and Safety Improvement or Prohibition notices in the last 5 years⁵.

Security

Reliance considers the security of its employees, facilities, intellectual property, customers and suppliers as a key business priority.

Site Security

Both RP and RPMI have fire and security services provided by leading, national suppliers. These include automated emergency service call-out and out of hours site coverage. All our locations have extensive CCTV and access control on all external doors.

Whistleblowing

Reliance is committed to the highest standards of integrity, openness and accountability. Our Whistleblowing Policy³⁵ is designed to empower any employee to come forward in confidence if they have any concerns regarding wrongdoing or malpractice within the organisation.

Cyber Security

Reliance is certified to Cyber Essentials and Cyber Essentials Plus cyber security requirements³⁶. Cyber Essentials is a government-backed, industry-supported scheme to help organisations protect themselves against common online threats.

All employees complete training on cyber security with regular refresh events to reflect the ever-changing digital environment.

Our in-house Information Technology team work to ensure the security of our networks, data storage and IT systems³⁷.

Export And Trade Compliance

Reliance operates an Internal Compliance Programme (ICP)²⁹ that is in line with UK, Ireland and EU Trade and Export Compliance regulations. This ensures full trade and customs compliance of our import and exports, as well as export control requirements of strategic goods. Our compliance management systems ensure that we fully comply with US EAR regulations³⁸ for strategic goods, where applicable to our product range.

Appendix

Performance Data

Environmental		
ESG Driver	Performance	Comments
Greenhouse Gas	0.013 Tonnes	per production hour (equivalent CO ₂ in 2021)*
Energy Usage	20.5 kWh	per production hour (2022/2023 fiscal year)
Waste Recycling	47%	(12.8 tonnes 2022/2023 fiscal year)*
Water Usage	0.019 m3	per production hour (2022/2023 fiscal year)†

*Huddersfield site only, currently no data for Bandon facility.

† Bandon site uses its grey-water well in manufacturing operations. This is not included in usage figure.

Social		
ESG Driver	Performance	Comments
Female Employees	20%	Employees identifying as female.
Female Leaders	13%	Leadership positions held by women.
Reportable Accidents	0	2022/2023 fiscal year.
Employees First Aid Trained	9%	
Apprentice Retention Rate	92%	Employed 5 years after completion of apprenticeship.
Turnover Spent on Training	1.34%	2022/2023 fiscal year.
Charity Donations	£10,400	2022/2023 fiscal year.

Certification

Standard	Certificate No.	Issued	Renewal
ISO 9001	GB92/1169	3 April 2021	2 April 2024
AS 9100	GB92/1169	3 April 2021	2 April 2024
ISO 13485	MD 667582	25 October 2023	24 October 2026
ISO 14001	GB05/64977	13 May 2023	13 May 2026
ISO 45001	GB19/963781	30 March 2023	7 August 2025
Cyber Essentials	92344da3-6384-495e-8155-c40f148044a6	21 March 2023	21 March 2024
Cyber Essentials Plus	c9ee78cc-9843-4660-9d67-51613e1e0bd3	21 March 2023	21 March 2024



MD667582



References

1. Blue Book of Principles
2. [ISO 14001 Certificate](#)
3. PS0460 – PR Standard Parts Aqueous Cleaning Line
4. WI1175 – Overview of the Environmental Management System
5. QA0197 – Supplier Approval/Re-approval Questionnaire
6. QP0035 – Environmental Legal Requirements
7. BP0150 – Strategic Plan
8. WI1111 – Sick Pay and Medical Insurance
9. WI1259 – Maternity Leave and Pay
10. WI1260 – Paternity Leave and Pay
11. WI1262 – Shared Parental Leave and Pay
12. WI1261 – Adoption Leave and Pay
13. WI1237 – Flexible Working Policy
14. WI1246 – Homeworking Policy
15. QA0339 – Health & Wellbeing Card (RP)
16. QA0340 – Health & Wellbeing Card (RPMI)
17. WI1248 – Equality, Diversity and Inclusion Policy
18. HR0002 – Safeguarding Policy
19. [ISO 45001 Certificate](#)
20. BM0030 – Context – Interested Parties and Their Requirements
21. [Apprentice Prospectus](#)
22. [Top 50 UK SME Apprenticeship Employer 2023 Press Release](#)
23. PS0458 – Monitored Professional Development Scheme
24. QP0018 – Training
25. [Reliance Awarded Defence Employer Recognition Scheme \(ERS\) Silver Award](#)
26. [National Three Peaks Challenge Press Release](#)
27. [Movember Press Release](#)
28. BP0220 – Business Development and Key Account Management Strategy
29. CM0001 – Internal Compliance Programme
30. II1270 – REACH Certification
31. II1269 – RoHS Certification
32. HR0001 – Data Privacy Policy
33. WI1100 – Maintenance of Approved Supplier List
34. QA0444 – Master Supplier Agreement
35. WI1236 – Whistleblowing Policy
36. [Cyber Security Certificates](#)
37. WI1292 – Cyber Security Overview
38. CM0003 – Strategic Military Goods