



HYPERLOOPTT

Communication on progress (COP)

PREPARED BY

Hyperloop Transportation Technologies

Los Angeles, California

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COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Period covered by

Hyperloop Transportation Technologies

Communication on Progress (COP)

From: 11/17/2020 To: 11/15/2021

Table of Contents

1.	Hyperloop Transportation Technologies.....	4
2.	Statement of continued support	6
3.	Description of actions.....	7
3.1.	Human Rights	7
3.2.	Labour	8
3.3.	Environment	9
3.4.	Anti-Corruption	10
4.	Measurement of outcomes.....	11

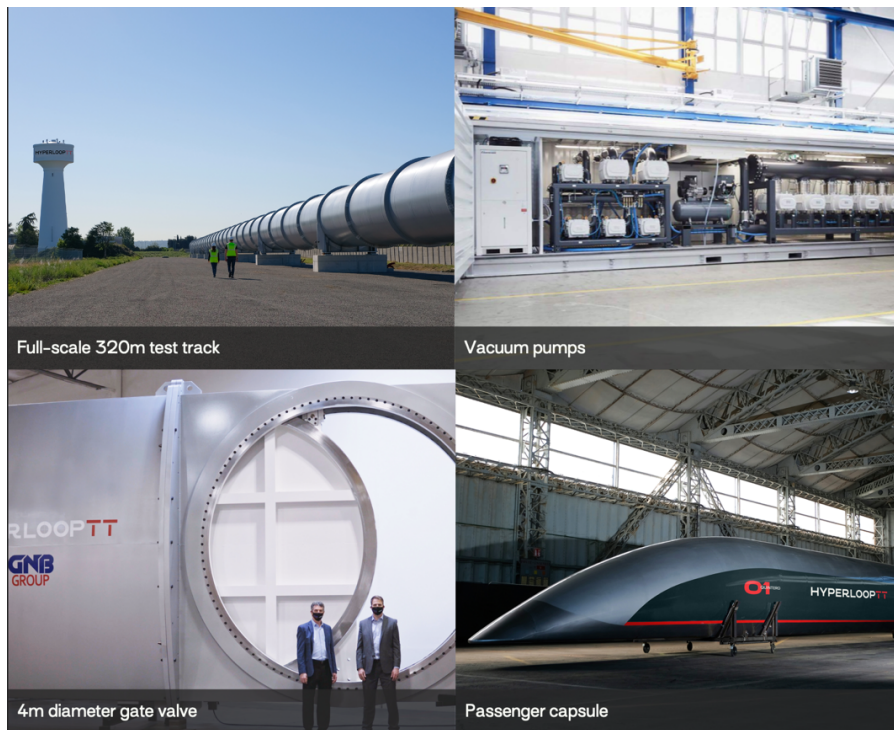
1. Hyperloop Transportation Technologies

Hyperloop Transportation Technologies (HyperloopTT) is an innovative technology company focused on realizing the hyperloop, a system that moves people and goods safely, efficiently and sustainably by bringing airplane speeds to the ground.

Founded in 2013, HyperloopTT is a global team of more than 800 engineers, creatives and technologists in 52 multidisciplinary teams, with 50 corporate and university partners. Headquartered in Los Angeles, CA and Toulouse, France, HyperloopTT has offices in North and South America, the Middle East and Europe.

HyperloopTT has developed breakthrough mobility systems based on a reduced-pressure tube and passive magnetic levitation. Hyperloop changes travel time from hours to minutes, is powered by a combination of alternative energy sources to ensure sustainability and low cost, and does not require government subsidies.

In 2019, HyperloopTT finished construction of the world's first and only full-scale hyperloop test system in Toulouse, France. This research and development center is home to our plug-n-play vacuum pump systems created in partnership with Leybold (the inventor of the vacuum pump over 150 years ago), safety isolation valves designed and built with partner GHB, and our first-generation passenger capsule Quintero 1. In Toulouse we continue integrating, optimizing and readying our technologies for commercial application.



HYPERLOOPTT

HyperloopTT's system integrates renewable energy capture technology including solar, geothermal, wind and braking energy to create a sustainable transportation revolution. Its efficiency and integration of renewable energy capture technologies creates the potential to generate more energy than is consumed during annual operations.

HyperloopTT is creating emission free transportation with the potential to replace current emissions heavy transportation options. Along a 771 km route, our system is projected to replace 143 million tons of CO2 over a 25-year operating period. It is among the lowest emissions transport options, with under 20 grams of CO2 per passenger kilometer, from the construction of the infrastructure and capsule rolling stock.

Hyperloop's minimal environmental impact and net zero operating emissions makes it a long-term climate change solution. Comprehensive factors to further reduce emissions are being considered from design and manufacturing through construction and operation.

HyperloopTT's elevated infrastructure integrates into any city to promote increased green space and sustainable activity, prevents habitat fragmentation and creates a guideway for public space in city centers.

HyperloopTT is an official signatory of The UN Global Compact, the world's largest corporate sustainability initiative, to increase organizational transparency, establish sustainability expertise and advance the UN 2030 Agenda for Sustainable Development.

HyperloopTT is actively engaged in innovation projects targeting improvements to the carbon footprint of civil infrastructure materials. We are also preparing to measure performance by tracking full-life cycle emissions and setting an internal price on carbon.

As projects are developed around the world, we seek partners who share our sustainability values.

2. Statement of continued support

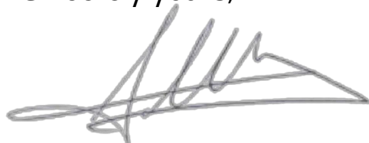
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To our stakeholders:

I am pleased to confirm that Hyperloop Transportation Technologies, reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,



Andres De Leon

Chief Executive Officer

3. Description of actions

3.1. Human Rights

Hyperloop Transportation Technologies is committed to providing a safe and suitable work environment for all its employees, contributors, and contractors. We have taken the following actions to address the United Nations Global Compact Human Rights Principles –

- Developed governing principles of employment for corporate headquarters, which include policies on:
 - Equal Employment Opportunity
 - Discrimination, Harassment and Retaliation Prevention
 - Drug-free workplace
 - Workplace violence

- Developed general standards of conduct for corporate headquarters, which includes policies on:
 - Workplace conduct
 - Communication
 - Use of social media
 - Use of Facilities, Equipment, and Property, Including Intellectual Property
 - Health and Safety
 - Operation of company-owned and leased vehicles

- Developed safety policies for the test track in Toulouse, France, they include:
 - Safe Operating Procedures (SOP) for vacuum testing on track
 - Vacuum testing checklist for SOP
 - Signage on the test facility
 - List of required personal protection equipment
 - In case of accidents or injuries, the procedure to be followed is included in the policies along with emergency contact numbers
 - Thermal management checklist

- Developed health and safety recommendations for site work during the pandemic, paying close attention to the following details:
 - Ventilation

- Lighting
 - Acoustics
 - Created a risk assessment matrix
- Developed office policies for all office locations to ensure the health and safety of all employees during the pandemic.
 - Developed basic office policies for hiring and a code of conduct for all office locations.
 - Supplier Management Guidelines mention that “HyperloopTT as a company and Supply Chain, in particular, must take every care not to employ, either directly or through its partners, suppliers or contractors, anyone under the age of 16, and must not tolerate any form of child labor or any type of forced labor or exploitation. HyperloopTT, while contracting their partners and subcontractors, must make sure explicitly that they confirm compliance with this essential rule.” It also requires suppliers and partners to demonstrate their commitment to ethical conduct.
 - HyperloopTT has pledged to foster a culture of sustainability that promotes economic prosperity, environmental benefits, and social values.

3.2. Labour

Hyperloop Transportation Technologies stands against all forms of forced or bonded labor. We have taken the following actions to address the United Nations Global Compact Labour Principles.

- Developed operational policies for the corporate headquarters for all US employees, focus areas include:
 - Flexible work schedules to accommodate the employees' requirements
 - On-the-job injuries are covered by the Workers' Compensation Insurance Policy, which is provided at no cost to the employees
- Developed Hyperloop Transportation Technologies Code of Ethics, it is a mandatory compliance for all partners and suppliers of the company. HyperloopTT encourages

dignified employment, scrupulously respecting people's right not to be victims of forced labor or any other form of labor exploitation within HyperloopTT and among HyperloopTT's business partners, suppliers, contractors, and subcontractors.

- All corporate headquarter employees are eligible for paid sick leave, and in no event will the rate of pay be less than the Los Angeles or California minimum wage, whichever is higher.

3.3. Environment

Hyperloop Transportation Technologies is committed to the prosperity of the planet and its communities. We have taken the following actions to address the United Nations Global Compact Environment Principles.

- **Corporate** | Our actions at the corporate level are listed below:
 - Became a proud signatory of the United Nations Global Compact to express our commitment to the 10 principles and progression of the United Nations 2030 Agenda
 - Created a sustainability pledge to address the three pillars of sustainability – People, Planet and Prosperity!
 - Initiated a weekly engagement program to engage, educate, and encourage all employees, contractors, and contributors to embrace sustainable actions in their everyday lives via actions from the UN ACT NOW initiative
 - Calculated baseline scope 1 and scope 2 carbon emissions for all office locations. Identified the categories for Scope 3 calculations
 - Switched to the use of 100% renewable energy for the corporate headquarters in Los Angeles
 - Use of DocuSign to reduce our paper usage

- Remote meetings are preferred as compared to in-person meetings whenever possible to reduce the carbon emissions from employee travel
- **Hyperloop Design, Operations, and Construction** | We took the actions listed below to incorporate environmental sustainability:
 - Developed the technology to reduce the emissions from the transportation sector via the use of renewable energy
 - Created a material flow analysis model for benchmarking the carbon emissions for the Great Lakes Feasibility Study
 - Conducted research on low emissions materials to reduce the emissions from the construction
 - Our supplier quality requirements are stringent for waste reduction, recycling, hazardous material handling

3.4. Anti-Corruption

Hyperloop Transportation Technologies stands against all forms of corruption. We have taken the following actions to address the United Nations Global Compact Anti-Corruption Principles.

- Code of Ethics developed by Hyperloop Transportation Technologies include anti-money laundering and counter-terrorist financing measures as mandatory compliance for all suppliers and partners.

4. Measurement of outcomes

As Hyperloop Transportation Technologies is starting its journey, we have identified the following indicators to measure outcomes from our actions to embed the 10 principles of the United Nations Global Compact.

- Raised awareness within internal stakeholder community on UN ACT NOW actions, dedicated 2-3 weeks on each action
- 100% use of green energy at corporate headquarters, avoided 3.2 tons of carbon emissions from 12/01/2020 to 10/31/2021
- We have identified the Sustainable Development Goals appropriate for us, we plan to continue working on identifying the indicators and targets for each of them
- From 12/01/2020 to 11/02/2021 reduced 16,309 lbs of carbon by using DocuSign
- We plan to calculate the carbon emissions from the construction materials and identify low emissions materials for use wherever possible
- We plan to set up an internal price on carbon
- We plan to initiate a tree planting initiative to offset some of our corporate emissions
- We plan to engage the internal stakeholder community to raise awareness in moving forward the United Nations 2030 Agenda