

B Lab Statement on Motability Operation's Baseline Requirements

B Lab's independent Multinational Standards Advisory Council determined that to become a Certified B Corp Certification, companies with \$5 billion or more in revenue must meet minimum baseline requirements in addition to the other certification requirements (i.e. adopting stakeholder governance, overall verified score over 80 on B Impact Assessment, passing Disclosure Review process for controversial issues). These additional requirements recognise that the overall scale and influence of these companies also entail higher obligations to society, and are designed to ensure that B Corp Certified multinationals have strong records of performance on important aspects of their social and environmental performance in addition to achieving a score of 80 or above on the B Impact Assessment.

In December 2021, the [Guidelines for Acceptance for the Baseline Requirements](#) were created to provide transparency for stakeholders into the processes that both the B Lab Large Enterprise team and the MNC SAC will use to determine whether a company is meeting the Baseline Requirements or not. As companies undergo a formal review by the MNC SAC, these Guidelines ensure consistency in the review process and the creation of precedents that demonstrate concrete actions that companies can undertake to meet each individual Baseline Requirement.

Summary of Company

Motability Operations Group Plc (MO) is the commercial entity which operationalises the Motability Scheme. MO operates the Scheme under a contractual agreement with the Motability Foundation, a registered charity in the UK. The Scheme allows individuals to use their government-granted higher-rate mobility allowance to lease a car, wheelchair-accessible vehicle (WAV), scooter or powered wheelchair. MO and the Motability Foundation are legally and constitutionally independent of one another and operate autonomously. The company operates in the UK market only and has 815,000 customers.

Company Actions towards meeting the Baseline Requirements

1. Reporting: An annual, comprehensive impact report transparent to the public using a third-party standard (GRI, BIA, etc).

MO released its first impact report¹ to GRI standards in 2024 which covers MO's material social and environmental topics. The report meets the transparency requirements as its made public on MO's website.

2. Materiality Assessment: A transparent materiality assessment and stakeholder engagement process, conducted on a regular basis (minimum every other year with mechanisms for intermediate updates as appropriate), and used to identify relevant megatrends and material topics to the company, that includes a transparent grievance / complaint mechanism, and that is overseen by the Board of Directors.

MO conducted its first materiality assessment in 2023 with plans to refresh its materiality

¹ [Motability Impact Report 2023](#)

assessment every 2 years. For its materiality assessment, MO considered its key stakeholder groups: customers, employees, scheme partners, key suppliers, shareholders, the Motability Foundation, the Executive Committee and members of the Board. In between materiality assessments, MO conducts bi-annual Customer satisfaction index surveys and employees are engaged in annual employee culture surveys. The materiality assessment and its outcomes are overseen by the Board of Directors.

3. Materiality Issue Management: Management strategies on the most material issues relevant to the business that are overseen by the Board of Directors, and includes specific, aspirational performance goals, and demonstrated progress towards those goals. Management strategies and performance goals must be made transparent to stakeholders.

A list of MO's Aspirational Goal Review is as follows:

1. Customer Led	<p>We exist to keep our disabled customers mobile. To ensure no one is left behind as the automotive industry moves to electric vehicles, we will support over 800,000 disabled people in the United Kingdom to seamlessly transition to an electric vehicle by 2032. We will advocate for our customers where the industry cannot provide suitable and sustainable mobility solutions and address the challenges faced by our customers, including but not limited to affordability, availability, access to charging solutions on the go or at home.</p> <p>Target Year: 2032</p> <p>Sub-goals:</p> <ul style="list-style-type: none"> ● Seamlessly transition c800k customers into an electric vehicle by 2032 ● Invest £300m in electric vehicle affordability support between 2023 and 2025 ● Double the number of available makes and models of electric vehicles from 225 to 550 in the next 3 years ● Electric vehicles to be at least 30% of applications by 2026 and 80% of applications by 2030 ● Maintain customer satisfaction index above 95% to ensure the seamlessness of transition as measured in biannual CSI, to ensure customer satisfaction is maintained when customers transition from ICE to EV ● Identify solutions for customers that the market is not addressing e.g. Wheelchair Accessible Vehicles and electric Wheelchair Accessible Vehicles
2. Carbon Reduction	<p>We will meet and exceed our science-based targets for carbon reduction across all aspects of our business by 2032. We will reach a net zero position no later than 2050.</p> <p>Target Year: 2032 / 2050</p> <p>Sub-goals:</p>

	<ul style="list-style-type: none"> ● Seamlessly transition c800k customers into an electric vehicle by 2032 ● Invest £300m in affordability support between 2023 and 2025 ● Double the number of available electric vehicles from 225 to 550 in the next 3 years ● Electric vehicles to be 30% of applications by 2026 and 88% of applications by 2030 ● Reduce Scope 1 and 2 emissions by at least 50.4% by 2032 ● Reduce Scope 3 emissions by at least 58.1% by 2032 on a per vehicle basis ● All central operations to use REGO backed supply by the end of 2024
3. Conscientious Business	<p>We will ensure that no one is left behind and secure the long-term sustainability of the Scheme by raising 100% of new capital under a Sustainability Funding Framework by 2030. As one of the largest corporate bond issuers in the UK, we aspire to influence and demonstrate leadership in sustainable financing with the provision of capital linked to electric vehicles, social impact for traditionally underserved groups and carbon reduction.</p> <p>Target Year: 2030</p> <p>Our aspiration is to evolve our funding approach to issue bonds under a wider Sustainability Funding Framework that will increase the justification of where proceeds are used, holding us accountable to wider sustainability criteria, as well as the current social criteria.</p> <p>In addition, we want to build in performance measures that will demonstrate to key stakeholders including investors, Government, the automotive industry and our customers our commitment to improving impact and sustainability.</p>

4. Tax & Government Affairs Disclosure: A disclosure statement on the company's tax philosophy / approach and government affairs (lobbying / advocacy) including the company's overall effective tax rate, that is overseen by the Board of Directors.

MO discloses its effective tax rate in its annual report² which was 13.4% in 2023. The company has a public tax policy³ that outlines its overall strategy, approach to risk management, tax planning, operations and tax outside the UK. The CFO, as the Senior Accounting Officer, reviews and approves the Tax Policy annually on behalf of the Board. The Tax policy was agreed with the Executive Committee which reports to the Audit Committee and the Audit Committee reports to the Board quarterly.

5. Human Rights Policy: A specific human rights policy that is overseen by the Board of Directors, and includes EITHER an explicit commitment to key human rights covenants

² [Motability Operations Annual Report 2023, page 18](#)

³ [MO Tax Strategy](#)

(including the UN Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and ILO Principles), OR identifies the most salient human rights issues relevant to the business and its overall operations through a human rights risk assessment.

MO's [Human Rights policy](#) is publicly available on its website and has an explicit commitment to the UN Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and ILO Principles. In addition, MO has identified its most salient human rights issues and detailed the operationalisation of the policy based on the OECD's six-step due diligence framework. The policy provides a clear process for remediation for its stakeholders. The Human Rights policy is overseen by the Executive Committee which reports to the Audit Committee and the Audit Committee reports to the Board quarterly.

Conclusion

The Multinational Standards Advisory Council concluded their review of MO's Baseline Requirements in February 2025 and determined that MO's actions meet the Baseline Requirements. MO's Baseline Requirements will be reviewed at their recertification.