

SMMT ANNUAL REPORT AND BUSINESS PLAN 2021



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SMMT VISION

“Making the UK the best place
for automotive business”

SMMT MISSION

“Enhance the prosperity, importance and diversity of the UK motor industry through intelligence, influential relationships and market-driven services delivered by highly engaged people”

SMMT STRATEGIC IMPERATIVES

- ✓ Engaged people
- ✓ Influential expertise
- ✓ Impactful communication
- ✓ Indispensable services
- ✓ Efficient operations

SMMT OBJECTIVES

01

Position the UK motor industry as a critical contributor to the UK economy, a major employer and source of technological innovation through all relevant communication channels.

02

Secure competitive advantage for the UK motor industry and mitigate risk by ensuring the SMMT is the influential voice of the industry in the major policy debates and regulatory discussions.

03

Improve the efficiency and effectiveness of the organisation ensuring the smooth delivery of essential value-added services, advice and support to the industry.

04

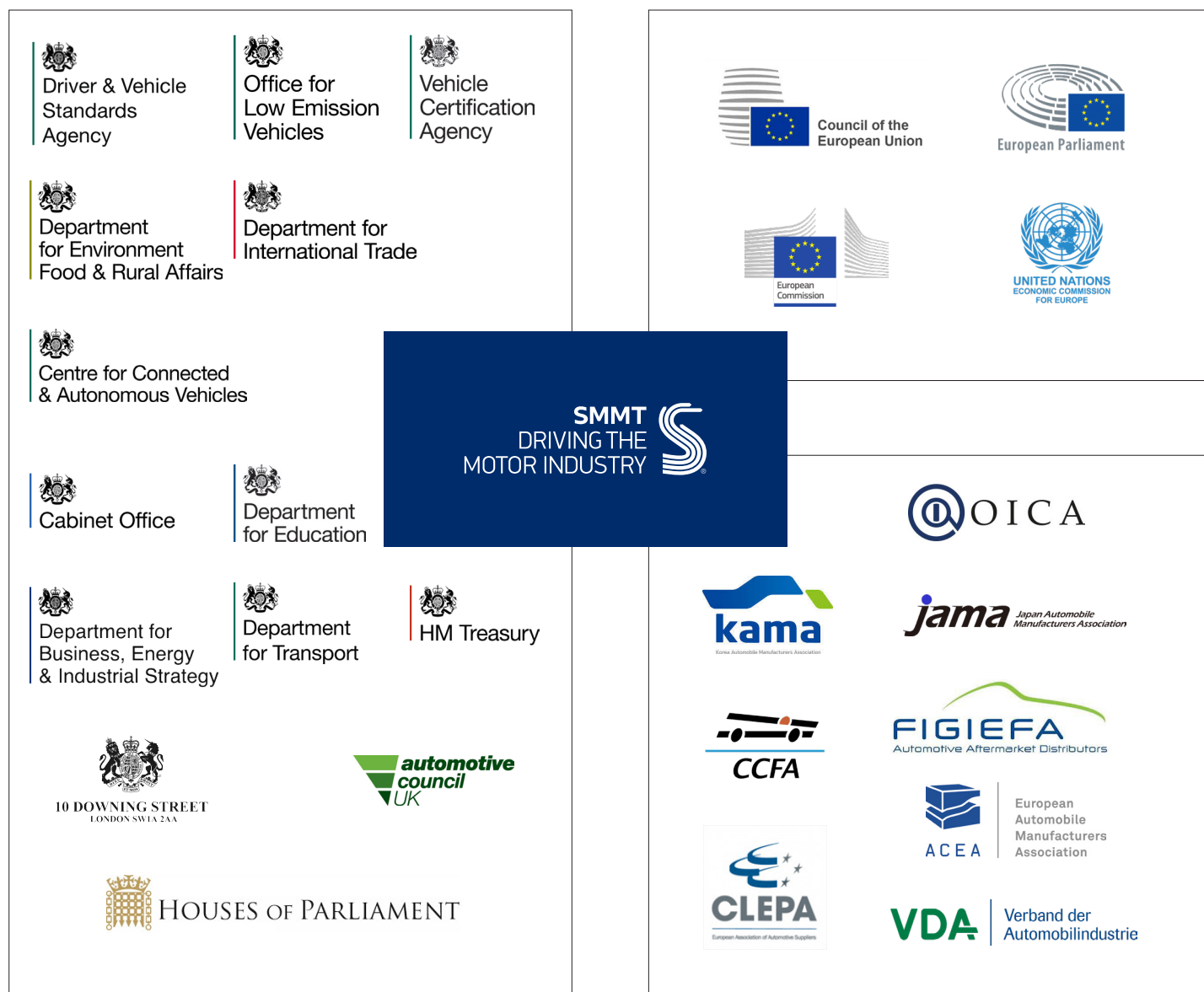
Strengthen the financial position of the organisation by increasing the size and diversity of SMMT's membership and through the development of new and existing services.

05

Develop and exploit all opportunities to grow the UK motor industry – the market, business and products – at home and abroad.

COLLABORATION

SMMT works with other organisations where there are shared interests, focusing on the partnership between the motor industry, government and other stakeholders. SMMT will continue to engage with other UK organisations, business representatives and professional bodies, as well as the main trade associations in sectors adjacent to the UK motor industry, and will continue good relationships with equivalent overseas associations.





Mike Hawes Chief Executive
The Society of Motor
Manufacturers and Traders
(SMMT)

 @MikeHawesSMMT

CHIEF EXECUTIVE'S FOREWORD

2020 was one of the most difficult years for the global automotive industry but perhaps even more so in the UK. Our three main challenges – Covid, an accelerated end of sale date and the conclusion of Brexit transition – all, inexorably, collided.

Of the three, Covid had the most visceral impact, with recurring lockdowns driving markets down to levels not seen in a generation, factories shuttered, jobs lost and lives lost. It is testament to the industry's agility that it was able to adapt, to switch output from automotive to ventilators and PPE, to re-focus operations to help keep supply lines open and key workers mobile.

Inevitably, this absorbed resources for Brexit preparation, with uncertainty lasting right up to the final days of transition. SMMT and the industry have kept steadfastly to the same message; we needed an ambitious trade deal that safeguarded as many of the benefits we enjoyed within single market membership as possible. Anything less was damage limitation. Over the years since the referendum, Government ambition narrowed and views hardened. Despite this, we continued to meet and press Ministers, including the Prime Minister, we maintained a high profile media campaign, liaised with European partners to stiffen resolve and worked with members to keep them informed of developments and impact. Every effort was taken to safeguard automotive interests; to help achieve an outcome that allows the sector chance to recover.

So it was with relief that the UK-EU Trade Cooperation Agreement (TCA) was finally secured. Given the last-minute interventions the UK government made to secure additional concessions on electrified vehicles and batteries on our behalf, recognition of the sector's fundamental importance to the economy and environmental ambitions is self-evident.

While no substitute for the benefits we formerly enjoyed with the EU, the TCA does provide an opportunity for tariff-free trade with our largest export market – although there is clearly still work to do to address technical barriers to trade, and to navigate and reduce the burden of new customs requirements and other non-tariff barriers that will emerge.

As a result, 2021 will be a year of re-building. SMMT's priorities remain: trade, competitiveness, decarbonisation and business sustainability. Over the coming months, we will seek to reduce the burden on business, work with our European counterparts to secure further easements to ensure as good a trading environment possible, and work with Government to shape long-term policy to support the sector both in the UK and internationally.

Government's ambitions for a Green Industrial Revolution are clear and the challenge to the sector is immense. We need an Industrial Strategy that reflects this ambition. One that helps secure battery gigafactory investment, supports supply chain and workforce transition and enhances the competitiveness of the UK both as a manufacturing location and a market. We must harness the opportunities full electrification may offer to generate new jobs, while protecting existing ones. We need a clear strategy for charging infrastructure, a long-term commitment to incentives, and a regulatory framework that helps the UK's towns and cities meet air quality targets, while maintaining consumer affordability and choice.

SMMT will ensure UK Automotive's voice is heard where it matters. We are diversifying, developing our own people and skills base; enhancing our data and intelligence services; continuing to support all members on technological transition, on access to finance, business adaptation and improvement; as well as providing advice on critical domestic and international issues.

2020 was unlike any other year. 2021 will, we hope, be a little easier but we recognise the start of the year and another lockdown poses immediate and medium term challenges. However, as the year progresses and the vaccine is rolled out, we hope confidence can return. As always, SMMT will continue to help the sector navigate the challenges and deliver success for our members, the market and manufacturing alike.



THE YEAR IN NUMBERS

As UK Automotive calculates the cost of a challenging year, SMMT has provided support where it counts, with funding, lobbying, guidance and publicity to promote and protect the interests of all our members.



10,877

people attended 98 SMMT events, including driving days, political roundtables, market briefings, press conferences and networking sessions, including 31 webinars on Covid-19 and Brexit preparedness support.



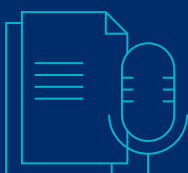
464

high level political meetings held with Secretaries of State, Ministers and MPs as part of engagement and lobbying on key issues, including Covid-19, UK trade policy and Brexit, 203X and the road to zero.



1 million

visits to smmt.co.uk by members of the industry, government and global media to access our world-leading data, insight and guidance and stay up to date with latest SMMT news and comment.



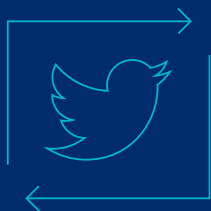
23,000+

SMMT media articles, TV and radio interviews promoting the industry and its priorities, reaching more than 6.3 million readers worldwide, including a quarter of the UK adult population – coverage worth some £6 million.



50,240

people visited our dedicated online Covid-19 support hub to access latest updates and guidance with safe-working best practice guides for auto retail, aftermarket and manufacturing downloaded 2,273 times.



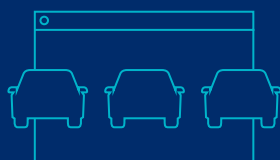
3.7m

Twitter impressions, including 250K watches of SMMT Drive Zero and automotive tribute videos, driven by more than 1,000 tweets and 50K engagements, including from politicians, media and other key influencers.



18,886

global manufacturing sites, including 570 UK, benefitted from IATF certification by SMMT reporting certification bodies, demonstrating compliance with global quality standards and commitment to continuous improvement.



£55bn

worth of new vehicles processed by SMMT's MVRIS service, with 682,592 data reports produced for manufacturers, dealerships, parts suppliers, investors, the Bank of England and others to support planning.



£100,000

allocated by the SMMT Charitable Trust to help fund the salaries of automotive apprentices employed by SMEs and whose positions are at risk from Covid-related business pressures.



£3.4m

of funding allocated under the £16 million National Manufacturing Competitiveness Levels programme to help 17 companies improve their competitiveness. A further 25 companies are being processed.



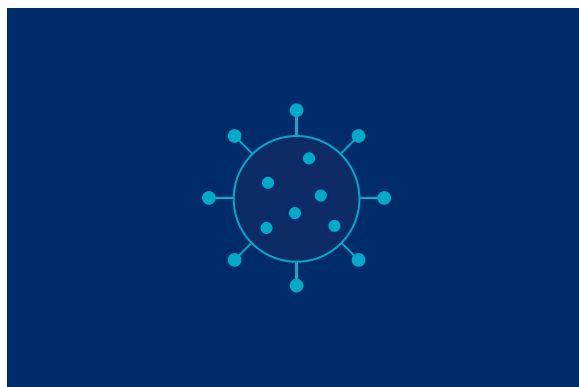
76,391

consumers contacted The Motor Ombudsman, which went on to handle and successfully resolve 5,843 cases. Meanwhile, TMO's Garage Finder was used 225,672 times by consumers searching for accredited garages.

2020 KEY ISSUES

COVID-19

SMMT reacted swiftly to keep members informed, working with government to ensure appropriate crisis and restart support in unprecedented circumstances



→ As the coronavirus crisis gripped the country, SMMT played a critical role keeping members informed of the latest developments via online and email updates, **rapid response one-to-one advice and clarification** and the formation of a **dedicated Covid-19 Task Force**. SMMT's **Covid-support webpages** were viewed some 50,000 times, while our **'ask the expert' webinars** were attended by more than 5,000 people.

As the pandemic progressed, SMMT focused on demonstrating the importance of the automotive sector to the UK and reinforcing the need for emergency funding and support to flow quickly. **Almost daily engagement with ministers and government officials**, supported by regular member surveys, was integral to the process, with SMMT developing **automotive-specific safe restart and working guidance** for the manufacturing, retail and aftermarket sectors – downloaded more than 2,300 times.

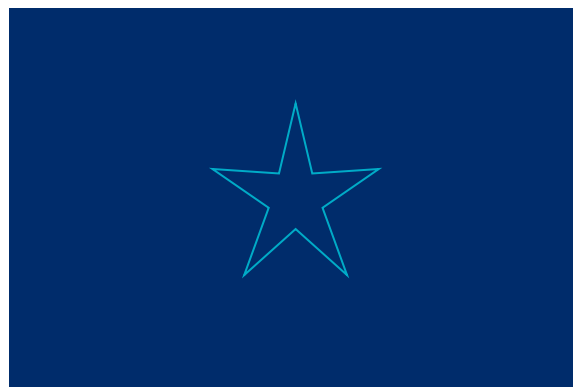
Proactive communications initiatives included the successful **#10reasonstounlockUKauto campaign**, leading to automotive showrooms being allowed to reopen from 1 June – one of the first retail sectors to get the green light to do so.

Industry efforts to produce ventilators, PPE and provide vehicles to key workers were also promoted, while SMMT collaborated with government agencies on issues including **Individual Vehicle Approval, insolvency law and MOT deferrals** – with activity on the latter leading to **an early end to the six-month test extension**.

In September, SMMT launched **Europe's first Safe Harbour scheme** to support businesses in mitigating the impact of the crisis and help avoid insolvencies. Meanwhile, a new SMMT Charitable Trust-sponsored **Apprentice Support Programme** earmarked funds to support apprentices whose positions might be at risk of redundancy.

BREXIT & INTERNATIONAL TRADE

As the UK withdrew from EU membership and began an 11-month transition period, SMMT lobbied successfully to keep sector priorities at the heart of negotiations



→ An intensive programme of **strategic lobbying, communications and member support** ran throughout the year. High-level political engagement and work with UK negotiators and officials especially around rules of origins **enshrined auto priorities in the UK-EU TCA** in December, **delivering tariff-free, quota-free trade for vehicles and parts**. We also input into BEIS, Cabinet Office, DfT, DIT and International Trade Committees of both Houses **to ensure new UK border and customs systems and regulatory frameworks work for SMMT members**.

Engagement with EU policy-makers and sister associations included a roundtable briefing for EU representatives, an SMMT Embassy event and **position papers with ACEA and CLEPA on proof of origin, customs and regulation**. Meanwhile, a joint **pan-European media intervention** flagging the €110bn 'no deal' cost to the European sector with ACEA, CLEPA and 21 national associations, was covered by hundreds of influential UK and EU outlets, including The Times, Daily Mail, Reuters, Die Welt, Les Echos and Politico.

Other proactive communications activity included stories highlighting how tariffs would undermine UK's green recovery by driving up EV prices; the £735 million spent by automotive preparing for Brexit; and the £55.4 billion hit to manufacturing under a 'no deal' scenario. All generated substantial media coverage, **keeping industry's needs in the spotlight**.

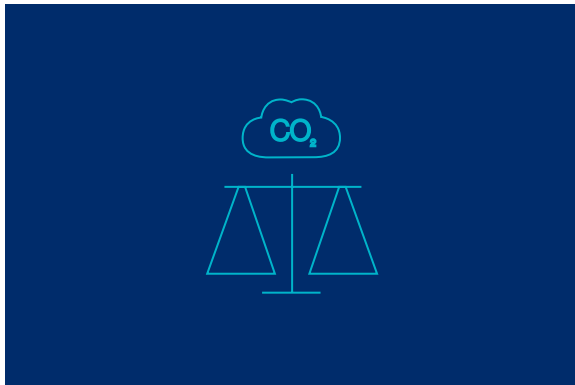
Helping companies get ready for Brexit was also a core focus. In addition to one-to-one expert advice for members, our **Business Preparedness Programme** provided online guidance, **while a series of webinars was attended by more than 1,500 people**.

Finally, our **2020 Trade Report** was shared widely across Westminster and Whitehall leading to key ministerial meetings, while our online **trade pages were read more than 6,000 times**.

While the 2030/35 end of sale date is immensely challenging, the Prime Minister's plan recognises SMMT's asks for transitional support

ROAD TO ZERO @ 2030

As government consulted on accelerating the end of sale date for ICE vehicles from 2040, SMMT campaigned for a sustainable transition for industry and consumers



→ A key 2020 priority was to **demonstrate industry's commitment to road transport decarbonisation**. SMMT research, ministerial roundtables, events and communications helped deliver a clear shift in focus on the enablers for transition – incentives, infrastructure and industrial transformation – and a **2035 end of sale date for hybrids, rather than 2030**. While this is still immensely challenging, the Prime Minister's 10-point plan recognises our asks for transitional support, with further consultation due in 2021.

Activity was supported by evidence derived from **infrastructure and incentives gap analysis** by SMMT and Frost and Sullivan. Meanwhile, SMMT also called for government to provide the right conditions for giga-factory investment and supply chain transition to future-proof UK manufacturing.

In September, a **new EV test-drive event, SMMT Drive Zero**, was hosted to demonstrate industry's leadership of the electrification agenda. **Some 90 consumers, MPs and journalists attended**, with BBC Breakfast and Sky News discussing the 203X challenge via extended live broadcasts from the event.

Event footage was used to support messaging around November's announcement, with **SMMT's videos watched some 83,000 times** and our reaction covered in more than 400 media articles, including on prime time TV and radio news.

Further highlights include an **SMMT-hosted roundtable with the Bus Minister** to discuss government's timetable to deliver 4,000 new zero-carbon buses – with investment for the first 800 announced in November's Spending Review. This was followed by **publication of the 21st annual Sustainability Report** – viewed online more than 2,000 times – at a virtual event hosted by the Chairs of the All-Party Parliamentary Motor and Sustainable Resources Groups.

INDUSTRY DATA @ INTELLIGENCE

SMMT's unrivalled data, analysis and intelligence was critical in supporting business strategy, policy making and media reporting, providing authoritative insight



→ SMMT provides the most complete data on UK Automotive available, **processing more than £55 billion worth of new vehicle registrations in 2020**, as well as used car sales; car, CV and engine production and exports; annual Motorparc performance; and more.

In 2020, SMMT's online **Vehicle Safety Recall Service**, which covers 98% of the parc, was used by DVSA, fleets, dealers and consumers to conduct some **20 million searches, helping to support one of the world's highest safety recall success rates**. Use is expected to grow even further in 2021.

SMMT data informs our world-class market intelligence. More than 175,000 reports were produced and used by vehicle manufacturers, dealerships, retailers, parts suppliers and the Bank of England for future planning in 2020.

SMMT also uses its data and insight to produce market and production outlooks, and to support lobbying and promotion – providing **authoritative information on employment, production, exports, sustainability, electrification, autonomous vehicles**, and more. Our **Trade, Production Outlook and Sustainability Reports, and Motor Industry Facts**, were **downloaded more than 13,000 times** during 2020, with our online data visualisation tool used more than 600 times a day.

New vehicle registration data, meanwhile, remained in high demand by media, cited in more than 14,000 articles, **providing a barometer of market confidence and illustrating the impact of key challenges**, including the pandemic and Brexit.

Meanwhile, in 2020, **SMMT members benefitted from 1,578 circulars** – more than double the number in 2019 – relaying critical information about political, technical, environmental, legal, financial and trade issues.

98 SMMT events were attended by more than 10,000 members, politicians and media

2020 REVIEW

BUSINESS DEVELOPMENT & NETWORKING

Throughout the Covid crisis, SMMT helped members to identify new opportunities to support business growth and competitiveness through a dedicated programme of events and services



→ Social distancing required SMMT to adapt its business development activities. **New digital platforms** were developed to recreate the best aspects of physical events, allowing us to maintain engagement, while **creating knowledge sharing and new networking opportunities**.

Large events, including **Open Forum, Legal Seminar, International Automotive Summit and Annual Dinner** – rebranded as SMMT Update Live – were successfully repurposed. The Summit and Update Live, in particular, attracted influential keynotes from across industry and government, including the **Business Minister and Secretary of State**, while providing high profile platforms to deliver positive media coverage on key issues.

After a busy first quarter, with **delegations to CES in Las Vegas, EV100 in Beijing and Auto Expo in India**, restrictions on travel and mass gatherings led SMMT to develop a virtual events programme. **Twenty webinars, attended by more than 500 delegates**, focused on accessing and growing business in key markets, including **Korea, Turkey, Central and Eastern Europe and Ohio**.

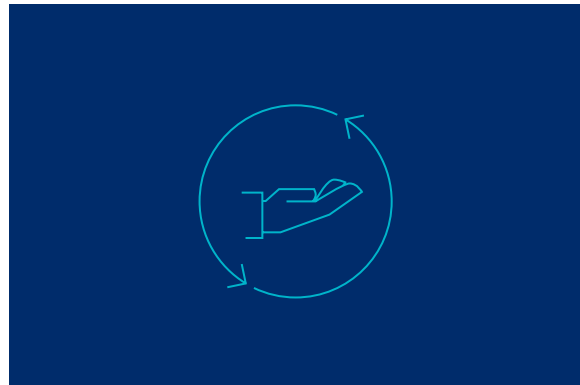
In total, some 98 SMMT events, including political dinners, media briefings and report launches, were **attended by more than 10,000 members, politicians, journalists and other stakeholders**.

Meanwhile, the **National Manufacturing Competitiveness Levels (NMCL)** automotive programme was developed further, with **17 companies allocated a total of £3.4 million** to improve their competitiveness. A further 25 companies are being processed.

Finally, 250 new companies joined the **SMMT Automotive Supplier Finder database**, bringing the total to 9,000. **RFIs provided opportunities to more than 1,200 companies**.

INTERNAL OPERATIONS & PEOPLE

SMMT was quick to respond to new ways of working demanded by Covid-19, adapting facilities, systems and support services to maximise continuity for employees and members



→ The pandemic required SMMT to introduce new systems and policies to facilitate remote working for all staff, while maintaining efficiencies, productivity and engagement.

The introduction of new online and software systems through the **adoption of Office 365** was fast-tracked, along with installation of **new and upgraded Firewalls** to boost security and raise the capacity of remote IT access for all employees. Ongoing projects to **migrate the MVRIS and VSRS data services to Cloud-based suppliers** were also accelerated.

Meanwhile, **facilities were re-aligned to ensure safe working for staff returning to the office**, with rotas implemented to maintain social distancing.

The wellbeing of our people remained our priority, helping those dealing with the challenges of isolation during lockdown. Staff communications were boosted, alongside engagement surveys and enhanced Social Club activities. We developed our Wellbeing Strategy, empowering wellbeing champions and promoting Employee Assistance and Mental Health training programmes.

Training and development was key, with a programme of virtual learning, including effective remote working and line managing. The Talent Management Programme was progressed across the Group, alongside benchmarking of remuneration to provide performance progress recognition.

A major new initiative was the formation of a **Diversity & Inclusion Task Force**, engaging a wide cross-section of employees to benchmark SMMT Group D&I performance, develop an SMMT strategy and create an action plan to improve initiatives.

The Group retained Investors in People Silver, with both ISO14001 and ISO18001 retained by the London office.

THE MOTOR OMBUDSMAN (TMO)

2020: THE YEAR IN REVIEW COVID-19 RESPONSE

- Creation of online Business Support Hub with government and industry updates covering subjects such as funding sources, the MOT extension, and mental health and wellbeing.
- Launch of new Covid-19 safety product range for garages and dealerships.
- Regular programme of communications to accredited garages, with frequent updates on social media
- Introduction of new category on the Knowledge Base to answer key consumer queries in relation to car ownership and Covid-19.
- PR campaigns highlighting changes to MOT testing, as well as the safety implications in relation to the six-month extension.

BUSINESS DEVELOPMENT

- Introduction of a suite of free interactive webinars for TMO's accredited business network on topics including the financial and legal implications of the pandemic, business obligations and the legislation governing distance sales.
- Creation of new data analysis tools for businesses in relation to the contacts and cases being received.
- Launch of new Garage Star Awards to provide added exposure for garages, repairers and dealerships.

ACCELERATING CONSUMER RESPONSE TIMES

- Investment and enhancement of The Motor Ombudsman's back-office systems to further streamline the consumer journey through the dispute resolution process.
- Implementation of more comprehensive customer feedback surveys from the first point of contact, through to the ombudsman's final decision to further improve the dispute resolution service and the handling of cases.

STAFF WELLBEING AND ENGAGEMENT

- Launch of new culture and engagement programme with interactive workshops for TMO staff; and staff participation in new SMMT D&I Taskforce.
- Creation of new vision, purpose, mission and values with input from all staff to guide the future direction of the business.
- Review of benefits and extra-curricular activities to drive further interaction of employees outside of core working hours and responsibilities.

2020 IN NUMBERS

76,391

Consumer contacts

5,843

Cases handled

225,672

Searches on the
Garage Finder

811

Consumer nominations
received for the Garage
Star Awards

2021 KEY PRIORITIES

TOP 5 PRIORITIES

- 01 Ensuring consumer and business satisfaction with our service
- 02 Raising awareness and continuing to grow our market coverage
- 03 Reducing case closure times and improving overall service levels
- 04 Case fee review to ensure our financial security
- 05 Positioning TMO as the dominant ADR provider in the automotive sector



SMMT INDUSTRY FORUM (IF)

2020: THE YEAR IN REVIEW

Industry Forum (IF) started the year strongly. The National Manufacturing Competitiveness Levels (NMCL) programme drove high interest to assess capabilities, developing targets and implementation roadmaps. Industry Forum is actively engaged with beneficiary companies to drive transformations from strategy and leadership development, through NPD and operations to supply chain optimisation.

When Covid hit the industry, we quickly adapted to virtual delivery formats. This delayed much planned activity in Q2 and Q3. Interest for training and skills enhancement and the NMCL programme built strongly in the last quarter with strong demand into 2021.

The core automotive experience has been recognised in multiple sectors. IF has a strong engagement in aerospace and industrial sectors where quality, delivery and supply chain performance are critical.

The motor industry's transformation has been supported by specific programmes to help suppliers understand electrification and to enable companies less experienced in automotive to learn about sector best practice requirements.

2021 KEY PRIORITIES

SMMT Industry Forum (IF) will strongly support the National Manufacturing Competitiveness Levels (NMCL) programme to help companies become more competitive. The aim of the programme is to boost competitiveness, productivity, workforce capability and economic growth of all supply chains in the UK. The programme is now firmly established in automotive and aerospace, it is hoped to expand it to other key sectors.

IF is a quality assured provider which will be offering hands-on training, coaching and mentoring to support the NMCL and related programmes. We are now capable of working flexibly with companies both domestically and internationally using virtual tools to support the resource and timing needs of the clients.

We expect Covid to accelerate the move to more flexible, virtual delivery of services with a wide range of client sizes and this will lead to a rapid expansion of the business to the benefit of the industry, and the UK economy.



SMMT QUALITY MANAGEMENT DIVISION & IATF OVERSIGHT

2020: THE YEAR IN REVIEW

The pandemic presented the biggest challenge for the third-party certification sector, with International Automotive Task Force (IATF) initially applying extensions to IATF 16949 quality management system audit timings. At the end of October, IATF authorised remote auditing, which will allow the backlog of audits built up during Q2 & Q3 to be completed.

Of the 80,736 certified sites globally (up 5% on 2019), 23% are certified by one of the five SMMT reporting Certification Bodies. The UK remains ranked at number 18 in terms of certificate numbers with 570 certified sites.

Globally, SMMT Oversight continues to see growth in the number of sites certified by one of the five SMMT reporting Certification Bodies – up 9% on 2019 levels.

SMMT Oversight conducted 20 Certification Body office assessments during 2020 and 50 witness audits, while JLR became a full IATF voting member, working closely with us throughout the year.

2021 KEY PRIORITIES

IATF will continue to focus on five key strategic imperatives:

- Global growth and adoption of the IATF 16949 standard
- Promoting international excellence
- Growth in services
- Technological relevance
- Scheme effectiveness

The new Common Audit Reporting Application will be implemented across all 41 IATF approved certification bodies from January 2021, including the five reporting to SMMT.

In a major new initiative, SMMT will also play a key role in the development of the Sixth Edition of the IATF Rules for Achieving and Maintaining IATF recognition.

A performance-complaint workflow will be incorporated into the IATF Global Database. This will allow IATF OEMs to raise performance complaints against certified organisations directly through the IATF database.

Meanwhile, SMMT QMD will expand IATF 16949 eBook options to include the IATF Rules and IATF Auditor Guide, with the Automotive Quality Management System conference also being re-instated to the calendar.

Finally, SMMT Oversight plans to undertake 19 Certification Body Office Assessments and 73 witness audits during 2021.

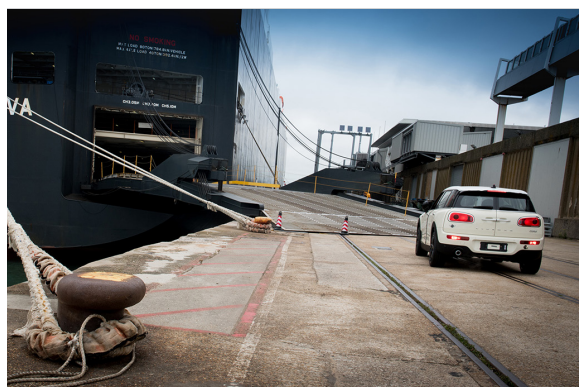


SMMT will help develop the 6th Edition of the IATF Rules for Achieving and Maintaining IATF recognition

2021 KEY PRIORITIES

INTERNATIONAL TRADE

SMMT will support member businesses in adapting to the new trading conditions between the UK and the EU, and in realising global growth opportunities



→ SMMT will help members **transition to new border processes, customs and tariff documentation, regulatory environment and the UK immigration system**, lobbying government for maximum facilitation and guidance to ease the burden on business. We will intensify engagement with HMRC, Border and Protocol Delivery Group, Cabinet Office and Home Office as the new rules come into force and help to embed them in our sector successfully.

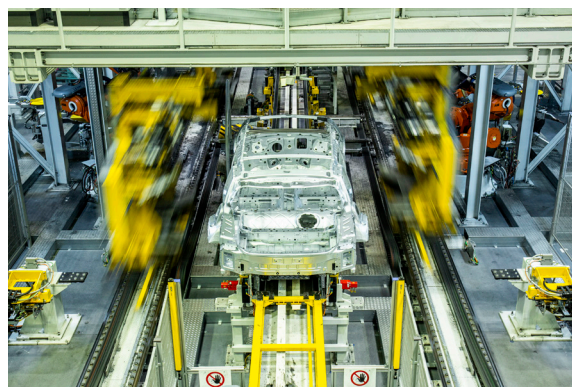
We will **represent members' interest directly in the UNECE and EU institutions**, maintaining influence in both European and global arenas. **Our Brussels office will help members stay engaged in EU policy making** affecting their business through intelligence sharing and events. We will work with European policy-makers, the UK government's representation (UKMIS), sister associations and the wider business community in Brussels on common regulatory and policy priorities to ensure UK Automotive remains visible.

We will also **develop UK automotive trade priorities that build on the UK's new status as an independent trading nation** and its emerging network of continuity and new trade agreements. Our International Trade Working Group **will lead on shaping UK trade policy for automotive, working with the Department of International Trade**. We will also work to provide insight into trade developments, **identifying priority markets, driving opportunities for growth and investment, and supporting export ambitions** through ongoing engagement with government advisory groups, participation in global trade fairs and trade missions.

Meanwhile, a programme of **strategic communications** will highlight the sector's trade priorities, while also **promoting the UK overseas as a key market, exporter and inward investment destination** for automotive production and technological development and collaboration.

UK COMPETITIVENESS AND INDUSTRIAL STRATEGY

SMMT will work with government to ensure the automotive business environment post-Brexit and post-Covid is highly competitive globally



→ SMMT will have a laser sharp focus in 2021 on ensuring the UK business environment post-Brexit and, eventually, post-Covid, is highly competitive internationally in **supporting automotive R&D, manufacturing and market growth**. We will continue our work with HMT and BEIS on energy costs, business rates, capital allowances, tax and supply chain support. **SMMT will lead the Automotive Council International Competitiveness workstream**. We will **support the government's green recovery objectives** and ensure that the UK fundamentals that underpin business investment and market confidence are strengthened.

Following the seismic shift in our biggest trading relationship and the Prime Minister's 10 Point Plan for a Green Industrial Revolution, **SMMT will work towards a refreshed industrial strategy** for the sector through the Automotive Council. A renewed strategy must provide a clear plan, coordination across HMG and globally competitive support commensurate with the high level ambition for the sector to deliver on jobs, growth and accelerated zero emission technology, through **investment in gigafactories, electrified supply chains, digital transformation and skills of the future**.

We will support the government's levelling up agenda by **leading industry's work on reskilling and upskilling the existing automotive workforce** through the Automotive Council, and by promoting its importance as a high-value, high-skills employer. We will **support anchoring new jobs in the UK** from the accelerated ambition for electric vehicles and adoption of digital technologies. We will work with **government and the unions** to ensure that the impacts on auto industry employment from this technological transformation, Covid and Brexit are well understood and practically addressed to **enable a just transition**.

A programme of political and media engagement will help shape the net zero debate ahead of COP26

2021 PREVIEW

SUSTAINABLE MOBILITY & DECARBONISATION

2030 will remain a strategic imperative for SMMT, requiring intensive work to ensure industry is supported to meet government's high ambitions for transport decarbonisation



→ SMMT will **press government for a clear delivery plan for accelerated market transformation** to meet the ambitious 2030/35 ICE/hybrid end of sale date. We will dedicate technical and environmental policy expertise to support members, with additional focus on low volume and specialist vehicle, towing and testing sectors. We will **seek to ensure barriers to uptake are effectively addressed** and that DfT strategies reflect industry priorities, while collaborating with the energy and infrastructure sectors, HMT and local and regional authorities, and working to **address life cycle and sustainability issues**.

An intensive programme of political and media engagement will help **shape the debate ahead of November's COP26, with a major new event, SMMT Electrified**, providing a global platform for the UK industry to further demonstrate leadership. We will also **work with members to influence government's regulatory and economic approach to market transition**, shaping the regulatory framework for CO₂, and **engaging in the EV infrastructure strategy and consultation on end of sale for diesel HGVs**. We will work with all stakeholders to support industry investment and ensure mass market transformation is backed by adequate infrastructure.

We will **take stock of Clean Air Zone preparedness and implementation** following Covid disruption, working with London on LEZ changes and the impact of ULEZ expansion to the North/South circular from October. In England, we will **monitor and influence any city-level access restrictions to minimise fragmentation** a patchwork of rules. **Engagement with Scotland, Wales and Northern Ireland** will support an informed and coordinated approach across the nations to air quality, transport decarbonisation and urban mobility.

TECHNOLOGY AND INNOVATION

Promoting the UK as a centre of excellence for the development, testing and deployment of next generation vehicle technology will continue to be a major workstream in 2021



→ SMMT will **fully engage with government and MPs on Automated Lane Keeping System (ALKS)**, classification and insurance categorisation, as well as the regulatory changes needed to permit the use of ALKS onto UK roads. We will deliver a creative communications campaign, with a **focus on education and myth busting** around the technology, its functionalities and safety benefits, while working closely with government and all relevant stakeholders on **a practical approach for early deployment of ALKS in the UK**.

Meanwhile, we will also **continue to support the UK's regulatory reform agenda** to enable the safe deployment of higher levels of automated vehicle technologies in the UK. **We will engage in the third and final consultation by the Law Commission**, work which will lead to detailed regulatory proposals in 2021. SMMT will also strive to ensure that the Commission's proposals and government's response will **enable the UK to play a leading part in the safe and early deployment of connected and autonomous vehicle technologies**.

In 2021, SMMT will **grow and extend our influence in future mobility policy**, primarily through coordinating an industry response to the government's Future of Transport: Rural Strategy consultation and engaging with ministers and officials following completion of the year-long micromobility trials.

SMMT will also support members' strategic business transition by launching the **third edition of the Future Mobility Challenge (FMC) open innovation initiative**. Finally, planning will begin for a major new event in early 2022, Combining the FMC and SMMT Connected events into **a week-long Future Mobility 'tech-fest' style event** with global participation and experiential elements.

SMMT will offer enhanced business development activities to support members through recovery and new post-Brexit realities

2021 PREVIEW

BUSINESS DEVELOPMENT & NETWORKING

As the sector emerges from Covid and into the new realities of post-Brexit trade, SMMT will ramp up its business development activities to support members



→ As the UK emerges from the coronavirus pandemic and enters a new era of global trade, **SMMT will offer increasing business development activities to support members through Covid-19 recovery** and the new post-Brexit realities.

Our **online Brexit Transition support hub**, complemented by an ongoing series of webinars, will help businesses adjust, while we will use the results from member surveys to develop new products and services to help navigate the uncertainties ahead. We will also work to **strengthen regional engagement and enhance our offering to support tech start-ups** with new initiatives to address their specific needs.

Helping members develop new business connections will be a core focus. Where Covid restrictions prevent the delivery of physical events, we will continue to use technology to offer members a route to engagement. However, as the rollout of the coronavirus vaccine progresses, we hope to return to our **programme of 'in-person' events – including Open Forum, Meet the Buyer, International Automotive Summit and Annual Dinner.**

Also planned to make a return in 2021 are SMMT Test Days. These driving and networking events were sorely missed in 2020 by members and the 400-plus journalists who usually attend, after Covid forced their cancellation.

International travel permitting, a **programme of global exhibitions and trade missions** is in planning, with government TAP funding helping to deliver opportunities in key markets, including **Japan, China, Germany, India, the US, Israel, Korea and CEE.** Meanwhile, in January, SMMT will be flying the flag for UK Automotive with a virtual presence at **CES Las Vegas and the EV100 Annual Forum in Beijing.**

INTERNAL OPERATIONS & PEOPLE

Facilitating the return to office working and implementing new policies to attract, retain and develop the best talent to support our members will be key in 2021



→ Focus in the first quarter will be on **supporting SMMT Group's transition from remote working to office-based activities** as social distancing restrictions ease alongside the UK's roll-out of the Covid-19 vaccine, with appropriate health and safety measures to ensure a **Covid-secure working environment** for all staff and visitors to SMMT offices.

New video-conferencing facilities will be introduced in all meeting rooms to enable hybrid meetings involving both on and off-site participation by staff, members and other external stakeholders.

Meanwhile, SMMT will introduce an updated **flexible working policy**, developed in conjunction with employee representatives, following a phased return to the office. HR systems will also be updated to accommodate the new flexible working practices.

In line with our **mission to attract, develop and retain great people**, we will continue to enhance our **employee training programmes**, with a key focus on **talent management and succession planning** and the introduction of personalised development plans. Work will also begin towards achieving the **Investors in People Gold** accreditation and the ISO27001 standard across the Group.

Diversity and Inclusion will remain a core focus for the Group, with the SMMT Diversity & Inclusion Taskforce, established by employees in 2020, championing the roll-out of a phased five-year D&I Strategy and Action Plan, with regular staff surveys, data gathering and benchmarking taking place to measure change and improvement.

Meanwhile, we will continue to enhance and streamline GDPR processes across the Group, while implementing a new **governance solution for SMMT's data architecture** to maintain compliance across all platforms, boost efficiencies and identify new use cases.

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