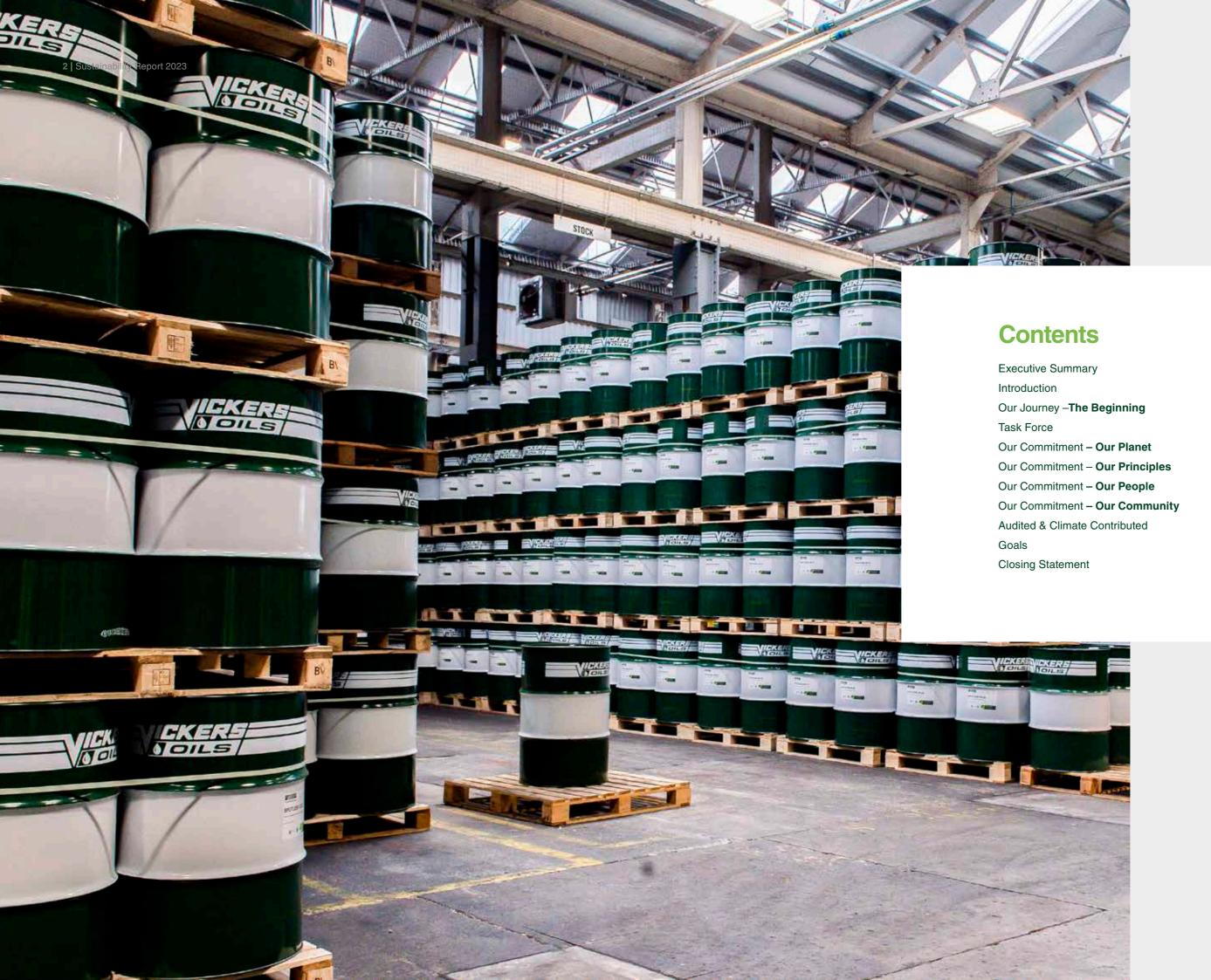




Sustainability for Generations

Sustainability Report 2023





Executive Summary



Sustainability, for us at Vickers Oils, isn't just a buzzword – it's a deeply ingrained principle, handed down from our previous generations and embraced by every employee who joins our family and team.

This report captures the essence of our efforts: where we have come from, the quiet successes, the lessons learned, and the paths we're yet to tread.

It's a reflection of our mission – Leadership in Lubrication for all our futures.

As you explore the stories and figures within, know that they represent more than just metrics; they represent acknowledgement and respect for the past, honouring the present and a hope for the future.

By sharing stories of the company's origins, milestones, and challenges, our intention is to highlight our core values and lessons learned for both current and future generations.

As the business naturally evolves through time, telling our story ensures that the essence and ethos of the business, as conceived by Mary Randall Vickers and her son Benjamin Randall Vickers, remains at its heart.

Paul Vann



Introduction

Vickers Oils has been a socially, economically, and (to some extent) environmentally sustainable business since well before the term "sustainability" was defined by the UN (United Nations) Brundtland commission in 1987.

Established in 1828, Vickers Oils is an independent, privately owned formulator and blender of specialty industrial lubricants. With members of the 6th and 7th generations now engaged in the governance of the company, Vickers Oils – like other family companies, including some of our customers and suppliers – has sustained itself in business for almost 200 years.

In the 1870s the first generation addressed a problem for wool textile processors: spontaneous combustion of oiled wool, causing mill fires which could destroy an entire factory. Through innovation, and working with the insurance companies and others, Benjamin Randall Vickers developed a wool processing lubricant which had much greater resistance to oxidation and spontaneous combustion. This saved livelihoods, buildings, materials, and costs: all contributing to the sustainability of an industry (and of his own business!).

Jumping over 125 years of innovations and changes, twenty years ago Vickers Oils launched "HYDROX BIO", a biodegradable, non-toxic lubricant based on renewable sources, for ship's sterntube bearings & propeller shafts. HYDROX BIO and our other Environmentally Acceptable Lubricants (EALs) substantially reduce the harm caused by oil leakage into the sea, in cases of seal damage. Vickers' EALs been used worldwide by thousands of vessels to reduce pollution and protect equipment – helping to sustain both environment and machinery.

With 'Long term survival = sustainability' as the core value of the company, we think and invest generationally into the business and our people.

We are committed to our home city of Leeds. From here, we run a global business exporting all over the world.



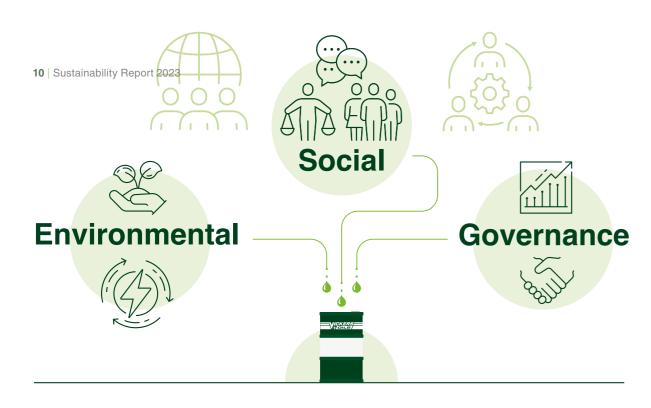




Benja R. Vickers& Sons

In 1808, Mary Randall Vickers was left a widow with eight children to raise. She continued the family business of making pattens – wood and metal contraptions to put under ladies' shoes to raise them above filthy streets.

Mary was soon persuaded to go into partnership with a maker of machines for the patten trade. They invested in a steam engine – a bold entrepreneurial move. However, Mary's Methodist values of honesty, loyalty and kindness were not reciprocated and it was only when her son Benjamin Randall Vickers came to work with her that her fortunes changed.



Task Force

Vickers Oils have, for a long time, been environmentally conscious. In 2020 a formal Task Force was set up to analyse the past and current ESG (Environmental, Social, Governance) initiatives of the business, look for future opportunities and implement actions to accelerate the business on the path to becoming NET ZERO.

With seven members from various divisions of the company, the sustainability task force brings ideas and initiatives to the team. From reducing energy usage to massively reducing waste, together they make the company more environmentally sustainable each day going forward.

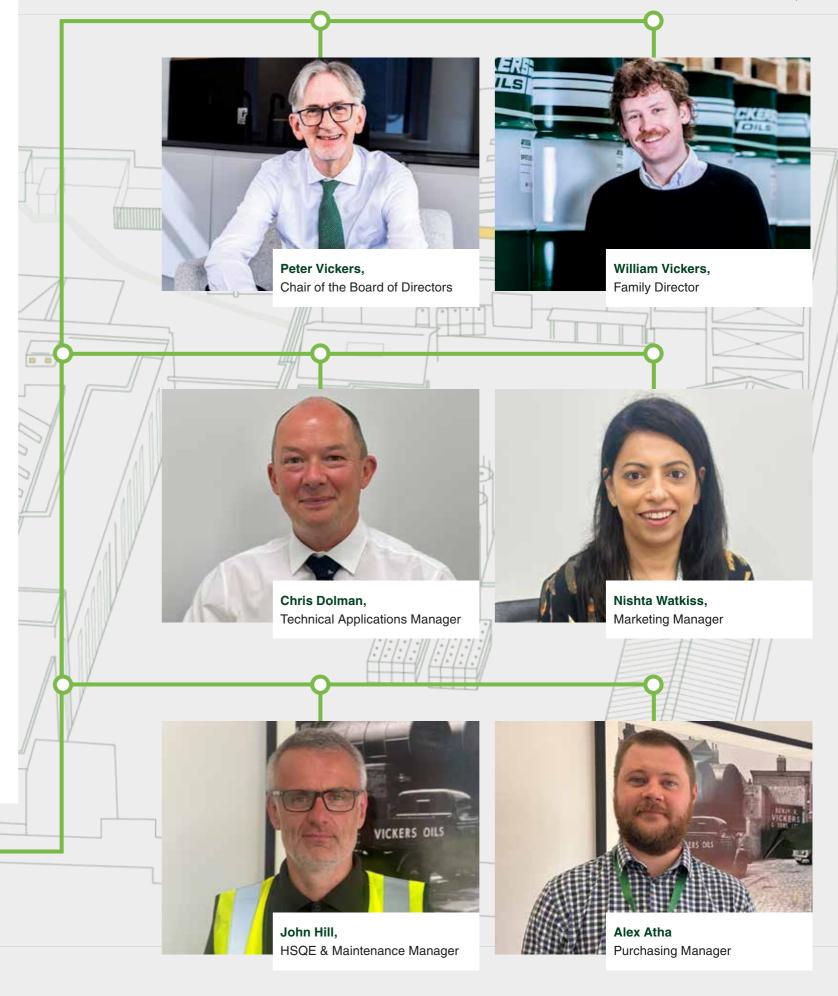
To get in touch with our Sustainability
Task Force, please email at
sustainability@vickers-oil.com

This Task Force is headed by Mathew Evans, Research & Development Chemist

It is attended by:

- Alex Atha, Purchasing Manager
- Chris Dolman, Technical Applications Manager
- John Hill, HSQE & Maintenance Manager
- Nishta Watkiss, Marketing Manager
- Peter Vickers, Chair of the Board of Directors
- William Vickers, Family Director





RIVER AIRE





Our Commitment

Our Planet

The sustainability task force set out to determine our Corporate Carbon Footprint (CCF), which has helped us to identify and address inefficiencies within the business.

This includes all the Scope 1, 2 and relevant Scope 3 Greenhouse Gas (GHG) emissions associated with the business activities for sites which we have operational or financial control.

We started by looking at our activities on an inbound Gate to outbound Gate boundary, for all Scope 1 and 2 impacts. Our hope was that this would reveal hotspots and ultimately guide us to set the path for implanting GHG reduction strategies.

First, we determined which onsite activities fall into Scope 1 and 2.

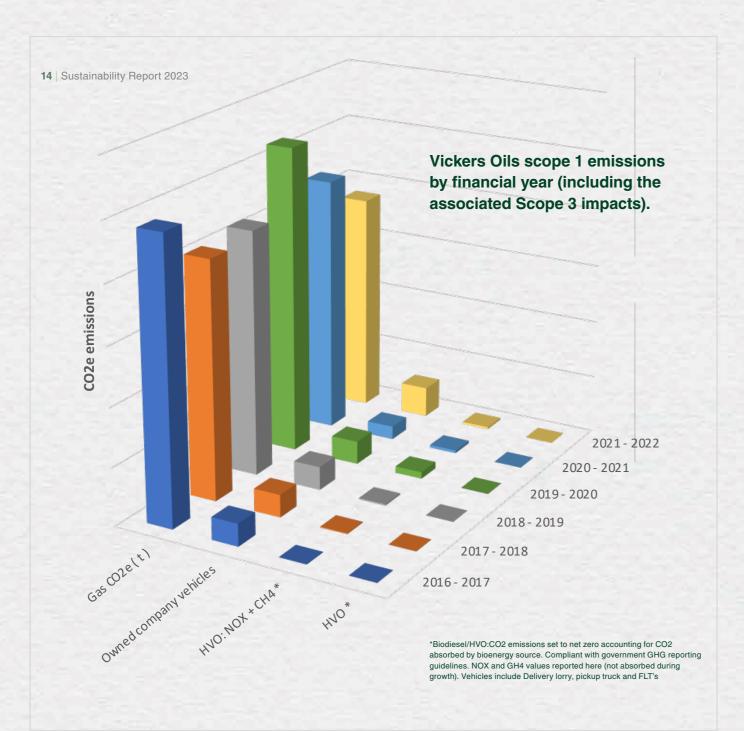
Scope 1 being:

Direct GHG emissions that occur from sources that are controlled by the company.

Scope 2 being:

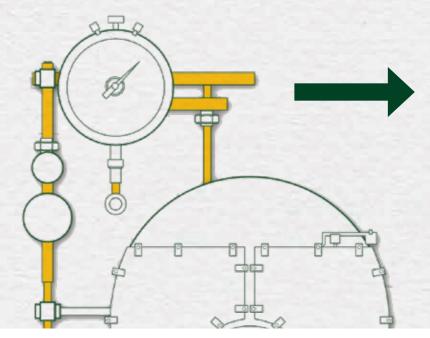
Indirect GHG emissions associated with the purchase of electricity.





Scope 1

Measuring our environmental impacts allows us to have consistent comparable data, year on year, in which we can see the direct effects of the changes that have been put in place. The Sustainability Task Force started observing the hotspots around the site at Airedale Mills in Leeds and realised the site's gas consumption was one of the key areas, being our biggest Scope 1 contributor and needed attention immediately.



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39% **REDUCTION IN GAS CONSUMPTION**



HSQE & Maintenance Manager

Gas Consumption

John Hill, Maintenance Manager at Vickers Oils investigated and took measures to bring the gas consumption down by 39%. This was despite a 40% increase in lubricant production volume compared to previous years.*

"Our gas boilers used to run between 6 and 6.5 A lot of work was done by production and Bar all day, seven days a week. So, I altered it to run at 4 Bar outside of production hours.

Running at the lower pressure still provided enough heat overnight and over weekends to keep raw materials warm and therefore reduced the running time of the boiler. We decided that given the size of the warehouse, we should slightly lower the heating, resulting in a significant reduction in our overall energy consumption.

We also had all the pipework for the warehouse heating lagged to reduce heat loss. our lab to reduce blending temperatures, which we have been able to do without adverse effect on product quality.

Another measure that we took recently was to disconnect the steam over to the warehouse. The steam was travelling across hot and coming back cold and not actually getting used.

Not only does this reduce the environmental impact, but it also has significant financial savings, especially in the current times of soaring energy prices."

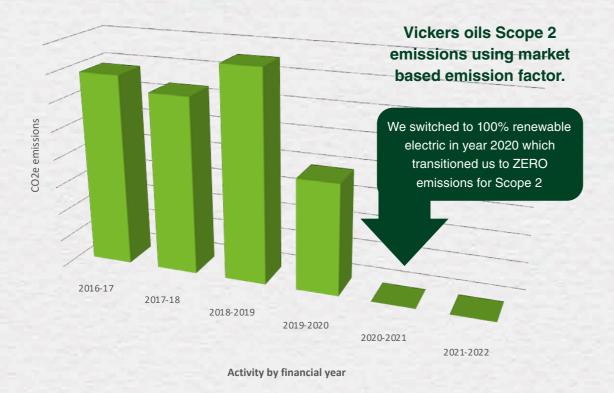
^{*} From 2020 -2022

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Electric Consumption

Scope 2:

We switched our supply of electricity to 100% renewable in 2020. The graph below shows our environmental impact as we made this transition.



Solar Panels

Solar panels were installed on-site at 'Airedale Mills' in Leeds in 2016 on top of the new warehouse roof, on one side of the south facing slopes.

They were commissioned in December 2016 and since then they have produced to date 528,305 kwh electricity. (As of August 2023)

We get an average of around 13% of our electric consumption from solar panels.

We are now looking at installing additional solar panels at our main and additional site.

Optimised Voltage

We reduced the voltage delivered to site to just above the minimum requirement. It was reduced to 230v from 240v. This has optimised what we take from the national grid, with us no longer wasting excess unrequired voltage. This means that we are now using less electricity.



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Scope 3 Impacts

Expanding on Scope 1 and 2, we have set out looking at our Scope 3 emission impacts.

Scope 3 being:

These are the impacts and the assets not owned or controlled by us but indirect emissions that occur upstream and downstream in the value chain.

It is understood that scope 3 accounts for the majority of an organisation's footprint, and heavily relies on the value chain for raw data. However, it is vital to do so as this scope can easily be greater than

This is a mammoth task which involves us quantifying all our direct impacts, this includes



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Waste Management

We undertook a Lean approach and devised various less wasteful practices around various departments.



• 81.2% of our waste is recycled

REFUSE

- Lab staff are using glass, instead of plastic, containers when possible while working with greases
- In Order Preparation / Dispatch, we have replaced the shrink wrapping of our 20L pails and 208L drums with wooden boards/ cardboard edging held by PET 100% recyclable straps



RE-PURPOSE

- Replaced shrink wrapping with wooden boards and cardboard edging held by PET 100% recyclable straps
 - New carpets around the offices were carefully selected and are made up of used 'Fishing nets'

REDUCE

- An additional slot was added for storing an oxygen cylinder. This has halved our yearly deliveries
- In 2021 we started to search for plastic packaging that was made from Post-Consumer Recycled material (PCR).
 Finally, after some initial testing we then switched all our BIO Grease products to PCR pails in April 2023

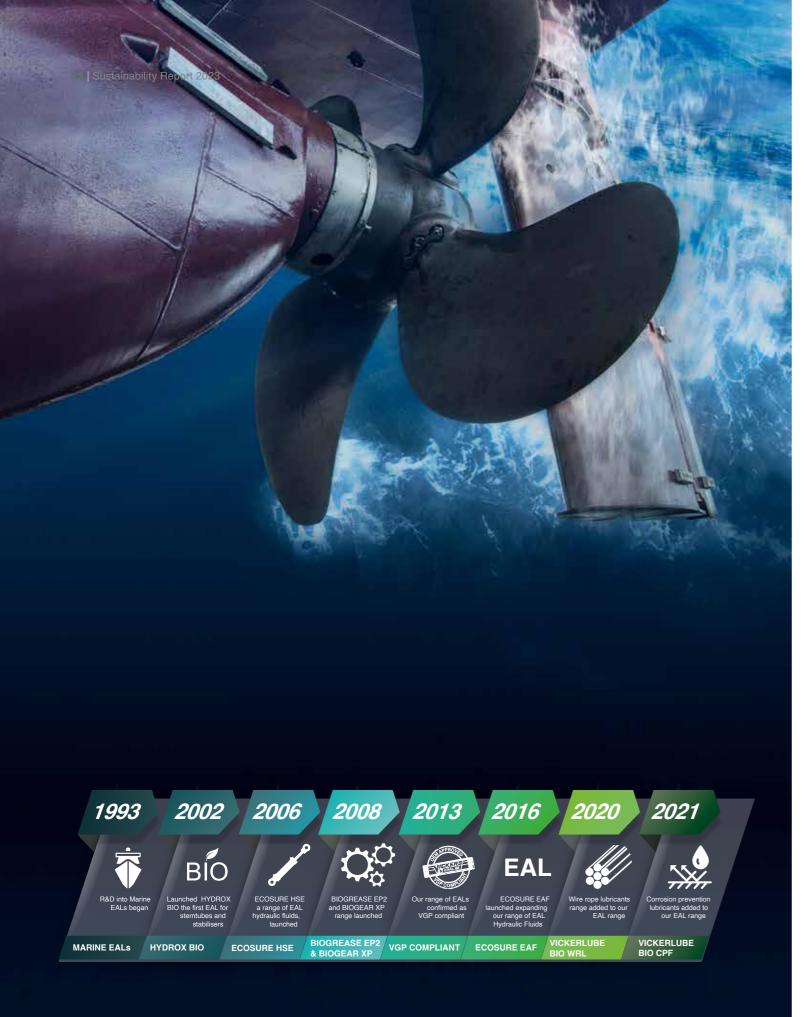


- We now purchase rags for cleaning, these can be returned to the supplier and washed for reusing. This has reduced our paper towel consumption
- We now fill waste solvent into previously used containers, rather than new ones
- We now wash and reuse plastic syringes for most lab samples











Our Commitment – Our Principles

Governance, for the Vickers family and company, has always been as much about purpose, culture and trust as it has been about structures.

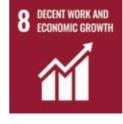
Long term relationships of trust are the core of our business. We have been doing business with multiple customers and suppliers for decades - indeed, there's a record of Vickers supplying another Leeds family business as far back as 1859!

Just as importantly, relationships with employees and in some cases, several generations of their families also stretch over the decades. These relationships would not have lasted without sustained trust.

Being a family-owned business has allowed for mindsets, investment horizons and ideologies to be different than a lot of other businesses.

For example, some of our generations-old ways-of-working include:

- Refusing to pay bribes to win business
- Having only one set of accounts, seen by the tax man as well as the owners
- Maintaining the quality of our products and not diluting them in order to save costs
- Paying our bills on time
- And, because we're human and fallible, admitting mistakes when we make them, putting them right and learning from them









We were early into quality procedures. As a supplier to the UK Royal Navy, we had from the 1960s to comply with UK Ministry of Defence quality standards, which became the basis for BS 5750, itself the forerunner to the international ISO 9001 quality standard. We have been accredited to that standard since the 1980s, and to the ISO 14001 environmental standard since the 1990s and more recently we were accredited to ISO 21469 for our Food Grade lubricants and greases.



FM 01851 EMS 40717

14001:2015

Environmental Management

The business's governance structure recently changed. After 190 years of father-to-son transitions, we're now involving a wider range of family shareholders. This shift was driven by the 2017 establishment of the familyowned holding company, Mary Randall Vickers, honoring our entrepreneurial founder from seven generations ago, Mary, a single mother who raised eight children and ran two businesses. This milestone represents a fundamental evolution in our governance framework. Instead of a single family member overseeing multiple functional areas, it paves the way for a fresh approach that defines a shared purpose while delineating clear boundaries, roles, and responsibilities for both family and non-family members.

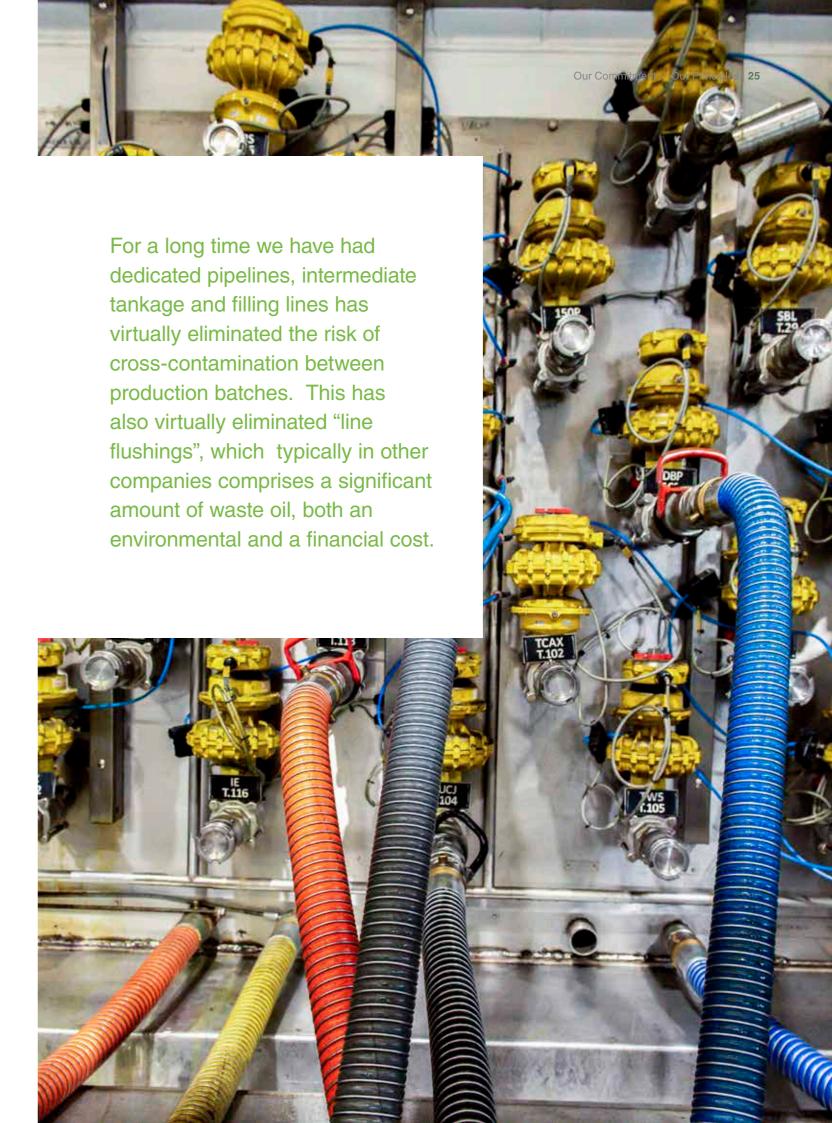
Clarity of what that shared purpose means for individuals is essential for a growing business and family.

A good example of this is the appointment of Paul Vann in 2022. He joined us as our first non-family, externally-hired Managing Director for 194 years – and has been instrumental to both the generational transition between the 6th and 7th generations of the family; one senior management team to the next, and also to the diversification of the business into new areas and product lines.

In order to ensure the continued relationship between the family and the business, in May 2023 an event was held at Fawsley Hall in Northamptonshire.

Members of the 6th, 7th and 8th generations of the family were able to spend time together with the Board members and various key stakeholders in the business.

This was the first such event for 10 years — and as we prepare for the bi-centenary of the company we will be sure to host more private and public events to mark the continued successful and dynamic governance of the business. Watch this space!







Our Commitment

- Our People

- Prioritise health & safety of everyone
- Effective Communication
- Electric Car Scheme along with on-site charging points
- Vickers Oils annual 5K challenge to keep employees motivated to look after their physical health
- Cycle to work scheme: Vickers Oils provides cycle to work scheme as part of the standard employee benefits package
- Considerable Investment went into the canteen in 2018 which is now spacious and lively
 - Free lunch is provided every day to the employees on-site
 - Celebrating Holiday period Easter, Halloween & Christmas with food, raffle etc.
- Discretionary energy cost allowance
 In 2022, when global energy prices soared after the invasion of
 Ukraine, Vickers Oils announced an additional Discretionary Energy
 Cost Allowance to all employees in these crucial financial times
- Training
 - Forklift Truck training
 - First Aid Courses
 - Support for further education



Office Refurbishment

One of the big measures taken for employee wellbeing and improving employment standards was the office refurbishment.

During lockdown in 2020, when it was needed the most, a team was set up within the business with members from different departments who came together to put a design for the new office keeping employee wellbeing in mind. The result of which is a newly refurbished office layout with sufficient space between each workstation and a new air handling unit which was installed to prevent the spread of airborne viruses.

There's a real "feel good" vibe about the new office design with the moss wall and planters between the desks."



Sales Office & Export Manager.





Alex began his career journey at Vickers
Oils in the Purchasing department at
a young age. It marked his initial step
into the professional world, and at the
outset, he lacked any prior experience or
knowledge related to procurement. To aid
in his development within this role, Vickers
Oils sponsored his CIPS Qualification.

"With no prior experience in the field of purchasing, I recognized the need to enhance my skills and gain a deeper comprehension of the vital role that procurement plays in driving positive impacts within a business. Vickers Oils played a crucial role in supporting my five-year journey from Level 3 to achieving full qualification at Level 6. The company's support extended beyond mere financial

assistance; they stood by me during stressful periods when balancing studies alongside work and personal life became challenging. They even granted me study leave to adequately prepare for exams."

"Their unwavering support in my career progression and investment in my education have been remarkable. Vickers Oils' approach to promoting further education within its workforce is truly commendable. I along with many others would not be where we are without them."



Alex J. AthaPurchasing Manager

Employee Wellbeing

Wellbeing Team

During lockdown in year 2020, some of the employees organised a few 'wellbeing events' to motivate everyone at Vickers Oils to keep healthy in the unprecedented times.

This initiated the idea of having a centralised team taking measures to look after employee wellbeing. A group of four employees from various departments and interests came together to form the 'Wellbeing Team'.

The team is headed by **Michelle Wilding**, HR and is attended by

- Kevin Smith Cottle, Manufacturing
- Sally Pluskota, Laboratory
- Rajan Chahal, Technical Service
- Various guest attendees are also invited to provide their input











Mental Wellbeing

"At Vickers Oils, we prioritise both mental and physical well-being. Our dedicated well-being team organises a range of workshops aimed at promoting mental health awareness and understanding. These workshops provide valuable knowledge to help distinguish between stress and anxiety and offer guidance on addressing challenges such as menopause."

Michelle Wilding
Human Resources



Physical Wellbeing

Case Study: Cycle to Work scheme

"With the Cycle to Work scheme, you can buy a bike and the equipment needed at a cheaper rate, by paying it monthly via a salary sacrifice scheme. This means you don't pay income tax or national insurance on the payments you're making on the bike, with the additional benefit of no credit check or up-front payment required. This allows you to get a more expensive bike than you would normally think of buying. Along with the above, this scheme helps me save on monthly fuel cost, keeps me healthier and

fitter and I feel more productive at work.

Above all by saving my carbon emissions from fuel, I get a satisfaction of being able to contribute towards preserving the planet.

Finally, with a growing number of people using the cycle to work scheme, it gives you a little added motivation to use the bike and leave the car at home."

Kevin Smith Cottle, Production Manager





Our Commitment - Our Community

Our support for charities is not just a corporate obligation; it is a value that guides our actions.

Our employees also actively participate in volunteer activities and engage with the communities we serve. Our belief in the power of collective action extends beyond financial contributions.

The Vickers Staff Charitable Fund

The Vickers Staff Charitable Fund (VSCF) is a charitable fund, registered and regulated in the UK. It is legally independent body, separate from BRV, run by its own Trustees.

The VSCF was established as an initiative in the 1930s, before the creation of the Welfare State. Under it's governing rules, the VSCF has two purposes:

- To provide assistance to employees and ex-employees of Benjn. R. Vickers & Sons, and/or their dependents, should they be in financial need (as defined by the Charity Commission)
- To support general charitable activities in a range of sectors and locations.
 The vast majority of the VSCF's grants support smaller, less well known charities which can make a real difference to people's lives



Case Study

Our dedication to the maritime sector runs deep. We actively support maritime charities that work towards improving the lives of seafarers and preserving marine ecosystems. This did not stop during COVID-19 pandemic year.

In 2020, 'The Mission to Seafarers', a maritime welfare charity in partnership with International Christian Maritime Association (ICMA) launched a digital chaplaincy messenger service - 'Chat to a Chaplain' for vulnerable seafarers around the world unable to seek direct contact with Chaplains due to the unprecedented COVID-19 pandemic.

Seafaring is stressful at the best of times and faces a mental health crisis. With seafarers spending months at sea, away from family and friends, they often require portspecific advice or even emotional support.

Being a part of the marine industry for more than 140 years and very closely associated with the seafarers, Vickers Oils proudly sponsored the digital chaplaincy' support service for seafarers.



Case Study

Ghost Fishing UK is an award-winning
British registered charity established in 2015
dedicated to removing abandoned,lost and
discarded fishing gear known as 'Ghost Gear'.

The organisation consists of volunteer scuba divers, with extensive training in advanced diving practices, specifically in relation to minimising the impact on the environment.

Their purpose is to remove, where possible, lethal entanglement hazards to marine life and scuba divers from the marine environment.

Lost gear is a hazard to ship navigation and safety at sea, and there are significant costs for removing entangled gear from propellers or engines, repairs, fuel, loss of earnings, and for rescue services required when it causes breakdown.

Ghost fishing gear is a threat to marine habitats and biodiversity, especially sensitive habitats, and endangered species. Ghost gear is a significant source of litter in marine ecosystems but has higher impacts than other litter due to its potential to continue to entangle and trap marine life.

Representatives of Vickers Oils met Ghost Fishing UK at Scottish Skipper Expo in Aberdeen in 2022 and decided to make a pledge and play a part in their Big Give Christmas Challenge.

Helping them achieve their target, Vickers Oils was proud to be able to contribute to a cause close to our heart.



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Goals

Long term goal

NET ZERO for all emissions, Scope 1 – 3*

*Currently baselining our scope 3 impacts and emissions in order to set an ultimate target date.

Short term

NET ZERO for scope 1 & 2 by 2028

During our transition to NET ZERO, carbon compensate for emissions by investing in certified climate contribution projects.



Climate contributing for Scope 1 and 2 emissions



Identify areas which have biggest impacts



To be NET ZERO by 2028 for Scope 1 & Scope 2



Eliminate fossil fuels from use on-site



Use Carbon Compensation only as an interim tool













Closing Statement

Without Mary Randall Vickers' determination, entrepreneurship and Methodist values we would not be here today.

These values have been carried forward not just by our family, but by every single individual who has ever been a member of our team. This report is a testament to their dedication, hard work, and unwavering belief in what we stand for.

Some particular highlights from this year that I would like to acknowledge include:

- Working closely with UEIL on creating industry-wide sustainability initiatives
- Reducing gas usage on-site by almost 40%
- Embarking on our Net Zero journey
- Community work with local Schools,
 Colleges and Universities
- Continued support of local and international causes both from Vickers Oils and through the Vickers Staff Charitable Fund

While we're proud of our steps on our sustainability path, it's the quieter, everyday decisions, often unseen, made by our employees that truly define us. Their commitment, their flexibility, and their curiosity are the lifeblood of our company.

As we journey forward, I am not only committed to those small, consistent choices that can make a world of difference, but also to supporting and uplifting the very people who make it all possible.



Family Director





Trusted for Generations



Service & Support

30% of our workforce are employed in the technical team, focusing on Quality Control, R&D, OEM liaison and Technical Service allowing us to provide oneon-one dedicated customer support by our team of highly qualified experts.



Support



Lubrication Surveys and Recommendations



Equipment Reports and Analysis



Lubricant **Analysis**



Training

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