

Motability  
Operations group plc

# Impact Report 2023



# About our Impact Report

For further disclosures, please visit our Investors' hub [↗](#)

We're led by our purpose, to deliver smart, sustainable solutions that improve our customers' mobility in a fast-changing world. Ensuring that the Motability Scheme can be sustained for our customers for the long term is our top priority. We know that the nature of our business means that we have a big impact and we recognise our responsibility to our customers, our people and our planet whilst upholding our principles. This

Impact Report charts our progress and sets out our aspirations for the future.

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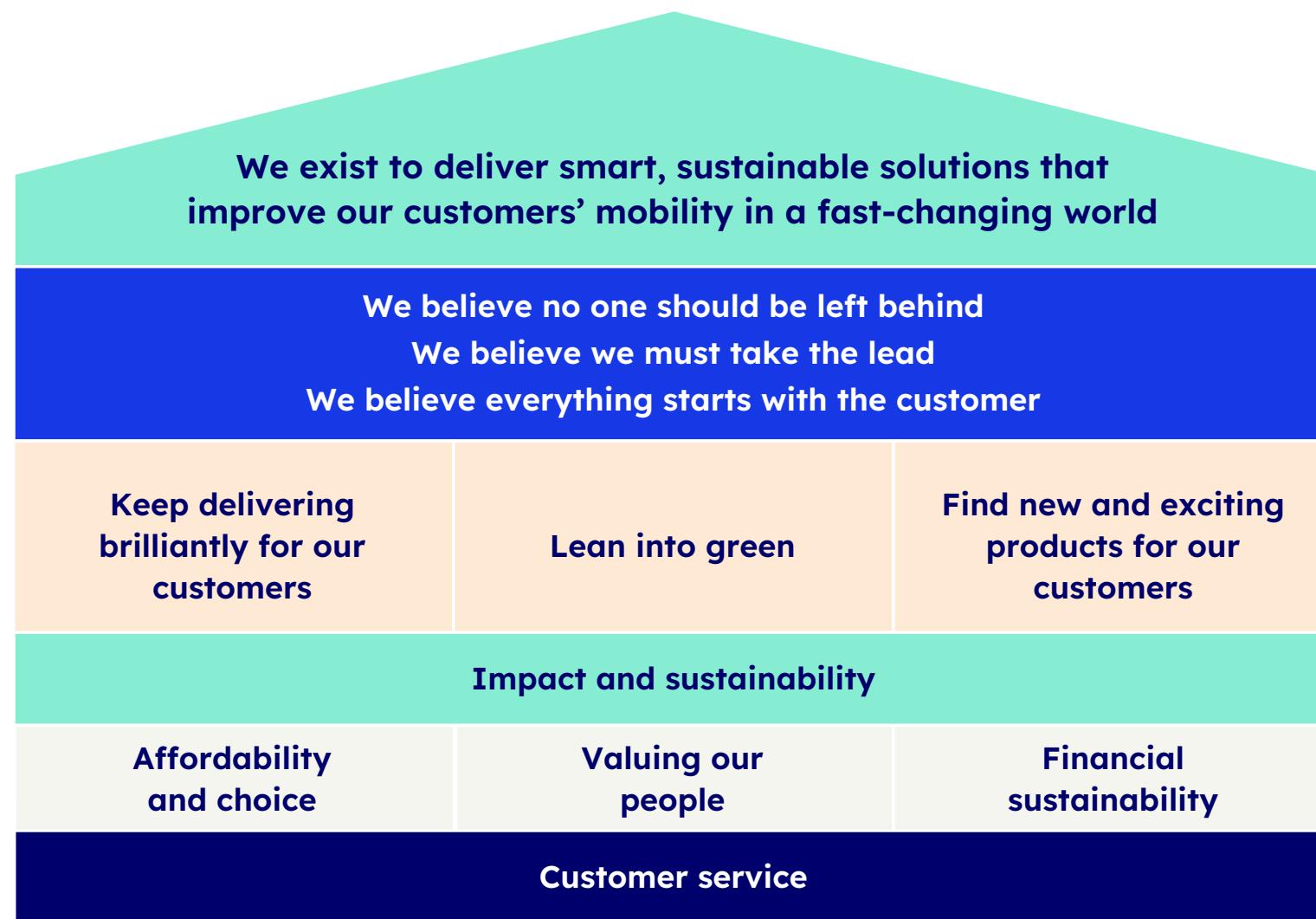
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# Our Impact journey

We are led by our purpose and guided by our beliefs, and have set out three pillars to our corporate strategy. Running through our business is our focus on affordability and choice, how we value our people, and financial stability. Underpinning all that we do is great customer service.

Our strategic framework ensures we keep delivering for our customers, look for new ways to improve our customers' mobility and support our customers to make the switch to more environmentally friendly mobility solutions including electric vehicles (EV).



## Integrating impact and sustainability

Through 2023, we have evolved our approach to impact and sustainability by further integrating it in our overall business mission, purpose and strategy. Our sustainability framework has been developed to balance environmental and social outcomes and is underpinned by our principles to ensure we keep delivering brilliantly for our customers.



### Our sustainability framework

#### Planet

Take the action required to cut our emissions and reduce global warming.

[Read more on page 25](#)

#### People

Rebalance outcomes for our customers, our employees and the communities in which we operate.

[Read more on page 15](#)

#### Principles

Find new and exciting products for our customers, ensuring the long-term sustainability of the Scheme.

[Read more on page 30](#)

## Our values

In 2022, we re-designed our values to support our purpose-led approach. Our people live and breathe our values to deliver for our customers.

We find solutions

We drive change

We care

# What we do for customers

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

## What we do

Through the Motability Scheme, we lease mobility solutions to recipients of higher rate mobility allowances. Our customers can choose from a range of cars, scooters, powered wheelchairs and Wheelchair Accessible Vehicles (WAV) to find the best solution for them. Insurance, roadside assistance, tyres, adaptations and more are all taken care of as part of the lease. Any profit we make from operating the Motability Scheme is reinvested for our customers.

## 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 to experience new things. Yet, for many disabled people, the barriers are high. Since the Motability Scheme was founded over 45 years ago, we have provided more than five million customers with affordable mobility solutions, empowering them to get around on their own terms.

## New challenges

We recognise our responsibility to support our customers in reducing their emissions and making the transition to an electric vehicle (EV) where possible. We need to ensure EVs are accessible and fit for purpose for our customers, especially where they face additional barriers to adoption like affordability, access to charge points and finding an EV charging payment solution that works for all.

The accessibility challenges of EVs are evident and nowhere is this gap more clear than electrifying WAVs. The industry has highlighted that the traditional conversion methods for WAVs won't work for electric WAVs (eWAV), so we're looking to develop a prototype solution to ensure WAV customers can remain mobile post 2035. Just one of the many examples we are working on to identify and remove the barriers our customers face.



“What drew me to the Scheme was how it gave me the freedom to suddenly be able to drive. The whole process, from going to the assessment centre through to ordering a car, was so quick.”

**Rob and his wife Jo, who are both on the Motability Scheme**



**Andrew Miller**  
Chief Executive, Motability Operations

# Chief Executive foreword

At Motability Operations, we believe in creating positive impacts for our customers, our people and our planet.

Our priority is to sustain the Scheme for our customers for the long term. To do so, we need to be focused and balanced in developing our environmental and social goals and the principles that underpin everything we do.

We're led by our purpose, to deliver smart, sustainable solutions that improve our customers' mobility in a fast-changing world. As one of the UK's largest fleet operators we recognise our responsibility to reduce our environmental impact whilst continuing to deliver positive social outcomes for our customers. Our organisational values: to find solutions, drive change and that we care, help our people to live and breathe this ambition. Everything we do is underpinned by good governance and strong principles that enable us to do the right thing.

## Chief Executive foreword continued

## Change is already happening

Long lead times in R&D and government mandates mean that manufacturers are already increasing their electric vehicle (EV) offering and reducing the number of petrol and diesel (ICE) vehicles they produce. We know that there won't be a good choice of ICE vehicles at an affordable price within the next three years. But we also know, from our extensive insight, that a lot of our customers are wary of making the switch, and the delay of phasing out the sale of new ICE vehicles to 2035 is making many of them choose to wait.

Our challenge is to help our customers understand that the industry is driving towards electric right now, and to understand their concerns and barriers to electric so we can help solve them. We're investing £300m and using our long-standing relationships with manufacturers to help drive greater affordability and choice, with longer-range vehicles available all the time, and we're working hard to show customers the benefits of EVs and support them in choosing the right vehicle for them. To date, we have invested over £130m to support affordability for customers.

We're also subsidising the cost and installation of home chargepoints, and exploring innovative solutions to remove barriers for our customers.

**“One of our aspirational goals is to ensure that our customers remain mobile and aren’t left behind, we’ll seamlessly transition at least 8 out of 10 customers into an EV by 2032.”**

Nowhere is the challenge of the EV transition more urgent than for our Wheelchair Accessible Vehicle (WAV) customers. To convert an electric vehicle into an eWAV, our suppliers have to make sure the position of the battery doesn't interfere with the lowered floor. At the moment, there is no solution to converting a standard electric vehicle into a small or medium eWAV, so we're working with the industry to solve this problem. This includes our partnership with CALLUM where we are looking to produce a working prototype eWAV, with the requirements of a WAV customer incorporated within the design.

## Transitioning for our planet

With one of the largest fleets in the UK, predominantly made up of ICE vehicles, we're well aware of the impact our business has on the environment. However, our scale gives us the opportunity to lead the UK in reducing emissions. So far, we've already supported over 35,000 of our customers to transition to an EV, making us one of the biggest EV fleets in the UK. In addition, we also have over 22,000 customers that choose to take a powered wheelchair or scooter (PWSS), which is an all-electric, zero-emissions solution.

One of our aspirational goals is to ensure that our customers remain mobile and aren't left behind as the industry transitions to electric. We'll address the challenges our customers face and seamlessly transition at least 8 out of 10 customers into an EV by 2032. This goal is underpinned by our near-term science-based targets (SBTs), approved by the Science Based Target initiative (SBTi). Increasing the share of EVs in our fleet will lead to wider environmental benefits, captured in our greenhouse gas (GHG) carbon reduction plan.

[Read more about our SBTs on page 12.](#)

As well as influencing our direct actions, we're thinking about how we collaborate with our partners and the wider industry to address our cumulative environmental impact.

## Delivering positive social outcomes

We're proud of the huge positive social impact the Motability Scheme has and the difference it makes to our customers' lives. We know that their Scheme vehicle enables them to access the everyday in an affordable way.

Supporting our customers to transition to EV is part of our environmental ambitions but must also be balanced against their individual needs and circumstances. We know that our customers face barriers in transitioning so we're finding solutions to ensure they're not left behind.

At Motability Operations, our people are our greatest asset, and they are passionate about continuing to deliver brilliantly for our customers whilst also committing to reduce the impact we have. Driving this is our network of Impact and Sustainability Champions. Established in 2023, this group of volunteers has been helping to collect ideas, shape our strategy and lead engagement in sustainability across the organisation.

We have made good progress this year, promoting equity, diversity and inclusion (EDI) and have published not only our gender pay gap but also our ethnicity, disability and LGBTQ+ pay gaps. By being transparent about where we are now and understanding where we need to make progress, we can start to deliver the changes that are needed to bring us in line with the UK census data. We have redefined our EDI strategy and formalised an aspirational goal to achieve parity with UK census data by 2030.

[For more information on aspirational goals, please see page 26.](#)

## Using principles to guide action

We are embedding impact and sustainability at every level of our business, with specific focus from our Board, our Executive team, our Impact and Sustainability Champions and across all that we do. Overseen by our Impact and Sustainability Committee (ISC), which we have formalised as a sub-committee of the Executive, we are ensuring this area is a focal part of our approach.

We know we have further to go, continuing to evolve and evaluate our approach as we continue on this journey, but we're confident in the goals we've set, the strategic foundations we have laid, and proud of the progress we've made so far.

As a verification of our strategy and approach, we're working towards B Corp certification. We see B Corp certification as a natural next step for us as an organisation and we look forward to progressing our B Corp journey over the next year.



# Q&A with Matthew Hamilton-James

One of our Impact and Sustainability (I&S) Champions, Isabelle Haigney, sat down with our Chief Finance Officer, Matthew Hamilton-James, chair of the I&S Committee, to discuss our progress and our aims for the future.

**I:** “Matthew, as the chair of the Impact and Sustainability Committee, why is this a priority for us right now?”

**M:** “We’ve always known that what we do makes a huge difference to our customers. The Motability Scheme gives our customers freedom to access the everyday, to get to work or education, to see friends and family or pursue hobbies or interests.

In providing vehicles to disabled people, we have the UK’s largest car fleet, currently predominantly comprised of ICE vehicles. The government-imposed ban of the sale of ICE vehicles from 2035 and our ambition to reduce our emissions means we need to support our 700,000 customers to make the switch to an EV where they can. More customers in an EV presents a huge opportunity to reduce the overall environmental impact of the Scheme and helps our customers to reduce their personal emissions too.”

**M:** “You’ve been an Impact and Sustainability Champion since the start – why does this matter to you?”

**I:** “I volunteered to be an Impact and Sustainability Champion because I’m passionate about creating a better future for people and protecting our planet. There’s no one-size-fits-all approach to sustainability but if we can get everyone doing something, we’d make huge strides towards reducing our emissions.

I wanted to work at Motability Operations because I was drawn to the strong social purpose of the Scheme. It’s exciting being at the front of making such a socially valuable scheme also good for the planet. I strongly believe that representation across the business will make change happen and it’s great seeing ideas being translated into action by the Champions and integrated into our strategy and organisational thinking by the I&S Committee.”

**I:** “What are our I&S goals and why it was important that we set these?”

**M:** “This year we conducted our first ever materiality assessment to determine what is important from a stakeholder perspective, as well as a business perspective. This has informed the goals we have now set ourselves. They are focused on our planet, taking the action required to cut our emissions and reduce global warming; our people, building on the significant social benefit the Motability Scheme has balancing outcomes for our customers, our employees and the communities in which we operate; and finally, upholding the principles of our business, finding new and exciting products for our customers, ensuring the long-term sustainability of the Scheme, ensuring none of our customers are left behind.”

## Q&amp;A with Matthew Hamilton-James continued

**M:** “One of the Champions’ mottos is that ‘small changes today make a big difference tomorrow’. What does this mean in practice?”

**I:** “For a lot of people, impact and sustainability can be quite daunting, there’s a lot to consider even if you just think about reducing your personal impact.

As Champions, we’re showing our colleagues that they can reduce their personal and our overall business emissions by making small changes to their everyday. For example, when we offered a free plant-based meal during our Impact and Sustainability Awareness Day, 300 colleagues chose this option. This resulted in an overall saving of 2 tonnes CO<sub>2</sub>e compared to the meat option.

We want to demonstrate how everyone can get involved in sustainability, even if that means swapping to one meat-free meal a week, using public transport wherever possible, recycling more or even printing less. These are some examples of small, tangible things

**“We know from our research that the Motability Scheme already has a huge social impact for our customers. We want to continue to support our customers to access everyday freedom whilst leveraging our scale to become a force for good across all aspects of our impact and sustainability.”**

**Mark**  
Impact and Sustainability Lead

that our people can change right now that will have an impact now and in the future.”

**I:** “We’ve been working on B Corp accreditation for a while, where are we in this journey and is it important?”

**M:** “We don’t see B Corp certification as a ‘nice to have’. Full certification requires us to show we have an absolute commitment to meeting the standards required, which aligns to our purpose-led strategy. We have taken significant steps this year, such as showing our commitment through changing our Articles of Association, completing our first materiality assessment and setting our strategy and goals.

Risk Standards are additional minimum standards that companies in certain industries or with practices with potential negative impacts must meet to be eligible for B Corp certification. One of the industries currently flagged for review by B Lab is the automotive industry. As a business in the automotive industry, and due to our size and scale, we will be subject to these additional standards once they have been created.

While certification is never guaranteed for a company, we are committed to contributing to the development of these additional standards as well as meeting them as part of our sustainability journey. We expect to take significant steps towards full certification through 2024.”



**“I wanted to be part of a group with the opportunity to make some real change.”**

**Sarah**  
Impact and Sustainability Champion for Tech

# Our 2023 highlights

We're proud of the progress we've made in the last year. We recognise that we still have to minimise our impact to achieve our sustainability goals, however, we're embedding the foundations needed to deliver on our sustainability strategy and ensure we are well positioned to achieve our targets.



# Our approach to ESG

## Balancing social and environmental outcomes

We recognise that the nature of our business presents us with unique challenges and opportunities when considering our social and environmental impact. In providing our customers with a mobility solution, often a car, we're helping them access work, education, friends and family. Our lease packages that include insurance, breakdown and servicing are, on average, 45% cheaper than an alternative solution. This is significant for our customers, many of whom live on household annual incomes of less than £20,000. We're committed to ensuring positive social outcomes for our customers now and sustaining this for the long term.

However, in providing vehicles to our customers at scale, we know we have a significant impact on the environment. At present, around 92% of our customers are in a petrol, diesel or hybrid vehicle which is reflected in our overall emissions (99.9% of our emissions fall under Scope 3).

Encouragingly, over 35,000 customers have already transitioned to an electric vehicle (EV), reducing both their personal emissions and the fleet emissions more broadly. We're investing to remove barriers to adoption that include affordability, access to chargepoints and guidance on the cost of charging. It's important to us that we support our customers to make the switch to an EV where they can, always ensuring this is the right choice for them.

## Embedding ESG in the business

We recognise the importance of engaging internal stakeholders to embed impact and sustainability into our long-term thinking and the way we work. To help the business understand and embed the core principles of Environment, Social and Governance (ESG), we have created the 3 'Ps'; Our Planet, Our People and Our Principles.

- Our People – living within our boundaries
- Our Planet – committing to equitable outcomes
- Our Principles – demanding responsible conduct

We consider our impact through the lens of the 3 Ps at both a local and at a global level for our people, our customers and wider society.



## Our approach to ESG continued

### Understanding our stakeholders' priorities

We recognise the role we must play in working with our stakeholders and other businesses to address our climate impact, ensuring equitable outcomes for our customers, our people, our planet and sustaining the Scheme into the future.

Aligned to best practice, we sought the views of all our key stakeholders to understand the material areas of focus for the business. This informed our approach and formed the basis of our impact and sustainability strategy.

With the help of climate consultancy Seismic, we performed our first ever materiality assessment in 2023. We engaged internal and external stakeholders and incorporated views from our customers, our employees (including the Executive and the Board), Scheme partners, key suppliers and the Motability Foundation.

The materiality assessment covered a range of environmental, social and governance topics. The assessment looked at the short-term areas of focus (0 to 3 years), the mid-term (3 to 5 years) and the long-term (5 years and beyond).

- Key:**
- 1. Electric Vehicles
  - 2. Scheme Management
  - 3. Affordability
  - 4. Customer Support
  - 5. Climate Change
  - 6. Product Innovation
  - 7. Employee Attraction, Retention & Development
  - 8. Risk Management
  - 9. EDI
  - 10. Product Innovation (H&S)
  - 11. Responsible Purchasing
  - 12. Energy Sources
  - 13. Responsible Marketing
  - 14. Product Safety
  - 15. Ethical Supply Chain
  - 16. Social Mobility
  - 17. Climate Finance
  - 18. Resource Efficiency
  - 19. Material Sourcing
  - 20. Charitable Giving



Environment

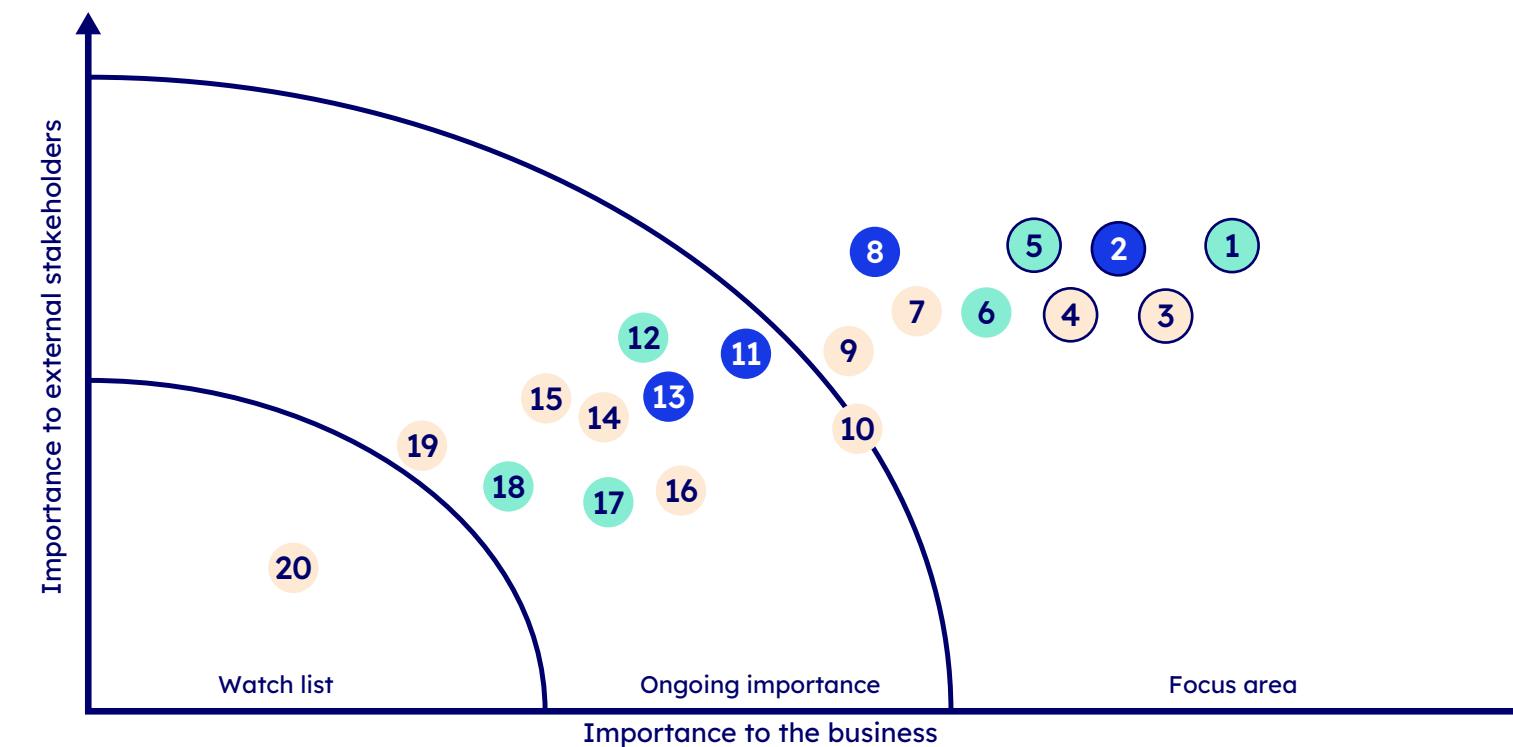


Social

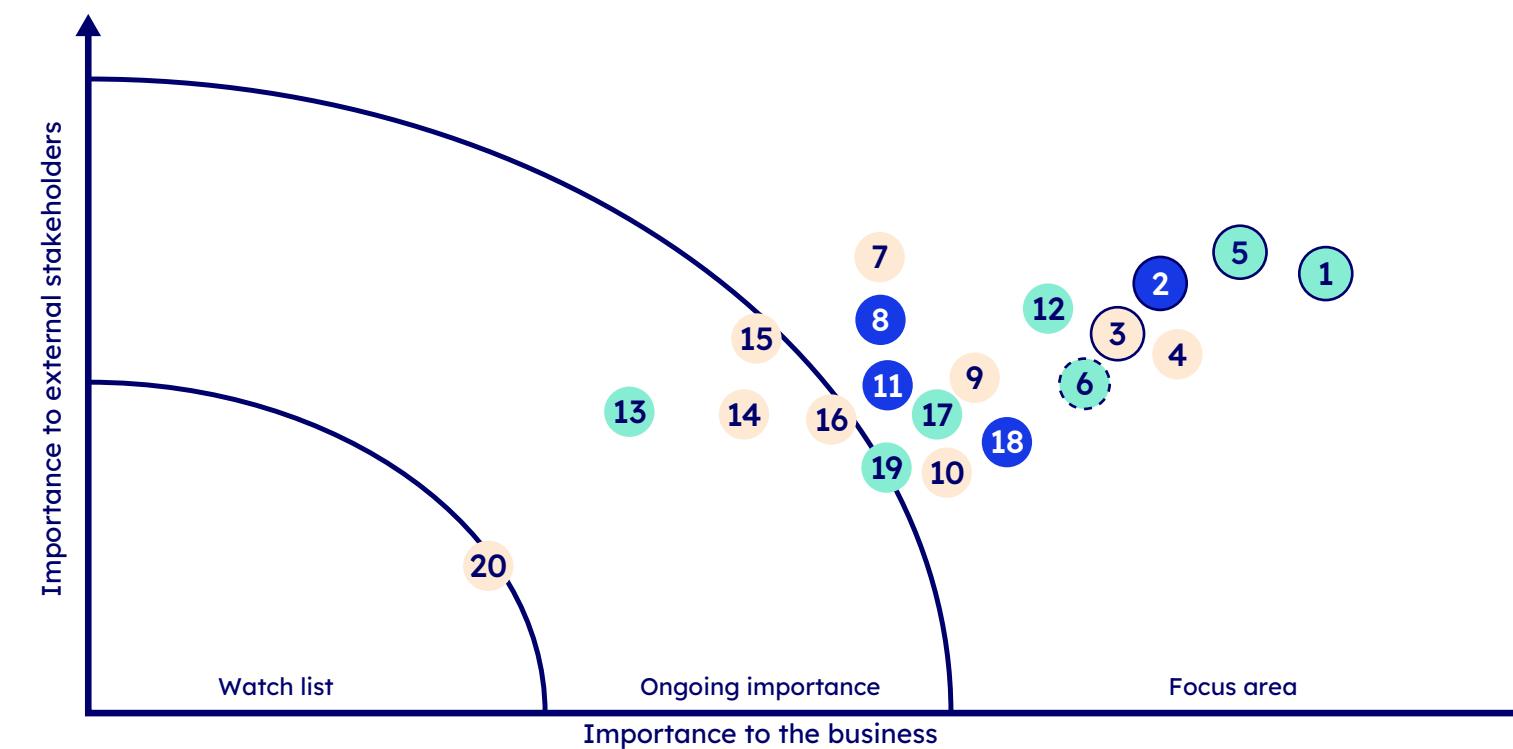


Governance

### Materiality matrix for all stakeholders (3 years)



### Materiality matrix for all stakeholders (3-5 years)



### Short term

In the short term, both internal and external stakeholders identified electric vehicles as our most important area of focus along with Scheme management, affordability, customer support and climate change. This is reflected in our aspirational goals that set out our plans to help customers make the switch to an EV whilst ensuring positive social outcomes underpinned by good governance.

[Read more about our aspirational goals on page 12.](#)

### Long term

Our key areas of focus for the long term mirror our short-term aspirations, with an increasing focus on product innovation and climate change.

We have notified the SBTi of our intent to submit our long-term SBTs for verification within the next two years; our aspiration is to be net zero by 2050 at the latest. The two-year submission window allows us the opportunity to assess the progress within the automotive industry, to better understand the solutions to the barriers our customers face and the impact from delaying the ban on the sale of new petrol and diesel vehicles to 2035, given our reliance on automotive manufacturers.

# Our aspirational goals

## Our sustainability strategy

We've built our sustainability strategy to align with our overall business strategy, purpose and values. Our strategy is comprised of three central pillars, to cut our emissions and reduce global warming (Our Planet), to rebalance outcomes for our customers, our employees and our communities (Our People) and to find new and exciting products for our customers, ensuring the long-term sustainability of the Scheme (Our Principles).

## Setting our aspirational goals

The output of the materiality assessment formed the basis of our aspirational goals, considering environmental, social and governance outcomes that are underpinned by our science-based targets (SBTs).

Our aspirational goals are:

- Customer led – we exist to keep our customers mobile. We will address the challenges our customers face as the industry moves to electric, aiming to seamlessly transition 8 out of 10 customers into an electric vehicle by 2032
- Carbon reduction – we will meet and exceed our science-based targets for carbon reduction by 2032. We will reach a net zero position no later than 2050
- Cultural diversity – our customers will be supported by an engaged and diverse employee base that is representative of UK society at all levels of our business by 2030
- Conscientious business – we will ensure that no-one is left behind by ensuring the long-term sustainability of the Scheme. By 2030, 100% of new finance will be sustainability-linked

## Our carbon reduction plan

We've had our near-term SBTs verified by the SBTi. This covers the next ten years with FY21 as our base year and 2032 as our near-term target. We have also signalled our intent to the SBTi to submit our long-term targets for verification over the next 2 years. These targets will define our path towards achieving net zero by 2050 at the latest.

We are now defining what activity is required to ensure emissions reductions across all aspects of our business.

## Our emissions journey

We saw a decrease in our carbon footprint of 1.4m tonnes of CO<sub>2</sub>e between FY21 and FY22. There are two primary reasons for this decrease. Firstly, supply chain shortages and reduced car production volumes meant we had fewer new vehicles to supply to our customers. This meant we purchased fewer vehicles than in FY21, so our capital goods purchased emissions were lower. By extending more customer leases, we also sold fewer vehicles into the used car market and so recorded fewer use of sold product emissions than in FY21.

Our emissions in FY23 are expected to increase as the supply chain challenges ease and we're able to purchase more new to Scheme vehicles and supply more to the used car market. We will use a physical intensity approach within our Scope 3 measurements to monitor trends as the share of EVs in our fleet increases.



FY21

**8.3m tCO<sub>2</sub>e**

Our full Scope 1-3 carbon footprint.  
This is base year for SBTs.



FY22

**6.9m tCO<sub>2</sub>e**

Our full Scope 1-3 carbon footprint for FY22.



# Our journey to B Corp

We commenced the journey of becoming a B Corp in 2022.

B Corps are businesses that balance purpose and profit, meeting high standards of social and environmental performance, and are legally required to consider the impact of their decisions on their key stakeholders, communities and the environment. B Corps are certified by the non-profit entity B Lab and initially assessed via the B Impact Assessment (BIA).

## Our progress this year

Following the Group Board's approval of our application in September 2022, we have changed our Articles of Association to reflect our commitment to all our stakeholders to have a positive material impact on society and the environment.

We completed our BIA, achieving the minimum entry criteria required. The completion of the materiality assessment and creation of our aspirational goals are also key parts of our B Corp journey. Our CEO, Andrew Miller, announced our Declaration of Interdependence to the business in August, which states our intent to align with the B Corp principles.

We are now working towards full certification. We do not see B Corp certification as a 'nice to have'. Full certification requires us to show we have an absolute commitment to meeting the standards required, which very much aligns to our purpose-led strategy.

## The next steps

B Corp certification assesses a company's potentially negative impacts separately from its positive impacts. Risk Standards are additional minimum standards that companies in certain industries or with practices with potential negative impacts must meet to be eligible for B Corp certification. One of the industries currently flagged for review by B Lab is the automotive industry.

As a company in the automotive industry, we will be subject to these additional standards once they have been created. While certification is never guaranteed for a company, we are committed to contributing to the development of these additional standards as well as meeting them as part of our sustainability journey.

Oct 2022 to  
Sep 2023

- Submitted initial Business Impact Assessment
- Expanded Articles of Association to have a positive material impact on society and the environment
- Announced Declaration of Interdependence
- Completed materiality assessment and defined aspirational goals

Oct 2023 to  
Dec 2023

- Validation of approach, strategy and aspirational goals against B Corp requirements
- B Lab approach to automotive industry Risk Standards

2024

- B Lab to schedule creation of automotive Risk Standards
- Assessment of Motability Operations versus Risk Standards



# People

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# Our people

Everything we do is about delivering smart, sustainable solutions that improve our customers' mobility, and our people are a key enabler to this. Our people covers our employees, customers, Scheme partners, suppliers, investors and our communities.

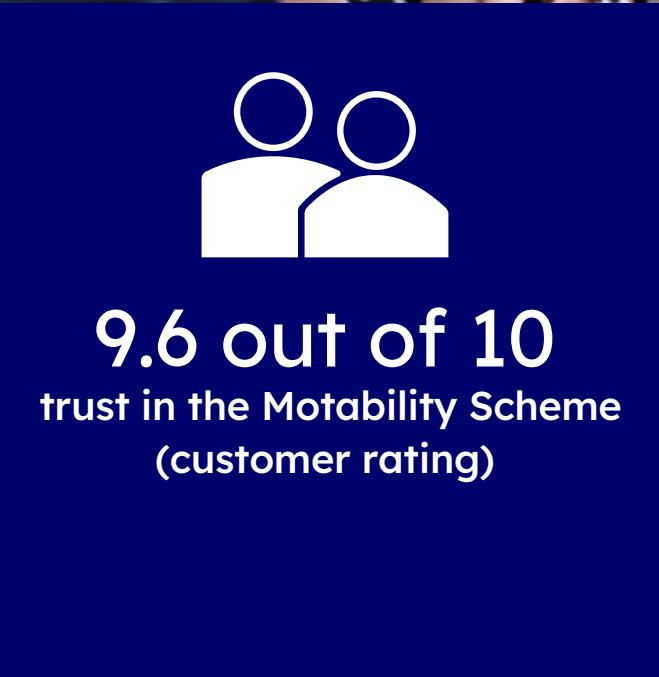
## Delivering the Motability Scheme

We take pride in going that bit further for our customers, we know they rely on us, and we encourage our people to use empathy and problem-solving skills to make a real difference for every customer. We're very proud of our customer satisfaction scores and the level of trust they have in us.

We employ around 1,600 people across four sites, in London, Bristol, Edinburgh and Coalville, our new vehicle refurbishment site in Leicestershire. We're proud of our strong culture, employee engagement and high retention rates. We consistently see high participation rates in our annual survey (90% in 2023), with our people rating our culture as 9.2 out of 10. Our strong employee satisfaction and engagement give us a great foundation to embed impact and sustainability across the business.

The Motability Scheme is delivered with a range of strategic partners, who are specialists in the services they provide. We work in collaboration with them to ensure our customers receive the best possible service no matter which partner they're dealing with. Customer satisfaction with each of our partners is assessed, with scores for all exceeding 9 out of 10 in the latest survey.

Our strong partnerships allow us to collaborate on a range of environmental and social projects like Kwik Fit's Project Tree initiative, aimed at improving the livelihoods of natural rubber producers. Our Scheme partners also contributed to our materiality assessment as key stakeholders.



# Equity, diversity and inclusion

Since we launched our equity, diversity and inclusion (EDI) strategy and Committee in 2021, we've made good progress and we're proud of how representation across disability, ethnicity, gender and sexuality has evolved.

In July 2023, we commenced a review of this strategy, with good progress in areas such as gender and disability.

The opportunities for further development are in areas such as representation of different ethnicities. We know we have more to do, so we've enhanced our EDI strategy and agreed a revised approach that forms part of our future business objectives, senior management goals and are incorporated within our performance management framework.

We have set ourselves an aspirational goal to ensure our customers are supported by an engaged employee base that is representative of UK society across all levels of the business by 2030.

Our future plans to support this goal are detailed on page 17.

**82%**

of employees have shared whether they have a disability or not, up from 73% in 2022

**73%**

of employees have shared their sexuality / LGBTQ+ data with us

**100%**

of employees have stated their gender preference

There has been a significant amount of activity, training and focus on our EDI journey to date:

**2021**

- EDI strategy rolled out
- Established EDI Committee
- Launched scholarships for students who identify as having a Black, Asian, Mixed or Other Ethnic background
- 'Valuing Difference' training rolled out to all employees
- Achieved Disability Confident Leader accreditation

**2022**

- 'Valuing Difference' training for all new starters
- EDI networks rebranded and established
- Two-way mentoring programme launched
- Supported Purple Light Up which celebrates the contribution to society of disabled people
- Disability Progress Award – Most Progressed Inclusive Recruitment Award

**2023**

- Disability Smart Awards for Disability Confident Mental Health and Wellbeing in the Workplace award winner
- Joined Investing in Ethnicity – Laura Rice shortlisted for future leader award
- Renewed Stonewall membership
- Implemented the Halo Code
- Reviewed and refreshed EDI strategy
- Formalised aspirational goal for 2030



## Equity, Diversity and Inclusion continued

### Our networking groups

Our diversity networking groups continue to work successfully in providing a two-way forum and diversity of thought for discussion and ideas. The groups are enABLE (disabilities), REACH (race and ethnicity), GENDER and PRIDE (LGBTQ+), collectively known as Belonging@MO. We've also launched our impact and sustainability network, run by our champions to share ideas and raise awareness across the business.

Supported by senior management, each group is run by employees, where they are encouraged to be themselves and have their voice heard. Our network leads and impact champions receive training to help them raise the profile of their group, enrol new members and spread the word about diversity at Motability Operations.

In 2023, we worked with the leads of our four network groups to define their objectives. Each group has the remit to identify ideas and initiatives from our employees that can be taken forward. Some of these initiatives include the creation of MENTality, a mens' mental health and wellbeing group, implementing a pregnancy and baby loss guide, a policy to support those experiencing baby loss and removing the BAME acronym organisation-wide to recognise the unique identities within these communities.

### Celebrating diversity

Coordinated by our PRIDE networking group, we ran Pride events across all our offices. Employees from Bristol and Edinburgh also attended Pride marches and events in their respective cities.

In March, we supported International Women's Day, raising awareness for gender equity. Our Chief Marketing Officer, Lisa Thomas, spoke about the importance of celebrating women's achievements and championed this year's theme of 'embracing equity'.

To promote mental health and wellbeing, we held 'Time to Talk Day' in February. Activities across our offices encouraged employees to talk and listen to each other, with guidance provided about the support available through line managers and our Employee Assistance Programme.

### Next steps

We are working hard on a range of initiatives for 2024, to support our progress and move the business to be representative of UK society. This includes reviewing our recruitment practices and diversifying candidate sourcing, identifying and developing emerging talent and further training, development and evolution of our EDI networks and the network leads.



**“I’m able to bring every part of myself to work. I can do this knowing there’s always a friendly supportive face, no matter where you are.”**

**employee comment**  
from our 2023 annual survey



**2030**

Ensure our customers are supported by an employee base that is representative of UK society with equal engagement across all groups



# Partnerships and innovation

## Creating engaging partnerships

This year, we appointed our first, official Motability Scheme Brand Ambassador, Mark Ormrod MBE. Mark is a former Royal Marines Commando who completed tours in both Iraq and Afghanistan. He was injured in Afghanistan on Christmas Eve 2007 and became the UK's first triple amputee from the conflict. Mark is a customer of the Motability Scheme as well as a Brand Ambassador. Mark took part in the Big Event in May as a speaker, and drove in the London to Paris EV Rally, which was supported by Motability Operations.

We also launched our partnership with the Great Britain wheelchair basketball team in 2023, supporting the development of grassroots disabled sport.

## Innovating to remove barriers

A key component of our sustainability strategy is to ensure our customers have equitable outcomes and are not left behind in the transition to zero emissions mobility. One of the biggest challenges for the industry and our customers is Wheelchair Accessible Vehicles (WAV).

Motability Operations and CALLUM are working in partnership to secure the future of electric WAVs (eWAV). We hosted a competition to find an inspiring solution from the next generation of automotive design and engineering talent.

Engineering and Design students from Coventry University and Glasgow School of Art have been tasked with designing a prototype eWAV that tackles some of the problems faced by wheelchair users looking to transition to electric vehicles.

Most Motability Scheme WAV customers choose smaller WAVs as they're less cumbersome and generally cheaper to run. However, as electric vehicles typically have their battery located in the vehicle's floor, offering small, electric WAVs is challenging. Users switching to EVs face higher costs, less usable space and lower available payloads. An innovative solution is required if the availability of practical and affordable WAVs is going to continue post-2035 when all new vehicles will be electrified.

Partnerships and innovation continued

## Engaging customer events

This year, we held our programme of One Big Day events in five different venues around the UK. The events provide an opportunity for Motability Scheme customers and potential customers to view the latest cars, powered wheelchairs and scooters and WAVs. They're also able to experience home chargepoints and test drive adapted and electric vehicles.

The Big Event took place in Birmingham and was attended by 11,500 visitors. In total, over 26,000 customers attended an event.

Our customer events programme is delivered in collaboration with key Scheme partners and suppliers. It's a great opportunity for our employees to meet our customers face to face, and this year we had record numbers of employee volunteers.

The Big Event in Edinburgh also saw the launch of the 2023 Euan's Guide Access Survey. This is the third year we have supported the survey which seeks to provide disabled access reviews for locations across Scotland.



# Awards and recognition

We're very proud of the recognition our teams have received this year.

## Exceptional customer service

In April, the Disability Smart Awards shortlisted Motability Operations in two categories. We were delighted to win the award for Disability Confident and the Mental Health and Wellbeing Workplace award.

In July, our Customer Experience team took home three awards from the Southwest Contact Centre Forum. The categories won were People Engagement, Recruitment and Retention and one of our contact centre employees, Dom Summers, won the Customer Service Agent of the Year award.

In September, our Customer Experience team was recognised in two categories at the Northern Contact Centre awards. The categories were People Development and Best People Engagement, with Motability Operations winning top prize in Best People Engagement.

## Celebrating diversity

We're excited to announce Motability Operations adopted The Halo Code this year, the UK's first Black hair code. The REACH network and HR worked together to deliver this as part of our work to ensure that everyone in the business can come to work as their authentic self and without fear of discrimination or bias.

Laura Rice, the chair of our REACH network, was nominated as one of the top ten Ethnicity Awards Future Leaders. Laura works tirelessly to drive forward our approach to ethnicity and inclusion.

We were also proud to have achieved the Disability Confident Leader award this year, as well as becoming a member of Investing in Ethnicity and reconfirming our Service Mark from the Institute of Customer Services.

## Awards



## Accreditations



Some of our employees with Gok Wan at the Investing in Ethnicity Awards, where our very own Laura Rice (far right) was nominated as one of the Top 10 Future Leaders.



Our Head of Workplace Strategy, Jonathan Knight, was one of a group of employees to get on their bikes and support PROPS Bristol to Bordeaux Cycle Challenge in July. PROPS empower adults who have learning disabilities to achieve purposeful and rewarding work opportunities.

# Supporting our communities

We consider our impact on the planet and on our people at both a global and local level. We're conscious of how we can focus on improving the environment and communities that we live and work in.

## Volunteering

Every employee can take a volunteering day every year to support an organisation or charity of their choice. Many employees choose to volunteer with their teams, either working directly with an organisation or charity or can instead use their time to complete a fundraising activity, like a sponsored walk. To date, we've logged over 650 hours of volunteering business-wide.

Where possible, we ask employees to log their volunteering through a central tool. As a result of the volunteering activity logged to date, our provider has planted over 25,000 trees in five different locations around the world in Motability Operations' forests.

## Charitable giving and matched fundraising

Where employees raise money outside of their volunteering days, we have reinstated our match funding programme to support their charitable activities. Each employee can have up to £500 matched per year. Over the past year, we've supported employees by matching over £10,000 of donations to good causes.

Through our charitable donations to the Motability Foundation, we support their mission to make all journeys accessible. Our donation enables them to provide support for disabled people through initiatives like Family Fund that has supported over 500 families, grants for WAVs and research into accessible transport.

## Supporting our communities continued

### Impact and sustainability day

In September, we ran an Impact and Sustainability Day across our offices to raise awareness that small changes today, make a big difference tomorrow. We offered a free plant-based meal which was taken up by over 300 employees which saved around two tonnes of carbon emissions compared to the meat equivalent.

We also ran food bank collections at each site with donations going to our local Trussell Trust food banks. In addition, we sold honey produced by the bees at our Bristol and Edinburgh offices. We raised £750 through the sale of our honey which we donated to a conservation charity.

The main objective was to commence the engagement with impact and sustainability and to raise awareness of what the business is doing and how our employees can play their part. Future awareness and communications are planned in 2024, to ensure our employees are part of our journey.

### Our employee allotment

In May, our Customer Experience team (CET) acquired a derelict allotment plot near our Bristol offices. To support the development of the plot, we reinvested funds the business received from recycling Company laptops and hardware.

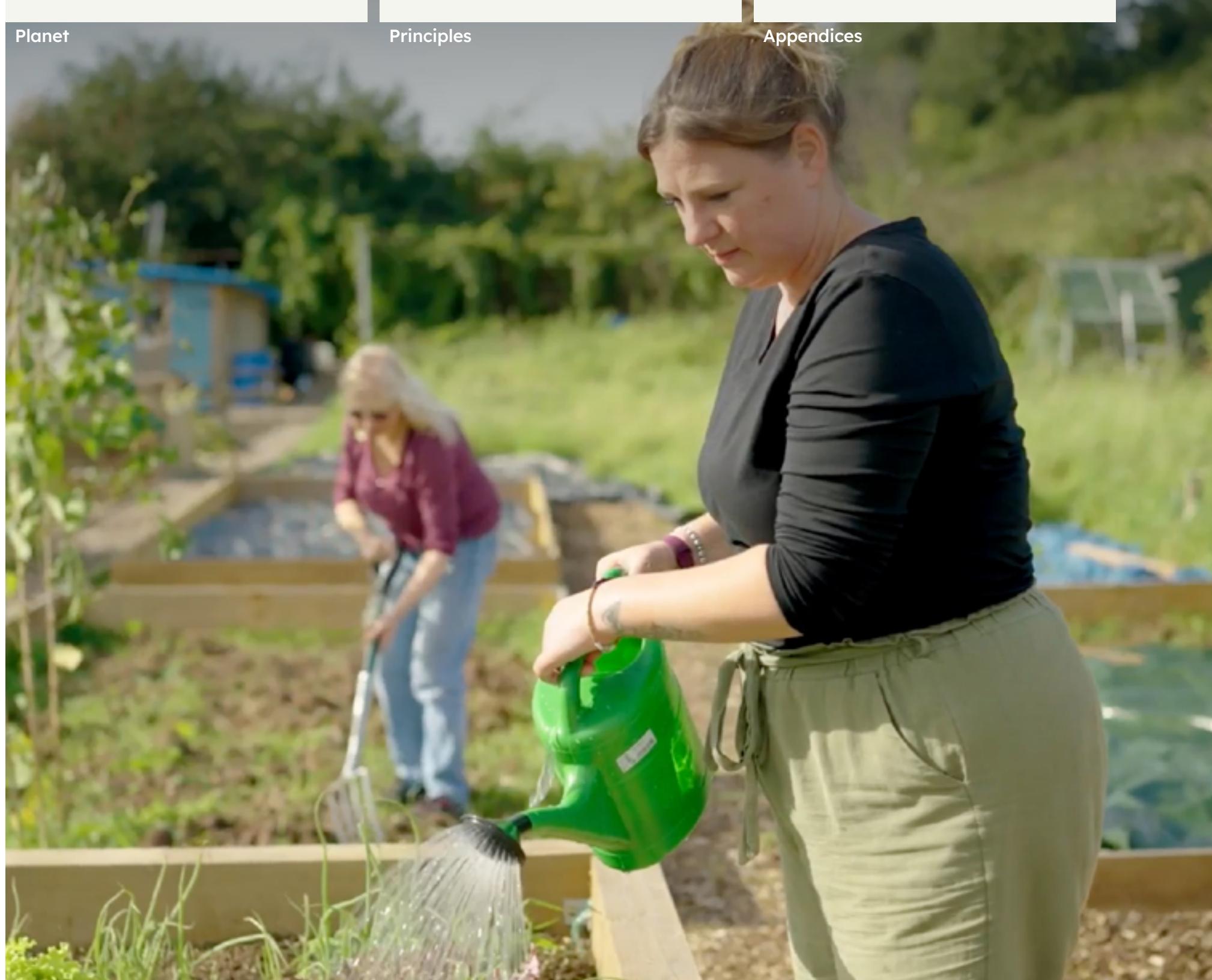
The CET, supported by a number of volunteers from across the business (including our Chief Finance Officer, Matthew Hamilton-James), set about clearing the plot, laying wheelchair accessible paths, building raised planting beds and constructing a shed.

We supported the purchase of tools, materials, soil and seeds required to redevelop the land, and to plant various plants and vegetables. With the support of our onsite caterers, Harrisons, the produce will be harvested and turned into food supplies such as soup, which will be used to support local charities around our Bristol offices.

Our employees really embraced the project, with several of them volunteering their evenings and weekends to transform the plot and develop an accessible space for all employees to use.

The plot is now being used as a wellbeing space. With the location a walkable distance from the Bristol offices, the plot is used for volunteering activity, with a rota to maintain and further develop the plot. It is also being used for walk and talks and team meetings as an alternative to office-based meetings.

[The allotment is featured in our corporate video that outlines our sustainability ambitions and can be found here](#)



**“Our employees really embraced the project, with several working evenings and weekends to transform the plot.”**

# Health and wellbeing

We know the past few years have been tough on everyone's mental health and wellbeing, and our employees are no different. We're working hard to support our employees throughout this time and it continues to remain a top priority.

## Mental health support

We know the success of our organisation depends on attracting, retaining and looking after our talent. To do so, we've implemented a range of initiatives to support them.

Our Mental Health Allies (MHA) network is made up of employees who are trained to spot and support colleagues who might be having a difficult time. This year we've seen new employees join the group and we now have 54 people across the business who are trained MHAs. We have an open culture that encourages people to talk about their mental health and our network of Allies provides a safe space to raise issues and can signpost further help.

Through our Employee Assistance Programme (EAP) partner, Vita Health, employees can access a wide range of information and advisory services including a legal team, financial information, counsellors, general advisors and online support on a range of topics. There is also a manager helpline available to support our leadership teams. The EAP also includes up to six funded sessions of counselling each year along with 'in the moment' telephone and online support.

## Wellbeing support

Every year we measure our employee satisfaction through our annual employee survey. We work hard to ensure our teams are engaged in our strategic plans and progress, sharing regular updates through our Company Roadshows, articles on our intranet and through managers and team meetings.

We have continued to embrace hybrid working with most people in the business balancing office-based and remote working.

Our Private Medical Insurance (PMI) offers uncapped cover on mental health support, with no need for a doctor referral, enabling employees to access help that is tailored to their needs.

Our PMI provider, Aviva, offers a Digital GP app and wellbeing app that is available to all employees (even those not enrolled in the PMI).

Further support includes:

- Cuppa club – where employees from across the business can meet up on a one to one basis. A great opportunity to meet new people and discuss a wide range of topics
- Unmind app – a range of mental health and wellbeing support from mindfulness courses to sleep stories and specialist help
- Peppy app – information on men's health, menopause, fertility and new parents by giving access to experts along with mental health support when needed
- Employee support – we offer our employees a wide range of support from working with Occupational Health to ensure we provide the support they require in the workplace to cycle surgeries where employees can get their bikes serviced and repaired
- Webinars – this year we have covered a range of topics, including grief, men's mental health, suicide awareness, pregnancy and baby loss, financial wellbeing, managing your mental health and single parenthood
- Training, awareness and development – all managers have been provided with mental health in the workplace training. In addition, a group of employees received suicide first aid training

## Recognition and next steps

We are delighted to have been recognised for our progress, winning two awards for our approach to workplace mental health, the most recent being at the Disability Smart Awards in 2023.

We are constantly striving to improve the support we offer our employees and in 2024, we are planning to:

- Recruit 24 additional Mental Health Allies
- Provide refresher training for all our Mental Health Allies
- Offer training to employees on 'colleague to colleague conversations' to further our open culture, where employees feel safe to talk about how they are feeling
- Train all new managers on mental health in the workplace



# Planet

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# Our climate ambitions

With the biggest car fleet in the UK, we are aware of our environmental footprint and the responsibility we have to minimise the impact we have on our planet. As outlined in the Chief Executive's foreword on page 5, the automotive industry has commenced the transition to electric, with the zero-emission vehicle (ZEV) mandate stating that 80% of all manufacturers' sales need to be electric by 2030 and 100% by 2035.

We know that the availability of petrol and diesel (ICE) models will diminish rapidly over the next five years as manufacturers scale up their electric vehicle (EV) production but we anticipate that the number of EV models available will double by 2026.

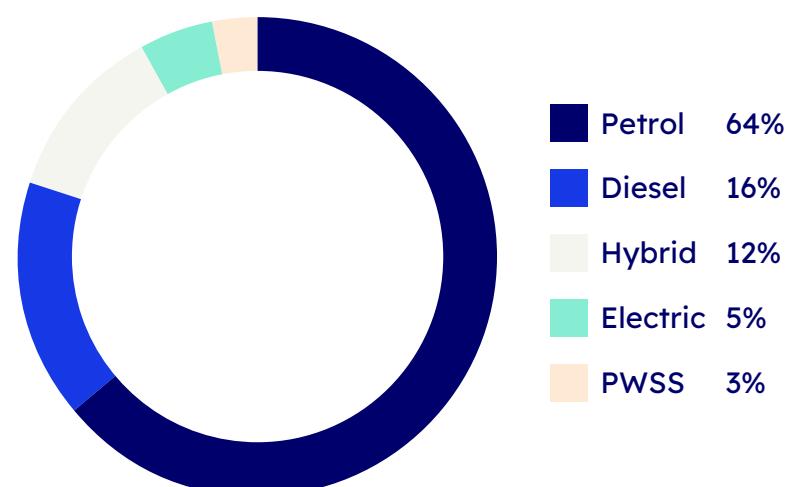
Our challenge is to help our customers understand that the industry is driving towards electric and to understand their concerns and barriers to making the switch so that we can help to solve them. With most of our fleet on a three-year lease agreement, these changes will be reflected rapidly through our renewal profile.



We've made significant progress this year, doubling our EV fleet to over 35,000 vehicles, now one of the biggest EV fleets in the UK. However, this represents just 5% of our overall fleet with 80% of our fleet made up ICE vehicles.

Applications for an EV stands at 11% and customer take up is increasing; this has been driven by a significant increase in the range and availability of EV models for our customers. We have supported customers by investing £130m to date of £300m ringfenced in 2021 to support affordability over a three year period.

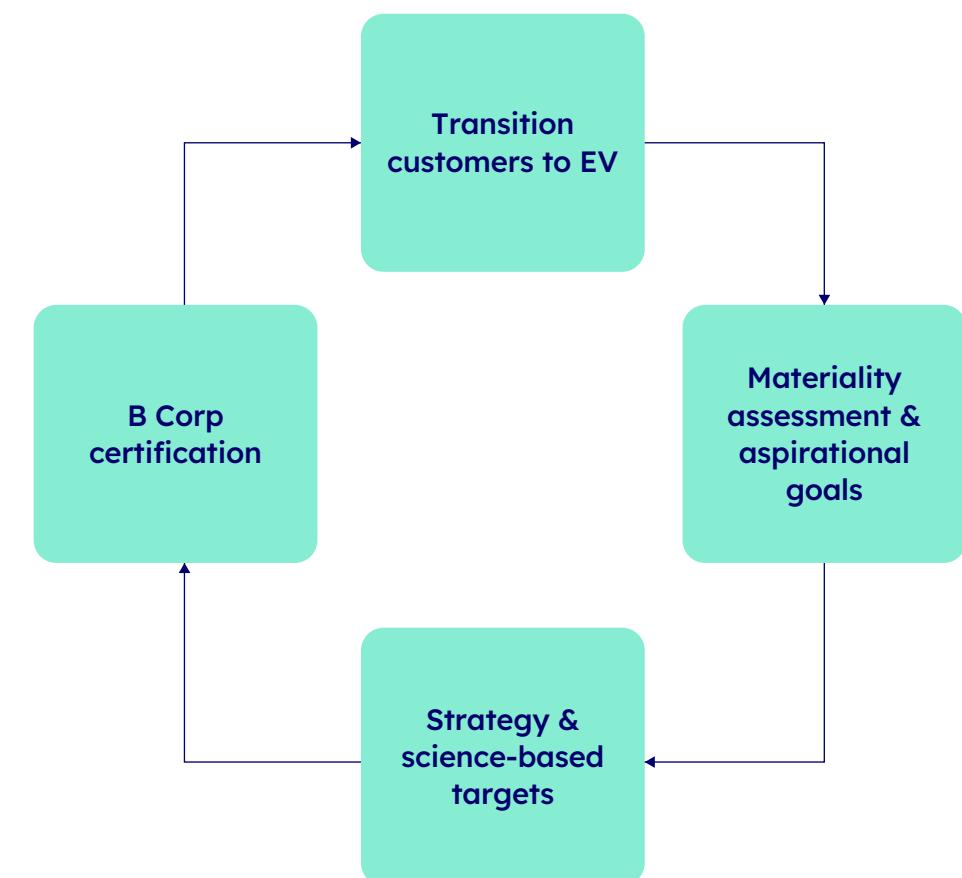
## Motability Scheme fleet breakdown



Our climate ambitions are to be a responsible business that recognises its impact on the environment and our communities. In 2021, we quantified our carbon footprint. This year, we sought the views of our stakeholders, including our customers, through a materiality assessment and customer research. These views have helped to define our aspirational goals.

The confirmation of our near-term science-based targets (SBTs) provides a trajectory for reducing our carbon footprint over the next 10 years, in line with the transition of our fleet to EVs.

## Integrated approach



# Our greenhouse gas (GHG) emissions

Following the creation of our carbon footprint for FY21, we worked with climate consultancy EcoAct to determine our carbon footprint for FY22. This footprint has been independently verified to ensure the data and calculations are robust.

As a large fleet operator, the vast majority of our emissions fall under Scope 3 within 'Use of sold products' and 'Downstream leased assets'.

The transition of our fleet to electric vehicles will be the most significant activity we undertake to reduce our Scope 3 emissions, but it needs to be right for our customers.

As a responsible business, we're looking at all aspects of our carbon footprint to determine areas for improvement and we are using a circularity model to challenge ourselves to think differently.

Scope 1 and 2 emissions make up a fraction of our carbon footprint but it's important that we also work to decarbonise these areas. Our science-based targets require a 50.4% reduction in our Scope 1 and 2 emissions by 2032 for the business to remain on track to achieve net zero by 2050.

We have agreed with the Science Based Target initiative to use a physical intensity approach within our Scope 3 to monitor our progress as the mix of petrol, diesel and electric fuelled vehicles changes over the coming years. Our targets are based on the expectation that our fleet will grow over the next five years and therefore our carbon footprint is likely to increase in the short term. Our SBTs account for this increase and require a 58.1% reduction in emissions per vehicle by 2032.

We are working on producing our carbon footprint for FY23 and expect to confirm this by Spring 2024.

For more details on our SBTs see the SBTi's website – <https://sciencebasedtargets.org>

For our statement of carbon emissions in compliance with Streamlined Energy and Carbon Reporting (SECR) please see page 84 of our Annual Report and Accounts.

		FY22 Emissions (tCO <sub>2</sub> e)	% of Total	% of Scope
<b>Motability Value Chain Emissions</b>	<b>Scope</b>			
<b>Scope 1 Emissions</b>	Scope 1	335.1	0.005%	
Natural gas	Scope 1	243.6	0.004%	73%
Diesel used in Company cars	Scope 1	1.8	0.000%	1%
Petrol used in Company cars	Scope 1	0.2	0.000%	0%
Hybrid Company cars	Scope 1	0.0	0.000%	0%
Electric Company cars	Scope 1	0.0	0.000%	0%
PlugIn Elec Hybrid Company cars	Scope 1	35.8	0.001%	11%
Other fuels	Scope 1	2.0	0.000%	1%
Refrigerants	Scope 1	51.7	0.001%	15%
<b>Scope 2 Emissions (location-based)</b>	Scope 2	718.6	0.010%	
Purchased electricity	Scope 2	704.7	0.010%	98%
Electricity from Company EV	Scope 2	13.9	0.000%	2%
<b>Scope 2 Emissions (market-based)</b>	Scope 2	15.8		
Purchased electricity	Scope 2	1.9		12%
Electricity from Company EV	Scope 2	13.9		88%
<b>Scope 3 Emissions</b>	Scope 3	6,917,588.8	99.98%	
<b>Scope 1 &amp; 2 total (location-based)</b>		1,053.7		
<b>Scope 1 &amp; 2 total (market-based)</b>		350.9		
<b>Scope 1, 2 &amp; 3 Total (location-based)</b>		6,918,642.5	100%	
<hr/>				
<b>Scope 3 Breakdown</b>	<b>Relevance</b>	FY22 Emissions (tCO <sub>2</sub> e)	% of Total	% of Scope 3
1. Purchased goods and services	Relevant, Calculated	168,861.2	2.44%	
2. Capital goods	Relevant, Calculated	1,036,359.8	14.98%	
3. Fuel- and energy-related activities	Relevant, Calculated	306.7	0.00%	
4. Upstream transport and distribution	Relevant, Calculated	78,374.0	1.13%	
5. Waste generated in operations	Relevant, Calculated	2.1	0.00%	
6. Business travel	Relevant, Calculated	117.2	0.00%	
7. Employee commuting	Relevant, Calculated	948.9	0.01%	
8. Upstream leased assets	Not relevant, explanation provided	0.0	0.00%	
9. Downstream transport and distribution	Relevant, Calculated	8,124.4	0.12%	
10. Processing of sold products	Not relevant, explanation provided	0.0	0.00%	
11. Use of sold products	Relevant, Calculated	4,008,063.8	57.94%	
12. End of life treatment	Not relevant, explanation provided	0.0	0.00%	
13. Downstream leased assets	Relevant, Calculated	1,616,430.6	23.37%	
14. Franchises	Not relevant, explanation provided	0.0	0.00%	
15. Investments	Not relevant, explanation provided	0.0	0.00%	
<b>Total Scope 3</b>		6,917,588.8	100%	

# Our transition plan

## Our path to net zero by 2050

Over half of our customers tell us that they're not in the position to switch to an electric vehicle (EV) right now. That's why we're committed to addressing and solving the barriers they face, to ensure none of our customers are left behind.

We have defined our near-term SBTs, so our path to 2032 is clear and aligns to our business and sustainability strategies. Achieving our goals will have to be supported by innovation and the evolution of our services to ensure we keep delivering brilliantly for our customers and achieve our purpose and our climate commitments.

## Climate-related opportunities

The climate challenge presents both risks and opportunities for our business, particularly as we shift to electric vehicles and zero emissions mobility for a low carbon future.

The UK Government's ban on new diesel and petrol cars will result in increased choice and improved affordability of EV. With most of our fleet on three-year lease agreements, these changes will quickly be reflected in our profile. Adapting and expanding our offering of EV and zero emission vehicle options present us with a strong opportunity.

By ensuring our customers are supported and an EV is suitable to meet their needs, we can accelerate the uptake of EVs within our fleet.

We also have the opportunity to develop new partnerships that work for our people and our planet. For example, working in partnership with chargepoint providers, we have offered free-of-charge domestic chargepoints to customers choosing to lease an EV. This enables us to support wider customer adoption and accelerate the electrification of our fleet. To date we have installed over 28,000 charging points for customers.

For more information on how we manage our risks and opportunities, please see our Climate-related financial disclosure on page 51 of our Annual Report and Accounts.

Progress so far	Current plans	Path to net zero
<p><b>2015</b></p> <ul style="list-style-type: none"> <li>At COP21 the Paris Agreement is signed with the aim of holding “the increase in the global average temperature to well below 2°C above pre-industrial levels” and pursue efforts “to limit the temperature increase to 1.5°C above pre-industrial levels”.</li> </ul> <p><b>2020-2021</b></p> <ul style="list-style-type: none"> <li>The UK Government announces the ban on the sale of new petrol and diesel (ICE) vehicles by 2030</li> <li>Manufacturers develop plans to transition to full electric vehicle (EV) production by 2030, phasing out ICE vehicles</li> <li>We ringfenced £300m of investment to support the affordability of EVs for our customers</li> </ul> <p><b>2022</b></p> <ul style="list-style-type: none"> <li>We commenced work on our science-based targets (SBTs) and signalled our intent to become a certified B Corp</li> </ul>	<p><b>2023</b></p> <ul style="list-style-type: none"> <li>The UK Government delays banning the sale of new ICE vehicles to 2035 but retains the zero-emission vehicle (ZEV) mandate, outlining the percentage of sales that must be electric</li> <li>We completed our first materiality assessment, set out our sustainability strategy and created our aspirational goals</li> <li>We published our first TCFD disclosure</li> <li>Our near-term SBTs were approved by the SBTi, to be achieved by 2032</li> <li>We signalled our intent to the SBTi to submit our long-term targets</li> </ul> <p><b>2024-2025</b></p> <ul style="list-style-type: none"> <li>We will continue to develop an eWAV concept with CALLUM to support our WAV customers with the transition</li> <li>Innovation and new product development focused on future mobility solutions and EV transition support</li> <li>We will evolve our social bond framework to a sustainability-linked bond framework</li> <li>We will submit our long-term SBTs to the SBTi for approval, plotting our journey and emission reduction targets that will enable us to achieve net zero by 2050</li> </ul> <p><b>2026</b></p> <ul style="list-style-type: none"> <li>Through investment, education and experience we will further support and seamlessly transition our customers to EVs wherever possible</li> <li>By 2026, we forecast that 30% of all applications will be for an EV</li> <li>We anticipate that a third of manufacturer sales will be an EV based on targets laid out in the Government's ZEV mandate</li> </ul>	<p><b>2030</b></p> <ul style="list-style-type: none"> <li>Manufacturers predict that 100% of their production will be electric vehicles by 2030 and 80% of their sales as per the ZEV mandate</li> <li>We forecast that electric vehicles will account for 80% of all Scheme registrations</li> </ul> <p><b>2032</b></p> <ul style="list-style-type: none"> <li>By 2032, we will have supplied our 1 millionth EV through the Scheme</li> <li>Seamlessly transition at least 8 out of 10 customers to an EV</li> <li>Meet and exceed our SBTs across all Scopes</li> </ul>

## Our transition plan continued

### Climate-related risks

The climate crisis presents an uncertain future for the world. We recognise it as a principal risk that has significant potential to impact our business success and resilience – now and in the future.

We currently identify and manage all climate-related risks as part of our overall risk management process. This includes physical events impacting our supply chain and transition risks related to regulatory changes which affect vehicle supply and resale.

We rate climate risks based on their likelihood and potential impact. Using our business risk matrix, we determine their materiality and prioritise them accordingly. Our three lines model helps us to develop appropriate mitigations based on the level of risk presented to the achievement of our stated objectives.



Risk type	Risk description	Potential financial impact	Mitigation measures
<b>Transition: Market</b> Magnitude of impact <span style="color: yellow;">●</span> Likelihood <span style="color: green;">●</span> Time horizon <span style="color: red;">→</span>	<ul style="list-style-type: none"> <li>Changing climate-related regulations, consumer behaviour or infrastructure changes could lead to decreased market value of second-hand vehicles</li> </ul>	<ul style="list-style-type: none"> <li>Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets</li> </ul>	<ul style="list-style-type: none"> <li>In-house forecasting team to minimise risk of residual value movements by re-forecasting on a quarterly basis. This team of specialists is responsible for calculating risks to the residual values of our car fleet</li> <li>The residual value impact is calculated using climate scenario data drawn from the Bank of England's 2021 Climate Biennial Exploratory Scenario (CBES)</li> </ul>
<b>Transition: Emerging regulation</b> Magnitude of impact <span style="color: yellow;">●</span> Likelihood <span style="color: yellow;">●</span> Time horizon <span style="color: green;">→</span>	<ul style="list-style-type: none"> <li>Emerging climate-related legislation to reduce vehicle emissions, including the UK's ban on new diesel and petrol cars by 2035, could cause a reduction in the range we are able to offer in the medium term</li> <li>In addition, increased costs associated with manufacturing EVs are likely to be passed onto new car prices</li> </ul>	<ul style="list-style-type: none"> <li>Increased direct costs</li> </ul>	<ul style="list-style-type: none"> <li>We are able to react quickly to changes in legislation and market with regards to shifting our fleet profile as the majority of our fleet vehicles are on three-year lease agreements. We have chosen to accept this risk and as such there is no further cost associated with the response to the risk</li> <li>We track the percentage of EVs on our vehicle fleet, which stands at 5% at the end of FY23. We exist to keep our customers mobile. We have set an aspirational goal to address the challenges our customers face as the industry moves to electric, aiming to seamlessly transition 8 out of 10 customers into an electric vehicle by 2032</li> </ul>
<b>Physical: Acute</b> Magnitude of impact <span style="color: yellow;">●</span> Likelihood <span style="color: green;">●</span> Time horizon <span style="color: red;">→</span>	<ul style="list-style-type: none"> <li>Acute physical impacts of climate change including flooding and extreme weather causing disruption to third-party supplier physical infrastructure such as dealers and service centres</li> <li>In addition, there is a risk of increased insurance claims and associated losses with respect to our fleet as a result of increased UK flooding activity</li> </ul>	<ul style="list-style-type: none"> <li>Increased indirect (operating) costs</li> </ul>	<ul style="list-style-type: none"> <li>We have well-established continuity response plans including homeworking, system resilience and disaster recovery in place. A dedicated cross functional Business Continuity Committee is in place as well as strong supplier relationships and communication. In addition, our supply chain is highly diversified in order to reduce risk of a single point of failure</li> <li>Our dedicated Insurance team monitors claim frequencies and values, noting extreme weather events and any correlated claims</li> <li>Our Economic Capital process is designed to protect the business against extreme shock events. This covers both insurance and operational losses</li> </ul>

# Principles

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# Our principles

Our business model is driven by our purpose: to deliver smart, sustainable solutions that improve our customers' mobility in a fast-changing world. Ensuring the Scheme can be sustained for our customers is our top priority.

As a purpose-led business, we aspire to be responsible, both in the near-term and into the future. We are confident that by working in collaboration with our partners, we can have a positive impact that will benefit our customers, people, stakeholders and our planet.

We recognise our responsibility as the operator of the largest car fleet in the UK and the need to migrate our customers to electric vehicles (EV). Our customers face additional barriers in this transition which is reflected in our 'Lean into green' strategy to support our customers, partners and manufacturers in their efforts to transition to electric. We are proud to have doubled the size of our EV fleet in the last year and continue to work with our customers to remove barriers to adoption.

We are embedding a culture that considers the impact and sustainability across the business. We have worked hard to ensure ESG is more than just an agenda item and we are clear on how ESG translates through the impact and sustainability strategy that will help shape our business.

As a company, we apply the Wates Corporate Governance Principles for Large Private Companies (more details can be found on page 58 of the Annual Report and Accounts). In addition, we have a dynamic and robust approach to risk management, adopting the three lines model. The first line business owners are responsible for managing and controlling all risks including climate-related risk. Climate risk is captured as a principal risk and overseen by the Executive Committee and the Risk Management Committee.

[For more details on our approach to risk management please see page 40 of the Annual Report and Accounts](#)

We also produced our first Task Force on Climate-related Financial Disclosures (TCFD) this year. This assesses how the business is identifying and managing climate risks and opportunities.

[For more details on our Climate-related Financial Disclosure please see page 51 of the Annual Report and Accounts](#)



# Our governance structure

Our governance structure oversees climate-related risks and our net zero transition and was formalised in 2023.

The Executive Committee has designated responsibility from the Board for risk management, including climate risk.

The Chief Finance Officer (CFO) has Executive responsibility for impact, sustainability and ESG. The CFO chairs the Impact and Sustainability Committee (ISC) which is a formal sub-committee of the Executive.

The ISC was formalised in 2023 and contains cross business representation and reports updates to the Executive and the Board on a regular basis.

The ISC oversees the progress of all impact and sustainability-related activity, and the development of the sustainability strategy.

The ISC is supported by an employee forum. The Impact and Sustainability (I&S) Champions are volunteers from each business area, who are responsible for helping to collect ideas, shape our strategy and lead engagement in sustainability across the business.

This year, the I&S Champions coordinated our first ever Impact and Sustainability Awareness Day across our offices. This involved highlighting the benefits of volunteering, the carbon-reductions that can be achieved from plant-based diets, providing hints and tips on how we can all make improvements to reduce our carbon footprint, as well as selling the honey made from our very own beehives, with the proceeds going to local charities.

## The Board

- Our Chief Finance Officer who sits on the Board has executive responsibility for impact, sustainability and ESG, including climate risk
- The Board approves Motability Operations' strategies including impact and sustainability strategy and any associated initiatives like the transition to EV, SBT, B Corp

## The Executive Committee

- Delegated responsibility from the Board for risk management including impact, sustainability and climate-related risk
- 'ESG' (including the impacts of climate change) is a regular standing agenda item at monthly Executive Committee meetings and reported into Board meetings as appropriate
- Delegated responsibility from the Board to develop the strategic direction of the organisation. The annual strategic review includes consideration of changes to regulation, market conditions and ESG related to climate

### The Risk Management Committee

- Oversees business risk including climate-related risks and opportunities
- Consists of Executive Committee and senior management
- Meets on a monthly basis and ensures that inherent and emerging risks and opportunities including climate-related risks are identified and managed appropriately

### Business Risk team

Supports the business to identify, assess and manage risk  
Facilitates the business's enterprise risk management framework

### Impact and Sustainability Committee

- Oversight for impact, sustainability and ESG strategy and performance including Motability Operations' path to net zero
- Comprised of senior representatives from across the business and is overseen by the Chief Finance Officer
- Reports monthly to the Executive Committee

### Impact and Sustainability Champions

Responsible for the generation and implementation of impact and sustainability activity and business awareness  
Made up of employee volunteers  
Each business area has a representative

# ESG and management transparency

The Remuneration Committee, chaired by an independent Non-Executive Director, has designed a competitive remuneration package that is sufficient to attract and retain individuals with the necessary skills, experience and expertise to run a business of the size and complexity of Motability Operations on a sustainable basis.

Our policy ensures we encourage the right behaviours and actions that lead to good outcomes. Our annual performance incentive framework was revised in 2022 and ensures that performance-related pay retains an appropriate balance between day-to-day delivery and a longer-term focus which includes impact and sustainability, as well as strategic implementation.

## Current year application and context

Across the vehicle manufacturing industry, global supply-chain challenges following Covid-19 restrictions and the Ukraine war continued to impact the production and supply of new vehicles, affecting both the price and availability of new vehicles to the Scheme. In the first half of the year, this continued to lead to a reduced offering on the customer price list and lead time for customers who had placed an application remained at well above pre-Covid-19 levels.

However, the second half of the year saw some improvements in supply leading to an improved price list and shorter lead times. However, supply challenges remain and the higher costs of electric vehicles have put significant pressure on vehicle pricing.

We remain committed to the investments (New Vehicle Payment, EV investment and wider affordability support) to help customers bridge the financial gap that may otherwise prevent them joining or remaining on the Scheme.

For more details from the Remuneration Committee, please see [page 73 of the Annual Report and Accounts](#)

The table below summarises the corporate performance objectives that Executive Directors were measured against in 2023. The five measures align to the 3 Ps of our sustainability strategy. Our Planet is covered through the environmental targets and the proportion of the fleet that is electric. Innovation and pilots are also focused on developing products and services that support customers with the transition to EVs. Our People are covered through the customer services and the people and business culture targets. Our Principles are covered through the financial sustainability metric.

## Corporate performance objectives

Focus area	Measure	Bonus potential	100% Payout	50% Payout	0% Payout
Customer service	Customer satisfaction score	10%	96%	92%	88%
People and business culture	Employee engagement score	10%	94%	92%	90%
Innovation	Number of pilots in year	10%	10	6	2
Environmental	% fleet electric/hybrid	10%	20%	16%	12
Financial sustainability	Capital reserves	10%	>Minimum Capital Requirement (MCR) + buffers, credit rating maintained	Capital > MCR, but below buffer	Capital < MCR and buffer

## ESG and management transparency continued

As we have detailed, this year's performance reflects the challenges our customers face transitioning to EV. Our corporate targets are aligned to the ZEV mandate, which for 2023 is 20%. Applications for EVs have risen to 11% and currently 17% of our fleet is an electric or hybrid vehicle. Our aspirational goals reflect this challenge and the desire to address the gap and align the transition for our customers, ensuring it is the right solution for their mobility needs.

### Future planning

With our near-term SBTs now approved by the SBTi, we're taking the opportunity to evolve our corporate objectives to incorporate the reduction in our carbon footprint as well as the transition to electric. These metrics are reliant upon our ability to track and monitor our carbon footprint internally and on a frequent basis. A project has commenced to implement a centralised carbon reporting process that will support the understanding of our performance against our SBTs. The centralised reporting solution is expected to be implemented in 2024.

We have made good progress over the last year, and we are confident that we have put in place the necessary foundations from which to build and support our customers on their journey to electric. We do not underestimate the size of the challenge we, like many other businesses, face to ensure we are contributing to the reduction in global warming, whilst ensuring the Scheme is sustainable in the long term for our customers.

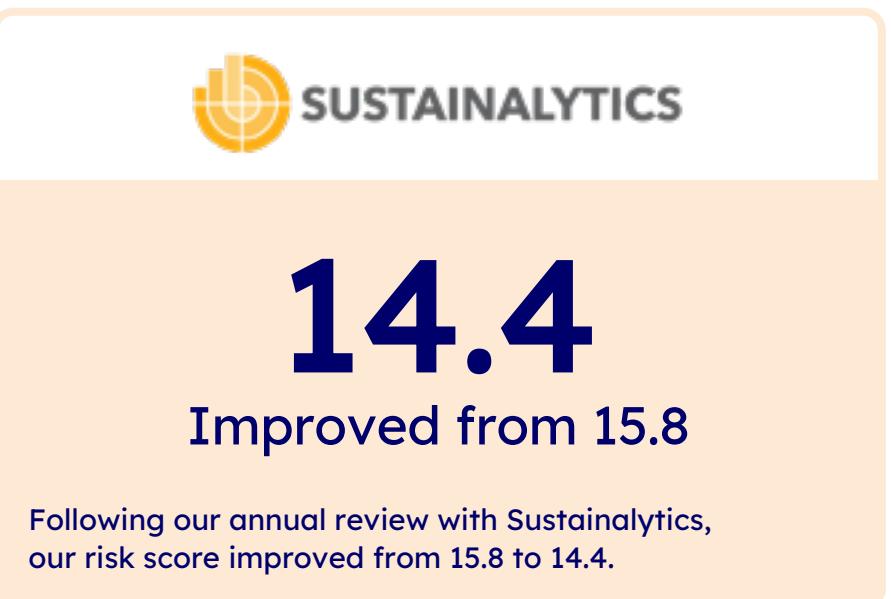
We are committed to being open, honest and transparent about our journey, the challenges our customers face and the effort we are making to overcome these challenges and become a force for good now and into the future.

For more information on our approach to impact and sustainability, please see our corporate website here  
<https://www.motabilityoperations.co.uk/our-impact/>



# Recognition of our progress

We are pleased with the work we're doing to develop and embed impact and sustainability across the business and our strategy has been recognised by external ratings agencies. All reports have been reviewed with recommendations used to formulate our strategy and plans, where appropriate.



# Appendices

- 36 GRI index
- 49 Glossary



# GRI index

FY23 is the first year that we have reported with reference to the Global Reporting Initiative (GRI) index. As a business, we are looking to evolve the detail, credibility and transparency that we provide in relation to all aspects of our impact and sustainability performance. We are committed to reporting in line with best practice and see the GRI index as a key part of our reporting journey. Please see below the latest performance data, reported with reference to both the GRI index and the UN sustainable development goals (SDGs).

## Statement of use

Motability Operations Group Plc (MO) has reported with reference to the GRI Standards for the period October 22 to September 23.

### GRI used

2-1, 2-7, 2-10, 2-11, 2-12, 2-13, 2-14, 2-16, 2-18, 2-19, 2-20, 2-22, 2-24, 2-29, 207-1, 207-2, 207-3, 207-4, 3-1, 3-2, 3-3, 302-1, 303-5, 304-1, 305-1, 305-2, 305-3, 305-4, 306-3, 306-4, 401-1, 405-1, 405-2  
MO's official long-term emissions targets are yet to be finalised. As a result, corresponding targets and target years will be confirmed and submitted to all subsequent Impact Reports.

### Comment

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Planet									
^Emissions									
Total Scope 1 Emissions	tCO <sub>2</sub> e	FY22	335.10			Impact Report p.26	✓	305-1	12.6, 13.1
Total Breakdown									
Natural Gas	tCO <sub>2</sub> e	FY22	243.60			Impact Report p.26	✓	305-1	12.6, 13.1
Company Cars (Diesel)	tCO <sub>2</sub> e	FY22	1.80			Impact Report p.26	✓	305-1	12.6, 13.1
Company Cars (Petrol)	tCO <sub>2</sub> e	FY22	0.20			Impact Report p.26	✓	305-1	12.6, 13.1
Company Cars (Hybrid)	tCO <sub>2</sub> e	FY22	-			Impact Report p.26	✓	305-1	12.6, 13.1
Company Cars (Electric)	tCO <sub>2</sub> e	FY22	-			Impact Report p.26	✓	305-1	12.6, 13.1
Company Cars (Plug-In Electric Hybrid)	tCO <sub>2</sub> e	FY22	35.80			Impact Report p.26	✓	305-1	12.6, 13.1
Other Fuels	tCO <sub>2</sub> e	FY22	2.00			Impact Report p.26	✓	305-1	12.6, 13.1
Refrigerents	tCO <sub>2</sub> e	FY22	51.70			Impact Report p.26	✓	305-1	12.6, 13.1
Total Scope 2 Emissions (Location-Based)	tCO <sub>2</sub> e	FY22	718.60			Impact Report p.26	✓	305-2	12.6, 13.1
Total Breakdown									
Purchased Electricity	tCO <sub>2</sub> e	FY22	704.70			Impact Report p.26	✓	305-2	12.6, 13.1
Electricity from Company EV	tCO <sub>2</sub> e	FY22	13.90			Impact Report p.26	✓	305-2	12.6, 13.1

GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Planet									
^Emissions									
Total Scope 2 Emissions (Market-Based)									
	tCO <sub>2</sub> e	FY22	15.81			Impact Report p.26	✓	305-2	12.6, 13.1
Total Breakdown									
Purchased Electricity	tCO <sub>2</sub> e	FY22	1.88			Impact Report p.26	✓	305-2	12.6, 13.1
Electricity from Company EV	tCO <sub>2</sub> e	FY22	13.92			Impact Report p.26	✓	305-2	12.6, 13.1
Total Scope 3 Emissions									
	tCO <sub>2</sub> e	FY22	6,917,588.80			Impact Report p.26	✓	305-3	12.6, 13.1
Total Breakdown									
1. Purchased Goods and Services – Total Spend	tCO <sub>2</sub> e	FY22	168,626.35			Impact Report p.26	✓	305-3	12.6, 13.1
1. Purchased Goods and Services – Water	tCO <sub>2</sub> e	FY22	234.88			Impact Report p.26	✓	305-3	12.6, 13.1
2. Capital Goods	tCO <sub>2</sub> e	FY22	1,036,359.80			Impact Report p.26	✓	305-3	12.6, 13.1
3. Fuel-and Energy-Related Activities – Natural Gas & Electric	tCO <sub>2</sub> e	FY22	289.91			Impact Report p.26	✓	305-3	12.6, 13.1
3. Fuel-and Energy-Related Activities – Vehicles	tCO <sub>2</sub> e	FY22	16.34			Impact Report p.26	✓	305-3	12.6, 13.1
3. Fuel-and Energy-Related Activities – Other Fuels	tCO <sub>2</sub> e	FY22	0.47			Impact Report p.26	✓	305-3	12.6, 13.1
4. Upstream Transport and Distribution	tCO <sub>2</sub> e	FY22	78,374.00			Impact Report p.26	✓	305-3	12.6, 13.1
5. Waste Generated in Operations	tCO <sub>2</sub> e	FY22	2.10			Impact Report p.26	✓	305-3	12.6, 13.1
6. Business Travel – Taxis	tCO <sub>2</sub> e	FY22	1.69			Impact Report p.26	✓	305-3	12.6, 13.1
6. Business Travel – Flights	tCO <sub>2</sub> e	FY22	24.79			Impact Report p.26	✓	305-3	12.6, 13.1
6. Business Travel – Rail	tCO <sub>2</sub> e	FY22	18.05			Impact Report p.26	✓	305-3	12.6, 13.1
6. Business Travel – Non-owned Vehicles	tCO <sub>2</sub> e	FY22	6.37			Impact Report p.26	✓	305-3	12.6, 13.1
6. Business Travel – Hire Car	tCO <sub>2</sub> e	FY22	21.18			Impact Report p.26	✓	305-3	12.6, 13.1
6. Business Travel – Hotel Stays	tCO <sub>2</sub> e	FY22	45.14			Impact Report p.26	✓	305-3	12.6, 13.1
7. Employee Commuting	tCO <sub>2</sub> e	FY22	948.90			Impact Report p.26	✓	305-3	12.6, 13.1
8. Upstream Leased Assets	tCO <sub>2</sub> e	FY22	-			Impact Report p.26	✓	-	-
9. Downstream Transport and Distribution	tCO <sub>2</sub> e	FY22	8,124.40			Impact Report p.26	✓	305-3	12.6, 13.1
10. Processing of Sold Products	tCO <sub>2</sub> e	FY22	-			Impact Report p.26	✓	-	-
11. Use of Sold Products	tCO <sub>2</sub> e	FY22	4,008,063.80			Impact Report p.26	✓	305-3	12.6, 13.1
12. End of Life Treatment	tCO <sub>2</sub> e	FY22	-			Impact Report p.26	✓	-	-
13. Downstream Leased Assets	tCO <sub>2</sub> e	FY22	1,616,432.60			Impact Report p.26	✓	305-3	12.6, 13.1
14. Franchises	tCO <sub>2</sub> e	FY22	-			Impact Report p.26	✓	-	-
15. Investments	tCO <sub>2</sub> e	FY22	-			Impact Report p.26	✓	-	-

GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Planet									
^Emissions									
<b>GHG Intesity</b>	tCO <sub>2</sub> e	FY22	6,918,642.50					305-4	12.6, 13.1
Total Breakdown									
<b>Scope 1 Emissions</b>									
Natural Gas	tCO <sub>2</sub> e per kWh	FY22	0.000183					305-4	12.6, 13.1
Company Cars (Diesel)	tCO <sub>2</sub> e per km	FY22	0.000177					305-4	12.6, 13.1
Company Cars (Petrol)	tCO <sub>2</sub> e per km	FY22	0.000185					305-4	12.6, 13.1
Company Cars (Hybrid)	tCO <sub>2</sub> e per km	FY22	-					305-4	12.6, 13.1
Company Cars (Electric)	tCO <sub>2</sub> e per km	FY22	-					305-4	12.6, 13.1
Company Cars (Plug-In Electric Hybrid)	tCO <sub>2</sub> e per km	FY22	0.000070					305-4	12.6, 13.1
Other Fuels	tCO <sub>2</sub> e per litre	FY22	0.002593					305-4	12.6, 13.1
Refrigerents	tCO <sub>2</sub> e per kg	FY22	2.088889					305-4	12.6, 13.1
<b>Scope 2 Emissions (Location-Based)</b>									
Purchased Electricity	tCO <sub>2</sub> e per kWh	FY22	0.000193					305-4	12.6, 13.1
Electricity from Company EV	tCO <sub>2</sub> e per km	FY22	0.000024					305-4	12.6, 13.1
<b>Scope 2 Emissions (Market-Based)</b>									
Purchased Electricity	tCO <sub>2</sub> e per kWh	FY22	0.000001					305-4	12.6, 13.1
Electricity from Company EV	tCO <sub>2</sub> e per km	FY22	0.000024					305-4	12.6, 13.1
<b>Scope 3 Emissions</b>									
1. Purchased Goods and Services – Total Spend	tCO <sub>2</sub> e per £	FY22	0.000043					305-4	12.6, 13.1
1. Purchased Goods and Services – Water	tCO <sub>2</sub> e per m <sup>3</sup>	FY22	0.000421					305-4	12.6, 13.1
2. Capital Goods	tCO <sub>2</sub> e per number of vehicles	FY22	6.226477					305-4	12.6, 13.1
3. Fuel-and Energy-Related Activities – Natural Gas & Electric	tCO <sub>2</sub> e per kWh	FY22	0.000058					305-4	12.6, 13.1
3. Fuel-and Energy-Related Activities – Vehicles	tCO <sub>2</sub> e per km	FY22	0.000028					305-4	12.6, 13.1
3. Fuel-and Energy-Related Activities – Other Fuels	tCO <sub>2</sub> e per litres	FY22	0.000612					305-4	12.6, 13.1
4. Upstream Transport and Distribution	tCO <sub>2</sub> e per tonne.km	FY22	0.000070					305-4	12.6, 13.1
5. Waste Generated in Operations	tCO <sub>2</sub> e per tonne	FY22	0.021747					305-4	12.6, 13.1

## GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Planet									
^Emissions									
<b>Scope 3 Emissions</b> continued									
6. Business Travel - Taxis	tCO <sub>2</sub> e per km	FY22	0.000259					305-4	12.6, 13.1
6. Business Travel - Flights	tCO <sub>2</sub> e per km	FY22	0.000273					305-4	12.6, 13.1
6. Business Travel - Rail	tCO <sub>2</sub> e per km	FY22	0.000044					305-4	12.6, 13.1
6. Business Travel - Non-owned Vehicles	tCO <sub>2</sub> e per km	FY22	0.000211					305-4	12.6, 13.1
6. Business Travel - Hire Car	tCO <sub>2</sub> e per km	FY22	0.000211					305-4	12.6, 13.1
6. Business Travel - Hotel Stays	tCO <sub>2</sub> e per £	FY22	0.000229					305-4	12.6, 13.1
7. Employee Commuting	tCO <sub>2</sub> e per FTE	FY22	0.739211					305-4	12.6, 13.1
8. Upstream Leased Assets	-	FY22	-					-	-
9. Downstream Transport and Distribution	tCO <sub>2</sub> e per tonne.km	FY22	0.000163					305-4	12.6, 13.1
10. Processing of Sold Products	-	FY22	-					-	-
11. Use of Sold Products	tCO <sub>2</sub> e per number of vehicles	FY22	26.736646					305-4	12.6, 13.1
12. End of Life Treatment	-	FY22	-					-	-
13. Downstream Leased Assets	tCO <sub>2</sub> e per number of vehicles	FY22	1.818151					305-4	12.6, 13.1
14. Franchises	-	FY22	-					-	-
15. Investments	-	FY22	-					-	-

<sup>^</sup>Emissions data is catalogued for FY22 due to MO's full carbon footprint being calculated in Q3 of the following financial year.

## GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Water									
<b>Total Water Consumption</b>	m³	FY23	5,053.32					-	-
Total Breakdown									
Bristol 410	m³	FY23	995.52					303-5	12.6
Bristol 420	m³	FY23	175.19					303-5	12.6
Bristol 440	m³	FY23	205.99					303-5	12.6
Bristol 560	m³	FY23	597.13					303-5	12.6
Bristol 610*	m³	FY23	-					303-5	12.6
Bristol 650	m³	FY23	1,489.99					303-5	12.6
City Gate House**	m³	FY23	-					303-5	12.6
Forthstone	m³	FY23	367.00					303-5	12.6
Coalville***	m³	FY23	1,222.50					303-5	12.6

\* Data on water consumption is unavailable for Bristol 610.

\*\* Data on water consumption is unavailable for City Gate House due to localised construction impacting on accessibility to water meter.

\*\*\*Data on water consumption is not fully representative for Coalville due to the data being unrecorded for a period of 10 months.

Energy									
Floorspace for all locations	Sqft	FY23	252,309.00						
Total Breakdown									
Bristol 410	Sqft	FY23	15,480.00					-	-
Bristol 420	Sqft	FY23	12,100.00					-	-
Bristol 440	Sqft	FY23	20,765.00					-	-
Bristol 560	Sqft	FY23	10,970.00					-	-
Bristol 610	Sqft	FY23	19,430.00					-	-
Bristol 650	Sqft	FY23	8,912.00					-	-
City Gate House	Sqft	FY23	54,946.00					-	-
Forthstone	Sqft	FY23	34,523.00					-	-
Coalville	Sqft	FY23	75,183.00					-	-

## GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Energy continued									
<b>Electricity</b>	kWh	FY23	3,697,460.00					302-1	-
Total Breakdown									
Bristol 410	kWh	FY23	296,750.00					302-1	7.2, 12.6
Bristol 420	kWh	FY23	49,449.00					302-1	7.2, 12.6
Bristol 440	kWh	FY23	376,584.00					302-1	7.2, 12.6
Bristol 560	kWh	FY23	213,843.00					302-1	7.2, 12.6
Bristol 610	kWh	FY23	603,835.00					302-1	7.2, 12.6
Bristol 650	kWh	FY23	73,962.00					302-1	7.2, 12.6
City Gate House	kWh	FY23	1,255,691.00					302-1	7.2, 12.6
Forthstone	kWh	FY23	729,473.00					302-1	7.2, 12.6
Coalville	kWh	FY23	97,873.00					302-1	7.2, 12.6
<b>Gas</b>	m³	FY23	100,341.59					302-1	-
Total Breakdown									
Bristol 410	m³	FY23	4,103.20					302-1	7.2, 12.6
Bristol 420	m³	FY23	-					302-1	7.2, 12.6
Bristol 440	m³	FY23	6,829.00					302-1	7.2, 12.6
Bristol 560	m³	FY23	3,500.90					302-1	7.2, 12.6
Bristol 610	m³	FY23	4,201.60					302-1	7.2, 12.6
Bristol 650	m³	FY23	480.70					302-1	7.2, 12.6
City Gate House	m³	FY23	56,276.00					302-1	7.2, 12.6
Forthstone	m³	FY23	21,849.49					302-1	7.2, 12.6
Coalville	m³	FY23	3,100.70					302-1	7.2, 12.6

## GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Waste									
General Waste	Metric ton	FY23	59.479					306-3	-
Total Breakdown									
Bristol	Metric ton	FY23	12.497					306-3	12.5
City Gate House	Metric ton	FY23	36.822					306-3	12.5
Forthstone	Metric ton	FY23	10.160					306-3	12.5
Coalville**	Metric ton	FY23	-					306-3	12.5
Dry Mixed Recycling	Metric ton	FY23	28.579					306-3	-
Total Breakdown									
Bristol	Metric ton	FY23	5.617					306-3	12.5
City Gate House	Metric ton	FY23	11.786					306-3	12.5
Forthstone	Metric ton	FY23	11.177					306-3	12.5
Coalville**	Metric ton	FY23	-					306-3	12.5
Landfill Saved	m³	FY23	42.045					306-4	-
Total Breakdown									
Bristol	m³	FY23	18.165					306-4	12.5
City Gate House*	m³	FY23	-					306-4	12.5
Forthstone	m³	FY23	23.880					306-4	12.5
Coalville**	m³	FY23	-					306-4	12.5
Energy Produced	kWh	FY23	12,207.300					-	-
Total Breakdown									
Bristol	kWh	FY23	6,531.300					-	7.2
City Gate House*	kWh	FY23	-					-	7.2
Forthstone	kWh	FY23	5,676.000					-	7.2
Coalville**	kWh	FY23	-					-	7.2

\* Sustainable data on Waste for City Gate House is unavailable.

\*\* Waste data for Coalville is unavailable

## GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Waste continued									
CO <sub>2</sub> Saved	Metric ton	FY23	28.486					-	-
Total Breakdown									
Bristol	Metric ton	FY23	8.063					-	7.3
City Gate House*	Metric ton	FY23	-					-	7.3
Forthstone	Metric ton	FY23	20.423					-	7.3
Coalville**	Metric ton	FY23	-					-	7.3
Circular Economy Initiatives	Number of initiatives	FY23	6					-	-
Biodiversity									
Operational sites owned, leased, or managed in protected areas of high biodiversity	Number of sites	FY23	2				304-1	15.9	
Biodiverse Land	Sqft	FY23	48,875.21				304-1	-	
Total Breakdown									
Bristol	Sqft	FY23	47,745.00				304-1	15.9	
City Gate House	Sqft	FY23	-				304-1	15.9	
Forthstone	Sqft	FY23	1,130.21				304-1	15.9	
Coalville	Sqft	FY23	-				304-1	15.9	

\* Sustainable data on Waste for City Gate House is unavailable.

\*\* Waste data for Coalville is unavailable

## GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
People									
Workforce									
<b>Total Number of Employees</b>									
	Number of employees	FY23	1,619					2-7-a	-
Total Breakdown									
<b>Employees by Office Location</b>									
Bristol	%	FY23	61.5%					2-7-a, 405-1-b	-
London	%	FY23	23.5%					2-7-a, 405-1-b	-
Edinburgh	%	FY23	11.2%					2-7-a, 405-1-b	-
Coalville	%	FY23	2.4%					2-7-a, 405-1-b	-
Field	%	FY23	1.4%					2-7-a, 405-1-b	-
<b>Employees by Age</b>									
< 20 years	%	FY23	0.4%					405-1-b	8.5
20-29 years	%	FY23	19.5%					405-1-b	8.5
30-39 years	%	FY23	40.1%					405-1-b	8.5
40-49 years	%	FY23	22.7%					405-1-b	8.5
50-59 years	%	FY23	14.3%					405-1-b	8.5
60+ years	%	FY23	3.0%					405-1-b	8.5
<b>Employees by Contract</b>									
Full-Time	%	FY23	88.3%					2-7-b	-
Part-Time	%	FY23	11.7%					2-7-b	-
<b>Hires and Leavers</b>									
New Starters	Number of employees	FY23	462					401-1	-
Leavers	Number of employees	FY23	211					401-1	-
Attrition Rate	%	FY23	6.8%					401-1	-

GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Diversity									
Total Breakdown									
<b>Employees by Gender</b>									
Male	%	FY23	45.5%					405-1-b	5.1, 5.5
Female	%	FY23	54.5%					405-1-b	5.1, 5.5
<b>Ethnicity</b>									
White	%	FY23	81.8%				<a href="#">Pay Gap Report 2023 p.22</a>	405-1-b	8.5, 10.2
Asian or Asian British	%	FY23	5.3%				<a href="#">Pay Gap Report 2023 p.22</a>	405-1-b	8.5, 10.2
Black, Black British, Caribbean, or African	%	FY23	3.3%				<a href="#">Pay Gap Report 2023 p.22</a>	405-1-b	8.5, 10.2
Mixed, or multiple ethnic groups	%	FY23	1.4%				<a href="#">Pay Gap Report 2023 p.22</a>	405-1-b	8.5, 10.2
Other ethnic groups	%	FY23	0.7%				<a href="#">Pay Gap Report 2023 p.22</a>	405-1-b	8.5, 10.2
Prefer not to say	%	FY23	7.5%				<a href="#">Pay Gap Report 2023 p.22</a>	405-1-b	8.5, 10.2
<b>Gender Pay Gap</b>									
Mean Pay Gap	%	FY23	24.9%				<a href="#">Pay Gap Report 2023 p.9</a>	405-2-a	5.1, 5.5
Median Pay Gap	%	FY23	22.9%				<a href="#">Pay Gap Report 2023 p.9</a>	405-2-a	5.1, 5.5
Mean Bonus Pay Gap	%	FY23	49.1%				<a href="#">Pay Gap Report 2023 p.11</a>	405-2-a	5.1, 5.5
Median Bonus Pay Gap	%	FY23	32.7%				<a href="#">Pay Gap Report 2023 p.11</a>	405-2-a	5.1, 5.5
<b>Disability</b>									
Proportion of Employees declaring a disability	%	FY23	15.0%					405-1	8.5, 10.2
Mean Pay Gap	%	FY23	22.7%				<a href="#">Pay Gap Report 2023 p.16</a>	405-2-a	8.5, 10.2
Median Pay Gap	%	FY23	16.2%				<a href="#">Pay Gap Report 2023 p.16</a>	405-2-a	8.5, 10.2

## GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Local Communities and Impact									
Total Breakdown									
<b>Matched Funding*</b>									
Submitted charities	Number of charities	FY23	41				-	-	
Approved matched funding rate	%	FY23	61.0%				-	-	
Amount raised by employee (approved)	£	FY23	£29,500.15				-	-	
Amount matched by MO	£	FY23	£10,502.40				-	-	
<b>Charity Nominations*</b>									
Submitted charities	Number of charities	FY23	18				-	-	
Charities based in the local area (Bristol)	%	FY23	33.3%				-	-	
Charities based in the local area (London)	%	FY23	16.7%				-	-	
Charities based in the local area (Edinburgh)	%	FY23	0%				-	-	
Charities based in the local area (Coalville)	%	FY23	0%				-	-	
Charities based outside of the local area (all locations)	%	FY23	50.0%				-	-	
<b>Volunteering**</b>									
Hours volunteered by MO employees	Hours	FY23	650				✓	-	-
Number of volunteered									
Actions completed by MO volunteers	actions	FY23	553				✓	-	-
Accepted to completed volunteering rate	%	FY23	87.2%				✓	-	-
Carbon reduction caused by MO volunteers	tCO <sub>2</sub> e per metric tonne	FY23	5.24				✓	-	-

\* Matched Funding and Charity Nominations were restarted in July 23. Consequently, both schemes were live for the final 3 months of the financial year.

\*\* Volunteering is completed and reported through our partnership with OnHand.

GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Principles									
Organisation									
<b>Policy</b>									
Sustainable development goals	-	FY23	-			Annual Report and Accounts p.51, Impact Report p.10-12		2-22	7, 12, 13
Organisation details	-	FY23	-			Annual Report and Accounts p.2, Impact Report p.3		2-1	7, 12, 13
Principles for Governance and Governance structure	-	FY23	-			Annual Report and Accounts p.58-67, Impact Report p.31		2-10, 2-11, 2-12, 2-13, 2-14, 2-16, 2-18	7, 12, 13
<b>Risk</b>									
Risk management	-	FY23	-			Annual Report and Accounts p.41		2-24	-
Risk appetite	-	FY23	-			Annual Report and Accounts p.49		2-24	-
Principal risk	Number of principal risks		FY23	11		Annual Report and Accounts p.42-47		2-24	-
<b>Renumeration</b>									
Renumeration approach	-	FY23	-			Annual Report and Accounts p.66-67		2-19	-
Determined renumeration process	-	FY23	-			Annual Report and Accounts p.68-72		2-20	-
Stakeholders									
Number of stakeholders	Number of stakeholders		FY23	8		Annual Report and Accounts p.65-67	✓	2-29	-
Total Breakdown									
Internal stakeholders	Number of stakeholders		FY23	2		Annual Report and Accounts p.68-67	✓	2-29	-
External stakeholders	Number of stakeholders		FY23	6		Annual Report and Accounts p.68-67	✓	2-29	-

GRI index continued

Name	Unit	Year	Amount	Target	Target Year	Location	Externally Verified	Corresponding GRI Disclosure	Related SDG Target
Materiality									
<b>Material Topics</b>									
Process to determine material topics	-	FY23	-			Impact Report p.11	✓	3-1	4, 7, 8, 10, 13
Areas of assessment for ESG	Number of areas	FY23	20			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Total Breakdown									
Electric Vehicles	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Scheme Management	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Affordability	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Customer Support	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Climate Change	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Product Innovation	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Employee attraction, retention, and development	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Risk management	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Diversity, Equity, and Inclusion (DEI)	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Product Innovation (health and safety)	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Responsible purchasing	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Energy sources	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Responsible marketing	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Product safety	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Ethical supply chain	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Social mobility	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Climate finance	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Resource efficiency	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Material sourcing	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
Charitable giving	Material topic	FY23	-			Impact Report p.11	✓	3-2	4, 7, 8, 10, 13
<b>Management of Material Topics*</b>									
Aspirational goals allocated to manage material topics	Number of aspirational goals	FY23	4			Impact Report p.12		3-3-d	4, 7, 8, 10, 13

\* Subsequent Impact Reports will include further analysis of Management of Material Topics (3-3) due to MO not completed a full climate scenario analysis. Further detail can be found in the Annual Report and Accounts p.54

## Taxation

Data relating to taxation can be found in MO's Tax Strategy 2023 Document <https://www.motabilityoperations.co.uk/media/cd1l2bx1/mo-tax-strategy-sept-2023.pdf>

207-1, 207-2, 207-3, 207-4

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# Glossary

## Product related

**EV** Electric vehicle  
**ICE** Internal combustion engine  
**PWSS** Powered wheelchair and scooter scheme  
**WAV** Wheelchair accessible vehicle  
**eWAV** Electric wheelchair accessible vehicle  
**ZEV** Zero-emission vehicle

## Journey to net zero

**BIA** Business impact assessment  
**CBES** Climate biennial exploratory scenarios  
**CO<sub>2</sub>e / tCO<sub>2</sub>e** Carbon dioxide / tonnes of carbon dioxide  
**COP** Conference of parties  
**GHG** Greenhouse gas emissions  
**GRI** Global reporting initiative  
**SBT** Science-based target  
**SBTi** Science-based target initiative  
**Scope 1** Direct greenhouse emissions that occur from sources that are controlled or owned by the business  
**Scope 2** Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling  
**Scope 3** All other indirect emissions that occur in the upstream and downstream activities of the business  
**SECR** Streamlined energy and carbon reporting  
**TCFD** Taskforce on climate-related financial disclosures

## Other business terms

**CET** Customer experience team  
**Disability Confident Leader** An accreditation showing our commitment to diversity and inclusion in the workplace  
**EAP** Employee assistance program  
**EDI** Equity, diversity and inclusion  
**Halo Code** A campaign pledge, signed by schools and businesses, which promises members of the Black community that they have the "freedom and security to wear all afro-hairstyles without restriction or judgment".  
**I&S Champions** Impact and sustainability champions  
**Investing in Ethnicity** The secretariat of the All-Party Parliamentary Group for Governance and Inclusive Leadership that promotes ethnic inclusion for the entire organisation  
**ISC** Impact and sustainability committee  
**LGBTQ+** Lesbian, gay, bisexual, trans, queer plus  
**MHA** Mental health allies  
**PMI** Personal medical insurance

## Financial terms

**MCR** Minimum capital requirement