



Intelligent Solutions

Moving to a sustainable future

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► The big picture...

Sustainability: Everyone's responsibility

- ✓ Greenhouse gas levels are higher than at any time in the last 800,000 years₁
- ✓ World emitted about 43 billion tonnes of CO₂ in 2019₂
- ✓ Without major action to reduce emissions global temperature on track to rise by 6°C₃
- ✓ Resource of 2 planets needed by 2030₄



Sources: ₁ National Geographic, ₂ The World Counts, ₃ climate.nasa.gov, ₄ WWF

► Our industry

- ✓ SYNETIQ recycles 95.3% of each vehicle
- ✓ Our waste hierarchy means unnecessary manufacturing is the last resort
- ✓ Maximising environmental benefits, as an integrated salvage and vehicle recycling business

How do we go further?

Reduce

Reuse

Remanufacture

Recycle

► An integrated (& elegant) solution

A circular model

- ✓ Vehicle safe for repair are sold, repaired and **reused** on the road
- ✓ Green parts safe for **reuse** are supplied to the Fleet, Bodyshop, and Insurance industries to avoid unnecessary manufacturing
- ✓ Now also **remanufacturing** engines & drivetrain through Mechanical Solutions
- ✓ Vehicles which can't be returned to the road are **recycled**, for reuse as raw material



► Case Study – British Gas

120,000kg of CO2 saved by through replacement 'green' doors alone

- ✓ One of the **UK's largest fleets**
- ✓ Saved **millions of pounds** by using green parts supplied by SYNETIQ since 2012
- ✓ SYNETIQ handle **all salvage** – supply reusable parts back to British Gas repairers
- ✓ **Over 1200 doors** supplied – **over 6,500** non-safety related parts in total

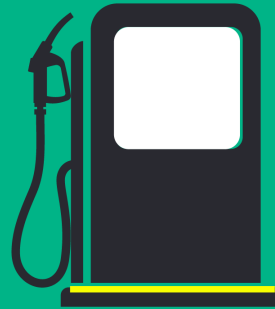


► Real world environmental benefits

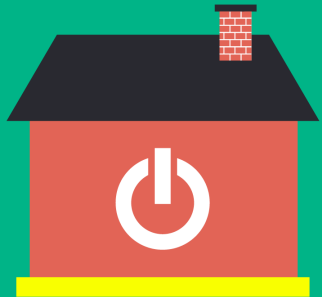
British Gas' **120,000kg saving of CO2** is equivalent emissions produced by:



Charging
15.3 million
smartphones



Using
13,503
gallons of petrol



Powering
30.3 homes
for one year



Using
4,906
barrels of oil

► The current situation

Around 2% of insurance-funded accident repairs use green parts

Why?

- ✓ Work provider/policyholder resistance
- ✓ Poor condition on receipt
- ✓ Delivery delays
- ✓ Assumption that policyholders don't want green parts fitted

Mindsets are changing...



► The future

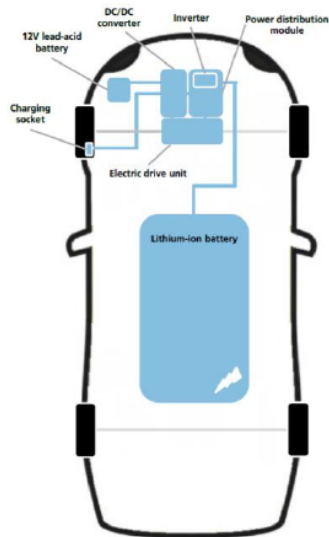


► Short term

Comparison ICE vs. BEV¹⁾ – Vehicle example

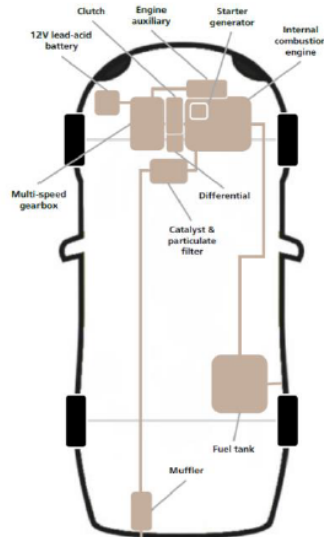
Difference in vehicle design and components

Chevy Bolt (BEV)



- + Inverter/Converter
- + Traction eMotor
- + Battery as fuel source

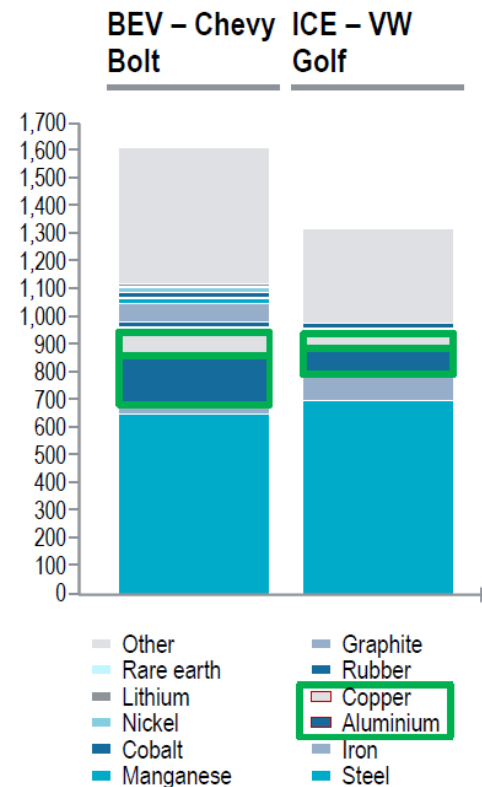
VW Golf (ICE)



- Internal combustion engine
- Multi-speed gearbox
- Catalyst, particulate filter, muffler

1) Battery Electric Vehicle

Material mix (kg): Chevrolet Bolt vs. VW Golf



- ~70% more aluminium
- ~80% more copper
- ~7% less steel
- ~60% less iron
- 100% less precious metals

► Medium term

Impact of EV adoption on the UK salvage & dismantling market, 2013-31

> **Fundamentally, EVs are subject to the same salvage drivers as ICEs, with collisions and damage remaining a constant, and higher write-off rates to-date**

- EVs are significantly more likely to be written off to-date, as insurers and manufacturers lack records of how damage impacts safety for EV drivetrains

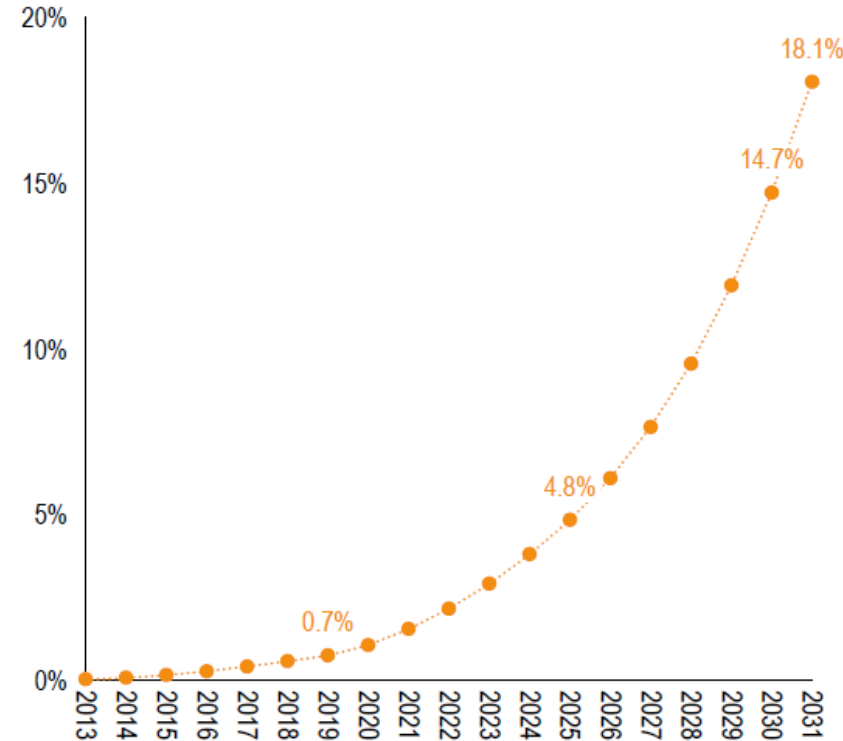
> **The transition to EVs will take well over a decade; EVs will constitute less than 15% of fleet by 2030, with the end-of-life and secondhand volumes lagging further**

- The salvage market's inflow of vehicles is likely to be older, and hence less EV concentrated, than the general market
- Paralleling the aerospace market, the aftermarket toward the end of a technology cycle may become increasingly lucrative

> **Fewer parts and marginally longer repair cycles for EVs will be counteracted by an increased focus on resource conservation (green parts, remanufacturing) and opportunities based on new technologies (e.g. battery recycling)**

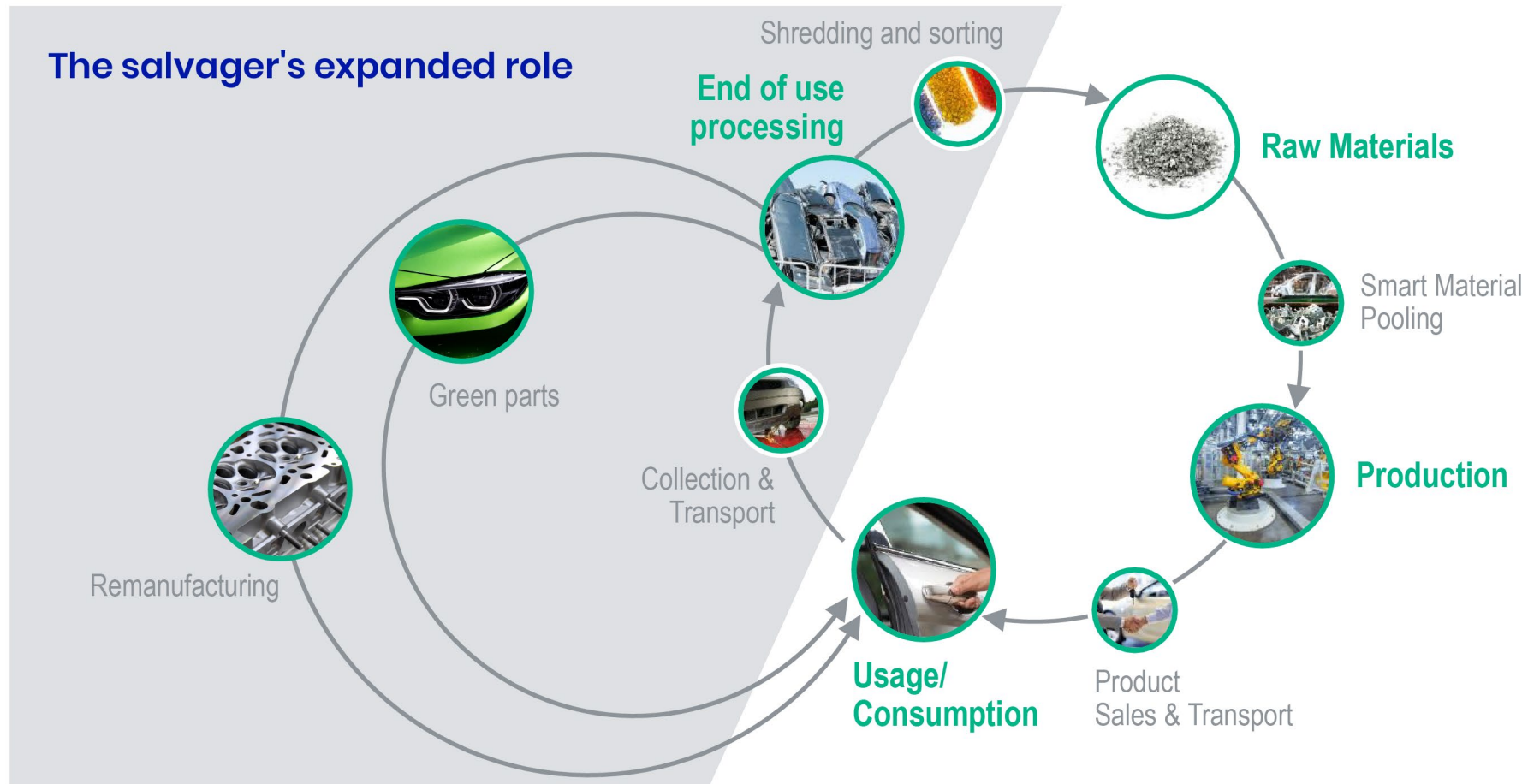
- Due to drivetrain differences, EVs do have fewer parts and longer repair cycles compared to ICEs
- This negative driver is counteracted by new opportunities for salvagers associated with increased focus on resource conservation, and value-add services for battery technologies

EV fleet [% within total UK car fleet]



► Long term

Circular economy



► **Your questions...**





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Thank you

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