



OPTIMAS

Efficiency Up

Net Zero Progress Report

August 2025



Our Greenhouse Gas Inventory



Baseline GHG Emissions

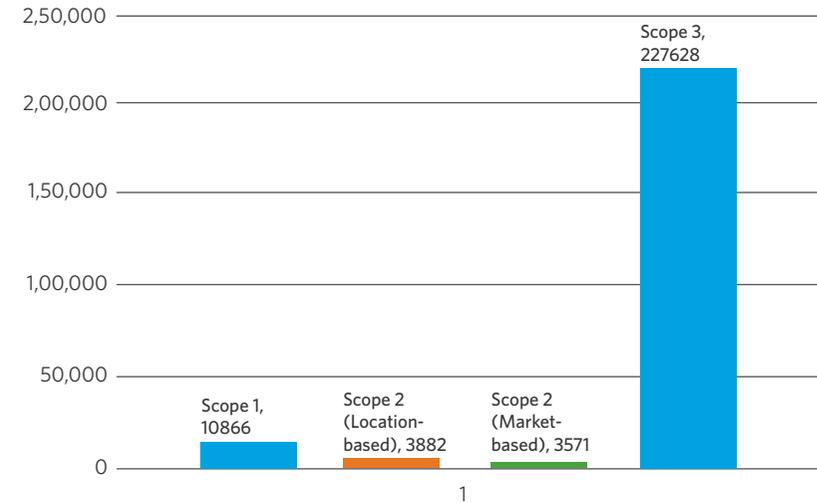
Baseline year 2022

We have restated a reported total of 242,376 (tCO₂e) in our full minimum boundary (Scopes 1, 2 and 3) for our baseline year 2022.

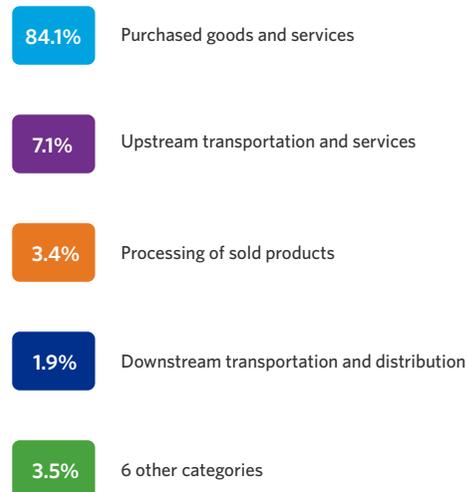
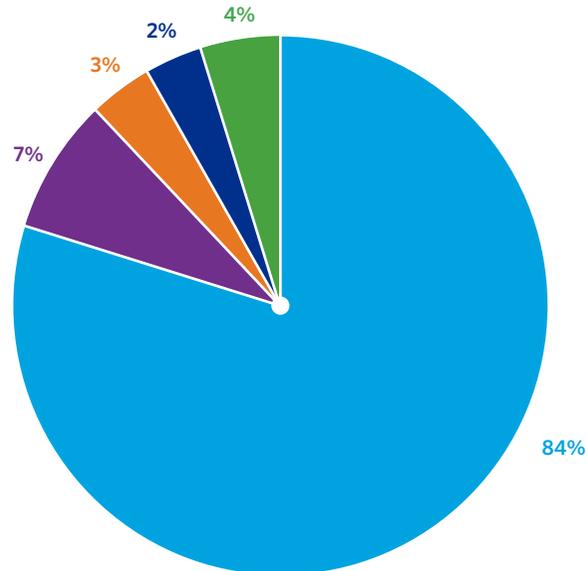
We reported no emissions outside of this minimum boundary. We do not produce GHG emissions from the combustion, processing and distribution phase of bioenergy. We also do not produce GHG emissions from land use emissions and removals, associated with bioenergy feedstocks.

The full breakdown of our GHG inventory, including optional and biogenic CO₂ emissions, is provided here:

Total Greenhouse Gas emissions, 2022



Scope 3 breakdown by categories



Our Value Chain

Location in the value chain	Value chain stage	Level of control	Business factors involved
Upstream	Product (fasteners) procurement	Low	Supply chain partners (manufacturers of fasteners). Logistics and freight forwarders (shipping, customs)
	Raw material procurement	Medium	Raw material mining businesses. Steel mills, steel rod production companies. Logistics and freight forwarders
	Heat treatment and plating/finishing of fasteners once produced by Optimas' manufacturing plants	Medium	Production/manufacturing, quality control and testing, maintenance, HSE staff, process engineers, logistics and distribution (from Optimas to contractor and back again)
	Third-party logistics and shared warehousing	Medium	3PL provider, warehouse operations staff, Optimas' staff and logistics, IT systems and customer representatives
Own operations	Manufacturing and production	High	Raw materials suppliers, manufacturing and production teams (machine operators, technicians), quality control and testing staff, maintenance teams, plating and heat treatment (external to Optimas)
	Office/Hybrid	High	Office management companies, employees, HMRC (or equivalent), regulatory bodies (H&S and other laws)
	Marketing, sales, and business intelligence (BI)	High	Marketing team, sales team, account managers, P&L/country leads, customer relationship managers, business intelligence analytic team, IT support, product managers and external agencies
	Data security, privacy, and AI	High	IT security team, data privacy persons, legal team, AI department, BI/analytic team, functional leads, P&L leads, and third-party data centres/cloud storage providers
	Packaging/warehouse	High	Warehouse operators and managers, inventory managers, quality controls and inspections, forklift equipment operators, warehouse management systems (IT), customer reps/account managers, P&L leads, freight logistics, OR our own fleet management
	Transport and logistics	Medium	Third-party logistics providers, transport co-ordinators (internal team), warehouse staff, freight carriers, customer services teams, customers
Downstream	Product usage	Low	Product engineers, assembly line workers, maintenance technicians, quality control inspectors, procurement teams, plant managers, and end-user customers (mainly automotive, off road vehicle and civil engineering industries)
	End of life	Low	Waste management companies, recycling facilities, re-manufacturers, product disassembly teams, environmental compliance officers, logistics providers, and regulatory authorities

2024 Net Zero Progress Update



Our Net Zero Targets

Optimas has achieved validation for our commitment to achieve Net Zero greenhouse gas emissions across the value chain by 2050.



Our Science-Based Targets



Near-term targets

We have submitted two near-term targets for review by the SBTi. All targets have been assessed and approved against the SBTi's quantitative and qualitative criteria, alongside the Criteria Assessment Indicators. The following is an overview of the approved targets:

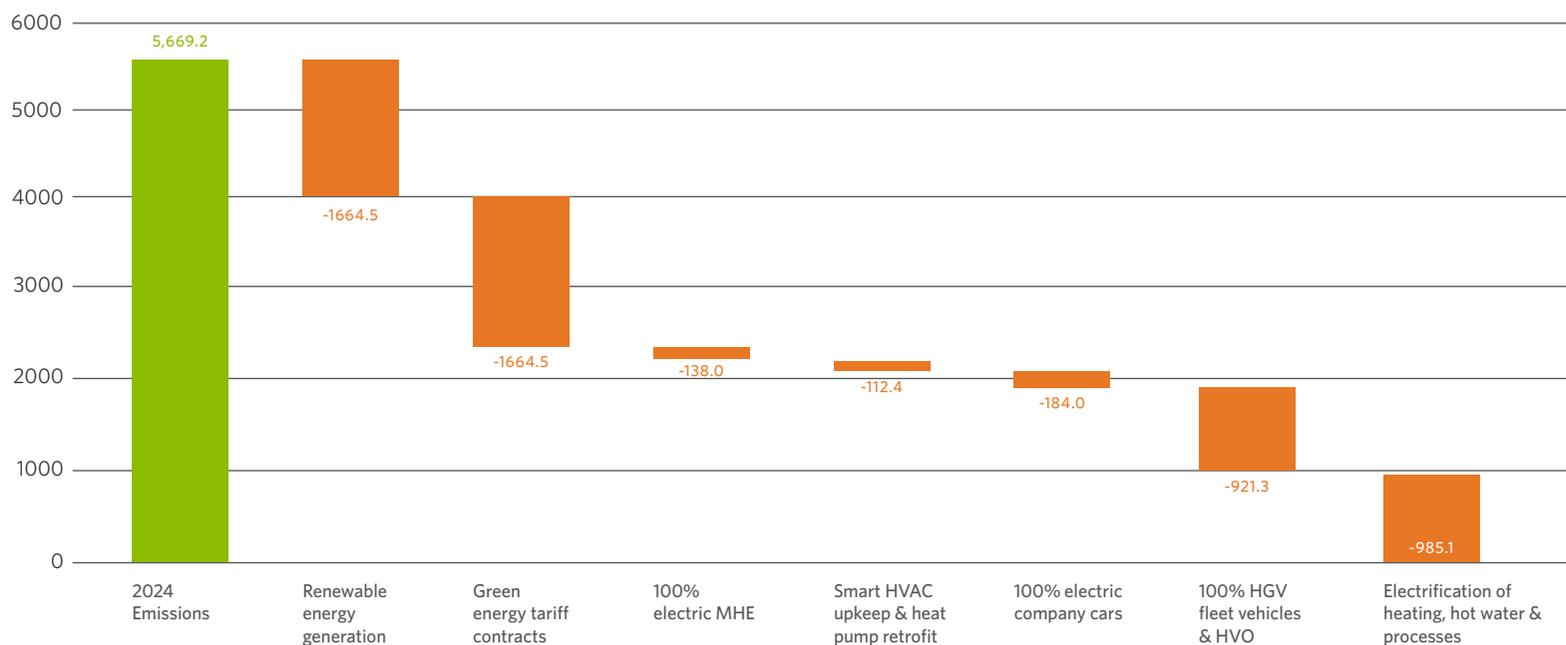
Target wording	Public?	Base year	Target year	Type	Target value	Method used
Optimas OE Solutions commits to reduce absolute Scope 1 & 2 GHG emissions by 55% by 2030	Yes	2022	2030	Absolute	42.0%	Absolute contraction
Optimas OE Solutions commits to reduce Scope 3 GHG emissions by 51.6% per million USD value added	Yes	2022	2030	Intensity	51.6%	Economic intensity (GEVA)

Long-term targets

We have submitted two long-term targets for review by the SBTi. All targets have been assessed and approved against the SBTi's quantitative and qualitative criteria, alongside the Criteria Assessment Indicators. The following is an overview of the approved targets:

Target wording	Public?	Base year	Target year	Type	Target value	Method used
Optimas OE Solutions commits to reduce absolute Scope 1 & 2 GHG emissions by 90% by 2037	Yes	2022	2037	Absolute	90.0%	Absolute contraction
Optimas OE Solutions commits to reduce Scope 3 GHG emissions by 90% by 2050	Yes	2022	2050	Absolute	90.0%	Absolute contraction

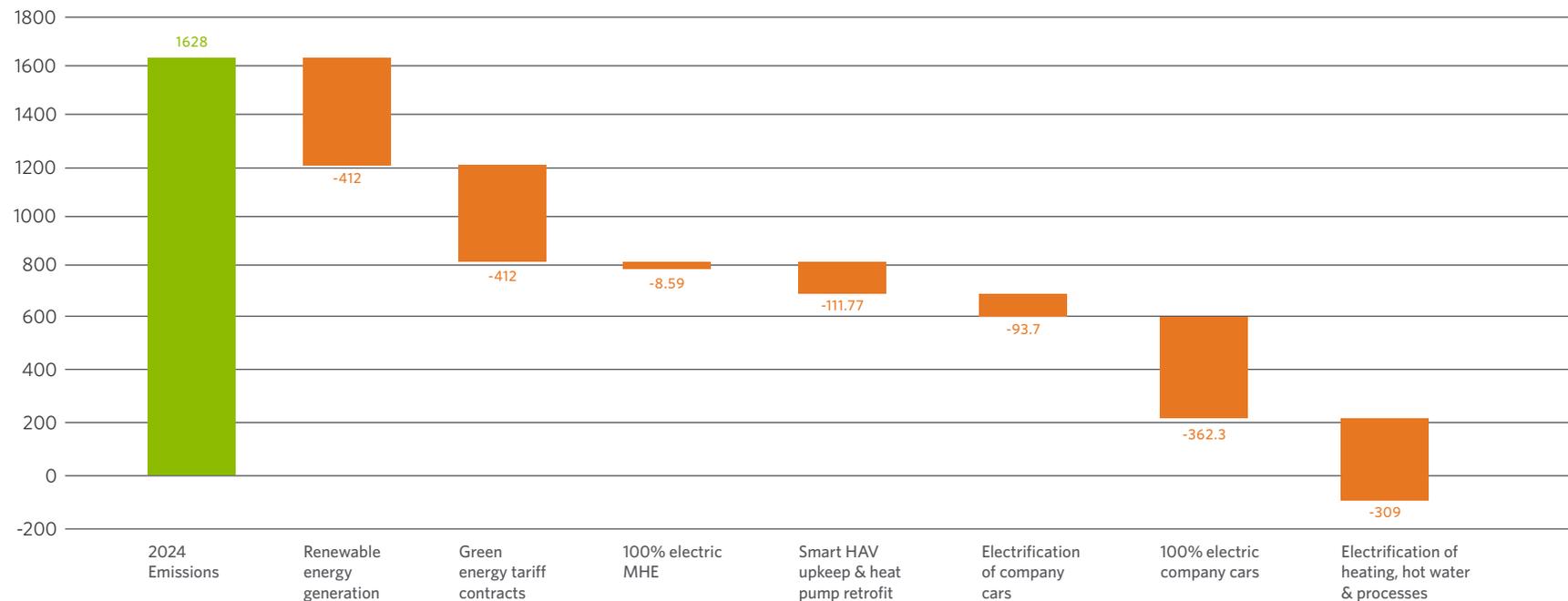
Scope 1 & 2 Decarbonisation Pathway



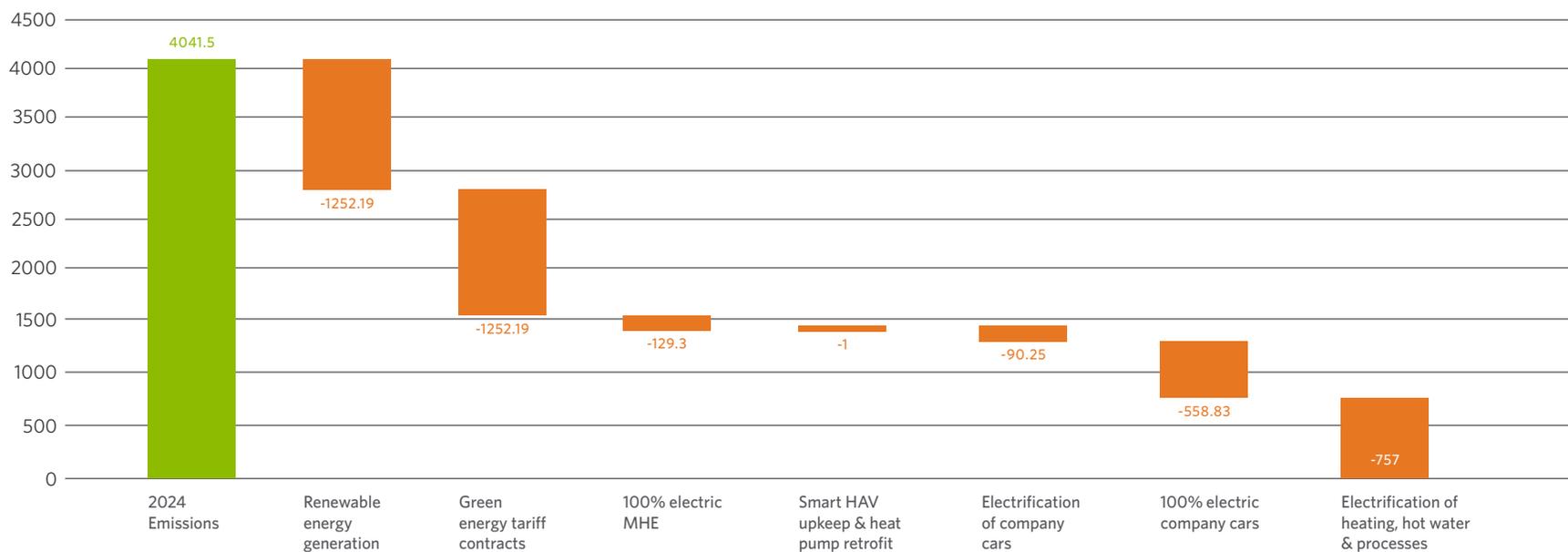
Emissions source	Reduction method	% reduction required	% Contribution to total reduction
Electricity	Renewable energy generation	100%	29%
Electricity	Green energy tariff contracts	100%	29%
MHE fuel	100% electric MHE	100%	2%
F-gas leakage	Smart HVAC Upkeep & Heat Pump Retrofit	100%	2%
Company cars	100% electric vehicles	100%	3%
Commercial fleet	Electric HGV & HVO low-carbon fuel	100%	16%
Natural gas	Electrification of heating, hot water and processes	100%	17%

Scope 1 & 2 Decarbonisation Pathway

International

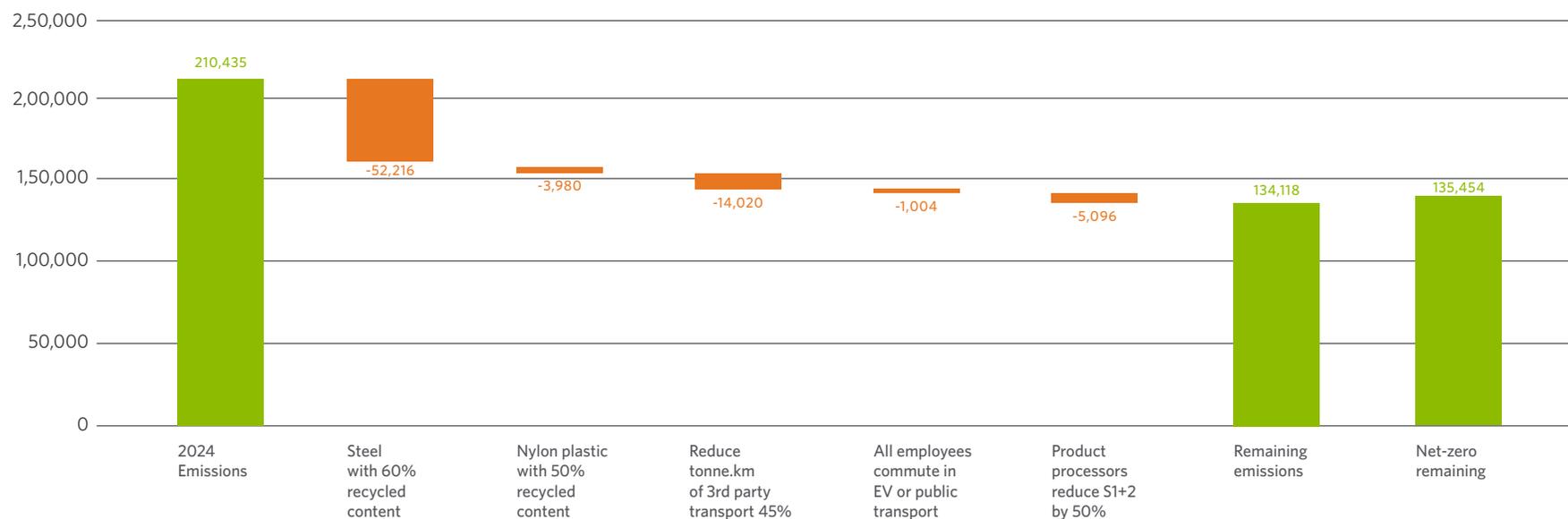


Americas



Scope 3 Decarbonisation Pathways

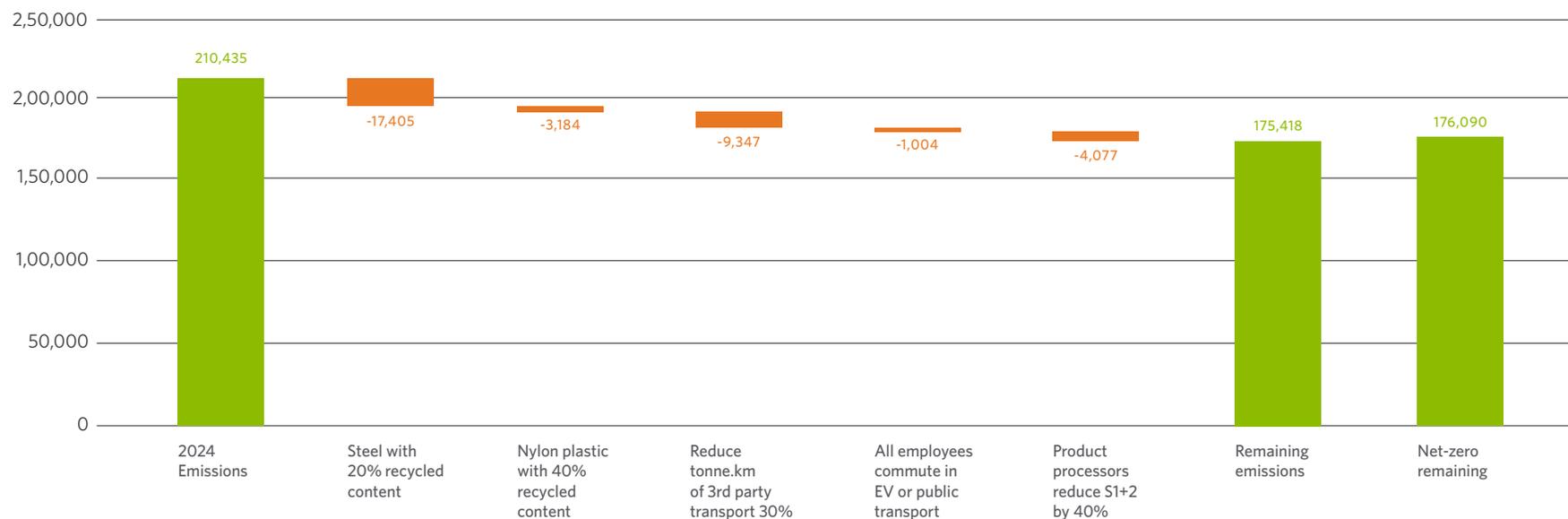
If Gross Value Added increased to \$200 million by 2030, the following emission reductions would be needed:



Emissions source	Reduction method	Remaining emissions	% Contribution to total reduction
Steel	60% recycled content	84,437	68%
Nylon / Plastic	50% recycled content	12,050	5%
Logistics	45% reduction in total tonne-km or switch to electric	17,136	18%
Commuting	All car commutes switched to EVs	526	1%
3rd party processing	Processors cut Scope 1 & 2 emissions reduction 50%	5,096	7%

Scope 3 Decarbonisation Pathways

If Gross Value Added increased to \$260 million by 2030 (in line with the increase between 2022 and 2023), the following emission reductions would be needed:



Emissions source	Reduction method	Remaining emissions	% Contribution to total reduction
Steel	20% recycled content	119,248	50%
Nylon / Plastic	40% recycled content	12,846	9%
Logistics	30% reduction in total tonne-km or switch to electric	21,809	27%
Commuting	All car commutes switched to EVs	526	3%
3rd party processing	Processors Scope 1 & 2 emissions reduction 40%	6,115	12%

Circular Products

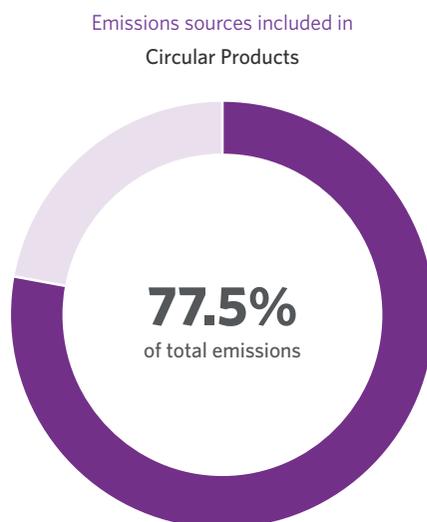
Our products produce emissions from a variety of sources. The largest source is the embedded emissions in raw materials and products made by our supply partners. The processing of sold products by a third party also adds to the emissions in Optimas' products.

Key Challenges

Our supply network is vast and global, spanning 3,000 supply partners across 90+ countries. Current limitations include limited visibility of our supply partners supply chain, access to actual data from supplier and lack of control over how customers use and dispose of products.

Opportunities & Enablers

The move to a circular economy will increase recycling rates globally. Steel Zero and Responsible Steel are two initiatives designed to speed up the decarbonisation of the steel industry.



Circular products decarbonisation roadmap:

	Action Year	Action
Short Term	2025	Communicate expectations to supply partners Collect GHG emissions data Engage with third-party processors
	2026	Set supplier targets and expectations
	2027	Circularity innovation (R&D)
Medium Term	2029	Transition toward low emission steel
	2030	Insetting
Long Term	2031 +	Purchase only net-zero products
	2050	Offsetting (if necessary)

Circular products baseline emissions:

Scope	Baselines emissions FY2022 (tCO ₂ e)	Latest year emissions FY2024 (tCO ₂ e)
Scope 3 - Category 1 - Resold products	191,435	164,068
Scope 3 - Category 10 - Processing of sold products	7,787	10,192
Scope 3 - Category 12 - End-of-life treatment of sold products	1,675	525

Low-impact transport

The transport of inbound goods from suppliers and outbound products to customers represents a significant impact area for the business.

Key Challenges

The price of low-emission HGVs and encouraging logistics providers to move to low-emissions options.

Opportunities & Enablers

Electric trucks are beginning to come to market, and their use will accelerate. Low-emissions fuels such as biodiesel and HVO are increasingly used globally. Electric vans are widely available, driven by early adoption by some of our existing freight carriers such as DPD and DHL. The UK and US have set a target of net-zero emission HGVs for all new HGVs over 26 tonnes by 2040. For goods vehicles under 26 tonnes, this target is for 2035.

Emissions sources included in
Low-impact transport



Low-impact transport decarbonisation roadmap:

	Action Year	Action
Completed Actions	2024	Engage with logistics providers Request vessel, HGV and van details Request journey-specific emissions
	2025	Driver behaviour change
Short Term	2026	Low-carbon fleet fuel alternatives
	2026/7	Logistics journey improvement programmes
Medium Term	2029	Investigate fleet alternatives Alternative fuel providers
	2030	100% electric fleet & company cars
Long Term	2031 +	Low-impact logistics vendor procurement only

Low-impact transport baseline emissions:

Scope	Baselines emissions FY2022 (tCO ₂ e)	Latest year emissions FY2024 (tCO ₂ e)
Scope 1 - Transport	5,033	1,105
Scope 3 - Category 4 - Upstream transportation and distribution	16,079	27,797
Scope 3 - Category 9 - Downstream transportation and distribution	4,282	3,359

Clean energy transition

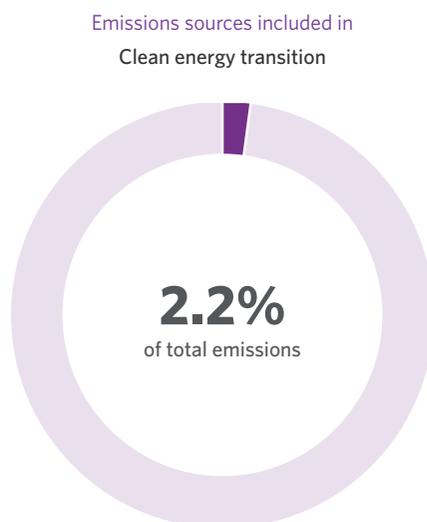
This lever refers to electricity and gas used in our own operations by our manufacturing plants, warehouses and offices. Solutions to address these areas include behavioural change and automation to improve efficiency as well as investment in electrification.

Key Challenges

Balancing financial investment towards the implementation of solutions and implementing energy hierarchy across a global operation. Actions are further limited across 3rd party or leased sites.

Opportunities & Enablers

The UK and US have targets to decarbonise the electricity grid by 2035. Currently, there are quick payback periods for solar PV due to high energy prices. The UK government has also confirmed that all non-domestic rented buildings will need to meet EPC Band B by 2030.



Clean energy transition decarbonisation roadmap:

	Action Year	Action
Completed Actions	2024	Completed LED roll-out (Barton)
Short Term	2025	Procure 100% renewables Complete LED roll-out Equipment replacement Aircon annual maintenance
	2027	Install solar PV Aircon leak detection
Medium Term	2028	Water heaters F-gas switching
	2029	Quick close vehicle doors Install heat pumps
Long Term	2031 +	Offsetting (if necessary)

Clean energy transition baseline emissions:

Scope	Baselines emissions FY2022 (tCO ₂ e)	Latest year emissions FY2024 (tCO ₂ e)
Scope 1 - Gas, other fuels and refrigerants	5,834	1,154
Scope 2 - Electricity (location-based)	3,882	3,329
Scope 3 - Category 3 - Fuel and energy-related activities	2,613	1,378

Responsible Supply Partnerships

Emissions embedded in goods and services, capital goods and waste services account for 3.8% of Optimas' emissions. Actioning these emissions will involve gathering supplier-specific emissions data (Scope 1, 2 and 3, if possible). Scope 3 data collection will require communication and collaboration with the suppliers in order to get accurate data and encourage decarbonisation.

Key Challenges

Influencing smaller suppliers can pose challenges for data sharing. Some businesses have no data available and do not have the resources to collate data, further exacerbated by geographical constraints of some suppliers.

Opportunities & Enablers

UK, US and EU-based suppliers will need to achieve net-zero by 2050, in line with local regulations. Other businesses and competitors will request the same information, which will pressure suppliers to measure emissions and target decarbonisation.



Responsible supply partnerships decarbonisation roadmap:

	Action Year	Action
Short Term	2025	Sustainable procurement policy Communicate expectations to supply partners
	2026	Waste strategy creation and rollout
Medium Term	2028	Collect GHG emissions from non-part vendors
Long Term	2030+	Low-impact vendor procurement only

Responsible supply partnerships baseline emissions:

Scope	Baselines emissions FY2022 (tCO ₂ e)	Latest year emissions FY2024 (tCO ₂ e)
Scope 3 - Category 1 - Purchased goods and services	6,393	7,250
Scope 3 - Category 2 - Capital goods	691	893
Scope 3 - Category 5 - Waste generated in operations	139	150

Change Leadership

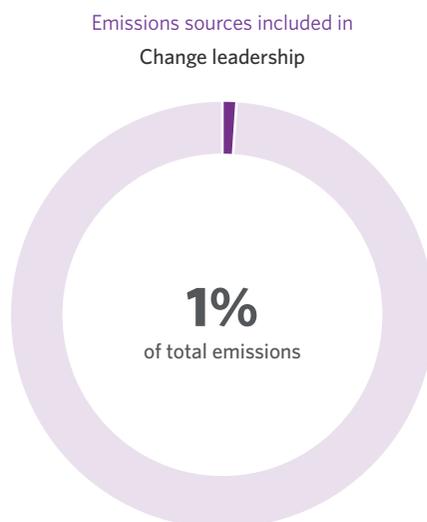
GHG emissions associated with employee actions include commuting to work and travelling for business. These emissions will mainly be addressed through behavioural change, which will educate employees about how they can adapt their current actions to help reduce Optimas' emissions footprint. We can help incentivise behavioural change through investment initiatives like salary sacrifice for employee-owned EVs, cycle-to-work schemes, and contributions towards travel cards.

Key Challenges

Encouraging employees to change habits, i.e. around the use of petrol and diesel cars.

Opportunities & Enablers

The ban on new combustion engine cars being sold in the UK and an increasing number of US states will help enable the transition to EVs for grey fleet. The 'Fly Net Zero' 2050 net-zero target for aviation will help achieve lower carbon business travel.



Responsible supply partnerships decarbonisation roadmap:

	Action Year	Action
Short Term	2025	Review business travel policy EV salary sacrifice scheme
	2026	Sustainability Champions programme Employee engagement workshops
	2027	Implement green commuting scheme
Long Term	2030+	Review emissions and action plan

Responsible supply partnerships baseline emissions:

Scope	Baselines emissions FY2022 (tCO ₂ e)	Latest year emissions FY2024 (tCO ₂ e)
Scope 3 - Category 6 - Business travel	877	543
Scope 3 - Category 7 - Employee commuting	2,048	1,530



Appendix



Offsetting

A carbon offset is a reduction or removal of GHG emissions, paid for by organisations that want to compensate for their emissions. When one tonne of CO₂ is offset, either one tonne of CO₂ is removed from the atmosphere, or one tonne of CO₂ is prevented from being emitted. Therefore, carbon offsetting is a way to take responsibility for unavoidable carbon emissions.

To offset emissions, organisations must purchase carbon credits (independently verified emissions reductions) equal to their emissions; this can apply to Scope 1, 2 or 3. The money used to buy carbon credits funds emission reduction projects, which would not have occurred otherwise. These projects contribute towards a continued reduction in global carbon emissions.

If a company purchases enough carbon credits to cover all of its emissions, then it can claim carbon neutrality. It is important to note that this is different from being net-zero.

The types of offsets are:

Voluntary Emissions Reduction (VER)

One VER represents the reduction or removal of one tonne of carbon dioxide equivalent achieved through a project. VERs can be purchased voluntarily to help offset one tonne of CO₂e of unavoidable emissions from carbon emitters.

Carbon Sequestration

Carbon sequestration projects capture carbon dioxide and securely remove it from the atmosphere, then store it to prevent it from entering the atmosphere once again. There are many approaches, including: Biological via grasslands, forests, soils and oceans and Geological via geological formations or injection into rocks.

Renewable Natural Gas (RNG)

RNG offsets address GHG emissions and manage organic waste efficiency by creating biogas through Anaerobic Digestion from organic material and utilises the greenhouse gases methane and carbon dioxide. These offsets help replace fossil fuels with renewable natural gas and are commonly used for renewable heat by businesses, the public sector and non-profit organisations.

Renewable Energy

Renewable energy carbon offsets finance renewable energy projects such as wind, solar or hydro. These projects reduce carbon emissions as an investment is spent to boost the amount of renewable energy on the grid and decrease reliance on fossil fuels.

Insetting

Insetting is a form of offsetting that involves organisations investing in carbon reduction projects within their value chain (Scope 3). In contrast to typical carbon offset projects, which are unrelated to the investor, insetting projects reduce, sequester or remove emissions directly linked to a company's supply chain whilst also generating multiple positive, sustainable impacts.

According to the Science Based Target Initiative (SBTi), insetting projects are often called 'supply chain interventions' because they are investments and actions organisations take to change and positively impact their supply chain. This reduces a company's Scope 3 emissions whilst supporting others to employ more sustainable business practices.

Why does it matter?

To help reach your net-zero target, the whole value chain must be decarbonised through nature-based solutions and operations. By focusing on insetting, you are focusing on doing more good rather than doing less harm.

There are currently no standards for insetting projects; however, the International Carbon Reduction and Offset Alliance (ICROA) offers the following best practices for organisations interested in insetting:

How	Why
Invest financially in the development and maintenance of a carbon offset project within their upstream or downstream supply chain/supply chain community.	Including the stakeholders with a direct link to the supply chain means you are connected to those with either the production of the product/service or those who are positively or negatively impacted by the supply chain operations.
Insetting should generate GHG emission reductions that respect the principles of international standards (i.e. Additionality, permanence, uniqueness, measurability, verifiability, etc.)	Right now, insetting does not require verification of certification against agreed global standards. However, working in line with these principles provides more credibility to the implemented insetting project.
A number of companies are already investing in insetting projects. One example is Nespresso, who is planting native trees on its suppliers' coffee farms and surrounding landscapes to introduce regenerative agriculture.	This increases water provision, improves soil health, conserves biodiversity and provides the desired shade for coffee plants, all of which enhances the quality of the coffee beans, for which farmers receive a premium. The trees also offer natural carbon sinks that enable Nespresso to compensate for their own residual emissions that cannot be reduced.