

Driving E.ON closer to a fully electric fleet

A fully electric fleet by 2025, that's E.ON's goal. But to help them get closer to this target, they needed a versatile solution that would appeal to all of their employees. Lex Autolease's answer: a tailored Green Salary Sacrifice scheme offering a more accessible and affordable way to own an electric vehicle (EV).

The challenges

E.ON needed a solution that would align with their core purpose of smarter and sustainable energy solutions, and help them to get closer to their sustainability goal of a fully electric fleet by 2025.

As an environmentally conscious, forward-thinking business, sustainability is high on E.ON's agenda; they intend to become carbon-neutral by 2040. But with roughly 75% of global greenhouse gas emissions being energy-related, and the fact that all new vehicles are required by law to be ultra-low emission by 2030, E.ON knew they had to consider their EV offering.

E.ON's existing company car scheme enabled employees to lease an EV through the business,

but only a small percentage of the workforce were eligible. There were also fewer EV options available when E.ON first made the switch to full EV. These factors both contributed to a low initial uptake of the scheme. E.ON needed a versatile solution that would be appealing and accessible to a wider group of employees. Successful implementation and uptake of the scheme was vital for E.ON to meet their goal of a fully electric policy by 2025.



E.ON intend to reduce their Scope 1 and 2 emissions by

75% by 2030

and by 100% by 2040 (vs. 2019)

“As we’re helping our customers to be more sustainable at home, in business and across entire communities with smart, personalised and sustainable solutions, it’s only right that we continue to enable our employees to make a direct personal contribution to cleaner air too.”

Chris Norbury, E.ON’s Chief People Officer

At a glance



1058

registered users with a **22%** conversion rate



Employees save **up to 42%**

on their monthly EV leasing cost*



An average pre-tax salary payment of

£759
per month**

*Statistic provided by E.ON ** MyEV Update, January 2022

Our solution

Lex Autolease delivered a tailored Green Salary Sacrifice solution, including an accessible online portal and comprehensive marketing toolkit to help build awareness of the scheme.

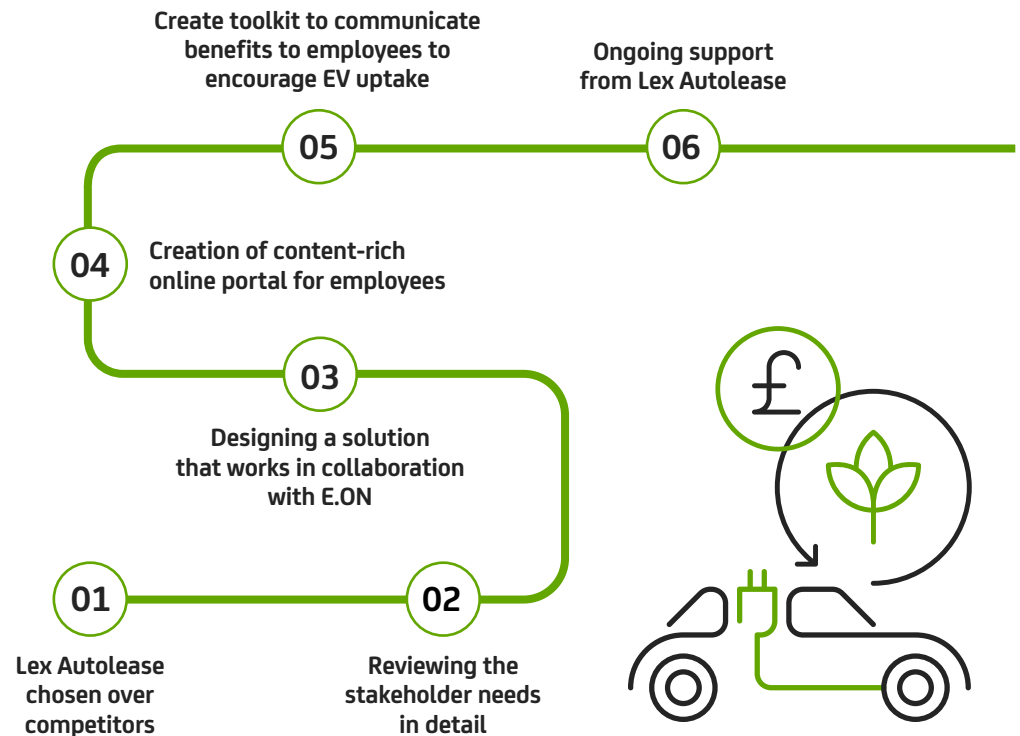
As E.ON's trusted partner for all things fleet related, Lex Autolease were aware E.ON wanted to enhance their core proposition around sustainability. Our historical relationship and proven track record meant Lex Autolease were chosen over other competitors as the right partner to help design and provide their new Salary Sacrifice scheme.

Lex Autolease started with a Whole Life Cost Policy review, which looks at the life-time cost of the vehicle including National Insurance contributions (NIC) and fuel. From this, E.ON was able to gather a more accurate view of the overall cost of its vehicles, showing how EVs could be more cost-effective all round – with an average yearly saving of £93,358.

The Lex Autolease and E.ON teams collaborated closely for six months. They considered every detail and designed a

solution that would be suitable across the business – whatever an employee's position, salary or lifestyle. As a result, E.ON's Green Salary Sacrifice scheme features:

- A content-rich online portal for employees to find useful information about the scheme and educate themselves on the financial and environmental benefits of owning an EV.
- A comprehensive marketing toolkit to communicate all the benefits to E.ON employees and build awareness of the scheme.
- Ongoing support from Lex Autolease to ensure the scheme evolves with the business, remains sustainable, and is financially efficient.



The team behind the transformation

Lex Autolease has been working with E.ON for over 14 years, delivering fully outsourced fleet management and fleet expertise. The Green Salary Sacrifice scheme was designed and overseen by experts from Lex Autolease's customer relationship management,

consultancy and implementation team, giving E.ON the chance to work directly with the right people. This meant implementation was smooth and E.ON felt supported throughout the entire process.

“The whole team at Lex has been brilliant, working collaboratively to develop this product to fit our needs and help meet our sustainability objectives. Their skills and knowledge have been invaluable.”

Helena Eyre, E.ON Reward Consultant

The outcome

78% of E.ON employees (4,700) are now eligible to lease an EV through a Green Salary Sacrifice scheme, designed and provided by Lex Autolease.

A new scheme has been implemented across E.ON to make EVs more accessible for a wider range of employees. Individuals that meet the eligibility criteria – permanent employees who have been at E.ON for at least six months and are a UK taxpayer – have the option to sacrifice some of their gross salary in exchange for an EV.

Every car comes with an all-inclusive package made up of maintenance, tyres, insurance, road tax, and breakdown cover – for total peace of mind. And because the payment comes out before tax, employees benefit from paying less

Income Tax and National Insurance contributions (NIC). As a result, it's possible for employees to save up to 42% on the monthly EV lease cost, with an average monthly payment of £759.

But the benefits go beyond financial gain. The average EV releases three times less CO₂ than a petrol or diesel equivalent^{***}, meaning employees can reduce their carbon footprint by driving a car provided through the scheme. So employees can feel they are contributing to a cleaner planet. And, for E.ON, the scheme benefits the business in a number of ways:

“The ‘My EV’ scheme has allowed me to access a new car, with the spec our family wanted with everything bundled into one cost. Limiting any stresses of deposits, finance, insurance and breakdown costs.

I found the process and communication with Lex Autolease very convenient, and I was able track my car’s progress at various stages of its build and journey to the UK. For me it was a smooth transaction, far better than one’s I’ve had through dealerships.”

Jade Newman, E.ON UK Early Careers Talent Manager



Financial

As the monthly payments are taken out before tax, the business pays reduced NIC for every employee involved in the scheme.



Retention

The lease is held in E.ON's name so employees can't take the cars with them if they leave, encouraging employees to stay with the business for longer.



Progressive

E.ON can offer employees the latest EVs with cutting-edge design, technology, and safety features.



Growth

Ongoing support from Lex Autolease means E.ON can refine the offer as the scheme grows.



Sustainable

The increased uptake of EVs is moving E.ON closer to meeting government targets and their own goal of becoming carbon-neutral by 2040.



Recruitment

The scheme creates a more attractive employee rewards package to help retain and recruit staff e.g. If 5% of eligible employees (235) are retained as a result of the scheme, E.ON could save £7 million on recruitment and training.^{****}

^{***} European Federation for Transport and Environment

^{****} Based on stats by Oxford Economics