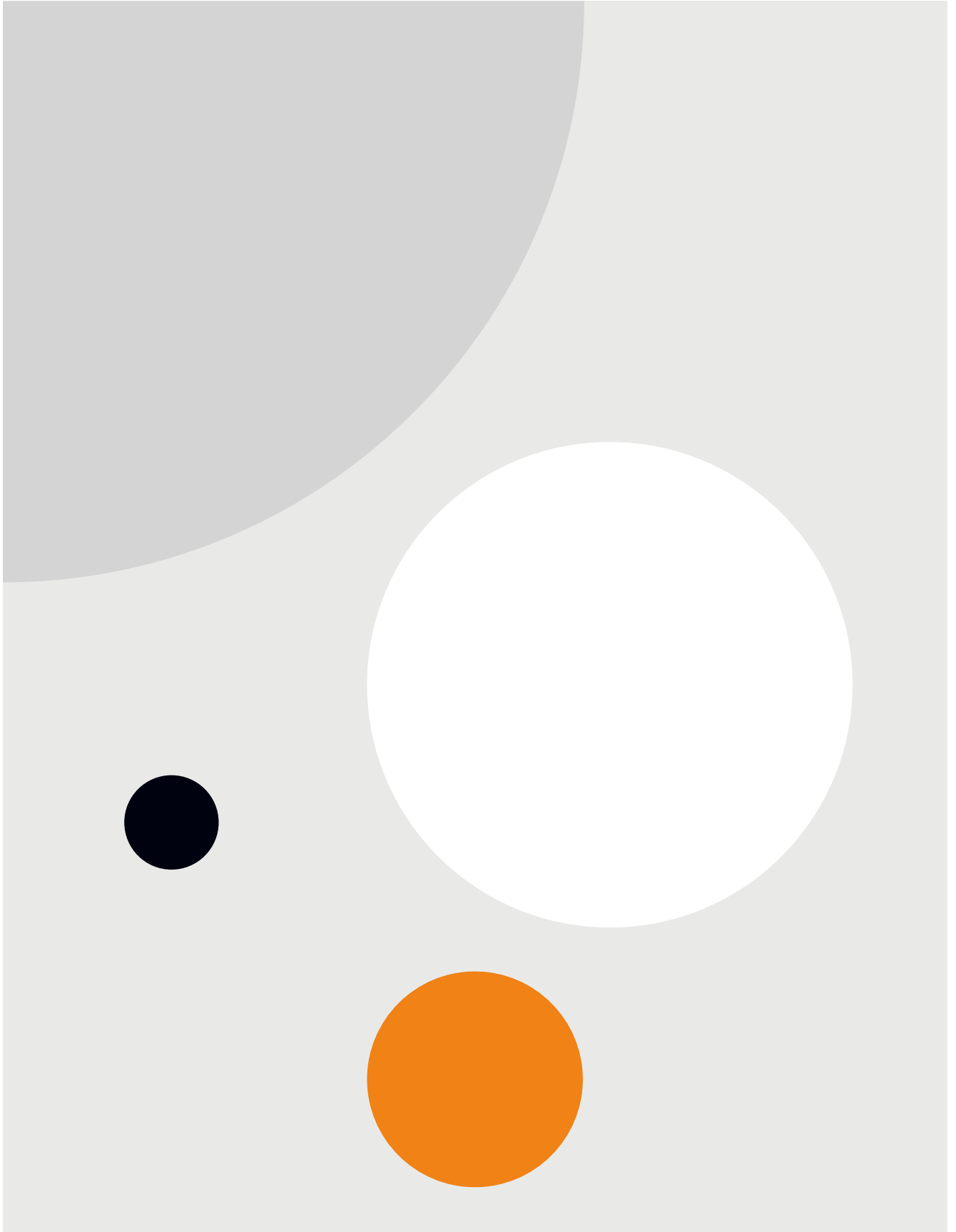




Sustainability report
2020



Introduction

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About the report

In this detailed sustainability report, Polestar's first, you will be able to explore the details of our sustainability strategy, management and progress. The report has been prepared in accordance with GRI Standards: Core option. The report covers the fiscal year 2020 and Polestar intends to publish a sustainability report annually going forward.

Do you have questions or comments? We would love to get in touch with you! Please contact us at media@polestar.com

About Polestar

Polestar is the independent Swedish premium electric performance car brand founded by Volvo Cars and Geely Holding. Established in 2017, Polestar enjoys specific technological and engineering synergies with Volvo Cars and benefits from significant economies of scale as a result. The company is headquartered in Gothenburg, Sweden, and retails its vehicles in ten global markets across Europe and North America, and in China. Cars can be configured and ordered on our website. Customers are also invited to get a closer look at Polestar's cars in Polestar spaces, located in our sales markets. Some are operated by Polestar, but most are operated by franchise holders.

Polestar produces two performance cars. The Polestar 1 is a low-volume electric performance hybrid GT with a carbon fibre body, 609 hp, 1,000 Nm and an electric-only range of 124 km (WLTP) – the longest of any hybrid car in the world. The Polestar 2 electric performance fastback is the company's first fully electric, high volume car. Polestar 2 launched in 2020 with an all-wheel drive electric powertrain that produces 300 kW and 660 Nm, with a maximum range of 470 km (WLTP). Polestar 1 is manufactured at the Polestar Production Centre in Chengdu, China. Polestar 2 is manufactured in Luqiao, China at a production centre owned by Geely Holding and operated by Volvo Car Group.

In the future, the Polestar 3 electric performance SUV will join the portfolio, as well as the Precept – a design study vehicle released in 2020 that is slated for future production. Precept showcases the brand's future vision in terms of sustainability, digital technology and design.

Our approach to sustainability

Sustainability lies at the heart of what Polestar is. We are a performance brand, determined to improve the society we live in by accelerating the transition to sustainable mobility.

During 2020, we developed a sustainability strategy to support this vision. The strategy builds on the material issues we face and comprises four focus areas: Climate neutrality, Circularity, Transparency and Inclusion. We have set goals and targets to make clear what we are aiming for, and more will follow.

Our aim is to embed sustainable thinking and processes in Polestar operations and to implement this approach across our governance structure. Subject-matter experts such as our Climate Lead and Life Cycle Assessment specialist guide the organisation in implementing our strategy. Our aim is that each and every department and employee becomes a sustainability ambassador, fostering a culture of sustainability at Polestar. In 2020, we rolled out an employee survey to gather ideas and input from employees on how to drive sustainability going forward. From 2021, sustainability will be included as a key performance indicator in our global employee bonus programme.

All decisions made at Polestar are guided by our values: Pure, Progressive, Performance. Our corporate policy landscape comprises the Polestar Code of Conduct, corporate policies adopted by the Board of Directors, Directives adopted by the Executive Management Team, and guidelines, instructions and process documents adopted by specialist departments.

Polestar's Code of Conduct, which applies to all employees and consultants working on behalf of Polestar, outlines Polestar's 11 corporate policies covering topics such as Anti-Corruption, Data Protection and People. The Code of Conduct also contains an ethics checklist which provides employees with hands-on advice in assessing if a decision is in line with the Code of Conduct. New employees are offered training in the Code of Conduct and anti-corruption policy as part of the onboarding programme. We expect our business partners to follow the same or similar principles as Polestar. These are outlined in our Code of Conduct for Business Partners.

Through different policies, directives and processes, we adhere to The International Labour Organization's eight core conventions, The Universal Declaration of Human Rights, the United Nations' Convention on the Rights of the Child, the OECD Guidelines for Multinational Companies, the United Nations' Guiding Principles on Business and Human Rights, and the precautionary principle. We also aim to contribute to the sustainable development goals in Agenda 2030.

Stakeholder dialogue and materiality assessment

As a progressive player in the automotive industry, we want to challenge the norm. It is vital that we focus where we have the greatest sustainability impact to ensure we meet the expectations of our stakeholders. In autumn 2020, Polestar carried out a comprehensive stakeholder survey and materiality assessment that has informed this sustainability report as well as Polestar’s sustainability strategy and risk assessments.

All employees and consultants, and a selection of customers, suppliers, NGOs and industry associations, were invited to participate in the digital stakeholder survey. The stakeholders were identified based on their dependency and influence on Polestar. The topics raised in the stakeholder survey were drawn from various reports such as the life-cycle assessment of the Polestar 2 and electric vehicles in general, sector guidance from the reporting frameworks GRI and SASB, as well as peers’ sustainability reporting. The respondents were also invited to add more topics in the survey. Sustainability topics discussed by stakeholders in Polestar’s social media channels were also considered in the materiality assessment.

Polestar’s sustainability impact was assessed by a working group constituting of subject-matter experts at Polestar and sustainability reporting advisers from an external consultancy.

Stakeholder group	Stakeholder dialogues	Most important sustainability topics
Customers (individuals and fleet owners)	<ul style="list-style-type: none"> • Spaces • Customer service • Polestar.com and social media 	<ul style="list-style-type: none"> • Energy consumption of Polestar’s vehicles • Charging infrastructure • Passenger safety and protection • Circularity • Connectivity and customer privacy
Employees and consultants	<ul style="list-style-type: none"> • Day-to-day operations • Intranet 	<ul style="list-style-type: none"> • Human rights in the supply chain • Passenger safety and protection • Health & safety at Polestar • Circularity • Anti-corruption
Suppliers	<ul style="list-style-type: none"> • Day-to-day operations • Supplier assessments and audits 	<ul style="list-style-type: none"> • Passenger safety and protection • Circularity • Traceability of minerals and materials • Human rights in the supply chain
NGOs and industry associations	<ul style="list-style-type: none"> • Topic-specific dialogues¹⁾ 	<ul style="list-style-type: none"> • Traceability of minerals and materials • GHG emissions throughout the value chain • Human rights in the supply chain • Circularity • Labour conditions at Polestar

1) As a young start-up we are looking to strengthen our relationships with NGOs and industry associations over the coming years.

Polestar's material sustainability areas and their boundaries

Polestar's material sustainability areas	Material impact occurs in/at:				Corresponding GRI Standard
	Supply chain	Polestar	Sales/user-phase	End-of-life	
CLIMATE NEUTRALITY					
GHG emissions from the supply chain	●				Emissions
Other emissions from the supply chain e.g., NO _x , SO ₂ , PM	●				
Grid energy mix	●	●	●		
GHG emissions from charging Polestar's vehicles			●		Energy
Energy consumption of Polestar's vehicles and charging infrastructure			●		
CIRCULARITY					
Use of recycled and renewable materials	●	●			Materials
Efficient use of materials	●	●			
Biodiversity impact in the value chain	●			●	Biodiversity
Waste management incl. hazardous waste		●			Waste
Second-use of batteries / Recycling of vehicle components and batteries at end-of-life				●	
TRANSPARENCY					
Anti-corruption	●	●	●		Anti-corruption
Compliance and whistle-blowing at Polestar	●	●	●		Environmental Compliance
					Socioeconomic Compliance
Environmental assessments of suppliers	●				Supplier Environmental Assessment
Connectivity and customer privacy			●		Customer Privacy
Traceability of minerals and materials	●				N/A
INCLUSION					
Labour conditions		●			Employment
Employee health and safety		●			Occupational Health and Safety
Competence development		●			Training and Education
Diversity and inclusion		●			Diversity and Equal Opportunity
Child labour	●				Child Labour
Forced or compulsory labour	●				Forced or Compulsory Labour
Indigenous people's human rights	●				Rights of Indigenous Peoples
Human rights	●				Human Rights Assessment
Migrant workers' human rights	●				
Social assessments of suppliers	●				Supplier Social Assessment
Passenger health and safety			●		Customer Health and Safety

Climate Neutrality

In the light of the ongoing climate crisis, the emission of greenhouse gases is at the top of Polestar's agenda. We have committed to our customers to improve the society we live in. We also know that providing electric vehicles is not enough to limit the warming of the earth to 1.5 degrees Celsius and provide our customers with true sustainable mobility. No stone can be left unturned in the quest to minimise the greenhouse gas emissions in our value chain.

Energy and emissions

While electric vehicles do not have tail-pipe emissions, the electricity used to charge the cars may come from energy sources with greenhouse gas emissions. If charged with carbon neutral electricity, electric vehicles have the potential to have a carbon-neutral use phase. However, the production of an electric car currently emits more greenhouse gases than the production of a car with an internal combustion engine. This is something we need to change.

From our Polestar 2 life-cycle assessment, our climate report and from knowledge about the materials used in our cars, we know that most of the greenhouse gas emissions linked to our products are related to purchased goods and services (Scope 3). In this category, most emissions are related to the use of fossil fuels in energy conversion. Coal power is highly present in our supply chains as we operate, and predominantly source, in China. Aside from greenhouse gas emissions, the burning of fossil fuels also leads to emissions of sulphur dioxide, nitrogen oxides and particulates that affect the environment and the health of people living in the local areas surrounding the power plants. This means that the use of renewable energy in the Polestar supply chain is absolutely key for us to reach climate neutrality and improve local air quality. Renewable energy for our production is also key to showing the way and being a guiding star in the transition to climate neutral manufacturing.

We, like every company, are exposed to transitional and physical risks related to climate change. Transitional climate risks include increases in carbon pricing that may lead to potential hikes in the pricing of components and materials. China launched a national carbon trading scheme in early 2021 and while car manufacturers are not covered yet, the sector is expected to be included in the future. Physical risks associated with climate change, including extreme weather events, changing weather patterns and rising temperatures may impact our supply chains, production and logistics.

Our management approach

Polestar's vision is to be a guiding star for sustainability. Within the focus area of Climate neutrality, we have set two goals: Polestar is to be climate neutral by 2040 (Scope 1, 2 and 3), and we are to create a climate neutral car (cradle-to-gate) by 2030. To drive towards the 2030 goal, we have launched five strategic initiatives. These are: climate-neutral platform, climate-neutral materials, energy optimisation, climate-neutral manufacturing and renewable energy in the supply chain. Each strategic initiative is headed by an accountable department but handled through cross-functional collaboration within Polestar. The Polestar Climate Lead and LCA expert will support the departments' management in setting up action plans and targets relating to the strategic initiatives on climate. For instance, Polestar Global Procurement team, together with Polestar's Climate Lead will define which activities and solutions to focus on to enable 'Renewable energy in the supply chain'. The main emissions sources are rarely in the first tier of suppliers, which is why Polestar needs to engage its suppliers to work with their suppliers to also ensure the use of renewable energy further down in the value chain. For more information on how we evaluate our suppliers, please see page 24.

Polestar's Production Centre in Chengdu was the first car factory in China to attain Gold status in Leadership in Energy and Environmental Design (LEED) ratings, making it one of the most environmentally responsible car factories in the country. LEED measures environmental performance in building design, construction and use. Polestar has secured 100% renewable electricity contracts for the plant, of which around 65% of the electricity is now hydroelectric, while the remainder comes from solar, wind and other renewable sources.

In 2020 we published a life-cycle assessment of our first all-electric vehicle, Polestar 2. The results give us a greater understanding of where we have our biggest greenhouse gas emissions throughout our supply chain. The methodology was developed together with Volvo Car Group. See below for details.

The transition from internal combustion engines to electric vehicles drives demand for electricity, and power grids will need to be developed globally. While this poses challenges, electric vehicles can also be used as a solution to expand the power grids. Batteries of cars can work to balance out the fluctuations in power supply and offer benefits in terms of flexibility in the load and possibly to also discharge back to the grid.

The charging infrastructure for EVs is rapidly maturing across our sales markets. In 2020, Polestar partnered up with Plugsurfing in Europe to improve electric vehicle public charging convenience. The agreement signals yet another step into operational mode for Polestar. With over 195,000 compatible EV charging points across Europe, Plugsurfing provides a convenient solution to accessing and paying for electricity from a variety of public charging service providers.

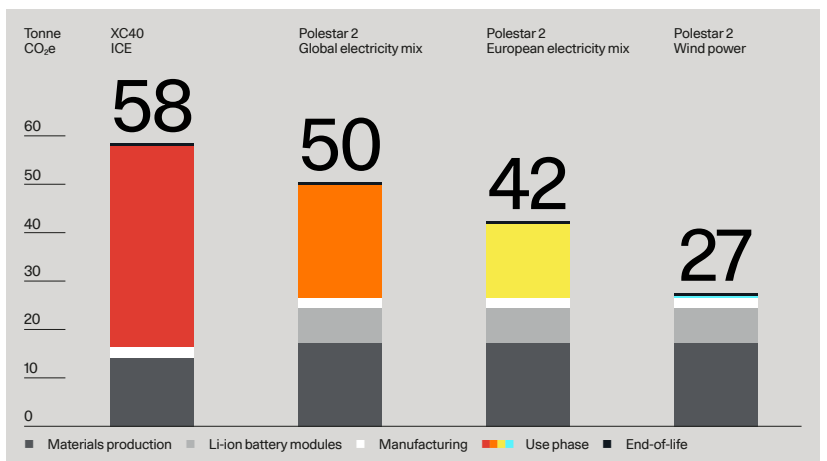
The carbon footprint of Polestar 2

Through life-cycle assessment we know that a Polestar 2 charged with global electricity mix has a smaller carbon footprint than that of a comparable internal combustion engine car. The promise of the electric car, however, is not gradual improvements but its potential for carbon neutrality. We have decided to realise that potential by setting a target to create a car by 2030 that is climate neutral when it rolls out of our gates.

As a company, we cannot directly control how our cars are charged or how they are disposed of after their use phase has ended. We can only educate and encourage our customers to use renewable energy and work for an optimised way of disposing of cars in the most sustainable way.

What we can control is what happens before the car is handed over to the customer: the carbon footprint of the materials production, battery modules and manufacturing process. For the Polestar 2, that carbon footprint was 26 tonnes in 2020 with most of the impact coming from three categories: aluminium, batteries, and steel. Together they account for 75% of the 24 tonnes attributable to materials production and battery modules. Add electronics and polymers and the total is 92%. While a lot of focus naturally will be on those categories, the goal is to reduce all to zero, including our manufacturing footprint.

Carbon footprint for Polestar 2 and XC40 ICE, with different electricity mixes in the use phase used for Polestar 2. Results are shown in tonne CO₂e-equivalents per functional unit (200,000 km lifetime range).



Results 2020

Most of Polestar's energy consumption and greenhouse gas emissions occur outside Polestar's own operations: in the supply chain and in the use of Polestar cars. In total, 424,705 tonnes of carbon dioxide equivalents were emitted in Polestar's value chain, of which 1,928 tonnes were in Polestar's own operations (Scope 1 and 2). Polestar's base year is 2020 and therefore no comparisons are made in this year's report.

Energy consumption within the organisation

Polestar's energy consumption within the organisation comprises electricity and fuels. Electricity is used for running of the machinery as well as cooling and lightning at the Polestar-owned Chengdu Production Centre. Natural gas is used for heating and in the paint shop. Electricity and fuel for company-owned cars are also included in this table.

MJ	2020
Electricity	30,876,602
Fuels	
Natural gas	14,105,618
Petrol	235,282
Total non-renewable fuels	14,340,901
Ethanol (admixture in petrol)	8,029
Total renewable fuels	8,029
Total energy consumption	45,225,532

Energy consumption outside the organisation, excluding supply chain

Energy consumption from operations covers electricity and natural gas consumption at the Luqiao Production Centre, as well as electricity consumption in Polestar's leased offices and spaces. Electricity, petrol and ethanol in the use phase refers to the consumers' charging and fuelling of Polestar cars.

MJ	2020
Electricity, operations	220,820,268
Natural gas, operations	155,638,800
Electricity, use phase	1,421,151,048
Petrol, use phase	6,162,156
Ethanol (admixture in petrol), use phase	210,276
Total energy consumption	1,803,982,548

Reporting principles

Consumption of energy in kWh is converted to MJ with conversion factor 3.6MJ/kWh. For consumption of fuel in litres, litres are converted according to the heat values from Energimyndigheten and Drivkraft Sverige. Petrol is assumed to have an admixture of 5% ethanol in general. Use phase is calculated for an average lifetime distance of 200,000 km per sold car. WLTP cycle is used as consumption.

Greenhouse gas emissions

tonnes CO ₂ e	2020
Direct GHG emissions, Scope 1 ¹⁾	897
Indirect GHG emissions, Scope 2 (market-based)	1,031
Total GHG emissions in Scope 1 and 2	1,928
Other indirect GHG emissions, Scope 3	422,777
Total GHG emissions in Scope 1, 2 and 3	424,705
Total GHG emissions per sold car	42.8

1) Polestar had biogenic GHG emissions of 0.6 tonnes CO₂e in 2020.

Reporting principles

Emissions are calculated based on the guidance of the Greenhouse Gas protocol including emissions within our financial control. The following categories have been excluded: Capital goods, processing of sold products and investments.

Scope 1

Company owned facilities: Consist of the GHG emissions from our manufacturing plant in Chengdu and include refrigerant leakage and energy for heating and paint shop. The energy consumption/refrigerant leakage is multiplied with a specific emission factor.

Company vehicles: GHG emissions from company vehicles are related to the fuel consumed by cars owned by Polestar, estimated using external emission factors from DEFRA and the global procured volume of fuels for test cars.

Scope 2

Purchased electricity, steam, heating and cooling for own use: Includes electricity consumption at the manufacturing plant in Chengdu. Polestar does not own any other buildings. All other buildings are leased and are therefore included in scope 3.

Scope 3

Purchased goods and services: Emissions from purchased materials for Polestar 1 is derived from the material compositions of the vehicles and CO₂e emissions factors from the GaBi professional database and Ecoinvent 3.5 (including the climate-relevant gases CO₂, CH₄, NO₂, HFC, PFC and SF₆, among others), multiplied with the total number of manufactured vehicles during respective years. Additional upstream GHG emissions related to supplier activities not already captured in the generic emissions factors mentioned above, e.g. from the production and logistics of the components at suppliers, are added based on internal analysis. Emissions from purchased materials for Polestar 2 is based on the Carbon Footprint published for the car multiplied with the total number of manufactured vehicles during respective years. All details on the methodology can be found in the Polestar 2 LCA report. GHG emissions caused by materials and services not directly relating to the car are calculated on a spend-based approach using emission factors from DEFRA.

Transportation and distribution: GHG emissions from logistics include inbound and outbound transport managed by Volvo Cars and paid for by Polestar, as well as emission factors derived from NTM. Radiative forcing is added for air freight. Emissions are calculated from 1 Dec 2019 to 30 Nov 2020.

Climate neutrality

Waste generated in operations: This category includes the waste generated at the manufacturing plant in Chengdu. GHG emissions from waste generated in our Chengdu operations are calculated by categorising waste volumes into types and treatment methods (landfill, material recovery and energy recovery), as well as using external generic emissions factors from Ecoinvent and Naturvårdsverket.

Business travel: GHG emissions from air travel are calculated by using number of flights, routes, and travel distance (extracted from our travel agencies) and calculated using flight distances between airports and emissions factors from NTM. Radiative forcing factors are used. Emissions caused by other modes of business travel are calculated based on travel data reported by the offices, using emissions factors from external sources.

Employee commuting: GHG emissions from employee commuting are based on assumptions on Polestar employees' travel mode and pattern. The assumptions are based on number of employees, type of personnel and country.

Leased assets: This category includes Polestar offices and the manufacturing plant in Luqiao. For the offices in Sweden and China the calculations are based on reported energy consumption, which is also assumed to be representative for the USA office. In the calculations electricity mix for each country is used. The office in Sweden also uses district heating from renewable sources. The GHG emissions from the manufacturing plant in Luqiao include waste generated in operations (based on weight and waste treatment method), energy (electricity and heating) and refrigerant leakage.

Use of sold products: Average GHG emissions from the use of sold products are based on official data (WLTP) of Polestar's manufactured cars. The WLTP consumption is multiplied with an assumed average mileage of 200,000 km per car. The total GHG emissions from the use of produced products are calculated by multiplying the lifetime consumption per car with the number of sold cars per country. For each specific country, the average electricity mix is used, for Polestar 1 litres of petrol are also added. Refrigerant leakage during lifetime has been included and is based on leakage assumptions.

The accuracy of the calculation method can be influenced by real world factors not covered by the official data, such as driving behaviour and different usage of auxiliary loads. Polestar's ambition is to increase knowledge and accuracy over time and to be as transparent as possible regarding our GHG emissions from the use of our products.

End-of-life treatment of sold products: GHG emissions caused by the end-of-life treatment of sold products are estimated based on LCA data and number of sold cars. This category also includes potential refrigerant leakage in the end-of-life treatment process.

Spaces: GHG emissions caused by spaces are based on collected data from most of the spaces. The collected data have been assumed to be representative also for the spaces that have not reported any energy consumption.

Average electricity mix used for 'use of sold products' calculations.

Country	gCO ₂ e/kWh	Source
Norway	75.0	AIB 2018/2019
Netherlands	289.8	AIB 2018/2019
Sweden	75.0	AIB 2018/2019
United Kingdom	215.8	AIB 2018/2019
Germany	255.2	AIB 2018/2019
Belgium	123.0	AIB 2018/2019
China	555.0	Climate Transparency (2019 Report)
United States	452.0	US Env Protection Agency (EPA) eGrid
Switzerland	10.2	AIB 2018/2019
Canada	130.0	UN Framework Convention on Climate Change

Looking ahead

Polestar will continue to implement our strategy and find solutions within our strategic initiatives. Specifically, we will focus on the supply chain and sourcing of aluminium, batteries and steel. Based on the climate calculation for 2020, we will work to set our decarbonisation strategy at a company level.

Circularity

Circularity is a powerful concept. It is a philosophy to ensure that we, as a society, produce and consume within planetary boundaries. This would mean we could live up to the classic definition of sustainability in the Brundtland report from 1987: to meet our needs in the present without compromising the ability of future generations to meet theirs.

Circularity puts us on a journey that focuses on design as a tool to mitigate waste and pollution. We will enable a long life and high utilisation rate for our cars. And work to support nature's regenerative ability and ecosystem services. It will not only enable us to reach our goal of climate-neutrality and ensure that we use resources in a sustainable way, but also create new business opportunities, innovation and production efficiency.

Materials, waste and biodiversity

The use of materials is at the root of our biggest social and environmental impacts. The extraction, processing, use and waste treatment of materials is associated with risks and potential negative impacts such as resource depletion, pollution to air, soil and water, climate impact, loss of biodiversity and human rights violations. Pollution to air, soil and water from metallurgical processes and mining activities also affect the health of people working in the supply chain and their local environments. By using a circular approach and trying to close the loop for more materials, less virgin materials and minerals need to be extracted and produced, which minimises the total environmental impact. This will also help us reach our target of a climate neutral car by 2030.

There has been an increased focus on circularity and biodiversity globally over the last few years. For instance, the transition to a circular economy and the protection and restoration of biodiversity and ecosystems are two of the environmental objectives included in the EU Taxonomy for sustainable activities. The EU Commission is also reviewing the Directive on End-of-Life Vehicles. The directive describes the European Union's targets for the reuse, recycling and recovery of end-of-life vehicles. It also bans the use of hazardous substances such as mercury and lead.

Our management approach

Our aim is to drive a sustainable and circular use of materials through different key strategies and processes. These include our sustainability strategy, sourcing strategy, procurement process and product development process. Through our procurement practices we aim to minimise the negative impact on land and water through reduced GHG emissions, pollution, waste and effluents throughout our supply chain.

We use life-cycle assessments (LCA) as our primary tool for assessing environmental impact from material use including material selection and waste management. During the year we created a sustainable materials strategy aiming to assess materials by a set of key performance indicators related to climate impact, circularity as well as transparency and traceability. We want to push boundaries and in doing so we are keen to explore new materials with better sustainability performance. By using innovative and more sustainable materials with a unique look and feel, we want to redefine premium. Examples can be seen clearly in the interior of our cars today such as the reconstructed wood and WeaveTech upholstery in Polestar 2, as well as ampliTex™, an innovative material made from woven flax fibres which we have used in Precept.

Polestar departments such as Design, Product Management, R&D and Procurement are key in enabling sustainable material use through our processes. The sustainability team has a support role, for example in conducting life-cycle assessments and evaluating supplier performance.

We have a long-term zero-waste target for our manufacturing operations. We follow up hazardous and non-hazardous waste per car manufactured and on an aggregated level. For the management of hazardous waste, we work with a small number of suppliers that are certified by the Chengdu Ecological Environmental Protection Bureau. Waste data is reported to the authorities. The Central Management Team at the Chengdu Production Centre is responsible for production waste management with support by the local EHS team. In 2020, managers, supervisors and team lead-

ers at our Chengdu Production Centre were provided with on-site training in environmental management in line with ISO 14001, which includes waste management. Employees at the Production Centre have also been given on-site training in sustainability topics including sustainability and environmental management by professors from Sichuan University, one of the leading universities in China. Waste management and reuse of painting materials were covered in this training. A sustainability discussion group has also been established to further develop the Production Centre's sustainability work.

Aiming for circular batteries

As a manufacturer of electrical vehicles, batteries are one of our most important components. The sourcing of the minerals and materials required to make an EV battery inevitably carry sustainability risks as outlined above. That is why it is paramount that we close the loop for EV batteries and work towards a circular battery supply chain.

The path towards circular batteries covers several different areas. First, both battery cells and battery packs must be designed with circularity in mind, so that they can be easily remanufactured and put to good use in their second life and later recycled. Second, renewable energy must be used throughout the entire battery supply chain.

Third, collaborations and partnerships for closed loops and remanufacturing, repair and recycling, will be necessary. It will require collaboration within our affiliate network, with suppliers and within the industry as well as engaging with policy makers to set up systems and rules.

Polestar uses recycled cobalt in Polestar 2. We are working with the suppliers that successfully recover cobalt from waste batteries and upcycle the materials to the components needed for new batteries. Read more about the traceability of materials and minerals on page 15.

Results 2020

Materials used per car

kg	Polestar 1	Polestar 2
Aluminium	441	391
Copper	74	71
Elastomers	85	83
Fluids	81	26
Glass and ceramics	62	57
Magnesium	7	2
Other metals	29	25
Other polymers	242	89
Others	135	245
Steel and iron	991	880
Thermoplastics	230	239
Total	2,376	2,109

Circularity

Waste composition at Chengdu Production Centre, 2020

Tonnes	Waste generated	Waste diverted from disposal	Waste directed at disposal
Plastics	5.22	5.22	—
Wood	129.78	129.78	—
Cardboard	55.11	55.11	—
Body iron	4.29	4.29	—
Other iron	2.30	2.30	—
Aluminum	0.14	0.14	—
Rubber	0.98	0.98	—
Containers/drums	1.63	1.63	—
Solvent	26.23	—	26.23
Painting	0.72	—	0.72
Contaminants	6.31	—	6.31
Oil	0.03	—	0.03
Glue	5.94	—	5.94
Carbon	0.18	—	0.18
Slag	0.04	—	0.04
Total	238.90	199.45	39.45

Waste diverted from disposal at Chengdu Production Centre, 2020

Tonnes	Onsite	Offsite	Total
Preparation for reuse	—	1.63	1.63
Total, hazardous waste	—	1.63	1.63
Recycling	—	197.82	197.82
Total, non-hazardous waste	—	197.82	197.82
Waste prevented	—	199.45	199.45

Waste directed to disposal at Chengdu Production Centre, 2020

Tonnes	Onsite	Offsite	Total
Incineration (without energy recovery)	—	39.45	39.45
Total, hazardous waste	—	39.45	39.45
Total, non-hazardous waste	—	—	—

Reporting principles

Non-hazardous waste data is retrieved from our waste management suppliers. Hazardous waste data is gathered internally.

Looking ahead

Achieving circularity for batteries and other materials will be a considerable feat. We will continue to develop our strategy on circularity and find solutions within our strategic initiatives. We also strive to develop more circular business models. One clear aim will be to incorporate more innovative and sustainable materials in our current and coming models. We will also continue to develop our partnerships for battery recycling at the end-of-life for our cars.

Transparency

Reporting and working on sustainability issues is meaningless unless it leads to real world positive impact. Being transparent about where our risks and impact lie and which methodologies and data we use to measure ourselves, ensure that we make actual progress. By being transparent we will also set a standard that others who want to make similar claims must follow. The focus area transparency covers topics such as traceability, compliance and whistleblowing, anti-corruption and customer privacy.

Traceability of minerals and materials

In our cars we use materials, for example minerals such as cobalt, with high risks of human rights violations and negative environmental impacts in the supply chain. Cobalt is primarily mined in the Democratic Republic of Congo, where it has been linked to child labour in the artisanal and small-scale mining sector. Historically, it has been very difficult to trace the origin of minerals such as cobalt because of its complex supply chain and lack of reliable chain of custody methods. Materials traceability is a key enabler of supply chain transparency and can work as a tool to create a greater sustainability impact if coupled with programmes for responsible sourcing.

Our management approach

We require our battery suppliers to implement responsible sourcing practices to mitigate the risk of human rights violations. But we know that without traceability we have little chance of knowing for sure if those requirements have the intended impact. We have partnered up with Circular, a traceability-as-a-service provider, to use blockchain technology to trace the origins of the cobalt used in Polestar 2 throughout our supply chain. A blockchain is a digital register of records which are linked to one another via cryptography. It creates transaction records within a supply chain which cannot be altered, recording the same set of data (in the case of cobalt, it records the origin, weight, size, chain of custody, and information showing the participants' adherence to OECD guidelines on responsible sourcing of minerals) in each transaction. It also guarantees that the information contained in these records cannot be changed without detection.

Traceability initiatives are led by Polestar's Procurement department with support by Polestar's Sustainability Team. To read more about our sourcing practices, see page 24. Through our collaboration with Volvo Car Group, Responsible Mining Initiative's tools and resources are implemented in our supply chain.

Results 2020

In 2020, 95% of the smelters and refiners in our supply chain had submitted the Responsible Minerals Initiative's Conflict Minerals Reporting Template (CMRT); and 77% conformed with the Responsible Minerals Assurance Process (RMAP).

The cobalt used in Polestar 2 in 2020 has been traced through our pilot project with blockchain provider Circular, and was sourced from suppliers sourcing cobalt from recycling plants in China to minimise the need for new raw mineral extraction.

Looking ahead

We are looking to expand the traceability process, develop our partnership with Circular and integrate traceability as a part of Polestar's procurement processes.

Compliance and whistleblowing

It is vital that Polestar competes fairly and never acts in any way that infringes laws or regulations. Failure to comply could potentially lead to human suffering and environmental damage. It could also lead to disruption to business and have a negative impact on Polestar's brand and reputation.

Socio-economic compliance includes competition law, trade sanctions, export control and anti-corruption as well as labour law. Competition-law and unfair business practices topics are important to Polestar, not least because there are legal provisions in the markets Polestar is active in around the exchange of information with competitors and the abuse of dominant positions of undertakings. Trade sanctions and export control are significant tools for governments around the world to impose restrictions on trade. For further details on anti-corruption please see page 17, and for labour conditions see page 20.

Environmental compliance includes regulations with regards to the cars' environmental performance, site permits and other environmental regulations.

Our management approach

Polestar is committed to act responsibly and compete fairly and always adhere to applicable laws and regulations. All employees and consultants working on behalf of Polestar must adhere to the Code of Conduct and the applicable policies. We also expect our business partners to follow the same or similar principles in our Code of Conduct for Business Partners, which outlines our requirements on our business partners.

Socio-economic compliance

In addition to the Polestar Code of Conduct, the following policies are applicable within the area of socio-economic compliance: the Anti-Corruption Policy, the Conflict of Interest Policy, the Trade Sanctions and Export Control Policy, the Competition Law Policy, the People Policy and the Internal Reporting Policy.

The Compliance & Ethics function in the Legal team is responsible for the topics of Anti-Corruption, Trade Sanctions and Export Control, and Competition Law. The Human Resources function is responsible for the People Policy and workplace compliance.

In 2020, Polestar formed a dedicated Compliance & Ethics function within the legal team which manages Polestar's compliance and anti-corruption efforts. We also created a Business Partner Due Diligence process, involving the screening of business partners against trade sanction lists and assessing the corruption risks of business partners in high and medium risk markets based on Transparency International's Corruption Perceptions Index. We have also formed an Audit Committee where Compliance and Ethics is reported on a biannual basis.

Environmental compliance

All Polestar cars meet strict international environmental requirements and are homologated by the relevant certifying authorities in each sales market. Polestar's R&D department collaborates with Volvo Car Group in ensuring the cars' environmental compliance.

The production plants where our cars are being manufactured have ISO 14001 certifications that ensure compliance with environmental laws and regulations, while also guaranteeing ongoing improvements. In 2020 we initiated an ISO 14001 certification for our headquarters in Gothenburg and more operations will follow.

Whistleblowing

Employees and other stakeholders are encouraged to report incidents that could have a negative impact on Polestar's operations and performance. Incidents that cannot be reported to local management can be reported through the global whistleblower e-mail or the legal department.

Results 2020

In total, four new cases were reported to Polestar's whistleblowing service in 2020. Three of these were closed 'with merit'. In these cases, the initial suspicion was confirmed, and these cases were in the categories of 'Corruption' and 'Fraud'. In the cases closed 'with merit', appropriate, proportional, measures were taken.

There have been no significant fines or non-monetary sanctions for non-compliance with laws in the social and economic area or with environmental laws in 2020. The self-regulatory body within the advertising industry in Sweden – Reklamombudsmannen – issued a decision against Polestar for the use of the phrase 'goodbye air pollution' as part of our 'Goodbye Normal' ad campaign in early 2020. Reklamombudsmannen stated that the phrase "goodbye air pollution" diverged from good marketing practice. Polestar chose to stop the use of the phrase in our marketing after the decision had been communicated.

Looking ahead

In 2021, Polestar will develop internal controls and audit mechanisms to support the evaluation of the effectiveness of the compliance programme. Additionally Polestar is looking to launch a new global whistleblowing hotline and a new IT platform for Business Partner Due Diligence.

Polestar is currently implementing its environmental management system and expects to get an ISO 14001 certification during 2021. The aim with the environmental management system is to successfully implement Polestar's sustainability strategy throughout the company, following criteria and requirements in the ISO 14001 standard.

Anti-corruption

According to the World Economic Forum, corruption costs the world economy a staggering USD 3.6 trillion every year, corresponding to 5% of global GDP. It is important for governments and companies, like Polestar, to combat corruption as it destroys business value and undermines efforts to achieve sustainable development.

The most significant risks of corruption in Polestar's value chain occur in the extraction of minerals, and materials in the supply chain, and distribution of vehicles. Some of Polestar's suppliers and sub-suppliers are in markets classified as high or medium risk by Transparency International's Corruption Perception Index. Specific activities that are considered high-risk include the mining of raw materials, the establishment of production facilities and the production of vehicles. There are also corruption risks associated with logistic partners, tolls and customs, and sales to governmental actors.

Our management approach

Polestar has a zero-tolerance approach to bribery and corruption, and we are committed to following applicable laws and rules in all countries where we operate. Employees will never face any adverse consequences for refusing to pay or accept a bribe, even if it would lead to a loss of business. For further information on our management approach, please refer to Compliance and whistleblowing on page 16.

Results 2020

The Code of Conduct and anti-corruption policy have been communicated to Polestar's Board of Directors, Executive Management Team and employees on the intranet throughout the year. Apart from the onboarding programme, there has not been any formal anti-corruption training in 2020.

Polestar's Code of Conduct for Business Partners was included in contracts with all Polestar Space operators and handover centres signed during 2020 (constituting 99% of all such business partners).

The Code of Conduct for Business Partners was also included in all contracts for production-material suppliers (constituting 100% of all such suppliers), as well as communicated to all potential production-material suppliers requested to provide a quote to Polestar. For indirect material, Polestar's Code of Conduct for Business Partners was referenced in Polestar's purchasing terms and conditions, but not shared actively with those suppliers.

In 2020, there was one confirmed incident of a violation of the Code of Conduct related to corruption. The employee was subject to a disciplinary action. There were no confirmed incidents of corruption that resulted in the termination of a business contract or where such contract was not renewed. There were no public legal cases regarding corruption brought against Polestar or its employees in 2020.

Looking ahead

In 2021, Polestar is committed to the launch of new employee e-learning modules for the Code of Conduct and anti-corruption. Polestar will also review how it can improve the communication of its expectations on business partners to its suppliers.

Customer privacy

For more initiatives, see Compliance and whistleblowing on page 16. Customers increasingly ask for companies to respect their privacy and privacy practices are developing into a differentiator between brands. As a manufacturer and seller of connected vehicles, the use and integrity of customers' data must adhere to the various privacy regulations applicable around the world to build and retain customer trust.

The greatest risks are related to the collection and use of customer data in connection with the different business processes and from the connected vehicles. Data breaches, both in relation to vehicle data and to customer data, as well as security incidents, remain threats to customer privacy. In addition, connected vehicles are subject to increased attention from supervisory authorities, as they contain ample possibilities for data collection using cameras, sensors or other measuring points. Vehicles as a potential data source also open possibilities for data monetisation, which adds another perspective to customer privacy.

Our management approach

Polestar is a global actor and has to ensure its business follows applicable privacy regulations worldwide. We are committed to respect and safeguard the privacy of our customers, prospects, employees and business partners.

Polestar's privacy activities are based on the EU GDPR, containing key principles such as data processing activities having a clear and defined purpose, processing activities having a legal basis, individuals being informed of Polestar's processing activities, setting retention times for data, and honouring individuals' rights. Privacy regulations generally apply to all of Polestar's use of customer and prospect data, as well as vehicle data related to customers' vehicles. In 2020, the cross-border transfer of personal data between geographical regions were highlighted by the Schrems II judgement (Case C-311/18) from the Court of Justice of the EU, which influences Polestar's way of working related to the geographical locations of data servers. Of these, two were reported to data protection authorities under the obligation to report data breaches under the GDPR. The other cases were documented by Polestar as unlikely to result in a risk to the rights and freedoms of natural persons.

In addition to Polestar's Code of Conduct and the Code of Conduct for Business Partners, the Data Protection Policy and the Data Protection Directive are applicable. Polestar's commitments to customers and other data subjects are codified in its Privacy Policy published on polestar.com

Customer privacy is managed by the Compliance & Ethics function in the Legal team, which also serves as Polestar's group Data Protection Officer (DPO). Customer privacy is followed up by the Audit Committee on a biannual basis.

Results 2020

In 2020, a group internal Data Protection Officer was appointed and registered to the Swedish Data Protection Authority (Polestar's lead supervisory authority under the EU GDPR). Polestar also conducted a review of the IT system support of privacy processes, and the Brand & Marketing and Customer Services functions were provided with privacy-awareness training.

In 2020, there were six substantiated complaints concerning breaches of customer privacy, and all of these were received from outside parties and substantiated by Polestar. We identified seven leaks, thefts or losses of customer data, comprising 100-500 data subjects in total. Of these, two were reported to data protection authorities under the obligation to report data breaches under the GDPR. The other cases were documented by Polestar as unlikely to result in a risk to the rights and freedoms of natural persons. There were no complaints from regulatory bodies.

Looking ahead

In 2021, Polestar will develop a compliance programme regarding privacy and data protection. We also intend to establish a network of data privacy champions in the group, to act as multipliers and local support of privacy activities. IT system support for privacy-related internal processes will also be updated and rolled out to Polestar's sales unit companies. We are also working at implementing a consent management solution. The use of cookies and other tracking technologies on Polestar's webpages and in apps will be reviewed in 2021. Polestar will also implement processes related to the California legislation CCPA.

Inclusion

We see inclusion as the most powerful tool to promote human rights. Inclusion is diversity, representation and equality working in harmony. By committing to this strategic focus area, we stand up for the rights of people throughout our value chain – from the workers producing the material of our cars, to our employees in factories or spaces, to customers and consumers around the world.

Employment

Building an inclusive workplace is a fundamental success factor for Polestar. To be a leader in the industry we need diverse and well-functioning teams, led by inspiring leaders, where every team member feels valued and safe. It is Polestar's desire and commitment to provide a sustainable working environment with fair terms of employment to all employees.

Our management approach

The human resources department at Polestar drives the People agenda and is responsible for Polestar's People Policy. The policy is complemented by specific directives and guidelines addressing Polestar's role as a responsible employer, together with work environment, discrimination, harassment and bullying, diversity and inclusion, among others.

Results 2020

In 2020, Polestar had 679 employees¹. 39% of employees were covered by collective bargaining agreements, a reflection of the markets we are present in and their different conditions. In some parts of the company, such as the digital team, consultants are engaged. There are no significant seasonal variations in the number of employees over the year.

Total number of employees by employment contract, by gender

FTE	2020
Men	459
Women	149
Gender not disclosed	49
Total, permanent employees	657
Men	9
Women	6
Gender not disclosed	7
Total, temporary employees	22
Total, all employees	679

Total number of employees by employment contract, by region

FTE	2020
EMEA	434
Asia	204
Americas	19
Total, permanent employees	657
EMEA	22
Asia	0
Americas	0
Total, temporary employees	22
Total, all employees	679

1) All employee data has been gathered from Polestar's HR system. Employees refer to full-time equivalents. Due to recent implementation of a new HR system, some gender and age data is missing.

Inclusion

Total number of employees by employment type, by gender

FTE	2020
Men	462
Women	153
Gender not disclosed	54
Total, full-time employees	669
Men	6
Women	2
Gender not disclosed	2
Total, part-time employees	10
Total, all employees	679

Health and safety

The health and safety of our employees is our top priority. Polestar's long-term objective is to ensure that nobody is fatally or seriously injured at the workplace and we work proactively towards a safe and secure workplace.

Our management approach

Our Work Environment Directive covers all employees as well as agency personnel who work at Polestar's premises or under the direction of Polestar. At every site, a systematic work environment programme is employed and followed-up annually. The Work Environment Committee or Safety Review Board (SRB) in the line organisation of each unit approve objectives and action plans for the work environment. Risks are investigated and assessed regularly, and in the event of changes, necessary steps are taken. Polestar offers all employees the introduction and training they need to work safely and managers are provided with the skills, resources and powers to work for a good and safe working environment. Employees must follow instructions and procedures and report any risks identified.

In China, Health and Safety is carried out in accordance with the Production Safety Law of the People's Republic of China. The Chengdu Production Centre has a team of dedicated Environment, Health and Safety (EHS) specialists. Safety walks are carried out on a regular basis and reported to the EHS committee along with follow-up actions. Employees must report work-related hazards and hazardous situations as well as potential risks, to the team leader who records these in a digital system. The health and safety specialist consolidates reports and shares the findings at the EHS committee's meetings, tracks status and launches action plans. Polestar undertakes basic safety assessments by employing a checklist outlining the purpose, method, current situation, plan, objectives and results. To further strengthen safety awareness, the EHS team distributes 'Safety Talk', an internal newsletter addressing health and safety topics, monthly. There are also a yearly health and safety month and contest. In Sweden, Polestar carries out quarterly safety walks and meets with union representatives to review risks and actions plans for work environment health and safety.

Polestar strives to provide a sustainable work-life balance and prevent work-related illnesses that leads to long-term sick absenteeism. Managers are responsible for implementing rehabilitation programmes at an early stage and employees are expected to contribute and participate in the activities. Every unit has guidelines and routines in place for work-related rehabilitation. The line organisation sets objectives and decides on action plans to follow up the rehabilitation of each individual. Each Polestar site has an occupational health service provider supporting with preventive care and rehabilitation care. Employees are also offered annual health benefits and blue-collar employees are offered occupational health check support.

Results 2020

In 2020, there were no fatalities or work-related injuries at Polestar. This includes Polestar employees as well as consultants and agency personnel.

Inclusion

Covid-19 crisis management team

To lead the company through the effects of the Covid-19 pandemic, Polestar set up a Covid-19 crisis management team comprising Polestar's COO, Head of Human Resources, Head of Communications and Head of Manufacturing, among others. The team convened weekly or biweekly depending on the status to discuss issues such as the closure and reopening of facilities, health and safety measures along with development of guidelines and communication. Guidelines issued in 2020 include recommendations on remote working and on-site safety with regards to Covid-19.

Diversity and inclusion

Diversity and inclusion is about gathering people with different competencies, backgrounds, experiences and personalities to build an innovative and inclusive global culture and organisation. We take pride in our company's role in society, and striving for diversity and inclusion in all parts of our company will contribute to becoming a global employer of choice. Diversity broadens the talent pool and leads to better innovation.

Our management approach

At Polestar, we define diversity as all the differences that make us unique individuals. We strive to give every employee the same rights and equality of opportunities regardless of gender, gender expression, ethnicity, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social background and/or other characteristics protected by applicable law.

The working conditions and terms of employment should as far as possible allow equal opportunities for all, and to facilitate a sound balance between work and private life. We set out to create the right conditions for all individuals to use their talents to advantage and to be able to develop. We do not tolerate any form of discrimination or harassment.

Our approach to diversity and inclusion is to be reflected in all aspects of our internal everyday work as well as in our daily relations and communication with all employees, customers and business partners. Our work on diversity and inclusion is to be driven by the active involvement of management in all parts of Polestar. Our stance on this issue is described in our Diversity and Inclusion policy and is managed by the HR department.

Results 2020

In 2020, 69% of employees were men and 23% women. Most employees are 30-50 years old.

Diversity of governance bodies and employee category, by age

%	Under 30 years old	30-50 years old	Over 50 years old	Age not disclosed
Governance bodies				
Board of Directors	—	30	70	—
Executive Management Team	—	56	44	—
Employees				
White-collar	16	60	13	11
Blue-collar	60	40	—	—
Total, all employees	24	56	11	9

Training and education

At Polestar we want to invest in our employees and provide them with the opportunities to further boost their competence by developing specific skills. This benefits our employees as well as Polestar. Employees also feel that they are valued which increases employee satisfaction and performance. It also provides us with the opportunity to address weaknesses in workplace skills, and increase workplace productivity and adherence to quality standards.

Our management approach

In 2020 we launched the Polestar Performance Management process that describes the way in which targets and results are followed up for each employee. It follows a quarterly cycle where Polestar's overall priorities are cascaded through the organisation through the teams to individual employee priorities. Employees set a handful of priorities and discuss them with their closest manager. Throughout the quarter, employees share their progress and receives feedback, coaching and support. Towards the end of the quarter, employees review their individual priorities and perform self-assessment and teams review their priorities in a group setting ahead of the next quarter. Employees are offered training and on-site learning depending on their needs.

Results 2020

In 2020, around 100 webinars were offered to Polestar's employees. These include product training, commercial training and on-boarding for new employees. In total employees spent more than 2,700 hours in online training. At the Chengdu Production Centre, employees took part in a training programme covering modules such as sustainability, environment and occupational health and safety. All new employees are offered onboarding training

Inclusion

Human rights in the supply chain

Some of the automotive industry's greatest sustainability risks occur in the supply chain and many of these relate to human rights e.g. child labour, forced labour, and hazardous working conditions. Children and indigenous peoples are often disproportionately exposed to these risks, and the conditions surrounding extraction and refining of minerals are particularly precarious. In some countries with raw mineral extraction there are high-intensity conflicts funded by mining.

Our management approach

For the sourcing of vehicle parts and components for Polestar 1 and Polestar 2, we entered a partnership with Volvo Car Group. By using their procurement capabilities, we got a head start in sourcing from a high-quality supplier base. In total, around 180 suppliers manufacture components and materials used in Polestar's cars. Most of the direct suppliers are in China, particularly in the regions surrounding the production plants in Chengdu and Luqiao, whereas some components are sourced globally.

Our Code of Conduct on Business Partners sets strict requirements on our suppliers to uphold human rights throughout the supply chain. All Polestar suppliers, including those managed by Volvo Car Group, must adhere to the Code. We work to address human rights and labour rights in the supply chain through key strategies and processes such as our sustainability strategy, sourcing strategy, procurement process and product development process. To read more about our work on improving the traceability of minerals, please see page 15.

Volvo Car Group analyses suppliers using a Risk Assessment Tool developed by Responsible Business Alliance. Suppliers are also requested to fill out a Sustainability Self-Assessment Questionnaire (SAQ) that has been developed by the Drive Sustainability Initiative. The SAQ covers sustainability areas such as business ethics, human rights, environmental management and responsible sourcing. For suppliers carrying a high risk score, sustainability audits are carried out by a third-party auditor or in-house specialists from Volvo Car Group. The most common findings in audits are deviations from the required management systems. Most commonly, corrective action plans are implemented.

Results 2020

As of year-end 2020, 71% of Polestar's suppliers were included in Volvo Car Group's risk assessment tool and 89% had completed the sustainability self-assessment questionnaire. One high-risk supplier was audited in 2020 and follow-up corrective actions were implemented to promote the suppliers' performance towards Polestar's Code of Conduct for Business Partners.

Polestar did not receive any reports of incidents of human rights violations, including the rights of indigenous peoples, in 2020.

Looking ahead

Polestar is currently in the process of building in-house procurement capabilities ahead of the planned production of Polestar Precept. We will measure our suppliers' and sub-suppliers' performance through supplier evaluations and follow-up on suppliers and the supply chain through blockchain and other initiatives.

Passenger health and safety

As an automotive company, the health and safety of passengers is paramount. Traffic safety is a public health concern globally and the injuries and fatalities caused by vehicle crashes are preventable and most often caused by human error.

Our management approach

To have Volvo Car Group as our parent company means that Polestar naturally has health and safety close to our heart. Polestar's vehicles come equipped with a suite of protective and preventative safety features including Advanced Driver Assistance System (ADAS) which minimises the risk of collision or injury. The responsibility for passenger health and safety at Polestar lies with the R&D department.

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102-56	External assurance	N/A

¹⁾ Polestar is a privately-owned company which comprises the parent company Polestar Automotive Holding Limited and its subsidiaries Polestar Automotive (Singapore) Pte. Ltd., Polestar Automotive Shanghai Co., Ltd., Polestar Consulting Service (Shanghai) Co., Ltd., Polestar Automotive China Distribution Co., Ltd., Polestar Automotive China Distribution Co., Ltd. Taizhou., Polestar New Energy Vehicle Ltd., Polestar Performance AB, Polestar Holding AB, Polestar Automotive Sweden AB, Polestar Automotive UK Limited, Polestar Automotive Norway AS, Polestar Automotive Germany GmbH, Polestar Automotive Switzerland GmbH, Polestar Automotive Belgium BV, Polestar Automotive Netherlands BV, Polestar Automotive USA Inc. and Polestar Automotive Canada Inc.

²⁾ For 2020, Polestar does not disclose turnover and capitalization.

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Polestar's material topics

GRI Standard	Disclosure	Page ref.	Omissions
Anti-corruption			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 17
	103-2	The management approach and its components	17, 18
	103-3	Evaluation of the management approach	18
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	18
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Materials			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 12
	103-2	The management approach and its components	12, 13
	103-3	Evaluation of the management approach	14
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GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 6
	103-2	The management approach and its components	6, 7
	103-3	Evaluation of the management approach	6,7,8
GRI 302: Energy 2016	302-1	Energy consumption within the organization	8
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Biodiversity			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 12
	103-2	The management approach and its components	12,13
	103-3	Evaluation of the management approach	14
GRI 304: Biodiversity 2016	304-2	Significant impacts of activities, products, and services on biodiversity	12
Emissions			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 6
	103-2	The management approach and its components	6, 7
	103-3	Evaluation of the management approach	11
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	9
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	305-4	GHG emissions intensity	9

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GRI Standard	Disclosure	Page ref.	Omissions
Waste			
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	103-2	The management approach and its components	12, 13
	103-3	Evaluation of the management approach	13, 14
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	12, 13
	306-2	Management of significant waste-related impacts	12, 13
	306-3	Waste generated	14
	306-4	Waste diverted from disposal	14
	306-5	Waste directed to disposal	14
			Only covers waste from Polestar's Production Centre.
Environmental Compliance			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 16
	103-2	The management approach and its components	16
	103-3	Evaluation of the management approach	16, 17
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	17
Supplier Environmental Assessment			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 24
	103-2	The management approach and its components	24
	103-3	Evaluation of the management approach	24
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	24
Employment			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 20
	103-2	The management approach and its components	20
	103-3	Evaluation of the management approach	20

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GRI Standard	Disclosure	Page ref.	Omissions
Occupational Health and Safety			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 21
	103-2	The management approach and its components	21
	103-3	Evaluation of the management approach	21
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	21
	403-2	Hazard identification, risk assessment, and incident investigation	21
	403-3	Occupational health services	21
	403-4	Worker participation, consultation, and communication on occupational health and safety	21
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	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	21
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GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	23
	103-2	The management approach and its components	23
	103-3	Evaluation of the management approach	23
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	23
Diversity and Equal Opportunity			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	22
	103-2	The management approach and its components	22
	103-3	Evaluation of the management approach	22
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	23 Polestar does not disclose employee data per ethnic group.
Child Labour			
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 15, 24
	103-2	The management approach and its components	15, 24
	103-3	Evaluation of the management approach	15, 24
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	15, 24

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GRI Standard		Disclosure	Page ref.	Omissions
Forced or Compulsory Labour				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 15, 24	
	103-2	The management approach and its components	15, 24	
	103-3	Evaluation of the management approach	15, 24	
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	15, 24	
Rights of Indigenous Peoples				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 15, 24	
	103-2	The management approach and its components	15, 24	
	103-3	Evaluation of the management approach	15, 24	
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	15, 24	
Human Rights Assessment				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 15, 24	
	103-2	The management approach and its components	15, 24	
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GRI 412: Human Rights Assessment 2016	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	24	
Supplier Social Assessment				
GRI 103: Management approach 2016	103-1	Explanation of the material topic and its Boundary	5, 24	
	103-2	The management approach and its components	24	
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GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	24	
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