

# Basis of Reporting

## Scope 1 & 2



**AMG**  
**PETRONAS**  
FORMULA ONE TEAM

Scope  
1 & 2

Carbon  
Footprint

Calendar  
year 2024



# Scope 1 & 2

## Scope 1 & 2 Basis of Reporting 2024

**This document outlines the methodology used by Mercedes-Benz Grand Prix Ltd (MGP) to report its Scope 1 & 2 carbon footprint for the calendar year 2024.**

### Overview

The scope of MGP's carbon footprint is based on the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. The footprint has also been aligned to SBTi requirements to align with best practice.

The data in the footprint is used for a range of compliance reporting requirements such as the UK Government's Streamlined Energy and Carbon Reporting (SECR). However, it must be noted that emissions factors and data sources may vary depending on the requirements of such reporting mechanisms.

### Notes of Historical Relevance

In 2022 MGP set a new carbon footprint baseline to cover the full range of Scope 1, 2 and 3 emissions categories applicable to facilities (where the design, development and manufacture of Formula One motor racing cars occur) and trackside operations (where racing activities are carried out). In 2023 MGP restated the 2022 baseline to encompass a range of methodology and data adjustments and to allow for a like-for-like comparison between the 2022 and 2023 calendar years.

### Scope and Reporting Boundaries

The footprint has been calculated in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard boundaries for Operational Control. A company has operational control if it or one of its subsidiaries has the full authority to introduce and implement its operating policies at the property.

The company operates and competes in the FIA Formula One World Championship, competing in over 20 races across the globe each year, and conducts factory-based R&D activities for the design and development of racing vehicles and additional ad hoc activities.

Defining reporting boundaries requires a rigorous approach to understand emissions sources under MGP's control and emissions sources under external parties' control. These external parties include:

- Formula One
- Race Promoters

The GHG reporting scope covers all Scope 1 & 2 emissions from:

- MGP sites at Brackley and Silverstone
- MGP owned motorhomes used at the European races
- MGP owned mobile trackside infrastructure (e.g. generators)
- MGP leased vehicles used by employees for business travel

This excludes Scope 1 & 2 emissions sources from trackside infrastructure owned and operated by Formula One or the race promoter, unless specified in the respective emissions category.

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### Methodology

Emissions data is subject to calculation using the predetermined processing techniques outlined within the GHG Protocol standards. This is to ensure that the results are repeatable and comparable year-on-year.

Activity data is collected via a range of methods that include meter readings, third party logs and invoices. Data may be subject to conversion using data-backed conversion methods in cases where the usage metric is not suitable for emissions calculations. Specific examples can be found in the emissions data overview section.

The usage metrics vary across emissions sources but can be grouped into kWh for energy consumption, litres for fuel consumption and kilograms for fugitive emissions.

Calculations are completed via internal methodologies or via an external third-party. Each category is subject to a basic principle for calculation that can be found below:

***Usage metric x emissions factor = kgCO<sub>2</sub>e***

The input metric will vary according to the respective category, this includes but is not limited to spend, consumption, weight or distance.

### Internal Data Auditing

All data used within the carbon footprint is subject to an internal quality assurance process prior to emissions calculations. These steps can be broken down into three stages:

1. Data source review – data to be used in the footprint is reviewed and queried for any outliers or errors.
2. Data processing validation – information is subject to a validation exercise that covers full data review from source to final input.
3. Emissions QA - results from the data processing are subject to a random sample quality assurance process.

The carbon footprint will be subject to a third-party limited assurance upon completion.

### Restatement Policy

The footprint is subject to restatement, either in its entirety or within a specific emissions category, if additional information is presented within the reporting period that amounts to a total tCO<sub>2</sub>e emissions impact of +/- 5%. In the event of methodological changes, if these cannot be reasonably applied to all past years, MGP may reasonably estimate these data points, or choose to not recalculate. In both events, MGP will describe and disclose methodological changes in its annual disclosures.

### Emissions Data

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The emissions included with Scope 1 & 2 are related to the onsite factory utilities and fuel emission sources. These emissions sources have been calculated using activity data from metered usage or from information provided by the supplier via invoices or receipts.

Each scope will be reported in line with GHG protocol categories, with exception of Scope 1 stationary combustion. In addition to reporting stationary combustion in line with the GHG protocol categories, the use of an alternative reporting method for Scope 1 allows the presentation of both a market and location-based footprint from the site's gas supply, backed by Renewable Gas Guarantees of Origin (RGGOs). This results in two reported emissions figures: Scope 1 Market-based & Scope 1 Location-based. For further details on the calculation method, please refer to the gas supply details below.

Additionally, total emissions will be reported within compliance reporting, alongside an intensity ratio. The intensity ratio will be calculated by dividing total emissions by the average head count across the calendar year. This will produce a single emissions figure (tCO<sub>2</sub>e gross per average number of employees), that can be compared across each reported period.

Compliance reporting metrics will also include the total energy consumption used to calculate emissions. This data is comprised of all energy and fuel consumption that is converted to kWh using DEFRA conversion factors.

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### Emissions Data continued

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The table outlines the respective GHG Protocol categories and the related data points used within each category.

Scope 1: Mobile Combustion	
Source	Details
Racing Fuel	The fuel is used to operate the Formula One racing car during both racing, testing and ADHOC events. The fuel used is categorised as petrol (average biofuel blend) due to its regulatory defined ethanol content. This information is collected through mileage logs provided by the engine provider. All emissions are calculated using DEFRA emissions conversion factors within the reporting year 2024.
Company vehicles	The company vehicles are used for the purposes of business travel. The range of vehicles in operation include petrol, petrol hybrids and diesel. Usage metrics are provided in litres of fuel via third party invoices and reports. All emissions are calculated using DEFRA emissions conversion factors within the reporting year 2024.

Scope 1: Stationary Combustion	
Source	Details
Dyno fuel	The dyno is operated using Formula One racing fuel for the purposes of R&D and testing activities The fuel used is categorised as petrol (average biofuel blend) due to its regulatory defined ethanol content. This information is collected through usage consumption measurements provided from internal metering. All emissions are calculated using DEFRA emissions conversion factors within the reporting year 2024.
Generators	The generators are used by the business across both racing activities and onsite operations. The generators are fuelled with diesel (average biofuel blend), HVO100 or petrol (average biofuel blend). The variation is dictated by fuel availability and system requirements. This information is collected from supplier invoices. All emissions are calculated using DEFRA emissions conversion factors within the reporting year 2024
Gas supply	The gas supply is used for the purposes of onsite heating and operation of specialised equipment. All gas is recorded as natural gas, but the Brackley operations are covered by contractual RGGOs. To capture the impact of contractual RGGOs a market-based Scope 1 emissions total is reported alongside a location-based Scope 1 emissions total. This information is collected from supplier invoices. All emissions are calculated using DEFRA emissions conversion factors within the reporting year 2024.

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### Emissions Data continued

#### Scope 1 & 2

The table outlines the respective GHG Protocol categories and the related data points used within each category

Scope 1: Fugitive Emissions	
Source	Details
Fugitive emissions	This covers f-gas related leaks that occur during the operation of cooling and heating equipment. Emissions are recorded in kg as per maintenance technician records. All emissions are calculated using DEFRA emissions conversion factors within the reporting year 2024 or supplier provided emissions conversions.

Scope 2	
Source	Details
Electricity	<p>The electricity supply is used for the operation of site equipment and heating/cooling functions. Electricity is supplied via an external provider and operations are covered by REGO certificates. This information is collected from supplier invoices.</p> <p>In 2024 Formula One Management (FOM) introduced a centralised power solution for the team motorhomes at three European races to replace independently provided team power generation through generators. Information on the fuel mix of this system is provided by FOM. All emissions are calculated using DEFRA or AIB emissions conversion factors within the reporting year 2024.</p>
Company vehicles	The company vehicles are used for the purposes of business travel. Battery electric company vehicles are charged onsite and offsite. Onsite charging is included in utility consumption data and offsite charging is report via supplier invoicing. All emissions are calculated using DEFRA emissions conversion factors within the reporting year 2024.

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### Climate-related Financial Disclosures – Reporting Criteria

The Directors of Mercedes-Benz Grand Prix Limited are responsible for ensuring that the Climate-related Financial Disclosures fairly present the climate-related management systems, processes and governance of the Group. The Group comprises Mercedes-Benz Grand Prix Limited and the wholly owned subsidiaries Mercedes-Benz Grand Prix Estates Limited and Mercedes-Benz Motorsport.

We have prepared the Climate-related Financial Disclosures based on the Mandatory Climate Financial Disclosure Guidance issued by the Department for Business, Energy and Industrial Strategy (“BEIS”), as required by The Companies (Strategic Report) (Climate-related Financial Disclosures) Regulations 2022, amending the Companies Act 2006.

These disclosures do not omit or distort information which is relevant to the scope of the climate-related management systems and processes being described, or the users’ understanding of these, while acknowledging that the disclosures have been prepared to meet the common needs of a broad range of users and therefore may not include every aspect of our climate-related management systems and processes which each individual may consider to be relevant to their circumstances.

The climate metrics, projections, forecasts and other forward-looking statements used in the Climate-related Financial Disclosures should be treated with special caution, in particular as they are more uncertain than, for example, historical financial information, and given the wider uncertainty around the evolution and impact of climate change. Projections and forecasts include estimates and assumptions, which are based on historical evidence and other factors which are believed to be reasonable in the circumstances, the results of which form the basis of these measurements. Actual results may differ from these estimates as our understanding of climate change and its impact continues to evolve. Climate metrics include forward-looking climate metrics, such as ambitions, targets, climate scenarios and climate projections and forecasts.

