Polestar 2024.05.30

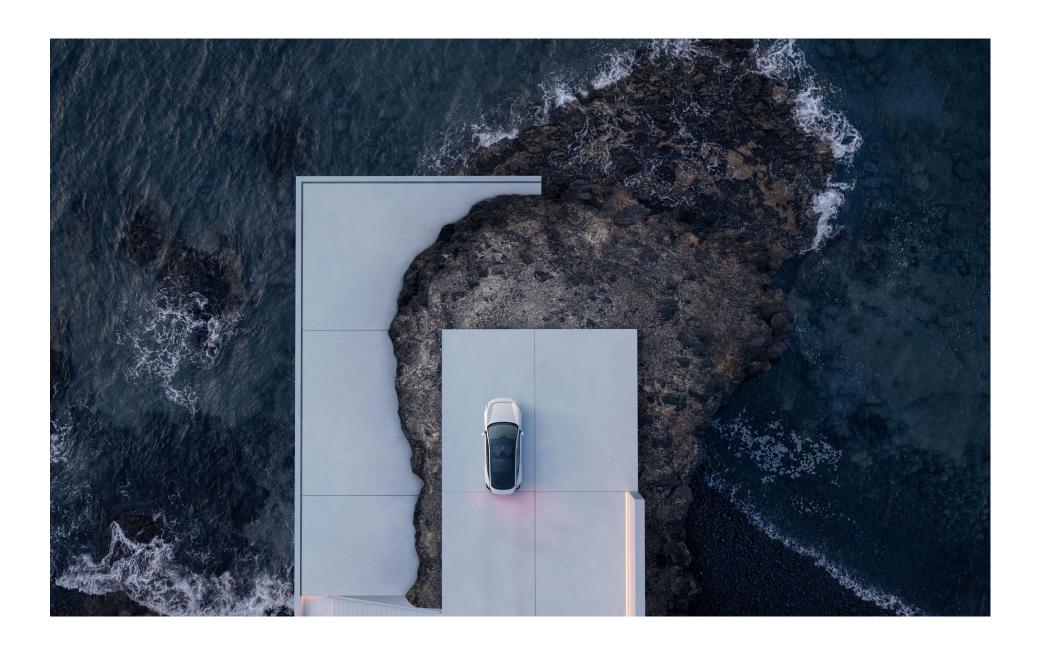
Sustainability

Making it real for fleets

Polestar Fleet Management Practices from A to Z

Kay Saunders, Head of Global Fleet Operations, proudly presents this tailored Sustainability guide to address the issue of translating corporate sustainability requirements into actionable steps.

With Polestar's innovative solutions in mind, this guide will highlight aspects from A-Z to really delve into how we can make sustainability real for fleets.





Introduction Hightlights 2023



Recycled content in Polestar 4

Steel:12% Aluminium: 18% Plastics: 19%

Car programmes with LCA's

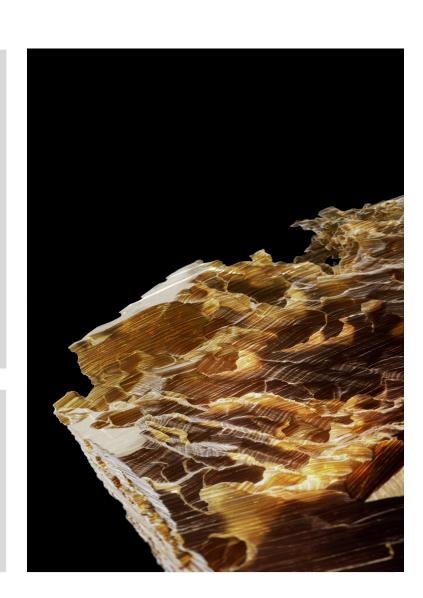
3/3

Emissions per sold car compared to last year

Absolute emissions compared to last year

-5%

Employee satisfaction survey 7.9

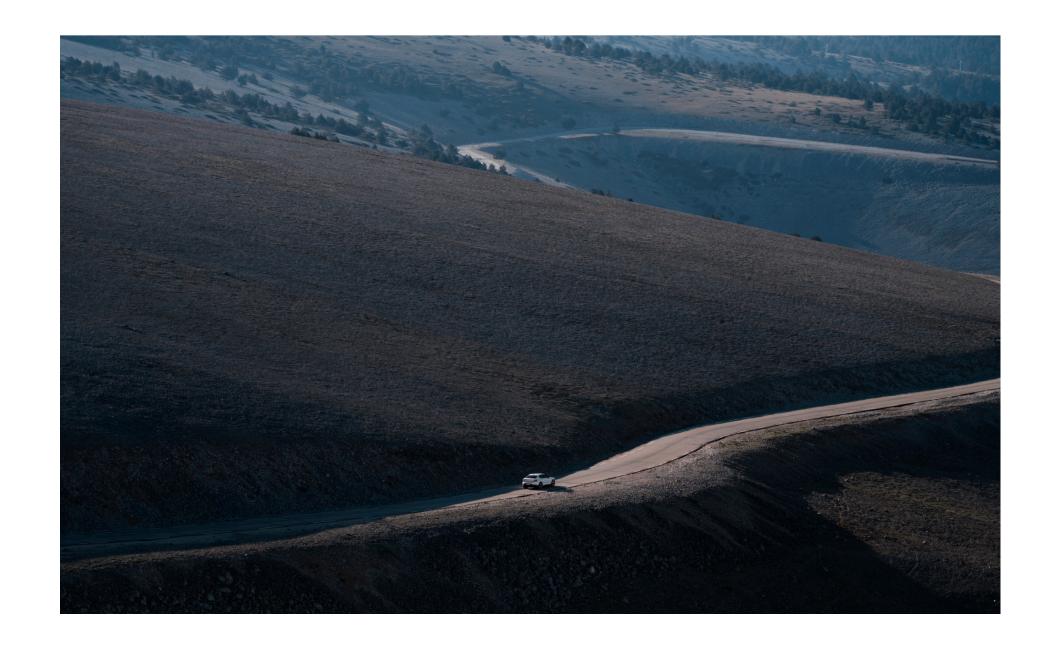


Introduction
Our strategy

Our sustainability strategy, integral to our business agenda, is holistic and addresses interconnected environmental and social challenges. We aim to make a significant impact across our value chain through four focus areas: Climate neutrality, Circularity, Inclusion, and Transparency. This report outlines our key targets, actions, and achievements towards sustainable mobility.

Please read the full sustainability report to learn more about our achievements and ambitions:

Sustainability Report 2023.



A

Animal welfare-secured

Polestar upholds ethical and sustainable sourcing of animal products such as leather and wool, utilizing tools like the Animal Protection Index when choosing partners.

Collaborating with companies such as automotive leather producer: Bridge of Weir from Scotland, who have high sustainability ambitions. With full traceability down form the farm and by only upcycling waste material coming from the food industry – meaning this is a by-product.

B

Blockchain

Polestar's partnership with Circular for Blockchain tech reinforces the commitment to transparent, responsible sourcing, offering fleet customers critical insights into our supply chain. C

Circularity

In terms of circularity, Polestar strives to minimise waste and increase recyclability, utilise more circular materials, and limit the use of, and ultimately phase out, harmful chemicals.

Polestars decarbonization strategy is visible in the interior of the Polestar 2, featuring reconstructed wood deco, which uses reused birch wood to preserve natural materials. This implies a reduced amount of virgin materials in the car while providing a textured look with the wood grain. Likewise, the Polestar 3 and Polestar 4 use carpets made from 100% ECONYL® polyamide, derived from discarded fishing nets and other plastic waste.

Circularity Circularity at Polestar

Our Pathway Report highlights the automotive industry's carbon budget excess, driven by petrol and diesel cars. Polestar prioritizes circularity to reduce resource impact, aiming to minimize non-circular materials per vehicle lifetime. We focus on enhancing circular materials and increasing car mileage while reducing waste and harmful chemicals.

In 2023, Polestar joined ChemSec, advocating for safer chemical alternatives.



D

Е

F

Drive Sustainability

Polestar's Drive Sustainability partnership aims to increase focus across the automotive supply chain, by prompting a common approach within the industry while integrating sustainability into he overall procurement process.

The goal of the partnership is two-fold: to ensure that the companies involved in making vehicles or components, or providing services, ensure employees are afforded dignity and respect at work, while minimizing the environmental impact of their industry.

EcoVadis

According to Polestar, external ratings are essential for objective assessments, indicating a commitment to transparency. The collaboration with EcoVadis reflects Polestar's dedication to sustainability, with their industry-leading voice vouching for Polestar's activities.

Flax composites

To increase the use of circular materials, Polestar partnering with Swiss material innovator Bcomp, demonstrates how bio-based material can offer a premium experience with structural properties like their oil-based counterparts.

Two examples of this are: A flax weave alike carbon fiber composite, used in seat shells and interior panels. And PowerRibs – A flax support grid, used to increase the structural strength of interior and exterior panels.

G

Google Android™ Automotive OS

By employing a widespread and open operating system for the vehicles' infotainment systems, Polestar ensure extended future support and foster a larger ecosystem of third-party applications, thereby expanding the vehicles' capabilities.

G also stands for Greenhouse Gases, a common and repeating topic that appears in other A-Z items as an objective for reduction.

Н

Hazardous substances

In 2023, Polestar became the 14th member of ChemSec Business Group, and the only automotive company to do so. ChemSec is a non-profit organisation focused on promoting the substitution of hazardous chemicals with safer alternatives and works toward a toxic-free environment.

Establishing a system for the traceability of all hazardous chemicals in the used materials will allow tracking and management of these substances throughout the life cycle of Polestar products.

Inclusion

Inclusion is a strategic focus that Polestar implement across the entire value chain.

Advocating for human rights, diversity, and prosperity for all to make a positive impact on the world.

Polestar also consider both inclusion and sustainability to have a horizontal focus, we don't see these as limited to a prototype or flagship car. Instead, equal attention and care is devoted to enhance them across all business activities, portfolio and products.

Inclusion Our approach

Our global operations, from mines to cities like
Gothenburg, aim to have a positive impact while
acknowledging potential negatives. We prioritize
human rights, diversity, and prosperity for
sustained success. Inclusion is central, woven
throughout our value chain to maintain ethical
standards. Our strategy encompasses four key
initiatives: Human rights in the supply chain,
Inclusive workplace, Customer experience, and
Ethical business practices.



K

Joint collabs

By participating in initiatives, like Mission 0, Responsible Business Alliance, and Better Mining, Polestar ensures the contribution to leading forums related to innovation, inclusion, waste, human rights, and more.

KPIs

For Polestar, data-driven transparency is a key to enable all other sustainability initiatives. By using data-driven insights and Key Performance Indicators we guide our sustainability efforts in alignment with out long-term goal of achieving climate neutrality by 2040.

Life cycle assessment

Polestar's publicly available, extensive lifecycle analysis reports fully document the impact of all vehicles, advocating for an industry standard of transparent, accessible sustainability documentation, including the recently released LCA for our all-new Polestar 4.

This supports the Corporate Sustainability
Reporting Directive (CSRD) – where evolving
sustainability regulations, require that we provide
clarity by fully documenting the impacts of all
vehicles for Polestar's fleet customers. This
transparency offer clear information for reporting
on production, use-phase, and end-of-life impacts
related to our customer's Polestar vehicles.

M

Myths

The Polestar Truth Bot searching out climate misinformation posted on X, as part of COP28 activities.

M also stands for Mineral traceability: Polestar employ blockchain technology to trace the origins of the cobalt, mica, lithium and nickel in batteries and for 3TGs so called conflict minerals, for which we do Conflict Mineral Reporting.

V

NCAP

As part of Environmental, Social, and Governance (ESG), ensuring a safe environment for the workforce is crucial. Where cars are integral to work, you can be rest assured that you are placing your colleagues in Polestars with top safety credentials from around the world.

All Polestar 2 models to date have been awarded 5 Stars by the NCAP Programs in the major markets of the US, Europe and Australia (USNCAP/Euro NCAP/ANCAP).

O

Over-The-Air updates

Polestar wirelessly updating their vehicles not only extends the cars' lifespan and enhances functionality over time but also ensures they stay on the road when others might require workshop visits and down-time.

Minerals traceability — Materials

Polestar maintains a list of 18 risk materials, updated through research and analysis. This informs due diligence strategies to mitigate negative effects, with traceability supported by blockchain technology.







Q

R

Product declaration

Helping customers to assess the sustainability of Polestar vehicles, the declaration, published on our website, discloses the cradle-to-gate GHG emissions, traced risk materials, and other information.

Quality control

Third-party collaborations are integral to reassuring a correct end-result. That's why Polestar consistently collaborates with industry experts to optimize our processes and compare our findings.

Renewable energy

Renewable energy is crucial in both the use phase and production of an electric vehicle. Therefore, Polestar is proud to share that Chengdu and Hangzhou Bay manufacturing facilities run on 100% renewable energy.

R is also for Responsible Business Conduct.

Polestar's Code of Conduct is the guiding star in their daily work and decisions-making.

"It is how we make sure that all Polestar employees understand and act in accordance with our strong commitment to conduct business in an ethical way"

T

U

Scope 3 (GHGP)

Access to quality data and insights, like Polestar's LCAs, is crucial for confidently reporting on scope 3 emissions for a fleet of vehicles. Since scope 3 encompasses the lifetime impact of vehicles beyond their use and ownership, it's one of the most challenging areas to report on.

Providing freely available LCAs, Polestar provides fleet customers a unique opportunity to reference a comprehensive document for their scope 3 emissions.

Transparency

As transparency is part of Polestar's core values, we prioritize materials traceability, supply chain visibility, product sustainability declaration, and data-driven transparency to uphold this commitment.

These practices serve as powerful tools for tracing and measuring the impact of our supply chain, allowing us to communicate effectively with investors, customers, and the public.

User profiles

By developing vehicle settings and infotainment around user-profiles, sharing a car among colleagues has never been simpler.

Transparency is crucial for our success, but accessing data remains challenging. Historically, the automotive industry lacked transparency, so we set the standard. Our work involves tracing global components and ensuring human rights in supply chains, similar to challenges in other industries. We prioritize harmonized tools for materials traceability, supply chain visibility, product sustainability, and data transparency.

Transparency Transparency at Polestar





Vehicle-to-grid (V2G)

In collaboration with infrastructure companies, academia, and charging providers, Polestar is piloting V2G technology in Gothenburg.

"We believe idle cars can play a crucial role in stabilizing a renewable energy grid in the future."



Welcome competition

Together, we can go further. Whether partners, customers, or competitors, Polestar's transparency fosters healthy competition that benefits everyone toward a common goal of minimizing our impact. Likewise, the openness promotes alignment of common methodology across the industry.



Removing the unnecessary

"In line with our minimalistic ethos, we believe in eliminating the unnecessary. No empty promises, no rocket-ships, no tailpipes, no footprint."



Questioning status quo "Why?"

Old habits die hard, but innovation thrives on change. As a young brand, Polestar sees their agility as an advantage in identifying and pursuing new opportunities. Which also leads to Year-on-Year improvement, working with our Sustainable Upgrades program to bring in more GHG-cutting solutions through the model year updates of Polestar's cars, securing the company improves the carbon footprint along the full production lifecycle.

Z

Polestar 0

Polestar 0, the moonshot goal of a truly climate-neutral car by 2030, embodies Polestar's continuous journey toward ambitious sustainability goals. From this, new technologies and processes are introduced, integrating learnings into the portfolio along the way.

Polestar 0 Project

Polestar aims for climate neutrality by removing all GHG emissions from its supply chain and manufacturing, without offsets. The Polestar 0 project, launched in 2021, aims to create a climate-neutral car by 2030 through innovative supply chain approaches. In 2023, Polestar launched Mission 0, an innovation forum promoting net-zero technologies and industry collaboration to share solutions widely.





Polestar

Thank you.