Scolmore® GROUP

CSR REPORT

Financial Year Ending 2024

Foreword from our CEO

Since our incorporation in 1989, we have become a significant force in the electrical accessory market. We're proud to be a British, family-run business, with an excellent track record of listening to what our customers need and providing the right solution every time.

We have been in a fortunate position over the past few years and have found that both revenue and market share have increased, despite many macroeconomic challenges along the way. With the size of the Group increasing, it's only the 'right thing to do' to grow our business sustainably and contribute positively to society whilst we're on our journey.

We've had a prosperous year in furthering our sustainable development plans. We maintained our Bronze EcoVadis medal, but increased our score compared to 2022 and in January 2024, we were awarded our ISO 14001: 2015 Environmental Management System accreditation. In our Ovia range, we adopted a circular economy model, designing our Inceptor® range for disassembly, recycling materials and responsible sourcing to minimise waste.

This report showcases our Sustainability work and achievements so far, but there is still a strong pipeline of initiatives yet to be implemented. Sustainable and responsible growth is our focus throughout our value chain. From environmentally friendly products and operations to social value, to attracting and retaining the best talent, all aspects of Sustainability are core to our strategy.

Our long-term business success and continuous growth is only possible by operating responsibly in alignment with universal standards and supporting society

Scolmore Group is a significant force in the electrical accessory market and we take our corporate and social responsibility very seriously. Through close relationships with our suppliers, customers, consultants and installers, we have adapted our business offer to provide the right solution and service every time. We are in this for the long haul and will continue investing and being innovative in our sustainable development.

Gary Mordue, CEO

Contents

An overview of Scolmore

1989	**£138m**	**12,000+**
Year of inception	Group turnover*	Stocked SKUs across the Group

* Before annual rebates

Scolmore Group, a privately owned family company, is one of the UK's leading suppliers of electrical accessories, lighting, home automation, security and cable accessory products. From our headquarters based in Tamworth, in the Midlands, we are well positioned to design, develop, manufacture, and distribute our product range throughout the UK as well as internationally.
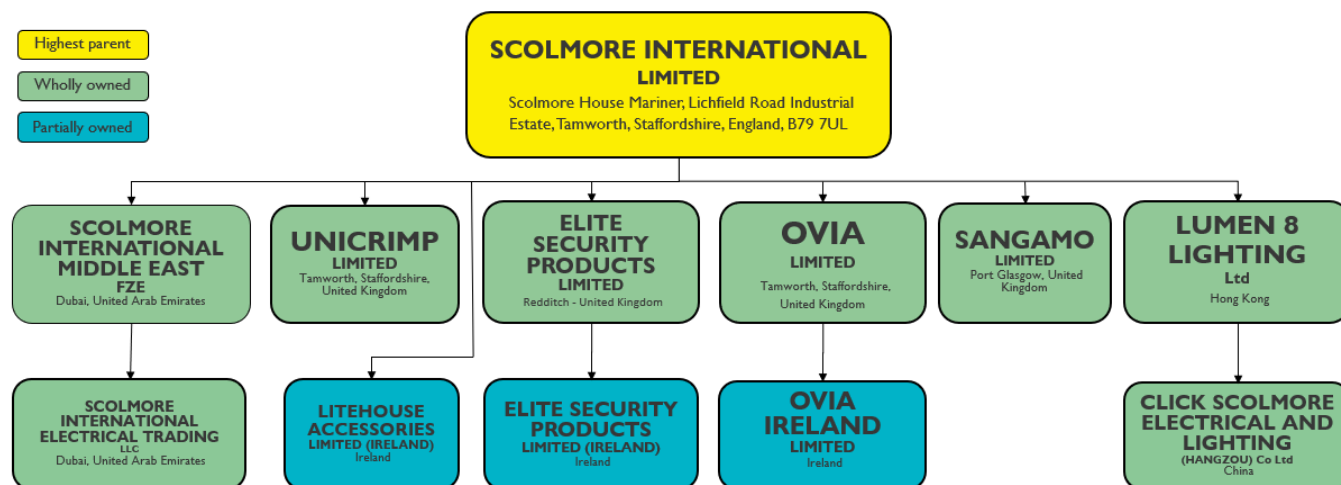
Through our own brands, we are committed to providing a comprehensive range of reliable, high quality and competitively priced products to our customers. Our Product Development Team are constantly tracking market trends, industry regulations and standards so that we continue to increase our product range to meet the ever-changing needs of our customers, while always considering the lifecycle of our products and their environmental impact throughout the product design process.

The Scolmore Group revolves around people, customers and the strong relationships built and maintained through consistent high levels of service and delivery. Our people are the heart of our organisation, and we are committed to providing a supportive and inclusive environment that fosters growth, creativity, and collaboration.

1989	2001	2008	2009	2011	2011	2013	2017	2018	2018	2020
Scolmore International Ltd. Established	Moved to a new site	Litehouse	China	ESP	Extended the office block	Unicrimp	Dubai	Sangamo	ESPI	OVIA

Group Structure

2-2 Entities included in the organisation's Sustainability reporting

This Sustainability Report has been compiled using information relating to all processes, products, activities, and employees of Scolmore International (highest parent of the Scolmore Group) as well as its UK based, wholly owned, subsidiary companies (Ovia, Unicrimp, Elite Security Products (ESP), Sangamo), unless otherwise clearly specified.

Our business at a glance

Scolmore GROUP

Established in 1989, Scolmore International designs, develops, and manufactures an ever-expanding range of innovative, energy-efficient and time saving electrical accessories and lighting solutions for domestic and commercial projects. The Company's well-known Click, Click-Smart, Ovia and Inceptor brands are trusted for their superior performance, reliability and cost-efficiency, as well as their timesaving and safety qualities.

ESP ScolmoreGROUP

Part of the Scolmore Group of companies since 2011, ESP offers a comprehensive range of electronic security and fire detection products to meet the requirements of installers and contractors. The range comprises CCTV, Access Control, Fire Protection, Emergency Lighting, and the Essentials collection, which includes a range of external area protection systems. The Sangamo range of specialist time switches and heating controls was added to the ESP product portfolio in 2018.

UNICRIMP ScolmoreGROUP

Unicrimp became part of the Scolmore Group in 2014, bringing to the electrical contracting industry a comprehensive range of cable accessory products that complement Scolmore's current wiring accessories and lighting portfolios. The Q-crimp branded range of products includes cable ties, cable crimp terminals, PVC tape, copper tube terminals, cable clips, and brass and nylon glands – providing everything required to harness cable between the consumer unit and the end accessory.

OVIA ScolmoreGROUP

The Ovia brand of lighting solutions have been further developed to meet the growing opportunities that the lighting industry offers. Our aim, quite simply, is to bring to market – on the back of extensive research with customers and contractors – a range of Ovia lighting products that will provide contractors with the quickest and easiest to install lighting solutions that will save them time and money on a project and that they can source through the reliable wholesale channel.

SANGAMO ScolmoreGROUP

Sangamo was founded in 1921 under the name British Sangamo, as the UK subsidiary of the Sangamo Electric Co. Sangamo has been manufacturing time switches from our Port Glasgow factory for over 65 years. Our reputation for quality and reliability is unrivalled. We offer a wide range of time switches and heating controls for the domestic, commercial, and industrial sectors.

The Company has been part of the Scolmore Group of companies since 2018, and whilst the Company operates independently, Sangamo benefits from the expertise, knowledge and support of the Scolmore Group and continues to create strong growth within its product categories.

Scolmore DUBAI

Scolmore Group opened a head office and warehouse facility in Dubai. Scolmore Middle East is located in the heart of Dubai in the Business Bay area. The company employs a number of sales managers, as well as office and admin support staff.

The warehouse facility of Scolmore Middle East, operating as Scolmore International Middle East Free Zone Establishment (FZE) is located about 10 miles outside of Dubai in the Free Zone area. From this prime location, Scolmore Middle East can stock and distribute its comprehensive range of products more quickly to its customers, which include major distributors, construction clients, hotels and smaller end users.

Governance Structure

The below diagram shows the principal organisation structure of Scolmore Group. Our Board of Directors (BoD) consists of 10 members (9 men and 1 woman), all of whom have been appointed by our CEO. Our Board of Directors meets bi-monthly to discuss the business' strategic plan with regards to its progress and any future developments. Compliance and sustainability issues, including reported whistleblowing, conflict of interest, corruption incidents and any other regulatory breaches are also covered and discussed within the BoD meetings.

The Strategic Management Team (SMT) meets on a quarterly basis and discusses issues relating to Sustainable Development, Emerging Trends, KPIs, Internal and External issues, Customer and market trends and satisfaction and any new projects or challenges. Feedback from the quarterly SMT is also considered at board level for follow-up actions and strategy adjustments as required.

Scolmore has adopted an integrated Quality and Environmental management system which is ISO 9001:2015 and ISO 14001:2015 accredited and third party verified by NQA (UKAS certified). Our Health and Safety management system is also in line with the ISO 45001:2018 standard, however is not accredited.
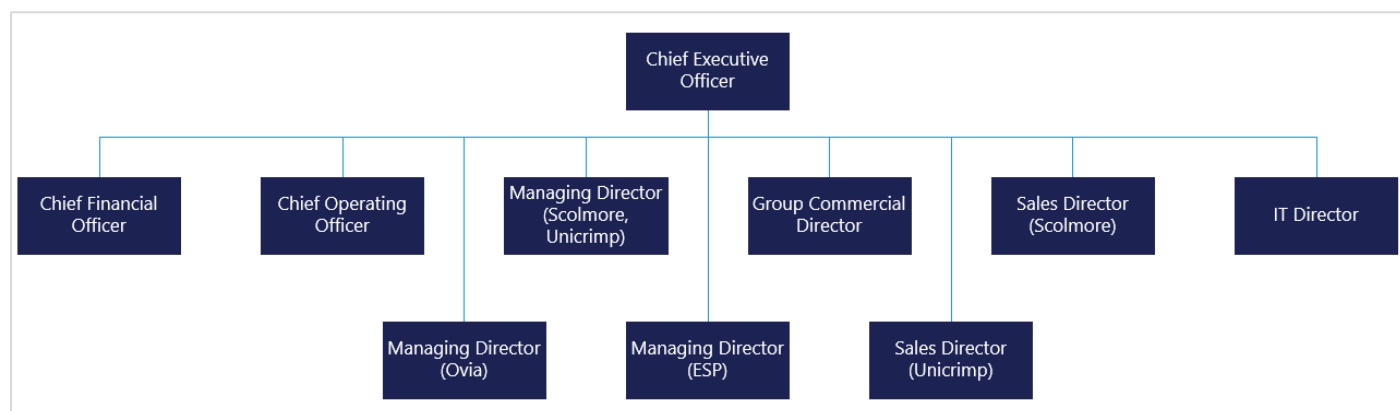
Scolmore House, Tamworth. Our Group's Head Office

Scolmore's Values

Core values define us as a Group, and how as individuals we conduct ourselves. It creates a culture that demonstrates who we are as a business and provides clear guidelines on how we can achieve the highest standards in all areas. Our core values provide the platform for the future growth and development of the business and all its people.

UNITED

We are **united** in bringing together our values, ideals and goals to create a positive environment for our workforce.

NURTURE

We **nurture** our people and the relationships we have with our customers in order to develop mutually beneficial and respectful partnerships.

INNOVATION

We believe in **innovation** and actively encourage our employees to think creatively.

QUALITY

We operate in a dynamic, ever-changing market. **Quality** is essential across every area of our business, including service levels and products.

UPSKILL

We believe in our **People**. We invest in training and personal development across all areas of our business. We provide opportunities for progression.

EXCELLENCE

We aspire to be **excellent** in all disciplines by listening to our stakeholders and formulating sustainable plans.

Sustainability at Scolmore

Sustainability was defined in 1987 by the United Nations Brundtland Commission as "*meeting the needs of the present without compromising the ability of future generations to meet their own needs.*" Sustainability does not only focus on the environment, but has two additional pillars concerning economic and social sustainable development.

At Scolmore, we believe that Sustainable business is simply the 'right thing to do' and we actively seek ways to embed the three pillars into our day-to-day operations. Our Sustainability journey has been awarded a Bronze medal from EcoVadis in 2022 and reconfirmed with a higher score in 2023. We are always striving to improve and do our bit to make the world a better place, for our staff, customers and local community alike.
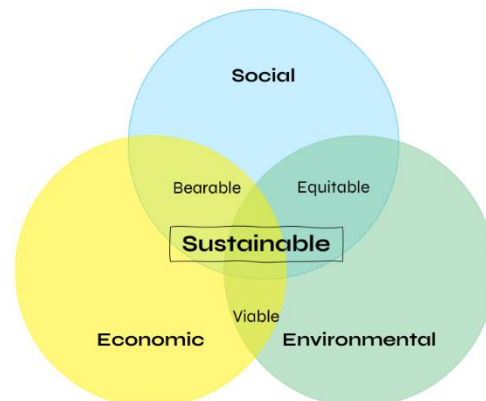
Our inclusive Sustainability vision encompasses the many different things that are relevant to our stakeholders, from environmentally-friendly products, to diversity and inclusion in our workplace, for instance.

Taking all of this into consideration we are on a journey to achieve this ambition and are actively bringing our customers, suppliers and staff on the journey with us. As a starting point, we need to understand our impact on the world around us. Within 2024, we are extending our Carbon Footprint inventory to include Scope 3 emissions as per the Greenhouse Gas Protocol and we will be using this data to further analyse our environmental impact and set out a Carbon reduction target and strategy.

To make our journey a success, engagement of our suppliers and people is key. We aim to make their contributions feel heard and valued so that they can be embedded in our strategy.

Engaging with our Stakeholders

2-29 Approach to stakeholder engagement

Scolmore International is a business built around people, whether they work for us, supply us or buy from us. Each different stakeholder has different requirements and expectations from their experience with us, meaning it is only natural for us to maintain an open dialogue with them. The business has identified four key stakeholder groups who exert the greatest influence over Scolmore's operations.

Employees　　　　**Customers**　　　　**Suppliers**　　　　**Installers**

	Dialogue Opportunity
Employees	• Launch of the company Intranet in June 2024, hosting information about the business and easy access to updates and resources. • Annual appraisals encouraging a dialogue between our employees and managers to share their views on their performance and career development. • Establishment of a cross-departmental Health & Safety committee in 2023, encouraging employees to share their Health & Safety related concerns and take actions to improve the working environment. • Company managers and directors have an open-door policy and are visible and available to engage with our employees.
Customers	• Our Customer Service staff engage with our customers daily to discuss order and service requirements. • Regular visits by Directors, Regional and Area Sales Managers to discuss service and new developments in the pipeline. • Visits by our Regional and Area Sales Managers to our customers' branches to showcase our products and services.
Suppliers	• Regular contact from our Technical and Supply Chain teams with our supplier base, including in-person visits when required. • Factory and Social audits are conducted on a regular basis to assess the quality of our products at source and the level of adhesion to our Supplier Code of Conduct.
Installers	• We visit our key installers regularly to provide them with updates on our products and services • We attend industry exhibitions and local customer branch trade shows. • We share industry updates via social media and trade press and our technical engagement team provide updates and training opportunities on installation best practice and regulatory updates. • Our Technical Engagement team advocate best practice for installers and new apprentices into the electrical installation industry.

The Click Scolmore Exhibition stand at the ELEX show at the Alexandra Palace and Park, March 2024

Business Ethics & Compliance

Our Compliance Commitment

Compliance sits at the core of Scolmore Group's operations. Its dedicated Legal & Compliance department focusses on Quality, Compliance, ESG and Health & Safety.

Inspired by ISO 19011:2018, our Legal & Compliance Team advocate the internal control function by following the below principles:

- Integrity
- Fair presentation
- Due professional care
- Confidentiality
- Independence
- Evidence-based approach
- Risk-based approach
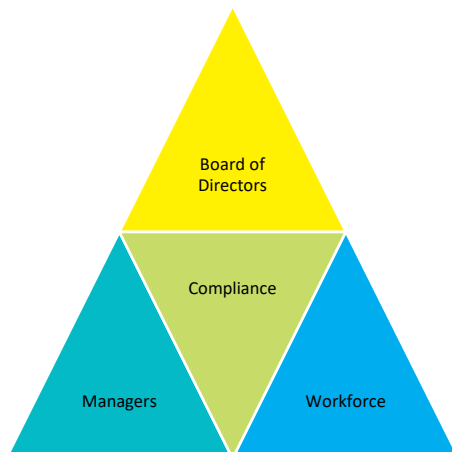
Integrated Management System (ISO 9001 & ISO 14001)

Scolmore International believes that a good management system is based on a holistic approach as well as on the simplification of convoluted practices around the business. For this reason, Scolmore encourages departments, and particularly business process managers, to record processes in a suitable way to the activity, area, resources and knowledge involved. Processes need to be aligned to achieve the intended outcomes, as well as to guarantee business continuity and consistency.

Our ISO 9001:2015 and ISO 14001:2015 have been integrated and operate together hand-in-hand. To monitor our effectiveness, we had our annual external surveillance audit in March 2024, which identified two Opportunities for Improvement (OFIs) and no Non Conformities (NCs).

Furthermore, in line with clause 9.2, we have a programme of Internal Audits to ensure the management system has been effectively implemented and is maintained. 12 internal audits were carried out across the business from 1st May 2023 until 30th April 2024. These identified 19 Opportunities for Improvement, 11 Minor Non-Conformities and 1 Major Non-Conformity, all of which have been proactively addressed by our department heads.

Management reviews are performed on a quarterly basis by the Strategic Management Team (SMT) and the Board of Directors (BoD). The SMT meeting format is ISO-inspired, focusing on the PDCA (Plan, Do, Check, Act) methodology of Continual Improvement.

The meeting takes place as a round table discussion and will be attended by a selection of Directors from across the business to support the SMT. Actions arising from these meetings are implemented throughout the business. All Strategic Managers are encouraged to provide updates on 'Sustainable Commitment in Action' to showcase initiatives implemented in their department. Cascading the mission of Sustainability drives innovation and creativity in all areas of the business.

Code of Ethics

At Scolmore, integrity is essential to our business. In June 2023, we launched our Code of Ethics (CoE), which reflects the core values and the high ethical standards which inspire our employees, business partners and all other stakeholders.

This CoE applies to our workforce, which includes all individuals who work for us and for any of our operative companies, anywhere in the world: full-time or part-time employees, temporary workers, contract workers, officers as well as the members of the Group Board of Directors.

We also expect our business partners (i.e. customers as well as stock and service suppliers, distributors, and

joint venture partners) to act with integrity and in compliance with the principles highlighted in our CoE.

Individual accountability

We expect all our workforce to be familiar with and adhere to this CoE and its related policies and procedures. We reinforce this requirement through training and awareness campaigns throughout the year.

Managers have additional responsibilities in ensuring compliance. They must:

- Ensure effective implementation of this CoE in the daily operations,
- Set a tone of integrity in the objectives and operations of their teams, ensuring that their teams understand the Code,
- Discuss and promote adherence to the principles and rules set out in this CoE with their teams and business partners,
- Actively listen to the concerns of their team members, providing support and encouraging any violations of the Code to be reported,
- Request the Legal and Compliance department's advice when in doubt and escalate any concerns,
- Lead by example.

Anti-bribery and anti-corruption policies

Since 2021, anti-bribery and anti-corruption policies have been in place. Through our Learning Management System (LMS), we train all our staff how to recognise, avoid and report any known or suspected cases. For the year 2023, no cases of bribery or corruption were reported.

In July 2023 an Anti-bribery and Corruption (ABC) Risk Assessment was carried out across the entire business.

Strong ethical culture, leading by example and a very respectable reputation within the local community were identified as key strengths. At the same time, the need for reviewing the current policies and procedures is ongoing to reinforce the controls already in place in line with the recent business expansion in terms of headcount as well as new markets (i.e., internationally).

Modern Slavery

Scolmore has a zero-tolerance approach to slavery and human trafficking. The supply chains of large organisations, such as Scolmore International, can be often complex with many tiers. Even so, businesses can take a number of steps in order to mitigate the risk of their products or services being made by slaves or forced labour.

At Scolmore:

- We engage only with reputable working agencies
- We are strongly committed to conducting our business in a lawful and ethical manner
- We engage only with business partners committed to the same principles.
- We regularly assess our supply chain directly as well as through independent auditors.

Reporting a concern

We are committed to conducting our business with honesty and integrity and we expect all employees to maintain high standards, however we recognise the risk of things going wrong from time to time.

If one of our employees or external stakeholders has a concern, they can email compliance@scolmore.com directly. Reports will be investigated in an appropriate manner that maximises confidentiality.

According to our CoE, all known and suspected cases of wrongdoing must be reported. Scolmore does have a Whistleblowing procedure and genuine reports of suspected or known misconducts are investigated. For the year 2023, no cases of Whistleblowing were reported.

Customer Satisfaction

Since Scolmore International's inception in 1989, the customer experience has been at the heart of our business. We welcome the opportunity to engage with our customers and installers, both virtually and face-to-face. Scolmore International sells directly to a network of Electrical wholesalers. Over 90% of customer orders are placed online.

Since May 2023, outbound emails from our Customer Services Team have featured a smiley-face signature, encouraging customers to rate our service based on their interaction with our team members.

Please rate your experience:

| Excellent | Good | Average | Poor | Bad |

When customers click on one of their faces, they are directed to an online form to leave their name, contact details, the company they work for and their feedback. This data is collated monthly and is analysed by our Head of Customer Services to identify any areas where we are under-performing and implement any training or corrective actions. The data is further shared with our Strategic Management Team in their Management Review meeting on a quarterly basis.

At Scolmore, we consider ratings of 'Excellent' and 'Good' to mean that our customers are satisfied with our level of service offered. Where customers rate us either 'Average', 'Poor' or 'Bad', our Customer Services Management team directly call those customers to further understand how we can resolve their concerns and prevent any reoccurrence.

The chart on the right shows a high-level analysis of how our customers rated their experience with us based on the 5 smiley face system. 95% of our customers were 'satisfied'.

3% 1% 1%
4%
91%

■ Bad ■ Poor ■ Average ■ Good ■ Excellent
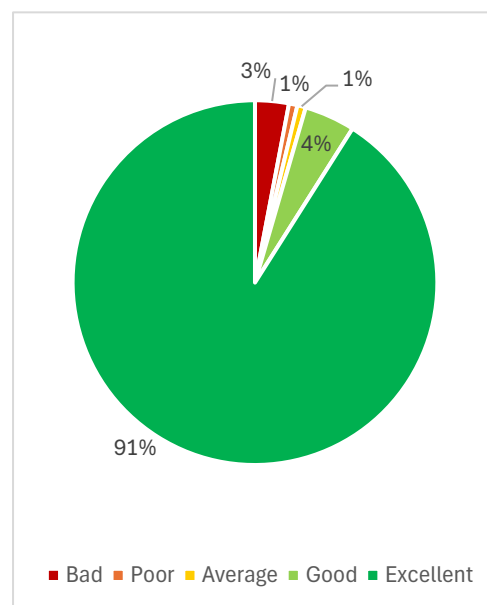
Sustainable Products

302-5 Reductions in energy requirements of products and services

Under our own brands, Scolmore Group offers a range of products for which design and development are considered, controlled, monitored and reviewed within the Product Development Team.

For new designs and for significant design changes, we ensure the translation of customers' needs and requirements into detailed design outputs, which address performance, reliability, maintainability, testability, and safety issues, as well as regulatory and statutory requirements.

This process ensures:

- Design is planned,
- Environmental aspects and impacts are taken into consideration,
- Design inputs (requirements) are captured,
- Design outputs are delivered under controlled conditions,
- Reviews, verification and validation are conducted,
- Changes are made in a controlled manner.

Circularity

We are dedicated to a circular economy, implementing sustainable practices in our Ovia Inceptor®

products to meet TM66 report standards. Our commitment involves designing lighting for disassembly, recycling materials and responsible sourcing, to minimise waste and maximise resource efficiency.

Throughout our extensive range of lighting solutions, we have a number of products that are part of our Pro Range which are identified by the name Inceptor®.

To test our products, we complete the TM66 form created by CIBSE. Testing involves gathering evidence which supports the specifications of our product ranges.

We deconstruct our products to show the disassembly and material used. This also demonstrates the ability to recycle or refurbish the different materials.

The ecosystem of our company is also thoroughly investigated to navigate what we offer to support a circular economy, for example technical support, warranty lengths, photometry data and so on.

Plastic-free packaging

Since 2022, Scolmore has been reviewing its product packaging to reduce the amount of single-use plastic. Between August 2022 and July 2023, throughout our Click brand (Mode and Deco ranges), we managed to reduce by 80 tonnes the single-use plastic waste.

As a further measure, we have added QR codes to our packaging to replace paper instructions and specifications, removed any lamination from cardboard, introduced paper bags for screws and ensured that our suppliers are using paper tape and labels for the boxes.

Product catalogues

While encouraging our customers, where possible, to use digital catalogues and fliers, we are making a conscious effort to reduce what we print and use more sustainable printing resources.

For example, all our catalogues are sent to press via printers who use the World Lands Trust to carbon balance the full print job. This includes using FSC paper, where a tree is planted for every one that is cut down. To offset the emissions from the print process itself, our printers add up the carbon footprint of the job and make a payment to Worlds Land Trust.

Our Supply Chain

We are firmly committed to acting in a socially responsible manner and in line with sustainable best practices. This includes ensuring that all parties in our supply chain adhere to our high ethical standards by looking after the Health and Safety of their workforce, prohibiting child labour and forced labour, and complying with conflict minerals and environmental protection regulations. Scolmore Group has a zero-tolerance approach to any form of unethical and illegal behaviour and expects all its Business Partners to embrace the same values, which are outlined in the Scolmore Supplier Code of Conduct as well as in the Scolmore Code of Ethics.

Our Suppliers are key strategic business partners to us and are fundamental to our success. As a result, Purchasing and Supply Chain, Product Development, Technical and Quality and Compliance departments are continually in contact with our suppliers to keep them up to date with our plans from both a technical product and business strategy perspective.

Supplier Code of Conduct

Our Supplier Code of Conduct, introduced in July 2022, seeks to provide a framework within which all procurement activity across the group will result in enhanced sustainability outcomes. It is based on the UN Global Compact, the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises, as well as other international standards, norms, and guidelines.

With the "Conflict Minerals" policy issued in July 2023, we are aiming at avoiding contributing towards conflict through our sourcing decisions related to the so-called 3TG (Tin, Tantalum, Tungsten and Gold) or "conflict minerals", and addressing the risks related to conflict minerals and other unethically produced materials.

The trade of these minerals, as well as other materials not specifically defined as conflict minerals, can be used to finance armed groups, fuel forced labour and other human rights abuses, and support corruption and money laundering.

The current due diligence program carried out on all our Business Partners is being reinforced in the next financial year and we have signed up to a reputable due diligence platform to assist us in this programme.

Quality and Social Audits

Since November 2023, existing third-party quality audits have been coupled with social audits on our manufacturing plants. Any non-conformities arising from these audits are being categorised according to the Ethical Base Initiative (ETI) Base Codes.

- Forced Labour
- Underage Labour
- Discrimination
- Environment
- Working Contracts

- Health and Safety
- Compensation
- Freedom Association
- Miscellaneous

Following a non-conformity, our Compliance Team works directly with the manufacturing plant to drive resolution at root cause. All 19 non-conformities raised up to 30th April 2024 were addressed and closed.

Sustainable Procurement

We are currently at the final stages of introducing our Sustainable Procurement Policy to better manage and improve visibility over our entire supply chain. The policy is based on our Code of Ethics, as well as on the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. The policy demonstrates our support for the OECD Guidelines for Multinational Enterprises.

Our Environmental Impact

74%	**99%**	**705**
Electric or Hybrid cars	Waste produced in UK recycled	tCO₂e Scopes 1 & 2 (UK)

Scolmore operates with respect and care for the environment and expects the same from our supply chain. We aim at preventing pollution and reduce our carbon footprint in order to contribute towards a decarbonised economy, without compromising the Health & Safety of our staff, contractors, customers or the public.

We comply with our legal and regulatory obligations as well as with any other requirement we deem relevant to our business. We continually review our environmental performance to implement solutions aimed at reducing the significant environmental impacts of our operations and activities. In January 2024, Scolmore Group was awarded its ISO 14001: 2015 accreditation for its Environmental Management System, which sits on the Quality Management System (ISO 9001: 2015 accredited).

We educate our staff to consider our products and business processes from a life-cycle perspective. We encourage them to identify problems, to make suggestions aimed at improving any environmental aspects, without compromising on the product quality and a customer service level.

Our Carbon Footprint

302-1 Energy consumption within the organisation
302-3 Energy intensity
305-1 Direct (Scope 1) GHG emissions

305-2 Energy indirect (Scope 2) GHG emissions
305-4 GHG emissions intensity

We monitor and report our Scope 1 and 2 Carbon emission in compliance with the UK Government's ESOS (Energy Savings Opportunity Scheme) and SECR (Streamlined Energy and Carbon Reporting) legislation, as well as in line with Greenhouse Gas Protocol methodology. Our Scopes 1 and 2 footprint, shown on the right, has been calculated using the EcoVadis Scopes 1 & 2 Carbon footprint calculator. We are now starting our journey of measuring our Scope 3 Carbon Footprint. In the period covered by this report Scolmore has purchased all gas and electricity of renewable energy attributes, backed by Energy Guarantees of Origin (REGOs).

As of 30th April 2024, 74% of our company vehicles are hybrid or electric, and older diesel vehicles are being replaced with hybrid or electric vehicles.
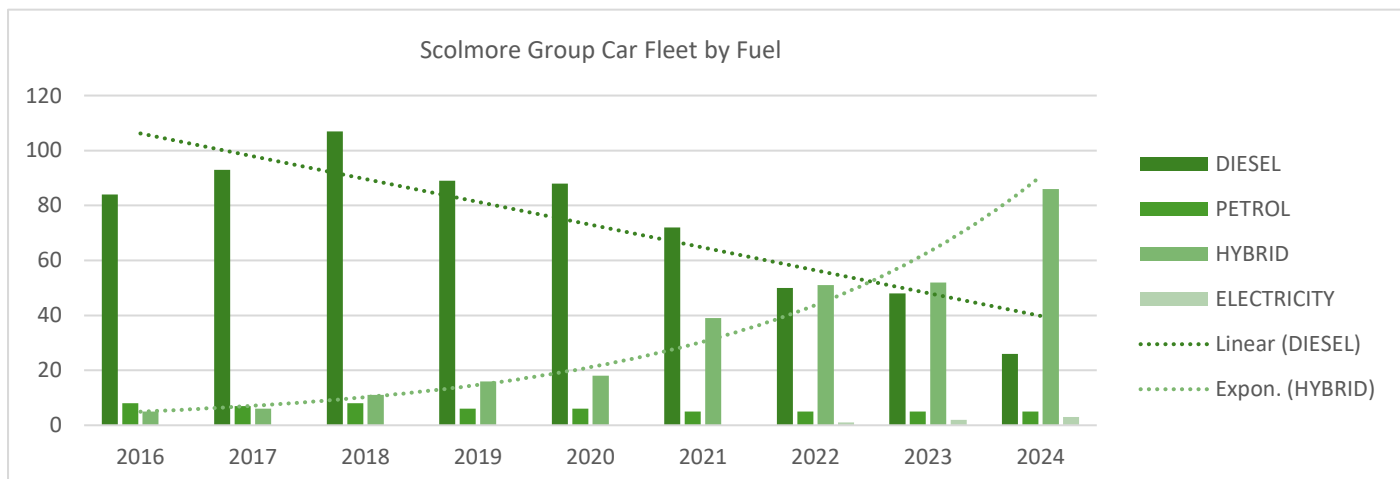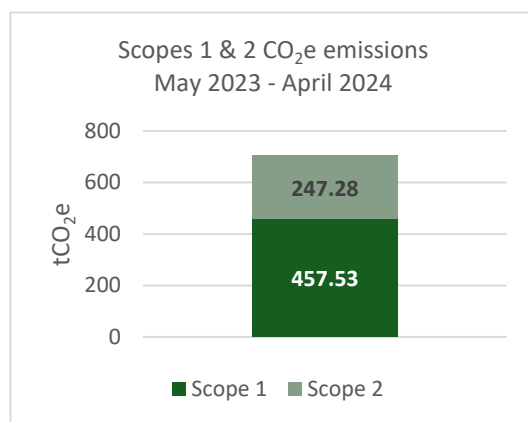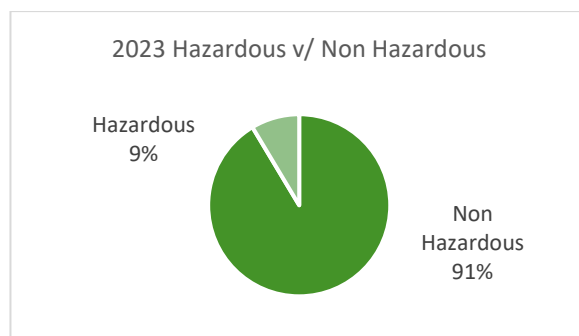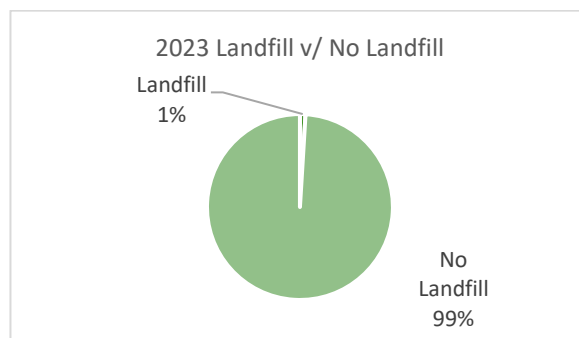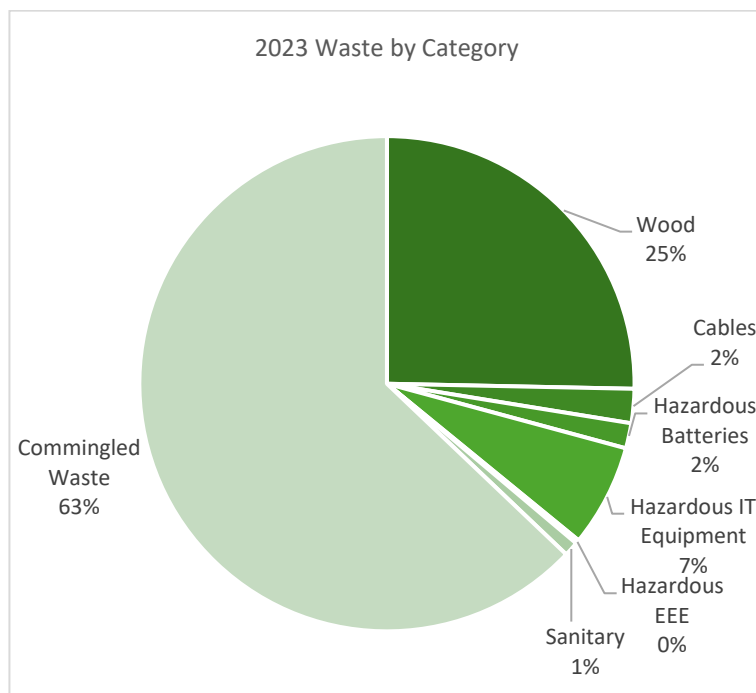
Scopes 1 & 2 CO₂e emissions May 2023 - April 2024

tCO₂e

- Scope 2: 247.28
- Scope 1: 457.53

Scolmore Group Car Fleet by Fuel

Waste Management

From 1st January until 31st December 2023, only 1% (2 tonnes) of Scolmore Group's waste generated in our UK sites went to landfill.

2023 Waste by Category

- Wood 25%
- Cables 2%
- Hazardous Batteries 2%
- Hazardous IT Equipment 7%
- Hazardous EEE 0%
- Sanitary 1%
- Commingled Waste 63%

2023 Landfill v/ No Landfill

- Landfill 1%
- No Landfill 99%

2023 Hazardous v/ Non Hazardous

- Hazardous 9%
- Non Hazardous 91%

Scolmore adheres to the RoHS and REACH directives, meaning that the products we supply conform to the Directive (EU) 2015/863 amendment of the RoHS DIRECTIVE 2011/65/EU, RoHS-Recast, Article 4 (1) as well as UK RoHS and do not contain any of the 10 Hazardous substances above the specified limits. Regarding REACH, the products we currently supply do not contain any SVHCs included on the Candidate List in concentrations above 0.1 % (w/w) and are compliant with Annex XVII restrictions.

Scolmore encourages the responsible disposal of its products and is a member of the WEEE Producer Compliance Scheme, registration number WEEHF0466RR.

Environmental Sustainability in our Operations

At Scolmore, we do all we can to improve our environmental sustainability in our warehousing and distribution operations, from workwear worn by our warehouse employees made from recycled and sustainable fabrics with end-of-life recycling credentials, to packaging.

In the aim of reducing the amount of plastic we place on the market, we are reviewing our products and transport packaging. We source our outer box and tube cardboard from a Carbon Neutral supplier, Sandland Packaging, who announced, "Sandland Packaging has continued its pioneering environmental journey to become the first corrugated sheet plant in the UK to become fully carbon neutral by measuring and offsetting all carbon emissions across Scope 1 and 2 and all 15 categories in Scope 3. This means all boxes produced by Sandland Packaging are certified carbon neutral and crucially are emissions free for their customers." The cardboard is responsibly sourced and is accredited by the FSC (number C156174) and all ink printed on the boxes is water-based.

As a further measure, Scolmore uses eco-friendly paper tape to seal the boxes and, to protect the products, cushioning is made from on-site recycled and shredded cardboard. When pillows must be used, they are made using an alternative 100% recycled polymer pillow packing solution which is 80% recyclable.

Our Social Value

£22,250	**£3,000**	**£689.83**
Donated to Families First	Products donated to DIY SOS	Raised by Staff for charity

Giving back to society and making a positive contribution to our community is a cause close to our hearts. Over the last financial year, Scolmore Group has donated £22,250.00 to Families First in Staffordshire County Council. Families First works locally with key people to meet the needs of the community. The organisation works in 19 geographical areas across Staffordshire. The money donated is split amongst different organisations and supports local initiatives like Food and Hygiene Banks, Family Services, Disability Services and Tamworth Boxing Club.

Together with the Families First donations, Scolmore Group has been involved in the following charitable initiatives over the past year.

Treetops Hospice, Derbyshire

As a part of the BBC's "DIY SOS: the big build", the BBC's flagship multi award-winning home renovation programme, Scolmore Group donated £3,000 worth of products to be used to build Treetops Hospice, a bespoke children's counselling and therapy centre. Treetops provides over 900 counselling sessions for local children, some as young as 7 years old, who are struggling after the death of a loved one. BBC Children in Need has supported its children's services for over 10 years, helping hundreds of bereaved children and families during that time through counselling and emotional support, along with crucial training for staff members.

The new Centre focuses entirely on the children they help. From the minute they come through the doors they'll be made to feel welcome and safe, improving the vital care, support and counselling they receive during some of the worst moments of their lives.

Staff-led charitable initiatives

At Scolmore, we embrace staff-led initiatives aimed at supporting causes close to their hearts. For example, in September 2023, a MacMillan Coffee Morning was held at our Head Office. In total, we raised £275.47 to help towards specialist health care, information, and financial support to people affected by cancer. As a part of the event, a baking competition was organised and our employees wore green on the day to show their support.

In October 2023, organised by one of Customer Services Team, we held a series of events for Breast Cancer Awareness Week. These events included a raffle, quiz, buffet, pet fancy dress competition and finally, 'Wear it Pink' day, including a bra decoration competition. The week's events not only raised awareness about breast cancer, but also raised £414.36 for Breast Cancer Now.

Better Pathways

Over the past eight years, Scolmore Group has supported Better Pathways, whose mission is to help and support people with mental health challenges, learning difficulties and learning disabilities through broad-based vocational activities within social enterprises, so that they can build the confidence to begin their employment journey. Through Better Pathways, we entrust vulnerable people to package some products, ready for despatch to our customers. In addition, our Technical Engagement team work with tutors to support apprentices in the scheme who are entering the electrical industry.

Training the next generation of electricians

54	**2000+**	**10**
College visits	**College students trained**	**SkillELECTRIC events attended**

Scolmore Group attributes its market-leading position to sustained reinvestment in the wider electrical industry. Our Technical Engagement Team engages with consultants, specifiers and electrical contractors to advise and educate them on the right solutions and products to meet the ever-changing regulations and technical requirements of the industry. They also develop and present training content at industry events, as well as across Scolmore's social media channels, including the SGTV YouTube channel.

We are very proud to support the industry at the grass roots, through various initiatives that educate and train new and upcoming electricians. Between 1st May 2023 and 30th April 2024, our Technical Engagement Team visited 54 colleges up and down the country, an average of 5 per month, delivering sessions to over 2000 students. We have delivered training from product-related information to CPD modules covering the latest in industry regulations. We have also offered training sessions to 140 students participating in pre-16 careers events.

In 2018, we became an official partner with SkillELECTRIC's competition to find the UK's best young electrician. Over this financial year, we have seen 120 apprentices coming from over 40 colleges. At the SkillELECTRIC events, we have delivered 10 CPD sessions at each event for the staff.

Since January 2023, we are an approved City&Guilds centre for Level 3 Award in the Requirements for Electrical Installations and Level 3 Award in Initial and Periodic Inspection and Testing of Electrical Installations.
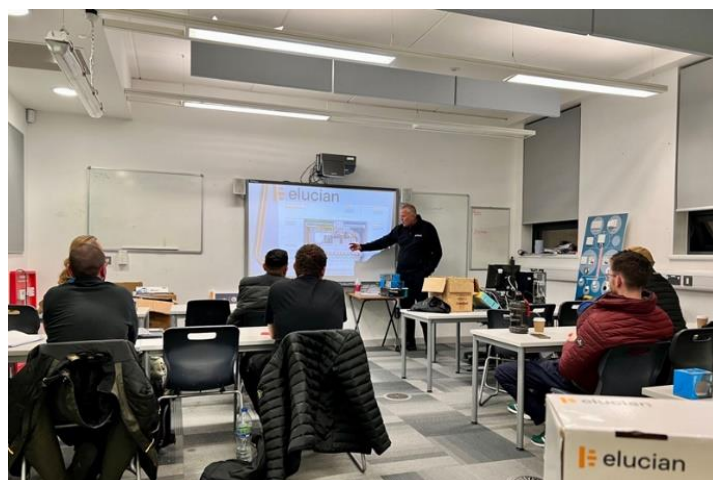
Donations of non-sellable products to education

To allow upcoming electricians to get more hands-on practice with products, Scolmore donates products with minor aesthetic defects to local colleges. From 1st May 2023 to 30th April 2024, we have donated approximately 200kg in products to support the training of the next generation of electricians.

Health & Safety

It is our commitment to uphold all that is reasonably practicable, to establish healthy and safe working conditions for all employees, contractors and visitors using or accessing Scolmore facilities worldwide. We conform to the standards required by the UK Health and Safety at Work Act 1974 as well as any other statutory or more stringent requirements which relate to the business' activities. As far as reasonably practical, we always provide and maintain a safe and healthy environment, as well as safe systems of work. Our workforce receives information, training, instructions and guidance to address H&S concerns and prevent H&S risks. We continually monitor the effectiveness of our Health and Safety Policy and revise it as necessary.

Over the last financial year, we have counted a total of 16 minor non-reportable incidents/accidents which determined a total of 1 day of lost time. In the past 5 years we recorded a total of 2 days lost time due to work-related injuries. All of these incidents and accidents were thoroughly investigated internally and measures were implemented to avoid them reoccurring.

Scolmore Group works with an accredited and qualified Health & Safety practitioner who would perform inspections on a bi-weekly basis. Scolmore's warehousing and office sites are inspected daily, to ensure they are as safe as possible and adhere to legal guidelines. Our Health and Safety management system is not accredited, but in compliance with the ISO 45001:2018 standard.

Health & Safety Committee

Since October 2023, a Health & Safety Committee has been established. The committee is made up from employees from different departments and levels of management. They meet monthly, along with an accredited and qualified Health & Safety practitioner. Each member of the committee is tasked with raising any issues or opportunities for improvement with the wider committee, to ensure that the Scolmore Group sites are as safe as possible and to increase awareness of Health & Safety around the business.
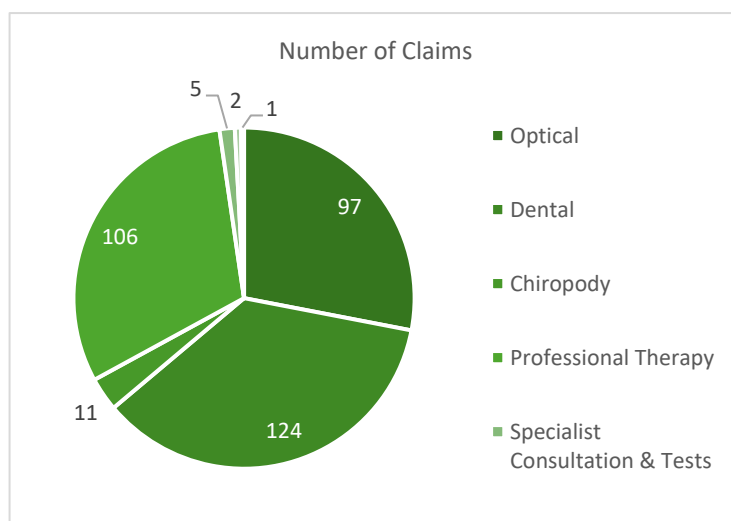
52	**30**	**9**
Fire Marshals	**First Aiders**	**Mental Health First Aiders**

Corporate Healthcare

As an employment benefit, Scolmore Group offers a health cash plan through Paycare to all employees. We firmly believe that prevention is better than cure, so we offer a plan to ensure all individuals can enjoy the best possible health. Via the Paycare website, employees can claim cashback on everyday healthcare treatments, such as dentistry or a visit to the opticians. In total, employees have claimed back £27,671.09 from 1st April 2023 until 31st March 2024 as per the pie chart.

Furthermore, Paycare offers benefits to staff, such as access to online health and medical advice, mental health counsellors as well as discount vouchers.

Number of Claims

5, 2, 1
97
106
11
124

- Optical
- Dental
- Chiropody
- Professional Therapy
- Specialist Consultation & Tests

Our People

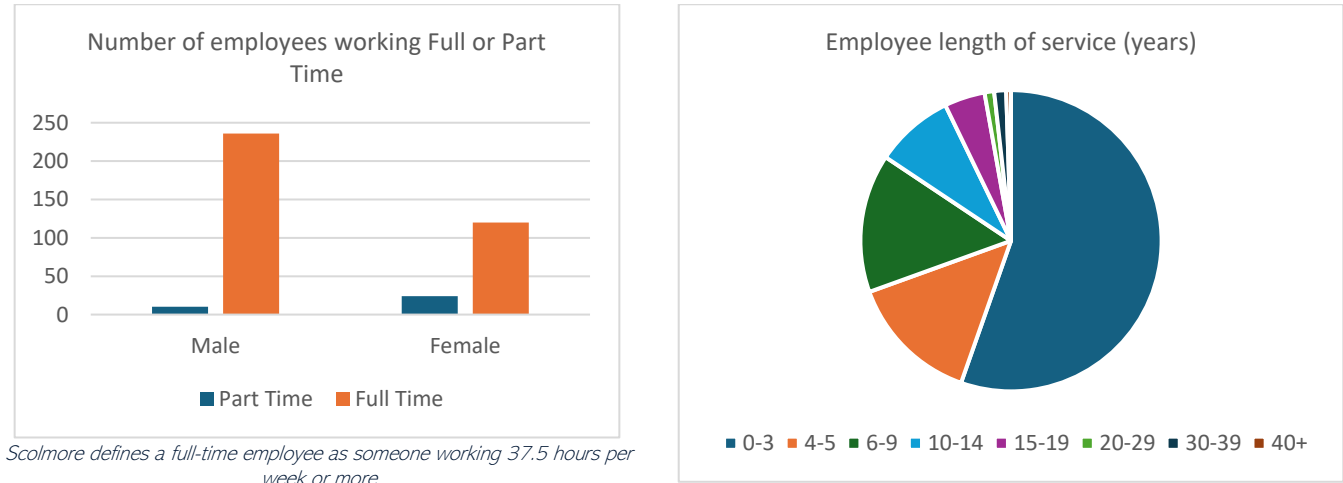| **390**	**5.4 yrs**	**37%**
employees (UK, Asia, Eire)	**average length of service**	**female employees**

Scolmore actively seeks to create and maintain a working environment which provides equality of opportunity and freedom from unlawful discrimination on the grounds of race, gender, sexual orientation, age, disability, religion or beliefs. We firmly oppose all forms of discrimination, remove unfair and discriminatory practices within the business and encourage full contribution from our diverse community.

We believe that by providing a stimulating and supporting working environment, we enable our staff to fulfil their personal potential and creativity. Such an environment cannot exist where any member of staff is not treated with dignity and respect, free from harassment, bullying, victimisation, intimidation, aggression or coercion.

Workforce Profile

On 30th April 2024, Scolmore Group had 390 employees across the Group (UK, Asia and Eire) and 24 temporary agency workers in our UK warehouse operation. Owing to strong financial growth over the past few years, we have had to support this by increasing our workforce and recruiting 77 new employees into the business from 1st May 2023 until 30th April 2024. Subsequently, 55% of our workforce have 3 or fewer years' service with the company.

In turn, this presents a challenge to Scolmore to recruit and retain its talent, considering the most common length of service in the UK is 2-4 years (CIPD, June 2024). The business is now analysing its workforce profile in order to formalise more attractive opportunities, encompassing training and career development, which will allow more sustainable growth.

Number of employees working Full or Part Time

Scolmore defines a full-time employee as someone working 37.5 hours per week or more

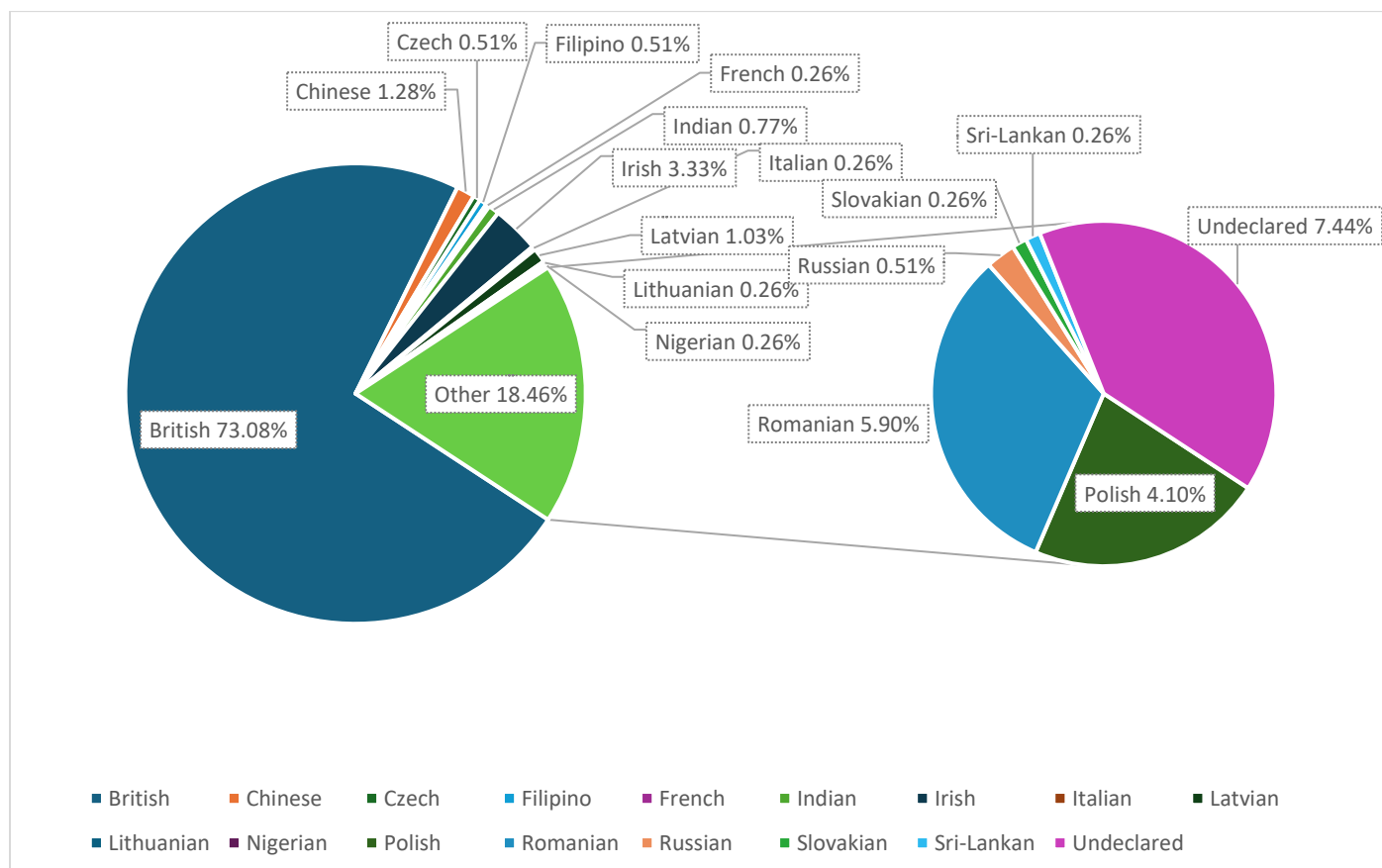Employee length of service (years)

Diversity & Inclusion

Scolmore actively believes that all employees should contribute to a working environment where we show respect and understanding for one another's differences. As part of a new starter's induction process, we include a mandatory course about Diversity & Inclusion and how to put it into practice in the workplace.

The data shown below relates to a snapshot of our employees as of 30th April 2024 across the entire Group (UK, Asia, Eire). Although all graphs show a male-dominant split, it is important to contextualise this within the electrical industry. In March 2024, research by metals4U stated that electricians have the second-lowest representation of women in construction roles in the UK, with only 1.7%.

Our Employees Gender Split

- Female 37%
- Male 63%

Employees with Line Management Responsibility

- Female, 27%
- Male, 73%

Board of Directors

- Female 10%
- Male 90%

Head of Departments Gender Split

- Female 37%
- Male 63%
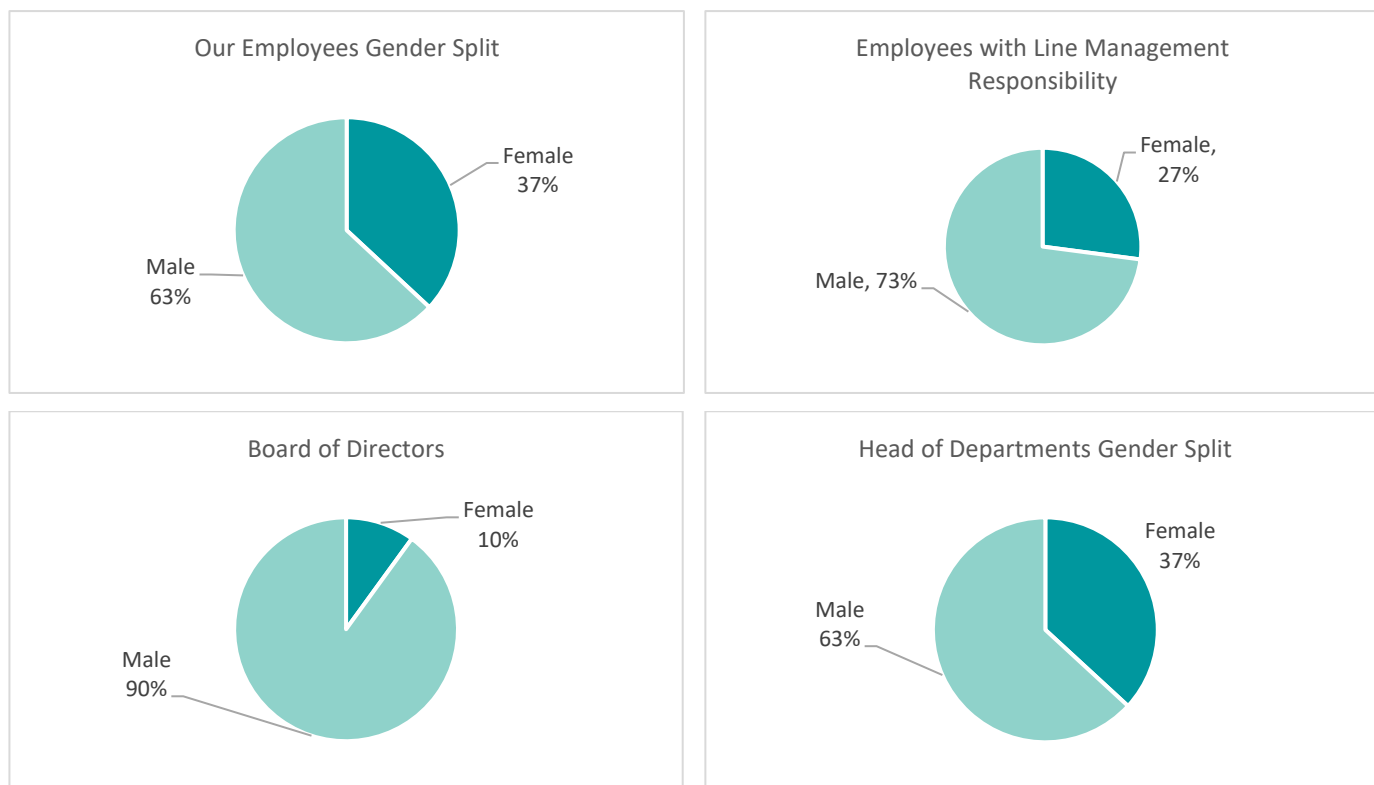
Looking further into our workplace profile at nationalities, the majority of our workforce identify themselves as British. This is due to the nationality breakdown of the local area, where according to the 2021 census, 93.5% of the local population idenified themselves as either English or British.

- British 73.08%
- Other 18.46%
- Chinese 1.28%
- Czech 0.51%
- Filipino 0.51%
- French 0.26%
- Indian 0.77%
- Irish 3.33%
- Italian 0.26%
- Latvian 1.03%
- Lithuanian 0.26%
- Nigerian 0.26%
- Russian 0.51%
- Slovakian 0.26%
- Sri-Lankan 0.26%
- Undeclared 7.44%
- Romanian 5.90%
- Polish 4.10%

Legend: British, Chinese, Czech, Filipino, French, Indian, Irish, Italian, Latvian, Lithuanian, Nigerian, Polish, Romanian, Russian, Slovakian, Sri-Lankan, Undeclared

Looking at the age of our workforce, Milennials (born between 1981 and 1996), followed by Generation X (born between 1965 and 1980), are the two dominant generation groups. The generation gender split demonstrates that only millennials are the most male-dominated generation within our business.

A higher portion of men in our industry is well documented and through our Technical Engagement Team, the business does get involved in initiatives to encourage more women to train as electricians through college outreach work and the SkillELECTRIC competitions.

The below graph shows also how the generations are broken down across the management hierarchy. Encouragingly, there is an emerging trend of millennials becoming more present in both Strategic and Operational Management levels.
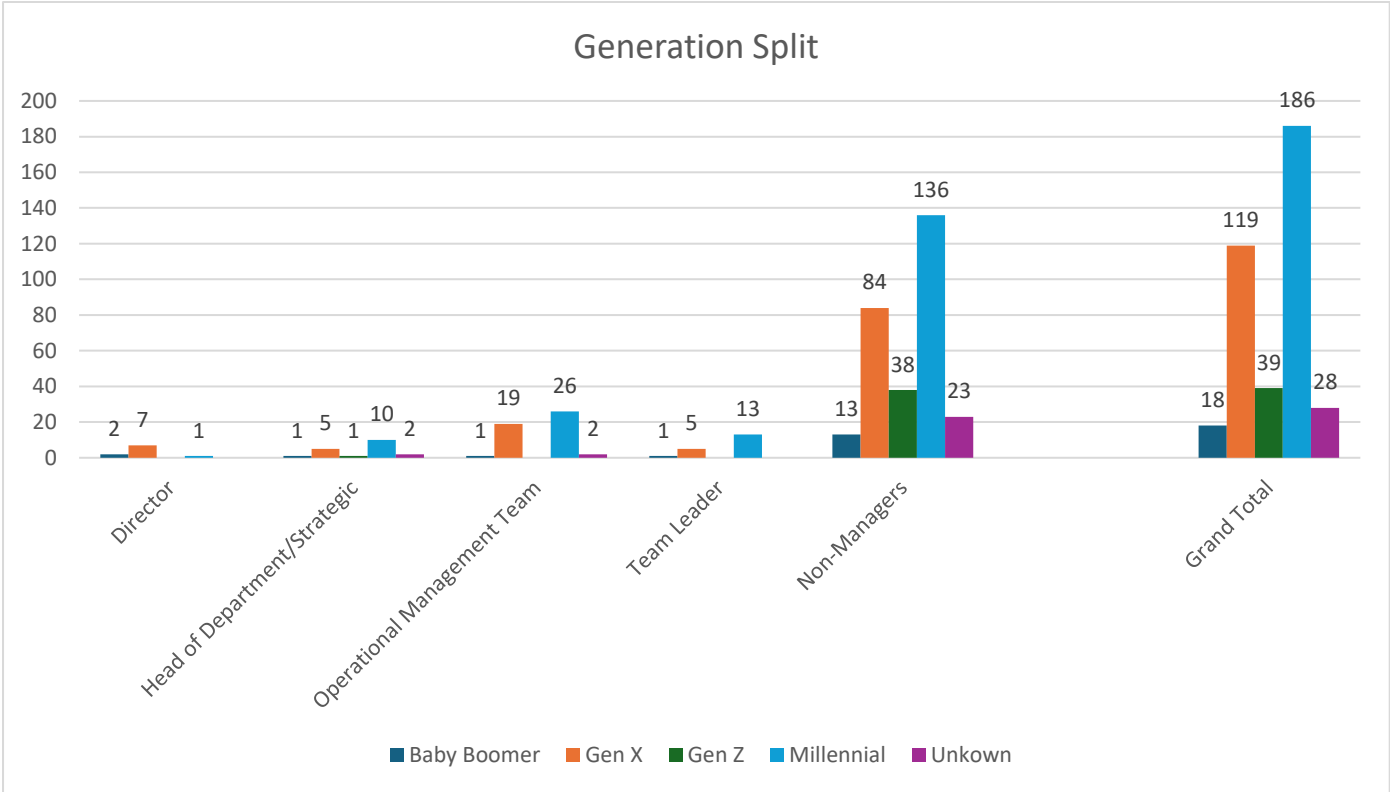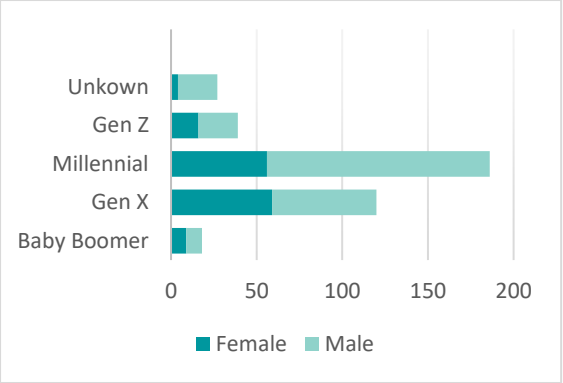
Staff Turnover

401-1 New employee hires and employee turnover

Overall throughout 2023, Scolmore Group has performed better than average regarding staff turnover with a rate of 18% of which 14.9% was voluntary.

Reasons for Leaving the Group 2023

- Unknown
- New opportunity/Career progression
- Unsuccessful probation
- Performance Issues
- Personal Reasons
- Childcare/Lack of Flexibility
- Pressures/expectations of role
- Disciplinary Investigation
- Settlement Agreement
- End of fixed term contract
- Retirement
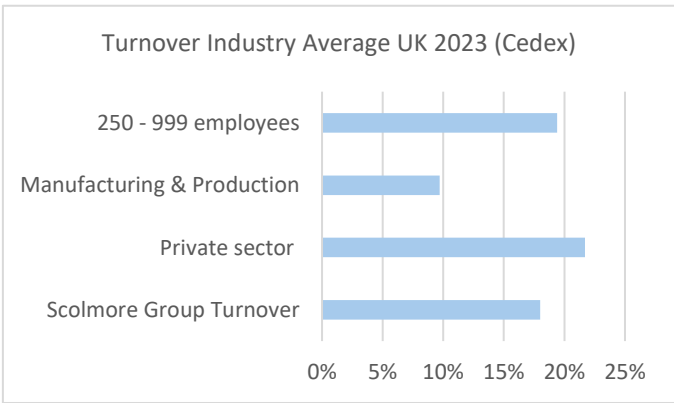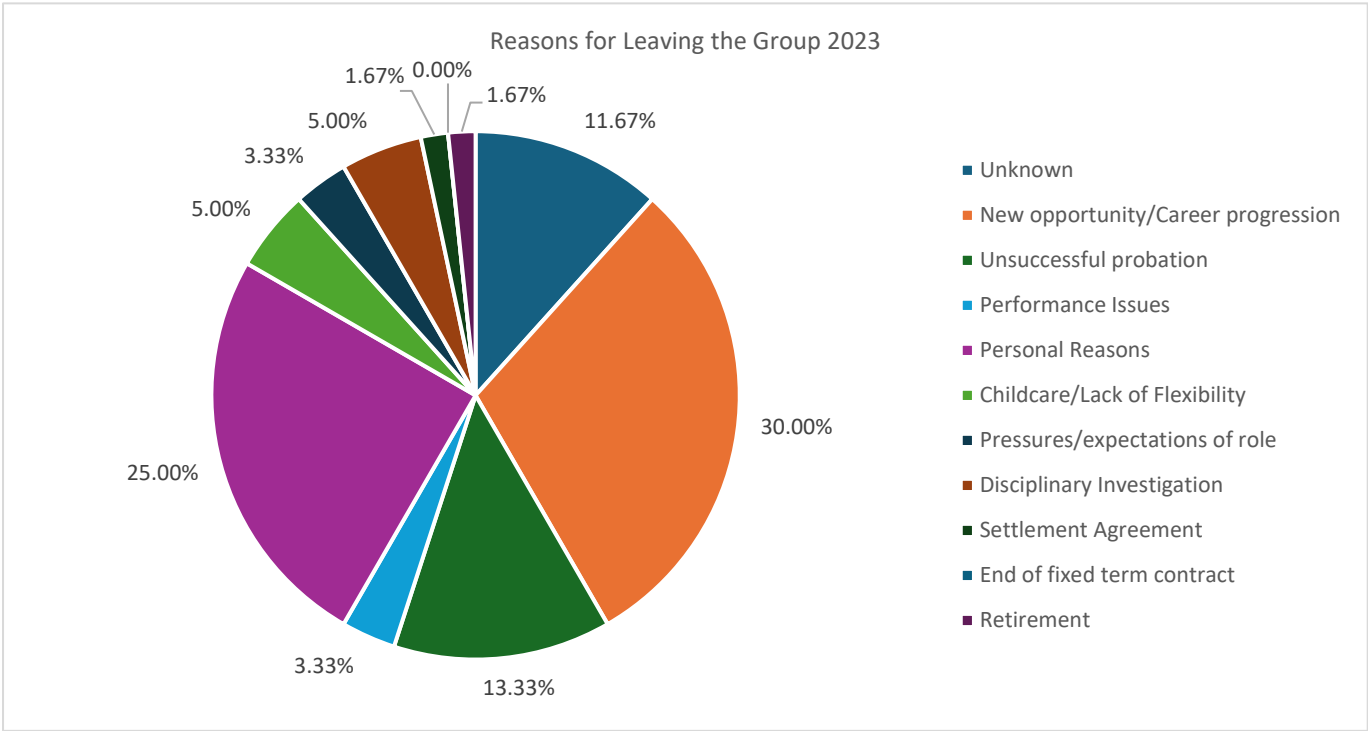
Sick leave in the workplace

Scolmore does have high attendance standards and has an Absence Policy in place that facilitates these, as well as empathetically recognising the importance of ensuring that our employees are supported through any periods of absence and their subsequent return to work. Through an effective Sickness and Absence Policy, the Company is well positioned to identify any potentially unsafe work practices, any issues affecting morale and any other underlying problems that our employees may be facing.

The graph on the right indicates the percentage of time lost on available working days (excluding annual leave) through long- and short-term sickness.

Percentage of Time Lost due to Sickness
1 May 2023 - 30 April 2024
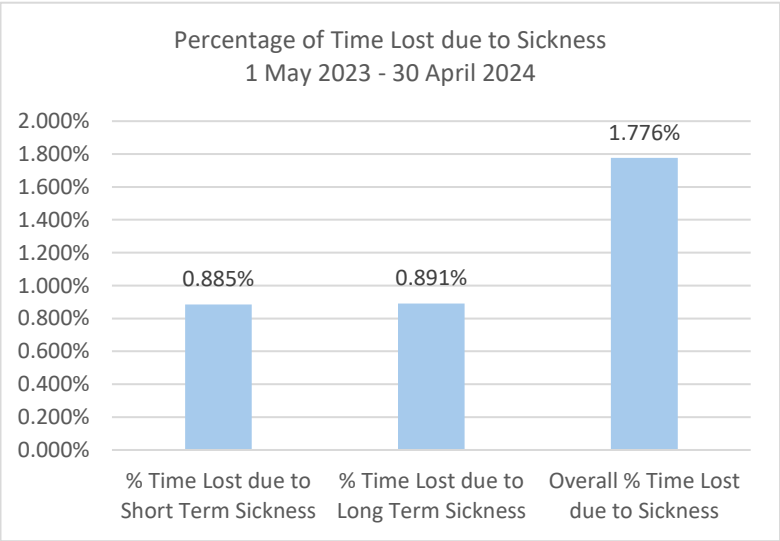
Training & Development

2-17 Collective knowledge of the highest governance body
2-20 Process to determine renumeration
404-1 Average hours of training per year per employee

404-2 Programs for upgrading employee skills and transition assistance programs

At Scolmore, upskilling our workforce is part of our core values. As the business keeps on growing, we need the right people in the right roles to drive this growth. The business has an annual appraisal programme in place, where at the start of each calendar year, employees meet with their line managers to discuss their performance and set development goals to achieve over the next few months in alignment with our business objectives. Salaries can also be discussed during this meeting to ensure they are kept in line with responsibilities and performance. During these meetings, employees have the opportunity to discuss any concerns that they may have.

To develop our leadership's skillset, we are planning to provide enhanced people management training to our management team later in 2024. Part of this training programme will include talent development, so we keep nurturing and upskilling our workforce to support our business' growth.

Our business does operate a Learning Management System (LMS), which is available to all staff as soon as they start their Scolmore journey. A new starter's induction will include online courses ranging from information about the business, to a brief product overview, to compliance training.

The data below records training completed between 1st May 2023 and 31st March 2024 by different employee groups. We only currently have 11 months' worth of data due to our LMS system being upgraded. We are establishing plans to improve this data to also account for face-to-face training.

5.86	**6.65**	**4.78**
Average hours training per employee	**Average hours training per male employee**	**Average hours training per female employee**

3.16	**4.28**	**9.00**
Average hours training per Director	**Average hours training per Strategic Manager**	**Average hours training per Operational Manager/Team Leader**

There is a disparity between hours of training received by men and women which reflects the male dominance in the electrical industry.

Taking a snapshot as of 30th April, 2024, 83% of our workforce have completed their mandatory training (i.e. Compliance, IT and Health & Safety, Equality and Diversity, Modern Slavery and so on), which is equivalent to 893 hours of training, or 112 business days.

Compliance Training Tracker
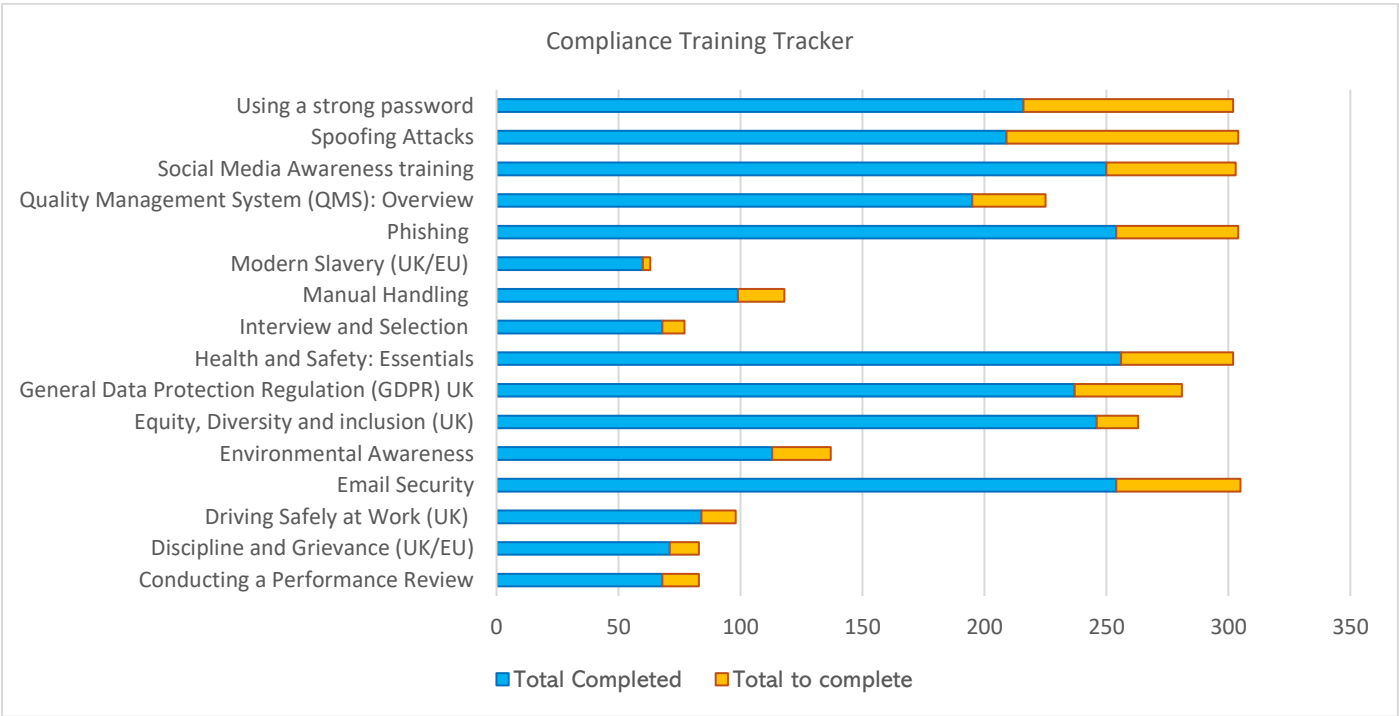
As part of our employees' day-to-day roles, they do receive job-specific training, either individually or within their teams. At this moment, we do not have this data available for publication, however we are beginning to log and record it. As a part of the appraisal system, training needs are identified and recorded by our HR Department.

About this report

This report is Scolmore Group's first CSR Report. It summarises Scolmore's Sustainability journey and achievements during our financial year from 1st May 2023 until 30th April 2024. As this is our first CSR report, some data may reflect a different time period, due to data availability or reporting limitations. This has been clearly indicated throughout the report where applicable.

Scolmore Group has reported the information cited in this GRI content index for the period 1st May 2023 to 30th April 2024 with reference to the GRI Standards.

Our ambition is to publish the next report in September 2025. Please address any questions and enquiries about this report to sustainability@scolmore.com, telephone +44 (0) 1827 63454

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GRI Content Index