

Supporting a greener future

Our long-term aim is to achieve carbon neutrality without offsetting by focusing on our three biggest impact areas:

- our estate and our repairs network
- our supply chain, and
- our investments

Through our 'Greener, Cleaner Action Plan' we aim to mitigate our impact on climate change and lead by example with our customers because we are a business that wants to lead change and be a force for good.

Offices: Reimagining the way we work

- Energy-efficient features and equipment in our sites
- Enabling and encouraging flexible working
- Reducing business travel
- 100% renewable electricity
- Hybrid and electric-only company cars
- Empowering our Environmental Champions to make change happen
- Improving office recycling rate from our current 75%
- 100% of office waste diverted from landfill

Accident Repair Centres: Be the most energy-efficient repair network in the UK

- Upgrade the compressors to a model which is 25% more efficient
- Install new LED lighting in our workshops.
- New energy-efficient paint spray booths to reduce energy by up to 40%
- Repair instead of replace parts policy where appropriate
- Increase from 97% to 99% waste that is diverted from landfill
- Investigating gas appliances electrification
- Exploring alternative fuels for our fleet of trucks
- Integrating electric vehicles into our fleet of courtesy cars
- Exploring the possibility of generating renewable energy

99%

of waste that is diverted from landfill

Enabling and encouraging flexible working

100%

of office waste diverted from landfill

Integrating electric vehicles into our fleet of courtesy cars

100%

renewable electricity



Planet *continued*

Green Flag: Reduce mileage, prevent breakdowns, support sustainable transport

- Optimising our roadside fix rate to reduce our mileage and tow fewer vehicles
- Help more and more customers fix cars over the phone
- Prevention first approach for customer communications with a free car health check
- Exploring a specific electric vehicle product for customers
- Trialling our first fully electric recovery vehicle



Help more and more customers fix cars over the phone

Our supply chain: Extending our reach

- Calculate and disclose our Scope 3, purchased goods and services emissions
- Create a programme for suppliers to sign up to Science-Based Targets (SBTs)
- Explore how we can work with individual suppliers to drive lower emissions

Our customers: Supporting green choices

- Conduct customer market research to explore attitudes to insurance



Explore how we can work with individual suppliers to drive lower emissions.

Our investments: Moving climate and society up the agenda

- 100% of portfolio will be net carbon neutral by 2050
- Corporate bond portfolios are committed to a 50% reduction in weighted average green house gas emission intensity by 2030¹
- Not buying bonds issued by companies generating more than 5% of their income through mining or burning coal
- Encouraging our investment managers to invest in green bonds when attractive
- Ensuring all of our investment-grade corporate bond portfolios maintain an average ESG rating of 'A'
- Not buying bonds issued by companies manufacturing controversial weapons²
- Working with external asset management companies who have signed up to the UN Principles for Responsible Investment (PRI)

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reduction in weighted average green house gas emission intensity by 2030

1. Versus end 2020.
2. Investment & Treasury recommend expanding the list of controversial weapons to exclude manufacturers of landmine systems or components, biological or chemical weapon systems as well as cluster munitions components or delivery platforms (based on MSCI ESG research).