

Lotus Group International Limited

Directors' report (continued)

Streamlined Energy and Carbon Reporting

Lotus aims to limit the impact of its operations on customers, employees, shareholders, communities, the environment and maximise Lotus' reputation as not only the world's best maker of performance vehicles for the drivers, but also the most responsible as well. As part of this journey, Lotus is investing in new green energy and electric infrastructure for a sustainable future.

A pioneering partnership between Lotus and energy company Centrica was announced in May 2020. Our combined expertise in the energy and automotive sectors will help us develop a customer-centric experience for future Lotus EV owners and create a carbon net zero, global organisation.

From October 2020, the Lotus headquarters in Hethel, Norfolk and its other UK sites use only 100% renewable energy. The contract is REGO-backed (Renewable Energy Guarantees of Origin) and means the power used is guaranteed to be from renewable sources such as wind and solar power and ensures the electricity used by Lotus is carbon-neutral.

Major investment is underway across the business, focusing on extensive new facilities and infrastructure upgrades to deliver a new generation of Lotus cars, starting with the all-electric Evija – the world's first British electric hypercar.

Our website <https://www.lotuscars.com/drivingchange> has further information on "Driving Change", the new corporate social responsibility programme for Lotus.

In line with the UK Government's Streamlined Energy & Carbon Reporting (SECR) framework, the table below shows Lotus's UK operational energy and carbon footprint for the calendar year 2020. The CO₂e is calculated with a location-based approach using UK average grid intensity conversion factors.

	Parameter	UK 2020
A	Energy consumption used to calculate emissions: kWh	26,665,812
B	Emissions from combustion of gas: CO ₂ e (Scope 1)	2,370
C	Emissions from combustion of fuel, including transport (Scope 1) and engine testing: CO ₂ e	850
D	Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3): CO ₂ e	108
E	Emissions from purchased electricity (Scope 2, location-based): CO ₂ e	2,346
F	Total gross CO ₂ e based on above	5,674
	Intensity ratio: CO ₂ e/£m	75.65

Methodology: Data is compiled for UK locations in accordance with GHG protocols for finance control.