

FUSION TOPCO LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Group continues and that the appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The Group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the Group's performance.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed, and KPMG LLP will therefore continue in office.

Strategic report

The Group has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the Group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments and principal risks and uncertainties.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Environmental matters

The Group has an environmental policy which is fully supported by the Board of Directors. In the period, the Group maintained the quality standards TS16949, ISO9001 and ISO29001, which underlines the commitment to achieving the highest level of quality in all its operations; and, in addition, maintained the ISO 14001 Environmental certification for all UK sites.

Streamlined Energy and Carbon Reporting

The following figures show the consumption and associated emissions for this second year of reporting for Nylacast UK trading entities, with figures from the previous reporting period included for comparison.

Scope 1 consumption and emissions relate to direct combustion of natural gas, and fuels utilised for transportation operations, such as company vehicle fleets.

Scope 2 consumption and emissions relate to indirect emissions relating to the consumption of purchased electricity in day-to-day business operations.

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The total consumption (kWh) figures for energy supplies reportable are as follows:

Utility and Scope	2020 Consumption (kWh)
Grid-Supplied Electricity (Scope 2)	12,998,499
Gaseous and other fuels (Scope 1)	3,036,686
Transportation (Scope 1)	188,136
Total	16,223,321

The total emission (tCO₂e) figures for energy supplies reportable are as follows:

Utility and Scope	2020 Consumption (tCO ₂ e) (location-based)
Grid-Supplied Electricity (Scope 2)	2,759.97
Gaseous and other fuels (Scope 1)	556.76
Transportation (Scope 1)	44.56
Total	3,361.29

An intensity metric of tCO₂e per £m turnover has been applied for the annual total emissions.

Intensity Metric	2020 Intensity Metric
tCO ₂ e / £m turnover	137.2

Energy Efficiency Improvements

Nylacast are committed to year-on-year improvements in their operational energy efficiency. As such, a register of energy efficiency measures available to Nylacast has been compiled, with a view to implementing these measures in the next 5 years. Whilst no measures have taken place in 2020 due to the COVID 19 pandemic, key implementations are planned in 2022 and 2023.

Measures prioritised for implementation in 2021/22

Ongoing compliance with Energy Reporting legislation. Nylacast Holdings Ltd is mandated to comply with the Energy Savings Opportunity Scheme (ESOS) and as such produces a summary of all available energy efficiency improvements on a four-year cycle. This will be completed again in line with the 2023 Phase 3 compliance deadline. Recommendations found within the Phase 2 reporting are being reviewed and will be acted on where practical.

Sustainability awareness training

Upon the normalisation of operation within the Nylacast following the COVID-19 pandemic, the implementation of ongoing training in energy conservation and sustainability awareness is being considered for all staff across the business.

Energy and Environment Strategy

Nylacast Holdings Ltd are working towards implementing an Energy and Environment strategy that ensures ongoing energy and carbon reductions over the coming years in line with the UK's 2050 net zero targets.

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Reporting Methodology

Scope 1 and 2 consumption and CO2e emission data has been calculated in line with the 2020 UK Government environmental reporting guidance. The following Emission Factor Databases consistent with the 2019 UK Government environmental reporting guidance have been used, utilising the current published kWh gross calorific value (CV) and kgCO2e emissions factors relevant for reporting year 01/01/2020 – 31/12/2020:

Database 2020, Version 1.0.

Intensity metrics have been calculated utilising the 2020 reportable figures for the following metrics, and tCO2e for both individual sources and total emissions were then divided by this figure to determine the tCO2e per metric:

- £24.5m turnover (UK)

On behalf of the board



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Mr M Mahomed
Director

Date: 15/12/2021
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