



Polestar
Modern Slavery Statement
Under the UK Modern Slavery Act 2015

2025



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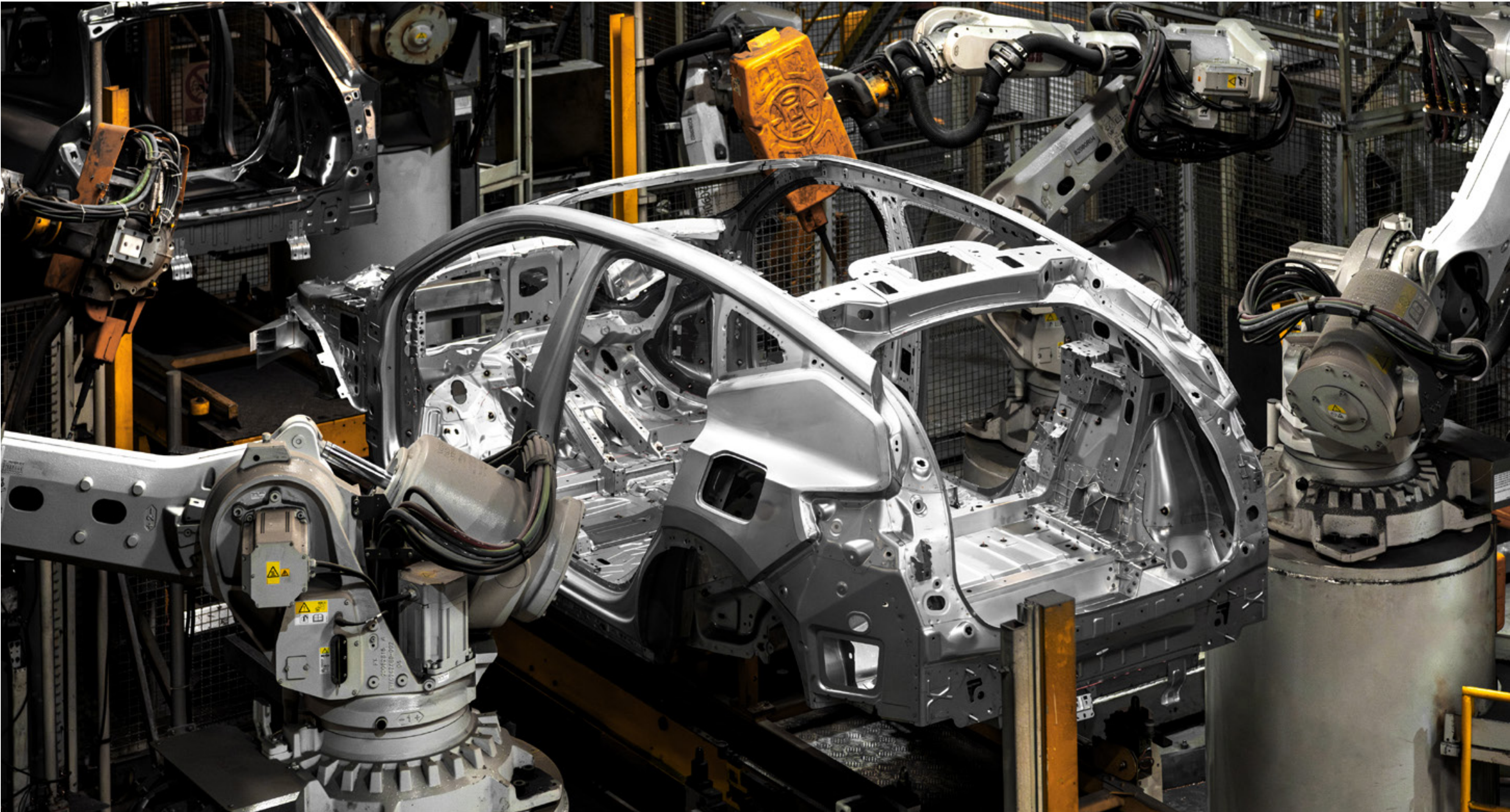
About this statement

We have a global commitment to inclusion and to acting responsibly, respecting the principles of human rights, competing fairly, and complying with applicable laws and regulations. We fight to protect human rights and embed social justice principles in the transition to electric mobility.

This Modern Slavery Statement is issued on behalf of Polestar Automotive Holding UK Plc., pursuant to the UK Modern Slavery Act and the Australian Modern Slavery Act 2018 (Cth). It reflects our global commitment and approach across our value chain and sets out the steps that Polestar has taken during 2024 to address modern slavery within its supply chain and its own business operations.

This Statement encompasses all operations of Polestar Group and its subsidiaries, including Polestar Automotive UK Ltd, a company incorporated under the laws of England and Wales.

During the development of this Modern Slavery Statement, we consulted with the relevant legal entities, and the highest governing bodies of these entities have reviewed and approved the statement.





About Polestar

Polestar isn't just a car brand. Polestar is a new standard, one that makes the desirable choice the right one, by focusing on minimalist Scandinavian design, technology, and sustainability. We are proud of our racing heritage, but we're not stuck in the past. The performance cars of the modern era are defined by tech, rather than a loud engine. We know that electrification is only the beginning and have set a progressive climate roadmap to decouple our growth from climate impact, aiming to cut emissions as we accelerate sales. Our sustainability strategy is built in and reflected across our models, and by sourcing and developing innovative and circular materials, we redefine premium. We believe our customers deserve transparency on sustainability and have published life cycle assessments (LCA) and advocated for change in our industry since we set out with Polestar 2. Since 2021, we have shaved off 3 tonnes of CO₂e from that model. With Polestar 3, we expanded the scope of materials we trace, and, for example in this car, we use blockchain technology to trace the risk materials Cobalt, Mica, Lithium, and Nickel. Polestar 4 isn't just our fastest car to date, with a 0–100 acceleration of 3.8 seconds, it also has the lowest carbon footprint of any Polestar car and really shows off our passion for innovative and sustainable materials.

Our products prove our dedication to delivering high-quality, exciting, pure performance cars made for the thrill-seeking, design-loving, tech-obsessed drivers of the future.

Polestar Automotive Holding UK PLC, “Polestar Group” is a public limited company incorporated under the laws of England and Wales.

Polestar Group operates principally in the automotive industry, engaging in research and development, manufacturing, branding and marketing, and commercialising and selling vehicles, technology solutions, and services related to battery electric vehicles (EVs).

Polestar Group's management is headquartered at Assar Gabrielssons väg 9, 405 31 Gothenburg, Sweden. Polestar Group is listed on the Nasdaq in New York under the ticker symbol PSNY.

Polestar UK Automotive is a subsidiary that comprises Polestar's operations in the United Kingdom. Our offices in Coventry, West Midlands, host a dedicated research and development team as well as a commercial team.

Contract manufacturing of our cars
Polestar 2: Taizhou, China
Polestar 3: Chengdu, China & South Carolina, USA
Polestar 4: Hangzhou Bay, China & Busan, South Korea (from 2025)

Markets
Australia
Austria
Belgium
Canada
China
Denmark
Finland
France (from 2025)
Germany
Hong Kong
Iceland
Ireland
Israel
Italy
Kuwait
Luxembourg
Netherlands
New Zealand
Norway
Portugal
Singapore
South Korea
Spain
Sweden
Switzerland
United Arab Emirates
United Kingdom
United States

The significant subsidiaries of the company as of the date of this Statement are listed below.

Legal Name	Jurisdiction of Incorporation	Proportion of Ordinary Shares Held by the Company %
Polestar Holding AB	Sweden	100
Polestar Automotive (Singapore) Pte. Ltd.	Singapore	100
Polestar Performance AB	Sweden	100
Polestar Automotive Canada Inc.	Alberta, Canada	100
Polestar Automotive USA Inc.	Delaware, USA	100
Polestar Automotive US Investment Inc.	Delaware, USA	100
Polestar Automotive Belgium BV	Belgium	100
Polestar Automotive Germany GmbH	Germany	100
Polestar Automotive France SAS	France	100
Polestar Automotive Netherlands BV	Netherlands	100
Polestar Automotive Sweden AB	Sweden	100
Polestar Automotive Austria GmbH	Austria	100
Polestar Automotive Denmark ApS	Denmark	100
Polestar Automotive Finland Oy	Finland	100
Polestar Automotive Switzerland GmbH	Switzerland	100
Polestar Automotive Norway A/S	Norway	100
Polestar Automotive Korea Limited	South Korea	100
Polestar Automotive Australia PTY Ltd.	Australia	100
Polestar Automotive (Singapore) Distribution Pte. Ltd.	Singapore	100
Polestar Automotive Ireland Limited	Republic Ireland	100
Polestar Automotive Portugal Unipessoal Lda	Portugal	100
Polestar Automotive Poland sp. zo. o	Poland	100
Polestar Automotive UK Ltd.	United Kingdom	100
Polestar Automotive Spain S.L	Spain	100
Polestar Automotive Luxembourg SARL	Luxembourg	100
Polestar Automotive Czech Republic s.r.o	Czech Republic	100
Polestar Automotive Italy s.r.l	Italy	100
Polestar Automotive Shanghai Co., Ltd.	People's Republic of China	100
Polestar New Energy Vehicle Co., Ltd.	People's Republic of China	100
Polestar Automotive China Distribution Co., Ltd.	People's Republic of China	100
Polestar Automotive Consulting Service (Shanghai) Co., Ltd.	People's Republic of China	100
Polestar Automotive (Chongqing) Co., Ltd.	People's Republic of China	100
Polestar Automotive (Singapore) Investment Pte Ltd	Singapore	100



Where we operate

Characteristics of Polestar’s employees and non-employees*

- There are zero seasonal variations in the number of employees throughout the year.
- There are zero employees with non-guaranteed hours.

Total all employees	2024	2023	2022
Total employees (HC)	2,261	2,517	2,377
New hires	266	606	1,213
Rate of recruitment %	12	24	51
Employee turnover %	24	19	13
Non-employees	286	484	981

*Fluctuations in the number of non-employees during the reporting period have been partly caused by the nature of voluntary turnover and heavily due to headcount reduction of 15% in all regions, on a company level.



Global breakdown of employees
North America 5%

	2024	2023	2022
Total employees (HC)	105	101	99
New hires	17	22	52
Rate of recruitment %	16	22	53
Employee turnover %	13	22	16
Non-employees*	4	7	-

- Number of employees per city (country)
- 12 Montreal (Canada)
 - 93 California, Charleston, Florida, Mahwah NJ, Rockleigh, Sunnyvale (USA)



Global breakdown of employees
EMEA 81%

	2024	2023	2022
Total employees (HC)	1,835	2,066	1,841
New hires	203	500	954
Rate of recruitment %	11	26	52
Employee turnover %	24	14	10
Non-employees*	272	470	-

- Number of employees per city (country)
- 26 Vienna (Austria)
 - 37 Brussel (Belgium)
 - 34 Copenhagen (Denmark)
 - 14 Helsinki (Finland)
 - 46 Köln (Germany)
 - 4 Dublin (Ireland)
 - 21 Milano (Italy)
 - 2 Luxemburg (Luxemburg)
 - 52 Amsterdam (Netherlands)
 - 38 Oslo (Norway)
 - 4 Lisbon (Portugal)
 - 19 Madrid (Spain)
 - 1,037 Gothenburg, Malmö (Sweden)
 - 31 Zürich (Switzerland)
 - 470 Coventry (United Kingdom)



Global breakdown of employees
Asia Pacific 14%

	2024	2023	2022
Total employees (HC)	321	350	437
New hires	46	84	207
Rate of recruitment %	14	21	47
Employee turnover %	26	41	22
Non-employees*	10	7	-

- Number of employees per city (country)
- 24 Brisbane, Melbourne, Sydney (Australia)
 - 281 Shanghai, Chongqing, Chengdu, Shenzhen (China)
 - 15 Seoul (South Korea)
 - 1 Singapore (Singapore)



Our approach to sustainability

Our operations impact people worldwide. We influence individuals and communities along our entire value chain, from mines around the world to the cityscape of Gothenburg. Through our actions and operations, we disseminate and reinforce values and sentiments. We consider ourselves to be responsible citizens of society and aim to make a positive contribution to the communities in which we operate, regardless of their location.

Our sustainability strategy is integral to our business agenda. It is built on the firm belief that ensuring fair and safe working conditions for people and eliminating negative environmental impacts are crucial for business success, and that to drive the transition to greater sustainability, transparency and traceability are key.

This by no means implies that we are close to our goal, but it does mean that we are constantly working and investing in order to achieve it. The strategy is based on our holistic view of sustainability: we perceive all sustainability challenges as interconnected and inseparable. The strategy also acknowledges that we have both the opportunity and the responsibility to make an impact throughout our value chain, encompassing environmental and social sustainability.

However, we also recognise that our operations can sometimes have a negative impact. In a world where human rights are frequently breached and where local and global injustice are increasing, we aspire to be a counterforce through our actions. We advocate for human rights, diversity, and prosperity for all, which we see as the foundation for long-term business success. It is our ambition to become the world's most diverse and inclusive EV company, decreasing the gender gap, insisting on responsible supplier management to prevent human rights abuses, and giving all customers a positive and equitable experience.

Inclusion is both a focus area and an approach that we implement throughout our company and its value chain. It serves as a valuable tool, enabling us to uphold high ethical standards and make a positive impact on the world. Our strategy on human rights involves initiatives within human rights in the supply chain and manufacturing, an inclusive workplace, and an inclusive customer experience.



Identify and assess impacts

All global functions at Polestar systematically evaluate risks to the business and determine necessary actions to address these risks through our Enterprise Risk Management framework. As part of this process, sustainability risks throughout our value chain are identified and evaluated. The risk list, along with corresponding action plans, is presented to the Group Management Team twice per year and submitted to the Audit Committee.

Polestar performs an annual double materiality assessment (DMA) to identify sustainability topics that are material to the company. This includes assessing the impact of our business on the environment and society, including work-related rights connected to our own employees and workers in our value chain. The DMA process incorporates input from internal and external stakeholders affected by or influencing our operations. The results inform our sustainability strategy and enable the identification and assessment of actual and potential adverse impacts throughout the value chain.

Market Risk Assessments evaluate prospective new sales markets, focusing on the sustainability-related risks and opportunities they present. These assessments provide insights into labour and geographical risks, freedom risks, governance indicators, gender equality, and LGBTQ+ rights, as well as compliance risks associated with sanctions and corruption, to make informed decisions when entering a new market.





Governance

Our commitment to the focus area of Inclusion is adopted by Polestar’s Board of Directors and management team. The principles articulated in this statement apply to all entities under Polestar. The principles are binding for all employees of Polestar Automotive Holding UK “Polestar Group”.

Sustainability is a global function. Polestar’s Head of Sustainability is a member of the GMT, Group Management Team (GMT). The GMT plays a critical role in delivering on the strategic direction, monitoring performance, and making decisions to drive execution and performance. Head of Sustainability reports to the Nominating and Governance Committee three times a year.

We use insights from our assessment of risks and opportunities to continuously inform our business strategy. A comprehensive sustainability strategy is designed to take action to cease, prevent, or mitigate potential negative impacts on the environment, people, and society, while enhancing positive impacts. This strategy is developed by the Global Function Sustainability and reviewed and approved by the Group Management Team. It is also regularly reviewed by the Board of Directors.

Our process for steering sustainability reflects the principle of due diligence. This means we organize and act in a way that systematically identifies risks or actual negative impacts on people and the environment, takes measures to mitigate or prevent identified risks and cease actual negative impacts, restores damage caused, and continuously follows up on set goals and action plans. It is regularly reviewed by the Board of Directors.

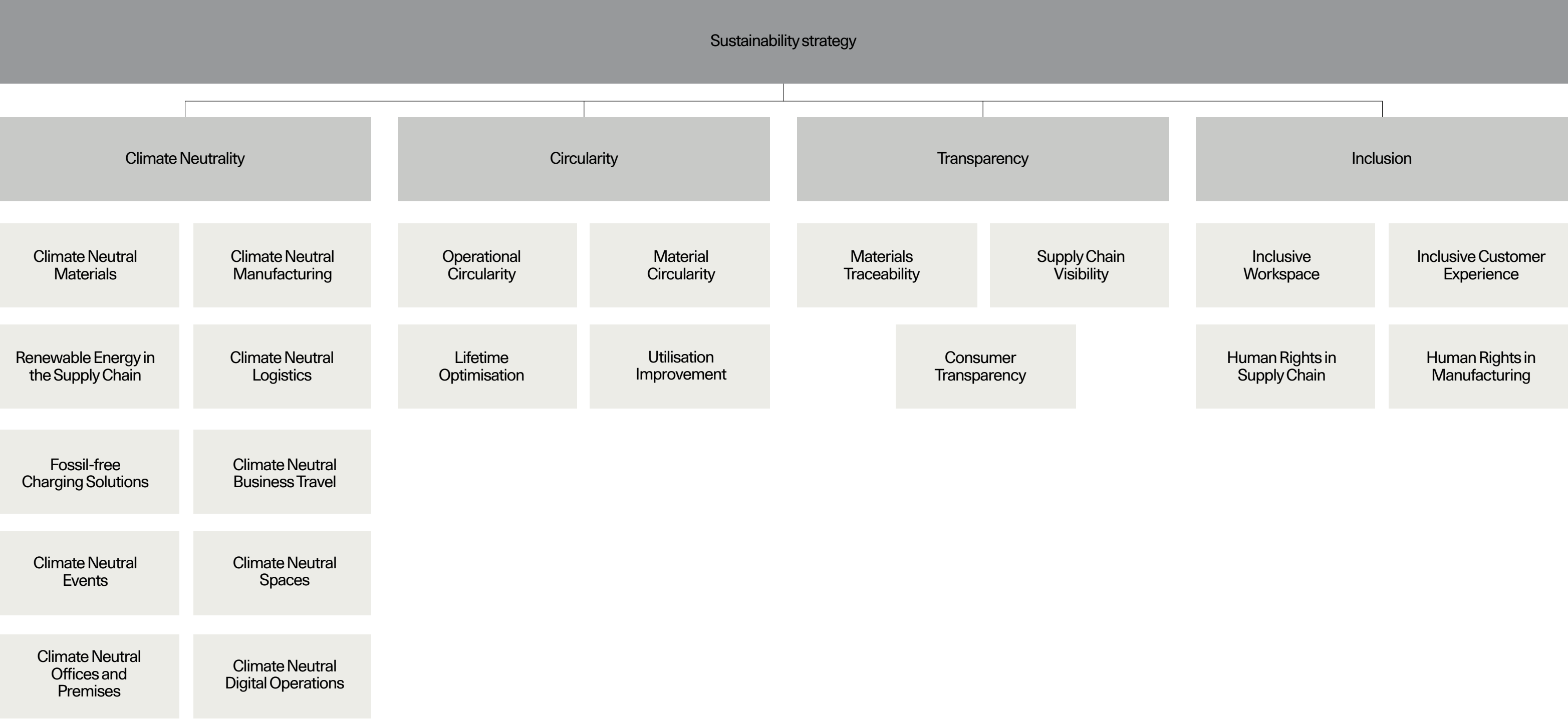
Strategic initiatives are assigned to our Global Functions, enabling them to integrate sustainability

into their core functions and create targets, KPIs, and a clear action plan that activates and enables all coworkers to contribute. All Global Functions monitor KPIs for each strategic initiative, taking corrective action when progress is insufficient. These functions report to the Head of Sustainability twice a year on the progress and efficiency of strategic initiatives. The Head of Sustainability, in turn, reports the overall status of the sustainability strategy and its initiatives to Polestar’s Group Management Team and the Nominating and Governance Committee at least twice annually.

The strategic initiatives within the focus area of Inclusion involve setting strategies for core principles of human rights, including modern slavery and forced labour. The initiative “Inclusive Workplace” identifies specific risks and actions connected to our own operations and workforce. Accountability and responsibility for implementation lie with the Human Resources department.

With regards to human rights in the supply chain, there is an initiative called “Human Rights in Supply Chain” with accountability and responsibility assigned to the Procurement department, and another new initiative called “Human Rights in Manufacturing” with accountability assigned to the Manufacturing department to identify risks and set actions within Polestar to mitigate negative impacts in our supply chain.

The Inclusion Lead supports with expertise and coordination, as well as collaborates with the legal department to implement ethical business practices across our operations. Our Human Rights Audit strategy provides a framework for monitoring the impact of actions on human rights through audits, such as those conducted in the supply chain or other parts of the value chain.



Combatting modern slavery in our supply chain

Trade and investment, alongside social sustainability, have the potential to positively impact people and communities. However, significant income disparities persist, and vulnerable individuals within complex global supply chains face disproportionate risks. If the importance of inclusion is not recognized in business practices and decisions, there is a significant risk of discrimination, welfare disparities, worker exploitation, and human rights abuses.

We are committed to protecting human rights and embedding social justice principles in the transition to electric mobility as we build strong human rights partnerships. We recognise that breakthrough solutions to these issues will require concerted collaboration across private and public sectors. Through responsible sourcing, and together with our business partners and suppliers, we track results and actions with the purpose to mitigate negative human rights impacts in our value chain. Polestar is also part of several multi-stakeholder initiatives to have an even greater impact when we inspire and collaborate with others to drive change.





Material impacts, risks, and opportunities

Identifying risks and opportunities related to workers in the value chain
 As a part of our double materiality assessment (DMA), we identified and assessed risks and opportunities related to workers in our value. The assessment examined sub-topics such as working conditions, access to equal opportunities as well as other work-related rights.

Identified negative potential impact relates to working conditions and other work-related rights. Working conditions also pose financial risks. Associated risks are particularly acknowledged within the supply chain of components and parts for cars. Migrant workers, including domestic migrants, children, and indigenous peoples, often face disproportionate risks. As demand for minerals in the electric vehicle industry rises, so do the social challenges linked to their extraction and processing, particularly in certain countries. The conditions surrounding mineral extraction and refining are particularly precarious and trading with high-risk materials, such as 3TG (tin, tantalum, tungsten, and gold), might fund high intensity conflicts. Insights gained from the DMA assist us in defining actions and priorities to mitigate the identified risks such as seeking to secure fundamental principles of human rights in our supply chain and in our manufacturing.

Working conditions
 Polestar has identified several areas where potential negative impacts on workers may occur. Within tier 1, 2, and 3 suppliers, concerns arise regarding excessive working hours and limited freedom of association. Among tier 2 suppliers, such as process industries and smelters, health and safety risks become more pronounced. As the distance from direct oversight increases, the risk of poor working conditions, inadequate wages, and lack of social dialogue also rises. These issues are exacerbated by severe conditions in sectors like mining. The risks are widespread across various tiers and regions, making the scope of the impact extensive. Violations of workers' rights can lead to strikes, protests, or other forms of labour unrest, causing disruptions in the supply chain and potential revenue loss. Negative publicity from worker rights violations can severely damage our reputation and lead to a loss of investor confidence. Ensuring ongoing compliance with labour laws and regulations requires continuous monitoring and auditing, which can be costly. Failure to comply can result in further financial penalties and operational disruptions.

Other work-related rights
 Child labour presents a significant risk within the value chain, particularly in high-risk regions at the fringes of supply chains where raw materials are extracted. Forced labour is another critical issue. It is recognised that forced labour can occur across all sectors and industries. Workers in remote areas or sectors with housing shortages are likely to face challenges in accessing safe, healthy, and adequate housing, as well as limited access to water and sanitation. This is particularly relevant for those in mining operations within high-risk regions.

The changing legislative landscape in many countries has introduced national security laws that may erode the ability to enforce global privacy and data protection policies. The value chain might be difficult to influence on the topic of ensuring privacy and data protection, especially given these challenges.

Potential negative impacts of child labour, forced labour and lack of adequate housing are significant and widespread, prevalent across various tiers and regions, making the scope extensive. Addressing these negative impacts is challenging over the long term, requiring dedicated efforts, resources, audits, and supplier engagements. Failure to achieve this can lead to reputational damage, shipment detentions, and disruptions to normal business operations. The financial impact is considered medium, and the likelihood is relatively low due to the limited supply chain size, with severity expected to remain consistent over time.



Policies

Policies for human rights in the supply chain

Polestar is committed to respecting and complying with international human rights principles, including:

- The Universal Declaration of Human Rights
- The United Nations Convention on the Rights of the Child
- The ILO's fundamental conventions.

We are also committed to observing the UN Global Compact's Ten Principles and conducting due diligence in line with OECD guidelines. As a responsible business, the same level of commitment is expected from our business partners, including our suppliers.

The requirements and guiding principles for business partners concerning working conditions, human rights, business integrity, and the environment are outlined in the Code of Conduct for Business Partners. This includes principles on:

- Preventing forced labour or modern slavery
- Preventing child labour
- Respecting the right to freedom of association and collective bargaining
- Non-discrimination and equal opportunities
- Requirements for proper management relating to terms of employment, wages, benefits, working hours and health and safety

Polestar's Sustainability Policy describes how we manage sustainability, conduct due diligence, and adopt principles for sustainability.

The Procurement Policy, together with our Human Rights Strategy, are additional documents that help, support, and guide the organisation on how to ensure the core principles of human rights in the value chain. During the procurement process, all suppliers need to acknowledge and agree to our Code of Conduct for Business before any orders are placed.

In addition to our existing policies, Polestar is actively engaged in addressing key issues through specific position papers, including:

- Inclusion Directive
- Position on Conflict Minerals

No forced labour, modern slavery, and human trafficking

There must be no forced labour, regardless of its form. This prohibition includes debt bondage, trafficking, and other forms of modern slavery. Bonded labour is a common type of forced labour. Forced labour is any situation where the labourer isn't free to leave the job. The reason can be debt. Bonded labour can involve, for example, an employer or agent holding on to a passport or identity papers, threatening to report workers to immigration, securing guards to intimidate the workers to stay, and sometimes even using violence. There must be no deposit, recruitment/agency fee, and/or training fee collected from workers. If fees are collected (permissible by local law), a breakdown of the fees should be provided to workers. Salary or identity documents must not be retained at any time, either for direct or indirect hires. However, if local law requires, workers must be able to retrieve these documents within 12 hours, and there should be written consent from the worker.

No child labour

Businesses must collaborate to ensure employment is not offered to anyone younger than 15 years of age, or 14 where national law permits. As part of the recruitment process, robust age-verification mechanisms must be implemented to prevent the hiring of children and to ensure special care is taken for young workers. Young employees above 15 years must be protected from working conditions that are detrimental to their health, safety, morals, and development.

If child labour is discovered within Polestar's value chain, this is a violation of our agreements with our business partners. Measures must be implemented to ensure the protection of affected children while removing them from the workplace with care and in an appropriate manner.

Freedom of association and collective bargaining

At Polestar, we recognise the fundamental rights to organise and bargain collectively. We respect our employees' rights to lawfully form, join, or choose not to join associations related to employer-employee relationships and to engage in collective bargaining, in accordance with local laws. We ensure that our employees have the opportunity to discuss their working conditions with management without fear of retaliation, discrimination, reprisal, intimidation, or harassment. To support this, we have established clear channels for reporting grievances and fostering an open and respectful workplace environment.

Strategy

How risks inform our strategy

According to our Materiality Assessment, risks associated with workers in the value chain are acknowledged, particularly with regard to working conditions and other work-related rights within the supply chain of components and parts for cars.

To better manage risks related to workers, two strategic initiatives have been established in areas where the biggest risks in our value chain are identified:

- Human Rights in Supply Chain, driven by the Procurement department. The Head of Procurement, who is part of the group management team, is accountable for the initiative and for securing necessary resources.
- Human Rights in Manufacturing, led by the Manufacturing department. The Head of Manufacturing, also part of the group management team, is responsible for the initiative and securing necessary resources.

Polestar is embedding responsible business conduct across all operations. The initiatives focus on assessing risks and developing action plans to cease, prevent, and mitigate identified risks. The materiality assessment, conducted in collaboration with stakeholders, guides the setting of priorities. Progress for each initiative is reported to management at least twice a year. Programme teams help and support the implementation of actions with our turnkey partners.

Job opportunities along the supply chain have the potential to create a positive impact on people and communities. However, major income disparities need to be addressed, as vulnerable individuals

are disproportionately exposed to risks. Through a responsible sourcing process and effective supplier management, we aim to track results and actions to measure the status of human rights in the supply chain. We also strive to combat discrimination and implement business efforts to reduce and mitigate the risk of corruption throughout the value chain, driving positive progress in the area of human rights.

Fundamentally changing ingrained societal inequalities and addressing human rights violations requires multilateral collective action. Therefore, joint efforts are pursued with carefully selected business partners and non-governmental organisations, including:

- Responsible Business Alliance (RBA)
- Responsible Minerals Initiative (RMI)
- Drive Sustainability
- Initiative for Responsible Mining Assurance (IRMA)
- Better Mining

Assessing and addressing inclusion and human rights risks is an ongoing effort, involving engagement with and input from various stakeholders in our value chain. Through cooperation with multis-takeholder initiatives, direct and indirect engagement with stakeholders and experts is facilitated. Polestar suppliers are invited to join forces in those global approaches and utilise their tools to conduct risk analyses and manage negative impact in order to help drive change for improvements within the industry.

Actions

Processes to address negative impacts and channels for value chain worker concerns

Procurement process
 As part of Polestar’s procurement policy and processes, suppliers and business partners are evaluated against various criteria, such as quality, cost, sustainability, and business ethics, through due diligence processes. These include sustainability assessment questionnaires, business ethics questionnaires, and sanction screening. During the Request for Quotation phase, suppliers and business partners are introduced to the requirements, and assessments are conducted to select those who can meet sustainability standards and adhere to the principles outlined in Polestar’s Code of Conduct for Business Partners. Before placing orders, all business partners must agree to adhere to Polestar’s Code of Conduct for Business Partners or similar principles and ensure these requirements are cascaded to their own partners.

Assessments during the selection of suppliers
 The Sustainability Assessment Questionnaires (SAQs) help evaluate the policies and processes that suppliers have in place. A direct material supplier must achieve a score of over 70% to qualify as a selected supplier. If a supplier scores below this threshold or lacks certain processes, there is an opportunity to clarify expectations during the procurement process. SAQs assist in selecting business partners and preparing suppliers for the expectations set. The SAQ, developed within Drive Sustainability, is assessed and verified by NQC and is valid for one year.

Human rights onsite audit strategy
 In addition to the SAQ and onboarding process for suppliers, more robust processes are necessary within this industry to secure core principles of human rights for workers in the value chain. Therefore, a requirement has been introduced that all new direct suppliers located in high-risk regions must undergo a third-party onsite human rights audit. These audits cover direct material suppliers with whom we have direct business contracts (tier 1 and tier 2). There is an ambition to verify human

rights audits down the supply chain of specific risk materials at facilities in high-risk countries. Priorities, resources, budgets, and goals to mitigate, track, and report on identified risks are managed within each strategic initiative under the Inclusion focus area. Turn-key car programmes are managed by selected business partners for sourcing and manufacturing vehicles, components, and parts. For existing car programmes where requirements were settled before 2021, human rights audit strategies need to be re-negotiated and aligned with business partners and their supply chains. Continuous dialogues and actions with our business partners and suppliers aim to improve on a yearly basis and with every new car programme.

A human rights audit includes management interviews, document reviews, plant walkthroughs, and worker interviews to verify compliance with the Code of Conduct. The preferred standards are the RBA Validated Assessment Programme, RMI’s ESG standard, IRMA audit, or a similar system agreed upon and accepted by the Inclusion Lead. Audits typically occur every 2-3 years, depending on the scheme used and the severity of the findings.

If non-conformance is identified during the audit, the supplier must analyse the root causes and agree on a remediation plan. The corrective action plan (CAP) must be shared with and agreed upon by the auditor and the audited facility. Polestar should verify and support the implementation of CAPs. The primary value of an on-site compliance audit lies not in identifying issues at a facility but in correcting them. However, if CAPs are not remediated, this may ultimately lead to the termination of the relationship.

Grievance
 Suspicions of severe violations can be reported through the global whistleblower system, SpeakUp, which guarantees anonymity and complies with the EU’s Whistleblower Directive (Directive (EU) 2019/1937).

Incidents are initially reviewed in accordance with the SpeakUp Policy and the Compliance Investigation Procedure. The Compliance & Ethics function assesses whether the incoming report could constitute a potential severe violation and if it is concrete enough to warrant investigation. External cases are managed by the Compliance & Ethics team, with external advice sought if necessary for the individual case. As of 2024, the whistleblowing system has not recorded any human rights violations within the supply chain. However, ongoing efforts are essential to ensure that any potential violations are reported and that the importance of reporting such incidents is widely understood.

As part of the RBA, RMI, and IRMA membership, and in addition to the internal complaints procedure, support is also extended to the RBA, RMI, and IRMA third-party multistakeholder initiatives and their grievance mechanisms, aiming to improve supply chain grievance processes. Their grievance channels are made available to workers during onsite audits. As of 2024, there have been no direct contacts via the member organisations concerning any issues reported in the supply chain.

If an impact on human rights were to occur, Polestar places great importance on providing effective response remedies. In such cases, efforts are made to update systems, due diligence processes, and practices to prevent similar adverse impacts in the future.

Regional risk assessments
 According to the materiality assessment, the identified risks in our value chain are not limited to specific suppliers but are widespread across various tiers and regions. It has been identified that many supply chains are situated in regions with significant income disparities and high risks of forced labour and modern slavery. The absence of functioning labour markets and the presence of corruption further exacerbate these inequalities. Therefore, Polestar has implemented processes to perform regional risk assessments, particularly for the supply chain of our car programmes.

High-risk areas connected to human rights
 Polestar uses the Responsible Business Alliance (RBA) risk assessment tool to evaluate a country’s or region’s risks. As a priority, all Polestar manufacturing plants, the locations of direct material suppliers, and the facilities of the traced supply chain for identified high-risk materials are assessed using the RBA risk assessment tool to prioritize further actions. The RBA risk assessment tool covers five crucial supply chain pillars:

- Labour including issues such as forced labour, child labour, wages etc.
- Health and Safety
- Environment
- Ethics
- Management Systems

Each pillar has an aggregated index derived from credible public domain data sources, such as the Global Slavery Index from the Walk Free Foundation, the United Nations Human Development Index, and the Workers’ Rights Index from the ITUC, as well as data obtained from audits and sentinel sources.

Conflict-affected areas
 Trading with high-risk materials, such as 3TG, might fund high-intensity conflicts. Therefore, we conduct a reasonable country of origin inquiry in good faith to determine whether any of the 3TGs in our products originate from Conflict-Affected and High-Risk Areas. Our service provider for conflict mineral reporting, the Responsible Minerals Initiative (RMI), provides us with tools for assessing these areas.

Zones that pose extreme risks
 We have also defined high-alert zones, which include regions with extreme risks such as trade sanctions, as well as areas where mitigation actions are extremely difficult to manage, such as regions of high biodiversity value or where there are uncontacted tribes. To uphold our commitment to protecting the right of Indigenous Peoples to grant or withhold Free, Prior, and Informed Consent, engagement with Non-Governmental Organisations has been initiated to explore the need to protect indigenous rights and uncontacted communities.

Our upstream supply chain

The automotive industry’s supply chains are extensive and multi-tiered, ranging from direct suppliers, such as component manufacturers, to raw material producers, like mining companies located far upstream. The number of tiers and the complexity of the supply chain complicate the assessment and management of indirect impacts and risks. Leverage down these supply chains is limited due to the lack of direct contracts with these suppliers. Our ambition is to verify human rights audits down the supply chain of identified high-risk components at facilities situated in high-risk regions.

The collaboration with Business Partners is crucial when addressing supply chain actions and implementing corrective measures if any violations of the Code of Conduct for Business Partners are identified. According to purchasing agreements, Polestar must obtain consent from the Business Partner before contacting suppliers directly regarding turnkey projects.

Another challenge involves safeguarding intellectual property, managing the risk of sharing excessive information, and navigating a political landscape that can impede transparency.

Due diligence in high-risk material supply chains located in high-risk areas has been facilitated by IRMA audits, Responsible Mica Initiative audits, RCS Global, and other approved audit programmes. These audits enable Polestar to identify, review, and analyse sustainability risks, and, in collaboration with the manufacturing partner, address critical risks when identified. However, due to non-disclosure agreements, Polestar cannot share information about these supply chains without consent from the involved stakeholders.

Our indirect purchases

In addition to direct material suppliers involved in sourcing components and parts for our car programmes, Polestar has suppliers and business partners delivering indirect products and services. During the reporting year there are 1,030 new identified suppliers, 100% out of these suppliers have been screened on trade sanctions, human rights and human trafficking.

There are also an additional 196 Business Partners where 100% have been screened on trade sanctions, human rights and human trafficking. Zero Business Partners is identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment.

Currently, there are over 2645 identified indirect suppliers. Totally 1,182 IDP suppliers, that is 45%, have been screened on trade sanctions, human rights and human trafficking. 6 suppliers, that is 0.2% IDP suppliers is identified as having risks, but with remediation actions possible. Zero IDP suppliers with high risk had been terminated or not selected during the reporting period due to risk not acceptable.

Further due diligence processes and tools are being implemented to manage these globally dispersed indirect suppliers.

Conflict Minerals Reporting

Our Conflict Minerals Reporting (CMR) and annual campaign focus on the 3TG minerals. Polestar aims to facilitate the transfer of information through the supply chain about the minerals’ countries of origin and the smelters and refiners being utilised. The due diligence process identifies and promotes smelters validated to conform with the Responsible Minerals Assurance Process (RMAP), with the goal of stemming trade that risks financing armed conflict or mining with forced labour.

The ambition is to source components containing tantalum, tin, tungsten, and gold, known as conflict minerals or 3TGs, exclusively from supply chains with third-party validated, conflict-free smelters and refiners.

Each year, manufacturers, suppliers, and suppliers of components containing conflict minerals are requested to declare their due diligence measures and disclose the smelters used in their supply chain through a Conflict Minerals Reporting Template (CMRT). The CMRT assists in identifying potential discrepancies, selecting suppliers for independent audits aligned with OECD standards, and following up on risk mitigation action plans to address adverse impacts.

The conflict mineral due diligence process is developed by experts at the Organisation for Economic Co-operation and Development (OECD) in collaboration with industry, civil society, and other governments, ensuring compliance with legislation and regulations such as the US Dodd-Frank Act and the EU Conflict Minerals Regulation. As a listed company, Polestar submits a conflict minerals report to the US Securities and Exchange Commission (SEC).

The current level of the Responsible Minerals Assurance Process (RMAP) shows a 100% response rate for in-scope tier 1 suppliers, with 65% of smelters being compliant.

Response rate for in-scope tier 1 suppliers; VCC and Geely

100%

Status confirmed conformant smelters

65%



Addressing risks related to raw materials

The evaluation and management of raw materials have continuously evolved over the years, and in 2024, this process has been further accelerated. This has led to the development of a comprehensive approach to assess and evaluate risks associated with raw materials. The risk assessment is informed by insights and data from sources like the Raw Material Outlook, spearheaded by Drive Sustainability, and Material Insights, a collaboration between The Dragonfly Initiative Sustainability and the Responsible Minerals Initiative. Each material is evaluated based on 27 different criteria across four categories: Human Rights, Supply Chain Resilience, Governance, and Environment. Below is an example of the risks associated with cobalt.

Once risks are identified, the raw materials undergo evaluation for technical business criticality. This evaluation uses a scoring system ranging from 1 to 10, with 10 indicating a material is highly critical. Materials that are not deemed business critical are placed on either the No-Go List or the Phase Out List, depending on their current application in vehicles. For materials identified as technically business critical, a due diligence-based action plan is developed. This plan aims to stop, prevent, or mitigate any negative impacts associated with the specific raw material.

The execution of the action plan involves various strategic initiatives, tailored to the specific areas where actions are required. For instance, the initiative on Materials Traceability explores different methods for tracing materials identified as high risk. The comprehensive list of Risk Raw Materials, along with the corresponding action plan, receives approval from Polestar management.

Polestar’s risk list of raw materials

The list of raw materials is assessed on a yearly basis.

Current list of risk raw materials	Component
Lithium	Battery
Nickel	Battery
Cobalt	Battery
Manganese	Battery
Graphite (natural)	Battery
Copper	Battery
Aluminium	Battery
Mica	Battery
Rubber (natural)	Tyres
REE's (Nd, Dy, Pr, Tb, Ce)	Magnet
Wool	Interior
Leather	Interior
Bioattributed PVC*	Interior
Cotton	Interior
Copper	All
Steel	All
3TG (Tin, Tantalum, Tungsten & Gold)	All
Silicon	All
Aluminium	All

*We acknowledge that bioattributed PVC is not a raw material and we will therefore reevaluate this during 2025, if it should be replaced with relevant raw materials used in the bioattributed PVC

Materials traceability

For us at Polestar, we have different ways of working to ensure the traceability of raw materials. Even with traceability software in place, obtaining supply chain information and data can be challenging. Due to business sensitivity and commercial contracts, not all suppliers are willing to share information about their upstream supply chains. In such cases, we are likely to work with mapped raw materials rather than traced ones.

There is also a challenge related to the regulations of certain countries. For example, in China, which accounts for the majority of the world's rare earth element processing and refining*, many companies are state-owned and, as a result, do not disclose supply chain information down to the mine site level.

Our requirements for the traceability of risk materials are stringent, and it is evident that the landscape of transparent supply chains is continually evolving. We are optimistic about advancing this further with the support of emerging regulations, such as the new EU Battery Regulation and the CSDDD, which clearly emphasise the need for supply chain transparency.

Mapped raw materials

This definition pertains to a scenario where a risk raw material is comprehensively mapped throughout the supply chain, from the mine to the car, with detailed information such as the country, address, and/or supplier name for each tier. The extent of information shared with us can vary, impacting our ability to conduct thorough due diligence. For instance, there may be cases where mapping is only completed up to tier 4 out of 5, or where we have country information but lack a specific site address, resulting in an incomplete supply chain map. While this is not the ideal situation, as it provides insufficient information, and lacks a defined chain of custody, it is sometimes the reality we face in this industry.

Traced raw materials

This definition applies when a raw material is thoroughly mapped throughout the supply chain, and is accompanied by a clearly defined chain of custody. This chain of custody can be categorised into three different levels:

1. Certifications or other standardised methods: For certain raw materials, established chain of custody certifications and standardised methods are available in the market. Examples include the Aluminium Stewardship Initiative (ASI) Chain of Custody, the Copper Mark Chain of Custody, and the Responsible Wool Standard. These certifications can be utilised to ensure a reliable chain of custody.

2. Supporting documentation: If no established methods are available to verify the chain of custody, we can trace the supply chain using supporting documentation. This includes purchase orders, invoices, proof of origin, transportation documents, and payment records, as a means of ensuring the chain of custody.

3. Blockchain: Another method is using blockchain-enabled traceability providers, which we prefer, especially for raw materials with governance-related risks, such as a high risk of corruption or weak rule of law. Blockchain-enabled traceability offers an immutable, digital, and efficient way to create transparency throughout the supply chain. By collaborating with a traceability provider, we employ a data collection system, supported by blockchain, that enables the tracing of materials from the mine to the vehicles, thereby supporting efforts to be more sustainable and transparent. When combined with audits, this approach facilitates responsible sourcing.

*material-insights.org



Collaborations

Joint efforts to drive change

Recognising the potential for greater impact through inspiration and collaboration with others to drive change is essential. Fundamentally altering ingrained inequalities in society and addressing human rights violations require multilateral collective action. Therefore, joint efforts are sought with peers, business partners, governments, and non-governmental organisations.

Drive Sustainability:

The Drive Sustainability partnership aims to enhance sustainability across the automotive supply chain by promoting a common approach within the industry and integrating sustainability into the overall procurement process. The goal is twofold: to ensure that all individuals involved in manufacturing vehicles or components, or providing services, are treated with dignity and respect at work, while minimising the environmental impact of the industry.

Responsible Business Alliance (RBA):

As an Affiliate Member, we support the RBA in driving sustainable value for workers, the environment, and business across the global supply chain. Collaboration with members, suppliers, and stakeholders aims to improve working and environmental conditions through leading standards and practices. We are committed to aligning our own operations with the provisions of the RBA Code of Conduct, and we encourage tier-one suppliers to do the same.

Responsible Minerals Initiative (RMI):

We work with RMI to support the responsible sourcing of minerals. By providing companies with the necessary tools and resources to enhance compliance, RMI envisions mineral supply chains contributing positively to socio-economic development globally. The Initiative acts as an umbrella organisation for the voice of progressive industry, supporting best practices in mineral sourcing and convening stakeholders to continually shape dialogue.

Responsible Labour Initiative (RLI):

Collaboration with the RBAs Responsible Labor Initiative focuses on ensuring that the rights of workers vulnerable to forced labour in global supply chains are consistently respected and promoted. To accelerate change, due diligence must be conducted across multiple industries that share recruitment supply chains, driving labour market transformation through collective action.

Initiative for Responsible Mining Assurance:

IRMA supports a practical vision for the mining industry that upholds human rights and respects the aspirations of affected communities. Through independent, third-party audits of mines worldwide, using its Standard for Responsible Mining, IRMA promotes safe, healthy workplaces, minimises environmental harm, and leaves positive legacies. Rigorous IRMA audits require publicly announced on-site visits and broad stakeholder engagement, including affected communities. Investors and buyers who encourage mining companies to engage in IRMA's independent third-party assessment and transparent sharing of results support responsible sourcing in mining.

Assent:

Assent assists in tracing high-risk conflict minerals, such as 3TG, which are used in small volumes by many suppliers. This enables an assessment of how many smelters conform to the Responsible Minerals Assurance Process (RMAP) and helps to stem trade with potential links to armed conflict or human rights abuses.

Better Mining:

Better Mining works on ASM, Artisanal and small-scale mining, sites to directly improve conditions. Embedding safer and more equitable conditions across this complex segment of the global mining sector is crucial. Initiatives like Better Mining, which involve diverse stakeholders to identify risks and implement mitigation actions, are highly valued. These sites are not directly linked to Polestar's supply chain.

A deep dive into IRMA's role in responsible mining

The Initiative for Responsible Mining Assurance (IRMA) addresses a global demand for more socially and environmentally responsible mining. It also meets Polestar's demand for such practices. IRMA independently assesses social and environmental performance at mine sites using an internationally recognized and comprehensive audit standard, developed in consultation with a wide range of stakeholders. IRMA's governance is equally shared by civil society, communities, organised labour, and the private sector.

IRMA aims to provide market value and recognition for responsible practices at mine sites. Purchasing companies play a significant role in advancing this vision. Polestar can contribute by clearly signalling its intent and interest in purchasing materials from IRMA-assessed mines.

IRMA's audit reports are transparent, and the publicly available results offer credible information to purchasers interested in responsibly sourced mined materials. These reports also meet civil society's desire for transparency and truthfulness about whether a mine is taking steps to reduce potential harm and make continuous improvements.

Membership in IRMA supports the achievement of its vision and mission, as members are required to take concrete actions to advance responsible mining:

- Vision: We envision a world where the mining industry respects the human rights and aspirations of affected communities, provides safe, healthy, and supportive workplaces, minimises harm to the environment, and leaves positive legacies
- Mission: Our mission is to protect people and the environment directly affected by mining. We do this by creating financial value for mines independently verified to achieve best practices and sharing this value with the businesses that purchase material from these mines.

“For responsible sourcing of transition minerals: Become members of IRMA, require their suppliers to be audited by IRMA, and disclose commitments to source minerals from IRMA-audited mines,” recommends Lead the Charge.

Collectively, the IRMA Buyers Group represents US\$1.7 trillion in annual revenues. Given the important role of Downstream Purchasers in scaling the IRMA system, increased purchaser engagement amplifies the influence of the industry as a whole. IRMA's Downstream Purchasers have significantly contributed to scaling IRMA and driving mine-level engagement.

Led by the Mining Engagement Team, IRMA has conducted outreach to dozens of mining companies worldwide in multiple languages, encouraging them to learn more about and ultimately engage with IRMA.



Performance

Direct material suppliers to Polestar’s car programmes

- 99% (2023: 100%) of suppliers have signed agreements on core principles of human rights and the Code of Conduct, including requirements for no child labor and no forced labor.
- 79% (2023: 82%) of all suppliers have completed a SAQ verified by the Drive Sustainability Initiative. The decline in the SAQ completion rate is primarily due to a version update. Suppliers were required to resubmit their assessments following the latest standards, which has affected the overall completion rate. Some suppliers did not update their results in a timely manner, and with the transition to the new version, their old scores are no longer valid. Moving forward, we need to strengthen communication with suppliers to ensure they update their assessments on time, with the ambition to see improvements in the industry.
- 72% of all suppliers should have an SAQ score >70%.
- 78% (2023: 78%) of suppliers are assessed to be in high-risk regions concerning human rights issues such as child labor, forced labor, freedom of association, and collective bargaining.
- 34% (2023: 22%) of all suppliers in high-risk regions have a valid third-party onsite human rights audit. The most frequent non-conformities found during onsite audits are concerning excessive working hours, as well as concerning wage and benefits. Together with our business partners we are monitoring CAP, Corrective Action Plan status in order to implement improvements.

Freedom of association and collective bargaining:

- 99% (2023: 99%) of suppliers with a completed SAQ, verified by Drive Sustainability, have a policy of freedom of association.
- 100% (2023: 100%) of suppliers in high-risk regions with third-party onsite human rights audits have no priority findings related to violations of freedom of association and collective bargaining.

Child labour and protection of young workers:

- 99% (2023: 99%) of suppliers with a completed SAQ, verified by Drive Sustainability, have a policy for no child labour.
- 100% (2023: 99.3%) of suppliers in high-risk regions with third-party onsite human rights audits have no priority findings of child labour or young workers exposed to hazardous work. Any findings are followed up with business partners and suppliers according to audit routines.

Modern slavery, forced and compulsory labour:

- 99% (2023: 99%) of suppliers with a completed SAQ, verified by Drive Sustainability, have a policy of no forced or compulsory labour.
- 99.9% (2023: 97.6%) of suppliers in high-risk regions with third-party onsite human rights audits have no priority findings related to forced and compulsory labour. Any findings are followed up with business partners and suppliers according to audit routines.
- One supplier had a priority finding related to forced and compulsory labour. The finding concerns recruitment and hiring fees that are paid and not reimbursed within 90 days, as per the legal requirement. Instead, they were reimbursed within 150 days. The facility rectified these issues in the corrective action plan by revising the Employee Manual to clearly stipulate that the reimbursement of medical examination expenses for employees shall be completed within one month after entry.

Numbers of suppliers manufactured components and material

687

Suppliers that have completed Self Assessment Questionnaire with a score >70%

72%

Suppliers that have gone through screening against trade sanctions

100%

Suppliers that have signed agreements on human rights and code of conduct

99%

Suppliers located in high-risk regions

78%

Suppliers in high-risk regions with third-party onsite human rights audit

34%



The cars
Polestar 2

At the end of 2024, there are 169 suppliers manufacturing components and materials for Polestar 2. Volvo Cars manufactures Polestar 2, and these direct material suppliers of car components and materials have been sourced and contracted by Volvo Cars. Quarterly reports on progress are received, and together with Volvo Cars, risks are assessed, and actions are implemented to prevent, cease, and mitigate negative impacts.

Risk assessment

- 73% (2023: 73%) of suppliers have been assessed as being located in high-risk regions.
- 100% (2023: 100%) of all suppliers have undergone screening against trade sanctions.
- 83% (2023: 88%) of all suppliers have completed a SAQ verified by the Drive Sustainability Initiative. The decline in the SAQ completion rate is primarily due to a version update. Suppliers were required to resubmit their assessments following the latest standards, which has affected the overall completion rate. Some suppliers did not update their results in a timely manner, and with the transition to the new version, their old scores are no longer valid. Moving forward, we need to strengthen communication with suppliers to ensure they update their assessments on time, with the ambition to see improvements in the industry.
- 82% of suppliers reach a SAQ score above 70%.

Agreements

- 100% (2023: 100%) of suppliers have contractually agreed to comply with the principles set in the Code of Conduct for Business Partners, including human rights.

Verifications and corrective actions

- 39% (2023: 30%) of all suppliers in high-risk regions have a valid third-party onsite human rights audit.

Materials traceability

Polestar 2 is equipped either with a battery from CATL or LG. LG batteries are scheduled to be phased out by 2025. Conflict minerals, including tin, tantalum, tungsten, and gold, are reported through the Conflict Minerals Reporting Template (CMRT) via the Assent platform. Leather is sourced from Bridge of Weir, with origins traceable to farms in the UK and/or Ireland.

Traceability of battery materials

The traceability of LG and CATL batteries involves a collaboration between Volvo Cars and Polestar, using Circulor as the traceability platform provider to track the following materials:

- Nickel
- Cobalt
- Lithium
- Mica

Numbers of suppliers
manufactured components
and material

169

Suppliers that have completed
Self Assessment Questionnaire
with a score >70%

82%

Suppliers that have gone through
screening against trade sanctions

100%

Suppliers that have signed
agreements on human rights and
code of conduct

100%

Suppliers located in
high-risk regions

73%

Suppliers in high-risk regions
with third-party onsite human
rights audit

39%



The cars
 Polestar 3

At the end of 2024, there are 305 suppliers manu-
 facturing components and materials for Polestar 3.
 Volvo Cars also manufactures Polestar 3, with
 production having commenced at the beginning of
 2024 in China, and mid 2024 in the US. We receive
 quarterly reports on progress and, together with
 Volvo Cars, assess risks and implement actions to
 prevent, cease, and mitigate negative impacts.

Risk assessment

- 68% (2023: 70%) of suppliers have been assessed as being located in high-risk regions.
- 100% (2023: 100%) of all suppliers have under- gone screening against trade sanctions.
- 83% (2023: 88%) of all suppliers have completed a SAQ verified by the Drive Sustainability Initiative. The decline in the SAQ comple- tion rate is primarily due to a version update. Suppliers were required to resubmit their assessments following the latest standards, which has affected the overall completion rate. Some suppliers did not update their results in a timely manner, and with the transition to the new version, their old scores are no longer valid. Moving forward, we need to strengthen commu- nication with suppliers to ensure they update their assessments on time, with the ambition to see improvements in the industry.
- 70% (2023: 88%) reach a SAQ score above 70%.

Agreements

- 100% (2023: 100%) of suppliers have contrac- tually agreed to comply with the principles set in the Code of Conduct for Business Partners, including human rights.

Verifications and corrective actions

- 33% (2023: 17%) of all suppliers in high-risk regions have a valid third-party onsite human rights audit.

Materials traceability

Polestar 3 batteries are supplied by CATL. Conflict minerals, including tin, tantalum, tungsten, and gold, are reported through the Conflict Minerals Reporting Template (CMRT) via the Assent plat- form. Leather is sourced from Bridge of Weir, with origins traceable to farms in the UK and/or Ireland. The wool used in Polestar 3 is sourced from farms that adopt a progressive approach to land manage- ment and animal welfare, with traceability certified from origin to the yarn stage of production.

Traceability of battery materials

Traceability of CATL batteries involves a collab- oration between Volvo Cars and Polestar, using Circular as the traceability platform provider to track the following materials:

- Nickel
- Cobalt
- Lithium
- Mica
- Graphite*

*Graphite used in electric vehicle batteries can be both natural and/or synthetic. Natural graphite is considered a risk raw material, necessitating a traced supply chain when used. For synthetic graphite, where mine traceability is not appli- cable, verification is required through audits or supporting documentation to prove its origin. This approach aligns with the EU Battery Regulation.

Numbers of suppliers
 manufactured components
 and material

305

Suppliers that have completed
 Self Assessment Questionnaire
 with a score >70%

70%

Suppliers that have gone through
 screening against trade sanctions

100%

Suppliers that have signed
 agreements on human rights and
 code of conduct

100%

Suppliers located in
 high-risk regions

68%

Suppliers in high-risk regions
 with third-party onsite human
 rights audit

33%



The cars
 Polestar 4

At the end of 2024, there are 205 suppliers manu-
 facturing components and materials for Polestar 4.
 Polestar 4 is manufactured by Geely, and produc-
 tion started in late 2023. The direct material
 suppliers of car components and materials have
 been sourced and contracted by Geely. We receive
 quarterly reports on progress and, together with
 Geely, assess risks and implement actions to
 prevent, cease, and mitigate negative impacts.

Risk assessment

- 99% (2023: 99.5%) of suppliers have been assessed as being located in high-risk regions.
- 100% (2023: 100%) of all suppliers have under-gone screening against trade sanctions.
- 86% (2023: 99,5%) of all suppliers have completed a SAQ verified by the Drive Sustainability Initiative. The decline in the SAQ completion rate is primarily due to a version update. Suppliers were required to resubmit their assessments following the latest standards, which has affected the overall completion rate. Some suppliers did not update their results in a timely manner, and with the transition to the new version, their old scores are no longer valid. Moving forward, we need to strengthen commu-nication with suppliers to ensure they update their assessments on time, with the ambition to see improvements in the industry.
- 86% of suppliers reach a SAQ score above 70%.

Agreements

- 99% of suppliers have contractually agreed to comply with the principles set in the Code of Conduct for Business Partners, including human rights.
- Two suppliers have still not signed.

Verifications and corrective actions

- 51% (2023: 33%) of all suppliers in high-risk regions have a valid third-party onsite human rights audit.

Materials traceability

Polestar 4 is manufactured with batteries from
 CATL and VREMT. The VREMT batteries are no
 longer in production. The VREMT batteries are no
 longer in production. Conflict minerals, including
 tin, tantalum, tungsten, and gold, are reported
 through the Conflict Minerals Reporting Template
 (CMRT) via the Assent platform. Our leather is
 sourced from Bridge of Weir, with origins traceable
 to farms in the UK and/or Ireland. The hides can be
 traced back to the farm they came from. For our
 battery risk materials, we have the following setup:

Traceability of battery materials

VREMT battery traceability was conducted through
 supply chain mapping by Geely, with supporting
 traceability data from Geetracer, Geely’s own trace-
 ability-as-a-service platform.
 The materials included:

- Nickel
- Cobalt
- Lithium
- Mica
- Manganese
- REEs (Nd, Pr)
- Graphite*

CATL battery traceability is conducted through
 supply chain mapping by Geely and CATL for the
 following battery materials**:.

- Nickel
- Cobalt
- Lithium
- Mica
- Graphite*
- Manganese
- Aluminium (Can & Foil)
- Copper (Foil)

*Graphite used in electric vehicle batteries can be both natural and/or
 synthetic. Natural graphite is considered a risk raw material, necessi-
 tating a traced supply chain when used. For synthetic graphite, where
 mine traceability is not applicable, verification is required through
 audits or supporting documentation to prove its origin. This approach
 aligns with the EU Battery Regulation.

**As this level of traceability does not meet our preferences, efforts are
 underway to enhance the traceability for Polestar 4, transitioning from
 a mapped supply chain to a fully traced supply chain.

Numbers of suppliers
 manufactured components
 and material

205

Suppliers that have completed
 Self Assessment Questionnaire
 with a score >70%

86%

Suppliers that have gone through
 screening against trade sanctions

100%

Suppliers that have signed
 agreements on human rights and
 code of conduct

99%

Suppliers located in
 high-risk regions

99%

Suppliers in high-risk regions
 with third-party onsite human
 rights audit

51%



The cars
 Polestar 5

Polestar has built in house procurement capability and developed procurement processes ahead of the production of Polestar 5, which is expected to be launched in 2025. Suppliers are sourced and nominated by Polestar. Currently, 223 suppliers have been nominated to manufacture components and material for Polestar 5 for whom we assess risks and put actions in place to prevent, cease and mitigate negative impacts.

Risk assessment

- 86% (2023: 83%) of suppliers have been assessed as being located in high-risk regions.
- 100% (2023: 100%) of contracted suppliers have undergone screening against trade sanctions.
- 74% (2023: 78%) of all suppliers have completed a SAQ verified by the Drive Sustainability Initiative. The decline in the SAQ completion rate is primarily due to a version update. Suppliers were required to resubmit their assessments following the latest standards, which has affected the overall completion rate. Some suppliers did not update their results in a timely manner, and with the transition to the new version, their old scores are no longer valid. Moving forward, we need to strengthen communication with suppliers to ensure they update their assessments on time, with the ambition to see improvements in the industry.
- 70% of suppliers reach a SAQ score above 70%.

Agreements

- 75% (2023: 100%) of suppliers have contractually agreed to comply with the principles set in the Code of Conduct for Business Partners, including human rights. Suppliers have changed a lot to get ready for SOP, Start Of Production. However, 98% of suppliers have acknowledged our COC, and the aim is to get these new suppliers to sign the agreement.

Verifications and corrective actions

- 34% (2023: 30%) of all suppliers in high-risk regions have a valid third-party onsite human right audit.

Materials traceability

Polestar 5 is manufactured with batteries from SK On. As production did not commence in 2024, conflict minerals, including tin, tantalum, tungsten, and gold, will be reported through the Conflict Minerals Reporting Template (CMRT) via the Assent platform starting in 2025. Leather will be sourced from Bridge of Weir, with origins traceable to farms in the UK and/or Ireland. The hides can be traced back to the farm they originated from.

Traceability of battery materials

Traceability for Polestar 5 battery risk materials will begin in 2025 for the following materials:

- Nickel
- Cobalt
- Lithium
- Mica
- Manganese
- Graphite*
- Aluminium
- Copper

*Graphite used in electric vehicle batteries can be both natural and/or synthetic. Natural graphite is considered a risk raw material, necessitating a traced supply chain when used. For synthetic graphite, where mine traceability is not applicable, verification is required through audits or supporting documentation to prove its origin. This approach aligns with the EU Battery Regulation.

Numbers of suppliers
 manufactured components
 and material

223

Suppliers that have completed
 Self Assessment Questionnaire
 with a score >70%

70%

Suppliers that have gone through
 screening against trade sanctions

100%

Suppliers that have signed
 agreements on human rights and
 code of conduct

75%

Suppliers located in
 high-risk regions

86%

Suppliers in high-risk regions
 with third-party onsite human
 rights audit

34%

Combatting modern slavery in our own operations

Introduction
Polestar aims to be a responsible employer of choice to secure future growth and success. We seek to champion diversity and insist on equality to ensure a positive social impact. The aim is to build a workforce that reflects the diversity of the world, bringing in varied personal experiences, perspectives, and backgrounds. Thriving in differences is a core belief. Key priorities include inclusive recruitment, retention, and leadership to secure the right competencies and maintain employee engagement, essential for ongoing success. The objective is for all employees to feel comfortable, connected, and valued for their contributions to the workplace.



Material impacts, risks, and opportunities

Identifying risks and opportunities related to own workforce
 As a part of our double materiality assessment (DMA), we identified and assessed risks and opportunities related to own workforce. The assessment examined sub-topics such as working conditions,access to equal pportunities as well as other work-related rights. Insights gained from the DMA assist us in defining actions and priorities to mitigate the identified risks such seeking to champion inclusion and being a responsible employer of choice. The majority of our own workforce is situated in our offices and sales markets. Identified potential risks with regard to our workforce are related to working conditions and equal treatment and opportunities for all. As Polestar has robust processes within our operations and due to the characteristics of our workforce, the risk of other work-related rights occurring such as forced labour and modern slavery is low.

The subtopics
 — Working conditions
 Polestar aims to be a responsible employer of choice to secure future growth and success. The availability of the right skills is crucial, particularly given the global presence and operations spanning multiple countries, and the risk of employee turnover remains significant. Polestar’s future success relies on attracting, integrating, and retaining highly skilled personnel. Therefore, establishing secure, fair, and favourable working conditions remains essential for us. Working conditions encompass the work environment and employment terms, including job security, working hours, fair wages, social dialogue, freedom of association, collective bargaining, work-life balance, and health and safety. Risks on employees may arise from issues

such as excessive overtime, work-life balance challenges, and the absence of collective bargaining agreements in certain markets. Without these agreements, employees may lack essential protections. Working committees in certain countries may not wield the same influence as independent trade unions, leading to weaker representation. Parental leave statistics highlight challenges in balancing work and family life, as well as supporting employees with family responsibilities. Health and safety concerns also exist, related to stress and potential exposure to hazardous substances.

— Equal treatment and opportunities for all
 Polestar seeks to champion diversity and insists on equality to ensure a positive social impact, as a lack of equal treatment can have significant financial implications for Polestar. High employee turnover may result as talented individuals seek more inclusive and equitable work environments, leading to increased recruitment and training costs, as well as a loss of institutional knowledge and expertise. Additionally, a reputation for discrimination or unequal treatment can severely damage our brand, resulting in a decline in sales and market share. Discrimination and unequal treatment can also lead to low employee morale, decreased job satisfaction, and reduced productivity. Employees who feel undervalued or unfairly treated are less likely to be engaged and motivated, negatively impacting overall business performance. Furthermore, a diverse and inclusive workforce is often more innovative and creative. Failing to promote equal treatment and opportunity can stifle innovation, as a homogeneous workforce may lack diverse perspectives and ideas. This limitation can hinder our ability to develop new products and services, ultimately affecting long-term competitiveness.

Policies

Policies for responsible employment
 The aim is to be an attractive employer for both new and existing team members, working conditions and terms of employment should, as far as possible, allow equal opportunity for all and facilitate a sound balance between work and private life. Efforts are made to provide every employee with equal rights and opportunities, irrespective of gender, gender expression, ethnicity, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social background, or other characteristics protected by applicable law.

All employees are expected to adhere to the Code of Conduct, ensuring that working conditions and employment terms promote equal opportunity and support a healthy work-life balance and that there is zero tolerance for discriminatory behaviour, including bullying and harassment.

A commitment to providing a sustainable working environment with fair employment terms guides the Human Resources department at Polestar in driving the People agenda. This department is responsible for the People Policy, which is complemented by specific directives and guidelines that outline the role as a responsible employer. The policies apply to all own workforce globally.

In addition to the People Policy, several other policies and documents help instil responsible social business conduct and set expectations for employees, including:

- Code of Conduct
- Discrimination, Harassment, and Bullying Directive
- Diversity and Inclusion Directive
- Responsible Employer Directive
- Speak Up Policy
- Work Environment Directive
- Sustainability Policy

We work to ensure that our actions are sustainable and ethical, and as stipulated in our policies we support the internationally recognised principles on human rights, labour and environmental standards, and base our actions on the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the core labour conventions of the International Labour Organisation.

Strategy

How risks inform our strategy
 The Inclusive Workplace initiative is designed to drive change within the full workforce across all operations, aiming to mitigate negative human impact, with reporting to management at least twice a year. The Chief HR Officer holds accountability for HR-related topics and the Inclusive Workplace initiative and is part of Polestar’s executive management structure.

Regular materiality assessments are conducted with various stakeholders, recognizing the workforce as a key stakeholder. Working conditions, equal treatment, and opportunities for all are identified as material topics. The outcomes from these assessments, along with risk analyses related to human rights, grievance channels, and employee survey results, inform the strategy and help prioritize actions and resources within the Inclusive Workplace initiative.

— Fair employer
 Polestar strives to be a responsible employer of choice by creating job opportunities with equal treatment for all and fair employment terms that comply with statutory requirements. Polestar’s ambitions include work-life balance, fair remunerations, and a healthy environment where individuals can thrive, feel safe, and where freedom of association and collective bargaining are encouraged. The objective is for all employees to feel comfortable, connected, and valued for their contributions to the workplace.

— Inclusive workplace
 Polestar works to ensure equal treatment and opportunities; the ambition is to become the world’s most diverse and inclusive electric vehicle company.

- We seek feedback on inclusion through our employee surveys, and the ambition is to reach an Inclusion Index target of 9.0, with 10 being the highest possible score.
- Given the male dominance in the automotive industry, closing the gender gap is a key priority. We aim to implement an unbiased recruitment-process with the ambition to achieve a 50/50 gender balance among new hires and at the same time welcominng individuals with other-gender identity.
- Aim for 40% female representation in the overall global workforce as well as in leadership roles.
- Conduct a gender wage gap analysis.

The lack of gender representation in the industry is still a challenge for us, especially as the shift to electric vehicles calls for major factory growth and additional hiring in the global market. New technologies and products are emerging daily that transcend traditional car manufacturing, yet males are still dominant in STEM industries (science, technology, engineering, and mathematics) and education. All this combined makes our achievements even more noteworthy.

Actions

Processes for engaging with own workforce and workers' representatives
Efforts and encouragement regarding ethical business practices, diversity, and inclusion are propelled by active management involvement across all areas, with all managers having participated in inclusion training. A leadership style is cultivated where individuals feel their contributions are valued, their input and ideas are important, and their efforts are recognised.

Continuous performance management, employee surveys, competence development, and work environment management are integral parts of the year-round efforts.

— Continual performance management
At the end of 2024 Polestar Performance Management process has been updated and launched which effect we will be able to capture in 2025. The new Polestar Performance Management process outlines how targets and results are tracked for each employee.

The 360-degree feedback process outlines the ongoing communication and evaluation between managers and employees, as well as among employees themselves. Performance management is driven by employees and comprises four mandatory meetings:

- Setting clear priorities
- Maintaining continual dialogue and feedback
- Conducting regular performance evaluations
- Year-end review

This approach offers additional perspectives and insights beyond the manager's assessment, which is essential for ensuring fair and unbiased promotion and evaluation processes.



Actions

— Polestar’s pulse-checks

Our employee surveys, referred to as pulse-checks, are conducted biweekly for most of the year and provide a data-driven method for all employees at Polestar worldwide to give feedback. The surveys include questions and feedback on engagement, accomplishment, freedom of opinion, management support, workload, recognition, inclusion, peer relationships, work environment, and more. This approach enables teams to learn, leaders to listen, and everyone to take action to enhance engagement and change when needed.

Our pulse-check and employee engagement tool provider, Peakon, facilitates the distribution of surveys and transforms feedback into valuable, actionable insights, capturing honest opinions in an unbiased and non-hostile manner. Peakon provides global industry benchmarks, drawing from a database of over 200 million employee responses across 23 industries.

Polestar’s surveys have yielded an average score of 7.5 (2023: 7.9) on a scale from 1 to 10, where a higher score is considered desirable. The employee survey also assesses our performance in managing diversity and equality, with an inclusion index of 8.7, aiming to achieve a target score of 9.0.

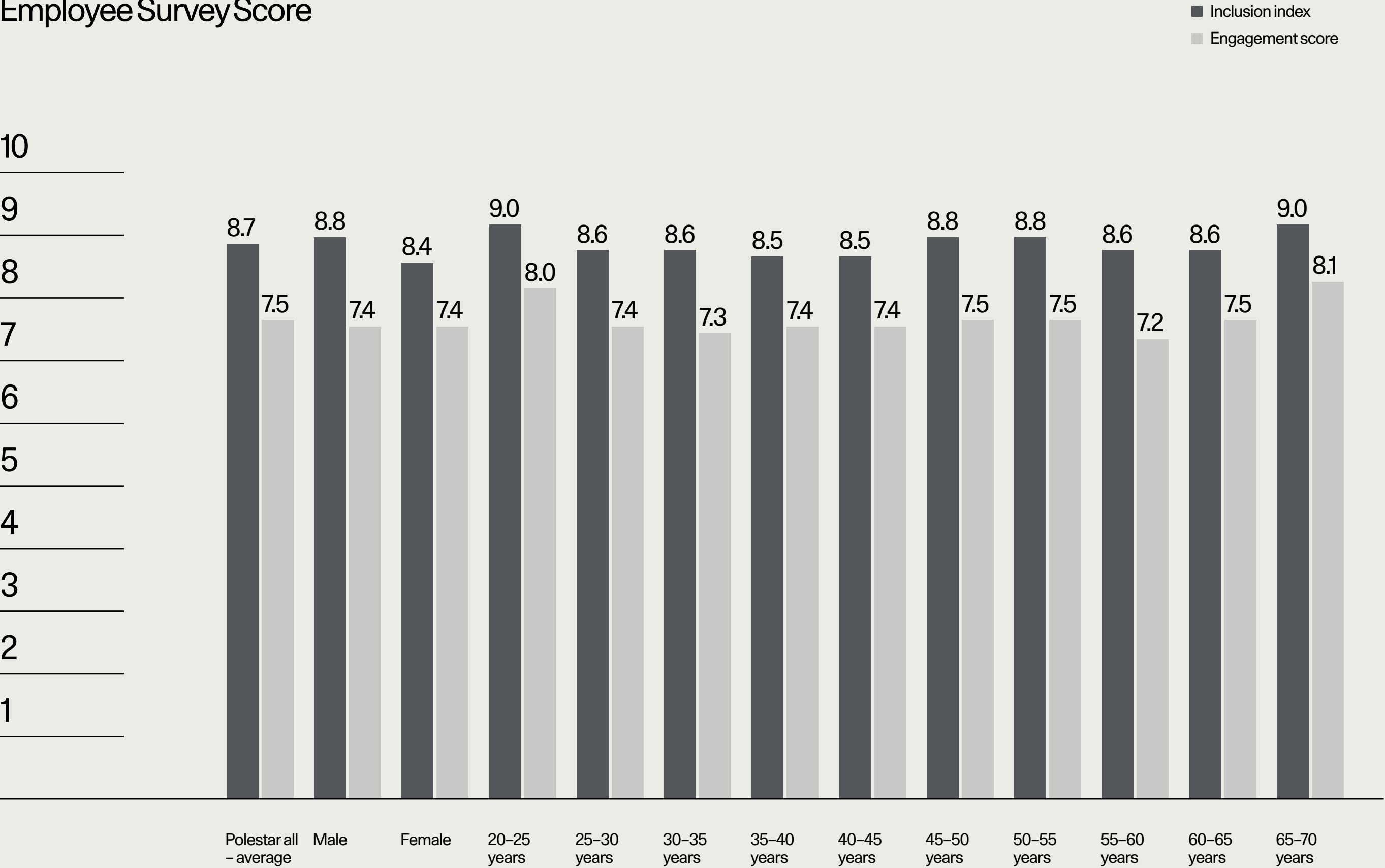
Leaders are expected to track results together with their team at least twice per year. The questions are categorized into four “drivers” consisting of:

- Engagement
- Diversity & Inclusion
- Health & Wellbeing
- Core Behaviours.

Consequently, the responses can be viewed and analysed by these same “drivers”.

After the end of each pulse-check, Peakon will determine the “drivers” that are strengths for each team and will suggest “drivers” that could be improved. A full list of the drivers is available on the manager dashboard, and each driver has its own dashboard, which can be viewed to better understand the team’s feedback and from there initiate possible improvement actions.

Employee Survey Score





Actions

— Competence development

A Learning Management System (LMS) has been established to enhance support for the organisation in competence development. The system offers our employees learning opportunities for their current and future roles. The LMS provides a wide variety of courses, with new courses being developed and added continuously.

Managers will be able to assign courses, create customised learning paths for their teams, and measure their teams' learning progress. All of our workforce is encouraged to utilise the LMS to share knowledge within the company. Eventually, each employee's learning record will be connected to their performance management.

Representatives from all departments within the organisation are included in an established learning forum, which serves as a sounding board and decision-making body for competence development at Polestar. With regular meetings held quarterly throughout the year, the forum makes decisions regarding Learning and Development that concern the entire organisation. Updates are consistently communicated to the representatives, covering learning updates, frequently asked questions, and the exchange of ideas and thoughts.

There are various methods of learning that can be performed through the system:

- E-learning
- Webinar – One-way communication
- Workshop – Interactive sessions
- Forums – Broadcast
- In-classroom – Face-to-face sessions

There is also a Training Corner on Polestar's intranet to increase awareness and engagement with the learning activities available. The Training Corner helps drive traffic to the courses, thereby enhancing learning participation globally.

— Health and safety engagement

The Work Environment Committee or Safety Review Board (SRB) within each unit's line organisation approves objectives and action plans for the work environment. Risks are regularly investigated and assessed, with necessary steps taken in response to any changes. All employees receive the introduction and training required to work safely.

Managers are equipped with the skills, resources, and authority to ensure a good and safe working environment. Employees are expected to follow instructions and procedures, and report any identified risks.

— Other channels of communication

On our company intranet, Parallax, employees are informed on an ongoing basis about changes, announcements, or general information. Various documents, processes, and policies can be found here. Employees have the opportunity to post, comment, and interact.

Global Company Townhalls occur quarterly. These are live sessions designed to keep all employees informed. They are also recorded so that people can watch them at their convenience. The sessions include a Questions and Answers segment, allowing employees the opportunity to ask their own questions.

Global Leadership Townhalls also occur quarterly and are dedicated to employees with a leadership role. These sessions include information sharing and occasionally feature a Q&A or workshop, providing leaders the opportunity to ask their own questions.

Channels for workforce concerns

— Freedom of association

Polestar strongly believes that employees should have the right to form and join unions, or other associations, of their own choice and negotiate labour agreements collectively, as well as the right not to do so. Properly managed worker committees are steps towards improving the climate in labour-management relations, especially in countries without an adequate institutional and legal framework for recognising trade unions and for collective bargaining.

The union clubs that have formed local clubs in Sweden are Unionen, Akademikerna and Ledarna. Affiliation with or membership in these unions is voluntary, and they are member-driven organisations. The board members are elected, and the structure is built on representative democracy.

The club can represent individual members in discussions with the employer and address concerns raised by the members. They can help negotiate topics such as reorganisations, replacements, and manager hires with the employer, which are subject to co-determination. They support members in individual problem situations and assist in finding solutions. Additionally, they inform members of their rights and duties related to labour law and collective agreements.

— Speak-up culture

A speak-up culture at Polestar ensures that everyone feels comfortable asking questions or reporting misconduct, regardless of their position or the person involved. The Code of Conduct and Corporate Policies apply equally to all. If a violation is noticed or suspected, raising concerns as early as possible is encouraged. The first point of contact for raising concerns is the manager. If speaking to the manager is not an option, employees can

approach their HR representative or the Legal Team. For those who prefer to report suspected misconduct anonymously, the whistleblowing system, SpeakUp, is available. The SpeakUp tool can be accessed by all Polestar stakeholders through our external webpage and the homepage on the Polestar intranet.

We utilise our employee surveys to measure employee satisfaction and facilitate continuous improvements. The ongoing employee survey not only provides insights into our overall engagement and inclusion scores but also helps identify specific issues and feedback related to serious concerns such as harassment and discrimination.

— Providing remediation

Polestar does not retaliate against individuals who report suspected misconduct. This is clearly communicated to employees through the Code of Conduct, communication on our intranet, other internal communication channels, and annual training on the Code of Conduct. Our Code of Conduct for business partners is published on our external webpage and is available to all stakeholders.

If Polestar identifies that it has caused or contributed to adverse impacts regarding human rights, it will take responsibility by either directly providing remediation or working with others to resolve it through legitimate processes.



Performance

Characteristics of Polestar's employees and non-employees
 Most employees are based in well-functioning labour markets with low risk of corruption, which means that the labour market institutions are capable of developing legislative and policy frame-works, as well as delivering services that lead to well-functioning labour markets generating decent work opportunities. China, which accounts for 12% of our workforce, is the only region assessed by RBA as being high-risk, making the protection of our employees' human rights and the process to secure this is even more important in that market.

Polestar aims to balance the consultant workforce with permanent employees to ensure effective knowledge transfer, as having a high percentage of consultants in the workforce can pose several risks for organisations. Dependency on external talent might disrupt operations and projects, lead to budget overruns due to potentially higher hourly rates, lack of organisational commitment, security, and confidentiality are examples of associated risks when employees are not permanently employed.

The approach to reporting and tracking race and ethnicity in Sweden differs significantly from many other countries. Collecting data categorised by race, ethnicity, and religion is highly controversial and, to some extent, prohibited by law. This policy of not collecting racially disaggregated statistics is rooted in Sweden's historical context. As Polestar's headquarters and the majority of our workforce are based in Sweden, we are subject to these regulations and, therefore, do not report details on employee ethnicity, race, or religious beliefs with the exception for markets where it's legally required.

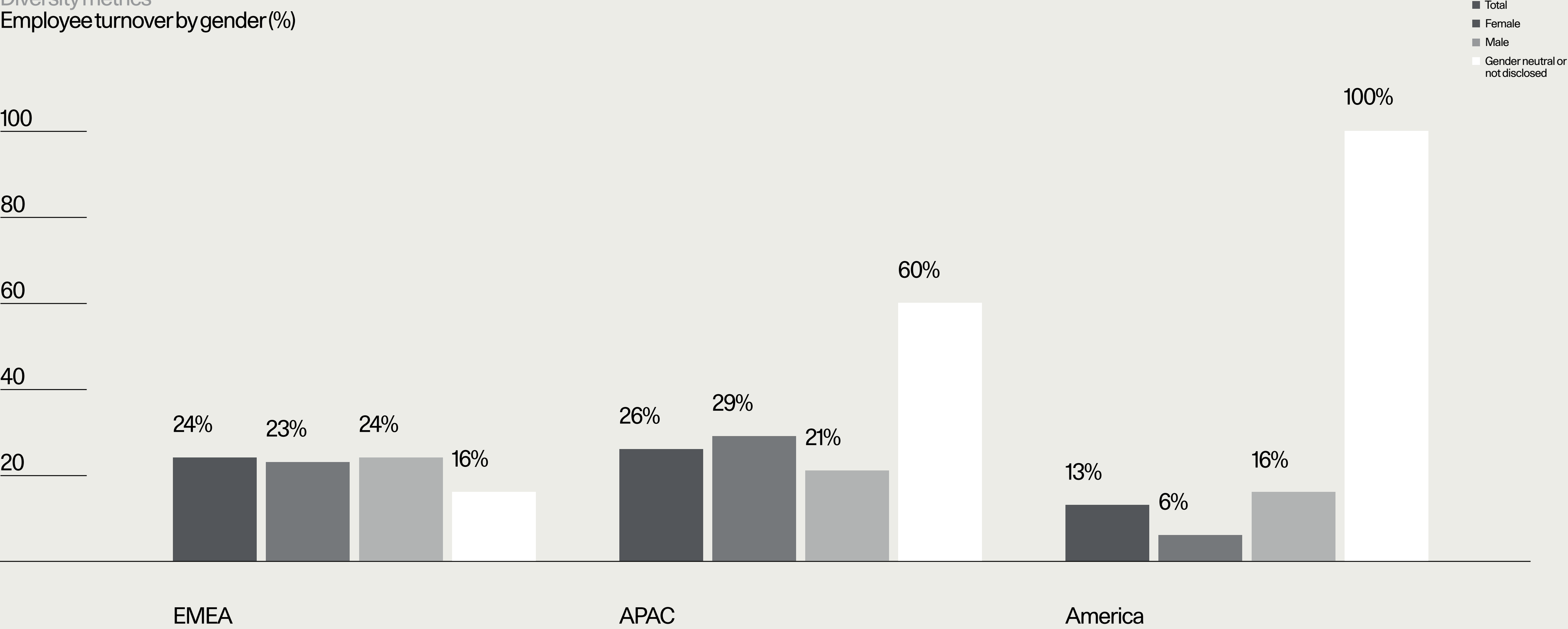
Most of Polestar's employees and non-employees are office staff and sales staff. Polestar has limited employees in its own manufacturing operations, reducing typical labour issues found in production settings. There is a strategic initiative established to secure human rights in manufacturing, including the workers in the value chain that are hired through our manufacturing business partners, Volvo Cars and Geely. Workers in manufacturing operations for Polestar 2, 3, and 4, as well as the blue-collar workers for Polestar 5, which has not yet entered production, are not part of our own work-force but part of the workers in the value chain.

Employees by gender	Men			Women			Gender neutral or not disclosed		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Total number (HC)	1,524	1,704	1,510	679	743	687	58	70	180
Out of total employees %	67%	69%	64%	30%	30%	29%	3%	1%	8%
Executive Management %	70%	46%	63%	30%	54%	38%	0%	0%	0%
Board of Directors %	42%	78%	78%	58%	22%	22%	0%	0%	0%
New hires	171	401	717	70	173	329	25	32	167
New hires, share per gender %	64%	66%	59%	26%	29%	27%	9%	5%	14%
Permanent employees	1,349	-	-	600	-	-	32	-	-
Temporary employees	175	-	-	79	-	-	26	-	-
Share of permanent employees %	89%	98%	85%	88%	98%	85%	55%	95%	58%
Share of temporary employees %	11%	2%	15%	12%	2%	15%	45%	5%	42%
Full-time employees	1,502	-	-	665	-	-	54	-	-
Part-time employees	2	-	-	2	-	-	2	-	-
Share of temporary full-time employees %	99%	98%	99%	98%	97%	99%	93%	95%	96%
Share of temporary part-time employees %	0.1%	1%	1%	0.3%	4%	1%	3.4%	5%	4%
Rate of recruitment %	11%	24%	47%	10%	23%	48%	43%	46%	93%
Total Employee turnover	356	-	-	156	-	-	21	-	-
Total Employee turnover %	23%	16%	12%	23%	18%	14%	36%	90%	28%

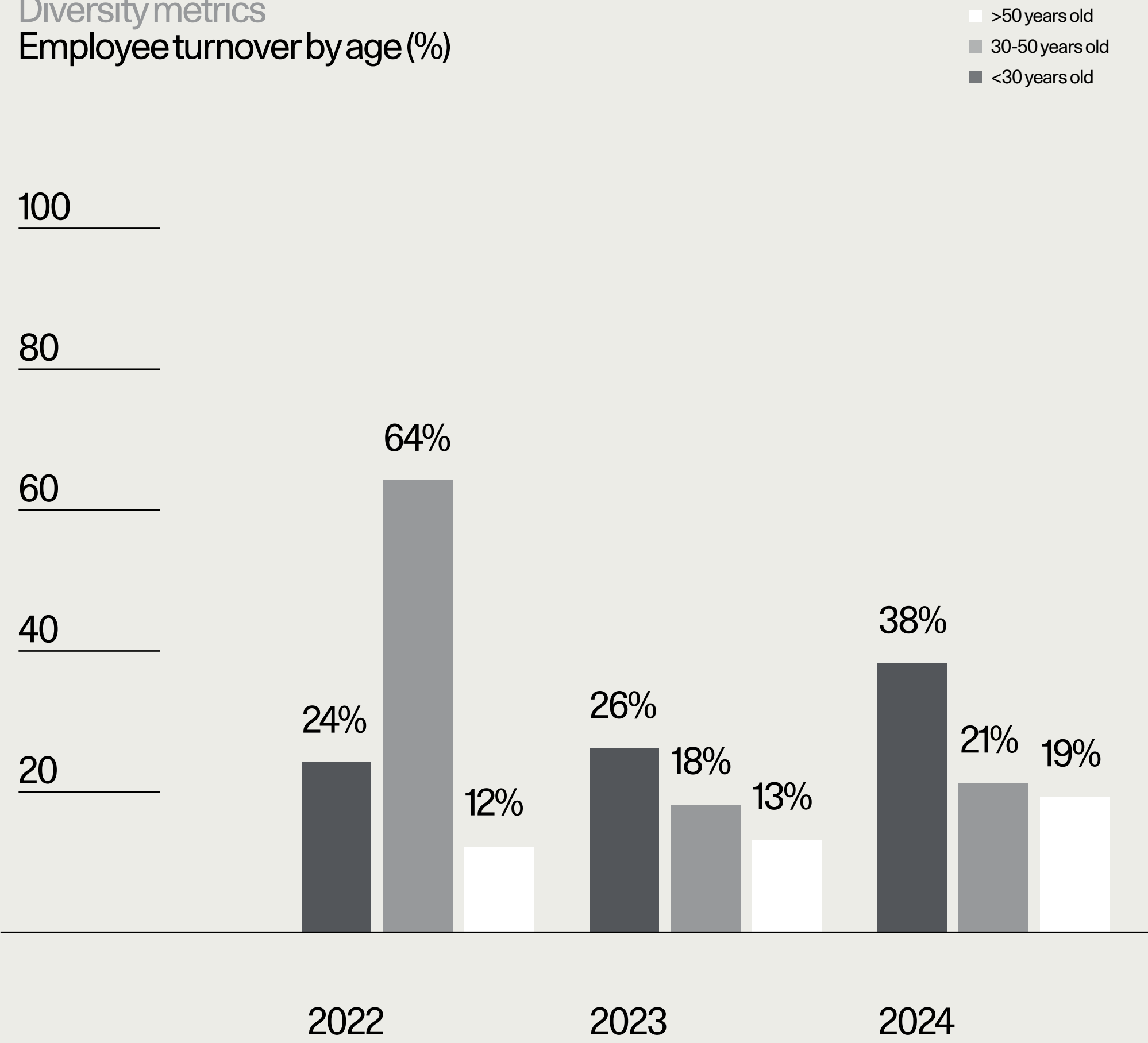


Diversity metrics

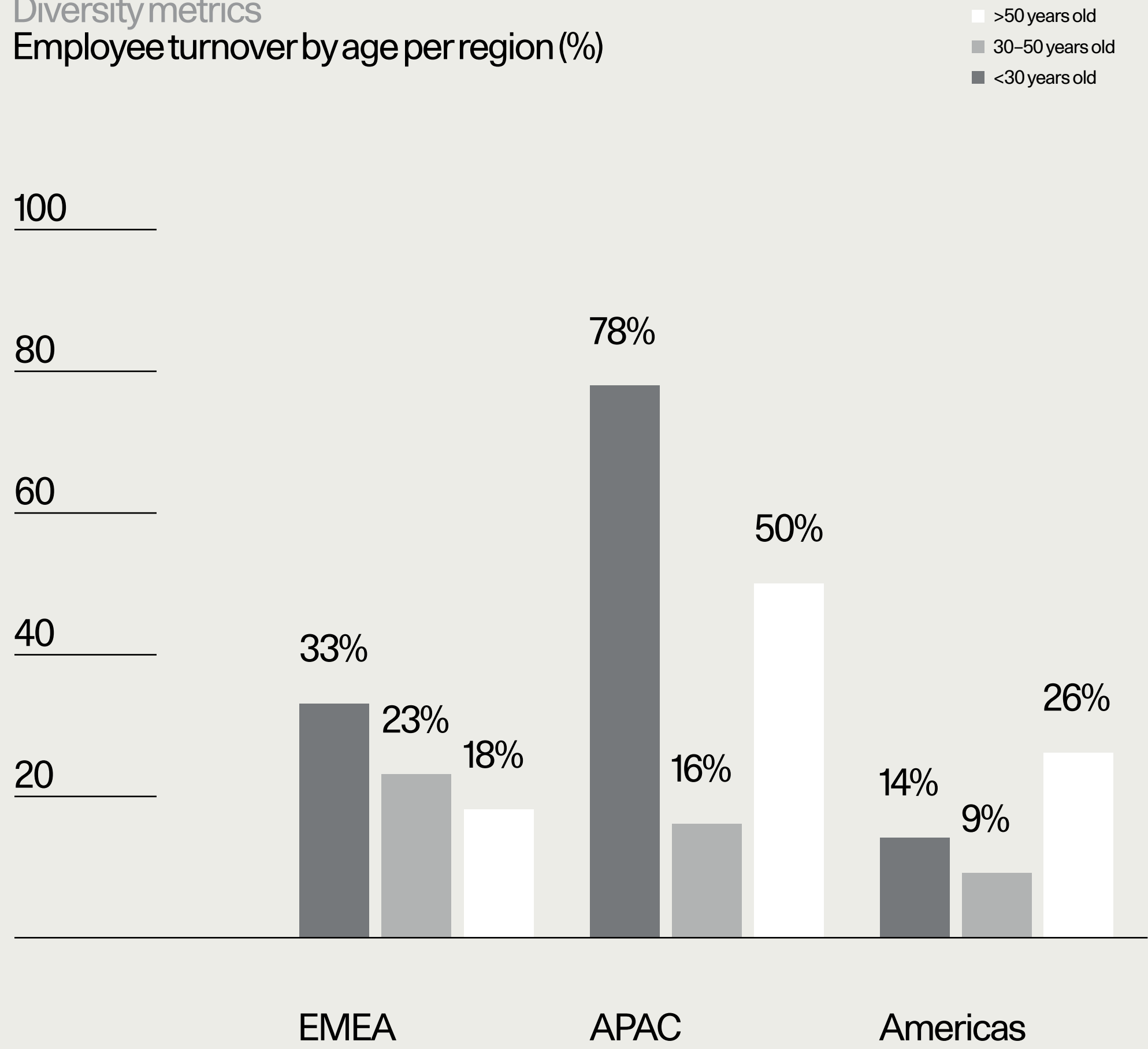
Employee turnover by gender (%)



Diversity metrics
Employee turnover by age (%)



Diversity metrics
Employee turnover by age per region (%)





Fair employment performance

Polestar strives to be a responsible employer with fair employment terms that support work-life balance with fair remunerations, in a healthy environment where individuals can thrive, feel safe, and where freedom of association and collective bargaining are encouraged. Polestar prohibits the use of forced labour and child labour. The objective is for all employees to feel comfortable, connected, and valued for their contributions to the workplace.

Freedom of employment
Polestar advocates freedom of employment, which means all work should be done voluntarily and employees may terminate their employment by giving any required contractual or statutory notice. Our recruitment processes comply with the relevant local regulations and standards. We adopt a fair and equitable approach when scouting for talent, and wages are compliant with local laws and regulations.

Child labour and the employment of children below the applicable minimum legal age are strictly forbidden.

All employees and consultants working on behalf of Polestar must adhere to Polestar's Code of Conduct and the applicable policies.

Freedom of association and collective bargaining
Polestar employees have the right to form or join associations of their choice concerning the relationship between the employer and employees, and to engage in collective bargaining.

Disciplinary or discriminatory actions against employees who choose to peacefully and lawfully organise or join an association are not tolerated. Intimidation of any kind to obstruct other employees' right to freedom of association or the right to remain unorganised is prohibited.

In 2024, Polestar had 1,164 employees, of whom 51% (2023: 54%) were covered by collective bargaining agreements. The countries currently with collective bargaining agreements are Austria, Belgium, Finland, Italy, the Netherlands, and Sweden.

Countries with collective bargaining agreements

Country	Number of employees	% of employees covered by collective agreement
Polestar total	1,164	51%
Austria*	26	100%
Belgium*	37	100%
Finland*	14	100%
Netherlands*	51	98%
Sweden*	1,036	99.9%

*These countries are within the European Economic Area.



Fair employment performance

Fair remuneration

Polestar is committed to providing compensation and benefits that attract, motivate, and retain the employees who are essential for successfully executing our strategies. The goal is to foster a sustainable and high-performing culture that recognises good performance and behaviour, in alignment with our ambitious long-term objectives.

Compensation, rewards, and recognition at Polestar are based on transparent and non-discriminatory principles. Discriminatory differences related to race, religion, gender, national origin, age, sexual orientation, disability, or any other unjust factor are never tolerated.

Our compensation structure is designed to optimise performance, both in the short and long term. We strive to offer flexible compensation and benefits solutions that cater to the diverse needs of our workforce. Recognising that these needs change with age and life circumstances, we make efforts to provide adaptable options to accommodate these differences.

An essential aspect of diversity is ensuring fair and equal pay for all employees. Clear remuneration principles and a structured salary process are in place to support this commitment. As part of our dedication to transparency, we are actively working to fulfil the requirements set out in the Directive on Transparent and Predictable Working Conditions in the European Union (“EU Pay Transparency Act”), which aims to improve pay transparency across the EU and address the gender pay gap by ensuring workers have access to information regarding pay and conditions.

Employees receive working conditions that comply with statutory requirements, including written information in an easily understandable language about their terms of employment, salaries, and benefits before starting employment. There is a firm stance against forced labour, including debt bondage, trafficking, or other forms of modern slavery. Employees are not required to deposit identity papers at the start of employment and are free to leave after a notice period, as required by law and contract.

Salaries and benefits at Polestar are aligned with legal or industry standards and are always equal to or above the defined living wage. Employees are covered by a pension or employee savings trust plan and insurance benefits, provided either by Polestar or another entity. Information on salaries and benefits is accessible to individual employees in accordance with applicable law. Employees receive details of their salaries for each pay period. No salary deductions are permitted without the employee’s expressed permission, unless provided for by national law, collective labour agreements, or in accordance with the employee’s terms of employment.

Social protection

All Polestar employees as well as non-employees in all countries where we have operations are covered by social protection against loss of income due to major life events, either through public programmes or through benefits offered by the company.



Fair employment performance

Work-life balance

We believe in and are aiming for working conditions and terms of employment that, as far as possible, provide equal opportunities for all and support a healthy balance between work and private life. There is a belief in freedom with responsibility, offering flexibility to manage private matters as long as it does not impact job performance. All employees are entitled to either 25 or 30 days of vacation each year, which can be taken as paid, unpaid, or loan/advance days.

To promote work-life balance, compliance with national legislation and collective bargaining on working hours is essential, and there is a commitment to respecting employees' right to leisure time and their availability outside working hours

Various types of absence are available depending on the nature of the leave, including vacation, sick leave, sick child leave, parental leave, short paid leave, leave with pregnancy allowance, second parental leave, time bank time off, and unpaid leave. Parental benefit is provided to allow employees to stay with their child instead of working. To ensure approval, all types of parental leave must be announced at least two months in advance by submitting a request. If eligibility requirements are met, a supplementary payment called Parental Pay will be provided, in accordance with the collective agreement.

Parental Leave Statistics

KPI	Female employees	Male employees	Gender neutral or gender not disclosed	Total
Entitled to take family-related leave	679	1524	58	2,261
Employees that took family-related leave	265	454	0	719
Percentage of entitled employees that took family-related leave*	39%	30%	0	32%
Total number of employees that took parental leave	118	103	0	221
Total number of employees that returned to work in the reporting period after parental leave ended	109	96	0	205
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	105	85	0	190
Total number of employees that returned to work in the PRIOR reporting period after parental leave ended	28	71	1	100
Return to work rate	92%	93%	N/A	93%
Retention rate	89%	83%	N/A	86%

*Family-related leave consists of both long-term family-related leaves (parental, child-care, maternity, etc) but also short-term time-off (care of sick child, emergency leave, etc)

Fair employment performance

Training and skills development

Our goal is to invest in our employees by providing opportunities to enhance their competence through the development of specific skills. We believe in harnessing internal talent, fostering growth, and creating a culture of continuous learning.

Polestar Learning Management System (LMS) offers our employees a variety of learning opportunities. The Training Corner on Polestar's intranet helps drive traffic to the courses in the system, thereby enhancing learning participation globally.

Polestar employees received 6,936 hours of training during 2024

Throughout the year, mandatory training was conducted for all employees on the Code of Conduct, Information Security, and Procurement Policy. These training courses are essential for fostering a respectful, ethical, and compliant workplace, addressing key topics such as discrimination, human rights, and security concerns. Additionally, employees participated in Polestar's Ignite Onboarding Programme, designed for new hires, as well as specialised deep-dive sessions on areas such as transparency, health and safety, and other relevant topics for specific employee groups.

To help upgrade employee skills, we offer a range of opportunities, including online training, classroom training, external management training, mentorship programmes, individual training plans, leadership labs, and townhalls.

The scope of the programmes implemented to enhance employee skills covers a wide array of areas, including:

- Brand & Marketing
- Business & Strategy Development
- Customer Experience

- Design
- Digital
- Finance
- Global Communication & PR
- Global Sales
- Human Resources
- Knowledge Sharing
- Legal
- Manufacturing
- Operations
- Planning & Pricing
- Product Development
- Quality & Logistics
- R&D
- Sustainability

Employees have access to training with regards to human rights and modern slavery through our LMS system. For employees working with human rights in the supply chain, they also have additional access to training provided through our memberships in, for example, RBA.

In addition to regular one-to-one meetings held throughout the year to upgrade employee skills, individual priorities are developed for each employee in collaboration with their manager at least once a year, along with a year-end performance review. Job shadowing, job swaps, referral programmes, exit interviews, and feel-good support are examples of transition programme initiatives aimed at supporting continued employability. Other transition assistance programmes are provided if and when there is a termination of employment. In Sweden, collaboration with Trygghetsrådet is established to help facilitate the management of career endings.

Average number of training hours per employee

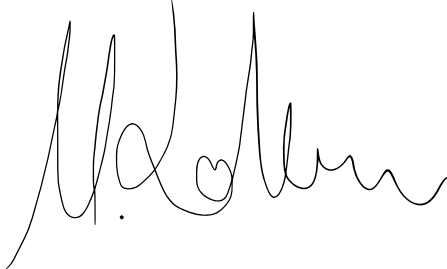


Looking forward

In 2025, we will continue our efforts to ensure human rights in our value chain. The fight for these rights is ongoing, and we know that there is always more to be done. By having inclusion as a key focus area, our aim is to safeguard human rights in the supply chain and thereby establish a sustainable long-term business agenda.

This statement has been adopted and approved by the Polestar Automotive Holding UK PLC Board of Directors on 9th April, 2025, for the period 1 January 2024 to 31 December 2024, and in accordance with the UK Modern Slavery Act 2015.

Michael Lohscheller
CEO Polestar





Do you have questions or comments?
Please contact us at media@polestar.com or ir@polestar.com