

Report - Eligible Social Projects

January 2026

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Social Bond Framework – Funding

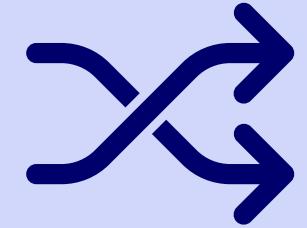


- Motability Operations Group plc accessed the debt capital markets in January 2025
- 3 bonds were issued, all under the Group's Social Bond Framework
- Where EUR denominated bonds are issued all proceeds are swapped into GBP for the duration of the bonds.
- The total amount of GBP raised by the 3 bonds under review is £1,510.2m

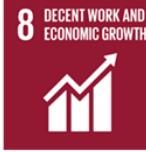
| Currency | EUR | EUR | GBP |
|------------------|---------------|---------------|---------------|
| Nominal (m) | € 750 | € 650 | £ 350 |
| Maturity Date | 22-Jan-33 | 22-Jan-37 | 22-Jan-45 |
| Coupon % | 3.625 a. | 4.000 a. | 6.250 s.a |
| Net Proceeds (m) | € 741.40 | € 643.50 | £ 343.80 |
| Type | Senior Unsec. | Senior Unsec. | Senior Unsec. |

- The period covered by this annual report runs from 1st January 2025 to 31st December 2025

Allocation Reporting



- The Group has identified three primary Sustainable Development Goals (SDG 4, 8, 10) that are explicitly referenced in its Social Bond Framework. There are 2 supplementary SDGs (7, 13) also included that are not reported against.
- Supplementary SDGs are deemed to align to the Group's activities but not yet at the same demonstrable level as the three primary ones.
- All funds raised in January 2025 have been fully allocated to the Eligible Social Project and such have been directed to meet the SDGs.
- As at 31st December 2025 all funds have been fully deployed and there are no residual amounts requiring deployment in future periods.

| UN SDG | Target | Application |
|---|--|---|
|  | 4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations | Provision of vehicle lease to customers regardless of age, economic circumstance or other aspects – a universal offering – enabling access to education that may otherwise not be possible |
|  | 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value | Provision of vehicle lease to customers regardless of age, economic circumstance or other aspects – a universal offering – such that employment opportunities may be taken in locations, activities or/jobs that would have been inaccessible |
|  | 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status | Provision of vehicle lease to customers regardless of age, economic circumstance or other aspects – a universal offering – such that disability and an inability to travel safely, at a time of choosing and in an appropriate manner is no longer a barrier to any form of inclusion |
|  | 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix | The transition to a fleet of electric vehicles and financial support provided to assist customers in this process promotes the adoption of renewable energy technology |
|  | 13.2 Integrate climate change measures into national policies, strategies and planning | A reduction in petrol/diesel powered vehicles, as customers choose electric vehicles, reduces emissions shown to affect climate change and advances cleaner technologies |

Impact Reporting - Metrics



The Group uses four metrics, referenced in the Social Bond Framework, to measure impact.

Beneficiaries From Activities

- Beneficiaries From Activities refers to the number of customers that have entered into a new lease agreement during the period under review.

Customer Satisfaction Scores

- The Overall Customer Satisfaction Score is measured via a single question on the customer survey.

Affordability

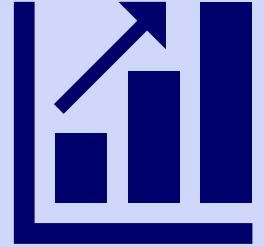
- The Affordability score is measured via a single question on the customer survey *

Retention Rates

- Retention rates report the percentage of customers choosing to remain on the Scheme following the expiry of their previous lease.

* There has been a change in methodology since last year's survey. Please see slide 8 for more information.

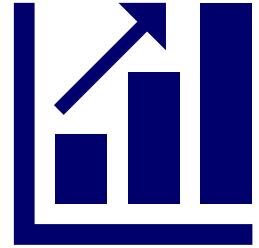
Impact Reporting - Data & Methodology



Beneficiaries From Activities

- Beneficiaries From Activities refers to the number of customers that have entered into a new lease agreement during the period under review and, as such, received a new vehicle. These may be new-to-Scheme customers that have taken their first lease under the Motability Scheme or customers that have chosen to renew on the Scheme following the expiry of a previous lease.
- Customers are also categorised as 'new' if they take a new lease 182 days or more after the end of their previous lease; this also includes customers where the original lease was extended but they have had a 182-day (or longer) break from the end of the extension period .
- To gain access to the Scheme, customers must be in receipt of one of the qualifying mobility allowances.
- Whether the customer chooses to join the Scheme is the customer's own decision.

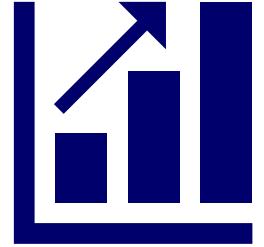
Impact Reporting - Data & Methodology



Customer Satisfaction Scores

- The overall Customer Satisfaction Score is calculated as an average of all respondents' scores and multiplied by 10 to give a percentage score out of 100.
- Satisfaction scores are surveyed on a scale of 0-10 (10 being “excellent”).
- Customer Satisfaction is measured as part of the independent customer survey that the company undertakes. Customers' opinions are taken directly and explicitly via the question *“Taking into account all aspects of the service received from the Motability Scheme, how would you rate the service you have received?”*
- During the year, the methodology used to gain customer feedback was changed. Further detail of this change is given in slide 10, later in this pack.

Impact Reporting - Data & Methodology



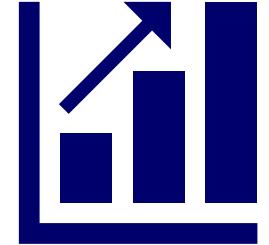
Affordability

Affordability metrics in prior annual reports have considered the number of vehicles available for customers that required no additional customer payment above the qualifying allowance. These vehicles are categorised as Nil Advance Payment (Nil AP). However, in recent years the range of vehicle models made available by manufacturers to the Scheme, and the derivatives within the ranges, has declined markedly reflecting wider market rationalisation. As such the number of Nil AP vehicles is no longer deemed an effective measure of affordability due a reduction in choice and changed new car market environment.

- Affordability is now measured by reference as part of the independent customer survey that the company undertakes.
- Customers' opinions are taken directly and explicitly via the question "*How would you rate the value for money that you get from the Motability Scheme?*"
- The question aims to establish the relative cost values that customers on the Scheme receive from the comprehensive, all inclusive package.

Further detail of this change is provided in slide 10.

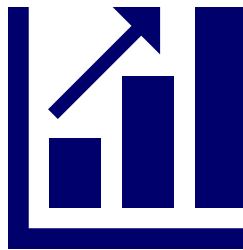
Impact Reporting - Data & Methodology



Retention Rates

- Retention rates are calculated by monitoring the number of lease agreements that have terminated in a given month and assessing the proportion that take up a new car (and start a new agreement) within 6 months of that termination. A hiatus observation period of 6 months is embedded in this calculation to allow for delays or other factors than may mean a new car is not immediately available
- Rates are reported monthly from July 2024 to June 2025 inclusive.
- This period is backward looking and commences 18 months retrospectively from the final date in the testing period and ends 6 months prior to the end of the testing period to capture the 6-month observation period.
- The retention analysis does not make provision for any renewals that take place 6 months post termination date.
- The methodology in place considers whether a new lease has been taken within 6 months of the completion of an expiry agreement – this includes completion of the original scheduled 36-month lease period, and any termination event post this 36 months (therefore including lease extensions beyond the original agreed 36-month term).

Impact Reporting - Data & Methodology



Independent Customer Survey Background

- Motability Operations commissions customer satisfaction surveys, independently overseen by IPSOS to ensure objectivity and integrity.
- Customer Satisfaction and Affordability, reported in the Impact Assessment, are based on surveys sent to a representative fleet sample.
- In October 2025, the survey approach was revised to capture timely feedback from a broader sample, improving accuracy and insights. This mid-year change means current results reflect both old and new methods.
- Surveys were conducted twice yearly (spring and autumn), via third-party software, inviting 50,000 customers to provide their opinions.
- Since October 2025, a new platform managed by IPSOS compiles on a rolling 12-month basis, replacing bi-annual surveys with monthly surveys for deeper insights, independence and best practices. Each month, 10,000 customers are invited to participate with responses weighted to accurately reflect the fleet profile.
- The data is unlikely to change significantly between the methods, since the main change is transitioning from a biannual survey to a monthly one.
- Survey participants include a diverse mix of age groups, lease durations, fuel types, lease types and vehicle adaptations.

Impact Reporting - Outcomes



Beneficiaries From Activities

- Between January 2025 and December 2025, 304,036 new vehicles were delivered to Scheme beneficiaries
- 137,868 beneficiaries were new to the Scheme
- Renewing beneficiaries were 166,168.
- The cost of purchasing new vehicles for all beneficiaries during this period was in excess of £8.5bn.

Customer Satisfaction Scores

The Overall Customer Satisfaction scores from the CSI surveys undertaken during the year are shown.

| IPSOS Survey | Spring 2025 | Autumn 2025 |
|-------------------------------|-------------|-------------|
| Participants * | 5,572 | 3,276 |
| Overall Satisfaction Score ** | 94% | 94% |

* Due to practical limitations in the data collection methodology, the number of beneficiaries reported is produced with a possible error margin of +/- 1%

** Customer scores are recorded against a scale of 0-10 with the result increased by a factor of 10 to arrive at the proxy percentages shown.

Affordability

The Overall Customer Satisfaction scores from the CSI surveys undertaken during the year are shown.

| IPSOS Survey | Spring 2025 | Autumn 2025 |
|------------------------|-------------|-------------|
| Participants * | 5,517 | 3,230 |
| Affordability score ** | 91% | 91% |

** Customer scores are recorded against a scale of 0-10 with the result increased by a factor of 10 to arrive at the proxy percentages shown.



Impact Reporting Outcomes

Retention Rates

- The metric below uses data for lease terminations up to the end of June 2025 and the 12 months preceding this date to accommodate the 6-month observation period.
- The individual monthly retention rates throughout the period under review are shown, ranging from 90.9% to 93.9%.
- The 12m rolling retention rate is 93.0%.
- Customer retention rates are often impacted by significant changes in a customer's personal circumstances. The most common factors given by customers are changes in their financial situation or changes in their medical conditions

| | 2024 | | | | | | 2025 | | | | | | 12m rolling |
|-------------|-------|--------|-----------|---------|----------|----------|---------|----------|-------|-------|-------|-------|-------------|
| | July | August | September | October | November | December | January | February | March | April | May | June | |
| Retention % | 93.9% | 92.7% | 93.6% | 93.1% | 93.7% | 93.0% | 92.6% | 90.9% | 93.5% | 93.2% | 92.3% | 92.3% | 93.0% |

Closing Comment



Motability Operations has engaged DNV Business Assurance Services UK Limited (DNV) to provide independent limited assurance in respect to the 4 Impact metrics and allocations under the Group's Social Bond Framework. DNV also provided a Second Party Opinion on Motability Operations' Social Bond Framework in 2023 to confirm its alignment with the 2023 ICMA Social Bond Principles.

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