

Our Group strategy



CORE STRATEGY

Focus on multinational OEMs/Tier 1s

Link to KPIs:

- Group total revenue
- Medical/General industrial sector growth
- Key multinational OEM/Tier 1 revenue
- Underlying operating margin

 Read more in **Strategy in action** on page 41



INVESTING IN OUR PEOPLE

Our people are our greatest resource

Link to KPIs:

- Group total revenue
- Key multinational OEM/Tier 1 revenue
- Return on capital employed ('ROCE')
- Broaden skills of management

 Read more in **Strategy in action** on pages 42 to 47



INVESTMENT DRIVEN GROWTH

Careful investment for tomorrow's growth continues to be a key element of our strategy

Link to KPIs:

- Group total revenue
- Return on capital employed ('ROCE')
- Manufacturing to distribution ratio
- Underlying cash conversion as a % of underlying EBITDA

 Read more in **Strategy in action** on pages 48 to 49



CONTINUE TO ADD VALUE AND DIFFERENTIATE

Quality and innovation underpins everything that we do

Link to KPIs:

- Group total revenue
- Key multinational OEM/Tier 1 revenue
- Underlying operating margin
- Geography of supply

 Read more about **innovation** on pages 50 to 51



ACQUISITIONS

In a fragmented market, acquisitions provide a key growth opportunity

Link to KPIs:

- Group total revenue
- Return on capital employed ('ROCE')
- Underlying diluted earnings per share ('EPS')
- Manufacturing to distribution ratio
- Geography of supply
- Market sector growth

 Read more in **Good news** on page 25



OPERATIONAL EFFICIENCIES

An efficient and effective cost structure is the best way to future proof the business and support our growth strategy

Link to KPIs:

- Group total revenue
- Underlying operating margins
- Group underlying profit before tax
- Underlying diluted earnings per share ('EPS')
- Underlying cash conversion as a % of underlying EBITDA

 Read more in **Strategy in action** on pages 52 to 53



CORE STRATEGY

Focus on multinational OEMs/Tier 1s



Even against a difficult macroeconomic backdrop, *TR* is in a good position to continue to grow”

We are a global business serving a broad, balanced and expanding range of sectors and geographies. We have established and trusted trading relationships with over 100 multinational OEMs/Tier 1s, with no one customer forming more than 7% of our global turnover.

We assign strategic account status to 25 of these to reflect where, as a business, we see the greatest opportunities for growth. At any point in time, these will always be made up of a mixture of household names and Tier 1 manufacturers spread across the automotive, domestic appliances, electronics and general industrials sectors.

We are a value-add supplier of specialist component parts, with over 75% of our revenues being derived from customer specific, branded, or licensed products. We provide guaranteed quality and *Trusted Reliability* of supply (sometimes for hundreds of parts at a time), via flexible global and local logistics solutions as well as the engineering ability to solve complex and sometimes urgent manufacturing challenges for our customers. Because of this, we are able to avoid competing solely on price and therefore can retain and build on our business relationships for the longer term.



What does it mean to be a *TR* customer...?

Our aim is to offer the highest levels of customer service and experience at every point of contact. We will never lose the personal touch, as we believe the best way to add value is to align our capabilities to our customers' needs as a result of listening and understanding their business.

In short, at *TR* we care.

Our account teams are there to work in partnership with our customers. This approach enables us to fully understand their challenges and to tailor our offering accordingly, whether it be a combination of manufacturing and sourcing a variety of components to provide a single point of contact or engineering a custom solution for a specific application.

The breadth of our portfolio and in-house expertise in terms of designing custom solutions ensures our customers have unfettered access to the highest quality components. Coupled with our global and local supply chains, those components can be delivered with absolute consistency wherever our customers are.

What does this mean for *TR*...?

It is these core skills that continue to allow us to increase market share and extend our sector spread across a wide customer base and put us in a good position to keep moving forward and delivering on our future aspirations, even in a less certain world.

Notwithstanding the current high degree of uncertainty across all of our markets and geographies, we continue to see the next few years as being a period of ongoing market share growth. Using as a base the strong foundations we have built, the investments we have made over recent years and the transformational benefits that Project Atlas will provide (see pages 18 and 19). We will be working hard to ensure that we are best able to seize the many opportunities that will come out of this current period of global uncertainty to grow further into our key global customers, to expand our market sectors and increase our market share for the long-term.

 Read more about our **KPIs** on pages 68 to 69

Strategy in action



INVESTING IN OUR PEOPLE



Trifast is an organisation that is lucky to have a mixture of cultures spanning 33 locations in 18 countries”

Global HR team



Helen Toole
Global HR Director



Rebecca Rutter
Global HR Data and
Process Manager



Luke Murphy
UK HR Manager



Julie Fry
UK Payroll & Benefits
Manager



Lydia Ball
HR Administrator

Global HR transformation strategy

Last year we reported that a new global HR transformation strategy would be presented to the *Trifast* Board. The strategy was presented and is in the process of being delivered - the main elements of the strategy are detailed below.

New HR management system

As part of the wider business transformation programme, we have invested in a new global HR management system - Microsoft Dynamics 365 Human Resources. During the past year we have undertaken all of the analysis work and have built a modern, fit-for purpose system that will be rolled out globally during calendar year 2020. The analysis phase included the implementation of global HR rules and processes that have been agreed by all Entity Directors and HR business partners across all of our locations. All employees will be fully trained in the use of the system and our first location went live in July 2020.

The system comprises employee self-service where employees can request holiday and update their personal information, a new modern performance review system allowing all employees to update journals as often as they would like to. Requests can be made by managers or employees at any time to have a performance meeting, making the system much more dynamic and flexible.

The self-service system will enable us to have all of our employee information in one place with a robust reporting facility giving us the ability to proactively respond to any emerging issues in a more timely and appropriate manner.

We will also have a skills analysis capability that will enable us to become a much more agile organisation where we easily know where specific skills are located within the Group. This will allow us to quickly pull together teams for particular projects and allow training activity to be focused in the right areas. Employees will be able to rate their skills, with their managers using the skills rating structure that is embedded within the system.

One part of the HR strategy is to work closely with colleagues across the world to enable us to implement global best practice policies and procedures, as well as being able to talk with them about enhancements to the software system.

In October 2019, two three-day conferences were held - one with all UK, European and USA HR business partners and one with all of our Asian HR business partners. The conferences were a method of being able to inform all partners about the role that we are looking for them to fulfil as well as to set out the HR strategy to ensure that they can help with the implementation.

Both conferences were very successful and we now have a very strong network representing all of our locations and virtual meetings are held every fortnight with both groups. The meetings are used to update the Group on the progress of the roll-out of the HR system as well as to inform them of other HR related changes and hot topics. It is also an opportunity for all partners to raise any issues they may have in their locations that we can assist with. They allow the Group team to be able to react in a timely, efficient and effective way.

Training and development

As part of the continued investment in the Group HR function, a new learning and development strategy will be produced for the Group ensuring that we drive organisational learning and development in line with the overall business strategy. This will include the management of all employee development activity across all of our locations, starting with onboarding a new employee. Working with senior management teams, we will be assisting managers and our employees to advance their skills and knowledge through the introduction of learning strategies, performance measures and e-learning courses.

The new performance review system will provide a comprehensive overview of both training provision and training needs.

A lot of the training activity over the last 12 months and upcoming year will be based around the training needs for the roll-out of the Atlas programme. Training remains a priority for the Group and the introduction of a new learning and development strategy will help all of our employees to undertake relevant learning.

Health, safety and environmental management system

As reported in last year's Annual Report, we have invested in a new health, safety and environmental management system. The system has been rolled out to all of our UK sites and the roll-out will continue through Europe, USA and then to Asia.

The system effectively and efficiently replaces our existing risk assessment tracker and audit non-conformance tracker and facilitates the reporting of hazards, incidents, positive incidents, audits and risk assessments. It is an all-inclusive system that all employees can use - reinforcing the important message that good health, safety and environmental practice is the responsibility of all employees, wherever they may work.

The system will assist us in our aim to achieve accreditation against the ISO 45001 Standard (Health and Safety Management). It allows us to have all of our management documentation in one place and in the same format, ensuring that there is a consistent process of reporting. It will also give us true, real time data about any accidents, incidents or hazards and allow us to respond quickly and appropriately. We will also be able to show where our improvements have been made and allow us to share best practice more easily.

It also strengthens our existing ISO 14001 (Environmental Management) system through the ease of completing environmental risk assessments, environmental incidents and the completion of audits and management reviews.

Employee engagement

We continue to communicate regularly with all of our employees. Many of the updates are Project Atlas programme and COVID-19 related as these are the areas of most change that will affect all of our employees. Business readiness assessments and surveys are carried out at various stages. The results of these surveys allow us to carry out relevant and timely interventions to ensure that all of our employees are prepared for the changes ahead.

We are currently researching new methods of carrying out global employee surveys as well as finalising research for a new global employee assistance programme. Both of these initiatives will be reported upon next year.

 Read about our **Designated NED** on pages 84 and 92

Wellbeing of employees

The wellbeing of employees is paramount. This includes not only their physical health but also their mental health. A number of managers have been trained in mental health awareness and we have introduced our first mental health first aiders.

As part of the review of our benefit provision we have sourced an Employee Assistance Programme (EAP) providing mental health support for those who may be struggling with stress, anxiety or depression.

We have been acutely aware that some employees have struggled with being away from the workplace during the COVID-19 pandemic. A SharePoint site has been set up as part of our response and includes a number of hints, tips and guidance to assist employees in coping with these uncertain times.

Over the coming months, we will be reviewing our benefit provision globally to ensure that we have the most appropriate support for all of our employees.

Equality and diversity

Trifast is an organisation that is lucky to have a mixture of cultures spanning 33 locations in 18 countries. It continues to be important that we value those different cultures and spend time understanding each of them. The vision to bring the Group closer together is working effectively. An example of this has been the setting up of the Global HR Business Partner network and has also been realised in the responses to COVID-19. Colleagues are working very closely on a daily basis to ensure that good and best practice are shared allowing us to learn from each other and mitigate as many risks as we can.

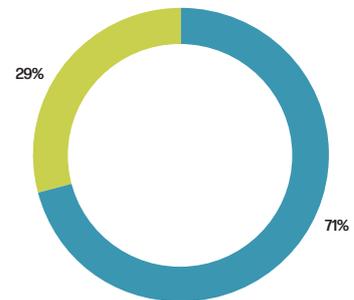
Equality and diversity are important parts of our culture. We recognise the strengths that a diverse workforce can bring. Our aim is to continue to make equality part of our every day work and ensure that we remain focused on providing a workplace where employees feel comfortable to be themselves. As an organisation we make every effort to eliminate discrimination, create equal opportunities and develop good working relationships between our teams.

Throughout the employment relationship, from recruitment to retirement, we do not discriminate against any characteristic. Our Corporate Code of Conduct makes reference to the *Trifast* values and links to the relevant Group-wide policies.

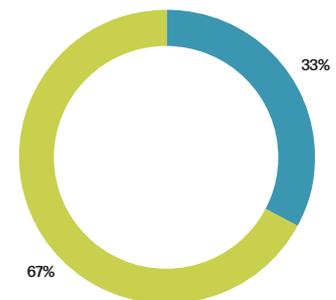
Composition of Group FY2020

 Read more about our **new FY2021 team** on pages 78 to 79

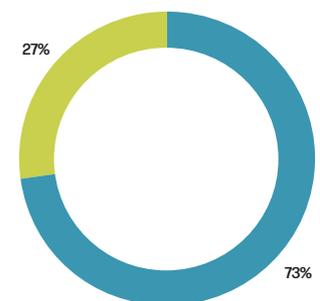
Trifast plc Board



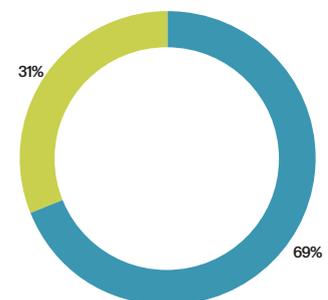
Trifast plc Executive Board



Executive and Senior Managers



All other employees



 Male
 Female

Strategy in action



INVESTING IN OUR PEOPLE

Student opportunities

We remain committed to providing opportunities for young people to understand how a global organisation operates. For the 12 months being reported on we have had two university placement students based in the UK. One has been working in the Sales department and one within the HR department. Both departments have reaped the benefit of having such enthusiastic students working with them for 12 months. We hope to be able to offer the same to other students in the coming year.



Rosalind Manning
Student Placement –
HR Support



Dan Occomore
Student Placement –
Sales Support

We are increasing our activity within the Enterprise Adviser network. Both Helen Toole, Global HR Director, and Luke Murphy, UK HR Manager, are Enterprise Advisers providing a connection between schools and the local business community.

The particular area of the school curriculum of interest to us, based on our industry is STEM (Science, Technology, Engineering and Mathematics). Our in-house Head of Web Development, Keith Gibb, has developed a presentation about 3D imagery and printing and computer generated output that is hoped can be distributed to schools around the country. The video will show students the type of work that they can get involved in and provide advice as to how to find a career within that field.



Keith Gibb
Head of Web Development



Apprenticeships

We are proud that we continue to provide apprenticeships throughout our locations. Apprenticeships are located in:

TR Fastenings, UK

- **Brian McCord**
Sales
- **Ben Rees-Webbe**
Sales
- **Lydia Ball**
Human Resources
- **Emily Haigh**
Warehouse
- **Lucas James**
Warehouse
- **Shani Coker**
Administration
- **Henry Hague-Jones**
Sourcing
- **Patrick Deane**
New Product Introduction
- **McKenna Longstaff**
Business

TR Kuhlmann, Germany

- **Yasin Akbulut**
Warehouse
- **Tolunay Öztürk**
Warehouse
- **Isabella Piergies**
Administration

Apprentice Q&As

**Emily Cowens**

Former Business Administrator Apprentice based in the North East

What did you do before you joined TR Fastenings as an Apprentice?

Before I started working at TR Fastenings, I worked at River Island as a Sales Assistant for a year, before that I went to college to study for my Level 2 beauty qualification.

What is your role at TR Fastenings?

I am a Business Administrator Apprentice.

How did you get your Apprenticeship?

I got my Apprenticeship through enrolling at a college called ITEC who help you find a suitable Apprenticeship. Once you've found the right Apprenticeship you study your business qualification with them.

What does your typical day involve?

My typical day involves confirming all of the delivery notes, updating text in works orders, communicating with our kitting companies, filing and scanning, placing purchase orders and assisting the sales team on a daily basis.

What takes up most of your time?

Updating the text in the works orders at the moment, as I can get hundreds at a time and going into each order and updating the text is very time consuming.

What is the best aspect of your role?

Communicating with different people over the phone on a daily basis as I enjoy speaking to people. I love being constantly busy and always having jobs/work to do every day.

And the most challenging?

Being given a job with a tight time frame to work to when I already have a lot of other jobs that need doing.

What is your greatest achievement at TR Fastenings so far, i.e. what are you most proud of?

I am the main point of contact for our kitting companies, which I am really proud of, as I have full control of checking what is going out to them on a weekly basis and what we are receiving back. Another achievement is that I have never had a sickness day in the time that I have worked here.

How do you wind down after a hard day?

After a hard day I usually go straight to the gym and then come home and have a nice hot bath then relax watching telly (Love Island).

What does the future hold?

Having now passed my Level 3 Business Administration qualification. I am now working as an Office Administrator at TR Fastenings (UK).

**Shani Coker**

Administration Apprentice based in Uckfield

What did you do before you joined TR Fastenings as an Apprentice?

I worked with horses for 6 years until I sustained a knee injury which meant it was too dangerous for me to carry on. With no experience of working in an office I thought it would be best for me to apply for an Apprenticeship so I could receive the training I needed to gain skills to allow me to progress within a successful company.

What is your role at TR Fastenings?

I am an Administration Apprentice.

How did you get your Apprenticeship?

I saw the position advertised online and after researching TR I could see they would be a good company to work for, so I applied for the job and was accepted for an interview. It was very informative and I was given a tour of the office and warehouse where I would spend a lot of my time. From this visit, I got a nice feel of the people I would be working with and the environment I would be working in and shortly after my interview I was offered the Apprenticeship role and happily accepted it.

What does your typical day involve?

My role is varied but typically I start off by making sure meeting rooms are set up for the day and turning the TV on in reception! I will then confirm the delivery notes stock transfers and re-works. I answer the phone, check my emails and deal with any travel requirements that people need such as booking flights, airport transfers and hotels and order food for any meetings. I also sort the post out in the mornings, ensuring the right post goes to the right people/departments. I also sort the post in the afternoon; putting labels on envelopes ready for the postman to collect.

What takes up most of your time?

Confirming delivery notes and answering the phone. (The phone rings a lot!)

What is the best aspect of your role?

The variety of work I get to do. Every day is different! Apart from the day to day jobs I have to do, every day brings something different.

And the most challenging?

Sitting still! After working with horses and being on the move all day I definitely struggle sitting still for most of the day. However, I do have to walk out to the warehouse to collect the delivery notes before I can confirm them so this helps me be less restless.

What is your greatest achievement at TR Fastenings so far, i.e. what are you most proud of?

Remembering people's names in the office! There is a lot of people in the office to remember and building a relationship with my customers.

How do you wind down after a hard day?

I have 2 dogs at home so I quite like to take them for a walk after work which helps me to relax after a hard day. The other thing I like to do is have a glass of wine and watch a comedy programme or film.

What does the future hold?

I would like to use my Apprenticeship to progress within the company and to develop my skills further. I love learning new things and this is a very exciting opportunity for me.



INVESTING IN OUR PEOPLE

Gender pay gap

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 brought into effect a requirement for large UK employers, such as our main UK trading subsidiary TR Fastenings Ltd, to report publicly each year on the differences in the aggregate pay and bonuses for men and women. The Regulations mandate how organisations in England, Scotland and Wales with 250 or more employees must calculate a standard set of key metrics on their gender pay and gender bonus gaps and the format and medium in which they must report them.

Our gender pay reporting continues to provide reassuring data that supports our reward and recruitment strategies.

The full gender pay gap statement for the reporting period is included below.

In brief

The table below shows our overall median and mean gender pay and bonus gap based on hourly rates of pay, and bonuses paid, as at the snapshot date - 5 April 2019.

Pay and bonus

(Female compared to Male):

	Median	Mean
Hourly pay	+7.0%	-4.7%
Bonus pay	0.0%	-7.9%

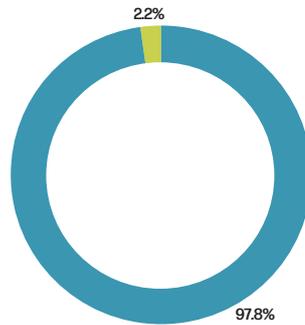
The table above shows that based on a median average, our female employees are paid 7.0% more than our male employees. The mean average displays our male employees as being 4.7% higher paid than our female employees. This result represents a change in the mean average from 0.9% in FY2018 and a change in the median average from 8.6% in FY2018.

These results compare very favourably when compared with the pay gap average of male employees being paid 9.6% more than female employees.

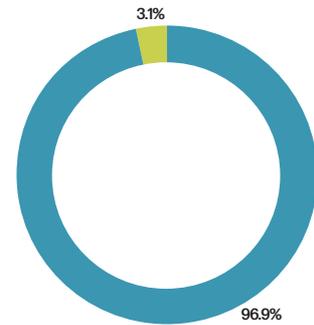
The bonus difference mean figure highlights a 7.9% difference in favour of male employees - this represents a reduction on the previous year (FY2018 -14.8% in favour of male employees).

Proportion of colleagues awarded a bonus in FY2019

Proportion of males who received a bonus



Proportion of females who received a bonus



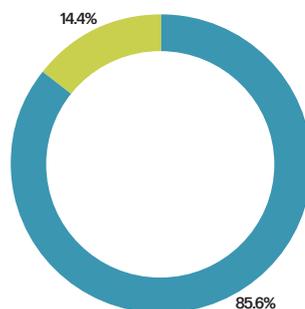
■ Received a bonus ■ Did not receive a bonus

These charts illustrate that the numbers of men and women paid a bonus are in line. As a Company we continue to reward all of our employees. The only reason the statistics do not show 100% is due to eligibility criteria based on start and finish dates.

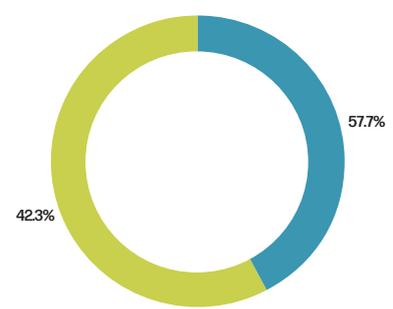
Quartiles

The following charts illustrate the construction of each quartile.

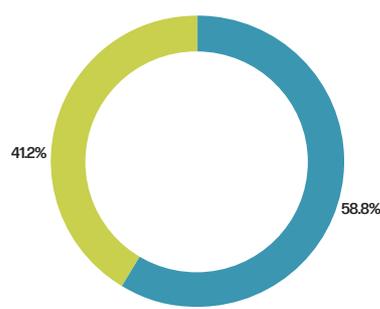
Lower quartile



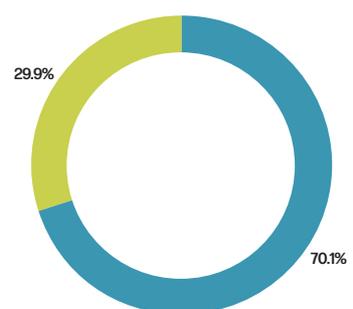
Lower Middle quartile



Upper Middle quartile



Upper quartile



■ Male ■ Female

This is our third year of reporting and we are pleased to again provide positive news. All of our decisions about recruitment, promotion, training and development are made within our framework of equality. Going forward we will continue to ensure that all our employees reflect our Company values, especially those of integrity and fairness.

The results demonstrate our continued commitment to equality, and we continue to celebrate them.



Code of business conduct

Last year we produced a Corporate Code of Conduct ('Code') that was distributed in hard copy to all our locations and is also available on our website. All our employees have been asked to read and fully understand the Code which contains our vision, our mission and our core values, together with our policies for ensuring ethical business practice. The Code not only helps our employees but also helps our customers, our suppliers, our distributors, contractors and other suppliers of goods and services all around the globe to understand our requirements to observe all relevant laws and regulations.

The policies and documents that are applicable to the Code of Business Conduct are as follows:

- Business Ethics and Responsible Behaviour Policy
- Anti-Bribery Statement and Policy
- Modern Slavery Statement
- Environmental Policy
- Health and Safety Policy
- Product Quality Procedures
- Equal Opportunities Policy
- Equal Pay Policy
- Dignity at Work Policy
- Whistleblowing Policy

All employees are aware of the global Whistleblowing Hotline that is available to them in their own language. The hotline is hosted by a third-party company and is available for employees to report any activity or behaviour that they do not feel is appropriate. No reports have been submitted to the Hotline within the last 12 months.

Adherence to the policies within the Code are audited as part of the Group HR Audit process.

 Read more about our **KPIs** on pages 68 to 69

Strategy in action



INVESTMENT DRIVEN GROWTH



We pride ourselves on being where our customers are. Partnerships function better in close proximity, and we are committed to investing strategically to ensure our global footprint and our supply chain is always aligned with our individual customers' unique needs and requirements"

For TR, FY2019 represented the ninth year of sustained growth. And whilst we recognise that the challenging macro-economic conditions in FY2020 and into FY2021 will temporarily knock us off that growth journey, we remain completely confident in both the previous investments that we have made into the business and our plans to continue to invest as required for our future growth.

Sustainable growth will always need investment. However, in the current more challenging conditions, we have taken the opportunity to review, prioritise and defer where appropriate. This will ensure we are focusing resources and efforts to not only best protect our short-term position, but more importantly to protect and build our competitive advantage, ready for when a greater degree of stability returns to the market.

FY2020 – a focused investment journey

Capital expenditure in FY2020 has been significantly lower than in recent years with the main incremental investment being made into our Taiwanese operations to complete the 20% capacity expansion that was started in FY2019.

On the distribution side, as planned we have completed a 20% extension at our Lancaster Fastener warehouse. This has provided us with much needed additional picking locations as well as bulk storage facilities to support our future growth plans and maximise the full potential of our current site in Morecambe, UK.

By far the biggest investments that we have been making over FY2020 are of course into Project Atlas.

Looking ahead

We continue to see focused investment as a core part of our ongoing strategy. With additional investments in our digital capabilities already underway. These are focused on ensuring that we make best use of the strong foundation that Project Atlas will bring, in order to continue to evolve and stay ahead of the competition.

Having completed a fairly significant round of capital investment into our manufacturing capabilities and capacities around the world in recent years, and given the current uncertain conditions, additional incremental investments are expected to be lower in this part of our business in the short-term.

However, targeted investments are still under review in our high growth distribution businesses to facilitate ongoing market share gains in these key geographies, as detailed on page 26.

 Read more about our **Project Atlas** on pages 18 to 19



CASE STUDY

TR AWARDS

Signify (formerly Philips Lighting) - TR Holland received fifth and sixth 100% delivery award


TR Fastenings has once again received recognition for its 100% delivery record from Signify for the sixth year running.

A 0% failure rate over a 12-month period is an impressive achievement as TR supplies over 400 lines of C-class products to Signify in Eindhoven, Holland, including screws, nuts, clips and plastic components. TR Holland has supplied into Philips since 2008, providing technical expertise for bespoke parts and establishing a strong and collaborative relationship over the years.

This year, due to the global COVID-19 crisis, the judging and award certification took place as a virtual event. Signify recognised the high performance of Hans Nijhof, Laurens Wekking and Jeanette ter Riet from the TR site in Oldenzaal, who continue to provide excellence in delivery services to customers.



Our on going commitment to provide exceptional services across our entire business remains as strong as ever. It has been a challenging time with priority given to the health and safety of our employees but we have adapted and reacted quickly to ensure delivery and service levels to our customers remain high. We are delighted that our hard work and dedication have been recognised for another year and I am very proud of the team"

Ron Vlutters

Managing Director of TR Holland

Yanfeng Automotive Interiors - TR USA recognised as Distinguished Supplier for third year running


TR Fastenings has been recognised as a 'Distinguished Supplier' by Yanfeng Automotive Interiors for the third year running.

Yanfeng Automotive Interiors (YFAI), the world's largest supplier of automotive interiors, recognised 19 of its suppliers during the 'North America Supplier Performance Awards Ceremony' on 6 February, at its Michigan Tech Center.

TR has previously been granted Distinguished Supplier status by YFAI (in 2019), following its award for Supplier Excellence in 2018.

TR USA is supported by its manufacturing colleagues in SFE Taiwan.



Each year, this event is an opportunity for us to recognise our suppliers for their commitment to excellence. Their dedication enables our team to provide our customers with the high-quality products they've come to know from YFAI"

Jim Bos

Vice President, Global Procurement, for Yanfeng Automotive Interiors



It is a huge honour to receive this recognition for 'Flawless Execution'. These Awards celebrate suppliers' outstanding track record in quality, cost, logistics, development, technology, and service and to be acknowledged in this way is testament to TR's commitment to providing our customers with consistently high-quality products. We are very proud of the strong relationship we have with YFAI, which is built on our teams' exceptional industry knowledge, manufacturing excellence, and outstanding customer service"

Jose Vera and Brad Allen

Business Development Managers at TR USA

Strategy in action



**CONTINUE TO
ADD VALUE AND
DIFFERENTIATE**



TR - a global business that offers Trusted Reliability at every turn

Read more about **Innovation** on pages 36 to 37



Our engineering knowledge and experience, supported by our high quality manufacturing locations, means we are able to add real value to our customers throughout the purchasing cycle. From initial enquiry and product development, through to ongoing reliable supply management, we have the skills across the world to problem solve, and to drive efficiencies throughout the life of the build.

Our engineering value add continues beyond design and enquiry stage with our technically skilled engineers delivering cost savings to customers throughout the supply relationship. Through specific component design or process applications we add value and generate efficiencies on an ongoing basis. Working with our customers to reduce product volume, assembly time or weight, or to localise supply chains. This in turn helps us to manage price discounting demands, win customer loyalty and further enhance our reputation.

Our reputation in the industry for quality is second to none at a time when customers are beginning to focus more and more on this. We are known for our commitment and ability to go the extra mile for our customers, solving issues often before they arise, adapting quickly to supply chain challenges and stepping in where competitors have fallen short. All of this commitment is supported by established on and off-shore supplier networks and valuable licences that mean we can reliably supply a full range of quality product to meet our customers' component requirements across a broad range of sectors.

We continuously undergo and pass customer audits in our manufacturing and distribution locations. With external recognition also evident in the various awards we have once again received during the year.

Looking ahead

Looking ahead we see investing in quality and engineering as an ongoing requirement, as the demands our customers place on us increase across all sectors of our business. We have a very strong foundation to work from, with plans already in place to continue to invest in and build our teams and capabilities around the world.

We are also looking at how best to invest in and develop our supply chain team to ensure that we are able to continue to work closely both with our existing trusted supplier base as well as exploring additional sourcing opportunities and thereby provide greater supply chain flexibility to our end customers. Further details are provided on page 24.

We believe that the global integration that Project Atlas will bring to our business, will also differentiate us from the competition in the here and now and future proof us, so we stay fit and ready for the challenges yet to come. Further details are provided on pages 18 and 19.

Read more online at www.trfastenings.com

CASE STUDY

TECHNICAL & INNOVATION CENTRE – GREENVILLE, SOUTH CAROLINA



In the last few years we have successfully opened technical & innovation centres in Gothenburg, Sweden and Birmingham, UK. These locations are in prime locations where there are automotive clusters and engineering headquarters for both OEMs and Tier 1s focusing on new EV and EVB developments.

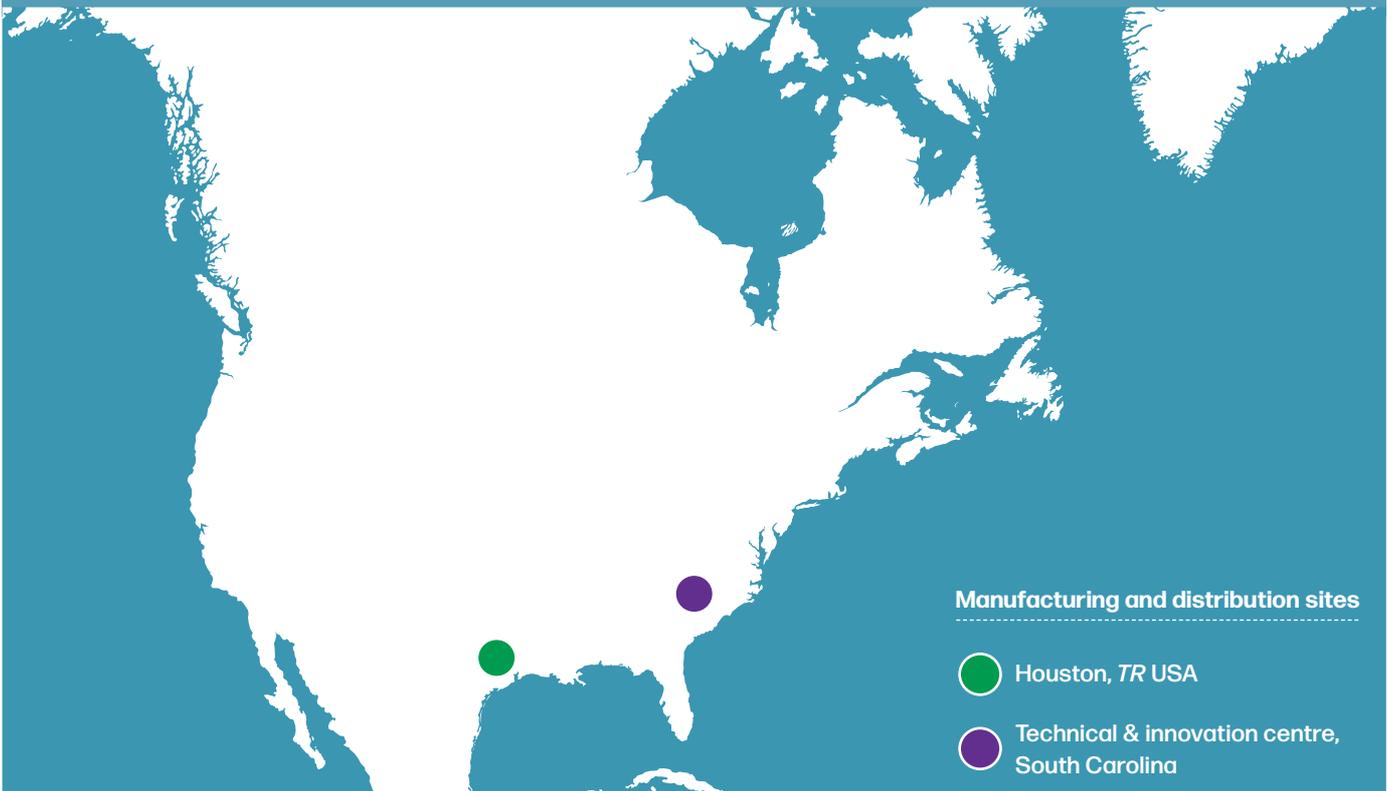
Greenville in South Carolina, USA was an obvious choice for a third technical & innovation centre as it has a fast-developing automotive sector with Volvo, BMW and Mercedes. Clemson CU-ICAR innovation clusters specialise

in automotive engineering research and enables students to learn about advanced manufacturing and materials and connected and automated vehicles. The university has incubator units for companies to be on Campus and be part of the new technologies, meet and share information and have access to business and network opportunities.

Our team visited and spent time being shown the inner workings of the faculty and, without hesitation, secured an incubator unit. This has been ideal for TR business managers and application engineers to work from and to be part



of the new technology being developed. It is early days for us but it is an amazing launch pad for expansion into this region and to be part of the new, fast paced and changing face of automotive as we embrace clean technology through reducing carbon emissions.



Strategy in action



OPERATIONAL EFFICIENCIES



TR is committed to continuous improvement. We understand the importance of an efficient and effective cost structure, so as to best future proof the business and our strategy for growth”



As a Group, *TR* is committed to continuous improvement. We are always looking for ways to make our processes more efficient, whether that is by improving our manufacturing capacity and utilisation, working with our vendor base to manage costs, increasing our available warehousing space or improving our management and business information systems.

We understand the importance of an efficient and effective cost structure, so as to best future proof the business and to support our strategy for growth. This is even more the case, in the current challenging macroeconomic conditions.

The first half of FY2020 saw us make a number of short-term cost savings and deferrals to help manage the impact of reduced trading levels on our underlying operating margin.

COVID-19 has further accelerated our activities in this area, with a number of cost reduction and management actions taken at the end of FY2020 and into FY2021. Full details of this are provided in our separate COVID-19 report on pages 10 to 13.

Operational efficiency and automation are also two of the key wins that will come out of Project Atlas which will be further supported by the introduction of the OEB, which has been specifically tasked with driving our ongoing strategy in this area.

 Read more about our **OEB** on page 23



ACQUISITIONS

 Read more about **Good news** on page 25