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Collaboration - The Key to UK Fleets Achieving Timely Mass Adoption of Zero Emission Vehicles needed to Overcome These Barriers

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GEOTAB®

management by measurement

LEX AUTOLEASE

COLLABORATION - THE KEY TO UK FLEETS ACHIEVING TIMELY MASS ADOPTION OF ZERO EMISSION VEHICLES

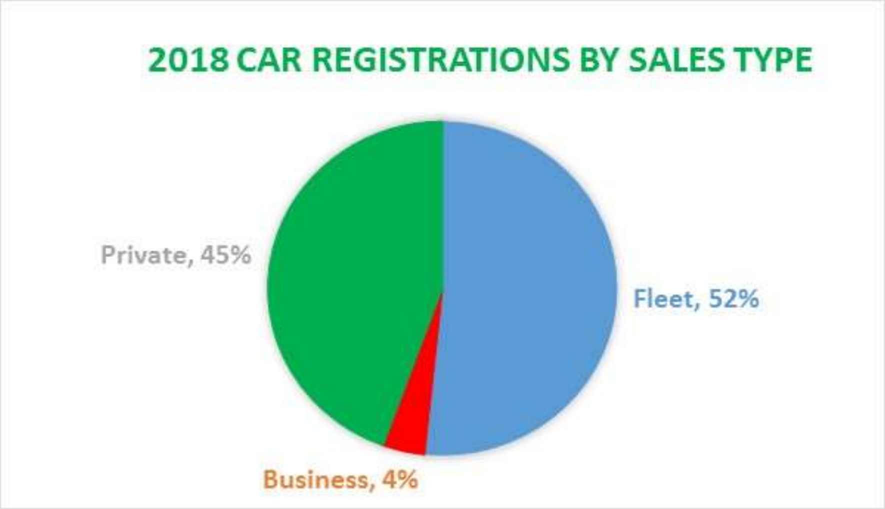
CENEX LCV 2019

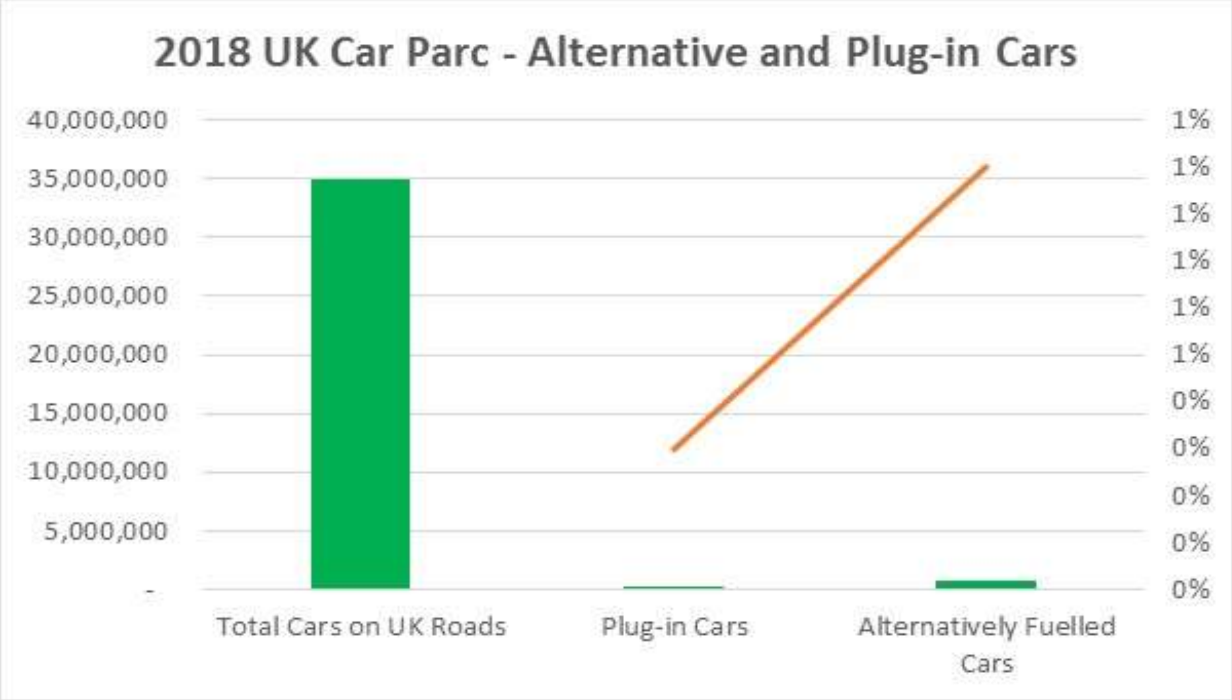
CHRIS CHANDLER – PRINCIPAL CONSULTANT

THE UK CAR MARKET – STARTING POINT

2018 Annual New Car Registrations			Change
Diesel	750,165	32%	-10%
Petrol	1,475,712	62%	5%
Alternative Fuels	141,270	6%	5%

2009 Annual New Car Registrations		
Diesel	832,456	42%
Petrol	1,147,547	58%
Alternative Fuels	14,996	1%

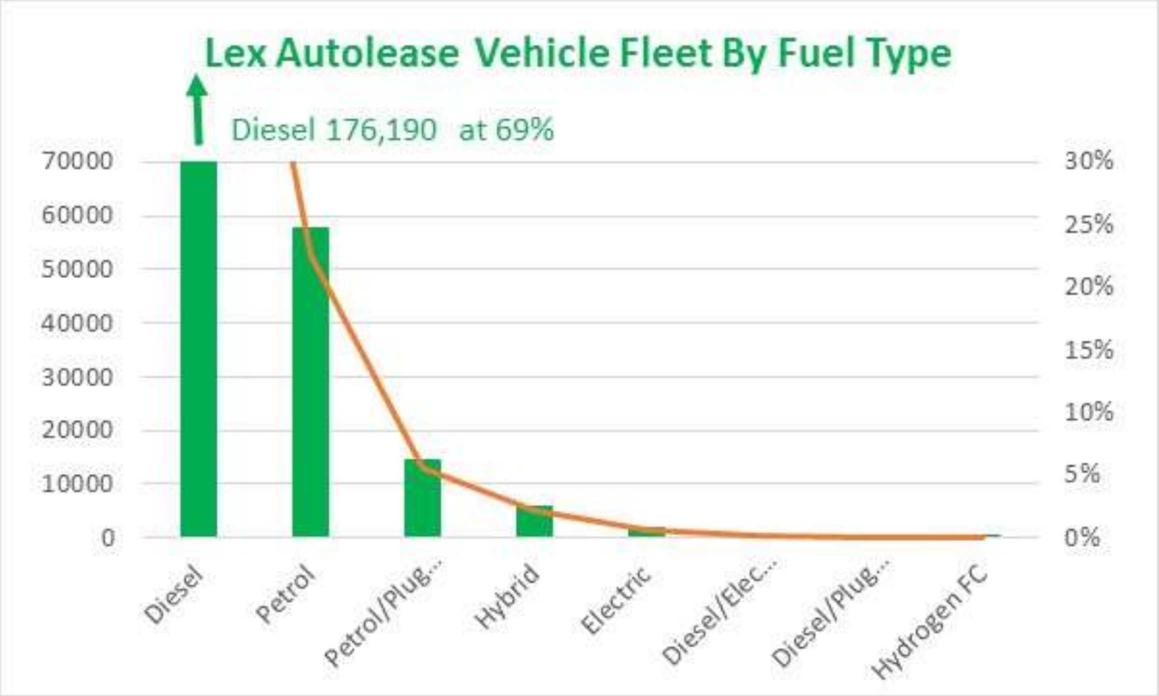




Average CO_2 emissions for new cars rose 2.9% in 2018 - second year of increase after sustained and significant year on year reductions
Due to rise in petrol and SUVs

Data From SMMT - Motor Industry Facts 2019

LEX AUTOLEASE – EARLY ADOPTERS AND LEADERS



First batch of Nissan Leafs in UK leased in Q1 2011
First Hydrogen Fuel Cell car leased to operational fleet Q2 2016

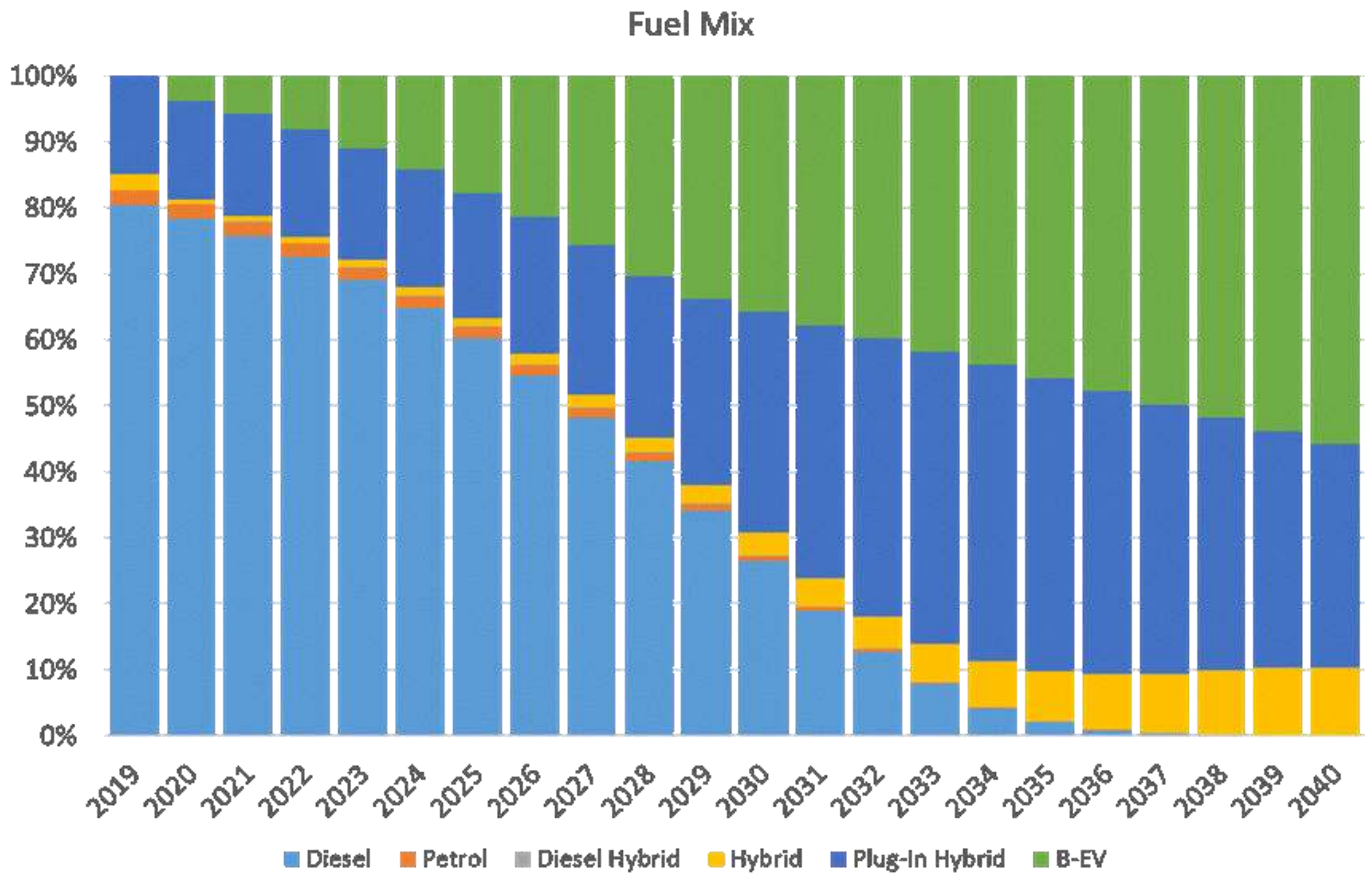
EV1000 – incentive of £1,000 cash back for the first 1,000 lease cars ordered in 2019.
Great uptake – all 1,000 incentives taken

Electric vehicle orders up 77% H1 2019 over H2 2018

Lex Autolease Car Fleet 8.8% alternative fuels 6.4% Plug-in at end of H1 2019

BUT CAN WE GET TO ZERO EMISSIONS BY 2040?

LEX AUTOLEASE – A CUSTOMER'S GLIDE PATH



Lex Autolease customer leading in the adoption of ULEVs and electrification

Forecast based on last 5 years of LA's fleet, factoring in predicted market changes

IT DEMONSTRATES IF WE JUST DO WHAT WE ARE CURRENTLY DOING – ITS NOT ENOUGH!

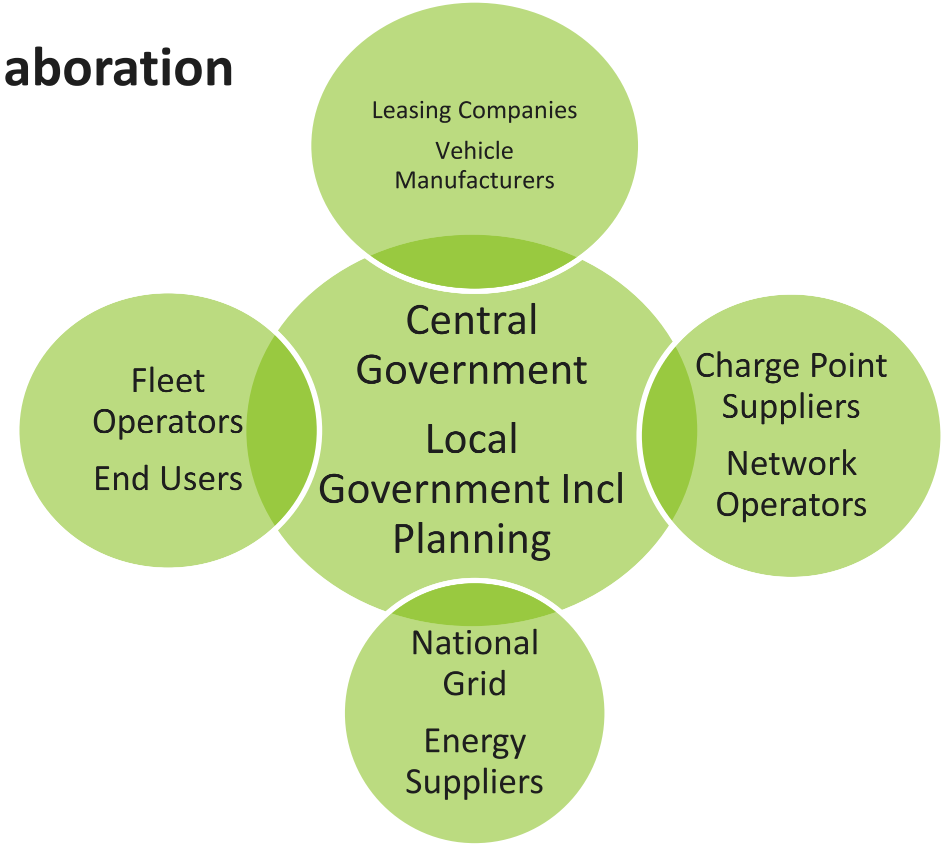
In 2040 nearly **55%** of their fleet ***COULD*** be zero emission and **90%** ***COULD*** be plug-in ULEV's

COLLABORATION – TO MEET TARGETS

Key Market Issues

- Supply constraints
  - Limited vehicle supply esp for desirable models
  - New models announced not all typical “company cars” and volumes predicted to be low
  - Unable to meet customers demands for plug-in vehicles – not just one or two trial vehicles
- Charging infrastructure:
  - Type of chargers – fast/ rapid/ ultra rapid
  - Location - street/ pathway/ destination
  - Access method/ payment/ interoperability
  - National Grid/ DNO for larger charging projects
  - Local Government CC/LA and planning
- Education and awareness – miss-information

Collaboration



We need to establish what we need, when we need it and where we need it - *collectively*

BARRIERS – TO OVERCOME COLLECTIVELY

CURRENTLY – identifying suitable applications

- Looking selectively:
  - Lower mileage drivers
  - Charging capacity at home and work
  - Drivers where a suitable EV is available (vehicle type and affordability)
  - More urban centric drive cycles
  - Areas with good public charging networks

  - And for commercial vehicles – sub 2.5 tonne due to limited product for heavier vehicles (and often unaffordable)

Mixture of sustainably focused fleets and individuals leaders and laggards

ROAD TO ZERO – mandatory for *ALL*

- All vehicles must be zero emission INCLUDING where
  - Drivers do high/ motorway mileage
  - Affordable zero emission essential user cars
  - Charging at home where 2 or more EVs in one household
  - Suitable power supply for depots/ offices with high volumes of electric vehicles
  - Commercial vehicle availability for heavier and specialized vehicles

When mandating all new vehicles to be zero emission there are barriers that need to be overcome which we do not face at present

IS IT POSSIBLE TO GET TO ZERO IN TIME?

Looking at leaders like Norway we will not achieve it without:

- **The right, and significant, incentives for new car buyers both fleet and retail**
- **In life incentives**
- **Focused investment in the charging infrastructure – both type and locations**
- **The Fleet Industry leading the transition**
- **Working with manufacturers to get electric vehicles to the UK**

But we can only achieve it together!

ANY QUESTIONS?

Thank you!