



Severn Group

ESG Annual Report

2023

We value the sense of belonging and family spirit across our operations. Everyone at Severn Group contributes to our success – we are incentivised and empowered to positively impact business achievements, environmental sustainability and high performance in safety.

Contents

About Severn Group	3
CEO's Statement	5
Our 2023 Highlights	7
Environmental Impact	8
Equitable Society	11
Good Governance	15

About Severn Group

Severn Group (meaning, collectively, Contour Technologies Limited and its subsidiaries, including but not limited to Severn Glocon UK Valves Limited, LB Bentley Limited, MCE Group Limited, Severn Glocon Valves Private Limited, ValvTechnologies LLC) values its reputation and is committed to maintaining the highest possible ethical standards in all its business activities.

Severn Group provides technical excellence in the design and manufacture of high-quality fail-safe flow control solutions for severe service applications.

Production takes place in UK, India and USA.



An industry leader... over 60 years of technical excellence in severe service valve manufacture and support.



An international reach... a global network of resources and capabilities across engineering, manufacture and service.



An engineering heritage... a legacy that yields products defined by strength, proven in the most arduous conditions.

Severn Group Values

Vision

To become the leading valve specialist for critical service and demanding applications.

Mission

Severn Group aims to build a family of complementary, specialist, high-end valve engineering and manufacturing companies, establishing a leading global force in the energy and industrial valve market.

Values

At Severn Group, our business success flows from expertise – from technical knowledge and experience that position us as a leader in our field.

Not everything, however, can be engineered. The Values which underpin that success stem instinctively from the culture we seek to sustain.

Everything we do is tested against our Values, and our people are encouraged to apply them every day: they are the stewards of our brand, our reputation, our heritage, our ambitions.



CEO'S Statement

Perttu Louhiluoto



At Severn Group excellence is our benchmark, we are committed to doing business ethically with full compliance. That same commitment has driven our legacy for more than 60 years. Our values; Customer, Integrity, Accountability and Excellence are the foundation on which to take this legacy forward.

Severn Group are committed to sustainable development (meeting the needs of the present without compromising the ability of future generations to meet their own needs) as a guiding principle within our work. ESG is an integral and fundamental part of Severn Group's business considerations and commitments. We see strong ESG performance and measurable improvement as a value creation tool and metric for the business.

Our overarching ESG Priorities are:

- Reduce our environmental impact and carbon footprint.
- Work to build a culture where everyone connected to Severn Group feels an equal sense of belonging.
- Ensure a safe working environment.
- Foster ethical behaviours by providing policies, training and robust compliance programs.
- Ensure we promote the importance of ESG in our supply chain and only engage with suppliers with the same sustainable values.
- Engage our workforce to champion sustainability and see it as a fundamental part of everyone's role.

We work to ensure that we have an environmentally sustainable and ethical working culture within Severn Group and that our policies, strategies and action plans, and fundamentally, our people, deliver on our commitments.

A handwritten signature in black ink, appearing to be 'P. Louhiluoto', written in a cursive style.

Perttu Louhiluoto
Chief Executive Officer

The UN Sustainable Development Goals

The UN 2030 Agenda for Sustainable Development provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

<https://sdgs.un.org/goals>

Our ESG Strategy is underpinned by the Sustainable Development Goals and we aim to align our ESG priorities with the goals listed below*.



*This ESG Report has not been approved by the United Nations.

Our 2023 Highlights

84%

engagement score on employee survey

+2325

employee training hours

24

new employee policies developed

0

lost time injuries in Chennai & Houston

85,670 kWh

kWh of electricity at our Stroud site generated from solar panels

9

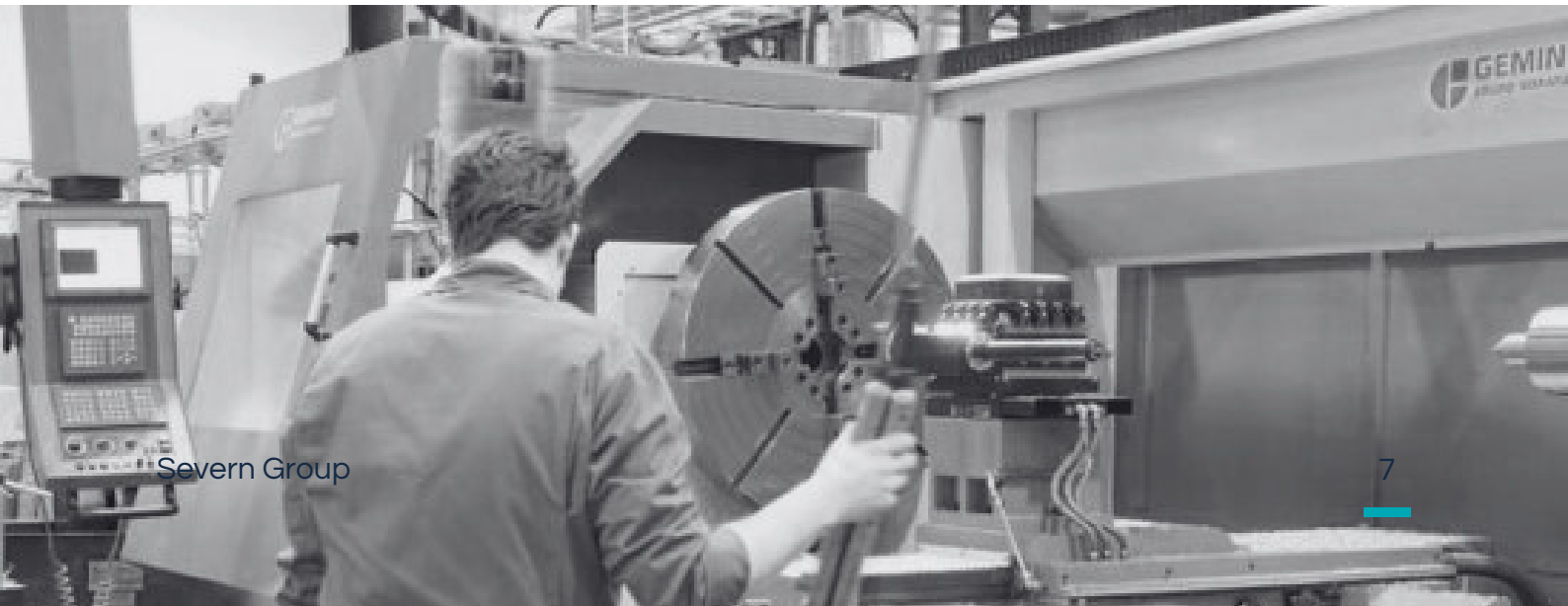
charities supported globally

80

trees planted at our Chennai Facility

ZERO

waste to landfill in the UK



Environmental Impact

Severn Group recognises that our planet needs to be a sustainable home for current and future generations and all human activities have an impact on the environment, it is our intention to reduce our impact by embedding sustainable environmental considerations into our decision-making processes and ensure our environmental performance is monitored continually with KPIs set on an annual basis.

Our Commitments

- We will maintain ISO14001 and other internationally recognised ESG Standards appropriate to the business.
- Develop our energy transition roadmap, increasing our percentage of electricity sourced from renewables and initiate self-sufficient energy sources wherever practicable.
- Measure and take action to reduce our carbon footprint, calculating scope 1 & 2 CO2 emissions and form a plan to calculate scope 3.
- Look at ways to minimise our waste production and increase our waste recycling levels, minimising landfill and waste to energy where practicable.
- Use resources, in a sustainable manner, work to minimise our impact on non renewable resources.
- Promote a culture of environmental responsibility throughout the Severn Group through training, education, audit and continuous improvement.

Environmental Impact

Carbon Footprint - GHG Emissions

We know that understanding and measuring our carbon footprint is key to reducing it. We started measuring our carbon footprint in 2022 and have been working on improving our data collection methods ever since. We currently report on scope 1 and 2 carbon emissions, and are working towards reporting on scope 3.

Scope 1 emissions: direct emissions from owned or controlled sources, e.g. fuel burned on-site for power.

Scope 2 emissions: indirect emissions from the generation of purchased energy consumed by the entity, e.g. electricity used for air conditioning.

Scope 3 emissions: includes all other indirect emissions that occur due to an entities activity, e.g. waste produced.

GHG Emissions	2022 (tCO2e)	2023 (tCO2e)
Scope 1	824.7	637.71
Scope 2	2843.09	2003.46
Total	3667.79	2641.16

Comments

- 2022 has been selected as our baseline year, due to gaps in available data for 2020 & 2021.
- The carbon emissions have been calculated using the best available data at the time.
- Historical data is subject to change as we continuously seek to improve our data collection and calculation methods.
- Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Environmental Impact

Miyawaki Forest - Chennai

In 2023 we began our Miyawaki Forest at our Chennai facility.

The Forest has both environmental and social benefits. Not only do the trees remove climate-warming carbon dioxide from the atmosphere and help us mitigate the effects of climate change, they have a positive impact on well-being, and provide opportunities for team-bonding.

We have planted 80 trees in the Forest so far and will continue to plant more, with employees planting a tree every year on their birthday.

We will also commemorate other key dates throughout the year by planting further trees in the Forest.



Equitable Society

Severn Group aims to operate our global business in a responsible way, we strive to ensure the sustainability of our colleagues, our customers and the communities that we live and work in.

Our Commitments

- We will work with our local communities to foster positive local initiatives and encourage volunteering.
- Seek to reduce work-related injuries and minimise harm by tracking and assessing H&S accident data (LTIFR) and promote accident reduction initiatives.
- We are committed to recruiting and promoting our employees fairly and without discrimination. We actively recognise diversity by building a culture of equal opportunity, respect and collaboration. We encourage and promote diversity within the workforce and our supply chain/sales agents.
- As per our Modern Slavery Policy, prevent the potential for Modern Slavery, Human Rights Violations and Human Trafficking to occur within our business, supply chain, agents and contractors.
- Ensure the well-being and mental health of all our employees is paramount and ensure worker rights in our supply chain adheres to legislative standards and best practices.
- Treat our employees with respect and dignity and ensure others do the same. Do not allow actions or behaviours that make those who work for or with us feel inferior, threatened, upset or humiliated.
- Ensure the Severn Group produces accurate and factual marketing material and product Information.
- Ensure the business and workforce are prepared and able to deal with emerging or emergency scenarios.
- Provide regular and relevant ESG training for all Severn Group employees.
- Have effective communication of Severn Group's ESG policies and roadmap to all third parties including suppliers, agents and contractors.

Severn Group



Equitable Society

Health and Safety

As part of our priority to reduce work-related injuries, minimise harm and promote accident reduction initiatives. We partnered with external Health & Safety (H&S) consultants to support us with assessing our current H&S standards and to advise on a global framework.

We audited four manufacturing sites and benchmarked them against best practice in the industry.

Following the audits we developed a global framework that ensures the safety of our people is our top priority.



Equitable Society

Health and Safety

We monitor a range of different H&S metrics globally, one of these is our lost time injury frequency rate. This is a vital indicator of our safety performance, and provides us with an objective measure of workplace safety.

Entity	2021		2022		2023	
	LTIs	LTIFR	LTIs	LTIFR	LTIs	LTIFR
Severn Glocon	3	Not available	1	2.2	4	4.5
ValvTechnologies	0	0	0	0	0	0
India Hub	0	0	0	0	0	0
LB Bentley	4	Not available	5	21.2	2	7.6
CTL	Not available	Not available	0	0	1	26.9
Mars	0	0	0	0	0	0

Equitable Society

Employee Engagement

We conducted our first Employee Engagement Survey, via a third-party provider, in 2022. Our Survey is designed to measure what matters, including key topics such as leadership, diversity and inclusion and wellbeing. The survey is an ideal opportunity for Employees to share their thoughts, insights, and feedback, helping us shape the future of Severn Group.

The survey revealed our engagement levels are strong and above the norm.

The survey results were instrumental in forming the Severn Group action plan and helped to shape our dynamic People Strategy. Each Division was given visibility of their anonymised data and it was used to develop and deliver local action plans. The survey resulted in the following key actions:

- The launch of our vision and values. Our values are the heartbeat of our Company, driving our decisions, actions, and interactions. With the introduction of the Peer-to-Peer Nomination Scheme we have been able to acknowledge and reward our people for adopting our values.
- CEO Broadcasts, which keep our people informed on how we are performing. The broadcasts cover financial performance and ESG (Environmental, Social and Governance) matters including Health and Safety.
- Our ESG KPIs. As part of our ESG Strategy we formed a committee, made up of our people who volunteered from across the globe to work together to shape our roadmap and how we deliver our KPIs.
- Equality, Diversity and Inclusion Policy and action plan. We have celebrated events such as LGBTQ+ Pride and International Women in Engineering Day. We have signed up to The Tomorrow's Engineering Code.
- Employee Referral Scheme, which gives our people the opportunity to help grow our talent pool while rewarding them financially for every successful candidate put forward.
- A performance management system, empowering all of us to set SMART objectives and own our development. The introduction of mid-year and year-end reviews has enabled discussions around performance and training opportunities.
- An online training tool, VinciWorks, to support with learning and development and policy roll out.

Severn Group



81%
completion rate



77%
are proud to work
for Severn Group



90%
feel able to do the
right things in the
right way

Good Governance

Severn Group is committed to operating our Company with integrity and the highest ethical standards. We implement comprehensive governance structures and practices that meet or exceed the requirements of applicable laws, regulations and rules.

Our Commitments

- We act with integrity and engage in business honestly, ensuring we protect our workforce and stakeholders from fraud and corruption at all levels of the business including our supply chain, agents and contractors.
- Comply with International anti-corruption and bribery laws across the globe and undertake regular due diligence to ensure the business is compliant.
- Manage Risks and ensure appropriate mitigation.
- Undertake appropriate financial checks and audits of our businesses and associated stakeholders including suppliers, agents and contractors.
- Act in a way that ensures fair and open competition across all business territories.
- Ensure that every employee feels safe to report wrongdoing or improper practices without fear of recrimination in line with our Speak Up & Whistleblowing Policy.
- Ensure that all appropriate taxes in states where Severn Group operates are correctly calculated and paid; and philosophies aligned to Severn Group.
- Trade in accordance with all valid international sanctions and trade laws.
- Undertake regular and thorough cyber-security and data storage checks to ensure the business is protected.
- Undertake regular reviews of our supply chain to ensure that they demonstrate the same ESG principles.





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Customer



Integrity



Excellence



Accountability



SEVERN
Superior Valve Engineering