



SUSTAINABILITY REPORT JULY 2025



ENVIRONMENTAL, SOCIAL AND GOVERNANCE ACTIVITIES 2025



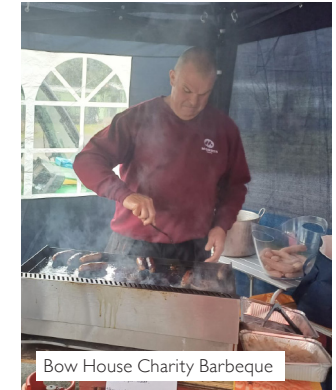
Chris Williams Retires After 46 Years



The Great North Run



Morris Lubricants' Colleagues Embark On The Three Peaks Challenge



Bow House Charity Barbeque



Paterson Charity Pub Quiz



Halloween Bingo At Stanmore Hall



Tim Berkeley Retires After 23 Years



Morris Lubricants Charity Cricket Match



Annual Charity Football Match Against Greenhous



Elliot Hotchkiss, UKLA Young Employee Of The Year



Morris Lubricants Proudly Supporting Shrewsbury Men's Shed Charity



GB Lubricants' Visitor Infographic Panels

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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 undertaken.

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



MORRIS
LUBRICANTS

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 100 countries around the world.

**To Do The
Common Thing
Uncommonly
Well**



LUBRICANTS

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.

**Quality And
Integrity In
Everything
We Do**



MORRIS
LEISURE

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.

**5-Star Tranquil
Escapes In
Stunning
Locations**

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

Over the past year, we have continued to build on our long-standing commitment to sustainability, innovation, and responsible business practices. I am proud to report that Morris Lubricants has not only achieved its Platinum EcoVadis rating but has also made significant strides in reducing emissions, improving energy efficiency, and embedding sustainability into every facet of our operations.



Andrew Goddard, Morris Lubricants' Executive Chairman states,

"The lubricants industry is evolving rapidly, and we must remain agile and forward-thinking. Our transition to renewable fuels and investment in product carbon footprinting are just two examples of how we are turning ambition into action. These initiatives are not only good for the environment - they also strengthen our resilience, enhance our competitiveness, and support our customers in achieving their own sustainability goals."

As a fifth-generation family business, we understand the importance of long-term thinking. Our responsibility extends beyond compliance; it is about leadership, innovation, and creating lasting value for future generations. I would like to thank our employees, partners, and customers for their continued support and shared commitment to a more sustainable future.

Together, we are not just adapting to change – we are helping to shape it.

Statement from Paul Booth, Managing Director of GB Lubricants

At GB Lubricants, sustainability is not a standalone initiative - it is embedded in every decision we make. As a business with over 140 years of heritage, we understand the importance of adapting to meet the challenges of today while preparing for the opportunities of tomorrow.



Paul Booth, GB Lubricants' Managing Director states,

"In 2024, we retained our Platinum EcoVadis rating, placing us once again in the top 1% of companies assessed globally. This achievement reflects the dedication of our entire team and our continued investment in ethical governance, environmental performance, and responsible sourcing."

We have made measurable progress in reducing our environmental footprint. Our Scope 1 emissions have decreased by 22% since our 2021 baseline, and we continue to transition our energy supply through our partnership with the Gateshead District Energy Scheme. This year, 15% of our heat and 29% of our electricity came from renewable sources, and we are committed to increasing these figures year on year.

I am proud of the progress we've made and grateful to our employees, customers, and partners for their continued support. Together, we are building a more resilient, responsible, and forward-looking business.

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

At Morris Leisure, our commitment to sustainability is deeply rooted in our respect for the natural beauty of the locations in which we operate. With seven award-winning holiday parks across Shropshire, Herefordshire, and North Wales, we recognise the importance of protecting these landscapes for future generations.



Edward Goddard, Morris Leisure's Executive Chairman states,

"In 2025, we achieved a significant milestone by reducing our Scope 2 emissions to zero - well ahead of our Net Zero 2040 target. This was made possible by switching to 100% renewable electricity and continuing to expand our on-site solar generation, which now powers over 3% of our total electricity use. We also made further progress in reducing our water consumption and increasing recycling rates across our parks, with 31% of waste now being recycled and zero waste sent to landfill."

Our guests and employees are central to our sustainability journey. Through education campaigns and infrastructure upgrades, we are encouraging more responsible use of energy and water across all our sites.

Sustainability is not a one-time achievement - it is a continuous journey. I am proud of the steps we have taken and remain committed to ensuring that Morris Leisure continues to lead by example in the leisure and tourism sector.

OPENING STATEMENT

At Paterson Enterprises Limited, we remain fully committed to environmental responsibility, transparency, and continuous improvement across our operations. In October 2024, we were proud to see both of our manufacturing businesses, Morris Lubricants and GB Lubricants, achieve the Platinum EcoVadis Sustainability Rating, placing them in the top 1% of assessed companies globally. This recognition reflects our sustained investment in environmental management, ethical governance, labour practices, and sustainable procurement.

We also recognise that the UK lubricants industry is navigating a period of significant transition. The sector faces complex challenges, including tightening environmental regulations, evolving customer expectations, and the need to decarbonise supply chains while maintaining product performance and reliability. These pressures are compounded by uncertainties in raw material availability and the pace of technological change.

Looking ahead, our strategic focus for the coming year is to advance the measurement and management of our Scope 3 upstream emissions. We recognise that a comprehensive understanding of our full value chain impact is critical to setting meaningful reduction targets. As such, we have initiated work to quantify emissions associated with raw material extraction, supplier transport, and inbound logistics, with the aim of establishing a credible and science-aligned Scope 3 reduction target by the end of 2027.

Additionally, we are embarking on a programme to calculate the cradle-to-supplier-gate product carbon footprints for key products across our portfolio. This work will enable more transparent communication with our customers, support data-driven decisions in product development, and lay the foundation for more sustainable product design and procurement practices.

Our achievements to date provide a strong foundation, but we recognise that sustainability is a journey. We remain committed to working collaboratively with our suppliers, customers, and stakeholders to drive measurable progress toward our long-term climate and environmental goals, while acknowledging and addressing the real-world challenges our industry must overcome.

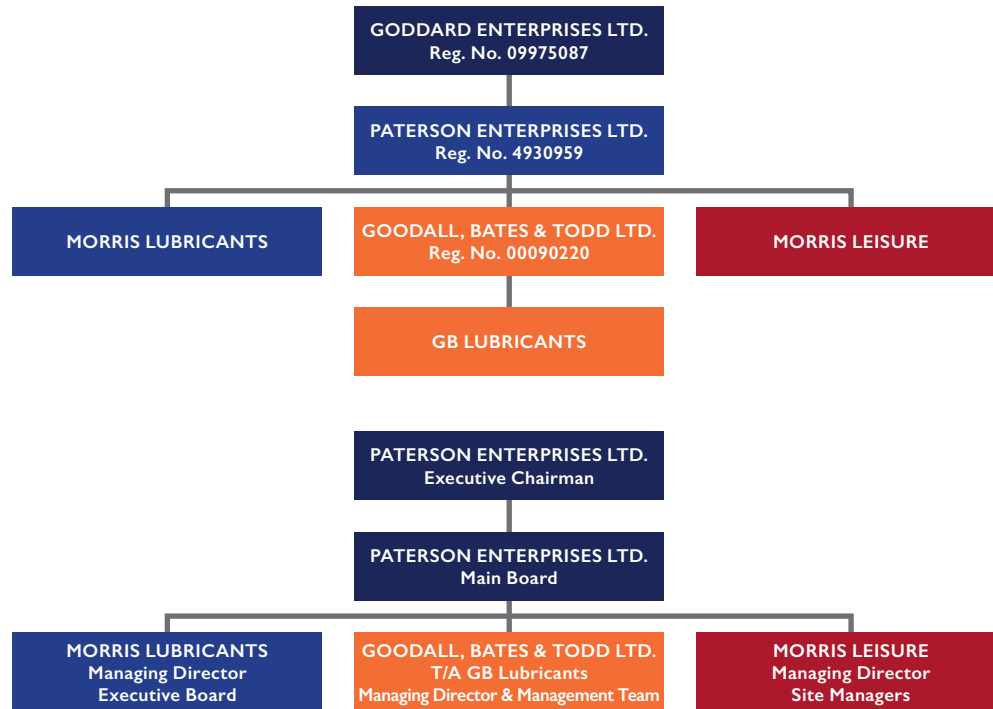


Caroline Walton

Group Regulatory Affairs Manager,
Paterson Enterprises Limited

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 2024 to July 2025.

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



Solar Panels Powering The Morris Lubricants Manufacturing Site

Embedding sustainable thinking into every aspect of our operations remains a cornerstone of our strategic vision and long-term business resilience. Since 2020, we have aligned our approach with the framework developed by the Union of the European Lubricants Industry (UEIL), which provides a structured methodology for measuring sustainability performance across the lubricants sector.

Using this framework, we have successfully established our Scope 1 and 2 emissions baseline and are now progressing on the more complex task of quantifying Scope 3 emissions. This work is essential as we strive to understand and reduce our full value chain impact.

2.1 The Impact Of Lubricants

Lubricants play a critical role in global energy efficiency. It is estimated that around one-third of the world's primary energy consumption is lost to friction, wear, and corrosion; issues that lubricants directly address. Moreover, approximately 70% of equipment failures are linked to lubrication breakdown.

While traditional environmentally friendly lubricants have focused on biodegradability or bio-based content, the broader sustainability value of lubricants lies in their ability to extend equipment life, reduce energy consumption, and improve operational efficiency. Today's advanced formulations offer significantly better performance than those of previous decades, delivering environmental, technical, and economic benefits.

As the UK's independent oil sector faces increasing pressure to decarbonise, lubricants are emerging as a key enabler of the transition. High-performance, low-impact products are helping customers reduce emissions and improve reliability across industries.

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 regulatory demands and customer expectations, sustainability is no longer optional, it's a differentiator. The demand for high-performance, environmentally responsible lubricants continues to rise, driven by both legislation and market awareness.

By offering innovative, efficient, and lower-impact solutions, we help our customers transition to more sustainable operations. This not only strengthens our value proposition but also reinforces our position as a trusted partner in a changing marketplace.

2.2.2 A Platform For Innovation

Sustainability challenges are also innovation opportunities. Across our group, we are investing in R&D to develop next-generation lubricants that reduce greenhouse gas emissions, extend service intervals, and support circular economy models. These innovations are not only better for the planet, they deliver measurable performance gains for our customers.

2.2.3 Ensuring Business Continuity

Sustainability is also about future-proofing our business. The disruptions of recent years, from the COVID-19 pandemic to geopolitical instability, have underscored the importance of adaptability and long-term thinking.

By embedding sustainability into our strategy, Morris Lubricants, Morris Leisure, and GB Lubricants are building resilience against future shocks while positioning ourselves to seize emerging opportunities in a low-carbon economy.

2.3 The Road To Sustainability - EcoVadis

EcoVadis remains a key part of our sustainability journey. As one of the world's most comprehensive ESG rating platforms, it assesses companies across 21 criteria grouped into four pillars: Environment, Labour & Human Rights, Ethics, and Sustainable Procurement.

The EcoVadis methodology is grounded in international standards such as the UN Global Compact, GRI, and ISO. Our continued engagement with EcoVadis not only benchmarks our progress but also drives continuous improvement across our operations.

2.3.1 EcoVadis Pillars Of Sustainability

Environment	Operations	Products
	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, Paterson Enterprises Limited (PEL) began its sustainability journey with EcoVadis through a three-year subscription and initial assessment. The original scope, automatically applied to the group level, led to some inconsistencies, as a more accurate scope would have been Paterson Enterprises Limited (Morris Lubricants). Despite this, PEL achieved a Bronze medal in its first year, which was upgraded to Silver in 2023.

Following the 2024 assessment, the scope was refined to focus on the Shrewsbury site, better reflecting the operational reality. Thanks to significant improvements in internal processes, enhanced reporting, and the integration of sustainability across all levels of the business, PEL was awarded a Platinum medal in October 2024.

Goodall, Bates and Todd Limited (trading as GB Lubricants) began engaging with external sustainability reporting in 2017, initially through the Chartered Institute of Procurement and Supply (CIPS), before transitioning to EcoVadis in 2019. Building on a strong foundation of Gold ratings, GB Lubricants achieved Platinum status in 2023 which they retained in 2024.

The Platinum EcoVadis awards places PEL & GBT in the top 1% of companies assessed. This achievement reflects a shared commitment to continuous improvement and leadership in sustainable business practices.



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 its first formal stakeholder materiality assessment to identify and prioritise the sustainability topics most relevant to our business and stakeholders. This process combined insights from a comprehensive stakeholder survey with strategic input from our executive leadership team.

The results of this assessment have shaped the focus of our Annual Sustainability Reports and continue to guide our sustainability strategy, disclosures, and reporting. While all identified topics are important to our business, those deemed most material have been integrated into our core strategy to support long-term value creation and sustainable financial performance.

We remain committed to ongoing stakeholder engagement and will continue to refine our approach as expectations evolve. The current materiality assessment will remain in place until its scheduled review in 2027, ensuring continuity while allowing for future alignment with emerging ESG priorities.



3.1 Materiality Matrix

Impact Of Paterson Enterprises On People And The Environment	Major			GHG 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	Supply Chain Management: Packaging Lifecycle Management & The Circular Economy
	Moderate		Community Relations, Water Management, Ecological Impacts	Business Ethics Including Anti-competitive Behaviour, Anti-corruption & Compliance, Corporate Strategy & Investment Planning	
	Negligible	Animal Welfare	Government Structures & Mechanisms	Data Privacy Management	
	Negligible	Moderate	Significant	Major	

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



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



Across every business within Paterson Enterprises Limited, sustainability is more than a goal, it's a guiding principle. From daily operations to long-term innovation, we are committed to reducing our environmental footprint and creating lasting value for future generations.

As a group, we actively work to minimise environmental impacts throughout the entire product lifecycle, from sourcing raw materials and manufacturing to service delivery and customer aftercare. Our teams are continuously exploring new ways to operate more responsibly, embracing technologies and practices that support a more sustainable future.

Together, we are building a resilient, environmentally conscious enterprise, one decision, one project, and one partnership at a time.

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	2025	2024	2023	2022	Goals & Notes	Section
SDG 3	Medicash health cash plan scheme for employees & dependent children*	No. policies	231	225	210	209		6.2.3
	Mandatory sign-off of HR policies	%	91%	88%	82%	~	95% Note: sexual harassment training added 2025	6.2.7
	Training hours per year	Hours Per Employee	21	23	23	17	15 Hours Minimum	10.4.1
	Health surveillance	% eligible employee	94%	96.8%	98.8%	~	95% Minimum	~
	Accident rates – Lost time frequency rate	Per 100,000 hours	0.36	1.09	0.38	0.74	ALARP	7.1
	Accident rates – Lost time severity rate	Per 100,000 hours	9.08	3.65	1.88	19.62	ALARP	7.1
	Accident rate – RIDDOR rate	Per 100,000 hours	680	693	0	1,385	ALARP	7.1
SDG 8	Supplier engagement – Code of Conduct	%	75%	61%	70%	~	95% by end 2026.	12.1
	Supplier engagement – REACH compliance confirmed	%	75%	89%	70%	~	95% by end 2026.	12.4
	Supplier ratings Grades A3 & above	%	91%	91%	89%	88%	Maintain >90% post 2024.	12.2
	Financial – Turnover*	(£'000)	114,000†	94,747	94,845	83,462		~
	Financial – Profit before tax*	(£'000)	12,7800†	10,202	8,219	6,309		~
	Major investment – Project Steam	(£'000)	~	318	3,000	1,000		14.1
	Major investment – Project Tiger	(£'000)	242	2,100	~	~		14.1
	Major investment – Project Sentinel	(£'000)	3,747	~	~	~		
	Major investment – Metcut Plant Improvements	(£'000)	157	~	~	~		
	Major investment – Steam Boiler Upgrade	(£'000)	123	~	~	~		
	Modern Slavery Act – supplier compliance confirmed	%	93%	92%	90%	80%	Maintain at >90% post 2024	9.2
Independently assessed Management Systems	No. NCR	0	0	0	0	ZERO Major non-conformances	~	

† preliminary figures, awaiting finalised audited figures

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	2025	2024	2023	2022	Goals & Notes	Section
SDG 12	Absolute Water usage	Megalitre (ML)	2.84	3.23	2.62	2.94	Monitor only	5.3, 5.3.1
	Absolute Water usage (Boiler house – steam generation)	m3	249	289	318	1,188	Maintain below 0.3ML following installation of improvements	5.3.2
	Water – breaches of discharge consents	Number	0	0	0	0	Monitor adherence to discharge consent limits	5.3.3
	Waste – general waste (diverted)	Tonnes / 1,000 tonnes produced	0.71	0.51	0.71	0.98	Reduce diverted waste to 0.5 tonne per 1000 tonnes by end 2026	5.4.3
	Waste – hazardous (liquid)	Tonnes	142.1	98.5	115	110	Of which 93% re-refined, 7% repurposed	5.4.4
	Waste – hazardous (solid)	Tonnes	0	9.6	21	16	~	5.4.4
	Waste – non-hazardous (recycled)	Tonnes	197	171	161	169	~	5.4.4
	Waste – quantity sent to landfill	%	0	0	0	0	Maintain at 0%	5.4
	Air Pollution – Particle Matter (PM) emission from delivery fleet	Tonnes per year	2.1	2.25	2.28	2.12		5.6
	Air Pollution – NOx emissions from delivery fleet	Absolute tonnes	33.6	35.99	36.49	33.97		5.6
	Air Pollution – NOx emissions from delivery fleet	Specific Kg per tonne delivered	4.18	4.57	5.26	5.18	Less than 5kg / tonne delivered	5.6
	Packaging – PCR content of primary plastic packaging	%	35	35	0	0	35% minimum content	5.5.2.1
	SDG 13	Energy – Absolute energy consumption	MWh	6,177	5,723	5,285	5,329	Note: addition of 8,600m ² Sentinel warehouse 2025
Energy – solar energy generated on site		kWh	284,243	274,005	331,900	326,346	~	5.2, 5.2.4
Energy – self generated solar energy used on site		% of total electricity	30%	31%	29.7%	28%	~	5.2.4
Energy – Renewable power purchased		% of electricity purchased	100%	90.0% ^(b)	49% ^(a)	44% ^(a)	100% from renewable source by 2025	5.2.5
Fuel - Renewable fuel (HVO) purchased		Litres	204,031	0	0	0	~	
Fuel - renewable fuel versus diesel		% fuel from renewable source	83%	0%	0%	0%	100% from renewable source by 2026	
Energy – Specific energy consumption (Transport)		kWh fuel / tonne delivered	64.3	105.5	114.2	103.9	~	5.2.2
Energy – Specific energy consumption (Production)		kWh / tonne produced	50.9	43.8	51.0	58.8	~	5.2.2
Energy – Specific energy consumption (Blending)		kWh fuel oil / tonne blended	50	44.5	51.2	52.9	~	5.2.2
Absolute Scope 1 emissions		Tonnes CO ₂ e	800.5	1,015	930.2	987.0	2% reduction from 2021 baseline exceeded. Reviewed and amended to 25% (759 tonnes) by 2027	5.1.1
Absolute Scope 2 emissions		Tonnes CO ₂ e	0	76.3 ^(b)	167.0	178.1	100% reduction from 2021 baseline by 2025. Target met.	5.1.1
Specific Scope 1 emissions		Kg CO ₂ e/tonne blended	23.3	33.8	33.7	36.3	8% reduction from 2021 baseline exceeded. Reviewed and amended to 40% (22.36kg) by 2027	5.1.3
Specific Scope 2 emissions		Kg CO ₂ e/tonne blended	0	2.54 ^(b)	6.05	6.54	100% reduction from 2021 baseline by 2025. Target met.	5.1.3
Absolute Scope 3 emissions	Tonnes CO ₂ e	61,245	55,493	46,813	47,574	Note: methodology still evolving.	5.1.5	
Specific Scope 3 emissions	Tonnes CO ₂ e / tonnes blended	1.78	1.85	~	~	~		

* 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	2025	2024	2023	2022	Goals & Notes	Section
SDG 3	Medicash health cash plan scheme for employees & dependent children*	No. policies	231	225	210	209		6.2.3
	Mandatory sign-off of HR policies	%	86%	79%	~	~	95% Note: Employee code of conduct, anti-harassment & bullying and EDI policies added 2025	6.2.7
	Training hours per year	Hours Per Employee	14.4	10.65	26.5	~	15 hours minimum	10.4.2
	Health surveillance	% eligible employee	100%	100%	100%	100%	95% Minimum	6.2.2
	Accident rates – Lost time frequency rate	Per 100,000 hours	1.16	2.31	1.24	0.00	ALARP	7.1
	Accident rates – Lost time severity rate	Per 100,000 hours	30.00	23	16.12	9.69	ALARP	7.1
	Accident rate – RIDDOR rate	Per 100,000 employees	0	4,444	2,222	0.00	ALARP	7.1
SDG 8	Supplier engagement – Code of Conduct	%	74%	61%	70%	~	95% by end 2026	12.1
	Supplier engagement – REACH compliance confirmed	%	73%	89%	~	~	95% by end 2026	12.4
	Supplier ratings Grades A3 & above	%	89%	91%	~	~	90%	12.2
	Major investment	(£'000)	400	1,354	258	267	Technical centre 2024, Warehouse 2025	14.2
	Modern Slavery Act – supplier compliance confirmed	%	93%	92%	~	~	Maintain at >90% post 2024.	9.2
	Independently assessed Management Systems	No. NCR	0	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	2025	2024	2023	2022	Goals & Notes	Section
SDG 12	Water usage - absolute	Megalitre (ML)	0.48	0.297	0.275	0.336	Monitor only with view to establishing targets 2025	5.3.1
	Water usage - specific	Cubic metres per employees	10.56	6.91	6.25	8	~	5.3.2
	Water – breaches of discharge consents	Number	0	0	0	0	Monitor adherence to discharge consent limits	5.3.3
	Waste – Total waste produced	% production volume	1.80%	0.9%	1.2%	~	Maintain <1%	5.4.2
	Waste – hazardous (liquid)	Tonnes	81.48	31.6	48	~	Of which 93% re-refined, 7% repurposed	5.4.4
	Waste – non-hazardous (recycled and reprocessed)	Tonnes	79.4	51.8	44.6	~	Waste recycled, reprocessed or diverted via ERF or MRF	5.4.3, 5.4.4
	Waste – quantity sent to landfill	%	0	0	0	0	Maintain at 0%	~
	Air Pollution – Particle Matter (PM) emission from delivery fleet	Tonnes per year	1.49	1.72	1.76	~	Report only	5.6
	Air Pollution – NOx emissions from delivery fleet	Absolute tonnes	57.95	55.65	28.2	~	Report only	5.6
	Air Pollution – NOx emissions from delivery fleet	Specific Kg per tonne delivered	13.9	12.7	6.4	~	Less than 5kg / tonne delivered	5.6
	Packaging – PCR content of primary plastic packaging	%	35	35	0	0	35% by 2024	5.5.2.1
SDG 13	Energy – Absolute energy consumption	MWh	1,635	1,735	1,915	1,808	~	5.2.1
	Energy – Renewable power purchased	% of electricity purchased	29%	29% ^(a)	44% ^(a)	44% ^(a)	100% from renewable source by 2027 Switched to GEC May 23, no longer on National Grid	5.2.5
	Energy – Renewable heat purchased	% of heat purchased	15%	12%	2%	~	Switched to GEC May 23, renewable percentage will increase as project develops	5.2.5
	Energy – Total renewable energy consumed	kWh	91,664	80,821			~	
	Energy – Specific energy consumption (Transport)	kWh fuel / tonne delivered	290.7	284.8	302.1	262	~	5.2.2
	Energy – Specific energy consumption (Production)	kWh / 1000 litres produced	23.4	27.6	32.6	33.0	~	5.2.2
	Energy – Specific energy consumption (Blending)	kWh gas / 1000 litres blended	3.9	3.9	3.9	2.2	5% reduction from 2021 baseline (4.3)	5.2.2
	Absolute Scope 1 emissions	Tonnes CO ₂ e	295	316	377	367	Initial 10% reduction from 2021 by 2025 exceeded. Reviewed and amended to 25% reduction (275 tonnes) by 2027	5.1.1
	Absolute Scope 2 emissions	Tonnes CO ₂ e	50.8	43.0	42.3	48.4	75% reduction from 2021 baseline by 2027	5.1.1
	Specific Scope 1 emissions	Kg CO ₂ e / 1000 litres blended	30.3	34.4	41.8	36.3	Initial 8% reduction from 2021 baseline by 2025 exceeded. Reviewed and amended to 25% reduction (27.2kg) by 2027	5.1.3
	Specific Scope 2 emissions	Kg CO ₂ e / 1000 litres blended	5.2	4.4	4.6	4.9	75% reduction from 2021 baseline (3.7kg) by 2027	5.1.3
Specific Scope 3 emissions	Tonnes CO ₂ e	~	~	~	~	Note: methodology still evolving. Goal to quantify in 2026 & set reduction target by end 2027	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	2025	2024	2023	2022	Goals & Notes	Section
SDG 8	Major investment – Ludlow land development	(£'000)	272	411	~	~	~	
SDG 12	Absolute Water usage	Megalitre (ML)	2.23	2.3 ^(c)	2.17	1.89	Monitor only	5.3.1
	Specific Water usage	m ³ /1000 pitches	215	230	262	218	Monitor only	5.3.2
	Waste – General Waste (diverted)	Tonnes	124	64.5	106.4	87.7	Data for 6/7 parks only.	5.3.3
	Waste (recycled)	Tonnes	39	20.7	29.4	20	Data for 6/7 parks only. Action 2024/5 to improve reporting & establish targets	5.4.2
	Waste (recycled)	%	31%	17%	23%	~	~	
	Waste – quantity sent to landfill	%	0	0	0	0	Maintain at 0%	~
SDG 13	Energy – Absolute energy consumption	MWh	2,803	2,409 ^(c)	2,026	2,176	~	5.2.1
	Energy – solar energy generated on site	kWh	68,379	50,608	39,994	32,920	~	5.2.4
	Energy – self generated solar energy used on site	% of total electricity	3.40%	3.10%	3%	2.30%	~	5.2.4
	Energy – Renewable power purchased	% of electricity purchased	100%	88% ^(b)	51% ^(a)	38% ^(a)	100% from renewable source by 2025	5.2.5
	Energy – kWh per pitch	kWh	27.25	23.73	23.05	23.95	~	5.2.3
	Absolute Scope 1 emissions	Tonnes CO ₂ e	181	180 ^(c)	129	155	Site use only. No reduction target established.	5.1.2
	Absolute Scope 2 emissions	Tonnes CO ₂ e	0	41 ^(b)	124	141	100% reduction from 2021 baseline by 2025, target met.	5.1.2
	Specific Scope 1 emissions	tonne CO ₂ e/1000 pitches	1.67	1.76	1.56	1.84	No reduction target established.	5.1.4
	Specific Scope 2 emissions	tonne CO ₂ e/1000 pitches	0	0.21 ^(b)	3.82	3.86	100% reduction from 2021 baseline by 2025, target met.	5.1.4
	Absolute Scope 3 emissions	Tonnes CO ₂ e	7	7 ^(c)	7	6	Note: methodology still evolving. Only includes waste & water usage	5.1.5.1
Employee commuting	% living on site	100%	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 Group turnover at Paterson Enterprises Limited (PEL) is generated by our two manufacturing businesses, Morris Lubricants and GB Lubricants. As a predominantly manufacturing-led group, emissions remain a critical focus area in our sustainability strategy.

Each year, we collect and convert direct and indirect emissions data into CO₂ equivalents, in line with the GHG Protocol Corporate Accounting and Reporting Standard. Currently, our reporting scope is defined as "gate-to-gate", covering production and operations-related processes within our two factories.

Scope 1: Direct Emissions

These include emissions from sources owned or controlled by the company, such as:

- Steam generation from oil-fired boilers at Morris Lubricants
- Vehicle fleets at both Morris Lubricants and GB Lubricants

We've seen a notable reduction in Scope 1 emissions, largely due to Morris Lubricants transitioning its delivery fleet from diesel to Hydrotreated Vegetable Oil (HVO), a lower-carbon alternative.

Scope 2: Indirect Emissions

These relate to emissions from the generation of purchased energy, such as electricity. Our Scope 2 footprint has been reduced through the adoption of lower-carbon energy sources across both sites.

Scope 3: Expanding Our Boundaries

Scope 3 emissions, those occurring outside our direct operations, are currently excluded from our gate-to-gate scope. These include:

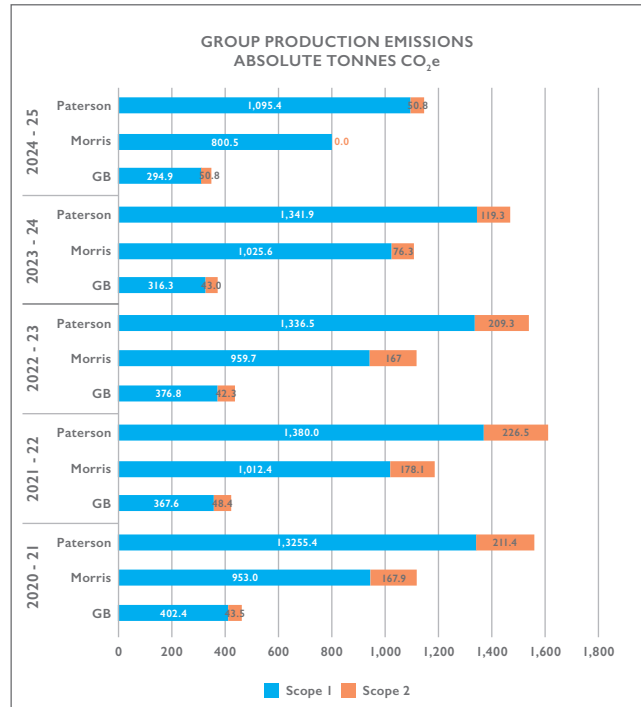
- Upstream emissions from purchased raw materials
- Downstream emissions from product use and end-of-life

However, in alignment with the UEIL sustainability framework, PEL has begun quantifying Scope 3 emissions from incoming raw materials. This marks a strategic shift toward a "cradle-to-gate" approach, enabling us to better understand and manage our broader environmental impact.



GB Lubricants' Delivery Fleet

5.1.1 Absolute Emissions - Manufacturing



Absolute emissions across GB and Morris Lubricants have fallen by 27% from the 2020/21 baseline.

Absolute emissions have fallen considerably from the 2020/21 baseline for both GB and ML as shown in the table above.

As both companies achieved their initial reduction targets, these have been reviewed and revised as follows:

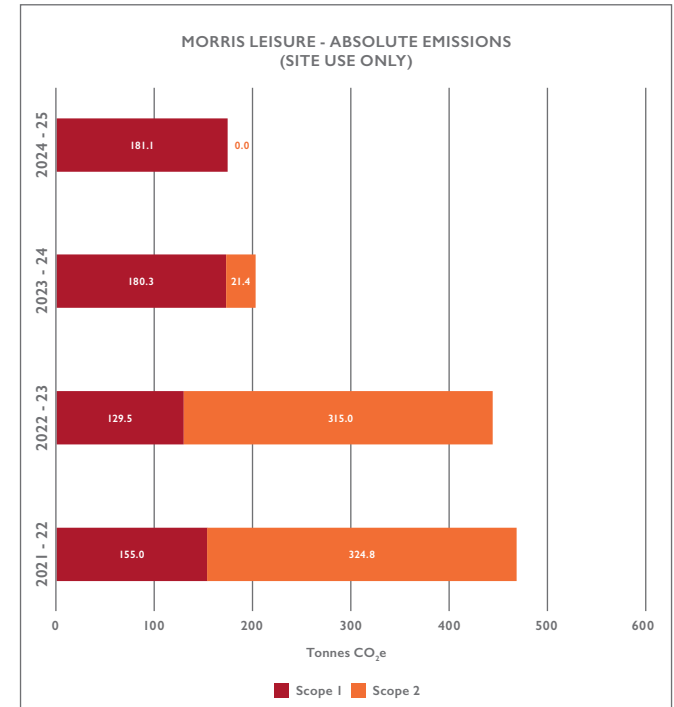
Absolute Scope 1

ML & GB 25% reduction by 2027/28

Absolute Scope 2

ML has already achieved their 100% reduction target. GB target set at 40% (241 tonnes) reduction by 2028.

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 met their 2025 target and reduced their scope 2 emissions to zero.



Morris Leisure's Ludlow Holiday Home Park

5 MATERIAL TOPICS

5.1.3 Specific Emissions - Manufacturing

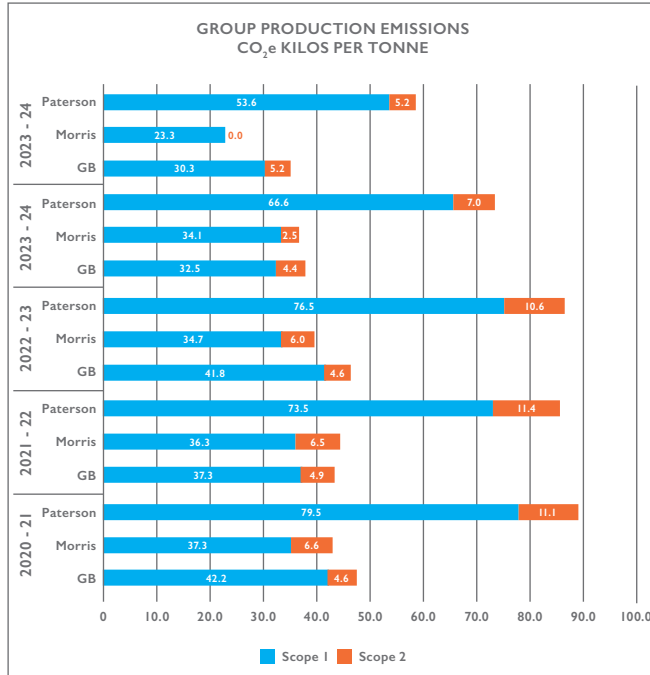
Both GB and ML and have continued to see a reduction in their Scope 1 and Scope 2 emissions from the 2021/22 baseline.

	Scope 1	Scope 2	Scope 1+2
GB	-28%	-14%	-24%
Morris	-37.5%	-100%	-46.9%
PEL	-33%	-53%	-35%

ML achieved their target to reduce Scope 2 emissions to zero by 2025 through switching to a zero carbon electricity tariff and generating 30% via solar panels on site.

ML's initial target to reduce Scope 1 emissions by 8% from the 2021/22 baseline was revised significantly to a 40% reduction by 2026. This is a direct result of switching the delivery fleet to a renewable fuel source.

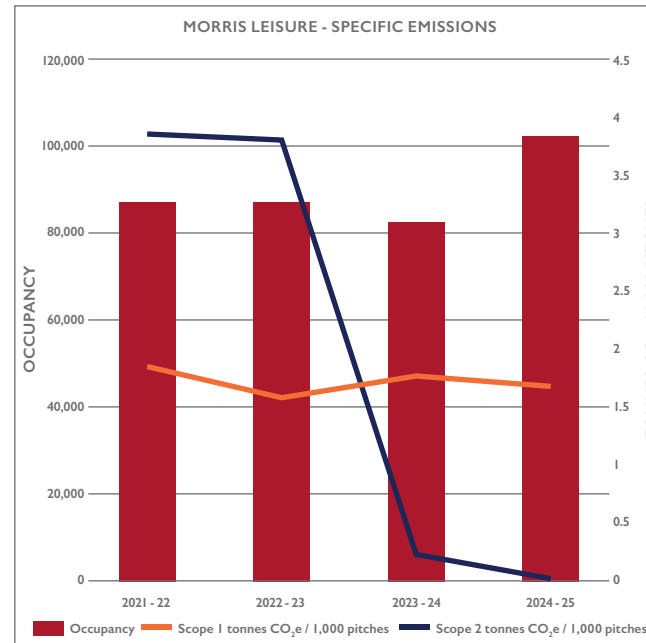
GB's ability to achieve the same level of reduction relies on the performance of the GEC project and the publication of their carbon intensity figures. Therefore, their target date is 2028.



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 their Scope 2 emissions drop to zero.

5.1.5 Indirect (Scope 3) GHG Emissions

As part of our ongoing commitment to environmental stewardship and transparent reporting, Paterson Enterprises Limited is undertaking a strategic initiative to quantify our Scope 3 upstream emissions by the end of 2026. This effort encompasses emissions associated with raw material extraction, supplier transport, and inbound logistics, and is a critical step toward understanding our full value chain impact.

To guide this work, we are aligning with the UEIL Product Carbon Footprint (PCF) methodology, which provides a robust and industry-specific framework for calculating cradle-to-supplier-gate emissions. By adopting this standard, we aim to ensure consistency, comparability, and credibility in our carbon accounting practices.

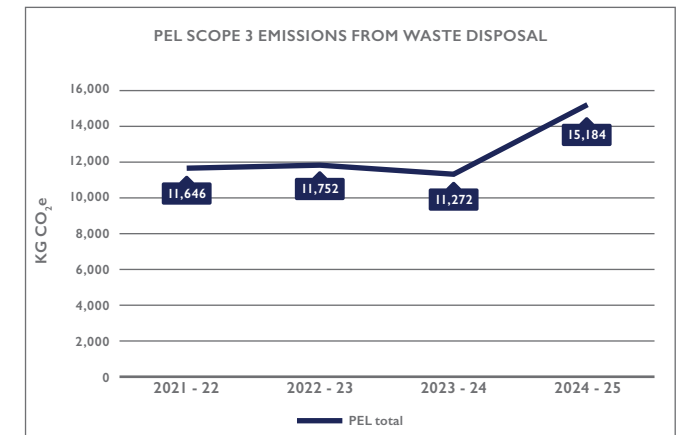
Building on this foundation, our goal is to establish a science-aligned Scope 3 reduction target by the end of 2027. This target will inform our long-term sustainability strategy, support our customers in achieving their own climate goals, and reinforce our leadership in responsible manufacturing within the UK lubricants industry.

We recognise the complexity of this undertaking and the broader challenges facing our sector, including regulatory pressures, supply chain volatility, and the imperative to decarbonise. Nevertheless, we remain committed to continuous improvement and collaborative progress toward a more sustainable future..

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	2024 - 25
Morris Lubricants	6,865	6,730	6,351	7,824
Morris Leisure	3,084	2,894	3,222	3,930
GB Lubricants	1,698	2,128	1,698	3,429
PEL Total	11,646	11,752	11,272	15,184



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 MATERIAL TOPICS

5.1.6.1 Diesel Alternative

In October 2024, ML transitioned their delivery fleet from diesel to 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.

For the period October 2024 to July 2025, ML calculated a 98% reduction in carbon emission with just 6.1 tonnes of CO₂ compared to an estimated 387 tonnes that would have been generated without the switch.

5.1.7 Product Carbon Footprint

The manufacturing divisions of PEL, Morris Lubricants and GB Lubricants, recognise that every product manufactured and every service delivered has an environmental impact. Each stage of the value chain contributes to greenhouse gas (GHG) emissions, and we are committed to understanding and reducing our footprint.

In alignment with the UEIL/ATIEL methodology and the Greenhouse Gas Protocol, we have initiated a comprehensive program to calculate the Product Carbon Footprint (PCF) of our products. This initiative is a critical component of our broader sustainability strategy and supports our goal of transparent, science-based climate action.

Our Approach

We are actively collecting primary data for all raw materials used in our formulations. This data is essential for accurate cradle-to-gate PCF calculations and enables us to identify key emission sources and reduction opportunities.

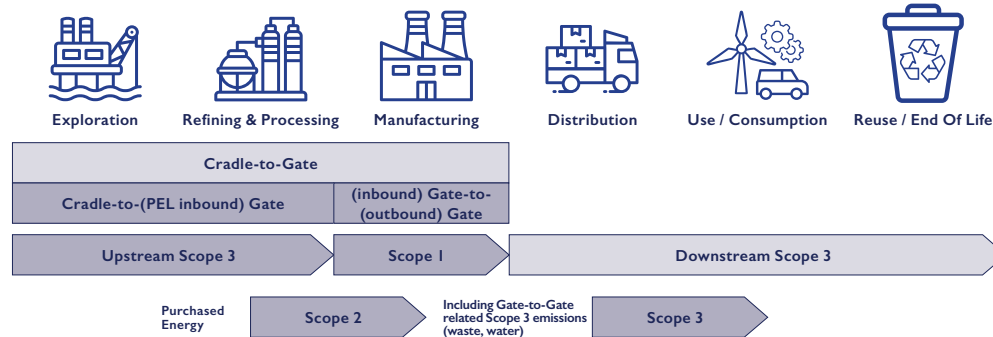
To ensure consistency and credibility, we request that all suppliers provide:

- Cradle-to-gate PCF data for each material supplied to Morris Lubricants or GB Lubricants in the past 12 months.
- Methodology details, including calculation approach, emission factors, and data sources.
- Shipping location information, if gate-to-gate emissions are not included in the PCF data, to allow us to complete the calculation.

This collaborative effort with our supply chain partners is vital to achieving our sustainability objectives and contributing to industry-wide decarbonisation.

Next Steps

We continue to engage with our suppliers to gather the necessary data and integrate it into our lifecycle assessments. The insights gained will inform product development, procurement decisions, and our long-term carbon reduction roadmap.



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"). As at July 2025, PEL had transferred 92% 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.

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.

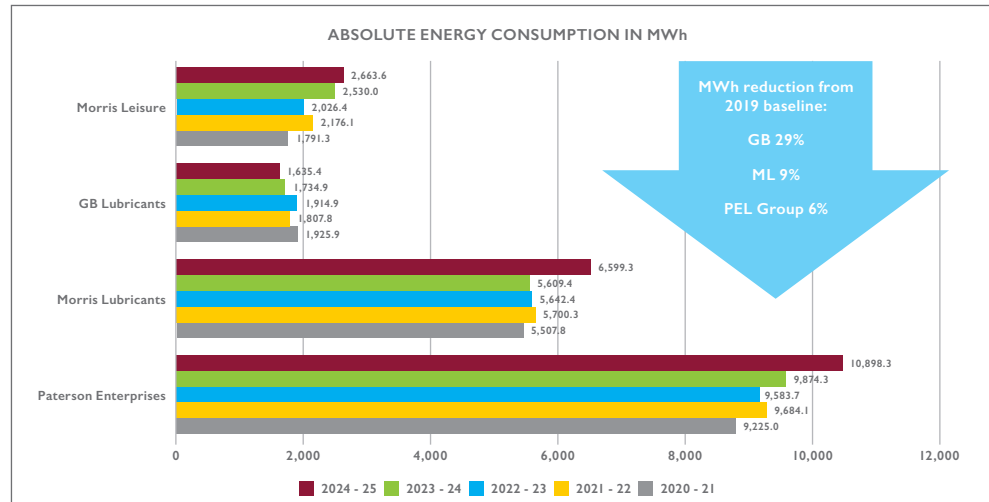
Some smaller solar panels were added to GB Lubricants Technical Centre roof during its commissioning in 2023. These generated 1,214 kWh in 2024 and 1,067 kWh in 2025.

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 began a campaign to encourage visitors to use electricity, gas and water responsibly.

5 MATERIAL TOPICS

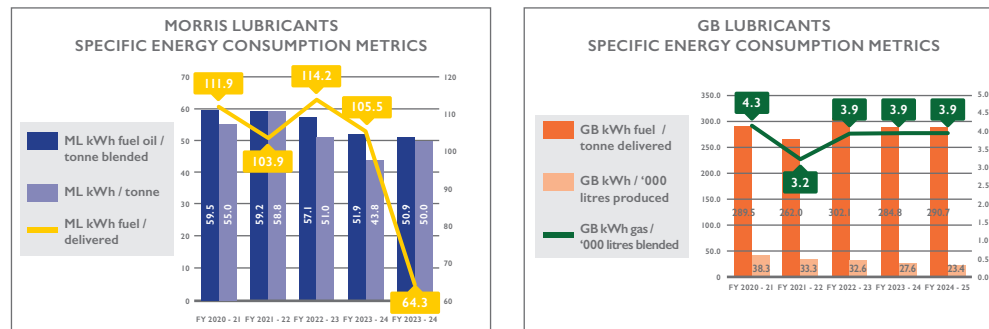
5.2.1 Absolute Energy Consumption

We begin by collating the group energy data, convert it into MWh and compare the totals between financial years. The group has seen an overall reduction in MWh despite the inclusion on an additional caravan park for Morris Leisure, the 8,600m² Sentinel Trade Park for ML and an increase in production volume of 21% across the 2 manufacturing companies.



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

With the exception of the GB transport KPI which remains static, all other energy KPIs have shown significant reductions.

ML kWh diesel/tonne delivered/collected*	-42.5%
ML kWh fuel oil/tonne blended	-9.1%
ML kWh/tonne produced	-14.4%
GB kWh diesel/tonne delivered	-0.4%
GB kWh gas/'000 litres blended	-9.3%
GB kWh/'000 litres produced	-38.8%

* Data now includes collected as well as delivered tonnage

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	Year 6
	2018 - 19	2019 - 20	2020 - 21	2021 - 22	2022 - 23	2023 - 24	2024 - 25
Llanberis	19.83	29.75	18.83	17.23	17.03	17.03	17.88
Ludlow	33.03	50.85	28.70	29.55	32.37	32.28	29.65
Oxon	27.74	44.20	19.99	24.70	24.27	24.17	20.89
Poston Mill						23.73	30.02
Riverside	21.48	36.73	24.27	22.62	20.55	22.11	21.33
Stanmore	23.98	30.41	25.03	21.98	21.16	23.49	24.43
Average kWh / pitch	26.12	39.43	24.88	23.95	23.05	23.48	26.16

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, which generated 1,214 kWh in 2024 and 1,0677 kWh in 2015.

Morris Lubricants	FY 2020 - 21	FY 2021 - 22	FY 2022 - 23	FY 2023 - 24	FY 2024 - 25
Total Electricity kWh	790,529	839,371	872,945	886,138	945,560
Self-generated Solar Energy kWh	339,991	326,346	331,900	274,005	284,243
% Of Electricity From Solar	43%	39%	38%	31%	30%

Morris Leisure	Ludlow	25,457	24,742	31,153	44,067
	Oxon	7,463	15,251	13,337	24,312
Total Electricity kWh	kWh	32,920	39,994	44,490	68,379
% Of Electricity From Solar		2.3%	3.0%	2.7%	3.4%

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	FY 2024 - 25
Morris Lubricants kWh	267,641	371,468	424,704	799,466	947,095
Morris Lubricants %	34%	44%	49%	90%	100%
Morris Leisure kWh	324,036	582,359	767,837	1,554,059	2,162,374
Morris Leisure %	24%	38%	51%	88%	100%

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	FY 2024 - 25
GB Renewable Electricity kWh	75,639	100,248	87,448	59,927	68,472
GB Renewable Heat kWh			5,597	20,893	23,192
GB % Renewable Electricity	37%	44%	44%	26%	29%
GB % Renewable Heat			2%	12%	15%

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.

Purchase of 3 new electric FLT to replace propane models will give a saving of c.a. 148 kWh/year..

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

Sub-monitoring has now been installed and will be used to identify areas for energy 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'.

In 2025, GB purchased 3 new electric FLT which replaced some older, propane powered models. This should lead to an annual saving of around 90,000 kWh..

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 waste water 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.



Boiler Inspection At The Castle Foregate Site

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	2024-25	Tonnes CO ₂ e
Morris Lubricants	2,943	0.52	2,622	0.46	3,229	0.57	2,837	0.50
Morris Leisure	18,963	3.36	21,667	3.84	23,548	4.17	22,349	3.96
GB Lubricants	336	0.06	275	0.05	297	0.05	475	0.08
PEL Total	22,242	3.94	24,564	4.35	27,074	4.79	25,661	4.54
% Leisure	85	~	88	~	87	~	87	~

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.

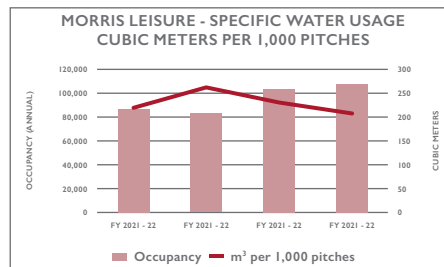
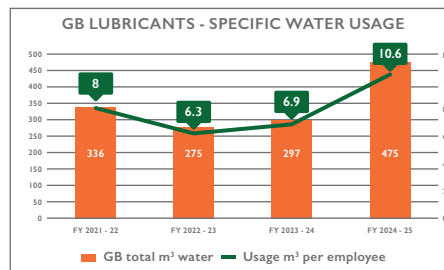
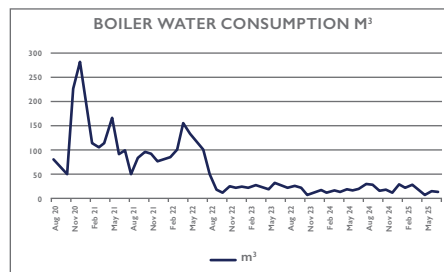
Installation of ultrasonic blend technology, which reduces the need for heat when blending and the replacement of the condensate pump in the boiler house, saw the water consumption in the boiler house drop 73% in 2023 and by a further 10% in 2024.

This level has stabilised and is monitored monthly to identify any anomalies promptly. The installation of a more efficient steam raising boiler in August 2025, should see this figure reduce further.

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.

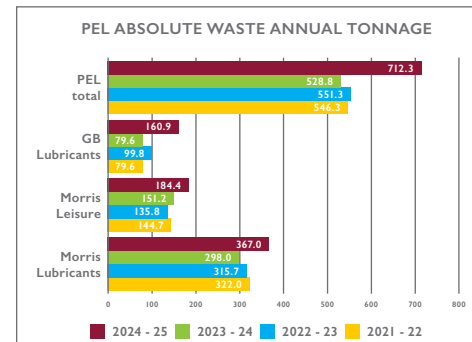
5.4 Waste Disposal

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

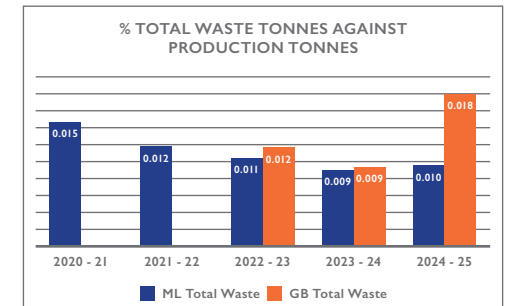
Whilst the absolute tonnage of waste has increased, it should be noted that 93% of this is recycled or reprocessed. Only 7% of the group total is diverted via ERF or MRF.



165,000 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.



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 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.

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 2027. This will be done by a mixture of process improvements and investigating additional waste streams that are suitable for recycling or reprocessing.

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.

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%	0.65
2023 - 24	8.9%	0.47
2024 - 25	14.0%	0.71

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.



Morris Lubricants' Iconic Metal Packaging Is Infinitely Recyclable

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 reprocessed.

	21 - 22	22 - 23	23 - 24	24 - 25
ML Hazardous Liquid Waste (Tonnes)	109.91	114.52	98.54	142.12
ML Hazardous Solid Waste (Tonnes)	16.40	21.00	9.60	N/A
GB Hazardous Liquid Waste (Tonnes)	N/A	46.00	31.56	81.48

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	2024 - 25
ML recycled waste (tonnes)	169.05	160.62	174.37	197.34
GB recycled waste (tonnes)	N/A	51.84	48.08	79.39

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.



GB Lubricants' Switch To Recycled Plastic Packaging

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 2027.

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.

- Almost 9 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 688,000 20 and 25 litre drums sold by Morris Lubricants in the last 12 months, only 2.1% (16,000 containers) were plastic.
- Almost 8 million litres sold in 205 litre steel barrels which can be reconditioned and reused.

All plastic containers supplied by ML and GB contain 35% PCR.

5 MATERIAL TOPICS

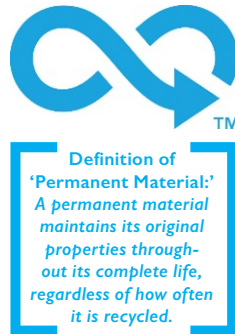
5.5.2.2 Transit And Secondary Packaging

- 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** FY2025/26
- Target date for implementation** FY2026/27

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 Product Stewardship and Innovation

Lubricants play a vital role in improving the efficiency and longevity of mechanical systems, contributing to reduced energy consumption and lower greenhouse gas emissions across industries. By minimising friction, wear, and corrosion, our products help extend equipment life and enhance productivity, delivering measurable environmental and economic value.

Designing for Performance and Sustainability

As engine and machinery designs evolve to meet stricter emissions and fuel efficiency standards, the demands placed on lubricants continue to grow. Our formulations are developed to meet these precise requirements, ensuring optimal performance under increasingly challenging operating conditions.

Every new product development or reformulation undergoes a rigorous evaluation process, including:

- Regulatory classification in accordance with UK and EU legislation.
- Component assessment to prioritise materials with lower physical and environmental hazards.
- Lifecycle impact considerations, including potential for recyclability, biodegradability, and reduced waste generation.

Where applicable, we proactively reformulate products to address sustainability concerns. e.g., In 2023, Morris Lubricants reformulated all flammable finished products to raise their flashpoints above 60°C, reducing fire risk during blending, filling, and storage.

Reducing Environmental Impact in Manufacturing and Use

We continuously assess the environmental footprint of our operations and products. This includes:

- Minimising hazardous substances: We are reviewing the use of artificial dyes in formulations, especially where they serve no functional purpose.
- Waste reduction and resource efficiency: Reformulation efforts aim to reduce the need for frequent equipment cleaning and flushing, thereby lowering water and chemical usage.
- Safe handling and storage: Reformulated products with improved safety profiles help protect both our workforce and our customers.

Broader Sustainability Themes

In addition to product stewardship, our sustainability strategy encompasses:

- Climate Action: Through PCF data collection and cradle-to-gate emissions analysis, we are working to quantify and reduce the carbon footprint of our products.
- Occupational Health & Safety: We maintain ISO 45001 certification at both GB & ML and continuously invest in safer processes and training programs.
- Responsible Sourcing: We engage with suppliers to ensure ethical practices, transparency, and alignment with our sustainability goals.
- Circular Economy: We explore opportunities for re-refining used oils, promoting closed-loop systems, and supporting end-of-life product recovery.

5.5.4 Bio-based Materials

How Eco-Friendly or Bio-Based Input Materials Help Reduce Waste

1. Biodegradability

Bio-based materials like rapeseed oil break down naturally, reducing landfill accumulation.

2. Renewable Sourcing

Eco-friendly inputs are derived from renewable resources, reducing reliance on finite raw materials and lowering the carbon footprint.

3. Easier Recycling and Reuse

Many bio-based materials are recyclable and compatible with closed-loop systems, reducing single-use waste.

4. Cleaner Production Processes

Eco-friendly inputs often require fewer toxic chemicals and less water and energy, resulting in less hazardous waste.

5. Waste Reduction in Manufacturing

Some bio-based materials are more efficient in processing and integrate into additive manufacturing, minimising production waste.

6. Smarter Packaging

Biodegradable or compostable packaging materials such as cardboard reduce packaging waste and encourage sustainable disposal practices. Our promotion of steel, which is infinitely recyclable, as our primary packaging support the circular economy.

5.6 Air Pollution

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

NOx	2021 - 22	2022 - 23	2023 - 24	2024 - 25
ML (Absolute, Tonnes)	33.97	36.49	35.99	33.60
ML (Specific, Kg NOx. Tonne Delivered)	5.18	5.26	4.57	4.18
GB (Absolute, Tonnes)	N/A	28.20	55.65	57.95
GB (Specific, Kg NOx. Tonne Delivered)	N/A	6.35	12.7	13.9

Particle Matter	2021 - 22	2022 - 23	2023 - 24	2024 - 25
ML (Absolute, Tonnes)	2.12	2.28	2.25	2.10
GB (Absolute, Tonnes)	N/A	1.76	1.72	1.49

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:



Ludlow, Stanmore & Riverside sites only

Oxon & Poston Mill sites only

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.

PEL provides additional benefits to help attract and retain talent

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 and reducing costs. Medicash reporting runs on calendar rather than financial year.

2021	2022	2023	2024	Medicash Usage
209	210	225	231	Total Policies (Note: Reported At Group Level)
97	105	123	120	Policies Made A Claim Within The Period
238	285	311	355	Claims Were Submitted During The Period
60%	63%	66%	72%	Policies Registered On Medicash App
19	10	6	27	Digital Physiotherapy By Phio
11	0	0	0	Best Doctors
19	5	0	0	Health & Stress Support
31	42	30	45	Discounted Gym Membership
18	11	14	19	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.



GB Lubricants' Area Sales Managers Onsite With Customers

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.



Social Sustainability

6.2.5 Social Indicators

Employee demographics - Age		Under 30	30 - 49	50 - 60	Over 60
Morris Lubricants	Headcount	28	62	48	23
	% of employees	17%	39%	30%	14%
GB Lubricants	Headcount	9	18	13	8
	% of employees	19%	38%	27%	17%
Morris Leisure	Headcount	1	5	20	12
	% of employees	3%	13%	53%	32%
PEL Total	Headcount	38	85	81	43
	% of employees	15%	34%	33%	17%

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.

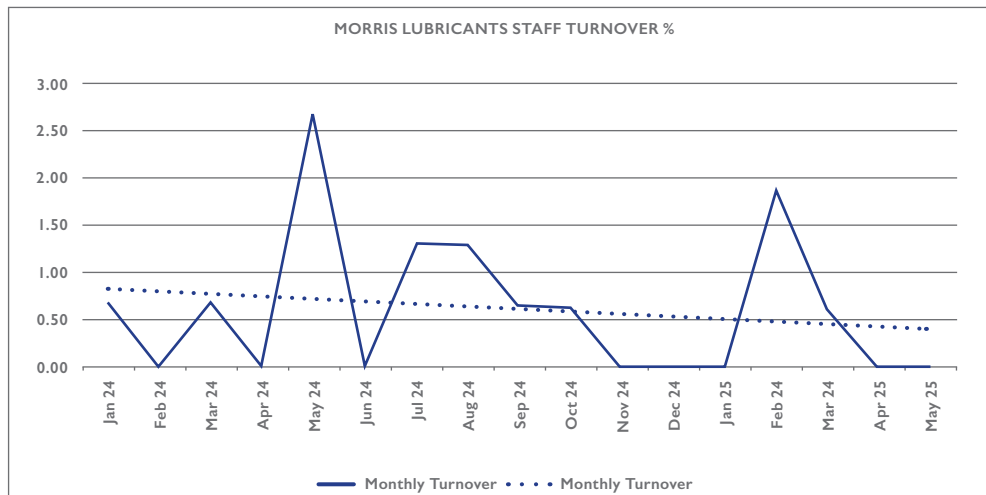
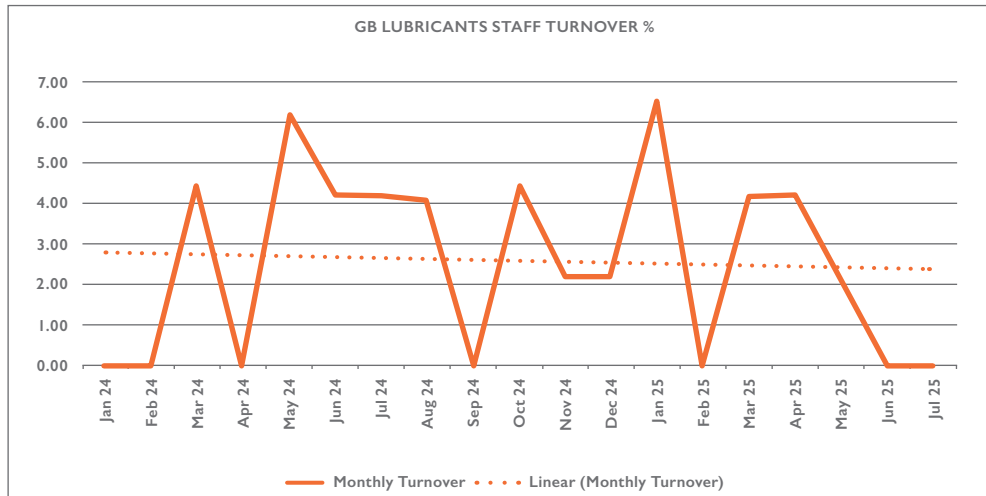
Due to the nature of the business, Morris Leisure has a different age and gender demographic than the two lubricant companies within the group.

Employee Demographics - Gender		Female	Male
Morris Lubricants	Total	25%	75%
	Executive Board	22%	78%
	Supervisor / Manager	15%	85%
	Full Time	65%	96%
	Part Time	35%	4%
GB Lubricants	Supervisor / Manager	25%	75%
	General Staff	25%	75%
Morris Leisure	All Staff	50%	50%
Paterson Enterprises	Total Workforce	29%	71%

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.



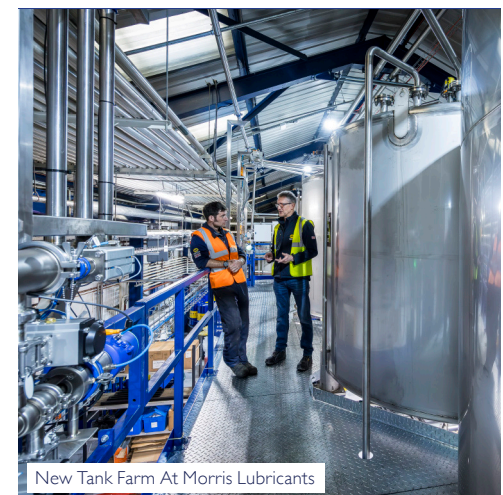
6.2.7 Mandatory Agreement With HR Policies

It is a condition of employment at PEL that certain HR policies are mandatory and must be formally 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 Equality & Diversity policy & training was rolled out at GB mid 2025, hence the lower agreement rate.

Policy	Morris Lubricants 162 employees		GB Lubricants 48 employees	
	Outstanding	%	Outstanding	%
Alcohol & Drugs	6	96%	2	96%
Employee Code of Conduct	31	81%	0	100%
Disciplinary Rules	7	96%	2	96%
Data Protection	9	94%	0	100%
I.T Security	7	96%	2	96%
Sickness Absence	4	98%	2	96%
Social Media	8	95%	0	100%
Equality & Diversity	28	83%	40	17%
Sexual Harassment	26	84%	1	98%



Filling Line At GB Lubricants



New Tank Farm At Morris Lubricants

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



Laboratory At GB Lubricants

7.1 Accident Statistics

Accident reports are investigated and reported to the H&S Committees and Management meetings. Frequency rates indicated by * are reported per 100,000 hours.

	Morris Lubricants			GB Lubricants		
	2022 - 23	2023 - 24	2024 - 25	2022 - 23	2023 - 2024	2024 - 25
Non-RIDDOR	12	12	13	6	4	1
RIDDOR	0	1	1	0	2	1
Total accidents	12	13	14	6	6	9
Lost days	5	10	25	0	20	26
No. lost time accidents	1	3	1	0	2	2
Total man hours	266,448	274,248	275,184	92,160	86,400	86,400
Lost time frequency rate*	0.38	1.09	0.36	0	2.31	2.31
Lost time severity rate*	1.88	3.65	9.08	0	23	30

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.



State Of The Art Filling 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 2025.

As of July 2025, 85% 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	2021 - 22	2022 - 23	2023 - 24	2024 - 25
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	2021 - 22	2022 - 23	2023 - 24	2024 - 25
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

At PEL, respect for human rights is a fundamental principle of our business ethics. It underpins all our activities and extends naturally to our relationships with customers, suppliers, and other business partners.

In July 2023, we introduced the Employee Code of Conduct as a mandatory policy for all PEL employees. This Code reflects our commitment to ethical behavior and responsible business practices. It requires every employee to acknowledge and uphold standards that respect human rights and align with international frameworks.

Through this Code, PEL supports the objectives of the UK National Action Plan on Business and Human Rights, which implements the United Nations Guiding Principles (UNGPs). These principles include:

- Freedom of association and the right to collective bargaining;
- Elimination of forced and child labour;
- Prohibition of discrimination in employment.

As of July 2025, 85% of employees have signed the Code of Conduct.

The breakdown by Company is shown in 6.2.7. We continue working toward full compliance across the organisation.

To reinforce accountability, potential violations can be reported anonymously under the PEL Whistleblowing Policy. This mechanism ensures that concerns are addressed promptly and transparently.

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	2021 - 22	2022 - 23	2023 - 24	2024 - 25
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' Marketing Assistant, Amelia Sayce

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	2023	2024	2025
Apprenticeships	832	2,576	2,200
Employee CPD	1,520	773	476
FLT Training	245	322	147
External H&S Training	235	390	325
On-Line Training Modules	224	192	218
Total Training Hours Per Year	2,815	3,671	2,823
Average Employee Numbers	142	142	147
Ave Training Hours/Employee/Year	20	26	19

10.4.2 GB Lubricants Training

GB also have a target of 15 hours per year but, due the nature of refresher training timing, summarise this over 3 years, giving an average of 17.2 hours/year/employee.

Summary Of Training	2023	2024	2025
CPD	560	120	24
H&S	436	240	120
FLT	32	80	272
On-line Training Modules	111	18	206
Total Hours Training	1,139	458	622
Average Employee Numbers	43	43	43
Ave Training Hours/Employee/Year	26.50	10.65	14.5
Average 3 Year Cycle	17.21		

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, 83% of employees have undergone the training. This was extended to the entire PEL group in late 2025.

Number Of Incidents Of Discrimination Reported	2021 - 22	2022 - 23	2023 - 24	2024 - 25
Morris Lubricants	0	0	0	0
GB Lubricants	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 stood at 61%. The target for July 2026 is for 95% of all direct suppliers.

	Total	Signed	% Signed
Morris Lubricants	95	71	75%
GB Lubricants	94	70	74%

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)

Rating		Morris	GB
A1	ISO9001, ISO14001 & ISO45001	21	18
A2	ISO9001 & ISO14001 OR ISO45001	25	26
A3	ISO9001 ONLY	40	40
C	NO FORMAL SYSTEMS	7	5
	Total with formal ISO system	91%	89%

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 over 90 in 2025. Target 95% confirmed REACH compliance by 2025.




	Requests	N/A	Compliance Confirmed	REACH %
Morris Suppliers	95	31	48	75%
GB Suppliers	94	34	44	73%

13 CSR PROJECTS

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

The two main SDGs supported this year, were: SDG 3 Good Health & Well-being at 85% and SDG 11 Sustainable Cities and Communities at 43%. Additional projects supported were SDG 8, SDG 12 and SDG 13.

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 the Three Peaks Challenge to raise money for the three air ambulance charities		Paterson Enterprises	Employees	Trained Mental Health First Aiders. Promotion of 'Time to Talk' and 'Stress Awareness Week'	
Morris Lubricants	Local schools and universities	Presenting at several career and industry days at Harper Adams University, Shrewsbury School and Grange Primary School		GB Lubricants	Breast Cancer Now	Support of 'Wear it pink' event to raise funds for breast cancer research	
Morris Lubricants	Shrewsbury's Men's Shed	Free product and monthly donations to help run the Men's Shed		GB Lubricants	St Oswald's Hospice	Provide expert care and support to adults and children with life-limiting conditions.	
Morris Lubricants	Shropshire Community Foundation	Annual donation to help support the Shropshire Community Foundation	 	GB Lubricants	Kinnoull FC	Player sponsorship	 
Morris Lubricants	Knockin & Kinnerly Cricket Club	Five-year sponsorship deal and kit donation	 	GB Lubricants	Wrekenton NOU U-14 FC	Team sponsorship	 
Morris Lubricants	North Shropshire County Parks Bowling Association	Club sponsorship	 	GB Lubricants	Hartlepool Huskies Basketball team	Kit sponsorship	 
Morris Lubricants	Employees	Annual charity football match against Greenhouse Shrewsbury	 	Morris Lubricants	Sands Charity	Baby Loss Awareness Week	
Morris Lubricants	Shrewsbury Rugby Club	Kit sponsorship	 	Paterson Enterprises	Employees	Holiday Purchase Scheme	 
Morris Lubricants	The Royal Agricultural Benevolent Institution (RABI) annual dinner	Sponsorship of table and provision of raffle prizes		Paterson Enterprises	Employees	Cycle To Work Scheme	
Morris Lubricants Morris Leisure GB Lubricants	Paterson Enterprise employees	See 6.2.3		Paterson Enterprises	Employees	Electric Car Salary Sacrifice Scheme	  

14 INVESTING IN OUR FUTURE

14.1 Investments, Recent And Future For Morris Lubricants

Several strategic and operational improvements have been made at Morris Lubricants' Castle Foregate production site to help improve efficiency, lower costs, reduce waste and enhance sustainable practices and minimise the impact on the environment. The largest being the £1.5 million investment to relocate the entire logistics function away from the production site to a new dedicated 9,000 square metre Worldwide Distribution Centre site located just 1.5 miles north of the Castle Foregate site.

The new Worldwide Distribution Centre has increased the available pallet space for finished produced to over 5,000 spaces and the new site now handle dispatch for both UK and export orders. This has freed up space at the production site to provide further room for expansion of the production process and further increase efficiency. Planned multipound investment for 2026 includes installation of additional bulk storage for raw materials, computerised automation of the finished product packaging lines and further leading-edge blending equipment for increased product expansion.

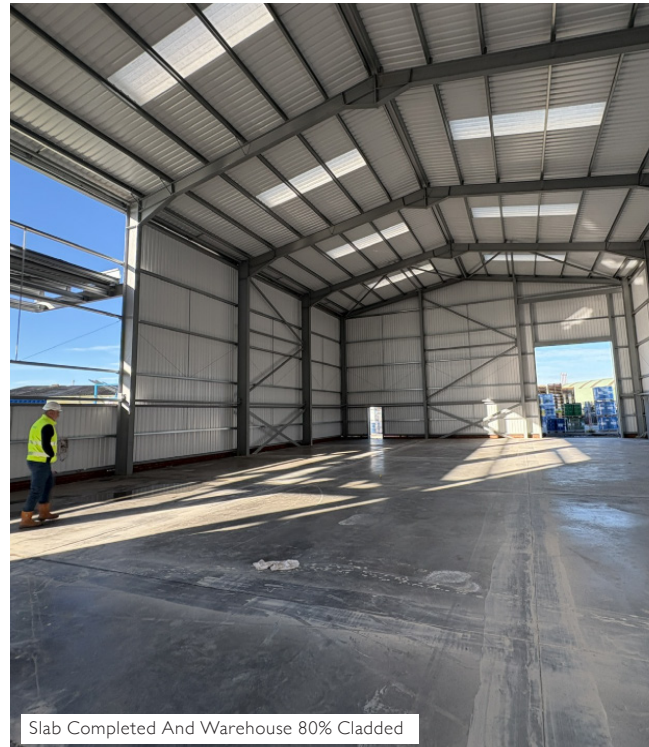


Aerial Shot, Showing The Scale Of The Worldwide Distribution Centre

14.2 Investments, Recent And Future For GB Lubricants

GB Lubricants is making huge strides in becoming recognised as a leader in high quality, low carbon and sustainable manufacturing of oil and lubricants in the UK. As part of this strategy the company is currently executing a multimillion-pound investment programme to make extensive operational improvements to the Gateshead site. This includes the construction of a new warehouse with capacity for over 1,000 additional pallet spaces, alongside yard improvements, as well as upgrading the companies ERP software and IT infrastructure. Additional investment for is also planned for 2026, which includes further enhancements to both product blending facility and bulk oil storage capability.

These strategic investments all help to move GB Lubricants towards its aim to achieve true net carbon-zero energy in its manufacturing by 2040 and set its role as a leader in responsible manufacturing within the oil and lubricants sector. All showing that innovation, high quality manufacturing and environmental stewardship can go hand in hand.



Slab Completed And Warehouse 80% Cladded

14.3 Investments, Recent And Future For Morris Leisure

With an increasing demand for holiday homes, Morris Leisure has strategic plans to enhance the facilities across at its sites and open spaces. This includes the development of the first 32 new static pitches at Ludlow, following planning approval granted several years ago. This will ultimately add 61 new pitches, increasing Ludlow's total capacity to just over 200. This exciting project will be delivered in two phases, with Phase 1 scheduled for completion in early 2026. The new development will offer sweeping views across south Shropshire, including panoramic vistas of Clee Hill, to provide a peaceful and scenic setting for holiday home owners. The new plots will include a mixture of stylish static caravans and 12 luxury lodges, which are designed to meet increased interest in premium holiday home ownership.

There are also plans for continued investment across the sites including projects at Poston Mill Touring and Holiday Home Park, were improvements continue steadily. Planning permission has been submitted for further development works which includes a brand new reception and shop building.



CGI Rendering Of Clee View Development

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 Plus Certificate of Assurance in August 2025.

GB will begin their own journey towards Cyber Essentials Plus certification in 2026.



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
- Cyber Security
- Site Network Infrastructure
- Cloud Hosted Systems
- Key Lab Equipment
- Internet connectivity
- Site Wireless Infrastructure
- Telephone System
- Key Production 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%
Morris Lubricants	98%	95%

All computer users within the Paterson Enterprises Limited (PEL) Group complete periodic refresher training designed to strengthen their understanding of information security risks and best practices. This training covers topics such as password management, safe handling of sensitive data, and recognising common cyber threats.

To reinforce learning and maintain vigilance, PEL operates an ongoing "mystery test" program. As part of this initiative, simulated phishing emails are periodically sent to employees to assess their ability to identify and respond to suspicious messages. This proactive approach helps measure awareness and identify areas where additional support is needed.

Employees who do not pass these tests or who require further assistance receive targeted refresher training. This ensures that all users remain informed and capable of protecting company systems and data against evolving cyber threats.

PEL views cybersecurity as a shared responsibility and continues to invest in training and monitoring to safeguard information assets across the organisation.

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 Information Security Incidents Within PEL Group	2021 - 22	2022 - 23	2023 - 24	2024 - 25
Morris Lubricants	0	0	0	0
Morris Leisure	0	0	0	0
GB Lubricants	0	0	0	0



Group-Wide Action Plan To Prevent Data Breaches

16 ABOUT THIS REPORT

16.1 2025 Sustainability Report

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 2024 to 31 July 2025. 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 Executive Board / Main Board is responsible for sustainability. The Chairman of PEL has approved this report and confirms that it considers 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 2024 to 31 July 2025.

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. In 2025, ML and GB began a process to obtain emissions data from their upstream partners. The target date for accurately reporting Scope 3 upstream emissions for both companies is 2027.

As a group, PEL currently only 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 have been presented in the annual report from 2022 onwards.

16.5 GRI

PEL has reported the information cited in this GRI contents index for the period from 01 August 2024 to 31 July 2025 in accordance with the GRI standards: Core Option.

16.5.1 Mapping Of Material Topics

Material Topics	GRI	GRI Chapter
ECONOMIC:		
Risk Management & Quality	3-3	Management Of Material Topics
Risk Management & Quality	2-12	Governance and delegation of impact
Risk Management & Quality	2-13	Management
Tax	207	Tax
ECOLOGICAL:		
GHG Emissions	102	Climate Change
Energy Management	103	Energy
Water Management	303	Water And Effluents
Waste Generation & Disposal	306	Effluents 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 2024 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 2024 to 31 July 2025 in accordance with the GRI standard: Core Option						
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 1			Head office: Paterson Enterprises Ltd, Shrewsbury, UK		
	2-2	Entities included in the organisation's sustainability report	SR sect 1			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 2024 – August 2025		
	2-4	Restatements of information				Not applicable		
	2-5	External assurance	SR sect 16.4			No external audits, key figures verified internally.		
	2-6	Activities, value chain & other business relationships	SR sect 1 SR sect 5.5,12,14			Manufacturing lubricants, leisure operations, global supply chain.		
	2-7	Employees	SR sect 6.2.5			Workforce approximately 250; gender and age breakdown provided.	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	SR sect 1			Main Board and Executive Board oversee sustainability.		
	2-10	Nomination & selection of the highest governance body	AR p50			Private family-owned company. Ultimate owner: Goddard Enterprises Ltd. Reg. no. 09975087	5, 16	
	2-11	Chair of the highest governance body	AR p50, SR sect 1				16	
	2-12	Role of the highest governance body overseeing the management of impacts	SR sect 1			Main Board sets sustainability strategy, delegated to Executive Board.		
	2-13	Delegation of responsibility for managing impacts	SR sect 1			Group Regulatory Affairs Manager oversees sustainability practices.		
	2-14	Role of the highest governance body in sustainability reporting	SR sect 16.2			Main Board approves report.		
	2-15	Conflicts of interest	AR p17-19			Managed under governance policies.	16	

Statement of use		Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2024 to 31 July 2025 in accordance with the GRI standard: Core Option						
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	SR sect 8.1			Whistleblowing policy in place; no incidences reported.		
	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			Evaluated by Main Board.		
	2-19	Remuneration process	AR p36			Remuneration for Senior Executives and Board Members is determined annually by the Main Board. The process considers market benchmarks, individual performance, and financial results. Compensation includes fixed-salary, pension contributions, and benefits such as health insurance.		
	2-20	Process to determine remuneration				Based on role and responsibilities; details in AR.	16	
	2-21	Annual total compensation ratio	AR p36					
	2-22	Statement on sustainability strategy	SR Executive Summaries, SR sect 1 & 2			Commitment to Net Zero by 2040; EcoVadis Platinum Rating.		
	2-23	Policy commitments	SR sect 8, 9, 11, 12			Anti-bribery, human rights, equality, supplier code of conduct.	16	10
	2-24	Embedding policy commitments	SR sect 8, 9 11, 12 AR p8-13			Mandatory sign-off for HR and Compliance policies.		
	2-25	Processes to remediate negative impacts	SR sect 8			There were no occurrences in this regard.		
	2-26	Mechanisms for seeking advice and raising concerns	SR sect 8, 9, 11			Whistleblowing procedure available to all employees and stakeholders.		
	2-27	Compliance with laws and regulations	SR sect 16.3			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			Includes UKLA, UEIL, and The 5% Club.		
	2-29	Approach to stakeholder engagement	SR sect 3			The following stakeholder groups were consulted with electronically, in person or via a representative: <ul style="list-style-type: none"> • Main PEL Board • Executive Board • Managers/Departments • Employees • Customers • Suppliers 		
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 2024 to 31 July 2025 in accordance with the GRI standard: Core Option						
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			Fomal materiality assessment completed in 2024 using stakeholder survey and executive input, results guide sustainability strategy until next review in 2027.		
	3-2	List of material topics	SR sect 3, 15			Major: GHG emmisions, energy management, risk management, and quality. Significant: Climate impacts, product stewardship, waste, diversity, and supply chain.		
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		Global supplier base with limited availability from local suppliers.	PEL does not currently distinguish between local, national, and global suppliers in its procurement system.		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	SR sect 8, 16.5.2			Compliance risks are covered within integrated management systems and financial controls. No negative findings reported during the period.	16	10
	205-2	Communication and training about anti-corruption policies	SR sect 6.2.7, 8, 9.1			Anti-bribery and corruption policy in place; mandatory policy sign-offs tracked. Employee code of conduct rolled out group-wide with target of 1005 sign-off by Dec 2025 (85% as of July 2025).	16	10
	205-3	Confirmed incidents of corruption and actions taken	SR sect 8			Zero incidents reported across Morris Lubricants, GB Lubricants, and Morris Leisure in FY 2024-25.	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, 16.5.2			No proceedings against the company reported in the period. Anti-Trust and competition policy reference alongside code of conduct and whistleblowing mechanisms.	16	

Statement of use			Paterson Enterprises Ltd has reported the information cited in this GRI content index for the period 01 August 2024 to 31 July 2025 in accordance with the GRI standard: Core Option					
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 commits to transparency and rejects tax avoidance strategies. Tax policy aligns with ethical governance principles.		
	207-2	Tax governance, control, and risk management	AR p13-14			Tax compliance managed under corporate governance framework; oversight by Main Board.		
	207-3	Stakeholder engagement & management of concerns related to tax	SR sect 12			Engagement through supplier and stakeholder channels; no tax-related concerns reported.		
	207-4	Country-by-country reporting		Not applicable		PEL operated primarily in the UK, no requirement for country by country reporting.		
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			Manufacturing uses significant volumes of base oils, additives, and packaging. Finish goods packaging action: almost 9 million litres sold in bulk, over 3 million litres in re-useable IBCs, 8 million litres in 205L steel barrels.	8, 12	7, 8
	301-2	Recycled input materials used	SR sect 5.4.1			Process waste (churn oil) re-used internally and as substitute heating fuel. Hazardous liquid waste sent for refining, with 93% converted to useable base material and 7% re-purposed.	8, 12	8
	301-3	Reclaimed products and their packaging materials	SR sect 5.4, 5.5.2			Steel drums drained and reconditioned. IBCs laundered and re-used. Plastic containers >35% PCR. Secondary packaging: FSC pallets, hi-polymer machine wrap with reduced film weight, pallet covers 98% recycled content. Circularity measures applied across primary and transit packaging.	8, 12	
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 5.2					
GRI 103: Energy (2025)	103-1	Energy policies and commitments	SR sect 4.1-4.3, 5.2.1 AR p8-12p11-16				7, 12, 13	7, 8
	103-2	Energy consumption and self-generation within the organisation	SR sect 4.1-4.3, 5.2			Absolute energy consumption reported in MWh for Morris Lubricants (6,177 MWh), GB Lubricants (1,635 MWh), and Morris Leisure (2,803 MWh). Renewable energy purchased: 100% for Morris Lubricants and Morris Leisure; 29% for GB Lubricants. Solar generation: 284,243kWh (ML) and 68,379 (Leisure)	7, 8, 12, 13	8
	103-4	Energy intensity	SR sect 4.1-4.3, 5.2.2 AR p11-16			Energy intensity metrics: ML - 50.9 kWh / Tonne produced; GB - 23.4 kWh / per 1,00 litres produced; Leisure - 27.25 kWh per pitch. Significant reduction from 2021 baseline reported.	12, 13	8
	103-5	Reduction of energy consumption	SR sect 4.1-4.3, 5.2 AR p11-16				8, 12, 13	8, 9

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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 5.3					
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	SR sect 5.3			Water used for cleaning and sanitary services at GB and ML; ML also used water for steam generation and as a production ingredient. Leisure water consumption for visitor facilities and grounds maintenance.		7, 8
	303-2	Management of water related discharge impacts	SR sect 5.3.3			Both ML & GB hold discharge consents and monitor compliance via third party lab analysis; no breaches reported in the period.		7, 8
	303-3	Water withdrawal				Specific water usage metrics: GB - 10.56 m ³ per employee; Leisure - 215 m ³ per 1,000 pitches. Boiler house water at ML reduced by 73% since 2023 through efficiency upgrades.		7, 8
	303-4	Water discharge	SR sect 5.3.3			Water not intentionally discharged as part of any process.		7,8
	303-5	Water consumption	SR sect 5.3			Specific water usage metrics: GB - 10.56 m ³ per employee; Leisure - 215 m ³ per 1,000 pitches. Boiler house water at ML reduced by 73% since 2023 through efficiency upgrades.		7, 8
GRI 3: Material Topics 2021	3-3	Management of material topics	SR sect 5.1 AR p11-16					
GRI 102: Climate Change (2025)	305-1	Energy Direct (Scope 1) GHG emissions	SR sect 5.1 AR p15			Absolute scope 1 emissions: ML - 800.5 tonnes CO ₂ e; GB - 295 tonnes CO ₂ e; Leisure - 181 tonnes CO ₂ e. Reduction targets 2027: ML 40%, GB 25%	3, 12, 13, 14, 15	7, 8
	305-2	Energy Indirect (Scope 2) GHG emissions	SR sect 5.1 AR p15				3, 12, 13, 14, 15	7, 8
	305-3	Other indirect (Scope 3) GHG emissions	SR sect 5.1.5			Scope 3 emissions reported for waste and water: total 15,184 kilos CO ₂ e in 2024-25; methodology for up-stream emissions under development, target to quantify by 2026 and set reduction goal by 2027.	3, 12, 13, 14, 15	7, 8
	305-4	GHG emissions intensity	SR sect 5.1.2, 5.1.3			ML: 23.3kg CO ₂ e / tonne blended (scope 1); GB: 30.3kg CO ₂ e / 1,000 litres blended; Leisure: 1.67 t CO ₂ e per 1,000 pitches.	3, 12, 13, 14, 15	8
	305-5	Reduction of GHG emissions	SR sect 5.2 AR p15-6				3, 12, 13, 14, 15	8, 9

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GRI Standard / other source	Location	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			Waste arises mainly from packaging and process residues in manufacturing; Leisure parks generate general waste from visitor activities. Zero landfill policy in place for all sites.		
	306-2	Management of significant waste-related impacts	SR sect 5.4			Waste segregated and recycled where possible; hazardous liquid waste re-refined (93%), and solid waste re-purposed (7%). General waste diverted to ERF or MRF for energy recovery.	3, 6, 12, 8	
	306-3	Waste generated	SR sect 5.4			Absolute waste tonnage: ML - 322 tonne; GB - 80 tonne; Leisure: 145 tonne.	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). 93% of hazardous liquid waste re-refined; non-hazardous waste recycled or re-used (eg steel drums, IBCs)	3, 6, 12, 13, 14	8
	306-5	Waste directed to disposal	SR sect 5.4			Zero waste sent to landfill; residual general waste diverted to ERF or MRF for energy recovery.		
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 12.1-12.4			Supplier onboarding for ML and GB includes environmental criteria via ISO certifications, and the PEL supplier code of conduct,		
	308-2	Negative environmental impacts in the supply chain and actions taken				No negative environmental impacts reported in the period. Ongoing actions include: supplier grading (AI-A3); rollout of AA sustainability rating, promotion of circular packaging, and upstream PCF data collection.		
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 6.2.3, 6.2.4				5, 8	6
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time workers.	SR sect 6.2.6			All employees receive Medicash Health Plan, pension schemes, death in service cover, flexible working options. Benefits apply pro-rata to part-time employees.	8	

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			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			Both ML & GB have ISO45001 certified management systems, equating to around 85% of the workforce	3, 8	
	403-2	Hazard identification, risk assessment, and incident investigation	SR sect 7			Embedded in management systems; near miss reporting encouraged; all incidents investigated.	3.8	
	403-3	Occupational health services	SR sect 4.1, 4.2, 6.2.2			Annual health surveillance for roles exposed to mineral oil and FLT operators.	3, 8	
	403-4	Worker participation, consultation, and communication on occupational health & safety	SR sect 7			Health & Safety committees in place; employee engagement via surveys and briefings,	3, 8	
	403-5	Worker training on occupational health & safety	SR sect 10.4			Mandatory training assigned by role; monitored for completion.	3, 8	
	403-6	Promotion of worker health	SR sect 6.2.2, 6.2.3			Medicash health plan, Metal Health First Aiders, stress awareness campaigns.	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 85% of the total workforce.	3, 8	
	403-9	Work-related injuries	SR sect 7.1			Lost time frequency rate: ML 0.36; GB 1.16 per 100,000 hours. No fatalities.	3, 8	
	403-10	Work-related ill health	SR sec 7.2			No occurrences reported in last three years.	3.8	

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				Location	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			Target 15 hours minimum.	4, 5, 8	6
	404-2	Programs for upgrading employee skills and transition assistance programs	SR sect 10.1-10.3			Apprenticeship and graduate programmes; CPD support; technical and leadership training.	8	
	404-3	Percentage of employees receiving regular performance and career development reviews	SR sect 10.3	Data unavailable	PEL does not operate a formal appraisal process across all entities. A standardised review system is being developed for implementation for FY 2028.		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			Workforce: 29% female; management: 27% female; age distribution reported.	5, 8	6
	405-2	Ratio of basic salary and remuneration of women to men		Not reported	The size of the company does not require the publication of the gender pay ratio.	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: equality and diversity mandatory for all employees.	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			All key suppliers required to sign the PEL supplier code of conduct since 2023, covering ethics, human rights and labour practices. Target: 95% compliance by 2026. Modern Slavery Act compliance confirmed for 93% of suppliers.		
	414-2	Negative social impacts in the supply chain and actions taken				No negative social impacts reported during the period. Actions include mandatory codes of conduct, Modern Slavery Act compliance checks, and supplier sustainability assessments,		

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