

LOOKERS PLC

MATERIALITY ASSESSMENT  
MARCH 2022

CEN-ESG

## MATERIALITY ASSESSMENT

At Lookers, we understand the importance of taking a sustainable approach to our business. We conducted a materiality assessment to define the issues which matter most to our company, from a financial perspective, and the issues which impact society and influence our stakeholders.

### Materiality Process

We considered issues of internal importance as well as incorporating external issues shaping our current strategy, referencing them to current and emerging industry trends and sustainability reporting standards. We held a workshop with our Executive Committee to develop and shortlist these issues and prioritised their relative importance to the business. We also surveyed a wide range of internal and external stakeholders to incorporate their views into our analysis and to help improve our understanding of the issues that are of importance to them. Our business success is only achieved through the effort of our colleagues and the service we provide our customers, so it was important for us to include a broad online employee and customer survey as part of our stakeholder outreach. This was supplemented with responses from our major shareholders, lending banks, and key suppliers, including OEMs, finance and insurance service providers and other suppliers.

The resulting matrix helps us prioritise the issues that matter most to us and our stakeholders and focuses on the issues we should use to shape our sustainability strategy, priorities, and reporting going forwards. Incorporating this analysis into our strategy will enable us to improve our impact on the wider world, whilst allowing our business to succeed.

### OUR MATERIAL ISSUES - WHAT MATTERS



We have grouped our material issues into four broad categories:

Governance
Environmental
Social
Product

## Materiality Results

The analysis has identified the following to be our most material issues:

- Ethical Conduct: Managing our business with integrity and in an honest, ethical and responsible manner (e.g., anti-bribery & corruption, whistleblowing, tax paying, responsible marketing).
- Product Quality & Safety: Our responsibility to sell products that are safe to use and to a high quality.
- Energy Management influencing Climate Change: How our site carbon footprint and energy management shape our contribution to managing climate change.

The results were reviewed by our Board of Directors for approval, and the path to success in each area is being incorporated into our sustainability strategy.

## UN Sustainable Development Goals

At Lookers, we believe we impact and influence six of the United Nations Sustainable Development Goals (SDGs). In particular, we make the greatest contribution to SDGs 3, 12 & 13 through the provision of safe, quality vehicles and the pivot of our business and our vehicle sales towards battery electric vehicles (BEVs).

UN SDG	Title	Lookers aligned material issues
	Goal 3: Ensure healthy lives and promote well-being for all at all ages	Product Quality & Safety
	Goal 5: Achieve gender equality and empower all women and girls	Fair Employment, Diversity and Inclusion Principles
	Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Fair Employment, Diversity and Inclusion Principles Responsible Supply Chain Health and Safety Talent & Workforce development
	Goal 12: Ensure sustainable consumption and production patterns	Waste Green Product Innovation

 <p>13 CLIMATE ACTION</p>	Goal 13: Take urgent action to combat climate change and its impacts	Energy Management influencing Climate Change
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	Goal 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Ethical Conduct Data Security & Customer Privacy