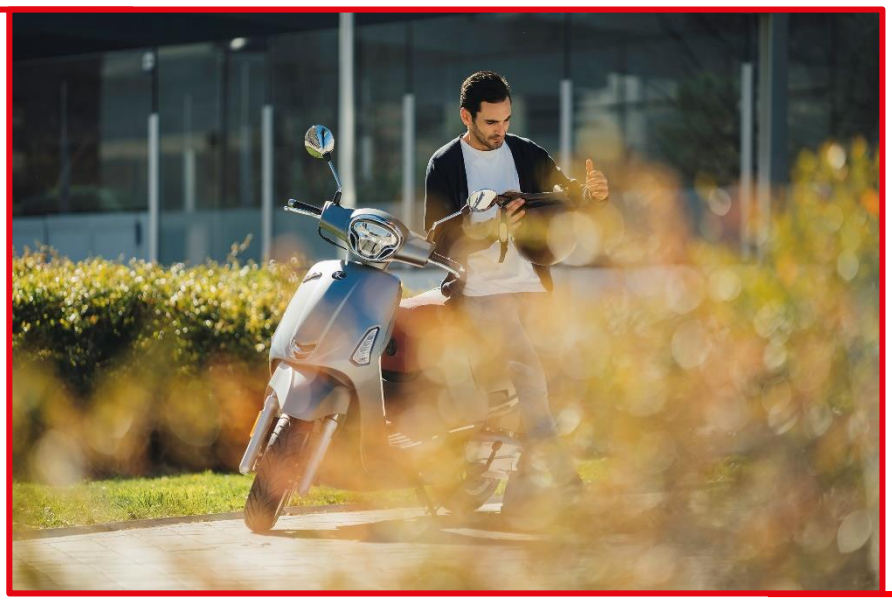
REPORT

CARBON FOOTPRINT 2019 AND 2020

KYMCO


EUROPEAN QUALITY ASSURANCE ESPAÑA
EQA



November 2021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INDEX


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PRESENTATION.

Towards Sustainability
About the Company

TOWARDS SUSTAINABILITY

Our Company represents a benchmark personal mobility brand in our country and from our leadership position we feel the need to join the environmental challenge in a way that is more committed to society, which is why we are committed to **integrating the principles of the sustainability** in all our activities and businesses.

Although we have been working for more than 25 years to promote efficient, mainly urban, transport, with very low emissions, at this time, we are very aware of the urgency of approaching sustainability with a more ambitious commitment.

We have been reflecting on the transformation of the Company towards an efficient, sustainable and profitable business model, for a long time, and with quality emission-free mobility proposals that lead the way to new mobility. Our business project will help us transform the Company and contribute to decarbonising the transportation sector, which as a whole represents 25% of greenhouse gas emissions in Spain.

Within this framework, we began a new, parallel line of work, the task of becoming more transparent, to ourselves and within society. Calculating the organisation's Carbon Footprint, which we present here, will provide us with new information and help us measure our risks and new opportunities to work together for the environment in an integrated way.

This report includes the calculation of the Company's carbon footprint for 2019 and 2020 and a 5-year improvement plan (2021-2025). This includes a set of actions to mitigate the carbon footprint of our organisation in a clear commitment to sustainability and to have a positive impact in the fight against climate change.

All data has been verified by the accredited entity EQA, with the **ISO 14064-1 standard.**

ABOUT THE COMPANY

The Company (KYMCO Mobility SA) was founded in 1994 in Madrid under the guidance of a long-term growth plan, fundamentally based on the creation of a solid, efficient and profitable distribution network, and on the marketing of a range of high quality, innovative, highly competitive and value-added goods for the end customer.

Our main activity focuses on the **importation of vehicles and spare parts** from Asia, and their subsequent distribution throughout the national market. In 2020, the company moved around 4,000 tonnes of freight, including vehicles and spare parts, from the Asian market, which was later distributed throughout Spain.

The development and management of the after-sales service is the main bastion of the Company. We have consolidated an unprecedented spare parts management system, with our own electronic platform that allows us to offer a 24-hour direct and immediate service for the supply of spare parts to more than 1,000 points of sale in Spain.

In 2016, we started a digital transformation, and since then the operation on the network takes place in a totally digital environment of apps and electronic tablets. We are in constant evolution and development of new products and businesses that provide urban mobility solutions and value to all our customers, which is at the centre of all their decisions.

We are specialised in marketing scooters and KYMCO ATVs, via the private channel (19.57% share 2020). We work to lead the transformation of mobility in line with the integration of sustainability throughout the supply chain to provide value for the Company and promote a better world.


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CARBON FOOTPRINT

Report Limits
Physical Limits of the Organisation
Operational Limits
Methodology
Uncertainty Analysis
Emissions Inventory
Emission Sources Inventory
Result and Activity Index

REPORT LIMITS

The consulting firm El Cubo Verde Soluciones Ambientales SL, specialised in sustainability, climate change and energy, has been responsible for calculating the Carbon Footprint of KYMCO Spain, through the reference standard **UNE_EN ISO 14064-1: 2012** "Greenhouse gases, Part 1: Specification with guidance, at the organisational level, for the quantification and reporting of greenhouse gas emissions and their removal."

The entire project has been developed in 6 phases: operational delimitation; the selection of scopes and identification of emission sources; calculation of the footprint itself; summary report of the carbon footprint and improvement plan; and verification and registration in the National Carbon Footprint Registry.

The study of the Carbon Footprint of KYMCO Spain includes Scopes 1 and 2, of the Carbon Footprint, corresponding to the years 2019 and 2020, and Scope 3 for 2020. 2019 has been established as the base year, which is considered representative of the organisation's activity and has consistent and verifiable data.

The GHG emissions at the facility level associated with the commercial activity carried out by KYMCO Mobility SA have been consolidated through the control approach: all significant emissions over which the organisation has operational or financial control have been included, identifying the sources of direct and indirect GHG emissions.

PHYSICAL LIMITS OF THE ORGANISATION

The scope of the Carbon Footprint includes the facilities at the Company's headquarters, located at 54 and 56 Calle Laguna, in Alcorcón, Madrid (Spain). They are two twin warehouses joined inside and with independent entrances at street level, with a total of 4,200 square meters, spread over three floors (floor 1, at street level; floor 2 and floor 3), on a plot of 2,905 square meters. Most of the space is dedicated to the warehouse area, which totals 3,430 m2.

The office part as it is, is located in Warehouse 2 (calle Laguna 56), with a work area of 210 m2 on floor 2, in addition to 108 m2 for meetings, 80 m2 of dining room, 40 m2 of filing. The remaining 262 m2 are the server room, the events room (photography and exhibition work area), lobbies and toilets.

Both floor 1 and floor 3 are used as warehouses in their entirety. The technical area is located on floor 1, which occupies 70 square meters.

Warehouse 1 (calle Laguna 54), has 2,100 m2, and is entirely dedicated to a warehouse over its three floors.

OPERATIONAL LIMITS

As it is an import and distribution company, the main activity that impacts on the generation of a greater volume of greenhouse gases (GHGs) is **logistics,** both related to the **import** of goods (scooters and spare parts), as well as the one referred to as **national distribution**, within the Spanish territory, including the island territories.

Imports come from the ports of Shanghai and Changzhou (China) and Kaohsiung (Taiwan) and are destined for the port of Valencia, from where they are distributed, according to itineraries, in means of transport subcontracted to logistics companies outside the organisation . Goods are distributed to all the peninsular and insular autonomous communities.

There are no process emissions, since our operations are not an extraction, production or transformation activity. The 2 halls of the facility are mainly used as office, warehouse and distribution point. No parts assembly or repair activities are carried out at the facility.

The calculation of the greenhouse effect gases (GHG) considered is limited to CO2 eq.

The **activity index** defined for the carbon footprint is:

t CO2 eq.
for every €100,000 of annual turnover

OPERATIONAL LIMITS

These are the details of each scope of the study:

Scope 1 Direct Emissions 2019 - 2020	Scope 2 Indirect Emissions 2019 - 2020	Scope 3 Other Indirect Emissions 2020
Fossil fuels	Electricity consumption: air conditioning, domestic hot water, lighting ...	Maritime logistics of importing scooters and spare parts
Own fleet of vehicles		National distribution logistics (land and sea) of scooters and spare parts
Fugitive emissions - fluoride		

METHODOLOGY

For the calculation of the Carbon Footprint, the following methodologies and emission factors have been taken as a reference:

- **UNE-EN ISO 14064-1: 2012.** Greenhouse gases. Part 1: Specification with guidance, at the organisational level, for the quantification and reporting of greenhouse gas emissions and their removal." (ISO 14064-1: 2012).

- **Emission factors:** Registration of carbon footprint, compensation and carbon dioxide absorption projects "(Version 2020), of the Spanish Ministry for the Ecological Transition and the Demographic Challenge. It includes, among other things, the emission factors of the electricity mix of the marketers operating in Spain (kg CO2/kWh). https://www.miteco.gob.es/es/cambio-climatico/temas/mitigacion-politicas-y-medidas/factoresemision_tcm30-479095.pdf

- **Global warming potentials** for refrigerant gases and preparations indicated in the Fourth Assessment Report of the IPCC (Regulation 517/2014) for air conditioning equipment. https://www.miteco.gob.es/es/cambio-climatico/temas/mitigacion-politicas-y-medidas/factoresemision_tcm30-479095.pdf

- **UK Government GHG Conversion Factors for Company Reporting (2019 and 2020).** "Conversion factors 2019_Full set" Department for Business, Energy & Industrial Strategy, Conversion factors 2020_Full set "," UK Government GHG Conversion Factors for Company Reporting (2019 and 2020). Sources: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019_ https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors -2020

METHODOLOGY

NOTE: ”Greenhouse gas reporting: conversion factors 2020" and "Conversion factors 2020: full set (for advanced users) MS Excel Spreadsheet, 1.02MB”. UK Government GHG Conversion Factors for Company Reporting (2019 and 2020). “Conversion factors 2019_Full set” (https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019_Department for Business, Energy & Industrial Strategy), “Conversion factors 2020_Full set” and “UK Government GHG Conversion Factors for Company Reporting (2019 and 2020). (https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020_Department for Business, Energy & Industrial Strategy)

All the emission factors used to calculate the footprint in this Scope have been obtained from this source. The goods are taken to have been moved in a flatbed truck, equivalent to an articulated truck of between 3.5 -33 tons) at 100% load. This factor amounts to 0.07212 kg CO2 eq. per t km travelled. The emission factor of the RoBo Ferry 2000 + LM vessel is 0.05019 kg CO2 eq; and that of the RoBo Ferry 0-1999 LM vessel is 0.06114 kg CO2 eq. per t km travelled.

ANALYSIS OF UNCERTAINTY

Following the requirements of the UNE-ISO 14064-1 standard that establishes that “an evaluation of the uncertainty for GHG emissions and removals should be completed and documented, including the uncertainty associated with emission and removal factors”, El Cubo Verde states:

Although the methodology used is more complete than that indicated by the FES-CO2, and it is also the reference methodology in the European Union (2019 and 2020 Government Greenhouse Gas Conversion Factors For Company Reporting” of the Department of Business, Energy and Industrial Strategy of the Government of the United Kingdom), we consider that it is not possible for us to technically quantify the uncertainty for the following reasons:

KYMCO's carbon footprint, being a company dedicated to the import and distribution of scooters and spare parts, lies fundamentally in its ***Scope 3*** *(other indirect emissions).*
It is the most representative of KYMCO's activity (89.5% of the carbon footprint corresponding to 2020). The uncertainty could be associated with the sources consulted to obtain the characteristics of the cargo ships and the distance to be covered between one port and another. However, this uncertainty would be minimal, given that official sources have been chosen:

- *In the first case,* ***Marine Traffic has been chosen:*** *(MarineTraffic.com) is the world's leading provider of ship tracking and maritime intelligence. Monitoring the movements of vessels is its core activity. Starting from a database collected in their network of AIS receiving coastal stations, complemented with satellite receivers, they apply algorithms and include complementary data sources to provide the maritime transport, trade and logistics industries with actionable information on maritime activity and active ships with an individualised file that holds data such as the age of the ship, the flag, the company that owns the maximum load, TEUs, etc.*

ANALYSIS OF UNCERTAINTY

They are associated with the International Maritime Organisation and the United Nations Conference on Trade and Development (UNCTAD). They also collaborate closely with the main ports and shipping and oil companies around the world, on projects dedicated to improving efficiency and reducing environmental impact.

- *In the second case, the distances have been calculated from the maritime miles between ports shown on the website of the maritime network* ***"Shiptraffic.net"****, which monitors ship traffic in 14 different types of geographical regions in the world such as seas, straits, channels, reefs, etc. This network uses the Maritime Distance Calculator from port to port, the Nautical Chart and the Interactive Map of the main 300 rivers, seas and oceanic objects and regions.*

- *To calculate the carbon footprint, the capacity of each ship, the kilometres travelled and the load of KYMCO in each expedition have been taken into account, all these data having minimal uncertainty, since the quantities of each expedition and the ships used are data recorded by KYMCO and the rest of the information comes from the information sources identified above.*

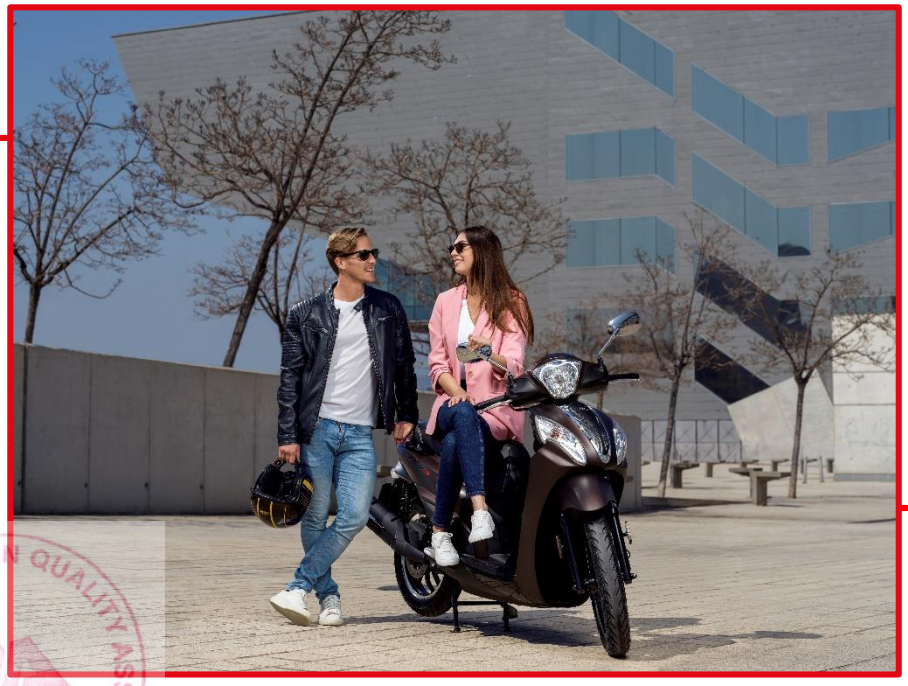
- *KYMCO does not have its own fleet for transportation within the peninsula and islands to the official dealers or distributors of scooters and spare parts, All transportation is agency-contracted and through logistics companies. Although they have been contacted (REDUR for land transport), neither these companies provide invoices for truck consumption, nor do they have their carbon footprint calculated. Shipments of spare parts to the entire national territory: 9,919 shipments only have been counted for 2020. It is neither possible nor profitable to quantify their uncertainty.*

- *In any case, we consider that the uncertainty, in quantitative and qualitative terms, is low given that the carbon footprint corresponding to spare parts represents less than 5% of Scope 3 (other indirect emissions) and the distribution of scooters throughout the national territory does not reach 7%.*

ANALYSIS OF UNCERTAINTY

- *Regarding electricity consumption (indirect emissions), **Scope 2**, another source of emissions in the calculation of KYMCO's footprint although much less important in global terms of volume of tCO2 eq., the emissions factor is that indicated by the FES_CO2 for the energy trading company that supplies electricity to the KYMCO offices, a factor that is corrected and updated annually. For this source of emissions, the uncertainty is also considered low or zero.*

- *And finally, and with respect to **Scope 1**, the only source of emissions, given that there have been no replacement of refrigerant gases in the air conditioning equipment and that there are no thermal demands in the 2 warehouses that are supplied with fossil fuel, is KYMCO's own fleet for commercial or event-lending activities. The emission factors used in this case are those of the FES_CO2, applied to the fuel consumption recorded via invoices. Since these factors are updated and corrected annually, the uncertainty here too has been considered to be low or zero.*

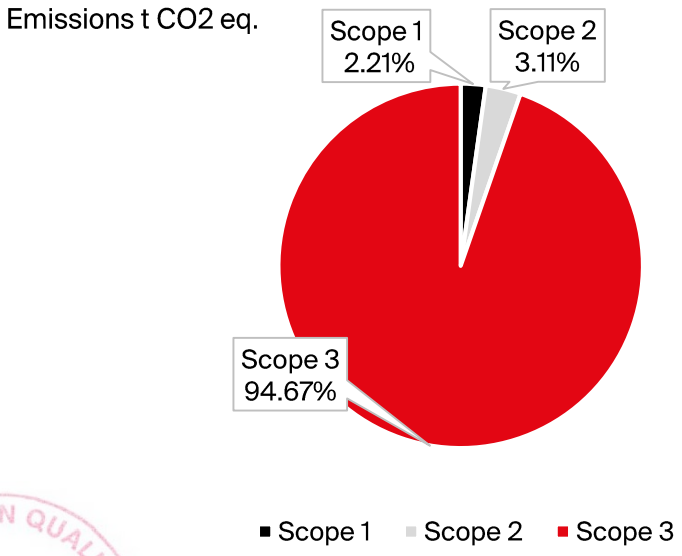


EMISSIONS INVENTORY

The results of the values of Scopes 1, 2 and 3 of the carbon footprint corresponding to 2020 and Scopes 1 and 2 of 2019 are shown below:

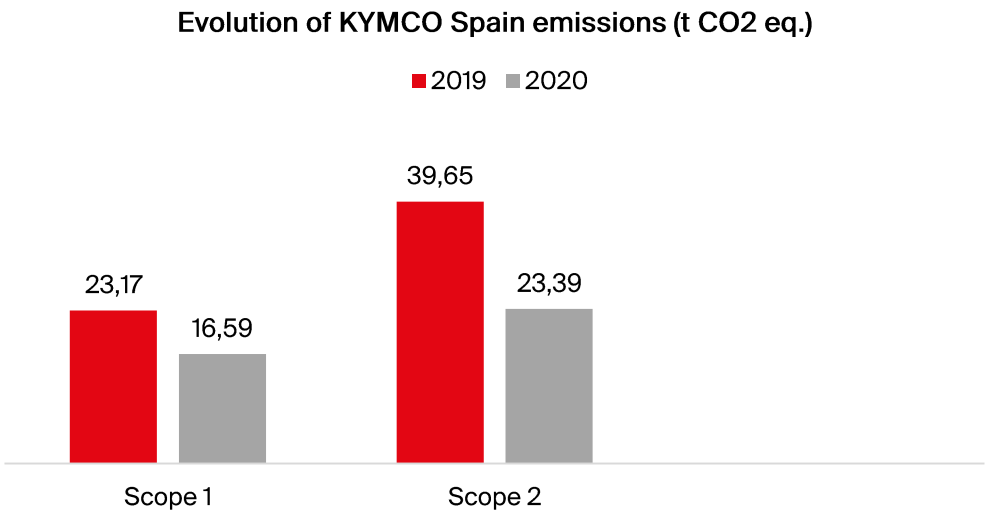
	2019 t C02 eq.	2020 t C02 eq.
Scope 1	23.17	16.59
Scope 2	39.65	23.39
Scope 3		710.63
Total	62.82	750.61

KYMCO Spain Carbon Footprint Distribution, by type of scope, 2020.

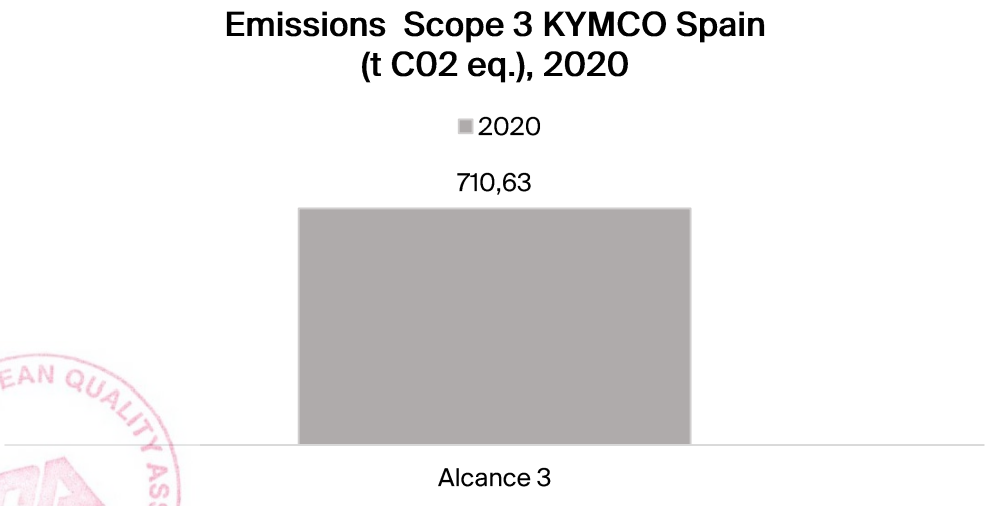


EMISSIONS INVENTORY

Evolution of Emissions Scopes 1 and 2 KYMCO Spain (t CO2 eq), 2019 and 2020



Emissions Scope 3, KYMCO Spain (t CO2 eq.), 2020

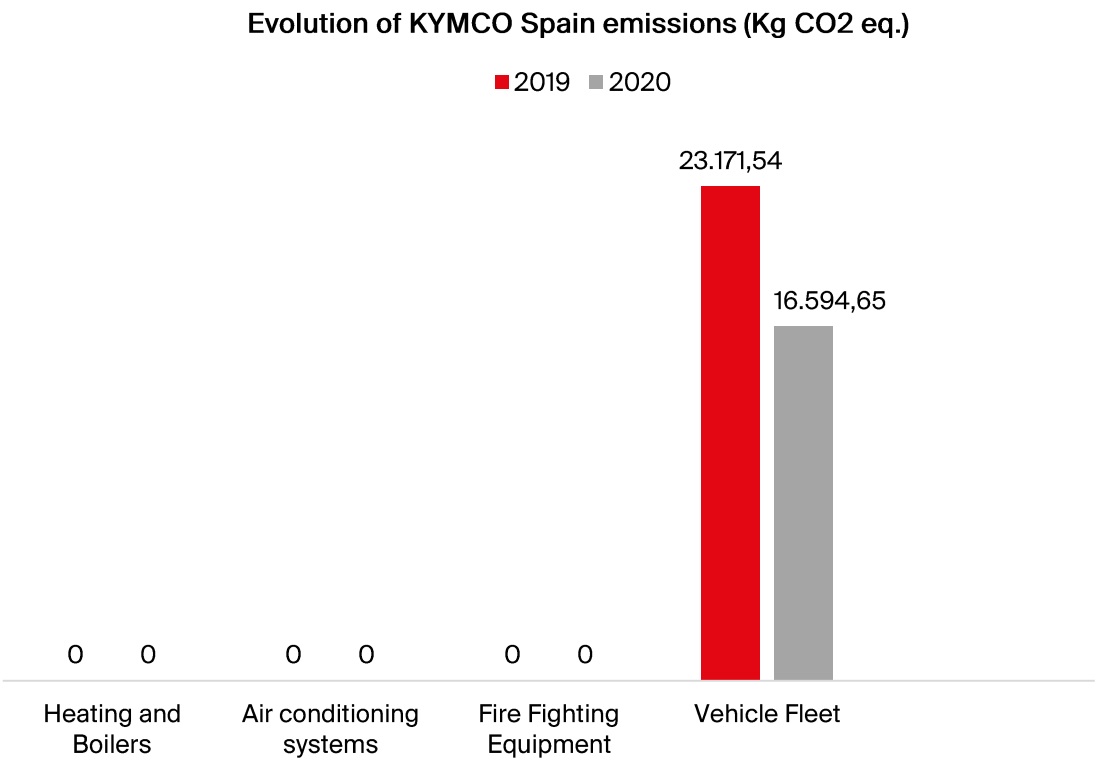


EMISSIONS INVENTORY SCOPE 1

The Scope 1 measurement for the years 2019 and 2020 includes the emissions from the consumption of fossil fuels associated with the Company's **fleet of vehicles.** There are no emissions related to heating or air conditioning systems in these years. And there have been no gas recharges in the air conditioning equipment.

In 2020, the carbon footprint of Scope 1 has been **reduced by 28.4 %.**

Scope 1 Evolution KYMCO Spain (Kg CO2 eq.) 2019 and 2020.

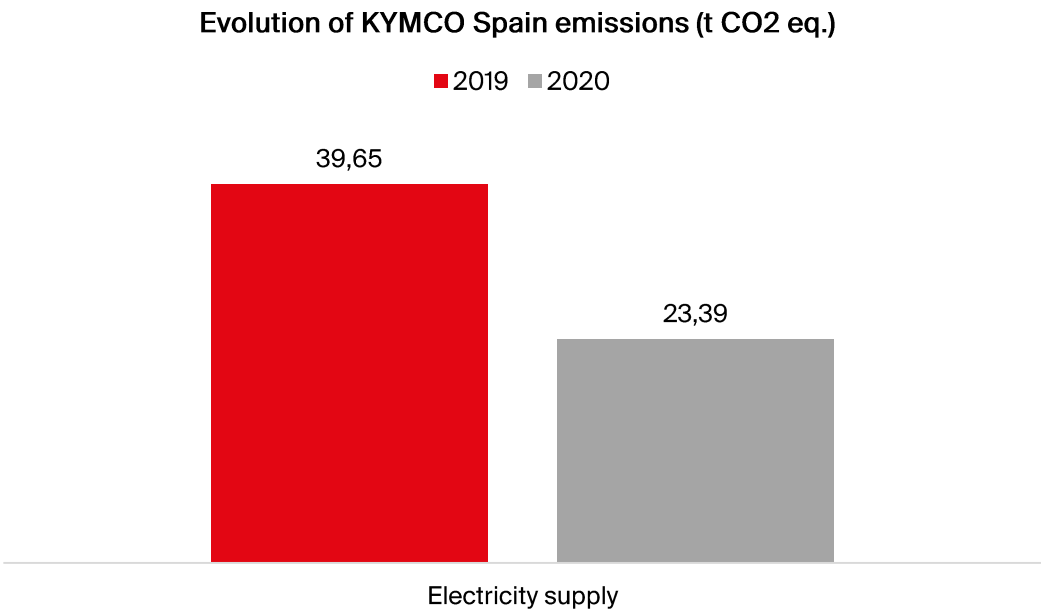


EMISSIONS INVENTORY SCOPE 2

The result of Scope 2 comes from the analysis of the emissions derived from the **electricity supply**. The decrease in emissions is due to the energy supply from renewable sources by a supplier with the guarantees of origin that certify them in one of the ships.

In 2020, the carbon footprint of Scope 2 has been **reduced by 41 %.**

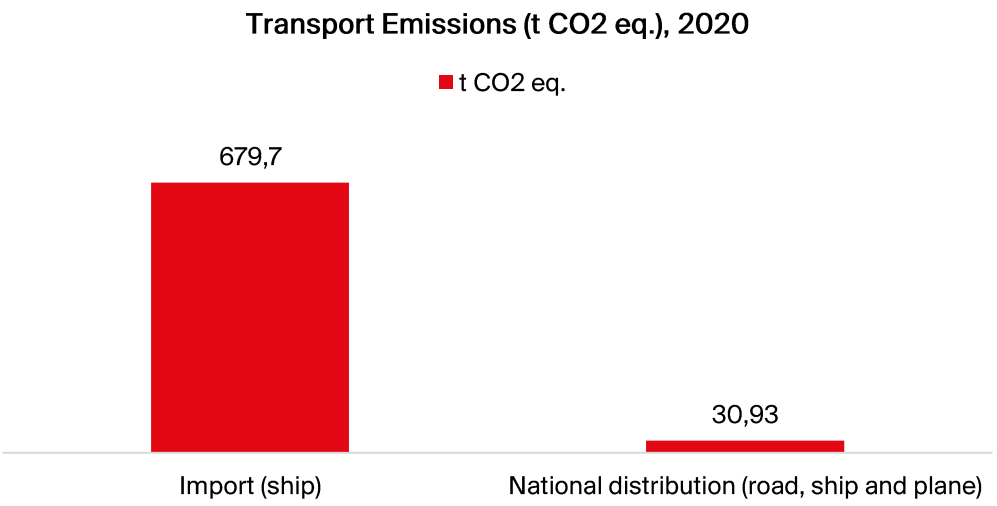
Scope 2 Evolution KYMCO Spain (t CO2 eq.)



EMISSIONS INVENTORY SCOPE 3

For this calculation, the emissions derived from imports (maritime transport) and national distribution (road, maritime and air transport) have been taken as a reference. 2020 has been taken as the reference year.

Total emissions KYMCO Spain, Scope 3 (t CO2 eq.).



INVENTORY OF EMISSIONS SOURCES SCOPE 1

The organisation's direct emissions study (Scope 1) includes calculations of emissions from fossil fuels at the **facility**.

Boiler Inventory of the Installation 2019 and 2020.
Warehouse 1: Laguna 54; Warehouse 2: Laguna 56.

Unit code	Equipment name	Wareho use	Service	Brand
1	Boiler	1	ACS	Fagor
2	Boiler	1	ACS	Fagor
3	Boiler	2	ACS	Fagor
4	Boiler	2	ACS	Thermor

In our facilities there are no boilers that use fossil fuels to satisfy the thermal demands when producing sanitary hot water, nor for heating in either of the two warehouses. All boilers are electric (their GHG are accounted for in Scope 2). None of these items have been replaced or substituted during 2019 and 2020.

As for the **air conditioning** system, it is centralised and its use and programming corresponds to the Company. Furthermore, no type of recharging has been carried out in the years under study, nor have any recharges of these gases or fugitive emissions been recorded. The inventory of the air conditioning equipment is detailed below (on floor 1 of the two warehouses the equipment is aerothermal):

INVENTORY OF EMISSIONS SOURCES SCOPE 1

Air Conditioning Equipment Inventory 2019 and 2020.
Warehouse 1: Laguna 54; Warehouse 2: Laguna 56.

Unit code	Equipment name	Wareho use	Floor	Location	Brand	Refrigerant
1	Conduit	2	2	Office	Mitsubishi	R410
2	Conduit	2	2	Office	Mitsubishi	R410
3	Conduit	2	2	Dining room	Mitsubishi	R410
4	Cassette	2	2	Dining room	Mitsubishi	R-407A
5	Cassette	2	2	Dining room	Mitsubishi	R-407A
6	Cassette	2	2	Dining room	Mitsubishi	R-407A
7	Cassette	2	2	Dining room	General	R-407A
8	Cassette	2	2	Room 1	General	R-407A
9	Cassette	2	2	Room 2	General	R-407A
10	Cassette	2	2	Room 2	General	R-407A
11	Cassette	2	2	PC room	General	R410
12	Split	2	2	Server	Mitsubishi	R410
13	Split	2	2	Server	Mitsubishi	R410
14	Cassette	2	1		Mitsubishi	

INVENTORY OF EMISSIONS SOURCES SCOPE 1

Air Conditioning Equipment Inventory 2019 and 2020.
Warehouse 1: Laguna 54; Warehouse 2: Laguna 56.

Unit code	Equipment name	Wareho use	Floor	Location	Brand	Refrigerant
15	Cassette	2	1		Mitsubishi	
16	Cassette	2	1		Mitsubishi	
17	Cassette	2	1		Mitsubishi	
18	Cassette	2	1		Mitsubishi	
19	Cassette	2	1		Mitsubishi	
20	Cassette	2	1		Mitsubishi	
21	Cassette	2	1		Mitsubishi	
22	Split	1	2	Server 2	General	R-407A
23	Cassette	1	1		Mitsubishi	
24	Cassette	1	1		Mitsubishi	
25	Cassette	1	1		Mitsubishi	
26	Cassette	1	1		Mitsubishi	
27	Cassette	1	1		Mitsubishi	
28	Cassette	1	1		Mitsubishi	

INVENTORY OF EMISSIONS SOURCES SCOPE 1

Air Conditioning Equipment Inventory 2019 and 2020.
Warehouse 1: Laguna 54; Warehouse 2: Laguna 56.

Unit code	Equipment name	Wareho use	Floor	Location	Brand	Refrigerant
29	Cassette	1	1		Mitsubishi	
30	Cassette	1	1		Mitsubishi	
31	Cassette	1	1		Mitsubishi	

On the other hand, the **firefighting system** has been evaluated (with no changes in the two years of study), but none of this equipment has gases with global warming potential. The inventory of this equipment is detailed below.

Fire Extinguishers Inventory 2019 and 2020.
Warehouse 1: Laguna 54; Warehouse 2: Laguna 56.

Unit code	Team	Warehouse	Floor	Location
1	6 kg, powder ABC 113B - 113B/21A/113B/C	1	1	Warehouse, Laguna 54
2	6 kg, powder ABC 113B - 113B/21A/113B/C	1	1	Warehouse, Laguna 54
3	6 kg, powder ABC 113B - 113B/21A/113B/C	1	1	Warehouse, Laguna 54
4	6 kg, powder ABC 183B - 183B/27A/183B/C	1	1	Warehouse, Laguna 54
5	6 kg, powder ABC 183B - 183B/27A/183B/C	1	1	Warehouse, Laguna 54
6	6 kg, powder ABC 183B - 183B/27A/183B/C	1	1	Warehouse, Laguna 54
7	6 kg, powder ABC 183B - 183B/27A/183B/C	1	1	Warehouse, Laguna 54

INVENTORY OF EMISSIONS SOURCES SCOPE 1

Fire Extinguishers Inventory 2019 and 2020.
Warehouse 1: Laguna 54; Warehouse 2: Laguna 56.

Unit code	Team	Warehouse	Floor	Location
8	5 kg CO2 89B	1	2	Office server
9	6 kg, powder ABC 183B - 183B/27A/183B/C	1	2	Warehouse stairs, Laguna 54
10	6 kg, powder ABC 183B - 183B/27A/183B/C	1	2	Warehouse, Laguna 54
11	6 kg, powder ABC 183B - 183B/27A/183B/C	1	2	Warehouse, Laguna 54
12	6 kg, powder ABC 183B - 183B/27A/183B/C	1	2	Warehouse, Laguna 54
13	6 kg, powder ABC 183B - 183B/27A/183B/C	1	2	Warehouse, Laguna 54
14	6 kg, powder ABC 113B - 113B/21A/113B/C	1	2	Warehouse, Laguna 54
15	6 kg, powder ABC 113B - 113B/21A/113B/C	1	2	Warehouse, Laguna 54
16	5 kg CO2 89B	1	2	Warehouse server
17	6 kg, powder ABC 113B - 113B/21A/113B/C	1	3	Warehouse, Laguna 54
18	6 kg, powder ABC 113B - 113B/21A/113B/C	1	3	Warehouse, Laguna 54
19	6 kg, powder ABC 113B - 113B/21A/113B/C	1	3	Warehouse, Laguna 54
20	6 kg, powder ABC 113B - 113B/21A/113B/C	1	3	Warehouse, Laguna 54
21	6 kg, powder ABC 113B - 113B/21A/113B/C	1	3	Warehouse, Laguna 54
22	6 kg, powder ABC 113B - 113B/21A/113B/C	1	3	Warehouse, Laguna 54
23	6 kg, powder ABC 113B - 113B/21A/113B/C	1	3	Warehouse, Laguna 54

INVENTORY OF EMISSIONS SOURCES SCOPE 1

Fire Extinguishers Inventory 2019 and 2020.
Warehouse 1: Laguna 54; Warehouse 2: Laguna 56.

Unit code	Team	Warehouse	Floor	Location
24	6 kg, powder ABC 113B - 113B/21A/113B/C	2	1	Warehouse, Laguna 56
25	6 kg, powder ABC 183B - 183B/27A/183B/C	2	1	Warehouse, Laguna 56
26	6 kg, powder ABC 183B - 183B/27A/183B/C	2	1	Warehouse, Laguna 56
27	6 kg, powder ABC 183B - 183B/27A/183B/C	2	1	Warehouse, Laguna 56
28	6 kg, powder ABC 183B - 183B/27A/183B/C	2	1	Warehouse, Laguna 56
29	6 kg, powder ABC 183B - 183B/27A/183B/C	2	1	Warehouse, Laguna 56
30	6 kg, powder ABC 183B - 183B/27A/183B/C	2	1	Warehouse, Laguna 56
31	6 kg, powder ABC 113B - 113B/21A/113B/C	2	2	Office lobby
32	6 kg, powder ABC 183B - 183B/27A/183B/C	2	2	File
33	6 kg, AB/6 DM3 automatic gas and powder	2	2	Adapted bathroom
34	6 kg, powder ABC 183B - 183B/27A/183B/C	2	2	Events room
35	6 kg, powder ABC 113B - 113B/21A/113B/C	2	2	Meeting room
36	6 kg, powder ABC 113B - 113B/21A/113B/C	2	2	Right-side office
37	6 kg, powder ABC 113B - 113B/21A/113B/C	2	2	Central office
38	6 kg, powder ABC 113B - 113B/21A/113B/C	2	2	Left side office
39	6 kg, powder ABC 113B - 113B/21A/113B/C	2	2	Lobby bathrooms

INVENTORY OF EMISSIONS SOURCES SCOPE 1

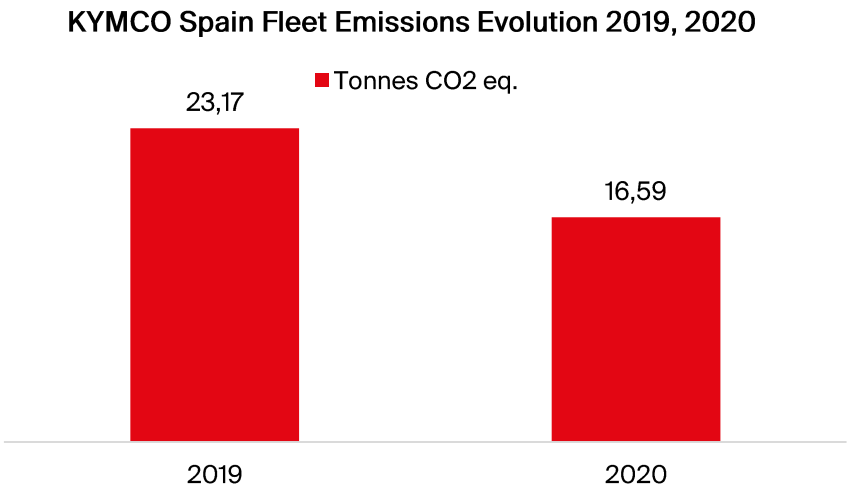
Fire Extinguishers Inventory 2019 and 2020.
Warehouse 1: Laguna 54; Warehouse 2: Laguna 56.

Unit code	Team	Warehouse	Floor	Location
40	6 kg, powder ABC 113B - 113B/21A/113B/C	2	3	Warehouse, Laguna 56
41	6 kg, powder ABC 113B - 113B/21A/113B/C	2	3	Warehouse, Laguna 56
42	6 kg, powder ABC 113B - 113B/21A/113B/C	2	3	Warehouse, Laguna 56
43	6 kg, powder ABC 113B - 113B/21A/113B/C	2	3	Warehouse, Laguna 56
44	6 kg, powder ABC 113B - 113B/21A/113B/C	2	3	Warehouse, Laguna 56
45	6 kg, powder ABC 183B - 183B/27A/183B/C	2	3	Warehouse, Laguna 56

INVENTORY OF EMISSIONS SOURCES SCOPE 1

Lastly, the Company has its **own fleet of vehicles**, which is used mainly for commercial activity (cars and vans) and promotional activities (scooters). In 2019, 23,171.54 kilos of CO2 were recorded under this heading, compared to 16,594.65 kilos of CO2 in 2020, which represents a decrease of 28.40 %.

KYMCO Spain Fleet Emissions Evolution, 2019 and 2020.



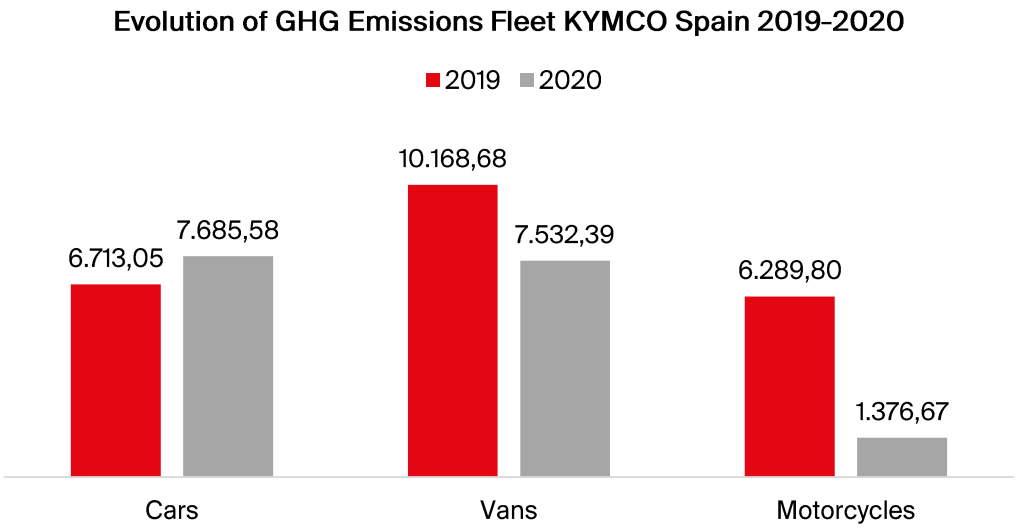
This decrease is due to the lower use of vehicles, motorcycles and vans during 2020, in line with the reduction in promotional activity and events in the Covid year. Furthermore, in 2019 motorcycle emissions had an extraordinary use related to the 'WORKS II Project', in which we analysed the efficiency of a new scooter oil produced in collaboration with Repsol. Passenger car emissions, on the other hand, have registered an increase in 2020 compared to 2019 of 17.14%.

INVENTORY OF EMISSIONS SOURCES SCOPE 1

NOTE: all the emission factors used in the calculation of the carbon footprint for the company's own fleet consumption have been obtained from the identified fuel consumption invoices, applying the emission factors corresponding to 2019 and 2020 , provided by the Ministry of Energy Transition and Demographic Challenge, in the document: “Carbon footprint registration emission factors, compensation and carbon dioxide absorption projects” (version April 2021).
https://www.miteco.gob.es/es/cambio-climatico/temas/mitigacion-politicas-y-medidas/factoresemision_tcm30-479095.pdf

INVENTORY OF EMISSIONS SOURCES SCOPE 1

KYMCO Spain Fleet Emissions Evolution by vehicle type. 2019 and 2020.



	Emissions kg CO2 eq. 2019	Emissions kg CO2 eq. 2020	Evolution (%)
Cars	**6,713.05**	**7,685.58**	+ 14.48
Vans	**10,168.68**	**7,532.39**	-25.92
Motorcycles	**6,289.80**	**1,376.67**	-78.11
Total Fleet Tonnes of CO2	**23,171.54**	**16,594.65**	-28.38
Tonnes CO2	**23.17**	**16.59**	-28.39

NOTE: Emission factors used: Scooters: Gasoline E5 (2019): 2.18 kg CO2/l, Gasoline E5 (2020): 2.244 kg CO2/l. Cars and vans: Diesel B10 (2019): 2.387 kg CO2/l, Diesel B10 (2020): 2.377 kg CO2/l, Diesel B7 (2019): 2.467 kg CO2/l, Diesel B7 (2020): 2.456 kg CO2/l, Gasoline E5 (2019): 2.18 kg CO2/l Gasoline E5 (2020): 2.244 kg CO2/l

INVENTORY OF EMISSIONS SOURCES SCOPE 1

In 2019, the Company had **5 combustion passenger cars** for commercial work, **2 vans (at the end of 2019** they were replaced by new ones with more efficient engines) and 33 scooters. The consumption of the KYMCO Spain fleet and their corresponding emissions are detailed below:

Emissions Fleet of KYMCO Spain vehicles, 2019.

Vehicles	Units	Fuel litres	Emissions Kg CO2 eq.
Cars	5	2,801.08	6,713.05
Vans	2	4,245.61	10,168.68
Motorcycles	33	2,885.2	6,289.80

In 2020, the Company's fleet consisted of **4 commercial combustion cars, 2 vans and 16 scooters.** The emissions of the fleet are shown below, by fuel used:

Emissions Fleet of KYMCO Spain vehicles, 2020.

Vehicles	Units	Fuel litres	Emissions Kg CO2 eq.
Cars	4	3,212.37	7,685.58
Vans	2	3,164.06	7,532.39
Motorcycles	16	613.49	1,376.67

INVENTORY OF EMISSIONS SOURCES SCOPE 1

An **inventory of the fleet by type of vehicle and year is detailed below.** With some of them, as can be seen in the following tables, the calculation has been carried out globally.

KYMCO Spain Passenger Car Fleet, 2019.

Unit code	Vehicle	Registration	Fuel litres	Kg CO2 eq.
1	BMW 3 Series 320d Berlina 140 KW (190 CV) 4P manual	0023 KGW	1,494.45	3,608.82
2	BMW X3 x Drive20 d off-road 140 KW (190 hp) 5P Automatic	7795 KGV	399.12	966.74
3	BMW X1 xDrive 18d off-road 110 KW (150 hp) 5 P Manual	7759 JVT	559.62	1,354.84
4	BMW X3sDrive 18d off-road 110 KW (150 hp) 5P	4347 JVF	117.2	279.76
5	TOYOTA IQ 1.33 vvt-i Dual	3440 GPZ	230.69	502.9
Total			2,801.08	6,713.053

KYMCO Spain Vans Fleet, 2019.

Unit code	Vehicle	Registration	Fuel litres	Kg CO2 eq.
1	TRAFIC Diesel 2463 9 seats	9689 CNG	3,051.08	7,317.34
2	TRAFIC Diesel 2463 3 seats	9466-DWT	1,194.53	2,851.34
Total			4,245.61	10,168.68

INVENTORY OF EMISSIONS SOURCES SCOPE 1

Fleet Scooters KYMCO Spain, 2019.

Unit Code	Vehicle	Chassis	Registration
1	Agility Carry 125	LC2UB2565J1000255	2906-KNH
2	Agility City 125 E4	LC2C41000G1003026	0774 JPL
3	Agility City 125 E4	LC2C41000G1003016	0380 JPL
4	Agility City 50 E4	LC2CB1001K1001089	C 8463 BWH
5	AK 550	RFBE10000H1000105	0559 JZK
6	AK 550	RFBE10000H1100212	3317 KCR
7	Filly 125	RFBE20000J1000107	3556 KLB
8	Filly 125	RFBE20000J1000109	3538 KLB
9	Grand Dink 300	LC2W11000G1000562	6828 JPT
10	Like 125	LC2DB2505J1000677	0065 KKC
11	People S	LC2T125B4H1000693	2897 KNG
12	People S	LC2T125B4H1000421	2899 KNG
13	People S	LC2T125B4H1000833	2903 KNG
14	People S 125 E4	LC2T125B4H1000290	2898 KNG
15	Super Dink 125	RFBV21212H1400103	5921 JWV
16	Super Dink 125	RFBV21212G1300138	8472 JVK
17	Super Dink 350	RFBC71000H2000106	4456 JWV

INVENTORY OF EMISSIONS SOURCES SCOPE 1

Fleet Scooters KYMCO Spain, 2019.

Unit Code	Vehicle	Chassis	Registration
18	Super Dink 350	RFBC71000H2000110	4453 JWV
19	Xciting 400	RFBD61011H1900110	6762 JYM
20	Xciting S 400	RFBD62000K1400235	4552-LBD
21	Xciting S 400	RFBD62000K1400107	0498KsL
22	Xciting S 400	RFBD62000K1400122	7155 KZS
23	Xciting S 400	RFBD62000K1400106	0493KZL
24	Xciting S 400	RFBD62000K1400103	0491KZL
25	Xciting S 400	RFBD62000K1400102	0501KZL
26	Xciting S 400	RFBD62000K1400110	0495KZL
27	Xciting S 400	RFBD62000K1400104	0492KZL
28	Xciting S 400	RFBD62000K1200588	1764KZH
29	Xciting S 400	RFBD62000K1400111	0500KZL
30	Xciting S 400	RFBD62000K1400101	0496KZL
31	Xciting S 400	RFBD62000K1400109	0499KZL
32	Xciting S 400	RFBD62000K1400108	0497KZL
33	Xciting S 400	RFBD62000K1400155	7154 KZS
Total Scooter Fleet 2019		**2,885.23 (litres)**	**6,289.80 (t CO2 eq.)**

INVENTORY OF EMISSIONS SOURCES SCOPE 1

KYMCO Spain Passenger Car Fleet, 2020.

Unit code	Vehicle	Registration	Fuel litres	Kg CO2 eq.
1	BMW 3 Series 320d Berlina 140 KW (190 CV) 4P manual	0023 KGW	2,146.25	5,164
2	BMW X1 xDrive 18d off-road 110 KW (150 hp) 5 P Manual	7759 JVT	546.15	1,313.5
3	BMW X3sDrive 18d off-road 110 KW (150 hp) 5P	4347JVF	285.41	681.8
4	Toyota IQ 1.33 vvt-i Dual	3440 GPZ	234.56	526.4
Total			**3,212.37**	**7,685.58**

KYMCO Spain Vans Fleet, 2020.

Unit code	Vehicle	Registration	Fuel litres	Kg CO2 eq.
1	Citroën Jumper Blue HDI 140 s&s 6v van 33l2h1 diesel	0253 LDD	1,876.73	4,460.99
2	Citroën Jumper Blue HDI 140 s&s 6v van 33l2h1 diesel	0165 LDD	1,287.33	3,071.40
Total			**3,164.06**	**7,532.39**

INVENTORY OF EMISSIONS SOURCES SCOPE 1

Motorcycle Fleet KYMCO Spain, 2020.

Unit Code	Vehicle	Chassis	Registration
1	Agility 50 E4	LC2U010B1K1003862	C 3024 BWJ
2	Agility Carry 125	LC2UB2565J1000255	2906-KNH
3	Agility City 50 E4	LC2CB1001K1001089	C 8463 BWH
4	Agility City 125 E4	LC2C41000K1012566	1428 LDY
5	Agility City 125 E4	LC2C41000J1011371	1609 KVM
6	AK 550	RFBE10000H1000105	0559 JZK
7	AK 550	RFBE10000K2502756	4516 LFD
8	Grand Dink 300	LC2W11000G1000562	6828 JPT
9	People S 125 Euro 4	LC2T125B4H1000693	2897 KNG
10	People S 125 Euro 4	LC2T125B4H1000290	2898 KNG
11	Super Dink 125	RFBV21212G1300138	8472 JVK
12	Super Dink 350 TCS E4	RFBC71100L1900203	0564 LGJ
13	Super Dink 350 TCS E4	RFBC71100L1900125	0563 LGJ
14	Xciting S 400	RFBD62000K1400235	4552-LBD
15	Xciting S 400	RFBD62000K1400122	7155 KZS
16	Xciting S 400	RFBD62000K1400107	0498KsL
Total Scooter Fleet 2020		**613.49 (litres)**	**1,376.67 (t CO2 eq.)**

INVENTORY OF EMISSIONS SOURCES SCOPE 2

The study of indirect emissions (Scope 2) of the organisation includes the calculations of the emissions derived from the **electricity consumption** of our 2 warehouses (lighting, production of sanitary hot water, air conditioning and various office equipment).

The Company is responsible for managing the electricity supply of Warehouse 1, owned; while the electrical supply of Warehouse 2, rented, corresponds to its owner, who issues a bill with the disaggregated electrical energy consumption.

Warehouse 1 received electricity supply from the trading company Endesa Energía SAU in 2019 and 2020; and Warehouse 2 came from Endesa Energía SAU in 2019 and from Aldro in 2020.

In 2019, the Scope 2 Carbon Footprint was 39.65 tonnes of CO2 eq. This data has improved notably in 2020, having been reduced to **23.39 tonnes,** which is **41 % less**.

The main reason for this decrease in emissions was the electricity supply of the marketer who guarantees of 100% renewable origin from Aldro, in one of the warehouses (c / Laguna, 56) in 2020. Endesa's lower emission factor has also contributed, although to a lesser extent, to an energy mix with more renewable energies in 2020.

NOTE: All the emission factors used to calculate the carbon footprint for electricity consumption have been obtained from the identified consumption bills, applying the emission factors corresponding to 2019 and 2020 of the trading companies, provided by the Ministry of Energy Transition and Demographic Challenge, in the document: “Carbon footprint registration emission factors, compensation and carbon dioxide absorption projects” (version April 2021).
https://www.miteco.gob.es/es/cambio-climatico/temas/mitigacion-politicas-y-medidas/factoresemision_tcm30-479095.pdf

Emission factors used:

- 0.27 kg CO2 (2019) and 0.20 kg CO2 (2020) for ENDESA ENERGIA S.A.U.
- 0.30 kg CO2 (2019) and 0.00 kg CO2 (2020) for ALDRO ENERGÍA Y SOLUCIONES S.L.

INVENTORY OF EMISSIONS SOURCES SCOPE 2

However, in 2020, **energy consumption has increased** compared to 2019, due to permanent ventilation of the office as a preventive measure against Covid-19.

Evolution of Emissions Electricity consumption KYMCO Spain, 2019 and 2020.

	Consumption kWh/year	Emissions Warehouse 1 Kg CO2 eq.	Emissions Warehouse 2 Kg CO2 eq.	Total Emissions Kg CO2 eq.
2019	145,556	**30,959.82**	**8,692.50**	**39,652.32**
2020	149,460	**23,398.6**	**0**	**23,398.60**

INVENTORY OF EMISSIONS SOURCES SCOPE 2

By warehouse, the carbon footprint of Warehouse 1 has been reduced by 24.42% although its consumption has grown by 2.02%. This increase is due to the improvement in the emission factor of the trading company Endesa in 2020 compared to the previous year.

In Warehouse 2, emissions have been reduced by 100% in 2020, although consumption has increased by 5.10%.

Evolution of Emissions and Electricity Consumption KYMCO Spain, 2019 and 2020, by warehouse.

KYMCO Spain facility	Consumption kWh 2019	Consumption kWh 2020	Evolution Consumption%	Emissions Kg CO2 eq. 2019	Emissions Kg CO2 eq. 2020	Emissions Evolution (%)
Warehouse 1	114,666	116,993	+ 2.02%	**30,959.82**	**23,398.60**	**- 24.5**
Warehouse 2	30,890	32,467	+ 5.10%	**8,692.50**	**0**	**-100**
Total	145,556	149,460		**39,652.32**	**23,398.60**	**-41**

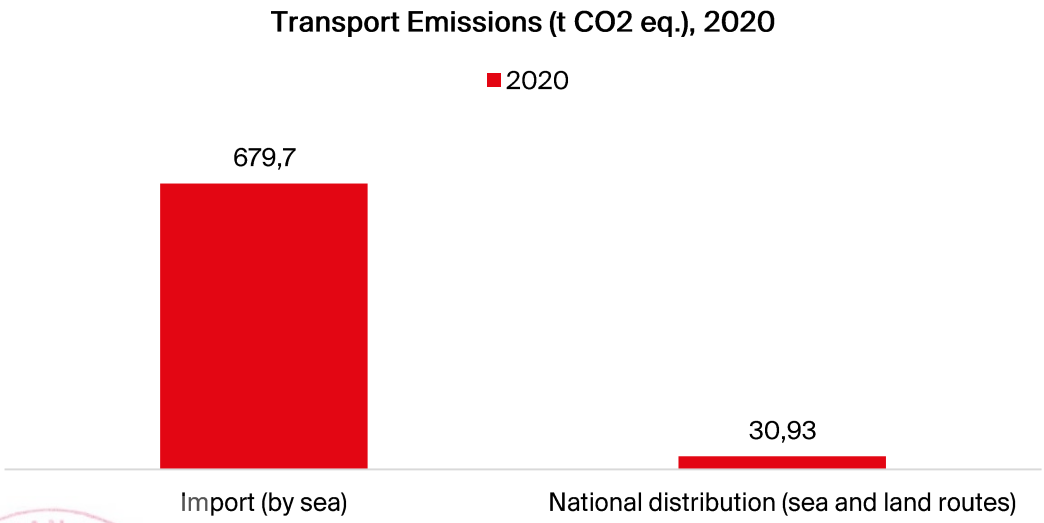
INVENTORY OF EMISSIONS SOURCES SCOPE 3

The main source of greenhouse gas (GHG) emissions for Scope 3 originates with **transoceanic maritime transport** (import logistics) and later with the **distribution of the goods (scooters and spare parts)** to the entire national territory, including island territories (Canary Islands and Balearic Islands). To calculate the carbon footprint of Scope 3, the year **2020 has been taken into account.**

Scope 3 of 2020, described above, has generated **emissions of 710.63 tonnes** as detailed below:

- **679.70** tonnes of CO2 eq. of import transportation**, which is** carried out one hundred percent by sea from Asia to Spain, and
- **30.93** tonnes of CO2 eq. from the distribution throughout the national territory, by ship and road.

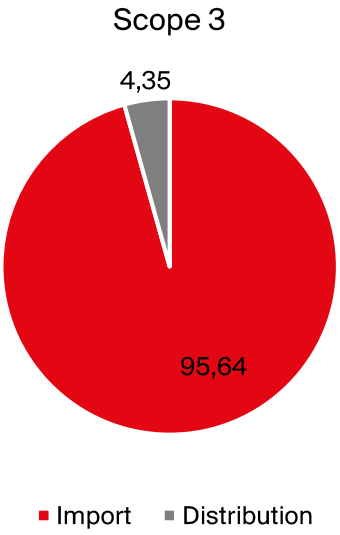
Other indirect emissions (Scope 3) of KYMCO Spain, 2020.



INVENTORY OF EMISSIONS SOURCES SCOPE 3

As a percentage, Scope 3 comes from 95.64% of Imports and 4.35% of Distribution.

Other indirect emissions (Scope 3) of KYMCO Spain (%), 2020.



INVENTORY OF SOURCES OF EMISSIONS SCOPE 3

NOTE: All emission factors used to calculate the footprint in Scope 3 have been obtained from the source: “Greenhouse gas reporting: conversion factors 2020” and “Conversion factors 2020: full set (for advanced users) MS Excel Spreadsheet, 1.02 MB”. UK Government GHG Conversion Factors for Company Reporting (2019 and 2020). “Conversion factors 2019_Full set” (https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019_Department for Business, Energy & Industrial Strategy), “Conversion factors 2020_Full set” and “UK Government GHG Conversion Factors for Company Reporting (2019 and 2020). (https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2020_Department for Business, Energy & Industrial Strategy). Category: Freighting goods (see tab “freighting goods”)

The following emission factors have been considered:

a) Freight transport (scooters) in articulated flatbed trucks: emission factor equivalent to an articulated truck between 3.5 -33 tonnes) at 100% load. This factor amounts to 0.07212 kg CO2 eq./tonne km travelled.

b) Transport of goods (spare parts) in trucks of 9,000 kilos of tare, rigid: emission factor for heavy goods vehicle, HGV (all diesel), Rigid (> 7.5 tonnes-17 tonnes): 0.14256 kg Co2/tn km travelled

c) International maritime or transoceanic transport according to its capacity in TEU (scooters and spare parts):

d) Ship RoBo Ferry 2000 + LM: 0.05019 kg CO2 eq per tonne km travelled; and ship RoBo Ferry 0-1999 LM: 0.06114 kg CO2 eq. per tonne km travelled for national transport to the islands.

INVENTORY OF SOURCES OF EMISSIONS SCOPE 3

The itineraries and features of transporting the goods are described below, taking into account the import and distribution sections:

a) Import. Transport from Asia to Spain. By sea.

Our main activity related to transport lies in the importation of vehicles and spare parts, which are manufactured in China and Taiwan. The total of imported cargo in 2020 **amounted to 2,842,498 kilos** (95.37 % was motorcycles, and the remaining 4.62 % spare parts). By units, KYMCO has imported 13,294 motorcycles units and 483,850 spare parts units. Based on this, the **Carbon Footprint for Imports** amounts to **48.83 kg CO2 eq. per motorcycle and 0.06314 kg CO2 eq. per spare part.**

Emission by imported motorcycle	**48.83 kg CO2 eq.**

Emission by imported spare parts	**0.06314 kg CO2 eq.**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Below, the import emissions are specified taking into account the type of load, by kilos and units:

Import emissions by type of load, 2020.

Type of load	Total Kg imported	Import emissions Kg CO2 eq.
Motorcycles	2,710,960	649,153.08
Spare parts	131,538	30,551.12
Motorcycles + spare parts	2,842,498	**679,704.20**

Motorcycle Import Emissions, per load unit, 2020.

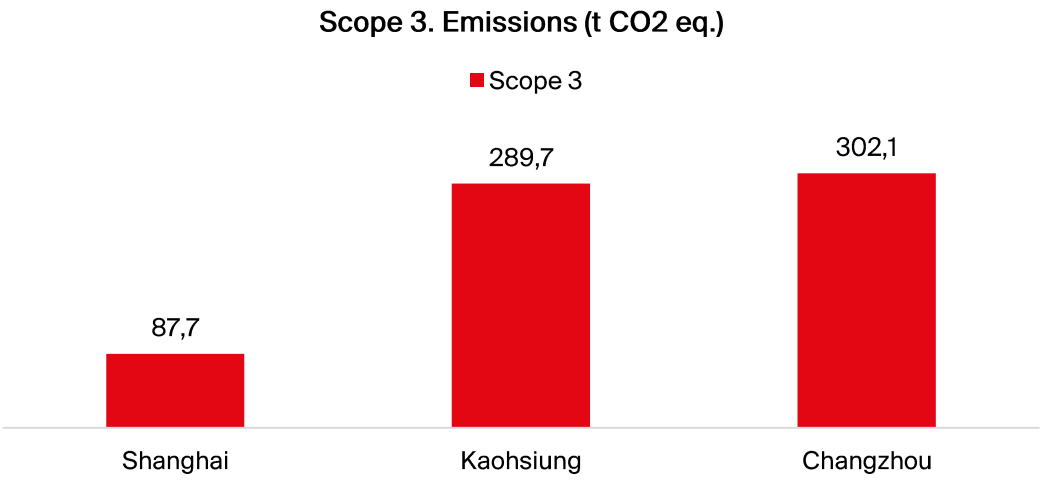
Type of load	Total imported units (units)	Import emissions Kg CO2 eq.	Emissions per imported unit Kg CO2 eq.
Motorcycles	**13,294**	**649,153.08**	**48.83**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Imports made in 2020 have been made **by sea** from 3 Asian ports **Shanghai, Kaohsiung and Changzhou, bound for Valencia.** Everything manufactured in the plants in China departs from the ports of Shanghai and Changzhou; and what is manufactured in Taiwan leaves from the port of Kaohsiung.

Below is the breakdown of emissions depending on **the port of origin.** As can be seen in the graphs, the highest amount of emissions is produced from imports that have **the port of Changzhou** as their starting point.

KYMCO Spain Imports Emissions, by port of origin, 2020.



Port of Origin	Cargo made in China	Cargo made in Taiwan	Distance to the destination port (Valencia), km	Emissions Kg CO2 eq.
Shanghai	Spare parts Motorcycles		18,596	87,784.01
Kaohsiung		Spare parts Motorcycles	17,551	289,759.48
Changzhou	Motorcycles		18,809	302,160.71

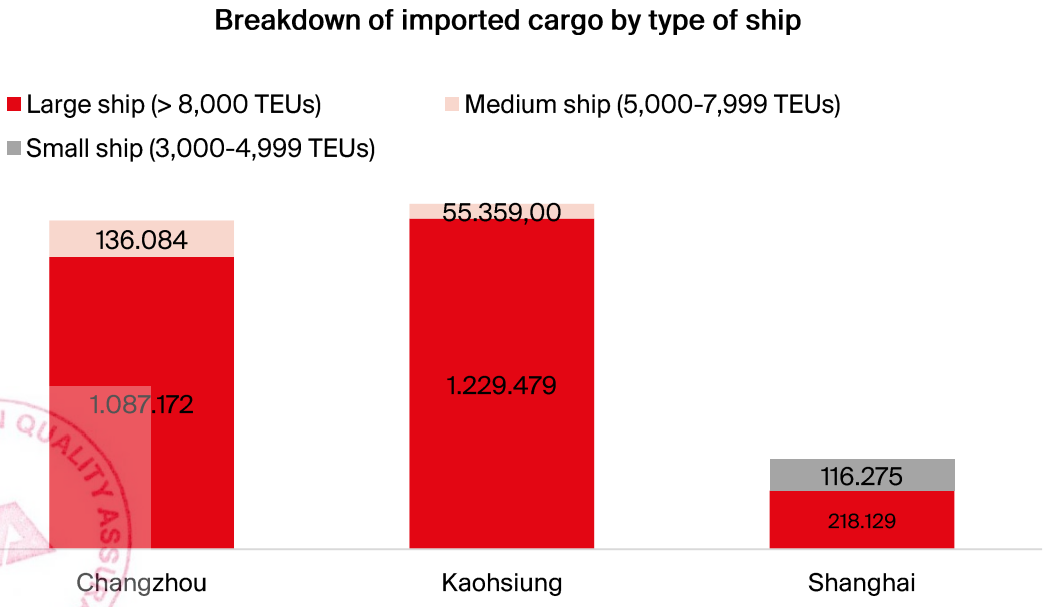
INVENTORY OF EMISSIONS SOURCES SCOPE 3

From Changzhou, a very similar cargo has been transported to other ports (such as Kaohsiung) and in fewer kilometres, but its carbon footprint has been slightly higher, as can be seen:

Ports of Origin	No. of shipments	Load in Kg	Distance km	Emissions Kg CO2 eq. of transported cargo
Shanghai	18	116,275	334,727	87,784.01
Kaohsiung	51	**1,284,838**	95,101	**289,759.48**
Changzhou	18	**1,223,256**	**338,562**	**302,160.71**

The explanation lies in the **type of ship** (the greater the capacity of the ship, the lower the emissions from the cargo). A greater volume of cargo has been transported from Kaohsiung in large ships (of more than 8,000 containers capacity).

KYMCO Spain Import Breakdown by type of ship and port, 2020.



INVENTORY OF EMISSIONS SOURCES SCOPE 3

Breakdown of KYMCO Spain Imported Cargo by shipments, 2020.

No.	Ship type	Type of load	Load t	Start date/ end	Vessel	Origin Destination	Distance Km	Kg CO2 eq.
1	8000+ TEU	Spare parts	4,717	01/09/20 02/10/20	MSC Diana	Shanghai	18,596	1,111.37
2	8000+ TEU	Motorcycles	31,995	11/01/20 17/02/20	MSC Tina	Kaohsiung	17,551.40	7,114,929
3	8000+ TEU	Motorcycles	276,112	03/01/20 17/02/20	MSC Tina	Changzhou	18,809	65,799.95
4	8000+ TEU	Motorcycles	57,591	01/17/20 02/24/20	MSC Zoe	Kaohsiung	17,551.40	12,806,873
5	8000+ TEU	Motorcycles	45,080	17/01/20 24/02/20	MSC Zoe	Kaohsiung	17,551.40	10,024,723
6	8000+ TEU	Motorcycles	16.296	11/01/20 17/02/20	MSC Tina	Kaohsiung	17,551.40	3,623.844
7	8000+ TEU	Motorcycles	32,292	24/01/20 02/03/20	MSC Maya	Kaohsiung	17,551.40	7,180,975
8	8000+ TEU	Motorcycles	7,196	24/01/20 02/03/20	MSC Maya	Kaohsiung	17,551.40	1,600,220

INVENTORY OF EMISSIONS SOURCES SCOPE 3

No.	Ship type	Type of load	Load t	Start date/ end	Vessel	Origin Destination	Distance Km	Kg CO2 eq
9	8000+ TEU	Motorcycles	12,920	10/01/20 24/02/20	MSC Zoe	Changzhou	18,809	3,078.95
10	8000+ TEU	Spare parts	7,480	24/01/20 02/03/20	MSC Maya	Kaohsiung	17,551.40	1,663,375
11	8000+ TEU	Motorcycles	26,784	06/02/20 10/03/20	MSC Leanne	Kaohsiung	17,551.40	5,956,127
12	8000+ TEU	Motorcycles	59,472	06/02/20 10/03/20	MSC Leanne	Kaohsiung	17,551.40	13,225,163
13	5000–7999 TEU	Spare parts	8,175	22/02/20 26/03/20	MAERSK Kowloon	Kaohsiung	17,551.40	2,414,814
14	5000–7999 TEU	Motorcycles	7,196	13/02/20 26/03/20	MAERSK Kowloon	Kaohsiung	17,551.40	2,125,627
15	5000–7999 TEU	Motorcycles	14.392	22/02/20 26/03/20	MAERSK Kowloon	Kaohsiung	17,551.40	4,251,255
16	5000–7999 TEU	Motorcycles	25,596	22/02/20 26/03/20	MAERSK Kowloon	Kaohsiung	17,551.40	7,560,806
17	8000+ TEU	Motorcycles	13,392	21/02/20 31/03/20	MSC Jade	Kaohsiung	17,551.40	2,978,063
18	8000+ TEU	Motorcycles	31,995	21/02/20 31/03/20	MSC Jade	Kaohsiung	17,551.40	7,114,929
19	8000+ TEU	Motorcycles	24,444	21/02/20 31/03/20	MSC Jade	Kaohsiung	17,551.40	5,435,766
20	8000+ TEU	Motorcycles	46,278	05/03/20 14/04/20	MSC Viviana	Kaohsiung	17,551.40	10,291,130
21	8000+ TEU	Motorcycles	19,197	10/03/20 14/04/20	MSC Viviana	Kaohsiung	17,551.40	4,268,958
22	8000+ TEU	Motorcycles	45.080	05/03/20 14/04/20	MSC Viviana	Kaohsiung	17,551.40	10,024,723
23	8000+ TEU	Motorcycles	25.596	19/03/20 21/04/20	MSC Ingy	Kaohsiung	17,551.40	5,691,943

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Breakdown of KYMCO Spain Imported Cargo by shipments, 2020.

No.	Ship type	Type of load	Load t	Start date/ end	Vessel	Origin Destination	Km travelled	Kg CO2 eq.
24	8000+ TEU	Motorcycles	62,816	11/03/20 21/04/20	MSC INGY	Changzhou	18,809	14,969.61
25	8000+ TEU	Motorcycles	28.784	19/03/20 21/04/20	MSC Ingy	Kaohsiung	17,551.40	6,400,879
26	8000+ TEU	Motorcycles	24.444	19/03/20 21/04/20	MSC Ingy	Kaohsiung	17,551.40	5,435,766
27	8000+ TEU	Spare parts	17.206	26/03/20 28/04/20	MSC Diana	Kaohsiung	17,551.40	3,826,206
28	8000+ TEU	Spare parts	9.089	26/03/20 28/04/20	MSC Diana	Shanghai	18,596	2,141.463
29	8000+ TEU	Motorcycles	33.696	18/03/20 28/04/20	MSC Diana	Changzhou	18,809	8,030.06
30	8000+ TEU	Motorcycles	43,176	26/03/20 28/04/20	MSC Diana	Kaohsiung	17,551.40	9,601.319
31	8000+ TEU	Motorcycles	67.392	25/03//20 11/05/20	MSC Zoe	Changzhou	18,809	16,060.11
32	8000+ TEU	Motorcycles	30.688	02/04/20 11/05/20	MSC Zoe	Kaohsiung	17,551.40	6,824.284
33	8000+ TEU	Motorcycles	25.840	03/04/20 15/05/20	MAERSK Genoa	Changzhou	18,809	6,157.90
34	8000+ TEU	Motorcycles	16.296	07/04/20 20/05/20	MSC Maya	Kaohsiung	17,551.40	3,623.844
35	5000–7999 TEU	Motorcycles	99.684	08/04/20 26/05/20	GSL Kalliopi	Changzhou	18,809	31,555.37
36	5000–7999 TEU	Motorcycles	36.400	08/04/20 26/05/20	GSL Kalliopi	Changzhou	18,809	4,268,958
37	8000+ TEU	Spare parts	10.696	22/04/20 03/06/20	MSC Sixin	Kaohsiung	17,551.40	10,024,723
38	8000+ TEU	Motorcycles	75.816	13/04/20 01/06/20	MSC Maria Elena	Changzhou	18,809	5,691,943

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Breakdown of KYMCO Spain Imported Cargo by shipments, 2020.

No.	Ship type	Type of load	Load t	Start date/ end	Vessel	Origin Destination	Distance Km	Kg CO2 eq.
39	8000+ TEU	Motorcycles	75.816	03/04/20 03/06/20	MSC Sixin	Changzhou	18,809	18,067.63
40	8000+ TEU	Motorcycles	14.392	14/04/20 03/06/20	MSC Sixin	Kaohsiung	17,551.40	3,200.440
41	8000+ TEU	Motorcycles	38.394	14/04/20 03/06/20	MSC Sixin	Kaohsiung	17,551.40	8,537.915
42	8000+ TEU	Motorcycles	42.120	30/03/20 03/06/20	MSC Sixin	Changzhou	18,809	10,037.57
43	8000+ TEU	Motorcycles	28.784	22/04/20 03/06/20	MSC Sixin	Kaohsiung	17,551.40	6,400,879
44	8000+ TEU	Motorcycles	58.185	22/04/20 03/06/20	MSC Sixin	Kaohsiung	17,551.40	12,938.964
45	8000+ TEU	Motorcycles	6.460	13/04/20 09/06/20	MSC Pina	Changzhou	18,809	1,539.48
46	8000+ TEU	Motorcycles	36.400	15/04/20 01/06/20	MSC Maria Elena	Changzhou	18,809	8,674.44
47	8000+ TEU	Motorcycles	14.392	28/04/20 09/06/20	MSC Gulsun	Kaohsiung	17,551.40	3,200.440
48	8000+ TEU	Motorcycles	7.280	15/04/20 09/06/20	MSC Pina	Changzhou	18,809	1,734.89
49	8000+ TEU	Motorcycles	40.176	28/04/20 09/06/20	MSC Gulsun	Kaohsiung	17,551.40	8,934,190
50	8000+ TEU	Motorcycles	75.816	27/04/20 09/06/20	MSC Gulsun	Changzhou	18,809	18,067.63
51	8000+ TEU	Motorcycles	109.512	14/04/20 16/06/20	CPO Hamburg	Changzhou	18,809	26,097.69
52	8000+ TEU	Spare parts	3.743	17/05/20 16/06/20	CPO Hamburg	Shanghai	18,596	881.890
53	8000+ TEU	Spare parts	7.675	17/05/20 16/06/20	MSC Judith	Shanghai	18,596	1,808.310

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Breakdown of KYMCO Spain Imported Cargo by shipments, 2020.

No.	Ship type	Type of load	Load t	Start date/ end	Vessel	Origin Destination	Distance Km	Kg CO2 eq.
54	8000+ TEU	Motorcycles	19.494	18/05/20 29/06/20	MSC Judith	Kaohsiung	17,551.40	4,335.003
55	8000+ TEU	Motorcycles	39.285	12/05/20 01/07/20	MSC Viviana	Kaohsiung	17,551.40	8,736.053
56	8000+ TEU	Motorcycles	16.848	11/05/20 01/07/20	MSC Viviana	Changzhou	18,809	4,015.03
57	8000+ TEU	Motorcycles	38.988	12/05/20 23/06/20	MSC Jade	Kaohsiung	17,551.40	8,670,007
58	8000+ TEU	Motorcycles	162,328	08/05/20 16/06/20	CPO Hamburg	Changzhou	18,809	38,684.21
59	8000+ TEU	Spare parts	1.531	02/06/20 21/07/20	MSC Eloane	Kaohsiung	17,551.40	340.458
60	8000+ TEU	Spare parts	1.366	26/06/20 29/07/20	MSC Febe	Shanghai	18,596	321.844
61	8000+ TEU	Spare parts	2,221	31/07/20 03/09/20	MSC Gulsun	Shanghai	18,596	523.291
62	8000+ TEU	Spare parts	1.788	29/07/20 03/09/20	MSC Gulsun	Kaohsiung	17,551.40	397.609
63	8000+ TEU	Spare parts	3,678	19/08/20 16/10/20	MSC Diana	Kaohsiung	17,551.40	817.900
64	3000–4999 TEU	Spare parts	1.741	14/09/20 18/10/20	MAERSK Cunene	Shanghai	18,596	544.880
65	8000+ TEU	Spare parts	4.206	28/09/20 11/07/20	MSC Samar	Kaohsiung	17,551.40	935.315
66	8000+ TEU	Spare parts	3.754	10/07/20 21/11/20	MSC Arina	Kaohsiung	17,551.40	834.801
67	8000+ TEU	Spare parts	3.643	22/10/20 26/11/20	MSC Sixin	Shanghai	18,596	858.33
68	8000+ TEU	Spare parts	2.741	26/10/20 12/05/20	MSC Gulsun	Shanghai	18,596	645.81

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Breakdown of KYMCO Spain Imported Cargo by shipments, 2020.

No.	Ship type	Type of load	Load t	Start date/ end	Vessel	Origin Destination	Distance Km	Kg CO2 eq.
69	8000+ TEU	Spare parts	6.675	03/11/20 16/12/20	MSC Mia	Kaohsiung	17,551.40	4,335.003
70	8000+ TEU	Motorcycles	25.272	18/11/20 23/12/20	MSC Nela	Kaohsiung	17,551.40	8,736.053
71	8000+ TEU	Motorcycles	13.888	04/11/20 23/12/20	MSC Nela	Changzhou	18,809	4,015.03
72	8000+ TEU	Spare parts	1.779	17/11/20 23/12/20	MSC Nela	Kaohsiung	17,551.40	8,670,007
73	8000+ TEU	Motorcycles	75.816	18/11/20 23/12/20	MSC Nela	Changzhou	18,809	38,684.21
74	3000– 4999 TEU	Motorcycles	21.870	07/12/20 07/01/21	Northern Priority	Kaohsiung	17,551.40	340.458
75	8000+ TEU	Motorcycles	41.664	24/11/20 08/01/21	MSC Ambra	Shanghai	18,596	321.844
76	8000+ TEU	Motorcycles	42.120	24/11/20 08/01/21	MSC Ambra	Shanghai	18,596	523.291
77	8000+ TEU	Motorcycles	34.720	19/11/20 08/01/21	MSC Ambra	Kaohsiung	17,551.40	397.609
78	8000+ TEU	Motorcycles	6.944	03/12/20 17/01/21	MSC Diana	Kaohsiung	17,551.40	817.900
79	8000+ TEU	Spare parts	15.121	03/12/20 17/01/21	MSC Diana	Shanghai	18,596	544.880
80	8000+ TEU	Spare parts	4.251	09/12/20 17/01/21	MSC Diana	Kaohsiung	17,551.40	935.315
81	8000+ TEU	Motorcycles	50.372	09/12/20 21/01/21	MSC Diana	Kaohsiung	17,551.40	834.801
82	8000+ TEU	Motorcycles	41.664	09/12/20 21/01/21	MSC Diana	Shanghai	18,596	858.33
83	8000+ TEU	Motorcycles	41.664	03/12/20 18/01/21	MSC Diana	Shanghai	18,596	645.81

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Breakdown of KYMCO Spain Imported Cargo by shipments, 2020.

No.	Ship type	Type of load	Load t	Start date/ end	Vessel	Origin Destination	Distance Km	Kg CO2 eq.
84	3000–4999 TEU	Motorcycles	42.120	19/12/20 24/01/21	Maersk Gairloch	Shanghai	18,596	13,182.277
85	3000–4999 TEU	Motorcycles	50.544	19/12/20 24/01/21	Maersk Gairloch	Shanghai	18,596	15,818.732
86	8000+ TEU	Motorcycles	33.696	28/12/20 06/02/21	Msc Samar	Shanghai	18,596	7,939.130
87	8000+ TEU	Spare parts	8.262	23/12/20 04/02/21	Msc Samar	Kaohsiung	17,551.40	1,837.273
Total								**679,704**
Total t CO2 eq.								**679.70**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

In general terms, and regardless of the port of origin, the 2020 cargo was imported in **87 shipments**, which travelled **1,568,409 kilometres, in 26 different vessels.**

Most of the cargo has been imported in **large ships, with a capacity of more than 8,000 containers**, all of them from the MSC shipping company. A total of 77 shipments (56 motorcycle cargo shipments and 21 spare parts shipments), with a cargo volume of **2,534,780 kilos that have generated 583,883.23 kg CO2**. The 10 remaining shipments took place in smaller vessels (**307,718 kilos**) and have generated a joint carbon footprint of **95,820.96 kg CO2.**

The carbon footprint generated by the load is shown below depending on the **type of ship used.**

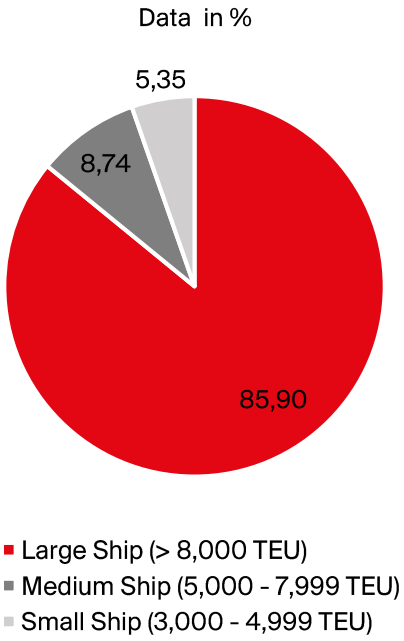
KYMCO Spain Maritime Transport Emissions, by type of ship, 2020.

Ship Type	No. of shipments	Load kg	Distance travelled (km)	No. days	Average days/shipment	Emissions Kg CO2 eq.
8,000 TEU	77	2,534,780	1,386,201.63	3,231	41.96	**583,883.23**
5,000-7,999 TEU	6	191,443	107,823	237	39.5	**59,430.43**
3,000 - 4,999 TEU	4	116,275	74,384	137	34.25	**36,390.53**

The 87 shipments totalled 3,595 days of maritime transport, an **average of 41.3 days per ship**. By far the most used ship has been the largest; it is the one that has spent the most days at sea and the one that has made the most shipments.

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Distribution of Emissions in % of KYMCO Spain Maritime Transport, by type of vessel, 2020.



INVENTORY OF EMISSIONS SOURCES SCOPE 3

b) Distribution. Transport in Spain. Land and sea route.

Our second company activity is focused on **Distribution in Spain** of the imported cargo that arrives in Valencia. The distribution adds a carbon footprint of **30.93 tonnes of CO2.**

The distribution of goods is organised as follows, according to type:

- **motorcycles:** they are transported directly by truck to all parts of the peninsula, by ferries to the Balearic Islands and by container ships to the Canary Islands.

- **Spare parts** are sent from Valencia to our headquarters in Alcorcón (Madrid) by truck and from there they are distributed by road to their corresponding destination according to the **orders we receive** from the points of sale. Spare parts are distributed to the Balearic Islands and to the Canary Islands by boat.

INVENTORY OF EMISSIONS SOURCES SCOPE 3

As can be seen in the following table, in 2020, **2,683.35 tonnes of motorcycles** from Valencia were distributed to different parts of Spain; 131.53 tonnes of spare parts imported in 2020 went to Madrid and another **1,207.68 tonnes of spare parts left Madrid to all parts of the peninsula**.

A total of **4,022,569** kilos of merchandise moved through Spain in 2020.

Distribution emissions are specified below, taking into account the type of load and its weight:

Emissions Distribution in Spain, by type of load, 2020.

Type of load	Total Kg distributed	Emissions distribution Kg CO2 eq.
Motorcycles	2,683,350	**18,758.86**
Spare Parts (Valencia-Madrid)	131,538	**3,399.99**
Spare Parts Orders (from Madrid)	1,207,681.14	**8,763.96**
Motorcycles + Spare Parts	4,022,569	**30,922.81**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

By units, KYMCO distributed 13,477 units from Valencia, so the Distribution Carbon Footprint per motorcycle unit in 2020 amounts to **1.39 kg CO2 eq. on average.**

Emissions per motorcycle distributed	**1.39 kg CO2 eq.**

Regarding spare parts orders, KYMCO distributed 419,022 parts throughout Spain from its headquarters, for which the carbon footprint per unit of spare part amounts to 0.02 kg CO2 eq.

Emissions Distribution KYMCO Spain, by type of load unit, 2020.

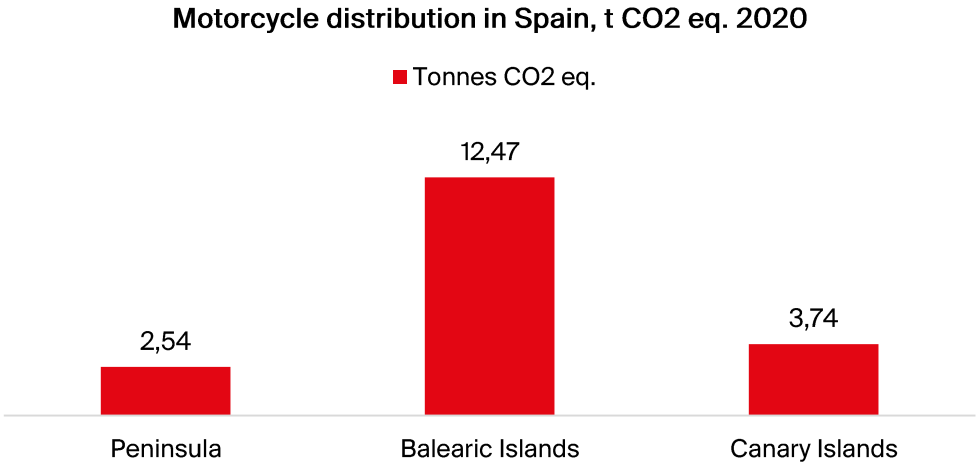
Type of load	Total units distributed (units)	Emissions distribution Kg CO2 eq.	Emissions Kg CO2 eq. per distributed unit
Motorcycles	13,477	18,758.86	**1.39**
Spare Parts Orders (from headquarters)	419,022	8,763.96	**0.02091**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

- **Motorcycles. Distribution in Spain, 2020.**

Regarding **motorcycles**, the Carbon Footprint derived from distribution across the **peninsula** is **2,542.33 kg CO2**, which is added to the **12,472.09 kg CO2** of distribution in the Balearic Islands and the **3,744.45 kg CO2** of distribution of the Canary Islands.

Emissions Distribution Motorcycles KYMCO Spain in Spain. Road and sea transport. 2020.



The most common means of transport is an **articulated truck > 3.5-33 t for the peninsula;** the ferry to the Balearic Islands and the container ship to the Canary Islands.

In 2020, **2,548.01 tonnes** were moved by road transport; and the remaining 135.34 tonnes were transferred by sea (65.24 tonnes to the Balearic Islands and 70.10 tonnes to the Canary Islands).

INVENTORY OF EMISSIONS SOURCES SCOPE 3

In the following graph, you can see a summary of the **Carbon Footprint of the Distribution of motorcycles according to the three geographical areas** and the means of transport used.

KYMCO Spain Motorcycle Distribution Emissions, 2020.

Distribution	Motorcycle kg	Means of Transport	Emissions kg CO2 eq.
Peninsula	2,548,006	Articulated Truck > 3.5 - 33 t	**2,542.33**
Canary Islands	70,102	Container ship	**3,744.45**
Balearic Islands	65,238	Ferry	**12,472.09**
Total	2,683,346		**18,758.86**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

The emissions per motorcycle distributed are detailed below, depending on whether the destination is to the peninsula, the Balearic Islands or the Canary Islands.

KYMCO Spain Motorcycle Distribution Emissions, by units, 2020.

	Motorcycle units distributed	Emission per motorcycle distributed kg CO2 eq.
Peninsula	12,785	**0.19**
Balearic Islands	337	**10.54**
Canary Islands	355	**37**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Below is the inventory of the **distribution of vehicles** from Valencia, grouped according to final destination, in 2020:

KYMCO Spain Motorcycle Distribution Emissions, from Valencia to destination, 2020.

Logistics company	Destination	Distance km	Load t	Type Truck / Emissions factor	Kg CO2 eq.
Agency	Albacete	154	33.86	Articulated truck (> 3.5 -33 t) 0.07212	152.05
Trailer	Alcorcón (Madrid)	358	7.41	Articulated truck (> 3.5 -33 t) 0.07212	77.32
Trailer	Alicante	172	120.95	Articulated truck (> 3.5 -33 t) 0.07212	606.66
Agency	Almeria	444	5.53	Articulated truck (> 3.5 -33 t) 0.07212	71.65
Agency	La Seu d'Urgel (Lleida)	436	8.93	Articulated truck (> 3.5 -33 t) 0.07212	113.49
Agency	Asturias	819	61.33	Articulated truck (> 3.5 -33 t) 0.07212	1,464.79
Agency	Badajoz	717	25.54	Articulated truck (> 3.5 -33 t)0.07212	534.02
Trailer	Arbuio (Bilbao)	631	69.50	Articulated truck (> 3.5 -33 t) 0.07212	1,278.85
Agency	Reus (Tarragona)	263	30.56	Articulated truck (> 3.5 -33 t) 0.07212	234.36
Agency	Burgos	572	3.13	Articulated truck (> 3.5 -33 t) 0.07212	52.19
Agency	Cantabria	720	38.12	Articulated truck (> 3.5 -33 t) 0.07212	800.37
Agency	Castellon	89.8	27.17	Articulated truck (> 3.5 -33 t) 0.07212	71.15

INVENTORY OF EMISSIONS SOURCES SCOPE 3

KYMCO Spain Motorcycle Distribution Emissions, from Valencia to destination, 2020.

Logistics company	Destination	Distance km	Load t	Type Truck / Emissions factor	Kg CO2 eq.
Agency	Ciudad Real	286	19.62	Articulated truck (> 3.5 -33 t) 0.07212	163.62
Trailer	Collado Villalba (Madrid)	384	33.64	Articulated truck (> 3.5 -33 t) 0.07212	376.68
Trailer	Córdoba	502	24.87	Articulated truck (> 3.5 -33 t) 0.07212	364.07
Agency	Coruña	934	40.17	Articulated truck (> 3.5 -33 t) 0.07212	1,094.13
Agency	Ribarroja (Valencia)	4.5	68.87	Articulated truck (> 3.5 -33 t) 0.07212	9.04
Agency	Ribarroja (Valencia) + Alcorcón (Madrid)	364.5	141.90	Articulated truck (> 3.5 -33 t) 0.07212	1,508.35
Agency	Gerona	450	37.84	Articulated truck (> 3.5 -33 t) 0.07212	496.63
Trailer	Granada	468	78.32	Articulated truck (> 3.5 -33 t) 0.07212	1,068.89
Agency	Guadalajara	373	3.85	Articulated truck (> 3.5 -33 t) 0.07212	41.85
Agency	Guipúzcoa	584	58.99	Articulated truck (> 3.5 -33 t) 0.07212	1,004.67
Agency	Huelva	735	23.38	Articulated truck (> 3.5 -33 t) 0.07212	501.04
Agency	Huesca	315	2.39	Articulated truck (> 3.5 -33 t) 0.07212	21.99

INVENTORY OF EMISSIONS SOURCES SCOPE 3

KYMCO Spain Motorcycle Distribution Emissions, from Valencia to destination, 2020.

Logistics company	Destination	Distance km	Load t	Type Truck / Emissions factor	Kg CO2 eq.
Agency + Ferry	Ibiza	217	17.16	Ferry 0.05019	186.85
Agency	Jaén	439	36.74	Articulated truck (> 3.5 -33 t) 0.07212	470.36
Trailer	Jerez	724	120.85	Articulated truck (> 3.5 -33 t) 0.07212	2,551.64
Container	Las Palmas, Gran Canaria	2049	35.11	Container ship 0.05019	2,098.17
Agency	León	683	9.86	Articulated truck (> 3.5 -33 t) 0.07212	196.43
Agency	Lérida	324	14.78	Articulated truck (> 3.5 -33 t) 0.07212	139.65
Agency	Logroño	498	12.85	Articulated truck (> 3.5 -33 t) 0.07212	186.66
Agency	Lugo	844	4.30	Articulated truck (> 3.5 -33 t) 0.07212	105.81
Trailer	Luxembourg	1515	9.31	Articulated truck (> 3.5 -33 t) 0.07212	411.41
Trailer	San Fernando (Madrid)	334	85.85	Articulated truck (> 3.5 -33 t) 0.07212	836.18
Agency	Málaga	644	133.25	Articulated truck (> 3.5 -33 t) 0.07212	2,502.56
Agency	Manresa	378	19.91	Articulated truck (> 3.5 -33 t) 0.07212	219.47

INVENTORY OF EMISSIONS SOURCES SCOPE 3

KYMCO Spain Motorcycle Distribution Emissions, from Valencia to destination, 2020.

Logistics company	Destination	Distance km	Load t	Type Truck / Emissions factor	Kg CO2 eq.
Trailer	Penafiel (Portugal)	864	33.65	Articulated truck (> 3.5 -33 t) 0.07212	847.85
Agency + Ferry	Menorca (Balearic Islands)	617	8.07	Ferry 0.05019	0.02
Agency	Motril (Granada)	549	49.34	Articulated truck (> 3.5 -33 t) 0.07212	789.92
Trailer	Murcia	223	115.60	Articulated truck (> 3.5 -33 t) 0.07212	751.77
Agency	Navarre	498	22.78	Articulated truck (> 3.5 -33 t) 0.07212	330.87
Agency	Orense	845	6.96	Articulated truck (> 3.5 -33 t) 0.07212	171.43
Agency	Palencia	593	6.43	Articulated truck (> 3.5 -33 t) 0.07212	111.19
Agency + Ferry	Palma, Majorca (Balearic Islands)	307	40.02	Ferry 0.05019	12,285.22
Agency	Pontevedra	935	39.06	Articulated truck (> 3.5 -33 t) 0.07212	1,065.06
Trailer	San Fernando (Madrid)	340	24.70	Articulated truck (> 3.5 -33 t) 0.07212	244.87
Trailer	Sabadell (Barcelona)	371	500.18	Articulated truck (> 3.5 -33 t) 0.07212	5,411.53
Agency	Salamanca	555	3.98	Articulated truck (> 3.5 -33 t) 0.07212	64.35

INVENTORY OF EMISSIONS SOURCES SCOPE 3

KYMCO Spain Motorcycle Distribution Emissions, from Valencia to destination, 2020.

Logistics company	Destination	Distance km	Load t	Type Truck / Emissions factor	Kg CO2 eq.
Container	S. C., Tenerife	864	33.65	Container ship 0.05019	3,635.02
Trailer	Seville	617	8.07	Articulated truck (> 3.5 -33 t) 0.07212	1,758.92
Agency	Soria	549	49.34	Articulated truck (> 3.5 -33 t) 0.07212	15.56
Agency	Santa Perpetua de la Mogoda (Barcelona)	223	115.60	Articulated truck (> 3.5 -33 t) 0.07212	1,843.74
Agency	Toledo	498	22.78	Articulated truck (> 3.5 -33 t) 0.07212	274.22
Agency	Valladolid	845	6.96	Articulated truck (> 3.5 -33 t) 0.07212	134.13
Agency	Vitoria	593	6.43	Articulated truck (> 3.5 -33 t) 0.07212	76.08
Agency	Zaragoza	307	40.02	Articulated truck (> 3.5 -33 t) 0.07212	304.62
Total					**18,758.86**
Total t CO2 eq.					**18.76**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

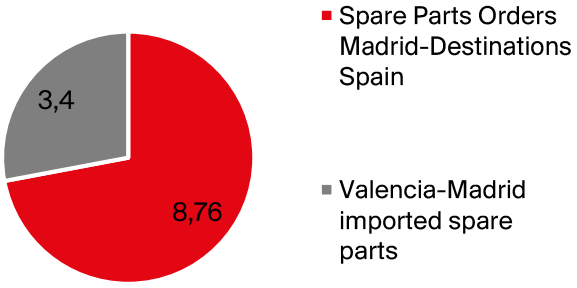
For **spare parts, the carbon footprint amounts to 12.17 tonnes of CO2 eq.** We distinguish between two groups:

1) the carbon footprint of the transport of the entire volume imported from Valencia to Madrid, which amounts to **3,399.99 kilos of CO2;** and

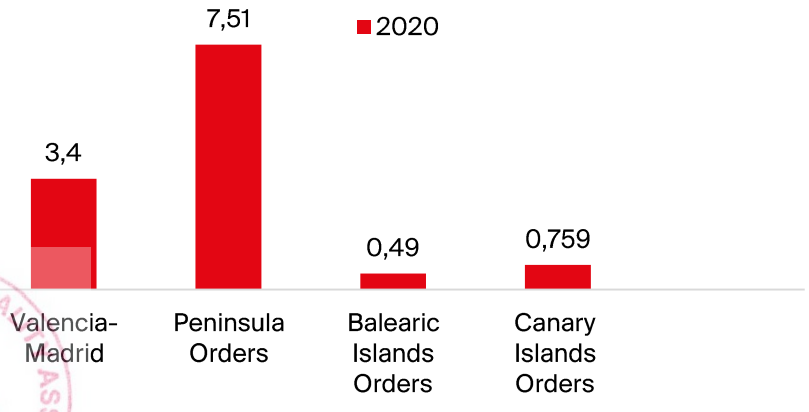
1) the carbon footprint left by **spare parts orders** from KYMCO points of sale that travel from Madrid to their respective destinations, amounting to **8,763.96 kg CO2 eq.** (breakdown: peninsula, 7,506.36 kg CO2; Canary Islands, 759.74 kg CO2 eq; and Balearic Islands, 497.89 kg CO2).

KYMCO Spare Part Distribution Emissions Spain, 2020.

t CO2 eq. 2020



Emissions Distribution Spare Parts y Orders for Spare Parts, by areas Spain t CO2 eq., 2020



INVENTORY OF EMISSIONS SOURCES SCOPE 3

Spare parts orders **sent to the islands, travel from Madrid in a flatbed truck to the ports of Barcelona and Huelva:**

- from Barcelona they travel to Majorca, Menorca and Ibiza in 2000 LM´ ferries; and
- from Huelva they travel to Tenerife and Las Palmas in container ships of up to 999 containers (Acciona Trasmediterránea shipping company).

The spare parts that correspond to an order included in the official guarantee travel to the islands by plane, but their weight is so small (0.003% of the volume transported by scooters during 2020) that it has been discarded from the report, as it is not a representative source of emissions.

During 2020, 1,193,448 tonnes of **spare parts orders were transported through the peninsula**; 14,198 tonnes to the **Balearic Islands** and 5.7 tonnes to the **Canary Islands**. Below are the emissions of imported spare parts and spare parts orders according to destinations. The distribution of **spare parts orders to the islands**, as shown below, has a section by road (from Madrid to the ports) and a section by ship. Taking both into account, its carbon footprint amounts to **1,257.73 kg CO2 (1.26 t CO2 eq.).**

KYMCO Spare Parts Distribution Emissions Spain by Spain, 2020.

	Spare Parts (kg)	Total emissions kg CO2 eq.
Valencia - Madrid	131,538	**3,399.99**
Peninsula Orders	1,193,482.2	**7,506.36**
Balearic Islands Orders	14,198.9	**497.89**
Canary Islands Orders	5,700.05	**759.74**
Total	1,344,919.15	**12,163.98**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Emissions Distribution KYMCO Spare Parts Spain by road, from Madrid to its destination, 2020.

Logistics company/ Madrid	Destination	km	No. of shipments	Load in Kg	Type Truck	Fuel	Kg CO2 eq.
Redur	Alava	366	124	12,964.7	9,000 kg tare 3,000 kg tractor	Diesel	38.02
Redur	Albacete	263	300	27,448.8	9,000 kg tare 3,000 kg tractor	Diesel	57.85
Redur	Alicante	425	1,638	34,536.6	9,000 kg tare 3,000 kg tractor	Diesel	117.62
Redur	Almeria	550	422	12,305.4	9,000 kg tare 3,000 kg tractor	Diesel	54.23
Redur	Asturias (Oviedo)	446	728	29,957.7	9,000 kg tare 3,000 kg tractor	Diesel	107.07
Redur	Avila	109	23	445.4	9,000 kg tare 3,000 kg tractor	Diesel	0.39
Redur	Badajoz	403	276	9,166.1	9,000 kg tare 3,000 kg tractor	Diesel	29.60
Redur	Barcelona	625	8,380	195,030.3	9,000 kg tare 3,000 kg tractor	Diesel	976.78
Redur	Burgos	249	111	17,270.5	9,000 kg tare 3,000 kg tractor	Diesel	34.46
Redur	Cáceres	296	56	1,402	9,000 kg tare 3,000 kg tractor	Diesel	3.33
Redur	Cadiz	647	682	24,063.7	9,000 kg tare 3,000 kg tractor	Diesel	124.76
Redur	Cantabria	418	426	22,096.5	9,000 kg tare 3,000 kg tractor	Diesel	74.01

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Emissions Distribution KYMCO Spare Parts Spain by road, from Madrid to its destination, 2020.

Logistics company /Madrid	Destination	km	No. of shipments	Load in Kg	Type Truck	Fuel	Kg CO2 eq.
Redur	Castellon	425	425	21,349.5	9,000 kg tare 3,000 kg tractor	Diesel	72.71
Redur	Ceuta	698	38	694	9,000 kg tare 3,000 kg tractor	Diesel	3.88
Redur	Ciudad Real	186	429	26,752.7	9,000 kg tare 3,000 kg tractor	Diesel	39.87
Redur	Córdoba	395	410	12,906.1	9,000 kg tare 3,000 kg tractor	Diesel	40.85
Redur	Cuenca	170	49	1,091	9,000 kg tare 3,000 kg tractor	Diesel	1.49
Redur	Gerona	704	944	23,892.6	9,000 kg tare 3,000 kg tractor	Diesel	134.79
Redur	Gibraltar	658	1	3	9,000 kg tare 3,000 kg tractor	Diesel	0.02
Redur	Granada	419	1288	75,997	9,000 kg tare 3,000 kg tractor	Diesel	255.17
Redur	Guadalajara	66	128	3,943.6	9,000 kg tare 3,000 kg tractor	Diesel	2.09
Redur	Guipúzcoa	420	533	10,404.1	9,000 kg tare 3,000 kg tractor	Diesel	35.02
Redur	Huelva	611	233	5,415.8	9,000 kg tare 3,000 kg tractor	Diesel	26.52
Redur	Huesca	389	127	2,308.9	9,000 kg tare 3,000 kg tractor	Diesel	7.20

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Emissions Distribution KYMCO Spare Parts Spain by road, from Madrid to its destination, 2020.

Logistics company/Madrid	Destination	km	No. shipments	Load in Kg	Type Truck	Fuel	Kg CO2 eq.
Redur	Jaén	331	590	3,1871.5	9,000 kg tare 3,000 kg tractor	Diesel	84.54
Redur	La Coruña	592	459	33,496.9	9,000 kg tare 3,000 kg tractor	Diesel	158.91
Redur	La Rioja	314	163	2,725.2	9,000 kg tare 3,000 kg tractor	Diesel	6.86
Redur	León	337	142	7,097.8	9,000 kg tare 3,000 kg tractor	Diesel	19.17
Redur	Lérida	466	246	17,044.9	9,000 kg tare 3,000 kg tractor	Diesel	63.65
Redur	Lugo	500	119	7,807.6	9,000 kg tare 3,000 kg tractor	Diesel	31.28
Redur	Madrid (Redur)	40	8440	185,225.2	9,000 kg tare 3,000 kg tractor	Diesel	59.37
Redur	Málaga	528	980	34,905.7	9,000 kg tare 3,000 kg tractor	Diesel	147.69
Redur	Melilla	663	11	406	9,000 kg tare 3,000 kg tractor	Diesel	2.16
Redur	Murcia	404	1814	47,509.9	9,000 kg tare 3,000 kg tractor	Diesel	153.81
Redur	Pamplona	394	229	26,407.3	9,000 kg tare 3,000 kg tractor	Diesel	83.37
Redur	Orense	500	180	8,058	9,000 kg tare 3,000 kg tractor	Diesel	32.29

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Emissions Distribution KYMCO Spare Parts Spain by road, from Madrid to its destination, 2020.

Logistics company /Madrid	Destination	km	No. shipments	Load in Kg	Truck	Fuel	Kg CO 2 eq.
Redur	Palencia	260	52	3,898.1	9,000 kg tare 3,000 kg tractor	Diesel	8.12
Redur	Pontevedra	613	662	38,878	9,000 kg tare 3,000 kg tractor	Diesel	190.98
Redur	Salamanca	214	72	987.6	9,000 kg tare 3,000 kg tractor	Diesel	1.69
Redur	Segovia	91	50	715	9,000 kg tare 3,000 kg tractor	Diesel	0.52
Redur	Seville	529	717	20,498.8	9,000 kg tare 3,000 kg tractor	Diesel	86.90
Redur	Soria	234	35	467.8	9,000 kg tare 3,000 kg tractor	Diesel	0.88
Redur	Tarragona	550	803	21,427	9,000 kg tare 3,000 kg tractor	Diesel	94.44
Redur	Toledo	72	298	13,752.4	9,000 kg tare 3,000 kg tractor	Diesel	7.93
Redur	Valencia	359	2,463	51,755.5	9,000 kg tare 3,000 kg tractor	Diesel	148.89
Redur	Valladolid	190	147	11,670.1	9,000 kg tare 3,000 kg tractor	Diesel	17.77
Redur	Vizcaya	414	779	28,505.1	9,000 kg tare 3,000 kg tractor	Diesel	94.57
Redur	Zamora	254	16	554.8	9,000 kg tare 3,000 kg tractor	Diesel	1.13

INVENTORY OF EMISSIONS SOURCES SCOPE 3

Emissions Distribution KYMCO Spare Parts Spain by road, from Madrid to its destination, 2020.

Logistics company /Madrid	Destination	km	No. shipments	Load in Kg	Truck	Fuel	Kg CO2 eq.
Redur	Zaragoza	319	606	23,358	9,000 kg tare 3,000 kg tractor	Diesel	59.71
Redur	Lisbon	624	5	620	9,000 kg tare 3,000 kg tractor	Diesel	3.10
Total							**7,506.36**
Total (t CO2 eq.)							**7.51**

INVENTORY OF EMISSIONS SOURCES SCOPE 3

KYMCO Spare Parts Distribution Emissions Spain to the islands, from Madrid to the ports, 2020.

Logistics company	Origin	Destination	Km	Load t	Type Truck	Fuel	kg CO2 eq.
Maresa	Madrid	Barcelona	625	4.76	Flatbed	Diesel	214.48
Maresa	Madrid	Barcelona	625	0.74	Flatbed	Diesel	33.29
Maresa	Madrid	Barcelona	625	3	Flatbed	Diesel	135.32
Maresa	Madrid	Huelva	611	3.14	Flatbed	Diesel	138.35
Maresa	Madrid	Huelva	611	2.56	Flatbed	Diesel	112.82
Total				14.20			**634.26**

Emissions Distribution Spare KYMCO Spain to the islands, from the ports to the islands, 2020.

Logistics company	Origin	Destination	Km	Load t	Type Vessel	Fuel	kg CO2 eq.
Maresa	Barcelona	Majorca	273	4.76	RoBo Ferry - 2000 + LM	Diesel	65.20
Maresa	Barcelona	Menorca	245	0.74	RoBo Ferry - 2000 + LM	Diesel	9.08
Maresa	Barcelona	Ibiza	269	3	RoBo Ferry - 2000 + LM	Diesel	40.53
Maresa	Huelva	Tenerife	1,400	3.14	Container Ship 0 - 999 TEU	Diesel	268.75
Maresa	Huelva	Las Palmas	1,532	2.56	Container Ship 0 - 999 TEU	Diesel	239.81
Total				14.20			**623.37**

RESULTS AND ACTIVITY INDEX

The Carbon Footprint of KYMCO Spain for 2019 and 2020 amounted to 62.82 t CO2 eq. and to 750.61 t CO2 eq, according to the values studied. The large difference between the two years is due to the Scope 3 study only being conducted in the year 2020.

	2019 t CO2 eq.	2020 t CO2 eq.
Scope 1	23.17	16.59
Scope 2	39.65	23.39
Scope 3		710.63
Total	**62.82**	**750.61**

With this data, we calculate our **activity index:**

Activity Index	2019 (turnover: € 50,463,944.13)	2020 (turnover: € 39,749,855.94)
Emissions for every € 100,000 of annual turnover	**0.12 t CO2**	**1.89 t CO2**

RESULTS AND ACTIVITY INDEX

We summarise below, other calculations made as a result of the report:

Carbon Footprint of 1 motorcycle on average (imported + distributed)	**50.22 kg CO2 eq.**

Carbon Footprint of 1 spare part on average (Imported + Distributed)	**84.05 g CO2 eq.**

IMPROVEMENT PLAN

Improvement Approach 2021-2025
Measures to Expand Understanding of the Carbon Footprint
Measures to Reduce and Offset Emissions

IMPROVEMENT APPROACH 2021-2025

Our commitment to sustainability and the fight against climate change led us to draw up this **'GHG Emissions Improvement Plan 2021-2025'.**

With it, we intend to progressively mitigate the carbon footprint of our activity, reaffirming our commitment to decarbonising the economy and contributing to more sustainable mobility in cities and more respect for the environment.

This Plan contains the measures agreed upon and approved by our Organisation, which have been divided into 2 categories: first, actions aimed at improving understanding of the sources of GHGs and the carbon footprint; and second, measures focused on reducing and offsetting the carbon footprint.

MEASURES TO IMPROVE UNDERSTANDING

We consider 3 measures focused on expanding understanding of our carbon footprint:

- **Annual calculation of the carbon footprint, direct and indirect emissions. 2019, base year.**

With this study of the carbon footprints of 2019 and 2020, we have, for the first time, identified the sources of direct and indirect emissions of our organisation, both from the physical headquarters and from the main activity we carry out (import and distribution). This first calculation has become the starting point of a more ambitious project. Our purpose is to continue expanding this understanding every year, starting from 2019, the base year of our analysis.

- **New data collection processes.**

For the following carbon footprint studies, we will implement new internal processes that help us to collect more accurate and rigorous data that will lead to an improvement in the quality of the data each year and provide us with the necessary vision to advance the efficiency and sustainability of our activity.

- **Widening of the calculation of the carbon footprint to include other sources of indirect emissions (Scope 3).**

Scope 3 of our 2020 analysis focused on the calculation of indirect emissions produced in the main activity, import and distribution (logistics of vehicles and spare parts).

Our commitment for the coming years is to advance our understanding of other indirect GHG sources related to the company's activity, which may influence the Organisation's carbon footprint and calculate its impact.

We have defined the following areas of interest:

MEASURES TO IMPROVE UNDERSTANDING

We have defined the following areas of interest:

- Press fleet
- Events
- Team business travel by plane and train
- Office supplies (toners, paper, plastic cups, etc.)
- Packaging of our distribution
- Waste generation
- Other areas

Each year of the plan we will submit at least one of these items to Scope 3.

MEASURES TO REDUCE AND OFFSET

We have established the following measures to reduce and offset the carbon footprint:

- **Measures to improve the energy efficiency of facilities (Scope 2).**

Annually, the Company studies where possible savings can be made to improve energy efficiency inside the facility, especially in relation to electricity consumption. Throughout the improvement plan, we will continue to implement measures that help us reduce electricity consumption.

As a measure approved for 2021, the vinyl on the windows on the facades of the two warehouses and on the left side of warehouse 2 (office area) have been renewed, to absorb solar radiation in summer. With this measure, the temperature inside the building has been lowered by 5 degrees and makes less use of the air conditioning. However, due to the Covid-19 situation and the need to ventilate the rooms, we do not know the savings in energy consumption as a result of this measure.

During the plan, studying the possibility of gradually replacing the old air conditioning equipment with more efficient aerothermal systems is planned.

- **Supply of electrical energy with guarantees of 100% renewable origin (Scope 2).**

In 2020, part of the electricity that has been consumed in the facility comes from a trader with guarantees of 100% renewable origin.

During the term of the plan, we will eliminate the entire carbon footprint that Scope 2 refers to with the supply of traders with guarantees of 100% renewable origin in the two warehouses.

MEASURES TO REDUCE AND OFFSET

- **More efficient KYMCO vehicle fleets (Scope 1).**

Throughout the plan, the efficiency of the fleet of vehicles used by KYMCO (vehicles for commercial routes and for promotion) will improve thanks to the incorporation of hybrid vehicles and electric vehicles.

In 2021, the company has incorporated hybrid vehicles for commercial work in order to reduce the consumption of fossil fuels.

Throughout 2022, 100% of the cars in KYMCO's fleet will be hybrids. In addition, during the plan we intend to study incorporating some **commercial electric vehicles for short-distance transfers.** This measure could save up to 40% of the fossil fuel used so far.

In addition, in 2022 the entry of electric motorcycles into our catalogue is expected, so the press fleet will gain in efficiency.

- **Use of cleaner fuel (Scope 1).**

In order to reduce the carbon footprint of the KYMCO fleet, we are committed to using cleaner fossil fuels, including a higher proportion of biofuels. Annually, the virtue of this measure will be verified to help mitigate the footprint.

- **More sustainable logistics providers (Scope 3).**

During the plan, we undertake to identify and, as far as possible, select those suppliers of products and/or services that are more sustainable and environmentally responsible, especially the services associated with distribution transport within the national territory, but also in regard to maritime transport from Asia.

MEASURES TO REDUCE AND OFFSET

- **To communicate the study of the carbon footprint and improvement plan to our entire distribution network.**

Sustainability is not achieved through isolated and individual actions. For this reason, our purpose of communicating the results of the carbon footprint and the 2021-2025 Improvement Plan is to raise awareness and promote more sustainable and environmentally friendly behaviours throughout our value chain and main stakeholders, from the manufacturer to the final points of sale.

Our ambition is that they join the emissions reduction plan from their respective activities, so we can be more efficient, not only as a company, but as a sustainable mobility brand. We want to lead the way in having a positive impact on reducing the carbon footprint, achieving responsible performance in the distribution of vehicles and parts that the KYMCO brand makes available to the customer in Spain.

- **To implement sustainability in Marketing and Communication activities.**

This initiative includes the analysis and offsetting of the carbon footprint for events and activities where the KYMCO brand has a presence, either at its own events, in the KYMCO network or those of third parties. It is an initiative that seeks to make KYMCO customers aware of the need for sustainable mobility.

- **Carbon footprint offset.**

After conducting this study, we made the commitment to **partially** offset the carbon footprint generated annually, through the purchase of t CO2 eq. available in reforestation projects registered in the Carbon Footprint Registry of the Spanish Ministry for Ecological Transition and the Demographic Challenge.

This commitment will be achieved throughout 2022 for some of the following identified actions:

- Launch of electric motorcycles
- Launch of combustion motorcycles.
- Press fleet transfers.
- Company events.

MEASURES TO REDUCE AND OFFSET

Throughout the plan, we are committed to annually reviewing and redefining our offsetting with greater accuracy. This will advance in parallel with the reduction measures discussed.

ANNEX

EQA Verification

KYMCO

Dondequiera que vayas