



SUSTAINABILITY REPORT 2024



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INTRODUCTION

Paterson Enterprises Limited comprises of a group of independent businesses that manufacture and distribute lubricants and associated products around the world, along with the provision of leisure facilities through several luxury caravan and holiday home parks throughout the UK. With roots dating back to the 1800s, Paterson Enterprises Limited has constantly adapted to the challenges of global change and today it embraces the latest technology to foster continued growth whilst maintaining a sustainable future. This document explains the various sustainability initiatives

Within each of the businesses that form Paterson Enterprises Limited, there is a commitment to sustainability. This is achieved through updating day to day operations to be more sustainable today as well as developing new innovative business processes to help towards a strong sustainable future. As a group of companies, Paterson Enterprises Limited aspire to minimise environmental impact within the various product lifecycles, covering elements such as raw materials supply, product manufacturing, service delivery and customer experience.

AS A GROUP, PATERSON ENTERPRISES HAS COMMITTED TO ACHIEVING NET ZERO BY 2040

Established in 1869, Morris Lubricants manufactures and supplies high quality oils, greases and lubricants worldwide. Key markets served include the automotive, commercial vehicle, agricultural and specialist sectors. Based in Shrewsbury, Morris Lubricants supplies to over 90 countries around the world.



Based in Gateshead, GB Lubricants has been manufacturing and supplying high quality oils, greases and lubricants for over 140 years and today supplies to over 25 different countries. The industrial, off highway, commercial vehicle and forestry sectors are just some of the key markets that GB Lubricants excels in.



Morris Leisure comprises seven of the UK's award winning luxury caravan holiday home and touring parks. Located throughout beautiful areas of Shropshire, Herefordshire and North Wales, the parks provide 5-star luxury facilities, a relaxing atmosphere, and stunning surroundings for guests and holiday homeowners.



Statement from Andrew Goddard, Chairman of Paterson Enterprises Ltd and Morris Lubricants

Over several years, Paterson Enterprises Ltd, trading as Morris Lubricants, has been developing an action plan in a continued effort to become more sustainable and cement the company's commitment to minimising its impact on the environment. The company previously achieved an EcoVadis bronze award in sustainability in 2022, silver award in 2023 and through continuous improvements, has achieved the platinum award in 2024.



Andrew Goddard, Morris Lubricants' Executive Chairman states, *"The lubricants industry must be seen as part of the solution and not part of the problem as the world evolves to a greener, more sustainable future. There is a need to continue to rise to the challenge and aim to surpass our recent achievements. We therefore have a strong emphasis throughout the company on continuous improvement. Businesses need to be flexible and forward-thinking when discussing aspects of sustainability and future strategy."*

The team at Morris Lubricants are fully committed to taking a more sustainable path. The lubricants industry does not stand still. It constantly faces new and significant challenges when developing products, serving customers and growing markets. With the company's successful record of innovation and evolution, Morris Lubricants will continue to manufacture and supply sustainable products in a more sustainable manner.

Statement from Paul Booth, Managing Director of GB Lubricants

Since 2017, GB Lubricants has been on a journey to embrace the concepts of Sustainability and Environmental, Social & Governance (ESG). It has embedded this philosophy into all aspects of the business, initially with a scheme endorsed via The Chartered Institute of Procurement and then in 2019 migrating to the globally recognised EcoVadis audit standards.



Paul Booth, GB Lubricants' Managing Director states, *"GB Lubricants made huge steps forward with the achievement of the highest level EcoVadis platinum standard in 2023 and again in 2024. This builds on the already impressive gold standard we had achieved since 2019. Our successes comes from the hard work and dedication from our employees and I must thank all the GB Lubricants' team for embracing the wider initiative of sustainability into our business"*

To influence and support sustainable thinking within the wider industry, Paul also represents Paterson Enterprise Lubricants Division (PEL), Morris Lubricants & GB Lubricants plus the UKLA (United Kingdom Lubricants Association) on the sectors' European trade associations (ATIEL & UEIL) Joint Sustainability Committee as well as being an active member of several of their working groups.

Statement from Edward Goddard, Chairman of Paterson Enterprises Ltd and Morris Leisure

With seven 5-star luxury holiday parks set in some of the most beautiful parts of Shropshire, Herefordshire and Wales, Morris Leisure has a close affiliation to sustainability and preserving green spaces. Since 2015, Morris Leisure have been certified to the Energy Management Standard ISO50001 and has implemented many energy saving measures across its parks.

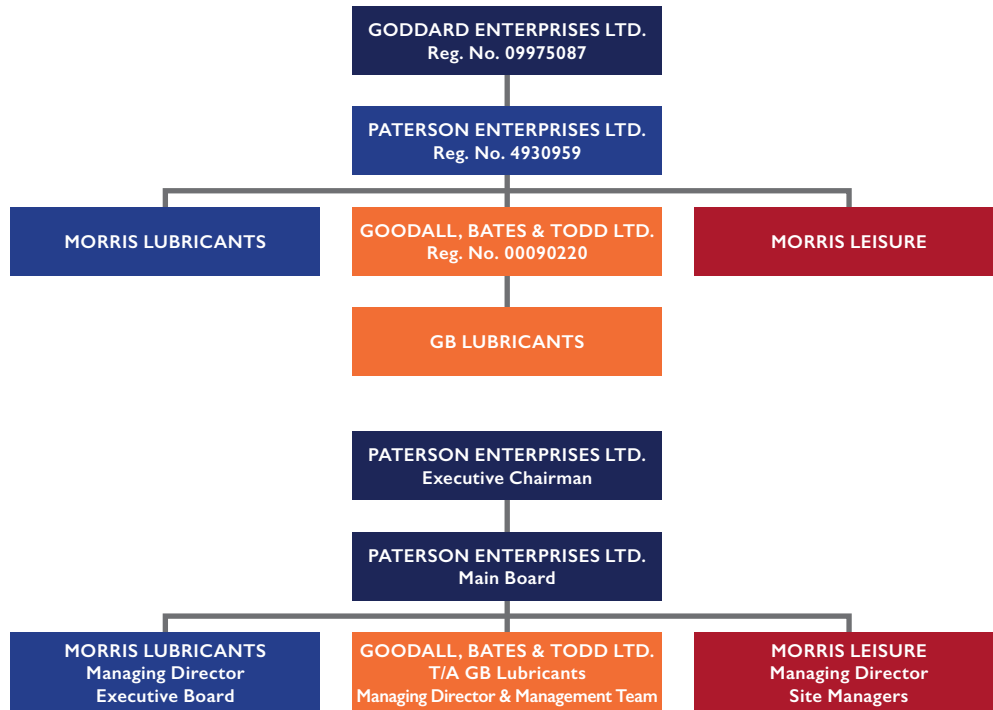


Edward Goddard, Morris Leisure's Executive Chairman states, *"Our passion for our beautiful parks is inherent in everything we do. It is so important to respect and protect the green spaces and local environment where we operate. Morris Leisure is committed to improving the sustainability of our business across all areas. Often some of the small changes can have the biggest positive impact on our quest to become more sustainable and protective to our environment"*

The customers and employees are part of the commitment to sustainability. No-one wants their holiday to cost the earth, and, for this reason, Morris Leisure has set robust carbon reduction targets for 2025 and beyond. By powering the parks with more sustainable energy and being more efficient, the company aims to reduce its carbon footprint by 10% by 2025 and achieve Net Zero by 2040.

I REPORT SCOPE

The Corporate Structure for Paterson Enterprises Limited is illustrated below along with a summary of the management structure within the group.



This report is a summary of activities for all companies within the Paterson Enterprises Ltd (PEL) Group for the financial year August 2023 to July 2024.

Where data and information apply to one or more of the trading entities only, this is clearly defined within the report.

TRADING ENTITIES:

- Paterson Enterprises Limited, trading as Morris Lubricants (referred to in the body of the report as Morris Lubricants or ML), located in Shrewsbury, Shropshire.
- Goodall, Bates & Todd Limited, trading as GB Lubricants (referred to in the body of the report as GBT or GB), located in Gateshead.
- Paterson Enterprises Limited, trading as Morris Leisure who have sites across Shropshire, North Wales and Herefordshire.

Morris Lubricants and GB Lubricants account for 93% of the group turnover and as such, the bulk of this sustainability report relates to those two trading entities.

ML & GB are also further into their Sustainability journey due to the nature of their industry.

Morris Leisure has slightly different goals and targets as so much of what they can do is affected by the number of visitors and the weather, and therefore outside their direct control.

The Main Board has overall responsibility for Sustainability. Due to their comparative size, the Executive Board at Morris Lubricants set sustainability policies and procedures at a corporate level. The Group Regulatory Affairs Manager is the Executive Board member with direct responsibility for sustainability and communicates requirements to the sustainability teams within Morris Lubricants, GB Lubricants and Morris Leisure.

I.1 Sustainable Development Goals – Our Influence

ML and GB produce lubricants and functional fluids that are primarily used in customer's operations to ensure problem-free functioning of machinery and equipment by reducing wear and friction and protecting against corrosion. High quality lubricants help extend the service life of machinery and increase its energy efficiency.

Through their business activities, ML and GB principally exerts an influence in terms of the following UN Sustainable Goals (SDGs):



ML and GB products enable the building of resilient infrastructure, empower the transformation to sustainable industrialisation, and foster innovation.



ML and GB products help reduce energy wastage, improve efficiency and this support the fight against climate change and its consequences.



ML and GB lubricants and functional fluids support sustainable consumption and production.



ML and GB maintains and establishes partnerships along the lubricants value train and is committed to participating in the transformation towards a more sustainable and carbon neutral industry.

Morris Leisure operates seven Touring and Holiday Home parks across Shropshire, North Wales and Herefordshire.

Through their business activities, they can exert an influence in terms of the following UN SDGs:



Morris Leisure sites offer tranquil surroundings to allow visitors to recharge their mental batteries and use as a base to explore local areas of outstanding beauty.



Morris Leisure sites are maintained in as natural state as possible, and wildlife encouraged both on land and on and in the water.



Morris Leisure has set goals to reduce energy consumption and carbon emissions and established a programme to encourage visitors to do the same. Two of the parks self-generate electricity via solar panels.



2 SUSTAINABILITY



Morris Lubricants Site

Embracing and embedding sustainable thinking in to all aspects of our business is a fundametal cornerstone of our strategic business plan and the long-term journey we have committed to.

In 2020, the Union of the European Lubricants Industry (UEIL) established a sustainability task force to develop a framework to measure lubricant companies' sustainability. We have used this framework to establish our Scope 1 & 2 emissions and started on the long journey of quantifying our Scope 3 emissions.

2.1 The Impact Of Lubricants

Approximately a third of the world's primary energy consumption is attributed to friction, wear loss and corrosion, and about 70% of equipment failures are blamed on lubrication breakdown and wear loss. Embracing and embedding sustainable thinking in to all aspects of our business is a fundametal cornerstone of our strategic business plan and the long-term journey we have commtted to.

The traditional environmental lubricant has been one that has been either proven to be biodegradable or is formulated from biobased materials. Yet, from a more holistic standpoint, lubricants have been environmentally friendly in another way for years. If the proper product formulated for an application is chosen, it can improve equipment efficiency.

Compared to lubricants of 50 years ago, today's lubricants can be formulated to provide a much higher level of equipment protection and performance. If the sustainability model of green is considered, they can be more environmentally friendly, provide a better performance, and improve the economic bottom line.

2.2 Benefits Of Sustainability In Business

Lubricant companies have a great opportunity and increasing obligation to manufacture, distribute and supply products in a way that keeps global business moving whilst operating sustainable business practices.

2.2.1 A Competitive Advantage

With growing awareness, and government legislation for ecological and environmental protection, green and environmentally friendly lubricants are expected to witness consistent demand in the coming years.

To keep up with this trend, organisations continue to emphasise providing high grade lubricant and custom product solutions to boost their unique selling proposition and competitive position. By giving customers oportunities to transition to these more efficient/ high performance lubricants and/or biobased formulas we can help effect a positive change.

2.2.2 A Platform For Innovation

Social and environmental issues present new business opportunities for companies that develop solutions to the challenges the lubricants industry is facing. Innovative projects focusing on developing greener lubricant products not only deliver higher performance but lower greenhouse gas emissions.

2.2.3 Ensuring Business Continuity

Sustainability means protecting our business from the risks of today while ensuring that it can respond to the challenges and opportunities of tomorrow.

Considering the recent disruptive events like COVID-19 and the war in Ukraine, and the resulting price fluctuations, it is important for Morris Lubricants, Morris Leisure and GB Lubricants to have a long-term outlook to ensure longevity, and to make sure our business remains resilient.

2.3 The Road To Sustainability - EcoVadis

EcoVadis is one of the world's most comprehensive sustainability rating tools, assessing companies on social, ethical, and environmental impacts.

EvoVadis methodology is built on international sustainability standards (UNGC, GRI, ISO etc) and identifies 21 indicators across four main pillars.

2.3.1 EcoVadis Pillars Of Sustainability

	Operations	Products
Environment	Energy Consumption & GHGs	Product Use
	Water	Product End-Of-Life
	Biodiversity	Customer Health & Safety
	Local & Accidental Pollution	Environmental Services & Advocacy
	Materials, Chemicals & Waste	
Labour & Human Rights	Human Resources	
	Employee Health & Safety	Human Rights
	Working Conditions	Child Labour, Forced Labour & Human Trafficking
	Social Dialogue	Diversity, Discrimination & Harassment
	Career Management & Training	External Stakeholder Human Rights
Ethics	Corruption	
	Anticompetitive Practices	
	Responsible Information Management	
Sustainable Procurement	Supplier Environmental Practices	
	Supplier Social Practices	

In 2022, PEL committed to a three-year subscription to this service and underwent their first assessment. The scope of the assessment was automatically generated for Paterson Enterprises Limited (Group). This led to some anomalies in the assessment process as our scope would be more accurately described as Paterson Enterprises Limited (Morris Lubricants).

The initial Bronze award achieved in 2022 was upgraded to a Silver award in 2023.

As a result of the 2024 assessment, the scope was amended to Paterson Enterprise Limited (Shrewsbury site) which is a more accurate reflection of the business.

Thanks to considerable work on improving internal processes, expanded reporting and embedding sustainability measures within every level of the business, PEL were awarded a Platinum medal in October 2024



Goodall, Bates and Todd Limited (trading as GB Lubricants) started their engagement with external reporting partners for sustainability somewhat earlier in 2017. Initially, with the Chartered Institute of Procurement (CIPS) before migrating to Ecovadis in 2019. Since 2023, they were awarded a Platinum award which built on their Gold success in previous years. The platinum award puts GB Lubricants and PEL in the top 1% of all companies audited globally by Ecovadis within their sector.

3 STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Scope For Materiality Assessment: Paterson Enterprises Limited (PEL) Trading As Morris Lubricants, Morris Leisure, Goodall, Bates & Todd Ltd [GB Lubricants]

In early 2024, Paterson Enterprises completed our first stakeholder materiality assessment to determine which sustainability topics are most material to our Company. Based on the feedback we received from a stakeholder survey and through discussions with our executive leadership team, we identified and prioritised the sustainability topics below according to their relative degree of importance in our 2024 CSR Report.

We used the results from our materiality assessment to guide our sustainability strategy, disclosures, and reporting.

It's important to note that all the topics below are important to the Company and that we continue to use the results of our prior materiality assessments, as well as our ongoing stakeholder engagement, to guide our sustainability strategy, disclosures, and reporting.

Each of the sustainability topics adjacent are integrated into our business strategy and support our focus of delivering sustainable financial performance.



Paterson Enterprises Team Meeting

3.1 Materiality Matrix

Impact Of Paterson Enterprises On People And The Environment	Major		GHS Emissions, Energy Management, Employment	Risk Management & Quality
	Significant		Physical Impacts Of Climate Change, Product Labelling & Marketing	Employee Health & Safety, Human Rights & Labour Practices, Employee Acquisition, Development & Retention, Employee Engagement, Diversity & Inclusion, Waste Generation & Disposal
	Moderate		Community Relations, Water Management, Ecological Impacts	Supply Chain Management: Packaging Lifecycle Management & The Circular Economy
	Negligible	Animal Welfare	Government Structures & Mechanisms	Business Ethics Including Anti-competitive Behaviour, Anti-corruption & Compliance, Corporate Strategy & Investment Planning
	Negligible	Negligible	Moderate	Data Privacy Management

Importance And Impact On Paterson Enterprise's Business Success

3.2 Methods Of Stakeholder Engagement

Shareholders: Annual shareholder meeting, Main Board meetings

Customers: Conversations through ASM interactions and phone calls, social media interactions, technical helpdesk, Leisure site visitors

Employees: Engagement survey, Executive leader briefings, health & safety committee, Eco Warrior initiative

Regulators: Regular monitoring of mandatory areas, interactions with Regulatory Affairs department

4 ALIGNING WITH UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

WE SUPPORT



PEL has aligned our sustainability strategy and disclosures to recommendations from the United Nations.

This includes supporting the fundamental principles of human rights across all our business activities, which are guided by

the principles set forth in the United Nations Universal Declaration of Human Rights, as well as aligning our sustainability strategy and efforts with the Sustainable Development Goals. These goals are a universal call to action to end poverty, protect the planet and improve the lives and prospects of all people.

The 17 goals were adopted by all UN member states in 2015 as part of the 2030 Agenda for Sustainable Development, which set out a 15-year plan to achieve the goals.

At PEL, we believe we have a role to play in furthering all 17 goals. However, 4 align especially well with our sustainability priorities and these are our priority SDG's. These are outlined in red opposite, and we have formulated strategies and actions to make progress on them.

In June 2023, PEL signed up to the UN Global Compact, a voluntary initiative based on CEO commitments to implement universal sustainability principles and take steps to support UN goals. In addition to providing communication on progress to stakeholders, this commitment includes an annual financial contribution to support the global and country-level operations of the UN Global Compact. These contributions are vital to the initiative's ability to provide a robust framework for corporate change and innovation around sustainability issues.

SUSTAINABLE DEVELOPMENT GOALS



Within each of the businesses that form Paterson Enterprises Limited, there is a commitment to sustainability by conducting business processes, day to day operations that help to be more sustainable today and also new innovative projects to help build towards a strong sustainable future. As a group of companies, Paterson Enterprises Limited aspire to minimise the various environmental impacts along the product lifecycle, covering elements such as raw materials supply, product manufacturing, service delivery and customer aftercare.

4 ALIGNING WITH UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

4.1 Sustainability Priorities And Performance Metrics – Paterson Enterprises Ltd (Morris Lubricants)

	Performance Metric	Unit Of Measure	2024	2023	2022	Goals & Notes	Section
SDG 3	Medicash health cash plan scheme for employees & dependent children*	No. policies	225	210	209	Applies to PEL group	6.2.3
	Mandatory sign-off of HR policies	%	88%	82%	~	95%	6.2.7
	Training hours per year	Hours Per Employee	23	23	17	15 Hours Minimum	10.4.1
	Health surveillance	% eligible employee	96.8%	98.8%	~	95% Minimum	~
	Accident rates – Lost time frequency rate	Per 100,000 hours	1.09	0.38	0.74	ALARP	7.1
	Accident rates – Lost time severity rate	Per 100,000 hours	3.65	1.88	19.62	ALARP	7.1
	Accident rate – RIDDOR rate	Per 100,000 hours	693	0	1,385	ALARP	7.1
	SDG 8	Supplier engagement – Code of Conduct	%	61%	70%	~	80% by end 2024. Expanded from key suppliers to all direct suppliers for PEL June 24
Supplier engagement – REACH compliance confirmed		%	89%	70%	~	95% by end 2024. Applies to PEL Group	12.4
Supplier ratings Grades A3 & above		%	91%	89%	88%	Maintain >90% post 2024. PEL Group	12.2
Financial – Turnover*		(£'000)	94,747	94,845	83,462	Applies to PEL Group	~
Financial – Profit before tax*		(£'000)	10,202	8,219	6,309	Applies to PEL Group	~
Major investment – Project Steam		(£'000)	318	3,000	1,000	Filling hall improvements	14.1
Major investment – Project Tiger		(£'000)	2,100	~	~	Installation of 30,000 litre blending tank	14.1
Modern Slavery Act – supplier compliance confirmed		%	92%	90%	80%	Maintain at >90% post 2024	9.2
Independently assessed Management Systems		No. NCR	0	0	0	ZERO Major non-conformances	~

4 ALIGNING WITH UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

4.1 Sustainability Priorities And Performance Metrics – Paterson Enterprises Ltd (Morris Lubricants)

	Performance Metric	Unit Of Measure	2024	2023	2022	Goals & Notes	Section
SDG 12	Absolute Water usage	Megalitre (ML)	3.23	2.62	2.94	Monitor only with view to establishing targets 2025	5.3, 5.3.1
	Absolute Water usage (Boiler house – steam generation)	m3	289	318	1,188	Maintain 10% of total consumption following installation of improvements	5.3.2
	Water – breaches of discharge consents	Number	0	0	0	Monitor adherence to discharge consent limits	5.3.3
	Waste – general waste (diverted)	Tonnes / 1,000 tonnes produced	0.51	0.71	0.98	Reduce diverted waste to 0.5 tonne per 1000 tonnes by end 2025	5.4.3
	Waste – hazardous (liquid)	Tonnes	98.5	115	110	Of which 93% re-refined, 7% repurposed	5.4.4
	Waste – hazardous (solid)	Tonnes	9.6	21	16	~	5.4.4
	Waste – non-hazardous (recycled)	Tonnes	171	161	169	~	5.4.4
	Waste – quantity sent to landfill	%	0	0	0	Maintain at 0%	5.4
	Air Pollution – Particle Matter (PM) emission from delivery fleet	Tonnes per year	2.25	2.28	2.12	Report only	5.6
	Air Pollution – NOx emissions from delivery fleet	Absolute tonnes	35.99	36.49	33.97	Report only	5.6
	Air Pollution – NOx emissions from delivery fleet	Specific Kg per tonne delivered	4.57	5.26	5.18	Less than 5kg / tonne delivered	5.6
	Packaging – PCR content of primary plastic packaging	%	35	0	0	35% by 2024	5.5.2.1
	SDG 13	Energy – Absolute energy consumption	MWh	5,723	5,285	5,329	~
Energy – solar energy generated on site		kWh	274,005	331,900	326,346	~	5.2, 5.2.4
Energy – self generated solar energy used on site		% of total electricity	31%	29.7%	28%	~	5.2.4
Energy – Renewable power <i>purchased</i>		% of electricity purchased	90.0% ^(b)	49% ^(a)	44% ^(a)	100% from renewable source by 2025	5.2.5
Energy – Specific energy consumption (Transport)		kWh fuel / tonne delivered	105.5	114.2	103.9	~	5.2.2
Energy – Specific energy consumption (Production)		kWh / tonne produced	43.8	51.0	58.8	~	5.2.2
Energy – Specific energy consumption (Blending)		kWh fuel oil / tonne blended	44.5	51.2	52.9	~	5.2.2
Absolute Scope 1 emissions		Tonnes CO ₂ e	1,015	930.2	987.0	No reduction target as directly linked to production volumes	5.1.1
Absolute Scope 2 emissions		Tonnes CO ₂ e	76.3 ^(b)	167.0	178.1	100% reduction from 2021 baseline by 2025	5.1.1
Specific Scope 1 emissions		Kg CO ₂ e/tonne blended	33.8	33.7	36.3	8% reduction from 2021 baseline by 2025 (target 33.0 KgCO ₂ e/tonne blended)	5.1.3
Specific Scope 2 emissions		Kg CO ₂ e/tonne blended	2.54 ^(b)	6.05	6.54	100% reduction from 2021 baseline by 2025	5.1.3
Absolute Scope 3 emissions		Tonnes CO ₂ e	55,493	46,813	47,574	Note: methodology still evolving. Goal to set reduction target by end 2026.	5.1.5

* data from parent company ^(a) Fuel breakdown from supplier tariff ^(b) Switched to 100% renewable contract Nov 23

4 ALIGNING WITH UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

4.2 Sustainability Priorities And Performance Metrics – Goodall, Bates & Todd Limited (GB Lubricants)

	Performance Metric	Unit Of Measure	2024	2023	2022	Goals & Notes	Section
SDG 3	Medicash health cash plan scheme for employees & dependent children*	No. policies	225	210	209	Applies to PEL group	6.2.3
	Mandatory sign-off of HR policies	%	79%	~	~	95%	6.2.7
	Training hours per year	Hours Per Employee	11.34	27.83	~	15 hours minimum, major training session Q4 FR 2022/23 has distorted the results	10.4.2
	Health surveillance	% eligible employee	100%	100%	100%	95% Minimum	6.2.2
	Accident rates – Lost time frequency rate	Per 100,000 hours	N/A	1.24	0.00	ALARP reported by calendar year	7.1
	Accident rates – Lost time severity rate	Per 100,000 hours	N/A	16.12	9.69	ALARP reported by calendar year	7.1
	Accident rate – RIDDOR rate	Per 100,000 hours	N/A	0.02	0.00	ALARP reported by calendar year	7.1
	SDG 8	Supplier engagement – Code of Conduct	%	61%	70%	~	80% by end 2024. Expanded from key suppliers to all direct suppliers for PEL June 24
Supplier engagement – REACH compliance confirmed		%	89%	~	~	95% by end 2024. Applies to PEL Group	12.4
Supplier ratings Grades A3 & above		%	91%	~	~	Maintain >90% post 2024. PEL Group	12.2
Major investment		(£'000)	1,354	258	267	~	14.2
Modern Slavery Act – supplier compliance confirmed		%	92%	~	~	Maintain at >90% post 2024. PEL Group	9.2
Independently assessed Management Systems		No. NCR	0	0	0	ZERO Major non-conformances	~

4 ALIGNING WITH UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

4.2 Sustainability Priorities And Performance Metrics – Goodall, Bates & Todd Limited (GB Lubricants)

	Performance Metric	Unit Of Measure	2024	2023	2022	Goals & Notes	Section
SDG 12	Absolute Water usage	Megalitre (ML)	0.297	0.275	0.336	Monitor only with view to establishing targets 2025	5.3.1
	Specific Water usage	Cubic metres per employees	6.91	6.25	8	~	5.3.2
	Water – breaches of discharge consents	Number	0	0	0	Monitor adherence to discharge consent limits	5.3.3
	Waste – Total waste produced	% production volume	0.9%	1.2%	~	Maintain <1%	5.4.2
	Waste – hazardous (liquid)	Tonnes	31.6	48	~	Of which 93% re-refined, 7% repurposed	5.4.4
	Waste – non-hazardous (recycled & diverted)	Tonnes	51.8	44.6	~	~	5.4.3, 5.4.4
	Waste – quantity sent to landfill	%	0	0	0	Maintain at 0%	~
	Air Pollution – Particle Matter (PM) emission from delivery fleet	Tonnes per year	2.25	2.28	~	Report only	5.6
	Air Pollution – NOx emissions from delivery fleet	Absolute tonnes	35.6	36.5	~	Report only	5.6
	Air Pollution – NOx emissions from delivery fleet	Specific Kg per tonne delivered	4.57	5.26	~	Less than 5kg / tonne delivered	5.6
	Packaging – PCR content of primary plastic packaging	%	35	0	0	35% by 2024	5.5.2.1
SDG 13	Energy – Absolute energy consumption	MWh	1,735	1,915	1,808	~	5.2.1
	Energy – Renewable electricity <i>purchased</i>	% of electricity purchased	29% ^(a)	44% ^(a)	44% ^(a)	100% from renewable source by 2026 Switched to GEC May 23, no longer on National Grid	5.2.5
	Energy – Renewable heat <i>purchased</i>	% of heat purchased	12%	2%	~	Switched to GEC May 23, renewable percentage will increase as project develops	5.2.5
	Energy – Specific energy consumption (Transport)	kWh fuel / tonne delivered	284.8	302.1	262	~	5.2.2
	Energy – Specific energy consumption (Production)	kWh / 1000 litres produced	27.6	32.6	33.0	~	5.2.2
	Energy – Specific energy consumption (Blending)	kWh gas / 1000 litres blended	3.9	3.9	2.2	5% reduction from 2020/21 baseline (4.3)	5.2.2
	Absolute Scope 1 emissions	Tonnes CO ₂ e	316	377	367	10% reduction from 2021 baseline (target 362 tonnes CO ₂ e by 2025)	5.1.1
	Absolute Scope 2 emissions	Tonnes CO ₂ e	43.0	42.3	48.4	100% reduction from 2021 baseline by 2028	5.1.1
	Specific Scope 1 emissions	Kg CO ₂ e / 1000 litres blended	34.4	41.8	36.3	8% reduction from 2021 baseline (target 33.0 KgCO ₂ e / tonne blended)	5.1.3
	Specific Scope 2 emissions	Kg CO ₂ e / 1000 litres blended	4.4	4.6	4.9	100% reduction from 2021 baseline by 2025	5.1.3
	Specific Scope 3 emissions	Tonnes CO ₂ e	~	~	~	Note: methodology still evolving. Goal to quantify in 2024 & set reduction target by end 2025	5.1.5

^(a) Fuel breakdown from supplier tariff ^(d) switched to GEC power May 23, no longer on national grid

4 ALIGNING WITH UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS

4.3 Sustainability Priorities And Performance Metrics – Morris Leisure

	Performance Metric	Unit Of Measure	2024	2023	2022	Goals & Notes	Section
SDG 12	Absolute Water usage	Megalitre (ML)	0.297	0.275	0.336	Monitor only with view to establishing targets 2025	5.3.1
	Specific Water usage	Cubic metres per employees	6.91	6.25	8	~	5.3.2
	Waste – General Waste (diverted)	Number	0	0	0	Monitor adherence to discharge consent limits	5.3.3
	Waste (recycled)	% production volume	0.9%	1.2%	~	Maintain <1%	5.4.2
	Waste – quantity sent to landfill	%	0	0	0	Maintain at 0%	~
SDG 13	Energy – Absolute energy consumption	MWh	2,409 ^(c)	1,908	2,084	~	5.2.1
	Energy – solar energy generated on site	kWh	50,608	39,994	32,920	~	5.2.4
	Energy – self generated solar energy used on site	% of total electricity	3.1%	3%	2.3%	~	5.2.4
	Energy – Renewable power <i>purchased</i>	% of electricity purchased	88% ^(b)	51% ^(a)	38% ^(a)	100% from renewable source by 2025	5.2.5
	Energy – kWh per pitch	kWh	23.48	23.05	23.95	~	5.2.3
	Absolute Scope 1 emissions	Tonnes CO ₂ e	215 ^(c)	174	206	No reduction target established	5.1.2
	Absolute Scope 2 emissions	Tonnes CO ₂ e	41 ^(b)	278	292	100% reduction from 2021 baseline by 2025	5.1.2
	Specific Scope 1 emissions	tonne CO ₂ e/1000 pitches	2.09	2.10	2.36	Target to be set 2025	5.1.4
	Specific Scope 2 emissions	tonne CO ₂ e/1000 pitches	0.40 ^(b)	3.36	3.35	100% reduction from 2021 baseline by 2025	5.1.4
	Absolute Scope 3 emissions	Tonnes CO ₂ e	7 ^(c)	7	6	Note: methodology still evolving.. Only includes waste & water usage	5.1.5.1
Employee commuting	% living on site	98%	98%	98%	~	~	

^(a) Fuel breakdown from supplier tariff ^(b) Switched to 100% renewable contract Nov 23 ^(c) 7th site added Aug 2023, affects Absolute values.

5 MATERIAL TOPICS

5.1 Emissions

Over 93% of the Group turnover of PEL comes from the two manufacturing companies, Morris Lubricants and GB Lubricants. Therefore, as a predominantly manufacturing company, emissions are a key issue. As part of the annual collation of Carbon data, direct and indirect emissions are captured and converted to CO₂ equivalents.

Currently, the collection of CO₂ emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard relate exclusively to the production and operations-related processes within the two factories, also referred to as "gate-to-gate" scope.

Firstly, Scope 1 emissions generated directly by the Company are included in the calculation. These include, for example, steam generation by the oil-fired boilers at Morris Lubricants, and the vehicle fleets at both ML and GB. Secondly, (indirect) emissions generated in the production of purchased energy, such as electricity, are covered by Scope 2.

Scope 3 categories generally fall outside of our defined "gate-to-gate" scope. These can include emissions from purchased raw materials (upstream) or those generated in the use phase of the product (downstream).

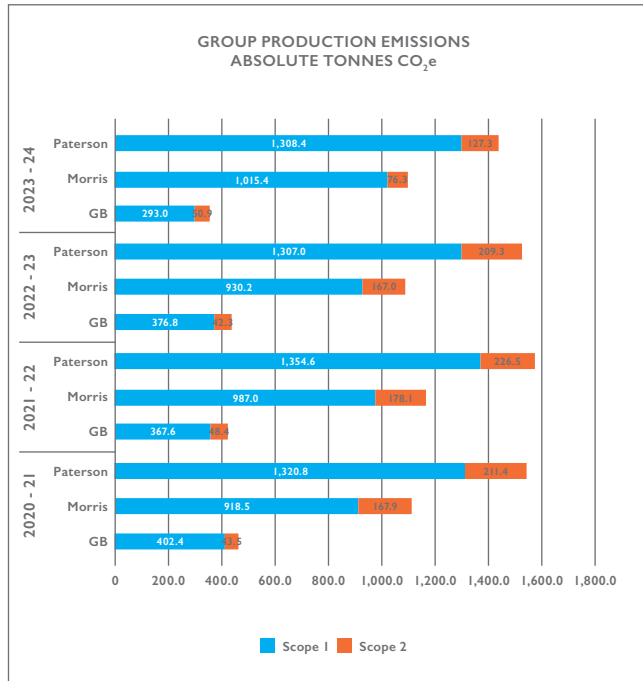
Following the guidance and template provided by UEIL, we are developing a methodology to quantify and report our Scope 3 emissions.

Currently, we only include those upstream sources relating to purchased raw materials. Theoretically, this could allow us to move to a "cradle-to-gate" scope for emissions reporting. However, as we are not completely satisfied with the accuracy and completeness of the upstream data, we have elected to maintain the "gate-to-gate" scope.

Once we have confidence in the robustness of this data, we will move on to downstream Scope 3 sources. When we have both upstream and downstream data, we can then look to move to a "cradle-to-grave" scope.



5.1.1 Absolute Emissions - Manufacturing



Absolute emissions across GB and Morris Lubricants have fallen by 5% from the 2020/21 baseline.

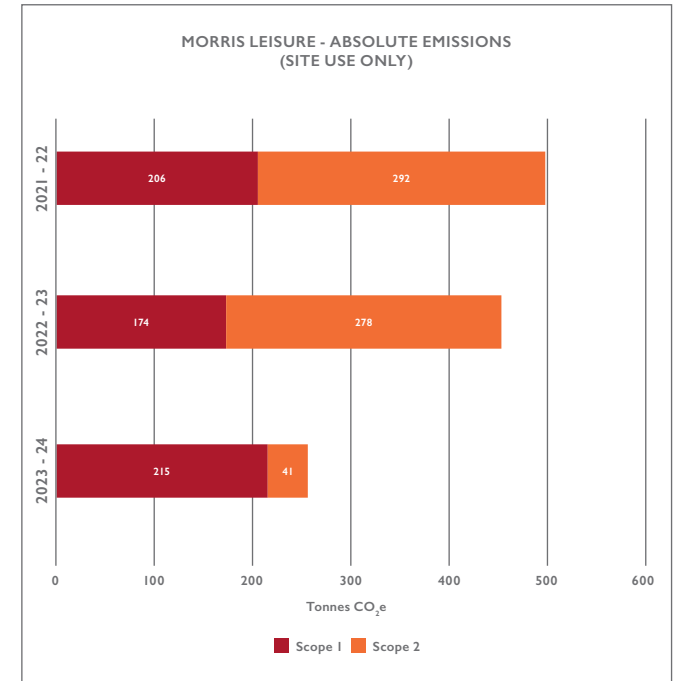
Absolute Scope 1 emissions have shown a marginal 1% increase from the baseline period but there has been a 14% increase in production volume across the two manufacturing companies within the same period.

The Scope 2 reduction (39.8%) is mainly due to Morris Lubricants and Morris Leisure switching to a zero-carbon electricity supplier in November 2023.

In the first year of GB switching from heating oil to the GEC Minewater heating system, they have reduced their heating emissions by 46.97% which is equal to a reduction of over 43 tonnes of CO₂e over a 12 month period.

Scope 1 and 2 emissions for GB will fall further as the GEC project produces more heat and power from renewable sources.

5.1.2 Absolute Emissions – Leisure Parks



Due to the differences between ML, GB and Morris Leisure, PEL report data for the latter separately.

Absolute emissions exclude any gas and electricity recharged to caravan owners. A seventh site was added to the Morris Leisure in August 2023 which has a significant impact on absolute emissions. Morris Leisure are well ahead of achieving a 100% reduction in Absolute Scope 2 emissions by 2025.



5 MATERIAL TOPICS

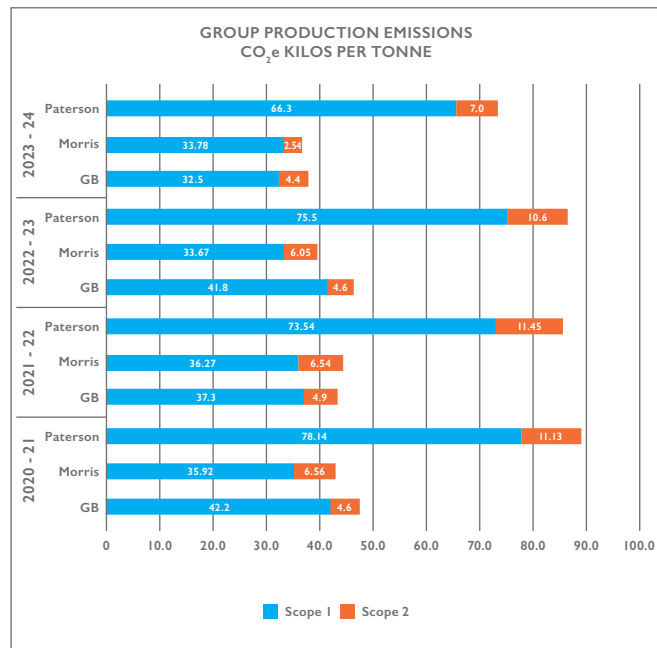
5.1.3 Specific Emissions - Manufacturing

Both GB and ML and have continued to see a reduction in their Scope 1 and Scope 2 emissions from the 2021/22 baseline.

	Scope 1	Scope 2	Scope 1+2
GB	-23%	-3%	-21%
Morris	-6%	-61%	-21%
PEL	-15%	-37%	-21%

ML is on target to achieve a 100% reduction in Scope 2 emissions by 2025.

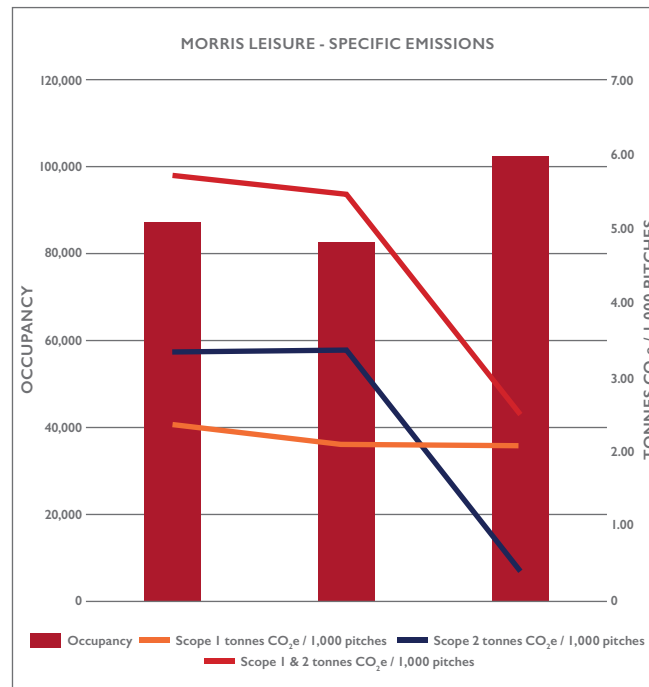
GB's ability to achieve the same level of reduction relies on the performance of the GEC project and the publication of their carbon intensity figures. Therefore, their target date is 2028.



5.1.4 Specific Emissions – Leisure Parks

Similarly to Absolute emissions, the Specific emissions reported must be tailored for the Leisure Parks.

As consumption is directly related to the number of pitches occupied, we report Tonnes CO₂e per 1000 pitches.



Thanks to switching to a certified zero carbon supplier for electricity in November 2023, the leisure parks have seen a dramatic reduction in their Scope 2 emissions.

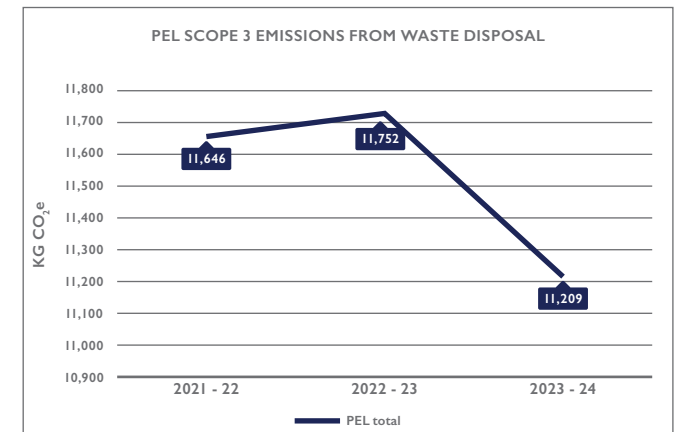
5.1.5 Indirect (Scope 3) GHG Emissions

The determination of Scope 3 emissions is still under development across the group with some companies further ahead in the process than others. GB and ML should be in a position to report up-chain Scope 3 emissions in 2025 using guidance prepared by the trade industry body, UEIL.

5.1.5.1 Scope 3 Emissions From Waste Disposal

This has been determined from the absolute tonnage of waste generated by each company within the Group.

Scope 3 Emissions kg CO ₂ e	2021 - 22	2022 - 23	2023 - 24
Morris Lubricants	6,865	6,730	6,289
Morris Leisure	3,084	2,894	3,222
GB Lubricants	1,698	2,128	1,698
PEL Total	11,646	11,752	11,209



5.1.6 Alternate Fuel Sources

The overall aim of the PEL Group is to reduce Scope 1 and 2 emissions with the final goal to become carbon neutral by 2040. Part of this process involves switching to alternate fuel sources.

5.1.6.1 LPG Alternative

Around 50% of carbon emission from Morris Leisure are due to the LPG gas. In 2024/25 we will investigate a transition to Futuria LPG, a lower-carbon alternative to LPG which would make a significant impact on the reduction of our carbon footprint. This new fuel is a co-product of biodiesel production made from a blend of waste residues and sustainably sourced materials.

5 MATERIAL TOPICS

5.1.6.2 Diesel Alternative

For the year 2023/24, 45% of carbon emission from GB and ML came from the diesel fuelling the delivery fleet. A trial is currently underway at ML to evaluate switching to Hydrogenated Vegetable Oil (HVO).

HVO is synthesised from 100% renewable raw materials such as vegetable oils, animal oils and fats, which reduces net CO₂ greenhouse gas emissions by as much as 90%. All raw materials are checked and verified, and the fuel's credentials audited by the Department for Transport (DFT) to ensure both sustainability and product integrity are certified.

HVO also has up to a 27% reduction in nitrogen oxide and up to 84% reduction in particulate matter – all key components towards improving air quality.

There are cost implications as HVO is currently 18% more expensive than diesel but, with the company's commitment to sustainability, the additional, ongoing expense would be mitigated by saving approximately 700 tonnes CO₂e across the group annually.

Should the trial prove successful, ML would switch to HVO first as they have their own diesel tank on site, making the transition easier. Some logistical constraints would need to be addressed before GB could consider making the transition.



5.2 Energy Management

In 2018, PEL elected to use the ISO50001 energy management standard as a tool to record, monitor and reduce its energy consumption. This management approach involves energy saving through energy management, switching to electricity from renewable sources and in-house production of electricity. This standard applied to the entire group with annual compliance audits carried out by the certification body to confirm our continual improvements.

The Group has two ISO50001 management systems that are externally certified by BSI.

ENMS 619355: Paterson Enterprises Ltd
(covers both Morris Lubricants and Morris Leisure)

ENMS 705710: Goodall, Bates & Todd Limited, t/a GB Lubricants

The reporting periods below are for the financial year which runs from August to July.

As a manufacturing company, PEL, operating as Morris Lubricants and GB Lubricants, will always have an external energy requirement. To reduce energy-related emissions, PEL is working on progressively switching its power supply to renewable energy ("green power"). By 2025, the Company aims to have transferred 100% of electricity purchases to carbon neutral sources.

In March 2012, PEL identified that self-generation of energy was a good choice both from an economic and an environmental perspective. The Company began installing roof mounted solar generation systems on the Morris Lubricants site in Shrewsbury, with the final phase completed in July 2016. The system totals 448kW and generates approximately 31% of the electricity used on the site. This usage can be excluded from Scope 2 emissions thereby reducing the overall carbon footprint.

In November 2023, Morris Lubricants and Morris Leisure switched to a zero Carbon energy tariff, thereby reducing their Scope 2 emissions even further.

In 2023, GB Lubricants switched over the energy usage for the entire site from conventional oil and gas fired boilers and mains electricity, to connect into Gateshead District Green Energy Network.



31%
**Electricity used by
Morris Lubricants
is generated on
site from their
solar panels**

The main electricity source is solar generated from two large solar farms very close to the site. One is immediately across the road from GB Lubricants.

Heating is supplied via hot water heat transfer. Gateshead district green energy is achieved via several methods, including a 6MW mine water heat source, 4MW CHP engines and waste heat energy recovery. There are presently more conventional gas engines although these are increasingly not needed but serve as back up.

All off-site assets are owned by the Gateshead Energy Company and its main goal is to supply green energy at affordable prices to council offices and council buildings as well as increasingly to roll out to local authority housing. GB lubricants were the first private company to connect into the network and signed a 20-year agreement as a sign of commitment to the scheme and to help create a solid foundation of investment for Gateshead Energy Company to continue to expand into the community.

Some smaller solar panels were added to GB Lubricants Technical Centre roof during its commissioning in 2023. Further larger solar panels and battery storage are being planned for a new warehouse building with phase one expected to be completed in 2025 as part of GB Lubricants ongoing investment. These green elements were considered and realised as part of the design phase. See section 14.2.

For Morris Leisure, their energy consumption is heavily impacted by the number of visitors to the parks. Electricity and Gas usage is charged back to static owners, but touring visitors pay a flat fee per night. This is where education becomes a key issue and in 2025, we will begin a campaign to encourage visitors to use electricity, gas and water responsibly.



Solar Farm supplying GB Lubricants



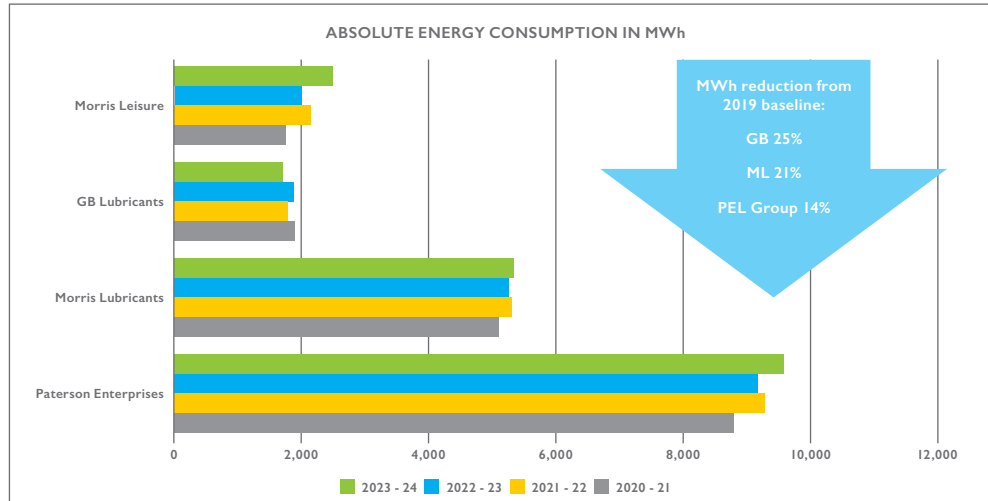
Mine Water Heat Source supplying GB Lubricants

GB Lubricants have a 20-year agreement to use renewable energy from GEC Gateshead Energy Company

5 MATERIAL TOPICS

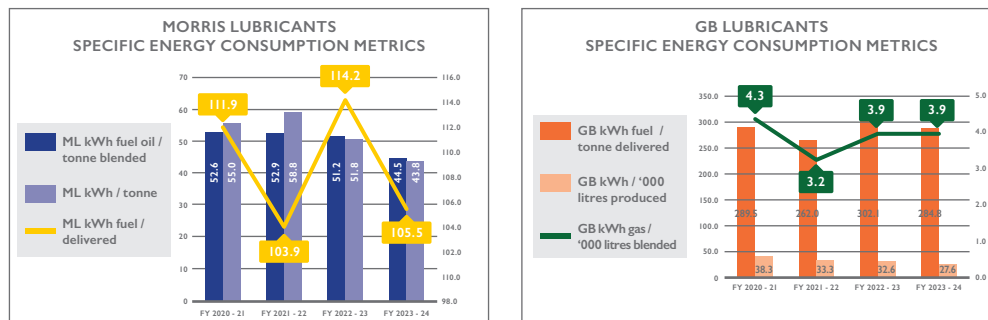
5.2.1 Absolute Energy Consumption

We begin by collating the group energy data, convert it into MWh and compare the totals between financial years.



5.2.2 Specific Energy Consumption – Production Facilities

PEL has developed intensity metrics to enable Absolute energy consumption to be evaluated in terms of production volumes and tonnage delivered for the two manufacturing companies, GB and Morris Lubricants.



Morris Lubricants uses steam generated by the oil-fired boilers to heat the blending process. GB uses mains gas for their blending process. Due to these differences, it is difficult to directly compare the production data from the two companies.

5.2.2.1 Variation From 2020/21 Baseline

ML kWh diesel/tonne delivered	-5.7%	Improved routing & load planning
ML kWh fuel oil/tonne blended	-15.5%	Reduced use of steam
ML kWh/tonne produced	-20.4%	
GB kWh diesel/tonne delivered	-1.6%	Improved routing
GB kWh gas/'000 litres blended	-28.0%	Maximisation of blend size
GB kWh/'000 litres produced	-9.2%	

5.2.3 Specific Energy Consumption – Leisure Parks

As Morris Leisure is so different from the manufacturing arm of the group, they have their own specific energy metrics. They measure kWh per pitch. This allows the sites to benchmark against each other as well as providing a total for Morris Leisure as its whole. The impact of the Covid pandemic is obvious in the data.

kWh / Pitch	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
	2018 - 19	2019 - 20	2020 - 21	2021 - 22	2022 - 23	2023 - 24
Llanberis	19.83	29.75	18.83	17.23	17.03	17.03
Ludlow	33.03	50.85	28.70	29.55	32.37	32.28
Oxon	27.74	44.20	19.99	24.70	24.27	24.17
Poston Mill						23.73
Riverside	21.48	36.73	24.27	22.62	20.55	22.11
Stanmore	23.98	30.41	25.03	21.98	21.16	23.49
Average kWh / pitch	26.12	39.43	24.88	23.95	23.05	23.48

5 MATERIAL TOPICS

5.2.4 Self-generated Solar Energy

Solar panels are installed at Morris Lubricants and the Morris Leisure parks at Oxon and Ludlow.

Panels have been installed on the roof of the new technical building at GB and planned for the roof of the new warehouse starting construction in 2025. Their kWh will be reported in subsequent reports.

Morris Lubricants	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Total Electricity	790,529	839,371	872,945	886,138
Self-generated Solar Energy	339,991	326,346	331,900	274,005
% Of Energy From Solar	43%	39%	38%	31%

Morris Leisure	Ludlow	25,457	24,742	31,153
	Oxon	7,463	15,251	19,455
Morris Leisure Total Solar	kWh	32,920	39,994	50,608
% Of Energy From Solar		2.3%	3.0%	3.1%

5.2.5 Renewable Energy – Purchased

As part of the drive towards Net Zero, PEL elected to switch Morris Lubricants and Morris Leisure to a zero-carbon electricity tariff in November 2023.

	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
Morris Lubricants kWh	267,641	371,468	424,704	799,466
Morris Lubricants % Renewable Energy Purchased	34%	44%	49%	90%
Morris Leisure kWh	324,036	582,359	767,837	1,554,059
Morris Leisure % Renewable Energy Purchased	24%	38%	51%	88%

Due to GB signing up to the GEC Power Project, their data is calculated differently as they can also claim a percentage of their heat (hot water) as coming from a renewable source. The percentage of renewable electricity and heat will increase over the coming years and will be calculated from information provided by GEC.

	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24
GB Renewable Electricity kWh	75,639	100,248	87,448	59,927
GB Renewable Heat kWh			5,597	20,893
GB % Renewable Electricity	37%	44%	44%	26%
GB % Renewable Heat			2%	12%

5.2.6 Energy Efficiency Measures

The ultimate goal of PEL is to reduce overall energy consumption. This can be partly achieved by upgrading equipment and infrastructure and improving process

5.2.6.1 Morris Lubricants

Ultrasonic blend technology is installed on the main blending tanks. Over 85% of production volume currently runs through those tanks. This allows for blending in a heatless process known as 'cold boiling'. It also reduces the need for physical agitation as it blends on a molecular level and reduces blending times. This leads to considerable savings in energy by removing the need for steam heating and reducing stirrer use and blend times.

Installation of a new condensate recover solution on the steam raising boilers ensure that hot condensate is efficiently returned to the boilers thereby reducing the costs associated with heating the make-up water.

New boilers, radiators and thermostatic valves have been installed in the main office buildings.

Use of 'waste oil' burners to heat the main warehouse that utilises production waste.

Programme to replace all light fittings with LEDs and install motion sensors wherever possible.

Sub-monitoring of electricity usage is currently being installed and configured to identify areas for improvements.

5.2.6.2 GB Lubricants

Costly space heaters (75kW) in the main works have been replaced with localised infrared heaters (12kW in total) on timers above individual workstations. This embraces the principle of 'heat the person, not the building'.

High speed roller shutter doors have been installed to reduce draughts, preserve the heat in the building and thereby reducing energy usage.

There is an ongoing programme to replace all light fittings with LEDs and install motion sensors wherever possible.

5.2.6.3 Morris Leisure

Programme to replace all light fittings with LEDs and install motion sensors wherever possible.

Replacement programme to upgrade boilers across the parks to the most efficient models.

5.3 Water Consumption

The three companies in the PEL Group utilise water in very different ways:

GB Lubricants uses water solely for cleaning and sanitary services.

Morris Lubricants uses water for cleaning and sanitary services as above but also uses water as a raw material in the Metcut plant and to heat the oil blending process as steam.

Neither ML nor GB have established reduction targets for water consumption. At less than 0.05%, water and wastewater accounts for only a small portion of their Scope 3 emissions.

Water consumption at Morris Leisure is mainly down to the behaviour of site visitors. Water usage is not metered by either static or touring pitch and Morris Leisure is therefore reliant on visitors acting responsibly and not wasting water. Daily inspections by staff ensure that any water leaks are identified and dealt with immediately. All sites have shower blocks and laundry facilities, and water is also used by grounds maintenance.

5 MATERIAL TOPICS

5.3.1 Absolute Water Usage

	2021-22	Tonnes CO ₂ e	2022-23	Tonnes CO ₂ e	2023-24	Tonnes CO ₂ e
Morris Lubricants	2,943	0.52	2,622	0.46	3,229	0.57
Morris	18,963	3.36	21,667	3.84	22,634	4.01
GB Lubricants	336	0.06	275	0.05	297	0.05
PEL Total	22,242	3.9	24,564	4.3	26,160	4.6
% Leisure	85.3	~	88.2%	~	86.5%	~

Morris Leisure are the biggest consumers of water by far within the group as can be seen above. Even so, the Scope 3 emissions arising from their water consumption is only around 1%.

5.3.2 Specific Water Usage

Despite not establishing formal reduction targets, ML & GB apply the same continual improvement strategy to water consumption as they do to other areas with a more significant impact on emissions.

Morris Lubricants relies on oil fired, steam generating boilers to provide heat for the blending process.

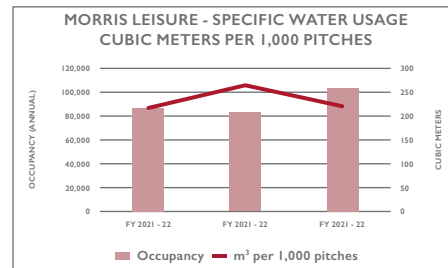
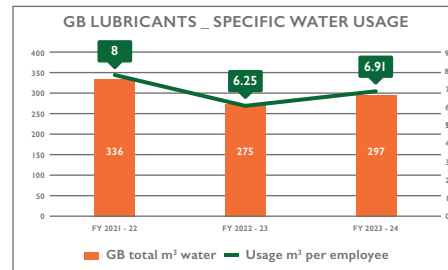
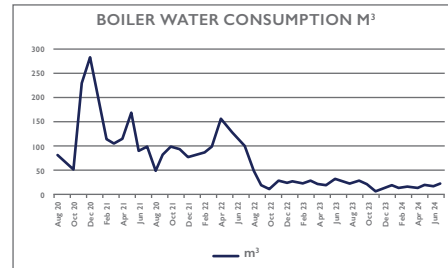
Installation of ultrasonic blend technology which reduces the need for heat when blending and the replacement of the condensate pump in the boiler house, saw the water consumption in the boiler house drop 73% in 2023 and by a further 10% in 2024.

ML is committed to maintaining this saving and monitors water usage on a monthly basis so any issues can be quickly identified and addressed.

The percentage of water used by the boilers has dropped from 40% of the total volume in 2021-22 to just 9% in the current financial year.

GB Lubricants also monitors its total water usage in m³ and goes one step further, reporting the m³ usage per employee on an annual basis.

Morris Leisure monitors the volume of water in cubic meters per 1,000 pitches as water usage is directly proportional to the number of visitors on site.



5.3.3 Water – Discharges

The company does not currently record discharge volumes and does not have any plans to do so.

Both ML and GB have discharge consents in place and monitor compliance with the specified limits via analysis at a third-party laboratory. Neither company has identified a breach of consent limits within the reporting period.

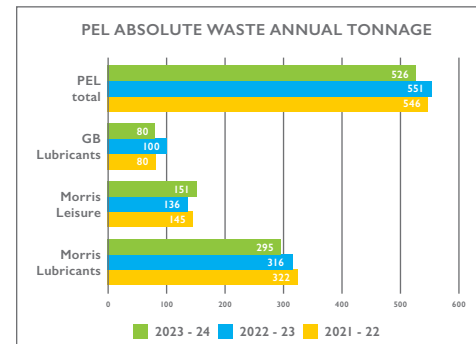
5.4 Waste Disposal

PEL have focussed on waste minimisation across the group for many years and pride themselves on having a Zero to Landfill policy.

ZERO WASTE
Sent to landfill in last 5 years

5.4.1 Absolute Waste Tonnage

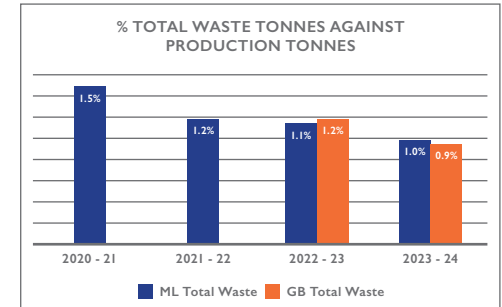
As a group, we have seen 4% reduction in Absolute tonnage of waste generated since the 2021-22 baseline year along with a reduction in the associated Scope 3 emissions.



50,000 litres
process waste used internally annually at ML reducing the requirement for virgin base stock.

5.4.2 Specific – Waste Produced Against Production Volumes

ML and GB also report the total tonnage of waste generated against the total quantity blended and have seen a year-on-year improvement in both companies.



Waste reduction, recycling and materials recovery operations are our priority.

All waste streams are segregated and collated on site before collection by our chosen waste partners.

- Cardboard and wastepaper – 100% recycled.
- Stretch wrap – baled and 100% recycled.
- Steel containers <205 litres – drained, crushed and 100% recycled.
- 205 litre barrels – drained and sent for reconditioning ready for reuse within the supply chain.
- Intermediate Bulk Containers (IBCs) – laundered and reused.
- Plastic containers – drained and sent for processing into PCR waste.
- Process waste – line flushings (known as 'churn oil') are collected from all filling points and reused internally within the production process.
- Process waste unsuitable for use within the production process is utilised to heat the main warehouse at ML.
- Hazardous liquid waste produced by GB or ML that is unsuitable for use within the production process or as a substitute heating fuel, is re-refined at a licenced facility.
- Hazardous solid waste is repurposed.

5 MATERIAL TOPICS

5.4.3 General Waste - Diverted

Inevitably, some general waste that falls outside of the segregated streams. At the Morris Lubricants and Morris Leisure sites, this is currently diverted and sent to the local Energy Recovery Facility (ERF). There, waste is safely incinerated to recover electricity, reducing the amount of waste sent to landfill. Energy recovery is an important source of renewable, sustainable energy and vital link in the waste management chain.

In 2023, the general waste sent to the ERF by Morris Lubricants and Morris Leisure saved 16 tonnes of CO₂. An additional tonne of CO₂ was saved thanks to the recycling efforts of the parks. In 2024, this increased to 21 tonnes saved by ERF and 4 tonnes by increased recycling efforts.

Whilst sending waste to an ERF is preferable to sending to landfill, Morris Lubricants has also established a reduction target of 500 kilos per 1000 tonnes produced by the end of 2025. This will be done by a mixture of process improvements and investigating additional waste streams that are suitable for recycling or reprocessing.

Morris Lubricants	% General Waste	Diverted Tonnes /1000 Tonnes Produced
2020 - 21	16.2%	0.98
2021 - 22	15.8%	0.98
2022 - 23	12.2%	0.71
2023 - 24	10.0%	0.51

The general waste from GB is sent to a Materials Recycling Facility (MRF) where it is processed using a variety of mechanical and technical means to separate the recyclable materials into single material streams.

Due to the relatively small amounts involved (less than 8 tonne in year total), GB have not established a target for reducing general waste as it is already at levels as low as reasonably practicable.



5.4.4 Waste Breakdown – Manufacturing Facilities

Wherever possible, ML and GB reuse waste product either within the production process or to heat the warehouse. On occasion, hazardous materials will need to be sent for disposal. Such waste streams are sent to a licenced facility where 93% of the volume is reprocessed into a useable base material and the remaining 7% is repurposed.

	2021 - 22	2022 - 23	2023 - 24
ML Hazardous Liquid Waste (Tonnes)	109.9	114.5	98.5
ML Hazardous Solid Waste (Tonnes)	16.4	21	9.6
GB Hazardous Liquid Waste Tonnes	N/A	46	31.5

Non-hazardous waste at ML and GB suitable for recycling is segregated. The figures for both companies include steel barrels sent for reconditioning and subsequent reuse.

	2021 - 22	2022 - 23	2023 - 24
ML recycled waste (tonnes)	169	160	171
GB recycled waste (tonnes)	N/A	44.6	40.4

5.5 Packaging Materials And Raw Materials

PEL does not produce any raw materials or packaging itself. As a result, most greenhouse gas emissions are not produced on the company's premises ("gate-to-gate"), but instead further upstream in the supply chain at the raw material and packaging suppliers.

5.5.1 Raw Material Suppliers

Starting in August 2024, PEL began a strategic supplier assessment to establish the sustainability status of key suppliers. The target completion date is the end of 2025.

This will strive to encourage the communication of greenhouse gas emissions from our key suppliers and will allow us to move to a "cradle-to-gate" scope when reporting our own emissions.

ML & GB share a supplier base and use the same process to approve and grade suppliers. As well as reducing administration by operating a central system, the additional buying power can lead to more attractive pricing.



5.5.2 Packaging

We are reducing waste and applying the principles of a circular economy across our businesses and supply chains. This means placing value on reusing resources by moving from a linear system to one where materials are reused, repurposed and recycled, helping to reduce pressure on the world's resources. Reducing waste and the efficient use of resources are key to UN Sustainability Development Goal 12, which focuses on responsible production and consumption.

Increasing circularity means moving away from a linear (take-make-dispose) economy, to one where products and materials are reused, repurposed and recycled. This reduction in consumption of raw or virgin material not only reduces waste but can also reduce the need to extract and process additional raw materials.

The Company has already implemented several steps to reduce the environmental impact of the packaging around our products

5.5.2.1 Finished Goods, Primary Packaging

Encouraged customers to switch to reusable IBCs or have bulk deliveries pumped to storage tanks.

- Over 8 million litres sold in bulk, removing the need for any packaging.
- Over 3 million litres sold in reusable IBCs.

Encouraged the use of steel packaging instead of plastic packaging.

- Of the 480,000 20 and 25 litre drums purchased by Morris Lubricants in the last 12 months, only 2.4% were plastic.
- Over 6 million litres sold in 205 litre steel barrels which can be reconditioned and reused.
- Increase the amount of PCR content of plastic containers.

An increasing percentage of plastic containers used by GB Lubricants and Morris Lubricants contain a minimum of 35% PCR material, already an increase from the 30% minimum we started this project with. This is a 4-phase managed transition, over 18 months, of our packaging from virgin plastic and we are at the halfway point with phase 2 being successfully initiated in Summer 2024. By the end of 2024 Phase 3 will be completed meaning most of our GB and Moris branded product will be transitioned to using the PCR containing packs. Phase 4 is then due to be completed in Q1 2025.

5 MATERIAL TOPICS

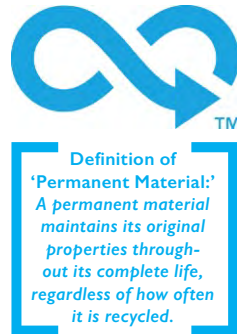
5.5.2.2 Transit And Secondary Packaging

- All wooden pallets sourced from a FSC certified supplier, 100% recyclable/compostable.
- Hand pallet wrap is 100% recyclable and contains >30% recycled material.
- Machine pallet wrap is 100% recyclable LDPE. Utilises high polymers, produced at a lower temperature to achieve greater holding force and puncture resistance. 40% thinner than standard film and halves the weight of wrap used per pallet.
- Pallet covers made from 98% recycled content.

5.5.2.3 Steel Packaging, A 'Permanent Material'

Paterson Enterprises Limited, trading as Morris Lubricants is in the minority of lubricants manufacturers that use steel for their 20 and 25 litre drums. They also actively encourage own-brand customers to elect to choose steel, rather than plastic packaging.

Permanent materials are not consumed, they are only used (according to purpose). They are recycled again and again without a loss of quality: multiple recycling. They are not only recycled after use but can be used multiple times for different applications.



RAW MATERIAL / IRON ORE: SAVINGS OF 1.5 TONNES ORE PER TONNE SCRAP
ENERGY CONSUMPTION: 70 - 95% LESS ENERGY THROUGH RECYCLING THAN PRODUCING FROM ORE
CO₂ EMISSIONS SAVINGS OF 1.5 TIMES THE WEIGHT OF SCRAP

5.5.2.4 Sustainable Packaging, The Next Step

As part of embracing the principles of a circular economy, the Company will undertake a complete review of packaging used within the business.

- **Target date for review** FY2024/25
- **Target date for implementation** FY2025/26

Some initial steps have already been identified and these will be expanded upon as the review progresses.

- Increase the amount of recycled plastic in our consumer packs to 35% (where available).
- Explore the viability of switching our consumer packs from plastic to steel.
- Increase the recycled content of cardboard packaging.
- Investigate plastic free tapes for sealing cases

5.5.3 Sustainable Development

Lubricants are designed to improve efficiency of processes, therefore generating added value. This can be achieved, for example, through less wear, corrosion prevention or greater productivity, resulting in the reduction of specific emissions when using our products. Engine designs are constantly being developed to reduce emissions further and increase fuel efficiency, this increases the demands on the oil used and as such the oils are formulated and manufactured to meet these precise requirements.

Whenever a new product is developed or an existing one is reformulated, part of that process involves the classification of the finished product in accordance with UK and EU regulations and evaluation of the component products. Wherever possible, components will be selected who present the least physical and environmental hazards.

Additionally, GB and ML may select a group of products to be reformulated due to sustainability concerns. For example, in 2023, ML reformulated all flammable finished products to raise their flashpoints above 60°C. This removed the risks arising from blending, filling, handling and storing of flammable products on the ML site and the handling and storage risks for our customers.

Another action at ML is to review the use of dyes in their products. Some of these dyes can be harmful to the environment and production of dyed product can lead to greater quantities of line flushings and waste which are necessary to reduce the risk of contamination of undyed product. Therefore, ML has decided to, where possible, start to restrict the use of artificial dye in its product formulations. In some applications, the addition of dye has no physical or chemical advantage, and its use is purely cosmetic. All products containing dye will be reviewed and the dye removed providing it does not alter the physical, chemical and ease of use of the product. Where dyes are necessary for identification of correct product type, such as automatic transmission fluids, power steering fluids, or where colour constitutes part of the relevant specification, then such product will remain dyed as per existing formulations.

5.6 Air Pollution

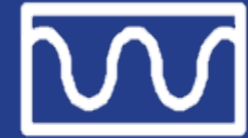
Both ML and GB operate delivery fleets and calculate NO_x and particle emissions. Targets have not been formally set but may be established in the future.

NO _x	2021 - 22	2022 - 23	2023 - 24
ML (Absolute, Tonnes)	33.97	36.49	35.99
ML (Specific, Kg Nox . Tonne Delivered)	5.18	5.26	4.57
GB (Absolute, Tonnes)	N/A	28.2	30.6
GB (Specific, Kg Nox . Tonne Delivered)	N/A	6.35	6.98

Particle Matter	2021 - 22	2022 - 23	2023 - 24
ML (Absolute, Tonnes)	2.12	2.28	2.25
GB (Absolute, Tonnes)	N/A	1.76	1.72



Flexible Manufacturing



Ultrasonic Blending



DYE FREE

6 SOCIAL SUSTAINABILITY

Social sustainability has both internal and external components. For PEL, this equates to taking responsibility both for our employees and for the larger society.

6.1 Leadership And Corporate Culture

Established in 1869, Morris Lubricants is an independent, privately owned formulator and blender of lubricants. The fifth generation Managing Director oversees the governance of the Company.

Morris Lubricants are part of the larger family holdings, Paterson Enterprises Limited (PEL). Also within that group are Morris Leisure who own and operate seven luxury caravan sites and holiday home parks in Shropshire, Hereford, and North Wales. Again, with a fifth generation descendent at the helm.

In 2015, Paterson Enterprises acquired Goodall, Bates & Todd limited (GBT) who trade as GB Lubricants. GBT were established in 1877 and, as another privately-owned formulator and blender of lubricants, were seamlessly absorbed into the PEL family.

Across the entire PEL group, employees are encouraged to see themselves as self-responsible elements of the 'whole'. We actively encourage feedback and suggestions from employees to improve any aspect of the business. Reward schemes are in place to reward viable suggestions that are implemented.

6.1.1 Membership Associations

Morris Lubricants & GB Lubricants:



Morris Leisure:



6.2 Employment And Employers

PEL believes that health management, continuing professional development, and work-life balance remain a vital part of long-term sustainable personnel management.

While certain employee benefits such as pension contributions and paid leave are mandatory as part of legislation, PEL provides additional benefits to help attract and retain talent, as well as contributing to workplace culture and the needs of our employees. This remains a fundamental core value of the Paterson Enterprise Group as a family-owned entity.

6.2.1 Flexible Working

The company has well established policies and procedures to allow employees to make flexible working requests and offers generous maternity and paternity leave provisions.

6.2.2 Health Surveillance

Employees at both Morris Lubricants and GB Lubricants undergo annual preventive health surveillance dependant on their roles. For all staff exposed to mineral oil, this consists of a skin inspection to check for any signs of dermatitis. For FLT operators, it is expanded to include basic physiology which includes height, weight, BMI, urine for glucose and protein, full vision screens, audiometric testing.

Additionally, blending staff who may be exposed to oil mist, receive lung function tests.

6.2.3 Funded Health Insurance And Medical Fund

PEL funds the Medicash health cash plan scheme for employees and their dependent children. This is a type of health insurance policy that pays cash benefits to policyholders in return for a monthly premium which is fully paid for by GB lubricants. Staff have flexibility to upgrade to add partners or increase their cover.

The plan can be used to cover a range of essential healthcare expenses such as dental treatment and check-ups, optical care, physiotherapy, counselling and more.

As of 31st December 2023 100%, of PEL employees were covered and actively using the scheme to maintain health, both physical and mental, whilst reducing costs. Medicash reporting runs on calendar rather than financial year.

2021	2022	2023	Medicash Usage
209	210	225	Total Policies (Note: Reported At Group Level)
97	105	123	Policies Made A Claim Within The Period
238	285	311	Claims Were Submitted During The Period
60%	63%	66%	Policies Registered On Medicash App
19	10	6	Digital Physiotherapy By Phio
11	0	0	Best Doctors
19	5	0	Health & Stress Support
31	42	30	Discounted Gym Membership
18	11	14	Virtual Gp & Prescription Service

6.2.4 Pensions

The PEL pension schemes cover both Morris Lubricants and Morris Leisure employees. GBT operate a separate scheme.

6.2.4.1 PEL Pension Schemes

PEL operates two main pension schemes that cover 90% of the employees at Morris Lubricants and Morris Leisure.

DC Scheme: 156/195 employees equating to 80% of workforce

DB Scheme: 18 employees plus 3 directors equating to 9% of the company headcount. The DB scheme is closed for new starters.

Members of these schemes have the benefit of Death in Service Life Assurance of 10 times or 4 times salary, respectively.

The remainder are either enrolled via the automatic enrolment pension scheme or are not eligible to join the company scheme.



6 SOCIAL SUSTAINABILITY

6.2.4.2 GB Lubricants Pension Scheme

GB employees have access to join a Group Personal Pension Plan, managed by Aviva. It is offered to all employees on successful completion of their probation period (typically 6 months). The company pays in a percentage amount based on the employee's salary, and the employee may then also add to this with their own contribution.

As of 31st December 2023, 88% of GB employees were covered by the scheme. The 12% remaining mainly opting out of the scheme through their own choice or due to the fact they were new employees who had yet to complete probation.

6.2.4.3 GB Lubricants Death In Service And Life Assurance Cover

This is an employee benefit that provides a lump sum payable to nominated beneficiaries on death in service. During the last financial year, in-line with a much bigger employer contract review and standardisation, the availability of this benefit has expanded to cover all (100%) of eligible employees.



6.2.5 Social Indicators

Employee demographics - Age		Under 30	30 - 49	50 - 60	Over 60
Morris Lubricants	Headcount	24	60	49	22
	% of employees	16%	40%	33%	15%
GB Lubricants	Headcount	6	16	14	8
	% of employees	14%	37%	33%	18%
Morris Leisure	Headcount	0	4	22	4
	% of employees	0%	13.3%	73.3%	13.3%
PEL Total	Headcount	30	80	85	34
	% of employees	13%	35%	37%	15%

As with employee turnover, a balance must be struck between having a knowledgeable and experienced workforce who have been with the company a long time and having a steady flow of new employees with energy and new ideas. PEL operates both Apprenticeship and Graduate schemes that help ensure that skills can be passed on to subsequent generations. This is particularly true for members of senior management who will have individual succession plans in place where appropriate.

The Lubricants industry has tended to be quite traditional in terms of the gender proportions and the figures from Morris Lubricants and GB Lubricants are in line with the industry norm.

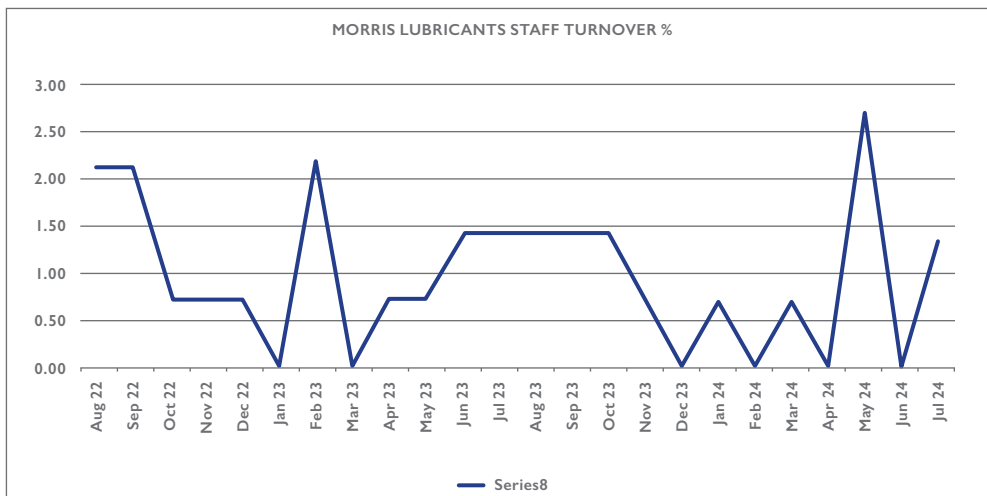
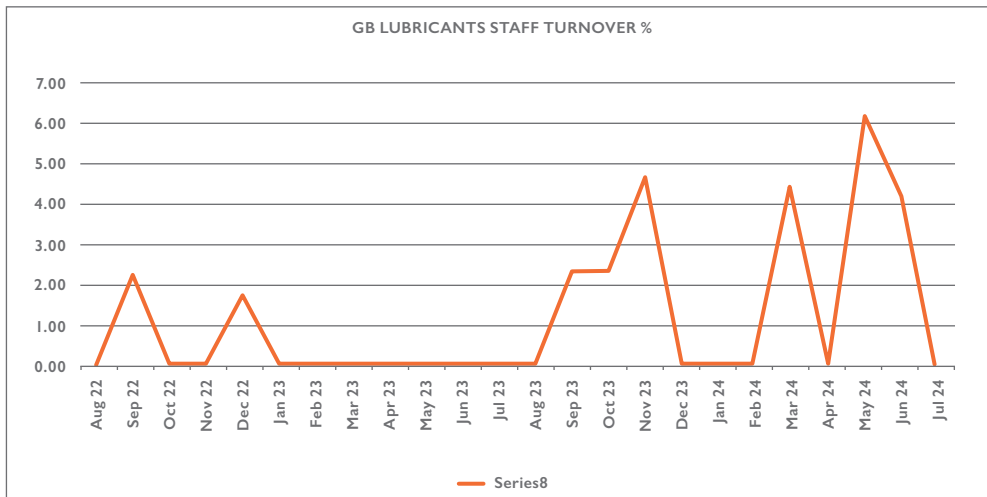
Due to the nature of the business, Morris Leisure has a different age and gender demographic than the two lubricant companies within the group.

Employee Demographics - Gender		Female	Male
Morris Lubricants	Total	26%	74%
	Executive Board	27%	73%
	Supervisor / Manager	21%	79%
	Full Time	59%	98%
	Part Time	28%	2%
GB Lubricants	Supervisor / Manager	27%	73%
	General Staff	19%	81%
Morris Leisure	All Staff	54%	46%
Paterson Enterprises	Total Workforce	30%	70%

6 SOCIAL SUSTAINABILITY

6.2.6 Employee Turnover

Historically, employee turnover at GB Lubricants and Morris Lubricants has been low. For the most part, that is desirable given the cost of recruiting and training new employees, however, it can mean the business does not progress unless there is the introduction of new staff and new ideas. Our initiatives and targets around apprenticeships and the graduate program are some of the many ways we are addressing this problem, whilst also helping train people in the local community.



6.2.7 Mandatory Agreement With HR Policies

It is a condition of employment at PEL that certain HR policies are mandatory and must be formerly accepted by the employees. This is not currently reported for Morris Leisure, but the data below is shown for ML and GB. The target rate for all policies is 95%. The Employee Code of Conduct and Equality & Diversity have only recently been made mandatory, hence the lower agreement rate. The latter will be made mandatory for GB employees in 2024.

Policy	Morris Lubricants			GB Lubricants		
	Required	Outstanding	%	Required	Outstanding	%
Alcohol & Drugs	149	3	98%	44	0	100%
Employee Code of Conduct	149	63	58%	44	2	95%
Disciplinary Rules	149	3	98%	44	0	100%
Data Protection	149	7	95%	44	0	100%
I.T Security	149	3	98%	44	0	100%
Sickness Absence	149	3	98%	44	0	100%
Equality & Diversity	149	58	61%	To Be Added 2024		



7 HEALTH AND SAFETY AT WORK

Workplace safety is of utmost importance to PEL and as such, both Paterson Enterprises Limited, trading as Morris Lubricants, and Goodall, Bates & Todd Limited, trading as GB Lubricants, are certified to the Occupational Health and Safety Standard ISO45001 by BSI and subject to regular audits by the accreditation body to confirm their continued adherence to the standard.

This represents 100% of the manufacturing companies within PEL and equates to approximately 84% of the total PEL workforce being covered by an ISO45001 certification.

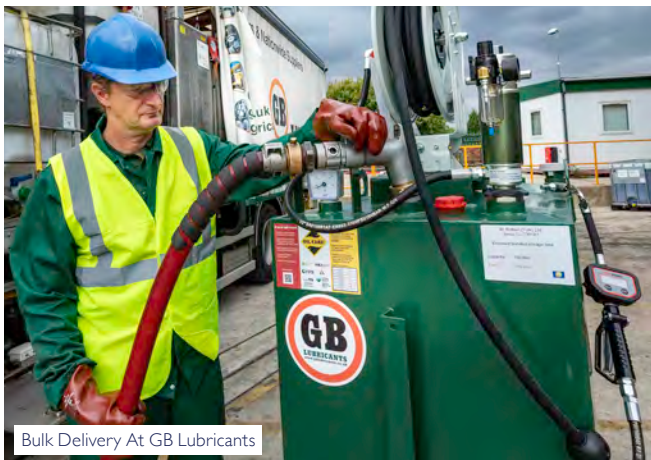
Morris Leisure operates a Health & Safety system in accordance with ISO45001, but it is not externally certified.

Health & Safety Committees are in place which are made up of representatives from different departments. These committees are the main conduit between the workforce and management when it comes to health & safety matters.

Every employee is required to undergo mandatory training or instruction on health and safety topics. Training is assigned dependant on role and completion levels are monitored regularly with corrective actions to address any failures implemented promptly.

Near miss reporting is encouraged across the business to identify potentially unsafe conditions and behaviours before they give rise to an accident.

Risk identification is embedded in the Management Systems of the 3 companies that make up the PEL Group. Risk arising from processes, equipment and materials are considered and reduced to the absolute minimal level practicable



Bulk Delivery At GB Lubricants

7.1 Accident Statistics

Accident reports are investigated and reported to the H&S Committees and Management meetings. ML reports accident statistics by financial year and GB by calendar year so the results are presented separately. Frequency rates indicated by * are reported per 100,000 hours.

Morris Lubricants	2021 - 22	2022 - 23	2023 - 24
Non RIDDOR	13	12	12
RIDDOR reportable	2	0	1
Total accidents	15	12	13
Lost days	53	5	10
No. lost time accidents	2	1	3
Total man hours	270,192	266,448	274,248
Lost time frequency rate*	0.74	0.38	1.09
Lost time severity rate*	19.62	1.88	3.65

GB Lubricants	2022	2023	2024†
Non RIDDOR	7	12	4
RIDDOR reportable	0	1	1
Total accidents	7	13	9
Lost days	0	15	5
No. lost time accidents	0	1	1
Total man hours	82,560	80,640	64,800
Lost time frequency rate*	0	1.24	1.54
Lost time severity rate*	9.69	16.12	13.89

† To end September

7.2 Work-Related Ill Health

There have been no occurrences of work-related ill health reported within the group in the last 3 years.



Computer Controlled Labelling Line At Morris Lubricants

8 ANTI-CORRUPTION AND COMPLIANCE

The Paterson Enterprises Limited Employee Code of Conduct along with the Anti-bribery and Corruption and the Anti-trust and Competition Policies establish the binding guidelines to prevent corrupt or anti-competitive conduct of any kind and assists all employees in complying with related laws and regulations.

The aim is to ensure the proper conduct of PEL employees in line with the antitrust law requirements and that neither PEL employees or business partners allow themselves to be influenced by unlawful and inappropriate conduct in their business decisions.

Signing the Employee Code of Conduct was added as a mandatory requirement for all PEL staff in July 2023 with a target date for 100% sign-off set for December 2024.

As of July 2024, 54% of employees within the PEL Group have signed up to abide by the Code.

All employees are required to report potential compliance violations in accordance with the Whistleblowing Policy.

Number Of Incidents That Triggered Anti-Bribery & Corruption Or Anti-Trust & Competition Policies Within PEL Group	2020 - 21	2021 - 22	2022 - 23	2023 - 24
Morris Lubricants	0	0	0	0
Morris Leisure	0	0	0	0
GB Lubricants	0	0	0	0

8.1 Whistleblowing Procedures

Any internal or stakeholder can report any concerns or breaches via the Whistleblowing procedure.

The policy covers all areas of potential wrongdoing including, but not limited to:

- Criminal activity, failure to comply with any legal or professional obligation or regulatory requirements
- Miscarriages of justice
- Danger to health and safety
- Damage to the environment
- Bribery under our Anti-Bribery & Corruption Policy
- Financial fraud or mismanagement,
- Breach of our internal policies and procedures
- IT or data breaches
- Conduct likely to damage our reputation or financial wellbeing
- Unauthorised disclosure of confidential information.

Number Of Incidents Reported Under Whistleblowing Policy Within PEL Group	2020 - 21	2021 - 22	2022 - 23	2023 - 24
Morris Lubricants	0	0	0	0
Morris Leisure	0	0	0	0
GB Lubricants	0	0	0	0

9 HUMAN RIGHTS

9.1 Employee Code Of Conduct

For PEL as a responsible company, observance of human rights is an essential part of business ethics. It forms the basis of all its business activities and therefore also includes relationships with customers, suppliers, and other business partners as a matter of course.

In July 2023 the Employee Code of Conduct was prepared and added as a mandatory sign-off policy for all PEL employees.

In accordance with this Code of Conduct, PEL respects and considers human rights and supports the objectives of the UK National Action Plan for the Economy and Human Rights. The National Action Plan was brought in to implement the United Nations Guiding Principles on Business and Human Rights (UNGPs).

These include freedom of association, the right to collective bargaining, the elimination of forced and child labour, and the prohibition of discrimination in employment.

As of July 24, 54% of employee have signed the Code of Conduct.

Potential violations can be reported anonymously in accordance with the PEL Whistleblowing Policy.

9.2 Modern Slavery

Modern Slavery Act Statements are updated annually and posted to the three individual Company websites as well as the corporate Paterson Enterprises Limited site. This underscores PELs unconditional commitment to preventing the criminal exploitation of human labour in any form.

Suppliers with a turnover >35M are required to confirm their compliance with the Modern Slavery Act. 80% of Suppliers are required to comply with the Act and 92% of those suppliers have confirmed compliance (target 90%).

Potential violations can be reported anonymously in accordance with the PEL Whistleblowing Policy.

Number Of Potential Human Rights Violations Identified Within PEL Group	2020 - 21	2021 - 22	2022 - 23	2023 - 24
Morris Lubricants	0	0	0	0
Morris Leisure	0	0	0	0
GB Lubricants	0	0	0	0

10 EDUCATION & TRAINING

10.1 Apprenticeship Programme

Paterson Enterprises pays the Apprenticeship Levy which is a tax on employers with an annual pay bill exceeding £3 million. 0.5% of the total pay bill is paid into the levy. This then enables the company to draw upon the funds and employ apprentices. Currently Paterson Enterprises employs apprentices across the business, notably Business Administration, Digital Marketing, Maintenance Engineers, Team Leading, IT and Laboratory Chemists. Previous apprentices have gone on to secure full-time roles after passing their apprenticeships.

Each apprentice is supported by their line manager and the HR Apprentice Lead.

Apprenticeship training is supported by day release with external training providers and local colleges.

10.1.1 The 5% Club

The 5% Club is an employer-led charity whose goal is to increase the employment and career prospects of employees today and the future and equip the UK with the skilled workforce it needs.

Having set and achieved this goal for themselves in 2021, GB Lubricants became a member of the club in 2024 and, as such, have committed to maintain a minimum of 5% of their UK work force in 'earn and learn' positions (apprenticeships, graduate schemes or sponsored students) within five years of joining. Progress will be measured annually and reported in subsequent Sustainability Reports.

Morris Lubricants aims to join the 5% Club in the next financial year.



10.2 Graduate Programme

Paterson Enterprises is committed to employing talent through its Graduate Programme. This initiative has been running for 9 years and has successfully introduced graduates to the business who are now part of the Senior Leadership Team. This investment is made as a key succession planning tool.

In partnership with Discovery Graduates the intention is to recognise potential and develop transferable skills to benefit both the graduate and the business, utilising new ideas and continuous learning opportunities. Recruitment is done through a comprehensive graduate recruitment day which gives the senior leadership team the opportunity to identify those individuals with the most to offer Paterson Enterprises.

Of the approximately 10 graduates employed over the last 9 years all but one continue to be employed in the business. All graduates are enrolled in the Discovery Open Programme which supports the graduate for the first 18 months of their employment.

10.3 CPD Policy And Details

Continued professional development is supported by identifying training opportunities for all individuals. The company pays for accredited memberships such as CIPS, CIPD and CIMS etc.

Accredited training courses are encouraged and paid for by the company. Individuals have recently passed the following:

- CIPD Level 3 Certificate in Human Resource Practice
- CIPD Level 5 Certificate in Human Resource Management
- CIPD Level 7 Diploma in Human Resource
- Master's in strategic People and Human Resource Management
- CIPS Diploma in Procurement and Supply – Levels 4, 5 and 6
- CIM Diploma in Professional Marketing Level 6
- CIMA Certificate in Business Accounting

We also support sales training, and the development of production workers with forklift truck and Bendi training and any mandatory regulatory courses required for the performance of their jobs.

All employees have the chance to become first aiders or mental health first aiders.

For those employees needing more technical knowledge courses are provided by UKLA in the form of Certificate of Lubricant Competence and UKLA Professional Development Series 1-5.

All managers and supervisors have regular training in line management skills.

All employees are trained using a suite of relevant online courses from iHASCO.

10.4 Training

Training across the group is monitored and reported in slightly different ways. Each company within the group establishes its own target for employee training. This excludes any 'on the job' training done as part of the mentoring process for new employees. All figures below are shown as average hours per employee, per year.

10.4.1 Morris Lubricants Training

Reported on a financial year basis. Target 15 hours per employee per year.

Summary Of Training	2021 - 22	2022 - 23	2023 - 24
Apprenticeships	624	832	1,632
Employee Cpd	1,197	1,520	773
Flt Training	175	245	252
External H&S Training	204	321	388
On-Line Training Modules	152	287	231
Total Training Hours Per Year	2,352	3,205	3,276
Average Employee Numbers	144	142	142
Ave Training Hours/Employee/Year	16	23	23

10.4.2 GB Lubricants Training

Reported on a financial year basis. Target 15 hours per employee per year. Please note scheduling several courses towards the end of FY 2022/23 has depressed the figure for 2023/24. The average for the two years is above target at 19.6 hours per employee.

Summary Of Training	2022 - 23	2023 - 24
Employee CPD	560	120
External H&S Training	436	240
FLT Training	32	80
On-line Training Modules	169	48
Total Training Hours Per Year	1,197	488
Average Employee Numbers	43	43
Ave Training Hours/Employee/Year	27.8	11.3

11 DIVERSITY & EQUAL OPPORTUNITIES

A responsible HR policy means equal opportunities and strictly prohibiting discrimination.

PEL does not tolerate any form of discrimination and is committed to upholding the principles of equal opportunities when hiring and promoting employees. Furthermore, PEL respects the rights to equal treatment, regardless of their race and nationality, religion or belief, gender or sexual orientation, political or trade union activity, age, illness or disability, or other personal characteristics.

We consider mixed management teams to be a significant strengthening of our company. Currently, women account for 30% of the total workforce. The share of women in management positions remains stable at 27%.

Potential violations can be reported anonymously in accordance with the PEL Whistleblowing Policy.

Equality and diversity training was made mandatory for all new staff at ML in 2023. A training program is in place for existing staff. As of July 2024, 62% of employees have undergone the training. This will be extended to the entire PEL group in 2025.

	2020 - 21	2021 - 22	2022 - 23	2023 - 24
Number Of Incidents Of Discrimination Reported	0	0	0	0



12 SUPPLIERS

12.1 Supplier Code Of Conduct

For Morris Lubricants and GB Lubricants, a competitive and reliable supply of raw materials, services and technical goods is ensured by maintaining close, open, and transparent relationships with suppliers. The aim is, in collaboration with suppliers, to continuously drive transparency and sustainability all the way along the supply chain.

ML & GB share a common supplier base. In June 2023, the PEL Supplier Code of Conduct was developed and sent to key suppliers. The Code sets out the minimum CSR requirements that we expect from our trading partners. Suppliers were also encouraged to share their own codes of conduct and CSR data to improve supply chain transparency.

Our target was to have 95% of key suppliers agree to abide by our Code of Conduct by July 2024. This was achieved ahead of schedule and the requirement rolled out to all direct suppliers to ML and GB. As of July 2024, this stands at 61%. The target for July 2025 is for 95% of all direct suppliers.

Only raw materials that comply with all applicable EHS (environment, health, safety) are used. Our Technical teams work continually with suppliers to utilise alternate raw materials that pose less EHS hazards or originate from renewable sources.

Our laboratories monitor the quality of incoming raw materials as these are key to ensuring consistently high-quality finished products.

12.2 Supplier Assessment

ML and GB award all suppliers a rating which is influenced by the recognised management systems which they operate. A group approved supplier list is maintained.

The key management systems considered when assigning ratings are:

- ISO9001 Quality Management
- ISO14001 Environmental Management
- ISO45001 Occupational Health & Safety Management

The current ratings are:

- Grade A1 Supplier holding ISO9001, ISO14001 and ISO45001
- Grade A2 Supplier holding ISO9001 and ISO14001 OR ISO45001
- Grade A3 Supplier holding ISO9001 only
- Grade C No formal system but historically has met requirements without issue or holds other industry standard (the latter often applies to packaging companies)

	No. Suppliers	%
A1	23	22%
A2	24	23%
A3	49	46%
C	10	9%
Category A3 And Above	96	91%

12.3 Sustainable Procurement

GB and ML are already engaging with suppliers on sustainability, but this will be formalised over the coming years with an additional AA rating created to reflect those suppliers who are actively working towards their own sustainability goals.

12.4 REACH Compliance

As part of the process mentioned in 12.1, GB and ML maintain records of those suppliers who have confirmed that their products comply with both EU and UK REACH. This was extended from 52 key suppliers to 117 suppliers in 2024.
















Requests	117
Compliance confirmed	48
Not applicable to supplier	35
Response rate July 2024	59%
Target response rate by Dec 2024	95%

13 CSR PROJECTS

PEL support several social projects. The majority of these benefitted local causes.

The three SDGs supported this year, were: SDG 3 Good Health & well-being at 50%, SDG 11 Sustainable cities and communities at 43% and SDG 4 Quality Education at 12%.

It should be noted that items can be assigned to more than one SDG

Company	Beneficiaries	Project Description	Significantly Influenced SDGs	Company	Beneficiaries	Project Description	Significantly Influenced SDGs
Paterson Enterprises	Midlands, Wales & Great North Air Ambulance	Various fund-raising activities throughout the year including a tandem sky dive to raise money for the 3 air ambulance charities.		Morris Lubricants	Shrewsbury Rugby Club	Kit sponsorship	
Paterson Enterprises	Paterson Enterprise employees	See 6.2.3		Morris Lubricants GB Lubricants	Paterson Enterprise employees	See 6.2.3	
Morris Lubricants Morris Leisure	Hope House & Tŷ Gobaith Children's hospices	Provide palliative care for children and support for their families		Morris Lubricants Morris Leisure	Employees	Trained Mental Health First Aiders. Promotion of 'Time to Talk' and 'Stress Awareness Week'	
Morris Lubricants	Trikes for Ukraine	Provide trikes for disabled children and young people in Ukrainian orphanages		GB Lubricants	Breast Cancer Now	Support of 'Wear it pink' event to raise funds for breast cancer research	
Morris Lubricants	Knockin & Kinnerly Cricket Club	5-year sponsorship deal and kit donation		GB Lubricants	St Oswald's Hospice	Provide expert care and support to adults and children with life-limiting conditions.	
Morris Lubricants	Shrewsbury High School	Materials donated for art project		GB Lubricants	Kinnoull FC	Player sponsorship	
Morris Lubricants	Castlefields Bowls Club	Kit sponsorship		GB Lubricants	Wrekenton NOU U-14 FC	Team sponsorship	
Morris Lubricants	Harper Adams Motorsports Club	Club sponsorship, donation of products	 	GB Lubricants	Hartlepool Huskies Basketball team	Kit sponsorship	
Morris Lubricants	Employees	Annual charity football match against Greenhous Shrewsbury					

14 INVESTING IN OUR FUTURE

14.1 Investments, Recent And Future For Morris Lubricants

The £3M investment in Project Steam was completed in 2024. The project had a focus on efficiency and flexibility as well as the mitigation of carbon emissions and waste within operations. Improvements to the production plant have included the installation of a new tank farm comprising of thirty stainless steel storage vessels, the relocation and reconfiguration of production lines, and the integration of a state-of-the-art, fully automated control and recovery system.

In addition to delivering logistics efficiencies, the changes have led to a reduction in waste, and with sustainable practices central to the plant's redesign, low energy LED lamps have also been fitted throughout the production facility. This investment builds upon the existing sustainable solutions which includes on-site solar power generated electricity, ultrasonic product blending capabilities and the use of recyclable packaging.

This financial year, ML is investing a further £2M investment in Project Tiger. This is the installation of a 30,000 litre, fully automated blending tank housed in a purpose-built building. As well as expanding the flexibility and capacity of the production facilities, it has been designed with a focus on reducing energy consumption and the generation of waste.

The management team are currently undertaking a viability study to look at relocating the entire logistics facility to another site within Shrewsbury. This would increase available pallet space for finished produced to over 4,000 spaces and would handle dispatch for both UK and export orders. It would also have the benefit of freeing up space at the main site to provide further room for expansion of the production process and reduce congestion within the yard.

14.2 Investments, Recent And Future For GB Lubricants

In 2023, GB completed the construction of a new modular building. It comprises new toilet and shower facilities for staff, a changing area and secure lockers for the works team, a new break room and kitchen the entire site can use as well as a brand-new technical centre.

The Technical Centre is a purpose built unit an a significant upgrade on the previous laboratory facility.

The new building has improved insulation, uses energy from the minewater heat pump station and solar farm, as well as additional solar panels on the roof of the building.

In 2024, plans are progressing to build a new additional warehouse at the rear of the site. The warehouse will add 1300 pallet spaces of on-site storage. This will have many benefits including reducing transportation costs back and forwards to an off-site storage facility, as well as freeing up space to bring in full loads of empty packaging in one trip from the manufacturer instead of 2 to 3 runs.

GB are at the scoping stage of a project to upgrade their ERP system in line with the software already used by ML. Expected to go live by summer 2025, this will offer sustainability benefits from increased digitisation of the business as well as improved stock rotation and management by the implementation of barcoding.

14.3 Investments, Recent And Future For Morris Leisure

At the end of FY 2022-23, Morris Leisure added Poston Mill in Herefordshire to their portfolio of Leisure parks.

Planning has been approved for extension of the existing Ludlow Touring and Holiday Home Park to include an additional 61 static pitches.



15 I.T AND DATA SECURITY

15.1 Cyber Essentials

Following an in-depth assessment of their IT infrastructure and process, PEL, in this case incorporating Morris Lubricants and Morris Leisure, were awarded the Cyber Essentials Certificate of Assurance in July 2024.



GBT will begin their own journey towards Cyber Essentials certification in 2025.

15.2 I.T Risks And Security Register

The PEL Group register identifies risks alongside mitigation and contingency measures for key areas of information security. The key areas considered are listed below.

Server/Data/Systems	Internet connectivity	Cyber Security
Site Wireless Infrastructure	Site Network Infrastructure	Telephone System
Cloud Hosted Systems	Key Production Equipment	Key Lab Equipment

15.3 Data Breaches

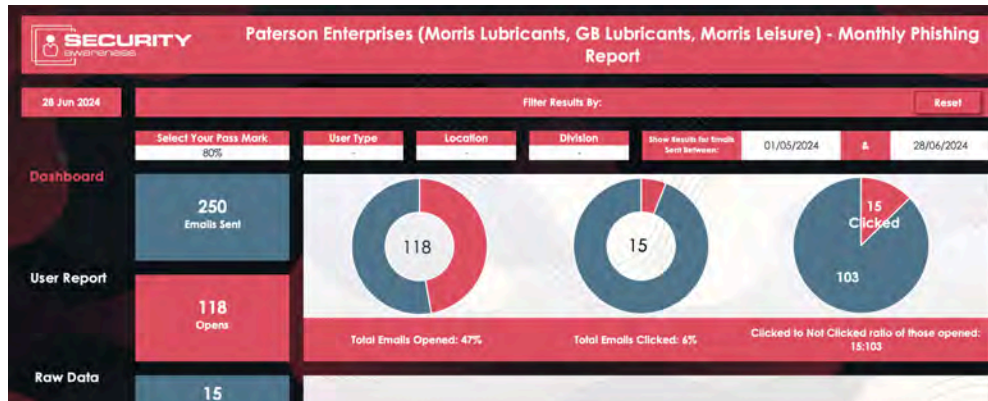
There have been no data breaches reported within the group since consolidated reporting began in 2021.

15.4 I.T Training

All PEL employees are required to read and accept the IT, Internet and Security and the Employee Data Protection Policies.

	I.T, Internet & Security	Data Protection
GB Lubricants	100%	100%
PEL Incl. ML & Leisure	98%	95%

All computer users within the Paterson Enterprises Limited Group, complete periodic refresher training to strengthen their knowledge on information security related issues. After training, there is an ongoing 'mystery test', where phishing style emails are sent to computer users to examine employee vigilance. Refresher training is provided to computer users who need further assistance.



15.5 Security Breaches

Disaster Recovery testing is carried out annually and covers all key areas across the Group.

Additionally, there are ongoing controls to reduce the risk of security breaches:

- Two factor authentication for external systems
- No outward facing customer systems
- Security training and random phishing tests for all users
- Managed update of software and equipment
- Anti-spam software in place to prevent malicious emails
- Antivirus software on all company devices
- Prohibition on use of portable data storage devices (USB sticks, external hard drives etc)

No. Incidents Confirmed Within PEL Group	Information Security Incidents	2020 - 21	2021 - 22	2022 - 23	2023 - 24
Morris Lubricants		0	0	0	0
Morris Leisure		0	0	0	0
GB Lubricants		0	0	0	0



16 ABOUT THIS REPORT

16.1 2024 Sustainability Report

This is the first Sustainability Report published by Paterson Enterprises Limited as a Group.

This Sustainability Report is intended to provide stakeholders with information on how we advance our business and make PEL more sustainable.

For this purpose, the reporting period is aligned with the PEL Financial Year 01 August 2023 to 31 July 2024. Where data is based on a different period, this is clearly indicated in the report

16.2 Procedure And Material Report Contents

PEL is aiming to orient their sustainability reporting to material topics. In accordance with GRI requirements, we assessed material topics for this report based on the principle of double materiality according to impact relevance and stakeholder relevance.

The materiality analysis will be reviewed annually initially as PEL strives to ensure that all relevant topics have been captured and prioritised correctly.

Material topics are structured according to the three sustainability dimensions of economic, ecological and social sustainability.

Overall, the Main Board is responsible for sustainability. The Chairman of PEL has approved this report and confirms that it takes into account all sustainability topics that are material for the stakeholders of PEL

16.3 Data Collection, Scope And Limits Of The Report

The data collection includes all trading companies that belong to the scope of the consolidated financial statements of Paterson Enterprises Limited from 01 August 2023 to 31 July 2024.

The data used to calculate Scope 1 emissions in terms of gas, oil, fuel, delivery fleet emissions etc, are based primarily on actual consumption values. Where data is missing and results have been extrapolated, this is clearly indicated in the report.

Scope 2 emissions from the utilisation of electricity, are gathered on a site-by-site basis and combined to provide data at both group and individual trading entity level.

Calculation of Scope 3 emissions are still somewhat in their infancy. Using the methodology and conversion factors developed by the UEIL, ML have estimated their scope 3 emissions resulting from their use of raw materials. GB will begin this project in 2025.

As a group, PEL reports Scope 3 emissions from waste generation and water consumption.

16.4 External Audit

This sustainability report has not been subject to an external audit. However, key figures for energy, waste and emissions were reported in the 2022 and 2023 annual reports. Energy data is also audited annually by BSI as part of the ISO50001 certification

16.5 GRI

This sustainability report has been aligned wherever possible with the GRI standards. PEL will increase the coverage of the GRI standards in the coming years.

16.5.1 Mapping Of Material Topics

Material Topics	GRI	GRI Chapter
ECONOMIC:		
Risk Management & Quality	103	Management Approach
Risk Management & Quality	102 - 30	Effectiveness Of Risk Management Procedure
Tax	207	Tax
ECOLOGICAL:		
GHG Emissions	305	Emissions
Energy Management	302	Energy
Water Management	303	Water And Waste Water
Waste Generation & Disposal	306	Waste Water And Waste
Supply Chain & Raw Materials	301	Materials
SOCIAL:		
Corporate Strategy & Investment Planning	102	102-18 – 102-39 Corporate Management
Employment	401	Employment
Employee Health & Safety	403	Safety And Health At Work
Anti-Competitive Behaviour	206	Anti-Competitive Behaviour
Anti- Corruption	205	Anti- Corruption
Human Rights & Labour Practices	412	Audit And Respect For Human Rights
Employee Acquisition, Development & Retention	404	Education And Training
Employee Engagement, Diversity & Inclusion	406	Non-Discrimination
Employee Engagement, Diversity & Inclusion	405	Diversity And Equal Opportunities
Supply Chain Management	308	Environmental Assessment Of Suppliers
Supply Chain Management	414	Social Evaluation Of Suppliers

16.5.2 GRI Index

Key to the following index for location of the information.

SR = this Sustainability Report

AR = Annual Report for year ending July 2023 as submitted to Companies House

Statement of use			Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2023 to 31 July 2024 with reference to the GRI standard					
GRI I used			GRI I: Foundation 2021					
GRI Standard / other source	Disclosure	Location	Omission		Comment	Relevant SDG	UNGC	
			Reason	Explanation				
GENERAL DISCLOSURES								
GRI: General Disclosures 2021	2-1	Organisational details	SR sect I	~	~	Head office: Paterson Enterprises Ltd, Shrewsbury, UK		
	2-2	Entities included in the organisation's sustainability report	SR sect I			Trading divisions Morris Lubricants & Morris Leisure and Goodall, Bates & Todd Ltd, trading as GB Lubricants		
	2-3	Reporting period, frequency & contact point				Aligned with financial year August 2023 – July 2024		
	2-4	Restatements of information		Not applicable				
	2-5	External assurance	SR sect 15.4					
	2-6	Activities, value chain & other business relationships	AR p20			https://www.morrislubricants.co.uk/products.html		
	2-7	Employees	SR sect 6.2.5				8	6
	2-8	Workers who are not employees		Not recorded	Minimal use of workers who are not employees			7
	2-9	Governance structure and composition						
	2-10	Nomination & selection of the highest governance body	AR p50				5, 16	
	2-11	Chair of the highest governance body	AR p50, SR sect I				16	
	2-12	Role of the highest governance body overseeing the management of impacts	SR sect I					
	2-13	Delegation of responsibility for managing impacts	SR sect I					
	2-14	Role of the highest governance body in sustainability reporting		Not defined				
	2-15	Conflicts of interest	AR p17-19				16	

Statement of use		Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2023 to 31 July 2024 with reference to the GRI standard						
GRI I used		GRI I: Foundation 2021						
GRI Standard / other source	Disclosure	Location	Omission		Comment	Relevant SDG	UNGC	
			Reason	Explanation				
GENERAL DISCLOSURES								
GRI: General Disclosures 2021	2-16	Communication of critical concerns				Any concerns of shareholders may be raised at the AGM.		
	2-17	Collective knowledge of the highest governance body	SR sect 1			Executive Board at Morris Lubricants develop sustainability strategy for the group with guidance from the main Paterson Board.	4	
	2-18	Evaluation of the performance of the highest governance body	AR p17-19					
	2-19	Remuneration process	AR p36					
	2-20	Process to determine remuneration		Not reported at this time		Main Board agrees compensation for ML exec Board and other senior managers.	16	
	2-21	Annual total compensation ratio	AR p36					
	2-22	Statement on sustainability strategy	SR Executive Summaries, SR sect 1 & 2					
	2-23	Policy commitments	SR sect 8, 9, 11, 12				16	10
	2-24	Embedding policy commitments	SR sect 8, 9 11, 12 AR p8-13					
	2-25	Processes to remediate negative impacts				There were no occurrences in this regard.		
	2-26	Mechanisms for seeking advice and raising concerns	SR sect 8, 9, 11					
	2-27	Compliance with laws and regulations			Information not fully available at this time	Compliance with H&S regulations confirmed via internal audit and external ISO45001 certification. Compliance with environmental regulations confirmed via internal audit and external ISO14001 certification. Compliance with financial regulation confirmed via annual consolidated audit report.		
	2-28	Membership associations	SR sect 6.1.1					
	2-29	Approach to stakeholder engagement	SR sect 3					
	2-30	Collective bargaining agreements		Not applicable	No collective bargaining agreements in place			

Statement of use		Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2023 to 31 July 2024 with reference to the GRI standard						
GRI I used		GRI I: Foundation 2021						
GRI Standard / other source	Disclosure	Location	Omission		Comment	Relevant SDG	UNGC	
			Reason	Explanation				
GENERAL DISCLOSURES								
GRI 3: Material Topics 2021	3-1	Process to determine material topics	SR sect 3					
	3-2	List of material topics	SR sect 3, 15					
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 12					
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers		Information unavailable/incomplete	PEL have not implemented an analysis method that distinguishes between local, national or global supply.		12	
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 8, 9, 12.1					
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption		Information unavailable/incomplete	Compliance risks audited as part of IMS & financial systems but no consolidated information to report.		16	10
	205-2	Communication and training about anti-corruption policies	SR sect 9.1 AR p18-19				16	10
	205-3	Confirmed incidents of corruption and actions taken	SR sect 8			No incidents reported	16	10
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 8					
GRI 206: Anti-competitive behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	SR sect 8			There were no proceedings against the company in the reporting year	16	

Statement of use			Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2023 to 31 July 2024 with reference to the GRI standard					
GRI I used			GRI I: Foundation 2021					
GRI Standard / other source	Disclosure	Location	Omission		Comment	Relevant SDG	UNGC	
			Reason	Explanation				
TAX								
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 4.1 AR p20, 29-34					
GRI 207: Tax 2019	207-1	Approach to tax	AR p29-34			PEL is committed to transparency. Tax strategies aimed at tax avoidance are strictly rejected.		
	207-2	Tax governance, control, and risk management	AR p13-14					
	207-3	Stakeholder engagement & management of concerns related to tax	SR sect 12					
	207-4	Country-by-country reporting		Not applicable				
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 5.5					
GRI 301: Materials 2016	301-1	Materials used by weight or volumes	SR sect 5.5	Information unavailable/ incomplete	Manufacturing process involves large quantities of raw materials from renewable & fossil sources. Exact weight data not recorded in reportable fashion.		8, 12	7, 8
	301-2	Recycled input materials used	SR sect 5.4, 5.5.2				8, 12	8
	301-3	Reclaimed products and their packaging materials	SR sect 5.4, 5.5.2				8, 12	
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 5.2					
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	SR sect 4.1-4.3, 5.2.1 AR p8-12				7, 12, 13	7, 8
	302-2	Energy consumption outside of the organisation		Information unavailable/ incomplete	PEL in process of determining energy consumption of upstream supply chain as part of GHG Scope 3 screening.		7, 8, 12, 13	8
	302-3	Energy intensity	SR sect 4.1-4.3, 5.2.2 AR p8-12				12, 13	8

Statement of use			Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2023 to 31 July 2024 with reference to the GRI standard					
GRI I used			GRI I: Foundation 2021					
GRI Standard / other source	Disclosure	Location	Omission		Comment	Relevant SDG	UNGC	
			Reason	Explanation				
TAX								
GRI 302: Energy 2016	302-4	Reduction of energy consumption	SR sect 4.1-4.3, 5.2 AR p8-12				8, 12, 13	8, 9
	302-5	Reductions in energy requirements of products and services	SR sect 4.1-4.3, 5.2 AR p8-12				8, 12, 13	8, 9
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 5.3					
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	SR sect 5.3			Water is used as a raw material on a limited scale. The biggest consumers within the group are Morris Leisure.		7, 8
	303-2	Management of water related discharge impacts		Information unavailable/ incomplete		Both ML & GBT are certified to ISO14001.		7, 8
	303-3	Water withdrawal		Information unavailable/ incomplete	Only relevant to Morris Leisure Bow House site. Data not currently recorded			7, 8
	303-4	Water discharge	SR sect 5.3.3	Information unavailable/ incomplete	Not currently recorded			7,8
	303-5	Water consumption	SR sect 5.3					7, 8
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 5.1 AR p8-12					
GRI 305: Emissions 2016	305-1	Energy Direct (Scope 1) GHG emissions	SR sect 5.1 AR p12				3, 12, 13, 14, 15	7, 8
	305-2	Energy Indirect (Scope 2) GHG emissions	SR sect 5.1 AR p12				3, 12, 13, 14, 15	7, 8
	305-3	Other indirect (Scope 3) GHG emissions	SR sect 5.1.4	Information unavailable/ incomplete	Methodology under development	PEL currently only capture and report Scope 3 emissions for water usage and waste generation / disposal.	3, 12, 13, 14, 15	7, 8
	305-4	GHG emissions intensity	SR sect 5.1.2, 5.1.3				3, 12, 13, 14, 15	8
	305-5	Reduction of GHG emissions	SR sect 5.2 AR p12				3, 12, 13, 14, 15	8, 9

Statement of use			Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2023 to 31 July 2024 with reference to the GRI standard					
GRI I used			GRI I: Foundation 2021					
GRI Standard / other source	Disclosure	Location	Omission		Comment	Relevant SDG	UNGC	
			Reason	Explanation				
TAX								
GRI 305: Emissions 2016	305-6	Emission of ozone-depleting substances		Not applicable	Negligible amounts possible from air conditioning systems, not reported		3, 12, 13	7, 8
	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	SR sect 4.1, 4.2			ML & GB report NOx and particle matter (PM) emissions from the delivery fleets. Emissions are below local limits.	3, 12, 13	7, 8
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 4.1, 4.2, 4.3, 5.4					
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	SR sect 5.4					
	306-2	Management of significant waste-related impacts	SR sect 5.4			Waste is disposed of via licenced recycling and waste management facilities. PEL has a policy of sending zero to landfill	3, 6, 12, 8	
	306-3	Waste generated	SR sect 5.4				3, 6, 11, 12, 13, 14, 15	8
	306-4	Waste diverted from disposal	SR sect 5.4			General waste is sent to either an Energy Recover Facility (ERF) or Material Recycling Facility (MRF)	3, 6, 12, 13, 14	8
	306-5	Waste directed to disposal	SR sect 5.4			PEL sent zero waste to landfill in the reporting period. 93% of liquid hazardous waste was re-refined and the remaining 7% repurposed.		
GRI 3: Material topics 2021	3-3	Management of material topics						
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	SR sect 12.2			ML & GB supplier on-boarding process has included environmental assessment for several years. Process has recently been expanded to include Supplier Code of Conduct which focusses on sustainability topics.		
	308-2	Negative environmental impacts in the supply chain and actions taken		No data	No impacts reported			
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 6.2 AR p36					
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	SR sect 6.4				5, 8	6
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time workers.	SR sect 6.2			On occasion temporary workers are employed via an employment agency. Anyone employed directly by PEL, whether full time, part time or on a fixed term contract, is entitled to the same benefits (pro-rata).	8	

Statement of use			Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2023 to 31 July 2024 with reference to the GRI standard					
GRI I used			GRI I: Foundation 2021					
GRI Standard / other source	Location	Disclosure	Location	Omission		Comment	Relevant SDG	UNGC
				Reason	Explanation			
TAX								
GRI 401: Employment 2016	401-3	Parental leave	SR sect 6.2.1			Full details available for employees but not included in this stakeholder report.	5, 8	6
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 7					
GRI 403: Occupational health & safety 2018	403-1	Occupational health & safety management system	SR sect 7				3, 8	
	403-2	Hazard identification, risk assessment, and incident investigation	SR sect 7			All work-related incidents are investigated either by the site team or staff from Head Office. All sites have risk assessment procedures and risk assessments in place.	3, 8	
	403-3	Occupational health services	SR sect 4.1, 4.2, 6.2.2				3, 8	
	403-4	Worker participation, consultation, and communication on occupational health & safety	SR sect 7				3, 8	
	403-5	Worker training on occupational health & safety	SR sect 10.4				3, 8	
	403-6	Promotion of worker health	SR sect 6.2.2, 6.2.3				3, 8	
	403-7	Prevention & mitigation of occupational health & safety impacts directly linked by business relationships	SR sect 7, 10.4				3, 8	
	403-8	Workers covered by an occupational health & safety management system	SR sect 7			100% of manufacturing companies within PEL are certified to ISO45001 which equates to approximately 84% of the total workforce.	3, 8	
	403-9	Work-related injuries	SR sect 7.1				3, 8	
	403-10	Work-related ill health	SR sec 7.2				3, 8	

Statement of use			Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2023 to 31 July 2024 with reference to the GRI standard					
GRI I used			GRI I: Foundation 2021					
GRI Standard / other source	Disclosure	Location	Omission		Comment	Relevant SDG	UNGC	
			Reason	Explanation				
TAX								
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 10					
GRI 404: Training & education 2016	404-1	Average hours of training per year per employee	SR sect 10.4				4, 5, 8	6
	404-2	Programs for upgrading employee skills and transition assistance programs	SR sect 10.1-10.3				8	
	404-3	Percentage of employees receiving regular performance and career development reviews	SR sect 10.3	Data unavailable	No formal appraisal process in place and varies between companies so unable to report.		5, 8	6
GRI 3: Material topics 2021	3-3	Management of material topics	SR sect 11					
GRI 450: Diversity and equal opportunities 2016	405-1	Diversity of governance bodies and employees	SR sect 6.2.5, 11			Currently only break down employees by gender and age	5, 8	6
	405-2	Ratio of basic salary and remuneration of women to men		Data unavailable	Not currently reported	PEL fills relevant positions according to their competence and compensates them in line with their duties and responsibilities, irrespective of personal characteristics such as gender.	5, 8, 10	6
GRI 3: Material topics 2021	3-3	Management of material topics	SR sect 11					
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	SR sect 11			Incidents can be reported in accordance with the Whistleblowing policy. No incidents reported or recorded in the reporting year.	5, 8, 16	6
GRI 3: Material topics 2021	3-3	Management of material topics	SR sect 12					
GRI: 414 Supplier social assessment	414-1	New suppliers that we screened using social criteria	SR sect 12			Supplier Code of Conduct made mandatory for all key supplier from 2023 onwards.		
	414-2	Negative social impacts in the supply chain and actions taken		Information unavailable	The figure is not currently recorded.			

Paterson
ENTERPRISES LIMITED



MORRIS
LUBRICANTS



LUBRICANTS



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