

# Our first sustainability report

LYNK & CO



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## About the report

This is Lynk & Co's first Sustainability report that from now on will be published annually. In the report you will be able to explore the sustainability impacts and activities of Lynk & Co and our sustainability strategy, management, and progress.

The Sustainability Report of Lynk & Co (Lynk & Co International AB, org nr 559151-8161) has been approved by the leadership team. Lynk & Co has reported in accordance with the GRI Standards for the period from January 1, 2021 to December 31, 2021. It also constitutes Lynk & Co's Communication on Progress (COP) to the UN Global Compact.

A complete list of disclosures under the GRI and the UN Global Compact is provided on pages 57-59.





# About Lynk & Co





# Who are we?

## Our mission: Change mobility forever

The world does not need another car brand. It needs a different one.

Lynk & Co was created to provide simple, hassle-free, sustainable mobility solutions. We make really good cars and offer a new way of using them. Our customers can access a car on a flexible, subscription basis and share with friends, family, and the Lynk & Co community.

## What do we do?

In the conventional journey to get a car, there are many pain points for the customer like far-away dealerships, complex build combinations, tedious price negotiations, and lengthy workshop visits. We believe people are increasingly craving simple, sustainable solutions and experiences over ownership.

We use a direct-to-consumer approach through our online channels. The only thing a customer needs to choose is if they want to subscribe or buy their car and if they prefer it in black or blue. Alternatively, they can borrow a car when they need it from other members through our built-in car sharing platform.

The Lynk & Co Clubs are where people get to know us — have a coffee, hangout, or catch the

latest event — and of course, experience and test drive the Lynk & Co 01. The combination of digital and physical retail experience is aimed at creating an excellent customer experience.

With Lynk & Co people get access to mobility, not just a car.

## Who are we?

Lynk & Co is a mobility brand headquartered in Gothenburg, Sweden, born from a joint venture between Geely and Volvo Cars. Our cars are manufactured in a state-of-the-art facility in Yuyao, China, in collaboration with Geely.

In April 2021 our first car, the 01, hit the streets of seven European markets. We delivered nearly 7,500 cars in 2021 and will continue our rapid expansion in the coming years by launching in new markets and introducing new electrified vehicles. Our ambition is to deliver more than 100,000 cars yearly by 2025 and significantly increase the utilization of each car through our car sharing platform.

We aim to incorporate our four values — open, sustainable, simple, wow — in all our products and services, as well as fully living it in all we do.

We have high ambitions and a long way to go, but we are up for the challenge.





# CEO Letter

## Lynk & Co – A company built on the idea of changing mobility forever

I am a father of two. Some years ago, my sons asked me, "Dad, what have you been doing at work all these years?". "Selling cars" I said bluntly. The answer did not make me feel proud. After 35 years in the car industry, I had hit a point of disillusionment.

This industry claims to be very innovative, but I think that is not true. Basically, all large car companies are in the business of selling as many cars as possible. At the same time most cars are in use only 4% of the time.

After 100 years of the same, it was time for something different. Starting up Lynk & Co was my chance to do it better. In an industry where sustainability efforts are focused on the product and electrification, we go way beyond that. We have put sustainability at the heart of our business model through our built-in car sharing platform, aimed at drastically increasing the utilization of cars. What we have done in the last year proves that the industry will never be the same again.

During 2021 just over 80% of the nearly 7,500 cars we delivered were via our flexible, monthly subscription offer. One tenth of all Lynk & Co cars have been made available for sharing, and 5,300 hours of car sharing have been completed between peers in the Lynk & Co community. Our car sharing platform is growing quickly, setting a new standard for sustainable mobility.

There is so much to be done in this industry and I

personally feel very excited about the future. At the same time, as a car manufacturer, we recognize that we are also part of the problem, and that bold action is needed to change that.

Therefore, I am proud to announce that Lynk & Co has committed to net zero emissions by 2040. As a first step, in 2021, we shifted to 100% renewable energy across our offices and Clubs in Europe. From 2022 our car manufacturing plant is operating on 100% renewable energy as well. We are also working to lower the lifecycle footprint of our cars, increase the share of recycled and sustainable materials, and establishing car sharing as the new normal, reducing the need for individual cars.

Establishing a new mobility brand is not an easy achievement, so, I would like to thank our employees and partners for their dedication to this challenging journey. I am proud of what we have accomplished so far. This is the first time in my career where I am doing something that I love, and we are doing it together.

Lastly, by publishing this report, I confirm our continuous commitment to the UN Global Compact. The framework and principles that the initiative provides are a guiding star to our sustainability strategy and we encourage others to follow it as well.

And with all that out of the way, it is my great pleasure to present our first sustainability report!

**Alain Visser,**  
CEO, Lynk & Co International AB





## Numbers in 2021

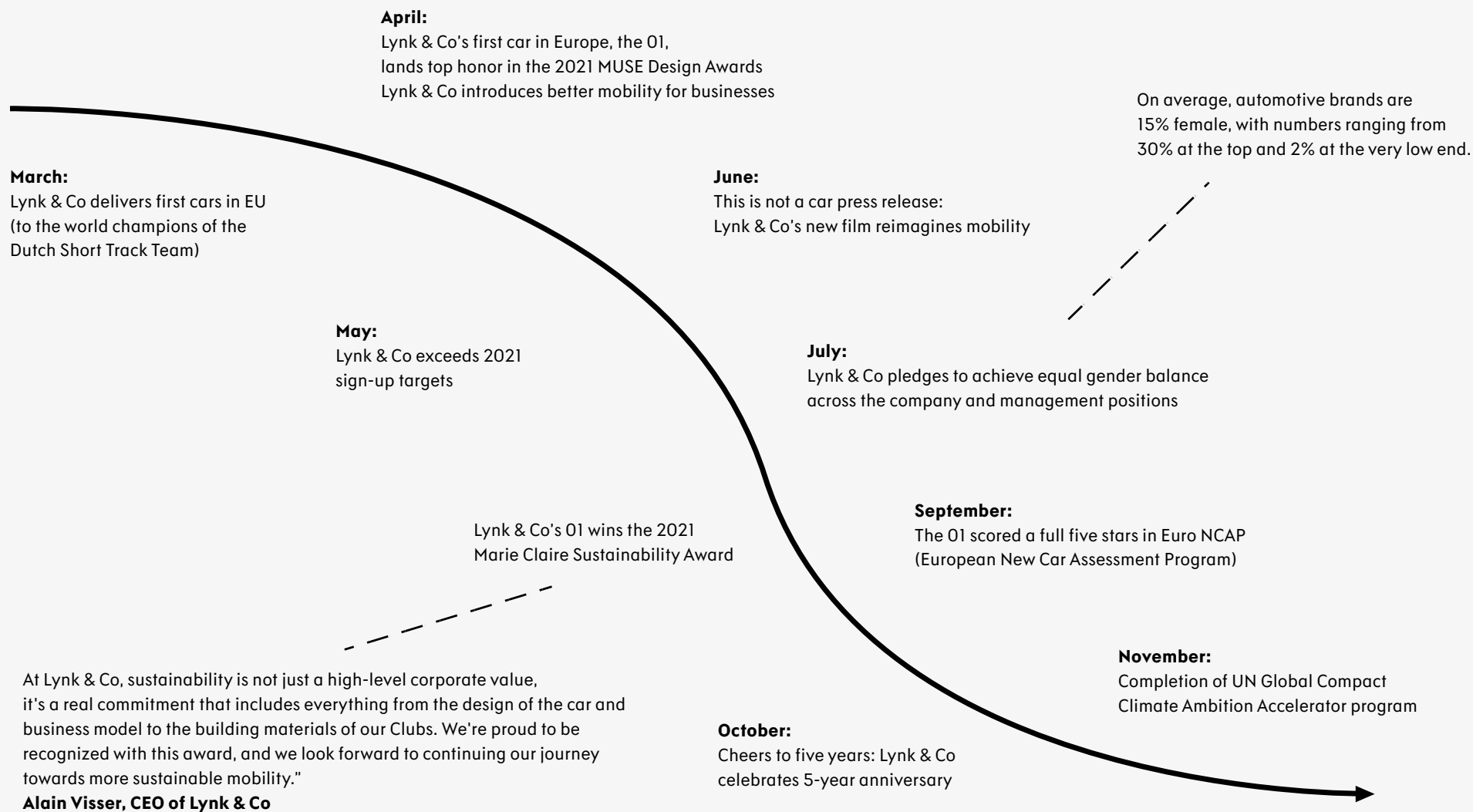
- Launched in seven EU markets: Netherlands, Sweden, Germany, Belgium, Spain, Italy, France
- Nearly 7,500 cars delivered
- Almost 1,000 borrowers and lenders used our car sharing platform
- 200% team growth to 479 teammates by the end of 2021
- Gender balance at the end of 2021: 45% female total, 36% women in management positions, and 40% in top leadership
- 100% renewable energy in all our offices and Clubs
- Seven offices: Headquarters in Gothenburg and offices in Amsterdam, Berlin, Paris, Maastricht, Barcelona, and Milan
- Seven Clubs: Gothenburg, Stockholm, Amsterdam, Antwerp, Berlin, Hamburg, and Munich with eight more to come in 2022
- €280 million in revenue, compared to €4.1 million in 2020

Lynk & Co Club locations





## 2021 Highlights





## As a car manufacturer, we are part of the problem

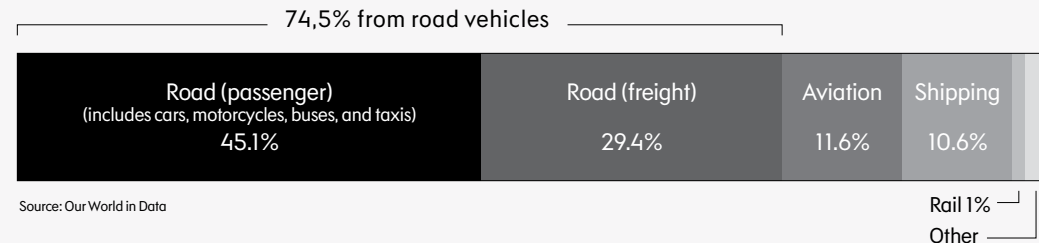
Transportation is responsible for 17% of global greenhouse gas emissions, nearly half of which is due to passenger vehicles. At the same time, cars are incredibly underutilized, standing still 96% of the time. This is unsustainable, but also a unique opportunity to transform the industry.

### Mobility needs to be transformed — and that requires bold action.

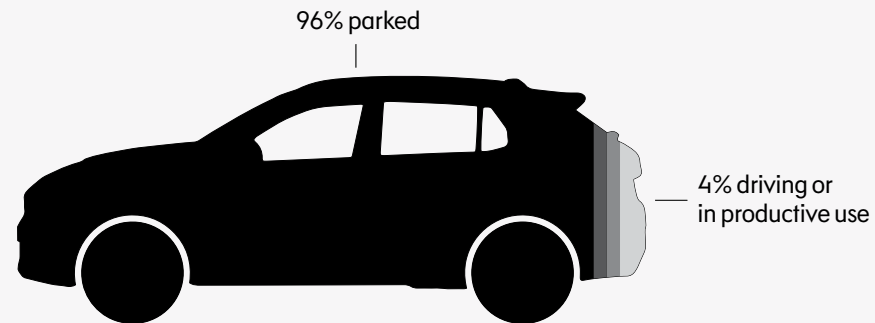
To achieve net-zero mobility many challenges need to be resolved and we believe that electrification of vehicles alone will not be enough.

As an industry we need to move from a focus on tail pipe emissions towards production and use-phase related emissions. Shifts in materials and production as well as behavior, mindsets, and business models are needed to enable genuinely sustainable mobility. We have started this shift and our sustainability strategy outlines our path moving forward.

Transportation — responsible for 17% of global greenhouse gas emissions



Split, global CO<sub>2</sub> emissions from transport



Source: Fortune, 2016

Car Utilization

“

The most profound inefficiency is that cars spend most of their time parked like metal statues.

- Alain Visser, CEO

# Sustainability Strategy





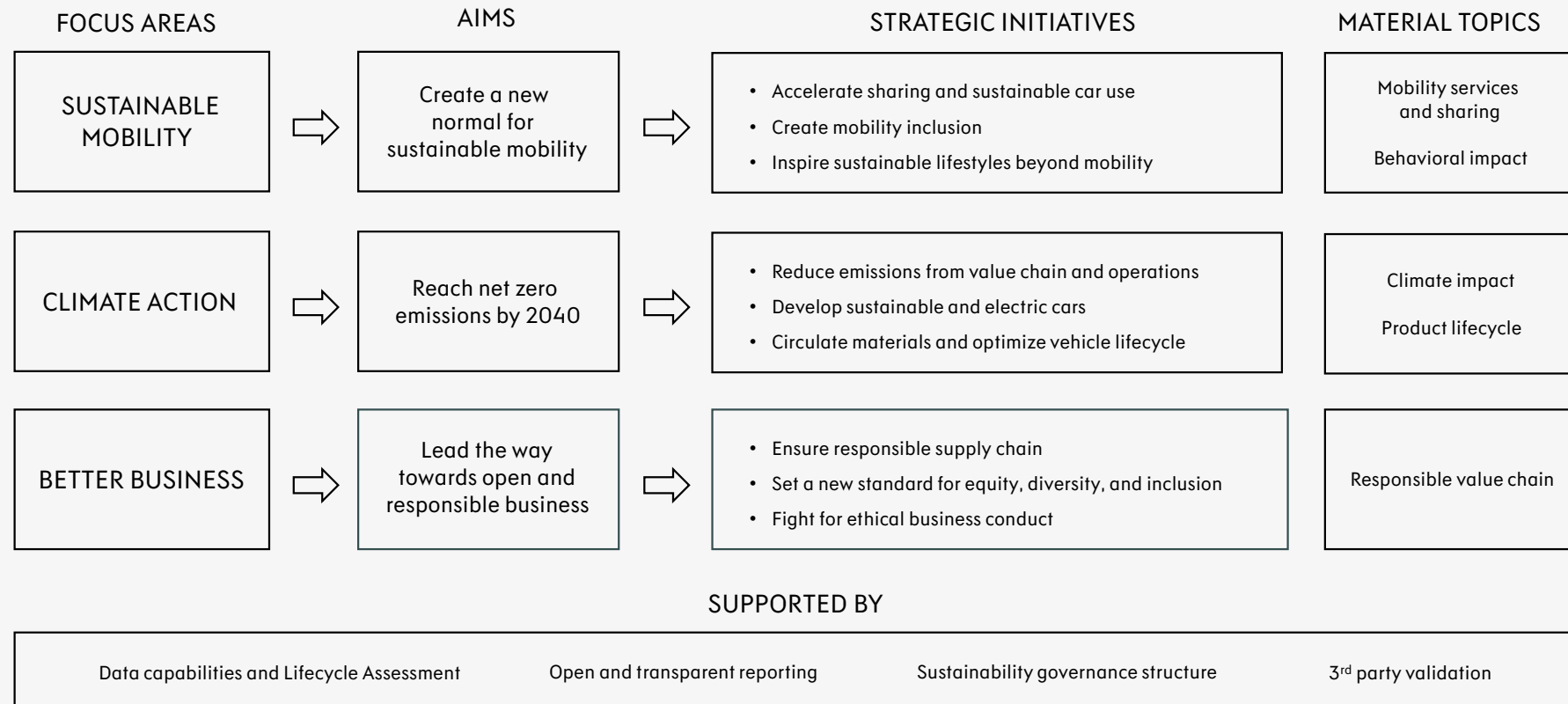
# Sustainability strategy

The strategy has three focus areas: Sustainable Mobility, Climate Action, and Better Business. Protecting our climate and responsible business is vital. Additionally, we are going beyond product development and electrification by shifting business models and behaviors to enable shared and sustainable mobility.

Each focus area has a strategic aim which is supported by three strategic initiatives — in other words, what we will work on to get there.

The strategic framework was developed in 2021 and early 2022. During the development process, a materiality analysis was conducted to assess impacts and identify the most important topics for our operations and stakeholders, seen on the right-hand side. This is covered in more detail on page 47.

There are also four key supporting elements to help realize our strategy, seen in the bottom of the table below.



# Strategic Focus areas

## Sustainable Mobility

We are one of the first automotive brand whose business model is not entirely focused on selling more cars, but rather on providing access to mobility in new ways. We work to inspire people beyond how they use their cars. Through our car sharing platform, we aim to improve car utilization, and accelerate sustainable car use such as access to renewable charging. We also aim to make mobility more inclusive by making it easier and more affordable for more people to access modern and safe cars, and to use our platforms to inspire sustainable lifestyles beyond mobility.

## Climate Action

Climate change is reaching alarming levels and threatens the wellbeing of people, wildlife, and the planet. This is largely due to emissions from fossil fuels used for transportation and industrial production — areas that are central to our business. Reducing emissions is a top priority for us, as well as for our customers and stakeholders. That is why Lynk & Co aims to reach net zero by 2040. To be frank: this is a challenging goal. But we believe we can reach it by focusing on reducing emissions from our value chain and operations, developing sustainable electric cars, circulating materials, and optimizing the lifecycle of our vehicles.

## Better Business

Lynk & Co aims to make a positive impact on society. This means we need to be a good example in how we treat our co-workers, and how we work with suppliers and business partners. We are working to ensure a responsible supply chain, conducting business in a fair way, upholding human rights, improving labor conditions, and setting a new standard for equity, diversity, and inclusion in the automotive industry.

## Supporting elements

We have identified four supporting elements to help realize our sustainability strategy:

**Data capabilities and lifecycle assessment:** Honest data and robust data capabilities, such as lifecycle assessment and greenhouse gas emissions mapping, to enable deeper understanding of our impacts and inform decision making.

**Open and transparent reporting:** Both internally and externally, driving stakeholder engagement.

**Sustainability governance structure:** To enable us to track and follow up on our progress towards our aims and to establish collaboration, ownership, and integration throughout our operations and value chain.

**3rd party validation:** Independent evaluations to verify the quality and real-world impact of our business and sustainability work.

## UN Global Compact

Our new strategy incorporates the four core pillars — human rights, environment, labor, and anti-corruption — and the ten principles of the UN Global Compact into our strategies, policies, and procedures.

During 2022, the strategy will be implemented to drive progress throughout the organization and the relevant KPIs will be defined.

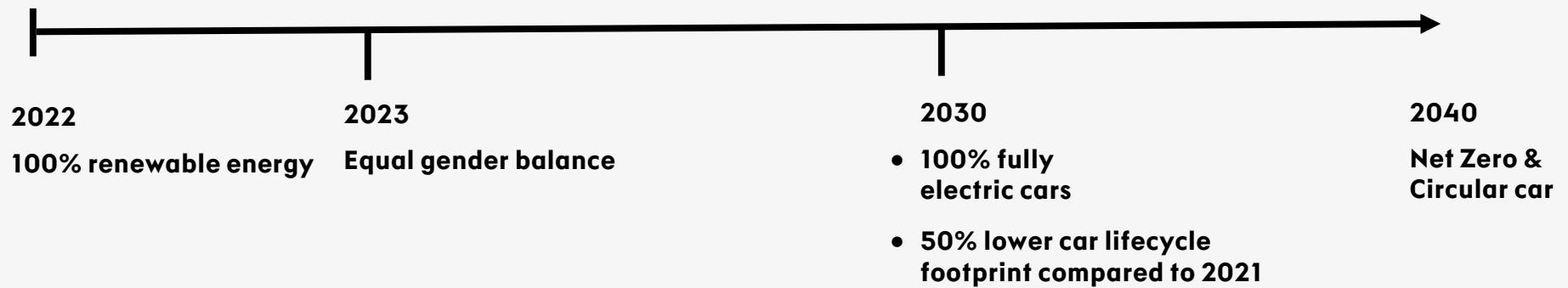




# Lynk & Co Sustainability targets

We have taken important steps, but we have a long journey to fully meet our sustainability aims. As part of the updated sustainability strategy, we have raised the bar and defined ambitious targets and milestones connected to our focus areas.

In the coming sections of the report, the targets and road ahead for each focus area will be further explored.



## How we create value

# Our stakeholders

Through our mission to change mobility forever we aim to build a better society today and for future generations. Our customers want hassle-free, flexible, and sustainable mobility — and they have high expectations of us. To create value for them and our other stakeholders is at the heart of Lynk & Co and everything we do.

But what does it really mean to create value for a stakeholder?  
It depends on which stakeholder you ask.

## Customers

For customers we want to maximize value through offers that are simple, straightforward, and premium for all. Through products that are safe, sustainable, modern, and exciting we aim to deliver mobility with excellent customer experience. Through the Lynk & Co car sharing platform we enable customers to reduce their cost of usership, making mobility more affordable and accessible.

## Owners

For our owners, we want to create financial value over the long term by developing a profitable company. They have invested in the company and are supporting us with the expectation that Lynk & Co will successfully execute our strategy and deliver a return on their investment. We need to secure industry-leading growth, as this will enable us to deliver on our ambitions and have a lean organization that is able to fund and reach its strategic aims.

## Employees

For our employees, a profitable company is important to provide job security and growth opportunities. It is equally important that we create an inclusive workplace and engaging culture where people can thrive. Through our benefits package and “flexibility in life” approach we support the wellbeing of our team (read more on page 38). By enabling both personal and career development we build competencies and long-term economic value for our employees.

## Business Partners

For business partners and suppliers we create economic value and contribute to innovation and industry development through long-term partnerships and responsible business conduct.

## Society

For society we create value on multiple levels such as employment and economic development throughout the value chain. With our innovative business model, we are pushing the automotive industry towards more sustainable practices, and with our offer we create more sustainable mobility and urban environments. Through cars with the highest safety standards, we also contribute to reducing accidents and loss of life.

## Climate & Environment

We are contributing to climate change mitigation by accelerating the transition towards a shared and electrified car fleet. The higher utilization of cars and reduced need for individual cars leads to a smaller footprint. We aim to reach net zero emissions by 2040, with ambitious sub-targets for 2030 (read more on pages 24-30).



<b>Joint value creation</b>		
<b>Economic value</b>	<b>Social value</b>	<b>Enviromental value</b>
<ul style="list-style-type: none"> <li>o Offers and products providing value for money</li> <li>o Sharing economy and decreased cost of usership for customers</li> <li>o Economic compensation, job security and career development for co-workers</li> <li>o Generation of economic value across the value chain and the countries in which we operate.</li> <li>o Long-term financial value and return on investment for owners and shareholders</li> <li>o Long-term business value for suppliers and business partners</li> <li>o Innovating mobility products and services</li> </ul>	<ul style="list-style-type: none"> <li>o Reducing complexity of car ownership and access</li> <li>o Increasing road safety through cars with the highest safety standards</li> <li>o Leading the way towards increased equity, diversity, and inclusion in the automotive industry</li> <li>o Providing an inclusive workplace with equal opportunity for all</li> <li>o Personal and professional development for co-workers</li> <li>o Responsible business conduct across operations and value chain</li> </ul>	<ul style="list-style-type: none"> <li>o Reducing greenhouse gas emissions to reach net-zero by 2040</li> <li>o Accelerating the transition to electrified and sustainable mobility</li> <li>o Reducing the need for individual cars through car sharing</li> <li>o Increasing resource efficiency through higher utilization of cars</li> <li>o Pushing the transition towards renewable energy in the automotive industry</li> <li>o Enabling and inspiring sustainable lifestyles</li> </ul>

# Stakeholder dialogue

We value openness and feedback. Lynk & Co engages with stakeholders in different ways to understand their interests and gather input on how we can do better.

## Customers

We interact directly with customers mainly through our Engagement Center, where customers get in touch with any questions or issues. To gather feedback from customers, we send surveys at regular intervals along the customer journey – such as test drives, car deliveries, and 100 days after car deliveries. The input is used to address issues raised by customers to better meet their needs.

## Owners

We have a close collaboration with our owners Geely Auto, Volvo Cars, and Geely Holding. We report our performance monthly through a scorecard which includes KPIs on the key areas of our business, including sustainability, and get their feedback on how we can improve. Our owners also regularly conduct internal audits to identify areas of improvement.

## Employees

We use Winningtemp to monitor the 'temperature' of our team through automated weekly questions in nine categories (read more on page 38). These questions, combined with an extensive annual employee engagement survey, create a solid understanding of how our employees feel and how we can improve. We also collaborate with unions to involve employee representatives in important decisions such as creating a healthy work environment and reorganizations.

## Business Partners

When it comes to our business partners and suppliers, we aim to always have a collaborative approach and close dialogue. For example, with most of our important business partners we have weekly meetings and keep in close contact.

## Society and the environment

We follow the latest developments in legislation, research, and trends, and try to exceed them where possible. Through our membership in the UN Global Compact, the world's largest corporate sustainability initiative, we build our knowledge and get guidance to better address the needs of the planet and people.

## Co:lab

Stakeholders can easily contact and engage with us through Co:lab, a web platform where anyone can ask questions, share experiences, and discuss ideas. Co:lab was launched in early 2022 and is an important channel for stakeholder dialogue moving forward. The platform features three areas:

- **Communities:** where people can connect and discuss various questions and topics
- **Announcements:** news updates and information
- **Share ideas:** where anyone can share ideas and give feedback on how we can improve










# Sustainable Development Goals

As a company with a global footprint, we have a responsibility to mobilize resources, creativity, know-how, and technology to achieve the Sustainable Development Goals (SDGs) set out in the 2030 Agenda for Sustainable Development.

Our mission to change mobility forever and our sustainability strategy directly address challenges related to the SDGs, including shared and sustainable mobility, climate protection, and responsible business conduct.

Working with the SDGs and incorporating them into our strategies, processes, and procedures helps us to strengthen stakeholder relationships, mitigate risks, and identify opportunities.

Our business model and sustainability strategy contribute to the following SDGs:

Lynk & Co focus areas	Lynk & Co Strategic initiatives	Connected SDGs (importance indicated by size of icon)	Relevant SDG sub-targets
Sustainable mobility	Accelerate sharing and sustainable car use	 	11.2 - Access to safe, affordable, accessible, and sustainable transport systems for all and improving road safety
	Create mobility inclusion		12.8 - Relevant information and awareness for sustainable development and lifestyles in harmony with nature
	Inspire sustainable lifestyles beyond mobility		
Climate action	Reduce emissions from value chain and operations		12.2 - Sustainable management and efficient use of natural resources
	Develop sustainable and electric cars		12.5 - Substantially reduce waste generation through prevention, reduction, recycling, and reuse
	Circulate materials and optimize vehicle lifecycle		13.2.2 – Reduce total greenhouse gas emissions 13.2 – Integration of climate change measures in policies, strategies, and planning
Better business	Ensure responsible supply chain	   	5.5 - Ensure women's full participation and equal opportunities for leadership at all levels
	Set a new standard for equity, diversity, and inclusion		8.4 - Improve resource efficiency and decouple economic growth from environmental degradation
	Fight for ethical business conduct		8.5 - Productive employment and decent work for all and equal pay 8.7 - Immediate measures to eradicate forced and child labor, end modern slavery and human trafficking 8.8 - Protect labor rights and promote safe work environments 10.2 - Promote the social, economic, and political inclusion of all 16.5 - Substantially reduce corruption & bribery in all forms

# Sustainable Mobility

Less cars.  
More drivers.





# Sustainable mobility

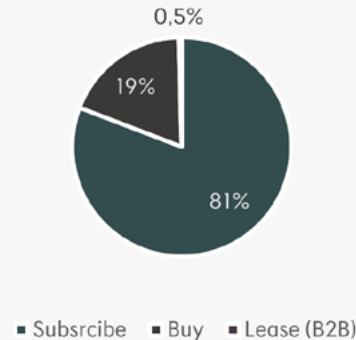
Transitioning towards electric vehicles and increasing the use of sustainable materials are vital to make vehicles more sustainable. But this is not enough if cars remain parked for 96% of the time.

We believe that cars can only truly become more sustainable if they are also used more effectively. We are the first car brand to launch a built-in car sharing platform and to focus on sharing and car utilization. We see a unique chance to shift customer behavior towards more sustainable car use – a business opportunity and urgent step to mitigate climate change.

## 2021 highlights

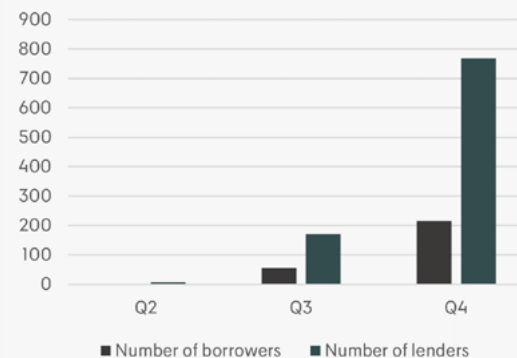
2021 was the year we launched our first car and mobility offers in seven European markets. Even though our car sharing platform is still in beta, it is already growing quickly. About one tenth of all Lynk & Co O1s have been available for car sharing and the numbers of lenders and borrowers grows every quarter. We also see large demand for our subscription offer. As the urgent phases of the COVID-19 pandemic have passed, we have been able to start engaging more with people in our Clubs.

Split between mobility offers



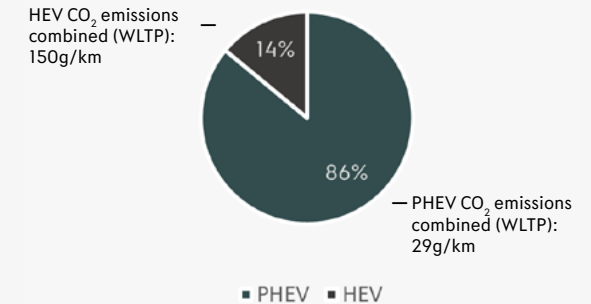
81% of our customers subscribed to their car and 19% bought it.

Number of borrowers and lenders



Cars were shared for a total of 5,300 hours, and the number of lenders and borrowers increased each quarter.

PHEV vs. HEV



Out of the almost 7,500 cars delivered, 86% were plug-in hybrids. Average weighted CO<sub>2</sub> tail pipe emissions of delivered cars was 44.22g per km.

Sustainability training



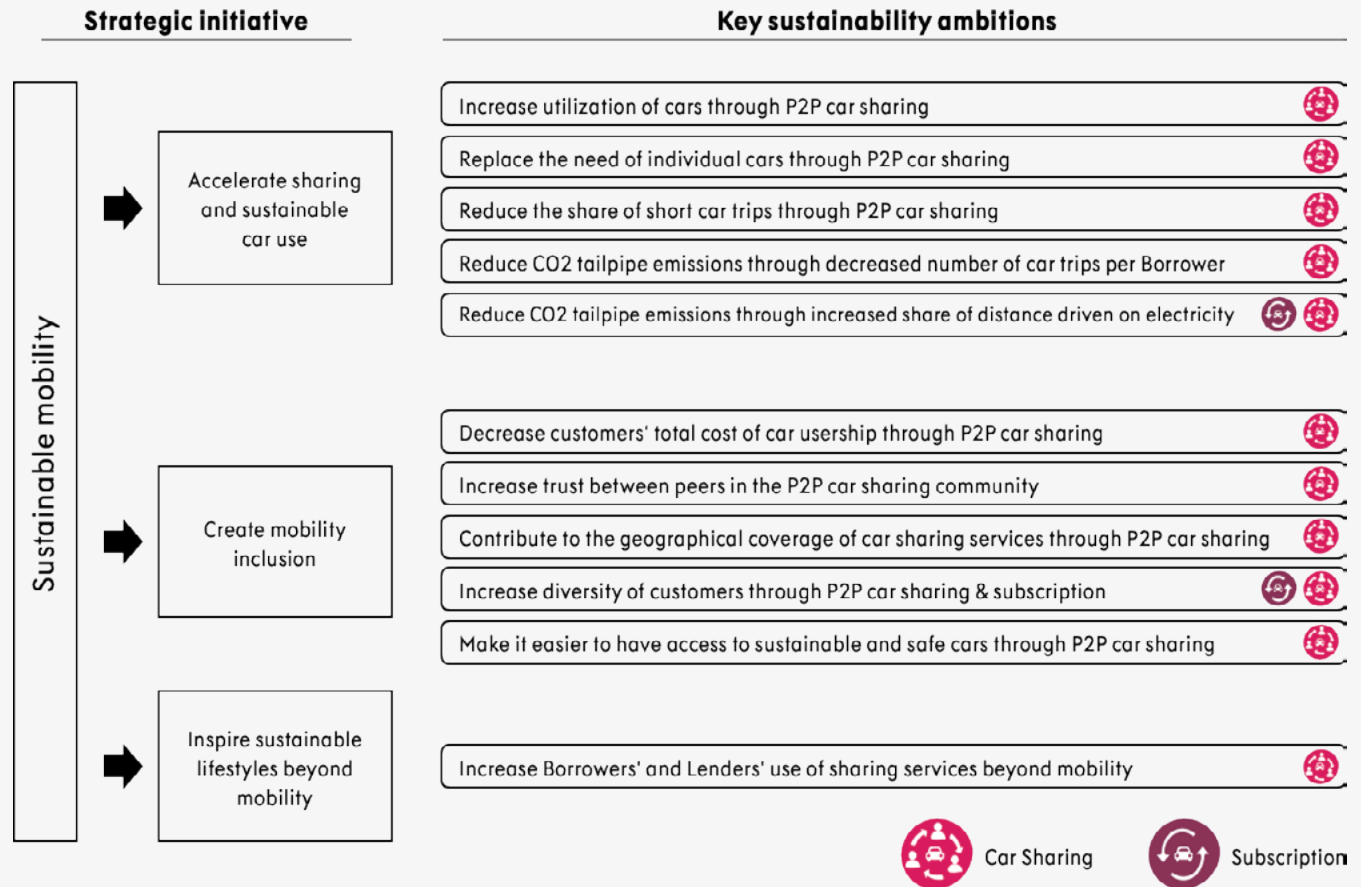
Out of customer-facing employees, 93% completed training on sustainability

# Mobility services and sharing

Looking back at 2021, it is clear that people were ready for something new. We are experiencing increasing demand for our cars and sharing platform. We launched a public beta version of our car sharing platform in Sweden, the Netherlands, Germany, and Belgium. Engagement was higher than predicted and in some markets up to 20% of customers made their cars available for sharing. In 2022, we will go public with the beta version in France, Italy, and Spain before a full production release across all seven markets in late 2022 with some exciting new features.

## How sustainable is car sharing? It depends on what it replaces

In 2021 and early 2022 we set out to understand how Lynk & Co's Peer-to-peer (P2P) car sharing influences behavior and what the quantifiable impact is of those behavioral changes. Using anonymized car sharing data, customer surveys, and external reference points we developed a sustainability analysis framework. The framework has 11 sustainability ambitions tied to KPIs to determine positive or negative impacts. The framework will help us evaluate the sustainability impact of our subscription and car sharing offers year-over-year.



# Car sharing sustainability impact

Through a comprehensive analysis of early data from car sharing\* and initial customer surveys to lenders and borrowers in Netherlands and Sweden, the following indicative results were found with regards to three of our sustainability ambitions\*\*:

## Car sharing sustainability impact – three examples

### Increase utilization of cars

5%

The **utilization** of active lender cars that are on car sharing mode (booked hours/available hours)

30%

The **estimated share** a car is **driven** during a car sharing session

#### Lender survey

**90%** of respondents stated that the possibility to share their car **positively impacted** the choice of getting a Lynk & Co 01

### Reduce the share of short car trips

8h

The **average duration** of a car sharing session

73%

The share of car sharing sessions **longer than 24 km** (avg. car trip length)

#### Borrower survey

**50%** of respondents stated that they would like to use car sharing for weekend trips or longer road trips

### Decrease customers' total cost of car usership

Average price per session:

€24

Netherlands

Active lender earning per month

€37

Avg.

€300

Highest earner

#### Lender survey

**70%** stated that lowering their cost is a main motivation to share their car

\*Made using data from April 2021 to March 2022. Important note: Not enough responses were collected in the survey to lenders to achieve statistical reliability.

\*\* Active lenders are defined as customers owning or subscribing to a Lynk & Co car that has successfully completed one or more car sharing sessions.



## Sustainability training

We want to inspire more sustainable car use. In 2021 we developed a mandatory sustainability training for our customer-facing employees to increase their knowledge on sustainability and how to use cars more sustainably – for example, the difference in climate footprint if a customer shares their car and charges using renewable energy.

By the end of 2021, 93% of our customer-facing employees had completed the training, covering the following topics:

- An introduction to sustainability
- Sustainability at Lynk & Co
- Car sharing and sustainability
- EV charging and difference by using renewable energy

During 2022, we plan to introduce more training initiatives to increase the sustainability competence throughout Lynk & Co.

**Life is not about getting from A to B,  
it is about discovering the world from A to Z.**

## Behavioral impact

Lynk & Co offers more than just a car. We are creating a community that brings people together. In collaboration with our partners, we offer a range of products and experiences in our Clubs – from electric bikes and sustainable clothing to art and music events. A shared view on the importance of sustainability is a cornerstone when choosing our partners and all the products offered in our Clubs have been sourced with sustainability in mind.

By offering sustainable lifestyle products and organizing events in our Clubs, we want to inspire more sustainable lifestyles. During 2021 we brought in products to our Clubs from 34 local and sustainable brands. In the second half of the year as COVID-19 restrictions eased up we organized 29 Club events, out of which 23 had a clear sustainability focus. At these sustainability related events we had a total of 1,558 attendees. During 2022, we are hosting even more events at our Clubs around Europe.





## Case study: Holiday Market with Odlingsbolaget Svalan

Odlingsbolaget Svalan is a bio-intensive market garden and regenerative agriculture startup. They work to enhance conditions for beneficial microbes and fungi with the goal of growing peak health crops for people and their community. In December 2021 we co-organized a holiday market in our Gothenburg Club.

The event featured inspirational talks about sustainable gardening as well as local food producers, artists, clothing brands, game designers, craft chocolate, and more – all with a focus on sustainability – attracting 700 visitors.

### Partner evaluation and requirements

We have considered the health of our planet, animals, and people in the selection of the products we offer. To ensure we only offer products that are in line with our values, we assess our gear partners to find people doing something new and are not harming, or even regenerating, our environment. During 2021 we have also developed and implemented a guideline on [Chemical Restrictions and Ethical Considerations](#). These apply to the lifestyle products\* we carry in our Clubs. The chemical restrictions are aligned with the recommendations from AFIRM, a brand-driven membership organization of apparel and footwear companies collaborating to promote chemicals management in the global supply chain.

\*Apparel, footwear, accessories, jewelry, sporting good equipment, wearables, and home textiles.



# Looking ahead - Accelerating sustainable mobility

For Lynk & Co sustainable mobility means developing mobility offers that are simple, sharable, and resource efficient. By advancing our strategic initiatives, we are focused on contributing to a future where sharing and increased utilization of cars is the new normal.

## Accelerating sharing and sustainable car use

By nudging our customers to share cars and encouraging sustainable car use – such as charging using renewable energy – we can achieve our aim of establishing a new normal for sustainable mobility.

### Targets:

Reach a critical mass for car sharing	Increase access to renewable public charging	Increase car utilization to 10% as a first step	Become a recognized disruptor for car sharing
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## Creating mobility inclusion

We are working to increase the access to safe, modern, and electric cars. We believe mobility should be available for all, and by developing simple, flexible offers that are relevant to a broad spectrum of customers we will create more value and better business performance.

### Targets:

Increase trust between peers in the car sharing community to increase sharing	Decrease total cost of usership and expand mobility offers to make them accessible for all	Increase geographical coverage of car sharing and identify inclusion gaps and opportunities
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## Inspire sustainable lifestyles beyond mobility

We aim to create a community for sustainable lifestyles with wider use of sustainable products and sharing services. We believe that by enabling people to explore other aspects of sustainable lifestyles, we can create lasting behavioral impact.

### Targets:

Inspire Lynk & Co community for sustainable lifestyles	Increased use of other sharing services
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# Climate Action

Our motto:  
Zero. Nada. Zilch.



# Climate Action

Global emissions have not yet peaked, and we need to take urgent action to change course. To avoid a climate disaster, global average temperatures need to be limited to a 1.5° rise above pre-industrial levels, as highlighted by UN's Intergovernmental Panel on Climate Change.

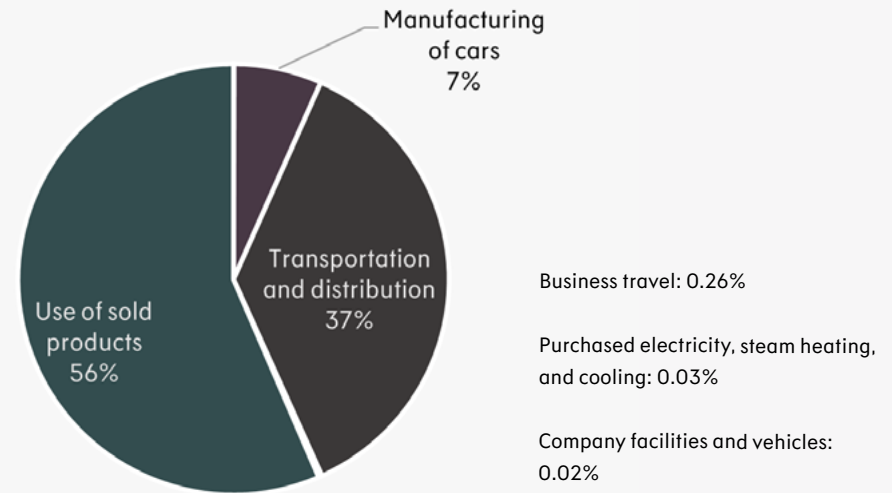
## Climate impact

Manufacturing and cars still come with a large negative footprint on the climate. This is something that we are working hard to change – but we still have a long way to go before reaching our aim of net-zero emissions by 2040. In 2021, we took important steps to both reduce and map our climate impact.

Our emissions will increase in absolute terms as we continue to grow in the coming years. However, we are committed to continuously reduce our emissions in relative terms, as well as in absolute terms in the long run. We aim to reduce our emissions year-over-year per car we deliver and in relation to the turnover we generate.

So far, we have mapped emissions from when components leave tier 1 suppliers to when the car is delivered to customers as well as an estimation of use-phase emissions. This means that emissions occurring further down in our value chain related to ingoing materials in our cars and other purchased goods and services are not yet included. As this is where much of our impact lies, it is a key priority for us to include this data for next year's sustainability report. Going forwards we will also focus on improving the quality and granularity of the data we present.

Breakdown of GHG emissions



## Climate impact 2021 (based on available data so far):

Total GHG emissions (market-based): **117,425**

Ton GHG emissions per car delivered: **15.8**

Ton GHG emissions per €1M turnover: **1,957**



# Mapping of climate impact

To establish a solid baseline for our greenhouse gas emissions we partnered with Position Green – a leading Nordic sustainability software and consulting company – to build a platform to track and monitor relevant data and understand our footprint. This platform collected the data presented in this report, ensuring traceability and transparency. It also allows us to track progress over time, and to understand what we need to focus on to decrease negative impacts moving forward. Moreover, we have made an initial lifecycle analysis of the Lynk & Co 01 (presented on page 28) and we aim to present a full lifecycle analysis report for all our upcoming cars.

## Data quality and status

As a relatively young company we are still working to put in place all the processes and systems to fully track our climate impact. This is the first year we have published a sustainability report and we have collected data for many impact areas but not all. We are working to increase the amount of data we publish in coming years as our data collection becomes more rigorous, covering all categories of the Greenhouse Gas Protocol.

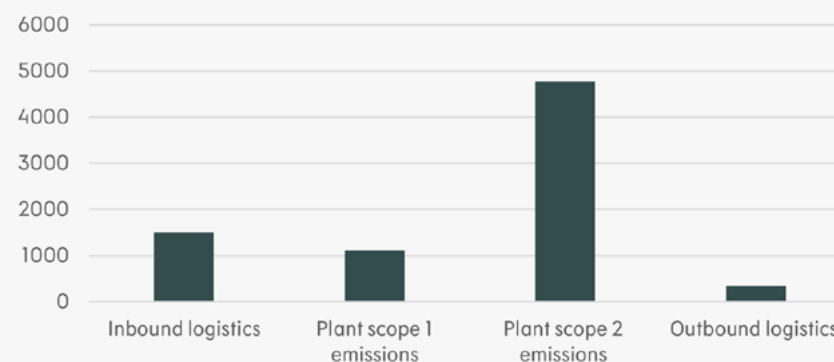
## Sustainable manufacturing

Our cars are manufactured in a state-of-the-art facility with a strong sustainability performance in Yuyao, China in collaboration with Geely. The plant is certified according to ISO 14001 and as of January 2022, all our cars are produced using 100% renewable electricity which significantly reduces the scope 2 emissions from manufacturing.

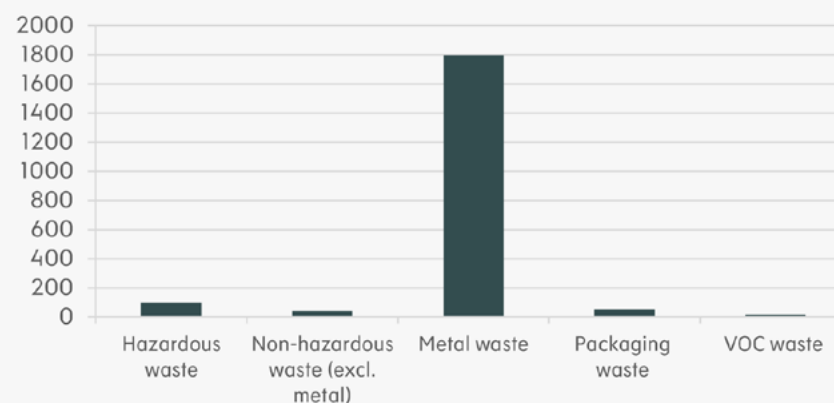
## Collaboration with Geely

We have a close collaboration with Geely to continuously monitor and improve the sustainability performance of our manufacturing and supply chain. Geely set the target of reaching carbon neutrality by 2045 and is the first Chinese passenger car company committed to Science Based Target Initiative. They are also participants in "Business Ambition for 1.5°C" and "Race to Zero". As a first step Geely have set a 25% lifecycle carbon reduction target per car by 2025 compared to 2020 levels. To learn more about Geely's sustainability work see the [Geely Auto 2021 ESG report](#).

GHG emissions from car manufacturing plant (ton CO<sub>2</sub>e)



Waste in manufacturing (ton)





# The Lynk & Co 01 – Our first car.

The 01 is a car with fun features, high-tech details, and a 69 km pure electric range for the plug-in hybrid (PHEV).

We are pretty proud of the 01. Is it a fully sustainable car? No. But we are constantly working to increase the amount of sustainable and recycled materials and explore new technology to lower the footprint of our cars in the future.

## Sustainability features

### Electrified

Our PHEV has a range of 69 km, which is enough for most people to do their daily driving using only electric power with no tailpipe emissions.

### Sustainable Materials

The 01 is the first car in the world to feature seats with ECONYL® material, a regenerated nylon made of recycled fishing nets and other waste materials.

### Five-star safety as standard

In 2021, the 01 scored a full five stars from the European New Car Assessment Program (Euro NCAP). The assessment puts vehicles through exhaustive crash tests to ensure reliability and quality. We do not sell safety equipment as an optional add-on, so every 01 comes with all safety features included as standard.

When we launched, the 01 was offered as both PHEV and hybrid electric vehicle (HEV) in most markets. However, due to the higher demand for the PHEV version we are now only offering the PHEV. Our next car model, which will launch within two years, will be fully electric.



# Product lifecycle

## Lifecycle emission split Lynk & Co 01 PHEV

In 2021 we commissioned a third party initial lifecycle emissions analysis of the 01. The calculation is based on driving in combined mode (i.e., driving on fuel and electricity), charging using electricity from the EU grid mix, and a lifecycle driving distance of 200,000 km.

Roughly 30% of the emissions come from the production of the car (materials, electricity, and other inputs), 3% from manufacturing the battery, 40% from the electricity used for driving, and 20% from the fuel used to power the car. The last 7% are from other sources such as end of life treatment.

The 40% emissions from electricity are calculated using the EU grid mix – which includes electricity generated using fossil fuels such as coal and natural gas. However, the emissions from electricity will improve as the grid mix becomes greener over the coming years.

The share of emissions from electricity is vastly reduced if using renewable energy for charging. If this is combined with driving mostly on electricity, then nearly 50% of the lifecycle emissions can be avoided. We also know that sharing cars, instead of using individual cars, vastly reduces the emissions from car and battery production.

Emission split Lynk & Co 01 PHEV,  
combined mode with EU grid mix

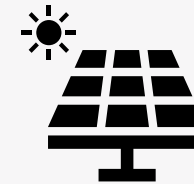


Source: Third party lifecycle emissions analysis

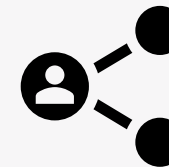
## How to reduce the environmental footprint from driving a Lynk & Co 01?



Drive using  
electricity



Charge with  
renewable energy



Share the car when  
you do not use it

## Car end-of-life

The Lynk & Co 01 was designed to meet the high standards of the End-of-life Vehicle directive, which requires 95% of a car to be recoverable and 85% of a car to be recyclable. We are improving the circularity of our products together with R&D. To manage our vehicles' end-of-life and to fulfil End-of-life Vehicle directive requirements we have a solution set up in all our markets to take care of our cars when they die through agreements with different actors such as recyclers and scrapyards.

We also follow the requirements by the EU Directive 2006/66/EC., known as the Battery Directive, which regulates the manufacturing and disposal of batteries in the European Union. To fulfill the directive and all national requirements, we have contracts with local battery collectors and recycling companies to recycle batteries locally. Lynk & Co customers can also return their used car batteries to us via the Volvo service center network.

## Service and re-manufacturing batteries

We aim to service and remanufacture batteries so that they can circle back to the vehicles and be re-used in the vehicle fleet. Faulty batteries will be collected from the workshops and transported to a central service location in Sweden where they are repaired and undergo a quality check.

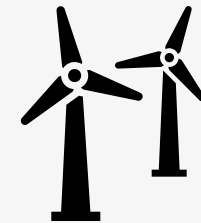
After service, all battery packs will have the same warranty as brand-new batteries – which is eight years. Batteries are categorized as green, yellow, and red, and in the unusual case of a "red" battery it will go directly to recycling.

Solutions for second life for batteries, for example using them for energy storage, has not been fully developed yet. For now we aim to repair all batteries and circulate them back to our cars.



## Case study: Renewable energy? We are big fans! (pun intended)

**In 2021, Lynk & Co shifted to 100% renewable energy across our offices and clubs in Europe.**



From 2022 our car manufacturing plant has shifted to 100% renewable energy as well. In addition, during 2022 solar panels will be installed on the roof of the factory. The total installed capacity is estimated at 21.5 MWp (Megawatts-peak, i.e., the power output achieved under ideal conditions).

After completion, estimated in mid-2022, it can generate about 20 million kwh of power per year of which 15 million kwh will be used by the factory and the remaining 5 million kwh will be sold to the grid. We estimate that this will reduce the greenhouse gas emissions of the plant by about 10,500-ton CO<sub>2</sub>e per year, a win-win for us and the planet.



# Looking ahead - Reaching net zero by 2040

We have set the goal of net zero emissions by 2040. This is an ambitious target that will not be easy to meet. By setting a clear target, committing resources, and getting our whole organization on board, we believe it is realistic to reach it in time.

## Reduce emissions from value chain and operations

We have already secured 100% renewable energy across our offices and Clubs in Europe and our manufacturing plant. We are also working to decarbonize logistics and travel and reduce energy intensity through efficiency improvements, energy recovery, and other initiatives.

### Targets:

2025: 25% renewable energy tier 1 and 100% for battery manufacturing	2030: Climate-neutral manufacturing and 100% renewable energy tier 1	2040: Net Zero
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## Develop sustainable and electric cars

We are working to increase the use of recycled, sustainable, and bio-based materials, improve energy efficiency of our cars, and minimizing emissions in design. To achieve our goals, we must put sustainability on par with cost, quality, and safety in design and manufacturing.

### Targets:

Industry leader on range and efficiency	2030: 100% Fully Electric Vehicles	2030: 50% recycled, sustainable, or bio-based materials on car level
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## Circulate materials and optimize vehicle lifecycle

By optimizing the lifecycle of our cars, batteries, and components and looping materials back into production from waste and end-of-life we can reduce their negative climate footprint. We are also working to increase resource utilization and to minimize waste as well as to increase circularity through reuse, refurbishing, and remanufacturing.

### Targets:

Optimize lifecycle of cars, batteries, and components	2030: Reduce car lifecycle footprint by 50% from 2021 as baseline	2040: Circular car
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**By striving towards these strategic initiatives, we are more focused than ever on contributing to a future where urban mobility no longer is dependent on fossil fuels and where we are driving the change towards a net zero future.**

# Better Business

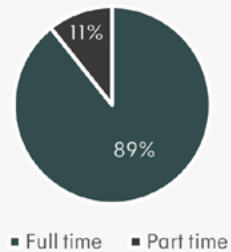
Goodbye  
yesterday.



# Better Business

We aim to lead the way towards open and responsible business. We are not the kind of company we want to be yet. But we are working to get there, calling on our employees and partners to challenge us and to help hold us accountable.

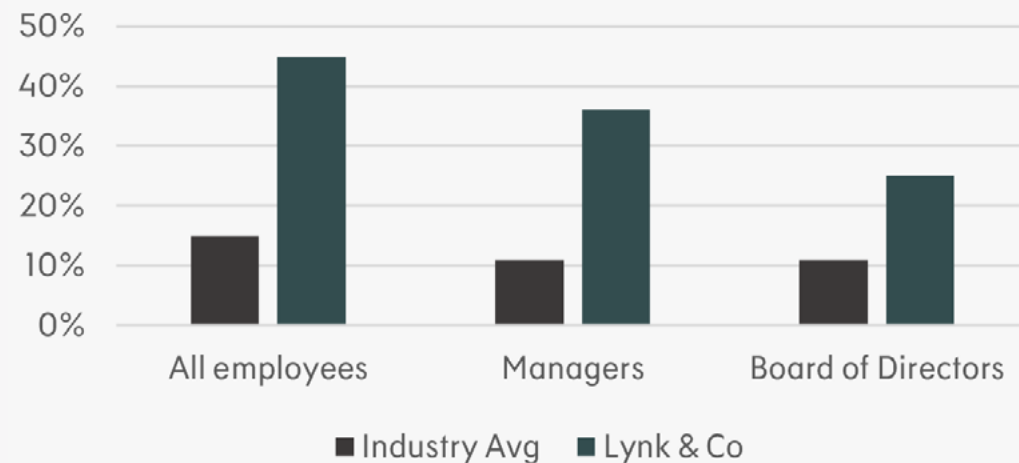
Split full-time and part-time employees



- 89% of employees are full time
- 57% of employees are permanently employed
- 55% of employees are covered by collective bargaining agreements

## Better Business in numbers 2021

### Gender balance - industry comparison



Source: Statista and Lynk & Co

At the end of 2021, 45% of Lynk & Co employees, 36% of managers, and 25% of board directors were female.

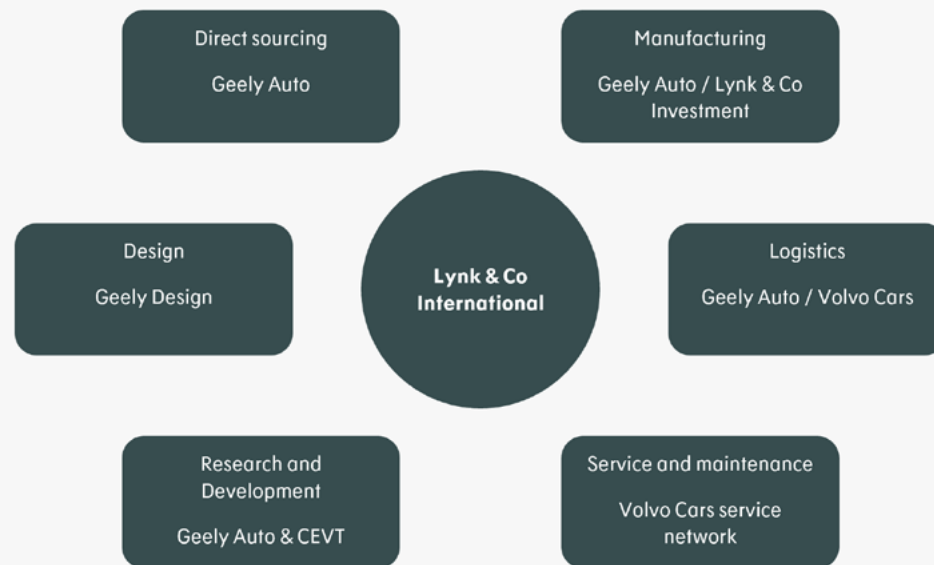
### Value chain

- 80% of Geely suppliers have participated in anti-corruption training
- 70% of Geely suppliers has signed the Supplier Code of Conduct



## Responsible supply chain

When it comes to the different stages of bringing a new car to our customers, such as developing, designing, manufacturing, and maintaining the cars, these partners all play a key role:



Our current car, the 01, was developed and engineered by CEVT (China Euro Vehicle Technology) and the CMA (Compact Module Architecture) platform it is built upon is shared among other cars within the Geely group, such as the Volvo XC40.

Upcoming Lynk & Co cars are designed by Geely Design, with design studios in Gothenburg, Shanghai, Kuala Lumpur, and Coventry, and engineered by

We work closely with Geely group partners to leverage the expertise of different group companies and to ensure a responsible supply chain.

Geely Research Institute with R&D centers in Gothenburg, Hangzhou, Ningbo, Frankfurt, and Coventry, employing over 10,000 science and technology focused personnel.

Lynk & Co defines the specifications, requirements, and features of new cars including sustainability performance in manufacturing and the supply chain.

## Collaborating for a responsible supply chain

The sourcing of direct suppliers is handled by Geely, while Lynk & Co handles all indirect products and services purchasing related to our operations. This means that Geely has the connection with direct suppliers and for improvements in the car supply chain we are collaborating with them, enabling synergies within the group. The plant in Yuyao, China, where our cars are produced is owned by Lynk & Co Investment and is operated in collaboration with Geely. We also work closely with the logistics teams at Geely and Volvo Cars to ship the cars to and within Europe. For service and repairs we have partnered with the comprehensive service center network of Volvo dealers and workshops across Europe. This allows us to expand quickly to new markets while ensuring a great customer experience and care of our cars.

We collaborate closely with Geely to improve the sustainability performance of our cars, as well as from manufacturing and the supply chain. We both value a responsible supply chain, and currently 99% of Geely suppliers are certified with IATF 16949, 80% have participated in anti-corruption training, and 70% have signed the Supplier Code of Conduct which was launched in 2021. Geely has also set the goal of reaching carbon neutrality by 2045, and developed a comprehensive process for evaluating new suppliers' social and environmental impacts.

To learn more about sustainability at Geely, have a look at the [Geely Auto 2021 ESG report](#).

## Responsible business at Lynk & Co

We want to work with people and partners that share our values to create better and more responsible business. We make sure all our employees, co-workers, managers, partners, and anyone affiliated with us follow our [Code of Conduct](#) as well as national laws, regulations, and conventions. We have developed an employee training for our Code of Conduct to make sure that both new and existing employees get the necessary information to understand and follow our Code of Conduct.

### Key elements of our Code of Conduct

**Human Rights** – A commitment to respect and uphold the United Nation's Universal Declaration of Human Rights and other international human and labor rights standards.

**No Child Labor** – Lynk & Co commits to in no event employ any person below the age of 16 or the legal minimum age in each country we operate.

**No Forced Labor** – Forced labor including debt bondage, trafficking, or other forms of modern slavery is not accepted.

**Labor Union and Collective Bargaining** – All employees have the right to join or form associations and to bargain collectively concerning the relationship between the employer and employees.

**Equal Opportunities, Non-discrimination, and Anti-harassment** – We have zero tolerance towards discrimination, harassment, and bullying and work to ensure equal opportunities for all.

**Health and Safety** – We strive to maintain a safe working environment that meets or exceeds current standards and legislations.

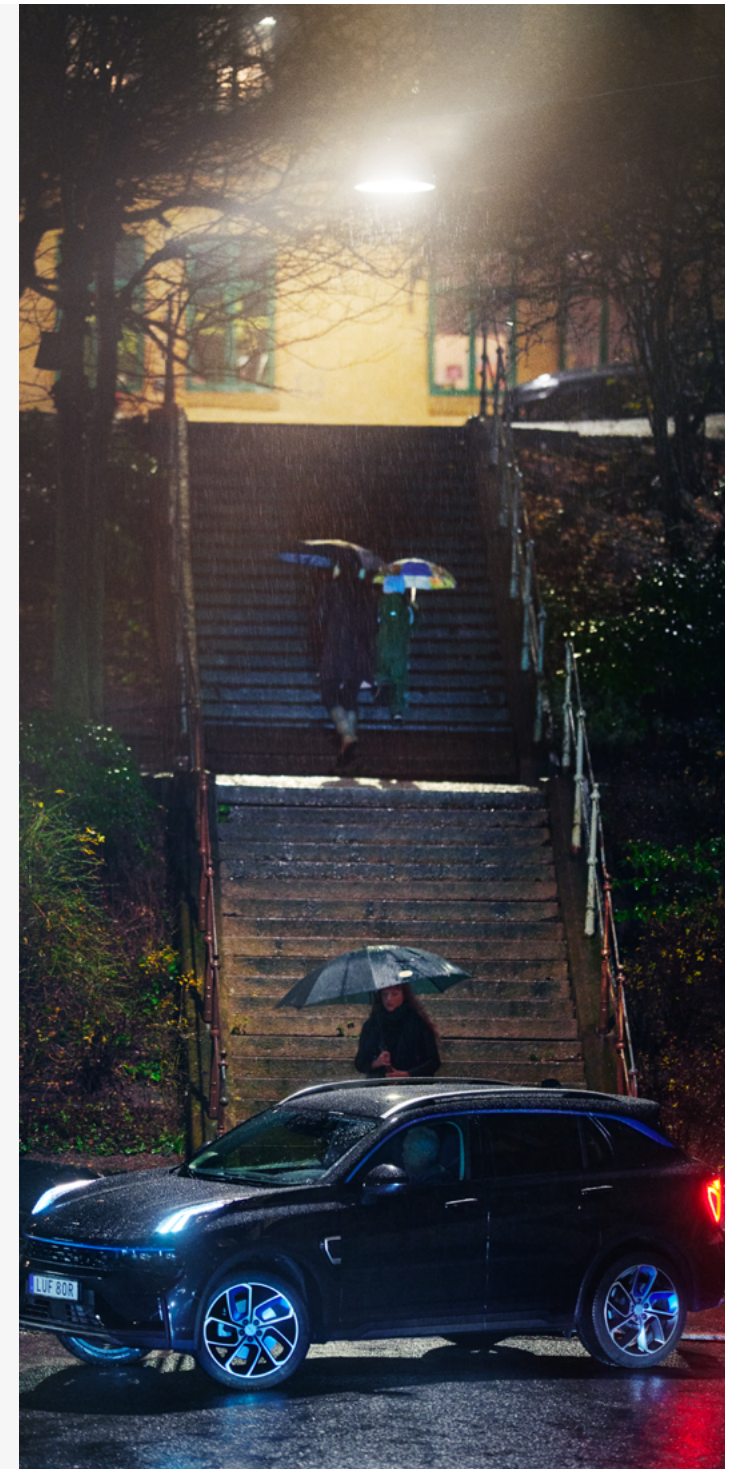
**Anti-Bribery and Corruption** – We are against all forms of bribery and corruption, and it is our policy to comply with applicable laws, rules, and regulations governing anti-bribery and corruption in the countries we operate.

**Conflicts of Interest** – In line with their duty of loyalty towards Lynk & Co, employees must make business decisions based on our best interest and free from any conflicting external influence.

**True and Accurate Business Records** – Employees have a duty to maintain updated and honest business records to enable Lynk & Co to fulfill its external obligations.

**Anti-money Laundering** – Employees are expected to take necessary precautions to identify "red flags" and to ensure we avoid our products or services being used to launder money.

**Reporting** – Lynk & Co facilitates reporting and strongly encourages employees and business partners to report any violation of laws and regulations of the Code of Conduct and other policies.



## Anti-Corruption

With a large variety of stakeholders and a vast supply chain it is vital that we take a clear stance against corruption and unethical business conduct. Our Code of Conduct outlines how we deal with risk areas related to corruption, covering the following topics:

- 1. Corruption** – Lynk & Co is against all forms of bribery and corruption.
- 2. Bribery** – Lynk & Co does not accept any form of bribery regardless of its nature.
- 3. Facilitation Payments** – Zero tolerance for facilitation payments.
- 4. Gifts, Favors, and Hospitality** – No gift or favor may ever be given as an inducement or with an expectation of a favorable act in return.
- 5. Indirect Corruption or Bribery** – It is an unacceptable practice to try to influence a business decision by providing a gift or favor.
- 6. Donations** – Donations are always subject to written approval from our CEO and can only be made to recognized non-profit organizations.
- 7. Record keeping** – Lynk & Co always keeps detailed records and accurate accounting in line with international anti-corruption laws.

## Code of Conduct for Business Partners

To ensure those who partner with us share our values, we have a [Code of Conduct for Business Partners](#) that outlines our expectations in terms of human rights, environmental protection, and ethical business conduct. We share it with potential business partners during the sourcing process. We also developed our [Chemical Restrictions & Ethical Considerations](#), which is based on AFIRM recommendations and applies to the products we carry in our Clubs to ensure they are produced with consideration for people, planet, and animals.

## Supplier assessments

We evaluate sustainability for business partners with a higher potential risk in terms of negative sustainability impact, such as for the products that we sell in our Clubs, products and services related to the construction of new Clubs, and any spare parts or components sourced by our team. During 2021, a total of 39 business partners were screened on environmental and social sustainability aspects. We will continue developing our process for supplier assessments and increase the share of suppliers we assess.

## Transparency

Being open and transparent is core to Lynk & Co, from clear mobility offers to how we treat people and collect data. We believe this is necessary to meet quickly growing customer demand for transparency. Consumers are more used than ever to buying online and want more convenience and transparency with less complexity. We are working to increase transparency in several areas:

- i)** Our supply chain, through deepened collaboration with Geely, sustainability evaluations of suppliers, and other initiatives.

- ii)** Building capacity, systems, and processes to consistently track and verify data and KPIs.

- iii)** Honest data and third-party verification to build transparency

## Information Security

Protecting privacy and ensuring information security is one of our top concerns. Our [Privacy Policy](#) describes our guiding principles for using personal data: when, how, and why personal data is used, and what rights the data subject has relating to their data. This policy applies to all our uses of personal data, for example collection, use, sharing, and storing (any so-called processing of personal data). During 2021 we launched an e-learning for employees to strengthen information security and data protection.

## Privacy Principles

**Responsibility** - Lynk & Co is responsible for making sure that personal data is kept secure and used correctly

**Lawfulness** - We do not own personal data. We only "borrow" it when it is needed and when it is legally allowed.

**Data minimization** - We strive to limit our use of personal data whilst still being able to offer our services.

**Transparency** - We work to be as clear as possible about when, why, and how we use personal data.

**Security and integrity** - Personal data can be sensitive, so we have implemented and is continually improving technical and organizational measures designed to ensure that personal data is only shared with the right people, that it is kept correct, and that it is protected.



## Equity, diversity, and inclusion + belonging (EDI+B)

At Lynk & Co, we know that everything is better when we move forward together. We are working towards achieving an equal gender balance at all levels of the company, including managerial positions. By the end of 2021 our team was 45% female, with 36% women in managerial positions and 40% in our top leadership team, meaning we are well on the way of reaching our goal. In contrast, automotive brands are currently 15% female on average, with numbers ranging from 30% at the top and 2% at the very low end.

**"It's not just about being invited to the party, it's about being asked to dance" - Vernā Myers**

Beyond gender equality we are working to build a truly diverse team where everyone is respected, empowered, and celebrated. This is the right thing to do, and we know that having a diverse team and inclusive culture is linked with greater success. We work actively to expand our talent pool by identifying potential talents from underrepresented groups and addressing unconscious bias.

**In short, no matter who you are or where you come from: if you are good at what you do, we want you**

Attracting and retaining talent from across the globe is critical to our success. We currently have 41 different nationalities represented in our team. We proactively seek people from diverse backgrounds who have the skills, energy, and collaborative mindset to deliver our strategy.

## Our view on EDI+B explained

### **Equity – the quality of being fair and impartial**

We recognize that not everyone has access to equal opportunities and that we need to shift focus from equality and move into equity. This means acknowledging the existing inequality and actively trying to change it. And this is a journey that we are on.

### **Diversity – the range of differences among people**

Diversity includes demographic aspects (such as age, gender, sexual identity, social-economic background) and physical abilities, cultural and ethnic background, education, and skills. We believe that our team's diversity is part of our strength.

### **Inclusion – ensuring equal access to opportunities and resources**

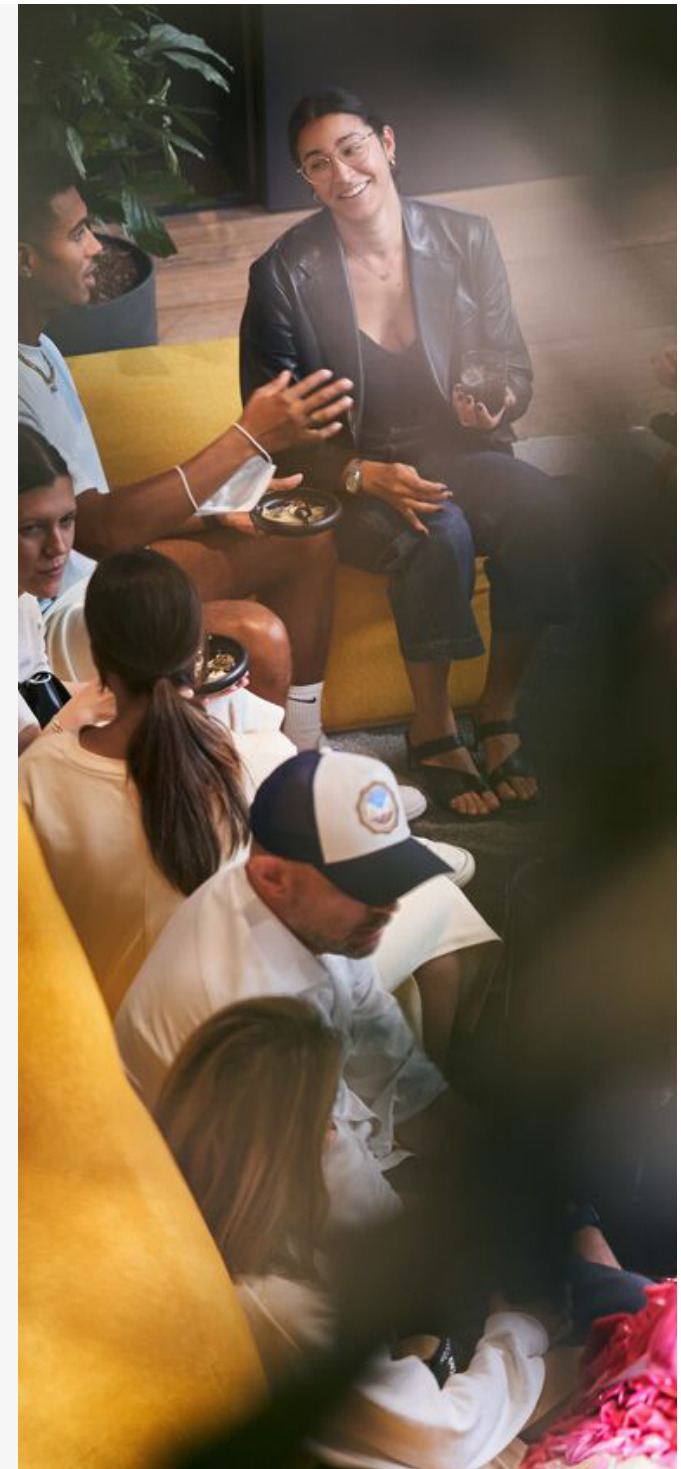
Irrespective of someone's background or characteristics, to be inclusive means to ensure that everyone has access to the same resources and development opportunities and that everyone's voice is heard.

### **Belonging – an affinity for a place or situation**

Through focusing on culture and values, we work to create emotional connections that enable people to express their whole self at work. We select people based on what additional competences and value they bring to the team – not based on their fit.

### **Are we there yet? No.**

We are humble to the fact that this is a constant journey, and that we all have a lot of work to do to address biases and develop as people and as an organization. We also need to develop ways of assessing more aspects of diversity to better determine how representative we are, without compromising people's anonymity and integrity.



## Case study: The automotive industry is a dinosaur

### **Existing for over 100 years and failing to adapt fast enough to society as it evolves.**

New research from us and global market and consumer data analysts, Statista, compared gender ratios from some of the world's leading automotive manufacturers and found that the industry has large equality gaps. On average, automotive brands are 15% female, with numbers ranging from 30% at the top and 2% at the very low end.

While we tend to define ourselves as a mobility brand, we are still, in many ways, part of the automotive industry. Lynk & Co was founded as an alternative to traditional car brands, and we are dedicated to creating a more fair, progressive, and sustainable society. Sure, diverse teams are linked to increased profitability. But (much) more importantly: it is also the right thing to do. Huge numbers of talented people are still being excluded and discriminated against based on factors like gender.

**“The gatekeepers of the automotive industry have excluded women, and pretty much anyone that isn't a straight man, for too long. Lynk & Co is committed to changing that. How can we create solutions that work for everyone if we don't have everyone at the table?”**

– Alain Visser, CEO of Lynk & Co

In general, Lynk & Co is doing well compared to others in the industry...but it is a pretty low bar. Lynk & Co currently has a 3X better ratio than the industry average (15%), with 45% of employees being female. The industry numbers are bleak when it comes to women in management as well, with an average of 11% women in management teams and 18% female board directors. By the end of 2021, 36% of Lynk & Co managerial positions were held by women, 25% female board directors and 40% at leadership team level.

Additionally, recent studies have shown that companies with a larger representation of females offer a higher financial return and a more collaborative and innovative workforce, proving equality is a powerful strength to drive a company forward when encouraged and utilized.



## Working at Lynk & Co

### Our culture is defined in four organizational values: Open, Sustainable, Simple, Wow.

A career at Lynk & Co is more than just a job, it is a movement. Our employees can shape the company's future, their future, and the future of mobility. We know it is a bold promise, but we think it holds up.

Our philosophy is that no one gets everything right the first time and that the best lessons come from being bold and learning from mistakes. We take smart risk-takers over perfectionists any day.

Sure, we have all the basics in place like pension and insurances, and a salary according to market standards. However, we believe people want to work with us because they will be:

- Part of a global team and a fun work culture with high team spirit.
- Part of creating something new.
- Get the best of both worlds: a scale-up atmosphere with the support of an established organization.
- Make a difference. We are a lean team with a flat hierarchy, so every contribution has a direct impact.

### Employee wellbeing

We strive to provide a healthy and safe work environment for all our employees. Lynk & Co strongly encourages our employees and co-workers to bring their whole self to work. Recognizing that a policy is only as good as it is implemented, we focus on hands-on implementation of a healthy, motivating, and safe work environment.

### Day-to-day and practical examples include:

**Zero bullying and harassment:** We do not accept any form of bullying or harassment at our workplace, and work to create a work environment characterized by inclusiveness.

**Whistleblower function:** We encourage a culture of openness where everyone can speak up. If an employee or other person witnesses' behavior that gives them cause for concern, we encourage them to raise the issue immediately.

**Accident and incident reporting:** We do everything we can to prevent injuries, but if anyone is injured in an accident at work or on their way to or from work then we encourage them to report it immediately.

**Alcohol and drugs:** Lynk & Co is a drug-free workplace where we do not drink alcohol during office hours.

**Fair pay:** We offer fair salaries for every market. We also do a salary analysis regularly to check that our salaries are in line with market practice, and that we do not discriminate in any way, including pay gaps between genders.

**Wellness:** We want our employees to stay healthy and energized. Every employee is entitled to a yearly wellness allowance, and we block time in everyone's calendar twice per week dedicated to wellness and fitness.

### Evaluating and elevating employee experience

We believe that we can only achieve our mission when we have a team of people that are fully engaged and use their skills to the fullest. We use the tool Winningtemp to continuously measure the 'temperature', wellbeing, team spirit, and workload of our employees. On a monthly basis we track the development and do our best to accommodate the needs of our employees.

## One size does not fit all

### Flexibility in life.

We want to be a home for different people with different needs. By giving more options to our employees, they can balance their work with their private lives in a healthy and sustainable way.

We offer at least 25 vacation days in all countries we are active. We also offer employees the option to take vacation on the holidays that are important to them. This means that they can swap days if they want to celebrate a different holiday than the public holiday stated by law. It is possible for most of our employees to work from home from time to time and to work up to four weeks per year remotely from anywhere in the EU.

We believe it is important for parents to spend time with their children, especially at early ages. We support employees with the opportunity to take parental leave. We also strive to give our employees the possibility to work part-time for a period if requested and whenever operationally possible.



## Community engagement

### Giving back - paid volunteer work

We encourage sustainability and community engagement at work and outside of work. All our full-time employees can spend two working days (16 hours) per year on volunteering or charity work with full pay. This can be done as team or individually, physically or virtually, and can be skill-based for non-profit and politically independent organizations. Employees are encouraged to contribute to causes that help create a better world such as environmental protection, human rights, and animal welfare.

### NGO support and partnerships

We aim to support various non-profit organizations. In 2021 we donated a total of €19,222 to the following organizations and social enterprises: Mitt Liv, West Pride, and Global People.

## Partner Organizations

### Lynk & Co X West Pride

Equality, diversity, and inclusion do not just happen by chance — they are active choices and commitments that we make every day. We partner with West Pride, a non-profit association responsible for Gothenburg's LGBTQI festival, to support our community. West Pride's primary goal is to support LGBTQI people in our hometown of Gothenburg, Sweden, but they also aim to connect with people across the world. We are grateful to team up with West Pride to learn and grow to become the workplace we want to be.

### Lynk & Co x Mitt Liv

We collaborate with the social enterprise Mitt Liv as part of our work to contribute to a more open labor market. As part of the collaboration, our employees have the opportunity to engage as a mentor in Mitt Liv's Chans program — where they support a person with a foreign background and post-secondary education to navigate the Swedish labor market and increase their chances of getting a job in their field.

### Una Collective

Una Collective's purpose is to help people from any and all backgrounds, achieve their full potential, to help organizations thrive, improve wider society, and bring people closer together. Lynk & Co collaborates with Una Collective in the delivery of events to discuss diversity, equity, inclusion, and belonging.

### Global People

An inclusive and diverse workplace requires people from multicultural backgrounds. For this reason, Lynk & Co has partnered with Global People, a Dutch company focused on the recruitment and development of multicultural professionals, as part of our goal to have a global and diverse team.

### The Be Seen Project

The Be Seen Project is a learning agency on a quest to empower all humans to be seen. Lynk & Co is creating together with them a learning trial for our leadership development focused on equity, diversity, inclusion, and belonging, because real inclusion can only happen with the active participation of those in leadership positions.



## Looking ahead - Lead the way towards open and responsible business

We want to set a new standard for equity, diversity, and inclusion and fight for ethical business conduct. This includes, but is not limited to, ensuring we conduct business in a fair way and striving to improve human rights and labor conditions.

### Ensure responsible supply chain

We are reducing risks and increasing transparency and control of our supply chain. With the complex supply chains of the automotive industry this is easier said than done. Lynk & Co is taking important steps and are working to develop a human rights due diligence process, screening of new suppliers and audits for tier 1 suppliers as well as developing blockchain tracking and audits for high-risk minerals and areas

#### Targets:

Screening of all new suppliers and tier 1	Full traceability of high-risk materials	Decent work & living wages across supply chain
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### Set a new standard for equity, diversity, and inclusion + belonging

Our aim is to be a recognized industry leader for equity, diversity, and inclusion + belonging. Currently the automotive sector is a male dominated industry and Lynk & Co has already shown that this can be changed. We are working to ensure an inclusive workplace with equal opportunity. During 2022-2023, we are planning to, 1) make an equity review and allocate resources to rectify gender pay gaps, 2) work with leadership on unconscious bias and inclusive leadership, and 3) establish partnerships and alliances for EDI+B and social impact.

#### Targets:

Equal gender balance across layers and managerial positions by 2023	No gender pay gap	Recognized industry leader on equity, diversity, and inclusion + belonging
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### Fight for ethical business conduct

We aim to lead the way towards open and responsible business by increasing transparency and traceability throughout the entire sourcing process, strengthen the integration of our [Code of Conduct](#) in our operations and create wider engagement for ethical business conduct.

#### Targets:

Strengthened governance and transparency	New standard for open and responsible business	Decent work & living wages across supply chain
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# Governance





# Governance

**Sound corporate governance is critical to our mission to change mobility forever. We are committed to establishing an appropriate operating framework with robust oversight of responsibilities across our company and value chain to ensure we manage our affairs consistently with the highest principles of business conduct.**

## Company governance

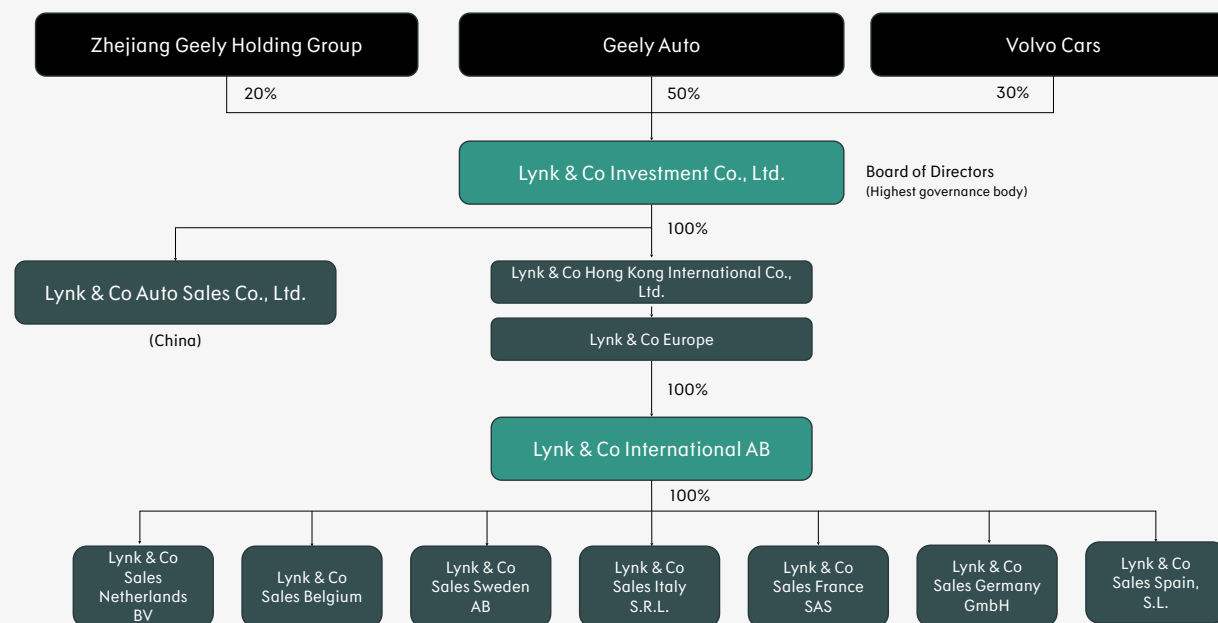
At Lynk & Co we believe that sustainability and sound governance needs to be integrated in everything we do. Therefore, our sustainability strategy is an integral part of our corporate strategy which is consistently challenged and improved through analysis, risk mitigation and opportunities.

## Ownership structure

Lynk & Co International AB, with its registered office in Gothenburg, is a wholly owned subsidiary of Lynk & Co Investment Co., Ltd, registered in Ningbo, China, which is a joint venture between Zhejiang Geely Holding Group (20%), Geely Auto (50%) and Volvo Cars (30%).

Lynk & Co benefits from the vast technological, engineering and manufacturing capabilities of these established global car manufacturers. Our cars are designed by Geely Design, with design

## Lynk & Co Corporate Chart



studios in Gothenburg, Shanghai, Kuala Lumpur, and engineered by Geely Research Institute with R&D centers in Gothenburg, Hangzhou, Ningbo, Frankfurt, and Coventry, employing over 10,000 science and technology focused personnel.

The Lynk & Co 01 was first introduced in China in October 2017, by Lynk & Co Auto Sales Co., Ltd., and starting in March 2021 across seven European markets by Lynk & Co International AB and its wholly owned sales companies in each market.

## Board of Directors

The highest governance body of Lynk & Co International AB is the board of directors of Lynk & Co Investment Co., Ltd., which is where the highest-level decisions are made.

## The Board of Directors of Lynk & Co Investment Co., Ltd

### An Cong Hui

People's Republic of China / Born 1970

Chairperson and member of the board since 2018

**Education:** Diploma in Contemporary Accounting, Hubei University of Economic and Management.

#### Other board assignments and similar:

President of Geely Holding, Chairman and Chairman of the Sustainability Committee of Geely Automobile Group and a director of certain subsidiaries of the Geely Group.

#### Work experience and other information:

CEO of Geely Auto, CEO of Zeekr Holding and previously various key positions in Geely Holding including chief engineering officer and general manager.

### Li Dong Hui (Daniel Li)

People's Republic of China / Born 1970

Board member since 2018

**Education:** Master of Management Engineering, Beijing Institute of Machinery Industry. Master of Business Administration, Kelly School of Business, Indiana University, USA. Bachelor of Philosophy, Renmin University of China.

#### Other board assignments and similar:

Chairperson of Lotus Group Int. Ltd. Board member of Saxo Bank A/S, Proton Holdings Berhad and Polestar Automotive Holding Ltd. Independent Board member of YTO Express (International) Holdings Ltd

#### Work experience and other information:

CEO of Zhejiang Geely Holding Group Co. Ltd. Former VP and CFO of Zhejiang Geely Holding Group Co. Ltd. CFO and General Manager of several companies, including Guanxi Liugong Machinery Co. Ltd, China Academy of Post and Telecommunication, Cummins Inc., BMW Brilliance Automotive Ltd., ASIMCO Braking System (Guangzhou) Co. Ltd. and ASIMCO Braking System (Zhuhai) Co. Ltd

### Jim Rowan

Scotland / Born 1965

Board member since 2022

**Education:** MSc in Mechanical and Production Engineering and electrical and electronic engineering at Glasgow Caledonian University and Glasgow School of Technology. MSc in Business Northumbria University, UK.

#### Other board assignments and similar:

#### Work experience and other information:

President and CEO Volvo Cars. Former President and CEO of Dyson 2017–2020. Chief Operating Officer at Dyson 2012–2017. Chief Operating Officer at Research in Motion 2008–2012. Vice President of operations at Flextronics 1998–2005

### Maria Hemberg

Sweden / Born 1964

Board member since 2018

**Education:** LL.M., Lund University, Sweden.

#### Other board assignments and similar:

Secretary to the Volvo Car AB Board.

#### Work experience and other information:

General Counsel and Head of Group Legal & Corporate Governance. Former Legal counsel at AB SKF, Lawyer and Senior Associate at Mannheimer Swartling Advokatbyrå. Legal counsel at SCA Hygiene Products AB.

The Board of Directors are independent in relation to the Company and Leadership Team, but not in relation to the Company's major shareholders.

## The Board of Directors of Lynk & Co International AB

Board members	Position	Elected	Independent in relation to the Company and Leadership Team	Independent in relation to major shareholders	Nationality
An Cong Hui	Chairperson	2018	Yes	No	People's Republic of China
Li Dong Hui (Daniel Li)	Board member	2018	Yes	No	People's Republic of China
Alain Visser	Board member and CEO	2018	No	No	Belgium

The board of Lynk & Co International AB consists of An Cong Hui and Li Dong Hui, both introduced on the previous page, and Alain Visser.



Alain is the CEO and a board member of Lynk & Co International AB. He is a visionary leader with a sixth sense for strategy and a unique ability to inspire the team towards a common goal.

Alain has long experience from the automotive sector, most recently as a Senior Vice President Marketing, Sales & Customer Service at Volvo Cars (2013-2015), Vice President Sales, Marketing and After Sales at Opel (2009-2012), and Chief Marketing Officer at General Motors (2004-2009).

## The Leadership Team of Lynk & Co International AB

The Leadership Team	Position	Appointed	Gender	Nationality
Alain Visser	Board member and CEO	2018	Male	Belgium
Mathias Holst	Head of Finance	2021	Male	Sweden
Clémence Jacqueri	Head of Human Resources	2021	Female	New Zealand
Lasse Grundström	Head of Operations	2021	Male	Finland
Corinne Aaron	Head of Communications	2022	Female	United States of America



## Composition of the Board of Lynk & Co International AB

At all times, the Lynk & Co International AB Board of Directors shall consist of a minimum of two and a maximum of ten members and in addition thereto the number of employee representatives as is required under Swedish law. Where the Board comprises of two members, at least one alternate member must be appointed.

The selection of board members of Lynk & Co International AB is based on a set of rules: the board shall consist of the CEO and CFO of Geely Auto and the CEO of Lynk & Co International AB.

The board members of Lynk & Co International AB earn no remuneration in their position as board members.

## Composition of the Board of Lynk & Co Investment Co., Ltd

The Lynk & Co Investment Co., Ltd board shall consist of four directors, of which i) Geely Auto appoints two directors, ii) Zhejiang Geely Holding appoints one director, and iii) Volvo Cars appoints one director. The chairperson shall be appointed by Geely Auto. The term of each director is three years, and the same person may be re-appointed.

The board members of Lynk & Co Investment Co., Ltd earn no remuneration in their position as board members. Directors may however be reimbursed for reasonable expenses related to travel, lodging, and other expenses incurred to attend board meetings.

## Roles and Responsibilities of the Board and Leadership Team

Lynk & Co International AB is a wholly owned subsidiary of Lynk & Co Investment Co., Ltd and is managed by the Leadership Team, led by the CEO, and overseen by the Board of Directors of Lynk & Co Investment Co., Ltd. Decision making on sustainability strategy and reporting and company policies are delegated to the Leadership Team and overseen by the Board of Directors.

The Board of Directors serves as a careful fiduciary for our owners, overseeing the management of Lynk & Co's business and operations. The Board of Directors are ultimately responsible for ensuring that the risks and opportunities of Lynk & Co are handled while the Leadership Team are responsible for the overall governance, execution and implementation of the company and sustainability strategy and monitors progress through KPIs and regular reviews.

With these responsibilities in mind the Board of Directors sets high standards for Lynk & Co and its operations, employees, and managers.

Lynk & Co does not yet have any committees. The Leadership Team reports to the board of Lynk & Co Investment Co., Ltd. four times per year.

Lynk & Co Leadership Team's remuneration is based on a fixed monthly salary and a variable pay based on the performance and scorecard for senior executives of Lynk & Co. The scorecard consists of both financial performance as well as sustainability metrics connected to Lynk & Co's impact on the environment and people.

## Management and Employee Involvement

Today sustainability is located within the finance organization where our sustainability managers are working to engage, implement, and follow-up sustainability initiatives and efforts across the organization.

From mid-2022 our new sustainability strategy (see pages 9-11 for details) will be implemented. The work will be led by sustainability working groups made up of representatives from our different departments and our sustainability managers. These will drive each initiative forward, collect data, and prepare analysis and reports that are collected and will be presented to the Leadership Team for review and in future sustainability reports.

## Working with sustainability at Lynk & Co

**To live up to our ambitious goals it is of the highest importance that all our employees, managers, and board members do right by the company and themselves. This means, but is not limited to, following the law, acting truthfully, and honorably as well as treating co-workers and fellow human beings with courtesy and respect.**

- We expect managers to act as role models, motivate and support their teams and promote ethical business conduct and sustainability in everything they do.
- Business partners are expected to abide by the same principles as those set out in our [Code of Conduct for business partners](#) and to ensure that those principles are communicated to and complied with by their employees and subcontractors.
- We expect employees to understand and comply with the values, commitments, and requirements set out by our [Code of Conduct](#) and to collaborate with each other to create a work environment that fosters creativity, ethical business, and performance.

## Sustainability in performance reviews

We believe that the best ideas can come from anyone at any level which is why at Lynk & Co sustainability is part of everyone's job regardless of their position, title, or geographic location. Sustainability is integrated into the company scorecard through several KPIs where the performance of the company is regularly measured, assessed, and reviewed by managers, the Leadership Team and ultimately the board. Sustainability performance is part of the measurement points that lay the foundation for the yearly performance bonus and compensation evaluation of employees, managers, and the Leadership Team of Lynk & Co.

## Employee training

### Sustainability training

From 2021 we made sustainability training an essential part of the onboarding and training process of all customers facing employees. The aim is to create a common understanding of sustainability, how to address it in daily work, and how to inspire more sustainable car use. From 2022 the sustainability training will be made more comprehensive and cover more areas of the team.

### Code of Conduct training

The purpose of our employee Code of Conduct training is to ensure that everyone understands it and its obligations. The training covers all parts of the Code of Conduct and includes scenarios of conceivable sit-

uations, such as bribes being offered or other inappropriate behavior and how to handle them. The training is divided into five sections, covering different topics, and is mandatory for all employees and co-workers and an integrated part of the onboarding. The Code of Conduct is available for stakeholders and everyone who works at Lynk & Co and it is the responsibility of our management teams and legal department to answer questions and give support.

## Reporting

We recognize that it will be impossible to predict every possible scenario that can go wrong. Sometimes making the right call is not easy, so if any employee, manager, or business partner is unsure we encourage them to consult a senior member in the company or report the issue. Any concern should be promptly raised and discussed with the closest manager or HR department. Alternatively, our compliance and legal department can be consulted ([whistleblowing@lynkco.com](mailto:whistleblowing@lynkco.com)).

Managers, business partners, and co-workers are expected to raise concerns about the company's business conduct and to report any violation of laws, regulations, and our Code of Conduct. In line with the EU Whistleblowing directive reports can be made anonymously 24 hours a day, 7 days a week through our whistleblowing online system provided by a third-party supplier, guaranteeing the anonymity and safety of each person reporting. The system can be reached through [wb.2secure.se](https://wb.2secure.se) (use code NLG748 when reporting).

## Materiality analysis

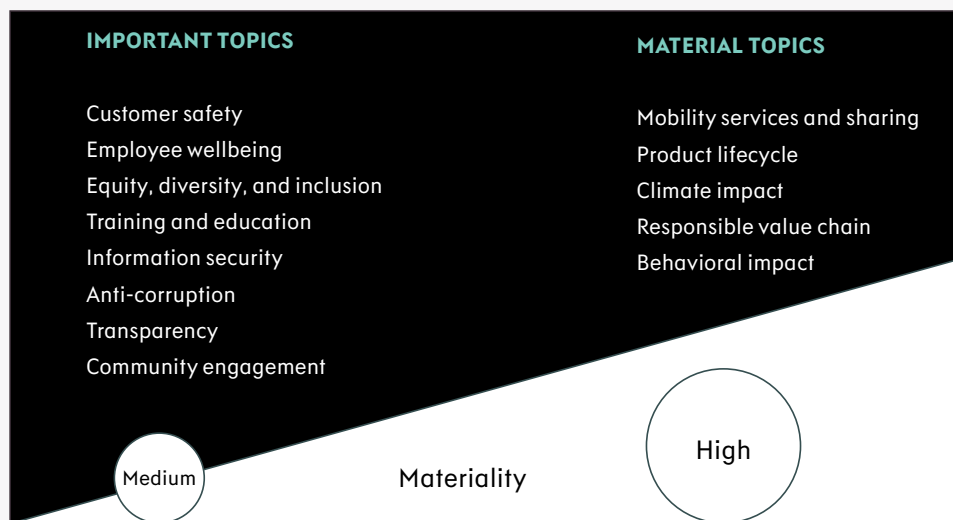
In the development of our sustainability strategy, we conducted a materiality analysis to better understand the effects we have or could have on the economy, environment, and people, and to identify the areas where we have the most significant positive and negative impacts.

We identified and mapped the different impacts from our activities and business areas including actual or potential, negative or positive, short-term, or long-term, intended or unintended, and reversible or irreversible impacts. These impacts were then grouped into 44 different areas ranging across the areas of economic, environmental, social and governance issues. Next, they were grouped into wider topics, which we ranked according to significance of both positive and negative impacts as well as stakeholder perspectives, risks, industry reports and research, sustainability frameworks, and regulatory requirements. This resulted in 13 broad topics, out of which eight are ranked as important and five as material – all covered in this report with an emphasis on the five material topics.

The process included a series of workshops with teams from across Lynk & Co to gather input. The materiality analysis has been validated by external parties with expertise on sustainability and global reporting initiative and has been approved by the Leadership Team.

## Materiality analysis

Assessment and prioritization of topics for Lynk & Co sustainability strategy and reporting based on **impact**



Material topics are topics having the most significant impacts - positive or negative, actual or potential, reversible or irreversible – on the economy, environment, and people.

## Sustainability risks

The materiality analysis also assessed sustainability related risks. By looking broadly at impact and focusing on potential and unintended impacts we identified risks connected to the different areas and included these as an important parameter in the prioritization of topics.

Our sustainability strategy is designed to address the material topics, and to mitigate connected sustainability risks. In daily operations sustainability risks are identified, assessed, and managed throughout the organization by our various departments and by the Sustainability and Compliance & Ethics managers. A more thorough assessment of sustainability risks will be conducted within the next two years.

## Policy commitments

Through our policies and processes we are committed to uphold and adhere to internationally proclaimed human rights, including the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the principles of the UN Global Compact, international guidelines for multinational companies, and the precautionary principle.

Lynk & Co is committed to holding our partners and ourselves accountable when it comes to international policy commitments. We continuously aim to develop ourselves, improve our processes through new processes and auditing, and invest in keeping our employees educated on these topics through continuous trainings.



## Sustainability reporting at Lynk & Co





























We believe in openness and transparency. Since our entry into the UN Global Compact in 2018, we have been publishing progress reports annually as per the UN Global Compact requirements. Lynk & Co International AB is not yet legally obliged to have a sustainability report according to the Swedish Annual Accounts Act. However, given our progress as a company in 2021 we thought it was time for the next step in terms of reporting and transparency. We want to be open with our stakeholders on our impact and invite them on our journey to become the truly sustainable company we aim to be.

To ensure high quality reporting in line with best practice, we report according with the revised GRI Standards for sustainability reporting.

We also recognize that the EU taxonomy will impact our reporting as it enters into force. We welcome this reporting framework and will implement it in our reporting for coming years.

## Sustainable Development Goals

Below table illustrates what we aim to focus on to contribute to the SDGs and Agenda 2030

 Main  Intermediate  Minor	Supply chain and operations	Products and Services	Programs and partnerships
1 No Poverty			
2 Zero hunger			
3 Good health and well being			
4 Quality education			
5 Gender equality			
6 Clean water and sanitation			
7 Affordable and clean energy			
8 Decent work and economic growth			
9 Industry, innovation, and infrastructure			
10 Reduced inequalities			
11 Sustainable cities and communities			
12 Responsible consumption and production			
13 Climate action			
14 Life below water			
15 Life on land			
16 Peace, justice, and strong institutions			
17 Partnerships for the goals			

# Additional Disclosures



## Additional disclosures

### Covid-19

2021 was a year heavily influenced by the global pandemic. In the beginning of the pandemic, we set up a pandemic steering committee consisting of people from management, HR, and communications to monitor and respond to the evolving situation of restrictions and recommendations in the markets where we operate.

We have worked actively to reduce COVID-19 related risks for our members and employees:

### Customers

We have been monitoring and complying with applicable laws and recommendations in the markets where we operate. For example, in many markets local COVID-19 rules enabled us to operate our Clubs and test drives while taking safety precautions such as limiting the number of visitors in the Clubs. In other markets, and at times, we needed to suspend test drives and/or temporarily close our Clubs. Across all markets we have taken several actions to safeguard our members and prevent the spread of COVID-19:

- Disinfect our cars between each test drive and follow all local regulations and recommendations
- Hand sanitizer and face masks have been readily available in all our Clubs
- Test drives have been made alone by members, without any Lynk & Co crew
- Visitor numbers to the Clubs and events have been reduced and many events were either cancelled or postponed

### Employees

Flexibility in life has been important at Lynk & Co since our start. We already have a culture and set-up in place to facilitate remote work. One of the most important actions we took to reduce the spread of COVID-19 was to encourage co-workers to work from home as well as:

- Encourage social distancing, mask wearing and limiting the number of people in the office and meetings rooms
- Making hand sanitizers and face masks readily available and encouraged in all our offices
- Reducing travel and cross border travel unless absolutely critical
- Encouraging employees and co-workers who have been sick to stay at home until symptoms are entirely gone (or longer if required by law)

We recognize that for many of our co-workers the pandemic has been a challenging time. We have encouraged co-workers to reach out to their colleagues and support each other through these difficult times. We have also hosted Resilience and Stress Management sessions to help inspire how to better handle stress and mental health.

### Significant events after the reporting period

#### War in Ukraine

Lynk & Co is deeply concerned for people directly affected by the war in Ukraine, and the impact it will have on people and societies.

Lynk & Co does not have any sales, subsidiary, or employees in Ukraine or Russia which limits the impact on our operations. We will work to ensure we follow the sanctions and export controls imposed by the EU and US.

We stand in solidarity with and express our sympathy with the people affected by this devastating war and hope it ends as fast as possible.



## Tables with data

All figures reported below covers the calendar year 2021 and are reported in headcount, showing the status at the end of 2021 unless stated otherwise.

### People

Overview	2021
Average number of employees	336.5
Women / men, %	45% / 55%
Permanent / temporary employees, %	56% / 43%
Full-time / part-time, %	89% / 11%
Total number of new hires	331
Total number of employees leaving	45
Employee turnover	0.13
Average FTE (full-time equivalents)*	320
Workers who are not employees	63

\*Average FTE. Lynk & Co had 190 full time employees at the start of 2021 and 450 at the end of the year.

By the end of 2021, Lynk & Co had 479 employees, of which 55% were covered by collective bargaining agreements. This reflects the different markets we are present in and their varying conditions. Furthermore, in many parts of the company, such as IT, consultants are engaged.

### Employees per country

<b>Total</b>	<b>479</b>
Sweden	185
Netherlands	206
Germany	31
Spain	23
Italy	16
France	8
Belgium	10

### Diversity of governance bodies by gender

%	Leadership Team	Board of Directors
<b>Women</b>	40	25
<b>Men</b>	60	75

### Diversity of employees by gender

%	Total	Managers
<b>Women</b>	45	36
<b>Men</b>	55	64

### Diversity of employees by age and gender

Age and gender	Number	%
<30 women	96	20%
<30 men	100	21%
30-50 women	112	23%
30-50 men	141	29%
> 50 women	8	2%
> 50 men	25	5%

### Employment contract and rate

Dec 2021	Permanent	Temporary	Full time	Part time	Other (Non-guaranteed hours)	Total
<b>Total</b>	272	203	424	51	4	479
<b>Women, %</b>	43%	48%	43%	59%	50%	45%

## Tables with data

All figures reported below covers the calendar year 2021.

### Climate impact

Ton CO <sub>2</sub> e	2021
Direct greenhouse gas (GHG) emissions - Scope 1	21
Indirect GHG emissions - Scope 2 (market-based)	30
Indirect GHG emissions - Scope 2 (location-based)	61
<b>Total GHG emissions - Scope 1 &amp; 2 (market-based)</b>	<b>51</b>
Other indirect GHG emissions - Scope 3	117,374
<b>Total GHG emissions (market-based)</b>	<b>117,425</b>
<b>Total GHG emissions per delivered car</b>	<b>15.8</b>
<b>Total GHG emissions per € 1M in turnover</b>	<b>1,957</b>

### Climate impact from delivered cars

Share of PHEV vehicles	86%
Share of HEV vehicles	14%
Fuel consumption combined (WLTP) – PHEV	1.2L/100km
Fuel consumption combined (WLTP) – HEV	6.6L/100km
<b>Average fuel consumption delivered cars</b>	<b>1.96L/100km</b>
Emissions CO <sub>2</sub> combined (WLTP) – PHEV	27g/km
Emissions CO <sub>2</sub> combined (WLTP) – HEV	150g/km
<b>Average CO<sub>2</sub> emission (WLTP) delivered cars</b>	<b>44.22g/km</b>

### Emissions per scope - ton CO<sub>2</sub>e

Scope	Categories	2021	Comment
<b>Scope 1</b>	Company owned facilities	0	Lynk & Co International does not own any facilities where direct emissions occur.
	Company vehicles	21	
<b>Scope 2</b>	Purchased electricity - Market based	30	
	Purchased electricity - Location based	61	
	Purchased heating and cooling	0	No reported use of district heating or cooling in our facilities.
<b>Scope 3</b>	Capital goods	7,746	Full scope of emissions not yet captured. Includes emissions in car manufacturing.
	Transportation and distribution	43,013	Upstream
	Business travel	308	
	Transportation and distribution	3	Downstream
	Use of sold products	66,305	
<b>Total</b>	<b>Market based</b>	<b>117,425</b>	
	Location based	117,456	

## Emissions are calculated based on the Greenhouse Gas Protocol:

### Scope 1

*Company-owned facilities:* Direct GHG emissions from the offices and locations (Clubs, service points, etc.) we operate in Europe. Lynk & Co International does not own any facilities where direct emissions occur. As the manufacturing plant is not owned by Lynk & Co international, these emissions are reported under scope 3 – capital goods.

*Company vehicles:* GHG emissions from company vehicles, which includes fuel consumed by company cars owned by Lynk & Co. Emissions are estimated based on the total age of the company car fleet by end of 2021, the average driven kilometers per month, and official data from the Worldwide Harmonized Light Vehicle Test Procedure (WLTP) of the O1, for HEV (150g CO<sub>2</sub>e) and PHEV (27g CO<sub>2</sub>e).

### Scope 2

*Purchased electricity, location based:* Electricity consumption based on actual consumption in kWh. Includes the electricity consumption of all locations operated by Lynk & Co - regardless of ownership or agreement setup. For some locations, the consumption has been estimated using the average consumption per m<sup>2</sup>. Country specific emission factors for location based electricity have been used.

*Purchased electricity, market based:* Electricity consumption based on actual consumption in kWh. Where available data on use of renewable electricity has been reported and verified by green certificates (agreements with suppliers on 100% renewable energy). Country specific emission factors for market based have been used.

*Purchased heating and cooling:* No reported use of district heating or refrigerants in our facilities.

### Scope 3 - Upstream

*Purchased goods and services:* Not yet mapped. Downstream emissions connected to our cars are reported under Capital goods - following our principles for financial reporting.

*Capital goods:* Includes emissions from inbound logistics, and all scope 1 and scope 2 emissions and outbound logistics from the manufacturing plant in Yuyao, allocated according to Lynk & Co International's share of total production volume of cars. Emissions occurring further down in the supply chain of our cars are not yet included. This means that this figure does not include the full scope of emissions from capital goods.

*Transportation and distribution, downstream:* Includes GHG emission from shipping of cars from China to EU, distribution of cars within EU to our seven markets, deliveries of cars to customers, as well as transportation of cars related to test-drives, pick-up and delivery services in relation to service and maintenance and other purchased transportation and distribution services. Emissions have been calculated based on the number of kilometers and the mass of goods transported, with emissions factors specific for the means of transportation used. For transportation and distribution services where our cars are used, such as car deliveries, emission levels are based on average distances per market and official WLTP data for the O1 and an assumption that these distances are driven using fuel only due to limitations in access to charging, resulting in an emission factor of 163gCO<sub>2</sub>e for PHEV. We aim to increase the granularity of this data moving forward.

*Waste generated in operations:* Emissions from waste is

not yet mapped. Manufacturing waste is reported separately (see table on the next page).

*Business travel:* Includes data for air and train transport as well as hotel nights. Emissions for hotel nights are calculated using country specific emission factors from DEFRA and other sources. Emission levels for air and train transport are provided by our travel agency Egencia.

*Employee commuting:* Not yet mapped.

*Leased assets:* Emissions from leased assets are included in our scope 1 and scope 2 reporting.

### Scope 3 – Downstream

*Transportation and distribution, downstream:* Includes emissions from car deliveries paid for by customers. Emission levels are calculated using the same assumptions as for upstream emissions from transport and distribution.

*Processing of sold products:* Not relevant as no processing of sold products occur before reaching the end consumer.

*Use of sold products:* GHG emissions from the use of sold products are based on official WLTP data for the O1, 150gCO<sub>2</sub>e for HEV and 27gCO<sub>2</sub>e for PHEV, and an assumed lifecycle distance driven of 200,000 km per car.

*End-of-life treatment of sold products:* Not yet mapped.

*Leased assets:* Not applicable.

*Franchises:* Not applicable.

*Investments:* Not applicable.



## Tables with data

All figures reported below covers the calendar year 2021.

### Waste from manufacturing (ton)

Hazardous waste	99
Packaging material	53
Non-hazardous waste (excl. metal waste)	42
Metal waste	1,797
VOC waste	17
<b>Total waste from manufacturing</b>	<b>2,008</b>
Total number of cars manufactured in 2021	11,565
<b>Waste per manufactured car in kg</b>	<b>173.65</b>
<b>Material utilization degree (inhouse) %</b>	<b>55.5%</b>

### Water usage in manufacturing

Water usage in m <sup>3</sup>	40,019
Total number of cars manufactured in 2021	11,565
Water usage per manufactured car m <sup>3</sup>	3.46

The amount of waste and water usage from manufacturing has been calculated based on the total amount of waste and water usage from the Yuyao plant and the number of vehicles produced for Lynk & Co international AB.

### Compliance with laws and regulations

Serie	2021
The total number of significant instances of non-compliance with laws and regulations	0
The total number of instances where fines were incurred	0
The total number of fines	0
The total monetary value of fines (EUR)	0

There have been no significant instances of non-compliance or fines during 2021

The  
fine  
print.



## The fine print

### United Nations Global Compact

Lynk & Co is a committed member to the UN Global Compact since 2018. Our sustainability strategy is developed to incorporate the UN Global Compact's Ten Principles in the areas of human rights, environment, labor, and anti-corruption into our strategies, policies, and procedures. With more than 12,000 companies and 3,000 non-business signatories in over 160 countries, and 69 Local Networks, the UN Global Compact is the world's largest corporate sustainability initiative — one Global Compact uniting business for a better world.

This report constitutes Lynk & Co's Communication on Progress (COP) to the UN Global Compact.



### Global Reporting Initiative

The Global Reporting Initiative (known as GRI) is an international independent standards organization that supports businesses, governments and other organizations comprehend and report their impacts on climate change, human rights, corruption, and other issues. The GRI framework helps companies and organizations to report sustainability information in a clear and comparable manner.

Lynk & Co Sustainability Report 2021 is an annual report prepared in accordance with the GRI Standards. See the next pages for our alignment with GRI and GRI content index with disclosures and references to where the information can be found in the report.





## GRI Content Index

Statement of use	Lynk & Co has reported in accordance with the GRI Standards for the period from January 1, 2021 to December 31, 2021.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No applicable GRI Sector Standards

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	COMMENT
GENERAL DISCLOSURES			
GRI 2: General Disclosures 2021	2-1 Organizational details	6, 42, 61	
	2-2 Entities included in the organization's sustainability reporting	42, 60	
	2-3 Reporting period, frequency, and contact point	60-61	
	2-4 Restatements of information		This is Lynk & Co's first sustainability report.
	2-5 External assurance		The report has not been externally assured.
	2-6 Activities, value chain and other business relationships	4, 6, 33-34, 42	
	2-7 Employees	51, 60	
	2-8 Workers who are not employees	51	
	2-9 Governance structure and composition	42-45	
	2-10 Nomination and selection of the highest governance body	45	
	2-11 Chair of the highest governance body	43	
	2-12 Role of the highest governance body in overseeing the management of impacts	45	
	2-13 Delegation of responsibility for managing impacts	45	
	2-14 Role of the highest governance body in sustainability reporting	45	
	2-15 Conflicts of interest	42-43	
	2-16 Communication of critical concerns	45	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	COMMENT
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body		Information unavailable. We aim to report on the disclosure in the 2022 Sustainability Report.
	2-18 Evaluation of the performance of the highest governance body		Information unavailable. We aim to report on the disclosure in the 2022 Sustainability Report.
	2-19 Remuneration policies	45-46	
	2-20 Process to determine remuneration	45-46	
	2-21 Annual total compensation ratio		Confidentiality constraints.
	2-22 Statement on sustainable development strategy	5	
	2-23 Policy commitments	34-35, 40, 45-47	
	2-24 Embedding policy commitments	34-35, 45-47	
	2-25 Processes to remediate negative impacts		Process is under development. We aim to report on the disclosure in the 2022 Sustainability Report.
	2-26 Mechanisms for seeking advice and raising concerns	46	
	2-27 Compliance with laws and regulations	54	
	2-28 Membership associations	15	
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## About the report

**This is Lynk & Co's first Sustainability report that from now on will be published annually. The report addresses sustainability impacts and activities at Lynk & Co International and our subsidiaries as well as our operations and facilities and the lifecycle impacts of our products and services.**

### Reporting year

Except otherwise noted, this report covers Lynk & Co's calendar year 2021 and the information reflects our data and performance as of December 31st 2021.

### Data and methodologies

The data and methodologies have been compiled and assessed using applicable scientific and technical methodologies. The statements made about past occurrences and possible future developments are based on the available data, estimations, and assumptions as of the date of the publication.

For the data collected and presented in the report we are partly or wholly reliant on information provided by business partners, suppliers and/or public sources. The capacity to verify the information may be limited by the reliability of the underlying data and the overall status and development of laws, guidelines and regulations in tracking and provision of such data.

### Cautionary note on Forward-Looking Statements

Sections of this report includes forward-looking statements in relation to our future business outlooks as well as our sustainability objectives. Forwards-looking statements are identified by words such as "aim", "target", "will", "should", "believe", "effect", "estimate", "evaluate", "expect", "forecast", "goal", "intend", "may", "objective", "plan," or similar expressions.

These represent our present judgement about possible future events and involves a wide range of risks and uncertainties. The actual results may differ from the anticipated results subject to a wide range of factors, risks, and uncertainties. The information is provided on reasonable efforts basis and various factors could cause actual results to differ materially.

Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

Lynk & Co holds no obligation to update any information or statements in this report, and reserves the right to reevaluate past data and estimations to improve accuracy and make any required adjustments to our sustainability reporting.



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