



# SUSTAINABILITY REPORT 2022

# SUSTAINABILITY REPORT 2022

## TABLE OF CONTENTS

About Us	03
Report Overview	07
Letter from the CEO	09
Social	11
Governance	35
Environment	45

# ABOUT US

Trillium Flow Technologies group of companies (Trillium) partner globally in advanced flow control, delivering premier quality and a unique level of service and support for the life of a project. Trillium serves customers in the power, water and wastewater, general industry, and oil and gas sectors with highly engineered valves, pumps, and actuators, complemented by comprehensive support in every phase of a project or operation.

Our portfolio of 18 legacy brands offers premier valves, pumps, and actuators designed for specific industry applications. With a supply chain spanning the globe, our key manufacturing and service centers are located in the United Kingdom (UK), the United States (USA), Italy, France, the Netherlands, China, South Korea, and Canada.

Trillium's global headquarters are in Glasgow, Scotland, UK, and Houston, Texas, USA. At year-end 2022, Trillium employed approximately 2,269 people worldwide.



# OUR BRANDS



“It is a source of pride for our organization that we report on our ESG efforts, make consistent progress, and reinforce our firm commitment to environmental and social sustainability.”

- David A. Paradis, CEO

# OUR MISSION

TO SUSTAINABLY, EFFICIENTLY, AND PASSIONATELY ASSIST OUR CUSTOMERS BY PROVIDING CRITICAL PRODUCTS AND SERVICES TO HELP THEM MEET THE NEEDS OF TODAY'S EVER CHALLENGING WORLD.

# OUR VISION

WE WILL BECOME THE MOST RELIED-UPON FLOW CONTROL SOLUTIONS COMPANY IN THE WORLD.



# REPORT OVERVIEW

## TRILLIUM FLOW TECHNOLOGIES 2022 SUSTAINABILITY REPORT

Trillium integrates sustainability into our business and aspires to be an industry leader in environmental, social, and governance (ESG) performance. We are committed to setting ambitious but attainable ESG goals, measuring our progress, and reporting our results regularly, using universally recognized reporting framework standards as a guide.

### 2022 HIGHLIGHTS:

**ADOPTING ESG BEST PRACTICES ACROSS BUSINESS AREAS AND GEOGRAPHIC REGIONS**  
**INTEGRATING SUSTAINABILITY UPDATES INTO ALL ASPECTS OF THE ORGANIZATION**  
**TRACKING KEY DATA VIA NAVEX ESG (GOVERNANCE, RISK, AND COMPLIANCE SOFTWARE)**

### PATH TO PROGRESS

For Trillium, 2022 was a year marked by greater internal adoption, securing significant traction on sustainable practices, and making progress on ESG goals and initiatives. Since the company was established in 2019, our central focus was to understand sustainability and what it meant for the company. We needed to learn about formal reporting frameworks and identify employees who were passionate about these efforts, to help lead the way. We have made significant progress in a short period of time and continue to raise the bar on our ESG performance. In 2022, we identified strategic information and layered in data and metrics to help stage, and then gauge our results.

This third sustainability report includes information and select metrics for relevant disclosure topics in the Sustainability Accounting Standards Board (SASB) Industrial Machinery & Goods Sustainability Accounting Standard and the Global Reporting Initiative (GRI) Standards. This report covers policies, programs, and metrics for Trillium's operated assets around the world from January 1, 2022 through December 31, 2022, unless otherwise noted.

### BOARD-LEVEL REPORT REVIEW

As the standards for ESG reporting continue to evolve, Trillium strives to reflect the principles of completeness, truthfulness, and accuracy in our reporting. The information in this 2022 Sustainability Report was sourced from Trillium's managers, executives, and subject matter experts. It was also approved by our Executive Leadership Team and CEO and reviewed by the Trillium Board of Directors (Board).

### ESG MATERIALITY ASSESSMENT

The basis of this report is the ESG Roadmap developed by Trillium's global, cross-functional Sustainability Committee in 2020. The committee identified eight key topics through a series of meetings with internal stakeholders, including the Executive Leadership Team, and mapped the topics to the Trillium Values. A third-party sustainability consultant reviewed the ESG Roadmap, guided the selection of reporting frameworks, and provided feedback on the materiality assessment to ensure Trillium tracks and reports meaningful information that will drive continued ESG progress.



### SHARE YOUR THOUGHTS

Trillium strives to provide accurate, complete, and up-to-date information that is relevant, transparent, and valuable to our stakeholders. We welcome your feedback to help us improve our efforts and our ESG reporting. Please contact us at [sustainability@trilliumflow.com](mailto:sustainability@trilliumflow.com) if you have questions or comments about this report.

### DISCLAIMER

Although the information included in this report has been subjected to our policies surrounding the disclosure of financial and non-financial data, no regulatory body or government agency has prescribed the information included in this report nor the presentation of such information. The data included in this report was not subject to a third-party audit verification process. Certain information included in this sustainability report may constitute forward-looking statements within the meaning of applicable securities laws, including but not limited to statements regarding Trillium's plans to move forward with identified environmental, social, or governance initiatives. Readers are cautioned not to place undue reliance on forward-looking statements as they are subject to assumptions and known and unknown risks and uncertainties that may cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others, technological innovations, climate-related conditions and weather events, legislative and regulatory changes, socio-demographic and economic trends and other unforeseen events and conditions. The forward-looking statements contained herein are made as of the date of this document and Trillium makes no commitment to update such forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.

# A NOTE FROM OUR CEO

DAVID A. PARADIS



Dear Stakeholders,

I am pleased to share this third annual Trillium Flow Technologies Sustainability Report. It illustrates the ways we have worked to expand our social sustainability efforts and how we protect our people. It also shows examples of actions we have taken to improve how we treat the environment. There has been increased activity, and awareness, in the business community around ESG. Trillium continues to support qualitative change and progress, based on real and achievable results. We do not believe in making sustainability marketing or positioning statements that lack substance or a means of execution. We have been tracking metrics related to GRI and SASB since 2020, and we continue to measure our ESG progress against global reporting frameworks and standards. It is a source of pride for our organization that we report on our ESG efforts, make consistent improvements, and reinforce our firm commitment to environmental, social, and governance performance.

All areas of our operations became fully engaged in targeted ESG topics to the point that as of 2022, we had institutionalized key metrics into our monthly reports and business reviews. Sustainability data, efforts, and updates received the same time and attention as our financial metrics. This is a mark of great progress and I continue to advocate for a grassroots-level sustainability program versus a top-down approach. We have established strategic frameworks and put key teams in place to encourage organic ESG efforts, from the ground floor up. This has been the best path to driving results, increasing engagement, execution, and creating value.

## TOP SAFETY PERFORMANCE ACHIEVED

Trillium achieved our best safety performance to date across the group in 2022 and I am most proud of the progress our legacy business has made on safety and setting the standard with a focus toward Zero Harm. In fact, our overall sustainability efforts reached their peak in 2022 and continue to grow, with the Green Team leading the way. We added specific sustainability questions to our employee survey last year, with good results. There were two areas I was most impressed with from the employee survey results last year. First, we had positive input on Trillium's commitment and investment around safety, which connects to our social sustainability efforts. Secondly, there was great employee feedback around ethics and integrity, which speaks to our governance.

We launched our Trillium Idea Portal (TIP) last year, which initially grew around process improvement and product innovation, and then included soliciting sustainability initiatives from employees. We started to see a lot of interest, traction, and growth around that area. Our leadership team became engaged in ESG topics, and more employees got involved, both of which are hallmarks of successfully incorporating ESG priorities into the business.

One area I drove our organization to be more involved in during 2022 was STEM education activities in our facilities. Supporting STEM education is good for communities, especially in underserved areas and populations. When we aid students, there is a reciprocal benefit because it helps us develop a potential pipeline of diverse talent down the road. It is solid business practice to cultivate skilled resources, especially in sectors where there is a constrained labor force. Partnering with schools and students in STEM has been a win-win venture and we will continue these efforts.

## SUSTAINABILITY PRIORITIES EMBEDDED INTO STRATEGIC ACQUISITION

An exciting development in Q2 of 2022 was Trillium's acquisition of Termomeccanica Pompe. With their strong heritage of more than a century in business in Italy, the acquisition further reinforced Trillium's commitment to provide our customers with performance-engineered products and services. Termomeccanica Pompe's product line was a great strategic fit for Trillium, and it added to our comprehensive product offering for global customers. The teams melded well, culturally and technically, and we fully integrated our operations. We focused on bringing the Termomeccanica Pompe teams into our safety protocols and broader ESG program and saw great progress. From simple measures, such as removing all manual tools, to implementing our Zero Harm Program and a local Green Team, Termomeccanica Pompe's employees adopted our safety standards and sustainability measures. In 2023, Trillium is committing a capital investment of approximately \$2 million in safety measures to improve Termomeccanica Pompe's operations, including test facility updates, machine upgrades, better traffic flow, and additional training.

In addition to continuing concerns over COVID, we were among many global businesses, not to mention citizens, impacted by crises across the geopolitical landscape in 2022. As a result of the atrocities committed in the Ukraine, Trillium made the decision to exit all business in Russia. We are committed to doing business only where it is ethically sound to do so. In addition, uncertainty rippled through industries, financial markets, and labor forces, with post-pandemic strains, supply chain challenges, and inflationary pressures. I am grateful that our company successfully managed these concerns in 2022 and continues to grow and prosper.

## ESG BRINGS VALUE TO COMPANY AND CUSTOMERS

To have an effective ESG program takes strategic and tactical leadership across the company that works in the best interest of the environment and society. Additionally, well-run companies must have institutionalized governance practices, policies, and oversight to ensure the business' longevity and to protect stakeholders. At Trillium, we pride ourselves on being a transparent and well-governed company. Most well-run companies have a solid governance framework, and Trillium is no exception. Our management team, shareholders, and other stakeholders are committed to having a sustainability program that protects and adds value to the business while positively impacting our environment and communities.

For example, our employees and communities expect us to act responsibly in conducting business. We designed our sustainability program to ensure that we do so, and it is a benefit to us as we look to attract, develop, and retain the best talent. Employees know it is the right thing to do. Our program drives improved engagement, fosters greater equity, and enhances employees' well-being. Further, our sustainability efforts have become a source of connection across our organization. We have a highly results-oriented and customer-focused culture, and sustainability progress helps drive more meaningful engagement with our clients, employees, and other stakeholders.

Sustainability starts with protecting people and the environment, one of our core values. We continuously measure our performance and do what is necessary to nurture our environment and protect our people. We pledge to make incremental, meaningful progress as a responsible organization that takes care of its employees and makes strides to be a good steward of the environment.

Sincerely,

*David A. Paradis*  
David A. Paradis  
Chief Executive Officer

# SOCIAL

Investing in the Health,  
Safety, and Wellbeing of Our People



# SUSTAINABLE DEVELOPMENT GOALS



**GOAL 1: END POVERTY IN ALL ITS FORMS EVERYWHERE**



**GOAL 6: ENSURE ACCESS TO WATER AND SANITATION FOR ALL**



**GOAL 11: MAKE CITIES INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE**



**GOAL 15: SUSTAINABLY MANAGE FORESTS, COMBAT DESERTIFICATION, HALT AND REVERSE LAND DEGRADATION, HALT BIODIVERSITY LOSS**



**GOAL 2: ZERO HUNGER**



**GOAL 7: ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY**



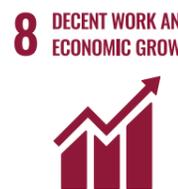
**GOAL 12: ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS**



**GOAL 16: PROMOTE JUST, PEACEFUL AND INCLUSIVE SOCIETIES**



**GOAL 3: ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES**



**GOAL 8: PROMOTE INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, EMPLOYMENT AND DECENT WORK FOR ALL**



**GOAL 13: TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS**



**GOAL 17: REVITALIZE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT**



**GOAL 4: QUALITY EDUCATION**



**GOAL 9: BUILD RESILIENT INFRASTRUCTURE, PROMOTE SUSTAINABLE INDUSTRIALIZATION AND FOSTER INNOVATION**



**GOAL 14: CONSERVE AND SUSTAINABLY USE THE OCEANS, SEAS AND MARINE RESOURCES**

**DISCLAIMER:**  
<https://www.un.org/sustainabledevelopment>  
 "The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States".



**GOAL 5: ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS**



**GOAL 10: REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES**

THE UNITED NATIONS (UN) SUSTAINABLE DEVELOPMENT GOALS, OR SDGS, INCLUDE 17 CRUCIAL GOALS THAT UNITE GLOBAL STAKEHOLDERS TO END POVERTY, FIGHT INEQUALITY AND INJUSTICE, AND PROTECT OUR PLANET. TRILLIUM SHARES THESE VALUES, AND OUR SUSTAINABILITY EFFORTS SUPPORT MANY OF THE SAME GOALS.

# INVESTING IN THE HEALTH, SAFETY, AND WELLBEING OF OUR PEOPLE



## FOSTERING A POSITIVE CULTURE

At Trillium, protecting health and safety is embedded in our culture. It is part of our DNA. We invest in the health, safety, and wellbeing of our employees and we are committed to being a responsible corporate citizen in the communities where we live and work. Treating our employees and communities with respect is both a core principle and our responsibility to society. We continue to explore new opportunities to enhance our social sustainability efforts, including expanding our culture of global corporate citizenship, and giving back to local communities through philanthropy.

Our Code and comprehensive policies and charters for safety, diversity and inclusion (D&I), and sustainability provide detailed guidelines for operating in a socially responsible manner. Trillium offers employees the training, development, and resources needed to put our values into action to become the most relied-upon flow control solutions company in the world.



## GLOBAL SAFETY DAY, APRIL 28, 2022

The company held its annual Global Safety Day again in 2022, with key themes that included hand safety and materials handling. Educational and interactive Global Safety Day activities included a take home drawing contest for children, a participation raffle, an observation activity and a hazard hunt. During the event, the teams emphasized various workplace safety topics including the concept of Zero Harm and the importance of understanding our company's 12 non-negotiable Life-Saving Behaviors. These specific behaviors apply to all Trillium operations worldwide – affiliates, subsidiaries, divisions, and other business entities including company operations performed at customer locations.

# 12 LIFE-SAVING BEHAVIORS



### Drive safe

Think about weather and road conditions, load, speed and fatigue.



### Avoid hot surfaces

Prevent direct contact with hot surfaces or molten metals.



### No permit, no entry

Always follow confined space procedure.



### Stop unsafe acts

If you see something, say something.



### Don't go under suspended loads

Look up, look out and never work or move beneath them.



### Keep clear of dangerous and rotating parts

Only use equipment if adequately guarded.



### Complete pre-pressure checks

Follow the controls in the checklist.



### Lock out, tag out

Verify equipment is isolated, locked out and no residual energy remains.



### Keep a safe distance

Be mindful of vehicle movement, if you're a driver or pedestrian.



### Handle materials safely

Lift, handle and store Materials correctly.



### Hook up, hook on

Use the right access and fall protection equipment.



### Follow electrical work procedures

Electrical competence is required.

Through these and other efforts, we continuously pursue a hazard-free workplace by tracking and analyzing leading and lagging indicators to identify ways to work more safely. To reduce workplace risks and create safer working conditions, one of the actions in our Safety Charter is to maintain third-party certifications to OHSAS 18001 or ISO 45001 in our facilities and operations worldwide. Trillium encourages our manufacturing teams to identify and recommend equipment upgrades and other capital investments to improve safety.

WE TAKE A **ZERO TOLERANCE** POSITION ON HARASSMENT, BULLYING, OR ANY RELATED BEHAVIORS BASED ON ANY PROTECTED TRAIT.



**FOCUS ON ZERO HARM**

At Trillium, the goal and vision of our world-class safety program is Zero Harm. That means working continuously across the organization to provide a safe workplace for our employees, contractors, and visitors.

Under our Corporate Responsibility for EHS (Environmental, Health, and Safety) guidelines, the CEO has ultimate responsibility for workforce safety and health, with oversight by the Trillium Board. The CEO and Executive Leadership Team, which make up the Executive Safety Committee (ESC), set safety and health policies and help support compliance with laws, regulations, and company policies. The ESC provides regular updates to the Board.

Our Safety Charter, signed by the CEO, outlines our safety vision, principles, priorities, and actions to prevent injury, loss, or harm to our people. Our comprehensive safety and health program features a safety management system that includes standards, risk assessments, and protocols for identified high-risk activities, incident reporting and investigation, audits, and contractor safety and management.

Our standards require Trillium employees to have proper safety training, including general safety awareness, and specific tasks and procedures at the local level. Employees working in some high-risk areas must earn a training certificate from a third party and demonstrate proficiency, as needed. A monthly safety report is published for the organization and monthly safety topics are communicated by the EHS team to every location. Employees can access safety protocols and other information via a Safety Hub on the company intranet site.

Safety is a priority whether we are working in our facilities or at a customer site. Before beginning work, employees must perform dynamic, point-of-work, and last-minute risk assessments to identify and address any hazards that might impact the job.

Contractors are expected to adhere to the same high standards for safety as members of the Trillium team. A risk assessment and method statement are prepared before contractors begin work, outlining the proper protocol and procedures to complete a job safely.



# THE ROADMAP TO SAFETY

The Safety Excellence Committee has developed a roadmap with additional planned safety initiatives to bolster the overall program. We also launched the first of our safety protocols for activities such as incident reporting and investigation, risk assessment (including point-of-work risk assessments), working at heights, lock-out tag-out, lifting operations, pressure testing, suspended loads, and managing change.

## SAFETY PERFORMANCE METRICS

	2020	2021	2022
Total Recordable Injury Rate (TRIR) <sup>1</sup>	.41	.40	.42
Fatalities	0	0	0
Near-Miss Frequency Rate (NMFR)	5.9	4.6	4.1
Identified Hazards	7,617	5,390	6,811
Safety Kaizens <sup>2</sup>	-	157	217

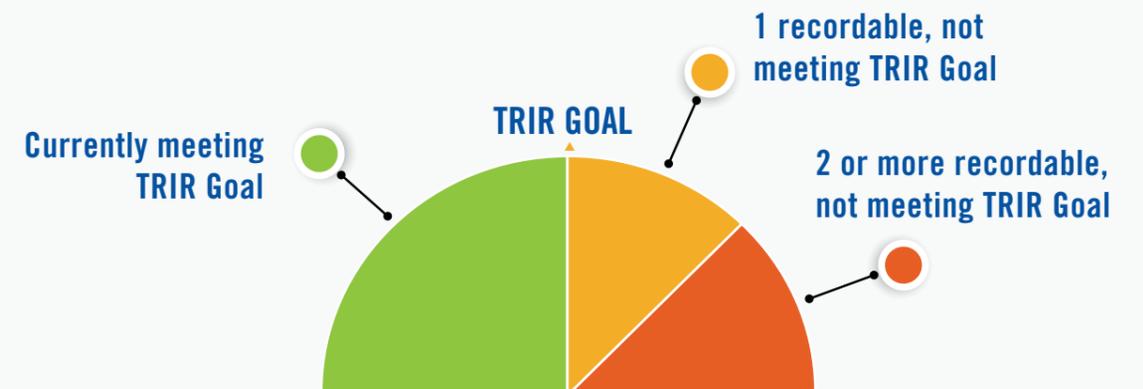
1. Due to the Termomeccanica Pompe acquisition in April 2022, the aggregate TRIR number increased. Trillium's YTD TRIR without Termomeccanica Pompe metrics is 0.24.

2. A safety kaizen is a tool that can be used to enhance the effectiveness of an organization's safety program. They often are employee-focused events designed to solve a specific safety issue or achieve a specific goal.



In 2022 Trillium continued to implement the safety roadmap, Zero Harm Behavioral System and safety standards that were launched in 2021. An element of the roadmap is Life-Saving Behaviors, 12 monthly modules that address a variety of high-risk activities such as working near suspended loads or in confined spaces. Since 2021, we have tracked global safety kaizens as a leading metric in another effort to drive continuous safety improvements. We had 217 safety kaizens in 2022 versus 157 globally in 2021.

We believe recognizing and reinforcing good safety behaviors is more effective than a disciplinary approach. Trillium gives awards for safety leadership, innovation, and for proactively identifying safety hazards.



We also use a safety heat map to present and categorize facilities with varying degrees of safety risk in an easy-to-understand and visually attractive manner. Facilities in the green area of the map meet our TRIR goal. Facilities in the yellow zone have one recordable injury incident, and the orange zone signifies two or more recordable incidents. We hold ourselves to high safety standards and communicate the same to our employees and contractor teams.

## SETTING A HIGH STANDARD FOR SAFETY

Robust safety processes and protocols are the foundation of the organization. Safety standards provide a baseline and cascade across each role and every area of the business. All Trillium employees have a part to play in maintaining a safe work environment, from the shop floor to the C-suite. In addition to consistent education, training, and reinforcement of safety protocols, the health and safety team upholds a “no complacency” philosophy, constantly working to improve the safety culture and practices. This rigorous attention to safety protocols ensures that we not only adhere to proper safety standards, but also challenges our teams to be prepared for the unexpected.

In addition to the Safety Charter, there is a suite of safety protocols designed to be used by everyone, regardless of geographic location. There is a set of EHS standards that apply within the company, including a safety management system with resources available on the company intranet, in addition to a Safety Excellence Committee. All of these important aspects of rigorous safety management and execution combine to help the company achieve its safety performance in 2022.

# OUR GREATEST ASSET – OUR PEOPLE



Creating and operating a sustainable business, now and for years to come, begins with our most important asset – our people.

Our success is contingent upon attracting and developing a team focused on our mission, and with a passion for pursuing continuous improvement, excellent results, and value creation. The Vice President of Global Human Resources, who reports to the CEO, is responsible for the policies and programs that enable us to recruit, hire, train, develop, engage, and compensate the team we need. We strive to offer comprehensive benefits based on market best practices in all our locations.

To foster a respectful and inclusive workplace, we communicate well-defined principles, priorities, and actions. Our Equal Opportunity & Harassment Policy, Global D&I Policy, and Code of Conduct state unequivocally that Trillium does not tolerate harassment, bullying, or any related behaviors based on any protected trait. We are committed to providing equal employment opportunities to all potential and existing employees throughout their recruitment and tenure with the company. These policies work in concert with our D&I Charter, Safety Charter, and Sustainability Charter to demonstrate our commitment to our employees' wellbeing.

In addition, the Code articulates our respect for the human rights of all those working for or with us, and of the people in the communities where we operate. We respect the human rights of our workforce by prioritizing their health and safety and complying with national laws on wages and working conditions in the countries where we operate.

Employee health and wellness are also of utmost importance to running a successful business, and we offer a variety of programs, tailored to each location, to encourage our teams to maintain their mental and physical wellbeing. Additionally, the Trillium Learning Portal (TLP) offers courses on mental health and stress management. The courses are designed to empower individuals by proactively addressing their mental health and equipping them with the tools they need to cope with the stresses of navigating home life and work life. We also have many site-based resources available to team members and their families.



# PLAN FOR A BRIGHT FUTURE

Another critical aspect of creating a sustainable business is ensuring we have the appropriate programs and practices in place to support the retention and development of the talent necessary to achieve our business goals and objectives.

In 2022, as part of Trillium's regular employee-assessment practices, the company identified high-potential individuals throughout the organization with strong leadership capabilities. Our leadership and Human Resources (HR) staff continue to help individuals gain the knowledge and experience to assume positions of increasing importance, regardless of their current role.

## TRAINING FOR SUCCESS

Investing in our people includes training and developing them to deliver mission critical equipment and services, highly engineered solutions, passionate and comprehensive customer service, and global support. We offer a mix of groupwide and regional training resources and processes.

The groupwide TLP, an online learning management e-portal for leadership and compliance training, has been a positive addition to the training program. More than 90 percent of employees completed the required compliance training at the end of 2022. In addition, more than 83 percent of employees completed Code of Conduct, Fire Safety & Prevention, and Driving Safety, a driving smarter training course.

TLP offers more than 6,000 development courses and 35,000 books aimed at providing opportunities for employees to pursue self-development. These courses include lessons on functional and technical development, as well as courses aimed at overall wellbeing, and general business competencies.

## TRAINING AND DEVELOPMENT AT TRILLIUM IN 2022

- 58,843 total hours of training and development
- 553 training hours completed within TLP included individual, self-directed development
- 28,729 training hours were site-based classroom training or mandatory training.



# INTEGRATION, CONSISTENCY, TRAINING, FEEDBACK

The Trillium Idea Portal was the source of an especially valuable point of progress in 2022, both from an environmental and financial sustainability standpoint. Employees are able, and encouraged, to submit ideas that can help advance the sustainability of the business. One employee suggestion was to reuse or repurpose machine tooling that was no longer needed or otherwise obsolete.

To implement the idea, the team created a contact database to help connect Manufacturing Engineer Supervisors, on a global basis, and foster an exchange of machine tooling. An electronic table was created for sharing a global list of machinery and equipment that was designated for disposal. Where machine tooling at one location was no longer needed, it could be transferred to another location to be further utilized. This solution helps reduce waste by repurposing materials and saves the company money by avoiding the purchase of additional tools at different sites.

## EXPANDED EMPLOYEE ENGAGEMENT

Employee engagement continued to be a priority at Trillium in 2022, including listening to employees and defining actions based on the feedback. Key areas of focus that helped facilitate employee engagement included [integration](#), [consistency](#), [training and feedback](#).

### Integration

The acquisition of Termomeccanica Pompe included a great deal of concentrated effort around communication and training. The goal was cultural interaction and integration to bridge the gap between the two entities that had become one. The integration of Termomeccanica Pompe included both current and newly acquired employees, and efforts to maintain and reinforce the existing Trillium culture. The leaders communicated about what the company represents, which behaviors are expected, and what One Trillium means.

### Consistency

The teams continued to reiterate the benefits of the One Trillium initiative, especially in the HR area of the business. In 2022, this was translated into streamlining HR processes via online systems and in day-to-day functions. For example, the merit process was incorporated into existing online systems for added cohesion and consistency.

### Training

The groupwide learning management system was the basis for an extraordinary amount of employee support via training. In 2022, the total number of hours dedicated to employee training included employees from the Termomeccanica Pompe acquisition.

### Feedback

Employee performance feedback was integrated into the online HR system for the first time in 2022. There were less spreadsheet files and less paper, and the integration allowed employees and their supervisors to focus more on the conversation. The timing of the performance reviews - mid-year and at year-end - remained the same but the process was streamlined to make it more effective for all involved.

## ANNUAL EMPLOYEE SURVEY RESULTS

Participation in the Annual Employee Survey came in slightly lower, or **3%** less, than **2021**. A total of **73%** of employees took the survey in **2022**, compared to **76%** the previous year. To put that in context, Trillium did have an additional **300** employees take the survey in **2022**, and the total employee base increased by about **500** people. Ultimately, although the percentage of surveys completed was slightly less than the previous year, more voices were heard in absolute number than last year and more input was received, which was the ultimate goal.

# 2021

**76% of employees participated in the 2021 survey**

# 2022

**73% of employees participated in the 2022 survey**

### TOP 3 AREAS WITH POSITIVE SURVEY FEEDBACK: SAFETY, RESPECT, INCLUSION

Team members prioritize one another's safety.

Co-workers treat each other with respect.

People from all backgrounds and identities feel included.

The survey results also highlighted improvements year over year in certain categories and in specific locations. Examples of this included: employees who responded that their voice was heard, other employees who appreciated increased interaction with executives, and employees who felt more supported and valued. The 2022 survey also included specific questions related to diversity and inclusion, which will allow Trillium to monitor the impact of our programs in these areas going forward.

### RETENTION RATE IMPROVEMENT

Total global turnover in **2022** was **15.96%**, with voluntary turnover being **10.35%** of that total. In countries where the company had benchmarks, the retention rate improved compared to **2021**, in terms of total and voluntary attrition for manufacturing. We continue to stay significantly under the peer average for total and voluntary attrition rates in the manufacturing sector in the USA.



# FLEXIBLE OR “SMART” SCHEDULES INTRODUCED IN 2022

Trillium has continued to recognize and look for ways to support the evolving desires of potential candidates in the marketplace and the needs of current employees, while ensuring that any modifications make sense for the company. A pilot program was rolled out in the UK where Trillium had a hybrid work policy for office professionals. The company also implemented a trial, four-day work week for the operations side of the business. The pilot has been a success and the program has continued into 2023. In our other countries, the existing flexible work arrangements continued to be in place in 2022 to support employees.

The flexible options afforded employees many key advantages including:

- Better work-life balance
- More time to rest and spend with family
- Savings on transportation
- Less stress and strain from commuting

Importantly, there was no negative impact to Trillium’s customer operations and interactions, or month-end manufacturing processes, and the flexible arrangements continue to be an overall, collective success.

## Trillium employees in Italy, for example, embraced the flexibility:

“... I have found that the extension of smart working, even in quantities greater than that envisioned by our standard policy, was a winning move.”

“... It is a precious work/family reconciliation tool.”

# EXPANDED COMMITMENT TO PARENTAL LEAVE



Most countries where Trillium operates have significantly more protected time or paid time for parental leave, than in the USA. The company wanted to provide additional time for employees than what is present in the short-term disability plan. The decision was made to provide two weeks of parental leave to employees beginning in 2023 in the USA for everyone who, in any capacity, is becoming a parent. This includes mothers, fathers, adoptive parents, same sex parents, and any parent who needs to take time off to bond after the birth of a child. This will represent a huge step in right direction for Trillium in the USA. In most of the countries where we operate, Trillium offers additional leave or support above and beyond what is statutorily required.

## TRILLIUM’S PARENTAL LEAVE BY REGION INCLUDES:

### FRANCE

- Maternity, paternity, and adoption leave: Trillium France completes the salary percentage unpaid by the French Social Insurance, to ensure that employees do not lose salary.
- Flexible working hours, from the sixth month of pregnancy.
- Women can attend the seven mandatory medical appointments during work time (legal regulation). The French law authorizes the husband to go to three of these seven appointments during work hours. Trillium France authorizes the husband to go to **all seven** mandatory appointments.

### ITALY

- Trillium Italy provides compensation to make employee whole (additional 20% on top of 80% pay required for maternity leave up to five months).

### INDIA

- Trillium India offers seven days of paternity leave.

### UK

- Instead of the government-legislated six weeks at 90% of average salary, and then 33 weeks of Statutory Maternity Pay (SMP), if eligible, Trillium UK pays:

#### Maternity:

- “Average weekly earnings” for the first **13 weeks** of maternity leave.
- The **higher of 50% of average weekly earnings or SMP**, from week 14 up to week 26.

#### Paternity:

- Government legislation is two weeks at Statutory Paternity Pay (SPP); if eligible, Trillium covers **one week of full pay and one week of SPP**.

# SUPPORT FOR STEM (SCIENCE, TECHNOLOGY, ENGINEERING AND MATH) EDUCATION



Trillium is dedicated to the future professionals of tomorrow and invests in STEM-related education initiatives around the globe. Here are just a few examples of headlines from employees volunteering to support students and education in 2022:

- Elland volunteers help students prepare for future careers
- Suzhou team hosts STEM social activity
- UK Valves partners with local school to support STEM education
- Valves USA welcomes engineering students
- Gabbioneta Pumps Safety Ambassadors train high school students



## MENTORING STUDENTS TO BECOME FUTURE STARS

There are regions where Trillium supports underserved students by paying their school fees, and financial support for logistics, including providing aid for training abroad that is required as part of the study program in college. Various Trillium locations also host apprenticeships for students and the company has had great success in training and ultimately hiring some of the students after graduation. Two success stories included a North Plant Director in France and a Deputy Director in India, both of whom had an apprenticeship with Trillium, and then joined the company as employees after completing their studies.

## WORKING TOGETHER FOR OUR COMMUNITY

Trillium team members demonstrate our corporate responsibility and increasing interest in sustainability by taking active roles in the communities where we live and work. To encourage participation, we give each full-time employee up to eight hours of paid time off annually to volunteer.

## TRILLIUM CHINA CELEBRATED INTERNATIONAL CHILDREN'S DAY

The team in China prepared festive gifts such as books, pens, and STEM experimental materials to send to our employees' children. Trillium cares not only about the employees but also about their families. On the same day, company volunteers also went to the local Lizhi primary school to spend Children's Day with the students. They brought gifts to the children and prepared a STEM DIY activity for them. The school children gained knowledge, and also improved their scientific literacy and cultivated team spirit.



## ALLOA VOLUNTEERS REVITALIZE LOCAL SCHOOL GARDEN & COURTYARD

Trillium volunteers in Alloa supported the local New Struan Autism School, to assist with work needed in their garden. The volunteers dug out troughs, put new soil in place, and painted. Their work would allow the school's children and adults with Autism Spectrum Disorder to understand how to plant seeds, watch the vegetables grow, pick, cook, and then eat the fruits of their labor.



## TEAM FROM GABBIONETA PUMPS SUPPORTS SCHOOLS IN ENVIRONMENTAL SUSTAINABILITY

In April 2022, pupils of elementary and middle schools in the municipality of Nova Milanese cleaned the green areas of the city during the "Nova Cleaned" initiative. Continuing the success of the "Plastic Free" environmental sustainability project at our facility, we donated metal water bottles to the participating schools. In exchange, the children gave the employees a beautiful basket they made with used plastic bottles and a lot of imagination. We exhibited the work of art at our facility as a symbol of the pact between generations: Adults and children, from companies and schools, working together to make the world a better place for all.

Other 2022 notable volunteer efforts around the globe at Trillium included:

- **Valves USA** - Local Green Team organized two beach clean-ups at Plum Island, MA. The team picked up a total of almost 142 pounds of trash.
- **UK Valves** - Volunteers painted a playground at Berry Brow Infant and Nursery School in Huddersfield, in advance of the children returning to school in September.
- **Trillium Italy** - Organized an "Operation Cleaning of the Territory" for Earth Day. Two teams of volunteers, equipped with disposable gloves, garbage bags, and tongs, cleaned up the area surrounding the facility and collected 10 large bags of garbage.
- **Trillium France** - Lent a Helping Hand at ESAT in Saint Victoret. The team called upon ESAT (ESAT is a structure that offers people with disabilities professional activity and medical, social, and educational support) workers to help prepare and pack boxes of equipment that needed to be dispatched.



## AS A COMPANY, WE PERFORMED 1,168 HOURS OF VOLUNTARY COMMUNITY SERVICE IN 2022.

### TRILLIUM TEAM SUPPORTS UKRAINE WITH HUMANITARIAN AID



Shortly after the war in the Ukraine began in 2022, there was a call to action among employee groups, which started collecting donations. Trillium then pledged to match the employee donation commitment up to five times the total amount. Collectively, Trillium donated a total of more than \$95,000 to the International Committee of the Red Cross to help the people of Ukraine. Donations were received from every location, demonstrating the employees' commitment to the company's corporate values of protecting people and the environment. In addition to financial support, employee donations of more than 3,800 basic needs items were gathered, including food, clothing, and personal care items, to send to Ukrainian refugees.



# AT TRILLIUM, WE BECOME 'BETTER TOGETHER'

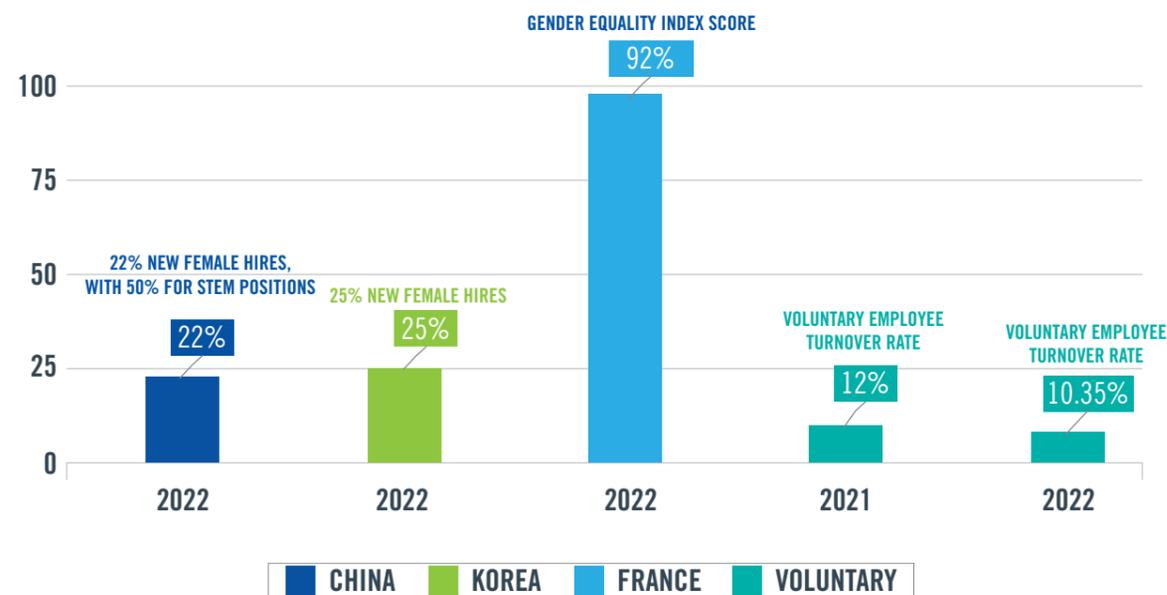
We value and respect the culture, identity, and background of every individual at Trillium, and we believe our global D&I programs are making this a better place to work. In addition to the personal and organizational benefits of a workplace where individuals are valued for their differences, it's good for business and our long-term success. A diverse and inclusive work environment enables Trillium to provide better service to our increasingly diverse customer base, strengthen local business relationships, and employ the most talented people.

## D&I ACTION PLAN IMPLEMENTED IN RECRUITING



The company recruited more women with technical backgrounds in 2022, which was an area of focus in the action plan. For example, Trillium in Korea hired 25% new female employees in 2022 versus 20% in 2021. In China, 25% of those hired in 2022 were female and 50% were STEM (technical function) focused. In France, where an index of parity labor law mandates narrowing the pay and promotion gender gap, Trillium achieved an index score of 92 out of 100 for compliance. The company also updated the recruiting process to remove some personal questions to help reduce potential bias and reinforce existing competency measures.

### 2022 Trillium Gender Parity Progress



D&I METRICS - GLOBAL	2020	2021	2022
Total Male employees	86%	82%	85%
Total Female employees <sup>1</sup>	14%	18%	15%
Percentage of Females recruited in STEM roles	29%	36%	44%
Percentage of Females in management staff among the total management staff <sup>2</sup>	22%	19%	16%

<sup>1</sup> The total number of female employees increased by 12 in 2022, though the total percentage of females decreased with the acquisition of Termomeccanica Pompe.  
<sup>2</sup> One female leader resigned in Q4 of 2022.

## LOCAL VERSUS GLOBAL D&I PROGRESSION

The Trillium teams learned, based on experience from the previous year, that D&I progress depended largely on geographical location and associated cultural practices. The company-wide objective was to continue to make progress on D&I, with local business units adapting and adjusting to their part of the world. In some areas, inherent constraints (for example, where there are few female engineers in technical universities, which limits recruiting) impacted progress.

- **China:** D&I statement added to recruiting efforts and website.
- **Korea:** Onboarding program launched to include assignment of a buddy to assist a newly hired employee with orientation on Trillium's D&I culture and commitment.
- **India:** Promoted formal D&I training for employees through online learning portal and instituted remote work flexibility based on roles and responsibilities.

## D&I TRAINING FORMALLY ADDED TO ONBOARDING OF ALL EMPLOYEES

Beginning in 2022, new Trillium employees in India, Korea, and the UK received company-led D&I training as part of their formal onboarding. D&I education and training includes all global company employees.

The company is committed to supporting efforts in every region and to making progress annually on its D&I goals because it is a keystone to success. Globally, D&I is a priority that is supported, embraced, and expanded every year. In 2023 and beyond, those objectives are anticipated to include D&I efforts focused on inclusion, and more refined country-specific programs, including supplier-based initiatives.

# WINX PUTS WOMEN WORKING IN NUCLEAR ENERGY IN THE SPOTLIGHT

At the end of June 2022, Trillium France participated in WinX, a unique two-day event hosted by the Women in Nuclear Global. Some attendees had the privilege to visit ITER, the world's largest fusion experiment site located in the South of France, not far from the Saint Victoret plant. An ITER project manager presented the international nuclear fusion research project that aims to replicate the fusion processes of the sun to create energy on the Earth. Elise Fernandes, the Finance Director who is also the first female on the Management Board at Trillium France, delivered an educational and inspiring speech during the WinX talks.



# INTERNATIONAL WOMEN'S DAY 2022

In honor of International Women's Day 2022, Trillium recognized female employees who are making a difference, including two examples from our French facilities. These women were celebrated on the corporate LinkedIn page.



**GIULIA PAGANI,**  
PLANNING SUPERVISOR,  
ITALY

Giulia is a champion of all aspects of sustainability. She sets a great example and has brought about positive change throughout the company on environmental issues, creating best practices that make a real impact. We appreciate your passion for conservation, Giulia, and look forward to growing our sustainability initiatives with your patronage.

**JACKIE WANG,**  
SENIOR ASSOCIATE,  
CORPORATE DEVELOPMENT AND FP&A,  
ENGLAND

Jackie has an impressive work ethic and is an excellent problem-solver. She consistently steps up to assist our finance team and the broader Trillium team on a diverse set of challenging tasks.

Jackie is someone you look forward to working with on projects and know that no detail will be missed. Thank you, Jackie, for your positivity and willingness to always go above and beyond every day!



# GOVERNANCE

Adhering to the Highest Levels of Oversight



# RIGOROUS GOVERNANCE IN EVERY AREA



At Trillium, we believe it is our responsibility to conduct business with the highest level of ethics and integrity and to communicate openly with all stakeholders. Since becoming a company in 2019, we have established the governance principles needed for sustainability and global corporate stewardship. We set high standards for compliance, professionalism, environmental, and social responsibility, and we expect our suppliers to adhere to the same high standards.

Our Trillium Code of Conduct applies to all employees, officers, directors, and third parties we work with, and it clearly lays out the guidelines, and expectations for applying our values and for reporting or asking questions about suspected unethical behavior or compliance violations. To assist our customers, we have import and export manuals, trade compliance guidelines, and other policies to ensure proper operations. Diligent, attentive business practices, combined with oversight from our Board, serve the best interests of our company, employees, customers, investors, and communities.

## BOARD OF DIRECTORS' OVERSIGHT

The Board oversees our ESG progress and receives quarterly updates from our Senior Vice President, General Counsel and Chief Compliance Officer, who is responsible for Trillium's governance and overall sustainability program.

Our directors hold Trillium management accountable for setting targets, achieving results, and continuously improving performance in governance and all aspects of sustainability, as well as financial and operational performance. As a company, we consider our ESG achievements to be on par with our financial and operational results.



# OUR FOUNDATION AND OUR EXPECTATIONS

We expect every Trillium employee to set the standard for conducting business according to our Code, as well as to follow applicable policies, laws, rules and regulations in the countries where we operate. Available on our website in 10 languages, the Code incorporates best practices in ethics and compliance from the USA, UK, and other countries where Trillium operates. It includes important policies around gifts and hospitality, conflicts of interest, use of company property and resources, and other areas of our business. Under our Code, Trillium does not make any political donations or contributions or participate in political activities at a corporate level.





# CODE OF CONDUCT

2022

## BEHAVIORS WE EXPECT AND GUIDELINES FOR APPLYING OUR VALUES, RAISING CONCERNS, AND ASKING COMPLIANCE QUESTIONS.

- Applies to all employees, officers, directors, and third parties.
- Covers people, customers, technology, and performance.
- Training includes onboarding, an annual refresher, and periodic risk-specific topics.
- More than 90% of employees completed compliance training in 2022.
- Policy training includes anti-bribery, anti-corruption, and corporate criminal offense annually for designated employees.
- Reporting unethical behavior is a responsibility, and Trillium does not tolerate retaliation for good faith reporting.
- Reporting options include managers, supervisors, human resources representatives, senior leaders, legal and compliance department, and Ethics Hotline.

# IMPORTANCE OF ETHICAL AND LEGAL RESPONSIBILITIES

Trillium conducts comprehensive training to ensure our employees understand our ethical and legal obligations. New employees receive Code and initial ethics training during onboarding, and all employees take annual refresher training on the Code and our policies for gifts and hospitality, anti-bribery, and anti-corruption. Code training may be delivered live in a group setting, online or individually, depending on employees' needs. We track completion of compliance training in the Trillium Learning Portal.

Employees whose role involves working with third parties take anti-bribery and anti-corruption training as new hires and annually as a refresher. We expect our distributors and representatives to uphold our standards for ethical conduct and require them to complete anti-bribery and anti-corruption training through our third-party due-diligence platform. Our Corporate Criminal Offense Policy requires specialized annual training on the UK Criminal Finances Act of 2017 for employees who have responsibility for contracts. In addition to training, Trillium reinforces the importance of ethical behavior and compliance through town hall meetings, intranet posts, and other internal communications.



## OPTIONS AVAILABLE TO SPEAK UP

Every employee has a responsibility to report unethical behavior they experience or witness. Reports can be made via internal channels outlined in the Code, through our confidential, anonymous (where allowed by law) Ethics Hotline or by emailing the CEO directly. Detailed information for the hotline, which is administered by third-party provider NAVEX Global, is available to employees and third parties in our Code, links to which (in 10 languages) can be found on the Trillium corporate website. The hotline is accessible 24 hours a day and from every global location where we operate. Trillium reviews and investigates all reports, taking action, as needed. Through our global Speak Up campaign, we encourage reporting so we can strengthen our ethics program and, in turn, our entire organization.

# RESPECTING HUMAN RIGHTS THROUGHOUT THE BUSINESS AND SUPPLY CHAIN

8 DECENT WORK AND ECONOMIC GROWTH



As stated clearly in our Code, we respect the human rights of all people; those working for us, with us and those living in the communities where we operate. The Code outlines our human rights principles, while our Human Rights and Modern Slavery Policy, which complies with the UK Modern Slavery Act of 2015, describes our responsibilities for combatting forced labor in our business and our supply chain. The Board has overall responsibility for helping to ensure that this policy aligns with our legal and ethical duties.

### HOLDING SUPPLIERS TO OUR OWN HIGH STANDARD

As part of our zero-tolerance approach to human rights risks, we take comprehensive steps to prevent, evaluate, and address risks of forced labor in our supply chain. To that end, the company:



Established a Supplier Code of Conduct (see Annex 1 in the Human Rights and Slavery Policy on our corporate website) and expects compliance by all our suppliers. We may also impose and require compliance with contractual obligations.



Periodically reviews our supply chains to evaluate forced labor risks and, if a risk is identified, we take appropriate steps to address it.



Evaluates the conduct of each supplier against the Supplier Code when awarding and/or renewing business with the supplier.

To further reduce the risks of forced labor in our supply chain, Trillium educates employees working with our supply chain on forced labor and the Supplier Code. In addition to human rights and labor, the Supplier Code covers legal compliance, fair treatment and non-discrimination, material compliance, conflict minerals, EHS, and sustainability.

Trillium expects suppliers to adhere to our principles at a minimum, exceed the minimum requirements where possible, and take reasonable steps to ensure their suppliers and subcontractors also comply.

For the third year in a row in 2022, we had zero reported violations of our Supplier Code and our Human Rights and Modern Slavery Policy.

**IN 2022, TRILLIUM EXPERIENCED:  
ZERO REPORTED VIOLATIONS OF OUR SUPPLIER CODE OF CONDUCT  
ZERO REPORTED VIOLATIONS OF OUR HUMAN RIGHTS AND MODERN SLAVERY POLICY**

# ENSURING INFORMATION TECHNOLOGY SECURITY IS A TOP PRIORITY

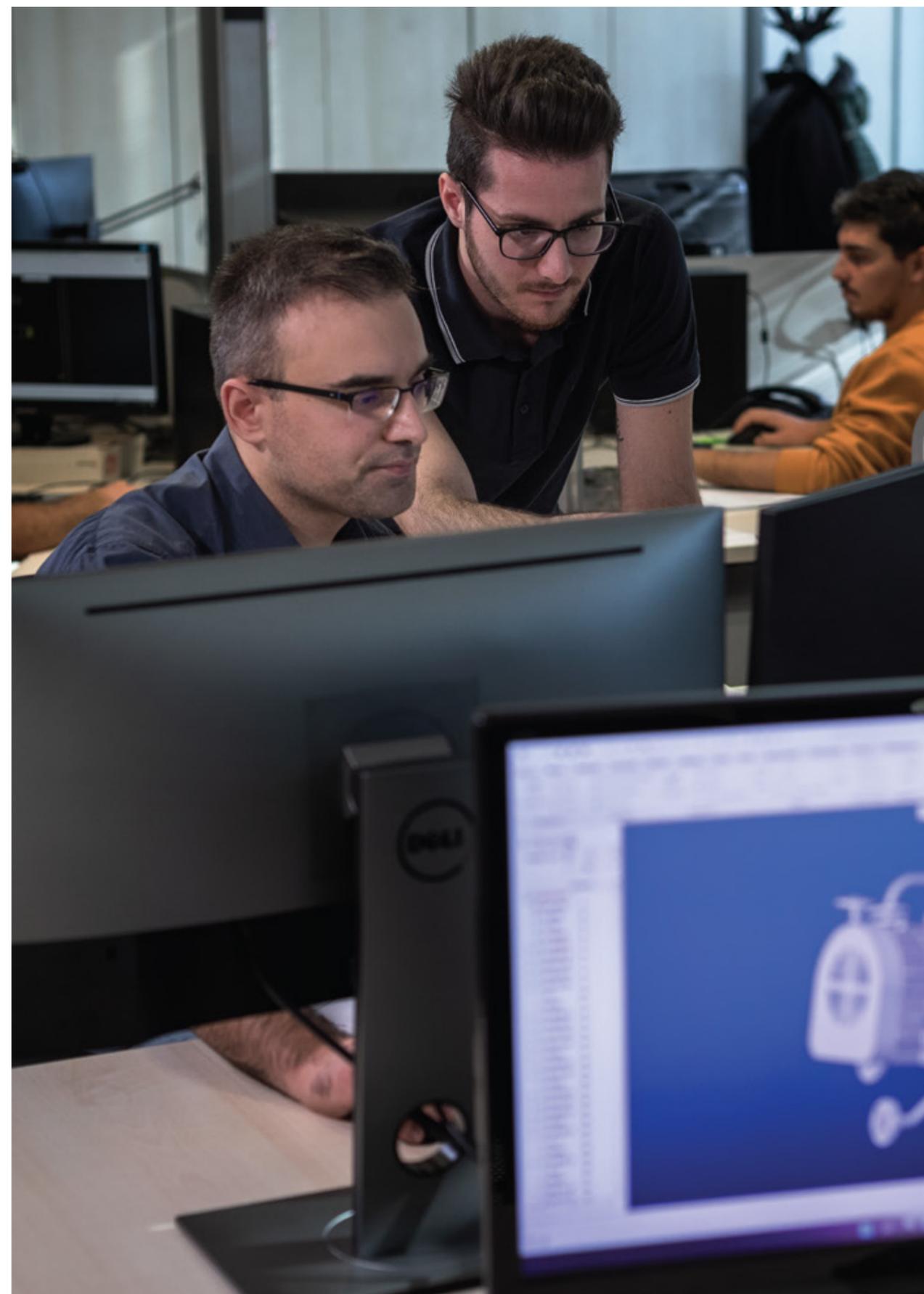
Safeguarding data and our information technology (IT) systems and equipment is a critical business and governance issue at Trillium – a responsibility that includes IT, Legal, Compliance, Finance, HR, and other areas of our enterprise. The global IT director is accountable for protecting our IT infrastructure and information assets and for updating Trillium executive leadership and the Board on IT risks and initiatives. In addition, under our Code and our Acceptable Use Policy, each employee, contractor, consultant, and temporary or other worker at Trillium is responsible for using equipment and information properly to prevent a security risk.

Specific areas of attention for our IT program include our networks, mobile and other devices, data, cloud computing, remote access and other aspects of our infrastructure, and incident management. We have internal and external monitoring of our IT systems and use a variety of tools to detect and prevent viruses, malware, and other cybersecurity threats.

Our employees are required to take data privacy and cybersecurity awareness training provided by a third party at least quarterly. We also conduct regular tests to enhance employee awareness of the potential for email fraud. Any loss of equipment or data, as well as any suspected security breaches, must be reported immediately.

We seek to comply with applicable national laws and regulations and customer requirements for information use and data privacy, including obtaining any certifications needed to bid for government contracts. In addition, IT is represented on the Trillium Innovation Pipeline to inform teams developing digital technology.

With IT at the heart of Trillium's operations, cybersecurity remains a top priority that we communicate consistently with our workforce and business partners.



# ENVIRONMENT

Good Stewardship and  
Positive Environmental Impact



13 CLIMATE ACTION



The Trillium CEO, along with the Executive Leadership Team, sets environmental policy and promotes compliance with applicable laws, regulations, and industry standards wherever we operate, as described in our Corporate Responsibility for EHS guidelines. The team reviews our environmental performance regularly to manage risks and promote continuous improvement, and shares information with the Board as needed. To drive improvements throughout our organization, our EHS management team helps support the implementation of our environmental programs at the local level.

# GROWING, GLOBAL GREEN TEAM

In 2022, a local Green Team was established for each site with at least one person per location dedicated to supporting sustainability initiatives. ESG action plans and updates are shared with corporate green team throughout the year. Each local team has its own meetings and someone from every local team participates at the corporate Green Team level, too. The Green Team includes someone from management, but not an executive sponsor, in alignment with the company philosophy that these efforts are the responsibility of every employee at Trillium. Our sustainability-focused Green Team is diverse, engaged and helps foster internal interest in social and environmental initiatives. These volunteers from around the world develop actionable sustainability projects for achieving social and environmental goals that our global locations tailor to their unique businesses and culture. All Trillium facilities participated in environmental progress initiatives in 2022.

## 2022 ENVIRONMENTAL SUSTAINABILITY HIGHLIGHTS INCLUDED:



Trillium France added charging stations for electric cars and motorcycles.



Trillium Valves USA implemented a TerraCycle® collection process for sending 18.8lbs of PPE and 7.65lbs of cigarette waste to be recycled.



Trillium UK Services moved to rechargeable batteries and is collecting all non-rechargeable batteries for recycling.

UK Limited switched 90% of lighting in offices to LED.



Trillium Canada provided branded tumblers to employees to reduce single use cups.

Everyone at Trillium can have a positive environmental impact, and we give employees the opportunity to make a difference. We communicate our expectations, principles, and priorities for environmental performance to employees in the Code and Sustainability Charter. Additionally, our products are engineered, manufactured, and serviced to operate efficiently and reliably, with a long product life.





**ISO 14001 is an internationally recognized standard that helps organizations improve their environmental performance through efficient resource use and waste reduction. Trillium's commitment is to have all our facilities around the world ISO 14001 certified to drive continuous improvement with our environmental performance and management practices. We align newly acquired companies with our best practices as soon as practicable. All Trillium manufacturing facilities worldwide are ISO 14001 certified.**

## PATH TO RESPONSIBLE OPERATIONS

Trillium cares about our impact on the environment and is committed to minimizing our most significant impacts, which are energy use, water use, and waste production. In 2020, we started collecting data across our global operations for electricity, natural gas, propane, diesel, and water consumption. In 2022, we continued using a cloud-based software platform to help improve our ESG performance metrics and reporting.

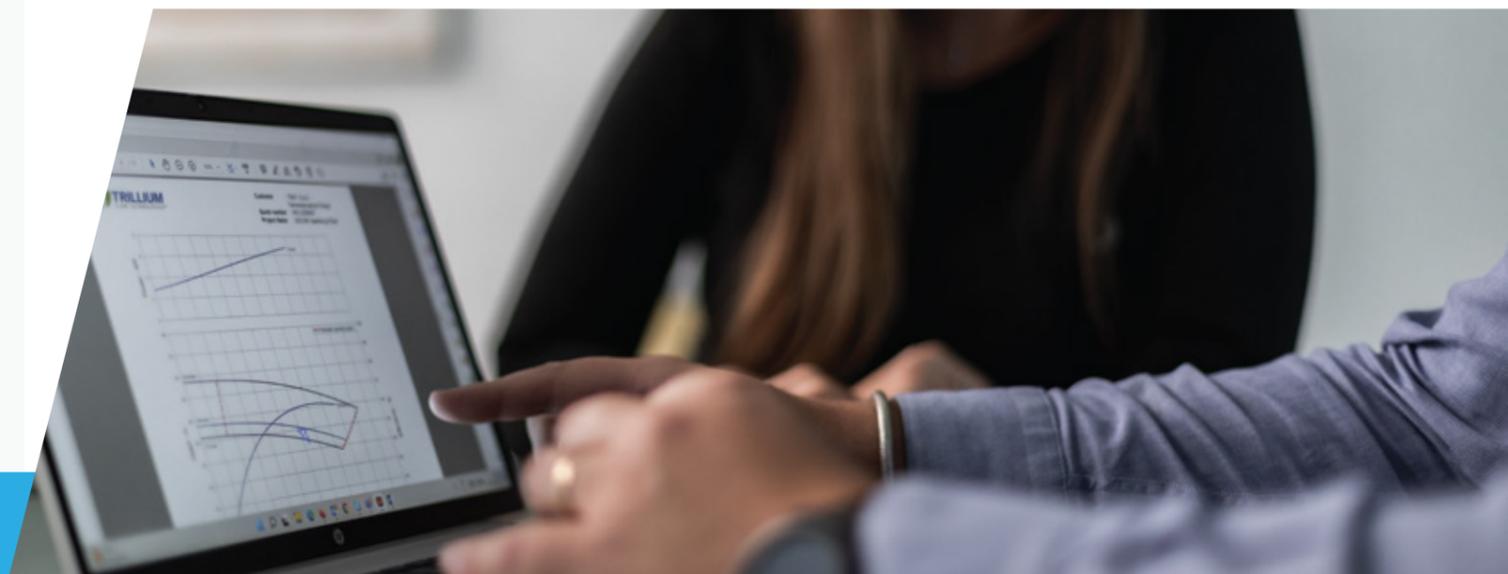
## GHG EMISSIONS

GHG EMISSIONS & ENERGY USE METRICS	2020	2021	2022
Scope 1 GHG emissions metric tons Co <sub>2</sub> e	3,178	2,784	2,512
Scope 2 GHG emissions (location based approach) metric tons Co <sub>2</sub> e	3,004	2,478	2,630
Scope 2 GHG emissions (market based approach) metric tons Co <sub>2</sub> e	4,639	4,884	4,531
Total GHG emissions(scope 1&2)* metric tons Co <sub>2</sub> e	6,182	5,262	5,142
% Change from Base Year	---	-15%	-17%
Total energy consumed gigajoules	107,670	96,780	89,390
% Change from Base Year	---	-10%	-17%

**Notes:**

- The environment metrics have been calculated using the best available data at the time of publication. Historical metrics are subject to change as we continuously seek to improve our data management practices, data sources, and calculation methodologies. We report environment metrics on an operated basis, unless otherwise noted.
- In line with our efforts to ensure that our data is as complete and accurate as possible, we corrected previous calculations of scope 1 and 2 emissions and total energy consumed. The 2020 and 2021 values were restated in the above table. The restatement resulted in an additional 324 MT of CO<sub>2</sub>e for scope 1 emissions, reduction of 392 MT of CO<sub>2</sub> in Scope 2 emissions and an additional 8,010 GJ energy consumed. Historic data is restated where material changes (defined as >5% of previously reported metric) are made due to data improvements (e.g., refined estimation or calculation methodologies).
- In April 2022, we completed the acquisition of Termomeccanica Pompe. We will incorporate the impact of this acquisition in our next Sustainability Report.

**ANY SPILL OR PERMIT EXCEEDANCE, NO MATTER HOW SMALL, IS REPORTED INTERNALLY SO WE CAN LEARN FROM IT AND PREVENT FUTURE OCCURRENCES. WE REPORT INCIDENTS EXTERNALLY TO THE APPROPRIATE REPORTING SOURCES, AS REQUIRED BY REGULATIONS.**



# REFURBISHING AND REUSING FOR RESOURCE OPTIMIZATION



Part of Trillium Flow Technologies' engineering strategy is to reuse existing or universal patterns and adapt them to new products, reducing the amount of conceptualizing, casting, production, etc.

In 2022, we saw an opportunity in select markets, and with specific products, (for example, our 78 full bore pilot operated safety relief valve from our Sarasin-RSBD® brand), to do additional refurbishing to support product launches. This involved making upgrades to a product with existing components that are already operational in the field. The team adapted many existing parts to create a new valve, for example, rather than creating 100 brand new parts, which would require substantially more resources, including new casting, transportation and more.

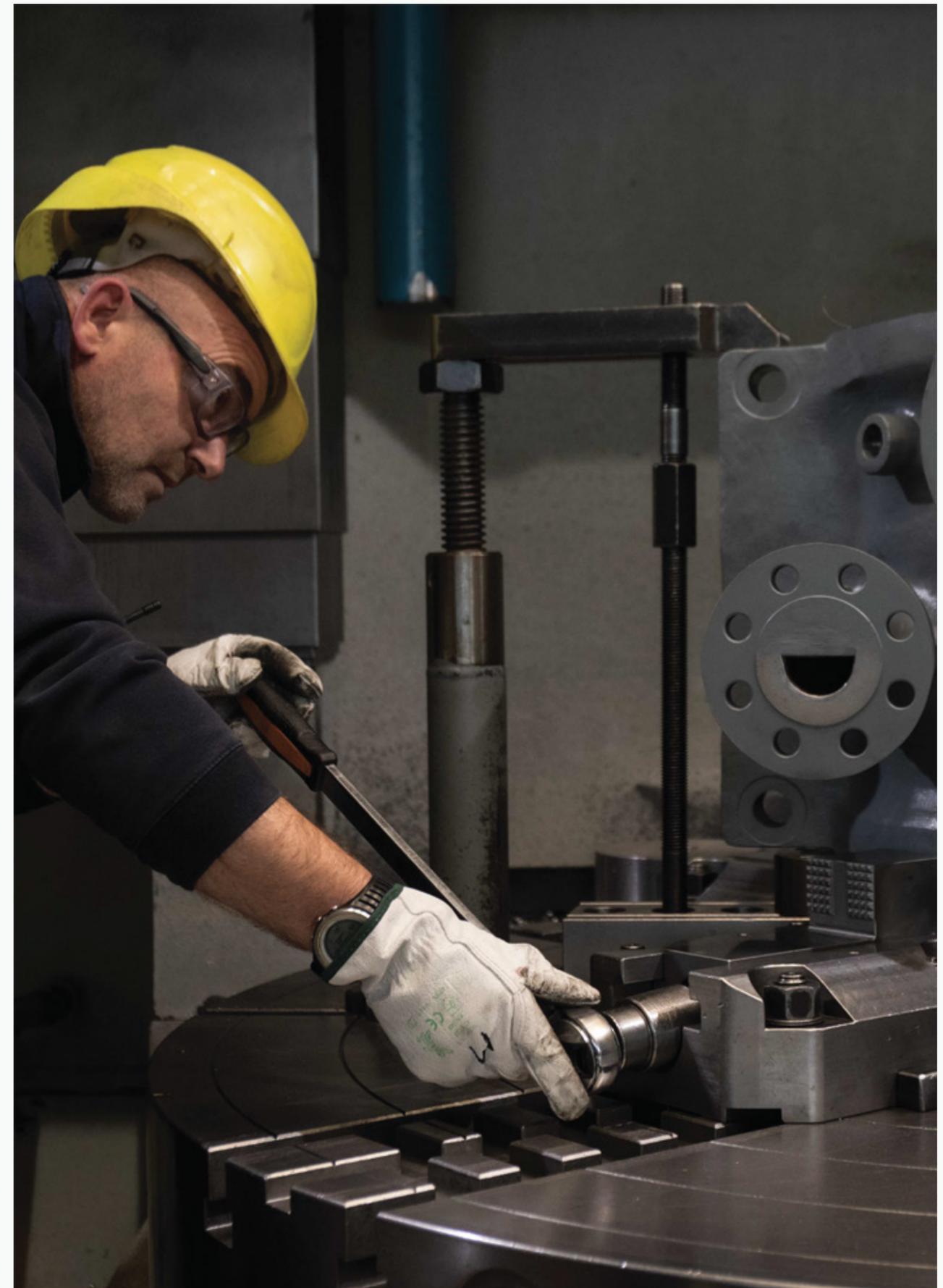
# REVENUE FROM REMANUFACTURING AND AFTERMARKET SERVICES



**21.4% increase in revenue since 2020**

Trillium also employed 3D printing technology, which has been demonstrated to reduce manufacturing time by up to 60 percent, especially for additive manufacturing in providing parts and components.

We recognize our customers' global decarbonization efforts and diversification into cleaner fuel production. With our outstanding global partnerships, Trillium has been able to support these growing customer needs. In the Netherlands, for example, we support the world's largest biofuels refinery, with hundreds of pumps installed. Recognizing that our customer needs and demands have changed, we are well positioned to support global project activity involving carbon capture, hydrogen, and nuclear technologies. Our Gabbioneta Pumps® and Termomeccanica Pompe brands have a strong background in designing multistage pumps for low specific gravity services, including CO<sup>2</sup> used for carbon capture. Under the brand names SEBIM® and SARASIN-RSBD®, we design and manufacture high-performance pressure relief valves in France, suitable for the latest nuclear reactors designed and in use worldwide.



# INNOVATING IN MANUFACTURING

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



Trillium manufactures highly engineered products that are in turn used in complex systems, all requiring energy to operate. As part of our lifecycle approach to product stewardship, we work to increase the efficiency, safety, and reliability of our products. To make our own manufacturing process more efficient as we meet customers' requirements, Trillium Business Improvement teams work within our plants and collaborate globally to find efficient best practices to drive manufacturing efficiency – a concept we call the One Trillium approach to conducting business.

Trillium's dedication to innovation is a strong part of our culture. Our global teams have redesigned and enhanced our technology and new product development processes to align with the speed of customer needs. We focus on developing and evaluating new technologies that feed into new products or product enhancements to serve new or existing customers. As the global population's energy demands change and the need for clean, safe drinking water expands, Trillium's global innovation teams are prepared to help customers find viable, productive solutions.

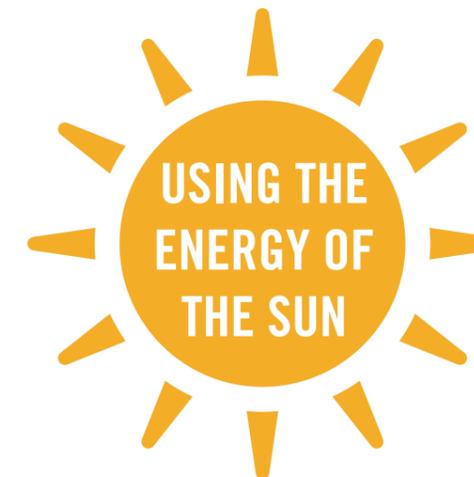
# SUSTAINABLE SOLUTIONS TO POWER PRODUCTS AND PROCESSES

In 2023, the company is focused on key sustainability sources including energy and water.

## ENERGY MANAGEMENT

Energy consumption continues to be a focus, including how to reduce the amount of energy needed, storage of energy, and how it can be reused.

- Hydrogen**  
 The teams track the global hydrogen market as potential fuel for the future.
- Nuclear**  
 We are well positioned to broadly support the nuclear arena, as the world looks to decarbonize and diversify the power grid.
- Solar**  
 As of 2022, solar power was being captured and utilized in Trillium's Italy and Fresno locations. In Fresno, the number of solar panels were increased and two additional EV charging stations were added.



We have incorporated renewable solar power into our expanding operations at the Pumps USA facility in Fresno, California, home of Trillium's North American pump headquarters.

In the first half of 2022, the solar panel project was continuing to undergo construction, and 26% of the total solar system was generating power. By March of 2023, 30% of the system was generating power. When fully operational, the solar panels will supply around 68% of Fresno's electricity usage power.

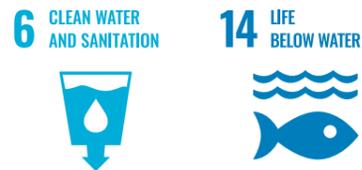
68%



In 2022, the total yield of the solar panels was 390,036 kWh which is equivalent to 276 metric tons of CO2 avoided.

Installation was completed in May 2023, and we are currently working with our utility partner and the city to get the remainder of the panels online.

# WATER MANAGEMENT



Trillium supports the water sector with pumps that:

- Facilitate waste management of water
- Provide transportation of water to high population areas
- Desalinate ocean water for human consumption

We are currently exploring how we can reuse water, including captured storm water.

WATER USAGE & DISCHARGE METRICS	2022
Total Water Withdrawal Megaliter	70.9
Total Water Discharge Megaliter	1.5
Total Water Consumption Megaliter	69.4

- In April 2022, we completed the acquisition of Termomeccanica Pompe. We will incorporate the impact of this acquisition in our next Sustainability Report.

# IMPROVING WASTE MANAGEMENT IN GLOBAL OPERATIONS



Reducing waste in our offices and operations is good for the environment, good for Trillium's bottom line, and aligns with our product stewardship approach. Members of the Green Team developed a groupwide environmental program to cut our carbon footprint and costs by reducing single-use plastics across the organization. All company locations have initiatives in place to reduce plastics. The company also reduced its reliance on paper, by using 700,000 less sheets of paper between 2019 and 2022.

# TRILLIUM FRANCE RUNS FOR THE PLANET

Trillium France had the pleasure to participate in the first French race eco-designed for the planet. The aim was to raise awareness among employees about ecological, social, and ethical issues around this solidarity event for the benefit of five associations committed to living beings and the environment. The carbon footprint of the race was minimal: 0 plastic bottles, 0 finisher T-shirts, and wooden medals. A total of 62 Trillium employees from the North and South sites took part in the race.



# 3R SELF-ASSESSMENT SCORECARD INTRODUCED IN 2022

Trillium wanted to provide a simple self-assessment for employees to leverage as a tool to help them with the 3R's of Waste Management: Reduce, Reuse, and Recycle. The result was the 3R Self-Assessment Scorecard which was introduced in 2022. First, the scorecard was used to track reductions in the amount of water, energy, paper and other resources used. Secondly, the scorecard tracked reuse initiatives that gave a second life to tools and materials. Third, the scorecard included a section for tracking recycling efforts. Green Team members in local corporate facilities filled in the scorecards and submitted a draft of the data in June, and a final scorecard at the end of the year to gauge overall progress.

By engaging employees in the 3Rs and starting with the basics, focusing on the 3R Scorecard created a foundation for engaging employees, in addition to educating and empowering them in their everyday work. By having a uniform and universal scorecard, following the One Trillium initiative, it represents and shares best practices across every site.

These initiatives illustrate our keen attention to waste management and environmental sustainability progress. We will continue to help employees identify and pursue more environmental improvement practices throughout our business. As a company and a global corporate citizen, Trillium is dedicated to continuing its ESG journey and making a positive impact on our people and on the planet. An example of scorecard initiatives can be seen below.

2022 3R Trillium Self-assessment						
Location Name	Date					Reference person
<p><b>General note:</b> every initiative should lead to a lower overall impact of each facility: please be sure that the actions put in place will have:</p> <ul style="list-style-type: none"> <li>• lower CO2 emissions</li> <li>• lower consumption</li> <li>• lower or similar effort/transport</li> <li>• lower or similar costs</li> </ul> <p>Maximize the win-win ECO strategy: <b>ECologic + ECOnomics to guarantee the total sustainability of each solution on a long term.</b></p>						
		Score	Done	Not Done	NA	2022 Chosen initiative
<b>General</b>						
Ge0.1	3R training completed (>90% of employees trained in 2022)	3				
Ge0.2	Navex software monthly collection of data on wasting fully operational	1				
Ge0.3	Recycling reports from waste management vendors Disposal suppliers are able to calculate or confirm the percentage of recycling of the company's waste (weight amount for each material disposed)	2				
Ge0.4	Weight of waste destined to landfill < 10% of total Total year weight of waste destined to landfill to be calculated by the facility or the disposal supplier. It can be calculated also as difference between total year weight of waste produced by the facility (directly and indirectly) and the total weight of waste burnt/recycled.	3				

Total score	127	0	0	0	0	
Final results	Applicable Total Score	Done	Not Done			
Score	127	0	0			
The company is classified as				LOW RANKING		
The 2022 target is to improve your score by				PLEASE CHOOSE MORE INITIATIVE		
2022 choose initiative will bring						
2022 Final Score						

# INDEX

This table contains and refers to information related to the Sustainability Accounting Standards Board (SASB) Industrial Machinery & Goods Sustainability Accounting Standard and Global Reporting Initiative (GRI) Standards.

TOPIC	METRIC	CODE	LOCATION IN THE REPORT
<b>General Disclosures: Organization &amp; its reporting practices</b>	Organizational details	GRI 2-1	Report overview, page 7
	Entities included in the organization's sustainability reporting	GRI 2-2	Report overview, page 7
	Reporting period, frequency and contact point	GRI 2-3	Report overview, page 7
	Restatements of information	GRI 2-4	In line with our efforts to ensure that our data is as complete and accurate as possible, we corrected previous calculations of scope 1 and 2 emissions and total energy consumed. The 2020 and 2021 values were restated in the above table. The restatement resulted in an additional 324 MT of CO2e for scope 1 emissions, reduction of 392 MT of CO2 in Scope 2 emissions and an additional 8,010 GJ energy consumed. Historic data is restated where material changes (defined as >5% of previously reported metric) are made due to data improvements (e.g., refined estimation or calculation methodologies).  In April 2022, we completed the acquisition of Termomeccanica Pompe. We will incorporate the impact of this acquisition in our next Sustainability Report.
External Assurance	GRI 2-5	The report is not externally assured.	

TOPIC	METRIC	CODE	LOCATION IN THE REPORT
<b>General Disclosures: Activities &amp; workers</b>	Activities, value chain and other business relationships	GRI 2-6	Report overview, page 07
	Employees	SASB RT-IG000.B GRI 2-7	About us, page 3 Total Employees as of Dec. 31, 2022: 2,269 Full Time: 2027; Part Time: 77; Temporary: 165
<b>General Disclosures: Governance</b>	Governance structure and composition	GRI 2-9	Rigorous governance in every area, page 37
	Role of the highest governance body in sustainability reporting	GRI 2-14	Letter from the CEO, page 9 and Rigorous governance in every area, page 37
<b>General Disclosures: Strategy, policies &amp; practices</b>	Statement on sustainable development strategy	GRI 2-22	Letter from the CEO, page 9
	Policy commitments	GRI 2-23	Our greatest asset- our people, page 21 and Governance, page 35-44
	Embedding policy commitments	GRI 2-24	Governance, page 35-44
	Mechanisms for seeking advice and raising concerns	GRI 2-26	Our foundation and our expectations, page 38
	Compliance with laws and regulations	GRI 2-27	Our foundation and our expectations, page 38
	<b>General Disclosures: Stakeholder engagement</b>	Approach to stakeholder engagement	GRI 2-29
<b>Anti-Corruption</b>	Communication and training about anti-corruption policies and procedures	GRI 205-2	Our foundation and our expectations, page 38
<b>Anti-competitive behavior</b>	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	GRI 206-1	Our foundation and our expectations, page 38
<b>Energy Management</b>	(1) Total energy consumed (GJ)	SASB RT-IG130a.1 GRI 302-1	Path to responsible operations, page 26  2020: 107,670 2021: 96,780 2022: 89,390

TOPIC	METRIC	CODE	LOCATION IN THE REPORT
Water and Effluents	Water Withdrawal	GRI 303-3	Water management, page 55 Total water withdrawal (ML): 70.9
	Water Discharge	GRI 303-4	Total water discharge (ML): 1.5
	Water Consumption	GRI 303-5	Total water consumption (ML): 69.4
Emissions	Direct (Scope 1) GHG emissions	GRI 305-1	Path to responsible operations, page 49 Scope 1 Emissions (MTCO <sub>2e</sub> ): 2020 - 3,026; 2021 - 2,612; 2022 - 2,436
	Energy indirect (Scope 2) GHG emissions	GRI 305-2	Path to responsible operations, page 49 Scope 2 Emissions (MTCO <sub>2e</sub> ): 2020 - 3,004; 2021 - 2,478; 2022 - 2,630
Waste	Management of significant waste-related impacts	GRI 306-2	Improving waste management in global operations, page 29
Employment	New employee hires and employee turnover	GRI 401-1	New employee hires: Male: 396, Female: 76 Retention rate improvement, page 24 Voluntary employee turnover rate: 2021- 12%; 2022-10.35
	Benefits provided to full-time employees that are not provided to temporary or part-time employees	GRI 401-2	Our greatest asset- our people, page 21
	Parental leave	GRI 401-3	Expanded commitment to parental leave, page 26
Employee Health & Safety	(1) Total recordable incident rate (TRIR)	SASB	The roadmap to safety, page 19
	(2) fatality rate	RT-IG320a.1	TRIR: 2020 - 0.41; 2021 - 0.40; 2022 - 0.42
	(3) near miss frequency rate (NMFR)	GRI 403-9 GRI 403-10	Fatality: 2020 - 0; 2021 - 0; 2022 - 0 Near Miss Frequency Rate: 2020 - 5.9; 2021 - 4.6; 2022 - 4.1

TOPIC	METRIC	CODE	LOCATION IN THE REPORT
Employee Health & Safety	Occupational health and safety management system	GRI 403-1	Investing in the health, safety, and wellbeing of our people, page 15-18
	Hazard identification, risk assessment, and incident investigation	GRI 403-2	The roadmap to safety, page 19 Identified hazards 2020 - 7,617; 2021 - 5,390; 2022 - 6,811
	Worker training on occupational health and safety	GRI 403-5	Training for success, page 22
	Promotion of worker health	GRI 403-6	Our greatest asset- our people, page 16
	Workers covered by an occupational health and safety management system	GRI 403-8	Investing in the health, safety, and wellbeing of our people, page 15-18
	Programs for upgrading employee skills and transition assistance programs	GRI 404-2	Training for success, page 22
Diversity and Equal Opportunity	Diversity of governance bodies and employees	GRI 405-1	At Trillium, we become 'better together', page 31
Forced or Compulsory Labor	Operations and suppliers at significant risk for incidents of forced or compulsory labor	GRI 409-1	Respecting human rights throughout the business and supply chain, page 42
Local Communities	Operations with local community engagement, impact assessments, and development programs	GRI 413-1	Letter from the CEO, page 9 and Working together for our community, page 28
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	SASB RT-IG440b.1	Refurbishing and reusing for resource optimization, page 51 2020 - \$269.3 M 2021 - \$288.1 M 2022 - \$671.5 M