BUSINESS MOBILITY:

EVERYTHING YOU WANTED TO KNOW ABOUT MOBILITY

(But didn't know who to ask)

CONTENTS

1. INTRODUCTION

The concept and use of the word, “mobility” is increasingly prevalent across the fleet industry. The prospect of new market and product opportunities, as companies engage more fully with the concept of mobility and what it means for their employees and employer brand, has spawned countless mobility start-ups and produced a raft of new product developments from existing lease and rental providers.

Traditionally, company car fleets have been the answer to a company’s mobility requirement. But as the approach to employee mobility is drawn into sharper focus, the company car is rapidly becoming only one part of a broader mobility mix.

And the development of MaaS (Mobility as a Service) has paved the way for numerous technology disruptors to now regard the new deliverables of mobility as being technology, connectivity and service. It is increasingly about the ease and convenience with which someone moves from A to B rather than the mode of transport.

Fleet and rental providers are also working hard to be influential in the growth of mobility. Alphabet now regard themselves as “business mobility partners” rather than a leasing company, whereas SIXT’s CEO is quoted in their annual report that customers are not concerned about their method of transport as long as they get quickly and conveniently to their destination.

But what is mobility and what does it mean for your business? What mobility demands can you expect from your employees and what is the best strategy for dealing with the changing mobility landscape?

The Future of Mobility

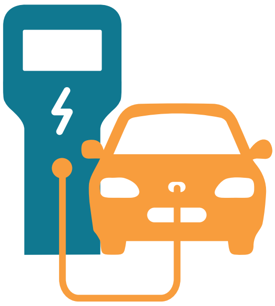
- Evolving mobility landscape impacting mobility planning.
- Technological explosion impacting consumer demands.
- New competitive opportunities.
- Moving from total cost of ownership to total cost of mobility.

2. THE NEW MOBILITY LANDSCAPE

The mobility landscape of today, and more importantly tomorrow, is changing: driven by global macro trends that are influencing how people view transportation, car ownership and movement. Technology is making it as simple to order transport almost instanteously, as it is to step out the front door into a private vehicle.

Whilst changing attitudes to the environmental impact of the vehicle are shaping the way in which younger generations view mobility and its role in their lives.

There are five global macro trends that are influencing today's mobility landscape:



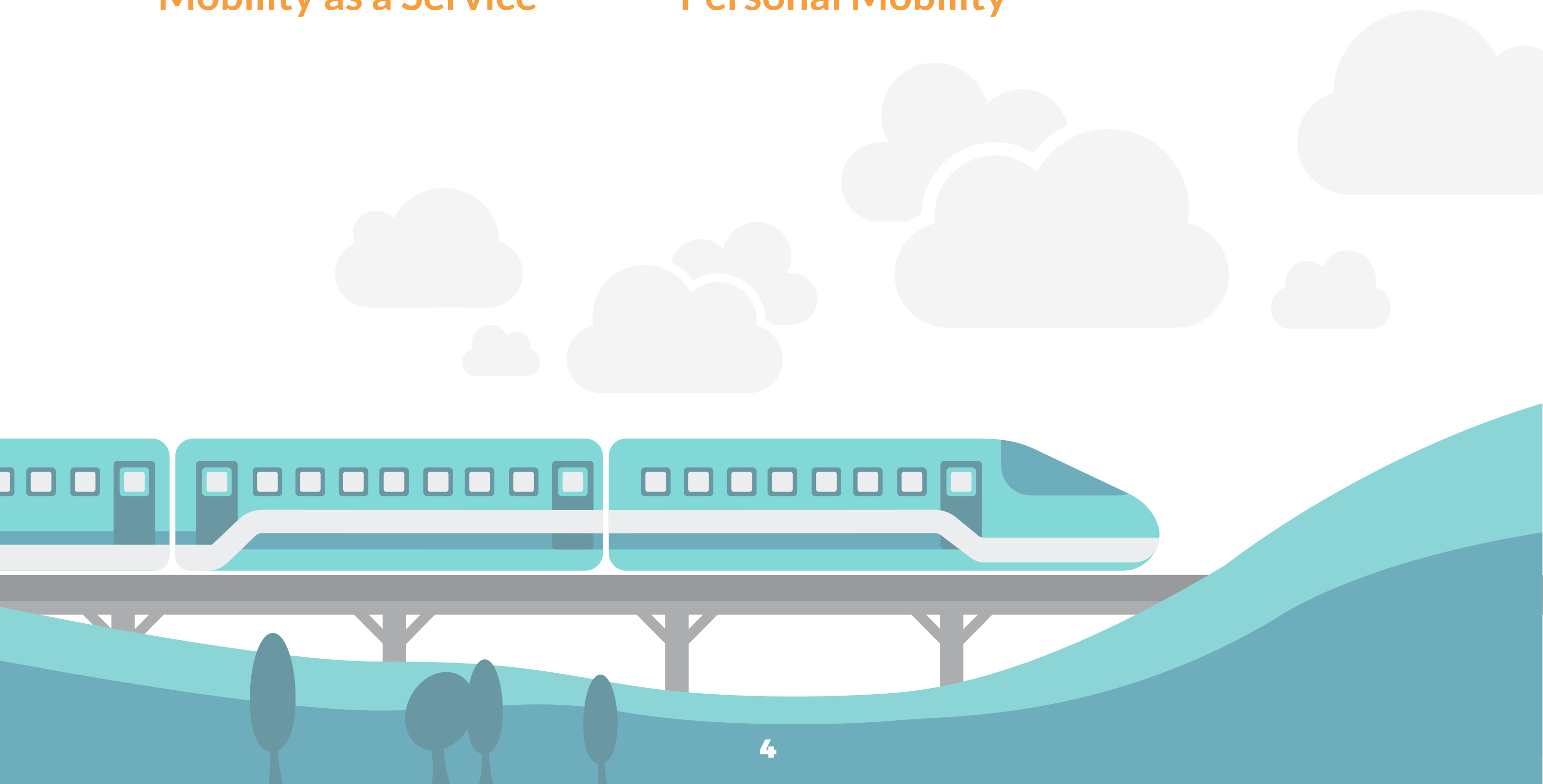
Alternative Drivetrains

Millenials

Digital Lifestyle

Mobility as a Service

Personal Mobility



2.1 MACRO TRENDS

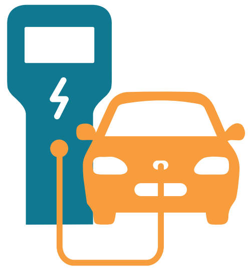
2.1.1 Alternative Drivetrains

The desire for alternative drivetrains continues, as governments, pressure groups and consumers place mounting pressure on the traditional forms of diesel and petrol. Many major cities around the world have introduced diesel bans to varying degrees, whilst Paris, Mexico City, Madrid and Athens have all confirmed complete diesel bans by 2025.

These current or planned restrictions have also impacted the appeal of diesel cars. After years of steady growth, sales of diesel cars in the UK fell close to 40% year on year in March 2018, taking the once-dominant fuel's market share down to just 32% of new cars sold[1]. In Germany the failure to reach decisive action on urban diesel bans has lead to a massive decline in demand and a reported backlog of used models that has swelled to €4.5Bn.[2]

PWC have reported that they believe the European passenger car and light duty vehicle diesel vehicle registrations will "fall off a cliff" by the end of this decade.

Although it is assumed that AFV's will pick up the slack they remain a very small percentage of overall passenger vehicles, only accounting for 0.2% globally. However, although growth has slowed in the last 2 years, the International Energy Agency still predict that electric car stock will range between 9m and 20m by 2020.



Whilst the emission scandal and the increasing concern of NOx and public health fuels this narrative, there are progressive policy makers across Europe that are in fact working toward the removal of all urban vehicular access, no matter the fuel that drives it.

The short-term outlook is the increasing undesirability of the diesel vehicle and the rapid take-up of the AFV, whilst the medium term view must be of the gradual decline in urban vehicular access and the growth in alternative and multi-modal mobility solutions

> The International Energy Agency still predict that electric car stock will range between 9m and 20m by 2020.

[1] https://www.ft.com/content/70131c46-38b6-11e8-8eee-e06bde01c544

[2] https://www.bloomberg.com/news/articles/2017-08-24/germany-s-diesel-fear-sees-5-billion-in-used-cars-gather-dust

2.1 MACRO TRENDS

2.1.2 Millenials

Generation Y or Millennials (those born approximately between 1980 and 2000) are the generation that matured alongside the digitisation explosion. The use of digital technologies has shaped their attitude to many things, including transport and the sharing economy. This, alongside an increasing concern for environmental issues, means the younger generation is very aware of alternative transport modes and less inclined to desire private car ownership.

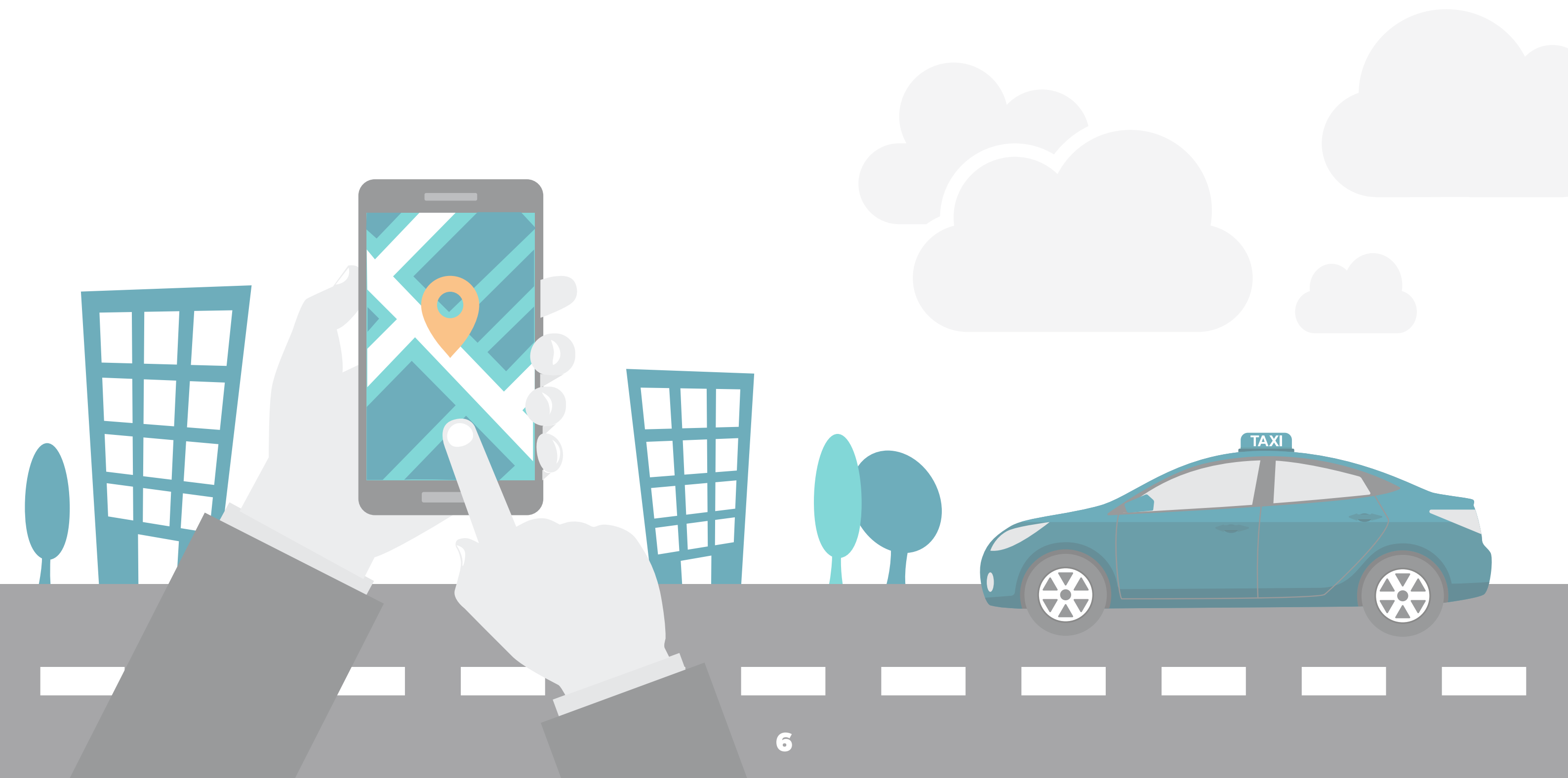
A US study of 1400 millennials located in California established that millennials consistently drive less and use all types of shared mobility suggested in the study more often than their older peers:

- Fleet-based car sharing
- Peer-to-peer car sharing
- Dynamic car pooling
- On-demand ride services such as Uber and Lyft
- Bike-sharing

A US study of 1400 millennials located in California established that millennials consistently drive less.

The study points out that it remains unclear whether millenials reflect a different generation or merely a young generation that will eventually adopt the lifestyle patterns of older generations as they age.

Undoubtedly, there will be influencing pressures as lifestyle needs change and millennials begin families etc, but as the millennials mature their space will be filled with the next generation whose upbringing will be even more immersed in a digital society.



2.1 MACRO TRENDS

2.1.3 Digital Lifestyle

Digital is transforming the way society and business functions. The ubiquitous smartphone creates an empowered and connected consumer that increasingly demands instant gratification.

The power of digital has created the behemoth Uber, which is responsible for 5 billion journeys since its inception, growth only made possible because of the take-up of digital services making an existing service, taxis, more convenient and cheaper.

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Many organisations embracing the introduction of mobility services are taking advantage of digitization to create communication tools that effectively create an always-on, digitized car-sharing service from what was previously a car pool. Central booking facilities available via smartphone apps, and keyless car technology allowing ease of access, have encouraged the growth of car sharing as a rapidly growing and appealing mobility solution.

2.1 MACRO TRENDS

2.1.4 Mobility as a Service

Research (Transport Systems Catapult)[3] shows that transport users increasingly view transport as a service that they wish to buy when it is needed. Through the pervasive use of mobile phones, travellers are now fully connected to real-time data that allows quick and accurate decisions about travel options.

This has led to the growth of MaaS which has been defined by Catapult as "the use of a digital interface to source and manage the provision of a transport related service(s) which meets the mobility requirements of a customer."

As Catapult explain, traditional mobility has been defined by fleets of vehicles managed around transport networks, whereas MaaS reverses this and puts the customer first by framing the mobility systems around customer preferences; consequently creating an opportunity to improve people's movement.

> Through the pervasive use of mobile phones, travellers are now fully connected to real-time data.

[3] https://ts.catapult.org.uk/

2.1 MACRO TRENDS

2.1.5 Personal Mobility

The personal mobility choices of many Europeans are rapidly changing. A recent study commissioned by [4] ALD Automotive revealed that 50% of Europeans consider car ownership as non-essential. The attitude toward car ownership is even more dramatic for home-to-work commuting, with only 36% considering it essential. Although ownership may no longer be considered essential, the car remains a major contributor to mobility solutions, with car sharing, long-term leasing and chauffeur-driven (taxis) considered the three most popular mobility options.

50% of Europeans consider car ownership as non-essential.

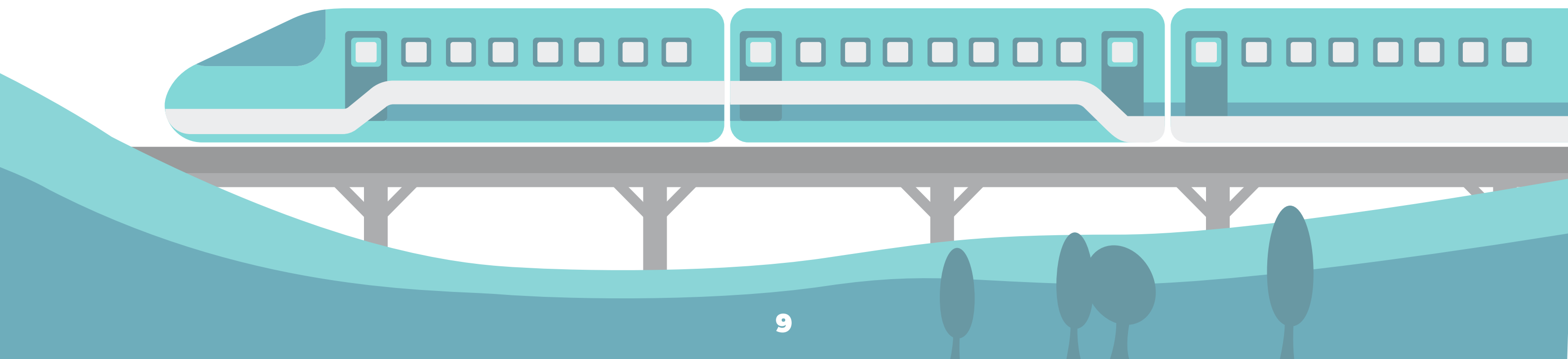
Awareness of car sharing is particularly high in France with 80% being aware of the practice and 29% having already used it. However Germany is the most developed country for car sharing, with a third of the population having already used it. As might be expected the practice of car sharing has a broader appeal amongst younger drivers, with 40% of all users across Europe being under 35.

Finances appear to be driving the conversion to alternative mobility methods, with 58% of Europeans claiming this to be the main advantage of car sharing over personal ownership. Although financial incentives will almost certainly be a constant, environmental issues also have a significant impact on the choice of transportation for Europeans. 58% have already favoured green alternatives even though they could translate into longer journeys. 45% claim to have made this choice several times.

Again it is the younger generation that are driving this change, with 66% of those under 35 having already made this environmental choice.

> Awareness of car sharing is particularly high in France with 80% being aware of the practice and 29% having already used it.

[4] https://www.fleetnews.co.uk/news/car-industry-news/2017/09/26/end-of-car-ownership-europeans-ready-to-shift-towards-alternative-mobility-options



2.2 MARKET FORCES

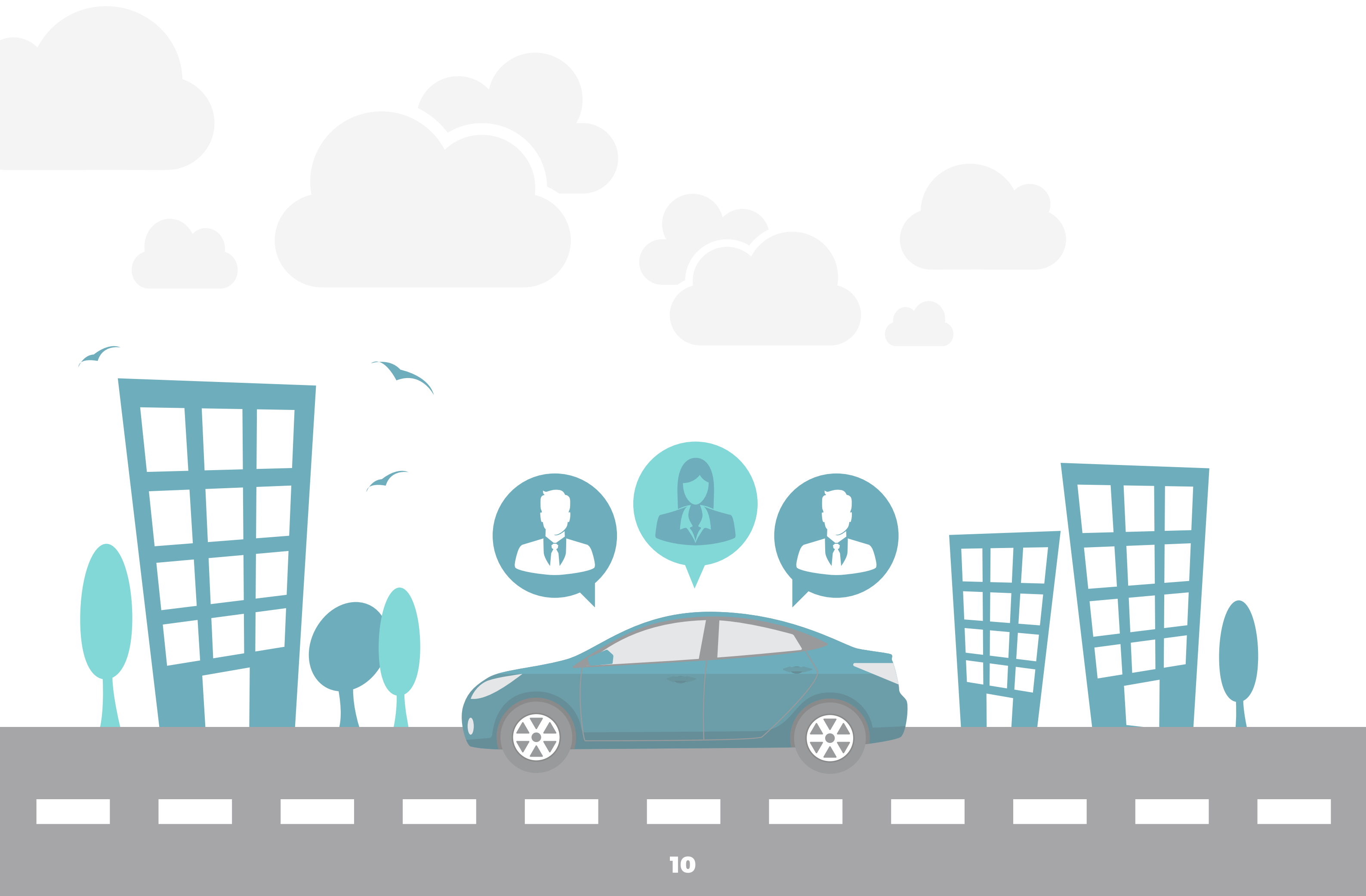
Global social trends are shaping the way in which the public is consuming transport, whilst companies are contending with market forces that are influencing their decisions around mobility optimisation.

2.2.1 Category Spend

Mobility remains essential for business, and is an ever-present cost. However, as with all non-core services, the cost and the need to manage it is under constant review.

Traditional practice is to manage the spend inherent to the movement of people in separate silos – fleet costs, business travel, expenses. Managing these separate cost centres holistically provides opportunities to understand the relationship between them and the efficiency of travel, whilst also exploiting synergies and levers to reduce cost. e.g. the relationship between cash allowance drivers and their business travel expenses.

> The cost and the need to manage mobility is under constant review.



2.2 MARKET FORCES

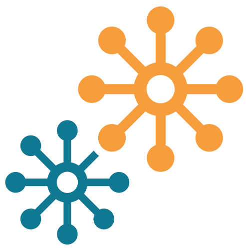
2.2.2 CSR

Managing carbon footprint is a clear objective of many corporate social responsibility programmes, and as transport is a major contributor to CO_2 emissions, a carefully managed mobility programme can have a major impact. (Eurostat claim that transport is responsible for 23% of greenhouse gas emissions in 2015, up from 15% in 1990[4]). Minor behavioural changes have the potential to significantly impact emissions, something that can be harnessed via a well-researched mobility plan.

2.2.3 Productivity

A US study by Carlson Wagonlit's Travel Solutions Group in 2013[5] found that business air travellers can experience stress as measured in "lost time or time unavailable to travellers for work or rest" for as much as 6.9 hours per trip. They converted this to a financial loss of as much as $662 per trip. They also claim that "best-in-class" companies can mitigate as much as 32% of the lost time.

Long-haul air travel is a much more common travel practice for business travellers in the US than it is in Europe, and it is unlikely that the effect would be as great for European business travellers, however this study does shed light on the non-productive time that travellers endure pre-journey, during and post-journey.



Minimising this downtime is an essential objective of any mobility plan which can be supported by solutions that enhance work opportunities during the travel phase, and reduce the stresses of pre-and-post journey.

> Minimising downtime is an essential objective of any mobility plan.

[4] "Eurostat statistics explained", Eurostat website, http://ec.europa.eu/eurostat

[5] http://www.businesstravelnews.com/Business-Travel/CWT-Introduces-Travel-Stress-Algorithm

2.2 MARKET FORCES

2.2.4 Recruitment & Retention

The company car has long been considered an important recruitment and retention tool, especially for those roles with perk-car eligibility. However it is becoming increasingly difficult to differentiate a job package via company car benefit design. In countries such as UK and Germany where the company car is ubiquitous, an alternative mobility solution can be used as a key point of difference for an employer.

As the younger generation are far more familiar with the aspects of new and urban mobility alternatives, a rounded mobility offer may be a useful recruitment tool when targetting the right audience.

> A rounded mobility offer may be a useful recruitment tool when targeted at the right audience.

2.2.5 Technology

The increasing number of mobility distruptors are developing technological solutions to improve the connectivity of an otherwise disparate transport network.

New businesses such as Mobilleo in the UK and Moovel in Germany are connecting urban mobility solutions into one app that can advise, book and pay for transport that otherwise would have taken time to research and review. The always-on, real time needs of the new consumer and traveller, demands that travel solutions can be made instantly with little downtime for planning. And it is the businesses that best address these demands that are winning through – Uber.

> New businesses such as Mobilleo in the UK are connecting urban mobility solutions into one app.

3. MOBILITY LANDSCAPE

A new mobility landscape is emerging from the market pressures being played out across UK and Europe. The way in which people movement is viewed within businesses is changing , and is increasingly seen as an enabler of competitive advantage, recruitment differentiation and employee wellbeing.

FROM TOTAL COST OF OWNERSHIP TO TOTAL COST OF MOBILITY

The traditional transport solutions adopted by most businesses have been based around the company or private ownership of a vehicle, supplemented by some pool company vehicles and the model has been one of total cost of ownership.

Growing financial constraints and concerns over emissions means the focus is shifting from total cost of ownership toward usage and total cost of mobility: less about considering mobility as separate entities – fleet, business travel, and expenses, and more about considering them as one, whilst embracing new ways to remove cost and make mobility seamless.

3.1 MOBILITY SOLUTIONS

Leasing companies have traditionally supplied transport solutions via car fleets. As companies are being forced to reconsider the financial and carbon cost of employee movement, a wide range of service providers are disrupting the market and providing mobility solutions that are shifting the focus from long term leasing and ownership, to usage and mobility.

3.1.1 Car Sharing

Many companies have taken the concept of the company car pool, enhanced it with technology, and transformed it into a car-sharing scheme. It is the development of the technology that makes the creation of a sharing scheme much more attractive and effective than even 10 years ago, with advancements such as real-time app based booking and keyless vehicle access.

According to Fleet Europe, the car-sharing market is expected to grow at an annual rate of 26%, with 18m users by 2020. The market is driven by the rental companies who have gone through a period of product development and acquisition to offer the majority of the corporate car sharing schemes currently available. DriveNow recently divested by Sixt, and Ubeeqo by Eurpocar, appear to be leading the market with penetration across Europe.

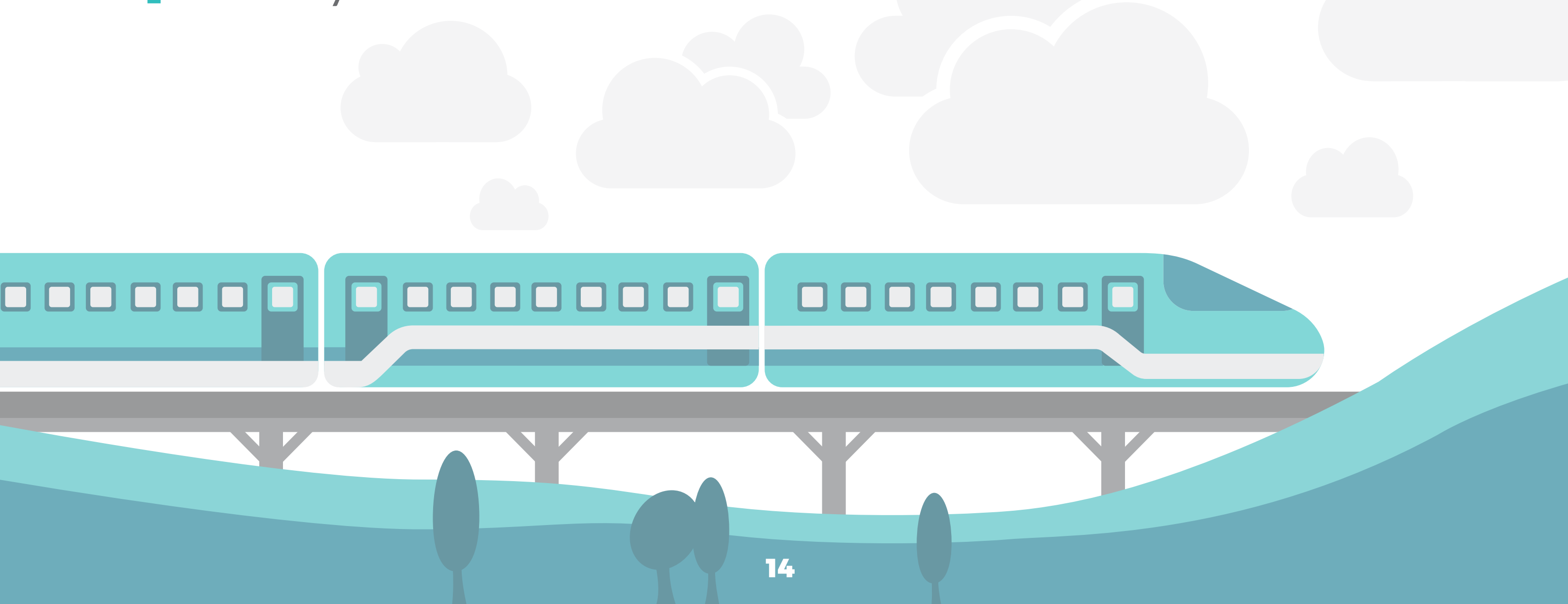
> The car-sharing market is expected to grow at an annual rate of 26% with 18m users by 2020.

Car-sharing can be offered in a number of ways, via the following:

- *Public agency – local authority scheme*
- *Specialised private company - Drivenow*
- *Ad-hoc group as a p2p service – community car clubs*

The "sharing" of the vehicle can also be handled in many ways:

- Station based - where the cars are centrally located and must be hired and returned to the same station.
- Free floating - where the cars are parked within zones and are located and unlocked via a booking app, after the journey they can also be dropped anywhere within a fairly widespread zone.
- Intra-corporate - where businesses located within industrial /business areas collaborate and share vehicles between their employees.



3.1 MOBILITY SOLUTIONS

3.1.1 Car Sharing (cont.)

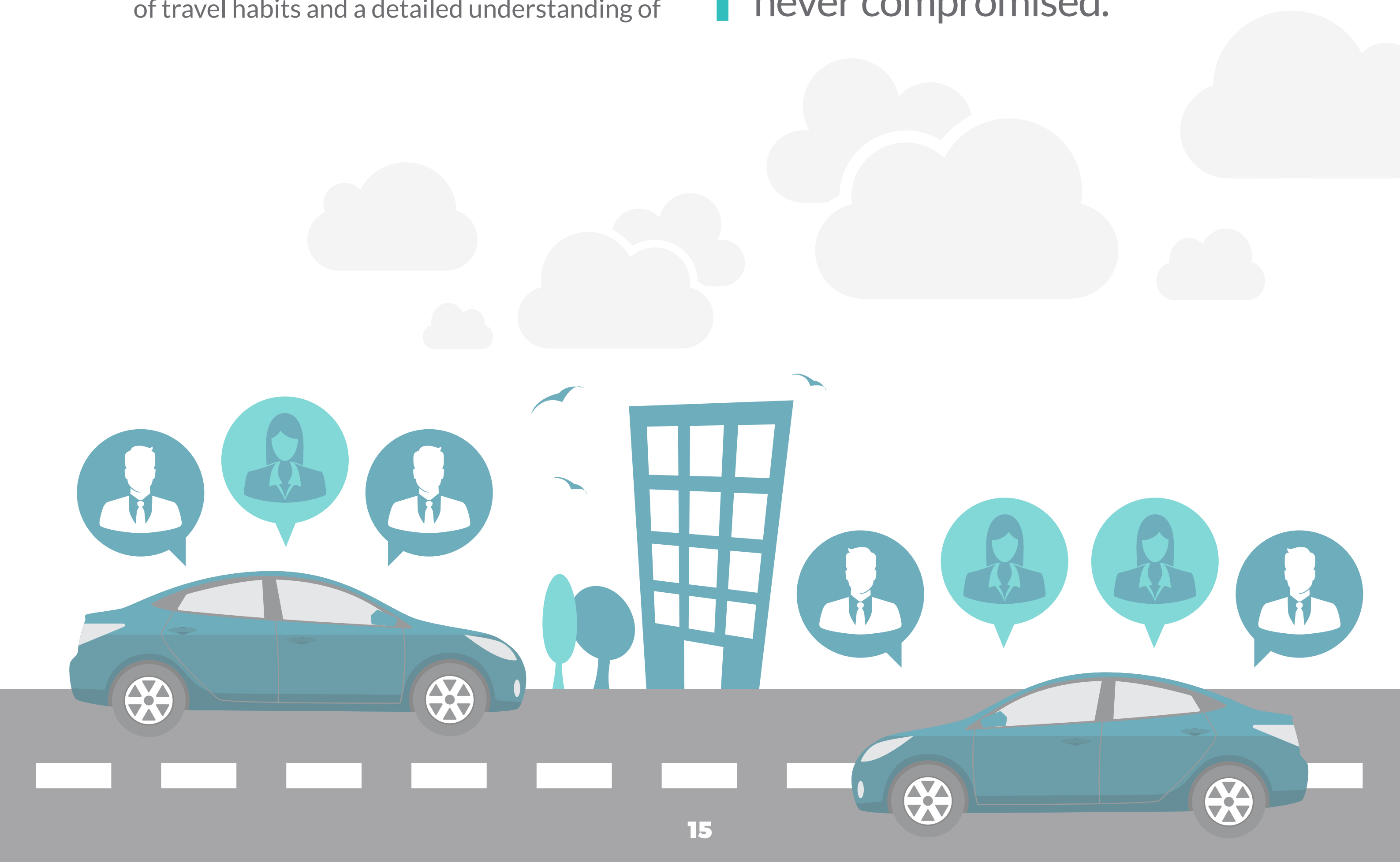
There are two business models for developing a car-sharing scheme:

1. Use technology to convert part of an existing fleet. Companies such as Ubeeqo offer technology to assist in this.
2. Enlist the services of specialist provider such as DriveNow or Car2Go and make use of their vehicle fleet and booking app.

Car sharing is quite a step-change for companies and employees alike, and the introduction of schemes will always require careful planning and consultation. The main practical requirements are managing the optimum number of vehicles so that availability is never compromised. It is stated that 1 car share vehicle can replace up to 8 standard company cars, however a study of travel habits and a detailed understanding of travel planning is needed before the correct ratio of vehicles to employees is introduced.

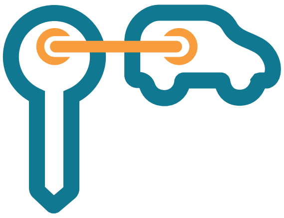
As company cars are still a powerful and emotional draw for recruitment and retention, some providers mitigate this by offering an integrated car share and mobility credit allowance. This means a user can relinquish their company car and downgrade to a smaller car within a car share scheme. They have credit up to the value of their allowance that they use on the car share use, however they can also use that for evening and weekend hire.

> The main practical requirements are managing the optimum number of vehicles so that availability is never compromised.



3.1 MOBILITY SOLUTIONS

3.1.2 Car rental



To match the demands of a new mobility landscape, many providers are adapting their traditional car rental products. Responding to the real-time always-on demands of modern cities, companies like Enterprise are working on a journey assessment tool to help customers choose the most appropriate form of travel depending on their requirements and company policy.

They are developing the tools to respond to the mobility objectives of their clients so that the outputs of the travel queries are aligned to the client goals, whether that is environmental impact or cost-based.

Car rental companies are increasingly seeing themselves as mobility providers, hence the spate of acquisitions of car-sharing and micro-rent providers: acquisitions that are being incorporated to mobility offers that complement the classic rental model.

> Car rental companies are increasingly seeing themselves as mobility providers.

3.1.3 Ridesharing

A relatively new concept, ridesharing apps allow drivers to recruit passengers to share a journey. Drivers can offer their journey whilst passengers can find a journey. Apps such as BlaBlaCar allow drivers and passengers to earn ratings via the app.

The potential of ridesharing is obvious for certain audiences such as students, but its application for business and business travel appears limited.

> Ridesharing apps allow drivers to recruit passengers to share a journey.

3.1 MOBILITY SOLUTIONS

3.1.4 Ride hailing/Chauffeuring (Taxi)

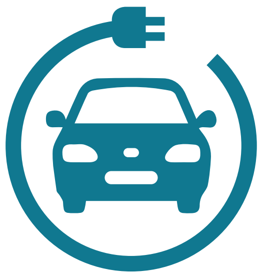
Uber has transformed the taxi industry by offering taxi access via one smartphone app regardless of location. Convenience and cost are the key attractions to using a service such as Uber and the rapid growth of the business has spawned new entrants such as Lyft.

Car rental businesses are now recognising the appeal of ridehailng services as part of an overall mobility solution and are introducing a form of ridehailing alongside rentals and car sharing. MyDriver, the ridehailing solution of Sixt, is positioned as a chauffeur service that uses central booking and fixed price journeys to offer convenient one-way journeys, presumably capitalising on the branding link to other Sixt rental services.

> Uber has transformed the taxi industry by offering taxi access via one smartphone app.

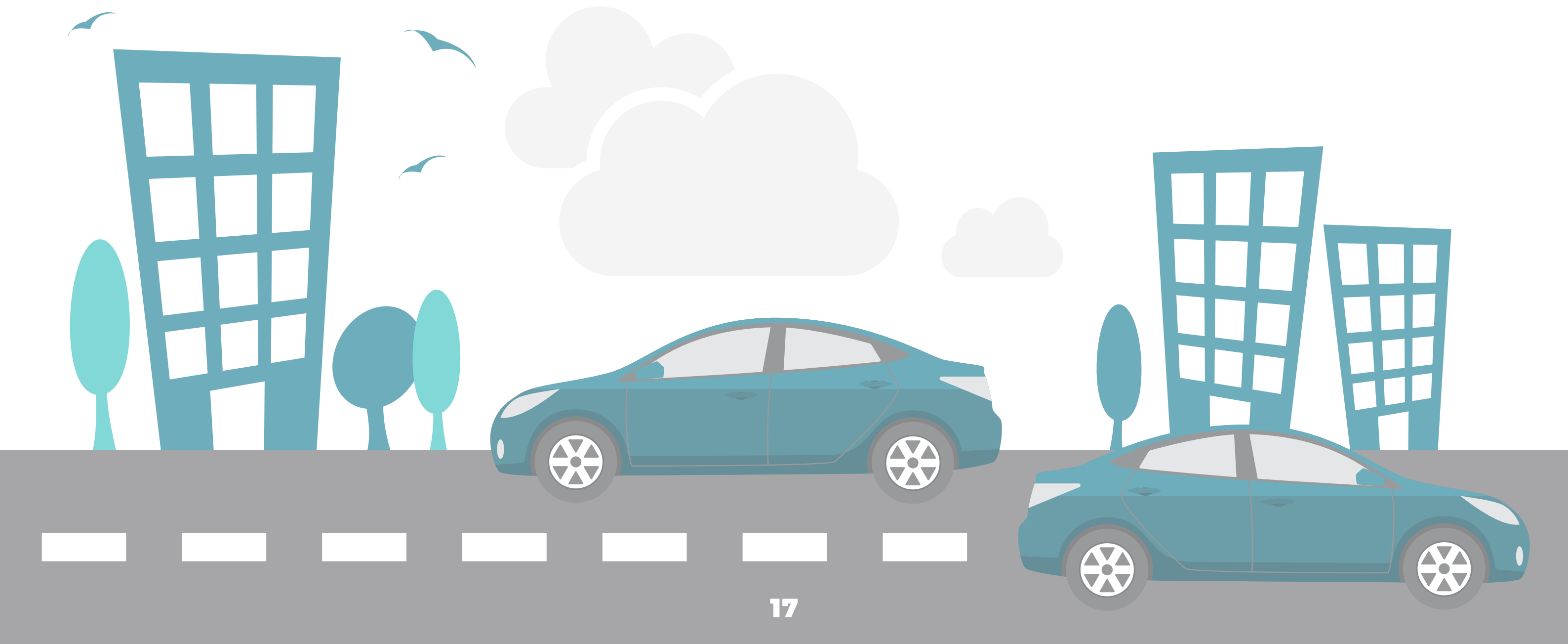
3.1.5 eMobility

eMobility does not offer any particularly unique mobility solution other than the fact it is based around EV and hybrid vehicles. In fact, the need to charge the vehicle and be mindful of range does limit its suitability for car-sharing schemes, however companies like Alphabet are developing mobility products based on the use of EV's within a mobility framework.



Alphabet are mindful of the range and charging challenges so have developed a series of modular products such as the Alphaelectric Charge Card providing access to over 5000 charging stations and the Alphaguide that provides details of charging locations relative to current location.

> Companies like Alphabet are developing mobility products based on the use of EV's within a mobility framework.



3.1 MOBILITY SOLUTIONS

3.1.6 Bikesharing/Company Bike

Bikesharing schemes are becoming increasingly popular and widespread across many major European cities: Bicing in Barcelona, Velib in Paris, Santander Cycles in London, NextBike across Germany, these cycling solutions offer cheap, convenient and emission-free urban transport.

The encouragement of bike sharing is a positive contribution to employee wellbeing, both physically and financially.

Even though the majority of the schemes are public and are not targeting corporate users a recently concluded Bike2work programme converted 1/2m commuters across Europe from cars to bikes, saving 21,000 tonnes in CO_2. Relatively mature mobility markets such as UK, Netherlands and Germany are seeing a big increase in cycling, although it is Belgium with its urban density and financial incentives that are seeing the biggest take-up of cycling schemes.

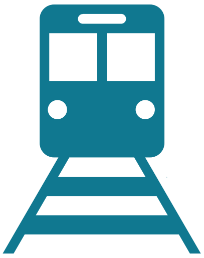
And this growing appeal for cycling is encouraging leasing companies to create cycling products. Some are offering bikes as a standalone product or alongside a car lease. ALD are leasing 1000 bikes in Belgium via its Companybike scheme.

Cycling has obvious health benefits, can reduce CO_2 emissions and creates a powerful corporate social responsibility message; however it remains a solution that will always be only suited to certain individuals and for short-haul urban journeys. However, when it is increasingly highlighted that the first and last mile of a business journey are normally the most challenging and stressful, access to company bikes may bring some relief to those experiencing these on a regular basis.

> The growing appeal of cycling is encouraging leasing companies to create cycling products.

3.1 MOBILITY SOLUTIONS

3.1.7 Public Transport



Integrating public transport into a mobility solution is a key differentiator for certain providers and has been used by some companies who are targeting CO_2 reduction across their business.

ALD have created a product called Railease that works alongside their leasing products and combines a rail pass with a long-term vehicle rental. Dutch bank ABN Amro have introduced a similar scheme in the Netherlands whereby all employees are entitled to a public transport subscription, although there is a condition that their vehicle must not be in use when the public transport journey is being made.

> ALD have created Railease which combines a rail pass with a long-term vehicle rental.

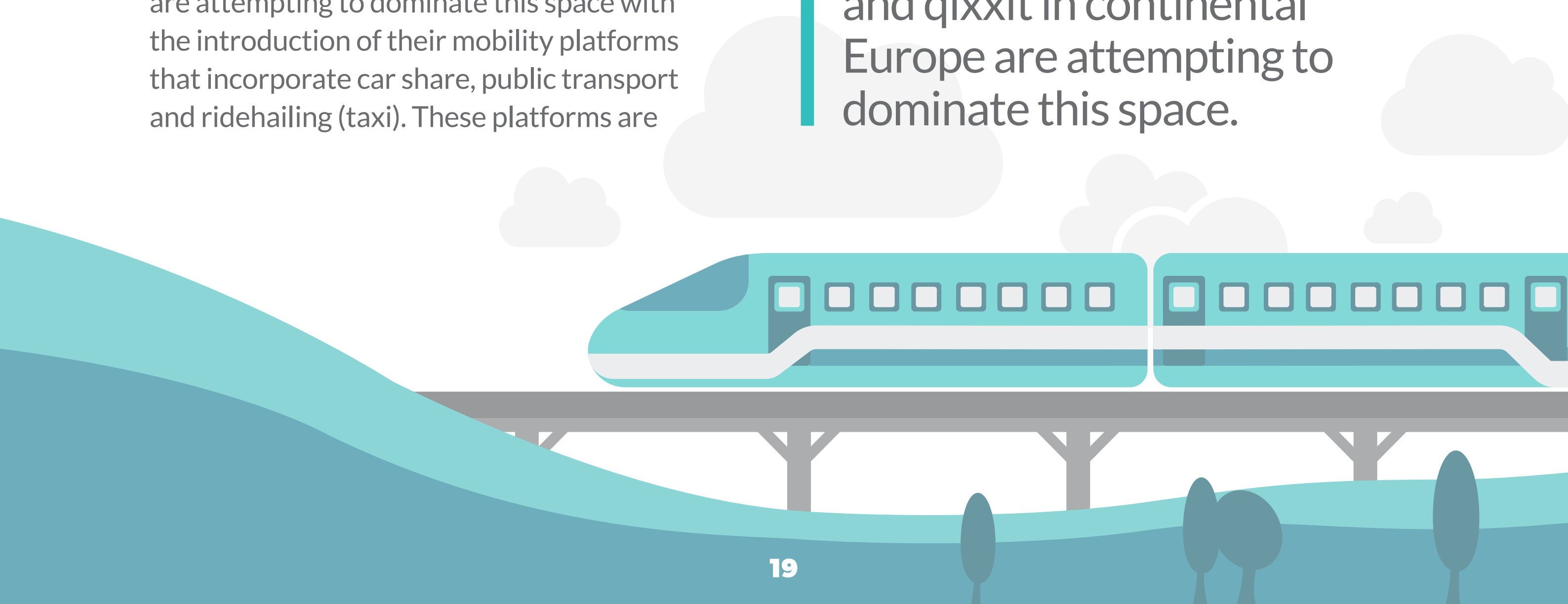
3.1.8 Integrated Mobility Services

As referenced previously, rental and leasing companies are attempting to develop fully rounded mobility solutions that offer first to last mile mobility across all relevant modes. Their failure to incorporate public transport currently means that they can offer a part solution mostly suited to the core part of the journey, not necessarily the first and last mile which are typically classed as the most challenging stages.

Mobility services such as Whim in the UK and Moovel and Qixxit in continental Europe are attempting to dominate this space with the introduction of their mobility platforms that incorporate car share, public transport and ridehailing (taxi). These platforms are predominantly B2C and indeed Qixxit have suggested it is not ready for a corporate environment, however they can't be discounted as possible solutions for easy urban short-haul transportation.

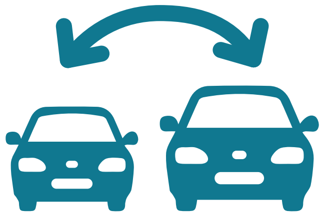
Recent announcements suggest train operators will soon be allowing apps to access real-time travel data, providing a much needed boost to the effectiveness of integrated mobility apps.

> Mobility services such as Whim in the UK and Moovel and qixxit in continental Europe are attempting to dominate this space.



3.1 MOBILITY SOLUTIONS

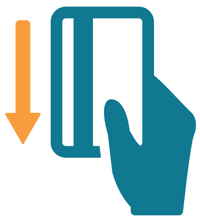
3.1.9 Combination Leases



Combination leases are a new development from ALD that allow users to switch between vehicle types depending on the journey need. For example, a user may use a smaller vehicle for midweek urban journeys whilst having the option to transfer to a larger vehicle when needed.

This product is currently only available in Belgium and the Netherlands.

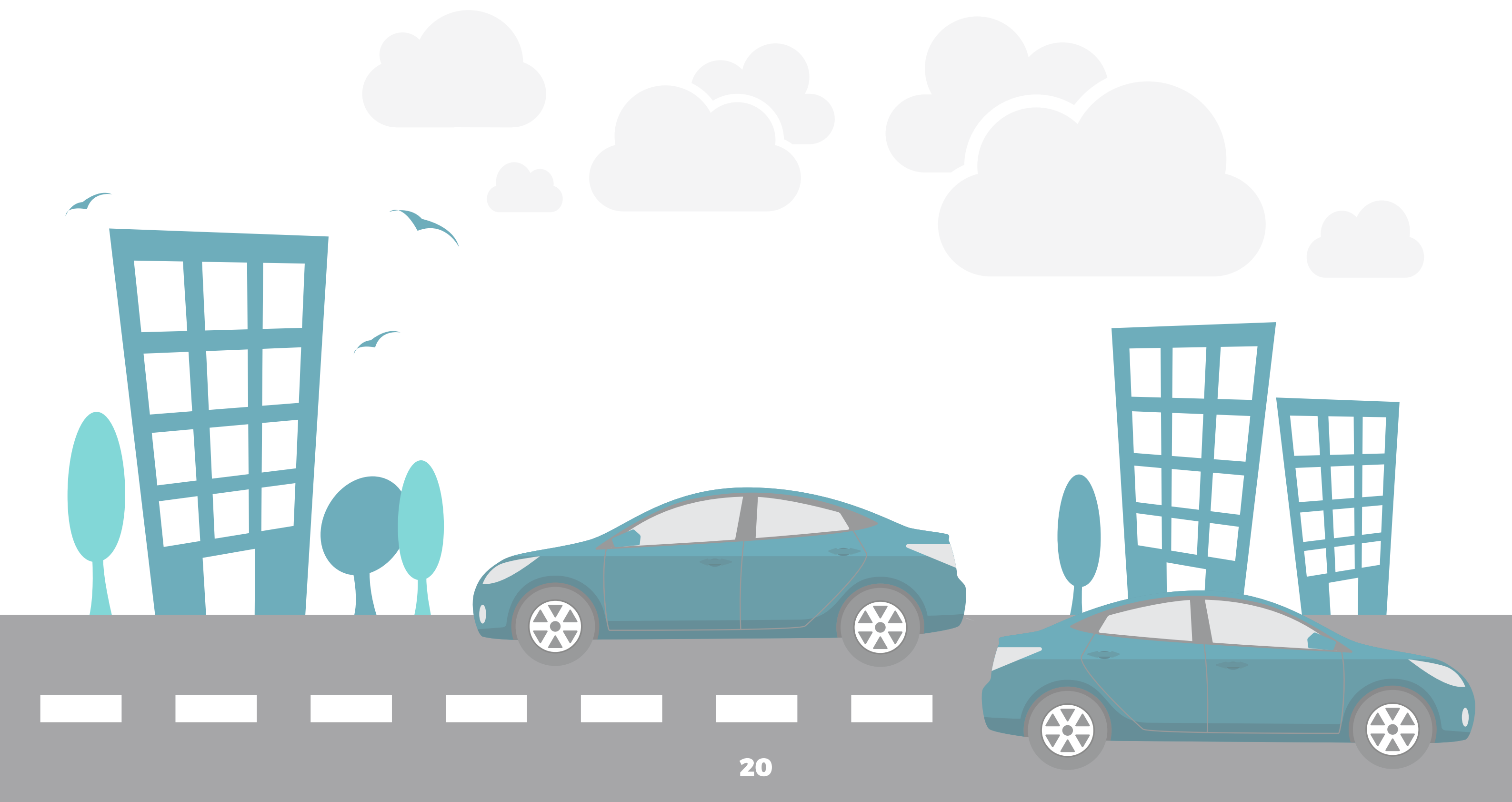
3.1.10 Mobility Cards



Mobility cards have been developed to make business travel administration less challenging by incorporating many travel providers alongside a Visa or Mastercard platform. Cards can typically be used for payment across all forms of transport and ancillary services and provide the added benefit of single invoices and easy VAT reclaim.

The Netherlands, with its tightly integrated transport network, appears to be quite a mature market for mobility cards, with the two main operators being NS Business Card owned by NS (>280k users) and Mobility Mixx, owned by Leaseplan (>120k users).

> Cards can typically be used for payment across all forms of transport and ancillary services.



3.1 MOBILITY SOLUTIONS

3.1.11 Mobility Budgets

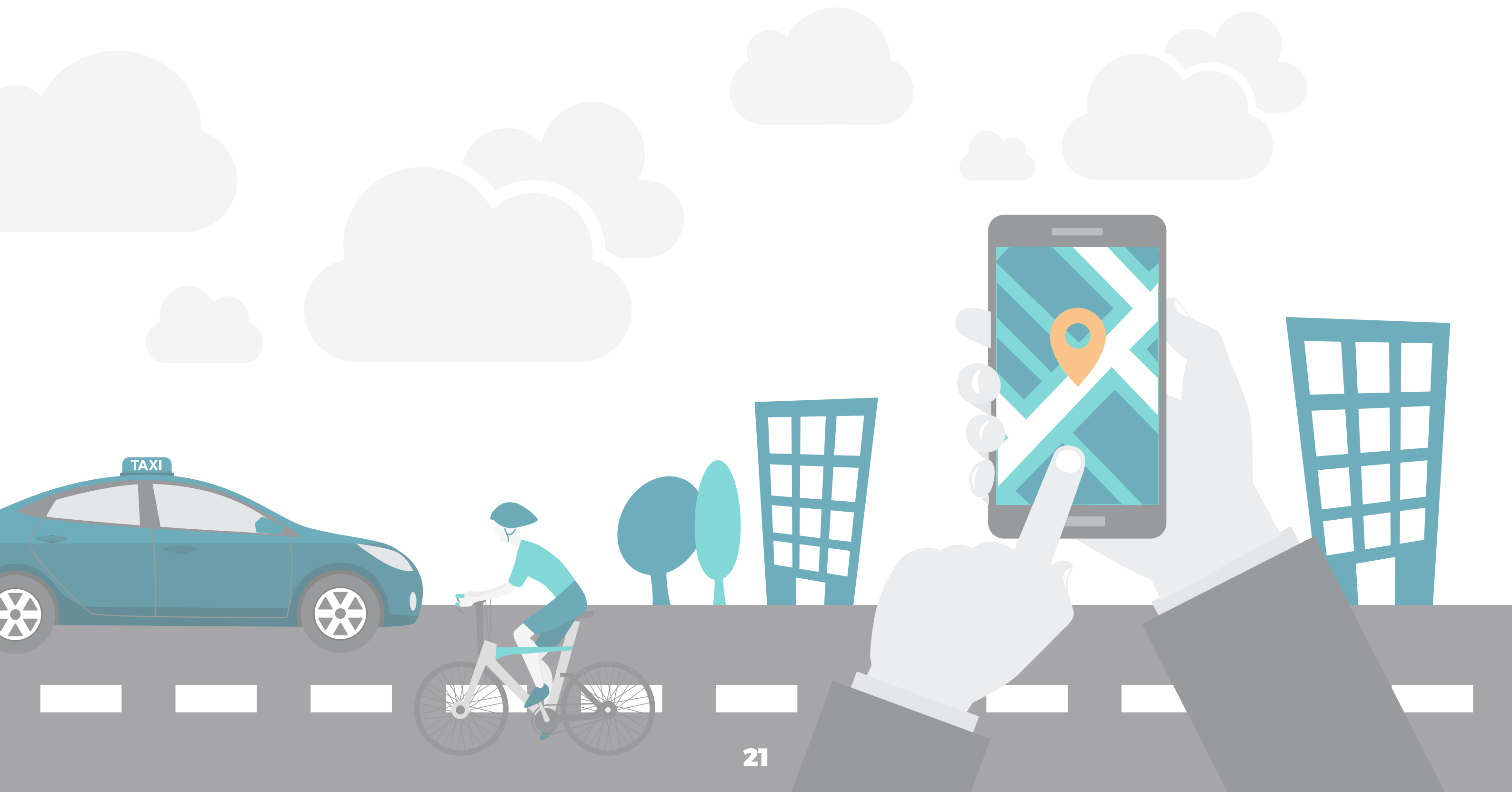
Mobility budgets have been developed by the rental and leasing sector as a means of differentiating their offer against the ubiquitous company car benefit. In particular, SIXT are using it as an alternative to the company car for those perk car owners that are light users and could benefit from having a budget that can be split across various travel methods.

Mobility budgets are a pay-as-you-use solution that are designed to keep an employee mobile, whilst having a flexible approach to company car ownership. Employees may wish to downsize their company car and apply the savings to a budget that could be used on other transport.

A typical candidate for a mobility budget is someone living in an urban area, with parking challenges and who suffers from long traffic-laden commutes. It is not targeted at heavy company car users with high mileage. SIXT are using the flexibility of their core product, car rentals, to develop a mobility budget solution that gives users control over how they spend their allowance, with choices across short - to medium term rentals, ride-hailing, car-swaps etc.

Athlon operates a mobility budget solution that is more about company benefits and less about travel. Employees can use their car budget to buy from a benefits portal which includes transport modes and other personal benefits. However, if they are heavy car users then they still need to have a company car, although they may benefit from smaller less expensive car and the allocation of the saving to other transport solutions.

> Mobility budgets are a pay as you use solution that are designed to keep an employee mobile, whilst having a flexible approach to company car ownership.



4. HOW TO INTRODUCE A MOBILITY SOLUTION

There are myriad solutions, and solution combinations that are being used in mature mobility markets. The challenge for fleet owners is to establish which will be best for your business.

Who will be the right audience?

Who could supply this?

How will it impact your cost?

How does it dovetail with your wider business objectives?

To progress through the mobility maze it is best to have a clear vision of what you want on the other side and then equip yourself with the tools to navigate through.

4.1 MOBILITY PREVIEW

Starting with a mobility preview will help determine the mobility opportunities within your business, and the resources required to exploit them. Importantly, it will also establish the appetite for change.

Strategic Alignment
It is important to establish the reasons for considering mobility. How does a mobility programme dove-tail with the strategic ambitions of the business and how can it contribute.

- Is cost removal a key driver for the business?
- Are there employee productivity issues that need to be addressed?
- Does the business want a firmer grip on CO_2 emissions?
- Is there a competitive advantage to be exploited?
- Does it support employer of choice?

Answers to these questions will be key in determining the appetite for mobility solutions and help forge the ongoing development of a mobility programme.

Market Specific Scoping Report
Because the mobility market is rapidly evolving it is important to get an understanding of the main players within the market that is being considered. A review would need to cover:

- How is the mobility landscape developing?
- Who are the main players in the market?
- What solutions are available?
- What do the case studies say?

The scoping report is required to gain an understanding of the options before moving to the next stage: **Mobility Assessment.**

4.2 MOBILITY ASSESSMENT

Once the mobility landscape of the chosen market has been previewed it is then important to conduct an assessment of the business to determine the mobility opportunities.

Travel Review

Using travel data and telematics, if possible, it is important to review and map the travel habits of the business. What journeys are being made, by whom, and why, is the basis for understanding cost, CO_2 emissions and productivity.

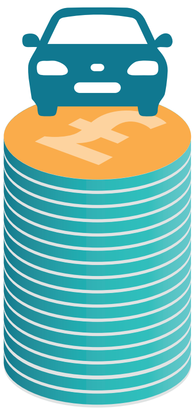
A review should analyse the company fleet policy, looking at how the fleet policy impacts on mobility, what is the company car ownership trend and what are the travel needs of the employees.

The physical structure of the business should then be considered, looking at site locations, customer mapping, sales territory split etc.

This initial review will expose any inefficiencies in the current mobility planning and highlight the opportunities for exploring smarter mobility options.

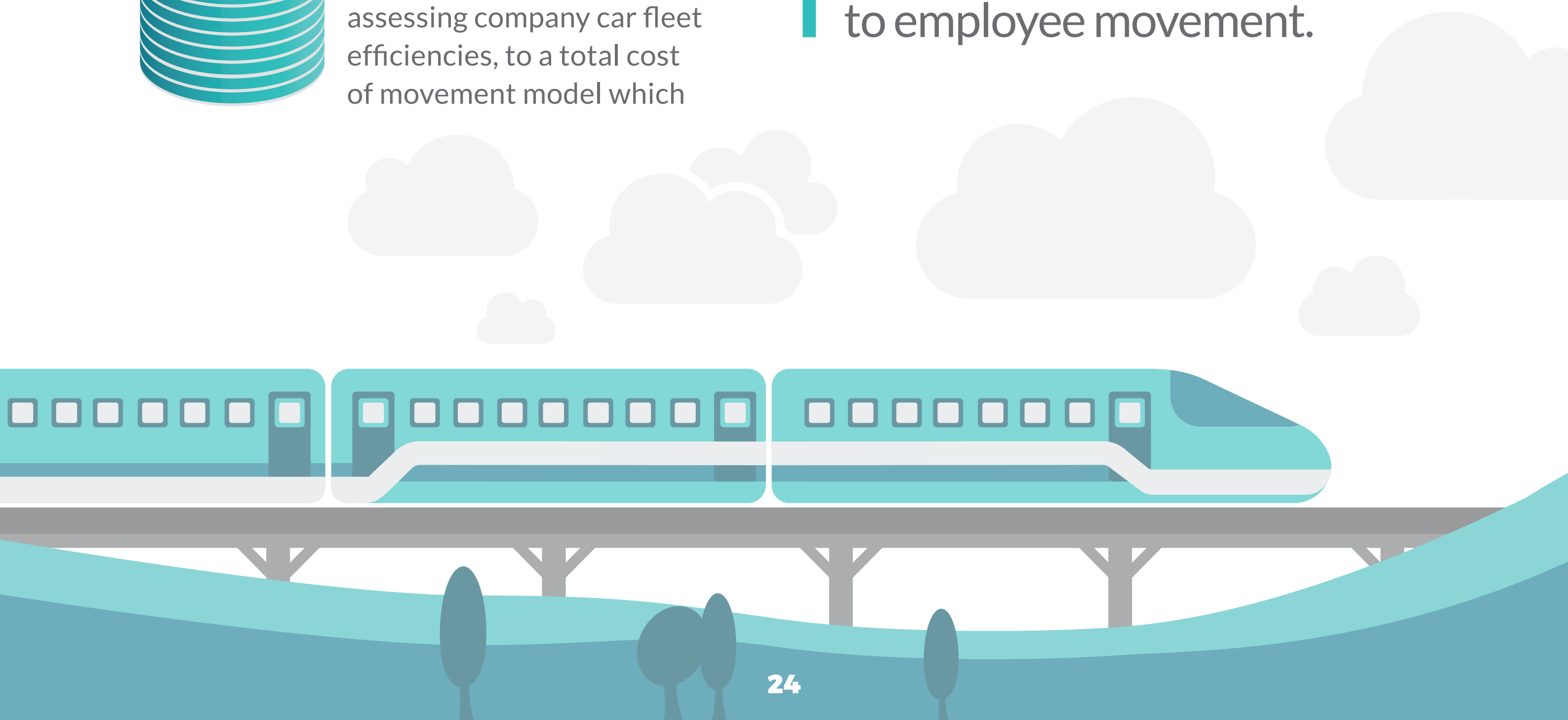
> A review should analyse the company fleet policy, looking at how the fleet policy impacts on mobility.

TCO to TCM



Part of the benefit of mobility solutions such as mobility budgets and mobility cards is the ability to consolidate all costs related to employee movement. This allows the business to move from a total cost of ownership model when assessing company car fleet efficiencies, to a total cost of movement model which understands the impact of all travel costs. Once the total cost of movement is understood, it can expose opportunities for efficiency and cost improvements.

> The business is able to consolidate all costs related to employee movement.



4.2 MOBILITY ASSESSMENT (CONT.)

Employee Impact

Whilst it is important to assess the business reasons for mobility, it is also essential to understand employee appetite for change.

Establishing their attitudes toward mobility and possible alternatives, will help shape the development process. Research needs to consider their approach to the flexibility they require, the security and safety they demand as well as how much they value the emotive aspect of car ownership.

> It is essential to understand employee appetite for change.

Supplier Selection

Using the information gathered from the **Market Scoping Document** the appropriate suppliers should be short listed according to their suitability to quote against such a project. Some suppliers are able to provide a host of mobility solutions whereas others have piece-meal services. Some may be able to extend their solutions across many markets whereas others may be exclusive to specific areas.

Once an assessment has taken place the next logical step is to conduct a **Mobility Pilot**, inviting the selected suppliers to propose a pilot scheme to further assess the mobility opportunities.

> Suppliers should be short-listed according to their suitability to quote against a project.

4.3 MOBILITY PILOT

Introducing any changes to a company's mobility services can be a complex task. It is therefore necessary to assess effectiveness via a controlled pilot scheme.

Most businesses will have a structured way in which trials are conducted, however a mobility trial is likely to include the following:

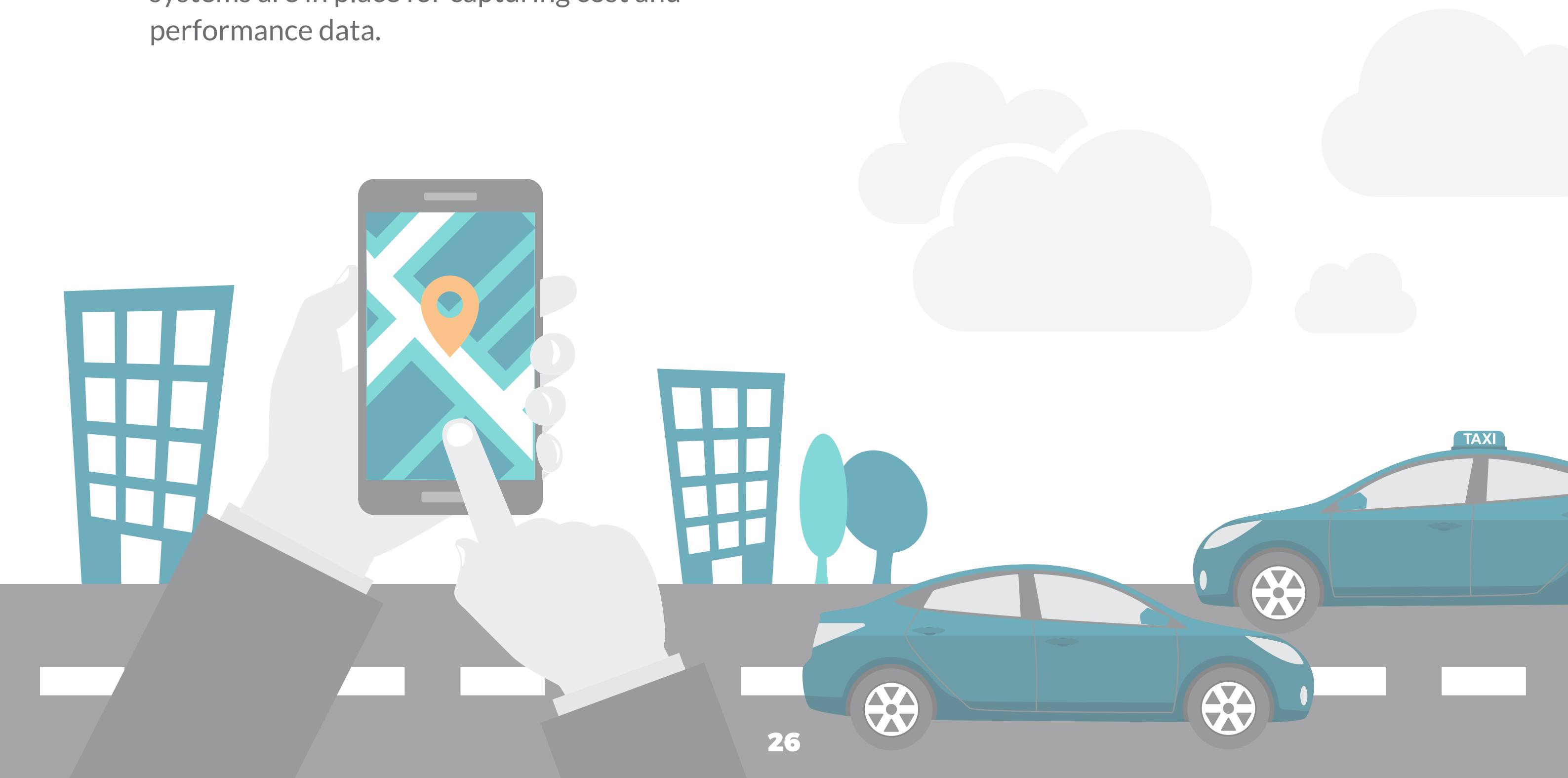
Sample Group/Division
Select a sample group or a division small enough to manage through a trial. Meet with the team and the management to fully engage and introduce the supplier(s) who will be conducting the trial.

Assist the suppliers in working with the team to conduct a full evaluation and construct a business case for the trial.

Mobility Playbook
Create a mobility playbook that outlines the policy amends that will be used throughout the trial and well as communicate the respective responsibilities of the employer and employee.

Supplier KPI's
Set clearly defined KPI's against which the performance of the supplier(s) will be measured, ensuring appropriate systems are in place for capturing cost and performance data.

Cost Tracking
Ensure all appropriate costs are identified and securely recorded so that the real-world cost implications are understood.



4.4. MOBILITY ROLL OUT

The culmination of a successful trial is the roll-out of the mobility programme to the wider business estate.

Detailed project management will be required to ensure smooth integration of new policies and systems, whilst it will be important to introduce governance and controls to manage the supply chain and maximise the change process.

Compliance

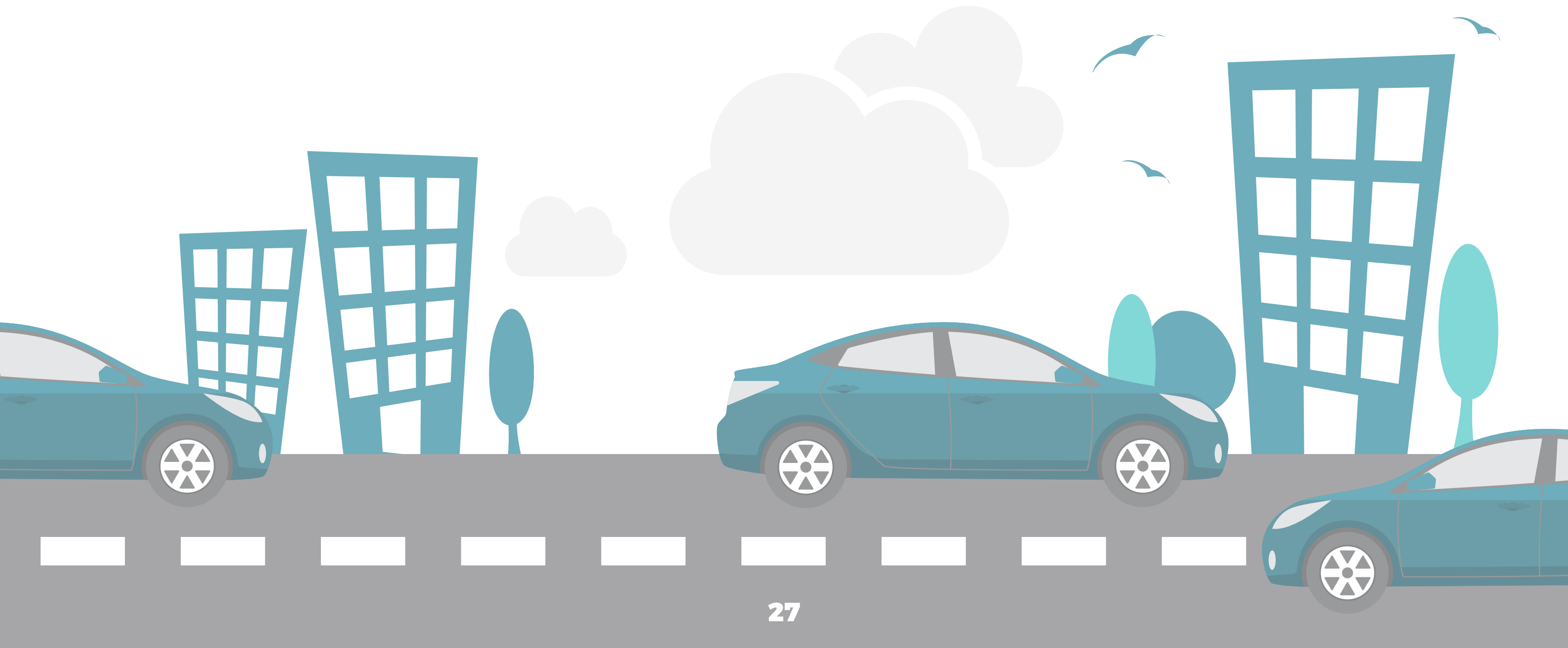
- Ensure **system capabilities** can cope with new suppliers and cost lines
- Develop appropriate supplier **KPI's**
- **Policy update** to outline expectations of supply chain
- **Partner management** to ensure commercial compliance

Innovation

- Once committed to mobility it is important to maintain momentum and keep abreast of **market developments**
- **Testing and learning** new solutions will be important to maintain stakeholder interest

Performance

- The performance of the programme needs to be **monitored** to ensure it matches the priorities of the business
- Data needs to be gathered and **measured** to understand supplier performance against expectation.
- Armed with suitable data, the supplier performance should then be **managed** against the following
  - Sustainability
  - Cost
  - Quality
  - Safety
  - Competitiveness

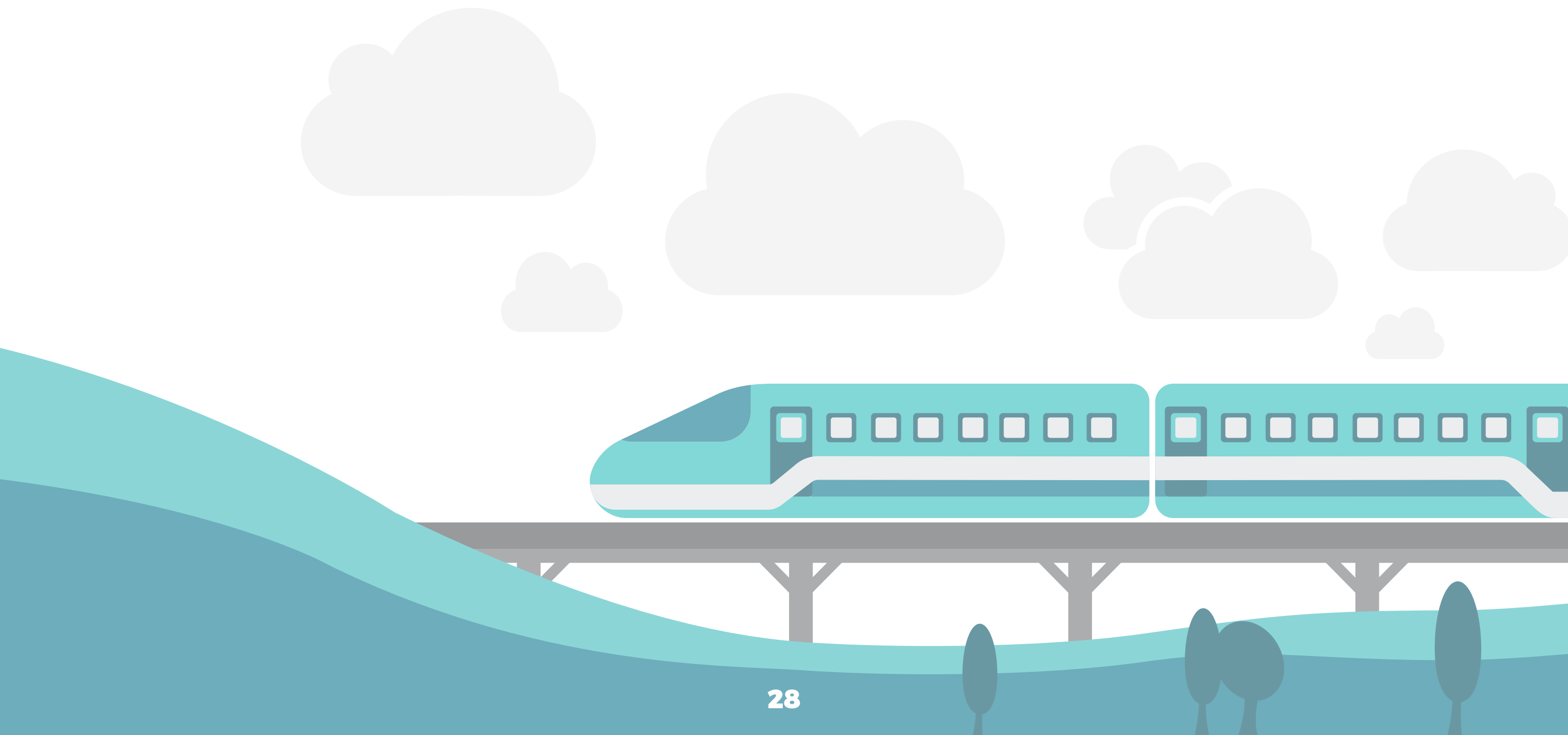


HOW FLEETWORX CAN HELP

Fleetworx can design and implement a range of company mobility solutions that will deliver long term savings, and provide a structured framework of employee mobility that can deal with the ever changing demands of modern business.

Our Approach	Your Benefit
Managed by mobility experts	Mobility planning & solution selection
Commercial support	Policy review and supplier management
Pragmatic approach	Real-word understanding of implications
Information integrity	Data repository captures all supplier data
Contract integrity	Cost containment & avoidance

To review the mobilty options available to your business contact Graham Rees or Tom Osborne on 01926 353300.



ABOUT FLEETWORX

Fleetworx is a unique company car supply chain specialist. We provide client-side support in the design and delivery of cost-saving and carbon-saving company car policies and mobility solutions.

Fleetworx supports organisations that need robust company car fleet management in the UK and across EMEA. Our expertise and practical influence spans the entire fleet supply chain, with the primary objective of delivering savings, compliance and control. Our focused and impartial approach is proven to deliver a significant return on investment.

To understand more about Fleetworx and how we can help you manage your company car fleet supply chain please contact Graham Rees or Tom Osborne for an informal chat.

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