



# ESG Report 2022





# Contents

We strive to be responsible in the way we conduct our business. It is the right thing to do, and an ESG mindset will help us to drive our sustainable business model and ongoing success. We continue to evolve our work in this space, in a global and local environment that is constantly changing. We are working with external experts to refine, track and report our ESG metrics as we strive for continuous improvement.



**CEO stakeholder letter**



**About MFG**



**Our approach to sustainability and ESG**



**Engaging with stakeholders**



**Our strategy is Fuel the Future**



**How we developed our ESG strategy**



**Sustainability strategy pillars**



**Our performance in data**



# 2022 Highlights

MFG is powering Britain's transition to a lower-carbon future with a committed investment plan of £400 million to our ultra-rapid electric vehicle infrastructure by 2030.

The plans are set to provide 2,800 Ultra-Rapid 150kW EV Chargers across 500 MFG sites. In 2021 we opened our first 23 ultra-rapid charging hubs to become the largest 'open to all' ultra-rapid network provider in the UK. We continued this trend in 2022 by opening 31 more hubs, with a further 175 chargers in construction.

Following a successful start to the programme, with 20% of the £400 million investment already deployed during 2021 and 2022, our 2023 investment plan will see MFG install over 360, Ultra-Rapid 150kW EV Chargers at hubs throughout the UK.

## £1m

raised for Macmillan Cancer Support since our partnership began in April 2021

## 271 chargers

Successful EV rollout across UK

## 54 hubs

## ISO awards



## 198 Tonnes

Carbon emissions saved, by reducing food waste – in partnership with Too Good To Go

## Largest open network

Joint No 1 in Zap-Maps annual EV charging Survey

## 15 PVs

Solar Panel Photo-Voltaic installations



# CEO stakeholder letter

## Dear stakeholder,

This is our second ESG report, outlining our ESG-related activities for 2022. We continue to build on our commitments and reporting efforts at Board level, and strive for clear and concise information that demonstrates our business focus clearly. Our targets and metrics make us accountable to our promises, and we continue to sharpen these so we can deliver our core business strategy, while mindfully mitigating our business impact for the good of society in the long-term.

As the UK's largest independent forecourt operator, we are fully aware that the nature of our business requires additional mitigation of risks and impacts associated with our business model – and we use the Streamlined Energy and Carbon Reporting (SECR) and Taskforce for Climate-related Financial Disclosure (TCFD) frameworks to set this out. This information can be found in our annual report, in the reports and publications section of our website.

Last year I spoke about ESG reflecting changes to customer opinions and behaviour patterns. This trend lives on, with customers now demanding robust EV and energy-saving mobility policies from transport providers, and we are fully on

board with this at MFG. Our core business strategy is embedded in the transition towards electric vehicles and low-carbon fuels. Powering the future is still our main ambition, and our EV strategy is striving to deliver electricity that is both easy to access, and 100% renewable.

We continue to play an important role in supporting the UK government's mission to achieve net zero-carbon by 2050, and have streamlined our business activities with this as a priority focus.

Every journey has a destination, and ours is to drive a more sustainable future, with MFG playing an active part in a circular society; where we can do things better and more safely, fostering a culture that is diverse and inclusive, where the needs of all stakeholders we interact with are carefully considered.

For as long as our customers still require petrol or diesel, our team is committed to supplying it as sustainably, and efficiently as possible.

**William Bannister**  
Chief Executive Officer



“

We continue to play an important role in supporting the UK government's mission to achieve net zero-carbon by 2050



# About MFG

Motor Fuel Group (MFG) is the UK's largest independent forecourt operator, with 930 operational sites at the end of the year. The Group is the largest operator of 'open network' EV ultra-rapid chargers, which are available to the general public throughout our growing network.

We offer customers a range of services which operate alongside our growing dual-fuel strategy – these include a leading valeting offer, convenient retail and 'food to go' network, online delivery lockers and business break areas and facilities.

MFG is dedicated to keeping UK motorists on the move and supporting local communities, and successful delivery of this can only happen when our managers and employees have a full understanding of the Company's purpose and mission.

We recognise the growing effects of climate change and the role we must play, along with our customers and peers, in improving the future for all of us. We are still at a relatively early stage of this journey, with more to be done – and we relish the prospect of future-proofing our business operations by bolstering our ESG and sustainability credentials.





## About MFG continued

**Our business strategy** is to Power the Future – as customers’ first choice for high-speed, convenient, ultra-rapid top-up charging, alongside a convenient retail and ‘Food to Go’ offering.

**Our ESG strategy** is to ‘Fuel the Future’ – evolving to keep pace with the expectations of our key stakeholders as we work towards a more sustainable and just transition. Our ESG commitments have evolved year-on-year, and ESG metrics have been a vital component of our sustainability ambitions.

**Our company purpose** is to be the most dynamic and successful independent forecourt operator in the UK, serving local communities with a strong social conscience, as we support the UKs mobility energy transition to a greener, and more sustainable future.

**Our business mission** is to provide customers with local travel infrastructure hubs that are market-leading – with convenience retail, food services, premium fuels and ultra-rapid electric charging facilities. We strive to be a valuable member of the local communities we serve, while providing a working environment that encourages personal development, teamwork and a performance-based rewards system that is open to the whole team.

**Our values** capture the essence of our business, how we behave and who we are. We are passionate team players, performance driven, profit oriented, responsible and customer focused.



# Our approach to Sustainability and ESG

Behaving responsibly is fundamental to delivering our core business strategy – to lead on the green transition towards EV-powered vehicles.

It is critical to delivering our company purpose as the most dynamic and successful independent forecourt operator in the UK. Serving local communities with a strong social conscience, and supporting the UKs mobility energy transition to a greener, and more sustainable future.

We strive to be responsible in the way we conduct our business. It is the right thing to do, and an ESG mindset will help us to drive wider improvements and our long-term success.

In 2022 there was an increased global and national focus on climate-related issues, with high-profile events such as the COP27 marking key moments in global climate action; providing a platform to assess progress, trends and actions to tackle climate change and biodiversity loss.

The UK government's Climate Action Plans and Net Zero targets have escalated ESG as a Board-level priority for MFG, and it is incumbent on us to find ways to mitigate the impact of climate change on the lives of our customers and communities in the coming years. MFG is committed to supporting this global effort, and we are actively reorganising our efforts to address the threat in a meaningful way.





## Our approach to Sustainability and ESG continued

In 2022, we published our first ESG report, building on the extensive development work undertaken in the previous year when we launched 'Fuel the Future' the Group's ESG strategy, which demonstrates a clear set of commitments to guide us in the transition to a net-zero economy. These commitments are outlined in this report, with a focus on operational improvements, and projects that actively seek to reduce emissions and energy usage. We do this through the development of more energy-efficient infrastructure, and utilising the latest technology, both at newly built sites and installation at existing stations.

We are constantly monitoring the process of engaging at all levels with the evolving ESG expectations of our customers, investors and the local communities where our franchises and operations are located, while addressing the related regulatory requirements and disclosures.

This is MFG's second ESG Report, covering activities for the duration of 2022. All figures quoted in this report relate to the year-ended 31 December 2022, unless otherwise indicated, and should be read in conjunction with the annual report which can be found on our website.

We have undertaken work to develop relevant and meaningful sustainability commitments, and our focus in 2022 was geared towards further improving our business to mitigate the negative impact our operations might have on the world around us. We built on the work that went into the launch of our 'Fuel the Future' sustainability strategy in 2021, which set out our environmental, social and governance (ESG) priorities in detail.

This year's report outlines our 'Fuel the Future' strategic priorities for fuelling a world that is greener, better and safer; along with targets and the progression of activities as carried out in the year, building incrementally on the many successful initiatives which were introduced in 2021. We continue to set high standards of ESG practice, and have further increased our reporting by voluntarily including a TCFD reporting framework which highlights our strategies to mitigate the risks we face. Our ESG strategy is aligned with international standards and we have mapped our targets, metrics and actions to the appropriate UN Sustainable Development Goals (SDGs).

MFG was pleased to join the Petrol Retailers Association (PRA) in September 2022, and will actively participate and support its wide ranging activities during what can only be described as turbulent economic times for the independent forecourt sector, and beyond. The industry has responded well to significant challenges including fuel shortages, supply issues relating to the war in Ukraine and rising electricity prices. We have reported our carbon and emissions' data using the Streamlined Energy and Carbon Reporting (SECR) requirements. All reported data is in accordance with the March 2019 government 'Environmental Reporting Guidelines', using the government GHG Conversion factors for Company Reporting.

- Our reporting metrics are produced and circulated monthly at management meetings, quarterly at Board meetings, and to employees at various points in the year.

# Our approach to Sustainability and ESG continued

## Governance and accountability

This is our second ESG report and we will provide an update every year in our Annual Report and Financial Statements on our sustainability performance, which will include the SECR, TCFD and Section 172 report for the year.

- Risks and opportunities are identified and reported through our internal risk processes, and material sustainability risks are reviewed by the leadership team and the Board on a quarterly basis. Other risks can be associated with interest and exchange rates, liquidity and credit, regulatory requirements and legislative change, suppliers and partners, HSE risks, climate change and macro-economic conditions, technological and cyber risks and employee or ethical risks. More can be found in the strategic report and the TCFD report which is included in our annual report, which can be found on our website.

We are mindful of our environmental impact and will seek to go further than what is required of us, and will actively pursue improvement around our disclosures in the future.





# Engaging with stakeholders

We engage actively and regularly with all stakeholders who have a reasonable expectation of being significantly affected by our business and operations.

Our stakeholder communications approach is outlined in the Section 172 statement which can be found on our website. These activities are identified by the Board and; in addition to regular contact, we conduct an annual review on how to successfully engage with them. We set out to build long-term relationships that build and maintain trust, which is essential to the long-term success and sustainability of our business.

Our sustainability strategy and targets are set by the Board, which formally addresses these quarterly. The Board oversees the performance of the Group through a wide range of indicators which are related to our strategy.

- Our management team is responsible for implementing and executing the 'Fuel the Future' sustainability strategy.
- The ESG Committee has oversight of all sustainability and ESG-related activities across the Group, and comprises executive and non-executive representatives who meet quarterly to monitor and guide progress.
- Employees are encouraged to liaise with the MFG 'communities team' which was set up officially in 2022. Members act as ambassadors for delivering the strategy. Members of the communities team are encouraged to submit ideas for initiatives that bring the strategy alive at working-level within the business.
- We use our website and social channels to share additional case studies and achievements, and these are updated frequently, along with all other communications tools.

**We have set out our performance in the last 12 months to establish the Group's benchmark for future reporting and to hold ourselves accountable to the targets we have set for ourselves, in accordance with our 'Fuel the Future' strategy.**





# Our strategy is Fuel the Future



## FUEL THE FUTURE: SUSTAINABILITY STRATEGY PILLARS

### Fuel a greener world

We make it easier to be greener. We are a leading part of the UK mobility transition to a net-zero world




### Fuel a better world

We make local communities more resilient and adaptive through our community hubs

### Fuel a safer world

We support the local community and embrace diversity and equality, providing a safe environment for all who visit

## ESG Targets and Alignment with United Nations SDGs

Environmental	Social	Governance
<ul style="list-style-type: none"> <li>To provide electric vehicle charging facilities capable of supplying 110 million miles annually</li> <li>To strive for zero pollution at all MFG locations, arising from loss of primary containment</li> <li>To reduce carbon emissions (Scope 1 plus Scope 2), by 30% by 2030, based upon a 2020 baseline</li> <li>To reduce energy usage by 30% by 2030, based upon a 2020 baseline</li> <li>To ensure a net biodiversity gain in new developments from 2022</li> </ul>	<ul style="list-style-type: none"> <li>To support our charity partners</li> <li>To continue to improve our Gender Pay Gap (GPG) metrics</li> <li>To improve our employee training and development offering</li> </ul>	<ul style="list-style-type: none"> <li>To strive for zero harm to customers, employees, suppliers and all who visit MFG locations</li> <li>Compliance with HSE legal and regulatory obligations</li> </ul>
 <b>7.2</b> Substantially increase the share of renewable energy	 <b>5.5</b> Ensure participation and equal opportunities at leadership level	 <b>3.9</b> Substantially reduce the number of deaths and illness due to pollution
 <b>9.4</b> Upgrade infrastructure and retrofit industries to make them sustainable	 <b>11.3</b> Inclusive and sustainable urbanisation	 <b>8.8</b> Protect labour rights and promote safe and secure working environments for all workers
 <b>13.1</b> Strengthen resilience and adaptive capacity to climate-related hazards		

Underpinned by good governance, effective risk management and ethical behaviour that reflects our values and culture

# How we developed our ESG strategy



- We conducted our first materiality assessment in 2021, so we could identify and prioritise the sustainability issues (a) of greatest concern to our stakeholders, and (b) most likely to have the greatest impact on our business.
- The materiality assessment findings are plotted on the materiality matrix, and consider important factors such as; the MFG business model, operations and locations, product offering, and industry developments and trends. This was done through a number of interviews with employees, investors, management and suppliers – with responses informing our ‘Fuel the Future’ strategy, and ESG reporting metrics.
- For more information on how we engage with our stakeholders see [page 09](#).
- We looked at wider issues such as government initiatives, regulation and accounting and sustainability reporting frameworks which helped to shape our thinking and set the sustainability strategy.
- We aligned our Fuel the Future sustainability plan and ESG strategy with relevant UN Sustainable Development Goals, as demonstrated by ESG targets and evaluation metrics (see [page 10](#)) which are linked throughout this report.
- We are committed to transparent disclosure and to report our ESG metrics on an annual basis. In 2022, we took steps to simplify our future reporting by redefining our metrics on a pathway to independent assurance in the future.



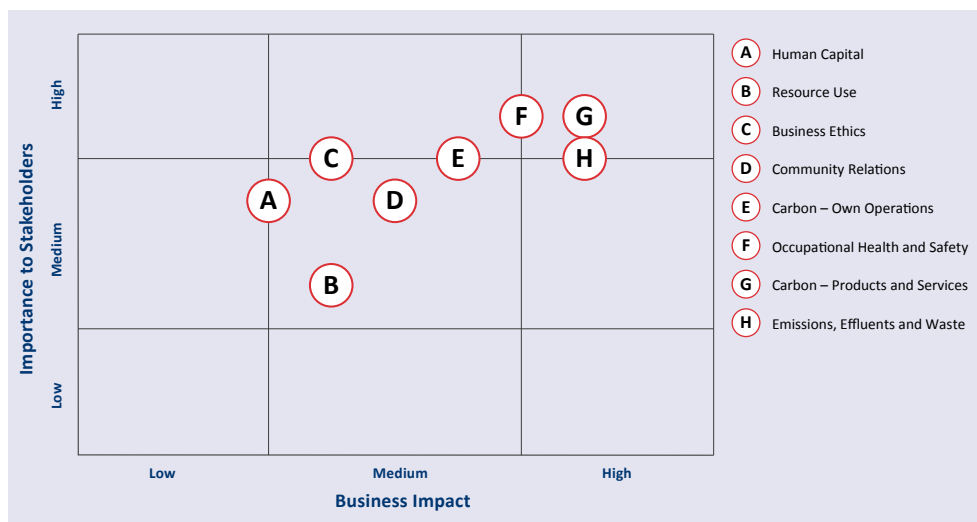
# Defining our material topics

The Materiality matrix shows the most material ESG topics arising from a business impact; and/or an environmental or social-impact perspective. Material ESG topics can be understood as those topics or issues that could cause the most significant business, environmental or social impacts if not managed well.

The location on the matrix indicates the relative importance of the most relevant ESG topics or issues, with those located towards the top right corners being the most material for the industry as a whole.

The SDGs we selected are aligned to our 'Fuel the Future' [ESG strategy and sustainability plan](#) where material topics and focus areas (and targets) are mapped to their corresponding UN Sustainable Development goal.

## ESG issues and material impact



\* Material topics as identified in 2021 (and refreshed by management in 2022) have helped to inform our [Fuel the Future strategy](#)



# Our metrics and targets

The annual reporting period is 1st January to 31st December each year and the energy and carbon emissions are aligned to this period and can be found in the SECR Report which can be found on our website.

Current UK based annual energy usage and associated annual greenhouse gas (“GHG”) emissions are reported pursuant to the Companies (Directors’ Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (“the 2018 Regulations”) that came into force 1 April 2019.

Metrics include the capacity of the electric charging facilities across the network, carbon emissions, electricity usage (excluding electricity for sale), the number of hybrid / EV company cars, confirmed litres of fuel lost to group per quarter, ecology / biodiversity net-gain figures.

## Setting and refreshing our targets

This report covers the period 01 January – 31 December 2022, and the targets listed on [pages 14-16](#) are for this reporting period only. Substantial progress has been made in the development of our ESG priorities, but more can always be done to improve our performance.

We continue to take a dynamic approach and have upgraded our targets and metrics (see across) to improve the quality of our reporting and take next steps to independent assurance, which is set to take place in 2023, i.e. next year’s reporting cycle.

The targets on [pages 14-16](#) were announced in 2021, and the progress against these can be seen in the ESG table. We review and develop our focus areas on an ongoing basis, and are on course to track chosen ESG metrics which will help us on our path to independent assurance in the future. Our strategic priorities remain unchanged, but future reporting will be centred around the core metrics set out on the right of this page.

- GHG Emissions
- Energy
- Waste
- Water
- Diversity
- Safety
- Net New Hires
- Employee Engagement
- Number of EV charging units
- Total number of kWh sold
- Reliability of EV chargers



# Our metrics and targets continued

## Environmental

### ENVIRONMENTAL TARGETS FOR 2022

### OUR METRICS AND KPIs

### HOW WE ARE FUELLING A GREENER WORLD

**Strive for zero pollution at all MFG locations arising from any failure of primary containment**

Confirmed litres of fuel lost to ground per quarter (target = 0 Litres lost to ground)

Two minor incidents in 2022, contained to only 2,600 litres lost to ground, subsequently remediated



Complete a minimum of 10 tank re-line/ replacement projects per year

22 projects completed and 88 relined



Complete a minimum of 15 'repump' projects per year, based on environmental sensitivity ranking

18 projects completed



30% of all sites in the network to receive a water use audit during each year

64 Audits completed in FY2022 representing of 7% of the network.



Issues with third party suppliers means that MFG did not meet this target. Additional suppliers have been engaged to remedy this.





## Our metrics and targets continued

### ENVIRONMENTAL TARGETS FOR 2022

### OUR METRICS AND KPIS

### HOW WE ARE FUELLING A GREENER WORLD

**Reduce Scope 1 plus Scope 2 absolute carbon emissions by 30% by 2030, based upon a 2020 baseline**

Report annual emission figures and percentage reduction against 2020 baseline. (Metric = annual emissions vs 2020 levels)

Introduce hybrid vehicles to the company car fleet in 2021

All new vehicles leased from 2025 to be hybrid/EV

Entire fleet to be comprised of hybrid/EV vehicles by 2028

**2022: 20,463 tCO<sub>2</sub>**

**2021: 23,833 tCO<sub>2</sub>**

**2020: 24,364.21 tCO<sub>2</sub>**



Internal Combustion Engine ("ICE") = **84** vehicles (**64%**)

Hybrid = **41** vehicles (**31%**)

EV = **6** vehicles (**5%**)

Whilst the target is 100% EV vehicles, the Group are using Hybrid vehicles as a transition measure.



**Reduce energy usage by 30% by 2030, based upon a 2020 baseline**

Report current usage figures and percentage reduction against 2020 baseline

Install 40 additional LED lighting systems by end of 2022

Install 40 energy management systems by end of 2022

2022: 106,561,371 kWh, an increase of 6.4% against the 2020 baseline year (which was affected by Covid restrictions)

32 LED lighting systems installed in FY2022

18 installations during the year, shortfall due to well documented supply chain issues across the industry; completed 23 installations in total by end 2022



**Ensure a net biodiversity gain in new developments from 2022**

Ecology/diversity net gain figures for all development programmes. Developments MUST demonstrate a positive figure.

Ecology surveys completed for major developments in 2022 where appropriate





# Our metrics and targets continued

## Social

### SOCIAL TARGETS FOR 2022

### OUR METRICS AND KPIS

### HOW WE ARE FUELLING A GREENER WORLD

#### Support charity partners

Fundraising and awareness

£594K raised in 2022 for Macmillan Cancer Support and DEC Ukraine Appeal



#### Improve gender pay gap metrics

Monitoring of gender pay gap figures and providing equal opportunities

Mean GPG 2022: 28.7% (2021: 45%)  
Median GPG 2022: 16.6% (2021: 20%)



#### Improve employee training and development offering

All employees to successfully complete all training courses as mandated by the Group's Information & Instruction & Training Policy during the course of the year – metric is compliance with employee company HSE training matrix > 90%

Compliance with the Training Matrix is currently 92%.



## Governance

### GOVERNANCE TARGETS FOR 2022

### OUR METRICS AND KPIS

### HOW WE ARE FUELLING A GREENER WORLD

#### Compliance with HSE-related legal and regulatory obligations

A maximum of one improvement notices received by the organisation from Regulators annually

No improvement notices received in 2022



Zero Prohibition Notices

No prohibition notices received in 2022

#### Strive for zero harm to customers, suppliers, and all who visit MFG locations

Accident rates for employees, Contract Managers and their staff (target is zero per 200,000 hrs worked).

2022 employee accident rate = 1.31 per 200,000 hours (2021: 0.58 per 200,000 hours)  
2022 Contract Manager ("CM") accident rate = 0.16 per 200,000 hours (2021: 0.32 per 200,000 hours).





# Fuel a greener world

We make it easier to be greener and are supporting the transition to a net-zero world.

During the reporting year, Motor Fuel Limited expanded its program of installing electric vehicle (EV) charge points, which began in 2021, and the Company now has 54 sites with EV hubs and singletons which it owns.

## Dual Fuel Strategy

MFG is committed to operating a dual fuel strategy and will continue to provide existing fossil fuel infrastructure whilst rolling out ultra-rapid EV charging hubs. Our aim is to support motorists by continuing to provide petrol and diesel infrastructure alongside our EV Ultra-Rapid charging hubs. This will give our customers confidence to transition to cleaner fuels at a time that is right for them. EV charging solutions on the forecourt will be particularly important for drivers who do not have access to a charging facility at home – and we know this to be a significant number. An estimated 60% of homes in cities and urban areas do not have garages or other off-road parking provisions, which creates demand for electricity provided by publicly accessible networks.

We continued with our significant investment into the UK's EV infrastructure throughout 2022, and opened a record number of EV hubs across the network. This investment in 2022 puts us on positive path, and we look forward to delivering against an ambitious set of targets and simplified metrics which we have set out for 2023 on [page 13](#) alongside our plan to energise 360 further chargers and deliver excellent customer experiences.





## Fuel a greener world continued

We installed 271 ultra-rapid chargers across its network in 2022, with an additional 31 hubs, and a further 175 chargers under construction at year-end.

### Fast, clean energy for electric vehicles

The forecourt of the future will need to cater for various different energy sources. Changing attitudes towards hydrocarbon fuel products and the development of more efficient technology and cleaner fuels is steadily driving down demand for liquid fuels. The government has banned the sale of new petrol and diesel-only cars and light vans from 2035, thus placing MFG at the forefront of these discussions as a direct result of our business model.

We play a vital role in developing the core infrastructure that will underpin government policy of providing an extensive electric vehicle (EV) charging network across the UK as a key measure for delivering net-zero by 2050. We embraced this change back in 2018, and charging points have now been installed at more than 20% of our sites, which is the highest rate of rollout in the independent sector.

We are actively investing in ultra-rapid EV charging hubs, and our 2023 investment plan will see MFG install over 360 Ultra-Rapid 150kW EV chargers at hubs throughout the UK. By the end of 2022, we had installed 271 operational charging units, powering the capacity for more than 210 million miles.

Customers will of course still require petrol and diesel fuels for decades to come, so we will continue to provide these in the most socially and environmentally responsible way for as long as they are needed. We introduced hybrid vehicles to our company car fleet in 2021, and are committed to a full fleet of hybrid or EV vehicles by 2028. At the end of 2022, our fleet consisted of 41 hybrid vehicles, six EV vehicles, and 84 ICE vehicles, and we will continue to gather pace where we are able to do so.

We made good progress on our Halogen bulb program, replacing them with LEDs at 32 sites (2021: 40 sites), falling just short of our target to install 40 lighting systems. A programme of network surveys and proactive replacements (based on consumption undertaken by AMGS, took place in Q4 of 2022.

In addition to this, we installed 18 energy management systems in 2022, which fell short of our target of 40 installations and are looking to trial alternative solutions to speed up this activity, as we fell short of our target of 40 installations.

We successfully introduced photovoltaic (solar) panels for electricity generation at 15 sites (as at December 2022) with more in the pipeline as part of an aggressive growth strategy. The Solar PV projects will contribute to achieving our electricity consumption and GHG reduction targets in 2023, and the company has estimated significant savings and return on this investment.

Consumption of purchased electricity increased from 108,604,627\* kWh in 2021, to 112,124,836 kWh in 2022, with total gross (mandatory) emissions reducing to 22,525.6 tCO<sub>2</sub>e.

\* Covid-related restrictions in early 2021 will have impacted this figure



# Fuel a greener world continued

## Alternative energy sources

In addition to EV, MFG has also undertaken to trial alternative energy sources for powering vehicles. During Q2 of 2022, we introduced hydro-treated vegetable oil (HVO) at a number of our mainland UK sites and stations, and it is already being sold by our Channel Islands subsidiary.

## Climate change and carbon emissions

The pressure on businesses to reduce their carbon footprint will continue to increase, and we are proactively implementing programmes and policies, enabling improvements in energy efficiency.

This includes upgrading our fuel infrastructure on an ongoing basis, replacing equipment with newer, more energy efficient alternatives, relining fuel tanks, and improving fuel pumps and fuel lines.

We constantly strive to reduce our consumption of energy and raw materials to drive down the greenhouse gas emissions that relate to our business model and operations. In September 2021, the Company mandated that any future electricity purchases should be derived from 100% renewable and REGO-backed sources, and this drives us daily to find better solutions.

We achieved much in 2022 by introducing and using sustainable resources and renewable energy where possible and have committed a further £3m per year to these ongoing initiatives.

## Breakdown of energy consumption used to calculate emissions (kWh):

ENERGY TYPE	2022	2021
<b>Mandatory requirements:</b>		
Gas	<b>502,857</b>	377,371
Purchased electricity	<b>112,124,836</b>	108,604,627
Transport fuel	<b>3,044,206</b>	2,860,470
Total energy (mandatory)	<b>115,671,899</b>	111,842,468

Note: Figures may not sum due to rounding

\* Electricity sold through EV chargers is excluded from the reported 'Purchased Electricity'

\* Tables and figures extracted from SECR which can be found within our annual report on the website



# Fuel a greener world continued

## Breakdown of emissions associated with the reported energy use (tCO<sub>2</sub>e):

EMISSION SOURCE	2022	2021
<b>Mandatory requirements:</b>		
Scope 1		
Gas	92	69
Company owned vehicles	725	667
Total Scope 1	817	736
Scope 2		
Purchased electricity (location-based)	21,683	23,060
Scope 3		
Category 6: Business travel (grey fleet only)	26	41
<b>Total gross emissions (mandatory)</b>	<b>22,526</b>	<b>23,837</b>
Intensity ratios (mandatory emissions only)		
Tonnes of CO <sub>2</sub> e per million litres of fuel sold (location-based)	6.43	7.32
<b>Voluntary elements:</b>		
Scope 2		
Purchased electricity (market-based)	71	9,093
<b>Total gross emissions (mandatory &amp; voluntary) (location-based)</b>	<b>22,526</b>	<b>23,837</b>
<b>Total gross emissions (mandatory &amp; voluntary) (market-based)</b>	<b>914</b>	<b>9,870</b>

EMISSION SOURCE	2022	2021
<b>Intensity ratios (mandatory &amp; voluntary)</b>		
Tonnes of CO <sub>2</sub> e per million litres of fuel sold (location-based)	6.43	7.32
Tonnes of CO <sub>2</sub> e per million litres of fuel sold (market-based)	0.24	3.03

Note: Figures may not sum due to rounding

\* Tables and figures extracted from SECR which can be found alongside our annual report on the website

- Scope 1 data is from natural gas and travel in company cars
- Scope 2 is consumption from purchased electricity, including for electric car charge points
- Scope 3 figures are the mandatory reporting of business travel in private vehicles

## Intensity Ratio

The intensity ratio is total gross emissions in metric tonnes CO<sub>2</sub>e (mandatory emissions) per million litres of fuel sold. This metric is considered the most relevant to the Company's energy consuming activities and provides a good comparison of performance over time and across different organisations and sectors.

## Fuel a greener world continued

### CASE STUDY

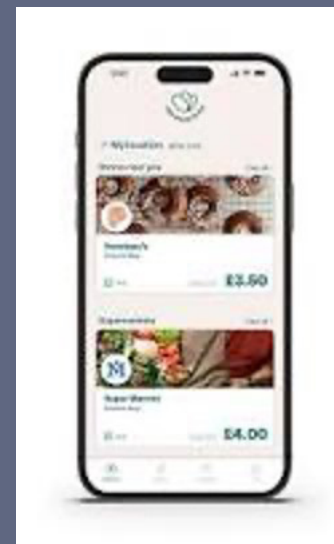
## Reducing food waste and carbon emissions



We encourage our employees and stakeholders to reduce food waste, and have partnered with “Too Good to Go” a leading UK service and mobile app that connects customers to restaurants and stores with a surplus of unsold food. This partnership allows MFG to connect with our customers in the fight to tackle food waste. We list our unsold food stock on the app at a discount. This food would otherwise end up in UK landfill and release methane gases into the atmosphere.

We take this responsibility seriously, and our customers and store managers are active participants in this food waste-reduction initiative across all of our directly-managed sites, and approximately one third of our contract-managed sites.

Our efforts in 2022 amounted to c.198 tonnes of carbon emissions being saved at our sites (2021: circa 180 tonnes) as a result of the “Too Good to Go” initiative.



“

This partnership allows MFG to connect with our customers in the fight to tackle food waste.



# Fuel a better world

We make local communities more resilient and adaptive through our community hubs.

Our aim is to provide a safe, comfortable and enjoyable experience throughout the MFG network. Our employees and contract managers offer excellent service on the forecourt – whether customers need extra assistance or are just passing through. It is a priority for us to serve local communities and make them more resilient and adaptive. We do this by providing essential services and vital infrastructure to support day-to-day needs, and with fundraising efforts.

MFG works with a number of carefully selected partners and brands at each of our locations to provide customers an ultra-rapid electric vehicle (EV) charging and convenient forecourt shop and ‘food to go’ experience. We monitor the brands we work with closely, and understand that we are linked to their behaviour by association, just as they are linked to ours.

## Volunteering

Each employee receives two volunteering days during the year, which can be used to ‘give back’ to local community projects. These provide a sense of cohesion amongst the teams taking part. Some of our colleagues got out of the office for the day to take part in a local conservation clean-up.



## Building a community-led culture

In 2022 we boosted our community and volunteering efforts significantly, building on the foundations laid in 2021, when we formalised an initiative to encourage every employee to get involved and support community efforts, up to two days per year, on full pay. Employees have embraced this initiative with open arms and took part in litter picking, football events, local school and charity fundraisers for our nominated partnership with Macmillan.

In March 2022 we announced an exciting new partnership with local football team St Albans City FC, and will use this as a means of supporting the ‘Saints’ and the wider community where fans live and work. We look forward to being involved with a long and successful partnership, and the extended community outreach which taps into the ‘Better World’ aspect of our ESG strategy.





# Fuel a better world continued

## CASE STUDY

### £1 million now raised for Macmillan



MFG launched its partnership with Macmillan Cancer Support in April 2021, and helped to raise more than £500,000 during the first year of the partnership. Fast forward to 2022 and over £1m has now been raised in nearly two years' working together. Macmillan Cancer Support provides vital support across every community in the UK.

Most people are affected by cancer at some point in their lives, either directly or indirectly, as nearly half of us are predicted to develop some form of cancer in our lifetime. Given our reach in the communities we operate in, we are honoured to provide maximum support and effect for Macmillan as our main charity partner, and are delighted that our partnership contract with them has been extended to 2024.

In the recent past, we have proudly supported charities including Help for Heroes, RNIB, NSPCC and many of the regional Air Ambulance charities. MFG also raised funds for the DEC Ukraine appeal.

In 2022 our fundraising efforts were supported by MFG customers' donations across our network of over 930 forecourts – through cash-collection boxes, QR code readers and our partnership with 'Pennies', the pioneering fintech charity which gives customers the opportunity to add digital micro donations to their purchases when paying by card or digital wallet.

Petrol nozzles were branded with Macmillan advertisements which offered free advertising space to the charity so they could reach out to the community with key messages and a call-to-action, with important information for customers as they passed through our sites.

Fundraising activities were driven and supported by MFG employees and contract managers, with quizzes, coffee mornings and payroll-giving all demonstrating employees' generosity and support of Macmillan as the company's charity of choice – pooling all of our charitable efforts into one well-communicated and supported cause.





# Fuel a better world continued

## We value our people

We're committed to giving all employees the opportunity to develop their skills and build a fulfilling career, and work hard to create a fair and inclusive environment where everyone can flourish. We reward good performance, celebrate achievements and provide fair pay and comprehensive benefits.

## Keeping employees engaged

Regular communication between senior leaders, managers and employees is encouraged, with frequent updates delivered in person, virtually, and by email. Employees are encouraged to share their opinions and suggestions using the MFG online employee portal, the hub for all relevant employee information, policies and procedures for administration as needed.

An employee satisfaction survey is undertaken biennially to gauge workforce wellbeing and to provide insights on ways MFG's leadership can strive for continuous improvement. The most recent survey was carried out in August 2021 and returned a response rate of 75% which was consistent across office and field employees, and had an overall employee-satisfaction score

of 7.5/10 on the average 'happiness at work' indicator. This represented a strong degree of satisfaction, and was reflected in our low staff turnover rate of just 6 % in our core franchise operations in 2021, down from 8% in 2020. The survey focuses on five key areas, comprising: Culture and Connection, Opportunity for Personal Growth, Wellbeing, Reward and Recognition, and Communication. We look forward to reporting details of the 2023 report in next year's reporting cycle.

We welcome ideas and suggestions for business improvements, and these can be put forward by speaking openly to a manager or member of the executive team, or by submitting employee suggestions via the employee hub. This level of engagement and open dialogue is of great assistance to the leadership team, as we seek to meet the needs of employees, customers and local communities in which we operate.

## Going the extra mile awards

Each month we recognise employees who go the extra mile, and they are given the opportunity to choose between a range of prizes, as a reward for good performance.

We want to maintain a work culture that thrives on entrepreneurial spirit and creativity. The working environment is structured in a way that fosters collaboration, team-building and dialogue. Employees can also take advantage of a wellbeing portal that provides resources and ideas to support both their mental and physical health.

We work hard to recognise the efforts of our highest-performing employees in a rewarding culture where each employee is made aware of the level of performance expected of them in their role; and equally they can expect to receive regular feedback from line-managers on a regular basis.

## Competitive pay and rewarding performance

MFG is committed to awarding a competitive salary, as well as offering health benefits and participation in a pension scheme. Holiday time can be flexible, we can sponsor training for eligible employees as part of their development plan. The package is designed to enable and encourage progression, and each employee's base salary is reviewed annually as standard, in line with wider-market inflation.



## Fuel a better world continued

Rewarding good performance helps us to hire and retain talent, and we operate competitive reward schemes with benefits which are both financial and non-financial. In respect of 2022, all eligible employees received a discretionary annual bonus that was linked to their individual (and the company's) performance. (No bonus was awarded to any employee who had tendered a resignation, or joined the company after October 2022. We announced a rise in employer pension contributions from 3% to 5% (effective January 2022); and adopted the April 2022 Low Pay Commission's recommendations on the National Living Wage for all over 18s at our Peregrine sites (effective November 2021).

In addition, all eligible employees on the December payroll, received a discretionary Christmas bonus. Our recognition award platform is well utilised by all departments and monetary awards for going above and beyond continue to be used.

### **Paid training, development and accreditations**

We offer opportunities for learning and career progression opportunities so employees can build a successful career, reaching their individual 'best' potential at MFG.

We sponsor employees in continuous professional development (CPD) programmes, as well as offering both financial and practical support to employees who qualify to undertake professional training qualifications.

Activities include: mentoring and coaching by experienced managers, on-the-job and web-based training.

In 2022, on average, each employee had seven personal training events, and a number of employees are being supported to obtain a professional qualification.

Training events took place on site and at Head Office, to equip our employees with the knowledge required to deliver to our newly acquired ISO standards.

Mental health support training was offered to all managers in 2022, and the uptake on this was 32%, compared to a 23% uptake in 2021. This reflects a growing understanding and openness around the mental health conversation, and anticipate this will continue to grow year-on-year.

### **A winning formula for Interns**

MFG launched a successful intern programme in 2021 which has gone from strength to strength. We are delighted to have come runner up in Henley Business School's 'Best Placement Award' having been nominated by last year's placement. We will continue to develop this important initiative as it benefits the business and the local community.

We continue to support our interns and look forward to actively supporting our third intern, and we look forward to developing the scheme further.





# Fuel a better world continued

## Wellbeing and support initiatives

Employee wellbeing is important to us, and in 2022 we built on many of these initiatives, and supported employees where we could, to help keep them healthy and motivated.

### 2022 highlights:

- The MFG hub and online Wellbeing Centre provides a range of resources
- We offer an independently run Employee Assistance Programme
- We have six fully trained mental health first-aiders (this equates to one per 32 employees within the core business)
- All employees have access to tutor-led courses and online materials that provide knowledge on the subject of mental wellbeing and resilience.

**Inclusivity is at the heart of our customer, employee and community proposition, and this starts – but does not end – on our forecourts. We take actions regularly to make sure that the less able in our communities are never at a disadvantage when they pass through one of our locations.**

## Inclusive Environment

As an equal opportunity employer, we provide an inclusive working environment for all employees; regardless of age, disability, sex, gender, sexual orientation, pregnancy, maternity, race, religion or belief and marriage or civil partnership status. This approach provides the space and opportunity to grow and develop, in a workplace that is rich in ideas, opinions and perspectives.

We are committed to creating a positive impact on the lives of our employees, and have sought to embed a culture of inclusion and diversity that reflects society, and the customers who use our services.

We are currently working on gathering all ethnicity data and will report findings in due course, and put measures in place where needed. Our annual equality and diversity survey results will be reported when figures are available.

## Equality and Diversity in action for employees

In 2021 all MFG employees completed mandatory Equality and Diversity training for the first time, alongside our baseline Equality and Diversity survey, which returned a 76% response rate. The survey was based on a series of questions – focused around gender, sexuality, ethnicity, disability, age range and religious beliefs. The survey was designed to provide the Group with accurate insight on workforce demographics and preferences, to inform our policies going forward. In addition, we have implemented adaptations to make our offices accessible for disabled staff. If an employee becomes incapacitated or disabled, we continue employment wherever possible and make any necessary adjustments to facilitate this.

MFG invests in the provision of bespoke learning opportunities to help further the careers of certain colleague groups, e.g. progressing female talent or employees from backgrounds that are diverse on the grounds of ethnicity or religion. These opportunities are supported and implemented by our HR team and line managers, with internal policies in place to guide and support this journey of development. It is our mission to provide all employees with opportunities to build a rewarding career at MFG.



# Fuel a better world continued

## Gender Pay Gap

Historically, the appointment of males, disproportionately, to newly created technical / senior positions, had led to a marginal increase in the Mean Gender Pay Gap within the 'core' business (Motor Fuel Ltd, CD&R Firefly Bidco Ltd and St Albans Operating Company Ltd). However, this trend reversed in 2022, and the Mean GPG has decreased year-on-year from 45% in 2021 to 28.7% in 2022. This decrease is replicated in the Median Gender Pay Gap, which has decreased from 20% to 16.6% year-on-year.

The predominance of females in the administrative, customer services and junior finance positions and the predominance of males in field managerial, senior leadership and technical positions gives rise to the Group's Gender Pay Gap. We are working to address through our diversity and inclusion initiatives.

Within Peregrine Retail Limited, the Group's largest employer, the mean Gender Pay Gap has changed slightly from -3.9% to 1.9%, indicating that in 2022, the average hourly pay for female employees was only slightly less than for males. The median Gender Pay Gap has remained consistent at 0% year-on-year.

Over the long term our Gender Pay Gap reduced by more than half, as in 2018 our Mean and Median Gaps were 49.8 % and 32.5% respectively.

## MEAN AND MEDIAN GENDER PAY GAPS 2022

	PAY	
	Mean Gender Pay Gap	Median Gender Pay Gap
2022	28.7%	16.6%
2021	44.6%	19.5%
2020	43.6%	18.8%

### Mean Gender Pay Gap

The **mean Gender Pay Gap** is the difference between the average hourly earnings of men and the average hourly earnings of women.

### Median Gender Pay Gap

The **median Gender Pay Gap** is based on arranging all the pay amounts in numerical order and selecting the middle amounts.

## Gender Bonus Gap

The policy of including all staff in the bonus scheme means that the percentage of each gender receiving a bonus was almost identical. However, as the bonus scheme is linked to base salary, the pre-dominance of males in higher paid roles contributes to the Mean Gender Bonus Gap.

The Median figure is significantly lower and both figures have reduced since the 2020 survey; indeed the Median figure is now at its lowest since the Group commenced running the calculation.

The number of employees by gender at 31 December 2022 was as follows:

	MALE NO.	FEMALE NO.	TOTAL NO.
Senior managers	23	5	28
Other employees	489	534	1,023
<b>Total</b>	<b>512</b>	<b>539</b>	<b>1,051</b>

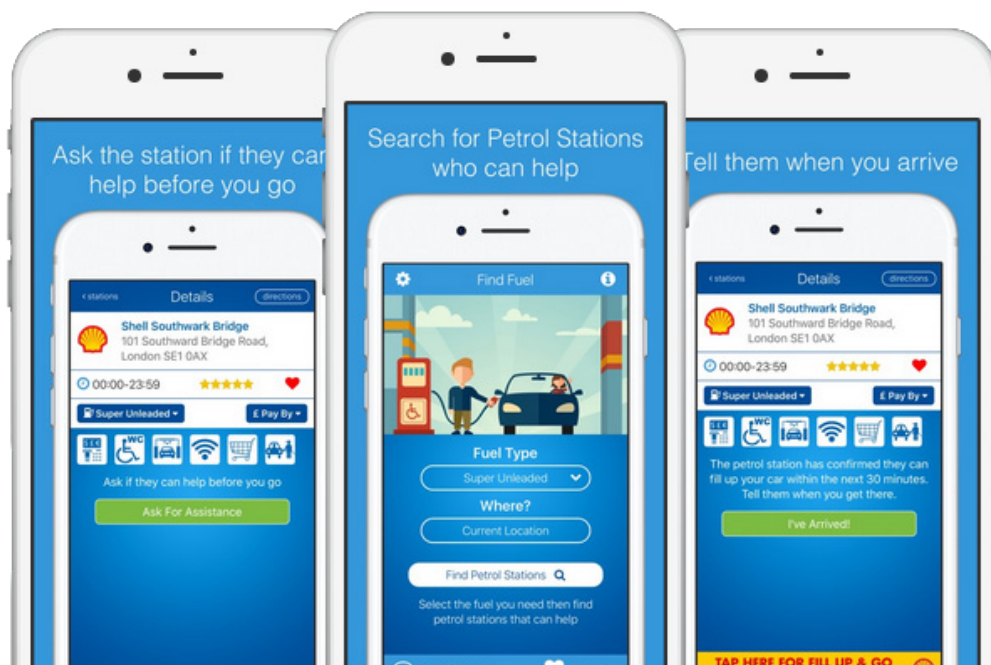


## Fuel a better world continued

### Equality and Diversity in action for customers: supporting disabled drivers at our petrol stations

MFG has enjoyed a partnership with FuelService since 2017, the app which helps disabled drivers to ask participating service stations for help before they set off on their journey – so they can be confident that someone will be available to assist them in charging their vehicle or refuelling when

they arrive. FuelService can be downloaded from the App Store free of any charge to the driver and the initiative is closely aligned to our mission of protecting the quality of life of all those who live in our communities.



### ISO Awards in 2022

We maintain the highest standards of governance and management systems to reduce risks associated with our business. We have undertaken extensive work to develop an integrated health, safety, environmental and quality management system and were pleased to achieve the ISO 45001 for health and safety management; ISO 14001 for environmental management, and ISO 9001 for quality management. These certification standards provide testimony for MFG as a business leader in the UK forecourt sector in 2022.





# Fuel a safer world

We support the local community and embrace diversity and equality, providing a safe environment for customers and employees

Motor Fuel Group (MFG) is the UK's largest independent forecourt operator and employs more than 1,051 people across a UK and Channel Isles network of 930 sites, comprising our core contract and direct-managed operations. Our direct employee headcount has risen across all business areas in 2022 and diversity is a fundamental part of our culture.

Our Health and Safety agenda follows a target-driven approach, and details of our achievements in this area are set out below. We adhere to HSE-related obligations to ensure that all legal and regulatory conditions are followed and reported upon. In addition, we strive to create and maintain an environment that operates under a zero-harm policy, prioritising the safety of customers, suppliers and employees at every MFG location.

## Accident rate

In 2022, our employee and contract manager accident rates reported figures of 1.31 (FY2021: 0.58) and 0.16 (FY2021: 0.32) respectively, for every 200,000 hours worked.





## Fuel a safer world continued

### Water management

We treat fresh water as a valuable resource and are committed to maintaining the integrity of all water related infrastructure across our estate. We ensure that water is used efficiently and water wastage is kept to a minimum by employing a third-party consultancy firm to monitor consumption. Any unusual readings are investigated and we take remedial action as a priority. We introduced a Waste Water Audit Programme in 2021, and activities in 2022 included include a review of water recycling, and reducing general waste at each of our sites.

### Hazardous waste and waste management

Our highly trained, dedicated in-house environmental team works closely with accredited third-party consultants to manage environmental risks across our network in particular around risks of land contamination and remediation.

We commit to the responsible disposal of all hazardous waste to reduce the risk of pollution and we recycle the waste that is created on our sites. We are focused on minimising and controlling the risks to the environment which might be associated with the storage, handling, sale and distribution of hydrocarbon oil and gas products and electric power.

Measures include:

- Ensuring that waste residues from forecourts are contained in specialist drainage systems and removed from sites regularly by qualified and competent contractors
- Identifying asbestos locations across the estate, and managing removal or encapsulation
- All sites are subject to Ozone Depleting Substance Audits (ODF) on a rolling three-year basis
- Obtaining environmental permits for all regulated facilities that we operate and ensuring that we comply with all conditions
- Ensuring that any waste materials in relation to development or construction activities are properly disposed of according to their waste classification by qualified and competent licenced waste carriers
- Office sustainability audit and action plan to reduce waste and energy usage



# Our performance in data

MSG is committed to transparent disclosure of all significant ESG and sustainability reporting metrics each year. Data metrics are important, and our aim is to have these figures independently assured in the future.

## Environment

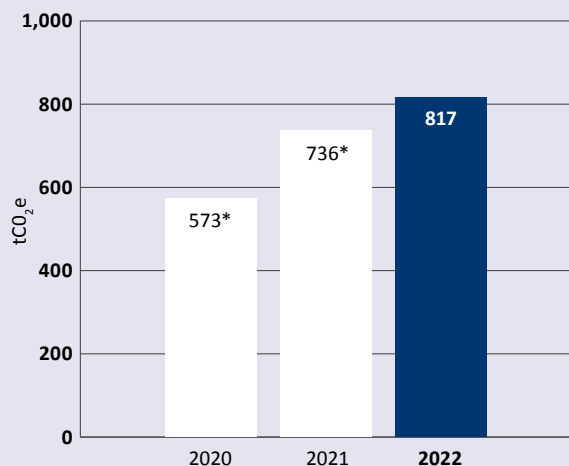
### Carbon and emissions

We have reported our carbon and emissions data using the Streamlined Energy and Carbon Reporting (SECR) requirements.

The data reported follows the March 2019 government 'Environmental Reporting Guidelines', including the streamlined energy and carbon reporting guidance and uses the UK Government GHG Conversion factors for Company Reporting (Full set 2020. Version 1.0).

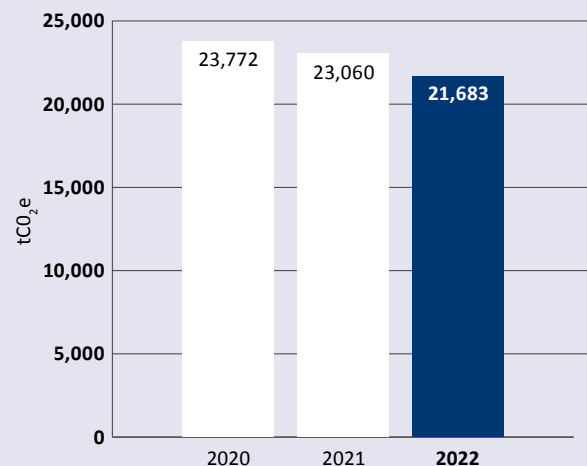
- Scope 1 data is from natural gas and travel in company cars
- Scope 2 is consumption from purchased electricity, including for electric car charge points
- The intensity ratio is total gross emissions in metric tonnes CO<sub>2</sub>e (mandatory emissions) per million litres of fuel sold.

#### Scope 1 emissions

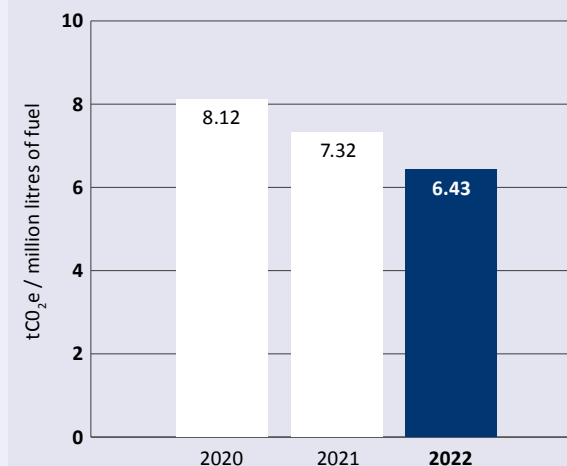


\* Fuel sales impacted by Covid lockdowns, resulting in lower emissions

#### Scope 2 emissions (location-based)



#### Intensity ratio (location-based)



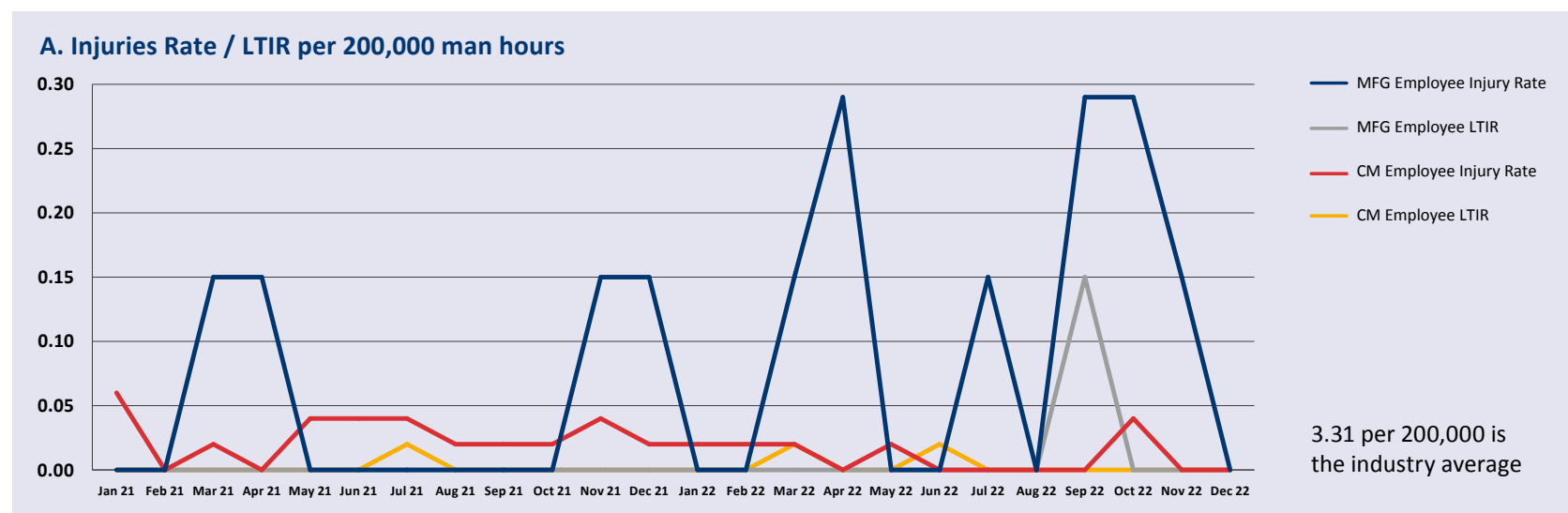


# Our performance in data continued

## Health and safety

Petrol forecourt station incident and accident summary.

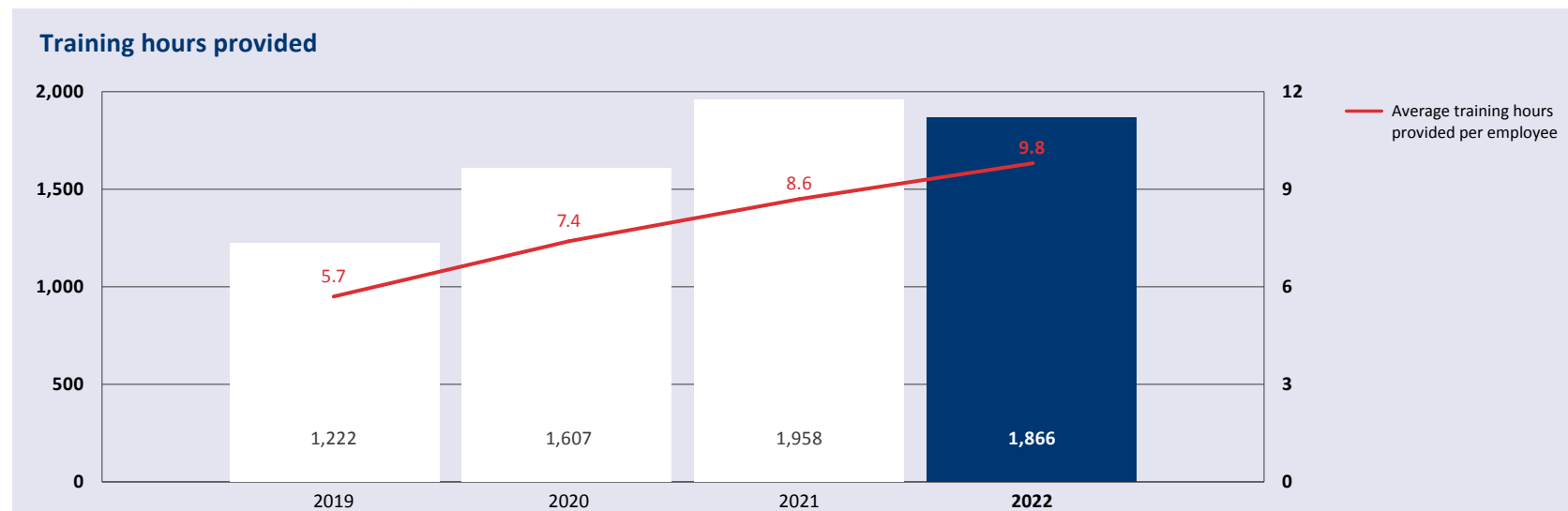
	2020		2021		2022	
	NO. OF INCIDENTS	AVERAGE PER SITE	NO. OF INCIDENTS	AVERAGE PER SITE	NO. OF INCIDENTS	AVERAGE PER SITE
Third Party Damage	796	0.88	862	0.95	<b>993</b>	<b>1.07</b>
H&S Accident/Incident/Fire	207	0.23	254	0.28	<b>264</b>	<b>0.28</b>
Enforcement Visit	29	0.03	62	0.07	<b>66</b>	<b>0.07</b>
Medical Condition	14	0.02	18	0.02	<b>10</b>	<b>0.01</b>
Near Miss	233	0.26	257	0.28	<b>402</b>	<b>0.43</b>
Crime/Violence/Robbery	315	0.35	283	0.31	<b>299</b>	<b>0.32</b>
<b>Totals</b>	<b>1,594</b>	<b>1.76</b>	<b>1,736</b>	<b>1.91</b>	<b>2,034</b>	<b>2.19</b>
	911 sites		926 sites		<b>930 sites</b>	





## Our performance in data continued

### Employee health and safety training, core franchise operations



Identifying and communicating with our key stakeholder groups is a critical function of our ESG journey, and we aim to develop meaningful relationships with active dialogue and management interventions to promote sound insights and decision-making across the MFG Group. Read about our stakeholder groups, and how we communicate and engage with them, which can be found in the [Section 172 Statement](#), in the reporting section of our website.



## Motor Fuel Limited

10 Bricket Road  
St Albans  
Hertfordshire  
AL1 3JX

[www.motorfuelgroup.com](http://www.motorfuelgroup.com)

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