Sustainability report
2023

WirelessCar
WE EMPOWER FUTURE MOBILITY

About this report

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This report is an appendix to WirelessCar's annual report 2023. The information and data contained in it relate to activities carried out from January 1, 2023, to December 31, 2023. The report also introduces our sustainability vision, our focus areas both for contribution and compliance and how we work with all stakeholders around us. You are welcome to read and contact us if you have any questions or comments.

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"Welcome to the sustainability report 2023!"

Empowering future mobility

We empower future mobility with digital services based on connected car data. Future mobility needs to be smart, and efficient, but also sustainable and inclusive. Data is an enabler, and we help our customers and thereby the automotive industry in their transition. This focus also helps us to be cost efficient, reduce risks, and develop attractive & relevant services now and in the future.

During 2023 we have taken many steps towards being that partner and we are looking forward to making a difference together.

Niklas Florén, CEO

Enabling the change starts with people

Enabling future mobility starts and ends with people, how we empower people to drive change, and the benefit we contribute to people at WirelessCar, in our supply chain, to users, and to future people. Inclusion and empowerment support the development of truly sustainable mobility, and sustainable mobility boosts the well-being of people. This is something we believe firmly in, and it is crucial in helping us deliver complex products to a global marketplace with diverse end-users, and to be an attractive global employer/ supplier/partner.

Henrik Ljungberg, VP People & Culture

Scaled up focus 2023

During the year we have worked actively with increasing the scope of sustainability to encompass environmental, social, and governance aspects. We have also worked with awareness around our vision and contribution, proactiveness in meeting requirements from all stakeholders, and handling of risks and opportunities. Looking forward, we aim to integrate sustainability even further into the strategy and way of working, reduce impact, and create customer-specific support/reports.

Elin Engkvist, Head of Sustainability

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Highlights 2023

Freedom project completed
The Vinnova-funded research project together with Halmstad University and Polestar about AI and sustainable mobility resulted in two potential new services to support resource efficient electrification.

Emissions went down again
After a steep post-covid increase due to an office renovation and resumed travelling, we managed to change the trend and increase efficiency on three out of four KPIs. Even so, the total emissions have increased with 183 % since base year 2020, but we intend to keep the positive trend to reach our targets.
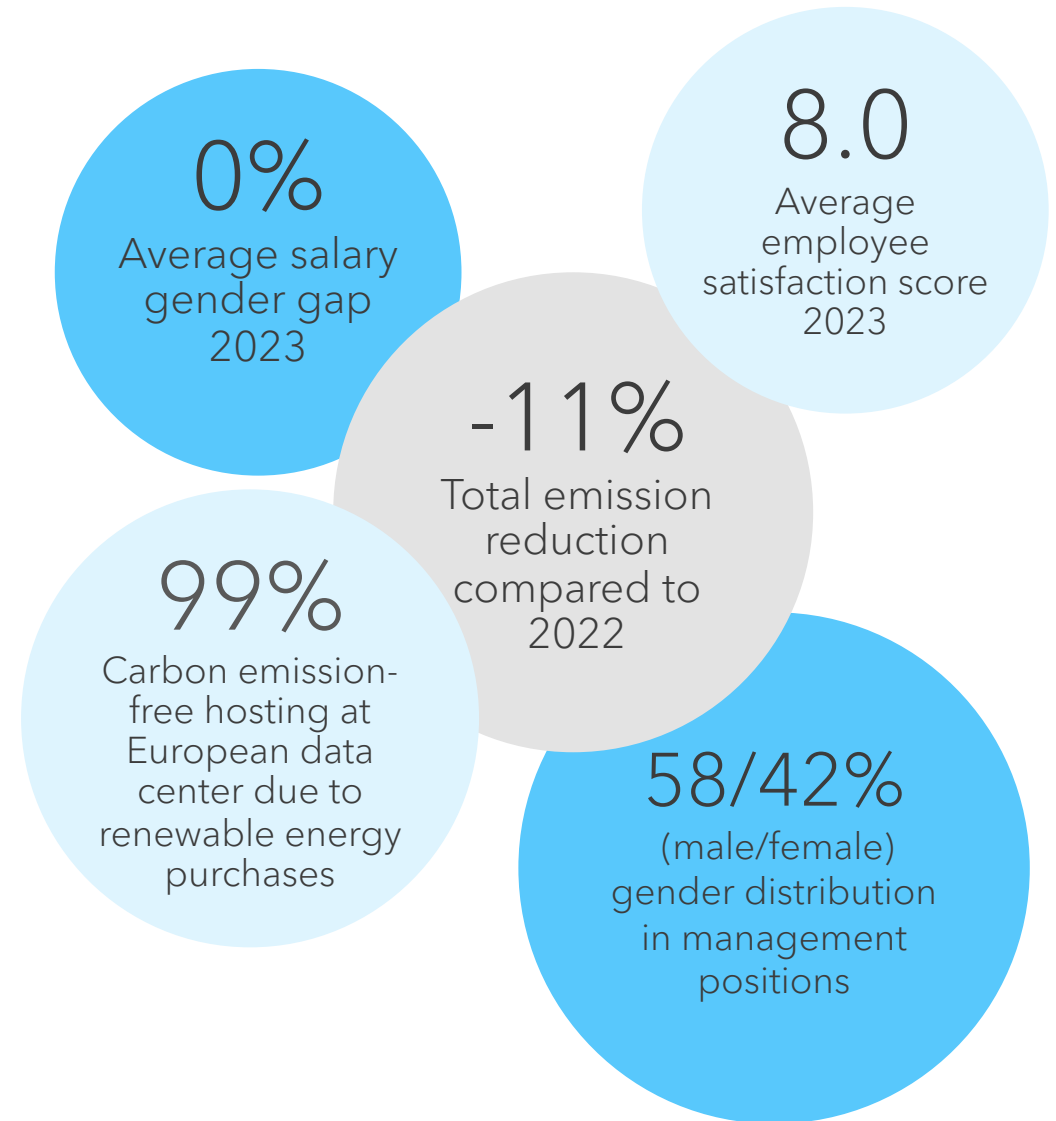
DEI work accelerated
All company efforts within this area were collected under one umbrella and a strategy was developed to secure long-term focus and accelerated action. The gender gap analysis of salaries, the gender balance in leadership positions, and the overall employee satisfaction scores were three highlights.

Data centers reduced emissions
The European data centers we use are progressing towards only using fossil-free energy by 2025, which coupled with efficiency initiatives reduced emissions from our services during 2023.

Third-party assessments
During the spring a number of 3rd party assessments were completed for our customers and potential customers. These expert assessments help us be transparent and communicate what we do and have brought good advice on how to move forward.

0% Average salary gender gap 2023

8.0 Average employee satisfaction score 2023

-11% Total emission reduction compared to 2022

99% Carbon emission-free hosting at European data center due to renewable energy purchases

58/42% (male/female) gender distribution in management positions

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Car data as the fuel of safe, efficient, inclusive and sustainable mobility

Our vision is to empower future mobility, and it needs to be safe, resource efficient, smart, and inclusive to be sustainable for people and planet. For this, connected car services are important enablers with huge potential to speed up the transition of the automotive industry in a profitable way. We aim to show the opportunities and be at the forefront of data-driven acceleration!

The sustainability challenges for the world are humbling, and for our industry as well. At the same time, mobility of people and goods are so important in our global and interconnected world. To make mobility sustainable, challenges including climate impact, disturbing noise, pollution, congestion, accidents, and inequal access are addressed. WirelessCar aims to be the obvious partner for insights, know-how, and ideas on how to transform car data to services that optimize use of resources, increase attractiveness of electric cars, and facilitate new business models. These challenges must also be met with profitability and speed.

With our expertise and diverse perspectives, we aim to visualize impact, educate, inspire, collaborate, and develop to scale up good solutions and break new ground.

Sustainability is definitely a business opportunity and a strategic advantage to create efficiency, be an attractive workplace, develop relevant cutting-edge services, and ultimately secure our growth and empower future mobility.

While contributing to the above, we also take a proactive approach in transitioning towards conducting our own business sustainably and minimizing our impact on people and planet. This is done in line with our stakeholder requirements and the 1,5° target of the Paris Agreement, and by evaluating and mitigating risks, as well as by collaborating actively with our value chain and stakeholders to secure transparency, progress, and successful long-lasting relationships.

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Our playing field

An introduction to availability of data, different users around the car, and the large sustainability challenges we can help to address in the automotive sector.

Availability of data

- There is a growing number of connected cars. Around 500 million cars are estimated to be connected by 2030.
- Thousands of data points per car are available such as tire pressure, journey log, fuel tank level/charging status, service needs etc.
- More and more sensors, software and high-resolution data are introduced to each car.
- AI and machine learning brings new possibilities to analytics and insights.
- A large amount of CRM, user, or third-party data is available to add value to the car data for a variety of scenarios.

Users around cars

- There are many different types of users of car data and digital services around a car: the OEMs, fleet owners, drivers, insurance companies, call centers, city planners etc.
- These users have different needs ranging from comfortable and efficient individual mobility, to cost optimizations, to product or traffic planning.
- Globally there is a wide range of national, regional and sectorial laws and regulations to consider for the various user groups and markets. And most importantly to consider, the car data is a personal and protected asset.

Sustainability challenges

- There are many societal challenges for sustainable mobility, here are a few:
- Congestion: Cars take up a lot of space and many cities worldwide struggle with congestion.
- Accessibility: Transport opportunities are not equally distributed around the globe.
- GHG emissions: The transport sector emits around 15% of world emissions.
- Tailpipe pollution: Every year there are millions of people affected by polluted air where they live.
- Road safety: There are too many traffic casualties.

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How can we navigate our playing field to contribute to future mobility?

In these five areas, contributing to these UN SDGs, we address market trends and customer needs to empower sustainable mobility. They have been developed based on extensive stakeholder analysis, strategy workshops, and business viability. This is where we can make a difference together!

Climate & Electrification

By boosting the EV-transition, supporting fossil-free/ load-balanced charging for reduced value-chain emissions, and transition to a net-zero company 2040.

Near-term target towards net-zero 2030
Net-zero long-term target 2040

People & DEI

By raising psychological safety through diversity, equity and inclusion we secure well-being and high-quality global solutions.
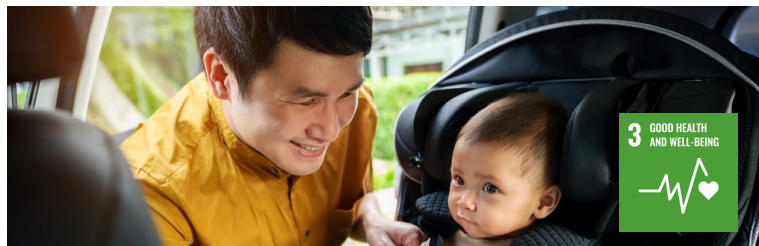
No gender above 50% 2030
Diverse management 2030
Employee Satisfaction 0.3 above industry 2030

Data Security

By securing integrity, resilience and privacy to support well-being and efficiency*

Road Safety

By helping get the right assistance to collisions as fast as possible and help people prevent breakdowns*

*targets yet to be decided

Circular Economy

By maximizing vehicle life-time profitability and minimizing life-time value-chain impact*

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Climate & Electrification

By boosting the EV-transition, supporting fossil-free/ load-balanced charging for reduced value-chain emissions, and transition to a net-zero company 2040

We aim to be a net-zero company by 2040 and to support our customers with the transition to electric vehicles as well as to decrease their use phase emissions. This will enable reduced emissions for our customers and end-users. It will also be valuable input to their assessment of climate-related impact, risks and opportunities, not to mention their brands. We support reduced tailpipe pollution, improved air quality, and better global health.

How we speed up the transition to electric vehicles:
- **EV Attraction:** Providing services to EVs that make the OEMs' offering more attractive and support the replacement of ICE vehicles with EVs.
- **Smart Charging:** Supporting the OEMs to enable seamless, efficient charging with renewable energy for fleet owners and end-users.
- **Sustainable Cities:** Recognizing the synergy with SDG 11, we aim to improve urban mobility by sharing our insights with sustainable city initiatives, thereby contributing to cleaner, more efficient urban environments.

Our initiatives include a solution area fully dedicated to smart EV services and an Analytics & AI team performing research in areas such as EV range- and charging anxiety, EV charging, cost and climate impact. During the past two years we participated a research project with Halmstad University which resulted in two potential new services within smart load-balanced charging and EV purchasing advice to customers based on driving patterns.

Our net-zero target was set with inspiration from the science-based target framework. To track the progress towards the target we make a yearly assessment together with an external partner using the GHG protocol.

Smart EV Routing

"This is a super service and one of the most sought-after products in the past year. A good example of how we provide a relevant end-user service which addresses and diminishes the range- and charge anxiety for EV drivers. To work with products and services within the EV area is a true privilege".

Rasmus Cornér
Product Manager EV services

GHG-emissions 2023 vs 2022:
-11% (after a large increase 2022)
Estimated number of EVs we operate December 31 2023: > 1,000,000
See next page for more

Climate & Electrification: The Net-zero targets

These Net-zero targets have been developed with inspiration from the Science Based Targets Initiative

Base-year 2020	2030 Near-term target	2040 Long-term target
Scope 1 & 2 (office & energy)	Reduce absolute emissions with 90-95 %	Net-zero *Max. 5-10 % carbon removals to neutralize emissions that cannot yet be eliminated.*
Scope 3 (value chain, travel)	Reduce emissions with 52 % / connected vehicle *Covers: use of sold products and services, purchased goods and services, business travel, employee commuting, fuel and energy related activities, waste generated in own operations as well as transportation and distribution.*	

To secure progress at the same pace as our stakeholders and in line with the Paris agreement, we have developed emission targets for the short and long term. These targets have been developed by external expertise with inspiration from the Science Based Targets Initiative and will guide our progress towards a Net-zero business in scopes 1-3 by 2040. Note that we have not (yet) committed or applied to an official SBT.

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Climate & Electrification: The results

The results of the 2023 GHG assessment shows that we are back on track

This page presents WirelessCar's fourth climate disclosure in adherence to the globally recognized greenhouse gas accounting standard, Greenhouse Gas Protocol (GHG Protocol). For FY2023, WirelessCar's emissions totaled 2 127 tonnes of CO_2e, marking a decrease from 2 389 tonnes in CO_2e in FY2022 (11% decrease) and increase from the 751 tonnes of CO_2e in FY2020 (the base year). The main reason for the decrease in emissions for FY2023, when comparing to FY 2022, is the decrease of emissions from capital goods (-811 tonnes of CO_2e). Despite a decrease in this category, the emissions in a few other categories have increased, such as purchased goods and services (+298 tonnes of CO_2e) and business travel (+192 tonnes of CO_2e). Three out of the four key performance indicators (KPIs) as seen to the right have decreased when comparing FY2023 with the previous year. Emissions per net revenue have decreased by 25%, emissions per full time employee (FTE) by 6%, and emissions per connected vehicle have been reduced by 28%. It is only the energy usage per area KPI that has slightly increased for FY2023 by 2%. We are happy to see that our company growth has not contributed to emissions growing at the same pace, see net-zero KPI table to the right.

The main contributor to the increase in the purchased goods and services category is office and building purchases, which is partly explained by purchases related to office renovations on multiple sites in 2022/23. The main contributors of emissions for the business travel category are flights and hotel stays. It must be noted that from 2023 COVID travel restrictions in China were lifted, one potential factor that explains the surge in travels for us. This is a continuation of a trend towards increased travel volumes that began in previous years.

The emissions are calculated by 2050 and are based on both activity data and spend data. When data is missing, relevant assumptions have been made to fill in the data gaps.

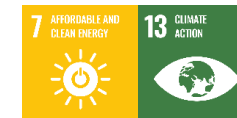## Annual comparison of emissions per scope
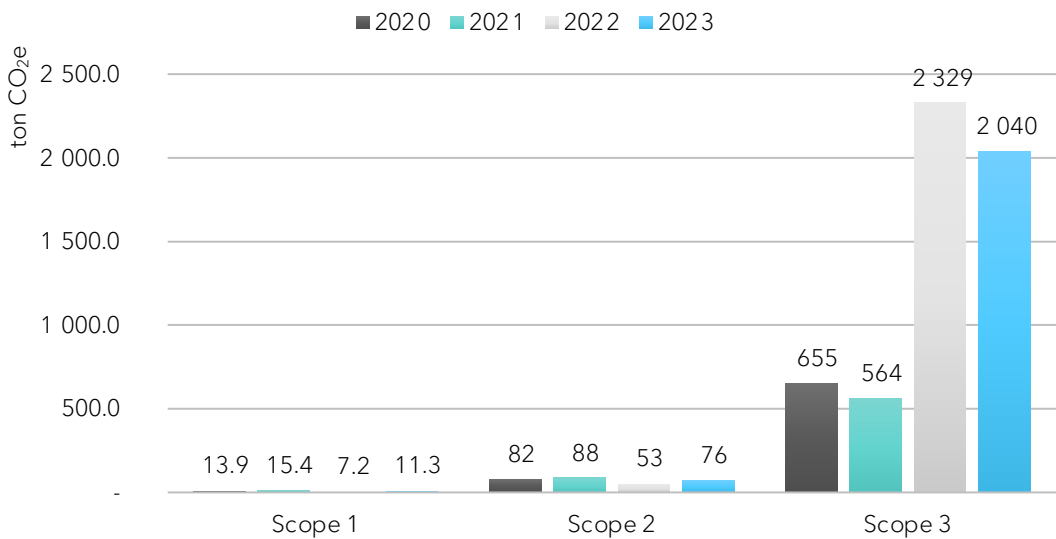
Net-zero KPIs

KPIs	2023	2022	2021	2020	Change 2020-2023	Change 2022-2023
Emissions/net revenue [ton CO2e/MSEK]	1,57	2,08	0,70	0,89	76%	-25%
Emissions/FTE [ton CO2e/FTE]	2,15	2,29	0,95	1,45	48%	-6%
Emissions/connected vehicle [kgCO2e/connected vehicle]	0,17	0,24	0,09	0,13	35%	-28%
Energy usage/area [kWh/m2]	172	168	239	-	-	2%

Climate & Electrification: The road to Net-zero
To reach the Net-zero targets 2030/40, these are the prioritized areas, implemented and planned activities.

Prioritized areas	Implemented activities	Planned activities
Improve energy efficiency in offices	• Implementation of automatic electricity turn off in the Gothenburg office when the building alarm are turned on.	• Dialog with landlords about efficiency • Include demand on energy performance in purchasing policy • Initiate energy efficiency program on all sites • Use more energy efficient hardware
Switch to renewable energy (RE) in all offices	• No change in current offices. The new office in Chengdu is mainly powered by nuclear power, which is the most common energy source in the region.	• Include demands on renewable energy in purchasing policy • Switch to renewable energy, either if it's possible in the grid or by investment in solar power
Reduction of emissions from data usage at data centers and end users	• Cost and CO_2 efficiency initiatives in our solutions • Our data centers in Europe has a target of 100 % fossil-free energy by 2025, which also supports WirelessCar's transition. • The purchasing department currently develops a list of requirements for suppliers during purchases. This list will include requirements for energy consumption, the share of renewable energy etc.	• Analyze and implement further efficiency measures • Request data on energy usage from suppliers • Follow the development of energy usage/CO_2 per GB • Work with data centers globally
Reduction of emissions from IT hardware	• Switch of IT hardware supplier 2023, that has implemented solutions for reuse and recycling of equipment	• Further develop selection of hardware offered • Secure reuse/recycle of equipment on all sites
Reduced emissions from commuting	• Continuous hybrid office solutions. • Remote work is implemented, meaning that you as an employee can be anywhere in Sweden and work. • Bicycle storage, showers and free service 1time/year and campaign for company benefit bikes in place.	• Continue to analyze possible solutions for sustainable travel to offices i.e. public transportation, carpool. • Continue to offer remote and hybrid work
Business travel & reduction of emissions from travels	• Discussion with stakeholders about travelling. • Evaluation of travel agency ongoing.	• Evaluate which travels that are necessary and update the travel policy. • Work with the travel agency to nudge for more sustainable travel choices. • Evaluate to purchase fossil-free fuel via Fly Green fund
General	• Clothing swap day • Testing vegetarian food on company events.	• Evaluate if climate targets should be included in the bonus system. • Dialogue with banks and financial partners about pension funds.

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People & DEI (Diversity, Equity, and Inclusion)

By raising psychological safety through diversity, equity and inclusion we secure well-being and high-quality global solutions.

Our quest extends beyond technological innovation. We aim to support our employees and foster an inclusive, diverse workplace where everyone is valued just as they are. Our aspiration to be the employer of choice within our industry is the foundation of our corporate strategy. Leveraging the full potential of our diverse workforce helps us to deliver high-quality, innovative global solutions. By doing so, we aim to be role models in society, inspiration to our partners, and contributors to more inclusive and accessible mobility solutions. Solutions that facilitate the sustainability transition and exceed our customers' expectations.

How we leverage our diversity and different perspectives to ensure quality:

- **Diverse management:** Increasing the representation of underrepresented groups in management positions.
- **Gender diversity:** Actively attracting and retaining without bias.
- **Inclusive employer:** Becoming a more inclusive employer where everyone thrives and contributes by measuring satisfaction and acting on it.
- **Remote/flexible work:** Continue to offer remote/flexible work to make work-life balance easier.

The work is coordinated within the people & culture function, in close collaboration with line managers, scrum masters, team development, employee groups, and the executive management. During 2023 some initiatives were a half day about DEI, cross-cultural training, review of the recruitment process, collaborations with Women in Tech, Kodcentrum, and Tech Sweden.

Note! We do much more to be the workplace of choice and care for all people we interact with (employees, customers, suppliers etc), see page 18.

Employee satisfaction: 8.0
33 different nationalities,
58%/42% males/females in management positions
More details, see next page.

We are so rich in perspectives

"At WirelessCar we are more than 30 different nationalities and the diversity in perspectives that brings is one of our most valued assets. Not only does it make every day at work more interesting and dynamic, but it also brings great value to our global solutions."

Elin Engkvist
Head of Sustainablity

People & DEI (Diversity, Equity & Inclusion) – The targets and results

2023 we gathered all DEI work under one umbrella, with the aim to ensure diversity, equity and inclusion at all levels

Category	Result 2023 (average)	Target 2024	Target 2030
Increase diversity in all management tiers	58% male/42% female employees in leadership positions (75% male/25% female in executive management, 100% male in the board), 26% visa holders from 33 countries in the company, but marginal representation in leading positions.	Suitable target and KPI to be evaluated	Suitable target and KPI to be evaluated
Attract and retain underrepresented genders	Overall: 30% female Tech roles: 82,6% male, 17,4% female	35 % female	No gender exceeds 50%
Ensuring an inclusive workplace where everyone can thrive and belong (overall temperature in employee satisfaction pulse tool)	8.0	0,3 above index in our industry in our pulse tool at year end	0,3 above high-tech index in our Pulse tool at year end

Our diversity is an important strength as it embodies our different perspectives and accumulated experiences. Our ability to foster psychological safety and inclusion for our diverse workforce is crucial to enjoy its benefits and succeed. Therefore, we have gathered all DEI work under one umbrella this year, with the aim to ensure diversity, equity and inclusion at all levels and throughout our organization.

To track our progress and direct our efforts we have three areas in focus: Increase diversity in all management tiers, attract and retain underrepresented genders, and to ensure that we are an inclusive workplace where everyone thrive and belong. These will later be complemented with new areas in line with the needs of the organization.

Our long-term targets are to have leadership that is truly diverse, to have a balanced gender distribution in line with society and to maintain an overall satisfaction score 0,3 above the industry. The 2023 results show that we are almost there on gender distribution in management positions but need to work towards better distribution in executive positions and attain a better cross-cultural mix. We are on track with the overall gender distribution target 2024. However, we need to work towards our long-term goal as well as to monitor well-fare and distribution in our DevOps teams. The overall satisfaction is high and in line with our targets. Here, we need to focus on maintaining that high level, map the employee journey and analyze satisfaction scores per gender/background to understand where we need to focus our efforts.

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People & DEI (Diversity, Equity & Inclusion) – The road ahead
To reach the DEI targets, these are the prioritized areas, implemented and planned activities

Prioritized areas	Implemented activities	Planned activities
Awareness and knowledge (trainings and communication)	• Half day with invited speakers and interactive exercises with all staff held • Employee journey training with all Line Managers performed • Compulsory onboarding trainings and spirit workshops held • Cross-cultural understanding trainings performed • Work environment training held for Line Managers • Labour Law training held for Line Managers • Employee resource groups in place and active • Celebration of global holidays and international fikas scaled up • Communication around importance of DEI, standpoint, targets, and actions increased	• Alignment and development of DEI models and exercises used throughout the organization • Unconscious bias training • LGTQi+ training for management • DEI standpoints incorporated in brand platform • Checklist for diverse and inclusive events to be developed
Talent attraction and development	• Review and adjustment of language in recruitment communication performed • DEI integrated in photo projects to secure diversity in people photos • DEI integrated in the EVP and campaigns to secure communication/offering that attracts diversity • All open jobs are posted internally • Competence-based selection in hiring process was strengthened • Hosted an event about closing the gender gap in tech together with Tech Sweden • Data from employer branding campaigns used to attract more women	• Find good way to measure the management diversity target • Update benefits program to be diverse and inclusive • Inflow and drop offs throughout the entire employee journey to be investigated to find gaps to address • Employee satisfaction score to be segmented and evaluated per group to find and address gaps
Working conditions	• An extensive package has already been in place for years including health contribution benefit to all employees, remote working contracts and hybrid work opportunities, English business language for inclusion, extra parental leave compensation kept for example • Cabinets with feminine hygiene products installed in office restrooms • Sustainable work-life balance workshops were held with most teams/functions	• Evaluate our employee satisfaction pulse tool data more for better understanding • Implement needed changes to secure good working conditions for a diverse workforce • Continuously deliver and develop events and activities to strengthen inclusion and belonging
Equal terms & zero tolerance for harassments	• People & Culture is always involved when setting salary to ensure calibration and non-structural faults connected to salary setting and discrimination • Yearly assessment performed to secure no salary gaps or structural deviations due to gender • Proactive work together with line managers to prevent harassment, pick up cases early, and find good solutions.	• Continue our journey to zero harassments • Investigate potential gaps in equal opportunities, competence development and promotions between employee groups
General	• Work to continuously secure human rights and diversity in supply chain structured	• Evaluate how to include DEI in product development

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Data Security
By securing integrity, resilience and privacy to support well-being and efficiency.

To enable safe, efficient and stable use of our digital services with minimum waste of resources AND safe use of connected cars, WirelessCar's cybersecurity capabilities are a fundamental part of our strategy and offering. It is the foundation for building trust in our services, resilience against threats, and protection for our business and customers, whilst protecting human rights.

How our cybersecurity efforts contribute to a sustainable society:
* **Resource efficiency:** Securing resilience of our services secures efficient use of resources for our customers.
* **Personal Integrity:** Securing privacy by design in our product and software development practices contributes to personal integrity for all users.
* **Social safety:** Robust connected car services are crucial for secure mobility and avoidance of traffic incidents.

WirelessCar takes strong accountability by adhering to applicable cybersecurity regulations and standards related to our industry. The quality and security level in our deliveries become a reflection of the services we provide for our customers. We promote Confidentiality, Integrity and Availability i.e. by protecting critical infrastructure and preventing environmental damage from cyber-attacks.

WirelessCar's cybersecurity capabilities are a deeply integrated part of our ways of working. We design and build secure services from the start by optimizing the golden triangle - People, Process and Technology - and the three pillars of information security - Confidentiality, Integrity and Availability.
We use international cybersecurity standards such as ISO 27001, VDA-ISA, ISO 21434, and NIST 800-53 to reduce cybersecurity risk.
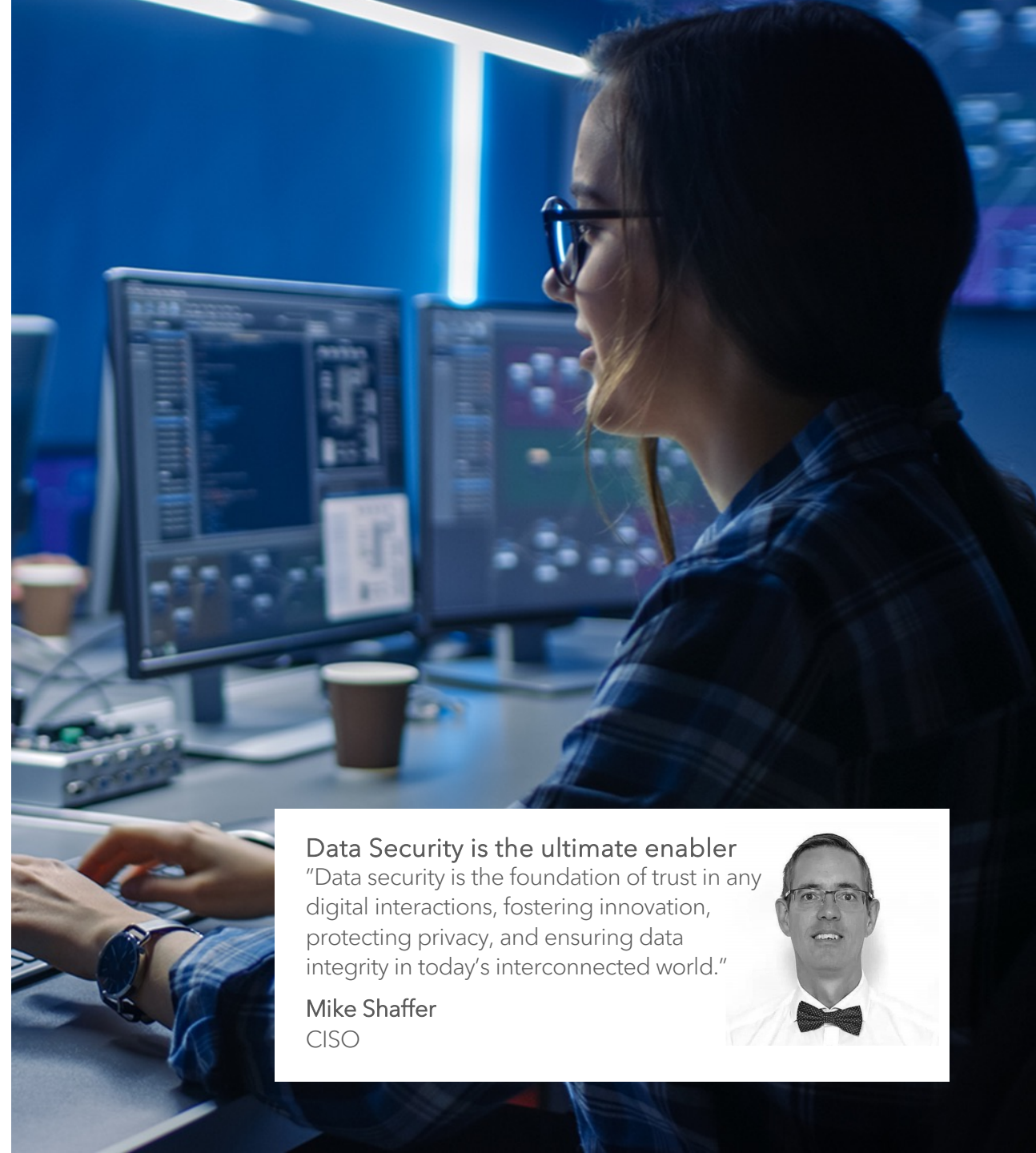
Data Security is the ultimate enabler
"Data security is the foundation of trust in any digital interactions, fostering innovation, protecting privacy, and ensuring data integrity in today's interconnected world."

Mike Shaffer
CISO

3 GOOD HEALTH AND WELL-BEING

Road Safety
By helping get the right assistance to collisions as fast as possible and help people prevent breakdowns

Providing service for emergency call is where WirelessCar started 25 years ago. Today most passenger car manufacturers have safety at the forefront and zero casualty targets. However, road safety figures show that road-related fatalities are no longer decreasing, and WirelessCar is working hard to help public safety agencies best manage the situation when things do go wrong.

WirelessCar's approach is to do the most with the data that car manufacturers share to provide context to those who help drivers following a collision. We also work hard to inspire them to share more data with the cloud to demonstrably improve post-collision responses. Digital services are not only limited to increasing road safety reactively but can also proactively aid maintenance and give service notifications.

How we contribute to road safety:
- **Emergency Response:** Providing the best context from connected car data to get the right help, at the correct location, as quickly as possible avoiding delays that could have disastrous consequences.
- **Vehicle Health:** Providing vehicle status and diagnostics information and notifications with the potential to eliminate surprises for drivers and even avoid collisions
- **Reporting:** Help OEMs understand how and why these digital services are used to encourage them to apply specific improvements to reduce both the risk of collisions and improve post-collision response.

Some examples of how we address this area is the work we do within the solution areas Safety & Security and Journey Intelligence, and with the product Call Center Services.

- Over 400,000 eCalls processed in 2023
- Enabling EuroNCAP 2023 TPS eCall point

Our services help save lives
"Using connected car data to create the best possible context to help drivers in moments of anxiety and distress is making a real difference."

Guillaume Ouelette
Product Manager, Safety & Security

Circular Economy
By maximizing vehicle life-time profitability and minimizing life-time value-chain impact

Much of our customers environmental impact comes from the production of vehicles, so efficiency with resources and minimization of waste are key solutions. With digital services we aim to maximize life-time profitability and durability of (electric) vehicles, to improve our customers profitability and enable more value and reduced impact in the life span of vehicles. Sharing will over the coming years gain momentum again, and sharable, flexible cars and digital business models will grow. This focus area also has a positive impact on the Climate & Electrification and Road Safety targets as well as biodiversity. It also includes our own internal focus on waste reduction and circularity.

We strive to contribute to improvements within:
- **Vehicle utilization:** Increase utilization & create alternative revenue with fleet/sharing solutions
- **Maintenance & life-time value:** Decrease OEM's operating costs and emissions while improving durability and residual value of EVs by prolonging lifetime with proactive services, facilitate reselling with vehicle health certificates, data-driven/streamlined product planning, and better reuse of parts when you know what parts are in the car, if they should be extracted, reused or recycled, where to be sent, or for batteries to use car data to judge next steps etc at end-of-life.
- **Software updates:** Ensure vehicles remain attractive and functional throughout their lifecycle with updatable digital services.

Some activities we do to support this include our solution area Shared Mobility and Digital Key Management and Fleet Essentials products, as well as our Vehicle Health service, proactive maintenance notifications, OTA service, Analytics & AI offering, and communication/educational efforts to decouple transportation needs from ownership in a profitable and sustainable way.
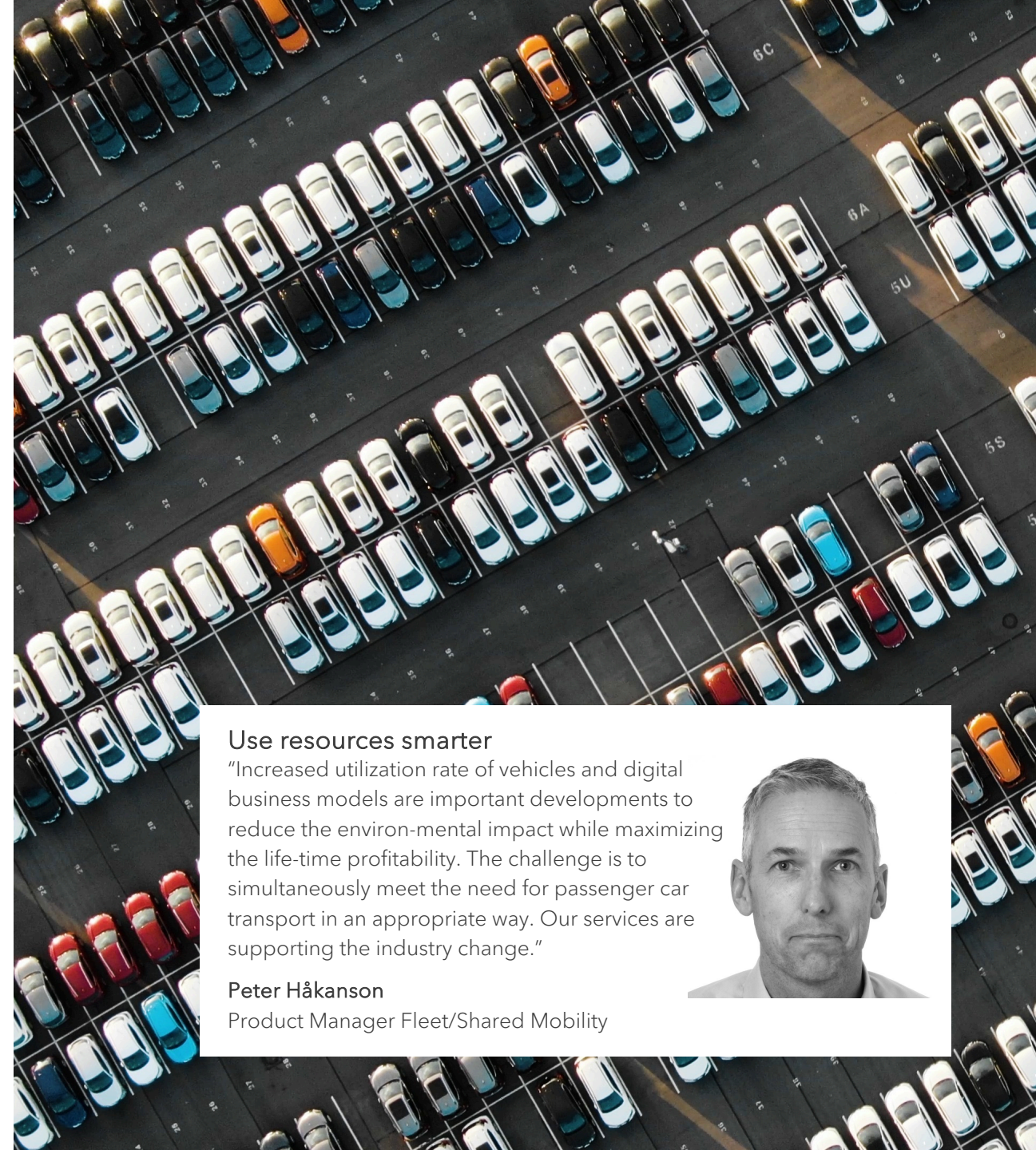
Use resources smarter
"Increased utilization rate of vehicles and digital business models are important developments to reduce the environ-mental impact while maximizing the life-time profitability. The challenge is to simultaneously meet the need for passenger car transport in an appropriate way. Our services are supporting the industry change."

Peter Håkanson
Product Manager Fleet/Shared Mobility

Our broader footprint

To fully communicate our impact on environmental and social sustainability 2023, we have collected more information here.

Governance

Running our business with high ethical standards is of utmost importance for us. Through our ownership WirelessCar follows a thorough compliance program following up on both employees and suppliers. The program covers e.g. corruption, human rights, anti-money laundering, whistle-blower reports and other violations to our Code of Conduct. One way of managing Human Rights risks is to spread our Code of Conduct, through training and having it easily accessible - both internally and externally on our website and in contracts (our Business Partner Code of Conduct). During 2023 a mandatory web-based training for Human Rights was developed, to be released in Q1 2024. We also have a specific corruption policy, Avoidance of Conflict of Interest and Corruption, to support internal awareness. A mandatory web-based training for Code of Conduct already exists and is repeated for all every second year. Our Whistleblower function is regionally adapted to each of our legal entities.

Result 2023:

Whistleblower cases: 0

Reporting of suspicious AML transactions: 0

Confirmed cases of physical and psychological violence: 0

Confirmed cases of discrimination: 0

Energy Consumption – in our facility

Efficient and emission-free energy/heating/ cooling in our offices is not only an important part of our roadmap to net-zero, but we also monitor and work towards energy efficiency in its own capacity. In Sweden, 100% of our energy is fossil-free and we work together with our landlord to find efficiency improvements throughout the year. In China and US, local energy is a part of the lease of our facilities. In Beijing, 25% of the city's electricity will be renewable by 2025.

Result 2023:

Sweden: Total energy (energy, heating, cooling) consumption: 571,1 MWh (+4,8% vs 2022) 100% Bra miljöval (environmental label), US (estimation based on office space and country): 194 MWh, China (estimation based on office area and country): 181,6 MWh

Well-being of our people

It is of strategic importance for us to be the workplace of choice in our industry to attract and retain the competence we need. Therefore, securing both compliance and attractiveness is in focus. For example, we work proactively with health and safety (i.e by offering a biyearly health check and a high wellness contribution), competence development, to secure equal pay, diversity and inclusion, prevention of and solutions to harassment, a flexible and

ergonomic work environment as well as attractive and useful compensation and benefits.

We monitor and follow all applicable laws and regulations globally, have a collective agreement in Sweden that covers all employees, and have adopted policies to secure the wellbeing of our people in line with owner requirements. We also work actively with our culture and the WirelessCar Spirit as well as with an agile DevOps culture of empowered teams and psychological safety.

To assess our status and continuously improve, all staff respond to a set of questions once a week in a pulse tool that results in weekly status reports that serve as input for continuous improvements. Please also see the section about DEI and engaging our people, pages 12 and 23.

Result 2023 (average):

Equal pay: 0% difference in average salary and 0,7% (favoring women) in median salary in 2023 assessment.

Sick leave: 2,29 %

Employee satisfaction score: 8.0 (Industry average 7.7)

Turnover rolling employees: 6.04%

Talent development score: 7.8 (Industry average 7.2)

Employees covered by health care: 100%

Registered training hours: Average 12 hours/employee

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Our broader footprint continued

Energy consumption and carbon emissions - in our services

The operation of our digital services consumes energy to some extent and energy means CO_2 emissions. 2023 99% of the energy used was renewable thanks to our partners' purchase of renewable energy and our joint work with continuous optimizations of our services. We also monitor the development of energy needed to run our services as data becomes more high-res, sensors and onboard software more abundant, and more cars become connected. We are also researching the use of edge computing and machine learning to reduce the amount of data that is being communicated in relation to energy needed for the compute.

Result 2023:
4.336 $MTCO_2e$ 2023 (5.625 $MTCO_2e$ 2022)

Water consumption

We mainly use water in our offices and indirectly at our data centers which makes water consumption low risk for us. For the office consumption we use public VA installations as part of our facility contract on all sites. To keep consumption down our landlord in Sweden works continuously with efficiency by for example using low-flush faucets in kitchens and restrooms. No pollution wastewater or liquids are produced at WirelessCar. Regarding the European data centers, 95% of the yearly water is not used for cooling. For the rest our supplier has targets for efficiency, recycling, reuse, and replenishment to be "water positive" by 2030.

Result 2023:
Water consumption: 1534,8 m³(SE). US/China: No data

Waste + hazardous waste

We aim to reduce the amount of waste we produce year by year and secure reuse and recycling of waste from the offices and our equipment. The office waste management falls under the landlords who take care of and recycle biowaste, packaging, plastics, metal etc. In Sweden they also report volume per category, while it is part of the lease in the US and China.

All e-waste in Sweden and China is collected in electronic waste cages and go into the Take back initiative of our IT partner. They check the quality and prepare the units for reuse or recycling properly. For each new unit we buy (in Sweden), they also plant one tree. In US we are working with local vendors for proper recycling including they recycling of batteries.

Result 2023:
Sweden: Office waste 8973 kg incl. metal, plastic, paper, aerosols, ewaste, biowaste etc. Out of the 176 IT equipment collected by our new IT tech partner during 2023 55% were reused and 45% were recycled. US/China (estimation based on office size and country): 2000 kg office waste.

Non-material areas

When assessing our environmental footprint, we have also briefly evaluated our impact on air quality, our use of VOC and chemicals, our impact on animal well-fare, biodiversity, land use/deforestation, and soil quality, as well as our level of noise emissions and pollution. We see that our impact on these areas is small and therefore they are not in focus for us. We secure legal compliance and monitor any changes that may come.

Result 2023:
We have made a legal assessment, adopted new regulations and for example exchanged fire extinguishers.

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Community Engagement

To be a good force in society does not only mean how we run our business or how our products and solutions can contribute; it also means being engaged in the communities we operate in. Engaging with our communities ensures that sustainability initiatives are relevant to local needs and concerns and helps us be a trusted community member.

We work actively to see where we can contribute and how. Some examples from 2023 are that we initiated a sponsorship of Kodcentrum, a Gothenburg-based NGO that helps kids in vulnerable areas discover the world of coding. We support them both monetarily and with competence experts.

We also made several donations throughout the year, to the Red Cross and their global work, to the local Gothenburg NGO Stadsmissionen supporting financially vulnerable citizens as well as to United Way, a US organization that brings people together to build strong, equitable communities where everyone can thrive. In China we also donated to Youthinpact Charity and their work with rural education and development as a part of our family day 2023.

Additionally, we aim to show our successful work with diversity and inclusion as an example and source of inspiration to help counterbalance the polarization in society.

Apart from these actions, we also secure a positive impact on communities in which our partners and suppliers are active through our compliance work.

We want to support the communities we operate in as well as contribute on a global level.

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Third-party assessment scores, ISO certifications and partners

To be compliant and transparent with our sustainability work we do yearly reassessments to a number of third-party assessment tools. This helps us to communicate our work in a trustworthy and accessible way, as well as to continuously develop our sustainability work. We are also collaborating with a number of other organizations for competence development, networking and strength in numbers.

Assessment	Score 2023	When
Ecovadis	Silver medal	Spring 2023
	60%	Spring 2023
	Water: D Climate Change: C	Summer 2023
	ISO 9001-Quality management Certified: January 2020 ISO 14001 – Environmental management Certified: January 2020 ISO 27001 Information security, cybersecurity and privacy protection Certified: December 2020	ISO 14001, 9001, 27001: Audit: October 2023

Certificate Number:
0109767

Initial Certification Date:
16 December 2020

Date of Certification Decision:
16 December 2020

Issuing Date:
22 January 2021

Valid Until:
21 January 2023

the management system of:

WirelessCar SUPPLIER ASSURANCE

Car Sweden AB

6, SE-412 50 Gothenburg, Sweden

Intertek as conforming to the requirements of

7001:2013

system is applicable to

on Security Management System applies to the
tivity and digital services for the automotive industry.
ludes Development, Delivery, Product Management
porting functions.

ement of Applicability (SOA) version 1.0

Torbjörn Rudqvist
MD, Business Assurance Nordics

Intertek Certification AB
P.O. Box 1103, SE-164 22 Kista, Sweden

Other industry organizations and partners that we collaborate with to enable sustainable mobility:

KLIMAT-LÖFTET FÖRETAG | 2050 | Kodcentrum | 2030 SEKRETARIATET | DRIVE SWEDEN | TechSverige

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Stakeholders and dialogues

The needs and wants of our stakeholders are evolving fast. Our aim is to have good dialogues with all of them to secure alignment through the transformation and maximize our contribution. This is how we do it.

Stakeholder	Details	Interaction
The planet	In a way our most important stakeholder, and a stakeholder with rules that are non-negotiable. The reason for the inclusion here is that a planet in balance with a stable climate is a prerequisite for business success now and in the future.	We continuously stay up to date with current scientific progress and findings, use established frameworks for measuring and setting targets.
Customers	For our customers both compliance with code of conduct and progress on sustainability targets that support their targets, and proactive risk assessment and mitigation, as well as proactiveness about opportunities for connected car data in meeting their challenges are important.	Yearly we review customer sustainability reports, have customer dialogues and share information about WirelessCar's progress, conduct a reassessment of Supplier assurance, Ecovadis, CDP + open up for dialogues about opportunities, include sustainability in RFQ responses.
Owners	We map our risk level and use our owner's environmental management system to secure governance structure, progress and reporting of non-compliance.	Bi yearly meetings with CARIAD sustainability network. Quarterly policy update to the board and bi- yearly progress reports to the management team.
Employees	Contributing to a better society and making a positive impact is important for our employees, as is their awareness of our focus areas and targets to unleash their creativity to contribute. Their psychological safety and feeling of being treated well and included for who they are, are also crucial.	Yearly feedback survey, Town Hall presentations with Q&A sessions, Slack channel for continuous dialogue, sustainability social gatherings and other reoccurring feedback sessions, as well as monthly monitoring of employee pulse tool response levels.
End users	What the users of cars and mobility solutions think about their needs, blockers, opportunities etc, is great input for our product development.	Conferences, internal knowledge sharing, and customer dialogues give us valuable input, as well as studying the usage of our services together with our customers.
Financial institutions and external auditors	The role of financial institutions in promoting sustainable investments is increasing with for example CSRD. We work with a good level of ambition and reporting to secure low interest investments. We also look into retirement savings can support the green transition.	Annual report + dialogue with bank
Legal	Legal requirements are constantly changing, and we stay up to date related laws and regulations on international, national, and regional level	We do a yearly review of new laws and regulations locally, nationally and on EU level + review of non-compliance. We also aim to work more actively with public affairs to influence long-term stability and support for the transformation of our industry.
Suppliers and eco system partners	Our suppliers are our partners', and we aim to collaborate closely with all prioritized partners. Both because their progress towards sustainability directly reflects on us, and because together we can contribute more to the transformation.	We work with our partners on several levels, in contractual dialogues and clauses, in yearly assessments and in audits and collaborations.

Securing organization-wide implementation, engagement, and compliance

We have one dedicated person/function responsible for environmental and social sustainability (Head of Sustainability), reporting to the VP People & Culture. This function is responsible for strategy, budget, risk assessment, planning and coordinating all ESG activities, communication, engagement, and trainings. Governance and compliance are driven by the function Business Operations and Compliance, reporting and sustainable supply chain by Finance and Purchasing, and employee well-being by People & Culture. To align with CARIAD, we participate in their sustainability network, and we also have contracted other relevant external experts. Budget and targets are approved by the management team and board.

Activities are planned in 12-week cycles according to our general way of working, and progress is included in the quarterly policy update to the board. The management team gets a progress report on the sustainability work 2/year.

To secure an aligned view about necessary actions, responsibilities, progress, adjustments, and new input, a cross-functional working group is in place. This group consists of representation from the sites, product development, purchasing, strategy, compliance, communication, team development, digital workplace functions, and more. It implements the sustainability actions and supports the rollout of sustainability measures to the organization. Everyone in the group also monitors their area and brings up new development and insights as well as feedback to the group on their progress. As the arrows show, we also empower our employees to contribute by actively informing and engaging them about the plans and encouraging participation.
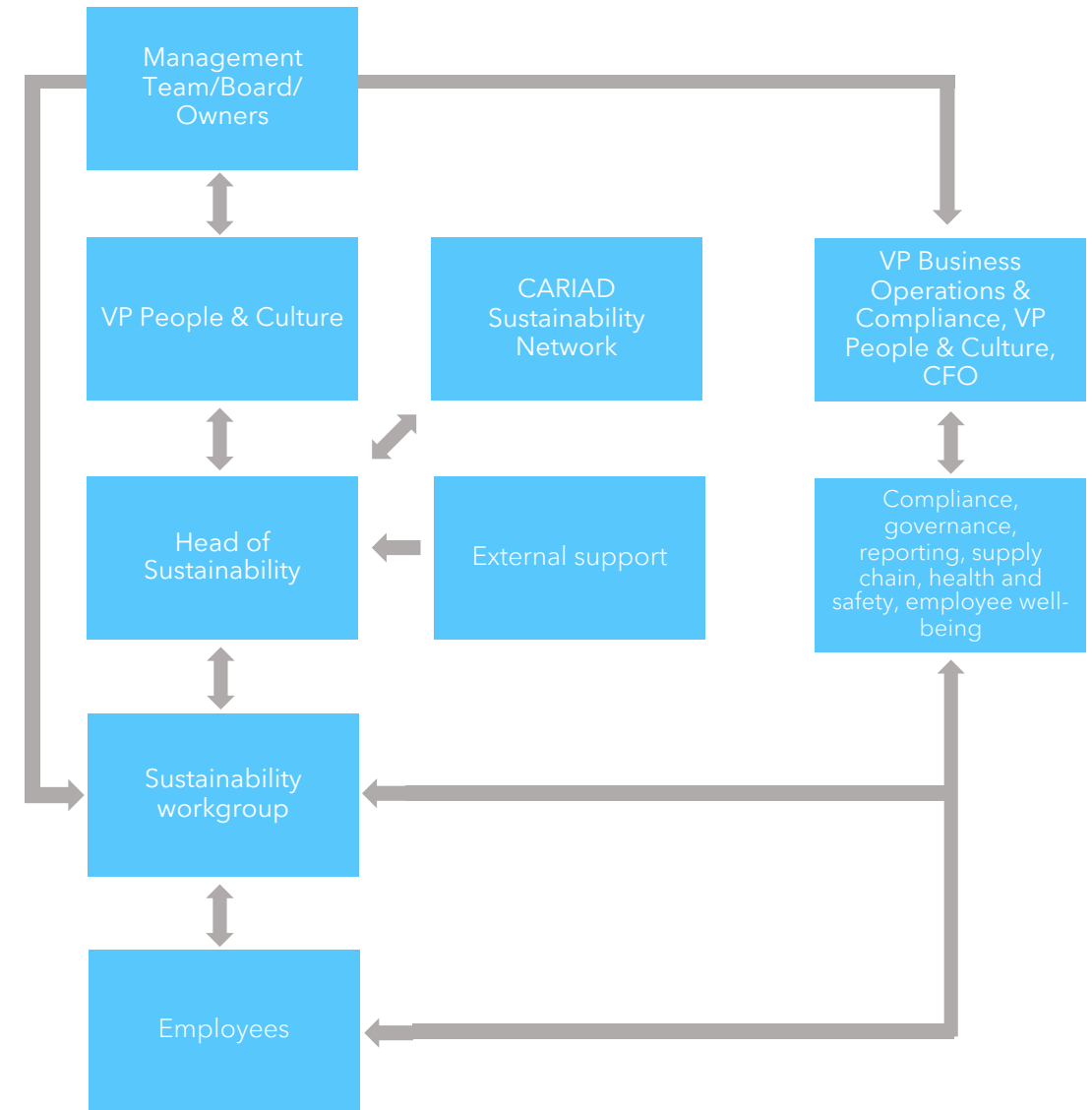
The way we work with sustainability at WirelessCar

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Engaging everyone at WirelessCar

An inclusive and empowered organization supports the development of truly sustainable mobility, and sustainable mobility boosts the well-being of people. To educate, engage and empower our people to unleash their potential, contribute, and act compliantly - this is what we do.

Our people are the experts, and with transparent information about where we want to go, why and how, and by building an inclusive culture, we want to unleash everyone's potential to contribute. When it comes to sustainability, we educate all relevant roles globally about compliance, our code of conduct and relevant policies, communicate about the sustainability pillars (focus areas, targets, actions). We also communicate what to think about to conduct our business responsibly, where to find info, as well as interactions about our culture, psychological safety and unconscious bias.

We have company-wide news and town hall updates, tour around the company to create awareness and a deeper understanding for our focus areas and targets, as well as each functions' role in reaching them. In this way we also involve everyone in finding solutions and innovations to reach our targets. Topics can include how to build strong teams and how to contribute to our net-zero goal.

To encourage engagement, we have an internal network of ambassadors for knowledge sharing and support both for DEI and environmental sustainability. Together we also arrange local initiatives like clothes swapping day and Pride celebrations.

Our leaders also get extra training in how to inspire, act as role models, and support the cross-functional work of engaging with sustainability throughout the employee journey. We also support these ambassadors in securing everyone on their teams is treated equally and without bias.

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Sustainable supply chain in focus

WirelessCar's purchases from suppliers mainly consist of consultancy services, server-based cloud services, and licensing fees but also include hardware and indirect purchases and services. This is covered by several purchasing policies originating from the owners and are designed to address the challenges and opportunities in procurement related to sustainability, quality, and innovation.

There is a Code of Conduct for Business Partners (CoC BP) that is used to counteract risks associated with the environment, social conditions, human rights, and business ethics among suppliers and their subcontractors by being included in all supplier contracts.

A risk assessment of a new supplier is conducted beforehand in collaboration with the company's legal advisors and security department; areas of interest includes IT security, data privacy and compliance/due diligence. Follow-ups and audits of suppliers are carried out regularly and follow-up on all above-mentioned areas.

2023
During 2023, WirelessCar aligned with new legal requirement LkSG for companies (or subsidiaries thereof) residing in Germany. WirelessCar has now implemented a due diligence process to mitigate risks of human rights and environmental abuses in their supply chains, covering issues such as forced labor, child labor, and environmental harm.

2024
During 2024 WirelessCar is also implementing further control of the supply chain including media screening, human rights training, and a supply chain grievance mechanism in cooperation with our owners in Cariad and Volkswagen.

Furthermore, WirelessCar has merged the Purchasing & Partnership departments and has the ambition to work with every external part as a partner.

What this results in is a two-way collaboration where we expect our partners to also guide us on how to use their products and services in the best and most efficient way, both from a quality/functionality /efficiency standpoint, but also from a cost and environmental one. We realize that most of our environmental footprint comes from the purchase of goods and want to work closely with our partners to secure progress and relevant input to our own assessment.

Our value chain in brief
At WirelessCar we connect cars and secure that data from the onboard software and sensors and value-adding third party data are communicated to users around the car via the cloud.

WirelessCar
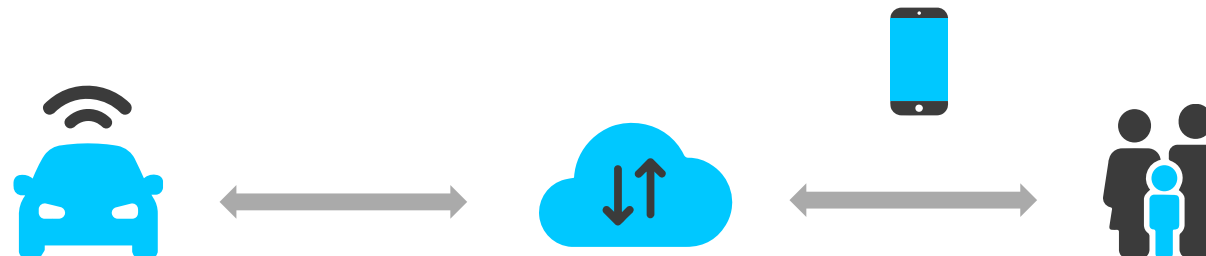
Risks and opportunities 2023

Finding and mitigating sustainability risks are important parts of maintaining our stakeholders' trust, securing the well-being of people around us, securing our reputation, avoiding financial losses, and ultimately being a resilient company.

To do that, we have completed the self-assessment of environmental risks distributed by our owners, resulting in the assessment that we are a low-risk operation. We have also made a TCFD* analysis to assess financial physical and transitional risks and opportunities related to climate change. That resulted in a separate risk workshop in May 2023 around how climate change may affect us and our business, se table on the next page.

In addition, the below policies are implemented to mitigate further sustainability risks:
- Environmental policies: ECMS, Sustainability Management in Supplier relations, Sustainability, Business partner due diligence, Air service/business trip, Environmental directive, Remote work.
- Social welfare policies: Code of Conduct, Social Charta, Sustainability, Business partner due diligence.
- People policies: HR Compliance, Health service and occupational health and safety, harassment directive, diversity & inclusiveness, remote work, tone of voice.
- Human Rights policies: Code of Conduct, Social Charta.
- Anti-Corruption policy: Avoidance of Conflicts of interest and corruption.

In line with these policies, we have introduced the People & DEI focus area to mitigate the risk of lost efficiency and innovation power due to competence shortage or inability to attract and retain a diverse workforce.

Another risk is the complexities and fast changes around us influencing our value chain, which our compliance and purchasing department monitor closely.

Otherwise, we see no large risks in these areas, but will monitor and adjust our assessment further during 2024.

2024
Our next steps during 2024 are to evaluate and integrate all types of sustainability risks further in our risk register, investigate the medium-to-long-term impacts of climate change on the business, expanding the existing SWOT analysis, and embed the most significant risks/opportunities further into strategy documents.

*TCFD: Task Force on Climate-related Financial Disclosures

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Risks and opportunities 2023 continued

Short-term risks and opportunities as found using the TCFD framework for financial climate-related risks and opportunities.

Type	Cause	Effect & mitigation
Transition risk	WirelessCar is perceived to be not sufficiently contributing to transition to a lower-carbon economy leading to…	WirelessCar losing key clients to competitors that are (perceived to be) making a more significant and meaningful contribution. This is addressed by proactively working with both contribution and compliance.
		Negative impacts on WirelessCar's ability to attract quality employees. This is monitored and continuously evaluated in our communication, trainings and strategy.
	Changes in WirelessCar's external climate-related policy and/or legal operating environment leading to…	Enhanced emissions-reporting obligations (e.g. EU Corporate Sustainability Reporting Directive, CSRD). This is monitored proactively and incorporated step by step.
Physical risk	In the short-term, the transition risks noted above were assessed as being of more significance to WirelessCar when compared to climate-related physical risks.	
Opportunity (please see focus areas on pages 7-17 for more information)	Changes in the climate-related needs of, and demands from, car manufacturers: Need for OEMs to make meaningful progress towards their climate targets, speed up transition from ICE to EVs) leading to..	Increased demand for some of WirelessCar's products & services and how we operate them.
	Changes in the climate-related needs of, and demands from, car manufacturers: New (circular) OEM business models/mobility-as-a-service (MaaS) that decouple OEM business success from new vehicle sales) leading to…	
	Changes in the climate-related needs of, and demands from, car manufacturers: Support the OEMs to enable a seamless charging with REN for fleet owners and end-users leading to…	
	Changes in the climate-related needs of, and demands from, car manufacturers: Improved durability, residual and re-sale value of cars (e.g. via analytics) leading to…	

*TCFD: Task Force on Climate-related Financial Disclosures

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Looking forward to 2024 and beyond

The cars being planned today will be on the roads until 2060, long after the net-zero target dates set by virtually all OEMs. So, what we do now matters.

2023 has been a year with a lot of focus on broadening the scope of sustainability to cover all ESG areas under one umbrella, developing a strategy, and aligning the organization around it. 2024 will be a year with more action and collaborations.

As we go into 2024, the focus is more on driving projects towards our targets, measuring and reporting progress, evaluating risks further, and leveraging the synergies of working with both people and planet aligned. This will be a good foundation from which to accelerate.

No one can make it alone. We hope for a strong, stable political leadership, and great solution-oriented collaborations with customers, partners, and academia on how to make connected car data an efficient fuel for smart, safe, inclusive and sustainable mobility.

Let's Connect!

Let's Connect!

You are welcome to contact us for more information about the 2023 results, our products, collaborations, or knowledge sharing.

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WirelessCar, April 2024

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WE EMPOWER FUTURE MOBILITY