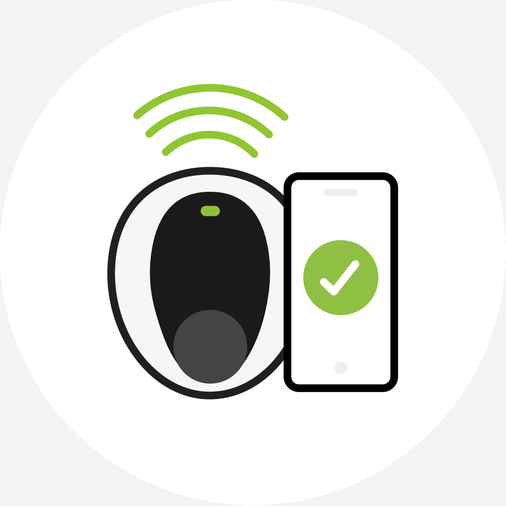
Annual Report and Accounts 2022

We believe travel shouldn't damage the earth

So we're building a charging infrastructure that will enable mass adoption of electric vehicles

Our mission

We believe travel shouldn't damage the earth



We're building a smart network of chargepoints everywhere you park

Later, we'll use our network to manage the grid

In this report

Strategic Report

Governance

Financials

Financial highlights

- 16% year-on-year revenue growth to £71.4 million
- 31% growth in commercial revenue to £23.9 million, with strong performance across managed installations and supply-only shipments
- The home segment suffered from the ending of OZEV grants and the smaller growth in new plug-in vehicle registrations, 21% in 2022 compared to 74% in 2021. Revenue increased by 3% to £41.4 million
- Acceleration of growth in recurring revenue, up 107% on 2021
- At 108% up on 2021, continuing high growth in our owned asset segment
- Continuing expansion of the customer base across both commercial and recurring revenue segments
- Adjusted EBITDA loss of £7.0 million was, as expected, a result of increased spend to drive future growth, along with the impact of global supply chain issues. The loss before tax for 2022 was £19.9 million after share-based payment costs (adjusted EBITDA is defined on page 118)
- With £74.1 million cash at year end, the Group retains a strong balance sheet to enable delivery of the strategy through the near term volatility

For more details, see our KPI pages 31 to 32

Operational highlights

- Continuing market leadership in the UK home sector. Cumulative total of 173,754 home chargepoints installed and able to communicate, with a further 53,961 home chargepoints installed in the year
- Significant progress in the UK commercial sector, with 14,729 chargepoints installed and shipped in the year – an increase of 34% from 11,025 in the full year 2021, with direct sale chargepoints shipped up 51%
- Strong progress in UK owned assets, with 1,259 total chargepoints installed at the year end across 570 sites – an increase of 28% from the 984 chargepoints and 26% from the 453 sites reported for 2021
- 117 DC rapid chargepoints installed at the year end – an increase of 60% from 73 installed at 31st December 2021
- Increase in headcount from 409 to 536, including strengthening our Tech Team by 79
- 2.36 billion kilometres of electric driving powered by our chargepoints in 2022 – up by 147% compared to 955 million in 2021
- 22.5 million charging sessions delivered in 2022 – up by 84% compared to 12.2 million in 2021
- 367 million kWh delivered by our chargepoints in 2022, avoiding the equivalent of 278,000 tonnes of CO_2e

Strategic Report

Our mission is to put an electric vehicle chargepoint everywhere you park

What we do

Early in Pod Point's journey, we recognised that the laws of physics meant that charging an electric vehicle (EV) wouldn't be as fast as refuelling a petrol or diesel car. So a different approach was required. But far from being a negative, this new system was actually much better suited to the way we use cars in our everyday lives. As cars are mobile for less than 5% of their lives on average, they spend more than 95% of their time parked. We knew that by taking a proportion of that time to plug in and charge, cars would be effectively fuelling themselves while drivers are busy doing other things – sleeping, working, shopping, exercising and generally living their lives.

So our business model is built on our desire to put a chargepoint everywhere you park – home, workplace, destination and en-route.

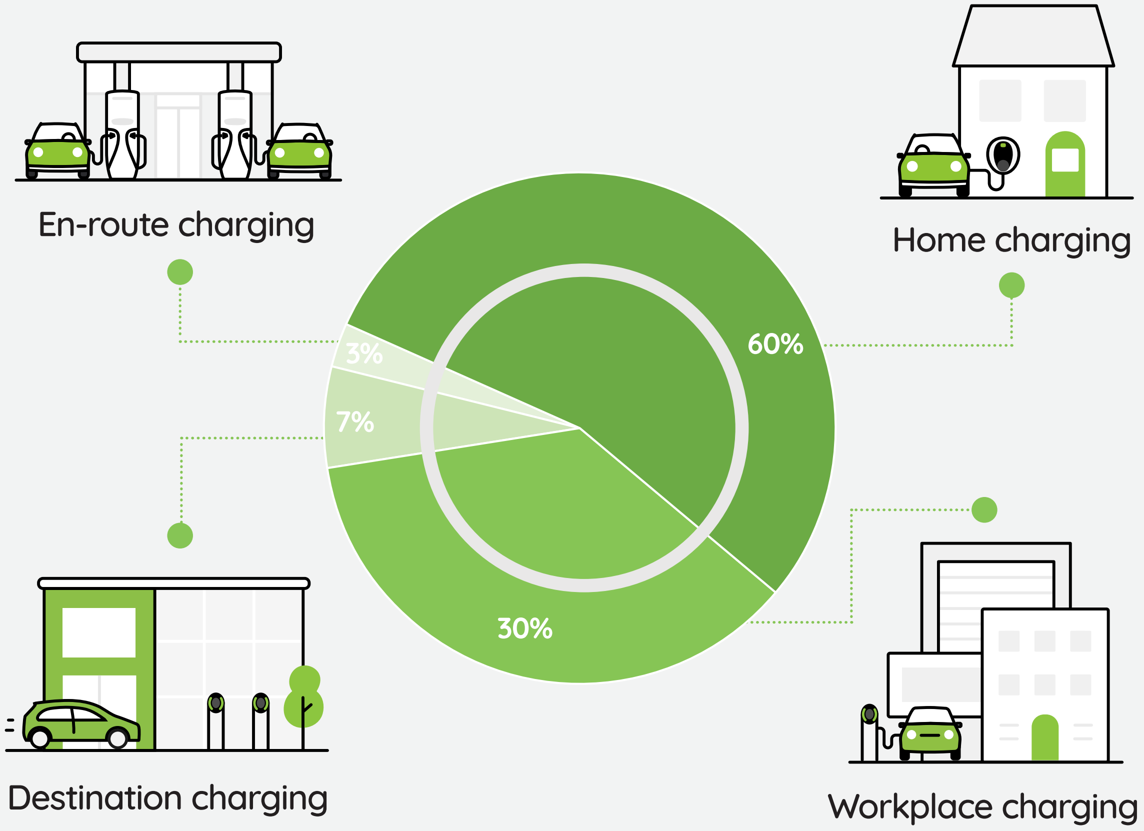
As the EV revolution gets underway, we increasingly need smart, connected infrastructure to ensure that EV charging works in harmony with the grid across the network.

Our view of where the significant majority of charging activity takes place is in the home segment, as this is the most convenient place for charging and as early EV adopters are biased towards those who can home charge. So this remains a very busy segment for Pod Point. However, the commercial segment is seeing increased growth as businesses appreciate the part they have to play in the decarbonisation of transport.

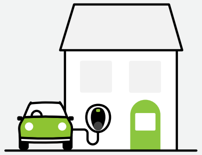
While we're active across all parts of the charging ecosystem, our presence in en-route charging remains smaller and our significant DC network fulfils more of a hybrid en-route/fast destination charging role. Very high capital requirements and high utilisation risk makes access to key locations critically important when investing in en-route charging. We therefore remain circumspect on en-route investments until a suitable opportunity presents itself.

Typical charging pattern

The diagram below sets out the EV charging ecosystem – how we expect to see drivers doing their charging in a mature market.



Our revenue streams

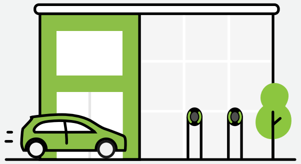


Home

- We sell direct to consumers via our website, and install smart chargepoints in domestic properties generating one-off installation revenue
- We benefit from deals with major automotive manufacturers such as Audi, Mercedes, BMW, Mini, Hyundai and Kia through referral agreements, which enable us to provide home chargepoints to their customers
- **Revenue £41.4 million**
- **Revenue growth YoY: 3%**
- **58% of total revenue**

Commercial

- We install chargepoints at last mile delivery companies like DPD, DHL and Evri
- In addition, we install chargepoints at destinations such as shopping centres, retail parks, railway stations and airports. Clients include B&Q, Colas Rail, Forestry Commission and CBRE
- We work with clients such as Lidl and Tesco to provide a network of rapid chargepoints that drivers can access for en-route charging when on longer journeys
- We work with property companies such as Barratt Homes to provide chargepoints for new developments
- **Revenue £23.9 million**
- **Revenue growth YoY: 31%**
- **33% of total revenue**



Recurring

- We receive ongoing network fees from commercial customers
- We receive a share of revenue from certain groups of chargepoints owned by our commercial customers
- **Revenue £1.9 million**
- **Revenue growth YoY: 107%**
- **3% of total revenue**

Owned

- We own a number of chargepoints which are installed at locations under commercial arrangements with the owner or lessor of these locations. We currently own 1,259 chargepoints (1,142 AC chargepoints and 117 DC chargepoints)
- Investment in funded rapid chargepoints will continue but on a selective basis, where it forms part of a broader customer proposition or the economics are compelling
- **Revenue £4.2 million**
- **Revenue growth YoY: 108%**
- **6% of total revenue**

Established capability in a critical industry

Charging infrastructure is increasingly critical to the UK's automotive and energy future. Our track record of delivery and our growing capability mean that we're particularly well placed to seize the opportunities ahead.

- **Strong brand recognition with a market-leading position in the UK**

  As one of the first EV charging providers in the UK, with 14 years' experience, we're well established across our market segments. That presence across a range of channels helps reinforce the strength of the Pod Point brand.

- **Key partnerships and contractual relationships with major stakeholders across the charging ecosystem**

  Partners including automotive OEMs, and leasing companies, have committed to long-term contractual agreements with Pod Point, with many long-term partners renewing their relationships.

  Contractual agreements have also been entered into with a variety of businesses in our commercial segment, including property developers, supermarkets, retail outlets, large corporate entities and SMEs, which provide opportunities in this growing segment. Such relationships are critical in ensuring longer-term viability.

- **Significant and growing network of smart chargepoints and enhanced software focus offers potential to accelerate growth of recurring revenues**

  Although recent regulations have now made it mandatory, all Pod Point chargers have actually been smart-connected devices for several years. This resource has the potential to modulate charging behaviour so that it works in harmony with the grid and – by responding to future energy marketplace signals – provides recurring revenue opportunities. Our investment in software and data underpins such recurring revenue growth by enabling the continued development of such capabilities in our devices, network and services.

Business model continued

Diverse, mission-driven and brilliant people making our vision a reality

At Pod Point our people drive our mission – and vice versa. Our teams make up a highly capable and resilient organisation able to complete a truly impressive array of tasks, including the design, outsourced manufacturing, and installation of chargepoints and associated systems. With more than 500 full-time employees and rising, we have the proven capability to fully support our customer base and develop our market share. We use internal data to identify and execute opportunities to secure revenues and to enable our customers to keep reducing their costs and carbon emissions, while enhancing convenience.

The Pod Point team is structured so that we use internal resource for those functions where our people can add most value, such as designing and developing AC hardware and most software development. We also employ 89 in-house electrical engineers to lead our installation and maintenance practices. For those areas where our business requires greater flexibility, we rely on trusted partners. For example, our key manufacturing partners at Celestica and iPRO (our supplier of lower volume AC chargepoints), and numerous qualified installation and site maintenance partners for times when demand is high.

A resilient business, well-placed to weather headwinds and embrace the high growth to come

Pod Point's recent track record has been one of significant year-on-year revenue growth. However, the latter half of 2022 saw some challenges for the charging industry as growth slowed somewhat in line with lengthening lead times on the delivery of new EVs caused by automotive supply chain constraints. All charging companies have faced difficulties during this period, as they had geared for growth rates that were much higher than those experienced in practice.

Pod Point has not been immune to these challenges but with 14 years' experience, we've weathered economic challenges before. We have the resources, the strategic vision, the balance sheet strength, and the team to do so again and to position the Company for the high growth that is sure to come, as the UK heads for the end of ICE and hybrid sales in 2030/35.

Experienced entrepreneurial Leadership Team backed by majority shareholder

With founder Erik Fairbairn still in post as CEO, supported by highly experienced leadership, both in the Executive Senior Management Team and on the Board, Pod Point possesses an enviable level of expertise in scaling and sustaining an EV charging business. We've demonstrated our capabilities over 14 years, during which we've helped to define the EV charging market in the UK and established a resilient and scalable business.

We're backed by our highly supportive majority shareholder, EDF – Britain's biggest generator of zero carbon electricity.

68,965

chargepoints installed and shipped in 2022

Delivering stakeholder value

The Pod Point team is dedicated to engaging with, and providing value to, our wide range of stakeholders.

Customers

Our customers are EV drivers, chargepoint hosts, third-party installers/wholesalers and Pod Point chargepoint owners – and they're at the heart of everything we do and how we do it. Our primary aim is always to provide them with the highest levels of service, innovation and reliability – so that they trust us, recommend us and keep coming back to order more chargepoints and services.

How we engaged

- An engagement survey of host customers and EV drivers, involving over 2,300 respondents. This process enabled us to better understand EV drivers and advance our knowledge in specific customer segments, which will inform decisions around further engagement, product development and strategic account expansion
- In-person and remote OEM and dealer training sessions, reaching around 500 individuals
- Widespread consultations with the wholesale and electrical contracting industry and via OZEV (Office for Zero Emission Vehicles)
- Working directly with homebuilders
- Survey of more than 2,000 residents in apartments
- Onboarding seven strategic fleet partners using our fleet solution services and holding discovery sessions to help develop and shape the service

The value we delivered

- 53,961 home chargepoints installed
- 14,729 commercial chargepoints installed and shipped
- 275 owned chargepoints installed
- Commercial revenue increased by 31%
- Wholesale supply only chargepoints shipped increased by 51%
- Outstanding customer reviews:
  - 4.7/5 rating on Reviews.io across 36,000+ reviews
  - 91% recommendation rating on Reviews.io
  - 4.3/5 rating on Trustpilot (11,000+ reviews)
  - Rated 'Excellent' on Trustpilot
- Compliance with Smartcharge Regulations

Our priorities for 2023

- Install more chargepoints across all four key routes to market within the EV charging ecosystem
- Further develop our product offering to suit a wider range of install cases
- Continue to invest in our software to enable additional recurring revenues
- Invest in owned assets in a limited and opportunistic manner where we see positive returns
- Grow our Dealer Team, enabling greater engagement and delivery of training
- Reducing cost and carbon and increasing convenience of charging

What we discussed

- Driver charging behaviours and demands both in the domestic and commercial setting; demographic and socio-demographic insight; chargepoint locations vs driver demand
- Our home charger Solo product, charging speeds, connector types and the survey and installation process
- Reducing the wholesale and electrical contracting industry's exposure to the Smartcharge Regulations implemented during 2022 and the upcoming publication of fire risk guidance in blocks of flats
- The changes in building regulations and the extent to which prospective homebuilders' customers expect EV charging as a standard proposition
- Building-specific requirements and sentiment regarding EV adoption by those living in apartments
- Customer and driver requirements for fleet management services

Partners

We work closely with a number of key partner organisations which play a vital role in supporting us in our vision to enable travel that doesn't damage the earth. These partners include our new manufacturing partner Celestica, together with our long-serving partner iPRO – the manufacturers of our in-house designed and branded AC chargepoints, and our selected chargepoint installation partners.

How we engaged

- Regular virtual and in-person meetings and site visits with key partners
- The introduction of quarterly business reviews
- Formal supplier audits with our key suppliers
- Utilisation of our exceptional supplier selection programme

What we discussed

- The impact of global issues on the availability of key components within the supply chain
- Ethical, environmental and quality performance
- Auditable ESG metrics with our key suppliers
- Our closed-loop forecast and delivery process, enabling our supply partners to be fully involved in the end-to-end delivery
- Supplier performance and the monitoring of service levels

The value we delivered

- Maintained strategic relationships with key partners
- Successfully onboarded and ramped aggressively with our new world-class manufacturing partner during a turbulent supply market
- Revised our supplier onboarding criteria to make certain that new suppliers have the appropriate level of controls in place to support our quality, ethical and environmental requirements
- Continuity of supply to our customers with no major gaps in delivery, despite challenging global supply chain issues
- Flexed our number of suppliers to remain appropriate to market conditions
- Reduced risk in supply chain by ensuring availability of alternative sources where appropriate

Our priorities for 2023

- Maintain frequent and frank relationships with all our partners
- Continue focus on sustainability to help drive supplier selection on any new design
- Carry out lifecycle assessments of the materials and products we buy and install
- Continue to ensure that partners meet our ethical and environmental expectations
- Optimise our processes to support our rapidly growing business
- Extend formal supplier audits to a larger number of suppliers
- Increase our presence in cross-industry ESG forums to ensure that Pod Point remains at the forefront of ESG methodology and thinking

Business model continued

£16.6m

Total gross margin

£41.4m

Total home revenue

£23.9m

Total commercial revenue

People

We strive to create a diverse working environment where our people fulfil their potential, feel valued at all times and embody the Pod Point culture and values.

For more details, please see pages 54 to 60 and 85.

How we engaged

- Held our first all-employee Residential get-together with almost 80% attendance
- Town hall and "ask me anything" meetings chaired by our CEO with Q&A sessions
- Regular Academy sessions, with internal and external speakers providing insight and discussion on a wide range of subjects
- Through our Diversity Taskforce
- Feedback from pulse surveys
- Attendance of Board members at face-to-face and virtual events

What we discussed

- Our Residential focused on the three key themes of environment, diversity and wellbeing
- Cost of living crisis and its impact on our people
- Business strategy and performance
- Attracting and engaging more diverse Pod Pointers
- Our approach to ESG and our sustainability strategy

Society

Since 2009, our vision has been to enable travel that doesn't damage the earth, by helping people switch from internal combustion engine (ICE) cars to EVs and by looking at our own impact on the environment. We've already played an important role in developing the UK's EV charging infrastructure – and now we're poised to do even more.

How we engaged

- Continued to work with various forums to support the industry in developing charging infrastructure within the UK
- Continued to increase and improve the EV charging infrastructure in the UK, enabling the decarbonisation of transport
- Engaged Normative, a third-party carbon accounting engine, to ensure we have more accurate carbon accounting
- Compliance with Smartcharge Regulations
- Presence in the media and on social media

What we discussed

- The need for acceleration of the UK charging infrastructure
- Debunking the myths about EVs
- Range anxiety and how we use our cars in everyday life
- Our network and app
- Reducing Pod Point's impact on the environment

Shareholders

We aim to deliver shareholder value over the long term, and engage regularly with our shareholders. This not only ensures that investors understand our strategy, objectives and progress, but also enables our Board to access the wealth of experience and expertise that our major shareholders can provide.

For more details, please see page 85.

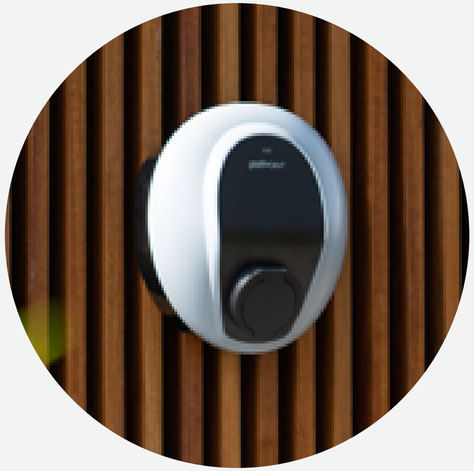
How we engaged

- Through our virtual AGM
- Through investor roadshows following our preliminary and interim results announcements
- Meetings with current and potential investors
- Dialogue with our major shareholder, EDF
- Consultation with our largest shareholders

What we discussed

- Our financial results and performance, providing opportunities for our shareholders to ask questions to better understand our business
- Global supply chain challenges and their effect on Pod Point
- Inflationary pressures
- Sustainability
- Our Remuneration Policy

Business model continued



The value we delivered

- Continued remote working practices in response to feedback from our people
- Engaged regularly with our teams to promote the Pod Point culture and values
- Established a Diversity Taskforce
- Initiated a cross-company workplace comfort programme
- Expanded our Mental Health First Aid Team to 22 from 11

Our priorities for 2023

- Continue our proven recruitment strategy to expand the Pod Point team
- Continue to adapt working practices to reflect how and where our people want to work
- Continue to engage with our people, ensuring that they all embody the Pod Point culture and their role within it
- Continue the development of our Board engagement with the workforce

The value we delivered

- Installed 68,965 chargers in the UK
- Enabled 2.3 billion kilometres of low carbon travel to be powered by our chargepoints
- Delivered over 367 GWh of charging, saving the equivalent of more than 278k tonnes in CO_2e
- Increased our fleet to 81% REX or BEV
- Enabled 38 employees to drive electric cars

Our priorities for 2023

- Accelerate the decarbonisation of transport and grid through our products and services
- Continue to consider sustainability in our day-to-day decisions and create new processes, policies and tools to make this easier
- Continue to improve how we measure our impact and set improvement targets
- Continue to work with our suppliers to understand and report their emissions data and the impact their manufacturing processes have on the planet

The value we delivered

- Undertook regular engagement with our majority shareholder, EDF
- Communicated our business case and strategy to investors
- Engaged on our Remuneration Policy, resulting in 99% shareholder support
- Published our first Annual Report since IPO

Our priorities for 2023

- Work with our brokers to increase interest in Pod Point
- Increase public and investor awareness of the Pod Point brand
- Increased education of the public on the costs and benefits of EVs and debunking the EV myths
- Continue to work closely with our majority shareholder, EDF
- Increase engagement in our investor roadshows

Bumps slow the journey – but the momentum is unstoppable

> This was an exciting 12 months for Pod Point, as we completed our first full year as a listed company. We made excellent progress against enabling travel that doesn't damage the earth, despite the negative impact of a number of macroeconomic and geopolitical events beyond our control.

Erik Fairbairn
Chief Executive Officer and Founder

During the year, we installed 68,965 new chargepoints, up 4.5% on 2021, and provided 367 GWh of electricity – enough to power 2.3 billion kilometres of low carbon travel. For context, that's the equivalent to driving to the moon and back over 3,000 times. The energy we supplied avoided 278k tonnes of CO_2 which would otherwise have been pumped into the atmosphere by petrol or diesel vehicles.

A positive performance...

This was another encouraging year in our history. Revenue grew by 16% during the period to £71.4 million, although our increased spend to support our future growth led to an adjusted EBITDA loss of £7.0 million. We achieved good growth across the EV charging ecosystem – home, workplace, destination and en-route. We continued to lead the market in the home sector, increasing our installed base by nearly 54,000 on the back of our extensive key OEM customer base, which was further strengthened by the addition of BMW in June. We also supplied or installed close to 15,000 chargepoints in our commercial route to market and added 275 owned chargepoints in other locations. Our Chief Financial Officer provides full details of our performance in his statement on page 17.

> We'll continue to use the proceeds from our IPO to support our growth plans, including further developing our products to suit more routes to market.

Customer satisfaction is one of our most important metrics, and I'm delighted to report that thousands of customers again indicated that we're doing a lot of things very well indeed. At the end of the year, our rating on Reviews.io was 4.7 – based on over 36,000 reviews, while 91% would recommend us. On Trustpilot, where we're rated as 'Excellent', over 11,000 reviews combine to give us a rating of 4.3.

...despite unexpected potholes

2022 was not only a year of progress and performance, it was also a time when the business world was reminded that growth is rarely a smooth journey. While the first quarter was our most successful ever, as the ending of the Government's OZEV grant on 31st March prompted many drivers to make the switch sooner rather than later – growth slowed in the second half.

This was due predominantly to events beyond our control, with the war in Ukraine and ongoing Covid lockdowns in China impacting the production and supply of new EVs and therefore demand for new Pod Point chargepoints. A global shortage of semiconductors, which are essential components of all modern vehicles, is the root cause of the problem.

From a chargepoint perspective, we avoided the worst of the supply chain issues. Our Technical Team engineered around some of the component challenges, redesigning aspects of our products to match availability. While this strategy allowed us to maintain reasonable revenue growth, it did materially increase our costs and hence impact our gross margin.

We also strengthened our resilience to the peaks and troughs of market demand during the year by contracting a second manufacturing partner, Celestica, which has the flexibility to scale and adjust production levels at speed. We took delivery of the first chargepoints from the Celestica facility in Romania towards the end of the first half of the year.

The speed may vary but the ETA is unchanged

While there are signs that the semiconductor shortage is now easing, UK delivery dates for EVs are likely to continue to lengthen in the near term. Although this is frustrating for aspiring EV owners, for our Company it confirms the unequivocable public support for a future beyond internal combustion and demonstrates that the momentum of the EV revolution is truly unstoppable.

It's a fact that the growth of the EV market has slowed over the last 12 months, driven by external factors. But the endgame remains the same. In the UK, vehicles powered by fossil fuels face a hard stop because the Government has banned new petrol and diesel cars from 2030, with new hybrids being phased out by 2035.

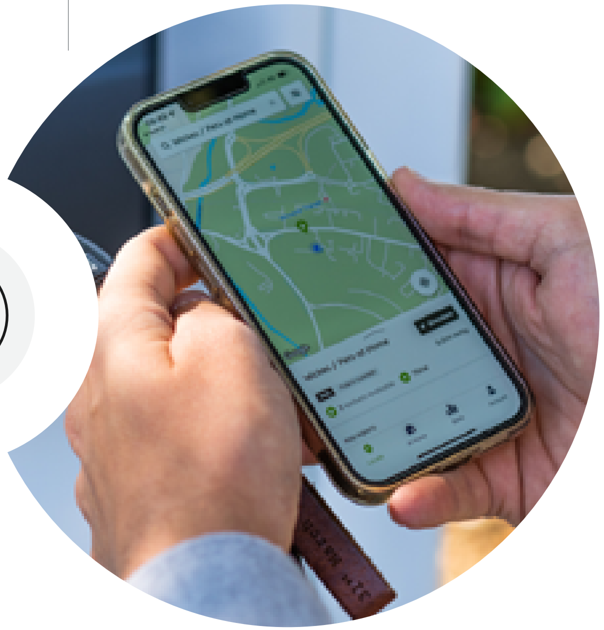
Our view has always been that the UK is going to need approximately one chargepoint per vehicle, or around 30 million chargepoints. That's a big ask – but it is doable, and Pod Point will play a key role in making it happen. We again made a major contribution to the delivery of a viable, efficient UK charging network during 2022 – and this will continue in the years to 2030 and beyond, supported by Government initiatives. These include the Local Electric Vehicle Infrastructure fund which aims to provide £450 million to local authorities in funding to support the installation of EV chargepoints, and the £950 million Rapid Charging Fund which is due to begin trials.

Total annual revenue

£71.4m

Annual revenue growth

16%



Our awesome team drives us forwards

I’m very proud of what the Pod Point team achieved during the year. They worked tirelessly and with good humour to deliver our strategy, despite the challenges. I’d like to thank all our Pod Pointers for their support with a special mention to David Surtees who, as Chief Financial Officer, played an important role in helping to take Pod Point from an ambitious start-up to a fully-fledged listed company. I wish David all the best in his retirement, and look forward to working closely with his successor David Wolffe, who joined the team at the end of 2022. David’s appointment has already brought new energy and focus to Pod Point – and his experience will be a vital component during the next stage of our growth.

To support our growth ambitions, we welcomed 219 new people onto the team in 2022, lifting our total headcount to 536. Building up our technical capability was one of the year’s key targets and 79 of those new hires joined the Technical Team where they’ll develop our future technologies and products. We have a strong roadmap of innovation in place for 2023, and I’m looking forward to making a number of key announcements over the next 12 months. While I don’t want to mention any specifics at this stage, I can promise that our innovations will support our drive to make EV charging as convenient as possible, to minimise the cost of EV charging, and to reduce the carbon intensity of EV charging.

Maintaining the unique culture that has characterised Pod Point since our early days is a continual challenge as our numbers grow. So this year we held our first full Company Residential, with the whole team invited to London for two days, which helped newcomers embrace our culture while reminding older hands of what it is that makes Pod Point such a special place to work.

The Residential also focused on diversity and wellbeing – two areas that are very important to us. Our Diversity Taskforce is ensuring that we attract and engage a more diverse set of Pod Pointers as we grow. Over the last year, we continued to promote greater awareness of our differences, including celebrating Black History Month and Pride.

Building out our ESG framework

In my statement last year, I made it clear that one of the Board’s priorities for 2022 was to establish governance structures around ESG and climate-related risk oversight.

I’m pleased to report that we’ve made good progress on understanding and reporting our sustainability impact. Pod Point is an unusual business because everything we do is totally focused on mitigating the impact of climate change. Most of our sustainability benefit comes from people using what we create – by using our charging network, people avoid the use of internal combustion engine cars. In addition to the now standard Scope reporting, we’re working on tracking the average carbon intensity of each kWh provided on our network, and to completing lifecycle assessments of all our products. I expect us to make material progress on both of these initiatives during 2023.

536
permanent employees

Shaping our business, evolving our strategy

There was a positive side to the slightly reduced rate of growth we experienced during the year – it gave us a valuable opportunity to stand back, take a breath and carefully re-evaluate our systems, processes and strategy in order to make sure that we can seize our opportunities with both hands.

In addition to spending significant time and resources on our internal systems and processes – including establishing our first Sustainability Team, reflecting the huge importance we place on ESG at Pod Point – we've also begun work to refine our structure and strategy. The following three initiatives will continue to be developed through 2023.

Firstly, we're moving to a matrix structure, with four business units reflecting our four customer types: B2C, B2B2C, B2B and Grid. We believe this new structure, which will become the basis for how we report to the market in our 2023 Annual Report, will better position the business for the scaling opportunity we see ahead.

Secondly, we're modifying our owned asset strategy. In the past, we've outlined a specific objective around owned assets. We're now concentrating on a strategy where we retain our focus on AC charging, and only consider owned assets where they're part of a mixed charging requirement, or have specific strategic value to us. This slight change will also result in us maintaining higher cash levels on our balance sheet, which we believe is sensible given the current uncertainty in the macroeconomic environment.

Finally, we're putting more resource into our grid load management strategy. We've always believed that there's significant opportunity to use our network of chargepoints as a demand side management resource – and that we'll be able to sell that capability into the National Grid as well as the distribution network operators. We expect to make significant progress towards proving this concept over 2023.

Looking ahead

Our team can be proud of the way in which we rose to the daunting challenge of the supply chain crisis. While I'm hopeful that the worst is now behind us, I do still expect some supply chain challenges to remain through 2023. We're likely to see electric vehicles arriving in the UK in lower numbers than experts forecast 12 months ago. However, the industry is still on track to meet the UK's 2030 internal combustion engine ban – and we expect this to lead to even faster rates of growth for both electric vehicles and their associated charging systems.

In last year's CEO statement, I was resolutely upbeat about Pod Point's prospects and remain so today. We will continue to invest in our people, strategy and the market – and I'm confident that the year ahead will see us making further significant progress towards enabling travel which doesn't damage the earth.

Erik Fairbairn
Chief Executive Officer & Founder

Timeline

2009
Erik founded Pod Point
Sold our first chargepoints

2010
Signed our first OEM partnership

2017
100 employees

2020
Acquired by EDF
200 employees

2021
Listed on London Stock Exchange
Over 400 employees

2022
Over 500 employees

> It has been a year of steady progress through choppier waters. Our overall growth destination remains unchanged, but in 2022 we moved into a phase of unusual global and macroeconomic challenges.

David Wolffe
Chief Financial Officer

Chief Financial Officer's statement continued

Income statement

The year saw a steady performance by the business, with total revenue of £71.4 million (2021: £61.4 million), a year-on-year increase of 16%. The biggest growth came from our commercial business segment, and we also experienced very high growth in recurring revenue and owned assets.

Despite additional supply chain costs, this increase in revenues helped to deliver a small increase in total gross profit in 2022 of £16.6 million (2021: £16.3 million) – a year-on-year increase of 2%.

Driven by the additional costs of sourcing components in the spot market earlier in the year, total percentage gross margin in 2022 decreased to 23% (2021: 27%) – a year-on-year reduction of 4%. We believe that there will be less need to carry out spot component sourcing in 2023.

The increase in revenues and gross profit was combined with increased overhead spend to invest in driving future growth, focussed on sales and marketing, customer service and team development. This moved the business to an adjusted EBITDA loss of £7.0 million in 2022 (2021: positive £0.1 million).

After further investment of £9.9 million in software and product development and controlled investment in owned assets, 2022 year end cash and short-term investments were £74.1 million compared to £96.1 million at the end of 2021.

Unadjusted losses after tax increased to £20.2 million in 2022 (2021: £14.3 million). EBITDA losses increased in 2022 to £12.3 million (2021: losses of £8.1 million). There were increased depreciation and amortisation costs of £7.7 million (2021: £4.9 million), while net financing income was £91k (2021: net finance costs of £1.3 million).

Within the Annual Report, adjusted EBITDA is defined as earnings before interest, tax, depreciation, amortisation and also excluding both amounts charged to the income statement in respect of the Group's share-based payments arrangements and adjusting for large corporate transaction and restructuring costs. These have been separately identified by the Directors and adjusted to provide an underlying measure of financial performance. The reconciliation is set out on the income statement and note 9 provides a summary of the amounts arising from the large corporate transactions and restructuring costs.

The Group's revenue is generally derived from sales of its goods and services and is classified under one of the following: (i) Home, (ii) Commercial, (iii) Recurring, and (iv) Owned Assets. The Group generates its revenues from the installation and operation of EV chargepoints in the UK. Revenue is typically recognised on completion of an installation, in stages for larger installations or upon delivery of a chargepoint where a customer does not require installation services.

Summary income statement

	Year ended 31st December 2022 £'m	Year ended 31st December 2021 £'m	Year-on-year change
Total revenue	**71.4**	**61.4**	**16%**
Gross profit	**16.6**	**16.3**	**2%**
Gross margin	23%	27%	-4%
Adjusted EBITDA	**(7.0)**	**0.1**	**(7.1)**
EBITDA	**(12.3)**	**(8.1)**	**(4.2)**
Loss before tax	**(19.9)**	**(14.3)**	**(5.6)**
Closing cash and short-term investments	**74.1**	**96.1**	**(22.0)**

23%

Gross profit margin

Business segment review

The following table sets out the revenue for each of our business segments for the years ending 31st December 2022 and 2021, including as a percentage of total revenue:

Business segments revenue

	Year ended 31st December 2022 £'m	Year ended 31st December 2022 %	Year ended 31st December 2021 £'m	Year ended 31st December 2021 %
Home	41.4	58%	40.3	66%
Commercial	23.9	33%	18.2	30%
Recurring	1.9	3%	0.9	1%
Owned Asset	4.2	6%	2.0	3%
Total	**71.4**	**100%**	**61.4**	**100%**

Below, we review each of our business segments, including revenue drivers and gross margin:

Home business segment

- Despite significant disruptions by the global supply chain crisis and the ending of OZEV grants, we further increased revenue after a year of 98% growth in 2021. Revenue of £41.4 million was 3% up compared to of £40.3 million in full year 2021
- New PiV registrations increased 21% to 368,616 in 2022 from 305,277 in 2021, a significant reduction on the 74% growth of 2021. This reflects the restricted flow of new EVs, especially in the second half of 2022. The number of Pod Point home chargepoints installed fell slightly to 53,961 versus 54,977 in the full year of 2021
- Our headline market penetration of new PiV registrations therefore decreased to 15% from 18% in the full year 2021. There are a range of factors that we believe contributed to this including:
  - Conclusion of OZEV grant led to customers pulling forward home chargepoint purchases, inflating penetration in 2021
  - Increased consumer cost of home chargepoints (from c£550 to c£900) as a result of the end of the OZEV grant may have reduced the average ratio of home chargepoints to plug-in vehicles
  - Extended vehicle lead times could have reduced the effectiveness of our referral agreements with OEMs as customers may have delayed ordering their home chargepoints until closer to the expected delivery date of their vehicle
  - High demand and reduced vehicle availability may have limited the number of bundled home chargepoints incentives offered by car companies

We have a suite of plans in place for the year ahead which we expect to address this situation, including work on a new Solo chargepoint, various smart charging updates to our app, improvements to our ordering system and additional marketing activity.

With the volatility we have seen in the automotive market over the year, we suspect that this metric based on SMMT registrations has become a less reliable indicator of our progress. That said, we expect this metric to be modestly lower for full year 2023, with an improving trajectory across the year. We further note that the market remains volatile and is likely not currently in a steady state, so this could develop further.

- Percentage gross margin in 2022 decreased to 20% compared to 28% in 2021, a significant cause of which was the £2.2 million additional brokerage costs of securing components via the spot market in the early phases of the supply chain crisis in order to ensure product stock. This was partially offset by an increase in average revenue per chargepoint to £767 from £733 in 2021
- The lower revenue growth and reduced percentage gross margin drove total gross margin lower in 2022, falling to £8.1 million compared to £11.3 million in 2021
- We won or renewed a number of key customer contracts during the year including BMW, Mini, and Zenith, and now have over 65 operational fleet accounts with businesses including Coca-Cola, DHL and Royal Mail

Commercial business segment

- We delivered a strong performance, with revenue of £23.9 million compared to £18.0 million in 2021 – an increase of 31%
- Number of chargepoints installed increased to 3,867 from 3,838 in 2021 and the number of chargepoints sold directly to customers increased to 10,862, compared to 7,187 in 2021. This represents a direct sale increase of 51%
- The increased revenues helped to increase total gross margin in 2022 to £5.2 million, compared to £3.7 million in 2021 – an increase of 39%
- Percentage gross margin increased from 20% in 2021 to 22% in 2022, due to a shift in the mix of installations toward higher margin direct sale chargepoints, and the elimination of losses in Norway
- We won or renewed several key customer contracts during the year, including JCB and B&Q

Recurring revenue business segment

- We delivered excellent growth in our recurring revenue segment, with revenue of £1.9 million compared to £0.9 million in 2021, an increase of 107%. Network revenues increased to £1.0 million compared to £0.8 million in 2021
- This increase in revenues helped to increase gross margin in 2022 to £1.1 million, compared to £0.4 million in 2021 – an increase of 166%
- In addition, percentage gross margin in 2022 increased to 58% compared to 45% in 2021, an increase of 13%, with the average annual recurring revenue per commercial chargepoint installed and able to communicate increasing to £89, compared to £57 in 2021
- The number of commercial chargepoints installed and able to communicate at the year end increased to 21,342 from 16,005 at the end of 2021. All recurring revenues in both 2022 and 2021 were derived from these chargepoints
- The number of home chargepoints installed and able to communicate at the year end increased to 173,754 from 121,415 at the end of 2021. This growth is strategically significant as we seek to expand our recurring revenue products across these chargepoints

Chief Financial Officer's statement continued

Owned asset business segment

- We delivered a strong performance with revenue of £4.2 million compared to £2.0 million in 2021 – an increase of 108%
- The total number of sites installed at the period end increased to 570 from 453 at the end of 2021. The total number of chargepoints installed at the period end increased to 1,259 from 984 at the end of 2021, including 117 DC rapid chargepoints at the end of 2022 compared to 73 at the end of 2021
- This increase in revenues and chargepoints helped to increase gross margin in 2022 to £2.2 million compared to £0.9 million in 2021 – an increase of 158%
- Percentage gross margin in 2022 increased to 53% compared to 43% in 2021 – an increase of 10%. A contractual period through 2021 of the provision of free electricity by Pod Point stopped at 179 sites in February 2022 and at all 198 sites by the end of July 2022, significantly reducing costs in 2022
- Gross capital deployed on assets increased to £6.3 million at the end of 2022, compared to £3.9 million at the end of 2021

Cost of sales

Cost of sales principally comprises the cost of chargepoints and related parts installed, other installation costs such as trench digging, electrical cable running and parking bay markings and the cost of labour which includes both in-house staff and third-party contractors. Where an installation is incomplete at a period end, we conduct an assessment according to our accounting policies and IFRS as to whether an element of the installation revenue and related cost of sales can be recognised. If no element of an installation can be recognised, the chargepoint, related parts and labour incurred on the installation to the period end will be treated as work in progress and recognised on completion of the installation in accordance with our accounting policies and IFRS. Where we own and operate a chargepoint and charge customers to charge their vehicles, the costs of the related electricity and credit card/banking transaction fees are included in cost of sales. Cost of sales increased by £9.7 million (22%) from £45.1 million in 2021 to £54.8 million in 2022. This increase was primarily due to the increased volume of commercial installations and chargepoints shipped, contributing to increased chargepoint volumes acquired from our suppliers and additional install costs incurred for both our in-house installers and external installation service providers. In addition, parts brokerage costs incurred in buying component from the spot market to avoid supply chain risks, particularly in the earlier part of 2022, increased costs by £2.3 million.

Gross profit

The increase in revenues helped to increase total gross margin in 2022 to £16.6 million compared to £16.3 million in 2021 – an increase of 2%. In addition, our total percentage gross margin in 2022 decreased to 23% compared to 27% in 2021 – a decrease of 4%.

Administrative expenses

Total administrative expenses as disclosed on the Income Statement increased to £38.1 million (2021: £29.4 million), a year-on-year increase of 30%. This increase was due to the growth in the size of the business and the additional staff required to deliver this growth, the full year of cost of being a listed company and additional depreciation and amortisation costs as a result of additional funds being invested in owned assets and intangible asset development. The business continues to increase its support costs to maintain growth, to fund its requirements as a listed business and to pay significant one-off costs in both periods. Looking at these individually:

- Administrative expenses excluding one-off large corporate transaction and restructuring costs, share-based payments and depreciation and amortisation costs increased to £25.0 million (2021: £16.3 million) – a year-on-year increase of 54%. This increase was due to the growth in the size of the business and the additional staff required to deliver this growth and the ongoing costs of being a listed company
- Depreciation and amortisation costs increased in 2022 to £7.7 million (2021: £4.9 million) as a result of additional funds being invested in owned assets as well as research and development
- Following the listing in November 2021, Pod Point incurred share-based payment charges relating to a number of share awards that were implemented at or soon after listing, resulting in a 2022 charge to the P&L of £4.5 million (2021: £2.4 million) and national insurance accrued on share based payment charges of £0.6 million (2021: £0.3 million)
- In 2022, £0.1 million of one-off large corporate transaction and restructuring costs were incurred (2021: £5.7 million). 2021 costs related mainly to the listing in November 2021

EBITDA and adjusted EBITDA

The reduced gross margin and increased administrative costs moved the business from a positive adjusted EBITDA of £0.1 million in 2021, to a loss in 2022 of £7.0 million. EBITDA losses increased from £8.1 million in 2021 to £12.3 million in 2022 – an increase in losses of £4.2 million.

Finance costs

Net finance income increased to £0.1 million in 2022 (2021: net finance costs of £1.2 million), as a result of shareholder loans repaid upon listing in November 2021 and therefore finance costs in 2022 are limited.

20%
Home gross profit margin

3%
Home annual revenue growth

£23.9m
Total commercial revenue

31%
Commercial annual revenue growth

22%
Commercial gross profit margin

107%
Recurring revenue growth

Chief Financial Officer's statement continued

£74.1m

Closing cash and short term investments

Taxation

There were no tax credits or charges in 2021, but a small tax charge arises in 2022 of £2.9 million. In addition, it is worth noting that R&D tax credits have been recognised in 2022 as expenditure credit in Other income of £1.5 million.

Loss after tax

Unadjusted losses after tax increased to £20.2 million in 2022 compared to £14.3 million in 2021. This was due to the additional costs set out under 'Administrative expenses'.

Earnings per share

Basic and diluted earnings per share stayed the same with no change from a negative £0.13 in 2021 to negative £0.13 in 2022.

Dividend

We aim to prioritise the reinvestment of our cash flows into the considerable opportunities that exist for the growth of the business. With respect to dividends, the Directors see these as an important part of the capital allocation policy at the appropriate time in the future, and once commenced the Directors would anticipate operating a progressive dividend policy.

Capital expenditure

During the period under review, we increased capital investment in tangible assets (owned chargepoints and fixtures and fittings) and intangible assets (software and hardware development) as our product and service offering and customer base have grown. We continued to capitalise expenditure on additions and improvements to our hardware and software as new functionality and services were developed. Total expenditure relating to internal staff costs of £6.7 million was capitalised in 2022 compared to £2.9 million in 2021. In addition, we invested £1.9 million (2021: £2.3 million) in owned chargepoints as part of a commercial arrangement with Tesco. After total investment of £9.9 million in software and product development and controlled investment in owned assets, 2022 year end cash and short-term investments were £74.1 million compared to £96.1 million at the end of 2021.

Cash flow and net debt

Following the IPO in November 2021, growth again continued in 2022 but at a slower rate, and we managed cash carefully, particularly in the area of owned assets and working capital.

Closing cash and short-term investments were £74.1 million (2021: £96.1 million). At 31st December 2021, £50.0 million of cash had been placed on a six-month bank deposit and was classified as a short-term investment. At 31st December 2022, there were no short-term investments. Closing net assets were £184.2 million (2021: £199.8 million).

Cash outflow from operating activities increased by £6.8 million to £9.0 million (2021: £2.2 million). This was primarily due to a larger operating loss, as well as a reduction in the inflow of working capital from creditors due to lower growth in the year.

Cash flow from investing activities changed from a significant outflow to an inflow of £38.2 million (2021: outflow of £57.2 million). This swing is primarily the result of a £50.0 million investment in bank deposits in 2021 that was redeemed in 2022. Aside from this, the business invested £9.9 million in capitalised software development to drive future recurring revenues. In 2021, £50.0 million of the investing activity related to the purchase of short-term investments, which are long-term bank deposits classified as investments due to their tenor. No short-term investments existed in 2022.

Cash flow from financing activities moved from an inflow in 2021 to an outflow of £1.2 million (2021: inflow of £102.6 million). The 2022 outflows on lease liabilities and loan repayment contrast with the 2021 listing of the business with gross funds raised of £120.0 million less transaction costs of £7.7 million and with net shareholder loans of £9.3 million repaid following the listing in 2021.

Balance sheet

Management of the balance sheet remained strong. Working capital movements, despite continued business growth, were limited across trade and other receivables, inventory and trade and other payables. Fixed assets grew as we continued to build the software platforms that will drive future growth.

Related party transactions

During 2022, transactions with related parties included sale of goods of £3.4 million (2021: £3.1 million), purchase of goods of £3.9 million (2021: £8.5 million), and interest on intercompany loans of £nil (2021: £1.0 million). These transactions were undertaken with the two shareholders EDF Energy Customers Limited and Legal & General Capital Investments Limited and their subsidiaries.

Going concern

The Board has considered the forecast for the next 12 months including factoring in the risks set out on pages 68 to 73. Following this review, the financial statements have been prepared on the going concern basis. While we are not yet cash generative, since the IPO in November 2021 we have managed cash carefully and had £74.1 million of cash still on the balance sheet at the end of December 2022. The Directors believe the Group has a robust business model, supported by the expected growth in trading as the UK transitions in line with the requirement

Chief Financial Officer's statement continued

12%

YoY increase in PiV registrations in January 2023

22.5m

Annual charging sessions across Pod Point network

2 hours & 26 minutes

is the time Wayne Gerdes spent charging his Porsche Taycan while crossing the US from coast to coast – covering 2,835 miles, charging 18 times and spending $76 on charging

that there should be no new petrol or diesel cars from 2030 (with hybrids being phased out from 2035). This assessment also includes downside stress testing in line with FRC guidance which demonstrates that even in extreme downside scenarios, given the level of cash held following the listing and the deployment of this cash investing in owned assets being within our own control, we would continue to meet our obligations as they fall due, without the need for material mitigating actions.

Subsequent events

There have been no reportable events since the balance sheet date.

Prospects and outlook

We continue to see rapid growth in the UK electric vehicle market, with 26,403 new plug-in vehicle registrations in January 2023 – 12% up on January 2022 and representing 20% of all vehicles registered. We expect the mix of vehicles to continue to shift to battery electric vehicles as they increase their share of plug-in vehicles. This primarily comes on the back of more choice for consumers, with more new battery electric models expected to be launched in 2023 at more accessible price points. Battery electric vehicles still only constitute 1.5% of total vehicles on the road, so the growth potential for the business remains significant.

While the current price increases in electricity are an obvious concern for consumers and businesses, we do not expect them to materially impact sales of electric vehicles. Rather, the ongoing running costs of electric vehicles will in almost all cases continue to be significantly cheaper than vehicles reliant on internal combustion engines.

We expect the Government to continue with reduced direct fiscal incentives and to focus on indirect actions, such as the changes to planning regulations that require developers to include chargepoints in new properties. We see this as the right strategy and a developing opportunity for Pod Point.

We anticipate continued volatility in macroeconomic conditions, high-but-easing inflation, an ongoing war in Ukraine, energy price volatility and cost-of-living pressures. We expect global supply chain challenges to continue but to ease through 2023 with an ongoing impact on the supply of new vehicles, as seen by currently extended vehicle lead times.

Given the significant future opportunity we see in the coming years, we plan to continue investing in our business broadly in line with our IPO strategy:

- Firstly, we will continue to invest in our systems and processes to ensure that we are ready to serve the scale of opportunity we see ahead of us
- Secondly, we will continue to improve and expand our product offering to serve more routes to market. At present, we are actively developing our offerings for fleets and housing developers. We will deliver innovation that improves our product proposition in terms of convenience, cost reduction and carbon reduction. It is important that the EV revolution doesn't leave anybody behind – and we will be investing in our products to meet the needs of these customers
- Thirdly, we will continue to invest in our software capability to realise a number of recurring revenue business models. Our chargepoints are already smart, so we will be building software on top of our network to enable our chargepoints to work in harmony with the grid at both a local and national level. With so many consumers moving to a reliance on electricity for their driving, as well as potentially for heating, we are going to see a significant increase in the demand for electricity across the UK. Amongst other activities, we are building our network of chargepoints and associated technology to carefully manage how energy flows into the nation's electric cars and hence provide commercial balancing services into the National Grid and/or distribution network operators. We expect to do this in a way which doesn't materially inconvenience the EV driver. During the year, we have built our Technical Team to enable this, and have made various improvements to our systems in preparation for using our network for the purpose of grid load management
- Finally, we will make targeted investments in owned assets, although at a lower level than we communicated at IPO. We will focus on multimodal charging opportunities at locations that will benefit from our capability across multiple charge rates. These chargepoints will be a mix of AC chargepoints for those locations with longer dwell times and DC chargepoints capable of rapid charging so that drivers can quickly get on their way. Given the increase in interest rates, general move towards higher ground rents and a more challenging macroeconomic climate, a reduced rate of owned asset investment will also allow us to retain a higher cash level on our balance sheet

We remain confident that our strategy will allow us to maximise the opportunities presented to us by the ongoing growth in electric vehicles.

David Wolffe
Chief Financial Officer

Our marketplace

2022 saw continued growth in the EV market, although global supply chain challenges meant that the rate of growth, particularly from April onwards, was slower than in 2021.

The UK remains a significant European automotive market

While the UK vehicle market is facing some economic headwinds, it remains one of the largest in Europe, ranking third in terms of total vehicle sales in 2022.

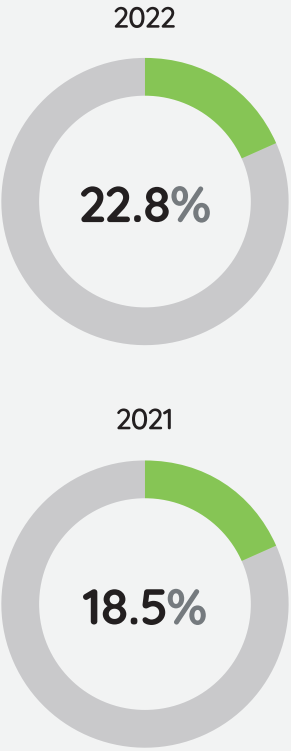
Electrification continues to grow

Although the rate of growth in PiVs slowed somewhat in 2022 compared to 2021, overall it remained strong with new registrations increasing by over 20% compared to the previous year. Sales of PiVs rose to 368,609 from 305,269 in 2021. As with 2021, battery electric vehicle (BEV) sales provided the majority of growth (up 40.1%), with sales rising to 267,199 from 190,715 in 2021.

Heightened focus on the importance of charging infrastructure

As EV uptake has continued to grow, there have been increasing calls, particularly from the automotive industry – notably via the Society of Motor Manufacturers and Traders (SMMT) – for charging infrastructure rollout to “keep pace” with EV uptake. Lead times for new EV deliveries indicate that the industry has been constrained by vehicle supply rather than by lack of charging infrastructure. However, the additional scrutiny of the charging sector and calls for greater infrastructure provision does provide further impetus for growth, particularly outside home charging.

PiV sales as a % of total new vehicle registrations:



Key growth drivers for EV sales

Five factors are driving growth in EV sales, and therefore the demand for EV chargepoints:

Shifting consumer preferences

According to the 2022 Climate Change Committee Report to Parliament "Progress in reducing emissions", transport is the highest emitting sector of the UK economy. It accounted for 23% of total GHG emissions in 2021, with cars being the biggest source of emissions.

As drivers become more environmentally aware, so do the environmental advantages of EVs become more pertinent. At the same time, barriers to EV adoption are being overcome, and the significantly better performance, simplicity and all round convenience of EVs are capturing the public imagination. All of these factors are seeing demand for EVs grow.

A Deloitte Global Auto Consumer Study[1] found that concerns over the cost/price premium diminished in the UK (from 24% citing this as a concern in 2018 to 16% in 2020) and the focus shifted to concerns over lack of electric vehicle charging infrastructure (from 22% citing this as a concern in 2018 to 33% in 2020). We believe both these trends remained relevant in 2022.

As EV sales increase, so too does the demand for chargepoints – and we are seeing repeated calls from industry to increase public provision as well as consistent demand for home chargers.

Fleet electrification remains the future of the automotive sector

While OEMs are producing more EVs, increasing lead times for these products suggest that there is some work ahead for many automotive OEMs if they are to match demand with supply. The challenges the automotive supply chain has faced, including contributory factors such as the post-pandemic supply chain crunch and the war in Ukraine, are hopefully time-limited issues.

Ultimately, OEMs are left with only one guaranteed growth opportunity in terms of drive-train technology – and that's the EV. As this becomes clearer, we expect that more OEMs will commit to EV production and the requisite investing in the supply chain. We are already seeing the more forward-looking global OEMs moving beyond merely sourcing cells to investments in battery mineral supply. For example, Ford is investing $50 billion into EVs through 2026[2] in an effort to counter the advantage gained by early movers such as Tesla (the UK's most popular supplier of EVs) and Chinese competitors like BYD, MG and Nio.

These investments, combined with wider factors, will yield large volumes of EVs and this will guarantee a strong supply of EVs in years to come.

Battery technology outlook

Together with incremental gains in energy density and vehicle efficiency making EVs more compelling, the economies of scale from mass market production of EVs are set to make batteries, and thus EVs, much more affordable.

According to the Bloomberg New Energy Finance (BNEF) 2022 battery price survey[3], the cost to manufacture EV batteries increased in 2022 by 7% to $151 per kWh of battery pack, due to a combination of supply chain challenges and lithium mineral prices remaining high. However, this increase is considered a short-term dynamic. Advancements in battery

1. https://www2.deloitte.com/uk/en/insights/focus/future-of-mobility/electric-vehicle-trends-2030.html
2. https://media.ford.com/content/fordmedia/fna/us/en/news/2022/07/21/ford-battery-capacity-raw-materials-scale-evs.html
3. https://about.bnef.com/blog/lithium-ion-battery-pack-prices-rise-for-first-time-to-an-average-of-151-kwh/

Market context continued

Battery electric vehicle (BEV) sales up

40%

in 2022

300k

public chargepoints required by 2030

195,096

Pod Point chargepoints installed and able to communicate at year end

technology, increase in production scale, and competition among manufacturers are among the key factors expected to continue driving down the cost of EV batteries over time. $100 per kWh pricing (the point at which price parity between ICE and EV manufacture is expected) is now due in 2026, a 24-month delay on the 2021 BNEF projection. As a result, the overall cost of owning and operating an electric vehicle is expected to make EVs more accessible to a wider range of consumers.

Greater awareness of the need for charging infrastructure

As EV uptake grows, so too does demand for charging infrastructure. While we see this demand growing across our routes to market – usually hitting home charging first – future demand for public charging has started to become increasingly high profile. To this end, the UK Government announced in its March 2022 "Electric Vehicle Charging Infrastructure Strategy" document that the UK will require around 300,000 public chargepoints by 2030.

While there are uncertainties regarding the accuracy of this number, there are significant anxieties over whether it – or a number approximate to it – will actually be achieved. We've seen calls for action from the automotive industry, EV manufacturers and environmental organisations for the Government to take a more proactive approach to building out the charging network. The SMMT has, in turn, called for the UK Government to invest in more charging infrastructure, emphasising the importance of a reliable and accessible charging network in encouraging the widespread adoption of EVs.

At Pod Point, we believe much of the anxiety around charging infrastructure is misplaced, with the industry currently constrained by vehicle supply, and that there is often a lack of understanding around what an effective charging ecosystem will look like. But increasing recognition of the importance of the role of charging infrastructure provides a positive market context.

Government regulation and support

The UK Government remains committed to its net zero by 2050 plan, and while it has reduced direct incentives in the form of the Plug-in Car Grants and the Electric Vehicle Homecharge Scheme, it has continued to implement regulatory measures and initiatives aimed at promoting the adoption of EVs. Critically, the Government has also maintained the 2030/35 phase out dates for the last sales of new internal combustion engine vehicles and hybrid vehicles, respectively. Furthermore, in 2022 the European Union and other governing bodies have introduced similar ICE phase-out measures, furthering the likelihood of the target being met as OEMs will have to electrify vehicles across their markets.

We have completed the (non-trivial) work to comply with the Electric Vehicles (Smart Charge Points) Regulations 2021, that seek to prepare the UK's chargepoints for the flexible grid of the future, giving us an immediate advantage over some competitors. Additionally, Part S of the Building Regulations went live in June 2022, compelling developers to fit chargepoints in bays associated with dwellings and providing significant new and sustained demand for chargepoint provision.

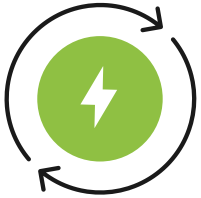
The Local Electric Vehicle Infrastructure (LEVI) fund has undergone a £10 million trial and is set to provide £450 million to local authorities in funding to support the installation of EV chargepoints in areas where they are needed. Furthermore, the £950 million Rapid Charging Fund (RCF) is moving into trial phase as pressure increases to improve this part of the public network by supporting the deployment of high-powered chargepoints, capable of providing a full charge in just a few minutes.

Following its 2022 consultation, the UK Government is also set to announce the terms of the Zero Emission Vehicle (ZEV) Mandate which will set minimum numbers of ZEVs that OEMs must provide from 2024-2030 to ensure a relatively smooth uptake. This should support steadily growing demand for chargepoints in due course. Preferential Company Car Tax Benefit-in-Kind (BiK) rates will be held at just 2% out to 2025, growing by 1% a year to 2028, maintaining a potent and successful incentive to company car drivers.

Ready for growth: our build at scale strategy

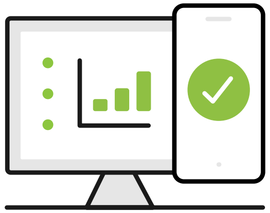
Our business model remains the platform that enabled us to become one of the UK's leading providers of EV chargepoints. We continue to expand operations and improve our operational delivery. Supported by a strong balance sheet, in future years we'll be reporting our progress on four key strategic aims:

- We will continue to invest in our systems and processes to ensure that we are ready to serve the scale of opportunity we see ahead of us

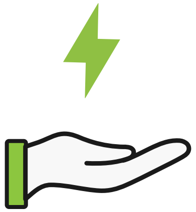


- We will continue to improve and expand our product offering to serve more routes to market

- We will continue to invest in our software capability to realise a number of recurring revenue business models



- We will make targeted investments in owned assets, although at a lower level than we communicated at IPO



Scale our existing products and services

We'll make material financial investment in our systems and processes to support a number of existing revenue streams and their ability to scale for the huge growth ahead.

This means significant activity in a number of areas to deliver:

- Strong focus on our internal systems and efficiency ahead of rapid growth into 2030
- Our new home charger is under development
- Multiple product innovations around the themes of
  - Convenience
  - Reduced cost
  - Reduced carbon
- New home chargepoint ordering process

Expand within our routes to market

At present, we're actively developing our offerings for fleets and housing developers. We'll deliver innovation that improves our product proposition in terms of convenience, cost reduction and carbon reduction. It's important that the EV revolution doesn't leave anybody behind – and we'll be investing in our products to meet the needs of these customers.

We aim to increase the number of routes to market we serve across the UK. As our markets mature, the four main routes – home, workplace, destination and en-route will expand into multiple sub-routes to market.

We're launching fleet management charging capabilities and already have active pilot schemes with partners like the Forestry Commission, Mitie and DPD.

A key pillar of our strategy is to further optimise and invest in our installation capacity, supply chain and logistics, as well as product development, software and hardware solutions. This will establish Pod Point as the clear first mover in these new sub-routes to market.

For example, our home segment is currently focused on domestic off-street charging at locations where the homeowner has access to private off-street parking. According to PwC 72% of UK drivers have access to off-street parking at home. Now we aim to expand our reach to include private car parks associated with blocks of flats (comprising approximately 7% of homes), and on-street charging for areas with no off-street parking, as well as other areas.

We'll also look to work with local authorities to install on-street chargepoints.

"According to PwC,

72%*

of UK drivers have access to off-street parking at home."

* Source: https://t.co/mBQRyAC4vl

Build recurring revenues on our network

Our chargepoints are already smart, so we'll be building software to enable them to work in harmony with the grid at both a local and national level.

With so many consumers moving to a reliance on electricity for their driving, as well as potentially for heating, we're going to see a significant increase in the demand for electricity across the UK. Amongst other activities, we're building our network of chargepoints and associated technology to manage carefully how energy flows into the nation's electric cars. This technology will enable us to provide commercial balancing services into the National Grid and/or for distribution network operators. We expect to do this in a way which doesn't materially inconvenience the EV driver.

During the year, we enhanced our Technical Team to enable this, and have made various improvements to our systems in preparation for using our network for the purpose of grid load management.

We'll continue to make material financial investment into our software to support a number of recurring revenue streams. Areas of focus include:

- Dedicated Grid Team to progress our grid load management plans and enable home charge recurring revenue
- Trial with BMW and National Parks on in-app advertising
- Continue building revenue per chargepoint potential in commercial and home

At present, we charge network fees to our commercial customers to keep their smart chargers connected to our consumer-facing information system (known as the Smart Reporting System), and back-end management information systems.

Our strategy is to carry on scaling the number of smart chargepoints connected to our systems, and then build additional and incremental recurring revenue services.

We now have over 195,000 communicating chargepoints, up 42% on 2021, and across that growing network the recurring revenue potential includes services such as:

- Helping customers choose the best electricity tariff for their home and EV charging, and receiving revenue when they move to new suppliers
- Managing load by controlling the flow of energy into EVs on a national and local level and selling these services into electrical grid balancing markets
- Helping energy suppliers optimise their wholesale costs by managing their demand during half-hourly settlement periods

To support our expansion plans, we've increased our full-time technology staff from 71 in 2021 to 150 in 2022, and we expect to increase our capitalised software development, from around £10 million in 2022 to close to £15 million in 2023.

“**+107%**”

Recurring revenue growth in 2022

Grow our funded rollouts

While we're going to continue investing in rapid charging and owned assets, this will be through targeted investments, and at a lower level than we communicated at IPO.

We'll focus on multimodal charging opportunities at locations that will benefit from our capability across multiple charge rates. These chargepoints will be a mix of AC chargepoints for those locations with longer dwell times and DC chargepoints capable of rapid charging so that drivers can quickly get on their way.

Given the increase in interest rates, the general move towards higher ground rents and a more challenging macroeconomic climate – a reduced rate of owned asset investment will also allow us to retain a higher cash level on our balance sheet.

Our new owned assets will include destination and en-route facilities, in addition to chargepoints for multi-tenancy residential dwellings. In the longer term, we believe that a third-party infrastructure funding market will develop as investors become more familiar with the charging infrastructure as an asset class.

So our approach will become more focused than before in the following ways:

- Funded DC no longer an outright objective
- Use where it supports our AC charging strategy or where we have a specific competitive advantage
- Maintain a higher cash balance

570

Tesco locations with Pod Point chargepoints across the UK

Key performance indicators

We measure our performance and progress against a series of financial and operational KPIs:

pp = percentage points
k = £'000

KPI	Year to 31.12.22	Year to 31.12.21	Year-on-year change
Annual revenue growth (£'000)	71,409	61,415	+16%
Gross profit (£'000)	16,589	16,345	+2%
Gross profit margin (£'000)	23%	27%	-4ppts
Adjusted EBITDA (loss)/profit (£'000)	(7,040)	58	-£7,098
Closing cash/short-term investments (£'000)	74,103	96,112	-£22,009
Electric driving powered by Pod Point's owned and operated chargepoints (kilometres) over	2,360	955	+147%

KPI	Year to 31.12.22	Year to 31.12.21	Year-on-year change
Home chargepoints installed	53,961	54,977	-2%
Average revenue per home chargepoint	767	733	+5%
Commercial chargepoints installed and shipped	14,729	11,025	+34%
Commercial revenue (£'000)	23,894	18,192	+31%
Commercial gross margin %	22%	20%	+2ppts
Supply only commercial chargepoints	10,862	7,187	+51%
Effective home market penetration	15	18	-3ppts

KPI	Year to 31.12.22	Year to 31.12.21	Year-on-year change
Total home chargepoints installed and able to communicate	173,754	121,415	+43%
Energy transferred across our network	367GWh	172GWh	+113%
Total commercial chargepoints installed and able to communicate	21,342	16,005	+33%
Average annual recurring revenue per chargepoint	89	57	+£32
Recurring revenue (£'000)	1,896	918	+107%
Total chargepoints communicating	195,096	137,420	+42%

KPI	Year to 31.12.22	Year to 31.12.21	Year-on-year change
Total owned asset sites	570	453	+26%
Total owned asset chargepoints	1,259	984	+28%
Total owned asset rapid/DC chargepoints	117	73	+60%
Owned asset revenue (£'000)	4,233	2,033	+108%
CO_2e avoided by Pod Point's owned and operated chargepoints being used (ktonnes)	278	127	+118%
Charging sessions delivered by Pod Point's owned and operated chargepoints	22.5m	12.2m	+84%

Key performance indicators continued

Financial KPIs

- Annual revenue growth. As a fast growth business, top line revenue growth from year to year represents the most effective measure of customer and business success
- Gross profit and gross profit margin which are calculated as total revenue less cost of sales and total revenue less cost of sales divided by total revenue, represented as a percentage, reflect how well the business manages the costs of its core installation process and chargepoint supplies
- Adjusted EBITDA (see page 118 for definition) is a measure of the administrative costs required to manage and scale the business and an indication of how the cost base is managed. While not an accounting measure, under IFRS, it does allow comparisons with different companies and sectors
- Cash and short-term investments are critical to allow the business to provide funds for investment for growth, to cover its expenses and to meet its long-term needs. Cash generation is a good indicator of the underlying health of the business

Operational KPIs

- Chargepoints installed/shipped: the number of chargepoints installed and shipped in a given period, categorised into home and commercial
- Average annual recurring revenue per unit: recurring revenues generated by home or commercial customers in a period divided by the number of chargepoints installed and able to communicate at a year end, categorised into home and commercial
- Effective home market penetration is calculated as the number of chargepoints installed in a period, divided by the total number of new PiV registrations in that period, expressed as a percentage. In the past and up to the middle of 2021, typically home chargepoints were installed close to the date a new PiV was registered with the DVLA and so for the home business segment this represented an effective market share measure. However, as the OZEV grant has come to an end, supply chain constraints have massively extended vehicle lead times, and dealers have reduced chargepoints incentives, and the high inflation has affected consumers, with the relationship between vehicle registration and chargepoint installation less stable. The metric also excludes our chargepoints supplied to the market through wholesalers or housebuilders. We recognise the current penetration % statistic is not an ideal measure of market share, but it is the only one currently available until we develop a more robust metric
- Chargepoints installed and able to communicate at a period end (home and commercial): the total number of chargepoints we've installed or shipped since the start of our operations which are able to communicate via Wi-Fi or mobile connectivity with our management information system (the Smart Reporting system)
- Number of sites at period end: within the owned asset business segment, the number of locations at a period end where chargepoints owned by us were installed and operational at a period end
- Number of chargepoints at period end: within the owned asset business segment, the number of chargepoints owned by us and installed and operational at a period end categorised into DC rapid chargepoints (which are separately disclosed) and other chargepoints
- Electric driving powered by Pod Point's owned and operated chargepoints (million kilometres): calculated based on internal Company data on the energy supplied by communicating Pod Point chargepoints, multiplied by the average electric vehicle energy use per kilometre (Source – https://ecocostsavings.com/average-electric-car-kwh-per-mile/ and converted from miles to km)
- Charging sessions delivered by Pod Point's owned and operated chargepoints (millions). Internal Pod Point data from communicating chargepoints of charge sessions started in a given period which have also successfully completed
- Energy delivered by Pod Point's owned and operated chargepoints (million kWh). Data from our internal systems of sum of energy transferred through each communicating chargepoint in the period
- CO_2e avoided by Pod Point's owned and operated chargepoints being used (tonnes) calculated as the difference between: carbon intensity of vehicles charged on Pod Point network: Internal data of energy transferred through communicating charge points, multiplied by the UK government CO_2e average generation intensity data for the relevant year (2022 – 0.19338 kgCO_2e/kW, 2021 – 0.21233 kgCO_2e/kW)
- Carbon intensity of equivalent miles driven in an internal combustion engine vehicle: energy delivered by Pod Point's owned and operated chargepoints multiplied by the average electric vehicle energy use per kilometre (Source https://ecocostsavings.com/averageelectric-car-kwh-per-mile/ and converted from miles to km), multiplied by the UK government average CO_2e per km for an average vehicle then converting from miles to km (2022 – 0.27465 kgCO_2e/mile, 2021 (average between petrol and diesel) – 0.275805 kgCO_2e/mile)

> For Pod Point, sustainability isn't a 'nice to have', an unwelcome distraction or an opportunity for greenwashing. It's our entire reason for being. It's why we were founded, it's why we come to work every day and it sits right at the heart of our business model.

Erik Fairbairn
Chief Executive Officer and Founder

Pod Point is a highly unusual business. While the vast majority of companies acknowledge their impact and attempt to mitigate it, our activities are almost wholly on the positive side of the climate change equation.

What we enable is making a real difference to the world. And in the years ahead that difference will become more and more striking, as we work hard to deliver on our vision that travel shouldn't damage the earth – helping motorists switch to EVs and make a meaningful and rapid impact on the challenges posed by climate change.

Our sustainability strategy

We believe in business as a force for good in the world. To us that means maximising the positive impact we have on the world. Pod Point is built on the belief that travel shouldn't damage the earth – and this vision drives our actions, and engages our customers and employees.

We take our responsibilities around disclosure and transparency extremely seriously. In the following pages, we therefore provide the metrics – including Scope 1, 2 and 3 GHG emissions – to enable a fair assessment of our progress in mitigating our impact on the environment.

However, none of those metrics, largely good and positive though they are, should distract from our headline role as one of only a handful of UK companies with the potential to have an overwhelmingly positive influence in the battle against climate change.

Our goals vary across each ESG pillar and can be summarised in the following terms:

Environment (E)

Passionate leaders and at times outspoken about the potential of EVs for the protection of our planet. Our concern for the environment drives everything we do.

Social (S)

We're nothing without the skills and commitment of our people, and we reward them with excellent support, training and opportunities.

Governance (G)

While we're substantially compliant, we will continue to work on our processes and procedures to further enhance them.

Materiality assessment

In 2022, as part of our commitment to improve our governance mechanisms, we established an ESG Working Group and a dedicated Sustainability Team within Pod Point. The aim is to ensure our environmental impact is considered in all our decision-making across the business and to help provide and monitor KPIs we set as part of our sustainability strategy.

The world is facing multiple environmental, social and economic issues that need business intervention. This year, we conducted our first materiality assessment to help us identify, focus and report on issues that matter most to our business and where we can make the most impact.

Our process involved:

1. Using SASB guidance to identify issues and topics relevant to our industry. We supplemented this with additional topics that are relevant to Pod Point.
2. Assessing the scale of positive and negative impacts each issue may pose (in terms of environmental, social and economic impacts).
3. Assessing the importance to different stakeholders by assessing trends, regulatory environment and macro forces. We also used customer feedback and social media conversations where relevant. We plan to engage more broadly with stakeholders in 2023.
4. Using findings as the basis for the development of our sustainability strategy and to help focus our resources and efforts where we can move the needle.

We identified a number of material issues, detailed below, which will be addressed by Pod Point over time and, to the extent that they relate to it, within our work on TCFD (Task Force on Climate-related Financial Disclosure). Our sustainability strategy will address the material issues which are aligned with the identified UN Sustainable Development Goals (SDGs) and the Paris Agreement.

We plan to regularly review and refresh our materiality matrix, involving key stakeholders and considering new challenges, while still delivering on our sustainability commitments.

Linking to SDGs

3	Linked to impact: ⑦
10	Linked to impact: ⑧ ⑨
5	Linked to impact: ⑧ ⑨
11	Linked to impact: ④ ⑥
7	Linked to impact: ②
12	Linked to impact: ③ ⑤
8	Linked to impact: ④ ⑤ ⑥
13	Linked to impact: ①

Our material impacts

Environment

① GHG emissions
② Energy management
③ Waste & hazardous materials management

Product

④ Product design & lifecycle management
⑤ Materials sourcing & efficiency
⑥ Product quality & safety

Human capital

⑦ Employee health & safety
⑧ Employee engagement, diversity & inclusion

Governance

⑨ Business ethics

▨ Reporting on request ▨ Some reporting with KPIs where possible 🟩 Detailed reporting and KPIs

Environment

Our approach to the environment

Enabling the journey to net zero

In the UK, surface transport is the largest source of emissions – with the 2022 Climate Change Committee Report to Parliament "Progress in reducing emissions", stating that:

- the surface transport sector contributed 23% (101 MtCO_2e) of total UK GHG emissions in 2021, with cars being the biggest source of emissions
- emissions from electricity generation represented 11% (48 MtCO_2e) of total UK GHG emissions

Reducing these emissions is absolutely key to reaching net zero. Therefore, the need for EVs and, crucially, an effective charging infrastructure, is widely acknowledged by governments around the world and was referenced at COP26.

Our greatest sustainability impact and core to our purpose at Pod Point is supporting the decarbonisation of transport and the UK grid. Our technology already avoids massive emissions from transport by enabling the move to electric vehicles (c 278,000 tonnes of CO_2e in 2022).

Our environment focus areas are to:

1. **Enable** the decarbonisation of transport and grid
2. **Encourage** customers towards net zero
3. **Eliminate** our own emissions

We measure our impact by looking at:

- CO_2e avoided by driving electric vehicles vs ICE
- Amount of CO_2e we help avoid per kWh transferred via our network
- Amount of CO_2e emitted per our chargepoint's lifecycle

Travel which doesn't damage the earth

Enable

decarbonisation of transport and grid

CO_2e avoided

Encourage

customers towards net zero

CO_2e per kWh transferred

Eliminate

our own emissions

CO_2e per chargepoint lifecycle

Environmental, Social & Governance continued

Environment continued

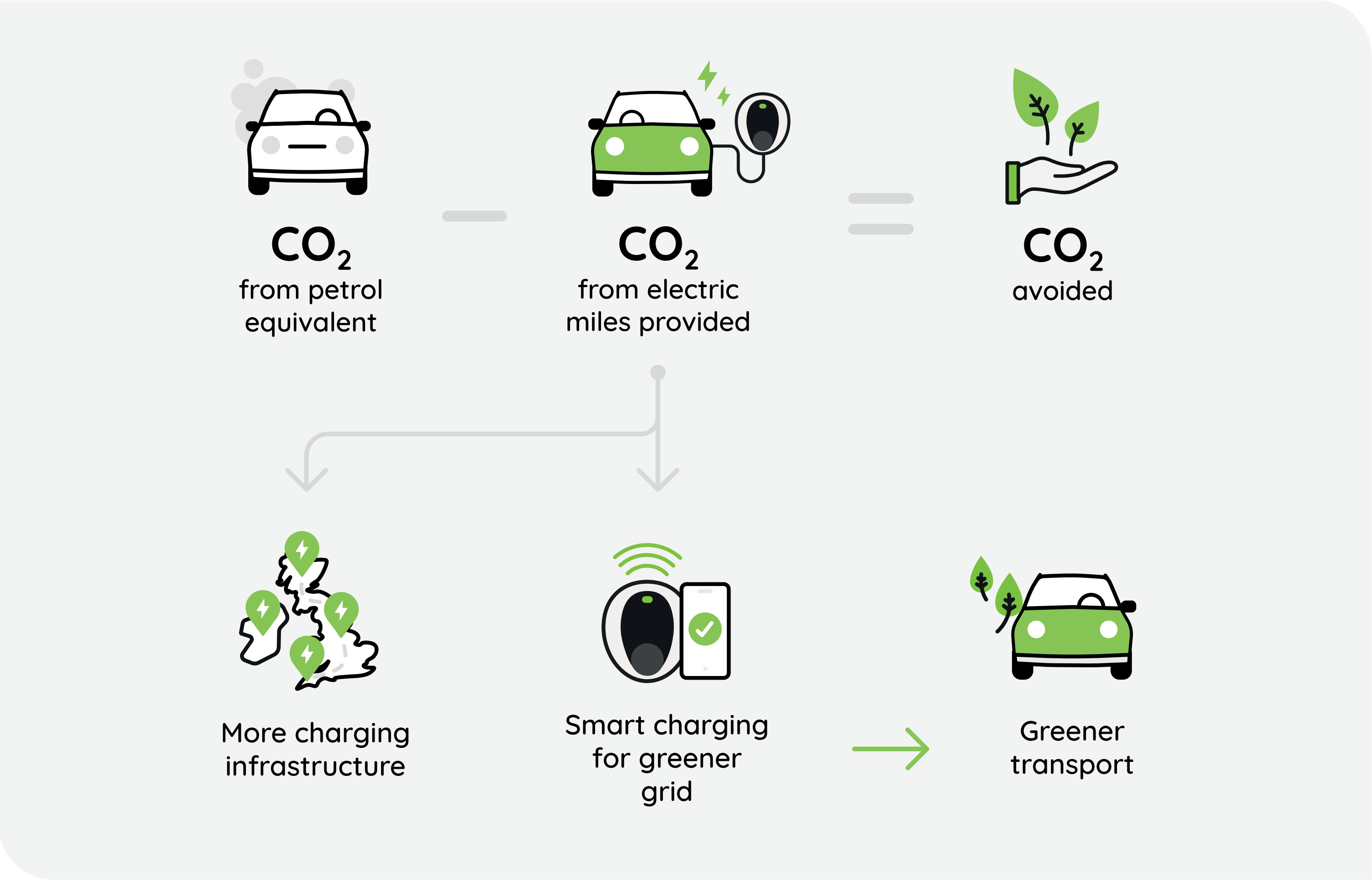
Enable the decarbonisation of transport and grid

How do we define our impact?

Our largest impact is enabling avoidance of CO_2 emissions through our work to decarbonise transport. Decarbonisation of transport is critical to limit global warming to 1.5 degrees above pre-industrial levels. Adoption of EVs is the single most important technology to decarbonise the transport sector – and charging infrastructure is key to adoption.

National Grid estimates that up to 37.4 million EVs will be on the UK roads by 2050. Such numbers mean EVs will play a major part in the UK's electricity system, with things like smart charging and charging behaviour essential in helping to bring down carbon emissions.

We have recently seen National Grid paying customers to reduce their energy consumption at peak times and expect to see this becoming more commonplace. Smart charging and the ability to centrally control EV chargers brings a new flexibility to the grid, reducing the emissions from energy (the second most emitting sector). We will play a key role in enabling this shift.



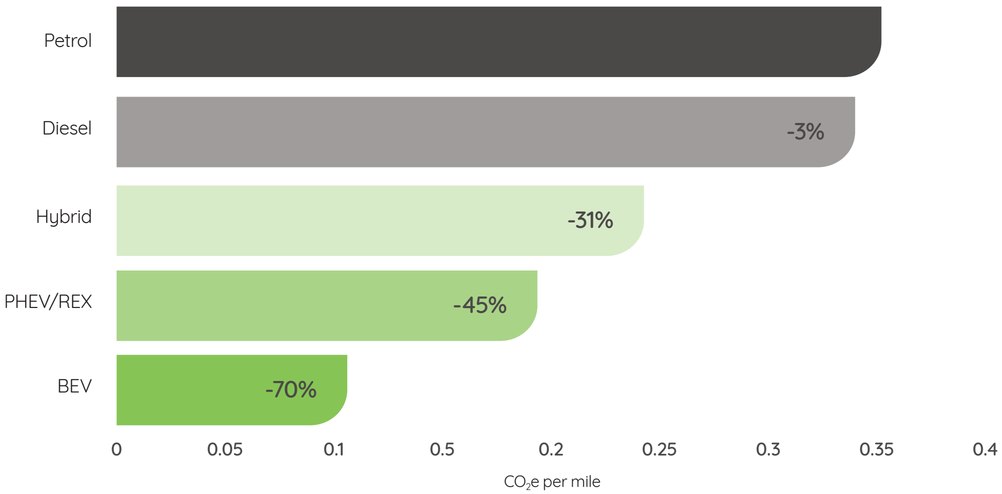
Environmental, Social & Governance continued

Environment continued

Transport

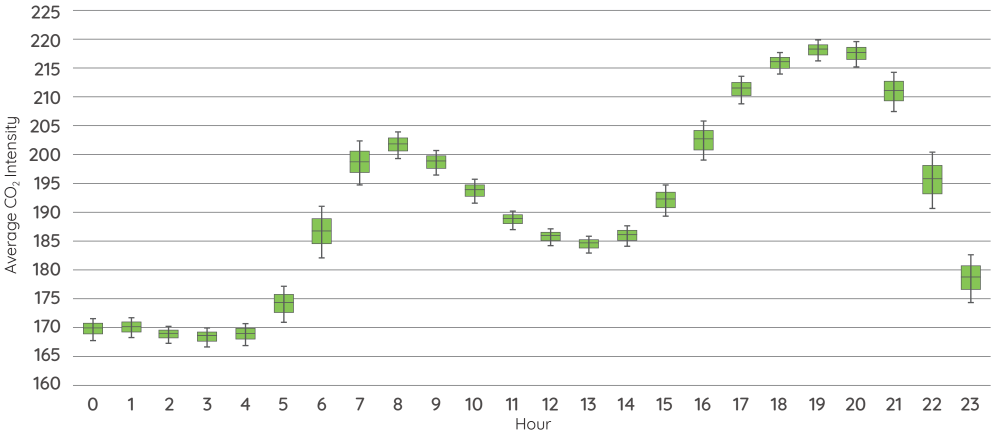
- We enable impact by accelerating the move from ICE to BEVs, as shown in the diagram on page 37
- By installing more charging infrastructure, we support the earlier displacement of ICE vehicles and their replacement with EVs. This can have an extremely significant impact on decarbonising the transport industry – the largest source of UK CO_2 emissions
- While it is theoretically possible to produce synthetic fuels for ICE engines, in practice this is far too costly – both in energy terms and financially – to do so at anything close to suitable scale
- Hydrogen as a fuel is also uncompetitive for the purposes of powering passenger vehicles at scale, due to the logistical and financial challenges posed by multiple additional stages required in the value chain (e.g. electrolysis, pressurisation, cooling and transportation). It is likely to be consumed in decarbonisation of industrial processes where there's little prospect of an alternative
- The emissions involved in battery manufacture cannot be wished away, but can be progressively minimised as industries scale. Recycling practices that are already viable can all but remove the need for virgin battery minerals
- ICE carbon impact remains the same, or gradually worsens with degrading components every year, but for EVs in the UK, the well-to-wheel emissions reduce in line with grid emission reductions

Well-to-wheel CO_2e per mile*



Grid

- Smart charging features like Charge Scheduling enable EVs to be charged when the grid is greener, for example during the night. These features are further reducing the CO_2 emissions of driving an EV. CO_2 intensity of electricity varies throughout the day, and as can be seen from the graph below, midnight to 5am is the "greenest" time to charge in the UK. Over 54,000 chargepoints used our Charge Scheduling feature in 2022
- In future, participating in grid management via demand-side response (e.g. shifting EV charging from peak to off-peak times) will enable Pod Point to further help reduce the UK's reliance on fossil fuels by decarbonising the grid. This means shifting electric charging to times when the grid demand is low, or the supply is high



Our impact in 2022

- 53,961 chargers installed across home
- 14,729 chargers installed and shipped across commercial
- 367 GWh charging delivered by our chargepoints
- Enabled 2.36 billion kilometres of low carbon travel
- Circa 278,000 tonnes of CO_2e saved
- Chargepoints using Charge Scheduling in 2022: 54,184 (2021: 20,406)

Looking ahead

As one of the UK's leading providers of EV charging, we continue to expand our operations and grow our product offering. Our strategy is to scale the number of smart chargers connected to our system, enabling participation in grid management.

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* Calculated in accordance with government guidance (https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022)

Environment continued

Encourage customers towards net zero

How do we define our impact?

We focus on making EV charging convenient, reducing the cost of charging and cutting carbon. By making the move to EV easy, we increase their adoption and, in turn, reduce the UK's transport emissions. We also offer a fully managed installation service and include standard installation in the price to make it easy to install chargepoints in homes. We do this by:

- Including a grace period on our public chargers, allowing customers to confirm their charge
- Providing the full ecosystem for our B2B customers (including allowing their employees to benefit from home chargers), including flexible pricing models
- Providing outstanding service and support, showcased by our ratings on Reviews.io and Trustpilot

4.7/5

customer review rating from over 36,000 customers on review.io

Helping our customers reach net zero

- By creating features such as Charge Scheduling, we enable customers to charge when their energy tariff is cheaper and the grid is greener
- Our B2B customers can track energy transferred via their owned assets and the resulting CO_2 avoidance

Safe, secure & reliable

- 2022 saw the UK Government's introduction of Smart Charge Regulations focusing on the safety and security of EV charging infrastructure – we were one of only a few providers to already be compliant at the start of 2023
- We go above and beyond the new requirements and ensure our chargers meet high standards of safety
- We're working to maintain, and where possible improve, the reliability of our network as the number of chargers and their use increases

Our impact in 2022

- Great customer reviews: 4.7/5 rating from over 36,000 customers on Review.io and Excellent (4.3/5) on Trustpilot from over 11,000 customers
- 54,184 chargepoints used Charge Scheduling in 2022
- Compliant with Smartcharge Regulations, removing barriers to adoption

Looking ahead

We will continue to enable more customers to charge their EVs at home and at public locations, focusing on:

- Growing our product and app offering to improve convenience, reduce carbon, and cut the cost of charging at home and across our network
- Maintaining our high customer satisfaction rating for our charger installations
- Continuing to work on our maintenance plans to ensure high reliability of our network

Eliminate our own emissions

During 2022 we formed our Sustainability Team, with the goal of driving our sustainability strategy and providing appropriate tools, policies and processes to secure our long-term future.

One of the first challenges was to gather better data on our own emissions and engage with partners and suppliers to better understand and measure our impact. We've already made strong progress by partnering with Normative, a carbon accounting engine, to carry out our full Scope 1, 2 and 3 assessment for 2021 and 2022.

We have decided not to set specific net zero goals until we can improve our understanding of the impact of our business on the environment, and develop a plan to reduce our emissions. It's also important to note that our emissions and environmental impact will almost inevitably rise as our business grows.

How do we define our impact?

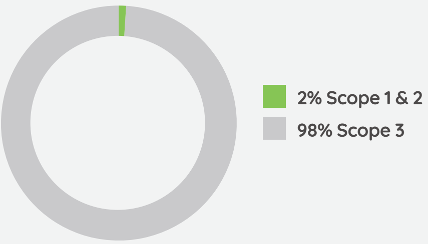
Streamlined Energy and Carbon Reporting (SECR)
Although our EV charging solutions contribute to carbon reduction, we recognise that our products also have environmental impacts. We are striving to better measure and reduce these impacts – and are working with our suppliers and customers to enhance environmental performance of our products and solutions.

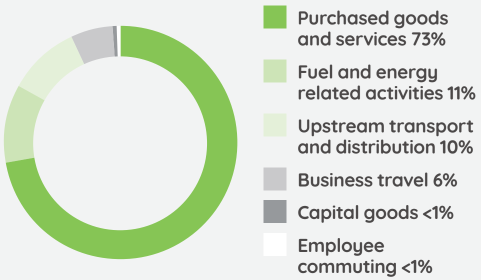
In 2022, we achieved the key milestone of measuring CO_2e for our Scope 1, 2 and 3 emissions across our value chain for the first time.

We include restated emissions for 2021 due to more accurate data being obtained. Mapping out where our impact lies is the first step to creating a plan to reduce our emissions.

- Our Scope 1 emissions are mostly generated from the fuel used by our fleet
- Our Scope 2 emissions include electricity and gas used in our London office, as well as any electric charging of our fleet
- Our Scope 3 is 98% of our CO_2e emissions and includes everything else, from manufacturing, to logistics, to any third-party installation operations

Our performance





Own operations

Scope 1	Scope 2
Greenhouse gas emissions from our own use of fossil fuels	Greenhouse gas emissions from our own use of purchased electricity

Our value chain, including supply chain and products

Scope 3
Greenhouse gas emissions from our value chain. These emissions are not under our direct control but we influence our suppliers, downstream distributors and customers

Environmental, Social & Governance continued

Environment continued

As expected, our total Scope 1, 2 and 3 GHG emissions have grown year on year. This is because we're providing more electric vehicle charging and as our business grows, currently so do our emissions.

Our Scope 1 has increased due to the growth of our in-house fleet, although we are reducing these emissions by moving our fleet to electric. Currently 81% of our fleet is either a BEV or REX. The recent supply issues in the EV market, as well as the lack of fully electric van models that meet our requirements, present a challenge that we continue to monitor. The larger number of EVs in our fleet has led to an increase in our Scope 2 emissions as our fuel consumption moves from petrol or diesel to electricity. We want to see this trend continue.

Other Scope 2 emissions related to both our office heating and electricity usage have reduced year on year. We're already using 100% renewable energy and gas in our office (backed by REGO). As our fleet is charged at our employees' homes, we do not have full visibility of whether this is taking place on a renewable tariff – and we'll be improving our data collection to track this next year.

Scope 3 is by far the largest part of our emissions. We use financial data to estimate most of our Scope 3 emissions, but aim to improve data collection next year to get better visibility of where we can make the most impact in our value chain.

Given the absolute emissions from our operations will continue to increase with our business growth, looking at our intensity metrics provides a better assessment of our performance. Our first intensity metric looks at how much CO_2e is emitted per kWh of energy transferred via our network. We expect this number to continue to reduce as the use of EVs and charging grows. It's important to note that we do not account for the CO_2e of the energy generation, we are specifically looking at Pod Point activities.

Our CO_2e per chargepoint has increased year on year and this is the metric that we will be investigating further in 2023, via a lifecycle assessment, to create a reduction plan.

Our supply chain (Scope 3) CO_2e emissions in 2022

Category	Description	CO_2e emissions (tonnes)
1	Purchased goods and services	**13,729**
2	Capital goods	**18**
3	Fuel and energy related activities	**2,001**
4	Upstream transportation and distribution	**1,936**
6	Business travel	**1,042**
7	Employee commuting	**48**
	Total	**18,774**

Summary GHG metrics and 2021 comparison

	2022	2021
Direct emissions of CO_2 (Scope 1)	**409**	293
Indirect emissions of CO_2 (Scope 2)	**41**	6
Indirect emissions of CO_2 from supply chain (Scope 3)	**18,774**	13,553
Total emissions per kWh transferred energy	**0.05**	0.08
Total emissions per chargepoint shipped	**280**	210

GHG emissions calculations have been generated based on transaction and activities data – e.g. fuel, transport, etc. provided via invoices, utility providers and other suppliers, and by pairing those with emissions data from Normative's database following the GHG Protocol Standard.

Environmental, Social & Governance continued

Environment continued

Energy

- All GHG emissions and energy consumption relate to the Company's UK operations
- 100% of the energy used in our office is on a renewable tariff (REGO backed). Our office also uses 100% biogas for heating. Given that we mostly work remotely, we aim to improve energy efficiency in the office by only using lighting, heating and cooling when the office is occupied
- We are in the process of moving our fleet to electric vehicles. This year, we've reached 81% of our fleet being either a REX or BEV and aim to increase that number to 95% by the end of 2024
  - Only a small number of installations are performed by our in-house teams, meaning the vast majority of CO_2e emissions from our installations fall into Scope 3. We are looking to work with our third-party installers next year to track and create a plan to reduce the CO_2 footprint from all our installations
- In addition, we measure the energy supplied via our network
  - While this metric is clearly more positive towards the performance of our network of chargepoints, the data we collect is only partial, as not all chargepoints remain connected at all times. This is therefore a less precise metric
  - The total energy supplied through the Pod Point network metric Energy Intensity Ratio is: 19,194CO_2e/367GWh = 52 gCO_2e/kWh
- Increasing the energy supplied is an indicator of EV adoption and a metric we want to grow
- The carbon intensity of the energy supplied is also important – and this is something we are working to reduce
- In the majority of cases, the energy supplied via the chargers we install is determined by the owners. We support our commercial customers' net zero goals by enabling tracking and measurement of their charging estate
- For our Tesco network, the energy supplied is 100% renewable (REGO backed). The energy supplied via the Tesco network accounts for around 6% of our Scope 3 emissions

Energy consumption

	2022 (kWh)	2021 (kWh)
Fuels for transportation		
Petrol	**755**	394
Diesel	**760**	698
Other/unknown	**65**	25
Indirect energy		
Electricity (office)	**15**	17
	100% renewable	100% renewable
Electricity (fleet)	**118**	16
Heating (office)	**48**	92
	100% renewable	100% renewable
Total	**1,761**	1,242

Energy supplied via our network

	2022 (GWh)	2021 (GWh)
Energy transferred across our network	**367**	172

> “We take our responsibilities around disclosure and transparency extremely seriously.”

81%

of our fleet is BEV or REX

Environmental, Social & Governance continued

Environment continued

Waste & materials

We recognise the importance of responsible sourcing, waste management and improving the circularity of our products.

We address these issues by integrating sustainability into our product design and production. Given our chargepoints use plastic, we aim to improve the material efficiency by extending the life of our chargepoints where possible – and we offer an extended 5-year warranty.

We're engaging with our suppliers on possible improvements as well as alternative, more sustainable, solutions. For example, during the year we visited our largest manufacturer Celestica to review their sustainability practices. Celestica is a member of the Responsible Business Alliance (RBA) – the world's largest industry coalition dedicated to responsible business conduct in global supply chains.

Maintenance remains a key focus for our teams. Across our operations, we're committed to expanding our efforts to reuse and refurbish chargepoints and components where possible. We already use refurbished parts to maintain some of our chargepoints and will be exploring other solutions in 2023.

In terms of waste, we aim to reduce the plastic waste in our packaging. The majority of our product packaging is cardboard, using FSC certified and 79-83% recycled content. Our policies ensure that any waste produced during installation is picked up by professional third-party waste management companies that ensure materials are reused and recycled wherever possible. Of the waste collected by these companies, less than 5% goes to landfill.

We're currently unable to fully recycle our chargepoints when decommissioned. Where possible, old chargepoints are collected and assessed to see if parts can be reused. We extract parts that can be reused and any remaining waste is responsibly disposed of in line with WEEE regulations. We are committed to reducing our incineration rate and increasing our recycling rate.

For 2023, we'll be working on gathering better data on waste throughout our supply chain and developing targets.

> We are focusing on having a realistic reduction plan for our emissions, while helping accelerate the decarbonisation of transport in the UK.
>
> Diana Almazova, Head of Sustainability

Our impact in 2022

- Partnered with Normative to improve measurement of our Scope 1, 2 and 3 GHG emissions
- Increased the proportion of BEV or REX in our fleet to 81%
- Where we are responsible for sourcing energy (e.g., our office) to do so via renewable tariffs
- Continued to engage with our biggest suppliers to improve our products, as well as monitor their sustainability efforts
- Continued to use refurbished parts in our maintenance, where possible
- Continued to avoid single-use plastic packaging and source any paper packaging from FSC certified suppliers

Looking ahead

- Our ongoing lifecycle assessment will help us better evaluate our current performance in this area and create a plan for the future
- We're in the process of adding sustainability into our project evaluation and stage gate process
- We are also further integrating sustainability principles into our product design processes, so that we can reduce our impact via new products and ensure improved reliability, durability and recyclability. We're currently investigating alternative materials to extend life, allow for better repair and increase recyclability

Improving our environmental data

- We'll be evaluating net zero targets over the coming year, focusing on carbon intensity reduction (i.e. CO_2 per product/CO_2 per revenue)
- We have engaged a third party to carry out cradle-to-grave lifecycle assessments of our products and installation. We plan to introduce Environmental Product Documents for our most sold products in 2023
- We're working on improving data on CO_2e avoided per kWh transferred via our network, for example by looking at regional vs UK-wide energy intensity data
- We'll continue to engage with our top suppliers to ensure better data and reporting. All new suppliers will have to meet our reporting criteria from the start of our relationship

98%

of our emissions are Scope 3

TCFD disclosure

Making significant Progress

In last year's Annual Report, we acknowledged that as we were only a few months into our first year as a publicly listed company, we were just starting our journey with respect to reporting on ESG matters and against the Task Force on Climate-related Financial Disclosures (TCFD). This year, we're pleased to provide an update on the significant progress made in 2022 in relation to our sustainability objectives and to report against the TCFD framework, which provides an overview of our climate-related risks and opportunities. Transparency around sustainability is important to us and increasingly so to our stakeholders. For 2023, our goal is to provide even greater depth and breadth of data and analysis regarding our assessment of climate-related risks and opportunities.

TCFD disclosure continued

TCFD compliance statement

This statement represents our first climate-related financial disclosure, in line with UK Listing Rule LR 9.8.6R. Our report is consistent with the four TCFD pillars and we fully comply with nine, and partially comply with two, of the 11 TCFD recommended disclosures, as summarised in the following table. This statement covers the financial year 1st January 2022 to 31st December 2022.

We recognise that TCFD is an iterative process. We will continue to increase our understanding, develop and deepen our disclosures and embed insights within our business model, as we move forward.

Alignment with TCFD Disclosures

Recommendation	Disclosures	Disclosure level	Page reference	Alignment
Governance Disclose the organisation's governance around climate-related risks and opportunities	Describe the Board's oversight of climate-related risks and opportunities	●	46	We are aligned on this disclosure
	Describe management's role in assessing and managing climate-related risks and opportunities	●	46	We are aligned on this disclosure
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	●	48-49	We are aligned on this disclosure
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	◐	47-49	While we have described activities being undertaken to reduce GHG emissions in our operations and value chain, we are still developing our data collection and reporting lines across relevant metrics. This process is taking place prior to setting robust and meaningful targets as part of a credible plan, in particular with respect to GHG emissions for transitioning to a low carbon economy. Other than this, we are aligned on this disclosure
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	●	48	We are aligned on this disclosure
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks	Describe the organisation's processes for identifying and assessing climate-related risks	●	50	We are aligned on this disclosure
	Describe the organisation's processes for managing climate-related risks	●	50-51	We are aligned on this disclosure
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	●	67	We are aligned on this disclosure
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management processes	●	52-53	We are aligned on this disclosure
	Describe Scope 1, Scope 2 and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	●	41	We are aligned on this disclosure
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	◐	53	We have disclosed our targets around fleet electrification, however beyond this we are working on our data collection and reporting lines across relevant metrics. This will enable us to set robust and meaningful targets as part of a credible transition plan. In particular, we are focusing on developing industry-specific greenhouse gas efficiency targets that are directly linked to the assessment of climate-related risks and opportunities that we have identified. We are therefore only partially aligned with respect to this disclosure

TCFD disclosure continued

Governance

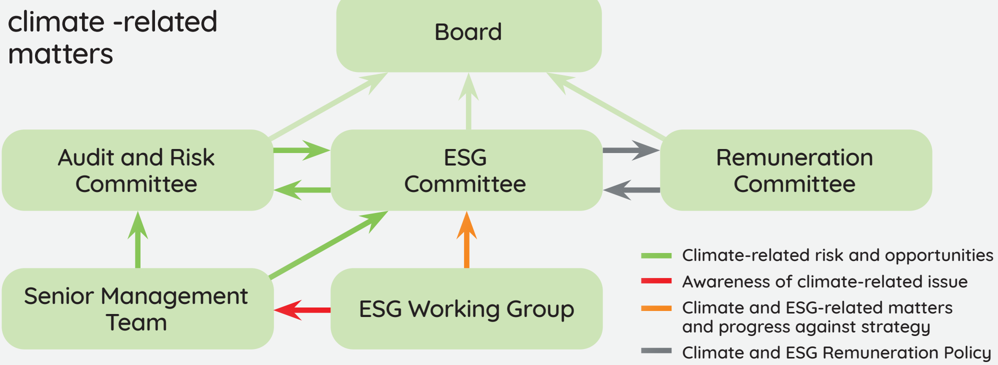
Board oversight of climate-related risks and opportunities is provided by the ESG Committee, which was established during the year.

The ESG Committee is supported by an Executive ESG Working Group, also established during the year. Together, these teams ensure clear allocation of responsibilities so that all working groups, committees and ultimately the Board understand their role and responsibilities in respect of the assessment and management of climate-related issues, and make sure that it is embedded within our strategy. All Board members receive regular updates on climate-related issues as part of ESG updates contained in the papers for every Board meeting, including updates on existing and emerging regulatory requirements related to climate change. This helps to develop the Board's understanding of climate-related issues and ensure that its awareness of its legislative and governance obligations is up to date. The Board will consider these updates at least six times per year, at each Board meeting.

The Audit & Risk Committee is responsible for assessing and accounting for ESG and climate-related risks as part of the Company's risk management process and its financial statements and non-financial disclosures. More information can be found on this in the risk management section on pages 64 to 76. The Chair of the Audit & Risk Committee is also the Chair of the ESG Committee enabling important synergies between the development of our climate strategy and assessment of climate-related opportunities, and our assessment of climate-related risks. The Audit & Risk Committee meets at least four times per year.

The Remuneration Committee is responsible for determining the Remuneration Policy, including how climate-related risks and opportunities and other ESG targets are taken into account in determining rewards and incentives.

Governance of climate -related matters



Our Group General Counsel, who is part of the Senior Management Team, leads the ESG Working Group and the CEO, CFO and CCO are involved as members of the group, in addition to the Head of Sustainability and the Company Secretary. This ensures there is an awareness of climate-related issues within senior management and that they are considered in the context of the Company's strategy, budgets, business plans and decisions. The ESG Working Group reports to the ESG Committee quarterly on all matters relating to climate and ESG, enabling that committee to oversee and challenge the Group's progress against the sustainability strategy and monitor our climate-related metrics through a quarterly KPI report. The ESG Committee in turn reports to the Board at least four times per year. The Board includes a number of Directors with experience of sustainability and climate-related issues, gained through their other roles and directorships.

Climate-related risks and opportunities are considered as part of the Senior Management Team's quarterly risk assessment, which feeds into both the Audit & Risk Committee, as part of its oversight of risk management, and the ESG Committee. The Chairs of the Audit & Risk and Remuneration Committees, as well as the CEO, sit on the ESG Committee, enabling the Board to give sufficient consideration of climate-related issues when reviewing and guiding strategy, budgets, remuneration incentives and other decisions.

Further details of our governance structures relating to ESG and climate-related issues can be found on pages 50 to 51 and 61 to 63.

TCFD disclosure continued

Strategy

Our approach

Pod Point's vision is to ensure that travel doesn't damage the earth.

In line with our vision and historical reporting, and based on our climate risk assessment work, our environmental strategy is currently to focus on:

- Reducing the carbon emissions of the Group
- Developing technologies to help our customers reduce the carbon impact of charging their vehicles
- Developing technologies to allow us to use our chargepoints to provide load management to the National Grid

Of course, we are very aware that we have a responsibility to address other environmental considerations such as plastics, packaging, waste and others. However, we consider that a focus on reducing carbon emissions is strongly linked to our risk assessment, and directly aligned to our vision. Our environmental strategy is therefore primarily focused on reducing carbon emissions at this stage.

More specifically, during 2022 our environmental strategy comprised two elements – firstly to work towards full compliance with our obligations under SECR and TCFD; and secondly to prepare ourselves to go beyond our obligations in the area of greenhouse gas emissions, as further described on pages 40 to 41.

Specifically, we intend to:

Define

- The amount of carbon which is emitted in the production of our products
- The amount of carbon which is emitted in the installation and other services associated with our products
- The average carbon intensity of each kWh of energy provided by our charging network

Develop

- The internal tools required to allow our teams to consider the carbon impact of each decision made within our business against the metrics defined above
- Tools to allow our customers to easily optimise their charging to reduce their carbon intensity
- Technologies to allow our network to be used for load management to in turn allow a greater percentage of renewable assets in the UK generation base

Embed

- Consideration of carbon intensity into every decision point across our business

Measure

- Qualitative carbon reduction targets each year for our teams to stretch us and ensure we make strong progress against reducing the overall carbon intensity of our business

Our vision and business strategy are fully connected to our climate-related strategy. This is made explicit through the KPIs that measure progress in our business strategy as set out in the Strategic Report, such as millions of electric miles travelled and tonnes of CO_2 avoided.

As described below on pages 52 and 53, we are still developing our data collection and reporting lines around relevant metrics, in order to set robust and meaningful targets as part of a credible plan to transition our business in alignment with the UK net zero plan to transition to a low carbon economy. We are simultaneously taking actions to reduce our supply chain emissions and the carbon footprint of our product, as set out in the material risks table below and in metrics and targets on page 52.

We fully expect this to be a multi-year project, and intend to report our progress each year.

Our regular risk management cycles, and quarterly and annual business planning cycles, support us in understanding our climate-related risks and opportunities. Where sufficiently appropriate and significant, these translate into mitigation strategies or business development initiatives that form part of our budgeted activities.

We identify our climate-related risks and opportunities, assess whether their impacts will be felt over the short, medium or long term, and quantify the potential financial implications.

We describe the impact of these risks and opportunities on the our business, strategy, and financial planning. We also assess our resilience across various scenarios.

Our business is defined almost entirely as a single sector, single country activity. Pod Point serves the electric vehicle charging market in the UK and so we have not separated out our analysis of the issues by sector or geography.

Environmental, Social & Governance continued

TCFD disclosure continued

Material risks

The key material risks related to climate change are derived directly from our risk register. Having considered other physical risks in addition to increased temperatures, such as water shortages, flooding, wildfire and wind, we do not consider that they pose any material risk to our business. We have analysed the potential impacts of the key risks identified.

Our qualitative and quantitative risk and opportunity identification involved modelling a scenario based on 2°C warming. Having considered whether our business strategy is resilient to climate-related risk, we concluded that there is a significant level of resilience against impacts on financial performance and position, as detailed in the table below. Consequently, we do not believe that, in light of the mitigating actions we are taking, our strategy, as set out on pages 26 to 30, will be affected or need to change as a result of climate-related risks and opportunities. Climate risks and opportunities are likely to increase the demand for our products and services, and are unlikely to affect our ability to provide those products and services at an economic cost.

We have defined 'short term' as to the end of 2025, 'medium term' to the end of 2029, and 'long term' from 2030 onwards. Short term aligns to the time horizon of the viability statement, medium term aligns to the date of the beginning of the Government's ban on new internal combustion engine vehicle sales, and long term the period beyond that.

We have defined the financial profit impacts in terms of their variance from the expected growth trajectory, and 'low' represents up to 5% turnover, 'medium' up to 10% turnover, and 'high' more than 10% turnover. These thresholds align broadly with our Group risk register thresholds, where minor risks represent an impact that corresponds to less than 5% turnover, and serious risks represent an impact over 10% of turnover.

The assessments are based on scenarios modelled on long range financial forecasts, including modelling of the impacts on revenue, cost and profit.

Key: 🔵 Low 🟠 Medium 🔴 High

TCFD category	Climate-related trend	Potential financial impact	Scenario	Impact Short Term	Impact Med Term	Impact Long Term	Strategic response, resilience and mitigation
Transition reputation	Supply chain sustainability	We fail to adhere to and drive sustainability standards, guidelines and best practice through our supply chain. Weak performance in this area leads to reputational damage and shareholder concern via regulatory disclosures and possibly fines or sanction.	2°C	🔵	🔵	🔵	Our Supply Chain Management Team integrates sustainability/ carbon emissions scoring as part of our supplier due diligence process. We are working towards ensuring that all new and existing suppliers are required to meet certain environmental and sustainability standards which we monitor through achievement of certain accreditations such as ISO 14001, ISO 50001, SA 8000, etc., and regular reporting requirements.
Transition reputation	Environmental data capture	We are unable to capture the complete and accurate environmental data we need to deliver our strategy and report our performance, leading to poor decision making, reporting non-compliance and reputational damage.	2°C	🔵	🔵	🔵	Our Sustainability Team is working with our ESG Committee to define the appropriate sustainability and environmental metrics for the business and develop robust internal data collection and reporting processes. In 2022, we started working with Normative in relation our GHG emissions data, the output of which can be seen on page 41. Next, we intend to further develop our data sets (e.g. via lifecycle assessment) and gather additional data beyond GHG emissions (e.g. waste).
Physical risks	Climate change causes hardware failures	Our products include components which can withstand temperatures up to +85degC. Increasing ambient temperatures causing internal temperatures to exceed the acceptable tolerances of these components could result in failures.	2°C	🔵	🔵	🔵	We will review the thermal design of our current product range to see how we can improve internal cooling. This will range from improved passive cooling to potentially adding features to support active cooling of the internal components.
Transition market and reputation	Public focus intensifies on purchasing products with the lowest carbon impact	We fail to sufficiently reduce the carbon footprint of our business, our products and services (across Scopes 1-3), causing customers to reject Pod Point in favour of our competitors.	2°C	🔵	🔵	🔵	We are organising ourselves so that carbon impact is assessed as part of every strategic decision that we take. Our GHG emissions analysis with Normative is helping us to understand where improvements can be made via product redesign, supply chain selection and energy supply. Additionally, our product lifecycle assessment will help us to identify areas for improvement within our supply chain. We are working towards setting targets which will be linked to employee remuneration to help us drive down the carbon impact of our products.
Transition markets	Electricity supply costs remain high or continue to increase	Macroeconomic or geopolitical factors or accelerated transition to renewables caused by intensifying climate change, cause energy prices to remain high or continue to increase. This could reduce the attractiveness of EVs and/ or encourage consumers to shift to alternative forms of road transport technologies.	2°C	🟠	🔴	🔴	If electricity prices continue to increase over time, a risk of a shift away from EVs becomes more acute as alternative forms of transport may become more attractive. We track the wholesale/ retail energy markets carefully and ensure we closely monitor public sentiment around the operational affordability of EVs. We engage in PR and EV advocacy to ensure we counter any public misperceptions/ false negative media around the cost of EVs. In the longer term and with scale, we will seek to drive down energy costs for our customers through EV tariff partnerships and procuring energy for our owned asset public charging network.
Physical risks	Renewable energy generation destabilises the grid	Accelerated shift to renewable generation as a result of climate change increases supply intermittency and instability of the grid, leading to reduction in attractiveness of EVs or regulation regarding when electricity can be used, or charging can take place.	2°C	🟠	🔴	🔴	As described on page 22 we are working on grid load management technologies to minimise the impact of EV charging as well as to create new revenue streams for the business and additional benefits to our customers by providing balancing services to the grid. More broadly, national and local schemes and technologies (e.g. battery storage) are being implemented and supported by industry and government to allow for better grid load flexibility and management.

Environmental, Social & Governance continued

TCFD disclosure continued

Material Opportunities

The key material opportunities related to climate change are aligned to the factors in our risk register, with opposite effects representing opportunities. We have analysed the potential impacts of these opportunities.

We have defined 'short term' as to the end 2025, 'medium term' to the end of 2029, and 'long term' from 2030 onwards.

We have defined the financial profit impacts in terms of their variance from the expected growth trajectory, and low represents up to 5% turnover, medium up to 10% turnover, and high more than 10% turnover.

Key: 🔵 Low 🟠 Medium 🔴 High

TCFD category	Climate-related trend	Potential financial impact	Scenario	Impact Short Term	Impact Med Term	Impact Long Term	Strategic response and resilience
Markets	Public choose to adopt EV technology at a faster rate than expected	Economics of EV purchasing and ownership through cheaper renewables become more attractive.	2°C	🔵	🟠	🟠	Our supply chain is geared to a major global manufacturer that can scale up rapidly, and we have the balance sheet strength to invest in accelerated growth.
Markets	Public focus on climate change increases faster than expected	A combination of increased scientific understanding, more extreme weather globally, and wider coverage of climate change in the media leads to the public paying greater attention to climate change, sooner than expected.	2°C	🔵	🟠	🟠	
Products, services and markets	Governments act faster and increase regulatory-driven adoption	Governments make increasingly bold policies to accelerate the adoption of EVs.	2°C	🔵	🟠	🟠	

TCFD disclosure continued

Risk management

Identification and assessment of climate-related risks has been integrated into our broader risk management process. We explain how we identify and assess climate-related risks in more detail on pages 64 to 67. Climate-related risks are subject to the same governance, review process and management attention as other risks on our risk register.

Our approach to the assessment of climate-related risks is consistent with the way in which we identify, score and prioritise all risks, by considering the impact and likelihood of their occurrence. We therefore determine the relative significance of climate-related risks against other risks that the business faces by ensuring we remain consistent and proportionate as part of that risk assessment, as explained below.

Further detail on the Company risk management processes can be found on pages 64 to 67. To consider the materiality of climate-related risks and to prioritise them accordingly, it is necessary to consider certain characteristics that arise in the context of climate change over the short, medium and longer term. We have set out below some of the specific characteristics of climate-related risks that our Senior Management Team, Sustainability Team, Audit & Risk Committee, ESG Committee and Board consider together as part of the ESG governance processes and risk management process set out on pages 46 and 64 respectively:

- Holistic view – climate-related risks rarely affect a single, discrete part of the Company. We look broadly at the impact of climate change on our business strategy, the markets in which we operate, the technology we use and our brand and reputation. We also consider the physical risks posed by climate change on our product range and operations. We have referenced these classifications in our climate-related risks and opportunities disclosures set out on pages 48 and 49. By their nature, climate-related risks intertwine with and impact across functions and departments, and therefore require a wide lens and deep consideration and collaboration from teams across the business
- Longer planning horizons – given the slow incremental nature of climate change, we consider climate-related risks across short, medium and much longer term timeframes than traditional planning horizons. These planning horizons are defined above on page 48
- Proportionality – the size and scope of climate-related risks are assessed alongside other business risks by looking at their potential financial impact on the Company over the short, medium and long term. The methodology for this assessment is set out above on page 48. We are a mission-based Company driven by the fight against climate change. We therefore assess climate-related risks against other risks as well as the opportunities that climate change presents, in order to ensure that our response is proportionate
- Evolving regulation – an evolving policy and regulatory landscape is an inevitable consequence of society's attempts to grapple with the dynamic challenge of climate change. We consider the impact of existing policy and regulations and possible new or changing requirements that may be introduced across different time horizons. Our climate-related risks set out on page 48 (particularly those related to transitioning markets) reflect the risks posed to the business of governmental policy and regulatory sanctions affecting the markets in which we operate
- Part of our risk management process – we believe it's important that our assessment of climate-related risks is consistent with our assessment of all risks affecting the business. Therefore we use the same risk terminology and classification frameworks that are used to assess all business risks. This helps give us a clear picture of how the business is, and could be, impacted by climate change when considered together with all other risks. It is also the same process by which we manage climate-related risks and decide upon how the business should respond, mitigate and/or control those risks. In addition, we consider how such risks may also be mitigated by wider industry, societal or regulatory developments which may emerge over the defined planning horizons to address such risks

In determining our response to climate-related risks, we consider the factors above and develop appropriate management and mitigating actions. Identified risks are allocated to an accountable owner and, together with the Senior Management Team and/or ESG Working Group, a suite of management and mitigation actions are agreed, implemented and tracked to completion.

Environmental, Social & Governance continued

TCFD disclosure continued

Climate-related risks identified by our Senior Management Team and ESG Working Group are reported to the ESG Committee and the Audit & Risk Committee as appropriate for further consideration.

Our ESG Working Group and Sustainability Team apply the same methodology as part of our broader climate scenario analysis, assessing the impact of climate-related risks and opportunities to the business across short, medium and long-term horizons. This review considers the breadth of our business across different routes to market (e.g. home, workplace, destination and en-route) as well as the impact of all of our customers and each of our different internal functions and business chargepoints (e.g. supply chain and installation teams). Ultimately, our climate-related risks and opportunities are reviewed and approved by the ESG Committee and the Board.

Overall, given the vision of our business to make travel not damage the earth (and to accelerate the electrification of transport), climate change presents significant opportunities for the Company to grow as referred to in 'material opportunities' on page 49. While we've identified some risks to the Company arising from climate-related matters, we do not consider any of these to be principal risks given the low impact or likelihood of occurrence and given the significant strides being taken as a Company to mitigate their effects, as stated in more detail in our sustainability strategy on page 34. We have assessed and prioritised these according to the same impact/ likelihood methodology as used in our risk management process.

> We look holistically at the impact of climate change to our business strategy, the markets in which we operate, the regulatory landscape, the technology we use and our brand and reputation over different planning horizons.
>
> Daniel Kaufman, Group General Counsel

TCFD disclosure continued

Metrics and targets

We use multiple metrics to monitor Pod Point's climate-related risks and opportunities. Given that our sole purpose is to address climate change by supporting the decarbonisation of transport, we continually assess and balance our positive impact as a business against the carbon footprint of our products and operations.

To assess the opportunity and our efforts towards decarbonisation, we measure the energy transferred via our connected network, as well as associated carbon intensity (CO_2e/kWh). We also monitor the CO_2e we help avoid by enabling more electric driving (as opposed to petrol or diesel).

This positive impact is balanced against our own greenhouse gas emissions (GHGs). In our 2021 Annual Report, we disclosed our Scope 1 and 2 and Scope 3 business travel emissions and energy consumption under SECR. These emissions were reported in line with the 2020 UK Government Environmental Reporting Guidance, using emission conversion factors relevant to the reporting period from the Department for Environment, Food and Rural Affairs (DEFRA) and the Department for Business, Energy and Industrial Strategy (BEIS).

This year, we've worked with Normative, an internationally recognised carbon accounting platform, to align our GHG reporting to the GHG Protocol. We've also extended our Scope 3 emissions reporting in order to provide a more holistic and comparable picture of the carbon footprint of our business and our supply chain. Pod Point's direct GHGs are a small proportion of the total, so it was important to include all three Scopes in our disclosure this year to represent our supply chain risk. Our GHG metrics can be found on page 41.

We are reducing our direct emissions by moving our fleet to electric with a target of having 95% of our fleet as BEV or REX by 2024. We consider this to be a relevant target for our business and therefore included it as part of our remuneration plan within the performance conditions for the 2022 LTIP award.

In monitoring our supply chain sustainability risk, our Scope 3 emissions data highlighted the top suppliers by emissions, enabling us to engage with the top two during 2022 on their sustainability goals and metrics. We will extend this out to the remainder of our top ten suppliers during 2023. We also reviewed our supplier onboarding processes requiring any new suppliers to meet our environmental standards (for example, by having certifications such as ISO 14001, ISO 50001, SA 8000, etc. or set SBTs or similar targets).

Going forward, we'll be working with existing suppliers to ensure that they also meet these standards. In building our data on the environmental performance of our suppliers we will look to incorporate relevant metrics and targets to monitor and improve their performance.

Our product lifecycle assessment will help us to determine where action is required to reduce the environmental impact of our products, and metrics and targets will flow from that data, once it is available.

As described earlier on pages 34 to 43 and in our climate-related material risks on page 48, GHG emissions are one of the key metrics used across the business due to its relevance to our business and ease of comparability. Beyond GHG emissions, we look at energy and fuel used in our operations and by our suppliers, as key to managing climate risk across our supply chain. In 2023, we plan to expand these metrics to include waste. As our business is not water or land use intensive, we don't currently consider these factors to be relevant metrics for inclusion in our supply chain risk management.

4.3/5

rating on Trustpilot from over 11,000 customer reviews

TCFD disclosure continued

Pod Point exists to help accelerate the decarbonisation of transport, so we must balance the carbon from our operations and value chain with the positive impact on decarbonisation that we deliver. We're not an energy-intensive business, so the carbon price associated with our production process isn't material in the wider scheme of what we're delivering. Furthermore, we're not currently subject to direct carbon taxes or emissions trading schemes. As described on pages 34 to 43, our focus is on reducing of GHG emissions across our operations and our value chain. While we don't currently consider internal carbon pricing to be a relevant metric for us – and therefore don't have data to disclose – we will continue to keep this under review in the future.

Having considered the TCFD all-sector guidance including Tables A1.1 and A1.2, as well as Table A2.1, we regard the metrics we currently use as the most relevant.

Further details on the range of metrics we use to assess our impact on the environment can be found on pages 34 to 43.

Setting targets

Studies by CDP have shown that less than 1% of almost 19,000 companies who submitted climate disclosures in 2022 have credible transition plans for reaching their net zero 2050 targets. This is not an acceptable approach for Pod Point. As described on pages 34 to 43, during 2023 we're going to focus on developing our data collection and reporting lines across relevant metrics, improving our ability to monitor trends and draw conclusions. This initiative will provide the foundations to set robust and meaningful targets as part of a credible plan around GHG reduction and non-GHG metrics in line with our vision and the UK Government-led transition to a low carbon economy. We believe this is a proper and sustainable approach to target-setting and net zero plan development, and we encourage other companies to follow our lead.

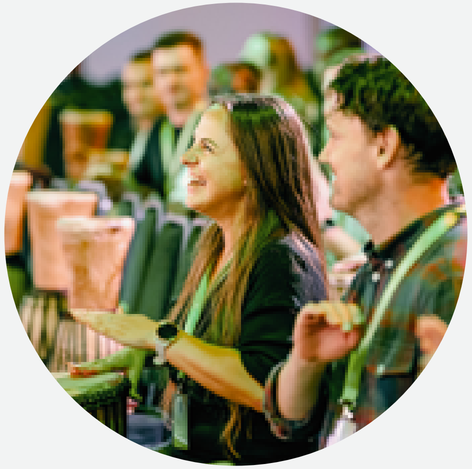
We look forward to including relevant details of our progress towards these objectives in our next Annual Report.

In the meantime, we are continuing to work towards our 2024 target of 95% of our fleet being electric as BEV or REX and have reached 81% in 2022.

Social responsibility

People are central to our success

We aim to attract, engage and retain the most talented diverse group of people who are passionate about achieving our vision and making real change to the world.



The value we delivered in 2022

- Recruited 219 new Pod Pointers, including 79 in the Technical Team
- Hosted a full Company Residential in June 2022
- Continued to be a remote-first organisation with hybrid working practices, with 15 of our colleagues working outside the UK
- Introduced HR business partnering to support our line managers
- Continued our diversity and wellbeing taskforce focus

Our priorities for 2023

- Launch our new Employee Value Proposition
- Focus on more internal succession through development planning
- Introduce a new employee engagement system
- Further improve communication across Pod Point

Our values

Our business is powered by its people and our values are a key part of what we call 'Pod Pointiness' – a combination of our people being talented in their chosen fields, caring about our vision, aligning to our values, and also all the little quirks that make us all unique. We know that we all have different talents, interests, likes and dislikes, passions and obsessions, and so we all bring something a little bit different to the table, chargepointed by our vision and exemplifying our core values – human, industrious, guiding and visionary.

Social responsibility continued

Investing in our people

Our business is built on the skills and commitment of our people to make a difference to the society in which we all live. Throughout 2022, we focused on attracting, engaging and retaining passionate individuals committed to helping us achieve our mission.

Attracting passionate people

During 2022 we recruited an additional 219 employees, taking our total team to 536 Pod Pointers. We continue to interview based on a culture-first approach, with a cultural interview preceding any technical interviews, to ensure we attract people who are driven by our mission.

We focused heavily on growing our Technical Team, supporting our IPO aspirations to scale our software capability – of the 219 new Pod Pointers recruited, 79 were new tech talent.

536

Pod Pointers in our team

79

new members of our Tech team

Powered by people

Driven by purpose

Every Pod Pointer believes that travel shouldn't damage the earth. It's why we get out of bed in the morning, driving us to grow, learn and develop as people and as a business.

Be your whole self at work

We celebrate individuality and the things that make you, you. It's what defines Pod Pointiness and makes this a great place to be, somewhere you can be the real you. We champion differences, respect others and have fun!

Succeed your way

To help us achieve our mission to put a chargepoint everywhere you park, **we've created a workplace where you can be at your best**. We'll give you the tools and the environment you need to succeed your way.

Environmental, Social & Governance continued

Social responsibility continued

Engaging our people

We continued to operate as a remote-first Company through 2022. We have built our culture on allowing our people to work from wherever they feel most productive. Our team primarily work from home, and we also provide an office location in London for those who wish to work there, some or all of the time, or meet up with their team socially. We also have a number of individuals who work internationally. We continue to encourage our team to work in the way that works best for them, but also acknowledge that we need to provide a healthy support network for home working.

We assess the productivity of our teams on an ongoing basis. Our line managers set objectives for each individual, which are then reviewed regularly to ensure individual performance meets the requirements of the role, and collectively meets the team targets.

During the year, we conducted our third Annual Engagement Survey with a response rate of 52.2% across the Group, which was lower than in previous years. People strongly believe in and are inspired by our vision and mission and feel a sense of belonging – findings that reflect our mission-driven business and focus on Diversity, Equality and Inclusion. For the first time we included an ENPS score in the survey, which at a corporate level was 7, but was as high as 30 in our Tech Team. Our team told us that they needed better communication and engagement in 2023. In response we've developed a broad plan of measures including more regular team meetings, quarterly leadership briefings, and quarterly engagement pulse surveys using a new engagement system that allows us to ask more questions and better analyse the responses. We're also launching an employee intranet to ensure everyone can access all relevant information easily, which is really important for a remote-first Company.

In June 2022 we ran our first Pod Point Residential event. This was an opportunity for our whole team to get together for the first time since Covid struck. In many cases, employees had been recruited remotely and had never met in person, so this allowed everyone to get together, relax and build relationships with their own teams, and across functions.

Held at the Tobacco Docks in London, the Residential provided an exciting agenda of external speakers, social activities and team-building sessions, over two days. We structured the event to focus on three key themes, which we believe are critical in our Company: environment, diversity, and wellbeing, with external speakers across each theme.

With a keynote speech from Baroness Worthington, and inspiring speeches on climate change, neurodiversity, racial diversity and allyship, as well as nutrition and mental health, our teams gained plenty of new insights from passionate experts. The event also included lots of fun social activities to ensure everyone interacted, from coffee tasting and meditation to sign language and African drumming.

The second day of the event explored how we continue to focus on each of the three themes at a Company level, and then examined how each team could make improvements in their daily work.

With almost 80% of all staff attending the event and a satisfaction score of 91%, we're very proud that our first Residential event had a really positive impact on our team, and embedded the focus on our vision, as well as our priorities around diversity and inclusion, and the wellbeing of everybody at Pod Point.

Retaining our highly-talented team

To ensure we retain our team, we believe we need to help people succeed in their own way. We empower our people to work in the way that works best for them, and we support the environment they need to do so.

For example, we continue to provide support to set up workspaces at home to suit individual needs through an assessment with Worklife Ergonomics. We've also refurbished our London office to provide a more effective co-working space – and 15 of our Pod Pointers are now working internationally full-time.

Training and development continues to be an important focus. We've supported external qualifications for installers and finance and project management, and delivered further modules of our in-house leadership training to our 80 line managers. We also continue to provide functional training for all our teams to enable them to develop their careers at Pod Point.

In 2022 we enabled 109 internal promotions across our teams. This was achieved through the introduction of HR business partnering, which supports line managers to better lead their teams and plan their progress through the Company.

We also believe that learning is wider than job-specific training, and that staying curious and eager for new knowledge is vital. Accordingly, we therefore continued to operate our Pod Point Academy throughout 2022. Through the Academy, a monthly speaker addresses the whole team remotely, and during the year we heard from a Holocaust survivor, the CEO of Energy UK, our own LGBTQ+ group, and our own female Board members, who shared their experiences of women in leadership.

Residential 2022

> “Great venue, very interesting and engaging activities.
>
> Insightful talks and just fantastic to meet people in person and spend time chatting and hanging out.
>
> Overall everything was just great, so couldn't be prouder to work here, where the workforce is also a priority.”

Environmental, Social & Governance continued

Social responsibility continued

To help our people do their best work, we also continued our investment into mental health first aider training as well as Spectrum.life, which provides 24/7 online support for our team.

Although we are not accredited by the Living Wage Foundation, paying our people a living wage is important to us. As a remote-first business, we enable our people to be flexible in the way they work and we do not stipulate working hours in our employment contracts. We therefore pay a living wage based on an assumption of hours worked.

We recognise that a rapidly growing business like Pod Point needs to recruit new team members at a significant rate, and that there will be an increase in attrition, despite our best efforts. Remote working does not suit everyone and we recognise that more is required of us, having seen an increase in attrition in 2022 to 21.8% (2021: 15.09%). Actions have been planned following the engagement survey results, to try to combat the increase.

91%

employee satisfaction for our first Residential

Diversity and inclusion

As expressed by our equality policy, we're fully committed to the fair and equal treatment of all employees and job applicants irrespective of their age, race, sex, disability, sexual orientation, religion or belief. This covers all aspects of an employee's working arrangements including training, career progression and promotion.

We fundamentally believe that diversity is essential to the health of our team and our business. In order to achieve our mission, we need to engage and inspire everyone, and in order to understand all viewpoints, we need to have a great diversity of Pod Pointers working in the Company. Our Diversity Taskforce focuses on how we can attract and engage a more diverse set of Pod Pointers as we grow – and we've held a number of awareness sessions to promote our differences through what we call our Pod Point Academy. Additionally, we're now a member of the Tech Talent Charter, in line with our commitment to driving diversity in our technology roles.

Being a Pod Pointer is about belonging. We've continued to focus on keeping our team feeling included and able to bring their whole selves to work. Our ongoing focus on diversity, equality and inclusion was reflected at our Pod Point Residential, where diversity was a key theme, and in our virtual social calendar, with celebrations of Black History Month and Pride, which were well supported.

We remain committed to providing all Pod Pointers with the opportunity to develop and advance, which includes giving full and fair consideration to all employment applications from disabled people. In the event of employees becoming disabled, we make every effort to ensure that the training, career development and promotion opportunities available are, as far as possible, identical to those of non-disabled employees. To support our commitment to recruiting, retaining and developing disabled employees, we've applied for accreditation through the Disability Confident scheme.

	Men		Women		Total	
	No.	%	No.	%	No.	%
Group Board	6	60%	4	40%	10	100%
Senior Management Team (SMT)	4	67%	2	33%	6	100%
Direct reports of SMT	15	75%	5	25%	20	100%
Other employees	343	68%	161	32%	504	100%
Total	368	68%	172	32%	540*	100%

* 540 differs to 536 Group employees stated elsewhere, as Non-Executive Directors are not employees of the Group and the table excludes employees who identify as non-binary or gender is not known.

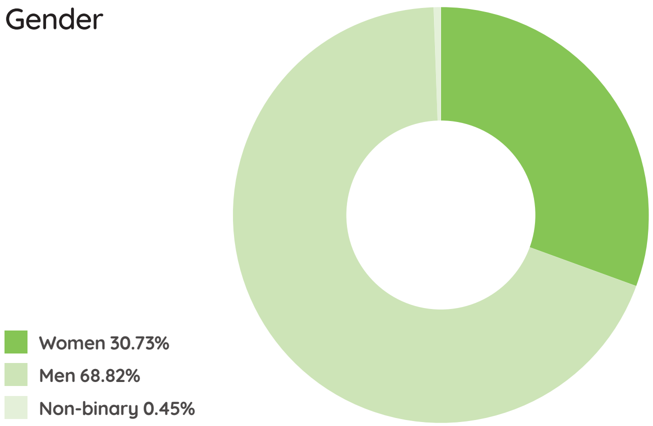
Environmental, Social & Governance continued

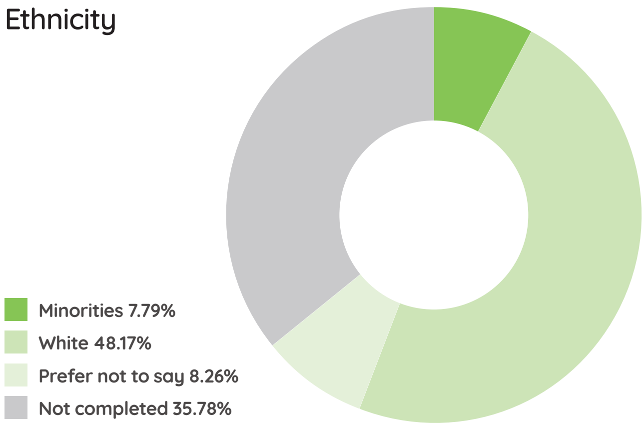
Social responsibility continued

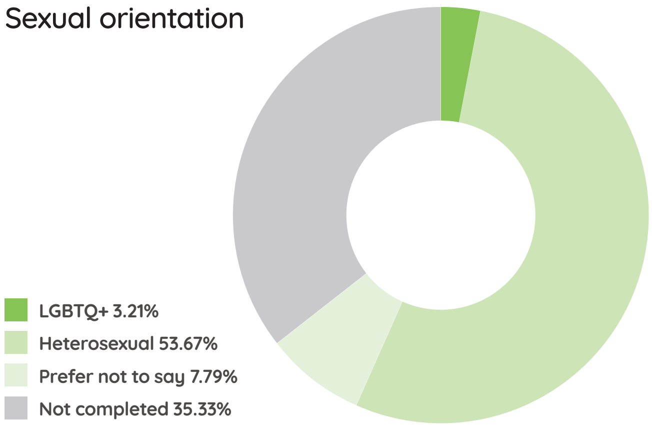
Excluding the Board, the ratio of women to men in our workforce is 30.9% (2021: 30.8%). Our gender pay gap report can be found on the Pod Point website.

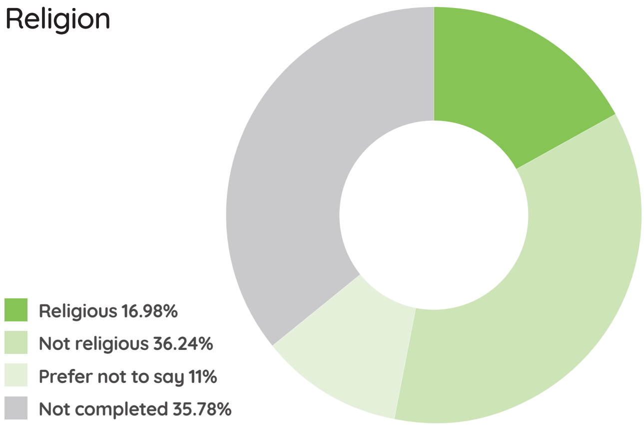
In order to determine whether our recruitment processes are encouraging diversity, we have sought to collect diversity data of those recruited in 2022, although completion of the data is voluntary.

Further information on diversity can be found on pages 88 and 89.


Gender


Ethnicity


Sexual orientation


Religion

Social responsibility continued

Our plans for 2023

In the year ahead, we'll continue to focus on recruitment and plan to attract around 160 new team members to join our mission. To drive diversity through the recruitment process, we'll use our new talent acquisition software to highlight any steps where we need improvement to reduce bias.

2023 will see the launch of our new Employee Value Proposition (EVP) to support our recruitment efforts. The EVP focuses on three themes:

- Driven by purpose
- Succeed your way
- Bring your whole self to work

We'll be reviewing our processes and support to ensure that the EVP runs through everything we provide, not just for new recruits, but also for our current team.

In addition, we'll strengthen our focus on development planning for all Pod Pointers, to drive more internal promotions through 2023.

We're also going to launch a new engagement system to help the analysis of our pulse engagement surveys. It is essential that we listen to our team and then action the feedback on how we can improve – and we're committed to doing so.

The year will also see us plan the launch of our community Pod Point brand. This will take the values of our business out to our communities. We'll be focusing on education and how we can interest young people in our mission – working with universities, schools and charities to not only educate, but also provide opportunities to work within our industry.

> In 2022 our team told us that they needed more communication while working remotely. So in 2023, we'll launch an intranet where our teams can find all the information they need on Company policies, processes, and team briefings.

Environmental, Social & Governance continued

Social responsibility continued

Health and safety

Our approach to health and safety continues to keep our vision at the heart of everything we do: travel shouldn't damage the earth and we cannot harm anyone during the course of our work.

Our aim is to support employees and help them work in the safest way possible, at all times and throughout all decision-making processes. To achieve this, we focus on ensuring that competency in every role is established, aided by a robust management structure with room for dynamic, adaptable processes/risk assessment. This ensures that safe decisions can be made and any unexpected situations or hazards can be managed as quickly, but also as safely, as possible.

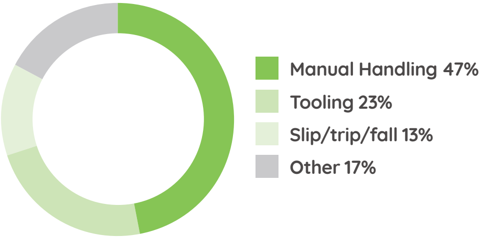
We conduct site visits for both quality assurance and health and safety purposes. During the year, we improved incident reporting by introducing a new incident management plan and serious incident management plan – so as the Company grows, clear guidance and process is in place for everyone. This is complemented by an incident report template to support the recording, investigation and follow up of lessons learned or changes to be implemented for more significant incidents that may require it.

We've also carried out a number of other improvements to our health and safety approach during the year, including:

- Improving tactical and operational practices to reduce risk and improve efficiency in commercial contract management
- Undertaking deeper long-term analysis of incident data with initial focus on RCBO (Residual Current Breaker with Overcurrent) failure data
- Updating and improving RAMS (Risk Assessments and Method Statements) for surveyors and maintenance jobs
- Recruiting a Health & Safety Assistant to provide greater resource to the management of health and safety

RIDDOR reportable accidents during the year were zero (2021: 0)

First aid and injury incidents



As a result of such a high proportion of manual handling injuries, we created training with Worklife Ergonomics, a specialist consultancy, which was tailored to the work our installers undertake. While tooling injuries included tool breakage, another cause was drilling in an awkward position and this has been incorporated in our manual handling training.

zero

Reportable accidents in 2022

Our plans for 2023

During the year ahead we'll continue to improve our approach to health and safety. As the business grows, we'll focus on the following areas:

- Working with the Business Unit Heads to determine reporting and support arrangements
- Rolling out manual handling training to all field operatives
- Introducing installation risk management for domestic project managers
- Reviewing the role of occupational health in managing absence and ongoing health management
- Carrying out data-driven assessment of project management practices

Governance

Acting responsibly

The vision, mission, purpose and values of Pod Point are front and centre in our organisational DNA.

Doing business responsibly, in an appropriate and compliant manner, ensures the long-term sustainability of our business for all our stakeholders. Our teams are aligned with our values and culture and know what is expected of them – they know that they can bring concerns to leaders and that they will be listened to.

Compliance is the minimum acceptable standard at Pod Point, and we've established a clear commitment to ensuring that our business activities are conducted in accordance with all applicable laws and regulations.

Acting ethically

At Pod Point, we're committed to conducting business in an ethical and honest manner. We maintain a framework of policies, which operate across the business, to ensure that all employees understand the expectations that come with working at Pod Point. Policy owners are responsible for ensuring that policies remain relevant, identifying and addressing new policy areas and advising on implementation and monitoring.

New employees are required to read and complete training on key policies, and updates are communicated across the Company so that everybody reviews relevant policies at regular intervals. Training on financial crime, including anti-bribery and corruption, is provided to relevant employees through a third-party e-learning platform.

Governance of ESG

ESG is at the heart of why Pod Point was founded – and it's embedded within our governance framework. This ensures that everything we're working on is not only aligned to our strategy but also reflects the issues that matter the most to all our stakeholders, including our people, our investors, the environment and society at large. The framework ensures that progress can be tracked and monitored on a regular basis and that stakeholder feedback can be actively addressed.

During the year, the Board established an ESG Committee chaired by Dr Margaret Amos, who is also Audit & Risk Committee Chair. The ESG Committee is responsible for overseeing our ESG strategy, and for monitoring our progress against climate-related goals and targets. The Board has approved the ESG Committee's terms of reference, covering all elements of its ownership of ESG including the relevant disclosures.

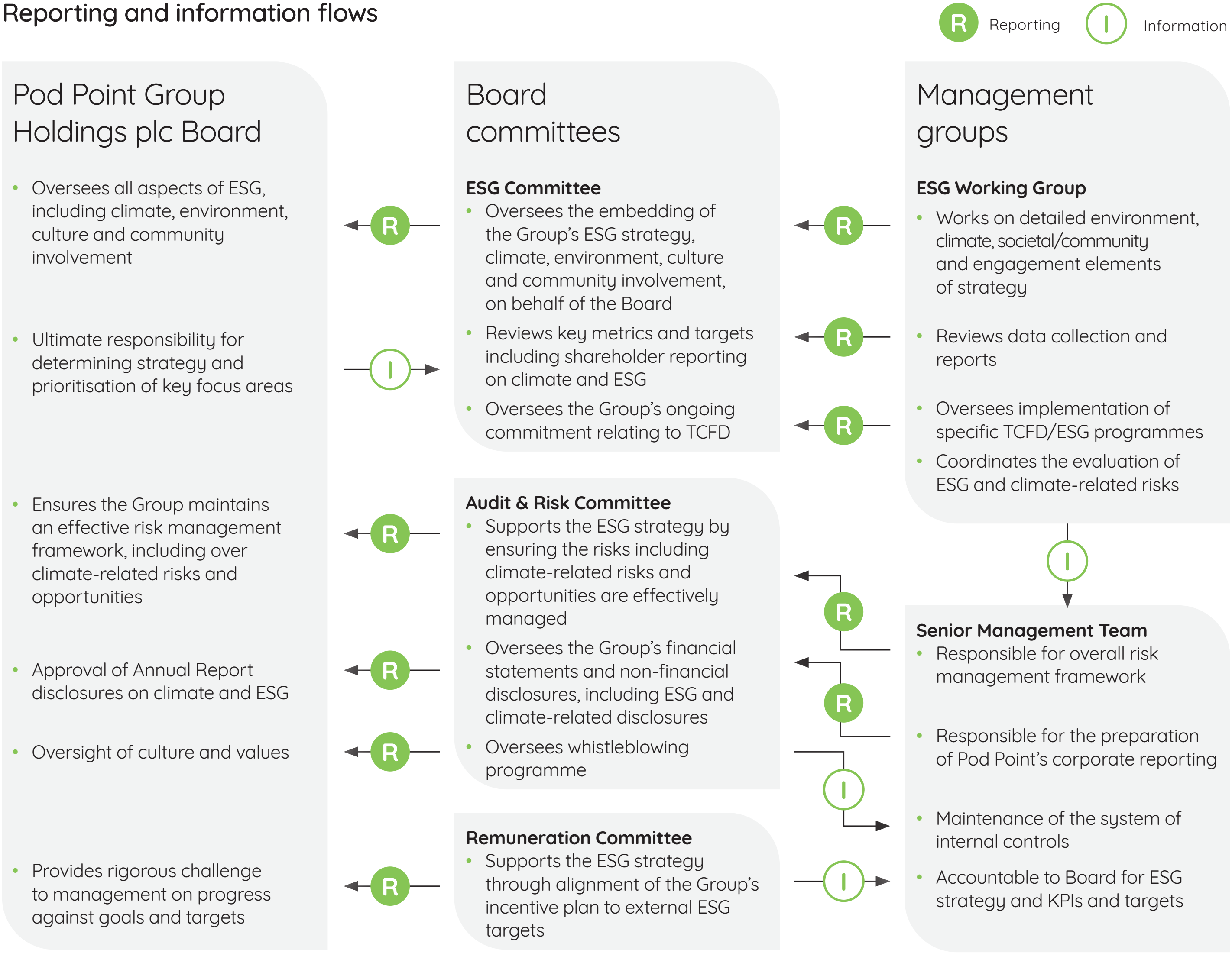
In particular, the ESG Committee is charged with ensuring that when defining and implementing the Company's ESG strategy and action plan, due consideration is given to applicable laws and regulations including the UK Corporate Governance Code, the general duties of the Directors set out in the Companies Act 2006, and the requirements of the Listing Rules as well as the agreed terms of reference for the ESG Committee. In doing so, the ESG Committee has had regard for the promotion of the success of the Company for the benefit of its members as a whole as part of the Directors' duties set out in s.172 of the Companies Act 2006. For further details please see page 75.

The ESG Committee met three times in 2022, and reports as a standing agenda item to the Board. Thereafter, the Board assumes ultimate responsibility for ensuring that ESG and, in particular, climate-related matters, are considered as the Company's strategy and opportunities are defined, including in relation to setting the Company's performance objectives.

Environmental, Social & Governance continued

Governance continued

Reporting and information flows



R Reporting
I Information

Pod Point Group Holdings plc Board

- Oversees all aspects of ESG, including climate, environment, culture and community involvement
- Ultimate responsibility for determining strategy and prioritisation of key focus areas
- Ensures the Group maintains an effective risk management framework, including over climate-related risks and opportunities
- Approval of Annual Report disclosures on climate and ESG
- Oversight of culture and values
- Provides rigorous challenge to management on progress against goals and targets

Board committees

ESG Committee

- Oversees the embedding of the Group's ESG strategy, climate, environment, culture and community involvement, on behalf of the Board
- Reviews key metrics and targets including shareholder reporting on climate and ESG
- Oversees the Group's ongoing commitment relating to TCFD

Audit & Risk Committee

- Supports the ESG strategy by ensuring the risks including climate-related risks and opportunities are effectively managed
- Oversees the Group's financial statements and non-financial disclosures, including ESG and climate-related disclosures
- Oversees whistleblowing programme

Remuneration Committee

- Supports the ESG strategy through alignment of the Group's incentive plan to external ESG targets

Management groups

ESG Working Group

- Works on detailed environment, climate, societal/community and engagement elements of strategy
- Reviews data collection and reports
- Oversees implementation of specific TCFD/ESG programmes
- Coordinates the evaluation of ESG and climate-related risks

Senior Management Team

- Responsible for overall risk management framework
- Responsible for the preparation of Pod Point's corporate reporting
- Maintenance of the system of internal controls
- Accountable to Board for ESG strategy and KPIs and targets

During the year, we also formed an ESG Working Group – an Executive Group chaired by our Group General Counsel and attended by various senior employees, including the CEO, CFO and Head of Sustainability. While the ESG Committee provides strategic oversight, the majority of activity is now delegated to the ESG Working Group, which is responsible for the practical implementation of our ESG activities. The ESG Working Group reports to the ESG Committee which in turn reports back to the Board.

The Group coordinates the execution of our key ESG initiatives and ensures information flows between the ESG Committee and management. The Chair of the ESG Committee is an observer at meetings of the ESG Working Group. The group meets at least quarterly to monitor and track progress against the ESG Working Programme and to support the Senior Management Team on ESG-related matters – such as assessing climate-related risks as part of our Risk Management Process, further details of which can be found on page 64.

In addition, we created a dedicated Sustainability Team in 2022 and have appointed a Head of Sustainability who reports into and is accountable to the Senior Management Team. The Sustainability Team has a clear brief: to accurately measure the carbon intensity of certain of our products and services; to provide the tools to the business to allow carbon intensity to be considered in all decision-making; and to help define and monitor the other key environmental and sustainability targets we set as part of our sustainability strategy.

Further details of our governance structure can be found on page 87.

Responsible and sustainable supply chain

During the year, we developed a more robust supplier selection process to ensure that we engage with suppliers that have governance structures, business policies and standards that are aligned with and complement our own.

When dealing with suppliers we:

- Undertake a supplier onboarding review to ensure that all suppliers meet our initial requirements covering quality, ethics, human rights, sustainability and data
- Request formalised bids or tenders, seek proposals from a number of suppliers and conduct negotiations with potential suppliers dependent upon the value of the award
- Require minimum levels of certification/accreditation to be maintained and regular reporting on supply chain monitoring and diligence
- Ensure that tenders are conducted according to strict ethical guidelines

We constantly monitor the performance of our suppliers to ensure that we always get the best from them and to encourage the ongoing development of the relationship. This is maintained by:

- Conducting quarterly reviews with our strategic suppliers, driving collaboration and continuous improvement
- Ensuring that all suppliers have key contacts at Pod Point, together with escalation paths to maintain open and honest communication
- Monthly metric sharing
- Quality audits

Available on our website, our modern slavery statement demonstrates our approach to protecting human rights and preventing modern slavery across our business and supply chain. It demonstrates our progress across all of our supplier base, both production and non-production, plus plans to ensure we have relevant monitoring solutions in place, giving us confidence that we are working with the right suppliers.

Risk management

Effective risk management is essential to the achievement of our strategic objectives and driving sustainable business growth.

We aim to maintain an appropriate balance between protecting the Company against specific risks and encouraging the appropriate and monitored risk-taking and innovation that allows us to take advantage of business opportunities.

Our approach to risk management has always been an integral part of our overall governance and management approach, and is centred around identification, assessment, monitoring and management of risk.

Responsibility for risk

With respect to risk, we believe the role played by our operational teams and management is just as important as the role played by the Senior Management Team, the Audit & Risk Committee and the Board. While the Board has overall responsibility for the management of risks, it is our open culture of ownership and responsibility for the governance of risk that sets the tone across the business.

Risk identification

Our approach to risk combines a top-down strategic view that meshes with a bottom-up reporting and escalation culture. It is critical to empower our people to speak up and to provide the right conditions for risk identification, discussion and escalation. The strategic view involves assessing our external environment in order to evaluate the risks to which we are comfortable being exposed, as we pursue our performance objectives – our risk appetite.

The bottom-up reporting culture allows for the identification, management and monitoring of risks in each area of the business, thus ensuring that risk management is embedded in our everyday operations.

Once identified, the management, tracking and control of risks is provided through our risk register, which in turn helps us to steer the strategy of the business.

Risk measurement and tracking

We developed our risk register so that the key risks we identify can be scored, with actions taken to mitigate and control them tracked and monitored. The risk register was established during the IPO process and is owned and developed by the Senior Management Team.

The risk register sets out the key strategic and climate-related risks identified by the Senior Management Team plus those risks identified in each of our business segments and functions. The risk register assigns an owner to each risk, together with an assessment of the impact and likelihood of occurrence. It scores the risk in two ways: on an inherent unmitigated basis; and on a mitigated basis having taken account of internal controls and appropriate steps being taken to minimise impact or reduce the likelihood of occurrence. The register also keeps a record of actions to be undertaken in the future to further mitigate the impact of the risk.

The risk register helps to identify the actions required going forward to:

- ensure greater consistency of controls across the business
- consider the need for additional controls or a change to current systems and processes
- protect the business from unexpected events
- improve the efficiency and effectiveness of financial and operational systems and processes

Tracking principal risks and uncertainties

In the second half of the year, we developed a new methodology in order to track the changing risk profile of our principal risks and uncertainties. Five “indicator risks” from our risk register have now been assigned to each of our principal risks and uncertainties. The indicator risks have been identified by our Senior Management Team and selected because they are most closely related to (and contribute towards) the relevant principal risks. As part of our quarterly risk review process, we aggregate the risk scorings for the indicator risks assigned to each principal risk – giving us an overall risk score for each principal risk, which is tracked quarterly to highlight assessment trends. This is a useful data point that helps our Senior Management Team and Board monitor the evolution of our principal risks and uncertainties. Our Senior Management Team can also replace the indicator risks at any time if they become less relevant compared to others, including any new risks added to the register from time to time.

In the diagram on page 67, we show the current risk scoring for each of our principal risks and uncertainties arising from our latest review.

Risk management and monitoring

Performance monitoring of risk management activity must ensure that the treatment of risks remains effective and that the benefits of implementing risk control measures outweigh the costs of doing so. Performance monitoring is a continual review not only of the whole process, but also of individual risks or projects and of the benefits gained from implementing control measures. For the year ended 31st December 2022, the Board considered that our risk management processes remained effective.

Our process for managing risk is:

(i) Identify realistic risks

This involves looking externally at the market, and internally at financial and business operations, to establish the events and trends that could impact us. This is an ongoing activity as part of daily engagement between management and teams across the business. As part of our quarterly strategic review, our Senior Management Team dedicates time to reviewing and updating our assessment of existing risks tracked on our risk register and our principal risks and uncertainties, as well as horizon scanning for emerging risks that may impact us in the future.

(ii) Analyse their potential impact and likelihood

For all risks identified, we assess the likelihood of their occurrence and the potential consequence or impact of that occurrence on both an inherent (unmitigated) and a mitigated basis, after having accounted for appropriate steps being taken to control, monitor and minimise their impact.

(iii) Score risks to prioritise their management

The likelihood and impact of each risk on business performance is calculated in order to score each risk and enable prioritisation of resources towards actions recorded on the risk register. We also use these scores to calculate our overall scoring for each of our principal risks and uncertainties as described above.

(iv) Address risks to minimise their impact

Once scored, we establish which risks are considered acceptable and which need to be further addressed. For acceptable risks, appropriate mitigation steps are assigned for implementation and tracking. For unacceptable risks, strategies are developed to avoid them to the extent possible and plans made so that the business is ready to deal with them and minimise their impact should they occur. The outcome of this step is a prioritised list of risks and actions which the business can act upon and allocate resources towards.

(v) Continually monitor the situation

We continually check for risks occurring, new risks emerging and changes in the assessment of existing risks in order that these can be reviewed and dealt with competently. The risk register is reviewed on an ongoing basis by the Senior Management Team, with a formal quarterly update and on a biannual basis by the Board, with the Audit & Risk Committee conducting an in-depth annual review.

Our risk management framework and internal control environment can be seen on page 66.

Risk management continued

Our principal risks continued

Changes to principal risks

During 2022 – our first year as a public company – we focused on developing and enhancing our understanding of our risk management process, while also reacting to risks as they evolved within the business and externally as a result of a changing regulatory and macroeconomic landscape. Our principal risks and uncertainties are mostly long-term in nature and have largely remained the same as those reported in our 2021 Annual Report. However, we made some changes in 2022:

- **No longer reliant on a single manufacturer:** In May 2022, we onboarded and ramped production with Celestica, a global leader in manufacturing and supply chain solutions, to manufacture some of our AC EV chargepoint product range. The addition of Celestica, together with our incumbent suppliers, meant that our reliance on a single manufacturer was reduced – so this risk has been mitigated to the extent that it has been removed as a principal risk. Nonetheless, we continue to pursue greater resilience and flexibility across our supply chain
- **Delays to product development due to supply chain challenges:** Global supply chain challenges and component cost increases in the first half of the year required us to direct product development resources towards redesigning our existing products. The aim was to facilitate greater component flexibility and to protect margins against cost inflation to the extent possible. Concentrating on our supply chain resilience has mitigated our exposure to market-wide supply and production disruption and enabled us to continue to meet customer demand during challenging global macroeconomic conditions. As a result, new technology developments and innovation were delayed affecting the roll out of new products against our anticipated roadmap. However, during the year, we accelerated recruitment and restructured the product development function, adding significant experience and capability. We also extended the product management function and created a new programme management office, adding control and governance to our processes. In 2023, we will return our focus to driving progress on new product designs and innovation
- **Dependency on the continuing adoption of and demand for EVs:** As recognised on page 23, the growth of the EV market slowed markedly in the second half, crystallising the impact of this risk for the Company. 2022 SMMT data demonstrated a deceleration in PiV registrations as component shortages restricted EV production and increased delivery lead times to the UK. The result was a delay to EV demand during the year, which in turn slowed demand for EV chargepoints. We expect the supply chain and macroeconomic issues driving the impact of this risk to continue but to ease through 2023 with an ongoing impact on the supply of new vehicles, as seen by currently extended lead times. However, in the longer term, the Company expects the UK to return to rapid growth in PiV registrations as the supply chain restrictions ease and general economic conditions recover
- **Ongoing and potential future disruptions to the global supply chain:** As recognised on pages 18 and 19, rising component costs and other supply chain delays and disruption (resulting in higher costs from spot buying and additional brokerage costs) impacted margin and adjusted EBITDA performance in 2022. While supply chain conditions are expected to ease, they are not expected to improve materially in 2023 and further disruption remains possible in light of the conflict in Ukraine and ongoing supply chain disruption in China. Notwithstanding the mitigating effects of building resilience in

Our risk management framework and internal control environment

External audit
External assurance is provided through external audit which is design to detect material irregularities that impact the financial statements

Board
Overall responsibility for the Group's strategy and risk management
Determines risk appetite in line with Group strategy and approves the Group's risk management framework
Approves the annual budget and three-year plan

ESG Committee
Monitors and reviews material safety, health, environment and other sustainable development risks, including climate-related risks and opportunities

Audit & Risk Committee
Reviews and monitors the adequacy and effectiveness of the Group's internal control and risk management processes
Ongoing review of the principal risks through the course of the year
Approves the annual internal audit plan

Senior Management Team
Formulates risk management policies in terms of the approved risk management framework to ensure risks are managed within accepted tolerance levels
Assesses and monitors risks on an ongoing basis

Sustainability Team
Works closely with the Senior Management Team with respect to identification of climate-related risks and the implementation and oversight of strategies for management and mitigation of climate-related risks across the business

Group functions
Responsible for identification of existing and emerging risks in relation to their functional area. Responsible and accountable for implementation of strategies to manage and mitigate business risks in the relevant functional area

Internal audit
The Group has a third-party internal audit function, which reports directly to the Audit & Risk Committee

Risk management continued

Our principal risks continued

our supply chain during 2022 and a reduction in the need to carry out spot component sourcing, this remains a key risk. We are closely monitoring the situation and have a number of targeted mitigating actions in place

Climate-related risks

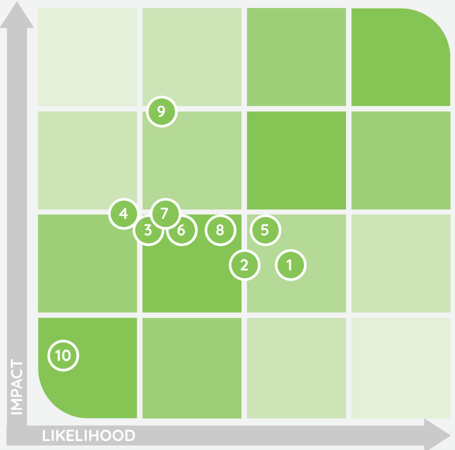
As a purpose-driven Company that exists to reduce the environmental impact of travel on the planet, climate change and the implications of climate-related risks on our business are important factors which we carefully monitor and assess. In 2022, we integrated climate-related risk assessment as an explicit requirement into our risk management processes enabling a deeper, structured analysis of climate-related risks that is consistent and proportionate to all risks affecting the Company. In doing so, climate-related risks are subject to the same governance, review process and management attention as other risks recorded on our risk register. We identify, score and prioritise climate-related risks in the same way as we do for all other risks, by considering the impact and likelihood of their occurrence. As the timeframes for occurrence of climate-related risks tend to be longer than for other risks, we have factored this into our assessment by looking at their short, medium and long-term impact, and prioritising accordingly. We also consider the mitigating actions we can take in respect of each of these risks.

Following this review, climate-related risks have been identified that may affect the business and/or may contribute towards some of our principal risks and these are summarised in more detail on page 48. While climate-related risks are not currently recognised as posing a principal risk to the Company, given the significance of climate change to our mission, the Board and the Senior Management Team continue to review the potential impact of climate change on the Group and its stakeholders. This review takes place both internally, on such matters as our strategy, products and services and operational measures, and also externally, for example on matters including customer behaviour, market/industry developments and regulatory change.

On page 45, we have included our first report in line with recommendations from the Task Force on Climate-related Financial Disclosures (TCFD), against the four TCFD pillars of governance, strategy, risk management and metrics and targets. Our analysis as part of our risk management process has been at the centre of the identification of our priority climate-related risks and opportunities set out in our TCFD section. We will continue to revisit this as we undertake further analysis during 2023.

Risk appetite and tolerances

We recognise the need for informed risk-taking in order to deliver sustainable and profitable business growth. During 2023, we intend to overlay an assessment of the Company's risk appetite and set appropriate tolerances across our risk management process. This will inform our strategic decisions and further enhance the value of our risk and control framework.



Our principal risks

1. Growth correlated to adoption and demand for PiVs
2. Competition affects market share and profitability
3. Delays to product development caused by supply chain challenges
4. Disruption caused by global supply chain
5. Uncertain regulatory change
6. Health and safety risks
7. Defects in our technology
8. Deteriorating economic conditions in UK
9. Cyber attack disrupting network and IT systems
10. Key talent attraction and retention

Illustration above reflects our risk assessment having taken into account mitigating actions being undertaken by Pod Point.

The Board has carried out a robust assessment of the Company's emerging and principal risks. Below we set out the Board's view of the principal risks facing Pod Point, along with examples of how they might impact us and an explanation of how they are managed or mitigated. An explanation of how the Company manages financial risks is also provided in note 24 to the financial statements.

We recognise that Pod Point is exposed to risks wider than those listed; however we have disclosed those that we believe are likely to have the greatest impact on our ability to deliver our strategic objectives.

Risk management continued

Our principal risks continued

1. Our growth and success is highly correlated with, and thus dependent upon, the continuing adoption of and demand for EVs

Risk	Mitigation
The market for EVs is fast-growing but relatively new. It's continuously evolving and is characterised by changing technologies, price competition, additional competitors, evolving government regulation and industry standards, frequent new vehicle announcements and changing consumer demand and behaviour. Although demand for EVs has grown in recent years in the UK, with a significant uptick in 2021, there is no guarantee of continuing future demand. Slower sales of EVs may result in lower demand for charging equipment, thereby impacting Pod Point's sales. A slower than anticipated increase, or even a decrease, in the sales of EVs in the UK could have a material adverse effect on our business, financial condition, results of operations and prospects. In FY22, we saw the effect of component shortages and macroeconomic conditions on the supply of EVs into the UK. The result of the long lead times was a delay to EV demand which in turn had a negative impact on the demand for EV chargepoints. In addition, the demand for EVs and public charging infrastructure varies across the UK, and it remains to be seen whether a rollout of public charging infrastructure can be successful in areas with lower concentrations of individuals driving EVs and therefore reduced usage demand. As we reported in our Trading Update in November last year, growth in PiV registrations slowed markedly in the second half of 2022 driven by supply chain challenges causing reduced EV deliveries into the UK. This is a live risk that we are monitoring and the outlook for 2023 remains difficult to predict, albeit in the longer term we expect the UK to return to rapid growth in PiV registrations as the supply chain restrictions ease and general economy recovers.	We continually monitor the EV market and discuss likely sales volumes and timings with automotive EV OEMs. Our install capability uses high levels of third-party sub-contractors to help us effectively manage variations in the pace of growth. We monitor, and actively engage with, the development of government regulation and policy affecting demand for EVs in the UK. In doing so, we try to ensure that government and regulators (such as the CMA) have real and current data on which to base their decisions, plus it gives us insights into future regulatory and policy changes so that we may adjust our strategy accordingly. We monitor and assess usage of the charging infrastructure across both our owned asset charging network and the network we manage on behalf of our customers. Usage patterns then inform our investment decisions and the information we provide to customers when we are advising them on charging solutions.

2. Competition in the industry and market segment in which we operate may materially adversely affect our market share, margins and overall profitability

Risk	Mitigation
Our industry and market segment are highly competitive, and we face significant competition from large international organisations as well as smaller start-ups. Competition is based on several key criteria including price, product technology and performance, delivery times, flexibility, design and innovation, brand recognition, customer access and sales power as well as the scope and quality of services. In addition to existing EV charging infrastructure competitors, our current automotive OEM partners may decide to develop or acquire certain capabilities in-house, reducing demand for our products, systems and services. In particular, there is a risk that automotive OEMs develop their own branded charging equipment. This could particularly affect the Group in the home segment, as the use of a branded system means EVs would be sold with their own branded chargers for home use, leading to reduced demand for our home charging solutions. Automotive OEMs could also use their size and market position to influence the market. These developments could limit our addressable market and our ability to gain new customers and therefore could negatively impact our business, financial condition, results of operations and prospects.	We continually monitor the competitive landscape including pricing, technological innovation and product developments. In 2023, we will continue to invest in our product technology and customer proposition to ensure we stay at the cutting edge of the market. In addition, to retain our ability to respond in a competitive market we have focused on building supply chain resilience and redesigning products to create greater component flexibility and reduce costs. We cultivate our relationships with key customers and partners, such as car OEMs, to ensure we have the best insights into market developments. Given the relatively early stage of the sector, our long track record and our range and depth of contacts – including longstanding commercial relationships with the automotive OEMs – coupled with our financial strength, should allow competitive risks to be identified, assessed and mitigated quickly and effectively.

Risk management continued

Our principal risks continued

3. Delays to product development caused by supply chain challenges

Risk	Mitigation
Global supply chain challenges and component cost increases in 2022 required us to redirect research and development resources towards redesigning and re-engineering our product range. Our aim was to facilitate greater component flexibility and to protect margins against cost inflation to the extent possible. This mitigates exposure to market-wide supply and production disruption and enables us to continue to meet customer demand during challenging global macroeconomic conditions. Directing research and product development resources towards supply chain resilience impacts the speed at which we can progress new technology developments and innovation. This in turn affects the roll out of new products against our anticipated roadmap. Failure to keep up with technological advancements in the EV charging industry risks loss of market share to competitors and may affect the Company brand and reputation.	During 2022, we accelerated and restructured the product development function, focussing on growing software development squads, DevOps, QA and engineering management, adding significant experience and capability. The restructuring allowed us to embed development squads within operational teams, enabling them to work in lockstep and drive progress. We also extended the product management function to support the new structure. In addition, we created a programme management office to plan and manage cross-functional projects, adding control and governance to the process. In 2022, our Hardware Team was largely focussed on supporting supply chain and ensuring continuity of manufacture and supply. As a result of our recruitment and restructuring in 2022, in 2023 we will focus on building our capability and resources to drive progress forwards on new product designs and innovation.

4. Ongoing and potential future disruptions to the global supply chain could have a material adverse effect on demand for our products as well as on our ability to source and produce components for our chargepoints

Risk	Mitigation
As a result of a number of Covid related impacts – including factory closures in China, volatile commodity pricing (e.g. for steel), supply chain disruptions and the shortage in semiconductors – the supply of vehicles into the UK from automotive OEMs has remained challenged. While vehicle production rose in 2022 as manufacturers reopened factories and looked to recover from the effects of the pandemic, global supply chain disruptions continued to affect the availability of semiconductors and compromised the ability of automotive OEMS to increase production to meet demand. The result has been long waiting times for EV consumers which in turn has impacted demand for EV chargers. The same macroeconomic supply conditions have increased our cost of materials and components for our own chargepoints, impacting our gross margin. This may continue into 2023 and beyond, potentially affecting the Group's business, financial condition, results of operations and prospects. Supply chain disruptions, if not managed, could have an adverse effect on production volume, raw material and componentry prices, revenue and profitability, customer satisfaction and reputation. The disruption caused by the Covid pandemic and the associated supply constraints of semiconductors have impacted many industries including automotive. The materiality of this risk has increased in 2022 and so securing our supply chain remains a key focus for the Company.	Our Chief Supply Chain Officer has proactively managed our component supply requirements to identify and mitigate potential disruptions and to try to ensure that our manufacturing partners are able to satisfy demand. We work closely with our manufacturers to define inventory maintenance norms, build safety stocks and explore alternative sources, amongst others. We have also ensured that we have some spare stock capacity in terms of manufacturing output to reduce the impact of potential component shortages. For our high volume products, we are pursuing design and engineering solutions to provide procurement flexibility and to build resilience into our supply chain, ensuring parts are multi-sourced wherever possible. We have taken steps to source substitutes to mitigate price volatility in the market, and to manage price increases in a calibrated way to mitigate their impact. We maintain and develop strong partnerships with our manufacturers and key strategic suppliers to ensure a stable future supply of components. This will be an ongoing focus for both Supply Chain and Hardware Teams in 2023.

Risk management continued

Our principal risks continued

5. Government and regulatory initiatives, the outcomes of which are unknown, could materially impact our business	
Risk	Mitigation
As the market for EVs and EV-related products is relatively new and growing quickly, it is the focus of various ongoing government and regulatory initiatives and enquiries, the outcomes of which are unknown. Further, if we fail to comply with any laws or regulations that are enacted as a result of these enquiries and processes, we could be subject to significant liabilities which could adversely affect our business, financial condition, results of operations and prospects. If the government were to postpone the 2030/35 deadlines for the end of ICE and hybrid sales, this might decelerate EV growth in the short/near term, but the ultimate size of the market remains.	We continue to maintain good relationships with the various government departments that potentially impact our business. We actively engage with government and regulatory consultations which provide valuable insights into policy direction that we feed into our strategy. We ensure our commercial strategy and technology investment plans account for and adhere to the Government plans as they are communicated.

6. We are exposed to health and safety risks related to our products and the installation, maintenance and operation of electrical equipment and systems	
Risk	Mitigation
All chargepoints conduct electricity and as such carry an inherent potential electrical hazard risk. Our chargepoint operations involve the installation, maintenance and operation of electrical equipment and systems, which could expose our customers, employees, partners, installers and the public to a number of hazards, including electrical lines and equipment, mechanical failures, transportation accidents and adverse weather conditions. These hazards can cause personal injuries and loss of life, damage or destruction of property and equipment and other related damage, liability or loss.	Our Head of Health and Safety is responsible for providing advice on all related matters and to ensure our standards and methods for internal reporting and management of health and safety risks are appropriate. We are investing in general health and safety training across operations to support and drive health and safety competence across the business. We ensure our domestic and commercial chargepoints are designed and manufactured to meet all appropriate industry standards and regulations. We strive to make them safe for use by customers, and safe for installation and maintenance by trained and competent engineers. Our chargepoints are also installed with upstream electrical isolation protection as well as practical safeguards such as guardrails, lighting, signage and bay markings to minimise the electrical hazard. We also perform regular checks on our installers with respect to installation standards and practice, and availability and usage of the appropriate tools, equipment and PPE during installation, maintenance, surveying and other activities. All of our commercial installations receive quality assurance and health and safety checking and assessment prior to handover and acceptance. For our installations, we check for compliance with the Electricity at Work Regulations and the IET Wiring Regulations. Our work standards are overseen by the NICEIC (The National Inspection Council for Electrical Installation Contracting) along with internal quality assurance. We also hold SafeContractor, Avetta, ConstructionLine and SMAS accreditation for Safe Systems in Procurement. We encourage a culture of continual improvement, with reporting of accidents, injuries, near misses, installation issues and concerns raised and handled in an open and supportive manner. We encourage all of our employees to engage with this continuous improvement culture. We maintain rigorous health and safety training standards, frequently update employee training in this area and conduct thorough risk assessments before undertaking large installation mandates. All training and health and safety assessments apply equally to our in-house installers and to third-party sub-contractors we use. We apply stringent pre-qualification assessments for sub-contractors, prioritising health and safety alongside technical competence. Sub-contractor installations and certifications are also sampled and inspected for health and safety and quality assurance. Our installers are required to supply HSE RIDDOR and LTI reports to us in relation to any incident.

Risk management continued

Our principal risks continued

7. Our technology could have undetected defects, errors or bugs in hardware or software

Risk	Mitigation
Our software and hardware may in future contain undetected defects or errors. We are continuing to evolve the features and functionality of our software platform and chargepoint hardware through updates and enhancements. It is possible that this process may introduce defects or errors that may not be detected until after deployment to customers and installation of chargepoints. In addition, if updates or patches are not implemented, or our products and services are not used correctly or as intended, inadequate performance or disruptions in service may result. We may be subject to claims that chargepoints have malfunctioned and persons were injured or purported to be injured and/or property was damaged or purported to be damaged. Any insurance that we carry may not be sufficient, or may not provide cover in all situations.	We continue to invest in and improve the functionality and design of our chargepoints and the software and systems which support them. The new software development structure moves us towards CI/CD (Continuous Integration and Delivery) allowing us to verify and release software more quickly and reliably. Our Firmware (device software) Team is also integrated in this process and working more closely with our Network Teams. Our Hardware Team works with a world-class manufacturing partner, who can assist with the validation and testing of our devices. We are also engaging more with external test houses, such as the BSI to assist with compliance testing.

8. The deterioration of economic conditions in the UK, a deterioration in the UK's economic relationship with the EU or a future health pandemic may materially adversely impact our business, financial condition and results of operations

Risk	Mitigation
Our business and results of operations are affected by the general economic conditions of the UK. Changes in these economic conditions, including constraints on the supply of credit, uncertainty and weakness in the labour market and general consumer fears of an economic downturn directly impact consumer confidence and consumer spending as well as the general business climate and levels of business investment. As demand for our products is closely related to demand for EVs, any negative impact on consumer confidence and consumer spending is likely to be reflected in the number of new EVs purchased which in turn is likely to impact demand for our products. In addition, uncertainty and unpredictability concerning the UK's legal, political and economic relationships with the EU and the European Economic Area following Brexit could adversely affect trading agreements and/or lead to logistical and administrative issues for cross-border shipments. Our orders could be delayed or we could be required to pay additional, unexpected tariffs. Furthermore, we saw how the impact of Covid created significant volatility in the global economy and led to reduced economic activity. The extent to which the Covid pandemic and/or future health pandemics impact our business, financial condition, results of operations and prospects will depend on future developments. These are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the pandemic, its severity, the actions to contain the virus or treat its impact, and when and to what extent normal economic and operating activities can resume.	We maintain close relationships with automotive OEMs and would expect to have some insight or early warning if there was a material economic downturn which will impact demand for EVs and consequently our products and services. We carefully monitor and assess any negative relationship issues between the UK and the EU which could impact our business. We also carefully monitor and assess any Covid-related issues, in particular around the health and safety of our employees and sub-contractor installation partners in the field who may interact with our customers.

Risk management continued

Our principal risks continued

9. Disruptions to our network and IT systems, including from malware, viruses, hacking, phishing attacks and spamming	
Risk	Mitigation
As technology is central to our business, it is critical that we safeguard our data and information, ensuring security and privacy and reducing risk of human error. We depend on our IT systems to, among other things, operate and manage our chargepoints, exchange information with our commercial partners and customers and to maintain financial records and accuracy. IT systems failures, including risks associated with upgrading systems, network disruptions or a cyber-attack could disrupt operations or lead to fraud by compromising our cyber security and the protection of customer or Group information and financial reporting and impeding processing of transactions, leading to potential liability and increased costs. Computer malware, viruses, physical break-ins, a cyber-attack or similar disruptions could lead to fraudulent activity, regulatory sanctions, claims and other liabilities, and interruption and delays to our services and operations as well as loss, misuse or theft of data. 3G and 4G network outages could adversely affect our network communication capabilities, as well as user interaction with our mobile application and chargepoints. If our mobile application is unavailable when customers attempt to access it, or it does not load as quickly as they expect, customers may seek other services, which could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, our computer systems, including back-up systems, could be damaged or interrupted by power outages, computer and telecommunications failures, computer viruses, internal or external security breaches, events such as fires, earthquakes, floods and/or errors by our employees. Furthermore, we collect personal information in relation to our customers and employees and other data as part of our business operations. Therefore, we are exposed to the risk that such data could be wrongfully appropriated, lost or disclosed, damaged or processed in breach of privacy or data protection laws. Lastly, regulatory and statutory requirements in this space are increasing, and failure to meet these obligations, such as those enshrined in data privacy and protection laws, could result in enforcement action, fines, and reputational and financial damage in the form of lost contracts and business relationships.	We have appointed a Chief Information Officer (CIO) who is responsible for assessing risk in this area and ensuring that detailed systems, processes and software are deployed to reduce risk wherever possible. We apply market standards in relation to encryption, virus protection and data security. We have implemented Microsoft single sign-on and multi-factor authentication across platforms. We also have processes and policies in place to react and respond to significant incidents and disruptions to business continuity. In addition, we use third-party firms to test the robustness of our systems and processes. We have improved communication technology in our chargepoints to reduce the impact of weak and or intermittent network coverage. Furthermore, we are investing in the infrastructure of all our operating and backup systems.

Risk management continued

Our principal risks continued

10. Our success depends on our ability to hire and retain management, key employees and other qualified and skilled employees and we may not be able to attract and retain such personnel

Risk	Mitigation
Our future performance depends to a significant degree on the continued service of senior managers and other key personnel, including employees involved in research and development, sales and marketing, as well as employees with critical know-how and expertise. The loss of the services of one or more senior managers or other key personnel could have a material adverse effect on our business, financial condition, results of operations and prospects. Our success also depends on our continuing ability to attract, retain and develop qualified and skilled personnel, including software developers, designers, technical employees and engineers with the requisite technical background. This is especially important given the increasingly competitive market for talent and the expected high growth in the EV charging segment. In addition, new regulations in the industry could require specific qualifications to install EV chargepoints, which could result in a reduced labour force and higher costs.	We have put in place competitive remuneration packages for all employees, which aim to encourage strong performance and the retention of key staff. These packages are in line with listed company norms. We undertake regular staff surveys which cover employee satisfaction levels, culture and benefits, as well as diversity and inclusion. Other engagement activities are outlined on pages 10 to 11 and 56. Regular team meetings are held with the CEO to ensure all staff know our strategic direction and to gather valuable feedback. We have adopted a remote-first policy which is supported by investment in employees' home offices.

Viability statement

The Board has addressed the prospects and viability of Pod Point, in accordance with the UK Corporate Governance Code.

Prospects

Pod Point is one of the UK's leading providers of EV chargepoints. Our mission is to put an EV chargepoint everywhere you park. Following a successful IPO and a continuing robust balance sheet, our strategy for the coming years is to build at scale. We'll do this by:

- Continuing to invest in our systems and processes to ensure that we are ready to serve the scale of opportunity we see ahead of us
- Continuing to improve and expand our product offering to serve more routes to market
- Continuing to invest in our software capability to realise a number of recurring revenue business models
- Making targeted investments in owned assets, although at a lower level than we communicated at IPO

The business continued to grow in 2022 with revenues increasing from £61.4 million in 2021 to £71.4 million.

In 2022, the business maintained its full control over the rate of spend on assets, whether software development or owned asset deployment. Adjusted EBITDA losses remain in single digits, and working capital consumption is under tight control. At the end of 2022 we retained a healthy cash balance of £74.1m.

We remain confident that our strategy will allow us to maximise the opportunity presented to us by the ongoing growth in electric vehicles.

After taking into account our current position and the principal risks and uncertainties as described on pages 68 to 73 of this Annual Report, the Directors have assessed Pod Point's prospects and viability.

Assessment period and process

The business model and strategy as set out on pages 4 to 11 and 26 to 30 are central to an understanding of our prospects and viability. We have prepared a business plan which considers the annual results of and resulting cash flow for the business to 2030. While the rapidly evolving nature of our sector means that even relatively short-term forecasting is challenging, the period to 2030 represents the timeframe during which the transition to all new vehicles sold in the UK being PiVs should be completed.

In very simple terms, the prospects and viability of the business are dictated by the rate of increase in PiVs sold each year, and as a percentage of overall new vehicle sales, the rate at which those new vehicle sales translate into demand for chargepoint installations, and the business' ability to maintain the market share of its core home and commercial business segments.

We assess our prospects primarily through our annual planning process, led by the CEO with the CFO. Other relevant functions are also involved, including finance, sales, recruitment and resourcing and commercial.

The Board is fully involved in the annual planning process and is responsible for considering whether the plan takes appropriate account of the external environment, including technological, social, macroeconomic and regulatory changes, as well as the risks and uncertainties of the business.

The output of the annual review process includes the annual financial budget as well as an analysis of the risks which could prevent the plan being delivered. We've prepared financial projections which include profit, cash flow and ratios for the period to 2030. The budget for 2023 forms the first year of the business plan and is considered and, if appropriate, updated on a monthly basis. Forecasts for subsequent years are updated based on our strategic business planning process and reflect results achieved in the first year. While we have plans that cover a significantly longer period, scenario planning demonstrates that the business has funding in place that supports a viability period of at least three years.

Viability assessment

The Board has made its assessment of Pod Point's prospects with reference to current market conditions and known risk factors, including the possible continuing impacts of the Covid pandemic, the war in Ukraine, energy market volatility, and macroeconomic uncertainty. The Board has considered financial performance in 2022 and the risk factors noted above and considers that the key risks which could impact the delivery of Pod Point's financial objectives are:

- Growth in the adoption of EVs
- Competition and its effect on the market share of the home and commercial business segments
- Successful investment in hardware and software technology to enhance the product proposition and support the development of recurring revenues
- Further development of addressable recurring revenue potential in the market

Conclusion

The Board determined that none of the individual risks outlined above would, in isolation, compromise the Company's viability. In brief, the downside impact of the first two risks would result in reduced revenues and gross margin from the home and commercial business segments. The downside impact of the third risk would delay revenues and gross margins from the owned asset and recurring revenue business segments.

In the case of these risks crystallising, the business would be required to take some mitigating actions largely related to the level of headcount in the business and discretionary spending. In addition, there are certain other actions that could be taken to further minimise the financial impact and maintain liquidity to continue in operation.

Revenue and profitability are clearly affected in these downside scenarios. However, based on the Group's existing cash reserves, combined with incremental cost reduction measures, the business would retain sufficient cash reserves to continue in operation for at least a minimum of three years and for longer if the investment in capitalised software development was restricted.

Section 172 statement

The Directors are aware of its duty under Section 172(1) of the Companies Act 2006 ("CA06"), to act in the way it considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- The likely consequence of any decision in the long term
- The interests of the Company's employees
- The need to foster the Company's business relationships with suppliers, customers and others
- The impact of the Company's operations on the community and the environment
- The desirability of the Company maintaining a reputation for high standards of business conduct
- The need to act fairly as between members of the Company

The following disclosure describes how the Directors have had regard to the matters set out in Section 172(1)(a) to (f) and forms the Directors' statement under section 414CZA of The Companies Act 2006.

Pod Point's key stakeholder groups are set out on pages 8 to 11, with information on how both the Board and the wider business engage with those groups, the progress made during 2022 and the priorities for 2023.

The Board believes that maintaining strong relationships with, and considering the interests of, all our stakeholders is fundamental to delivering sustainable long-term success. The Board considers the needs of and potential impact on our stakeholders when discussing and deciding on issues of strategic importance. The Board and Senior Management Team continue to develop governance and decision-making processes to ensure that the interests of stakeholders is at the heart of strategic decision-making and firmly embedded in the culture throughout the Company.

The Board therefore confirms that throughout the year under review it acted, and continues to act, to promote the long-term success of the Company for the benefit of shareholders, while having due regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

During 2022, the Board took a number of key decisions in which the needs of stakeholders were considered. Some examples of these are provided below:

Norwegian business

Decision: The Board took the strategic decision to cease our sales activity in Norway because chargepoint design and technology support for the UK and Norway had started to diverge more markedly than in the past. We wanted to prioritise our hardware and software development focus on UK products and market.

Long-term consequences	• Given the relatively small amount of revenue generated historically from Norway sales, the Board recognised that the decision did not have material short-term downsides. The Board was aware that the decision did not preclude Pod Point from developing its pan-European presence in the medium-term if this were to become a medium-term strategic focus for the Board. We have retained our Norwegian subsidiary and continue to provide warranty and maintenance support to existing customers and operating chargepoints in Norway
Employees	• The Board discussed the impact of the decision on the affected employees and ensured that they were offered alternative employment opportunities with Pod Point where possible. We have retained a small Norway-based team that continues to provide warranty and maintenance support
Customers and reputation	• The Board has maintained its ability to address ongoing maintenance and service requirements with customers in Norway. In looking to develop its medium-term view on international expansion into Europe, the Board is aware that as the market develops vehicle manufacturers may in future expect EV partners to operate in multiple European markets

Product development

Decision: Following the rapid expansion of the product development capability in line with commitments made at the time of the IPO, and following the successful management and mitigation of the supply chain disruption faced in the first half of 2022 (see page 9), the Board endorsed a management decision to slow the rate of further expansion of the Product Development Team in the second half of 2022, in line with the slowing rate of revenue growth.

Long-term consequences	• In the financial climate of the second half of the year, cash management was critical to the financial sustainability of the business. Therefore a balance was required between the cash outlay to expand the product development capability and the need to conserve cash. By slowing the rate of expansion in the second half of the year, this balance was maintained
Employees	• The rate of recruitment into the product development activity was expanded in the first half of the year in line with budgetary expectations, but was slowed in the second half of the year in order to optimise the effectiveness of the product development function. We recognised that it would be beneficial to allow the new team members who joined in the first half of 2022 time to settle, for relationships to build and the new organisational structures in the function to embed
Customers	• The Board recognises the importance of meeting customer expectations in relation to product development. While we were unable to move as fast as we wanted to, the approach adopted allowed the Product Development Team to grow sufficiently to manage the supply chain disruption faced in the first half of 2022. It also enabled product innovation to continue in a prudent and sustainable way in line with customer expectations, albeit on a slightly delayed timeframe
Community & environment	• Continued product development further enhances Pod Point's delivery of products and services which contribute to the global green economy. As discussed further on page 43, we have started a number of strategic initiatives to measure the GHG emissions arising from the manufacture of our products and to innovate design and material selection in order to lower their carbon footprint
Reputation	• In a challenging market in 2022, as discussed on page 23, we balanced the need to successfully maintain production supply in order to meet customer demand while also maintaining our reputation for innovative product development. The product development strategy during the year has maintained momentum while taking a sensible approach to the costs involved

Section 172 statement continued

Sustainability governance

Decision: Given the strategic importance of ESG and driving sustainability across everything we do – in support of our vision that travel shouldn't damage the earth – the Board set up an ESG Committee. In turn, the committee appointed a pan-business ESG Working Group to implement the activities and strategic objectives agreed by the committee. While sustainability initiatives had previously been dispersed across the business, we decided to establish a dedicated Sustainability Team to own this space and appointed Diana Almazova as our Head of Sustainability, tasked with driving Pod Point's sustainability objectives.

Long-term consequences	• Pod Point's vision is that travel shouldn't damage the earth, and neither should Pod Point itself. Longer term, as we build our chargepoint network at scale and grow as a company, we need to ensure that progressing our sustainability strategy and reducing our environmental impact are part of everything we do. Looking ahead, the Board decided that robust ownership and governance structures were required in order to ensure that decisions taken around ESG and sustainability are centralised, coordinated and part of a roadmap approved by the Board
Employees	• When considering the resourcing of the new ESG Working Group and Sustainability Team, we considered both internal and external hires. Initially it has been decided to resource the ESG Working Group and Sustainability Team with existing Pod Point team members who have the deepest understanding of the business and are keen and able to dedicate time towards such matters. We will supplement the team with external consultancy support where technical expertise is needed. Our full-time Head of Sustainability has been transferred internally from our Marketing Team and is looking to build up the team in due course with both internal transfers and external hires
Customers	• Our key commercial partners including automotive OEMs, car leasing companies, and homebuilders, each have ESG and sustainability at the forefront of their business agendas. When speaking to them, it is clear that they expect their chosen suppliers to be aligned with their own sustainability commitments
Environment	• In 2022, one of the key priorities of our Sustainability Team was to assess the environmental impact of our products and services, in particular our GHG emissions, across both production and our fleet of installers. See page 41 for more detail on this. We have also started work to assess our product lifecycle, the use of sustainable materials and our waste, as discussed further on page 43
Reputation	• Pod Point's vision sits at the heart of everything we do, and the Board is conscious that the Company's reputation is built on our desire and ability to help reduce climate change and protect the environment for all. Our reputation is therefore underpinned by our position on ESG and sustainability – and as a result these matters are integral to our strategy and decision making. Further details on our environmental approach can be found on pages 33 to 53

Non-financial information statement

This section of the Strategic Report constitutes the Company's Non-Financial Information Statement, produced to comply with Sections 414CA and 414CB of the Companies Act 2006. The information listed is incorporated by cross-reference.

Reporting Requirement	Where to find more information in this report		Supporting policies and procedures
	Section	**Page(s)**	
Business model	Business model	4 to 11	–
Non-financial KPIs	KPIs	31 to 32	–
Principal risks	Risk management	68 to 73	–
Environmental matters	Environment (ESG)	33 to 53	Our Environmental Policy can be found at pod-point.com/legal/policies
Human rights	Governance (ESG)	63	Our Modern Slavery Statement can be found at pod-point.com/legal/modern-slavery-statement
Employees	Investing in talented people (ESG)	54 to 59	–
Social matters	Social (ESG)	60	–
Anti-bribery and corruption	Governance (ESG)	61	Our Anti-bribery and Corruption Policy can be found at pod-point.com/legal/policies

The Strategic Report was approved by the Board on 26th April 2023.

By order of the Board

Anita Guernari
Company Secretary

Governance

Enhancing our governance to support our growth

Chairman's introduction to governance


Gareth Davis
Chairman
of the Board

Dear Shareholder,

Pod Point's first year as a listed company has not been without its challenges, as we discuss elsewhere in this Annual Report. Many of those challenges have by their nature been external and difficult to anticipate, and as a Board we have focussed on the things that we can control. Our governance arrangements are one such area where we have been active during 2022. We are able to report that Pod Point is substantially compliant with the provisions of the UK Corporate Governance Code, and I would like to highlight four particular areas of focus in our governance processes this year.

Strategy

Having clearly set out our strategy at the time of Pod Point's IPO, we spent time discussing the impact of the strategic challenges we have faced over the past year. Our primary discussion with the Senior Management Team about elements of strategy took place during our two-day Board Strategy session in October, which was followed up in further Board meetings in November and December. Earlier in the year, we held interim discussions with management about certain aspects of the plan, including the international strategy, particularly in relation to Pod Point's Norwegian business. Further information about the Board's work on strategy can be found on page 83.

Diversity and succession

One of our most pressing priorities during 2022 was the succession plan for our Chief Financial Officer, David Surtees, in preparation for his planned retirement in early 2023. The Nominations Committee oversaw the process for identifying and selecting his successor and we were pleased to conclude that process over the summer, resulting in David Wolffe being appointed as CFO Designate. David joined the Board on 3rd January 2023 when he formally took over the CFO role from David Surtees.

I would like to highlight that the Committee was keen to make sure that women candidates were proactively sought through this process and instructed the headhunters who assisted them to prioritise women. In the event, David Wolffe was considered the best candidate for the role. We are nevertheless keen to ensure that the Board is as diverse as possible while ensuring that we choose the candidates who will be able to bring the best skills and experience to the Board. Further information about the recruitment process and Board diversity is set out in the Nomination Committee Report on page 88.

ESG and climate

In our 2021 Annual Report, we noted that we had a lot of work to do in relation to our environmental, social and governance (ESG) activities and our focus on climate-related risks and opportunities. Given our mission and vision, the importance of this is fully recognised by the Board. The Board's ESG Committee has met three times during the year, chaired by Dr Margaret Amos. The committee has established an ESG agenda which gives our initiatives structure and clarity going into 2023. The ESG Committee is supported by the ESG Working Group, an executive group chaired by Daniel Kaufman, our General Counsel, which coordinates the execution of our key ESG initiatives. Further information about the work of the ESG Committee and the ESG Working Group is set out in the Sustainability Report on pages 46 and 61 to 62.

Stakeholder engagement

This year has seen us undertake significant stakeholder engagement activity. A number of the Directors and I attended the Company Residential in June which gave us a good opportunity to meet with colleagues informally. In addition, Karen Myers, who is the Board member responsible for workforce engagement, has worked with the Executives to put in place mechanisms to enable us to receive feedback from our workforce. This programme was specifically discussed at our Board meeting in December.

At our AGM in June, shareholders were asked to vote on our proposed Remuneration Policy and I was particularly pleased to note that the policy received support from over 99% of shareholders who voted. Prior to the AGM, Karen Myers, as Chair of the Remuneration Committee, wrote to our top shareholders and met with one of them to discuss our approach to Executive remuneration, and I am sure that contributed significantly to the strongly supportive vote that the policy received at the AGM.

Additionally, we established a dialogue with our two major shareholders in relation to future LTIP awards, which has been factored into our planning; and earlier in the year, I discussed the content of the AGM notice, in relation to share capital, with EDF.

We recognise that we still have work to do. Our first Board effectiveness review was undertaken in September and October and identified some useful areas of opportunity to develop our Board processes. I was delighted with the engagement of the Board in the process and believe that progress against the actions for further consideration, set out on page 89, will further strengthen the Board and its governance, while providing a focus on strategic matters.

I would like to conclude by acknowledging, with thanks, the hard work of my fellow Directors, the Senior Management Team and our Pod Point colleagues in meeting the challenges of 2022 and preparing the way for the Group to move forward in 2023. It has been a hugely busy year, but one during which we have made tangible progress.

Gareth Davis
Chairman

Compliance with the UK Corporate Governance Code 2018

Statement of compliance with the UK Corporate Governance Code

We are subject to and report against the FRC's 2018 UK Corporate Governance Code (the "Code"), a copy of which can be found at www.frc.org.uk. The Code is a guide to a number of key components of effective board practice and is based on the underlying principles of good governance and focus on the sustainable success of a company over the longer term. Throughout the year, the Company has complied with all provisions of the Code except for engagement with employees regarding Directors remuneration, which will be addressed during 2023.

Provision 40 provides that when determining Executive Director remuneration policy and practices, remuneration committees should address whether remuneration arrangements promote effective engagement with the workforce. Provision 41 provides remuneration committees should report on engagement that has taken place with the workforce to explain how Executive remuneration aligns with wider company pay policy. The Remuneration Committee did not directly consult with employees on Executive Director pay arrangements during 2022 though provided the opportunity for questions directly to the Chair of the Remuneration Committee, and considered the alignment of Executive remuneration with that arising across all Pod Point team members during 2022 as well as the allocation of new share awards during the period. The Remuneration Committee will directly engage with employees on Executive remuneration arrangements during 2023. Details of how Executive Director pay is considered in the context of the workforce is set out on page 94.

This Governance Report has been divided into sections that correspond with the five main sections of the Code. We have applied the Code's principles through our Board and governance structures, and information about our compliance with the Code's principles and provisions can be found in the following sections of this report with cross-references to other sections of the report and/or our website (www.investors.pod-point.com) where more detailed descriptions are available.

Section	Pages
1. Board leadership and purpose:	
• Purpose and culture	84
• Shareholder engagement	85
• Workforce engagement and whistleblowing	85
• Engagement with key stakeholders	75-76
• Management of conflicts of interest	85
2. Division of responsibilities:	
• The role of the Board and committees	86
• The balance of the Board and division of responsibilities	87
• Director independence	86
• Time commitments of Non-Executive Directors	89
3. Composition, succession and evaluation:	
• **Nomination Committee Report** (including Board appointments, succession and Board diversity)	88-89
• Skills, experience and length of service	80-82
• Professional development and training	86-87
• Board evaluation	89
• Succession planning	88
• Diversity	88-89
4. Audit, Risk and Internal Control:	
• **Audit & Risk Committee Report** (including review of the internal audit function and external auditor and processes for overseeing financial and narrative reporting)	90-92
• Procedures for managing risk and internal controls (principal risks and uncertainties)	91-92
• Viability statement	74 & 92
• Risk management	64-73
• Going concern	21 & 92
5. Remuneration (the Directors' Remuneration Report):	
• Remuneration Policy	95
• Remuneration outcomes	96-99
• Wider workforce remuneration	100-101
• Executive and Non-Executive Director remuneration	96

The following documents are also available on our investor website:

- Schedule of matters reserved to the Board
- Statement of responsibilities of the Chair, Chief Executive Officer and Senior Independent Director
- Terms of reference: Audit & Risk, Nomination, Remuneration and ESG Committees

Board leadership and purpose

Our Board

Gareth Davis
Non-Executive Chair of the Board
N

Date of appointment

9th November 2021

Experience

Gareth began his career at Imperial Brands plc and served as Chief Executive from 1996 to 2010. He was a Non-Executive Director of DS Smith plc from 2010-2011, and served as Chair from 2012 to January 2021. Gareth also served on the Boards of Ferguson plc (as Non-Executive Director from 2003 to 2004, Senior Independent Director from 2004 to 2011 and Chair from 2011 to 2019) and William Hill plc (as Chair from 2010 to 2018). Gareth has a Bachelor of Arts in Economics and Geography (Hons) from the University of Sheffield.

External appointments

Gareth is the Chair of M&C Saatchi plc and a Non-Executive Director of Gresham House plc.

Erik Fairbairn
Chief Executive Officer
E

Date of appointment

25th October 2021

Experience

Erik founded Pod Point in 2009 with the vision that travel shouldn't damage the earth. Before starting Pod Point, Erik founded Ecurie25 – Supercar Club in 2005. Ecurie25 was a private members' club that provided members with access to high-end, high-powered vehicles. Erik sold Ecurie25 via trade sale in 2008. He was appointed to the Board in October 2021 and has a Bachelor of Engineering from the University of Sheffield.

External appointments

None

David Wolffe
Chief Financial Officer

Date of appointment

3rd January 2023

Experience

David was appointed to the Pod Point Board as Chief Financial Officer from January 2023. He has over 20 years' experience in board-level roles for both public and private businesses, including the Group CFO roles at Ted Baker plc and HMV Group plc. His experience includes raising £100m of new equity, refinancing with banking syndicates, and M&A execution. He has held senior financial executive positions at leading global consumer and technology businesses, including the roles of CFO at AOL Europe during the internet access revolution, and Finance Director of ITV Studios, the production arm of ITV plc. David has also been Interim CFO in a series of private equity backed high growth technology businesses. His professional and educational background includes Fellowship of CIMA, the Chartered Institute of Management Accounting, an MBA from INSEAD, and an MEng Manufacturing Engineering, Cambridge University.

External appointments

None

Dr Andy Palmer CMG
Senior Independent
Non-Executive Director
A N R E

Date of appointment

9th November 2021

Experience

Andy has more than 43 years' experience in the automotive industry. He served as President and Group Chief Executive of Aston Martin Lagonda Global Holdings plc from 2014 to 2020 and Chief Operating Officer and Chief Planning Officer of Nissan Motor Corporation from 2013 to 2014 (where he also served as Executive Vice President from 2011 to 2013). From mid-2020 until end 2022, Andy served as Executive Vice Chair & CEO of Switch Mobility Ltd, & Chair of Optare plc.

Andy holds a Master of Science from the University of Warwick and a PhD in Engineering Management from Cranfield University. He is a Fellow of the Royal Academy of Engineering, a Fellow of the Institution of Mechanical Engineers and a Companion of the Chartered Management Institute. Andy was honoured in 2014 with a Companion of The Most Distinguished Order of Saint Michael and Saint George for contribution to the British Automotive Industry.

External appointments

Andy is Chair of Inobat AS, Chair of HiLo and Founder of Palmer Automotive Ltd., a consulting company to the automotive industry.

> It's been a year in which we have made tangible progress.
>
> Gareth Davis
> Chair of the Board

A	Audit & Risk Committee
E	ESG Committee
N	Nomination Committee
R	Remuneration Committee
○	Committee Chair

Board leadership and purpose continued

Our Board continued

Philippe Commaret
Non-Executive Director

Date of appointment

29th January 2020

Experience

Philippe was appointed as a Non-Executive Director in January 2020. He has served as Managing Director, Customers at EDF Energy since December 2019 and has worked in various capacities at EDF since January 2000. Philippe graduated from CentraleSupélec, a French graduate engineering school.

External appointments

Philippe is Managing Director, Customers at EDF Energy.

Rob Guyler
Non-Executive Director

N

Date of appointment

11th February 2020

Experience

Rob was appointed to the Board as a Non-Executive Director in February 2020. He currently serves as Chief Financial Officer, EDF Energy, a position he has held since 2015. Rob also served as Finance Director for EDF Energy Nuclear Generation Ltd from April 2009 to February 2015. He has a BSC Hons in Business Studies from the University of Bradford and is qualified as a Chartered Management Accountant (ACMA).

External appointments

Rob is Chief Financial Officer at EDF Energy.

Dr Margaret Amos
Independent Non-Executive Director

A E N R

Date of appointment

9th November 2021

Experience

Margaret began her career at Rolls-Royce plc in 1990, and most recently served as Senior Finance Business Partner, Aerospace (from 2013 to 2015) and Finance Director, Corporate, IT and Engineering (from 2015 to 2017). After Rolls-Royce plc, Margaret founded and acted as Managing Director of A2 Business Solutions from 2018 to 2020. She was previously a Non-Executive Director of NMCM plc and Velocity Composites plc.

Margaret holds a Doctorate in Professional Practice from the University of Derby and a Masters in Global Supply Chain Management (with distinction) from the University of Nottingham. She is a fellow of the Chartered Institute of Management Accountants and the Chartered Institute of Procurement and Supply.

External appointments

Margaret is a Non-Executive Director and Chair of the Audit Committees of the Ombudsman Services, and a Director for Trinity House, as well as Volution Group plc (where she is also a member of the Audit Committee).

Norma Dove-Edwin
Independent Non-Executive Director

A N R

Date of appointment

9th November 2021

Experience

Norma currently serves as the Chief Digital Transformation Director at Thames Water, where she is responsible for managing the technology function and leading the digital transformation at Thames Water. Prior to this, she held several executive roles serving as the Chief Information Officer at the Electricity System Operator, National Grid (from 2020 to 2022) and the Group Chief Data and Information Officer at Places for People (from 2017 to 2020). She also held a number of senior positions at British American Tobacco plc from 2008 to 2017, including as Head of Global Data Services from 2016 to 2017. Norma holds a Bachelor of Science from Queen Mary University of London, a Master of Science from the University of Stirling and a Master of Business Administration from Imperial College London.

External appointments

Norma is the Chief Digital Transformation Director at Thames Water and is a Non-Executive Director of HSBC Bank plc.

A Audit & Risk Committee
E ESG Committee
N Nomination Committee
R Remuneration Committee
○ Committee Chair

Board leadership and purpose continued

Our Board continued

Karen Myers
Independent Non-Executive Director
A E N R

Date of appointment

9th November 2021

Experience

Karen worked at William Hill plc from 2015 until 2021 as Chief HR Officer, taking on additional accountability for Corporate Affairs in 2019. Prior to William Hill plc, Karen served as HR Director of RSA Insurance Group plc from 2009 to 2015. Karen started her career at Marks & Spencer Group plc, where she worked from 1997 to 2001, and has worked at Barclays Bank plc (from 2001 to 2006), BT Ltd (from 2006-2008) and Tesco Corporation (from 2008 to 2009) in a number of executive managerial HR roles. Karen also served as Chair of the William Hill Foundation from 2015 to June 2021 and has been a Non-Executive Director and Committee Chair for KellyDeli Ltd since January 2020.

Karen has a Master of Arts (Hons) in Modern History from the University of Dundee and is an associate of the Chartered Institute of Personnel and Development.

External appointments

Karen was appointed Group HR and Corporate Communications Director at National Express Group plc in September 2021.

Dr Erika Schraner
Independent Non-Executive Director
A N R

Date of appointment

9th November 2021

Experience

Erika has held a number of senior leadership roles in global organizations with a career spanning 25 years in Silicon Valley, UK and Europe, in Fortune 500 Technology companies and the Big 4 professional services firms. Most recently, Erika served as Partner, UK Leader for M&A Integration Services and UK Leader for Technology, Media and Telecommunications M&A Advisory Services at PricewaterhouseCoopers LLP from 2013 to 2018. Prior to that until 2013, Erika was a partner and the Americas' Operational Transaction Services Leader for the Technology sector at Ernst & Young LLP. Erika has held a number of supply chain management and operations roles in her career, including at IBM Corporation (from 1994 to 1996), REL Consultancy Group Ltd (from 1996 to 1998) and Symantec Corporation Inc (from 2003 to 2007). Erika holds a Bachelor of Science and a Master of Science from the Swiss Federal Institute of Technology Lausanne, and a PhD and Master of Science from Stanford University.

External appointments

Erika is a Non-Executive Director and Chair of the Nomination Committee at JTC Group plc. Erika is also a Non-Executive Director at Videndum plc, where she chairs the Audit Committee, at Hg Capital Trust plc where she chairs the Management Engagement Committee and at Bytes Technology plc.

Meetings

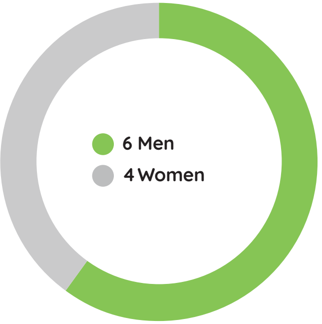
For the purposes of this report, attendance at full Board and Committee meetings is reported in relation to meetings held from January 2022 up to the end of the year.

Director Board and Committee meeting attendance table

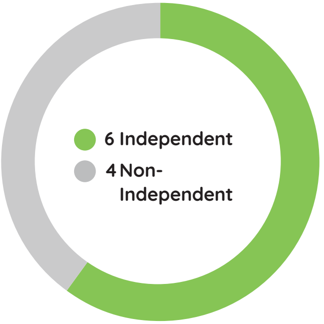
	Board (scheduled)	Board (unscheduled)	Audit & Risk Committee	Remuneration Committee	Nomination Committee	ESG Committee
Gareth Davis	6/6	2/2	n/a	n/a	4/4	n/a
Dr. Andy Palmer CMG[1]	5/6	2/2	3/4	2/3	3/4	n/a
Erik Fairbairn	6/6	2/2	n/a	n/a	n/a	3/3
David Surtees	6/6	2/2	n/a	n/a	n/a	n/a
Karen Myers	6/6	2/2	4/4	3/3	4/4	3/3
Dr. Margaret Amos	6/6	2/2	4/4	3/3	4/4	3/3
Philippe Commaret[2]	5/6	2/2	n/a	n/a	n/a	n/a
Rob Guyler	6/6	2/2	n/a	n/a	4/4	n/a
Norma Dove-Edwin[3]	5/6	1/2	4/4	3/3	3/4	n/a
Dr. Erika Schraner	6/6	1/2	4/4	3/3	4/4	n/a

1. Dr. Andy Palmer CMG was unable to attend the Board, Audit & Risk, Nomination and Remuneration Committee meetings in February (which were all held on the same day) due to a previously arranged holiday.
2. Philippe Commaret was unable to attend the Board meetings in February due a previously arranged holiday.
3. Norma Dove-Edwin was unable to attend the Board meeting in June due to a previously arranged business commitment.

Board members by gender



Balance of the Board



Board activities

During 2022, the Pod Point Group Holdings plc Board (the "Board") consisted of six Independent Non-Executive Directors, two Executive Directors and two EDF appointed Non-Executive Directors. The focus of this report is on the Board's activities to build upon the foundations set during the Company's successful admission to listing on the Main Market of the London Stock Exchange in November 2021 ("IPO"), and to develop and embed the corporate governance structures in order to fully comply with the requirements of the UK Corporate Governance Code. A key workstream during the IPO had been the establishment of a robust framework of governance, and the Board continued to build this over the last year.

Strategy and business model

The Pod Point mission is simple: to put an electric vehicle chargepoint everywhere you park. The strategy to achieve the mission is defined in reference to what management sees as the three phases of development of the EV charging market in the United Kingdom:

1) Define top-up charging
2) Build at scale
3) Distributed smart energy

Further information about the strategy can be found on pages 26 to 30 of the Strategic Report. The Board has once again assessed the Company's purpose and business model and thereby reconfirmed the basis upon which Pod Point generates and preserves value over the long term (the business model can be found on pages 4 to 11 of the Strategic Report). In particular, the risks to and opportunities for the future success of the business were considered by the Board along with an assessment of the sustainability of the Company's business model. The Company's governance framework has also been further developed and strengthened as set out in this report. In addition, in February 2022 the Board established the ESG Committee and the ESG Working Group to support it in determining the Company's environmental, social and climate risk opportunity priorities. This has been important in ensuring that the governance structure supports the long-term sustainability of the Company's strategy.

Operational performance

The Board is responsible for ensuring that the necessary resources are in place for the Company to meet its objectives and measure performance against them. Review and approval of the annual budget forms part of this assessment, in addition to the Board's ongoing assessment of the Executive Directors' implementation of the approved strategy. The Board Strategy Day in October was an important opportunity to engage with the Executive Team regarding the direction and strategy of the business. The output from the Strategy Day provided the basis for the Board's review of the 2023 business plan and budget in December.

Summary of Board activities during the year

Strategy

- Directors attended a two-day Strategy Day and Board meeting
- Reviewed progress on strategic projects, such as product development
- Reviewed 2022 and 2023 forecasts
- Reviewed management's assessment of Pod Point's market share trends
- Reviewed international strategy generally and future of the Norwegian business in particular

Operational performance

- Approved the revised 2022 business plan and budget
- Approved a consumer credit brokerage application to the FCA
- Received regular reports from the CEO on industry, sales and supply chain updates
- Approved the 2023 business plan and budget
- Approved the establishment of overseas branches in Ireland and Spain

Audit, risk and internal controls

- Regularly reviewed the IT structure, product development plans and cyber security
- Reviewed the internal audit plans
- Reviewed Internal Audit Reports on governance and controls and revenue processes
- Reviewed and approved the 2021 Preliminary Statement, 2021 Annual Report and 2022 Interim Report
- Developed and maintained a risk management framework and continued to review the Group's principal and emerging risks (set out on pages 64 to 73)
- Regularly reviewed related party transactions

Culture, purpose and values

- Reviewed the Company's purpose, values and strategy and approved the Board's mechanisms for assessing and monitoring culture
- Reviewed workforce policies and practices
- Updated and approved the whistleblowing mechanism for the workforce to raise matters of concern
- Received regular health and safety updates, including a presentation from the Company Health & Safety Manager
- A number of Board members participated in the Company's Residential

Board leadership and purpose continued

Stakeholders

- Reviewed the Company's key stakeholders and mechanisms for engagement and for ensuring their interests have been considered in Board decision-making (the s172 statement can be found on pages 75 and 76)
- Developed a shareholder engagement programme
- Established an ESG Committee and ESG Working Group to focus on TCFD Report and environmental KPIs
- Approved programme for Board workforce engagement
- Attended the Pod Point staff Residential
- Reviewed shareholder analysis at each Board meeting
- Agreed environmental priorities for 2023

Appointments and diversity

- Appointed David Wolffe as CFO Designate
- Reviewed Executive-level succession plan in December 2022
- Reviewed and approved a Board Diversity Policy
- Appointed an in-house Company Secretary with effect from 3rd January 2023

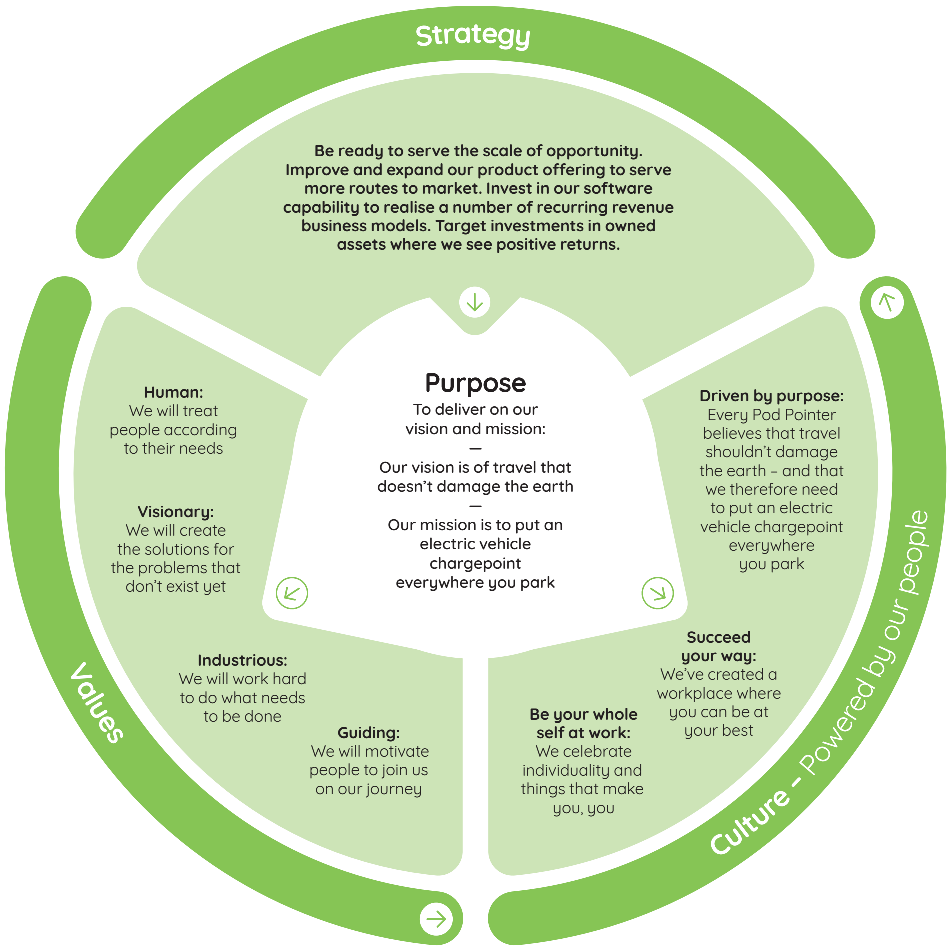
Remuneration

- Received updates from the Remuneration Committee, which had monitored the structure of workforce remuneration (the Remuneration Committee Report can be found on pages 93 to 103)
- Approved a Remuneration Policy in principle which was then approved at the 2022 AGM

Corporate governance

- The Chair held meetings with the Non-Executive Directors without management present twice during the year
- The Senior Independent Non-Executive Director met with the Non-Executive Directors to review the performance of the Chair
- Updated the schedule of matters reserved to the Board
- Undertook a Board and Committee performance evaluation and agreed a follow-up action plan which can be found on page 89
- Received regular updates from each of the committees
- Established a Share Allotment Committee
- Approved 2021 Preliminary Statement, 2021 Annual Report, 2022 AGM circular and 2022 Interim Report
- Amended the Group Securities Dealing Code

Purpose, values, culture and strategy



Purpose: Our purpose is why Pod Point was founded and it continues to drive everything we do
Strategy: Our strategy will deliver on our purpose and create future value through our EV charging solutions
Values: Our values help shape our culture and what it means to be a Pod Pointer
Culture: Our culture plays a key role in the delivery of our strategy and the long-term success of the business

Further detail on these can be found in the Strategic Report on pages 4 to 63.

Mechanisms for monitoring and assessing culture

The Board is responsible for monitoring and assessing culture and ensuring that policy, practices and behaviours throughout the business are aligned with the Company's purpose, values and strategy. The Board strives to embed the Company's values into the organisation through leading by example and setting a positive tone from the top.

Board leadership and purpose continued

The Board has drawn upon a variety of metrics and indicators in order to monitor and assess corporate culture, including:

- Feedback from the Board's engagement with employees and from the NED responsible for Workforce Engagement (see Workforce Engagement below)
- Results of a Company-wide engagement survey
- Monitoring of employee attrition, absence and general wellbeing metrics
- Reports on health and safety performance at each Board meeting
- Number and summary of whistleblowing reports

The outcome of the Board's monitoring shows that overall, our people feel they are treated well, with respect and that diversity is highly valued. Colleagues feel supported, they strongly believe in the Company purpose and strategy and enjoy working at Pod Point. However, a specific area of focus for the Senior Management Team in 2023 is to improve communication. The rapid growth of recruitment and the move to being a listed company has led to some challenges in this respect. Management has a clear communication plan in place with regular monthly team meetings throughout 2023 to address these concerns.

Whistleblowing

The Board and Senior Management Team are committed to conducting Pod Point's business with honesty and integrity, and expect everyone involved with the Company to maintain these high standards. Consequently, Pod Point's whistleblowing policy, which was reviewed and updated during the year, sets an expectation that employees should raise concerns in confidence either through their line manager or the People Operations Team or, if they wish, anonymously through our appointed third party. The Board (via the Audit & Risk Committee) receives regular reports regarding any issues raised via the mechanism and ensures that arrangements are made for the proportionate and independent investigation of any matters required, including any follow-up action.

During the year no whistleblowing reports were made.

Conflicts of interests

At the beginning of each Board meeting, Directors are reminded of their duties under sections 175, 177 and 182 of the Companies Act which relate to the disclosure of any conflicts of interest prior to any matter that may be discussed by the Board. As part of this process, Directors also notify the Board of any other new Board and other appointments that they have or are about to take on. In addition, EDF has entered into an agreement with the Company (the "Relationship Agreement") to ensure that relationships between it and the Company are conducted at arm's length and on normal commercial terms. Messrs Commaret and Guyler have been appointed to the Board by EDF pursuant to the Relationship Agreement. The Relationship Agreement complies with the independence provisions set out in Listing Rule 6.1.4R for controlled companies.

Workforce policies and practices

The Board is responsible for ensuring workforce policies and practices are consistent with the Company's values and support its long-term sustainable success. Pod Point has already established a number of policies and procedures which set out the values of the Company and the behaviours expected of colleagues. The Board is responsible for approving (including any changes to) the Group's major policies, including those relating to the conduct of business, the workforce, environmental matters, health and safety, data protection, security, insurance, risk management and treasury. These will be reviewed on an annual basis going forward.

Stakeholder engagement

A full analysis of the Company's stakeholder groups and how it has engaged with each can be found on pages 8 to 11, along with our s172 statement on pages 75 and 76. During 2023, the Board will continue to undertake a more systematic approach to the evaluation of stakeholder considerations within its decision-making process.

The Company seeks to deliver value for all stakeholders. The Board undertakes regular and proactive engagement to understand stakeholder needs and interests, which inform its decision-making.

Workforce engagement

Pod Point's People Operations Team engages with employees through a wide range of channels including anonymous workforce surveys and town hall meetings, as well as 'Ask Me Anything' meetings where people can interact with Senior Executives and ask questions.

Karen Myers is the Non-Executive Director responsible for workforce engagement and has worked throughout the year with the ESG Committee to develop an ongoing programme for Board engagement with the workforce. A number of engagement events were held during 2022, including:

A Women in Leadership event with members of the Board attending and answering questions. The session allowed for good debate and open and challenging questions, while providing positive feedback on the Company's approach to flexible working and working practices, with employees feeling it enables them to balance parenthood with work commitments.

Board members attended the Pod Point Residential, a face-to-face event open to all employees, which focused on the themes of climate change, inclusivity, and wellbeing. The CEO held a live Q&A session and the Board subsequently took action following employee feedback on the impact of the cost of living crisis.

Karen attended a Company-wide team meeting hosted by Erik Fairbairn in which he provided an update on the business plans for 2023, discussed the outcomes of the engagement survey and outlined the approach to be taken to improve communication.

Employees had the opportunity to ask questions on any subject during Board engagement activities, including in relation to Executive remuneration. Feedback on the cost of living crisis, received at the Pod Point Residential and through the engagement survey, was discussed by the Remuneration Committee and the situation was monitored during the year. An approach to the 2022 salary review to support and help lower paid employees was later discussed and agreed. Discussions on the cost of living crisis were taken into account in considering and agreeing the Executive pay awards. The feedback will also inform a review of benefits in 2023. Further information can be found on page 94.

Shareholders

As the Company matures, the Board will establish a formal programme of engagement with shareholders, ensuring it remains cognisant of their concerns and views in order to incorporate them into Board decision-making.

In December 2021, the Board appointed joint brokers and financial PR agents who continued to feedback to the Board throughout 2022 as necessary on shareholder issues. The Chair is also in dialogue as necessary with the major shareholder, primarily via EDF's appointed Directors. The Chair and Company Secretary met with EDF ahead of the AGM to discuss the business of the meeting. The Chair of the Remuneration Committee engaged with leading shareholders and met with one prior to the AGM to discuss the proposed Remuneration Policy. Additionally, the views expressed by our two major shareholders have been factored into our planning for future LTIP awards. The investor relations and communications strategy was discussed by the Board, following a presentation by our brokers and financial PR agents at a session on the Strategy Day in October 2022.

The Executive Directors are in regular contact with the largest investors and met with many of them during the year.

The Company maintains an investor website (investors.pod-point.com), which contains key information including:

- published financial results
- key reports and documents
- a financial calendar
- details regarding the Company's corporate governance arrangements
- leadership profiles
- share price details
- regulatory news service announcements

Investors are encouraged to email queries to the Company's investor relations at investor.relations@pod-point.com. The Chair and Senior Independent Directors are available to meet with shareholders to discuss any matters that they may wish to raise concerning the governance of the Company, as are the Chairs of the Audit & Risk and Remuneration Committees.

Division of responsibilities

Gareth Davis was appointed as Chair on 25th October 2021 and was independent at the time of his appointment. Erik Fairbairn is the Chief Executive Officer and, therefore, the roles of Chair and CEO are held by different people. Dr Andy Palmer was appointed Senior Independent Director on 25th October 2021. The Nomination Committee undertakes an annual review and assessment of the independence of the Non-Executive Directors. The Board has approved a written statement of responsibilities of the Chair, CEO and Senior Independent Director.

In addition to the six scheduled meetings of the full Board during 2022, the Chair twice met separately with the Non-Executive Directors to evaluate the performance of the Executives. The Senior Independent Director also scheduled a separate meeting in October with the Non-Executive Directors, without the Chair present, to evaluate the performance of the Chair.

The Board consists of five independent NEDs, two Executive Directors, two NEDs appointed by EDF (non-independent) as well as the Chair.

All Directors have access to the advice of the Company Secretary, who is responsible for advising the Board on all governance matters. The appointment and removal of the Company Secretary is a reserved matter for the whole Board. Since the year end, the Board has approved the appointment of a new in-house Company Secretary which took effect from 3rd January 2023 following an extensive recruitment process.

Chair of the Board

- Responsible for leadership of the Board and overall effectiveness
- Facilitates effective Board decision-making and governance by ensuring effective information flows and sufficient time for agenda item discussion
- Facilitates constructive Board relations and discussions
- Oversees Director induction and training
- Oversees Board and committee performance evaluation process
- Oversees succession planning process as Chair of Nomination Committee
- Oversees engagement with key stakeholders, including shareholders

Chief Executive Officer

- Manages the Group on a day-to-day basis with support of Senior Management Team
- Develops and implements Group strategy, plans and commercial objectives
- Manages and mitigates Group principal and emerging risks
- Oversees development needs for Executive Directors and senior management
- Oversees succession planning for key personnel

Senior Independent Director

- Provides a sounding board for the Chair of the Board
- Leads the review of the performance of the Chair of the Board
- Acts as sounding board for shareholder queries where inappropriate to raise with the Chair of the Board or Executive Directors
- Chairs the Nomination Committee in instances where succession plans for the Chair of the Board are considered

Non-Executive Directors

- Monitor and oversee Group performance against objectives
- Challenge and support the Executive Directors
- Bring external perspective, independent judgement and objectivity to decision-making and discussions
- Approve and oversee strategic direction
- Serve on committees

Company Secretary

- Supports the Board to ensure efficient and effective functioning
- Available to Directors for advice
- Advises the Board on governance matters
- Supports the Directors in receiving information in a timely manner

Division of responsibilities continued

Governance framework

There is a clear division of responsibilities between the Board, its Committees and the Senior Management Team.

Nomination Committee

Chaired by Gareth Davis

Roles and responsibilities

- Oversees Board composition and succession planning
- Oversees Board appointment process
- Recommends annual Director re-elections
- Approves Board and committee membership
- Approves Directors' external appointments
- Oversees Board training and evaluation
- Oversees Board and workforce diversity and inclusion

Nomination Committee Report can be found on pages 88 to 89.

Audit & Risk Committee

Chaired by Dr Margaret Amos

Roles and responsibilities

- Monitors integrity of financial reporting
- Oversees internal audit function
- Oversees external audit process and relationship
- Oversees internal control and risk management systems
- Oversees whistleblowing mechanisms, fraud and bribery prevention

Audit & Risk Committee Report can be found on pages 90 to 92.

Senior Management Team (SMT)

Roles and responsibilities

- Delivers strategy and day-to-day management of the Group's operations
- Operates the risk management framework and internal controls environment

Board of Directors

Chaired by Gareth Davis

Roles and responsibilities

- Establishes strategic direction of the Group and ensures alignment with purpose and values
- Oversees the performance of the Executive Directors in fulfilling set strategic objectives
- Establishes and oversees the framework for risk management and internal control
- Engages with the Company's shareholders and other key stakeholders
- Oversees the integrity of financial reporting including approval of financial results announcements
- Approves conflicts of interest

Remuneration Committee

Chaired by Karen Myers

Roles and responsibilities

- Oversees Executive Group remuneration, policy and practices
- Oversees Executive Group service agreements, termination payments and benefits
- Oversees Group share schemes
- Oversees disclosure of information, reporting and shareholder approval with regards to remuneration

Remuneration Committee Report can be found on pages 93 to 103.

ESG Committee

Chaired by Dr Margaret Amos

Roles and responsibilities

- Monitors sustainability strategy and reporting
- Oversees stakeholder engagement
- Reviews and recommends ESG policies and procedures
- Oversees workforce engagement plans and strategy

The ESG Committee is supported by an Executive ESG Working Group.

ESG Working Group

Roles and responsibilities

- Supports the ESG Committee in fulfilling its responsibilities
- Reviews the Company's statutory and regulatory reporting requirements in relation to ESG matters when preparing annual reports
- Maintains the ESG Working Group action plan

Market Disclosure Committee

Roles and responsibilities

- Assesses inside information
- Approves RNS announcements

Composition, succession and evaluation

Nomination Committee Report

Gareth Davis
Chair of the Nomination Committee

In last year's report, I noted that our immediate priority in 2022 would be to commence the search for a suitable candidate to replace our CFO, David Surtees, when he retires in the spring of 2023. Our objective in this search was to appoint someone who could bring a combination of an entrepreneurial outlook with listed company experience. We were pleased to complete the process with the announcement of David Wolffe's appointment as CFO Designate in July, and his subsequent appointment to the Board as Chief Financial Officer on 3rd January 2023. He is an experienced CFO and Pod Point will benefit greatly from the experience that he will bring to the Company. It is appropriate at this point to acknowledge David Surtees' great contribution to the development of Pod Point over the past five years, especially its transition to becoming a listed plc.

In September and October, we undertook our first Board evaluation exercise which was facilitated by our Company Secretary using questionnaires. The findings of this exercise were discussed by the Board, although the Nomination Committee has separately considered these findings insofar as they impact on the composition and development of the Board. A key outcome was the need for the committee to focus on the succession plans for the Senior Management Team. Towards the end of the year, we took some time to review these succession plans and I expect this to be an area of greater focus going forward.

Gareth Davis
Chair of the Nomination Committee

Board appointments

As reported in 2021, with the exception of the two Non-Executive Directors appointed under the Relationship Agreement with Pod Point's major shareholder, EDF, all of the Directors were appointed at the time of the Company's IPO in November 2021. At that time, David Surtees, the Company's Chief Financial Officer, advised the Board of his planned retirement in 2023. The Committee commenced the selection process for his replacement in late 2021 and appointed Independent Search Partnership LLP (ISP) to assist with this task. ISP does not have any connection with the Directors or the Company.

For the CFO appointment, three key areas of experience and expertise were identified as prerequisites: Plc financial experience; founder/entrepreneur experience; and high growth company experience. In addition to using these criteria as the basis for its search, ISP was challenged to ensure that the long list of candidates was diverse – particularly in terms of gender. As a result, a number of women were long-listed in the process. Gareth Davis, as Chair, and Erik Fairbairn, as CEO, led the process and other members of the Nomination Committee participated in the selection interviews. Members of the Senior Management Team met with candidates to ensure that there was a good cultural fit and Dr Margaret Amos as chair of the Audit & Risk Committee, and David Surtees' as outgoing CFO, interviewed candidates from a technical financial point of view.

As a result of this process, David Wolffe was appointed as CFO Designate in July and was appointed Chief Financial Officer and joined the Board on 3rd January 2023 in place of David Surtees, who retired from the Board as of the same date.

A brief description of the skills and experience of the Directors is set out on pages 80 to 82 of the Annual Report.

Succession plans

In the second half of 2022, as part of its strategy discussions, the Board spent time focussing on the leadership needs of the organisation, to ensure that the resources and structures are in place to support the long-term growth of the business. At the same time, the Nomination Committee initiated its regular programme of reviews of the succession plans for Senior Executives, particularly members of the Senior Management Team.

Board diversity policy

The Board has approved the Board Diversity Policy (the "Policy"), which sets out the approach to diversity on the Board of Directors of the Company (the "Board"). The Policy is consistent with the Policy that applies to the Pod Point workforce, which is discussed in the Strategic Report on page 57. Further information on the diversity of the Pod Point workforce is also set out on pages 57 and 58 of the Strategic Report.

Scope of application

This Policy applies to the Board only. It does not apply to employees of the Company and its subsidiaries.

Policy statement

The Board endorses the benefits of representation of a diversity of backgrounds, including in relation to age, gender, ethnicity and educational or professional background, and is committed to ensuring that the Board benefits from a wide range of skills, knowledge, experience, backgrounds and perspectives.

All appointments will be made on merit against objective criteria within the context of the required balance of skills and background that the Board requires in order to function effectively.

Objectives

- To agree measurable objectives for achieving gender, ethnic and cultural diversity on the Board
- To ensure that all searches conducted in relation to Board appointments, whether by the Company or external search firms, identify and present an appropriately diverse range of candidates for the relevant vacancy

Committee membership

- Gareth Davis (Chair of the Committee)
- Dr Margaret Amos
- Norma Dove-Edwin
- Rob Guyler
- Karen Myers
- Dr Andy Palmer
- Dr Erika Schraner

Summary of key roles and responsibilities

- Monitor and assess the structure, size and composition of the Board and monitor the balance of skills, knowledge, experience and diversity on the Board and in senior management
- Conduct regular and proactive succession planning
- Lead the process for Board appointments
- Make recommendations regarding annual re-election of Directors at the AGM
- Make recommendations regarding Board roles and committee memberships
- Approve Directors' external commitments

Composition, succession and evaluation continued

Nomination Committee Report continued

Monitoring and reporting

Every year, we will present the following matters in our Committee Report:

- a summary of this Policy and progress made against its objectives
- the process used in relation to Board appointments
- our approach to succession planning and the development of a diverse pipeline of candidates
- an explanation of how diversity helps the Company meet its strategic objectives
- the gender balance of senior managers and their direct reports

Review

We will review the Policy and its effectiveness annually and recommend any changes for Board approval. A copy of this Policy will be maintained on the Company's investor website. If necessary, this Policy will be reviewed on an ad hoc basis in consideration of any regulatory or governance developments in relation to Board diversity.

Progress during 2022

The Board believes an inclusive and diverse membership results in optimal decision-making and assists in the development and execution of a strategy which promotes the success of the Company in line with its overall cultural expectations and for the benefit of its stakeholders. Since IPO, the Board has partially met the diversity targets set out in the Listing Rules with over 40% of the Board being women and one Board member being from a minority ethnic background. The Nomination Committee has discussed and will keep under review the requirement that at least one of the senior positions on the Board (Chair, CEO, Senior Independent Director and CFO) is held by a woman. This was a factor that the Committee considered through the selection process for the CFO role, and the headhunters, who assisted the Committee, were asked to prioritise this. A number of women were subsequently interviewed. We will fully report against the diversity targets set out in the Listing Rules in our 2023 Annual Report.

Induction and development

On appointment, Directors are provided with opportunities to be briefed on Pod Point's operations, including opportunities for briefings with each member of the Senior Management Team. In addition, the Company's legal advisers provide briefings for the Directors on their legal duties and responsibilities as Directors of a Main Market listed company. On a continuing basis, the Company Secretary and General Counsel will also supply regular updates to the Directors on relevant legal and corporate governance developments.

In addition, Directors are able to meet with management whenever they wish. They are also invited to Pod Point's Residential event for employees, with a number of the Directors attending the 2022 Residential.

The Nomination Committee is confident that each of the Board members has the knowledge, ability and experience to perform the functions required of a Director of a listed company.

Reappointment of Directors

All of the Directors stood for election in accordance with the provision of the articles of association of the Company at the 2022 AGM and will be subject to annual re-election in future years, in compliance with the Code.

The Nomination Committee reviewed the contributions and experience provided by each of the Directors and continues to be satisfied that the contributions made by the Directors who will offer themselves for re-election at the 2023 AGM will continue to benefit the Board. Shareholders will therefore be invited to support their re-election.

Details of the Directors are shown on pages 80 and 82. Further details in respect of the contribution each Director makes to the long-term sustainable success of the Company is set out in the Notice of AGM.

External Directorships and Directors' time commitments

Directors are required to notify the Chair prior to taking on any new Directorships. The Board monitors and approves all such appointments, ensuring that they do not inhibit the Director concerned from fulfilling their commitments to the Company and the Board. Significant time commitments of potential Directors are also considered before an appointment is formalised.

The Board believes, in principle, in the benefit of Executive Directors accepting non-executive directorships of other companies in order to widen their skills and knowledge for the benefit of the Company. All such appointments require the prior approval of the Board and the number of public company appointments is limited to one. The Executive Directors have not held any such appointments since the IPO.

Board evaluation

The Board undertook a Board evaluation exercise during the second half of 2022, facilitated by the Company Secretary. Directors were asked to complete confidential questionnaires which considered different aspects of the work of the Board and its committees. The findings were presented to the Board in October 2022 and discussed by each of the committees, with an action plan developed in response. Overall, the Directors were satisfied with the performance of the Board and committees in the 12 months since the IPO. A number of areas for further improvement were identified and the following points are being considered as actions for 2023:

Areas for further consideration	Progress/Status
Board business and reports	
• The allocation of agenda time to strategic projects, long-term transformation topics and performance reviews, to optimise discussion time	• The Chair and CEO will consider this further in setting agendas and Board business in 2023
• Further development of KPIs and clearer identification of the key metrics	• The CEO and CFO will work on further KPIs during 2023
Stakeholders	
• Greater visibility of people metrics and employee engagement, as well as programmes, metrics and mechanisms to monitor culture	• Employee metrics have been incorporated into the ESG KPI Dashboard and the Employee Engagement Programme has been discussed by the Board
• More qualitative information about shareholder engagement and investor relations	• This was discussed with the Company's PR advisers and brokers at the October Strategy session. An investor engagement and communications strategy is being developed
ESG	
• Continue to develop the ESG strategy and programme, especially climate-related risks	• The ESG Committee will be developing the strategy and programme in 2023
Discussion and communication	
• More visibility of and interaction with management, both during and outside Board meetings • Opportunities for more informal discussion and dialogue outside Board meetings	• Chair and CEO to consider (i) more involvement of Senior Management Team and management in Board meetings and (ii) Board/management engagement outside Board meetings
Succession	
• Further development of the succession plans for the CEO and Senior Management Team	• Succession plans were presented at the Nomination Committee in December

Effectiveness of the Committee

As noted above, an internal evaluation was undertaken in relation to the Board and its committees. The Nomination Committee discussed the elements of the evaluation relating specifically to its effectiveness and overall was satisfied that the Committee works effectively. An increased focus on succession planning and the development of succession plans for key positions were highlighted as actions for the Nomination Committee.

Audit, risk and internal control

Audit & Risk Committee Report

Dr Margaret Amos
Chair of the Audit & Risk Committee

I am pleased to introduce the report of the Audit & Risk Committee for the first full year since Pod Point's IPO.

With Pod Point's listing taking place in late 2021, it was a priority from the very beginning that the committee should swiftly establish an effective governance environment for the Group's financial reporting, risk management and internal control frameworks. We also recognise the importance of building build strong connectivity with the external auditor, Deloitte and the outsourced internal auditor, Grant Thornton. This report outlines the progress we made during the year.

We entered 2022 with an immediate priority to establish a solid process for the preparation and audit of the 2021 Annual Report. To make this process manageable, we agreed with Deloitte that we would split the reporting process into two halves, resulting in an unaudited Preliminary Results announcement being released on 18th February 2022, and the full Annual Report being sent to shareholders on 6th May 2022. Given the turnaround time between the IPO and publication of our debut Annual Report, a number of commitments were made in our narrative reporting, particularly in relation to ESG and TCFD reporting. The Audit & Risk and ESG Committees have been monitoring progress towards meeting those commitments during the year, and I am pleased to report that Pod Point has made significant steps forward.

Committee members have been appointed to provide a wide range of financial and commercial expertise, as shown in the following table:

Committee member	Expertise
Dr Margaret Amos	Financial, audit, strategy and ESG
Norma Dove-Edwin	Digital transformation and information systems
Karen Myers	Human resources, corporate affairs and remuneration
Dr Andy Palmer	Automotive, operations and capital markets
Dr Erika Schraner	Strategy, supply chain, operations, technology and M&A

External audit

The Audit & Risk Committee oversees the Company's relationship with, and the performance of, the external auditor. This includes responsibility for monitoring its independence, objectivity and compliance with ethical and regulatory requirements and for approving the nature of non-audit services which the external auditor may or may not be allowed to provide to the Company.

Auditor appointment, rotation and reappointment

Deloitte has provided external audit services to the Company in its capacity as a private company since 29th January 2020 and was appointed by the Board as the Company's external auditor in its capacity as a public listed entity on 15th October 2021. Deloitte's appointment as external auditor was approved by shareholders at the AGM on 14th June 2022.

The Company's policy is for no external auditor to stay in post for longer than 20 years and for tenders to be undertaken at least every ten years, in accordance with the provisions of the EU Audit Directive. Accordingly, the next audit tender would have taken place no later than 2031. In the second half of 2022 EDF, the Company's majority shareholder EDF SA, notified the Board that it was replacing Deloitte as its joint auditor to the Group for FY2023 following a tender in accordance with French rotation requirements. Going forward for FY23 and beyond the joint auditors will be KPMG and PwC. A tender for the Pod Point audit was subsequently scheduled to enable operational efficiency from one of the joint auditors to be an option, and allow greater choice in professional services for EDF. Deloitte have accordingly not participated in the audit tender which is scheduled to complete at the end of June.

Assessment of effectiveness of the external auditor

As a committee, we assessed the quality of the external audit process during the year, reviewing their level of competence and professional scepticism. We were satisfied by Deloitte's quality but as previously noted an audit tender process will be completed during the first half of 2023 for the reasons set out above.

Committee membership

- Dr Margaret Amos (Chair of the Committee)
- Norma Dove-Edwin
- Karen Myers
- Dr Andy Palmer
- Dr Erika Schraner

Summary of key roles and responsibilities

- Monitor the integrity of the Group's financial statements and other formal announcements relating to financial performance
- Advise on whether the Annual Report and accounts is fair, balanced and understandable
- Oversee the internal audit function
- Oversee the relationship with the external auditor and scope of the external audit, including monitoring their independence
- Monitor and review the adequacy and effectiveness of internal control and risk management systems
- Review mechanisms for whistleblowing and prevention and detection of fraud and bribery and other compliance matters
- Engage with shareholders on significant matters related to the committee's responsibilities

Highlights

- Appointed and developed an internal audit plan in conjunction with our newly appointed internal auditor, Grant Thornton
- Maintained focus on our internal controls and embedded improvements as required
- Further developed our risk framework to identify, assess and monitor emerging risks in the current macro-economic and political environment

Priorities

- Further develop our controls and risk framework to support our strategy in 2023 and beyond
- Prepare for the tender of the external audit in 2023
- Further monitor our IT system development to support our IT strategy and cyber security plan

Audit, risk and internal control continued

Audit and Risk Committee Report continued

The Audit & Risk Committee was notified during the year that Deloitte had been selected for a review by the FRC's Audit Quality Review team (AQR) in respect of the audit for the year ended 31st December 2021 and the Chair of the Committee was requested to participate in the review process. Following the review, the Audit & Risk Committee received the AQR Inspection Report and was pleased to note that no key findings arose, although four areas were identified for improvement. These areas have been discussed with Deloitte and they have confirmed that each area has been addressed appropriately during the 2022 audit.

The committee meets privately with the lead external audit partner, and any other audit staff in attendance at committee meetings as part of the assessment process. It also reviewed the audit strategy for the year, including scope, level of fees and risks. Any issues identified as part of the assessment will be communicated to the external auditor and plans drawn up for improvements to be made.

Independence and objectivity

The committee annually reviews the external auditor's independence and objectivity by way of (i) assurances provided by the external auditor regarding the safeguards in place to maintain independence; and (ii) oversight of total non-audit service fees. The committee undertook its annual review of the independence and objectivity of Deloitte at it's meeting in December 2022.

Non-audit services and fees

During the year, the committee reviewed and approved the Company's non-audit services policy which sets out the list of services and work that the external auditor is prohibited from undertaking for the Company. The policy also includes a requirement for the Chair of the Audit & Risk Committee to approve all non-prohibited services up to £25,000 in value, and for the Audit & Risk Committee to approve all non-prohibited services over £25,000 in value.

During 2022, Deloitte did not undertake any non-audit services other than completing the 2022 half year review (£45,000) which although strictly a non-audit service is usually expected to be completed by the auditor of a listed company. In 2021, Deloitte acted as reporting accountants and performed certain transaction support services in connection with the Company's IPO (£946,000).

Significant issues and other accounting judgements

In reviewing the Group's Annual Report and accounts with management and the external auditors, the following significant issues were assessed and have subsequently been discussed with Deloitte in relation to the preparation of the 2022 Annual Report.

Area	**Why it is significant**	**Audit & Risk Committee action**
Impairment	The current economic climate, and delays in EV growth, have impacted on the results of the business and market capitalisation. Accordingly, goodwill impairment has been classified as a significant risk for the year.	The committee noted the comments from the external auditor, and has ensured that the goodwill impairment review was extensive and fully compliant with IAS36 to exclude all future revenue streams. Conservative market assumptions were used and additional downsides sensitivities applied to confirm the continuation of adequate headroom.
Revenue recognition	The audit of revenue recognition is standard practice under International Standards On Auditing (UK and Ireland) 240. Pod Point's revenue has been divided into two segments; 'sales to residential' and 'sales to commercial customers'.	The committee noted the external auditor's report and their conclusion of no significant findings to report. The internal policy on revenue recognition is considered to be reasonable and appropriate and will continue to be reviewed on a regular basis.
Capitalisation of development costs	Taking account of increased spend on IT development costs and its increasing complexity in the period, the capitalisation of internally-generated development costs has been a significant accounting assessment.	The Committee noted certain controls improvements identified through the external auditor's report but that there were no material matters to report. With further increases in spend on IT development this area will remain under review.

Taking account of recent audit results and individual stock values, inventory valuation, which was previously assessed to be a significant risk, was downgraded as a risk, although the committee continues to keep this under review. In addition, other areas of judgement in valuations, along with approaches taken to mitigate the risk of management override of control, are discussed through the year.

Risk management and internal control

The Group's risk assessment process and the way in which significant business risks are managed is a key areas of focus. Our activity here was initially driven by the Company's assessment of its principal risks and uncertainties, which are set out on pages 68 to 73. As 2022 progressed, the Senior Management Team developed the risk management framework to protect the business from the material risks which have been identified. The committee receives regular updates on the development of the risk matrix every quarter. Management is responsible for establishing and maintaining adequate internal controls over financial reporting and the committee has responsibility for ensuring the effectiveness of these controls.

We continue to receive reports on and monitor the implementation of the outstanding issues which were identified during the course of the pre-IPO controls reviews.

Audit, risk and internal control continued

Audit and Risk Committee Report continued

A key area of management's focus prior to the IPO was on IT and data controls, and a programme of action was initiated during the IPO. These actions have not been completed during the period and are currently ongoing with recommendations from the external auditor, and observations from the internal auditor, that these are important to pursue and finalise to improve the timeliness of reporting and reduce reliance on detective controls. The committee has established an IT Sub-Committee which meets from time to time to review, in greater detail, progress on the systems development, product development and cyber security issues in support of our oversight of management's IT strategy and cyber security plan.

The internal auditors provide information to the committee at each of its meetings to enable it to review the adequacy and effectiveness of the Group's internal control procedures, covering financial, operational and compliance controls. Additionally, a paper from management, setting out the controls in place, any failings during the year and action taken as a result, was discussed. The review of the Group's risk management and internal control systems did not identify any significant failings or weaknesses that may significantly impact the financial statements.

Internal audit

The committee is responsible for reviewing and approving the role and mandate of the Company's internal audit function, and monitoring and reviewing the effectiveness of its work. Prior to the IPO, Pod Point did not have an internal audit function; however, the committee approved the appointment of Grant Thornton as an outsourced internal audit function in the first half of 2022, having assessed their experience and expertise in internal audit. Grant Thornton undertook two audit reviews in 2022: (i) the Company's governance and listing rule compliance processes; and (ii) the revenue processes. Reports on each of these audits were reviewed, respectively, at the July and December meetings. During the year, the Committee met with Grant Thornton without the presence of management. The internal audit plan for 2023 was approved at the Committee meeting in February 2023.

Whistleblowing

The Board has delegated oversight of the Group's whistleblowing policies and procedures to the Audit & Risk Committee. During 2022, Pod Point's whistleblowing policy and procedure was reviewed and updated by management, with the changes being discussed with the committee. Details of the current policy and procedures are set out on page 85 of the Corporate Governance Report.

Incidents reported via the Company's whistleblowing arrangements are scheduled to be discussed on a quarterly basis at each of the committee's scheduled meetings in 2023. This will ensure that the steps being taken by management in operating the policy are kept under regular review.

Going concern and viability statements

The committee reviewed the updated wording of the Company's longer term viability statement, set out on page 74. To do this, it was ensured that the financial model used was consistent with the approved three-year plan and that scenario and sensitivity testing aligned clearly with the principal risks of the Company. Committee members challenged the underlying assumptions used and reviewed the results of the detailed work performed. We were satisfied that the analysis supporting the viability statement had been prepared on an appropriate basis.

While satisfied with the going concern statement set out in the 2021 Annual Report, the committee requested management to further develop its potential sensitivities and scenarios in preparing the going concern statement for the financial statements for the year ended 31st December 2022, which is set out on pages 21 to 22. The committee is satisfied with the statement and supporting analysis presented by management in February 2023.

Fair, balanced and understandable

The committee has undertaken a careful review to ensure that the Annual Report is 'fair, balanced and understandable' and provides the necessary information for shareholders to assess the Company's consolidated position, performance, business model and strategy.

The committee and other Board members were consulted at various stages of the drafting of the Annual Report, as well as having the opportunity to review the Annual Report as a whole. In forming our opinion and recommendation to the Board in respect of the above matters, we carried out the following actions:

- A qualitative review of disclosures and a review of internal consistency throughout the report
- A review of all material matters, as reported elsewhere in this report
- A review of the environmental, social and governance (ESG) disclosures
- A risk-comparison review, which assessed the consistency of the presentation of risks, and significant judgements throughout the main areas of risk disclosure
- Ensuring the report accurately reflects:
  - the Company's position and performance as described on pages 12 to 22 and 31 to 32
  - the Company's business model, as described on pages 4 to 11
  - the Company's strategy, as described on pages 26 to 30

On the basis of this work, together with the views expressed by the external auditor, the committee recommended, and in turn the Board confirmed, that it could make the required statement that the Annual Report is 'fair, balanced and understandable'.

Effectiveness of the committee

As noted on page 89, an internal evaluation was undertaken in relation to the Board and its committees. The Audit & Risk Committee discussed the elements of the evaluation relating specifically to its effectiveness and overall were satisfied with the work of the committee since the IPO. There were no actions recommended relating specifically to the Audit & Risk Committee.

On behalf of the Committee, I would like to thank everyone involved in Pod Point's financial reporting, risk, controls and interactions with both internal and external audit for their hard work during the year and through the year end process. I look forward to meeting with shareholders at the AGM and answering any questions they may have about the work of the committee.

Dr Margaret Amos
Chair of the Audit and Risk Committee

26th April 2023

Remuneration

Directors' Remuneration Report

Karen Myers
Chair of the Remuneration Committee

The Directors' Remuneration Report that follows has been prepared in accordance with the Listing Rules, the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 and the Companies Act 2006.

Dear Shareholder,

This Directors' Remuneration Report consists of three parts:

- The Annual Statement, which summarises the activities of the Remuneration Committee and our approach to remuneration, key decisions made and the context for those decisions
- A summary of the Directors' Remuneration Policy (the 'Policy') which sets out the remuneration framework that applies to the Executive Directors, the Chairman and the other Non-Executive Directors and which was approved with a binding vote at the 2022 AGM
- The Annual Report on Remuneration which will be subject to an advisory vote at the 2023 AGM

Committee membership

The Remuneration Committee comprises all the independent Non-Executive Directors, namely Karen Myers (Chair of the Committee), Dr Margaret Amos, Norma Dove-Edwin, Dr Andy Palmer and Dr Erika Schraner. The biographies of each member of the committee are set out on pages 80 to 82.

Our remuneration philosophy

The main objectives of the Policy are to attract, retain and motivate the Executive Directors and senior employees and to support the implementation of the Group's business strategy in a way which is aligned to the creation of long-term shareholder value. The Policy reflects the Pod Point culture and values.

The Remuneration Committee oversees the implementation of the Policy and, in particular, ensures that the Executive Directors are fairly rewarded for performance and the successful implementation of the Group's strategy. The Remuneration Committee will also take account of Pod Point's stakeholders and how their interests have been served. To support the Company's growth ambitions, a significant proportion of potential total remuneration is performance-related and will be delivered in shares.

The pay levels determined for our Senior Management Team reflect the fierce competition for talent in our high growth sector and are intended to support the transition from a private to public company. As a reminder, the IPO remuneration arrangements for the outgoing Chief Financial Officer were set with his planned retirement in mind and the desire to ensure an orderly and well-managed handover process. The Directors' Remuneration Policy was approved last year by 99.98% of shareholders at the 2022 AGM.

The context of remuneration decisions

The long-term market for Plug-In-vehicles (PiVs) continues to be attractive as the industry grows towards electrification in the UK by 2030. However, growth in the second half of 2022 has slowed markedly, which has been driven by supply chain challenges in car manufacturing causing reduced deliveries into the UK. Automotive companies continue to report long lead times for customers wishing to place orders.

The macroeconomic factors meant that Pod Point's full year revenues grew by 16% ahead of guidance. The business experienced strong expansion of its customer base across both home and commercial segments. At the same time, the number of employees increased from 409 at 31st December 2021 to 536 at the year end with technology and hardware staff increasing from 71 at 31st December 2021 to 150 at the year end as the business deployed investment funds raised at the IPO. Adjusted EBITDA showed a loss of £7 million largely as a result of the macro-economic and geopolitical events of 2022 and despite major efforts from everyone at Pod Point.

Remuneration continued

Directors' Remuneration Report continued

The strategic and operational highlights include:

- Significant growth in network usage, with electricity transferred across our network up 113% at 367 GWh, helping to avoid 278k tonnes of CO_2e, up 118% on 2021
- 68,963 chargepoints installed and shipped in 2022 (2021: 66,002)
- Maintained outstanding levels of customer service with a 4.3 out of 5 rating on Trustpilot and a 4.7 out of 5 rating on reviews.io with a 91% recommendation rate
- Home charge average basket spend increased by 5% to £767
- Total number of chargepoints installed and able to communicate at the period end increased to 195,096 (2021: 137,420) providing an excellent base to expand recurring revenue products in the future
- Key OEM contract was won with BMW and the business now has 14 contracts with car OEMs
- Pod Point now has over 65 operational fleet accounts with businesses including TDPD, DHL, Evri, EDF, BBC and Brake Brothers
- In the commercial segment strategic orders were won during 2022 from DHL, Hammerson for the Bullring in Birmingham, Landsec for Bluewater and Custodian Capital, Mini, JCB, Zenith, B&Q, and DHL
- Successful transition to a second manufacturing partner, Celestica, for our high volume products
- Owned asset sites increased to 570 with 1,259 chargepoints including 117 DC rapid chargepoints
- Several new customers were won or renewed

During the year, Pod Point asked all employees through the employee engagement survey, about their level of concern surrounding the cost of living crisis. As a direct response, the approach to the annual salary review with effect from 1st January 2023 was structured so as to ensure that employees who earned the least received the highest increases as a percentage of salary. In 2023, the average salary increase is 6%, which will be targeted at the lowest paid with up to 10% increases for those in our entry level bands. Higher earners will not receive a pay increase for 2023. The committee also intends to introduce more flexible benefits options for our employees to tailor the package to suit their individual needs – with the increase effective from 1st January 2023 for all employees, other than the Executive Directors whose salaries were not adjusted in 2022.

The output from this engagement exercise and other wider Board engagement activities has been fed back to the committee to assist its deliberations. Employees have had the opportunity to ask Board members questions on any matter, including Executive remuneration through a number of engagement avenues throughout the year as detailed on page 85. The committee will continue to ensure there are appropriate mechanisms in place for employee engagement on Executive remuneration matters.

In addition, the Remuneration Committee Chair has regular discussions with our largest shareholder representatives on matters of Executive remuneration. Major decisions made by the committee have benefited from previous dialogue to understand the shareholder perspective.

Performance and reward outcomes for 2022

Annual Bonus

The 2022 Annual Bonus Plan ('ABP') was assessed against revenue (50% weighting), adjusted EBITDA (25% weighting) and operational objectives (25% weighting). As noted above, financial performance was negatively impacted by an unexpected slow down in the industry due to supply issues with PiVs. While strong revenue growth meant that we achieved a result between threshold and target, the adjusted EBITDA threshold was not met. Most of the operational objectives were met in full despite the macroeconomic challenges. This resulted in an outturn of 42.3% of the maximum annual bonus. The same annual bonus plan extends to 65 participants. The committee spent a considerable amount of time reviewing the result in the light of the wider stakeholder groups including the performance of the share price since IPO. The committee's view is that when viewed against the financial, operational and strategic achievements in the year, the overall outcome was fair and proportionate and hence no discretion was applied. As a reminder, 30% of the bonus will be deferred into shares for two years.

Long term incentives

As set out in last year's report, one-off legacy IPO Share Awards were made to the Chief Executive Officer and previous Chief Financial Officer which remain subject to employment and, in the case of the performance awards, performance to the end of 31st December 2024 and 31st December 2025. Part of the IPO Restricted Share Award vested on the first anniversary of Admission in November 2022, but no other awards were due to vest in relation to the year ended 31st December 2022.

In 2022, Pod Point made its first LTIP award to selected employees. The awards were, as set out in last year's report, subject to revenue in FY24 (25% weighting), recurring and owned asset revenue in FY24 (25% weighting), cumulative adjusted EBITDA (25% weighting) and an ESG measure based on proportion of battery electric vehicles (BEV) or range extended electric vehicles (REX) leased or owned by Pod Point's employees and installers. In advance of the award, the Remuneration Committee took account of the share price at the time and decided to reduce the level of award for the CEO from the original intended award of 150% of salary to 135% of salary. The previous CFO was not eligible for an LTIP award due to his planned retirement in March 2023. Full details of the awards are set out on page 97.

Board changes

David Wolffe joined the business on 25th July 2022 as CFO Designate and was formally appointed to the Board on 3rd January 2023. His appointment terms were in line with the approved Directors' Remuneration Policy and included a salary of £360,000 (the same salary as his predecessor), a car allowance, other market-standard benefits, a pension allowance aligned to the contributions for Pod Point's employees, an annual bonus maximum of 125% of salary and a maximum LTIP of up to 150% of salary. For 2022, he was eligible for a pro-rated bonus and received an LTIP award of 150% of salary with the same performance conditions as other participants. His shareholding requirement is 200% of salary and will apply for two years post-cessation of employment.

David Surtees stepped down from the Board as part of his planned retirement on 3rd January 2023 and, following an orderly handover with David Wolffe, retired from the Company at the end of March 2023. He remained eligible for a bonus for 2022. As set out in last year's report, he will be treated as a good leaver for incentive plan purposes and is eligible for a pro-rated bonus for 2023 for the period worked. His shareholding requirement continues for one year post-cessation as agreed at IPO due to his planned retirement.

Remuneration continued

Directors’ Remuneration Report continued

Implementing the policy for FY23

The salaries of the Executive Directors were set at Admission and were unchanged for 2022. There will be no increase for 2023. The average increases across the Company in 2023 will be 6% of salary and range from zero for higher earners to 10% of salary for those who earn the least.

The 2023 ABP will operate on similar terms to 2022. The maximum quantum will remain unchanged and the committee has determined that the most appropriate performance measures are revenue (50% weighting), adjusted EBITDA (25% weighting) and five specific operational measures (25% weighting) which include ESG objectives.

The policy limit for awards under the LTIP is up to 200% of salary for the CEO and 150% of salary for the CFO, but the Committee’s current intention is to make normal awards to both Executive Directors at no more than 150% of salary. The normal awards will be significantly scaled back in view of the current share price. The Remuneration Committee has decided that the face value of the 2023 awards will be 64% of salary to ensure that the number of shares under award will be similar to the number awarded under the LTIP in 2022. The performance measures are shown in the table opposite. The financial targets for the 2023 award will be agreed following consideration of the latest market information and long-term forecasts and will be published as part of the RNS when the awards are made (and subsequently in next year’s report). The Remuneration Committee has agreed two strategic sustainability measures and targets each with a 12.5% weighting. Both are linked to Pod Point’s ESG strategy and our belief that travel should not damage the earth. The sustainability targets are both concerned with reducing carbon intensity per KW hour and reducing the carbon intensity of our infrastructure. They are:

1) The successful design, development and negotiation of an Energy Tariff consumer market offering – Full attainment of the goals will be the successful launch of an energy tariff which is integrated with Pod Point’s products and services and the provision of direct benefit to consumers to reduce cost, consumption and carbon intensity.

2) The signing of a ‘grid load’ management contract – Full attainment will be obtaining of a signed contract with a grid load manager to provide load management services to maximise energy use efficiency

The measures and targets for the ABP and LTIP will directly link with Pod Point’s highly-focused business strategy, and reflect the high growth nature of the business, to build sustainable earnings and recurring revenue. Having assessed the remuneration arrangements in the round, the Remuneration Committee was satisfied that the measures provide a balance between financial, operational and value creation objectives.

Conclusions

We look forward to engaging with our shareholders and other stakeholders on an ongoing basis. I would welcome any feedback or comments on the Directors’ Remuneration Report more generally.

Karen Myers
Chair of the Remuneration Committee

26th April 2023

Implementation of Directors’ Remuneration Policy for FY23

Element of pay	Chief Executive Officer – Erik Fairbairn	Chief Financial Officer – David Wolffe
Base salary	£450,000 (no increase for FY23)	£360,000 (no increase for FY23)
Pension	Aligned to the employer contribution for all employees. This is 4.5% of salary in 2023	
Benefits	Car allowance of up to £20,000.	Car allowance of up to £15,000 and private medical cover
Annual bonus plan	Max: 125% of salary. 70% paid in cash/30% deferred into shares for two years when they will vest Subject to performance measures: revenue (50% weighting), adjusted EBITDA (25% weighting) and operational measures (25% weighting) which includes ESG objectives	
LTIP	The policy limit is up to 200% of salary for the CEO and 150% of salary for the CFO Award levels for FY23 will be 64% of salary reflecting the current share price Three-year vesting period plus two-year holding period Subject to performance measures: relative TSR vs FTSE Small Cap Index (25% weighting), adjusted EBITDA in year ended 31 December 2025 (25% weighting), operating Free Cash Flow excluding financing and M&A in 2025 (25% weighting) and sustainability (25% weighting) Financial performance targets will be published in the RNS when the awards are made	
Shareholding guideline	300% of salary Continues for two years post-cessation	200% of salary Continues for two years post-cessation

Element of pay	Chair’s fee	NEDs’ fee
Fees	£200,000	Base Fee: £58,000 Audit Chair’s Fee: £12,000 Remuneration Chair’s Fee: £11,000 Senior Independent Director’s Fee: £10,000

Remuneration continued

Directors' Remuneration Report continued

Single total figure of remuneration (audited)

The following tables set out the total remuneration received by Executive Directors and Non-Executive Directors from the date of incorporation, which represents full year ended 31st December 2022 and the full year ended 31st December 2021.

£'000		Salary and fees	Benefits[1]	Bonus	LTIPs	Pension[2]	Total before legacy awards	Legacy award – IPO share awards[4]	Legacy award – IPO cash award[4]	Total figure remuneration	Total fixed pay	Total variable pay
Executive Directors												
Erik Fairbairn	2022	450	2	238	–	16	706	–	–	706	468	238
	2021	281	6	–	–	2	289	3,879	–	4,168	289	3,879
David Surtees	2022	360	–	191	–	13	564	–	–	564	373	191
	2021	269	–	–	–	2	271	420	1,200[7]	1,891	271	1,620
Non-Executive Directors												
Gareth Davis	2022	200	–	–	–	–	200	–	–	200	200	–
	2021	30	–	–	–	–	30	–	–	30	30	–
Phillipe Commaret[8]	2022	–	–	–	–	–	–	–	–	–	–	–
	2021	–	–	–	–	–	–	–	–	–	–	–
Robert Guyler[8]	2022	–	–	–	–	–	–	–	–	–	–	–
	2021	–	–	–	–	–	–	–	–	–	–	–
Andy Palmer	2022	68	–	–	–	–	68	–	–	68	68	–
	2021	10	–	–	–	–	10	–	–	10	10	–
Margaret Amos	2022	70	–	–	–	–	70	–	–	70	70	–
	2021	10	–	–	–	–	10	–	–	10	10	–
Norma Dove-Edwin	2022	58	–	–	–	–	58	–	–	58	58	–
	2021	8	–	–	–	–	8	–	–	8	8	–
Karen Myers	2022	69	–	–	–	–	69	–	–	69	69	–
	2021	10	–	–	–	–	10	–	–	10	10	–
Erika Schraner	2022	58	–	–	–	–	58	–	–	58	58	–
	2021	8	–	–	–	–	8	–	–	8	8	–

Notes to table

1. Benefits corresponds to the taxable benefits receivable during the relevant financial year
2. Pension corresponds to the amount contributed to defined contribution pension plans or a cash payment in lieu of a pension contribution
3. Legacy Awards relate to IPO Cash and IPO Share Awards – full details provided in last year's report
4. The second half of the IPO cash payment totalling £1.2 million was paid to the Chief Financial Officer on the first anniversary of Admission as set out in last year's report
5. Philippe Commaret and Robert Guyler are not entitled to any fee from the Company in respect of their Directorships

Remuneration continued

Directors' Remuneration Report continued

Base salary in 2022

The annual base salaries for the CEO and CFO were £450,000 and £360,000 respectively and were not increased for 2022. The base salary for the CFO Designate was set at £360,000 on appointment on 25th July 2022, although he was not formally appointed to the Board until 3rd January 2023 and hence his remuneration for 2022 is not shown in the Single Total Figure table.

Benefits

Benefits consisted of life insurance. The CEO is provided with access to an EV car under a legacy arrangement until the expiry of the lease in 2022. Upon expiry of the lease, he will be entitled to a car allowance of up to £20,000 per annum. David Surtees, when CFO, was provided with a contribution of up to £750 per month towards a lease car under the Company's EV car scheme but this was unused in 2022.

Pension

The Executive Directors received pension benefits equivalent to 4.5% of salary.

Annual bonus

No normal annual bonus was payable for the financial year 2021.

Performance criteria	% of annual bonus	Minimum target	Target	Stretch target	Achieved	% of bonus payable
Revenue (in 2022)	50%	£60.8m	£76.1m	£91.4m	£71.4m	**22.3%**
Adjusted EBITDA	25%	-£4.1m	-£2.1m	-£10	-£7m	**0%**
Operational objectives	25%	1: >50% of Solo produced by Celestica			Successfully transitioned all high-volume Solo production to Celestica during 2022 – Achieved in full	**20%**
		2: BigCommerce Launched			Failed to deliver BigCommerce in 2022 – Not Achieved	
		3: >130 people in our Tech Team			The Tech Team ended 2022 with 137 people – Achieved in full	
		4 : >75% of IT risk assessment addressed			Addressed more than 75% of IT risk assessment and achieved Cyber Essentials certification – Achieved in full	
		5: Won large, funded charge contract			Across 2022, the business won a 100 store extension to our Tesco rollout, an 11 site trial with a major retailer and a 24 site B&Q rollout – Achieved in full	
Total bonus payable						**42.3%**
Application of discretion						**0%**
Final outcome						**42.3%**

When considering the achievement of the operational objectives the committee considered a number of factors. This included both quantitative and qualitative assessment depending on the measures. The bonus outturn was 42.3% of maximum. The committee believed that, when viewed against the financial, operational and strategic achievements in the year, the overall outcome was fair and therefore no discretion was applied. The final outcomes for the Executive Directors are set out below:

Name	Role	Max (% of salary)	Final outcome (% of salary)	Payable in cash	Deferred into shares*
Erik Fairbairn	**CEO**	**125%**	**53% (42% of max)**	**£166,694**	**£71,440**
David Surtees	**CFO**	**125%**	**53% (42% of max)**	**£133,355**	**£57,152**

* In line with the approved Policy, 30% of any bonus earned is deferred into shares for two years.

In addition to the above, David Surtees received a cash bonus in connection with the IPO to reflect the completion of pre-IPO bonus arrangements and his contributions up to Admission. The second part of this payment (£600,000) was made on the first anniversary of Admission and was shown in last year's single total figure table.

Awards granted in the year

For 2022, LTIP awards were granted to eligible employees which vested after three years subject to continued employment and the achievement of performance conditions. In advance of the award, the Remuneration Committee took account of the share price at the time and decided to reduce the level of award for the CEO from the original intended award of 150% of salary to 135% of salary. The previous CFO was not eligible for an LTIP award due to his planned retirement in March 2023. The details of the awards are set out below:

Name	Role	Basis for award (% of salary)	Number of shares granted	Date of grant
Erik Fairbairn	**CEO**	**135%***	**368,182**	**11th March 2022**

* Awards were calculated based on the share price of 165p, which means a face value of £607,500.

The 2022 LTIP awards were subject to the following performance measures and targets:

Measure	Weighting	Threshold (25% payable)	Maximum (100% payable)
Revenue in FY24	25%	£133m	£196m
Recurring and Owned Asset Revenue in 2024	25%	£18m	£33m
Cumulative adjusted EBITDA FY22-FY24	25%	£20m	£40m
BEV or REX vehicles	25%	75% are BEV or REX	95% are BEV or REX

Remuneration continued

Directors' Remuneration Report continued

Awards vested in the year

No performance awards were due to vest in 2022.

Part of the CEO and previous CFO's legacy IPO Restricted Share Awards vested on the first anniversary of Admission. As noted last year, as these awards are not subject to any performance conditions the full value of the awards was recognised in the 2021 single total figure table year (i.e. in the year in which they were granted).

Other statutory requirements

Share Interests and Incentives

	Shares owned outright	Awards unvested and subject to performance conditions	Awards unvested with no performance conditions	Awards vested but not exercised	Shareholding requirement met
Erik Fairbairn	1,777,778	1,646,793	670,432	1,053,537	YES – 365% of salary
David Surtees	107,229	–	46,294	–	NO – 22% of salary
Gareth Davis	88,889	–	–	–	N/A
Phillipe Commaret	–	–	–	–	N/A
Robert Guyler	–	–	–	–	N/A
Andy Palmer	25,778	–	–	–	N/A
Margaret Amos	4,444	–	–	–	N/A
Norma Dove-Edwin	13,333	–	–	–	N/A
Karen Myers	25,778	–	–	–	N/A
Erika Schraner	25,778	–	–	–	N/A

Shares counting towards the guideline include those purchased from own funds, vested (but unexercised) share awards on a net of tax basis, unvested share awards not subject to performance measures on a net of tax basis. The shareholding requirement will continue to apply to the Executive Directors for a period of two years after termination of employment. In light of his retirement by 31st March 2023, it was agreed that the post-employment shareholding requirement for David Surtees will be up to 100% of salary for one year.

Our middle market share price at the close of business on 31st December 2022 was £0.61 and the range of the middle market price during the year was £0.48 to £2.75.

Since the year end there have been no other changes in the shareholdings.

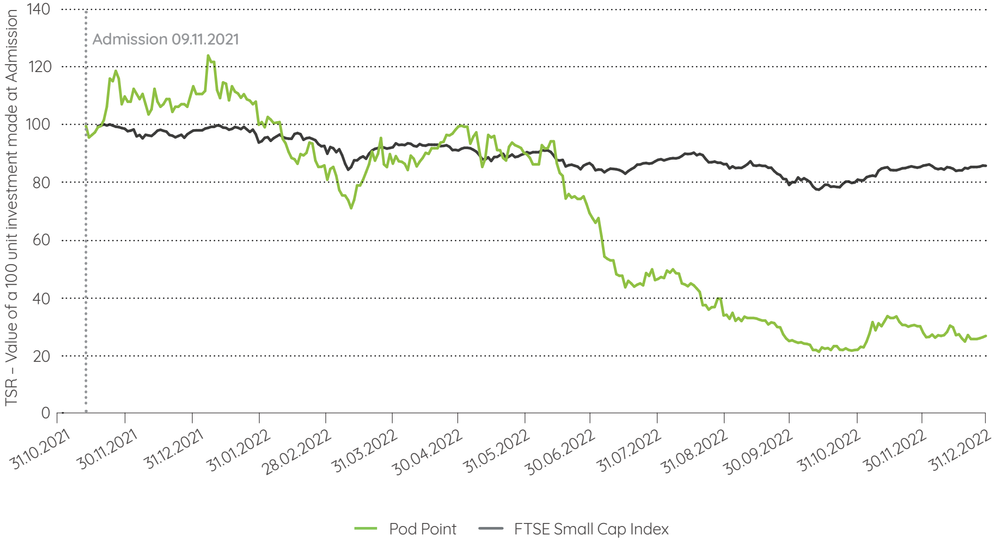
Full details of the legacy IPO Share Awards are set out in last year's report.

Change in CEO total remuneration

The following chart shows the value of £100 invested in the Company (at the date of Admission) compared with the value of £100 invested in the FTSE Small Cap Index. We have chosen the FTSE Small Cap Index as it provides the most appropriate and widely recognised index for benchmarking the Company's corporate performance since Admission.

Total shareholder return

Source: Datastream (a Refinitiv product)



Remuneration continued

Directors' Remuneration Report continued

CEO remuneration (£'000)	FY22	FY21
Total remuneration excluding legacy awards	£706	£289
Total remuneration including legacy awards	£706	£4,168
Annual bonus as a % of max	42%	n/a
Shares vesting as a % of max	n/a	n/a

CEO pay ratio

Financial year	Element	P25	P50	P75
2022	Total remuneration ratio	23:1	17:1	12:1
	Total remuneration value £'000	£31,055	£42,480	£60,540
	Salary ratio	16:1	12:1	8:1
	Salary value £'000	£27,312	£36,488	£55,312
2021	Total remuneration ratio excluding legacy awards	9:1	7:1	5:1
	Total remuneration ratio including legacy awards	132:1	102:1	73:1
	Total remuneration value £'000	£31,517	£40,933	£56,586
	Salary ratio	11:1	9:1	6:1
	Salary value £'000	£25,541	£31,002	£46,935

The Company has used Option A as defined by the regulations and calculated the pay and benefits of all UK employees on a full-time equivalent basis as this is felt to be the most accurate way of calculating the ratio. The 2021 total remuneration ratio is not considered to be representative of a normal year as it is distorted by the CEO numerator when the value of legacy awards is included. For this reason, we have also shown the ratio excluding the value of legacy awards.

The movement in the year is a result of the CEO's pay reflecting a full year with his post IPO remuneration package in 2022 (as opposed to approximately two months in 2021). The committee will monitor future movements in the ratio noting that we expect continued volatility over the next few years as legacy items and incentive pay outcomes for the CEO are variable.

Relative importance of spend on pay

The table below indicates how amount spent on pay compare with Pod Point's other financial dispersals.

	FY22	FY21	% change
Dividends and share buybacks	–	–	–
Staff costs* £'000	28,628	22,372	28%

* Staff costs for all employees as per note 8 of the financial statements – see page 128.

Percentage change in Directors' pay

The table below shows the change in Directors' remuneration in 2021/22 compared to that of all employees.

	Base salary/fee	Benefits	Annual bonus
Erik Fairbairn	60%	-67%	n/a
David Surtees	34%	n/a	n/a
Gareth Davis	562%	n/a	n/a
Phillipe Commaret	n/a	n/a	n/a
Robert Guyler	n/a	n/a	n/a
Andy Palmer	592%	n/a	n/a
Margaret Amos	592%	n/a	n/a
Norma Dove-Edwin	592%	n/a	n/a
Karen Myers	592%	n/a	n/a
Erika Schraner	592%	n/a	n/a
All employees	12%	-65%	n/a

The percentage change has been calculated from the single total figure table. Fees in 2021 for the Non-Executive Directors were for only part of the year from their appointment and hence the percentage change figures above are not representative. Erik Fairbairn and David Surtees did not participate in a regular annual bonus in 2021. There was no annual incentive for all employees in 2021 which can be compared to the 2022 annual bonus.

Remuneration continued

Directors' Remuneration Report continued

Payments for loss of office and/or payments to former Directors

No payments for loss of office, nor payments to former Directors were made during the year under review.

As set out previously, David Surtees stepped down from the Board after the year under review on 3rd January 2023 but will continue to work until the end of March 2023. He will be treated as a good leaver for incentive plan purposes, which means he will be eligible for a pro-rated bonus for 2023 for the period worked and his outstanding legacy IPO Share Awards will continue to vest on their normal vesting date. He remains subject to the shareholding requirement, whereby up to 100% of salary needs to be retained for one year post-cessation.

The Remuneration Committee

Role and responsibilities of the Remuneration Committee

The Remuneration Committee develops the Group's policy on Executive remuneration, determines the levels of remuneration for Executive Directors and the Chair and other Senior Executives (and considers, determines and approves the provisions of the service agreements for such persons) and prepares an annual Remuneration Report for approval by the shareholders at the AGM. The Remuneration Committee will also approve any share scheme to be established by the Company. The Remuneration Committee will meet as often as it deems necessary but at least two times a year.

The Remuneration Committee is chaired by Karen Myers and its other members are Dr Margaret Amos, Norma Dove-Edwin, Dr Andy Palmer and Dr Erika Schraner. For so long as EDF's shareholding is equal to or exceeds 10%, it is entitled to appoint a representative (whose identity must be approved in advance by the Board) as an observer to the Remuneration Committee.

The committee may invite the Chairman, the CEO, CFO and other members of management to attend all or part of meetings but no individuals will be present when their own remuneration is discussed.

Advisors

The committee appointed FIT Remuneration Consultants LLP ("FIT") as their independent advisor. FIT advised on all aspects of the Directors' Remuneration Policy and practice and reviewed remuneration structures against corporate governance norms. FIT is a member of the Remuneration Consultants' Group and complies with its Code of Conduct which sets out guidelines to ensure that its advice is independent and free of undue influence. FIT carries out no other work for Pod Point or its subsidiaries. The Remuneration Committee has used its judgement to assess the advice provided and is satisfied that it is objective. From the period from Admission to the end of the financial year, FIT was paid on a retainer basis fees amounting to £63,000.

Key activities during the year

The Committee held three scheduled meetings during 2022. The key activities and matters discussed at these meetings included:

- The drafting of the 2022 Directors' Remuneration Report
- Assessment of the performance measures and targets used for FY22 ABP and LTIP
- Pay and employment conditions in the wider workforce, including the impact of the cost of living crisis
- FY23 salary review
- Monitoring regulatory updates including proxy agency and investor guidelines

Directors' Remuneration Policy

The Directors' Remuneration Policy was approved at the 2022 Annual General Meeting ("AGM"). A summary of the Policy is set out below. The full Policy can be found at https://investors.pod-point.com/remuneration-policy-2022

Objectives of the Policy

The Directors' Remuneration Policy, effective from the date of the 2022 AGM, has been designed taking into account the six factors set out in provision 40 of the UK Corporate Governance Code.

Clarity	Simplicity	Risk
The Policy is in line with standard UK listed company practice and should be well understood by shareholders. The details of each element of the Policy are clearly set out. The Policy can be explained in straightforward terms for participants to understand. The performance measures are clear and well-defined.	Arrangements include a market standard annual bonus and a single Long-Term Incentive Plan. The design of the Policy is simple and straightforward. The measures for the incentive plans are simple and operationally-focused.	The Committee retains discretion to override formulaic outturns. Performance measures and the target ranges are set on a challenging yet realistic basis to avoid undue risk taking. A balance of measures is used to avoid overly focusing on a single metric at the expense of the wider business. Assessment of targets is done with appropriate liaison with the Audit and Risk Committee as necessary. The heavy weighting towards long-term share-based pay encourages a long-term, sustainable mindset. Comprehensive clawback and malus provisions are in place. The Policy allows for competitive but not excessive pay outcomes.

Remuneration continued

Directors' Remuneration Report continued

Predictability

The Policy contains appropriate limits for each component of pay. On an aggregate level a dilution limit is in place.

The potential reward outcomes are set out in the illustrations provided in the Policy.

Performance outcomes will be reviewed at regular intervals so there will be no surprises at the end of the performance period.

Proportionality

Performance will be assessed on a broad basis, including a combination of financial, value creation and operational metrics. The use of different measures ensures there is no undue focus on a single metric which could be to the detriment of other stakeholders.

Where possible sliding scale performance ranges are used to ensure outcomes are proportionate to the performance standards set and delivered.

The Committee retains discretion to override formulaic outturns.

The Committee will assess pay outcomes in the light of stakeholders' interests.

Alignment to culture

The Policy encourages long-term share ownership which is aligned with the sustainable purpose of the business and is encouraged throughout Pod Point.

The Policy will reward and recognise performance and achievement.

Remuneration Policy for Executive Directors

The following table summarises each element of the Remuneration Policy for the Executive Directors, explaining how each element operates and links to the corporate strategy.

Element of pay	Purpose/link to strategy	Operation/performance	Maximum
Base salary	The foundation stone of the Policy. Set to attract and retain individuals with the required capabilities.	Salaries are set on appointment taking into account the individual's skills and experience and the recruitment market. Usually paid monthly. Salaries are reviewed although not necessarily increased annually normally with effect from 1st January in the light of: • Affordability • Pay increases for the workforce • Performance • Changes in scope of responsibilities/role • External market trends • Internal differentials/relativities • The value of total remuneration • The Remuneration Committee's judgement Salaries are benchmarked against similarly-sized companies and other relevant comparators and competitors as considered appropriate.	Annual increases will normally be in line with the average increase for the UK employees except in exceptional circumstances, including but not limited to change in the scope and scale of the organisation, change in role, the need for accelerated pay progression, internal differentials and external relativities.
Pension	To encourage employees to save and build up capital for the long term whether through participation in an occupational scheme or payment of a cash allowance instead.	Contribution or unconsolidated cash allowance (or in combination) determined as a percentage of annual salary and usually paid monthly. Not linked to performance. The level of contribution or cash allowance in lieu of a pension contribution is intended to be in line with the maximum contribution available to all employees.	No more than the pension contribution available to all UK employees (which at the date of Policy approval is 4.5% of salary).
Other benefits	To ensure total remuneration is competitive and to provide some financial protection against illness and to encourage wellbeing.	A range of benefits is provided in line with typical market practice including, but not limited to, a car or car allowance and permanent health insurance. Additional benefits may be provided within the Directors' Remuneration Policy for other reasonable business reasons such as relocation whether domestic or international.	The CEO's car allowance will not exceed £20,000 per year. The car allowance for any other Executive Director will not exceed £15,000 per year. The maximum value of other benefits will vary depending on the cost to the Company of providing them. This excludes any relocation benefits which will be capped by the approved relocation policy.

Remuneration continued

Directors' Remuneration Report continued

Element of pay	Purpose/link to strategy	Operation/performance	Maximum
Annual bonus plan ('ABP')	To focus the attention of the Executive Directors and reward them for achieving results based on targets set in line with the annual business plan and the longer-term corporate strategy.	The annual bonus will be based on financial, strategic and/or operational measures and targets set for and measured over the financial year. They may also include individual and team-based objectives and targets. At least 50% of the performance measures will be financial. Up to 30% of any bonus earned (subject to a de minimis amount) will usually be delivered in shares which will be deferred for two years (the "DBSP"). Dividends or dividend equivalents may be paid to the extent the shares vest. Both the cash and DBSP elements of annual bonus will be subject to malus and clawback provisions. Deferred bonus shares are forfeitable on leaving unless the Executive Director is deemed to be a "good leaver".	The maximum for the CEO and for any other Executive Director will be 125% of salary a year. No bonus will be paid below threshold and the full bonus will be paid only for meeting or exceeding the maximum performance standards set. The bonus earned for meeting target may vary from year to year depending on the measures and a range of commercial factors.
Long-term incentive plan ('LTIP')	To align the long-term interests of the Executive Directors with those of shareholders. To encourage teamwork across the leadership group. To reward the delivery of long-term sustainable results and to support retention.	Annual awards of performance shares. The share scheme will allow for a variety of share-based arrangements including conditional shares, forfeitable shares and nil-cost or nominal cost options. The Remuneration Committee may set any measures as it considers appropriate from year to year based on the Board's strategic objectives. The awards vest three years after the date of appointment and Executive Directors will be required to hold (if necessary after tax has been paid) the shares for two years after they have vested. Dividends or dividend equivalents may be paid to the extent the shares vest. Malus and clawback will apply.	Maximum annual award of up to 200% of salary. No more than 25% of the shares under award will vest at threshold or the deemed equivalent.
Share ownership requirement	To encourage Executive Directors to invest their own capital – including remuneration from released and vested shares – in the Company.	Executive Directors are required to retain some or all of the net value of vested shares under the Deferred Bonus Plan and the Performance Share Plan until they have met the requirement.	300% of salary for the CEO and 200% of salary for any future Executive Director. Executive Directors will normally be required to maintain their shareholding for two years after they leave the Board.

Element of pay	Purpose/link to strategy	Operation/performance	Maximum
All-employee share schemes	To encourage teamwork across the Company and to align the interests of all employees with those of shareholders. To create an opportunity to share in the success of the Company, where possible, tax-effectively.	Executive Directors may participate in any all-employee share scheme, on the same terms as other employees, in accordance with HMRC and other requirements.	Subject to the relevant legislation.

Fees policy for Chair and Non-Executive Directors

The following table summarises the fees policy for the Chairman and the NEDs.

Element of pay	Purpose/link to strategy	Operation/performance	Maximum
Fees	To provide a competitive fee to attract NEDs who have the requisite skills and experience to oversee the implementation of the Company's strategy.	Fees for the Chair are set by the Committee. Fees for the other NEDs are set by the Board excluding the NEDs. Fees are reviewed, but not necessarily increased, annually. Fee increases are normally effective from 1st January. Fee levels are determined based on expected time commitments of each role and by reference to comparable fee levels in other similar-sized companies. Additional fees are payable to the Senior Independent Director and Chairs of Board Committees to reflect their additional responsibilities. Additional fees may be paid for other responsibilities which include a higher time commitment than normal. Reasonable business expenses (including any tax thereon) will be reimbursed. The Chair and the other NEDs may also receive reasonable benefits including, for example, the installation of a chargepoint.	There is no overall aggregate annual limit for fees payable to the NEDs.

Remuneration continued

Directors' Remuneration Report continued

Discretion retained by the committee in operating the incentive plans

The committee administers the respective incentive plans in line with their rules, in accordance with HMRC regulations and the Listing Rules where relevant. To ensure the efficient administration of these plans, the committee will retain discretions which include (but are not limited to) the following:

- the number of participants in the plans
- the possible timing of grants, vesting and/or payments under the plans
- the size of any grant, vesting and/or payment (within the limits set out in the approved Policy for Executive Directors)
- determining the performance measures and targets which are appropriate for each incentive plan from year to year
- whether it is necessary to use discretion to amend the outcome
- determining the leaver status and the appropriate treatment under the incentive plan
- determining the relevant treatment of outstanding awards in the event of a change of control
- determining the relevant treatment of outstanding awards in certain circumstances (e.g. corporate restructuring events, variation of capital and special dividends)

The committee will also have the ability to amend or replace the performance conditions applying to outstanding awards if an event occurs which causes the committee to believe that the original condition is no longer appropriate. Any change to the performance conditions cannot be materially less challenging than the original condition would have been but for the event in question.

Recoupment (malus and clawback)

Malus and clawback may be applied at any time before an award vests or for three years after vesting in the following circumstances:

- material financial misstatement
- significant reputational damage
- gross negligence or gross misconduct by a participant
- fraud effected by or with the knowledge of a participant
- conduct or behaviour by a participant which breaches the Company's values
- material corporate failure
- a failure of risk management, including material breach of health and safety standard or failure to prevent bribery, corruption or tax evasion
- an event resulting in a material detrimental effect on the Company's stakeholders or market reputation
- unreasonable failure to protect the interests of the Company's stakeholders
- where awards were granted or vested based on erroneous or misleading data

Malus permits the Company to reduce the amount of any unvested award, including awards in holding periods. Clawback permits the Company to reduce the amount of any vested award or any future salary or bonus and also require the employee to pay back amounts.

Executive Directors' service contracts

Each Executive Director's service agreement will be terminable by the Company or the respective Executive Director on six months' written notice. The Company will also be entitled to terminate an Executive Director's service agreement with immediate effect by payment in lieu of notice, equal to the basic annual salary that would have been payable during the notice period. The contracts are available for inspection as are the letters of appointment of the Chair and the Non-Executive Directors at the Company's registered office.

The date of each executive joining the Board is noted in the table below:

	Date of joining the Board
Erik Fairbairn	25th October 2021
David Surtees	25th October 2021

The service contract of any new appointment is expected to be consistent with that of current Executive Directors.

Statement of shareholding voting

The binding resolution on the Directors' Remuneration Policy was passed at 2022 AGM at the same time as the advisory vote on the Directors' Remuneration Report. The table below shows votes from shareholders on the relevant resolutions:

	Directors' Remuneration Report (2022 AGM)		Directors' Remuneration Policy (2022 AGM)	
	Votes	**%**	Votes	%
Votes in favour	**138,454,538**	**99.98%**	138,462,58,	99.98%
Votes against	**28,174**	**0.02%**	24,399	0.02%
Votes withheld	**16,525**	**–**	12,253	–
Total votes	**138,482,712**	**100.00%**	138,486,984	100.00%

This report was approved by the Board and signed on its behalf by:

Karen Myers
Chair of the Remuneration Committee

26th April 2023

Directors' Report 2022

In accordance with Section 415 of the Companies Act 2006, the Directors of Pod Point Group Holdings plc present their report for the year ended 31st December 2022. Other information that is relevant to this report is incorporated by reference, including information required in accordance with the UK Companies Act 2006 and associated regulations, Listing Rules and Disclosure Guidance and Transparency Rules (DTRs). For the purpose of DTR 4.1.8 R the management report comprises the Strategic Report and the relevant parts of this Directors' Report. The corporate governance statement required under DTR 7.2.1 comprises the content on pages 77 to 103. The following table below sets out where the necessary disclosures can be found.

Business performance

Results	Results for the year ended 31st December 2022 are set out in the Chief Financial Officer's statement on pages 17 to 22 and the consolidated income statement on page 118.
Dividends	No dividends will be proposed for the year-ended 31st December 2022.
Strategic Report	The Strategic Report can be found on pages 4 to 76.
Corporate governance statement	The Company's statement on corporate governance can be found on page 79.
Directors' Remuneration Report	The Directors' Remuneration Report can be found on pages 93 to 103.
Activities in research and development	The Company's activities include software and hardware development in relation to its electric vehicle charging products.
Future developments	Details about the Company's future developments can be found in the Strategic Report on pages 16 and 22.
Post-balance sheet events	There have been no post-balance sheet events.

Directors

Directors	Summaries of the current Directors' key skills and experience are set out in the Corporate Governance Report on pages 80 to 82. The names of Directors that have served during the year but are not Directors at the date of this Annual Report can be found on page 88.
Directors' interests	Details of the Directors' beneficial interests are set out in the Remuneration Report on page 98.
Directors' indemnities	The Company has given indemnities to each of the Directors in respect of any liability arising against them in connection with the Company's (and any associated company's) activities in the conduct of their duties. These indemnities, which constitute a qualifying third-party indemnity as defined by s234 of the Companies Act 2006 remain in place at the date of this report.
Directors' and officers' liability insurance	Directors' and Officers' Liability Insurance cover is in place at the date of this report. Cover is reviewed annually.
Directors' statement of responsibilities	The Directors' statement of responsibilities is located on page 107.

Constitution

Articles of association

Any amendments made to the articles of association may be made by a special resolution of shareholders. The following is a summary of the structure, rights and restrictions of the Company's share capital:

- The rights attaching to the shares will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company
- On a show of hands every holder of shares in the capital of the Company (each, a "Shareholder") who is present in person shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per share
- Except as provided by the rights and restrictions attached to any class of shares, Shareholders will under general law be entitled to participate in any surplus assets in a winding-up in proportion to their shareholdings
- The shares do not carry any rights as respects to capital to participate in a distribution (including on a winding-up) other than those that exist as a matter of law
- There are no restrictions on the free transferability of the shares

Branches outside the UK	The Company has branches in France, Ireland and Spain and an entity in Norway

Change of control

The following represents the likely effect on significant agreements with the Company were it to be subject to a change of control:

- The Company's relationship agreement with EDF Energy Customers Limited ("EECL") is described on page 85 The Relationship Agreement may be terminated in the event of the Company ceasing to be listed on the premium listing segment of the Official List and ceasing to trade on the Main Market of the London Stock Exchange; or EECL ceasing to control more than 10% of the voting rights in the Company
- The Company does not have any agreements with any Non-Executive Director, Executive Director or employee that would provide compensation for loss of office or employment resulting from a change of control

Statutory, regulatory and other information continued

Directors' Report 2022 continued

Stakeholders and Policies

Section 172 statement	The Company's Section 172 statement can be found in the Strategic Report on pages 75 to 76.
Employment of disabled persons	Details of policies on equal opportunities recruitment and training can be found in the Strategic Report on page 57.
Employee engagement	Details of how the Company engages with its workforce can be found in the Strategic Report on pages 10 and 11 and Corporate Governance Report on page 85.
Stakeholder engagement on key decisions	Details of the key decisions and discussions of the Board and the main stakeholder inputs into those decisions are set out in the Strategic Report on pages 8 to 11 and Corporate Governance Report on page 85.
Modern slavery statement	The Company has approved and published on its website its modern slavery statement in accordance with the Modern Slavery Act 2015 (pod-point.com/legal/modern-slavery-statement).
Diversity policy	The Company approved a policy on diversity and inclusion. An overview of the Company's approach to equity, diversity and inclusion may be found on pages 57 to 58 of the Strategic Report.
Greenhouse gas emissions	Details of the Company's greenhouse gas emissions can be found in the Report on page 41 of the Strategic Report.
Political contributions	The Company did not make any donations to political organisations during the year.
Financial risk	Details of the Company's policies on financial risk management and the Company's exposure to price risk, credit risk, liquidity risk and cash flow risk are outlined in note 24 to the financial statements.

Shareholders and share capital

Share capital	Details of the Company's share capital are set out in note 23 to the financial statements.
Powers of Directors to allot shares	At the Company's AGM held on 14th June 2022, the Directors were generally and unconditionally authorised to exercise all the powers of the Company to allot shares in the Company up to an aggregate nominal value of £51,317.31. The Company has not exercised its power under this authority which is due to expire at the next AGM. A resolution renewing this power will be proposed at the 2023 AGM.
Authority to purchase own shares	At the Company's AGM held on 14th June 2022, the Company was generally and unconditionally authorised by its shareholders to make market purchases (within the meaning of section 693(4) of the Companies Act) of up to a maximum of 15,395,253 of its ordinary shares. The Company has not repurchased any of its ordinary shares under this authority which is due to expire at the next AGM. A resolution authorising the Company to purchase up to 10% of its issued share capital will be proposed at the 2023 AGM.
Major interests in shares	As at 31st December 2022, the Company had been advised of the following notifiable interests (whether directly or indirectly held) in its voting rights:

	Number of voting rights		%	
	As at 31st December 2022	As at 31st December 2021	**As at 31st December 2022**	As at 31st December 2021
EDF Energy Customers Ltd	**82,907,682**	84,338,568	**53.83%**	55.00%
Legal & General Group plc	**22,561,560**	22,328,099	**14.65%**	14.60%
Schroder Investment Management Ltd	**16,228,035**	13,769,000	**10.54%**	9.00%
Columbia Threadneedle Investments	**5,394,312**	–	**3.50%**	–

As at 10th April 2023, the Company had not been advised of any changes.

2023 Annual General Meeting	The Company's Annual General Meeting will be held on 13th June 2023 at 2.00 pm (the "AGM"). The AGM will be held as a fully virtual meeting. Details of the arrangements for the AGM can be found on the Company's website investors.pod-point.com/.

Statutory, regulatory and other information continued

Directors' Report 2022 continued

Auditors and Audit	
Auditor reappointment	A resolution to reappoint Deloitte LLP as auditor will be proposed at the Annual General Meeting.
Audit information	Each of the Directors at the date of the approval of this report confirms that: • So far as he/she is aware, there is no relevant audit information of which the Company's auditor is unaware; • He/she has taken all the reasonable steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of the information; and • The confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.
Listing rules disclosures	
Listing Rule 9.8.4C	Disclosure requirements under Listing Rule 9.8.4 C are identified below along with cross-references indicating where the relevant information is set out in the Annual Report: • Details of the Company's long-term incentive arrangements may be found in the Directors' Remuneration Report on pages 94 to 95. • Details of significant contracts with controlling shareholders can be found on page 21 and in note 8 to the financial statements. • Details pertaining to services provided to the Company by EDF can be found on page 21 and in note 8 to the financial statements. • Statement confirming agreement has been entered into with controlling shareholders and that independence provisions are complied with can be found on page 85.

The Directors' Report was approved by the Board on 26th April 2023.

By order of the Board

Anita Guernari

Company Secretary

Pod Point Group Holdings plc
Registered Office:
28-42 Banner Street
London, EC1Y 8QE
United Kingdom

Company Number: 12431376

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable United Kingdom law and regulations.

The Directors are required to prepare financial statements for each financial year which present a true and fair view of the financial position of the Company and of the Group and the financial performance and cash flows of the Company and of the Group for that period. The Directors have elected to prepare the Group financial statements in accordance with the UK-adopted International Financial Reporting Standards ("IFRSs") in conformity with the Companies Act 2006, and the Parent Company financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101).

In preparing those financial statements, the Directors are required to:

- Select suitable accounting policies in accordance with IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors' and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information; and
- Provide additional disclosures when compliance with the specific requirements in IFRSs (and in respect of the Parent Company financial statements, FRS 101) is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company financial position and financial performance.
- In respect of the Group financial statements, state whether international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRSs adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union have been followed, subject to any material departures disclosed and explained in the financial statements.
- In respect of the Parent Company financial statements, state whether international accounting standards in conformity with the requirements of the Companies Act 2006 applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements and prepare the accounts on a going concern basis unless, having assessed the ability of the Company and the Group to continue as a going concern, it is appropriate to presume that the Company and/or the Group will not continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions and which disclose with reasonable accuracy at any time the financial position of the Company and of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable UK law and regulations, the Directors are responsible for the preparation of a Strategic Report, Directors' Report, Directors' Remuneration Report and corporate governance statement that comply with that law and regulations. In addition, the Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Neither the Company nor the Directors accept any liability to any person in relation to the Annual Financial Report except to the extent that such liability could arise under English law. Accordingly, any liability to a person who has demonstrated reliance on any untrue or misleading statement or omission shall be determined in accordance with section 90A and schedule 10A of the Financial Services and Markets Act 2000.

Directors' responsibility statement under the UK Corporate Governance Code

In accordance with Provision 27 of the 2018 UK Corporate Governance Code, the Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides information necessary to enable shareholders to assess the Company's position, performance, business model and strategy.

Responsibility statement of the Directors in respect of the Annual Report and Accounts

Each of the Directors whose names are listed on pages 80 to 82 confirm that to the best of their knowledge:

a) the consolidated financial statements, prepared in accordance with UK-adopted international accounting standards give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company and the undertakings included in the consolidation taken as a whole; and

b) the Annual Report (including the Strategic Report encompassed within the 'Overview', 'Strategic Report', 'Performance' and 'Governance' sections) includes a fair review of the development and performance of the business, and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

This responsibility statement was approved by the Board on 26th April 2023 and signed on its behalf by:

Erik Fairbairn
Chief Executive Officer

Financials

A year of continued growth

Independent Auditor's report to the Members of Pod Point Group Holdings plc

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Pod Point Group Holdings plc (the 'parent company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2022 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated and parent company statements of financial position;
- the consolidated and parent company statements of changes in equity;
- the consolidated statement of cash flow;
- the notes 1 to 30 related to the consolidated financial statements; and
- the notes 1 to 10 related to the parent company financial statements.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the Group and parent company for the year are disclosed in note 6 to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Group or the parent company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Capitalisation of development costs • Revenue recognised in UK Home and UK Commercial • Goodwill impairment
Materiality	The materiality that we used for the Group financial statements was £770,000 which was determined on the basis of the Group's revenue for the year.
Scoping	Consistent with the way the Group is centrally managed from the UK office, we consider the Group to be one component. Consequently, all assets, liabilities, income and expenses are subject to a full scope audit.
Significant changes in our approach	Reflecting on the past audits performed, considering the nature, extent and timing of the procedures performed, risk assessment considerations, as well as the individual stock values, we concluded that inventory valuation should not continue being a key audit matter in current year. We concluded that capitalisation of development costs and goodwill impairment should be key audit matters in the current year and these are set out below. There were no other significant changes to our audit approach in the current year.

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- considering the Group's borrowing arrangements and cash;
- assessing the assumptions used in the Group's Business Plan, including performing sensitivity analysis in relation to assumptions for future growth in revenue;
- performing an assessment of the coverage of cash and reserves if there was no revenue for the Group in the following period; this allowed us to stress test the business model;
- assessing the impact of current macro-economic inflationary pressures and supply chain requirements on the Group; and
- assessing the amount of headroom in the forecasts.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the Group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Capitalisation of development costs

Key audit matter description	The Group make judgements regarding the point at which research and development costs meet the capitalisation criteria and are disclosed within note 12 of the consolidated financial statements. Costs capitalised in the current year were £9.9m (2021: £4.6m). IAS 38 *Intangible Assets* requires intangible assets to meet six key criteria and if these criteria are met then the company must capitalise the cost in line with the standard. The Group allocates costs over its different projects which are capitalised onto the balance sheet and amortised over 3 years. Our risk assessment procedures identified a significant risk associated with valuation and allocation of these costs, specifically relating to the application, product and software development costs within development costs. The majority of the development costs capitalised relates to Pod Point's software and hardware team members time spent working on developing various projects. The amounts capitalised are based on salaries and percentage of time the team works on the development, which involves a degree of judgements and estimation. We therefore identified a key audit matter relating to the risk that, whether due to error or fraud, development costs were not capitalised in accordance with the accounting standard. Further detail of the key judgements are disclosed in the Group's critical judgements in applying the accounting policies set out on page 124 and the Audit & Risk Committee report on page 90.

Independent Auditor's report to the Members of Pod Point Group Holdings plc continued

5. Key audit matters continued

How the scope of our audit responded to the key audit matter	Our audit procedures included the following: • Obtained the breakdown of the amounts capitalised and reconciled the balances to the ledger; • Performed analytical reviews of the balance, analysing the movements in the data for trends and abnormal patterns to assess our audit risk. • Tested a sample of costs, responsive to the risk identified, to test whether the costs had been accounted for in accordance with IAS 38, with reference to timesheets, rates and related salaries; • Inquired with relevant senior members of the IT department to understand the nature of the projects in place, as well as their considerations around the IAS 38 requirements pertaining to technical feasibility, ability to use and sell, as well as ability to generate future economic benefits; • Considered costs capitalised in respect of senior IT management and challenged management on the basis of their allocation to individual projects; • Considered the amounts capitalised in comparison to those expensed; • Tested the judgements and assumptions applied on the amounts capitalised based on salaries and percentage of time the team works on the development; and • Assessed disclosures in the financial statements, including key judgements and estimates.
Key observations	Based on the work performed we concluded that the development costs were materially appropriate. We made recommendations to the Audit & Risk Committee to formalise some of management's reviews and processes.

5.2. Revenue recognised in UK Home and UK Commercial

Key audit matter description	The Group's main revenue streams relate to the installation of charging points in public, workplace and home locations across the UK for charging electric and plug-in hybrid cars. Revenue is mostly recognised once the charging point is installed as it is at this point in time that control passes to the customer. However, there can be a delay between the customer placing and paying for their order, and the installation of the charging point. We therefore identified a risk that sales to residential customers (UK Home) were not recorded in the correct financial reporting period. For commercial customers (UK Commercial) the installation can sometimes occur over a significant period of time and as such revenue for these contracts may be recognised over time based on a percentage completion basis. We identified a risk in relation to the accuracy, occurrence, completeness, and cut-off of this specific revenue stream. As discussed on page 91 of the Audit & Risk Committee Report, management are still investing in the internal control environment to address risks which have been identified during the IPO process. The implementation of the associated enhanced controls over revenue has not been completed. The total amounts of the UK Home and UK Commercial revenue streams in the year were £41.4m (2021: £40.3m) and £23.9m (2021: £18.2m) respectively with the amounts over time in UK Commercial representing 9%, (2021 3%) of the total. Further detail of the key judgements are disclosed in the Group's critical judgements in applying the accounting policies set out on page 124 and the Audit & Risk Committee report on page 90. The revenue balance is disclosed and analysed in notes 5 and 7.

Independent Auditor's report to the Members of Pod Point Group Holdings plc continued

5. Key audit matters continued

How the scope of our audit responded to the key audit matter	Our audit approach for commercial customers focused on the over-time portion of revenue transactions to assess the reasonableness of the percentage of completion. For the residential customers, our approach focused on the determination of amounts that can be recognised in revenue and not deferred; this was performed through inspection of applicable invoicing and confirming installation back to supporting evidence. For both types of revenue, we obtained an understanding of the relevant controls that address the key audit matter and we reviewed the entity's revenue recognition policies for compliance with IFRS 15 *Revenue Recognition*. **Residential Customers** In order to address the cut-off risk of the revenue generated from residential customers sales we have performed the following substantive procedures: • obtained listings on the sales around the year end and reconciled the balances to the underlying ledger accounts; • obtained a report allowing us to assess the average period between date of order and installation, to determine the period to focus on before year end; • confirmed when installation took place by obtaining installation confirmations from the relevant IT system, to conclude on the accuracy and completeness of the reports; • tested completeness and accuracy of the revenue recorded by reconciling the amount recorded to the cash receipts and invoice documents, confirming that the appropriate amount has been recognised in revenue and the portion relating to incomplete installations has been recognised within deferred income; and • assessed the disclosures in the financial statements. **Commercial customers** In order to address the accuracy, occurrence, and completeness risks of the revenue generated from sales over time to commercial customers, we have performed the following substantive procedures: • obtained a breakdown of commercial revenue recognised over time, reconciled this to the ledger, and confirmed the basis under which it had been treated as revenue; • traced a sample of transactions to invoices and other relevant documents which include installation reports and cash receipts, to test the accuracy and occurrence of the revenue transaction; • agreed the revenue values recorded to the relevant schedule per the customer agreement; and • assessed the appropriateness of the disclosures in the financial statements.
Key observations	Based on the work performed we concluded that these revenue streams were appropriately recognised in respect of UK Home and UK Commercial.

Independent Auditor's report to the Members of Pod Point Group Holdings plc continued

5. Key audit matters continued

5.3. Goodwill Impairment

Key audit matter description	The goodwill recognised on the purchase of Pod Point Holdings (PPH) arose on its acquisition by the Group in 2020. 2022 saw significant disruption within the global economy due to macro-economic factors such as the war in Ukraine, supply chain issues resulting from the post-pandemic re-opening, and higher inflation. This has affected the Group from both a revenue and cost perspective. Delays in component availability have led to a reduction in the purchase of electric vehicles, which in turn has reduced demand for the Group's services and thus revenue growth. Higher costs resulting from increased component costs have also impacted on performance. Key estimates within management's discounted cash flow model included forecasted cash flows for revenue as the key driver in the model. Forecasts relating to revenue, were based on car registration forecasts and market performance of plug-in-vehicles and overall market share for residential (home) and commercial revenue. Further, the growth rate and discount rate were used in determining the terminal value. During the year ended December 2022 Pod Point's share price and associated market capitalisation dropped significantly. This significant drop raised an overall indication of impairment in addition to the annual test requirement, and has led management to perform a more detailed assessment and utilise discounted cash flows to support their analysis. Due to the degree of judgements and estimates associated with the goodwill impairment assessment, we deemed this to be a key audit matter and potential area for fraud. As discussed on page 91 of the Audit & Risk Committee Report, management are developing an internal control environment to address risks which have been identified. Further detail of the key judgements are disclosed in the Audit & Risk Committee Report on page 90. The goodwill balance of £77.6m (2021: £77.6m) is disclosed and analysed in note 12.
How the scope of our audit responded to the key audit matter	We have performed the following audit procedures: • Reviewed management's discounted cash flow model and challenged them on their forecasted information and estimates; • Considered any available contradictory evidence including the market capitalisation of the Group; • Involved our valuations specialists to assess the discount rate as well as the model's methodology for applicability in accordance with IAS 36 requirements; • Evaluated management's forecasts pertaining to revenue, and terminal value; • Performed a historical analysis to assess management's past ability to forecast by comparing budgets vs actuals of previous years. This included consideration of the performance since acquisition and the forecasts at acquisition; • Performed sensitivities to analyse the break-even point for headroom, as well as understanding the various points where revenue, the discount rate and the terminal value would be sensitive, and further compared these to sensitivities performed by management; • Assessed the appropriateness of the disclosures in the financial statements.
Key observations	Based on the challenges posed to management and the additional work performed, we concurred with the directors' conclusion that there was no impairment for goodwill to be recognised.

Independent Auditor's report to the Members of Pod Point Group Holdings plc continued

6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent company financial statements
Materiality	£770,000 (2021: £673,000)	£770,000 (2021: £673,000)
Basis for determining materiality	We determined materiality on the basis of revenue. Materiality selected represents 1% (2021: 1%) of revenue balance.	Materiality for the parent company has primarily been determined on the basis of the net assets and capped at the materiality identified for the Group. Parent company materiality equates to 0.3% (2021: 0.3%) of net assets.
Rationale for the benchmark applied	Whilst we also considered asset based metrics, we consider that revenue is of particular relevance to users of the financial statements and is a key measure of performance used by the Group given the current stage of development of the business. We consider that the market users are particularly interested in what drives the growth and the valuation of the company and this currently focuses primarily on revenue.	When determining materiality, we considered the net assets of the company as its principal activity is as an investment holding company for the Group.

6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	70% of Group materiality (2021: 70%)	70% of parent company materiality (2021: 70%)
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: a) our risk assessment, including our assessment of the overall control environment; b) the consistency of the management structure and finance team year on year; and c) the history of low level of misstatements identified in the previous audits and management's willingness to correct those adjustments.	

6.3. Error reporting threshold

We agreed with the Audit & Risk Committee that we would report to the Committee all audit differences in excess of £38,500 (2021: £34,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit & Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Identification and scoping of components

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

Audit work to respond to the risks of material misstatement was performed directly by the engagement team.

The Group maintains a single aggregated set of accounting records for all of its operations and we therefore audited the entire Group as a single component. Consequently, all assets, liabilities, income and expenses were subject to full scope audit. For the audit of the parent company, management deconsolidated the Group financial information to identify the relevant parent company-only balances and transactions.

7. An overview of the scope of our audit continued

7.2. Our consideration of the control environment
We involved our IT specialists to assess relevant controls over the Group's IT systems. Working with our specialists we identified and assessed relevant risks of material misstatement arising from each relevant IT system and the supporting infrastructure technologies based on the role of application in the Group's flow of transactions. We obtained an understanding of the IT environment as part of these risk assessment procedures. Relevant controls were identified and tested to address those IT risks included Salesforce, Sage 200, Cezanne HR, and Jira.

We did not take a controls reliance approach reflecting the ongoing process to formalise the controls and processes at the Group over the period. We have highlighted to the Audit & Risk Committee areas where controls enhancements should arise to formalise some of the reviews and processes adopted by management. The Audit & Risk Committee Report notes the focus on this area on page 91-92.

7.3. Our consideration of climate-related risks
Management's climate-related risks and opportunities assessment factors in key considerations relating to the four TCFD pillars. Their environment focus areas are centred around enabling the decarbonisation of transport and grid, encouraging customers towards net zero and eliminating their own emissions. Further detail is provided on the progress made in 2022 in relation to their sustainability objectives and to report against the TCFD framework is set out from page 45.

Our risk assessment procedures included:

- obtaining an understanding of management's process and controls in considering the impact of climate risks;
- assessing whether the risks identified by the entity are complete and consistent with our understanding of the entity;
- involving our Environmental and Social Governance team in challenging management on various elements of their climate-related disclosure; and
- reading the disclosures in the strategic report to consider whether they are materially consistent with the financial statements and our knowledge obtained in the audit.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement's or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's report to the Members of Pod Point Group Holdings plc continued

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- results of our enquiries of management, the directors and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and relevant internal specialists, including tax, valuations, IT, and industry specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, capitalisation of development costs and goodwill impairment. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules, pensions legislation and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty.

11.2. Audit response to risks identified

As a result of performing the above, we identified goodwill impairment, capitalisation of development costs and revenue recognition as key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit & Risk committee and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Independent Auditor's report to the Members of Pod Point Group Holdings plc continued

12. Opinions on other matters prescribed by the Companies Act 2006 continued

In the light of the knowledge and understanding of the Group and the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Corporate Governance Statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages21-22;
- the directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 74;
- the directors' statement on fair, balanced and understandable set out on page 107;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 64-73;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 64-73; and
- the section describing the work of the Audit & Risk committee set out on pages 90-92.

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

We were appointed by the Board on 29 January 2020 to audit the financial statements for the period ended 31 December 2020 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm to Pod Point Group Holdings plc as a listed company from November 2021 is 2 years, covering the years ended 31 December 2021 to 31 December 2022. As noted in the Audit & Risk Committee Report, the 31 December 2022 audit is expected to be the last of the current term in which Deloitte will be the auditor of Pod Point Group Holdings plc.

15.2. Consistency of the audit report with the additional report to the audit and risk committee

Our audit opinion is consistent with the additional report to the Audit & Risk Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.14R, these financial statements form part of the European Single Electronic Format (ESEF) prepared Annual Financial Report filed on the National Storage Mechanism of the UK FCA in accordance with the ESEF Regulatory Technical Standard ('ESEF RTS'). This auditor's report provides no assurance over whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS.

Anthony Matthews FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

28th April 2023

Consolidated income statement

	Notes	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Revenue (including OZEV revenues)	5,7	**71,409**	61,415
Cost of sales		**(54,820)**	(45,070)
Gross profit		**16,589**	16,345
Other income	7	**1,461**	–
Administrative expenses		**(38,065)**	(29,377)
Operating loss	6	**(20,015)**	(13,032)
Analysed as:			
Adjusted EBITDA[1]		**(7,040)**	58
Adjusting large corporate transaction and restructuring costs[2]	9	**(57)**	(5,739)
Share-based payments		**(5,175)**	(2,422)
EBITDA[1]		**(12,272)**	(8,103)
Amortisation and depreciation		**(7,743)**	(4,929)
Group operating loss		**(20,015)**	(13,032)
Finance income	10	**457**	–
Finance costs	10	**(366)**	(1,290)
Loss before tax		**(19,924)**	(14,322)
Income tax expense	11	**(287)**	–
Loss after tax		**(20,211)**	(14,322)
Basic and diluted loss per ordinary share	26	**£(0.13)**	£(0.13)

Notes:

1. EBITDA is defined as earnings before interest, tax, depreciation and amortisation, and is considered by the Directors to be a key measure of financial performance. Adjusted EBITDA is defined as earnings before interest, tax, depreciation and amortisation and also excluding both amounts charged to the income statement in respect of the Group's share-based payments arrangements and also adjusting for large corporate transaction and restructuring costs. These have been separately identified by the Directors and adjusted to provide an underlying measure of financial performance. The reconciliation is set out on the income statement and note 9 provides a summary of the amounts arising from the large corporate transactions and restructuring costs.
2. See note 9.
3. All amounts relate to continuing activities.
4. All realised gains and losses are recognised in the consolidated income statement and there is no other comprehensive income.
5. The notes on pages 122 to 147 form part of the consolidated financial statements.
6. There is no other comprehensive income in the years presented and therefore no separate statement of other comprehensive income is presented.

Consolidated statement of financial position

	Notes	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Non-current assets			
Goodwill	4,12	**77,639**	77,639
Intangible assets	12	**33,236**	29,421
Property, plant and equipment	13	**5,498**	4,277
Deferred tax asset	11	**5,670**	7,379
Right-of-use assets	14	**2,914**	1,400
		124,957	120,116
Current assets			
Inventories	15	**7,342**	8,214
Trade and other receivables	16	**26,882**	24,041
Short-term investments	18	**–**	50,000
Cash and cash equivalents	17	**74,103**	46,112
		108,327	128,367
Total assets		**233,284**	248,483
Current liabilities			
Trade and other payables	19	**(36,419)**	(36,173)
Loan and borrowings	20	**(2,842)**	(707)
Lease liabilities	21	**(1,634)**	(896)
Provisions	22	**(265)**	(160)
		(41,160)	(37,936)
Net current assets		**67,167**	90,431
Total assets less current liabilities		**192,124**	210,547

	Notes	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Non-current liabilities			
Loan and borrowings	20	**(481)**	(2,326)
Lease liabilities	21	**(1,515)**	(763)
Deferred tax liability	11	**(5,670)**	(7,379)
Provisions	22	**(301)**	(244)
		(7,967)	(10,712)
Total liabilities		**(49,127)**	(48,648)
Net assets		**184,157**	199,835
Equity			
Share capital	23	**154**	154
Share premium		**140,203**	140,057
Other reserves		**6,651**	2,264
ESOP reserve		**(1,318)**	(1,318)
Retained earnings		**38,467**	58,678
		184,157	199,835

The notes on pages 122 to 147 form part of the consolidated financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 26th April 2023. They were signed on its behalf by:

Erik Fairbairn
Chief Executive Officer

David Wolffe
Chief Financial Officer

Consolidated statement of changes in equity

As at 31st December 2022:

	Share capital (note 23) £'000	Share premium (note 23) £'000	Other reserves (note 23) £'000	ESOP reserve (note 23) £'000	Retained earnings (note 23) £'000	Total equity £'000
Balance as at 1st January 2022	**154**	**140,057**	**2,264**	**(1,318)**	**58,678**	**199,835**
Loss after tax and total comprehensive income for the year	–	–	–	–	(20,211)	(20,211)
Issue of shares during the year	–	158	(158)	–	–	–
Share-based payments	–	–	4,545	–	–	4,545
Share issuance costs	–	(12)	–	–	–	(12)
Balance as at 31st December 2022	**154**	**140,203**	**6,651**	**(1,318)**	**38,467**	**184,157**

As at 31st December 2021:

	Share capital (note 23) £'000	Share premium (note 23) £'000	Other reserves (note 23) £'000	ESOP reserve (note 23) £'000	Retained earnings (note 23) £'000	Total equity £'000
Balance as at 1st January 2021	–	26,400	–	–	72,373	98,773
Loss after tax and total comprehensive income for the year	–	–	–	–	(14,322)	(14,322)
Waived intercompany loan	–	–	–	–	627	627
Issue of shares during the year	153	112,340	–	–	–	112,493
Issue of shares pursuant to the share incentive plan	1	1,317	–	(1,318)	–	–
Share-based payments	–	–	2,264	–	–	2,264
Balance as at 31st December 2021	154	140,057	2,264	(1,318)	58,678	199,835

Consolidated statement of cash flow

	Notes	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Cash flows from operating activities			
Operating loss		**(20,015)**	(13,032)
Adjustment for non-cash items:			
Amortisation of intangible assets	12	**5,484**	3,670
Depreciation of tangible assets	13	**1,123**	650
Depreciation of right-of-use assets	14	**1,136**	609
Share-based payment charges	25	**4,545**	2,422
Tax	11	**(287)**	–
Loss on impairment of intangible assets	12	**604**	–
Loss on disposal of tangible assets		**4**	–
		(7,406)	(5,681)
Changes in working capital			
(Increase)/decrease in inventories		**872**	(2,592)
(Increase)/decrease in trade and other receivables		**(2,841)**	(9,724)
Increase/(decrease) in trade and other payables		**246**	15,693
Increase/(decrease) in provisions		**162**	88
		(1,561)	3,465
Net cash flow (used in) operating activities		**(8,967)**	(2,216)
Cash flows from investing activities			
Purchase of tangible assets	13	**(2,348)**	(2,625)
Purchase of intangible assets	12	**(9,902)**	(4,565)
Redemption of/(cash invested in) short-term investments	18	**50,000**	(50,000)
Interest received		**458**	–
Net cash flow (used in) investing activities		**38,208**	(57,190)
Cash flows from financing activities			
Shares issued	23	**-**	120,074
Issuance cost of shares		**-**	(7,664)
Proceeds from new borrowings	20	**1,243**	1,477
Loan repayment	20	**(990)**	(9,346)
Payment of principal of lease liabilities		**(1,129)**	(648)
Payment of lease interest		**(216)**	(118)
Other Interest paid		**(158)**	(1,200)
Net cash flows (used in)/generated by financing activities		**(1,250)**	102,575
Net increase/(decrease) in cash and cash equivalents		**27,991**	43,169
Cash and cash equivalents at beginning of the year		**46,112**	2,943
Closing cash and cash equivalents		**74,103**	46,112

£50 million of cash was held in a short-term deposit account at 31st December 2021 and for reporting purposes is shown as an investment above. Closing cash and short-term investments totalled £96,112k at 31st December 2021.

The notes on pages 122 to 147 form part of the consolidated financial statements.

1. General information

Pod Point Group Holdings plc (referred to as the “Company”) is a public limited company incorporated in the United Kingdom under the Companies Act 2006, and registered in England. Its registration number is 12431376. The registered address is 28–42 Banner Street, London EC1Y 8QE.

The principal activity of the Company and its subsidiary undertakings (the “Group”) during the years presented is that of development and supply of equipment and systems for recharging electric vehicles. The entire issued share capital of the Company was admitted to trading on the Main Market of the London Stock Exchange on 9th November 2021.

2. Summary of significant accounting policies

2.1 Basis of preparation

The Company was incorporated on 29th January 2020, and purchased Pod Point Holding Ltd (“PPH”) and its subsidiaries on 13th February 2020, (together forming the “Group”).

Refer to note 4 for further details on the impact of the acquisition on the consolidated statement of profit and loss, consolidated income statement and consolidated cash flow statement.

The accounting policies set out in the sections below have, unless otherwise stated, been applied consistently to all periods presented within the financial information and have been applied consistently by all subsidiaries.

The consolidated financial statements have been prepared in accordance with the United Kingdom adopted International Accounting Standards, with International Financial Reporting Standards as issued by the IASB and in conformity with the requirements of the Companies Act 2006.

2.2 Statement of compliance

The consolidated financial statements have been prepared in accordance with the significant accounting policies described in this note 2.

2.3 Basis of measurement

The consolidated financial statements are prepared on the historical cost convention as modified by financial instruments recognised at fair value.

2.4 New standards and interpretations not yet adopted

Future standards

There are new IFRS standards, interpretations and amendments that are effective for periods beginning on or after 1st January 2023 as follows:

- IFRS 17, Insurance Contracts provides the first comprehensive guidance to accounting for insurance contracts
- IAS 1, Amendments to the Disclosure of Accounting Policies
- IAS 8, Amendments to the definition of Accounting Estimates
- IAS 1, Amendments on classification
- IAS 12, Amendments to Income Taxes
- IFRS 16, Amendments to IFRS 16, Lease Liability in a Sale and Leaseback (effective 1st January 2024)
- IAS 1, Amendments to Non-current Liabilities with Covenants (effective 1st January 2024)

The Group does not believe that any of the above items nor any other new standards or amendments not yet effective will have a material impact on the consolidated financial statements or on other financial statements in future periods. The Directors expect to apply these standards from their effective dates.

2.5 Functional and presentation currency

The Company’s functional and presentational currency is GBP because that is the currency of the primary economic environment in which the company operates. The presentation currency of the Group is GBP. Foreign operations are included in accordance with the policies set out below.

2.6 Going concern

After preparing and reviewing cash flow forecasts and available facilities for at least the next 12 months, the Directors have formed a judgement, at the time of approving the consolidated financial statements, that the Group will have sufficient resources and cash to continue in operational existence for the foreseeable future.

This judgement has been formed taking into account the principal risks and uncertainties that the Group faces. Further details are disclosed on page 21 in the Chief Financial Officer’s statement.

2. Summary of significant accounting policies continued

2.7 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial information of subsidiaries are included in the consolidated financial information from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

2.8 Revenue (incl. OZEV revenues)

Overview

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is presented as the gross amount billed to a customer where it is earned from the sale of goods or services as principal. Revenue is presented as the net amount retained where it is earned as an agent through a commission or fee. Payment is due upfront for the majority of residential chargepoints sold, and with 30-day payment terms for most other commercial chargepoints sold. Returns and refunds are covered within standard terms and conditions of the sale.

Revenue recognition under IFRS 15

IFRS 15 provides a single, principles based five-step model to be applied to all sales contracts as outlined below. It is based on the transfer of control of goods and services to customers.

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

Under IFRS 15, revenue is recognised as follows:

- Revenue from the sale of products is recognised when the risks and rewards of ownership are transferred to the customer, which is usually at the point at which goods are installed for the customer.
- Revenue from the sale of licences, extended warranty and support is recognised on a straight-line basis.
- Revenue derived from funded development and large programmes is recognised as milestone obligations are completed in full.

The Group generates revenue from the following performance obligations for the years ending 31st December 2022 and 2021.

- Sale of chargepoint, installation and additional works
- Extended warranty
- Sale of accessories

Commercial sales

- Sale of chargepoints and managed installation
- Smart Reporting
- Supply-only sales
- Revenue share agreements
- Extended warranty
- Owned asset media screen fees

Sale of charging units & installations

The sale and installation of chargepoints to both domestic and commercial customers is the primary source of revenue generation for the Group. The transaction price is clearly stated on Pod Point's website and is paid upfront for domestic customers. For commercial customers, the transaction price is clearly specified within a quote or contract.

Domestic customers are also entitled to a reduced price if they are eligible for an Office for Zero Emission Vehicles ("OZEV") government grant under the OZEV EV chargepoint grant (formerly the Electric Vehicle Homecharge Scheme ("EVHS"), of which the Group will claim from The Driver and Vehicle Licensing Agency ("DVLA") on behalf of the customer. A summary of revenues earned from OZEV claims during the periods is summarised in note 7.

2. Summary of significant accounting policies continued

In line with IFRS 15, revenue, including OZEV revenue, is recognised in the majority of cases at a point in time, when the installation is complete. On a limited number of larger projects, revenue is recognised over time in line with contractually agreed dates or deliverables.

Extended warranty

Extended warranty is offered for purchase in addition to standard warranty included with the sale of a chargepoint. Extended warranty is recognised on a straight-line basis over the lifetime of the extended warranty period.

Sale of accessories & supply only goods

Sale of accessory goods are recognised at a point in time, when the transfer of control occurs and the item is delivered to the customer.

Supply-only sales represent a sale of a chargepoint at wholesale, without the combined installation of the chargepoint. These sales are also recognised at a point in time, once transfer of control occurs, at the time the chargepoint is delivered to the customer.

Smart Reporting

Smart Reporting is a recurring revenue stream, which provides the customer with access to the transactional data collected by the chargepoint by the Group's software system. The transaction price is included in the commercial contracts with customers and revenue is recognised straight line over the period covered by Smart Reporting.

Revenue share

Revenue share agreements comprise of an agreement with the commercial customer, by which the customer charges the end user for use of the energy generated by the chargepoints. The Group collects the payment from the end user through the Pod Point App, and remits the payment to the commercial customer, net of a commission fee as defined in the contract.

The Group has determined that in the current contractual circumstances, Pod Point is acting as an agent in the transaction and therefore the revenue is presented at the net amount of the commission, with the exception of revenue share earned as part of the owned asset contract in which Pod Point is acting as the principal in the transaction and therefore revenue is presented at the gross amount billed. Revenue is recognised at a point in time when the chargepoint is being used.

Owned asset media screens

Revenue is generated through the provision of media screens for display on chargepoint installed at a customer's site. The chargepoints are owned and managed by the Group, and a monthly fee is collected on any chargers of which the media screens are in working use.

The transaction price is the monthly fee as stated in the contract with the customer and under IFRS 15, revenue is recognised over time, over the period in which the media screens are in place and working.

The Group considers its involvement to be acting as a principal in all revenue streams apart from revenue share, as noted above.

Accrued income:

Accrued income represents revenue recognised to date less amounts invoiced to customers.

Deferred income:

Where sales of goods and services are billed upfront, the income is deferred and released at the point in which revenue is to be recognised and the performance obligation is satisfied. Deferred income at the year end recognised when installation occurs.

2.9 Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee. The underlying assets recognised by the Group comprises a lease on the office space, and several leases of vehicles.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

2. Summary of significant accounting policies continued

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has elected to use this practical expedient. Any modifications made to the terms of a lease are reflected in the month that these are agreed with the lessor. The adjustments are reflected in the balance sheet value of both the lease liability and the corresponding right-of-use asset.

2.10 Foreign Currency Transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group companies at exchange rates applicable on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences arising on translation are generally recognised in the consolidated income statement. Non-monetary items that are measured based on historical cost in foreign currency are not re-translated.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of entities with a functional currency other than sterling are expressed in sterling using exchange rates prevailing at the reporting period date. Income and expense items and cash flows are translated at the average exchange rates for each month and exchange differences arising are recognised directly in other comprehensive income.

2.11 Non-IFRS information

This document contains certain financial measures that are not defined or recognised under IFRS, including EBITDA and adjusted EBITDA. EBITDA results from the Group's loss, before tax, interest, depreciation and amortisation, and adjusted EBITDA results from the Group's loss before tax, interest depreciation, amortisation, share-based payments and adjusting large corporate transaction and restructuring costs.

Information regarding EBITDA, adjusted EBITDA or similar measures are sometimes used by investors to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditures and working capital requirements. There are no generally accepted principles governing the calculation of adjusted EBITDA or similar measures and the criteria upon which EBITDA, adjusted EBITDA or similar measures are based can vary from company to company. EBITDA and adjusted EBITDA, alone, do not provide a sufficient basis to compare the Company's performance with that of other companies and should not be considered in isolation or as a substitute for operating profit, revenue or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity.

Adjusting large corporate transaction and restructuring costs are non-trading, non-cash or one-off items. The following are included by the Group in its assessment of exceptional items:

- Costs related to major financing and other corporate projects
- Restructuring costs

See note 9 for summary of adjusting large corporate transaction and restructuring costs disclosed.

2.12 Taxation

Current and deferred tax is recognised in the consolidated income statement except where it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or equity, respectively.

(i) Current tax

Current tax, including UK corporation tax, is calculated for each entity by applying the relevant statutory tax rates to taxable profits for the year, which is calculated in accordance with the tax laws of the country in which each entity is tax resident. Tax rates applied are those which are enacted, or substantially enacted at each balance sheet date. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other accounting periods and it further excludes items of income or expenses that are never taxable or deductible.

2. Summary of significant accounting policies continued

(ii) Deferred tax

Deferred tax is calculated using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting and taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at each balance sheet date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to do and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but where they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available against which the temporary differences, including tax losses, can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date by reassessing whether sufficient future taxable profits will be generated in future periods such that these deferred tax assets continue to be recoverable. The Group considers all available evidence in evaluating whether or not it is probable that sufficient taxable profits will be generated in future periods.

2.13 Intangible assets & goodwill

Intangible assets are initially recognised at cost. After recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation and impairment on intangible assets are recognised in the income statement.

An intangible asset is de-recognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement.

Expenditure on research activities are recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

All intangible assets are considered to have a finite useful life.

Amortisation

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets. The estimated useful lives are as follows:

- Capitalised development cost – 3 years
- Customer relationships – 15 years
- Brand – 20 years

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer’s interest in the fair value of the Group’s share of its identifiable assets and liabilities of the acquiree on the date of acquisition.

Subsequent to initial recognition, goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment.

The Group tests goodwill annually for impairment by reviewing the carrying amount against the recoverable amount of the investment. The recoverable amount is the higher of fair value less costs to dispose and value in use.

2.14 Property, plant and equipment

Property, plant and equipment are stated at cost, less any accumulated depreciation and accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the income statement as incurred.

Notes to the financial statements continued

2. Summary of significant accounting policies continued

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives are as follows:

Short-term leasehold property	Over remaining term of the lease
Plant and machinery	3 years
Fixtures and fittings	3 years
Computer equipment	3 years
Owned assets	7–10 years

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is de-recognised.

2.15 Impairment of intangibles plus property, plant and equipment

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and definite life intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

An impairment loss of £604k has been recognised against intangible assets in the year ended 31st December 2022 (2021: nil).

2.16 Inventories

Inventories are valued at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress includes labour and attributable overheads.

At each balance sheet date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Cash credited by customers on to their Pod Point mobile application to pay for future vehicle charging is disclosed separately and is restricted for use, however is not held within a separate bank account.

2.18 Financial assets and liabilities

Financial assets, comprise trade and other receivables which are initially measured at fair value. They are subsequently measured at amortised cost as it is held within a business model whose objective is to collect contractual cash flows that are solely payments of principal and interest. De-recognition occurs either when the contractual rights expire or if substantially all the risks and rewards associated with the ownership of the asset is transferred.

The Group applies the IFRS 9 simplified approach to measuring credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the days past due. The Company recognises a loss allowance for expected credit losses on a financial asset that is measured at amortised cost, measured at fair value through other comprehensive income, a lease receivable, a contract asset or a loan commitment and a financial guarantee contract to which impairment requirements apply.

2. Summary of significant accounting policies continued

At each reporting date, the Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The expected credit losses are assessed considering all reasonable and supportable information, including that which is forward-looking. If at the reporting date the credit risk on a financial instrument has not increased significantly since initial recognition, an entity shall measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. The amount of credit losses (or reversal) is recognised in profit or loss, as an impairment gain or loss at the reporting date.

Financial liabilities comprise bank loans, amounts owed to Group undertakings and trade payables. They are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. De-recognition occurs when the contractual obligations are extinguished, cancelled or expired.

2.19 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the Directors' best estimate of the expenditure required to settle the Group's obligation.

2.20 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive income over the vesting period. A credit is recognised directly in equity. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. The Group recognises the impact of the adjustment, if any, in the income statement, with a corresponding adjustment to equity. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the income statement over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the income statement is charged with fair value of goods and services received.

2.21 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

2.22 Operating segments

In accordance with IFRS 8 the Group determines and presents its operating segments based on internal information that is provided to the CEO, COO, CFO and CCO, who are considered to be the Group's Chief Operating Decision Maker ("CODM"). During the years presented, management have assessed the Group's segments and established that the Group has four segments as presented in note 5, on the basis of the information received and monitored by the CODM. These segments will be monitored on a go-forward basis and in the next financial statements.

2.23 Business combinations

Acquisitions of subsidiaries and businesses, other than those occurring under common control, are accounted for using the acquisition method. The consideration is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. The Group elects whether to measure the non-controlling interests in the acquiree at the fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are recognised in profit or loss as incurred.

When the Group acquires a business, it classifies the identifiable assets acquired and the liabilities assumed as necessary to apply other IFRSs subsequently. This is based on contractual terms, economic conditions and other pertinent conditions as they exist as at acquisition date.

2. Summary of significant accounting policies continued

Goodwill arising on acquisition is recognised as an asset and is measured as the excess of the consideration transferred over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the income statement. As part of the acquisition accounting exercise, contracts are identified which represent an asset to the Group (i.e. contract is in the money on acquisition date) or a liability to the Group (i.e. contract is out of the money at acquisition date). A contract asset or liability is calculated as the fair value of the contract on the acquisition date and these are credited/charged to the income statement as the contract matures. Contract assets are recognised within intangible assets on the balance sheet and liabilities are included within provisions.

3. Critical accounting judgement and key source of estimation uncertainty

In the application of the Group's accounting policies, described in note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only the period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

(i) Capitalisation of development costs (see note 12)

Management make judgements regarding the point at which research and development costs meet the capitalisation criteria as set out in note 2.13. All expenditure on potential intangible fixed assets are treated as an expense unless the item being worked on meets the definition of an intangible asset and criteria for capitalisation. Each month development staff report the amount of actual time spent on development. Management uses information about the projects being worked on, and the time and materials costs that go into the development of those projects as reported to ensure the criteria are met. The resulting direct labour cost arising (including an appropriate level of overheads) that meet the above criteria is recorded within intangible fixed assets.

(ii) Revenue recognition

Contracts are accounted for in accordance with IFRS 15 'Revenue from Contracts with Customers'. Revenue and profits are recognised as, and when, identifiable performance obligations are met. Determining the performance obligations, contract price and relevant allocation, for some contracts, may require management to exercise judgement. Management has also exercised judgement when determining whether certain performance obligations, namely the supply and installation of goods are required to be bundled. Estimates and judgements are continually reviewed and updated as determined by events or circumstances. Transaction prices are clearly defined within an accepted quote or signed contract and are allocating against the performance obligation as defined. Returns, refunds and rebates are clearly defined within terms and conditions or signed contracts.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Trade receivables provision

The valuation of amounts recoverable and not recoverable on trade receivables involves significant estimation. See note 16 for trade receivable provision amount recognised.

IFRS 9 Financial Instruments requires the expected credit losses to be measured using an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. IFRS 9 allows practical expedients to be used when measuring credit losses. The Group has elected to use a provision matrix based on the ageing profit of debts and the historical credit loss rates adjusted by a forward looking estimate that includes the probability of a worsening domestic economic environment/specific conditions to a particular customer over the coming quarters.

(ii) Inventory provision

In determining the lower of cost and net realisable value of inventory and in establishing the appropriate provision for inventory obsolescence, management estimates the likelihood that inventory carrying values will be affected by changes in market pricing, government regulations or demand for the products and by changes in technology or design which could make inventory on hand obsolete or recoverable at amounts less than the recorded value. Management performs regular reviews to assess the impact of these factors on the carrying value of inventory. Where it is determined that such changes have occurred and will have a negative impact on the value of inventory on hand, appropriate provisions are made. If there is a subsequent increase in the value of inventory on hand, reversals of previous write-downs to net realisable value are made. Unforeseen changes in these factors could result in additional inventory provisions, or reversals of previous provisions, being required.

Inventory provision at 31st December 2022 was £717k (2021: £590k).

4. Financial implications of the acquisition

On 13th February 2020, the Company acquired 100% of the share capital of PPH for a cash consideration of £85 million and share for share exchange equivalent to £26.4 million as set out in the table below.

The asset and liabilities recognised as a result of the acquisition are as follows:

	£'000
Intangible assets[1]	27,311
Cash and cash equivalents	5,295
Inventories	3,131
Trade and other receivables[2]	8,834
Fixed assets	2,306
Borrowings	(1,243)
Other liabilities	(7,703)
Trade and other payables	(2,660)
Deferred tax asset	5,189
Deferred tax liability	(5,189)
Right-of-use assets	1,056
Lease liability	(1,370)
Fair value of identifiable net assets	34,957

1. Intangible assets include £14.0 million and £13.0 million recognised at acquisition date that relate to the Pod Point brand and customer relationships for which the estimated useful lives are 15 and 20 years respectively.

2. Trade and other receivables include £8.0 million of trade receivables which approximate its fair value. The gross value of trade and other receivables was £8.3 million with a £300,000 provision for bad debts.

Goodwill arising from the acquisition has been recognised as follows:

	£'000
Cash consideration	85,196
Consideration in the form of shares issued	26,400
Contingent consideration (see note 19)	1,000
Fair value of identifiable net assets	(34,957)
Goodwill	77,639

During 2020, as part of the plans to acquire a 100% stake in Pod Point Holding Limited, 13,118 shares with a nominal value of £0.0001 per share were issued to Parent Company EDF Energy Customers Limited ("EECL") and Parent Company Legal & General Capital Investments Limited ("LGCIL"). A share premium reserve arose of £26.4 million. Funding was received from EDF Energy Customers Limited to fund the remaining acquisition cash flows. £84.6 million of this funding was subsequently waived in the period resulting in a capital contribution and a corresponding increase to retained earnings. Detail in relation to the contingent consideration is included in note 19 (trade and other payables and other non-current liabilities).

5. Segment reporting

The Group has four operating and reportable segments which are considered:

Reportable segment	Operations
Home	Activities generated by the sale of chargepoints to for installation at homes.
Commercial	Activities generated by the sale and installation of chargepoints in commercial settings, such as the destination, workplace and en-route routes to market.
Owned assets	Operating activities relating to customer contracts, in which Pod Point owns the chargepoint assets but charges a fee for provision of media screens on the chargepoints for advertising purposes, and charges end customers for the use of these assets.
Recurring	Operating activities relating to the recurring revenue generated on chargepoints, relating to fees charged from the ongoing use of the Pod Point software and information generated from the management information system.

Notes to the financial statements continued

5. Segment reporting continued

There are no transactions with a single external customer amounting to 10% or more of the Group's revenues.

Work, destination and en-route revenues are routes to market within the UK commercial segment, rather than individual business segments with the types of installations being similar in all three.

Revenue has been further split into OZEV and non-OZEV revenues for each segment. OZEV revenues are the portion of revenue generated from an installation, which are claimed from the DVLA by the Group on who are eligible for the government grant, as described in note 2.8.

A breakdown of revenues and non-current assets by geographical area is included in note 7. Assets and liabilities are not reviewed on a segmental basis and therefore have not been included in this disclosure.

The following amounts previously recorded in the Norway segment for the year ending 31st December 2021 have been reclassified into commercial. The Norway segment has been subsumed into the commercial segment for the year ended 31st December 2022 as it is no longer a material segment requiring separate disclosure, therefore the comparative period has also been restated for comparativeness. The nature of the products and services are the same and the two segments have similar economic effects, therefore aggregation is appropriate:

	Year ended 31st December 2021 £'000
Norway revenue	233
Norway cost of sales	(444)
Gross margin	(211)

Segmental analysis for the year ended 31st December 2022:

	Home £'000	Commercial £'000	Owned assets £'000	Recurring £'000	Total Group £'000
Revenue, non-OZEV	**34,891**	**23,257**	**4,233**	**1,896**	**64,277**
OZEV revenue	**6,495**	**637**	**–**	**–**	**7,132**
Revenue	**41,386**	**23,894**	**4,233**	**1,896**	**71,409**
Cost of sales	**(33,304)**	**(18,721)**	**(1,992)**	**(803)**	**(54,820)**
Gross margin	**8,082**	**5,173**	**2,241**	**1,093**	**16,589**
Other income					**1,461**
Administrative expenses					**(38,065)**
Operating loss					**(20,015)**
Finance income					**457**
Finance costs					**(366)**
Loss before tax					**(19,924)**

Segmental analysis for the year ended 31st December 2021:

	Home £'000	Commercial £'000	Owned assets £'000	Recurring £'000	Total Group £'000
Revenue, non-OZEV	24,729	17,519	2,033	918	45,199
OZEV revenue	15,543	673	–	–	16,216
Revenue	40,272	18,192	2,033	918	61,415
Cost of sales	(28,925)	(14,474)	(1,165)	(506)	(45,070)
Gross margin	11,347	3,718	868	412	16,345
Administrative expenses					(29,377)
Operating loss					(13,032)
Finance income					–
Finance costs					(1,290)
Loss before tax					(14,322)

6. Group operating loss

Loss for the year has been arrived at after charging/(crediting):

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Amortisation of intangible fixed assets	**5,484**	3,670
Depreciation of tangible fixed assets	**1,123**	650
Depreciation of right-of-use asset	**1,136**	609
Exchange differences	**56**	(10)
Cost of inventories recognised as an expense	**28,818**	24,554
Staff costs	**28,628**	22,418
Loss on impairment of intangible assets	**604**	–
Loss on disposal of tangible assets	**4**	–

Audit fees payable for the Group amounted to £340k (2021: £285k) whereas non-audit services amounted to £45k (2021: £946k). Non-audit fees in 2021 were associated with reporting accountant services associated with the IPO and a portion was included within issuance costs recognised against share premium. Non-audit fees in 2022 related to the review of the interim report.

7. Revenue and non-current assets

Revenue, analysed geographically between markets, was as follows:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
United Kingdom	**71,277**	61,182
Norway	**132**	233
Total revenue	**71,409**	61,415

The geographical analysis of revenue and net revenue is on the basis of the country of origin in which the client is invoiced.

Revenue, split between OZEV revenues and non-OZEV revenues was as follows:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Non-OZEV revenue	**64,277**	45,199
OZEV revenue	**7,132**	16,216
Total revenue	**71,409**	61,415

All OZEV revenue was earned in the UK. Non-current assets are all held within the UK for all periods presented.

Other income represents grant income relating to the R&D expenditure credit for relief on the Group's research and development costs.

8. Directors and employees

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost represents contributions payable by the Group to the fund and amounted to £271k for the year ended 31st December 2022 (2021: £416k).

Pension contributions payable amount at 31st December 2022 was £180k (2021: £101k). Pension contributions payable to Directors is disclosed within the Directors' Remuneration Report.

The table below presents the staff costs of these persons, including those in respect of the Directors, recognised in the income statement.

	Year ended 31st December 2022 £'000	**Year ended 31st December 2021 £'000**
Wages and salaries	**20,699**	17,419
Social security costs	**3,118**	2,115
Costs of defined contribution scheme	**266**	416
Net share-based payment expense	**4,545**	2,422
Total staff costs	**28,628**	22,372

During the year ended 31st December 2022, in addition to the above, £6,730k of staff costs were capitalised (2021: £2,904k).

Staff costs presented in this note reflect the total wage, tax and pension cost relating to employees of the Group. These costs are allocated between administrative expenses, cost of sales or capitalised where appropriate as part of deferred development costs. Directors aggregate emoluments are disclosed within the Directors' Remuneration Report.

The average number of employees employed by the Group during the year ended 31st December 2022 was 494 (2021: 321)

Key management personnel

Key management personnel of the Group are the members of the Board of Directors as well certain other members directing and controlling the activities of the Group. Directors appointed by EDF are remunerated by EDF and their costs are not recharged and an allocation of cost is not considered readily identifiable.

Key management costs include the following expenses:

	Year ended 31st December 2022 £'000	**Year ended 31st December 2021 £'000**
Short-term employee benefits	**3,058**	3,528
Post-employment benefits	**56**	85
Net share-based payment expense	**2,987**	2,046
Total key management personnel expenses	**6,101**	5,659

The aggregate emoluments of the highest paid key management personnel in the Group for the year ended 31st December 2022 was £3,284k (2021: £1,913k).

During the year ended 31st December 2022, 1 key management personnel was a member of the Group's defined contribution pension plan (2021: 2).

Notes to the financial statements continued

9. Adjusting large corporate transaction and restructuring costs

Adjusting large corporate transaction and restructuring costs, for the purposes of presenting non-IFRS measure of adjusted EBITDA as per accounting policy noted in note 2.11, are as follows:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Costs related to raising finance and other corporate projects	**-**	5,536
Restructuring costs	**57**	203
Total adjusting large corporate transactions and restructuring costs	**57**	5,739

Raising finance relates to equity financing which, given its scale in the prior year is not considered to be in the normal course of the operating business.

Restructuring costs in 2021 are staff-related costs arising from changes to the Senior Management Team and department reorganisations that were not in the normal course of the operating business. Restructuring costs in 2022 related to the closure of the Norway branch.

10. Finance income and finance costs

Net financing costs comprise bank interest income and interest expense on borrowings, and interest expense on lease liabilities.

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Interest on bank deposits	**457**	–
Finance income	**457**	–
Interest on loans and bonds	**(150)**	(1,172)
Interest on lease liabilities	**(216)**	(118)
Finance costs	**(366)**	(1,290)
Net finance income/(costs) recognised in the income statement	**91**	(1,290)

11. Taxation

The taxation charge each year represents the following:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Current tax charge/(credit)	**287**	–
Deferred tax charge/(credit)	**-**	–
Total tax charge/(credit)	**287**	–

The amount of income tax recorded in the consolidated income statement differs from the expected amount that would arise by applying the statutory rate of tax to the pre-tax profit/(loss) for the year and is reconciled as follows:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Loss on ordinary activities before tax	**(19,924)**	(14,322)
Expected tax charge based on the standard rate of corporation tax in the UK of 19%	**(3,786)**	(2,721)
Fixed assets timing differences	**-**	–
Expenses not deductible for tax purposes	**706**	692
Income not taxable for tax purposes	**(127)**	–
Adjustments to brought forward values	**-**	–
Other permanent differences	**-**	–
Remeasurement of deferred tax for changes in tax rates	**-**	–
Movement in deferred tax not recognised	**3,207**	2,029
R&D other income tax charge	**287**	–
Total tax charge/(credit)	**287**	–

Notes to the financial statements continued

11. Taxation continued

The movement in the deferred tax assets/(deferred tax liabilities) was as follows:

Year ended 31st December 2022:

	Opening balance £'000	Recognised in profit or loss £'000	Recognised on acquisition £'000	Closing balance £'000
Deferred tax assets /(liabilities) related to:				
Fixed asset timing differences	**(985)**	**(1,370)**	**–**	**(2,355)**
Tax losses carried forward	**7,380**	**864**	**–**	**8,244**
Share-based payments	**(329)**	**109**	**–**	**(220)**
Customer-related intangibles (Group-level only)	**(6,066)**	**397**	**–**	**(5,669)**
	–	**–**	**–**	**–**

Year ended 31st December 2021:

	Opening balance £'000	Recognised in profit or loss £'000	Recognised on acquisition £'000	Closing balance £'000
Deferred tax assets /(liabilities) related to:				
Property, plant and equipment	(395)	(576)	–	(971)
Intangible assets	(82)	68	–	(14)
Tax losses carried forward	5,389	1,991	–	7,380
Share-based payments	–	(329)	–	(329)
Customer-related intangibles (Group-level only)	(4,912)	(1,154)	–	(6,066)
	–	–	–	–

The Group has the following temporary differences for which no deferred tax assets have been recognised:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Tax losses	**36,532**	(21,758)
Share-based payments	**2,057**	(4,619)
Short-term timing differences	**102**	857
	38,691	25,520

All unrecognised temporary differences above can be carried forward indefinitely. Temporary differences in respect of share-based payments arise in respect of Part 12 CTA 2009 share options deduction for which a deduction should be available in the future.

12. Intangible assets

Intangible assets as at 31st December 2022:

	Development £'000	Brand £'000	Customer relationships £'000	Goodwill £'000	Total £'000
Cost:					
At 1st January 2022	**10,800**	**13,940**	**13,371**	**77,639**	**115,750**
Additions	**9,902**	**–**	**–**	**–**	**9,902**
At 31st December 2022	**20,702**	**13,940**	**13,371**	**77,639**	**125,652**
Accumulated amortisation:					
At 1st January 2022	**5,646**	**1,336**	**1,708**	**–**	**8,690**
Amortisation	**3,896**	**697**	**891**	**–**	**5,484**
Impairment	**604**	**–**	**–**	**–**	**604**
At 31st December 2022	**10,146**	**2,033**	**2,599**	**–**	**14,778**
Carrying amounts:					
At 31st December 2022	**10,556**	**11,907**	**10,772**	**77,639**	**110,874**

Notes to the financial statements continued

12. Intangible assets continued

Intangible assets as at 31st December 2021:

	Development £'000	Brand £'000	Customer relationships £'000	Goodwill £'000	Total £'000
Cost:					
At 1st January 2021	6,235	13,940	13,371	77,639	111,185
Additions	4,565	–	–	–	4,565
At 31st December 2021	10,800	13,940	13,371	77,639	115,750
Accumulated amortisation:					
At 1st January 2021	3,564	639	817	–	5,020
Amortisation	2,082	697	891	–	3,670
At 31st December 2021	5,646	1,336	1,708	–	8,690
Carrying amounts:					
At 31st December 2021	5,154	12,604	11,663	77,639	107,060

During year ended 31st December 2022, an impairment loss of £604k was recognised against development costs, relating to staff and other costs capitalised against an internal development project which was paused during the year and being redeveloped in 2023, as certain functionalities of the project were determined to not be compatible.

Goodwill

In accordance with the provisions of IAS36 'Impairment of Assets' the allocation to the individual cash-generating unit ("CGU") of the goodwill recognised on the purchase of PPH was completed during the year ended 31st December 2021, being the end of the first annual period beginning after the relevant acquisition date of PPH by the Company. No impairment was identified at 31st December 2021.

An annual impairment review has been performed comparing book values (including goodwill) to value in use of the CGU at 31st December 2022. This utilised recent experience and evidence from third parties of there being continuing value in the value of the business. Whilst there has been falls in the share price of the Group leading to a reduced market capitalisation, the growth of the Group to date is broadly consistent with that assumed at the time of acquisition in 2020. No impairment at 31st December 2022 was identified with the consideration arising noted below.

The recoverable amount of the CGU was determined from value in use calculations based on a discounted cash flow model. Key assumptions in which management has based its determination of value in use include the number of forecasted car registrations used to project revenue growth and estimated market share for the home and commercial markets. Car registration forecasts are based upon external data from the Society of Motor Manufacturers and Traders ("SMMT") and the Government ban on new internal combustion cars from 2030, while market share assumptions are determined using historical data and experience.

Management projected cash flows using budgets and forecasts to 2030 and the first year of the forecast is established from the budget for FY23 signed off by the Board. A period longer than 5 years was considered appropriated as it represents the period to the Government's commitment to decarbonisation of cars and vans by banning the sale of new petrol and diesel cars. A weighted-average cost of capital (WACC) of 13% has been applied, which is higher than independent analysis, and an economic growth rate of 0.5% was used to extrapolate cash flow beyond the forecast period. The WACC of 13% is equivalent to a pre-tax discount rate of 16%. Management considers that the inputs into the model appropriately consider the relevant market maturity and local factors.

The recoverable amount determined through this value in use test initially exceeded the carrying amount by more than £100m and various sensitivities were then applied to identify impairment or sensitivity. An increase in the WACC of 4% would be required to remove all headroom between the value in use and carrying amount or permanent market share reductions in excess of 2% relative to current forecast levels would be required to remove all headroom. No other reasonably possible changes in assumptions would cause the carrying amount to exceed the recoverable amount.

13. Property, plant and equipment

Property, plant and equipment as at 31st December 2022:

	Short-term leasehold property £'000	Plant & machinery £'000	Furniture & fittings £'000	Computer equipment £'000	Owned assets £'000	Total £'000
Cost:						
At 1st January 2022	31	229	19	837	4,698	5,814
Additions	2	42	-	499	1,805	2,348
Disposals	-	-	-	-	(7)	(7)
At 31st December 2022	33	271	19	1,336	6,496	8,155
Accumulated depreciation and impairment:						
At 1st January 2022	31	153	19	553	781	1,537
Depreciation	1	49	-	275	798	1,123
Disposals	-	-	-	-	(3)	(3)
At 31st December 2022	32	202	19	828	1,576	2,657
Carrying amounts:						
At 31st December 2022	1	69	-	508	4,920	5,498

Property, plant and equipment as at 31st December 2021:

	Short-term leasehold property £'000	Plant & machinery £'000	Furniture & fittings £'000	Computer equipment £'000	Owned assets £'000	Total £'000
Cost:						
At 1st January 2021	31	159	19	616	2,364	3,189
Additions	–	70	–	221	2,334	2,625
At 31st December 2021	31	229	19	837	4,698	5,814
Accumulated depreciation and impairment:						
At 1st January 2021	30	119	19	471	248	887
Depreciation	1	34	–	82	533	650
At 31st December 2021	31	153	19	553	781	1,537
Carrying amounts:						
At 31st December 2021	–	76	–	284	3,917	4,277

Notes to the financial statements continued

14. Right-of-use asset

The corresponding lease liability of the right-of-use asset is set out in note 21.

Right-of-use asset at 31st December 2022:

	Right-of-use assets – buildings £'000	Right-of-use assets – vehicles £'000	Right-of-use assets – total £'000
Cost:			
At 1st January 2022	**1,368**	**2,640**	**4,008**
Additions	**113**	**2,656**	**2,769**
Disposals	**(113)**	**(1,392)**	**(1,505)**
At 31st December 2022	**1,368**	**3,904**	**5,272**
Accumulated depreciation:			
At 1st January 2022	**1,043**	**1,565**	**2,608**
Depreciation	**276**	**860**	**1,136**
Disposals	**(113)**	**(1,273)**	**(1,386)**
At 31st December 2022	**1,206**	**1,152**	**2,358**
Carrying amounts:			
At 31st December 2022	**162**	**2,752**	**2,914**

Right of Use Asset as at 31st December 2021:

	Right-of-use assets – buildings £'000	Right-of-use assets – vehicles £'000	Right-of-use assets – total £'000
Cost:			
At 1st January 2021	1,368	1,571	2,939
Additions	–	1,069	1,069
At 31st December 2021	1,368	2,640	4,008
Accumulated depreciation:			
At 1st January 2021	880	1,119	1,999
Depreciation	163	446	609
At 31st December 2021	1,043	1,565	2,608
Carrying amounts:			
At 31st December 2021	325	1,075	1,400

Notes to the financial statements continued

15. Inventories

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Finished goods	**5,523**	4,962
Work in progress	**1,819**	3,252
	7,342	8,214

The cost of inventories recognised as an expense during the year ended 31st December 2022 in respect of continuing operations was £28,818k (2021: £24,554k). Increase in cost of inventories during the year was due to charge regulations imposed in June and December 2022, leading to additional rework costs on existing chargepoints.

Included within work in progress is hardware purchased for installation in progress but not yet complete, time spent on installations in progress but not yet complete and invoices received against installations in progress but not yet complete.

An impairment loss of £698k was recognised in cost of sales against stock during the year ended 31st December 2022 due to slow-moving and obsolete stock (2021: £229k).

16. Trade and other receivables

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Trade receivables	**18,841**	18,795
Loss allowance	**(507)**	(216)
	18,334	18,579
Other receivables	**940**	338
R&D tax credit receivable	**1,174**	–
Prepayments and accrued income	**6,434**	5,124
	26,882	24,041

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The Group has sensitised the effects if failure rates were to increase by 100% as sales increase. The related increase in the bad debt provision would be £219k for the year ended 31st December 2022 (2021: £87k).

The movement in the provision for doubtful debts is as follows:

	£'000
At 1st January 2022	**216**
Amounts recovered	**(47)**
Written off	**(18)**
Change in loss allowance due to new trade and other receivables originated	**356**
As at 31st December 2022	**507**
At 1st January 2021	368
Amounts recovered	(42)
Written off	(203)
Change in loss allowance due to new trade and other receivables originated	93
As at 31st December 2021	216

16. Trade and other receivables continued

Ageing of trade receivables before provision.

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Current	**2,839**	4,612
Trade receivables past due		
31-60 days	**4,046**	5,091
61–90 days	**2,294**	3,307
91–120 days	**1,566**	813
More than 120 days	**8,096**	4,972
Trade receivables before allowance for doubtful receivables	**18,841**	18,795
Less: allowance for doubtful receivables	**(507)**	(216)
Total trade receivables	**18,334**	18,579

17. Cash and cash equivalents

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Cash at bank and in hand	**72,464**	44,473
Pod Point mobile application	**1,639**	1,639
Total cash and cash equivalents	**74,103**	46,112

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Pod Point mobile application relates to cash held by the Company from consumer credit or debit card 'top-ups' through the Pod Point App. This cash is held until it is paid to customers who enable pay-as-you-go tariffs on their chargepoints and the related electricity is used. The cash is restricted in use, however is not held within a separate bank account.

18. Short-term investments

Short-term investments represent cash held on deposit with financial institutions with a maturity greater than three months at inception. The cash no longer sat in a short-term deposit account at 31st December 2022 but within regular cash accounts.

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Short-term investments	**–**	50,000

19. Trade and other payables

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Trade payables	**9,096**	12,110
Other taxation and social security	**3,098**	1,020
Accruals and deferred revenue	**21,163**	20,568
Contingent consideration	**–**	1,000
Other payables	**3,062**	1,475
Total trade and other payables	**36,419**	36,173

There is no material difference between the carrying value and fair value of trade and other payables presented. See note 2 for more detail on the trade and other payables accounting policy.

The contingent consideration of £1,000,000 relates to a warranty retention liability which was set up on the acquisition of Pod Point Holding Limited by the Company in February 2020. No warranty claims have been made against the shareholders of Pod Point Holding Limited and the amount was repaid to shareholders of Pod Point Holding Limited on 11th February 2022.

Notes to the financial statements continued

20. Loans and borrowings

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Current liabilities		
Secured bank loan	**2,842**	707
Non-current liabilities		
Secured bank loan	**481**	2,326
Total loans and borrowings	**3,323**	3,033

During the 11 months ended 31st December 2020, the Group entered into £3.5 million facility agreement with Triodos Bank UK Limited for a period of five years, to fund chargepoints owned by the Group and installed at customer sites. The facility is structured as a construction facility while the assets are being installed, at which point the outstanding balance will become an operating facility. The interest rate is fixed at 3.5%. The loan is repayable in eighteen quarterly instalments starting one quarter after the start of the operating facility. The loan is repayable on 31st December 2025.

Two additional loans were entered into with Triodos Bank UK Limited during the year ended 31st December 2022 under the sample facility agreement. A loan for £1.25 million was entered into with a fixed interest rate of 4.969%. A second loan of £1.6 million was entered into in December 2022, but as of 31st December 2022 no monies had been drawn down on this facility. The loans are repayable in eighteen quarterly installments starting from the first payment date.

No changes in liabilities arising from financing activities has been identified during the year ended 31st December 2022 or are expected in the near future.

21. Leases

The corresponding liability of the right-of-use asset set out in note 14 above represents the following:

Lease liability as at 31st December 2022:

	Lease liability – buildings £'000	Lease liability – vehicles £'000	Lease liability – total £'000
Cost:			
At 1st January 2022	**557**	**1,102**	**1,659**
Additions	**114**	**2,645**	**2,759**
Interest charge	**34**	**182**	**216**
Repayments	**(391)**	**(951)**	**(1,342)**
Disposals	**–**	**(143)**	**(143)**
At 31st December 2022	**314**	**2,835**	**3,149**

Lease liability as at 31st December 2021:

	Lease liability – buildings £'000	Lease liability – vehicles £'000	Lease liability – total £'000
Cost:			
At 1st January 2021	750	437	1,187
Additions	–	1,121	1,121
Interest charge	50	68	118
Repayments	(281)	(486)	(767)
At 31st December 2021	519	1,140	1,659

Lease liabilities are expected to mature in November 2026.

22. Provisions

Provisions at 31st December 2022:

	Warranty £'000
As at 1st January 2022	**404**
Charged to income statement	**(163)**
Additional provision in the year	**326**
As at 31st December 2022	**567**

The warranty provision as at 31st December 2022 would be expected to unwind by November 2027.

Provisions at 31st December 2021:

	Warranty £'000
As at 1st January 2021	316
Charged to income statement	(86)
Additional provision in the year	174
As at 31st December 2021	404

23. Capital and reserves

The share capital in issue at each year and period end is as follows:

	As at 31st December 2022		As at 31st December 2021	
	Number	£'000	Number	£'000
Allotted, called up and fully paid:				
Ordinary shares of £0.001 each	**154,025,118**	**154**	153,952,537	154

On 10th December 2021, 549,000 shares were issued and allotted pursuant to the Share Incentive Plan, bringing the total issued share capital to 153,952,537. On 7th September 2022, 2,394 shares were issued, and on the 12th December 2022, 70,187 shares were issued with nominal values of £0.001 following an exercise of IPO Restricted Share Awards, bringing the total issued share capital to 154,025,118.

IPO reorganisation

As at 31st December 2020, the issued share capital of the Company comprised 13,118 ordinary shares of £.0001 each. In connection with Admission, the Company reorganised its share capital as follows:

- On 20th October 2021, the Company issued 999,986,882 bonus shares of £0.0001 each, resulting in a share capital of £100,000, divided into 1,000,000,000 ordinary shares of £0.0001 each. Subsequently on 20th October 2021, the Company undertook a consolidation of its share capital on a 10:1 basis, resulting in a share capital of £100,000, divided into 100,000,000 ordinary shares of £0.001 each. This resulted in a reduction of share premium of £100,000.
- On 9th November, 2021, Pod Point Group Holdings plc issued 53,403,537 ordinary shares as part of the Initial Public Offering in exchange for cash of £117,940,367, represented by share capital of £53,403 and share premium of £112,229,304. Immediately following Admission, the issued share capital of the Company was £153,404, comprising of 153,403,537 shares of £0.001 each.

Issuance costs of £7,664,663 were recognised against share premium in accordance with the Companies Act 2006, section 610.

Share premium

The share premium reserve reflects the excess over nominal value arising on the issue of ordinary shares. During 2020 as part of the plans to acquire a 100% stake in Pod Point Holding Limited 13,118 shares with a nominal value of £0.0001 per share were issued to EECL and LGCIL. A share premium reserve arose of £26.4 million. See IPO reorganisation note above for effects on share premium as a result of the Initial Public Offering in November 2021.

Other reserves

Other reserves includes the share-based payment charge on share options issued to employees as detailed in note 25.

ESOP reserve

The ESOP reserve represents the value associated with the shares issued pursuant to the employee Share Incentive Plan and other share plans.

Accumulated losses

Accumulated losses reserve represents the accumulated losses of the Group generated through business activities.

24. Financial instruments

The Group had the following financial assets and liabilities. The amounts below are contractual undiscounted cash flows and include both interest and principal amounts.

Accounting policy

Categorisation within the hierarchy, measured or disclosed at fair value, has been determined based on the lowest level of input that is significant to the fair value measurement as follows:

- Level 1 – valued using quoted prices in active markets for identical assets or liabilities
- Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1
- Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Cash and cash equivalents	**74,103**	46,112
Short-term investments	**–**	50,000
Trade and other receivables	**19,274**	18,917
Accrued income	**5,195**	3,600
Total financial assets	**98,572**	118,629
Trade and other payables	**12,158**	14,605
Accruals	**9,210**	9,383
Leases	**3,149**	1,660
Loans and borrowings	**3,323**	3,034
Total financial liabilities	**27,840**	28,682

All financial assets and financial liabilities shown above, and loans and borrowings, are valued at carrying amount or at fair value using Level 2 measurements and are measured at amortised cost. There have been no transfers between levels in any of the years.

Financial assets

The Group classifies its financial assets into the following categories: cash and cash equivalents, trade and other receivables and accrued income. The classification depends on the purpose for which the assets are held. The classification is first performed at initial recognition and then re-evaluated at every reporting date for financial assets other than those held at fair value through the income statement.

Financial liabilities

The Group classifies its financial liabilities into the following categories: trade and other payables, loans and borrowings and other non-current liabilities.

The Directors consider that the carrying amount for all financial assets and liabilities which are not held at fair value through profit or loss approximates to their fair value.

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Group's overall risk management framework seeks to minimise potential adverse effects on the Group's financial performance.

(i) Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(ii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The Group's exposure to market risk predominantly relates to currency risk. The analysis of market risk calculated by management and sensitivity analysis have not been disclosed as is not deemed to be material for the year ended 31st December 2022 (2021: nil).

(iii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. Trade receivables are assessed for risk of default by customers on a periodic basis and terms of trade are adjusted accordingly. Default is defined as failure to fulfill the payment obligation. The maximum credit risk exposure at the statement of financial position's date is represented by the carrying value of trade and other receivables (excluding prepayments) of £26,643k (2021: £22,517k), cash and cash equivalents of £74,103k (2021: £46,112k) and other short-term investments of nil (2021: £50,000k).

(iv) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The only loan existing at 31st December 2022 is the loan with Triodos bank, which is being repaid on a monthly basis. Please see note 20 for further details on repayment. All contingent consideration was repaid in 2022.

Notes to the financial statements continued

24. Financial instruments continued

The following tables detail the Group's remaining contractual maturity for its financial assets and financial liabilities:

As at 31st December 2022:

	Less than 1 year £'000	1-5 years £'000	5+ years £'000	Total £'000
Trade and other receivables	**19,274**	**–**	**–**	**19,274**
Accrued income	**5,195**	**–**	**–**	**5,195**
Total financial assets	**24,469**	**–**	**–**	**24,469**
Trade and other payables	**12,158**	**–**	**–**	**12,158**
Accruals	**9,210**	**–**	**–**	**9,210**
Lease liabilities – future lease payments	**1,634**	**1,515**	**–**	**3,149**
Loans and borrowings	**2,842**	**481**	**–**	**3,323**
Total financial liabilities	**25,844**	**1,996**	**–**	**27,840**

As at 31st December 2021:

	Less than 1 year £'000	1-5 years £'000	5+ years £'000	Total £'000
Trade and other receivables	18,825	92	–	18,917
Accrued income	3,600	–	–	3,600
Total financial assets	22,425	92	–	22,517
Trade and other payables	14,605	–	–	14,605
Accruals	9,383	–	–	9,383
Lease liabilities – future lease payments	896	764	–	1,660
Loans and borrowings	707	2,327	–	3,034
Total financial liabilities	25,591	3,091	–	28,682

(v) Foreign currency risk

The Group has overseas operations in Norway and is therefore exposed to changes in the respective currency of that territory. The Group maintains bank balances in local currency. Cash positions are monitored on a regular basis for any imbalances.

25. Share-based payments

Charge to the income statement:

The charge to the income statement is set out below:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
IPO Restricted Share Award	**2,238**	2,256
IPO Performance Share Award	**759**	136
Share incentive plan ("SIP")	**360**	30
Long-term incentive plan ("LTIP")	**611**	–
Deferred share bonus plan ("DSBP")	**577**	–
Total share-based payment expense	**4,545**	2,422

During the year ended 31st December 2022, the Group operated the following share-based payment schemes, all of which are equity settled. The weighted average exercise price of all share-based payment schemes is nil.

National insurance accrued on share based payments of £630k (2021: £343k) has also been charged to the income statement.

IPO Restricted Share Award

The IPO restricted share awards were a service based award granted to senior management and certain other employees at the time of IPO and vest following length of service.

Year granted	Share price per award (£)	Exercise price of award	Date of vesting	No. of shares for which awards outstanding on 1st Jan 2022	Awards granted during the year	Awards vested during the year	Number of shares for which awards exercised	Number of shares for which awards forfeited	Number of shares for which awards outstanding
2021	2.20	–	Nov-21	736,796	–	–	2,394	–	734,402
2021	2.20	–	Nov-22	738,224	–	738,829	70,187	2,390	665,647
2021	2.20	–	Nov-23	714,330	–	–	–	4,780	709,550
2021	2.20	–	Nov-24	95,776	–	–	–	–	95,776
2021	2.20	–	Nov-25	95,776	–	–	–	–	95,776

25. Share-based payments continued

The IPO Restricted Share Awards were valued using the Black-Scholes method with the following assumptions:

	Nov-21
Weighted average share price at grant date	2.20
Exercise price	–
Expected volatility	60%
Expected life	0-4 years
Dividend yield	–

Volatility is based on trading history to date at time of valuation. As all share awards are nil-cost options, volatility does not have an effect on the fair value.

IPO Performance Share Awards

The IPO performance share awards were granted to senior management and certain other employees at the time of IPO, and vesting is subject to performance and market conditions.

Year granted	Share price per award (£)	Exercise price of award	Date of vesting	No. of shares for which awards outstanding on 1st Jan 2022	Awards granted during the year	Awards vested during the year	Number of shares for which awards exercised	Number of shares for which awards forfeited	Number of shares for which awards outstanding
2021	2.20	–	Feb–24	881,142	–	–	–	4,190	876,952
2021	2.20	–	Feb–25	881,142	–	–	–	4,190	876,952

The IPO Performance Share Awards were valued using the Black-Scholes method with the following assumptions:

	Nov-21
Weighted average share price at grant date	2.20
Exercise price	–
Expected volatility	38%–60%
Expected life	3.3–4.3 years
Dividend yield	–

As a portion of the IPO Performance Share Awards is subject to a market condition, volatility was calculated as the movement in the share price over a certain period prior to the grant date.

All-employee share incentive plan

The SIP was granted to all employees employed at the time of IPO, excluding upper level management, used to incentivise retention and reward contribution.

Year granted	Share price per award (£)	Exercise price of award	Date of vesting	No. of shares for which awards outstanding on 1st Jan 2022	Awards granted during the year	Awards vested during the year	Number of awards forfeited	Number of shares for which awards outstanding
2021	2.40	–	Dec–24	537,000	–	–	105,000	432,000

The SIP was valued using the Black-Scholes method with the following assumptions:

	Dec-21
Weighted average share price at grant date	2.40
Exercise price	–
Expected volatility	60%
Expected life	3 years
Dividend yield	–

Volatility is based on trading history to date at time of valuation. As all share awards are nil-cost options, volatility does not have an effect on the fair value.

Long-term incentive plan

The LTIP was granted to senior management and certain other employees and is used to incentivise retention and reward performance, and is based upon performance factors.

Year granted	Share price per award (£)	Exercise price of award	Date of vesting	No. of shares for which awards outstanding on 1st Jan 2022	Awards granted during the year	Awards vested during the year	Number of awards forfeited	Number of shares for which awards outstanding
2022	1.65	–	Feb–25	–	2,921,011	0	57,600	2,863,411

25. Share-based payments continued

The LTIP was valued using the Black-Scholes method with the following assumptions:

	Mar-22	Aug-22
Weighted average share price at grant date	1.65	1.06
Exercise price	–	–
Expected volatility	56%	59%
Expected life	3 years	3 years
Dividend yield	–	–

Volatility is based on trading history to date at time of valuation. As all share awards are nil-cost options, volatility does not have an effect on the fair value.

Deferred Share Bonus Plan

The first awards under the deferred share bonus plan will be granted in 2023, based upon performance measures, to senior management and certain other employees to reward contribution.

26. Loss per share

Basic earnings per share is calculated by dividing the loss attributable to the equity holders of the Group by the weighted average number of shares in issue during the year.

The Group has dilutive ordinary shares for the year ended 31st December 2022 and period ended 31st December 2021; these being share options granted to employees. As the Group has incurred a loss in all periods, the diluted loss per share is the same as the basic earnings per share as the loss has an anti-dilutive effect.

	Year ended 31st December 2022 £	Year ended 31st December 2021 £
Loss for the period attributable to equity holders	**20,211,814**	14,322,377
Basic and diluted weighted average number of ordinary shares in issue	**153,405,628**	107,608,175
Earnings/(loss) per share (basic and diluted)	**(0.13)**	(0.13)

In determining the share numbers and earnings per share calculation above the requirements of IAS 33 'Earnings per share' have been applied to reflect the bonus issue and share consolidation detailed in note 23 as if it had taken place at the start of the earliest period for which an earnings per share is presented.

27. List of subsidiaries

The Group holds share capital in the following companies:

Name of company	Classification	Country of incorporation	Principle activity	Ownership	Registered address
Pod Point Limited	Direct	United Kingdom	Development and supply of equipment and systems for electric charging vehicles	100%	28-42 Banner Street Banner Street, London, England, EC1Y 8QE
Pod Point Holding Limited	Direct	United Kingdom	Holding Company	100%	28-42 Banner Street Banner Street, London, England, EC1Y 8QE
Open Charge Limited	Direct	United Kingdom	Development and supply of equipment and systems for electric charging vehicles	100%	28-42 Banner Street Banner Street, London, England, EC1Y 8QE
Pod Point Norge AS	Direct	Norway	Development and supply of equipment and systems for electric charging vehicles	100%	Engebrets vei 3, 0275, Oslo, Norway
Pod Point Asset One Limited	Direct	United Kingdom	Development and supply of equipment and systems for electric charging vehicles	100%	28-42 Banner Street Banner Street, London, England, EC1Y 8QE

28. Related parties

Transactions with shareholders
During the year ended 31st December 2022, the Group had the following transactions with Group Companies part of the EDF Group and Legal & General Group:

Group Company	Sales of goods £'000	Purchase of goods £'000
EDF Energy Limited	335	–
EDF Energy Customers Limited	–	390

During the year ending 31st December 2021, the Group had the following transactions with Group Companies part of the EDF Group and Legal & General Group:

Group Company	Sales of goods £'000	Purchase of goods £'000	Interest and fees on intercompany loan £'000
Legal & General Group	£46	–	£232
EDF Energy Limited	£263	–	–
EDF Energy Customers Limited	–	£850	£806

Transactions with related parties who are not members of the Group
During the year ended 31st December 2022, the Group had the following transactions with a related party who is not a member of the Group. Imtech Inviron Limited is a related party by virtue of their ultimate parent and controlling party being Électricité de France S.A.:

- Sale of goods of £180k (2021: £210k)

Transactions with key management personnel of the Group
Key Management Personnel are defined as member of the Group's Strategic Board and other key personnel.

See note 8 for details of compensation of key management personnel. Certain employees hold shares in the Group, including Key Management Personnel.

29. Post balance sheet events

There are no post balance sheet events.

30. Ultimate Parent undertaking and controlling party

The immediate Parent Company of the Company and its subsidiaries is EDF Energy Customers Limited, a company registered in the United Kingdom.

The immediate Parent Company of EDF Energy Customers Limited is EDF Energy Limited, a company registered in the United Kingdom.

At 31st December 2022 and 31st December 2021, Électricité de France SA, a Company incorporated in France, is regarded by the Directors as the Company's ultimate Parent Company and controlling party. This is the largest Group for which consolidated financial statements are prepared. Copies of that company's consolidated financial statements may be obtained from the registered office at Électricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.

Company statement of financial position

	Notes	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Non-current Assets			
Financial assets	2	**22,189**	19,960
Investments in subsidiary undertakings	3	**112,596**	112,596
Deferred tax asset	7	**219**	328
		135,004	132,884
Current assets			
Cash and cash equivalents		**68,798**	40,578
Short-term investments	4	**–**	50,000
Trade and other receivables	5	**22,589**	6,064
		91,387	96,642
Total assets		**226,391**	229,526
Current liabilities			
Trade and other payables	6	**(6,261)**	(6,464)
Contingent consideration	6	**–**	(1,000)
		(6,261)	(7,464)
Net current assets		**85,126**	89,178
Total assets less current liabilities		**220,130**	222,062
Non-current liabilities			
Deferred tax liability	7	**(219)**	(328)
		(219)	(328)
Total liabilities		**(6,480)**	(7,792)
Net assets		**219,911**	221,734

	Notes	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Equity			
Called up share capital	8	**154**	154
Share premium reserve	8	**140,203**	140,057
Other reserves		**6,651**	2,264
ESOP reserve		**(1,318)**	(1,318)
Retained earnings		**74,221**	80,577
		219,911	221,734

Under section s408 of the Companies Act 2006 the Company is exempt from the requirement to present its own income statement. The loss for the year to 31st December 2022 was £6,356k (2021: £4,619k).

The notes on pages 150 to 155 form part of the financial statements.

Approved by the Board of Directors on 26th April 2023 and signed on their behalf by

David Wolffe
Chief Financial Officer

Company statement of changes in equity

As at 31st December 2022:

	Share capital £'000 (note 8)	Share premium £'000 (note 8)	Other reserves £'000 (note 8)	ESOP reserve £'000 (note 8)	Retained earnings £'000 (note 8)	Total equity £'000
Balance as at 1st January 2022	154	140,057	2,264	(1,318)	80,577	221,734
Loss after tax and total comprehensive income for the year	–	–	–	–	(6,356)	(6,356)
Issue of shares during the year	–	158	(158)	–	–	–
Share-based payment charge	–	–	4,545	–	–	4,545
Share issuance costs	–	(12)	–	–	–	(12)
Balance as at 31st December 2022	154	140,203	6,651	(1,318)	74,221	219,911

As at 31st December 2021:

	Share capital £'000 (note 8)	Share premium £'000 (note 8)	Other reserves £'000 (note 8)	ESOP reserve £'000 (note 8)	Retained earnings £'000 (note 8)	Total equity £'000
Balance as at 1st January 2021	–	26,400	–	–	84,566	110,966
Loss after tax and total comprehensive income for the year	–	–	–	–	(4,619)	(4,619)
Waived intercompany loan	–	–	–	–	630	630
Issue of shares during the year	153	112,340	–	–	–	112,493
Issue of shares pursuant to the share incentive plan	1	1,317	–	(1,318)	–	–
Share-based payment charge	–	–	2,264	–	–	2,264
Balance as at 31st December 2021	154	140,057	2,264	(1,318)	80,577	221,734

Notes to the Company financial statements

1. Accounting policies

Basis of preparation

Pod Point Group Holdings plc ("PPGH") is a public limited company incorporated in the United Kingdom under the Companies Act on 29th January 2020. The address of the registered office is 28-42 Banner Street, London, England, EC1Y 8QE. The balance sheet has been prepared for the purpose of compliance with section 92(1)(b) and (c) of the Companies Act 2016. The balance sheet has been prepared at 31st December, which is the financial year end of the Company.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework ('FRS 101')'. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of IFRS, but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken. The financial statements are prepared under the historical cost convention.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company financial statements have been prepared in accordance with FRS 101. In these financial statements, PPGH applied the exemptions available under FRS 101 in respect of the following disclosures:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 28 of IAS 1 to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f) and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based Payment'
- the requirements in IAS 24 Related Party Disclosures to disclose related party transaction entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- the effects of new but not yet effective IFRS.

As the consolidated financial statements of the Group include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36: Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets
- Certain disclosures required by IFRS 3: Business Combinations in respect of business combinations undertaken by the Company

As the consolidated financial statements of the Group include the equivalent disclosures, PPGH has also taken the exemptions under section 408(4) of the Companies Act 2006, not to present its individual income statement and related notes as part of the financial statements.

The accounting policies set out below, has unless otherwise stated, been applied consistently to all periods presented in the Company financial statements. The accounting policies presented in note 2 of the consolidated notes to the financial statements of PPGH also apply to the Parent Company.

Going concern

The Directors have made enquiries and reviewed cash flow forecasts and available facilities for at least the next 12 months (including subsequent events). Taking these into account the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. This judgement has been formed taking into account the principal risks and uncertainties that the Company faces. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

Interest income

Interest income is recognised as the interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument).

Notes to the Company financial statements continued

1. Accounting policies continued

Investment in subsidiary undertakings

Subsidiary undertakings are those entities controlled by the Company, and where the substance of the relationship between the Company and the entity indicates that the entity is controlled by the Company. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Considerations in the assessment of control include:

- the purpose and design of the entity;
- what the relevant activities are and how decisions about those activities are made;
- whether the rights of the Company give it the current ability to direct the relevant activities;
- whether the Company is exposed, or has rights, to variable returns from its involvement with the entity; and
- whether the entity has the ability to use its power over the investee to affect the amount of the investor's returns.

The Company continues to assess whether it controls an entity if facts and circumstances indicate that there changes to the elements of control. Investment in subsidiaries is recorded at cost and is subsequently assessed for indicators of impairment. If such factors exist, a detailed impairment test is carried out. Impairment is recognised in the income statement when the recoverable amount of the Company's investment is lower than the carrying amount of the investment. Upon disposal of the investment in the entity, the Company measures the investment at its fair value. Any difference between the fair value of the Company's investment and the proceeds of disposal is recognised in the income statement.

Financial instruments

Financial assets and liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the profit or loss are recognised immediately in profit or loss. The effective interest method is a method of calculating the amortised cost of a financial liability or a financial asset and of allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), through the expected life of the financial liability or asset or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial assets

The Company's financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the Company's business model for managing of financial assets; and

(b) the contractual cash flow characteristics of financial asset.

Financial assets measured at amortised cost

Financial assets are classified as measured at amortised cost if both the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(b) the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value through other comprehensive income (FVOCI)

Financial assets are classified as measured at fair value through other comprehensive income if both the following conditions are met:

(a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

(b) the contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

Recognition of expected credit losses

The Company recognises a loss allowance for expected credit losses on a financial asset that is measured at amortised cost, measured at fair value through other comprehensive income, a lease receivable, a contract asset or a loan commitment and a financial guarantee contract to which impairment requirements apply.

At each reporting date, the Company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The expected credit losses are assessed considering all reasonable and supportable information, including that which is forward-looking. If at the reporting date the credit risk on a financial instrument has not increased significantly since initial recognition, an entity shall measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. The amount of credit losses (or reversal) is recognised in profit or loss, as an impairment gain or loss at the reporting date.

Notes to the Company financial statements continued

1. Accounting policies continued

De-recognition of financial assets
The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset along with substantially all the risks and rewards of ownership to a third party. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying value, the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the income statement.

Financial liabilities and equity.
Financial liabilities as subsequently measured at amortised cost, except for:

(a) financial liabilities at fair value through profit or loss – these include derivatives that are liabilities which are subsequently measured at fair value.

(b) financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when continuing involvement applies.

(c) financial guarantee contracts to which (a) or (b) does not apply are subsequently measured as the higher of – the amount of loss allowance determined, or, the amount initially recognised less the cumulative amount of income recognised.

(d) commitments to provide a loan at below market interest rate to which (a) or (b) does not apply are subsequently measured as the higher of – the amount of loss allowance determined, or, the amount initially recognised less the cumulative amount of income recognised.

(e) contingent consideration recognised as an acquirer in a business combination which is measured at fair value through profit or loss.

Borrowings
All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing. Interest expense is recognised based on the effective interest method and is included in finance costs. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the Company's accounting policies, which are described in this note, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the view of the Directors, there are no critical accounting judgements or key sources of estimation uncertainty which affect the Company's financial statements.

2. Financial assets

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Loans to subsidiaries	**22,189**	19,960

Loans to subsidiaries relate to loans granted to Pod Point Holding Limited. This loan is unsecured and accrues interest LIBOR plus a margin of 7.3% and is repayable by 27th March 2024.

Loans to subsidiaries are held at amortised cost and are expected to mature within one to five years.

3. Investments in subsidiary undertakings

	As at 31st December 2022 £'000	As at 31st December 2021 £'000
Investments	**112,596**	112,596

Notes to the Company financial statements continued

3. Investments in subsidiary undertakings continued

On 13th February 2020 the Company purchased a 100% stake in Pod Point Holding Limited. The subsidiary undertakings at 31st December 2020, which are incorporated in the United Kingdom and are registered and operate in England and Wales, or Scotland (unless otherwise stated), are as follows:

Name of Company	Classification	Country of incorporation	Principal activity	Ownership	Registered address
Pod Point Limited	Direct	United Kingdom	Development and supply of equipment and systems for electric charging vehicles	100%	28-42 Banner Street Banner Street, London, England, EC1Y 8QE
Pod Point Holding Limited	Direct	United Kingdom	Holding Company	100%	28-42 Banner Street Banner Street, London, England, EC1Y 8QE
Open Charge Limited	Direct	United Kingdom	Development and supply of equipment and systems for electric charging vehicles	100%	28-42 Banner Street Banner Street, London, England, EC1Y 8QE
Pod Point Norge AS	Direct	Norway	Development and supply of equipment and systems for electric charging vehicles	100%	Engebrets vei 3, 0275, Oslo, Norway
Pod Point Asset One Limited	Direct	United Kingdom	Development and supply of equipment and systems for electric charging vehicles	100%	28-42 Banner Street Banner Street, London, England, EC1Y 8QE

4. Short-term investments

Short-term investments represent cash held on deposit with financial institutions with a maturity greater than three months at inception.

	As at 31st December 2022 £'000	**As at 31st December 2021 £'000**
Short-term investments	–	50,000

5. Trade and other receivables

	Year ended 31st December 2022 £'000	**Year ended 31st December 2021 £'000**
Intercompany receivable	**21,452**	5,388
Prepayments	**232**	275
Other taxation and social security	**905**	401
	22,589	6,064

Intercompany receivable balance relates to amounts due from subsidiaries and is interest free and repayable on demand.

Notes to the Company financial statements continued

6. Trade and other payables

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Other liabilities	**97**	–
Trade payables	**586**	1,991
Accruals	**972**	2,137
Amounts owed to other Group Companies	**320**	320
Intercompany payable	**4,286**	2,016
Contingent consideration	**–**	1,000
	6,261	7,464

Amounts due to Group companies are interest free and repayable on demand. Intercompany payable costs relate to payroll and other costs paid by subsidiary companies.

The contingent consideration of £1,000,000 relates to a warranty retention liability payable to shareholders of Pod Point Holding Ltd in February 2022. This was set up on the acquisition of Pod Point Holding Ltd by Pod Point Group Holdings plc in February 2020. To date no warranty claims have been made against the shareholders of Pod Point Holding Ltd and the amount was repaid in full in 2022.

7. Taxation

The movement in the deferred tax assets/(deferred tax liabilities) was as follows

Year ended 31st December 2022:

	Opening balance £'000	Recognised in profit or loss £'000	Closing balance £'000
Deferred tax assets (liabilities) related to:			
Property, plant and equipment	**–**	**–**	**–**
Intangible assets	**–**	**–**	**–**
Tax losses carried forward	**329**	**(110)**	**219**
Share-based payments	**(329)**	**110**	**(219)**
Customer related intangibles (Group-level only)	**–**	**–**	**–**

The Company has the following temporary differences for which no deferred tax asset has been recognised:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Tax losses	**2,319**	2,013
Share-based payments	**2,057**	4,619
Short-term timing difference	**–**	227

The (credit) for the year can be reconciled to the (loss) in the income statement as follows:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Loss on ordinary activities before tax	**–**	(4,619)
Tax on profit on ordinary activities at standard rate of corporation tax in the UK of 19% (2019 – 19%)	**–**	(877)
Effects of:		
Expenses not deductible for tax purposes	**–**	530
Deferred tax not recognised	**–**	347
Tax charge for the period	**–**	–

Notes to the Company financial statements continued

8. Called up share capital and reserves

The share capital in issue at each year and period end is as follows:

	As at 31st December 2022		As at 31st December 2021	
	Number	£'000	Number	£'000
Allotted, called up and fully paid:				
Ordinary shares of £0.001 each	**154,025,118**	**154**	153,403,537	153

On 10th December 2021, 549,000 shares were issued and allotted pursuant to the Share Incentive Plan, bringing the total issued share capital to 153,952,537. On 7th September 2022, 2,394 shares were issued, and on the 12th December 2022, 70,187 shares were issued following an exercise of IPO Restricted Share Awards, bringing the total issued share capital to 154,025,118.

IPO reorganisation

As at 31st December 2020, the issued share capital of the Company comprised 13,118 ordinary shares of £.0001 each. In connection with Admission, the Company reorganised its share capital as follows:

- On 20th October 2021, the Company issued 999,986,882 bonus shares of £0.0001 each, resulting in a share capital of £100,000, divided into 1,000,000,000 ordinary shares of £0.0001 each. Subsequently on 20th October 2021, the Company undertook a consolidation of its share capital on a 10:1 basis, resulting in a share capital of £100,000, divided into 100,000,000 ordinary shares of £0.001 each. This resulted in a reduction of share premium of £100,000.
- On 9th November, 2021, Pod Point Group Holdings plc issued 53,403,537 ordinary shares as part of the Initial Public Offering in exchange for cash of £117,940,367, represented by share capital of £53,403 and share premium of £112,229,304. Immediately following Admission, the issued share capital of the Company was £153,404, comprising of 153,403,537 shares of £0.001 each.

Issuance costs of £7,664,663 were recognised against share premium in accordance with the Companies Act 2006, section 610 in the year ended 31st December 2021.

Share premium

The share premium reserve reflects the excess over nominal value arising on the issue of ordinary shares.

Other reserves

Other reserves includes the share-based payment charge on share options issued to employees.

ESOP reserve

The ESOP reserve represents the value associated with the shares issued pursuant to the employee Share Incentive Plan and other share plans.

Accumulated losses

Accumulated losses reserve represents the accumulated losses of the Group generated through business activities.

9. Directors and employees

Remuneration in respect of the employees and Directors was:

	Year ended 31st December 2022 £'000	Year ended 31st December 2021 £'000
Short-term employee benefits	**2,743**	2,042
Post-employment benefits	**–**	–
Net share-based payment expense	**2,555**	1,835
Total remuneration	**5,298**	3,877

All employees of the Company are also Directors. The average number of employees employed by the Company for the year ended 31st December 2022 is 3 (2021: nil). The number of directors who received pension benefits within the year totaled nil (2021: nil).

10. Ultimate controlling party

At 31st December 2022, EDF Energy Customers Limited holds a 53.83% interest in the Company and is considered to be the immediate Parent Company. Copies of that Company's consolidated financial statements may be obtained from the registered office at 90 Whitfield Street, London, W1T 4EZ and is the smallest group for which consolidated financial statements are prepared.

At 31st December 2021 and 31st December 2020, Électricité de France SA, a company incorporated in France, is regarded by the Directors as the Company's ultimate Parent Company and controlling party. This is the largest group for which consolidated financial statements are prepared. Copies of that Company's consolidated financial statements may be obtained from the registered office at Électricité de France SA, 22-30 Avenue de Wagram, 75382, Paris, Cedex 08, France.

Glossary

AC	alternating current
Admission or IPO	the admission of the Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities on 9th November 2021
Articles	the articles of association of the Company as adopted upon Admission
BEV	battery electric vehicle
BNEF	Bloomberg New Energy Finance
Board	the Board of Directors of the Company
CMA	the Competition and Markets Authority
Company or Pod Point	Pod Point Group Holdings plc
Controlling Shareholder	means a shareholder who exercises or controls on their own or together with any person with whom they are acting in concert, at least 30% or more of the votes able to be cast on all or substantially all matters at general meetings of the Company direct current
DC	direct current
Directors	the Directors of the Company
EDF	Électricité de France S.A.
EECL	EDF Energy Customers Limited
ESG	environmental, social & governance
EU	the European Union
EV	electric vehicle
EVHS	OZEV's Electric Vehicle Homecharge Scheme
Executive Directors	the Executive Directors of the Company
FTE	full-time equivalent employee
GHG	greenhouse gases
Governance Code	the UK Corporate Governance Code published by the Financial Reporting Council, as amended
Group	The Company and its subsidiaries
ICE	internal combustion engine
IFRS	International Financial Reporting Standards, as adopted by the European Union
IPO or Admission	the Admission of the Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's Main Market for listed securities on 9th November 2021
KPI	key performance indicator
kW	kilowatt
kWh	kilowatt hour
LEVI	Local Electric Vehicle Infrastructure
Non-Executive Directors	the Non-Executive Directors of the Company
OEM	original equipment manufacturer
OZEV	Office for Zero Emission Vehicles
PHEV	plug-in hybrid electric vehicle
PiV	plug-in electric vehicle
Pod Point Group	Pod Point Group Holdings plc, consolidated with its subsidiaries
RCF	Rapid Charging Fund
REGO	Renewable Energy Guarantees of Origin
Relationship Agreement	the relationship agreement entered into between the Company and EECL
REX	range-extended vehicle
SASB	Sustainability Accounting Standards Board
SDGs	UN Sustainable Development Goals
Shares	the ordinary shares of the Company
Smart chargepoints	Pod Point's smart, Wi-Fi or mobile enabled EV chargepoints
Smartcharge Regulations	The Electric Vehicles (Smart Charge Points) Regulations 2021
Smart Reporting	Pod Point's management information system
SMEs	small and medium-sized enterprises
SMMT	Society of Motor Manufacturers and Traders
TCFD	Task Force on Climate-related Financial Disclosures

Glossary continued

WCS	the UK government's Workplace Charging Scheme
WEEE Regulations	Waste Electrical and Electronic Equipment Regulations 2013
Well-to-wheel	Well-to-wheel emissions include all emissions related to fuel production, processing, distribution, and use
ZEV	zero emission vehicle

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