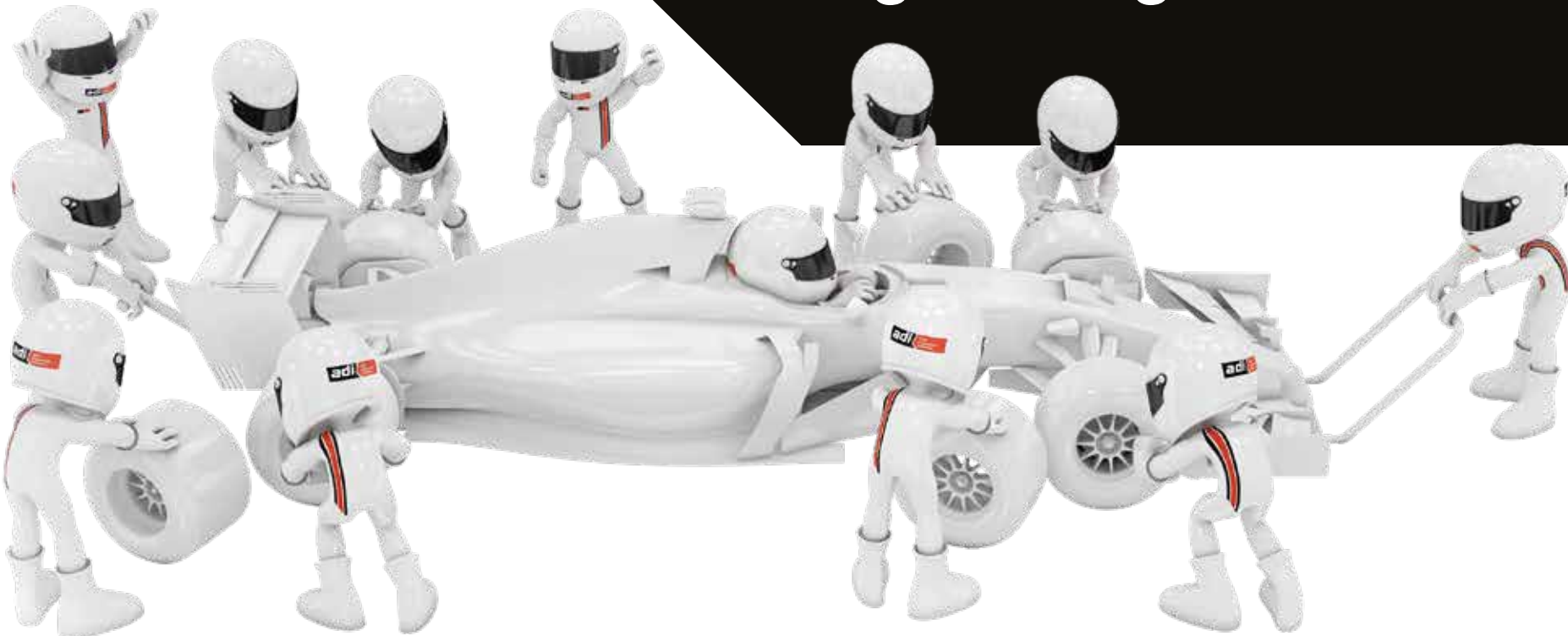


# Responsible Business Report 2021/22



## Engineering A Better Future



# We Are adi Group!

**We are a leading multi-disciplined engineering and construction group, offering full turnkey capabilities from conception brief to full design and build for a wide variety of market sectors.**

The adi Group is structured to deliver engineering and construction investments through the integration of over 30 specialist services to provide the best solutions for clients. With 30 years of experience within the industry, we deliver over 5,000 projects per year.

This report sets out our progress and recent achievements against our five strategic responsible business commitments

**Our People, Our Community, Our Supply Chain, Our Environment, and Diversity & Inclusion.**

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- **Diversity & Inclusion**
- **Our Community**
- **Our Supply Chain**
- **Our Environment**



# Responsible Business Highlights

## People

Employee Benefits offering a Healthcare Cash Plan including an Employee Assistance Programme, Cycle To Work scheme and high street discounts for employees

89% response rate in annual Best Companies survey from employees across the Group



7% of employees are full-time apprentices exceeding our commitment to The 5% Club to having 5% our workforce as apprentices within five years.

## Community

Over £116,866 raised for Heart Research UK



Over £2000 raised by employees on awareness days  
Involvement in the Women's Engineering Society #LottieTour

60 pupils enrolled on adi Group's Pre-Apprenticeship scheme

## Diversity & Inclusion

- 40% of employees are 50 years of age or older
- Employees made up of 20 different nationalities
- 15% of the adi Board are female employees

## Environment

Supporting the environment through our partnership with BP Target Neutral leading to:

- Reducing over 2,500,000 tCO<sub>2</sub>e per year (of which BP Target Neutral have acquired 700k t).
- Improving the livelihoods of over 2.2 million people through better health and through the provision of training and improved education for nearly 5,000 people.
- Creating nearly 8,300 GWh of renewable energy generated or saved through energy efficiency.
- Supporting the protection of over 40,000 hectares of globally significant habitats.



## Supply Chain

Modern Day Slavery Pledge to not support or work with any business who are knowingly involved in modern-day slavery, human trafficking or have any affiliations with such practices.

All new suppliers have signed up to our Ethical Purchasing Policy



## Award Winners



RoSPA Gold Award

Ecovadis Platinum Award

BITC Responsible Business Champion

Best Companies 1\* Accreditation

Top 100 Best Companies to Work for in the West Midlands

Top 10 Best Companies to Work for in Construction & Engineering

Finalists in Business Masters

5% Club Gold Award

Made in the Midlands Manufacturing Apprenticeship/Training Scheme Award

Large Business of the Year in the annual West Midlands Business Masters Awards.



# CEO Statement

**‘Our purpose is to grow a profitable group that adds value to our customer’s businesses, maintains a safe ethical working environment and is an organisation that people aspire to work for.’**

**Welcome to adi’s responsible business report. Due to the pandemic, 2020/2021 has been both an astonishing and challenging period but having watched the way the whole of adi adapted and pulled together during this incredibly difficult time has made me extremely proud. The resilience, empathy, and adaptability demonstrated by all meant we could not only support each other but continue to support our clients, stakeholders, and communities.**

The pandemic has reinforced the importance of responsible business and it remains at the top of our business agenda for 2022 and onwards to ensure that adi Group does its part in building a long-term sustainable future for all.

Despite the pandemic, adi Group continues to grow and our business plan for 2025 is to double in size.

Globally, the pandemic has highlighted social inequalities, and whilst adi has always strived to be an inclusive employer where people can simply be themselves, we want to attract more diverse, talented individuals and have therefore added ‘Diversity & Inclusion’ as an additional core business responsibility as well as appointing a Diversity & Inclusivity Champion to our Responsible Business Committee.

We will also be focusing on social, economical, and environmental challenges such as climate change which has been highlighted by COP 26, and mental health and wellbeing that need urgent action.

We are committed to playing our part and have a dedicated Responsible Business Committee driving our plan to achieve positive outcomes.

Our strategic responsibilities remain the same with the addition of Diversity & Inclusion and we continue to work closely with our stakeholders in these areas.

Each strategic responsibility has a Champion dedicated to driving their area of responsibility with the CEO and Board overseeing their efforts.

Regardless of the upheaval in the last two years, we have made some progress with our Responsible Business plan and have excelled in some areas such as our continued support and work with local charities.

Moving forward our Responsible Business Champions will work with all Divisions to ensure engagement Group-wide, empowering each division with their own responsible business agendas which will be more inclusive and will have a bigger impact at a local level.

In 2022, we expect to make further progress on our Responsible Business priorities and I look forward to updating you on the results of our efforts next year.

Alan Lusty  
Chief Executive Officer



# Our 2020/21 Highlights



**Apprentice Academy Day**  
July 2021



**adi TEGG Awards**  
December 2021



**Senior Management  
Away Day** October 2021



**Manufacturing  
Apprenticeship Training  
Scheme Award** 2021



**Christmas Jumper Day**  
2021



**Christmas Lunch  
Project** 2021



**Apprenticeship Team  
Building** Day 2020



**Pre-apprentice  
Intake** 2021

# Our Approach to Responsible Business

The UN Goals address our approach to responsible business strategy and is delivered by the Board of Directors and implemented by our Responsible Business Committee.

The aim is to achieve an ethical and consistent approach to responsible business activities conducted across the Group, embedding these values as we continue to grow in the market. Our main focus areas are - People, Diversity & Inclusion, Community, Supply Chain, and the Environment. Our approach is underpinned by the United Nations Sustainable Development Goals and the global challenges we face, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice. In September 2015, the General Assembly adopted the 2030 Agenda for Sustainable Development that includes 17 Sustainable Development Goals (SDGs). Building on the principle of “leaving no one behind”, the new Agenda emphasises a holistic approach to achieving sustainable development for all.



## Responsible Business Committee



**Chief Executive Officer (Chairman)**  
Alan Lusty



**Group Secretary**  
Tina Lusty



**Group IT & QHSE Director**  
Roy Cumberworth



**Group Purchasing Manager**  
John Eggington



**Group Environmental Manager**  
Lynne Potter



**Interim Comms Officer & Charity Manager**  
Nicola Gorman



**Diversity & Inclusion Champion**  
Leanne Antrobus

## Our Focus Groups

### Managing Director & Operational Charter formation

Made up of teams featuring board members and senior managers from across the Group to create a set of values and principles the entire Group should abide by in commercial and operational activities.

### Stirling Champions & Continuous Improvement

A continuous improvement (CI) group made of employees from across all divisions who embody the key company values and cascade CI initiatives and suggestions back into their division area.

### Health & Safety Committee

We have a steering committee on Health & Safety issues and focus groups on particular topics. The H&S committee is made up of a variety of internal stakeholders, from members of the board to health and safety representatives from a range of Group divisions that meets quarterly. The chair of this committee also represents the Responsible Business Committee, where best practice methods are identified and embedded within the organisation's activities.

### Responsible Business Committee

Our committee members, led by our CEO, meet quarterly to develop and implement the Responsible Business agenda. Each committee member has the responsibility to make an impact in a key area of our Responsible Business agenda.

# Our Values and Vision

To be the engineering and construction partner of choice to our customer base, delivering excellence in everything we do.

## Our Stakeholders

Identify our stakeholders and understand how our operations affect them, to find solutions that maximize value for all.

Actively identify opportunities to collaborate with a range of stakeholders across the industry sector.

## Our Environment

Achieve Carbon Neutral status by 2025

Reduce material use and waste

Support environmental organisations through fundraising and volunteering

## Our Community

Engage and enthuse young people with Science, Technology, Engineering and Mathematics (STEM)

Inspire young people into careers in our industry

Share Pre-Apprentice Programme model with industry peers

Support charitable organisations through fundraising and volunteering

## Inclusion & Diversity

Improve the gender balance

LGBTQ+ inclusion

Ethnic diversity within the Group



## Our People

Become an employer of choice

Keeping our people safe and healthy

Increase resilience and wellbeing support

Increase our Learning & Development opportunities

## Our Supply Chain

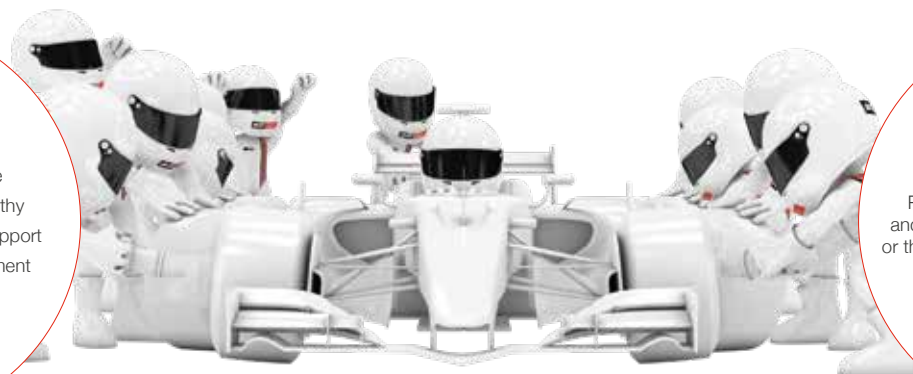
Prioritise locally sourced materials to reduce the footprint

Reduce the number of materials used and increase the use of recycled materials or those that have been obtained by socially sustainable means

Have lower environmental impact or superior performance to existing materials

## Values

- Be proud of everything we do
- Stay safe and healthy in all we achieve
- Work together as one great team
- Champion innovation and creativity
- Take ownership and accountability for our actions
- Respect diversity and provide equal opportunities
- Inspire each other to achieve great things
- Strong and inspirational leadership brings success
- Adopt sustainable business practices
- Support and value our local communities



# Our People

Our ambition is to become an organisation that people aspire to work for. We cultivate an inclusive culture that supports employees to reach their potential and also gives them a voice to shape the future of our organisation.

Our People includes several key areas of focus:

- **Learning and Development**
- **Apprentice Academy**
- **Internal Communications**
- **Employee Feedback**
- **Wellbeing**
- **Health & Safety**

Over  
**650**  
Employees

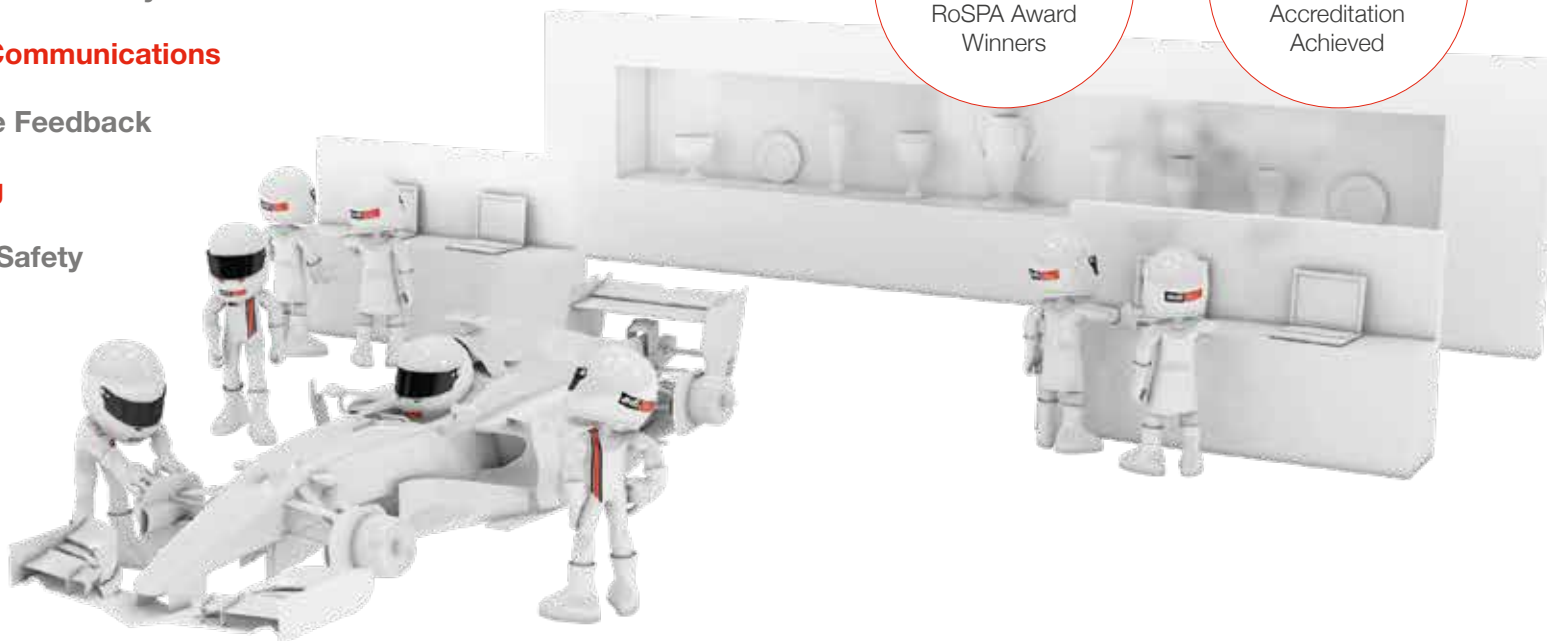
**11**  
Regional  
Locations

Employee  
Wellbeing, Benefits,  
Assistance  
Programme &  
Recognition

**GOLD**  
RoSPA Award  
Winners

Ecovadis  
**PLATINUM**  
Accreditation  
Achieved

**GOLD**  
Apprentice  
5% Club  
Award Winner





# Our People

## BUSINESS THROUGH THE PANDEMIC

The safety and wellbeing of our people have always been paramount. That remained and was reinforced during Covid 19.

A Covid Committee consisting of our Board of directors was set up. The Committee meets on a weekly basis and continues to do so. Throughout Covid, we have been guided by Government regulations and provided our people with Covid updates, and reviewed and re-issued risk assessments in line with the changes.

Only where absolutely necessary have we utilised the job retention scheme with some staff being furloughed. The scheme ended in September when those staff on furlough returned to their roles.

During the pandemic, we focussed on balancing the needs and supporting all of our employees, some of whom were home-schooling, were at high risk of Covid 19, or had vulnerable family members. We allowed people to work from home where possible and provided them with the tools and technology to do so which allowed staff to communicate with each other effectively and keep business running smoothly.

Where staff continued to work on-site, rigorous risk assessments were put in place to ensure we operated safely. Stringent safety measures have included the use of PPE, limiting numbers, and increased hygiene measures along with social distancing.

We recognise that Covid has affected everyone differently and in some areas have appointed 'buddies' to staff where this has been needed. We promoted our employee assistance programme and implemented Mental Health Training including utilising BITC's toolbox talks.

## WELLBEING

Moving forward we continue to have to learn to live with Covid and the changing landscape and we have to adapt accordingly.

Our objective moving forward is to have trained Mental Health First Aiders throughout the business focusing on mental health topics such as alcoholism, depression, loneliness, and suicide.



# Our People

## LEARNING & DEVELOPMENT

Ensuring our employees have the right skills and continue to develop in their careers within adi Group is important to our business. Our growth and expansion can only be supported by providing staff with opportunities to develop their skills to support our business objectives.

Keeping abreast with the latest technological advancements in engineering is also vital to our business success from industry 4.0 through to updated regulations and legislations. It allows us to be more agile and react quickly to evolving industry changes.

To help facilitate ongoing upskilling, learning, and sharing, employees and divisions across the Group have undertaken a range of professional development activities. This includes CPD qualifications, networking events, and industry seminars on topics such as projects, engineering, administration, management, and technology.

At the division level, our Environmental division has been awarded an external accreditation to offer City & Guilds training for the 'Role of the Responsible Person for Legionella Management'.

With increased numbers of external audits, sites are under increased pressure to show that their employees have adequate competencies in certain key areas. Not only must they demonstrate a good understanding of current legislation, but they also have to be able to show compliance with the application. This is as a result of recent changes that can now not only impose significant fines for legislative breaches but impose custodial sentences. The adi Environmental program helps individuals upskill in these areas and ultimately mitigate the risks associated with legionella.

## Case Studies: Meet our apprentices

### Greg Noake

Being an apprentice with adi is challenging as I have to adapt to new situations every day, however, this is what keeps it exciting and helps me to learn new skills and meet new people. It also helps me to progress into being the best engineer I can be. The 'earn whilst you learn' aspect of an apprenticeship is what appealed to me the most as I didn't want to be hit with big university debt. Apprenticeships also give you valuable experience in your chosen field so you are better prepared to be an engineer. I would recommend an apprenticeship with adi Group because they have been extremely supportive during my apprenticeship and always give you the opportunity to get involved in all work processes. I enjoy many elements of my apprenticeship, specifically the teamwork events with other apprentices and the valuable experience I get on-site with other engineers



### James Farmer

Being an apprentice in adi means you are able to experience the working world and be supported by people who are able to guide you in the direction and mentor you through your apprenticeship. I chose an apprenticeship as I enjoy learning in a practical environment as well as learning the theory side. I would recommend an apprenticeship within adi as there is such a wide range of opportunities available to people who are looking for a more practical approach to learning as well as the bonus of earning money. The thing I enjoy most about my apprenticeship is the experience and knowledge it has given me so far and the environment it has led me into



### Caitlyn Kett-Davies

Being an adi apprentice is amazing as they support us all so well as well as giving us a lot of opportunities to learn different skills to apply in the workplace. I chose an apprenticeship as I knew in the long run I would be better off having completed practical engineering work rather than being stuck in a classroom. The academic side of the apprenticeship is important but it does not compare to the on-the-job experience. I would definitely recommend an apprenticeship with adi as it has enabled me to expand my knowledge of the engineering world and also helped me gain confidence. What I have enjoyed most about my apprenticeship is being able to identify roles and requirements needed to complete specific projects and being part of the whole process whether that be Design or Manufacturing.



# Our People

## Apprentice Academy

adi Group has taken on seven new apprentices as part of its latest recruitment drive in 2021.

Taking overall apprenticeship numbers to over 35, the new contingent will be developing skills in electrical and mechanical engineering, as well as accounts and business administration.

Among this year's apprentice intake is 16-year-old Bromsgrove teen Lewis Beaver, whose sister, Abbie, has accelerated her way through both of adi's apprenticeship schemes to now being trained as a Junior Design Engineer

Abbie was also named one of the top 50 female engineers in the country by the prestigious Women's Engineering Society in 2019, providing an exciting challenge for him to follow.

Joining Lewis into the Apprentice Academy following graduation from the pre-apprenticeship is Vijay Ramlal and Jordon Hodson-Walker (both 16), who will continue to learn the ropes of mechanical and electrical installation engineering respectively.

The two studied at North Bromsgrove High School, which has partnered with adi on its pre-apprentice scheme since 2016.

The three other new recruits who join our ranks are Tyler Gall, Kieran Long and Shane Nugent.

## Apprentices

The Group formalised its commitment to Apprentices back in 2014 with the launch of our Apprentice Academy.

Aimed at providing our apprentices with a more formalised program – as well as additional opportunities to build soft skills and network with fellow apprentices - the Academy continues to provide apprentices of all ages with the support needed to flourish and progress in engineering careers.

Apprenticeships are offered in all areas of the adi Group including our automation, automotive services, compressor services, facilities engineering, electrical, process pipework, mechanical engineering divisions, and within our Head Office functions.

Over 35 Apprentices are currently part of our academy at various stages of their apprenticeship qualifications. On joining us our Apprentices are assigned with a mentor in their division providing support and guidance throughout the duration of the apprenticeship.

Apprentices undertake annual away days focused on leadership, management, and developing soft skills such as team building, project management, and communication skills.



## Case Study: Apprentice Academy Event

In July 2021, the adi Apprentices enjoyed a training day at Croft Farm in Gloucestershire. The apprentices had been set projects in 5 teams during National Apprentice Week in February and presented their output at the start of the day. A group of adi Senior Managers asked some tough questions and scored the apprentices on the content and style of the presentations. The winning team worked on a project to improve mental and physical health in adi. The senior managers complimented them on their confident presentation and detailed research. An apprentice survey was completed and we hope to implement some of their recommendations at adi in the coming months and years. Well done to Caitlyn Kett-Davies, Shane Lambert, Wayne Hopcott and Oliver Shenton.

For the rest of the day, the apprentices formed 4 new teams and took part in a series of puzzles and activities set by our partner Quest. These were designed to improve their communication, teamwork, time management and problem solving. The day concluded with 3 Kayak races on the lake and a well-deserved swim in the lake on what was one of the hottest days of the year! With a final tot up of the scores from both the morning's activities, plus the kayak races, a very close finish saw Team 3 win by a single point. Well done to James Farmer, Bradley Harford and Shane Lambert

The apprentice's participation and involvement during the event was excellent.

# Our People

## Communications & Employee Feedback

### Internal Communications

The Group continues to develop its internal communication platforms to cater to a multi-generational and remote workforce across regional and client sites in the UK.

**Current methods of communication across the Group include;**

- Quarterly Main Board meetings
- Monthly divisional meetings
- Employee conferences
- Annual senior management away day
- Apprentice summer camp
- Weekly CEO e-Newsletter
- Quarterly company magazine
- Group app
- Collaboration software packages such as Smartsheet and Trello
- adi Group Pit Stop – employee benefits & well-being hub

### Employee Surveys

Starting in 2017, adi Group invited employees to feedback annually on how we're doing and where we can improve by completing the Best Companies B-Heard Survey. The survey is completely anonymous allowing employees to share their view on what's going well and let us know where we can improve.

The survey comprises a set of 70 questions covering areas such as management and leadership, personal growth, wellbeing, line management, teams, fair deal, and giving something back.

All feedback captured is cascaded via Group and Divisional channels to employees. Continuous improvement plans are then developed by each division in response to the feedback. Employees will be invited to complete the survey each year so that we have a clear benchmark for performance and insights into any areas of the business that needs improvements.



## Wellbeing, Benefits & Recognition

### Employee Wellbeing & Benefits

In 2018, following employee feedback via the Best Companies B-Heard Survey, we launched our employee wellbeing and benefits programme. This included a reward programme providing employee discounts to gyms, high street stores and day trips as well as a new cycle to work scheme. In addition, we launched a Healthcare Cash Plan and Employee Assistance Programme with BHSF. Uptake to all schemes has been encouraging and we will look to further develop our rewards and benefits programme to ensure it continues to deliver value to our employees.

### Employee Recognition

The Group continues to recognise its unsung heroes via its annual employee awards programme.

Launched in 2014, all nominations made are from colleagues across the Group in six awards categories as well as recognising our long service award winners. Some 91 employees have received awards and 85 long servers have been recognised for 15, 20 and 25 years of service since the programme launched.



# Our People

## Protecting Our Workforce

**Creating a safe ethical work environment is part of our mission at adi Group. Protecting our people as well as those that come into contact with our activities and making sure they go home safely at the end of each working day is our priority.**

### Our Approach

We believe that our employees are best placed to understand the risks in the workplace and that their input is important in any of our health and safety decision-making processes. Through working together with employees at all levels and within all Group divisions we can create and maintain a safer adi Group.

### Staff Health & Safety Training

Our business commits to ensuring that all employees and contractors are competent to fulfill their roles in occupational health and safety. We recognise the importance of all employees and contractors being competent to fulfill their roles, as well as being free from any health and safety risks resulting from our operations. Prevention of exposure is achieved through suitable selection, management, control, and continual development of personnel.

### Managing Contractors

adi Group recognises that contractor poor performance can have a detrimental effect on the health and safety of its employees as well its customers (and others), while poor performance and practices also reflect negatively on the Group businesses.

We consider health and safety throughout the selection of contractors, ensuring all H&S information relevant to the contract is communicated to the contractor, that the contractor will provide H&S information as required and

We have documented and communicated procedures to ensure contractors are selected and managed effectively with performance monitored throughout.

## Engaging Our Workforce In H&S

Our goal is to increase the level of commitment to working in a safe and healthy way.

The Group uses safety representatives to engage with staff at division and site level. All employees that are safety representatives have received awareness training in respect of what is expected of them in their role.

A key component of training is to emphasise the positive role that these individuals can play in influencing the behaviour of their colleagues and liaising with management on health and safety and welfare issues.

We also continue to promote health and safety across the Group through our Think Safe, Work Safe, Home Safe initiative. This ongoing campaign is aimed at raising awareness and engagement in occupational health and safety and promoting the systems and procedures we have in place to report concerns.

## External Recognition

The Group has been recognised by RoSPA and was awarded Silver RoSPA Awards in 2017 and 2018 and the Gold RoSPA Award in 2019, 2020, and 2021 for high-level performance in health and safety.

## 2022 Priorities

- Reduce Lost Time Workplace Accidents & Incidents to 0
- Retain our Gold standard RoSPA Award to work towards achieving the Gold Medal Award
- Maintain 5% club commitment
- Achieve 2-star accreditation in Best Companies
- Refine and increase awareness and engagement in benefits and wellbeing programs
- Have trained Mental Health First Aiders across the business.
- Widen the scope of the recognition programme

# Diversity & Inclusion

At adi Group we believe that it is important to be representative of, and reflect all aspects of diversity in the communities we work in. We know that diversity & inclusion adds value and cultural richness to our business and we are looking at implementing initiatives to encourage and promote diversity and inclusion and are committed to building an inclusive company where everybody can be themselves and can achieve their potential.

Our Diversity & Inclusion includes several key areas of focus:

- **Increasing Awareness**
- **Data Collection**
- **Education**



# Diversity & Inclusion

**Our ambition is to create a more diverse and inclusive environment. In order to achieve this and further develop a culture that embraces diversity and inclusion, our Board and Managers will continue to play a vital role in setting the right tone from the top.**

We have more to do to become truly representative of the communities in which we operate and to help us get there, we have appointed a Diversity and Inclusion Champion and added 'Diversity and Inclusion' to our responsible business strategy.

We know how important this is to colleagues and to our stakeholders and we are committed to:

## **Increasing Awareness:**

All Board members and senior managers will receive training in relation to diversity and inclusion and their responsibilities early in 2022.

## **Data Collection:**

We will be improving our data on ethnic diversity to enable us to set a target and report progress from 2022/23. We will include questions on the inclusiveness of our culture in our employee surveys, shared with the Board, so we can monitor colleagues' feedback on how they experience our progress and enable us to derive a baseline from which we can set an improvement target.

## **Creating the right culture:**

We will be reviewing and updating our policies to ensure they are fit for purpose to support our approach to responsible business including improving our recruitment and selection processes to ensure they are inclusive and fair, considering aspects such as unconscious bias, consistent assessments, and scoring frameworks, how we promote people and, of course, our job adverts and where we advertise.

## **Raising Awareness & Education:**

Not only through training but by introducing a calendar of events that are inclusive to all.

## **Meet some of our team:**

### **Stephen Shirley**

Stephen joined adi Group as a panel wireman at the age of 74 and is a firm believer that age is just a number providing you are fit and well. Stephen always wanted to be a part of a company like adi that wasn't too big, where you're just a number, but not too small, where there are limited resources, resulting in too much pressure. Stephen is proud to be part of the Group and couldn't be happier with his job and feels a part of a family here at adi Group. Welcome to the family, Stephen!



### **Claire Lynch**

Claire joined adi in October 2021 having never worked in the engineering industry before. Claire chose adi Group as she is based at the Shell site and thought that this would be a really good fit for her. Claire explained that the recruitment process was straightforward and is finding her role really good. Welcome to adi, Claire!



### **Nabil Zerraf**

Nabil moved to the UK in December 2020 and was seeking a new challenge. He was approached for the role of Electrical Systems Analyst and saw the ambition adi had and so decided to join adi Group in March 2021. Despite English not being Nabil's first language, he did not have any complications when coming on board. He finds the role very interesting and is very happy to be part of the TEGG team. Bienvenue, Nabil!



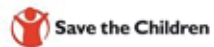
# Our Community

Employees at adi Group play a key role in working with and supporting the communities in which we operate.

Our mission is to contribute positively to our local communities and those affected by our operations to secure a sustainable future for all-weather it's via volunteering and fundraising initiatives or through school and industry partnerships.

Our employees work tirelessly to inspire careers in engineering from an early age and in doing so we have received recognition from the Prime Minister, Chancellor, Mayor of West Midlands and the CBI.

Charities we have supported:

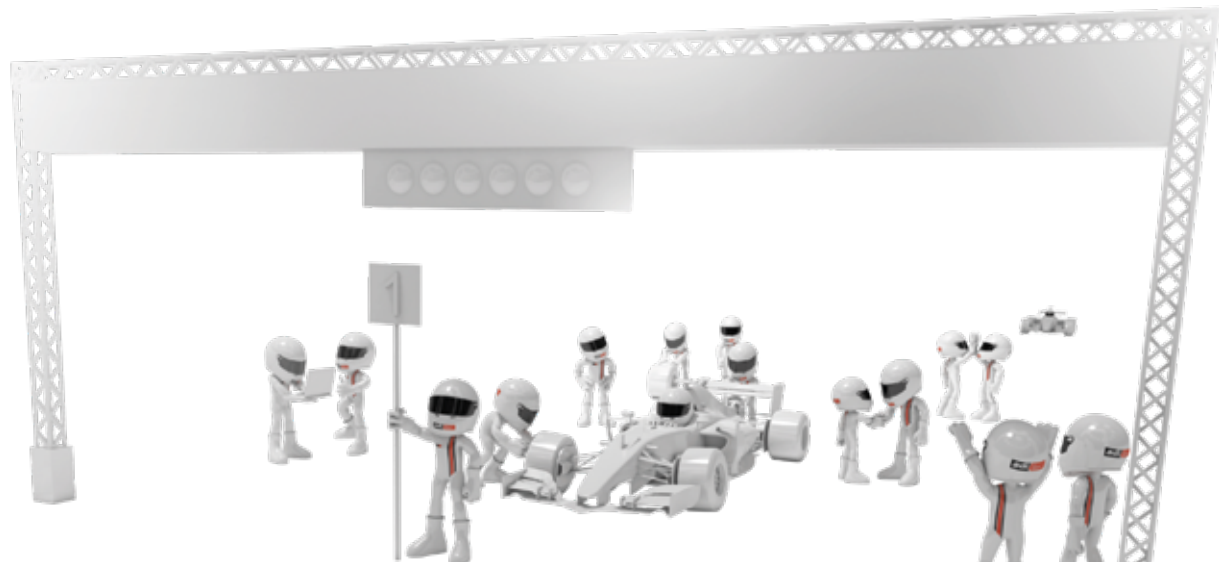


Over  
**£150,000**  
raised for UK  
Charities

Over  
**4,000**  
People reached  
through education  
programmes

Over  
**£3,000**  
raised through  
Awareness Days

Over  
**4,000**  
Volunteering  
hours





# Our Community

## Inspiring Future Engineers

Showcasing the engineering sector to the next generation in our community alongside partners and via homegrown initiatives is vital to the future of our industry.

### Our Approach

The engineering, construction, and manufacturing sectors continue to suffer from skills shortages and an outdated perception of engineering which is leading to fewer young people pursuing engineering as a career.

Whilst work from the Government's Year Of Engineering Campaign as well as industry initiatives such as This Is Engineering and Tomorrows Engineers are helping to change this perception, there is still work to be done. According to Engineering UK, 203,000 people with Level 3+ engineering skills will be required every year to meet demand through to 2024, but there is an annual shortfall of up to 59,000 engineering graduates and technicians needed to fill core engineering roles.

In response to this, adi Group works in the local community via a range of initiatives that enable us to reach schools, teachers, students of all ages, and parents. Our approach is to help challenge and overcome stereotypes and showcase the modern world of engineering. We do this by engaging in various events, careers days at local schools, by holding workshops, and by providing opportunities for young people to gain experience.

## Pre-Apprentice Programme

### Inspiring the Next Generation of adi Group Employees

In 2021 adi has accelerated plans to evolve our highly successful pre-apprenticeship programme by joining forces with King's Norton Boys' School. The agreement will see twelve students given the opportunity to develop core mechanical and electrical engineering skills alongside their regular studies, igniting engineering passions and boosting future employment prospects across the region.

The newly forged partnership builds on our work with North Bromsgrove High School in a similar capacity and gives a new generation of youngsters the chance to take their place on our ever-growing pre-apprenticeship scheme.

As part of the new plans, the first intake from King's Norton Boys' School were welcomed to adi's headquarters, where they met our programme mentors and toured the custom-built training facilities, ahead of the new pre-apprenticeship class beginning in September.

The students, aged 14-16, will spend one afternoon a week during term time, across two years, plying their skills for a chance to earn a future career in engineering and an Engineering and Learning accredited qualification.

If successful, the youngsters will receive the opportunity to move onto our Apprenticeship Academy, with a full-time apprenticeship potentially paving the way for a highly successful career in engineering



# Our Community

## Case Study: Midlands' awards success for inspiring apprenticeship scheme

adi Group has been recognised for its work in building young futures in the Midlands. We were also commended for its success in inspiring more women into the engineering field.

In October 2021, adi won the Manufacturing Apprenticeship/ Training Scheme Award, following a lavish evening ceremony in Birmingham at the Insider Made in the Midlands Awards.

Recognising the vision and success of the firm's unique pre-apprenticeship scheme, the award marks the latest in a string of commendations for the programme, which is now in its 5th successful year, after successfully providing spots for over 60 young people.

The adi pre-apprentice scheme was forged in 2016 alongside Business in the Community (BITC), aiming to dispel myths around engineering and play a part in helping resolve a widening STEM skills gap.

Elsewhere, adi received a shortlisting in the Apprentice of the Year category with mechanical apprentice Daniel McMillan and will be aiming for further success next year!



## Case Study: Mayor of the West Midlands visits adi Apprentices

In February 2021 we had the pleasure of welcoming Andy Street, Mayor of the West Midlands, to our Headquarters in Kings Norton. As part of National Apprenticeship Week, the Mayor wanted to understand the value of apprenticeships to us and our apprentices. Andy met some of our apprentices who are at different stages of their apprenticeships as well as those that have their qualifications and are now in full-time positions within adi Group.

Andy spoke with four of our current apprentices from across the business, Josh Brown (adi Automation), Caitlyn Kett-Davies (adi Automotive), Abbie Beaver (adi Mechanical) and Chris Picken (adi Automation) to get an insight into their life as an apprentice within adi and how valuable their experience has been so far in shaping their career as an engineer.

The Mayor also met with two of our engineers who have completed their apprenticeships through adi Group, Nyrion Howell (adi Healy Compressors) and Kieren Kirwan (adi Automotive). Both are now fully-fledged, thriving engineers within their respective businesses who were keen to promote young people to go down the apprenticeship route when leaving full-time education, and explaining how the "earn whilst you learn" approach was instrumental in their decision to become an apprentice.



# Our Community

## Fundraising & Volunteering

Giving back to the community is at the heart of what we do here at adi Group. We provide opportunities for our employees to work alongside charities and community groups to fundraise and volunteer in local communities.

### Our Approach

Employees at adi Group believe in making a positive impact in the local community. Whether it's involved in Group-wide team activities or employees individually fundraising for a charity close to their hearts, the Group actively supports and encourages these endeavours.

The good causes we support in our community benefit from funds raised by employees and hours volunteered. In turn, our staff develop soft skills from teambuilding through to project management by supporting our fundraising and volunteering initiatives.

Employees at the Group also have the chance to be recognized for their fundraising and volunteering work in our peer-nominated annual employee awards.



### Long-Term Charity Partnerships

We have developed a long-term partnership with Heart Research UK since 2016 to enable us to make a lasting impact.

Heart Research UK helps fund research into the risks which lead to safer surgery. Its impact has helped contribute £25M to medical research and £2.2M on Healthy Heart Grants for community projects and helped contribute to a 50% decrease in deaths from cardiovascular disease in the UK over the last 15 years. Since 2016, over £116,866 has been raised which has helped support the charity fund projects and research.

The success of our partnership with Heart Research UK has led to us supporting the charity for the past three years working together to host events and support HR UK's own events via staff volunteering activities.

### Other Charities & Good Causes

We also support numerous other charities of all sizes regionally and nationally with activities and initiatives. Other causes supported include Breast Cancer Now, Macmillan, The Samaritans, Save the Children, and the Christmas Lunch Project.

## Case Study: adi Management Team Build and Donate Wheelchairs to Battle Back Centre

In 2021 at our annual management away day, we teamed up with the Battle Back Centre, Lilleshall, established in 2011 by the Royal British Legion, to support wounded and injured service personnel returning from Iraq and Afghanistan.

This year we set a challenge to the management team to build a fleet of wheelchairs to donate to the centre. The management team was split up into 12 teams and the aim of the event was to complete mental and physical tasks to win money to buy components to build wheelchairs. The pride, care and attention that everyone took in this event was overwhelming and heartfelt. We are so proud of everyone who took part in this event but most of all we are so happy to have been able to hand over a new fleet of wheelchairs that were so graciously received.





# Our Community

## Fundraising & Volunteering

### Case Study: Christmas Lunch Project

In December 2021 a number of adi employees from across the group volunteered with The Christmas Lunch Project, for the second year running. The Christmas Lunch Project is a local charity that does an absolutely astounding job of providing over 1000 families in need around Birmingham and the Black Country with a Christmas lunch for the whole family. Each family receives a Turkey, vegetables, stuffing, cranberry sauce, mince pies, chocolates, bottles of pop, and much more.

Over the 2 days, it was all hands to the deck offloading 1000 turkeys, packing the hampers into carrier bags, loading vans to be distributed to local hubs, and delivering the packages.

Karen Huxtable, Charity Founder said, "We cannot thank the volunteers from adi enough. This would not have been possible without them and we are eternally grateful for all of your help".



### adi raise money for Macmillan through a coffee morning

adi Automotive Services joined thousands of businesses, communities, and individuals by hosting a Macmillan Coffee Morning to raise funds for Macmillan Cancer Support by baking and selling cakes across two of their sites in Birmingham. Over £196 was raised on the day - thanks and well done to the Automotive team for organising such a fantastic event.



### 2022 Priorities

- Increase fundraising and volunteering days per employee
- Continue to raise awareness of engineering and apprenticeships as a viable career at careers events and schools
- Continue to develop our Pre-Apprentice Programme internally
- Continue to promote the pre-apprenticeship model externally to encourage more businesses to adopt this approach.
- Increase our collective impact on youth skills development
- Continue to support the Business In The Community Ready For Work Programme by taking on placements across the Group



# Our Supply Chain

**In the Post-Pandemic world, global issues affecting raw materials and components have resulted in significant challenges ahead for adi, its clients and our Supply Chain.**

To help to mitigate the risks and overcome these challenges, we have implemented an automated system to fully track the availability and delivery schedules of all goods on an extended lead time.

This new system will keep all stakeholders informed of all developments in real-time on the progress made in expediting materials and keeping them abreast of any changes along the way. This system also provides an early opportunity for us to help identify materials that could have the potential to cause project delays and we will work with our Project Teams and Clients to help to identify and source an alternative supply.

We are working closely with our Project Teams and Clients to gain as much foresight as possible on project material requirements and forecasting to help avoid supply outages and subsequent delays to project programs.

We are closely monitoring the volatility in material costs and are feeding this data into our Project Teams and Clients at the earliest opportunity to help promote a transparent and proactive approach to our sourcing activities in an ever-challenging global marketplace.

We recognise that in order to fulfill our Supply Chain goals and objectives we must continue to adopt a collaborative approach to sustainable procurement. Our aim is to achieve a shared commitment from our suppliers.

**Our approach to procurement is underpinned by our commitment to our Ethical Purchasing Policy. Through this commitment we are able to demonstrate:**

- That we expect all members of our Supply Chain to uphold the principles detailed in our Ethical Purchasing Policy and to comply with current legislation.
- That we aim to conduct our business dealings in a manner built upon mutual trust with all our Partners. Trust is a critical component to us in order to maintain the reputation and success of the Group, our clients, and our Supply Chain and to protect our Brand.
- That we actively promote diversity, equality, fairness, and safety throughout our Supply Chain.
- That through all our business dealings we are seen as an attractive customer in the marketplace and one that suppliers would choose to business with.

**The Procurement Team aim to support the Group by:**

- Working with both internal and external stakeholders throughout the Supply Chain to ensure the company values are embedded throughout our dealings.
- Providing the best value for money solutions so that the company enjoys the best price possible, whilst respecting that our Supply Chain needs to remain profitable to provide sustainability and to nurture growth.
- Managing risk to ensure that all policies and procedures are adhered to so the reputation of the Group and our clients remain best in class.

## **Case Study: PPE Supplied to local charities to support during pandemic crisis**

In July 2020 during the height of the Covid pandemic adi were contacted by BITC on behalf of local charities who had been forced to suspend working on their services due to lack of PPE available to them. In order to reopen they were crying out for PPE donations.

The charities to benefit from this donation were SIFA Fireside, Bilston People's Centre, and Muslim Youth Association. Each charity received gloves, aprons, masks, hand sanitizer, temperature guns, and antibacterial wipes.

adi also made monetary donations to a number of charities over the festive period to support the crisis.



# Our Supply Chain

## Working in Partnership

We believe that developing a healthy Supply Chain that works alongside us is critical to our long-term success. We recognise that the responsibility to achieve sustainable, ethical procurement and fair business practices emerges from a shared commitment between ourselves and our suppliers. To achieve this, we have adopted a collaborative approach with members of our Supply Chain to foster greater ethical and environmental standards and to share best practice.

In the past, we have gone to great lengths to work dynamically with our Supply Chain and this will continue. This has formed the basis and focal point of our ongoing Procurement Strategy; to review and devise new methods of working with our Supply Chain to manage our costs more efficiently and strengthen our supply base to retain mutually beneficial working relationships with our suppliers.

## Ethical Purchasing

Our Ethical Purchasing Policy continues to provide guidance to adi staff, contractors and the Supply Chain to ensure that all our business dealings are conducted in an ethical manner. When on-boarding new suppliers, it is mandatory that they agree to this Policy. This provides us with the highest level of comfort that the new suppliers are prepared to do business in the correct way and that our values are embedded throughout our Supply Chain.



## Supplier Collaboration

Since our last Responsible Business Report, we have continued to manage each Supply Chain for each adi business individually. This has enabled each business to move closer to their own Supply Chains to ensure a greater degree of collaboration and to identify areas of opportunity for consolidation and efficiency improvement. All individual adi company opportunities are then linked at Group level to maximise any opportunities that exist for our Supply Chain.

## Local Relationships

We are continuing to identify more local, independent suppliers that can help us support our major projects providing competition and assistance to the more traditional national suppliers. This will help us reduce the delivery miles caused by our ordering activity and restrict the number of vehicles in attendance on our sites, whilst also providing a much-needed boost to local economies.

## Our Supply Chain

**COP26**

Following on from the recent COP26 Summit, the first draft of the Glasgow Pact has been published. World Leaders have made a series of pledges to bolster emissions-cutting targets by 2030.

In support of these pledges, we will strive to continually increase our actions to reduce the impact of our activities in relation to our Supply Chain on the environment in an effort to meet the net-zero targets

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adi Group is accredited to Ecovadis having achieved Platinum Standard in 2022 since first being assessed in 2015. Ecovadis conducts a rigorous assessment of CSR programs to rate the environmental, labour practices, fair business practices, and sustainable procurement performance of global supply chains, by assessing more than 40,000 suppliers.

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## 2022 Priorities

- To closely monitor orders on extended lead times caused by the global supply chain issues and to keep stakeholders aware of delays and alternative solutions.
- To work with our Supply Chain to enable our Project Teams to have as much advance notice as possible of price increases in the increasingly volatile global marketplace.
- To develop local Supply Chains, close to major projects to help reduce the environmental impact of our ordering activities and to provide a boost to local economies.
- To continue the development of our Supplier Relationship System to provide a fully automated system to keep all supplier policies, accreditations and insurances in date – reducing the risk posed to the Group and its Clients by our Supply Chain.
- To continue to achieve 100% compliance for all adi Buyers and Admin people that are involved in the procurement process for being educated in the importance of our Ethical Purchasing Policy and to ensure our company values are upheld throughout all of our business dealings.
- To develop a culture that will look more favourably on supplier offerings that can demonstrate evidence of being able to reduce the impact of our orders on the environment around us.

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# Our Environment

**Building a greener, more sustainable future is high on our agenda and we are committed to minimising the environmental impact of our operations. We aim to play our part in reversing climate change by reducing CO2 emissions across the Group whilst also working to reduce waste, utility usage and our overall carbon footprint.**

Despite the global pandemic in 2020/2021 we have grown our business and acquired additional premises resulting in increases in electricity and gas usage. However, by reducing our vehicle travel / fuel usage we have managed to reduce our overall carbon footprint by 6.4%.

adi Group takes its environmental responsibilities very seriously and is dedicated to reducing the environmental impact not only of our own business operations but also in supporting our client base to meet their environmental goals.

Climate Change affects not only our business operations and our internal/external stakeholders but also future generations which is why we are constantly looking at ways we can reduce our impact on the world around us.

In 2022, following the guidance of the Climate Change Act 2008, the UK's net-zero strategy adi Group is detailing how we are responding and gearing activities to address climate change. We (our organisation and employees) all must play a part to enable the country to make the transition to net-zero.

As a business, we need to adapt. Adaptation is the cornerstone of our net-zero ambition.

**We are:**

**Thinking Differently** - Business as usual is not an option.

**Collaborating** - with our suppliers for sustainable resourcing.

**Designing low carbon futures**- limiting carbon emissions is the most effective way to combat climate change.

**Engaging** - from the apprentice projects to innovative design and technology; developing our offerings to address our carbon emissions.

**Adapting** - what we do and what we offer to have sustainability built-in.

**Inclusion** - Involvement from all parts of the adi group, staff, and stakeholders to drive change towards net zero





# Our Environment

## BP Target Neutral

Since 2015 we have partnered with BP Target Neutral with the ambition to become carbon neutral by reducing and offsetting our carbon footprint. This works by adi Group offsetting its fleet's emissions through BP's Fuel Plus Card.

This means that every time a vehicle within our company or grey fleet uses this card to fill up at a BP Service Station, the carbon emissions associated with that purchase will be offset. As a result, this leaves our company vehicle fleet driving carbon neutral. Since 2015, we have offset over 8,467 tonnes of CO<sub>2</sub>e.

As well as reducing emissions, our partnership with this BP initiative also contributes to improving the lives of millions of people through better access to energy, health, education, and jobs as our emissions are offset against projects across the world.

## Example Projects

1. Distribution of ONIL Cookstoves – Mexico - The ONIL cookstove project has equipped 31,781 rural homes in Mexico with cookstoves that burn much more efficiently and use up to 58% less firewood than a traditional open fire. That means a reduction in carbon of almost 92,000 tCO<sub>2</sub>e per year.

2. Solar energy – India - The Orb Energy Solar project in India has distributed 60,000 solar units to rural and semi-urban areas of India to provide heating and lighting. By displacing the use of kerosene, the project has cut carbon emissions by 55,000 tonnes of CO<sub>2</sub>e per year.

3. Wind energy – China - Traditionally, electricity in China's Shandong Province has been supplied by fossil fuel-fired power plants, mainly relying on shale oil and coal. The project's 33 wind turbines harness strong prevailing coastal winds to generate clean, renewable electricity. On average, more than 180,000 tonnes of carbon dioxide are mitigated each year by the wind project.

More details can be found at : [www.bptargetneutral.com](http://www.bptargetneutral.com) website.



Year	Emissions Offset Via BP Target Neutral CO <sub>2</sub> e (Scope 3)
2015	1179
2016	1138
2017	1462
2018	915
2019	956
2020	1226
2021	1591



# Our Environment

## Other 2020/2021 Highlights

- Achieving the Made in the Midlands sustainability award.
- No interventions by the EA, and no environmental spillages.
- ESOS Phase 2 compliance.
- Reduced our Carbon Footprint by 6.4% on 2020.

## Our Objectives

**We continue to look for opportunities across the group on how we can continuously improve in this area and are working to implement solutions as part of our 2025 business plans, typically:**

- Continue risk management through our ISO9001 / ISO45001 / ISO14001 Management Systems.
- Continue to invest in New Technologies.
- Implement and further develop Employee Awareness Programs.
- Continue to reduce our Carbon Footprint year on year with a target of being Carbon Neutral (end of 2025).
- Maintain objectives as defined by our ISO14001: 2015 Management System.

	2017	2018	2019	2020	2021
<b>No. Employees (A)</b>	580	610	640	641	650
<b>Paper / Cardboard Usage (ltrs)</b>	Reduced by 12.61%	Reduced by 8.86%	Reduced by 5.74%	Reduced by 16.95%	Increased by 6.06%
<b>Trade Waste (ltrs) Usage</b>	Reduced by 1.00%	Reduced by 1.77%	Reduced by 5.10%	Reduced by 10.82%	Reduced by 0.71%
<b>Glass / Plastic / Metals (ltrs) Recycling</b>	Increased by 0.77%	Increased by 2.51%	Reduced by 13.10%	Reduced by 20.83%	Reduced by 5.24%
<b>Electricity</b>	Increased by 22.57%	Increased by 15.10%	Reduced by 8.72%	Increased by 29.42%	Increased by 5.40%
<b>Gas</b>	Increased by 42.87%	Increased by 0.51%	Increased by 89.45%	Increased by 6.05%	Increased by 30.05%
<b>Fuel (Scope 1)</b>	Increased by 6.05%	Increased by 4.89%	Increased by 3.96%	Reduced by 13.76%	Reduced by 4.26%
<b>Total carbon footprint is (calculated via self assessment using <a href="http://www.carbon-foot-print.com">www.carbon-foot-print.com</a>) (B)</b>	1275.38 tonnes CO2e	1419.13 tonnes CO2e	1519 tonnes CO2e	1489.56 tonnes CO2e	1418.8 tonnes CO2e
<b>Carbon Intensity (tonnes CO2e / Employees) (B / A)</b>	2.2	2.33	2.37	2.32	2.18
<b>Carbon Footprint</b>	Increased by 18.00%	Increased by 5.9%	Increased by 1.8%	Reduced by 2.2%	Reduced by 6.4%

# Our Environment

## adi Go Green Campaign`

In response to our carbon emission reduction targets, adi Group launched a series of go green initiatives to challenge and encourage a different way of working.

Initiatives that enable us to reinforce our group message that even small changes at individual level will contribute to reduced carbon emissions, reduced waste production, and landfill.

Our approach is to clearly show simple steps we can all take to help achieve our reduction targets.

We have encouraged more flexible ways of working brought on by the Global Covid pandemic, in order to minimise emissions produced through travel.

We have encouraged employee-led initiatives of tree planting and waste clearance demonstrating sustainability is at the core of who we are and what we do

## Healy Compressors Go Green Initiative

Healy Compressors in conjunction with Forest of Hearts are planting a tree for every KW hour of energy saved on their client's sites. They have set ambitious targets for 2022 of planting many trees.

### 2022 Priorities

- Increase awareness of our own environmental impacts across the company divisions
- Invest in more recyclable and renewable components of our products
- Encourage and reward greener working practices
- Ensure our apprentice and pre-apprentice programs consider sustainability as well as design and build skills.

### Case Study: Duck Pond Project

We were approached by one of our customers to help solve a water usage problem. A heritage fishing lake, which formed part of their estate, is a natural wildlife haven. It was formed as part of a clay extraction. The clay was used for brick making to build a local factory. Over time, the pit filled forming a lake, and has become supportive of fish, herons, ducks, and much diverse wildlife.

Recently, the clay bottom had become disturbed, causing water to leak constantly. As part of the client's global water usage targets, we were asked if we could provide a solution. The apprentices were given this as part of their responsible business project. The client had run a pipe to the fishing lake but had no way of regulating the water levels. The supply pipe was fed from the client site into the centre of the fishing lake.

The apprentices had to consider the location, the ease of access, as well as health and safety issues. The six apprentices worked in teams to produce their ideas. Deciding, the centre of the lake was not the best location resulting in the apprentices designing a ball valve arrangement to be installed at the side of the lake.

Having done several site visits, they obtained pipe size and flow details, and designed a ball valve housed within a stainless steel box. The box was welded and manufactured by the apprentices at the Northampton adi office. It was welded from stainless steel to prevent corrosion, with a grid to capture leaves and debris that may prevent the ball valve from operating.

The housing was sunk to the water level and buried to blend into the environment. The ball valve was set to operate at low water levels during the summer. This project has helped the customer to reduce its water bill significantly and has provided an unobtrusive, effective solution to their issues. By engaging the apprentices to look at how they can positively impact their environment, we aim to encourage them to build sustainability into every part of their career development.





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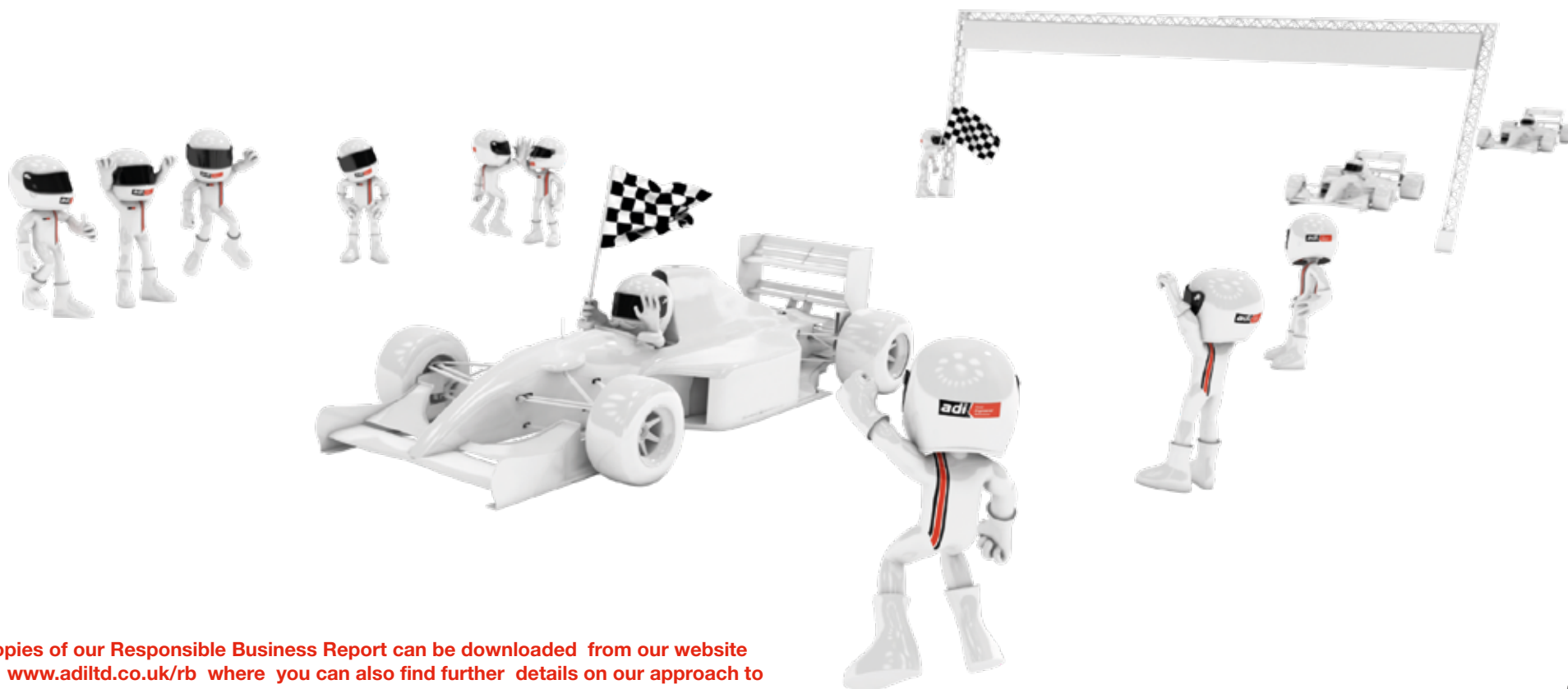
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Copies of our Responsible Business Report can be downloaded from our website at [www.adiltd.co.uk/rb](http://www.adiltd.co.uk/rb) where you can also find further details on our approach to responsible business and our achievements made to date.