Investor Update

January 2025

Motability Operations group plc

Transaction Rationale

Following a year of unprecedented growth in 2024 (14.7%) Scheme numbers are forecast to further increase in 2025. The increase in brand-new-business coupled with the reduction in customer order book and lease extensions (as new vehicle supply continues to improve) is driving the need for both incremental funding and funding to refinance the upcoming March 2025 €500m maturity.

The Group appreciates the support given by global investors via GBP and EUR issuance under the EMTN programme, which has allowed the Group to keep delivering mobility solutions to customers. The Group is seeking to re-engage with this investor base through the proposed GBP and EUR tranches being offered in this transaction, and going forward expects to continue its profile of regular GBP and EUR issuance.

Motability Operations group plc

Contents

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Business Overview

Our Purpose, Our Values

Our purpose

We exist to deliver smart, sustainable solutions that improve our customers' mobility in a fast-changing world.

What we do

We run the Motability Scheme, where people receiving a qualifying disability allowance can choose an affordable and accessible vehicle.

We play an essential role in connecting our 800,000 disabled customers to work, healthcare, education and independence and provide unrivalled value. On average, the Motability Scheme is at least 45% cheaper than alternative options, and the all-inclusive package includes insurance, breakdown, tyres and servicing.

We invest any money we make from running the Motability Scheme back into our customers' mobility or by providing donations to the Motability Foundation.

Why is mobility important?

Mobility plays a crucial role in all our lives. It unlocks our ability to get to work, visit friends, access healthcare, and see new places.

Yet, for many disabled people, there are many barriers. Since we were founded over 45 years ago, Motability Operations has provided more than five million customers with affordable transport solutions, empowering them to get around on their own terms. We are a key part of the automotive sector and play an essential role in helping electric vehicle (EV) infrastructure become more accessible and inclusive.

Our values

At Motability Operations, our values are central to how we work every single day. They enable us to stay on the right track, working together to deliver the Motability Scheme for our customers.

We drive change

We know the power of positive change.
So we never stop raising the bar, or rising to challenges.

We care

We're respectful, warm and welcoming.
It's how we support everyone, from colleagues to customers.

We find solutions

We're all in it together. To make things better.
For our customers, partners and each other.

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How the Motability Scheme works

- The Motability Scheme was set up in 1977 to provide recipients of qualifying allowances access to new vehicles on competitive lease terms
- Motability Foundation (the Charity) is responsible for overseeing the Motability Scheme and ensuring that, under an exclusive rolling 7-year contract, MO delivers value for money
- In joining the Motability Scheme, customers assign their allowance to MO, which is then paid to MO by the UK Government - removing credit risk for MO
- Where the 'all in' cost of the lease exceeds the value of the allowance, customers are required to make an upfront payment before taking delivery of their vehicle - removing MO's exposure to customer credit risk
- c.90% of cars on the Motability Scheme are not adapted and are standard production cars
- Economies of scale, efficient operations and zero-rating for VAT, mean that MO can deliver a consistent, highly-affordable and competitive proposition for customers

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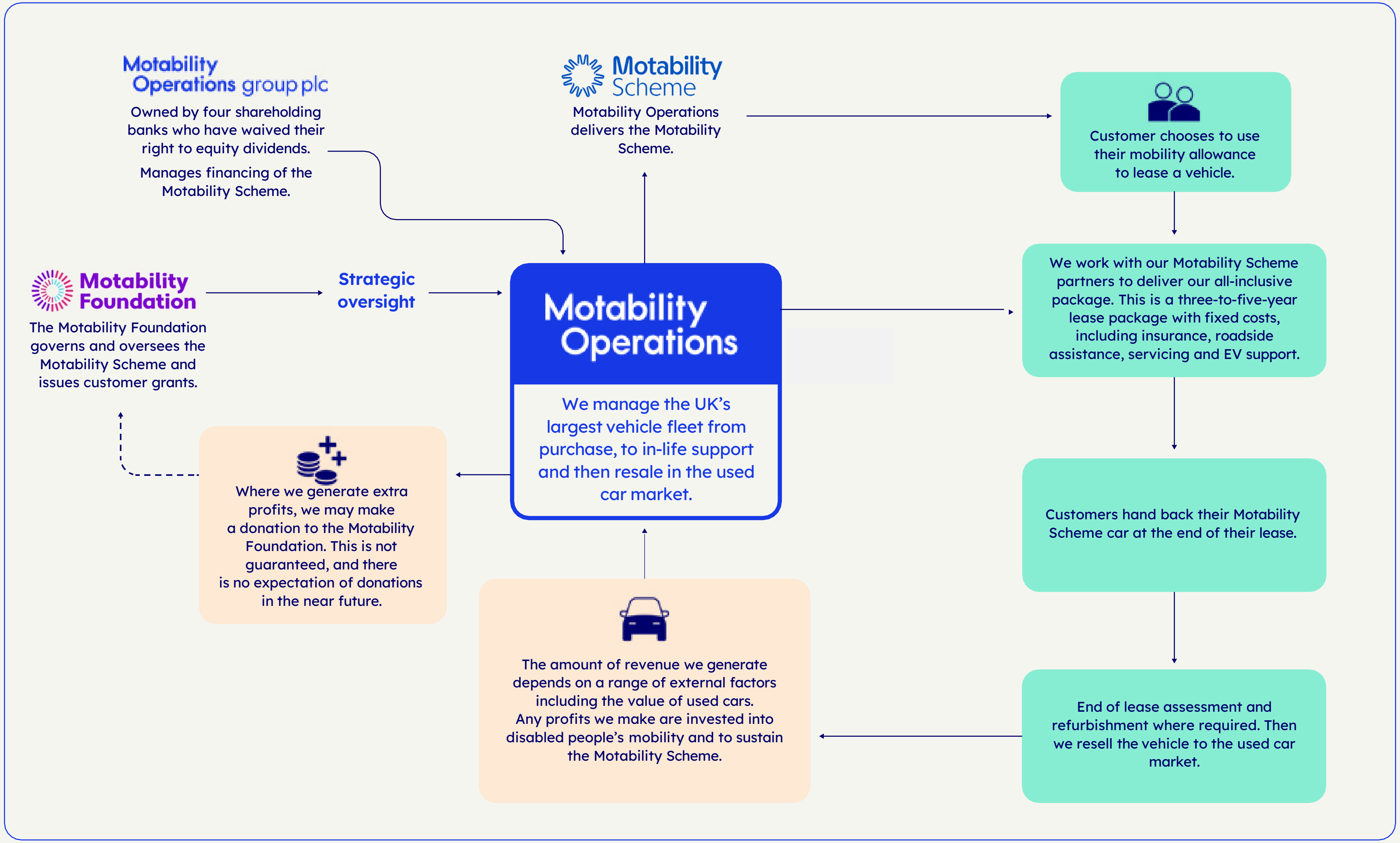

Financial and Customer Highlights

815,000+ Customers on the Motability Scheme 14.7% year-on-year growth	**£6,899m** Revenue, up 24.4%	**70,000+** Scheme electric vehicles (EVs) now on the road
9.5/10 Customer satisfaction, independently measured by Ipsos, Autumn 2024	**18%** MO share of UK total registrations	**A2/A** Rated (Moody's / S&P)
£3.993bn Capital reserves	**82 day** Vehicle order to delivery achieved (175 days at peak of supply challenge)	**277,000** End of lease vehicles sold

Operating Environment

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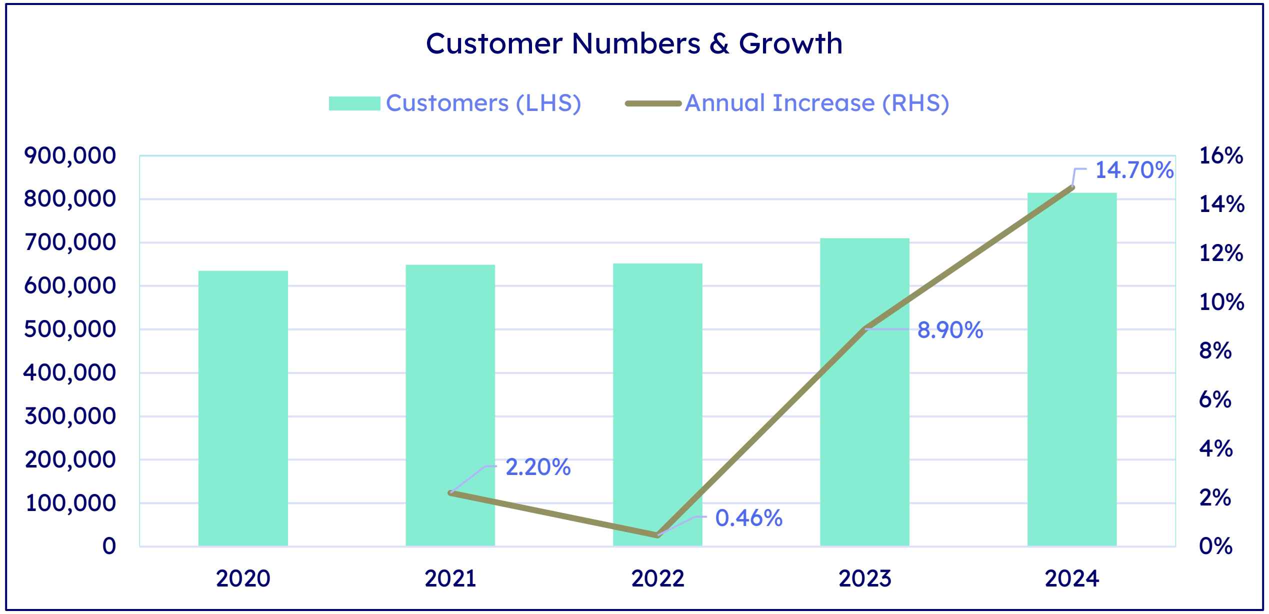
Customer Numbers

Fleet Growth



Customer numbers have grown by 14.7% in FY2024, significantly exceeding recent years' increases albeit direct year-on-year comparisons to 2020-2022 are impacted by covid-related supply chain issues

Growth is forecast to continue during 2025 but at a slower pace

In part this is being fuelled by an increase in the eligibility base as more individuals are being awarded one of the qualifying allowances

On average we require c.£21k of funding to purchase vehicles for new customers, for renewing customers this is closer to c.£5k (net of sales proceeds from their previous vehicle)

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Customer Numbers

Eligible Base Growth

Customer growth figures are underpinned by the increase in the eligible base. Figures shown are total UK disability allowance recipients (those receiving either lower or higher awards, not customers). No split is provided at award level however only higher rate recipients are eligible for the Motability Scheme

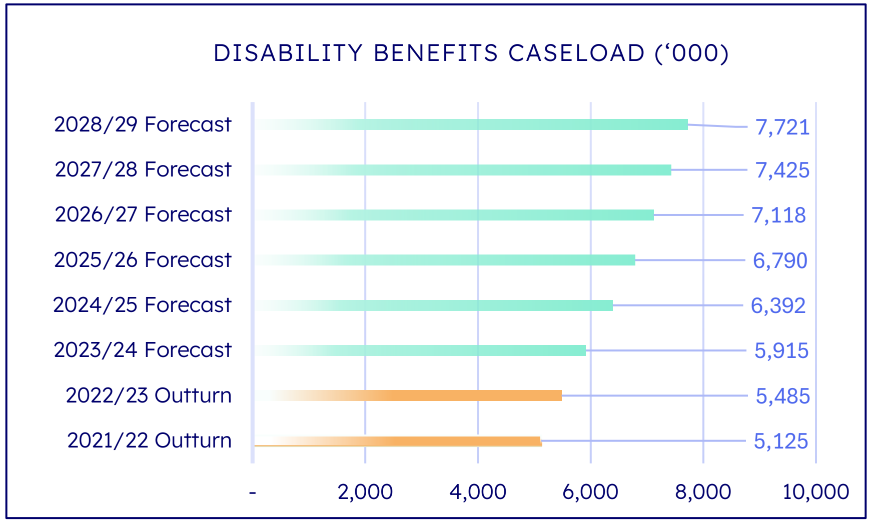
Government expects this trend to continue over coming years

From 2024-29 the increase is expected to be 1,806,000 (30.5%)

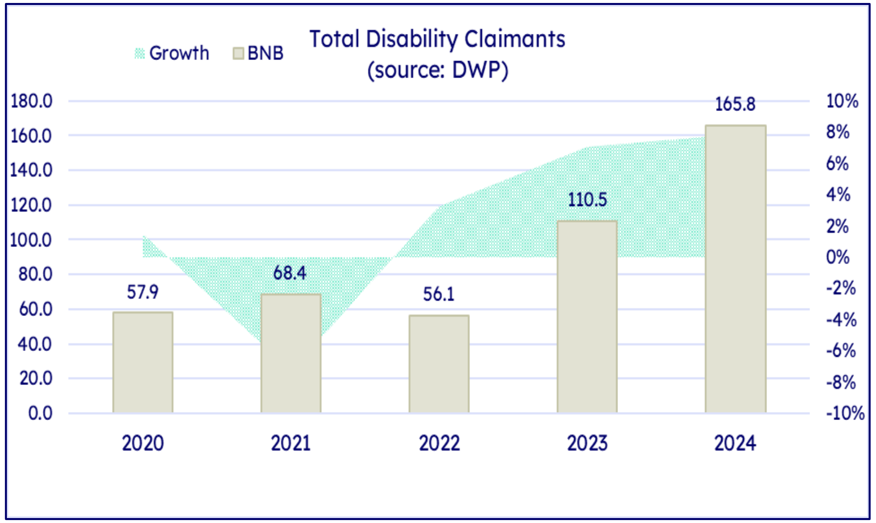
The 'green' area chart illustrates how the number of year-on-year claimants has fluctuated from 2020 to 2024

New to Scheme customers (BNB) have also risen markedly

Retention rate fluctuates around the 90-92% level in recent years, as such for 2024 'net' customer numbers rose by c.100,000



Source: [Benefit expenditure and caseload tables 2024 - GOV.UK (www.gov.uk)](https://www.gov.uk)
Updated May 2024



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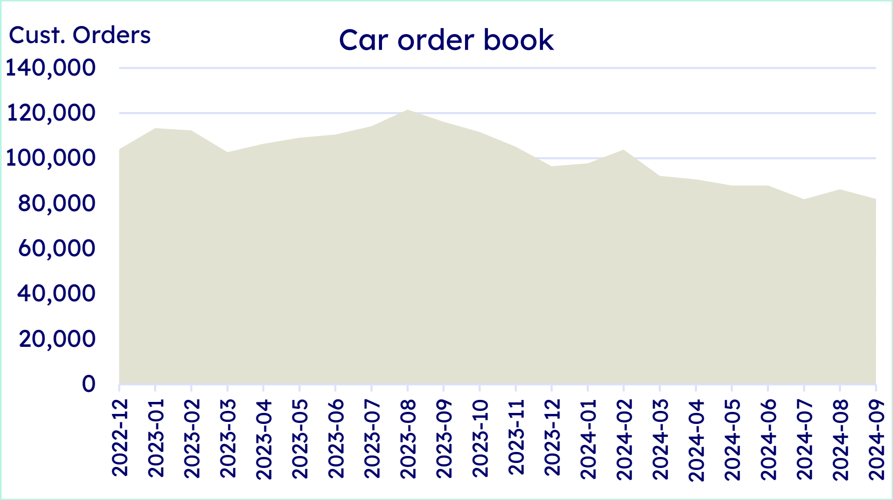
Orderbook & Lead Times

A significant factor in the Group's performance over the last 12 months has been the return of supply to the new car market.

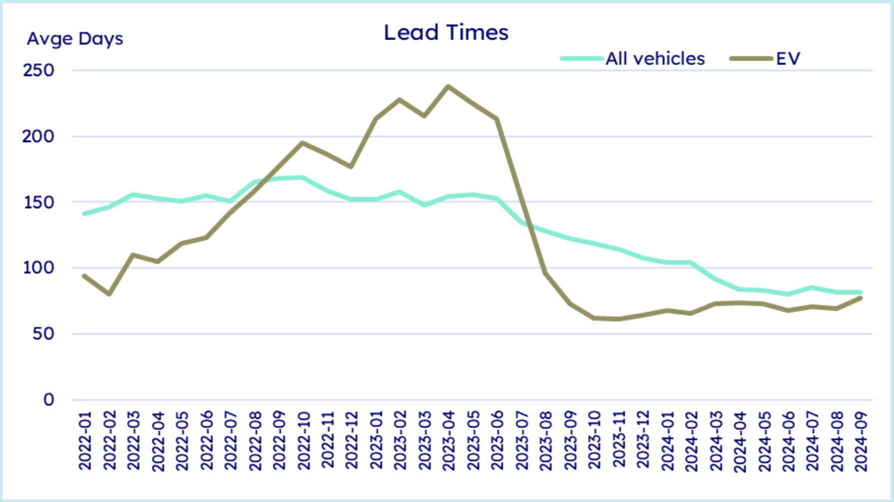
As supply has returned the Group has been able to reduce the customer order book which has seen a steady decline from a 2023 peak. The improved supply has also resulted in a reduction of vehicle lead times.

The significance of the order book reduction over the last year is more pronounced given the backdrop of the Motability Scheme adding more than 100,000 customers during the same period.

Total number of vehicles purchased in FY2024 was c.380,000



Data from Sep 2024



Data from Sep 2024

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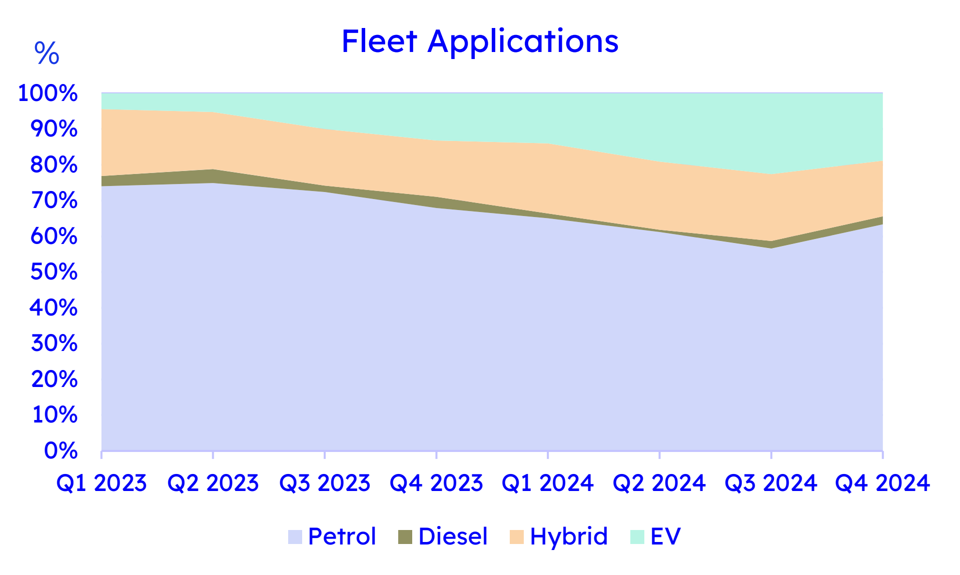
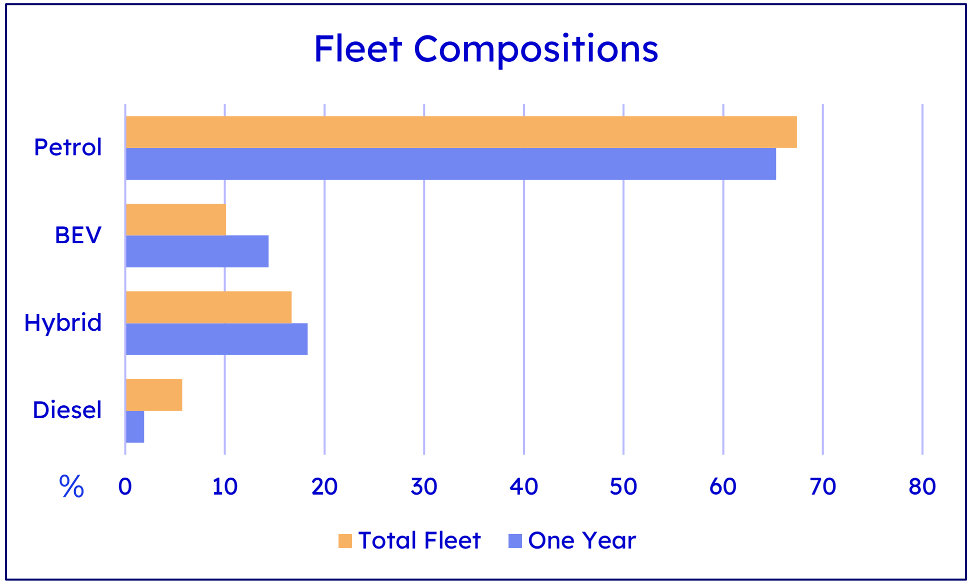
Fleet Profile



Over recent years the transition from ICE into EV has been steadily increasing, reflecting wider market influences such as pricing and availability

This transition is further emphasised when comparing the overall fleet to a subset of vehicles that have joined the fleet in the last 12 months

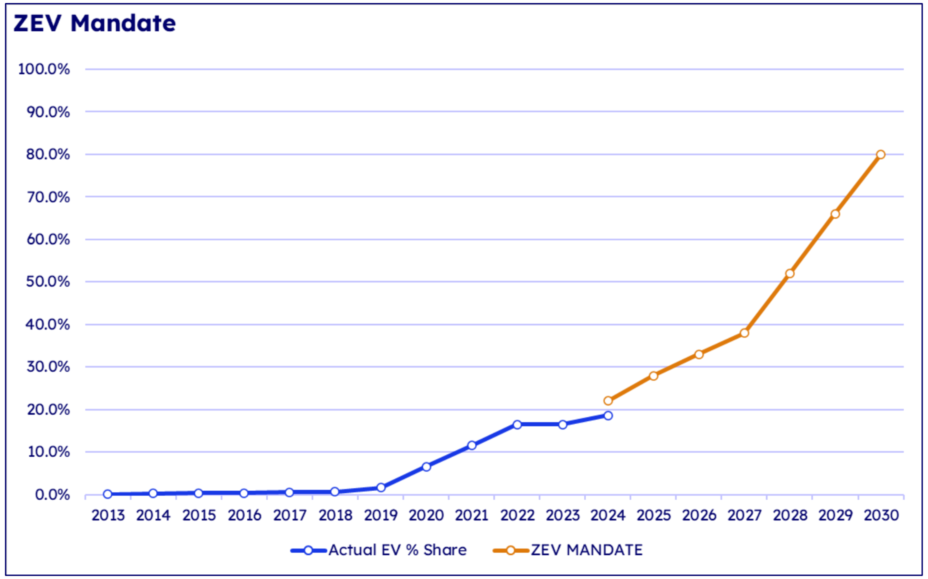
This '1-year-old' fleet shows the transition from ICE powered vehicles to EV and 'hybrid'



ZEV Mandate

The Zero Emission Vehicle (ZEV) mandate requires car manufacturers to sell a certain percentage of zero-emission vehicles (ZEVs) each year. Starting in 2024, 22% of new cars sold must be zero-emission vehicles, with this percentage increasing each year. By 2030, 80% of new cars must be zero-emission, and by 2035, 100% of new cars sold must be zero-emission

Year	2024	2025	2026	2027	2028	2029	2030
ZEV	22%	28%	33%	38%	52%	66%	80%



MO’s transition to an electric fleet is progressing well. This is against a backdrop where fewer suitable EVs were available for customers both in terms of practical features and price in earlier years

As OEMs’ EV ranges expand and new manufacturers enter the market the availability and price of EVs is expected to improve

Whilst 2023 and 2024 saw the rate of EV uptake decline such that MO is marginally behind the OEM ZEV curve (influences include ongoing cost challenges, early adopters worked through, infrastructure challenges, stretching targets) MO is confident that it will reattach in future years as customer demand strengthens, price and choice improves, and ICE alternatives are withdrawn

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Residual Values

Volatility Easing, Stability Returns

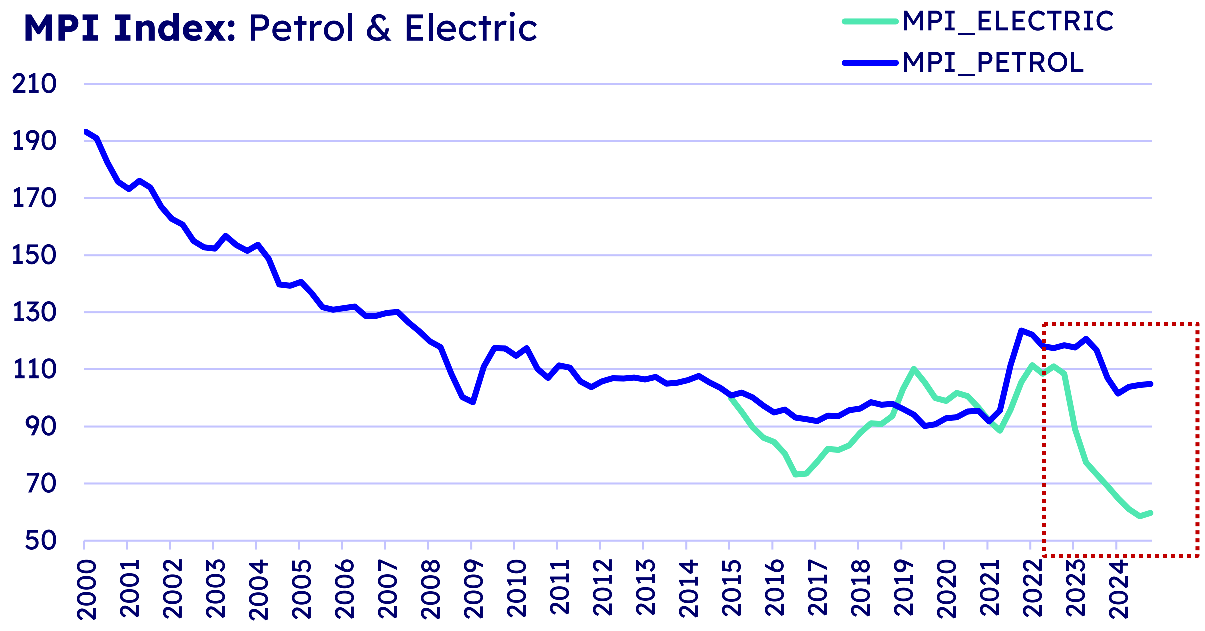
The MPI index has seen significant upward and downward quarterly movements bringing high levels of volatility to residual values compared to more normal times

Petrol values 3x more volatile

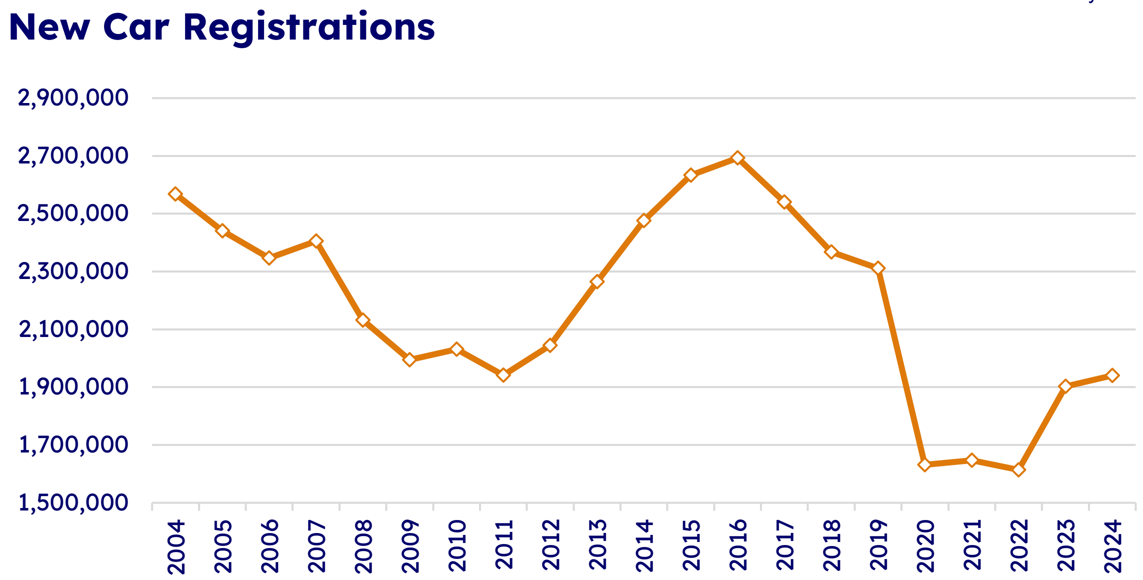
Electric values 4x more volatile

Whilst a large fall in RVs during Q4 2023 contributed to the FY24 financial results the last three 'quarters' has seen a recovery and then a stabilisation in residual values

Overall the year end fleet valuation was such that the Group anticipates a net gain of £436.4m across our fleet still exists. This gain represents the additional end-of-lease value expected at scheduled maturity above that when the lease was initially written



Source: Motability Operations Group plc
Base: January 2015



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Motor Finance

'DCA' Update

Background
Prior to January 2021 'discretionary commission arrangements' existed between lenders of car finance and brokers. Brokers were able to adjust interest rates so earning more commission. This practice was outlawed in January 2021.

In January 2024 the FCA announced it would 'examine the issue' under the Financial Services & Markets Act 2000 to review historical transactions.

However following a Court of Appeal judgment in October 2024 the door opened to far more claimants since the ruling permitted the inclusion of any PCP/finance agreements where commissions were not disclosed (including amounts and calculation methodology). This ruling has been likened to the PPI mis-selling scandal with £30bn* being rumoured as a potential impact.

The judgement also proposes new regulations and disclosures for future contracts

Impact of the findings on Motability Operations
Motability Operations Limited does not have any form of "discretionary commission arrangements" in place in relation to its dealing with dealers (credit brokers) under the provisions of the Motability Dealer Partnership Programme. The purpose of all Motability Dealer Partnerships is to provide good customer outcomes and we do not expect to be impacted by the judgment retrospectively. We are considering what we can do to ensure complete transparency for customers around our relationship with dealers and will update our position as and when appropriate.

* Car finance scandal could cost lenders £30bn warns leading ratings agency – Car Dealer Magazine

Financial Performance

FY2024 Headlines

Financial Highlights

£6,899m
Revenue

£(416)m
Post Tax Loss

£210m
Customer Support Initiatives

10.4 years
Average Debt Maturity

£14,295m
Assets held in use for op. leases

c.22%
Increase in assets held in use for op. leases

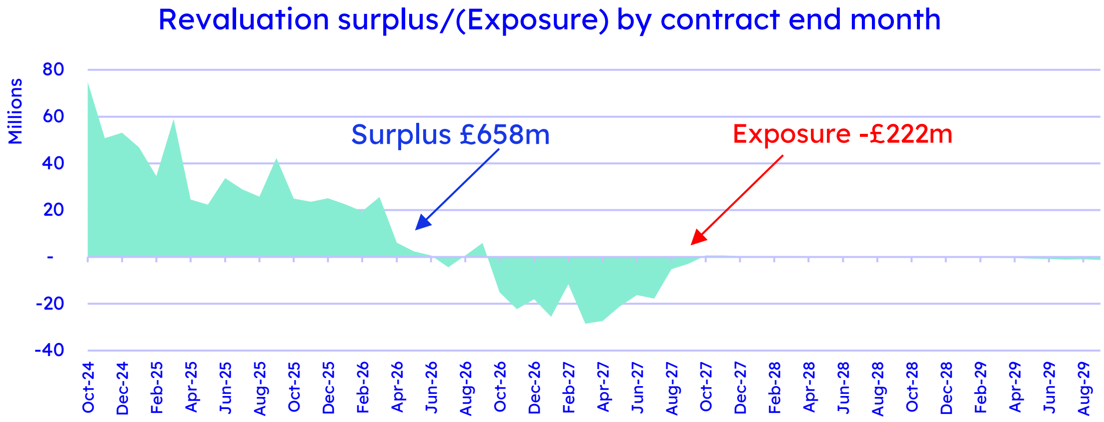
£1,237m
Cash and Bank Facilities*

£1,500m
Undrawn RCF

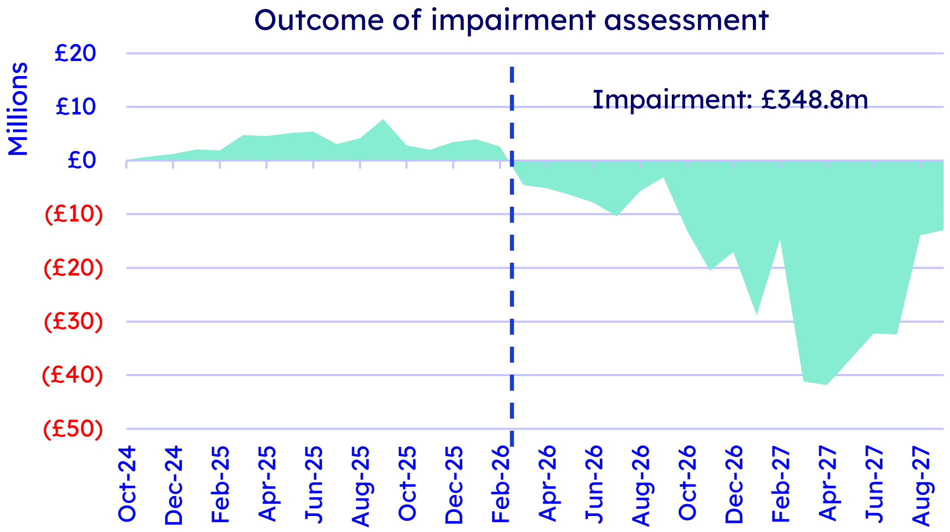
* Excludes cash held in insurance captive

Fleet Net Surplus & Impairment

As disclosed in the 2024 ARA the forecast net surplus of the fleet is £436m (net of an impairment charge) The surplus is skewed to the fleet expiring in the near-term with a total surplus of £658m on contracts ending in FY25 & FY26 and an exposure position of (£222m) on contracts ending from FY27



Whilst the full Impairment Charge of £348.8m was recognised in FY2024, as required under accounting rules, this in effect reduces the depreciation charge expected in future periods and all things being equal is supportive of stronger profitability from 2025 to 2027



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Customer Support

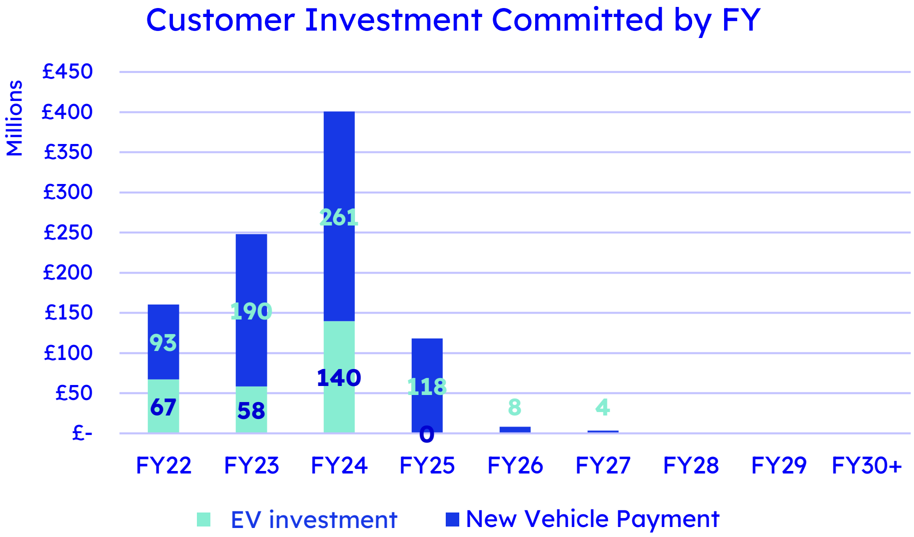
The Group has been very transparent regarding the customer investment packages that have been deployed, utilising excess profits from FY21-FY23

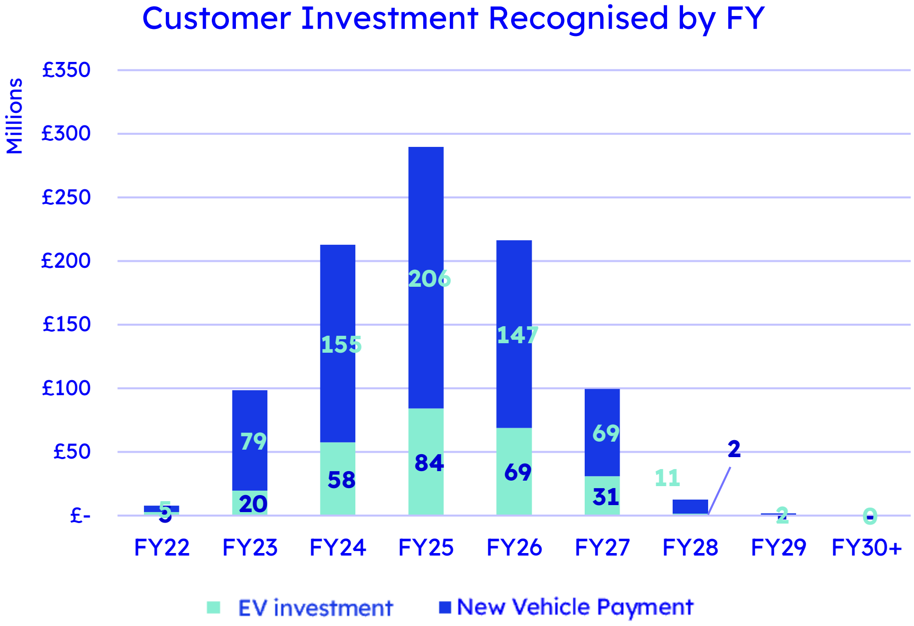
This strategic decision supported customers on their transition to EV or to assist with pricing challenges arising from the new vehicles supply issues. As a result profit margins written during 23-24 were thinner than previously and will unwind fully over the lease.

EV Investment £265m – expired September 2024
To support customers through the transition to EV so they can make the right fuel choice for them without being limited by financial pressures. This support package ended to new applicants from 1st October 2024

New Vehicle Payments £674m – expired December 2024
£750 payment per customer per new vehicle is currently available. Payments are commonly used by customers to reduce Advance Payments. The package closed to new applicants from 1st January 2025

Following the expiry of the support packages the Group is pricing back at full margin and as in previous years targeting a return of *at least 1.5% RoA*





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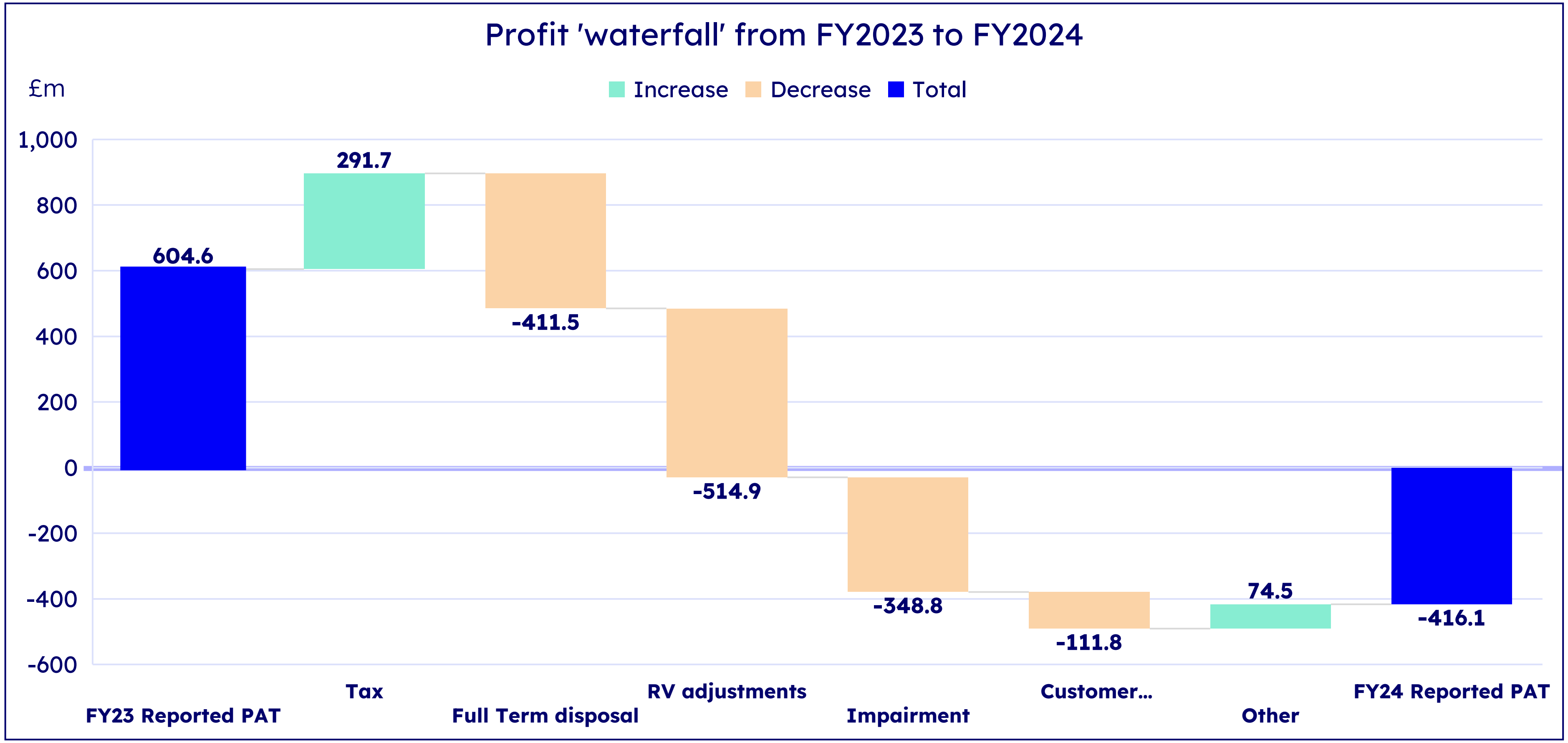
Profit Analysis FY2024



The analysis shows how the largest components in the Income Statement have performed in 2024 compared to 2023 results

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Underlying Profit Analysis

Motability Operations takes a 'through-the-cycle' approach to pricing, targeting a long-term return on 1.5% RoA*

The last 3 years' financial results (and magnified by specific accounting treatments) have illustrated the validity of this approach and the underlying economics remain strong

Year	2022	2023	2024
Profit after tax	£922.9m	£604.6m	£(416.3)m
Assets held for use in op leases	£9,564.5m	£11,721.4m	£14,295.3m
RoA*	9.6%	5.2%	(2.9%)

* The Group calculates its RoA as 'Profit after tax' / 'Assets held for use in operating leases'

	2024	2023	£m	%
Profit before tax	(564.6)	748.0	(1,312.6)	-175%
Adjusting items:				
Gains from disposal of fully terminated leases	(8.9)	(420.4)	411.5	-98%
Residual value adjustments	(116.1)	(631.0)	514.9	-82%
Impairment of assets	348.8	0.0	348.8	
Total residual value adjustments	223.8	(1,051.4)	1,275.2	-121%
New Vehicle Payment incentives	152.6	78.9	73.7	93%
EV investment	57.7	19.6	38.1	194%
Charitable donations	0.2	250.0	(249.8)	-100%
Underlying profit before tax	(130.3)	45.1	(175.4)	-389%

6 significant items (including the discretionary donation) have been the largest drivers of 2024 performance versus prior years

The combination of 'cash' and 'accounting' impacts have contributed to the FY24 loss however looking ahead pricing has reverted to full margins being priced into leases

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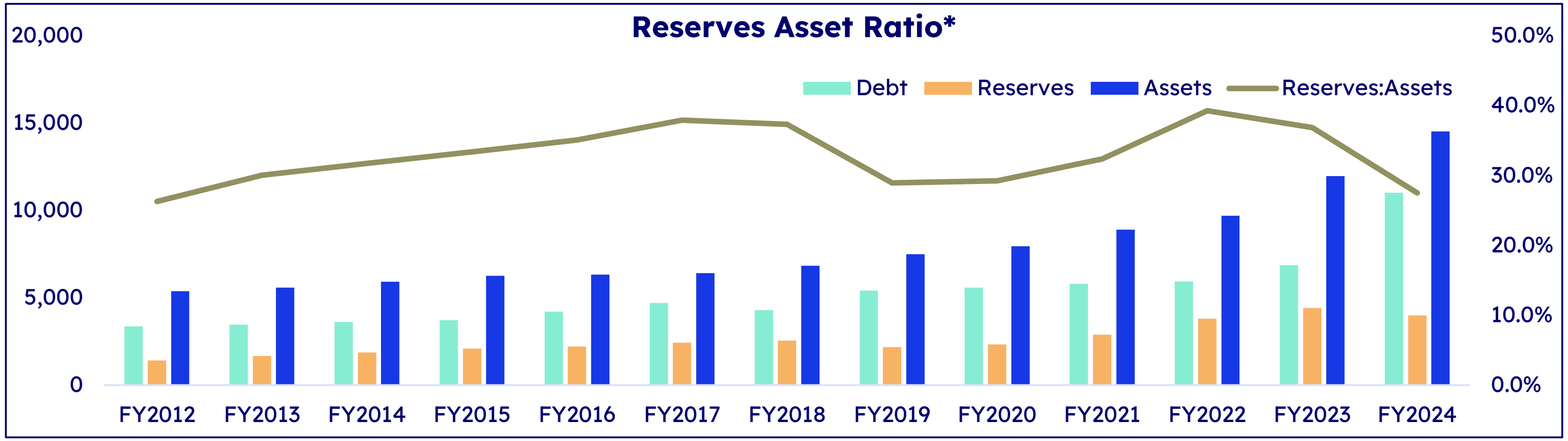
Balance Sheet & Key Ratios

The Group is focused on maintaining a strong financial performance to ensure the sustainability of the Motability Scheme and providing customers with the best proposition available

Balance Sheet Performance	2018	2019	2020	2021	2022	2023	2024
Operating Lease Assets (£m)	6,829	7,496	7,952	8,791	9,564	11,721	14,295
Financial Liabilities (£m)	(4,293)	(5,405)	(5,587)	(5,847)	(5,986)	(7,088)	(11,066)
Retained Reserves (£m)	2,542	2,172	2,322	2,881	3,804	4,409	3,993
Reserves : Assets *	37%	29%	29%	33%	40%	38%	28%
Total Assets : Total Debt	1.88	1.63	1.59	1.70	1.96	1.82	1.57
Average Debt Maturity	7.9 yrs	8.7 yrs	7.8 yrs	7.9 yrs	8.5 yrs	9.9 yrs	10.4 yrs
Customer Numbers 000's	626	631	635	649	652	710	815

*Calculated as Retained Reserves/Operating Lease Assets

MO's long-term Reserves to Asset ratio has averaged c.33% since 2012 providing a resilient base from which customer numbers have expanded to over 815,000 as at 30th September 2024



*Calculated as Retained Reserves/Operating Lease Assets

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Capital, Funding & Ratings

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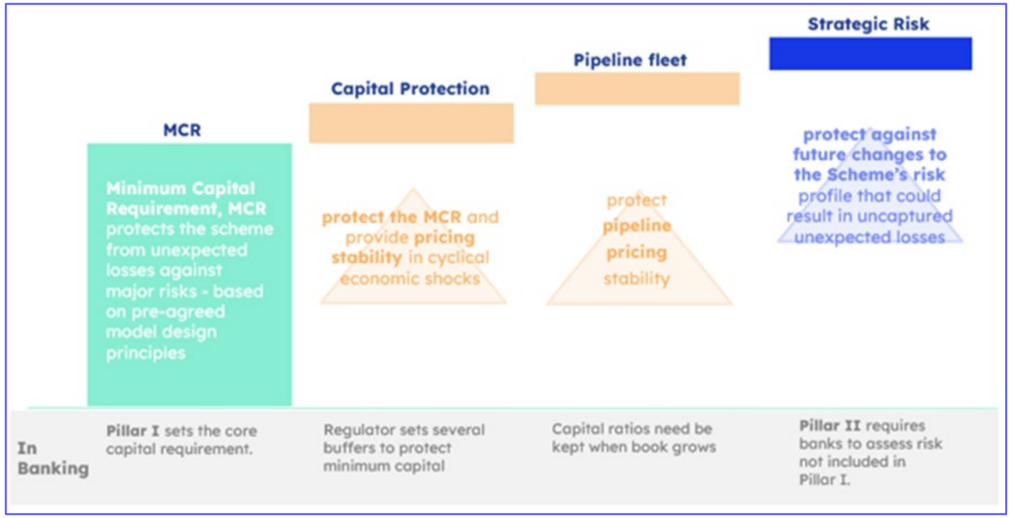
Economic Capital

- We are not regulated for capital purposes, but capital is held to ensure the Motability Scheme remains solvent in the event of unexpected financial losses
- The Economic Capital (EC) model quantifies business risks using a through-the-cycle approach, drawing from a 99.99% confidence interval across a 1-year time horizon for the extant fleet
- The risks are correlated and offset to determine the Minimum Capital Requirement (MCR)
- Capital buffers above the MCR protect against volatility
- Actual Capital is targeted at a level above the MCR and Capital Buffers to ensure Scheme stability

- The Group targets 1.5% Return on Assets through-the-cycle
- We do not pay dividends; as a result, any capital headroom is either retained to underpin future growth, deployed to fund customer initiatives or enables periodic donations to the Motability Foundation



- As at 30th September 2024 Retained Reserves were £3,993m versus calculated MCR + Capital Buffers of £3,569m so providing £424m headroom

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Funding Diversity

SLL 'Committed' 5 yr Bank Facility

A £1.9bn Sustainability Linked facility, maturing 2029, is in place with 3 KPIs. The facility comprises a £0.4bn Term Loan and £1.5bn RCF; both elements are subject to all KPIs. Year 1 KPIs were all met hence margins have been reduced accordingly

The £400m Term Loan is fully drawn and hedged using interest rate swaps. The £1.5bn RCF is undrawn. The RCF provides a significant liquidity protective layer and whist this may be partially drawn for short periods the Group aims to keep this unutilised

Bilateral Working Capital Facility

A bilateral working capital facility ensures that intraday or overnight funding needs can be met efficiently and effectively

The facility enables any short term or unforeseen outgoings to be met and managed with minimal impact

Social Bond Framework

The Group's last 13 bonds have been 'Social' labelled with a value of c.£6.9bn, constituting c.65% of MO's outstanding capital markets debt

The Social Bond Framework has aided the appeal of the company's bonds to a wider range of investors than existed previously. It is the company's intention to continue issuing bonds that demonstrate positive impact, and align with our wider ESG/sustainability ambitions

Ratings Update

Prior to, and following, the publication of the Group's 2024 results MO has been in detailed dialogue with both rating agencies.
This has been firstly to ensure both agencies are fully aware of factors influencing the recent financial performance and crucially to update on future forecasts covering funding, pricing and other business performance metrics

Moody's
A2
Stable

"The downgrade __captures our expectations that the leaner pricing strategy deployed via customer support initiatives will result in higher sensitivity of its earnings to adverse developments in the operating environment. Our expectation is that the Groups' future pricing strategy will look to realign to the long-term target of at least 1.5% return on assets."

"__financial profile of Motability Operations reflects our expectation of a gradual recovery of its weakened earnings, interest coverage and leverage to a more sustainable level over the next two years primarily due to the completion of reduced price lease margin initiative"

"__our view that its strong capital base will continue to provide a solid cushion against inherently volatile automotive residual values; and a resilient liquidity position"

Moody's Ratings downgrades Motability Operations Group plc's long-term issuer rating to A2 from A1, outlook changed to stable from negative – *23 Dec 2024*

S&P
A
Negative

Motability Operations Group 'A/A-1' Ratings Affirmed; Outlook Remains Negative As Financial Profile Risks Persist – *31 May 2024*

Motability Operations group plc

Impact & Sustainability

Motability Operations group plc

Impact Pillars

The results of our first materiality assessment with key stakeholders in 2023 has formed the basis of our Aspirational Goals.

People

To ensure no one is left behind, we will support over 800,000 disabled people in the United Kingdom to transition to an electric vehicle by 2032. We will advocate for our customers where the industry cannot provide suitable and sustainable mobility solutions, and address the challenges faced by our customers

EDI goal: By 2030, our customers will be supported by an engaged and diverse employee base that is representative of UK society across all levels of the business

Read more about our EDI strategy on page 21

Progress to date

To date, we have transitioned over 70,000 customers, 9% of our total fleet, to electric vehicles. We know that our customers face additional barriers to EV adoption and are working with the industry to find, develop and scale solutions to these challenges.

We have submitted this goal to B Lab for review.

Alignment with UN SDGs

Planet

We'll meet and exceed our science-based targets for carbon reductions across all aspects of our business by 2032. We will reach a net zero position no later than 2050

Scope 1 and 2: Reduce emissions by at least 95% by 2050
Scope 3: Reduce emissions by 90% by 2050

Progress to date

We have exceeded our emissions reductions targets across all three scopes. For Scopes 1 and 2, we achieved a 13.4% reduction against our 2021 baseline, greater than our target of 9.15%. We reduced our Scope 3 emissions, calculated on an intensity ratio, to 5.83 tCO_2e per vehicle versus a target of 5.84 tCO_2e per vehicle.

Alignment with UN SDGs

Principles

We'll ensure that no one is left behind and secure the long-term sustainability of the Scheme by raising 100% of new capital under a sustainability funding framework by 2030. As one of the largest bond issuers in the UK, we aspire to influence and demonstrate leadership in sustainable financing with the provision of capital linked to electric vehicles, carbon reduction and social impact for traditionally undeserved groups

Progress to date

Today, 100% of bond capital is issued against a Social Bond Framework. This represents around 65% of all bond capital. We are working with the debt capital markets to extend our issuing framework to include Sustainability metrics.

We've submitted this goal to B Lab for review.

Alignment with UNSDGs

Motability Operations group plc

2024 Highlights

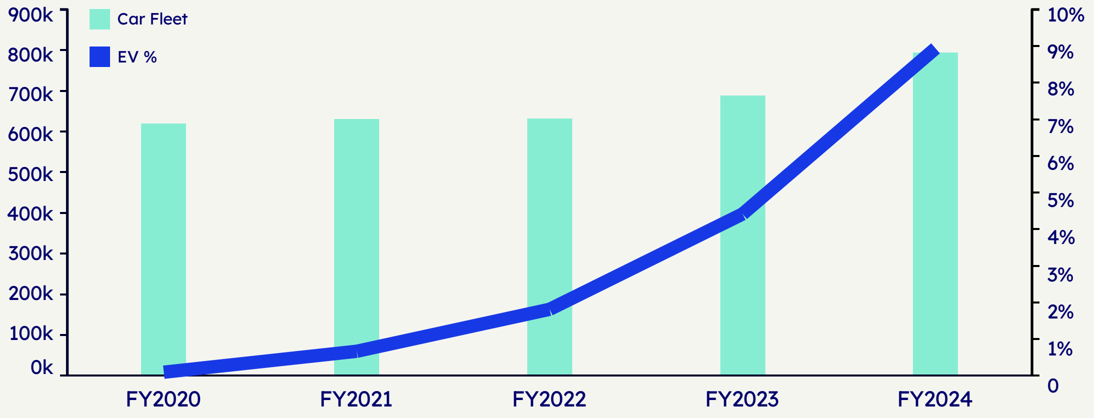
Annual emission reduction goals achieved across Scopes 1, 2 and 3

9.5* out of 10 customers trust in us to deliver the Motability Scheme

95k tCO_2e equivalent emissions saved by EV customers

Set policies on Human Rights and Advocacy to strengthen our commitment to being a responsible business

Fleet Growth with EVs as a % of total



* Technical note: Ipsos interviewed 6080 Motability Scheme Car customers online between 1 October 2024 to 20 October 2024. Data has been weighted to the profile of Motability Scheme CarFleet customers.

Raters and rankers

We're proud to have been recognised by a number of raters and rankers this year for our Impact and Sustainability work and strategy. These scores influence investor perceptions of Motability Operations through whom we raise the capital needed to sustain the Motability Scheme for our disabled customers.

SUSTAINALYTICS

Improved our score to 13.8 from 14.4 in 2023

CDP

Maintained a 'B' despite more stringent scoring

ESG INDUSTRY TOP RATED

Awarded Sustainalytics' Top Rated ESG Industry

Our Social Impact

We exist for the benefit of our 800,000 customers, our employees and the communities in which we operate.

We think of our impact as:

1. **local**, benefiting communities around our four sites
2. **national**, delivering UK-wide impact

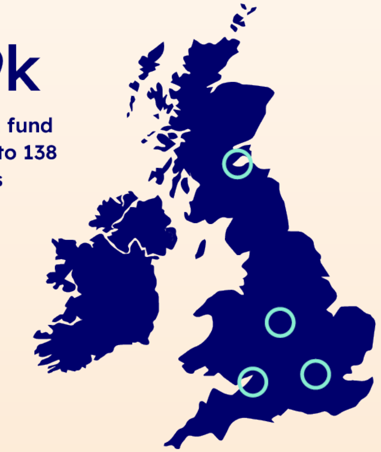
B Corp

This year we became the UK's first B Movement Builder, a large business committed to the principles of the B Corp movement.

We are progressing in our journey towards B Corp certification, submitting three Aspirational Goals to B Lab for review and publishing our Human Rights and Advocacy policies.

£69k

total spring fund distributed to 138 causes



£6k our contribution to the Spring Fund

12 causes and charities supported with a micro grant

Local impact

- Over 200 employees volunteered at our wheelchair accessible allotment in Bristol, growing over 2,000 vegetables that were donated or turned into soup for a local homeless shelter
- Our Edinburgh employees raised over £35k for Children's Hospice Scotland

National impact

- From June, we donated £1 of every vehicle sold to BEN (£61k total), a charity that supports people in the automotive industry with mental health support, financial aid and later in life care centres
- We partnered with Neighbourly to offer community-need led volunteering. Our employees did over 770 hours of volunteering this year with 3,500 people in their communities benefitting. We also took part in Neighbourly's national funds, in which donations from multiple organisations are distributed as micro-grants to causes in need.

Motability Operations group plc

"Everything we do is driven by our customers and ensuring the Motability Scheme is sustainable for generations to come"

Andrew Miller, CEO
Motability Operations

Moving forward together

Achieved a 'B' rating from CDP and improved Sustainalytics score to 13.8, recognition of our progress in Impact and Sustainability this year

Had our near-term science- based targets approved by SBTi, setting our emission reduction targets for 2032.
We have submitted our long-term target for 2050 to SBTi.

Became the UK's first recognised B Movement Builder, meaning that we are a large organisation committed to the principles of the B Corp movement

Partnered with Neighbourly to offer employee volunteering, matched donations and to support national funds

Launched an electric Wheelchair Accessible Vehicle concept eVITA with Motability Scheme customers and CALLUM to show the industry what is possible when accessibility is put first

We have 24,000 powered wheelchair and scooter customers on the Motability Scheme

Supported over 70,000 Motability Scheme customers through the transition to an electric vehicle, providing c.66,000 home charge points to date

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Our Journey Ahead

We've developed our roadmap and milestones to support the achievement of our Aspirational Goals and science-based targets. During 2025, we plan to develop our detailed reporting against the key metrics and align our plans against the structure set out by the Transition Plan Taskforce (TPT).

2025
- SBTi to verify long term science-based targets
- Conduct a double materiality assessment
- Update CDP and Sustainalytics ratings
- Possible B Corp certification
- Develop in-house reporting

2026-2029
- Help over two thirds of Scheme customers transition to an EV by 2029

2030
- Achieve EDI parity across all levels of the business

2032
- Seamlessly transition 800,000 customers to an electric vehicle
- 100% of funding set against a sustainability-linked framework

2050
- Achieve a net zero carbon footprint

2025 and beyond
We have developed our roadmap, ensuring it aligns to our business strategy and our Aspirational Goals, and using the framework of the B Corp Business Impact Assessment (BIA).

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Our Transition Plan

Challenges

- Regulatory uncertainty
- Barriers to EV adoption like affordability and inaccesible public charging
- Growing customer numbers
- Lack of suitable vehicles for customers

Actions

- Continue to increase choice of makes and models of EV available
- Provide customer guidance and education
- Invest in EV affordability and finding smart solutions for the future
- Work with customers and industry

We will be expanding this roadmap into a Transition Plan Taskforce (TPT) aligned transition plan.

Progress so far

2021
- Baseline year calculated for science-based targets and carbon footprint

2023
- Completed our first materiality assessment, set our sustainability strategy, and created our Aspirational Goals
- Our near-term SBTs were approved by SBTi, to be achieved by 2032
- DataVision software launched to monitor building utilities
- We published our first Taskforce for Climate related Financial Disclosures in our Annual Report

2024
- Submitted our long-term science-based targets for verification by SBTi
- Climate Scenario Analysis completed
- Reduced our London office space by 55%

Current plans

2025
- New reporting capability to be introduced to allow for live carbon footprint reporting
- Produce TPT aligned transition plan
- Embed carbon footprint into business activities
- Complete double materiality assessment
- Collaboration with Scheme Partners & OEMs, sharing data and knowledge

2026
- Potential re-baseline of science-based targets due to Coalville redevelopment

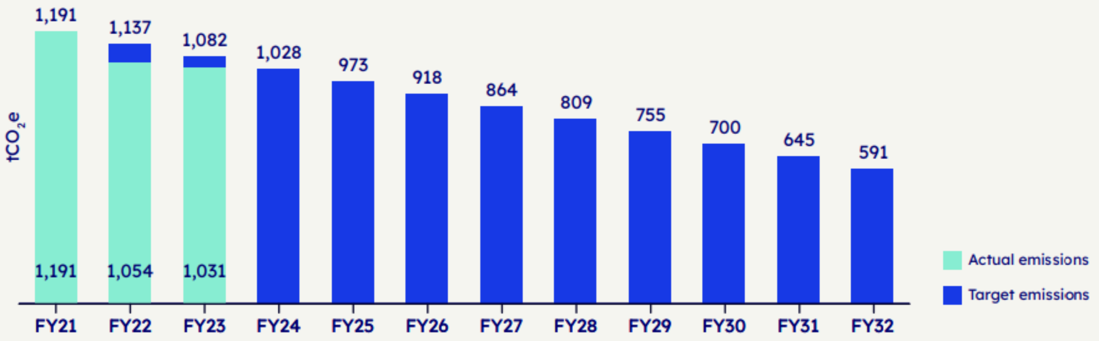
Path to net zero

2032
- Reduce our scope 1 and 2 absolute emissions by 58%
- Reduce our scope 3 emissions by 50.4% on a per vehicle basis

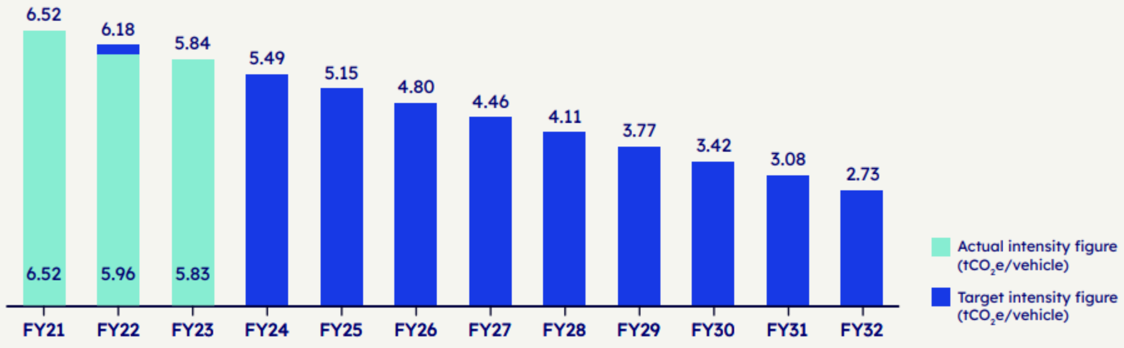
2050
- Reduce our scope 1 and 2 absolute emissions by at least 90%
- Reduce our scope 3 emissions by at least 97% on a per vehicle basis

Emissions Profile

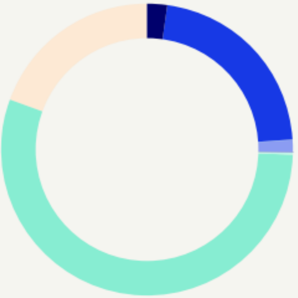
Scope 1 and 2: Science-based targets progress



Scope 3: Science-based targets progress



FY23 - Scope 3



Purchased goods and services	193.7K tCO_2e	Business travel	135.8K tCO_2e
Capital goods	1.8M tCO_2e	Employee commuting	1.1K tCO_2e
Fuel- and energy-related activities	0.3K tCO_2e	Downstream transport and distribution	11.6k tCO_2e
Upstream transport and distribution	119.9K tCO_2e	Use of sold products	4.7M tCO_2e
Waste generated in operations	1.9K tCO_2e	Downstream leased assets	1.6M tCO_2e

Scope 1 and 2

- Reflect the impact of our direct operations across our three office locations, vehicle refurbishment site and small company car fleet
- We have set verified short-term targets with SBTi to reduce our scope 1 and 2 emissions by 50.4% by 2032
- We have submitted long-term targets that show we plan to reduce emissions by 90% by 2050 to achieve a net zero position
- We have achieved our annual emission reduction goal for scopes 1 and 2 in FY22 and FY23

Scope 3

- With over 800,000 customers and the largest vehicle fleet in the UK, over 99% of our emissions fall under scope 3
- Helping our customers transition to EV will be the single most significant activity we undertake to reduce our scope 3 emissions
- We track our scope 3 emissions on a per-vehicle basis, which allows us to factor in any growth in our fleet

Our Scope 3 emissions are made up of:

Category 11: Use of sold products (4.7M tCo2e) Emissions from the use of goods and services leased by Motability Operations in the reporting year

Category 2: Capital Goods (1.8M tCO_2e)
This category includes all upstream emissions from the production of capital goods purchased or acquired by Motability Operations in the reporting year.

Category 13: Downstream leased assets (1.6M tCO_2e)
Emissions from the operation of assets that are owned by Motability Operations (acting as lessor) and leased to other entities in the reporting year that are not already included in scope 1 or scope 2

Science-based targets

- We have agreed with SBTi to use a per-vehicle, physical intensity approach within our scope 3 to monitor our progress
- Our absolute emissions are likely to increase in the short term due to the growth of our fleet. We're aiming to reduce our total fleet emissions by 58.1% per vehicle by 2032 to meet our near-term science based target

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Links

2024 Annual Report & Accounts
https://www.mo.co.uk/our-performance/investor-hub/annual-report-and-accounts-2024/

Impact Report 2024
https://www.mo.co.uk/our-performance/investor-hub/impact-report-2024/

Motability Operations Group plc Social Bond Framework 2023
https://www.mo.co.uk/media/kupbs3eg/social-bond-framework-2023.pdf

DNV Assurance Report 2023
https://www.mo.co.uk/media/etkkrgpw/dnv-second-party-opinion-on-motability-operations-group-plc-social-bond-framework-2023.pdf

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