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# HIGHLIGHTS

44%

reduction in emissions intensity to 2.78 tCO<sub>2</sub>e per unit between 2020 and 2021

100%

renewable energy powering all of our manufacturing facilities

# Committed

to the Science Based Targets initiative (SBTi) Net-Zero Standard

100%

waste diverted from landfill

# 10th

consecutive British Safety Council Sword of Honour awarded

92%

below the UK vehicle automotive manufacturing injury rate average

24

apprentices graduated from Aston Martin's industry-leading apprenticeship scheme

£500,000

raised for The Prince's Trust through the donation of an Aston Martin Vantage for the Omaze national prize draw

# New ESG

strategy approved and Board Sustainability Committee established





"PROGRESS TOWARDS
ACHIEVING OUR GOALS WILL
BE POWERED BY THE SAME
MOTIVATION THAT HAS BEEN
OUR ENDURING PURPOSE
FOR 109 YEARS, CONSTANTLY
REACHING FOR NEW HEIGHTS
IN PERFORMANCE BY
PIONEERING INNOVATION
AND CRAFTING PERFECTION"

SUSTAINABILITY REPORT 2021

Aston Martin is changing. We are transforming the Company to deliver products that will exceed the expectations of our customers, employees and other stakeholders. That is why we are embracing a new, driving ambition: to be a world-leading sustainable ultra-luxury automotive business. This ambition is a key pillar of our new corporate strategy and the central objective of our new Environmental, Social and Governance (ESG) strategy 'Racing. Green.'.

Our ESG strategy embeds five core principles that reflect Aston Martin's established approach to sustainability, aligned with the UN Sustainable Development Goals, and a deeper understanding of the issues our customers, employees and other stakeholders care about: tackling climate change; creating a better environment; investing in people and opportunity; exporting success; and delivering the highest standards. Guided by these principles, our ESG strategy sets out key goals that will continue to drive our progress.

Accelerating action on tackling climate change is a key focus, with the 2021 UN Climate Change Conference (COP26) underlining the urgent need for further action to reduce greenhouse gas emissions. COP26 provided everyone with an opportunity to assess how they can contribute to tackling climate change, and Aston Martin is no different. As the business moves into a new era, now is the time to challenge ourselves to make a bigger difference.



Our next generation of vehicles is on its way. In 2024 Aston Martin will launch Valhalla, our first Plug-In Hybrid Electric Vehicle (PHEV) followed by our first Battery Electric Vehicle (BEV) targeted for launch in 2025, and a fully electrified Sport/GT and SUV portfolio by 2030.

Whilst embracing electrification, we also believe our sustainability ambitions must be broader than just producing emissions-free vehicles, and we want to ensure our own manufacturing footprint is sustainable and produce our products with a reduced environmental impact. As well as transforming our products, we are also transforming how they are manufactured. Last year we committed to set near and long term Company-wide emission reduction targets in line with the Science Based Targets initiative (SBTi). As part of our ambition we are aiming to achieve net-zero emissions within our manufacturing facilities by 2030, and across our supply chain by 2039. We will continue to develop a detailed plan to drive further reductions in our greenhouse gas emissions throughout 2022 and into 2023, with the SBTi providing an independent assessment to make sure this plan is robust and will achieve our objectives.



"WE HAVE MADE
SUSTAINABILITY
MORE THAN ONE
PART OF WHAT WE
DO; WE HAVE MADE IT
PART OF EVERYTHING
WE DO"



Reducing energy consumption – including through the use of efficient LED lighting – forms just one element of our Energy Strategy Working Group's responsibilities

Transforming our products and how they are manufactured will also play a critical role in delivering our wider commitment to create a better environment. Our ESG strategy will target the elimination of plastic packaging waste by 2025, the reduction of water consumption by 15% by the same year, and maximisation of our use of sustainable materials, as well as the enhancement of biodiversity across our sites.

We are also aiming for zero accidents and to have one quarter of leadership positions at Aston Martin occupied by women within the next five years. Currently only 14% of leadership positions are held by women, exemplifying the work we still need to do alongside many of our peers in the automotive sector to boost female representation and promote diversity and inclusion more broadly. We believe that a more diverse and inclusive business is always a stronger business and this will be critical as we attract new customers.



Throughout the COVID-19 pandemic, employee engagement has been an even greater focus

Delivering the goals set out in our ESG strategy will be a challenge but it's a challenge we are ready to meet.

In 2021 we established a new Board Sustainability Committee to oversee and monitor the delivery of our strategy. We also intensified the work of our eight dedicated ESG working groups covering areas ranging from energy management to diversity and inclusion. These groups harness leading talent within the business and specialist expertise to develop and execute credible action plans to achieve clear targets in these areas. Indeed, despite the challenges presented by the pandemic, these working groups have already enabled us to make significant advances towards achieving our new goals. One of the most exciting advances is our progress in exploring the use of green aluminium alloy, which is produced using renewable energy, as well as our new partnership with Michelin, one of the world's leading buyers of natural rubber, that has long taken action to implement a sustainable natural rubber process.

Our new Strategic Energy Action Plan is in place to minimise energy use and sets a course to achieve net-zero in our manufacturing facilities by 2030.

These achievements are testimony to the talent and dedication of our brilliant team who have also sustained Aston Martin's progress and performance across many other aspects of sustainability during the most difficult of periods. Aston Martin's injury rate is 92% below the UK vehicle automotive manufacturing average and last year we were awarded the British Safety Council Sword of Honour for the 10th consecutive year.

During 2021 we continued our support for The Prince's Trust by donating an Aston Martin Vantage that helped raise £500,000 for The Prince's Trust via the Omaze prize draw, helping transform life chances and opportunities for young people. Whilst the COVID-19 pandemic made it difficult to maintain face-to-face activities and learning opportunities, we have continued

to engage with local schools to promote Science, Technology, Engineering and Mathematics ('STEM'), as well as support the UK Government in showcasing the very best of British advanced engineering and design worldwide.

As our transformation programme leaves our business in a stronger position, it is an ideal moment to review and renew our long term commitment to sustainability. Progress towards achieving our goals will be powered by the same motivation that has been our enduring purpose for 109 years, constantly reaching for new heights in performance by pioneering innovation and crafting perfection. Above all, we will achieve our ambition to become a world-leading sustainable ultra-luxury automotive business because we have made sustainability more than one part of what we do; we have made it part of everything we do.

TOBIAS MOERS
CHIEF EXECUTIVE OFFICER

# AT A GLANCE

2,207

employees

Aston Martin's vision is to be the world's most desirable ultra-luxury British performance brand, creating the most exquisitely addictive performance cars.

168

third party dealer locations

6,178

vehicles wholesaled

Founded in 1913 by Lionel Martin and Robert Bamford, Aston Martin is acknowledged as an iconic global brand synonymous with style, luxury, performance and exclusivity. Aston Martin fuses the latest technology, time-honoured craftsmanship and beautiful styling to produce a range of critically-acclaimed luxury models including the Vantage, DB11, DBS and DBX and its first hypercar, the Aston Martin Valkyrie.

£1.1bn

total revenue

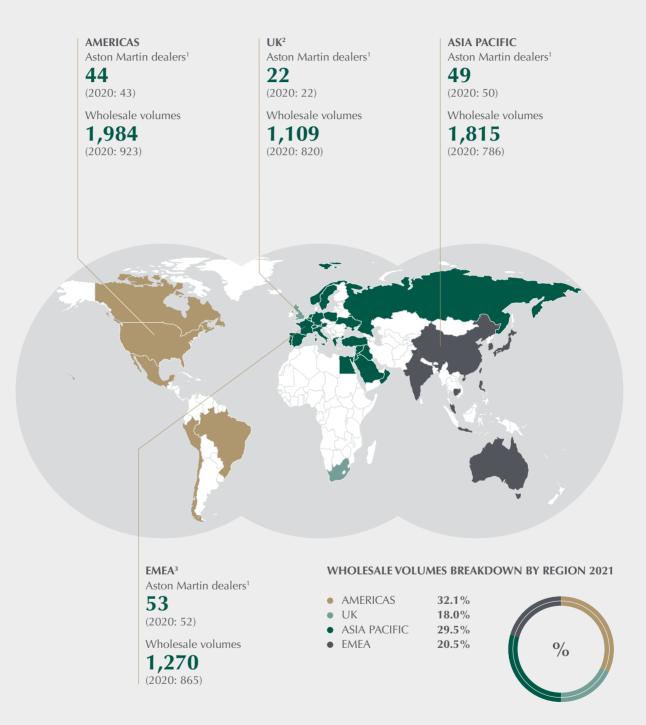
95%

of vehicles produced are still on their journey

Based in Gaydon, England, Aston Martin Lagonda designs, creates and exports cars which are sold in 56 countries around the world. Its sports cars are manufactured in Gaydon with its luxury SUV range manufactured in St Athan, Wales.

Lagonda was founded in 1899 and Aston Martin in 1913. The two brands came together in 1947 when both were purchased by the late Sir David Brown, and the Company is now listed on the London Stock Exchange as Aston Martin Lagonda Global Holdings plc.

2020 saw Lawrence Stroll become the Company's Executive Chairman, alongside significant new investment, a move that led to Aston Martin's return to the pinnacle of motorsport through sponsorship of the Aston Martin Cognizant Formula One™ Team and ushered in a new era for the iconic British marque.



- 1. All dealers are third party dealers
- 2. UK includes South Africa
- 3. EMEA includes Europe, Middle East and Africa (excluding the UK and South Africa)



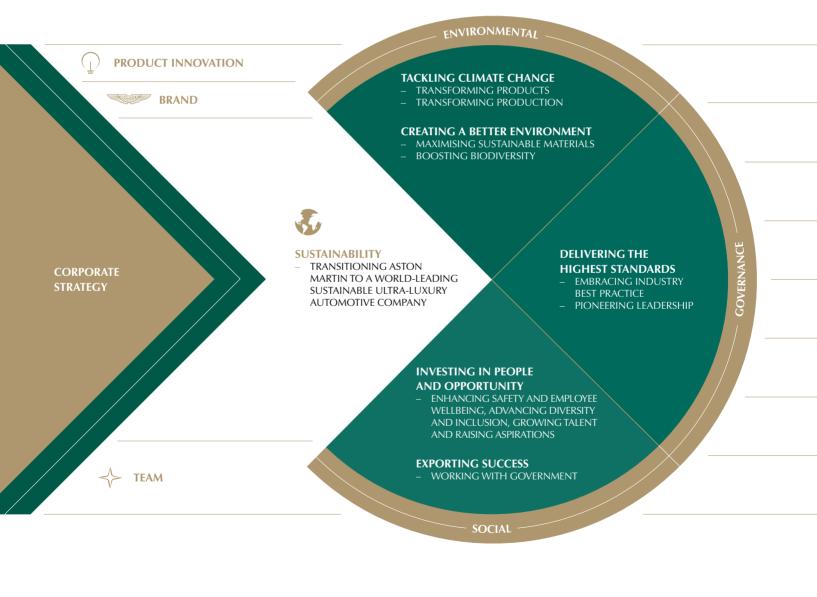
### **OUR CARS: A LIFELONG PASSION**

As examples of breathtaking engineering and design, Aston Martin cars are treasured and cared for by their owners for many years, meaning they have a much longer life than most motor vehicles. We estimate that over 95% of Aston Martins ever produced are still on their journey.

# 95% STILL

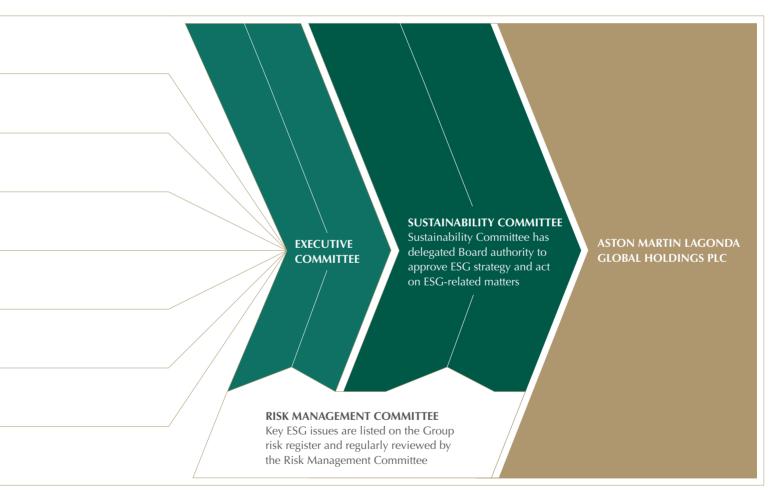
# ON THEIR JOURNEY

# DESIGNING THE FUTURE



# **EQUIPPED TO DELIVER:** A NEW FOCUS ON ESG

During 2021 we established a new Board Sustainability Committee to oversee and monitor the delivery of our new ESG strategy. We also intensified the work of eight working groups that harness leadership and expertise from across the Company to achieve our ESG objectives by developing and executing credible plans for action.



# UNDERSTANDING What matters

A robust understanding of the issues that our customers, investors and stakeholders care about has always been at the centre of Aston Martin's approach to ESG and is an important foundation of our new ESG strategy. In 2021 we commissioned a new Materiality Assessment that provided an up-to-date view of their sustainability issues and priorities.

### **METHODOLOGY**

The Materiality Assessment was based on a three-stage process: desktop research, stakeholder engagement, and analysis and findings.

### **DESKTOP RESEARCH**

The desktop research enabled us to gain a deep understanding of issues that are frequently cited by stakeholders in reporting frameworks, benchmarks, ranking and indices, and investor reports. Over the course of the desktop research, we reviewed over 60 internal and external documents resulting in an initial ranking of issues.

### STAKEHOLDER ENGAGEMENT

Stakeholder engagement was conducted to understand the relevance and importance of sustainability issues through:

- survey sent to 40 stakeholders who collectively represented a broad range of Aston Martin's diverse stakeholder groups and geographical markets\*;
- interviews with seven internal and external stakeholders; and
- facilitation of two internal focus groups.

The direct engagement also enabled us to identify the nuances around material issues, emerging trends and transversal challenges.

### ANALYSIS AND FINDINGS

The final stage involved a detailed review of the insights gathered from the stakeholder engagement stage and a re-evaluation of the scores for the issues identified in the first stage.

A final materiality list was prepared to show the hierarchy of material issues via a material issues framework STRATEGIC GOALS

# TACKLING CLIMATE CHANGE

# CREATING A BETTER ENVIRONMENT

# INVESTING IN PEOPLE AND OPPORTUNITY

**EXPORTING SUCCESS** 

# DELIVERING THE HIGHEST STANDARDS

Survey responses were based on the Likert Scale, ranking from 1 (Not significant at all) to 5 (Very significant)

### **DESCRIPTION OF MATERIAL ISSUES**

- Climate risks and opportunities
- Emissions from products
- Emissions from production and operations
- Resource use and circular economy
- Sustainability governance and risk management
- Innovation
- Supply chain and sourcing
- Climate risks and opportunities
- Emissions from products
- Resource use and circular economy
- Sustainability governance and risk management
- Innovation
- Biodiversity
- Occupational health and safety
- Employee engagement, talent retention, welfare and benefits
- Fair and ethical conduct
- Innovation
- Diversity and inclusion
- Human and labour rights
- Communities, social impact and wellbeing
- Emissions from products
- Emissions from production and operations
- Innovation
- Corporate governance and risk management
- Product quality and safety
- Fair and ethical conduct
- Sustainability governance and management
- Human and labour rights
- Transparency and disclosure
- Engagement and consultation

# UN SUSTAINABLE DEVELOPMENT GOALS



























# NEW ESG STRATEGY GOALS

1

# TACKLING CLIMATE CHANGE

### TRANSFORMING PRODUCTS

- Next generation Plug-In Hybrid Electric Vehicle (PHEV) launched 2024
- First Battery Electric Vehicle (BEV) targeted for launch in 2025
- Fully electrified Sport/GT and SUV portfolio by 2030

# TRANSFORMING PRODUCTION

- Net-zero manufacturing facilities by 2030
- 30% reduction in supply chain CO<sub>2</sub> emissions by 2030 (compared with 2020)
- Net-zero across our supply chain by 2039
- Implement ISO 50001 Energy Management Systems at key manufacturing facilities in 2025

# 2

# CREATING A BETTER ENVIRONMENT

### MINIMISING IMPACTS

- Zero plastic packaging waste by 2025
- 15% reduction in water consumption by 2025 (compared with 2019)

### MAXIMISING SUSTAINABLE MATERIALS

 Continue to work with supply chain partners to enable the use of more sustainable materials including green aluminium alloy

# BOOSTING BIODIVERSITY

- Deliver new Biodiversity Management Plan

3

# INVESTING IN PEOPLE AND OPPORTUNITY

### EMPLOYEE WELLBEING

- Target zero accidents
- Continue to deliver industry-leading initiatives to support employee wellbeing

# ADVANCING DIVERSITY AND INCLUSION

- Women in 25% of leadership positions within five years
- Work with 'Racing Pride' to promote LGBTQ+ inclusion
- Continue commitment to 'Valuable 500' and the UK Disability Confident scheme

# GROWING TALENT AND RAISING ASPIRATIONS

- Sustain new apprenticeship recruitment
- Update skills and training to support transition to electric vehicle production
- Continue commitment to promoting Science, Technology, Engineering and Mathematics ('STEM')

4

# **EXPORTING SUCCESS**

# WORKING WITH GOVERNMENT

- Continue to work with the UK
   Government to showcase the very best in advanced British engineering and design worldwide
- Maintain engagement with government to support sustainable growth across the UK automotive sector, including expansion of the UK-based supply chain
- Help achieve the UK Government's aim to increase UK exports to £1 trillion per year by 2030

5

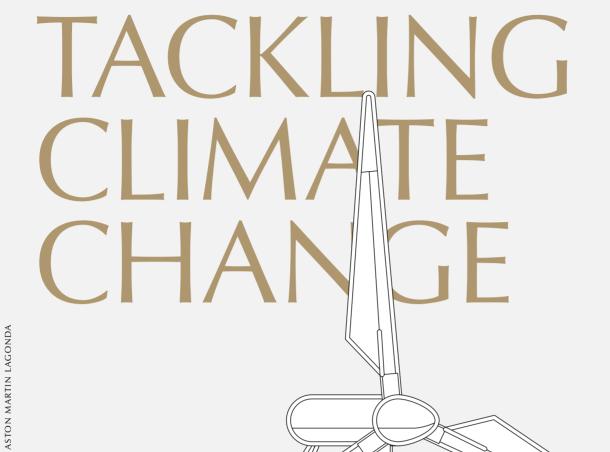
# DELIVERING THE HIGHEST STANDARDS

### EMBRACING INDUSTRY BEST PRACTICE

- Continue commitment to the Science Based Targets initiative
- Continue commitment to the Task Force on Climate-related Financial Disclosures

# PIONEERING LEADERSHIP

 Understand and engage in emerging areas of best practice such as the Science Based Target Network for Nature, and Task Force on Nature-Related Financial Disclosures



100%

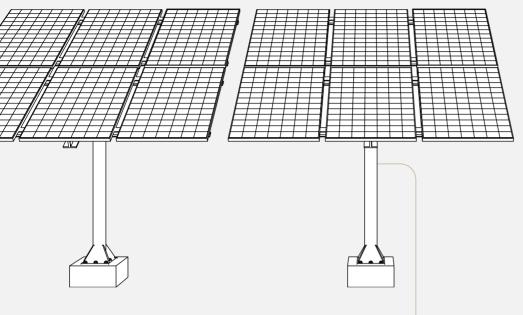
renewable electricity powering our UK operations since 2019

40%

reduction in vehicle CO<sub>2</sub> emissions since 2002<sup>1</sup>

1. Based on EU retail sales and NEDC data

# "IT'S NOW TIME TO ACCELERATE ACTION AND ESCALATE OUR AMBITION ON TACKLING CLIMATE CHANGE"



44%

reduction in emissions intensity to 2.78 tCO<sub>2</sub>e per unit between 2020 and 2021

New

Strategic Energy Action Plan to continue to minimise energy use

### **OUR AMBITION**

# New

Plug-In Hybrid Electric Vehicle (PHEV) launching in 2024

# First

Battery Electric Vehicle (BEV) targeted for launch in 2025

# Fully Electrified

Sport/GT and SUV portfolio by 2030

# Net-Zero

emissions from our manufacturing facilities by  $2030^2$ 

30%

reduction in supply chain emissions by 2030 from 2020 baseline

# Net-Zero

supply chain by 2039

# **Implement**

ISO 50001 Energy Management Systems at key manufacturing facilities by 2025

# Signed

commitment to the Science Based Targets initiative (SBTi) Net-Zero Standard

 The net-zero targets pre-date our commitment with SBTi and will be rolled into our future near and long term Company-wide emission reductions targets in line with the science-based net-zero standard with SBTi, which will be validated in the next 24 months The automotive industry is on a journey of radical transformation, a journey driven by the expectations of customers, stakeholders and policymakers focused on the need to tackle climate change. This focus continues to intensify as the need for more urgent action to limit the average rise in global temperatures to 1.5°C by 2100 becomes clear, most recently highlighted by the UN Climate Change Conference ('COP26') in Glasgow during autumn 2021.

The UK Government has committed to end the sale of new petrol and diesel cars by 2030, 10 years earlier than previously planned, and all new vehicles sold in the UK must have zero emissions from tailpipes by 2035; similar ambitions are evident in the EU and beyond. We are investing in research and development programmes to develop new technologies that will continue to reduce emissions and help tackle climate change. For example, over the past 20 years new advancements in powertrain technology, materials and energy efficiency have helped to reduce our vehicle CO<sub>2</sub> emissions by c.40%. Since 2019 our manufacturing facilities have been powered by 100% renewable electricity, using supplies backed by Renewable Energy Guarantees of Origin. Climate risks are identified in our corporate risk register and form a core element of our business planning and management processes.

It is now time to accelerate action and escalate ambition on tackling climate change. This reality defines the goals we have established in our new ESG strategy, to transform our products and how we manufacture them. Our first PHEV will be

launched in 2024, followed by our first BEV, which is targeted for launch in 2025. By 2030, we will offer a fully electrified Sport/GT and SUV portfolio. We will also invest and adapt our production processes aiming to achieve net-zero emissions arising from our manufacturing facilities by 2030, a 30% reduction in supply chain emissions by 2030 and net-zero emissions across the entire supply chain by 2039.

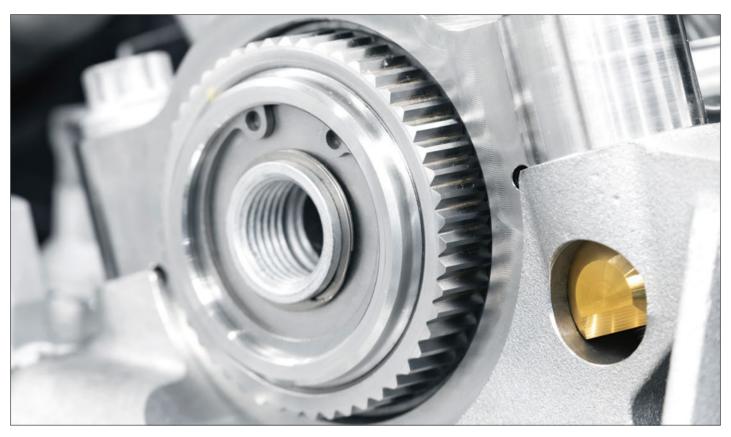
Throughout 2021, we continued to build strong foundations that will enable us to achieve our climate change goals, including advancing product and production design, strengthening our commitment to industry-leading standards such as ISO 14001:2015 and ISO 50001, and adapting our organisation to focus on the reduction of greenhouse gas emissions.

Amongst many key advances in our product development, our teams are exploring the use of green aluminium alloy, which is manufactured using 100% renewable energy. This green aluminium can be used instead of conventional aluminium alloy that currently makes up a significant proportion of our vehicle components including chassis and wheels.

We are also introducing a 'lifecycle perspective' to both our product and manufacturing processes that will help us reduce greenhouse gas emissions by enhancing our understanding of where we can control or influence environmental impacts in the production of our vehicles, as well as help us deliver our other sustainability objectives. This includes a focus on reducing our tailpipe emissions.







Aston Martin is committed to reducing its manufacturing emissions

# TOWARDS A PLAN FOR NET-ZERO AND THE SCIENCE BASED TARGETS INITIATIVE (SBTI)

Having committed to the Task Force for Climate-related Financial Disclosures in 2020, this year we are sharing our first full disclosure as part of this Sustainability Report. Also, we have signed up to the SBTi, a global body, which helps companies set independently-verified targets and clearly-defined paths to reduce emissions in line with the Paris Agreement goals, limiting global warming to well below 2°C and pursuing efforts to limit warming to 1.5°C by 2100. Our ESG working groups are developing and delivering initiatives to continue to drive down CO<sub>2</sub> emissions across the business.

In December 2021 Aston Martin committed to set near and long term Company-wide emission reductions in line with the SBTi. The SBTi is focused on accelerating companies across the world to halve emissions before 2030 and achieve net-zero emissions before 2050. The initiative is a collaboration between CDP, the United Nations Global Compact, the World Resources Institute and the World Wide Fund for Nature and is one of the We Mean Business Coalition commitments. The SBTi defines and promotes best practice in

science-based target setting, offers resources and guidance to reduce barriers to adoption, and independently assesses and approves companies' targets.

Having defined our initial targets to help tackle climate change as part of our new ESG strategy, during 2022 and into 2023 we will continue to develop our detailed plan to drive further reductions in our greenhouse gas emissions. This plan will build on our work during 2021 such as our new Strategic Energy Action Plan and be subject to independent assessment and approval by the SBTi.

These strong foundations are further reinforced by embedding sustainability as part of our core business strategy and putting sustainability at the heart of our brand. In common with other aspects of ESG, tackling climate change is firmly embedded as part of everything we do.

"THROUGHOUT 2021,
WE CONTINUED TO
BUILD STRONG FOUNDATIONS
THAT WILL ENABLE US TO
ACHIEVE OUR CLIMATE
CHANGE GOALS"

ASTON MARTIN LAGONDA

Aston Martin has advanced plans to transform our product portfolio over the next decade. In 2024 we will launch our first PHEV, followed by our first BEV which is targeted for launch in 2025. By 2030, our Sport/GT and SUV portfolio will be fully electrified. This has been supported by the brilliance and dedication of employees across the Company, leading innovation and advances in areas ranging from design to engineering to procurement.

The key enablers for our future product strategy include Aston Martin's cutting-edge innovation and building strong partnerships with our suppliers. This includes our collaboration with Britishvolt to create the next generation of cell and battery technology designed for use in high performance Aston Martin electric vehicles.

SUSTAINABILITY REPORT 2021

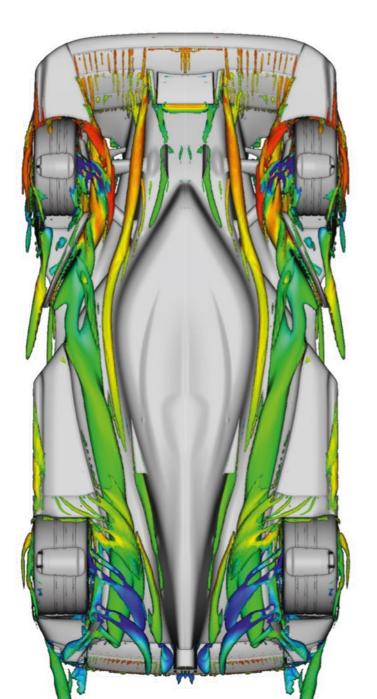
### **CUTTING-EDGE INNOVATION**

Cutting-edge innovation delivered by Aston Martin's world-leading design and engineering teams, further strengthened by collaboration with the Aston Martin Cognizant Formula  $One^{TM}$  Team, continues to play a central role in reducing  $CO_2$  emissions from our vehicles. This is not only exemplified by the creation and development of our future PHEV and BEV portfolio; it is also demonstrated by our work on a wide range of other vehicle characteristics that drive improved performance. For example, Computational Fluid Dynamics enables our engineers to optimise external surfaces so that vehicles cut through the air efficiently and use less fuel to achieve the same speed.

Further improvements to fuel efficiency are also enabled by analysing internal fluid dynamics for engine and cooling systems, using precision engineering to maximise traction through chassis controls, and using Computer Aided Engineering (CAE) to reduce mass. CAE helps engineers minimise the materials and components that are needed to achieve desired performance levels, which also yields further CO<sub>2</sub> emission reductions.

### STRONG PARTNERSHIPS

As a small volume manufacturer, Aston Martin relies on other manufacturers for many of the components that we use to produce our vehicles. That's why our supply chain has an essential role to play in reducing the Company's overall CO<sub>2</sub> footprint. Our procurement policies now embrace 'green principles' which are designed to deliver net-zero emissions across the entire supply chain by 2039, including a requirement for our suppliers to be compliant with ISO 14001:2015 where possible. We are already building on our successful, long term relationships with suppliers and strategic partners such as Mercedes-Benz AG to achieve our supply chain objectives, as well as proactively exploring potential relationships with a number of new suppliers.



### MINIMISING THE IMPACT OF OUR DESIGN PROCESS

At Aston Martin we continue to work to minimise  $CO_2$  emissions arising from our vehicle design process by embedding innovation and new advances in technology. For example, we use on-site 3D printing to create tools for prototype vehicle builds and parts for prototype vehicles, as far as possible using locally-sourced materials. This helps avoid  $CO_2$  emissions by reducing our dependence on global supply chain sources and reducing the need to transport vehicles or components long distances.

Computational Fluid Dynamics enables our engineers to optimise external surfaces so that vehicles cut through the air efficiently and use less fuel to achieve the same speed

# TASK FORCE ON CLIMATERELATED FINANCIAL DISCLOSURES

Aston Martin is committed to becoming the world's most desirable ultra-luxury British performance brand, and the Board recognises the scale of the climate emergency and its potential impact on the automotive industry. We believe businesses have an important role to play in taking decisive action to fight climate change and achieve the Paris Agreement's objective of reducing global average temperature increases to well below 2°C by 2100, and we have a clear commitment to set near and long term Company wide emission reduction – in line with the SBTi's science-based Net-Zero Standard.

We have implemented the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and this, our first TCFD Report, provides an update for each of the four TCFD pillars: Governance, Strategy, Risk Management, and Metrics and Targets. We established a TCFD Working Group which conducted a thorough assessment of the physical and transitional risks and opportunities that we face which could affect our strategy and business model under three different warming scenarios: a 1.5°C, 2°C and 4°C average increase in global temperatures by 2100.

We have already commenced a number of actions to reduce the Company's impact on the environment including:

- sourcing 100% renewable energy (since 2019);
- exploring the use of sustainable materials (e.g., green aluminium alloy) within production;
- implementing initiatives to reduce plastic waste and water consumption within our operations;
- eliminating waste being sent to landfill (since 2019);
- reducing average fleet emissions across our vehicle portfolio; and
- committing to our journey towards electrification with the planned launch of our first PHEV in 2024 and targeting BEV launch in 2025, with a fully electrified Sport/GT and SUV portfolio by 2030.

"WE BELIEVE BUSINESSES HAVE AN IMPORTANT ROLE TO PLAY IN TAKING DECISIVE ACTION TO FIGHT CLIMATE CHANGE" This Report, together with cross references to other sections of this Report and the Company's 2021 Annual Report where appropriate, outlines how we have complied with the 11 recommended disclosures, or explained where further work is required to do so, as prescribed by the TCFD. As our scenario assessment matures we shall provide further disclosure regarding the resilience of our strategy under certain modelled scenarios.

### **GOVERNANCE**

During the year Aston Martin established a Sustainability Committee whose purpose is to oversee and monitor on behalf of the Board the implementation of the Company's ESG strategy and to provide a general oversight of sustainability initiatives across the Company. The Committee will meet at least twice a year and will be responsible for governance of climate-related risks and opportunities. The Committee is chaired by Dr Anne Stevens, Independent Non-Executive Director, and provides strategic guidance on climate and environmental matters with regular reporting to the Board. Significant climate risks are also fed into the Risk Management Committee to be managed using our business-wide enterprise risk management procedures and incorporated into the corporate risk register where appropriate (refer to the Risk and Viability Report on pages 38-43 of the Company's 2021 Annual Report for more information on how we manage risk within the Group).

The work of the Committee influences Board strategic decisions in areas such as the development of the future product portfolio with the planned transition to electrified powertrains across the portfolio by 2030, identifying areas to reduce energy and water consumption, and sourcing of 100% renewable energy within our operations.

A cross functional TCFD Working Group has been established, with representation from Risk Management, Supply Chain, Finance, Sustainability, Sales and Marketing and Manufacturing to lead our activities to ensure compliance with the TCFD requirements. Significant climate-related risks which have been identified by the Group are assigned to functional Risk Champions to develop appropriate risk mitigation plans. The Audit and Risk Committee then provide oversight of the corporate climate-related risks. Each function maintains a comprehensive risk register which is reviewed twice a year by the Risk Management Committee.

### **STRATEGY**

We have undertaken scenario analysis modelling to assess the potential impact of climate change on our Company, considering qualitative and quantitative factors in three different warming scenarios through to 2050. The results of our assessment show that in the short (next two years) and medium (two to five years) term the Company is more exposed to transition risks arising from changing policy and regulations, changing consumer preferences and accelerated technology change as the move to electrification and other non-carbon solutions intensifies. Physical risks become more relevant in the longer term (beyond five years) with the potential impact of more severe and frequent weather events on our supply chain and distribution network.

The TCFD Working Group engaged a third-party consultancy, SME, to build our scenario analysis model. The model evaluated the potential impacts of both transition and physical risks and opportunities on Aston Martin with risks being categorised in accordance with TCFD recommendations in three warming pathways as shown in the table below:

### **SCENARIO PATHWAYS**

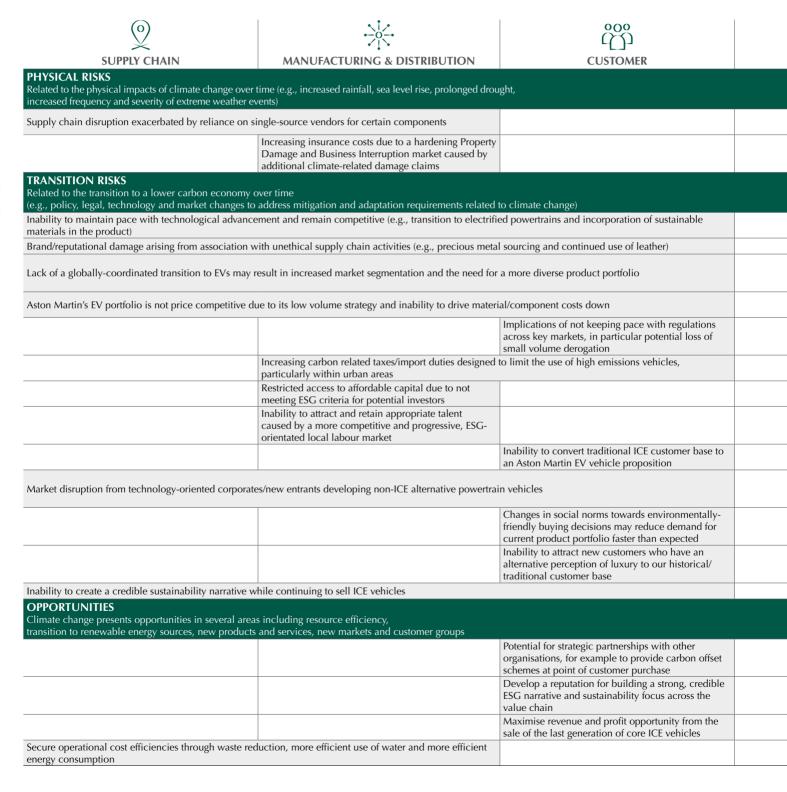
SCENARIO	STEADY PATH TO SUSTAINABILITY	MIDDLE OF THE ROAD	FOSSIL-FUELLED GLOBAL GROWTH	
SSP/RCP*	SSP 1/RCP 2.6	SSP 2/RCP 3.4	SSP 5/RCP 8.5	
DESCRIPTION	Globally-coordinated efforts to reduce emissions to net-zero by 2050 and avert the worst effects of climate change	Imperfect efforts to reduce emissions lead to moderate progress but exacerbate inequalities	Global collaboration focused on protecting the population from a changing climate (as opposed to reducing human-induced climate change)	
SOCIETAL RESPONSE	Proactive	Proactive	Reactive	
GLOBAL DYNAMICS	Open, collaborative, global	Independent, regional	Open, collaborative, global	
TEMPERATURE RISE	1.5°C	2–2.4°C	4°C	
LIKELIHOOD	LOW	HIGH	MEDIUM	

<sup>\*</sup> SSP – Shared Socioeconomic Pathway, RCP – Representative Concentration Pathway

Key inputs into the model included the physical geographical footprint of the Company, supply chain and global dealer network; historical and predicted sales volumes by market; Scope 1, 2 and 3 greenhouse gas emissions data; and vehicle material content. We used the Representative Concentration Pathways (RCPs) as our

framework for modelling different emissions pathways and the associated impact on the climate. To explore the associated market and customer trends underpinning Aston Martin's commercial resilience we also considered different socioeconomic futures, known as the Shared Socioeconomic Pathways (SSPs).

The key significant risks and opportunities which have been assessed and incorporated within the scenario analysis are shown in the table below. The risks have been summarised within the Climate Change principal risk on page 40 of the Company's 2021 Annual Report.



			WARMING SCENARIOS (risk/opportunity relevant to this scenario)			
Po	OTENTIAL FINANCIAL IMPACT	TIME HORIZON	1.5°C	2°C	4°C	TCFD RISK CLASSIFICATION
	Increased operating costs Decreased revenue	Short term	•	•	•	Physical Acute & Chronic
	Increased operating costs	Long term		•	•	Physical Acute
- -	Increased capex/R&D Asset write-offs/impairment	Short term	•	•		Technology
	Decreased revenue	Short term	•	•		Reputation
- - -	Increased operating costs Increased capex/R&D Asset write-offs/impairment	Medium term	•	•	•	Market, Policy & Legal
_ _	Decreased margins Decreased revenue	Short term	•	•	•	Market
-	Increased operating costs	Short term	•	•		Policy & Legal
_ _	Increased operating costs Decreased revenue	Short term	•	•		Policy & Legal
_ 	Increased financing costs Decreased capex/R&D	Short term	•	•		Market
_	Increased operating costs	Short term	•	•		Market
-	Decreased revenues	Medium term	•	•		Market
- - -	Decreased revenues Increased capex/R&D Asset write-offs/impairment	Medium term	•	•		Market
- - -	Decreased revenues Increased capex/R&D Asset write-offs/impairment	Short term	•	•		Market
_	Decreased revenues	Short term	•	•		Market
_	Decreased revenues	Short term	•	•		Reputation
-	Decreased operating costs Increased revenues	Short term	•	•	•	
_	Increased revenues	Medium term	•	•	•	
_ _	Increased revenues Increased margins	Short term	•	•	•	
_	Decreased operating costs	Short term	•	•	•	

### **RISK MANAGEMENT**

Refer to the Risk and Viability Report on pages 38-43 of the Company's 2021 Annual Report where we outline how risks and opportunities, including those specifically related to climate change, are identified, assessed and managed through the deployment of the Aston Martin Enterprise Risk Management Framework and System. Our climate-related risks and opportunities have been classified using the TCFD recommended classifications as summarised in the table on the previous page.

The financial and strategic resilience impacts of our scenario analysis modelling of climate-related risks and opportunities will be further assessed during 2022.

A summary of some of the key mitigating activities that have been taken, or are planned to be taken, to manage the significant climate-related risks are disclosed below.

Significant climate-related risks have been incorporated into the appropriate functional risk registers where we maintain a description of the risk, assess its likelihood and impact, assign a risk owner, and identify and track mitigating activities.

### **METRICS AND TARGETS**

Our ESG strategy includes a number of climate-related ambitions and targets which demonstrate the Company's commitment to tackling climate change in the short, medium and longer term. We are committed to the SBTi Net-Zero Standard and to setting near and long term Company-wide emission reduction targets in line with the SBTi. These targets will be validated by the SBTi over the next 24 months.





TRANSITION RISKS MITIGATING ACTIONS TAKEN/PLANNED TO BE TAKEN TO ADDRESS RISKS						
POLICY Managing our exposure to changes in legislation	<ul> <li>R&amp;D investment to develop lower fleet emissions portfolio</li> <li>Maintenance of small volume derogation status exemptions where available</li> </ul>	<ul> <li>Establishment of emissions- pooling agreements with third parties to manage exposure to carbon pricing</li> </ul>	<ul> <li>Consideration of forward purchasing of carbon offsets to manage exposure to increased pricing and reduced capacity</li> </ul>			
TECHNOLOGY Modifying our product offering	<ul> <li>R&amp;D investment in</li> <li>EV technology</li> <li>Improving energy efficiency in our manufacturing plants</li> </ul>	<ul> <li>Strategic cooperation agreement with Mercedes-Benz AG to provide access to EV powertrains</li> </ul>	<ul> <li>Investment in use of alternative sustainable materials within vehicles</li> </ul>			
MARKET Adapt to meet customer needs and desires	<ul> <li>Continued focus on waste reduction and elimination</li> <li>Zero plastic waste target to be achieved by 2025</li> </ul>	<ul> <li>Working with our supply chain to reduce global emissions and waste</li> </ul>	<ul> <li>Development of electrified options within the product portfolio to meet customers' ICE and EV needs</li> </ul>			
REPUTATION Positioning Aston Martin as an ultra-luxury sustainable brand	<ul> <li>Development of our ESG strategy to respond proactively to climate change</li> <li>Transparent disclosure of our GHG emissions through publication of our Sustainability Report</li> </ul>	<ul> <li>Enhanced communication of actions already taken to address climate change</li> <li>Development of credible plans to achieve net-zero carbon emissions within our plants by 2030</li> </ul>	Clear strategy to electrify our product portfolio and increase use of sustainable materials (including green aluminium alloy)			

Refer to page 29 for details of our GHG Scope 1, 2 and 3 emissions. We present below a summary of the targets and ambitions we have set in relation to climate change:

100%

use of renewable energy within manufacturing facilities

2021

# **GHG** emissions

Scope 1 and 2 emissions intensity per unit reduced 44% to 2.78 tCO<sub>2</sub>e between 2020 and 2021

2022

**SBTi** 

development and validation of SBTi targets

2024

# First PHEV

Aston Martin commences customer deliveries

2025

# Zero plastic

packaging waste by 2025

# First BEV

targeting launch in 2025

15%

reduction in water consumption (compared with 2019)

2026

# New car lines

all new car lines to have the option of an electrified powertrain by 2026 (PHEV or BEV)

2030

# Electrification

ambition to develop fully electrified Sport/GT and SUV portfolio by 2030

# Net-Zero

ambition to achieve net-zero emissions from our manufacturing facilities by 2030<sup>1</sup>

30%

reduction in supply chain emissions from 2020 baseline

2039

# Net-Zero

ambition to achieve net-zero emissions in the supply chain by 2039<sup>1</sup>

 These net-zero targets pre-date our commitment with SBTi and will be rolled into our future near and long term Company-wide emission reductions targets in line with the SBTi Net-Zero Standard, which will be validated in the next 24 months

This concludes the TCFD section of the Report.

### TRANSFORMING PRODUCTION

As a capital intensive business with substantial fixed assets, the recovery in production from 3,343 manufactured vehicles in 2020 to 5,778 in 2021 drove a 44% reduction in emissions intensity to 2.78 tCO<sub>2</sub>e per unit. The consolidation of our paint shops, with activity now concentrated at our new state-of-the-art facility in St Athan, also contributed to this reduction given the substantial environmental impacts that arise from the paint shop process. We anticipate that the concentration of paint shop activity in St Athan will continue to make an important contribution to reducing Aston Martin's CO<sub>2</sub> emissions over time.

Aston Martin has developed a new Strategic Energy Action Plan aimed at achieving net-zero emissions from our manufacturing facilities by 2030. Our dedicated Energy Strategy Working Group has already identified more than 30 actions for implementation across our locations. These are guided by established best practice in energy management and include delivering on-site renewable energy generation, investing in advanced energy management systems, improving technical efficiencies and innovating new manufacturing processes.

"44% REDUCTION IN EMISSIONS INTENSITY TO 2.78 TCO<sub>2</sub>E PER UNIT"



Our state-of-the-art facility in St Athan manufactures the first Welsh-built production car for more than 50 years

### STRATEGIC ENERGY ACTION PLAN HIGHLIGHTS



On-site renewable energy generation, including reviewing options for solar photovoltaic ('Solar PV') installation and generation at our manufacturing sites and, over the longer term, exploring feasibility of combined heat and power using low carbon fuels.



Investing in advanced energy management systems to dynamically optimise production efficiency by using real-time energy-usage data and improved Heating, Ventilation and Air Conditioning controls.



Adopting industry best practice, including utilising the SBTi Net-Zero Standard as a framework for achieving a robust carbon reduction roadmap towards net-zero.



Innovating new manufacturing processes, including investigating heat cross transfer from compressor and paint shop operations, and maximising the use of 3D printing.



New training programmes to ensure all employees are focused on the need to minimise energy usage across all functions.

### **SOLAR PV GENERATION FOR ST ATHAN**



In 2021 Aston Martin progressed a major project that will deliver 6.4MW of on-site Solar PV generation capacity at our St Athan plant. Subject to planning approval and agreement on connection to the national electricity distribution network, during 2022 over 14,000 solar panels will be installed, capable of generating around 20% of the plant's total annual demand. We are also continuing to explore the potential installation of up to 2.5MW of Solar PV at our Gaydon site.

14,000

solar panels at St Athan will generate around 20% of the plant's total annual electricity demand

# HOW WE WORK

Our Environmental Policy, which reinforces our new ESG strategy, guides our approach to all aspects of our approach to the environment. The core elements of our Environmental Policy are as follows:

- COMPLY as a minimum with all relevant environmental legislation as well as other environmental requirements, whilst continuing to strive beyond these targets wherever possible.
- COMMIT to ongoing reductions in energy, water and other resource consumption in the manufacture and operation of our vehicles, and an ongoing reduction in our carbon footprint.
- ASSESS through a risk-based approach the threats and opportunities of climate change to the Company, our activities, products and services and prepare appropriately. The environmental risk register is reviewed with senior management quarterly and significant risks aligned with the corporate risk register.

- SET, monitor, and strive to meet all objectives and targets for managing our environmental performance, including, energy, water and waste consumption, to ensure strict control over the environmental aspects of all products, processes and facilities.
- MINIMISE the impact of Company's activities, products, and services on the environment through effective waste management, working closely with its Total Waste Management Contractor.
- GIVE due consideration to environmental issues and energy performance in acquisition, design, refurbishment, location and use of buildings.
- PROMOTE sustainable product design and construction with consideration from a lifecycle perspective, using low carbon and renewable energy resources wherever possible.
- OPERATE and maintain an environmental management system in line with ISO14001:2015 that is externally audited annually by accredited auditors.

- COMMUNICATE our environmental policy internally and externally, working with our employees, suppliers and partners to promote improved environmental performance and encourage feedback.
- ARRANGEMENTS are in place for potential and actual environmental incident investigations and provisions have been made for the effective control of contractors' activities whilst on Aston Martin sites.
- MEASURE and review our overall environmental performance in order to identify trends. Preventive and corrective measures will be produced to reverse adverse trends and move towards implementing best practice through continuous improvement.
- REVIEW our environmental management system performance, objectives and targets and environmental policy annually to ensure they are in line with ISO14001:2015, that they are appropriate, and to ensure continual improvement of the environmental management system.

# OUR IMPACT

### **TOTAL GREENHOUSE GAS EMISSIONS**

	2018	2019	2020	2021
GHG Emissions Under Scope 1 (tCO <sub>2</sub> e)	6,950.92	8,981.40	9,200.67^	8,705.35^
GHG Emissions Under Scope 2 (tCO <sub>2</sub> e) – Location based*	7,493.70	8,683.50	7,545.86**^	7,366.72**^
GHG Emissions Under Scope 2 (tCO <sub>2</sub> e) – Market based*	5,899.90	3,484.61	687.28**^	192.38**^
GHG Emissions Under Scope 3 (tCO <sub>2</sub> e)	13,331.11	8,806.94	6,620.37^	6,446.74^
UK Total Gross Scope (Scope 1 & Scope 2)	14,444.61	17,664.90	16,642.17^	15,984.15^
ROW Total Gross Scope (Scope 1 & Scope 2)	_	_	104.36^	101.82^
Total Gross Scope (Scope 1 & Scope 2)	14,444.61	17,664.90	16,746.53^	16,085.97^

- \* Market-based and Location-based approach adopted to quantify Scope 2 GHG emissions from 2018
- \*\* Scope emissions calculations include ROW operations
- Values assured by ERM CVS

### **GREENHOUSE GAS EMISSIONS PER UNIT**

	2018	2019	2020	2021
Manufactured Volume (units)	6,432	6,176	3,343^	5,778^
Total Scope 1 Emissions per unit	1.08	1.45	2.75^	1.51^
Total Scope 2 Emissions per unit	1.17	1.41	2.26^	1.27^

<sup>^</sup> Values assured by ERM CVS

### TOTAL ENERGY CONSUMPTION WITHIN ORGANISATION

	2018	2019	2020	2021
Electricity (MWh)	26,472.94	33,973.01	32,144.15**^	34,506.66**^
Gas (MWh)	33,733.53	43,574.51	44,796.00^	43,923.02^
Diesel (MWh)	_	14.92	4.34^	72.93^
Gasoline (MWh)	3,236.56	2,712.98	1,779.25^	2,450.28^
LPG (MWh)	_	563.60	43.52^	Nil^
UK Total Consumption	63,433.03	80,839.02	78,573.14^	80,952.90^
ROW Total Consumption	_	_	194.11	230.96
Total (MWh)	63,433.03	80,839.02	78,767.26	81,183.86

- ~ Values in this table have been restated as we do not have any direct diesel usage within the organisation
- Values assured by ERM CVS
- \*\* Includes ROW operations in calculation

### **GREENHOUSE GAS EMISSIONS**

Our greenhouse gas emissions reported here are in accordance with the Greenhouse Gas Protocol Corporate Standard for the year to 31 December 2021. These are monitored throughout the year to enable us to make continued improvements, wherever possible. The intensity ratio is measured as tonnes of CO<sub>2</sub> equivalent per car manufactured as it reflects the energy intensive nature of our business and the impact of the growth of our business on our immediate surroundings.

### **MFTHODOLOGY**

We calculate our greenhouse gas emissions in the following way:

Scope 1 – Includes emissions of gas, petrol on site, diesel used for emergency heating and firing pumps, refrigerant refill, LPG and fuel from Company pool cars. Figures are obtained through utility bills, direct from suppliers and through the Company's internal systems. The DEFRA emissions factor for 2021 is then used to calculate the figures.

Scope 2 – The Location-Based Assessment includes emissions from electricity consumption, sourced direct from utility bills, while the Market-based Assessment includes emissions from electricity consumption based on sources of electricity. The DEFRA/ IEA emissions factor for 2021 is then used to calculate these figures.

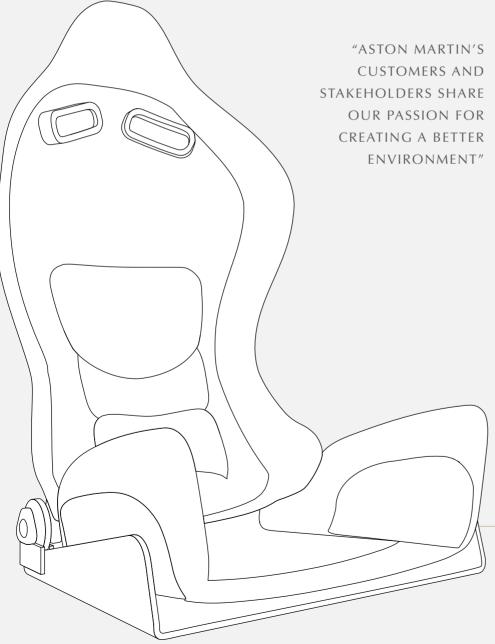
**Scope 3** – Includes emissions from business air travel, management car miles, personal car mileage, employee commuting figures, and water consumed. The DEFRA emissions factor for 2021 is then used to calculate the figures.

### **ENERGY EFFICIENCY**

Our emissions intensity decreased by 44% to  $2.78 \text{ tCO}_2\text{e}$  per unit between 2020 and 2021. This was mainly driven by a recovery in production levels, as the total number of vehicles manufactured rose from 3,343 in 2020 to 5,778 in 2021.

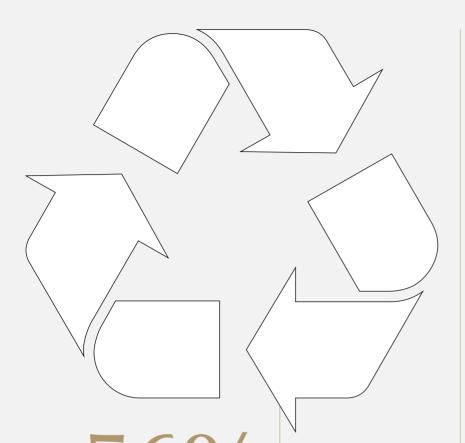
ASTON MARTIN LAGONDA

# CREATING A BETTER ENVIRONMENT



### A PASSION FOR BETTER

Aston Martin's customers and stakeholders share our passion for creating a better environment and our new ESG strategy establishes objectives that will enable the Company to continue to achieve this aim. Our goals for creating a better environment are complementary to our focus on tackling climate change and target a net positive impact over the longer term. A large number of components we procure from suppliers arrive at our premises in plastic packaging, which generates substantial amounts of plastic waste. We have commenced a proactive approach to reducing and eliminating this plastic waste by 2025 through extensive engagement with our supplier base. This also includes developing a plan to remove single-use plastic from across our locations, for example in employee refreshment areas. We are also aiming to reduce our water consumption by 15% by 2025, as well as undertaking detailed work to reduce a wide range of other inputs to the manufacturing process and to maximise the use of sustainable materials and boost biodiversity across our sites.



**OUR AMBITION** 

# Zero

plastic packaging waste by 2025

15%

reduction in water consumption by 2025 (compared with 2019)

# Maximising

the use of sustainable materials and natural materials in car parts

# Boost

biodiversity across our sites including installation of bee hives

# Deliver

new Biodiversity Management Plan

compared with 244 tonnes in 2020

381 tonnes of waste recycled in 2021

waste diverted from landfill

more waste recycled:

Boost biodiversity across our sites including installation of bee hives

### **TOWARDS ZERO WASTE**

The management of Aston Martin's waste is governed by a stringent regulatory framework and we operate in line with best-practice industry standards, for example, ISO 14001:2015 Environmental Management Systems. Over recent decades we have continued to focus on reducing waste as part of a wider commitment to minimising our impact on the environment. This has enabled Aston Martin to increase the amount of waste we recycle in 2021 and to continue to successfully divert 100% of our waste from landfill. These objectives will be the focus of our new Waste Savings Strategy and Action Plan, which is currently being developed by Aston Martin's Waste Working Group, and reflect our commitment to the principles of waste management hierarchy.

Our Waste Working Group has already delivered a number of critical actions during 2021 to make sure we are equipped to achieve a step-change in waste management performance. In 2021, our teams completed a comprehensive waste streams mapping exercise including a deep-dive analysis to provide enhanced data on waste generated by Aston Martin's production processes and operations. This has improved waste segregation and reduction, as well as the use of a new online waste management portal that will allow us to harvest more categorised data in real time and, backed by new KPIs, will drive the agile decision making to achieve our objectives.

### WATER CONSUMPTION

Water consumption continues to be a focus for the business following the introduction in 2018 of a water management system to measure and monitor our water consumption, recycling and discharge levels. This system has enabled us to identify areas of high usage and to implement water saving measures.

During 2021, our Water Working Group developed a Water Savings Opportunities Action Plan, which is now being implemented across our operations. The Action Plan sets out new KPIs based on a more holistic suite of baseline data and a range of measures that will support our drive towards a 15% reduction in water usage by 2025 (against a 2019 baseline, due to unusually low water usage in 2020 as a result of COVID-19 lockdowns). These measures include developing an enhanced water-usage monitoring capability integrated with all aspects of Aston Martin's manufacturing operations, exploring opportunities for investing in new rainwater capture, improving efficiencies in manufacturing processes utilising water and installing water saving devices.

Other key elements of our ongoing drive towards zero waste include rigorous internal and external audits, employee training and sustainable procurement. Mirroring our approach to tackling climate change, by embracing 'green principles', our updated Responsible Procurement Policy is also designed to support our other ESG goals, as well as to continue to help minimise Aston Martin's impact on the environment more broadly. This includes a requirement for all Aston Martin suppliers, where possible, to operate environmental systems consistent with ISO 14001:2015.

### **MAXIMISING SUSTAINABLE MATERIALS**

At Aston Martin we are constantly exploring new ways to source and use sustainable materials to manufacture our products. In addition to green aluminium alloy, this extends to numerous other possibilities for every aspect of the vehicles we produce today and will produce in the future.

Aligned with our updated Responsible Procurement Policy, during 2021 we made significant progress with suppliers who share our commitment to sustainability. This has recently been exemplified by our new partnership with Michelin, one of the world's leading buyers of natural rubber, which has long taken action to implement a sustainable natural rubber process. Our engineers and design teams have also continued to explore how our vehicles can incorporate more sustainable materials including cactus leather.

### **WASTE MANAGEMENT**

	2018	2019	2020	2021
Total waste (tonnes)	1,800.00	1,566.02	394.39	858.62
Reused (tonnes)	43.11	40.21	8.72	6.40
Recycled (tonnes)	1,262.86	987.81	243.82	380.60
Recover (tonnes) (Waste to Energy)	494.03	538.01	141.85	471.62

# WATER CONSUMPTION (M³)

	2018	2019	2020	2021
Water consumption (M³)	54,029.25	59,233.78	34,477.65	64,681.40

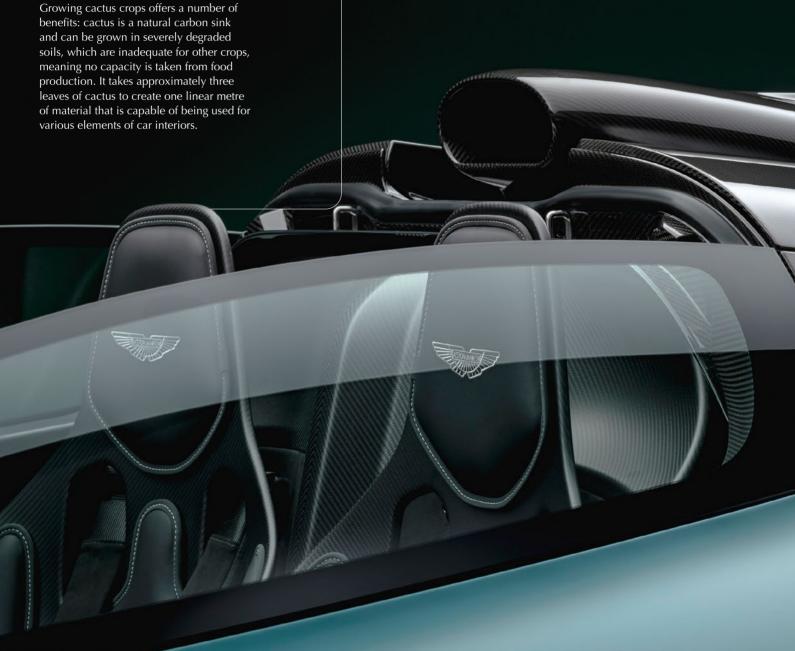
Note: These figures represent the water consumption at our UK sites only  $% \left\{ 1,2,...,N\right\}$ 

"AT ASTON MARTIN WE ARE CONSTANTLY EXPLORING NEW WAYS TO SOURCE AND USE SUSTAINABLE MATERIALS TO MANUFACTURE OUR PRODUCTS"

To minimise our impact on the environment and to respond to increasing customer demand for leather-free or vegan interiors in their vehicles, we're continuing to work on using Desserto's Vegan Cactus 'Leather'. The material is now used to trim the seat pads in the Valkyrie Spider, an innovation that we're looking to build on in future.

Vegan Cactus 'Leather' is a sustainable alternative to leather made from nopal cactus (Opuntia ficus-indica), also known as prickly pear, which is grown in a sustainable, organic farming system in South America.

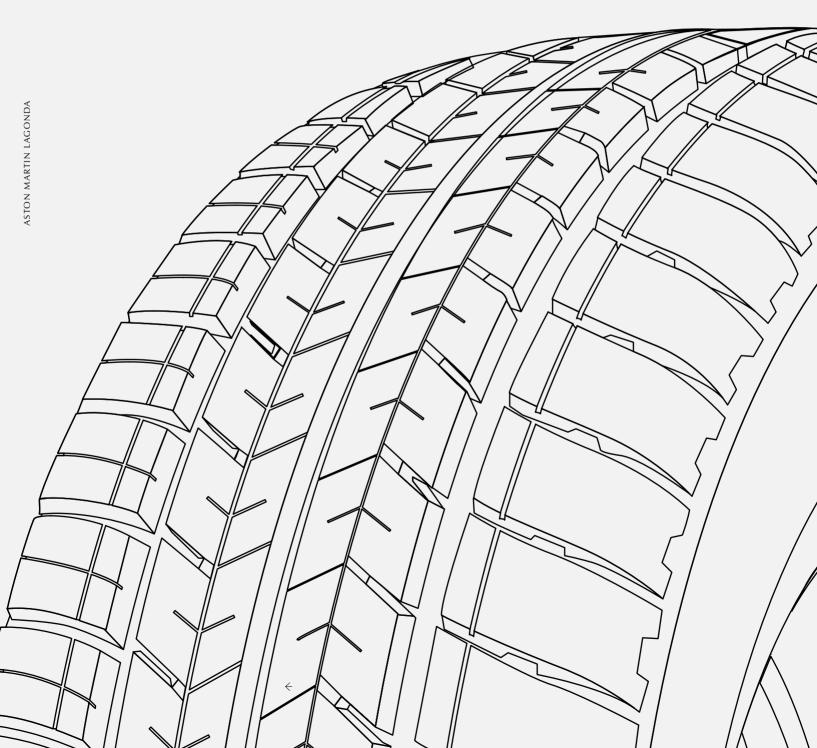
# CREATING SUSTAINABLE INTERIOR OPTIONS



# GAINING TRACTION

#### **MICHELIN TYRES**

Sharing our commitment to sustainability, Aston Martin has partnered with Michelin, one of the world's leading buyers of natural rubber, who have long taken action to implement a sustainable natural rubber process.





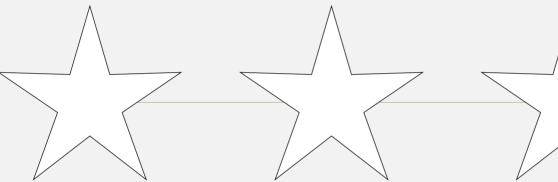
#### **BOOSTING BIODIVERSITY**

Aston Martin has a detailed understanding of biodiversity around its sites. The sites cover a variety of habitats, including species-rich grassland, hedgerows, mature trees, drainage ditches and disturbed ground, all of which have a high wildlife value. Examples of the wide variety of flora recorded include yellow sedge (Carex viridula oedocarpa) and bee orchid (Ophrys apifera). Species of wildlife that can be found range from bird species such as the Grasshopper Warbler (Locustella Naevia) to butterfly species such as the Common Blue (Polyommatus Icarus).

"WE CONSTANTLY STRIVE TO GO BEYOND MINIMISING OUR IMPACT ON BIODIVERSITY TO CREATE NET POSITIVE BIODIVERSITY GAIN" As well as complying with strict statutory environmental regulations and bestpractice standards such as ISO 14001:2015, we constantly strive to go beyond minimising our impact on biodiversity guided by our Biodiversity Management Plan and corporate leadership to create net positive biodiversity gain at our manufacturing locations. For example, we have wilderness areas with long un-cut grass to encourage wildlife and have enhanced natural habitats for a range of species including the creation of protective habitats for the great crested newts at our Gaydon site, and we are planning for our own Aston Martin bee hives in early 2022. Our site at Gaydon is home to a nature conservation area, which includes a trail for employees and customers. In 2022 we will update our Biodiversity Management Plan and explore the opportunity to align this with the Science Based Target Network Action Framework for Nature.

Our global headquarters at Gaydon is home to a host of species, such as the Grasshopper Warbler

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#### **PUTTING OUR PEOPLE FIRST**

Investing in people and opportunity will continue to shape our future. We rely on the skills and dedication of a brilliant team: a team we must keep safe, a team we must support, and a team we must sustain for the long term. This requires a relentless focus on achieving zero accidents, ensuring employees can realise their potential, and creating a more diverse and inclusive environment that promotes and attracts the very best talent. Sustaining a brilliant team also demands that we inspire young people about the exciting possibilities of a future in engineering and manufacturing, as well as play a proactive role supporting the communities we are part of.

"INVESTING IN PEOPLE AND OPPORTUNITY WILL CONTINUE TO SHAPE ASTON MARTIN'S FUTURE"

British Safety Council Occupational Health & Safety Audit, achieving 94.29% score

consecutive British Safety Council Sword of Honour

ASTON MARTIN LAGONDA

"WE MUST CONTINUE TO INSPIRE
THE NEXT GENERATION ABOUT
THE EXCITING POSSIBILITIES OF
A FUTURE IN ENGINEERING
AND MANUFACTURING"

**OUR AMBITION** 

Zero

accidents

25%

women in leadership positions within five years

# Leading

industry employee wellbeing

# Growing

talent and raising aspirations

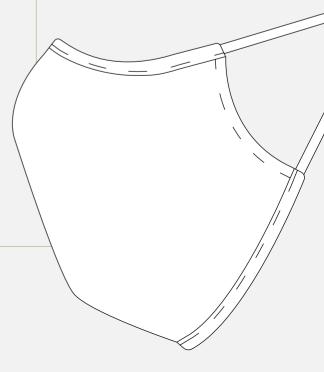
# Building support for charity and communities



below the UK vehicle automotive manufacturing average injury rate

# 30% Reduction

in Accident Frequency Rate from 1.44 in 2020 to 1.01 in 2021





Our approach to safety is delivered with the same attention to detail as our renown for design

#### **SAFETY: MORE THAN A PRIORITY**

Keeping our employees safe needs to be more than a priority. At Aston Martin, every vehicle we build is crafted by precision, a dedication to perfection and a desire to reach new heights in design and engineering excellence. Safety is no exception to this approach, which is why we are aiming for zero accidents. For any business this is a difficult challenge, but it is a challenge that we embrace.

During 2021, we continued our industry-leading track record on safety and in December we received our 10th consecutive British Safety Council Sword of Honour. The British Safety Council Five Star Occupational Health & Safety Audit is a comprehensive, quantified audit process, which allows health and safety performance to be tested against the latest legislation, recognised standards and best-practice techniques. It provides a quantified outcome with detailed recommendations against a contemporary best-practice specification (including the requirements of ISO 45001) over and above current Occupational Health and Safety Management Systems standard requirements.

The audit specification model includes six best-practice indicators which are continually assessed throughout the audit process:

- Leadership;
- Stakeholder engagement;
- Risk management;
- Organisational health and safety culture;
- Continual improvement; and
- Wellbeing.

Each year, only those organisations that have achieved the maximum five stars in the British Safety Council's Five Star Audit scheme are invited to apply for a Sword of Honour, with only a select few attaining this prestigious award.

Our track record is built on a safety-led culture embedded through leadership and training, shared accountability, rigorous reporting, and investment in the latest technology and systems. Supported by a team of dedicated safety professionals, throughout 202 we have continued to deliver and pioneer best practice, as well as maintain compliance with strict industry standards including ISO 45001. Our investment during 2021 includes

the planned introduction of an advanced reporting system to improve real-time visibility of safety data and a new 'e-permit' system that ensures all on-site contractors have the right safety accreditations and approvals. We have also maintained our comprehensive safety training regime, which includes regular refresher courses and delivering IOSH-accredited qualifications.

Although we can be proud of our record on safety, we will continuously endeavour to do more. With zero accidents at the centre of our new ESG strategy, we will always reach for higher and better performance until that goal has been achieved.

#### WELLBEING AND HEALTH AND SAFETY (AS AT 31 DECEMBER 2021)

	2019	2020	2021
Accident Frequency Rate*#	1.04	1.44	1.01
Sword of Honour Award	8 <sup>TH</sup> CONSECUTIVE TIME	9 <sup>TH</sup> CONSECUTIVE TIME	10 <sup>TH</sup> CONSECUTIVE TIME
BSC Health and Safety audit score	94.44%	94.40%	94.29%

- Accident Frequency Rate (AFR) for Aston Martin Lagonda UK employees/200,000 manhours (or per 100 employees)
- # This figure only includes UK employees

### WORKING SAFELY DURING THE PANDEMIC

Aston Martin has been recognised for pioneering best practice to keep our employees safe whilst successfully maintaining production and positive change across the business. Throughout 2021 we continued to maintain our COVID-secure guidelines in order to protect our people and build on our existing COVID-19 corporate update portal, providing the latest information and Company actions in one place, accessible to all employees at all times.

We continued to work closely with employees and trade unions to further develop and implement protocols to protect employee health and safety in our production facilities in line with the evolving government advice. This included maintaining a safe environment to enable people who needed to be on site to return to work, whilst still

supporting those who could work from home to do so effectively. We removed the temperature checks on arrival and brought in twice-weekly rapid flow antigen (lateral flow) testing for those working at our sites initially administered by a nurse, healthcare professional or first aider, and latterly, successfully moving to self-testing in the last quarter of the year. The lateral flow test has proved effective in providing rapid results, helping to stop the spread of the virus among our employees and their families.

We continued to mandate the use of face masks throughout the year when moving around our UK facilities, working on the shop floor and in situations where social distancing was not possible, even if this meant going beyond UK Government advice. We also encouraged the continuation of social distancing and hand sanitiser remained available throughout 2021.

#### SUPPORTING EMPLOYEE WELLBEING

Our relentless focus on safety mirrors our wider commitment to supporting the wellbeing of our employees. During the pandemic we extended this commitment to build on the comprehensive range of benefits available to employees across the Company, including dedicated healthcare provision, on-site health assessments, discounted gym membership and a free, confidential helpline offering access to counselling.

Mental health has been a key priority with a number of new initiatives delivered, including new tools provided through the 'Thrive' employee app and mental health training delivered to Aston Martin's leadership team.



New tools have been offered to employees in 2021 to support their mental health wellbeing

# HOW WE WORK

#### **OUR PEOPLE VISION**

Our people vision is 'to create a fulfilling and rewarding experience that enables our people to flourish' and is part of our People Strategy.

The People Strategy has been developed to accelerate progress in creating and sustaining a world-class employee experience. The pillars of our strategy centre around our I AM culture and include aspects such as embedding our I AM values, driving improvements to diversity and inclusion, a focus on employee engagement, clear communication and growing our team to meet the business's future capability needs.

Delivery of the People Strategy is overseen by the People Forum, which meets on a monthly basis. The Forum, chaired by our Director of HR, assumes responsibilities previously overseen by the People Committee.

#### **OUR VALUES**

Our organisation values are honest, transparent, accountable and courageous. We are currently partnering with employees from across the organisation to develop a deep understanding of how our values become lived. Through a series of focus groups, employees have shared their experiences of what makes Aston Martin unique and their vision for the future. Alongside the feedback from the I AM Engaged survey, this is an important step in co-creating what Aston Martin stands for and what being part of Aston Martin means for employees.

#### **EMPLOYEE ENGAGEMENT**

During 2021, work has continued on 'I AM Aston Martin', our culture transformation programme.

In 2021 we conducted our Global I AM Engaged survey, receiving feedback from 80% of employees.

Following the survey, our priorities for engagement were set as:

- Delivering a Shared Vision; and
- Strengthening a High Performance Culture.

In December 2021, CEO Tobias Moers shared the future vision for the Company with all employees, followed by an exclusive employee event to reveal our 'Showroom of the Future'. Roundtable events have enabled employees to hear first hand the thoughts and perspectives of the CEO and have been a key mechanism to continue the dialogue on the experiences and engagement of our people.

Aston Martin employees have also been engaged in shaping our organisation values. An open invitation saw employees from across all parts of the business come together in focus groups to help shape the behaviours which will help Aston Martin succeed in the future. The launch of the values will continue into 2022 to become part of how we attract, grow and develop our people.

#### TRAINING AND EMPLOYEE DEVELOPMENT

Aston Martin offers a four-year apprenticeship programme to equip new employees with the skills they need to fulfil a range of roles across the business. Our two-year graduate programme allows graduates to rotate through various areas of the business, through which they gain a unique insight into the workings of Aston Martin. Every employee at Aston Martin can access training opportunities tailored to their needs and aspirations throughout their career. This includes enabling employees to work towards Chartered Institute of Management Level 3 in Management and Level 5 in Leadership and Management, as well as APM Level 4 in Project Management, Data Analytics Level 4, and MBA qualifications.

#### **REWARDS AND BENEFITS**

Passionate, motivated and professional people are critical to the success of Aston Martin and, to attract and retain the best talent available, our pay and benefits must be competitive. Our aim is to foster a culture where everybody feels valued, motivated and rewarded to achieve their best work. Our reward offering is overseen by the Remuneration Committee which, as well as having responsibility for senior executive pay, considers remuneration across the whole Company.

The philosophy and principles that apply to remuneration at the Company are applied consistently throughout the organisation, with an emphasis on a pay for performance approach. All employees are eligible for an annual bonus based on performance and at a senior level, there is a greater emphasis on long term, sustainable performance and alignment with the shareholder experience. The key difference between executive remuneration and that for the wider workforce is therefore that a higher proportion is at risk and dependent on Company performance.

Pay, terms and conditions for non-management grades are subject to Trade Union negotiation, with any changes, including any general increases, agreed on a regular basis. In 2021, the Company introduced a new Company-wide annual bonus with a Group scorecard of performance measures to better reflect annual progress on the business plan and latest KPIs. The Group scorecard was cascaded throughout the Company to apply to annual bonuses for all employees, providing strong alignment of focus and a 'One Team' approach. As part of the 2021 agreement, the Company also agreed a grade protection policy, offering protection for restructure/organisational job changes or long term ill health, and a home-working policy, to support employees who can effectively work from home.

During 2021, the Company reviewed the Aston Martin Lagonda Limited Pension Scheme (the Defined Benefit Pension Scheme) and proposed to close this scheme to future accrual. A consultation process with affected employees (c.400 members) was carried out during 2021, and the Company also engaged with the trade union on the proposals. Following this consultation, the Company decided to close the Defined Benefit Scheme to future accrual. on 31 January 2022, with all employees who were active Defined Benefit Scheme members immediately before the closure becoming deferred members and automatically joining the Company's competitive Defined Contribution plan (of which the majority of employees are already members).



At Aston Martin, difference is valued and celebrated

#### **EQUAL OPPORTUNITIES**

We are committed to building and maintaining a workplace and culture where all our people feel connected to Aston Martin's purpose, that they have a voice, will receive equal treatment and can develop to reach their full potential irrespective of their gender, gender identity or expression, ethnicity, race, nationality, origin, religion or belief, age, sexual orientation, disability, marital status, or any other characteristic protected by law.

#### ADVANCING DIVERSITY AND INCLUSION

Building a more diverse and inclusive Company is another area where we are raising our objectives and broadening our work to achieve those objectives.

As noted in the Deloitte report, 'Women at the Wheel – 2020 Women in Automotive Industry Study', there is a need to address low female representation with women representing only 20% of the automotive workforce in the UK and fewer than 10% at executive level. As part of our new ESG strategy, within the next five years we want 25% of our leadership team to be women, compared with the current share of 14%. Our plan to achieve this goal centres on tailored leadership development and a number of wider initiatives targeted at creating a more inclusive culture, including training to embed inclusive behaviours around the recruitment process. We have also expanded the remit of our Female Advisory Board, first established in 2015, to support the development of new initiatives aimed at achieving our goal. Our work to increase female representation in our leadership team will contribute to narrowing our Gender Pay Gap, which in 2021 was a mean pay gap

favouring men by 6.9% and a median pay gap favouring men by 2.0%.

Our Diversity and Inclusivity Working Group drives our diversity and inclusion strategy. The Group has built a system to monitor our demographic data across all our key people systems, and will launch our new Employee Inclusion Network in early 2022.

In 2022 Aston Martin will commence work with 'Racing Pride', an innovative movement developed to positively promote LGBTQ+ inclusivity within the motorsport industry and among its technological and commercial partners. Our focus with Racing Pride will be to review all our People policies to ensure they are inclusive, develop our approach to support employees transitioning at work,

deliver learning events to support our Working Groups, Inclusion Networks and Leaders understand issues facing the LGBTQ+ community specifically and work with external Ambassadors to provide an opportunity for employees to ask questions and give support.

In 2021, we started a process to commit to 'Valuable 500', a global business collective innovating together for disability inclusion, and in 2022 we will be delivering plans as part of being a committed member of the UK Government's Disability Confident scheme.

Our efforts to promote diversity and inclusion will continue to be guided and supported by our ongoing 'I AM Aston Martin' initiative, which aims to make sure that employees can be their authentic selves at work.

#### EMPLOYEES BY GENDER (AS AT 31 DECEMBER 2021)^

	Male	Female	% Female
Senior management team	6	-	0.0%
Senior leadership team	47	11	23.0%
Other employees	1,836	307	17.0%
Total	1,889	318	17.0%

#### EMPLOYEES BY REGION (AS AT 31 DECEMBER 2021)^

	Male	Female	% Female
Asia Pacific	21	16	43.2%
EMEA	40	7	14.9%
UK	1,807	287	13.7%
Americas	21	8	27.6%
Total	1,889	318	14.4%

Note: Data by gender and region is shown for 2,207 permanent Company employees only

<sup>^</sup> Values assured by ERM CVS

#### **GROWING TALENT**

Aston Martin offers comprehensive training for employees throughout the business, equipping them with the skills they need to develop and grow, and helping them realise their aspirations.

Aston Martin's industry-leading four-year apprenticeship programme combines classroom-based and online learning with mentorship and on-the-job experience across multiple areas of the business. In 2021, 24 apprentices graduated from our four-year apprenticeship programme and we have 44 apprentices currently in our programme, with a first tranche of 18 new apprentices expected to start the programme and their early career in September 2022.

Aston Martin continues to enjoy great success with its graduate scheme, which is split between technical and professional career paths. A two-year programme allows graduates to rotate through various areas of the business, through which they gain a unique insight into the workings of Aston Martin. In 2022 Aston Martin will welcome 20 graduates.

Every employee at Aston Martin can access training opportunities tailored to their needs and aspirations. This includes enabling employees to work towards Chartered Institute of Management and MBA qualifications. In 2021 we continued to increase the courses available to employees through our e-learning platform to enable employees wider access to opportunities.

"THE DEGREE
APPRENTICESHIP
PROGRAMME HAS GIVEN ME
THE CHANCE TO DEVELOP
PROFESSIONALLY AND
ACADEMICALLY AT THE
SAME TIME. GAINING A
DEGREE WAS SOMETHING
I NEVER EXPECTED TO DO,
BUT THE ENCOURAGEMENT
I RECEIVED FROM
COLLEAGUES AND
FELLOW APPRENTICES
WAS INVALUABLE"



A wealth of training and development opportunities are available to all Aston Martin employees

Abbie Croker joined Aston Martin as a Computer Aided Design (CAD) Degree Apprentice in 2017 and having graduated from Warwick University in August 2021 is now a full time CAD engineer. She's currently working with the interior trim team on the instrument panel, centre console and doors. Abbie develops the assembly strategies, ensuring that they are functional and that the parts can be physically made. She returns to her old school yearly to promote apprenticeships and women in engineering.





KRUSHMA BOSAMIA

Krushma Bosamia joined Aston Martin in September 2018 from WMG Academy for Young Engineers in Coventry. Whilst working at Aston Martin she has been studying part time for a business degree at Coventry University, which she will complete later this year. As a commercial apprentice, Krushma has worked in a number of areas of the business, including HR, Sales Operations and Marketing. In 2021, Krushma was highly commended as a finalist at the BAME Apprenticeship Awards, which showcases the outstanding work and achievements of apprentices from Black, Asian and minority ethnic groups.

"I HAVE HAD THE
PRIVILEGE TO LEARN
AND BE MENTORED BY
HIGHLY SKILLED AND
EXPERIENCED INDIVIDUALS
PROVIDING ME THE
PLATFORM TO DEVELOP
BOTH MY PERSONAL AND
PROFESSIONAL SKILLS. MY
APPRENTICESHIP EXPERIENCE
SO FAR HAS NOT ONLY
ALLOWED ME TO BUILD AND
ESTABLISH GOOD WORKING
RELATIONSHIPS, BUT ALSO
MAKE GREAT FRIENDS TOO"



Aston Martin's apprenticeship programme forms a key part of the Company's commitment to supporting the next generation of British talent and skills

#### NATIONAL APPRENTICESHIP WEEK

In February 2022 Aston Martin reiterated its commitment to supporting and developing the next generation of British talent and skills with the launch of a drive to recruit over 40 early career positions at its Gaydon and St Athan sites. The recruitment drive, announced during National Apprenticeship Week 2022, will see the Company offer new opportunities to 18 apprentices, 20 graduates and 10 paid interns, in positions across the business.

A number of today's Aston Martin employees started their careers as apprentices. The Company is committed to training, supporting and mentoring its future leaders as they learn how Aston Martin stays at the forefront of design, manufacturing and engineering innovation. On-the-job learning from global industry experts and working on an award winning product range, provides the best possible start to a career in the luxury automotive business.

"IT'S BRILLIANT TO SEE WORLD-RENOWNED BRITISH
COMPANIES LIKE ASTON MARTIN SUPPORTING THE
NEXT GENERATION TO SUCCEED THROUGH THE POWER
OF APPRENTICESHIPS"

THE RT HON NADHIM ZAHAWI MP, SECRETARY OF STATE FOR EDUCATION

#### **INSPIRING FUTURE GENERATIONS**

Inspiring young people about the exciting possibilities offered by a career in manufacturing and promoting STEM subjects is an important part of making sure that Aston Martin can access talent that is the bedrock of our future success. This underpins our extensive engagement and long-standing partnerships with local schools and colleges.

"PROMOTING STEM SUBJECTS IS AN IMPORTANT PART OF MAKING SURE ASTON MARTIN CAN ACCESS TALENT THAT IS THE BEDROCK OF OUR FUTURE SUCCESS"

During 2021, we successfully maintained our work with young people, with a continuing focus on promoting STEM. Encouraging the uptake of STEM subjects is an essential part of making sure young people are equipped to pursue careers in engineering and manufacturing, as well as enabling the Company to access the skills it needs for the long term. Aston Martin's work here also reflects our wider commitment to supporting local communities and helping to raise young people's aspirations.

Our long term partnerships with local schools include the WMG Academy for Young Engineers (age 14 to 19) in Coventry, where Aston Martin is part of the syllabus. Every year the Company's apprentices and other employees visit the Academy to help educate students about automotive manufacturing and engineering, as well as to share their experiences working at Aston Martin. This also provides our apprentices with a valuable opportunity to develop public speaking skills and grow confidence.

Aston Martin Cognizant
F1<sup>TM</sup> Team Driver
Ambassador, racing
and stunt driver, Jess
Hawkins joined five
female Aston Martin
apprentice engineers
on a visit to Whitchurch
High School in Cardiff
as part of a national
effort to inspire girls
to work in maledominated industries



#### **DRIVING FORCE**

As part of our commitment to promoting diversity and inclusion, and as a sponsor of the ITV series, Driving Force, Aston Martin worked with series Director-Creator, Rosemary Reed to organise an event at Whitchurch High School in Cardiff to inspire girls to work in male-dominated industries. Five female Aston Martin apprentice engineers joined Aston Martin Cognizant F1™ Team Driver Ambassador, racing and stunt driver, Jess Hawkins to speak to pupils aged 11 to 16 to talk about their experiences. The event was also supported by Girls on Track UK, a ioint initiative between the Fédération Internationale de l'Automobile (FIA) and Motorsport UK to inspire girls and women into seeing and believing that there is a rightful and valuable place for them in the motorsport industry and show that there are opportunities for all, regardless of interests, gender and race. The Driving Force event further reflected Aston Martin's ongoing commitment to promoting STEM.

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#### **HELPING OTHERS**

Aston Martin's sites provide invaluable employment opportunities and contribute to the economic wellbeing of surrounding communities. But our contribution to supporting the communities we are part of goes much further. In addition to our partnerships with local schools to promote careers in STEM, Aston Martin works to support local charities and good causes chosen by employees across the business. Although difficult circumstances during 2021 meant we could not undertake a number of activities, we are planning to rebuild our support for local charities during the year ahead.

The Company is also committed to supporting communities and helping those in need nationally. In 2021 we reignited our work with The Prince's Trust, a youth charity that helps vulnerable young people aged 11 to 30 to access employment, education and training. Since 2016, Aston Martin has helped to raise over £2 million for The Prince's Trust. As well as direct gifts, support and sponsorships totalling more than £200,000, in 2021 we donated an Aston Martin Vantage that helped to raise £500,000 for The Prince's Trust via the Omaze prize draw.

#### **WORKING WITH OUR STAKEHOLDERS**

Aston Martin proactively engages with a wide range of stakeholders. In addition to local communities and charities, we also engage industry bodies such as the Society of Motor Manufacturers and Traders, the leading representative body for the UK automotive sector, parliamentarians, and stakeholders across the UK and Welsh governments.



#### Prince's Trust

"OUR PARTNERSHIP WITH ASTON MARTIN HAS BEEN INVALUABLE. THANKS TO ASTON MARTIN'S SUPPORT, THE LIFE CHANCES OF THOUSANDS OF YOUNG PEOPLE WHO WE WORK WITH HAVE BEEN TRANSFORMED"

BEN MARSON, DIRECTOR OF PARTNERSHIPS, THE PRINCE'S TRUST



The Prince's Trust, a youth charity founded by HRH The Prince of Wales in 1976, helps young people aged 11 to 30 get into jobs, education and training

# EXPORTING SUCCESS

Aston Martin is an iconic British brand with a global reputation for products that deliver the ultimate in performance and luxury. In 2021 we wholesaled 6,178 vehicles, an 82% increase compared with 2020. We now export to 56 countries and 2021 has seen significant growth, including 115% growth in sales to the Americas and 131% in the Asia Pacific region. The Aston Martin DBX SUV, launched in 2020, has already achieved an estimated 20% market share of the ultra-luxury SUV market.

This remarkable success is just another example of our proud role showcasing the very best of British advanced engineering and design worldwide. As we continue to drive our success, we are committed to continuing to work with government to help promote the UK's wider exporting success.



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131%

countries with Aston Martin dealerships

growth in Asia Pacific wholesale volumes

115%

growth in Americas wholesale volumes

20%

estimated market share of luxury SUV market in first full year

**OUR AMBITION** 

# Continue

to work with the UK Government to showcase the very best in advanced British engineering and design worldwide

# Help

achieve the UK Government's aim to increase UK exports to £1 trillion per year by 2030

# Maintain

engagement with government to support sustainable growth across the UK automotive sector, including expansion of the UK-based supply chain

ASTON MARTIN LAGONDA

### EXPORT GROWTH CREATING NEW JOBS IN WALES

On 21 February 2022, Aston Martin announced the creation of more than 100 high-quality jobs at the Company's manufacturing facility in South Wales, offering exciting new opportunities for local communities in the area.

The creation of the new skilled automotive technician roles will help meet buoyant global demand for the new DBX707, the world's most powerful SUV and first Welsh-built production car for nearly 50 years.

"IT'S GREAT TO SEE THE PRODUCTS
THAT ASTON MARTIN PROUDLY
MANUFACTURES IN WALES DRIVING
THE SUCCESS OF THIS ICONIC BRITISH
BRAND, AS WELL AS CONTRIBUTING
SIGNIFICANTLY TO THE EXPORTING
SUCCESS OF THE NATION AS A WHOLE"

VAUGHAN GETHING MS, WALES' MINISTER FOR ECONOMY

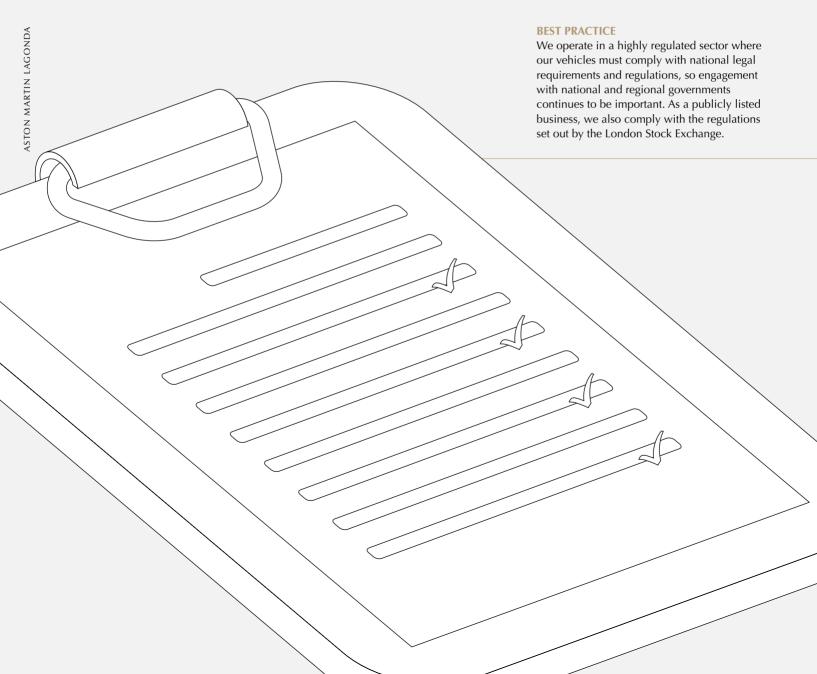
> Launched to global acclaim in February 2022, the DBX707 is creating further employment opportunities for people in South Wales







# DELIVERING THE HIGHEST STANDARDS



# New ESG

strategy approved and aligned with corporate strategy

# Established

new Board Sustainability Committee

# Intensified

the work of eight dedicated ESG Working Groups across the business

#### **OUR AMBITION**

# Develop

and deliver against validated SBTi targets on our path to net-zero

# Ongoing

commitment to report in line with the Task Force on Climate-related Financial Disclosures

# Understand

and engage in emerging areas of best practice such as Science Based Targets Network for Nature and the Task Force on Nature-related Financial Disclosures

# 9 Policies

updated including two updated policies on Anti-Slavery & Human Trafficking and Diversity & Inclusion The Chairs of our sustainability working groups meet regularly to drive progress in our ESG goals and collaborate on the challenge to be a more sustainable business





DR ANNE STEVENS
INDEPENDENT NON-EXECUTIVE DIRECTOR

"SUSTAINABILITY IS NOW
OVERSEEN BY A NEW BOARD
COMMITTEE, DEMONSTRATING
THAT WE, AS A RESPONSIBLE
BUSINESS, ARE ACCELERATING
OUR ACTIONS TO
ADDRESS OUR IMPACT
ON THE ENVIRONMENT"

DR ANNE STEVENS
INDEPENDENT NON-EXECUTIVE DIRECTOR
CHAIR OF THE SUSTAINABILITY COMMITTEE

#### **NEW SUSTAINABILITY COMMITTEE**

The Sustainability Committee was established in December 2021 to ensure that the Directors provide a clear focus and support to the Company's ESG strategy and targets, and understand the actions required for the Company to achieve its targets and develop relevant and reliable reporting metrics, in line with the growing body of standards in this area. The role of the Committee is to oversee, on behalf of the Board, the Company's ESG strategy, which focuses on five strategic pillars:

- Tackling climate change
- Creating a better environment
- Investing in people and opportunity
- Exporting success
- Delivering the highest standards

The Committee will also oversee broader stakeholder engagement on behalf of the Board. The Committee will meet at least twice a year.

The Committee's responsibilities are set out in its terms of reference, which can be found at www.astonmartinlagonda.com/investors and these include:

- reviewing and making recommendations to the Board on the annual Sustainability Report;
- monitoring progress and receiving updates on the targets contained in the ESG strategy;
- reviewing and approving the annual stakeholder engagement plan;
- monitoring progress and receiving updates on the stakeholder engagement plan;
- reviewing and making recommendations to the Board on the Group's ethical policies and procedures;
- receiving updates on the Company's sustainability ratings and accreditations; and
- receiving updates on sustainability reporting requirements and changes to government strategy, policies and laws impacting sustainability.

The members of the Committee are Independent Non-Executive Director Dr Anne Stevens (Chair), Senior Independent Director Antony Sheriff and Chief Executive Officer Tobias Moers. The Committee's first report will appear in the Company's 2022 Annual Report.



## EQUIPPED TO DELIVER A NEW FOCUS ON ESG

During 2021 in addition to the creation of the new Sustainability Committee we also intensified the work of eight working groups that harness leadership and expertise from across the Company to achieve our ESG objectives by developing and executing credible plans for action.



register and regularly reviewed by the Risl Management Committee

**GROUP RISK REGISTER** 

**ENERGY STRATEGY**WORKING GROUP

SUSTAINABLE SUPPLY CHAIN WORKING GROUP

MODERN SLAVERY WORKING GROUP

ESG COMMUNICATIONS WORKING GROUP

ENVIRONMENT WORKING GROUP

DIVERSITY & INCLUSION WORKING GROUP

WATER, WASTE & RECYCLING WORKING GROUP

HEALTH & SAFETY (ISO 45001)
WORKING GROUP

#### **ENGAGING OUR STAKEHOLDERS**

We believe that stakeholder engagement is a key element of delivering a sustainable business and this activity is undertaken across our business at different levels of the organisation. During the year much of our stakeholder engagement was driven by COVID-19 impacts as well as the significant steps the Company was taking to strengthen our leadership and capital structure. Information on our key stakeholders, their priorities and how we engaged with them during the year is provided in the adjacent table and throughout this Report.

	CUSTOMERS AND ENTHUSIASTS Customers and enthusiasts are key to our brand and our business success. Their emotional connection with the brand enables us to build a strong and loyal customer base.	OUR PEOPLE Our people are the key to our success. Our performance depends on our passionate, knowledgeable, experienced and creative people.
WHAT MATTERS TO THEM?	<ul> <li>Quality and safety of products</li> <li>Car design and performance</li> <li>Environmental commitment</li> <li>Brand strength</li> <li>After-sales service</li> <li>Cost of ownership</li> </ul>	<ul> <li>Job security, personal development and career opportunities</li> <li>Health and safety</li> <li>Engagement</li> <li>Feeling valued</li> <li>Reward and benefits</li> <li>Diversity and inclusion</li> <li>Environment and social responsibility</li> </ul>
HOW WE ENGAGE AT BOARD LEVEL	<ul> <li>Executive Chairman and Chief Executive Officer at promotional events for VIP customers, such as Pebble Beach and Goodwood Festival of Speed</li> <li>Ongoing engagement by senior management with key members of press</li> </ul>	<ul> <li>Roundtables between CEO,</li> <li>CFO and COO and employees</li> <li>People Forum</li> <li>Employee Town Halls</li> <li>Skip Level Sessions</li> <li>Consultation on employee benefits</li> <li>Trade Union Business Review</li> <li>Health and Safety Review</li> <li>COVID-19 Task Force</li> </ul>
HOW WE ENGAGE ACROSS THE GROUP	<ul> <li>Events, such as Valhalla global tour</li> <li>Launch of market-leading configurator</li> <li>Product-led campaigns such as DBX film</li> <li>Talent-led campaigns such as Dave/Stormzy</li> <li>F1™ customer hospitality</li> <li>Global premiere of James Bond film No Time to Die, featuring four different Aston Martin cars</li> <li>Engagement with automotive and lifestyle press</li> <li>Leveraging Aston Martin content across social media channels</li> </ul>	<ul> <li>Global I AM Engaged employee survey</li> <li>Focus groups supporting the co-creation of our I AM culture and to deep dive engagement topics</li> <li>Aston Martin internal communications platform and AM People newsletter</li> <li>Aston Martin's Diversity and Inclusion Working Group</li> <li>Local Health and Safety Committees</li> <li>Online hub for topics important to employees, e.g. COVID-19, Wellbeing, Working from Home</li> <li>Local Trade Union meetings</li> </ul>
OUTCOMES OF ENGAGEMENT	<ul> <li>50% of customers new to brand</li> <li>Double digit uplift in traffic to Aston Martin website over F1™ race weekends</li> <li>Aston Martin Cognizant F1™ team connecting the brand with a highly engaged audience, with c. 2.8 billion impressions since March 2021</li> <li>Reduced need for variable marketing support to dealers, with 4x reduction in variable marketing spend over prior year</li> <li>Brand equity research shows increasing brand perception and buying intent among luxury car buyers, particularly in China and US</li> <li>Increased sales</li> </ul>	<ul> <li>Employee feedback from the I AM Engaged survey has shaped both our Company level engagement priorities and driven action planning globally to improve the employee experience</li> <li>Development of our core values and behaviours</li> <li>Development of our five-year D&amp;I priorities and plan</li> <li>Implementation of the all-employee bonus scheme</li> <li>Embedding safety at every level of our operations team</li> <li>Employees connected to our Showroom of the Future</li> </ul>

<b>DEALER NETWORK</b> Our third party dealerships are the direct contact point for our brand to our customers. They enable us to maintain control over our brand positioning and luxury customer service in a cost effective way.	OTHER PARTNERSHIPS Our suppliers are fundamental to our business, particularly ensuring their quality and efficiency. Carefully chosen partnerships provide us with an important source of technical expertise and brand enhancement.	LOCAL COMMUNITIES Building positive relationships with those we impact enables us to maintain trust and to support our communities.	INVESTORS Continued access to capital is vital to the long term performance of our business. Our focus is to ensure investors understand our strategy, performance, ambition and culture and for us to understand their priorities.
<ul> <li>Brand strength and Company support</li> <li>Programmes to identify and support increased sales opportunities</li> <li>Increased customer satisfaction and retention targeting ultra-luxury segment</li> <li>Dealer profitability</li> </ul>	<ul> <li>Responsible procurement, trust, ethics and open dialogue</li> <li>Operational improvement</li> <li>Competitiveness</li> <li>Strong relationships</li> <li>Financial performance</li> <li>Building capability and expertise</li> <li>Design and technical expertise</li> </ul>	<ul> <li>Trust and ethics</li> <li>Safety</li> <li>Sustainability and non-financial performance including environmental impact of our products</li> <li>Career opportunities for members of the local community</li> <li>Local operational impact</li> </ul>	<ul> <li>Delivery of the Company's strategy</li> <li>Financial performance</li> <li>Sustainability</li> <li>Governance and transparency</li> <li>Confidence in the leadership</li> <li>Stability and predictability, with no surprises</li> </ul>
<ul> <li>CEO and Board engagement to strengthen dealer relationships and support demand-driven strategy</li> <li>Attendance (physical or virtual) at local dealer conferences held during the year</li> <li>Strengthening of central and regional senior management, supporting closer dealer relationships</li> </ul>	<ul> <li>Strategic Cooperation Agreement with Mercedes-Benz AG securing access to technologies critical to our long term plans</li> <li>Sponsorship of Aston Martin Cognizant F1™ team to provide direct global marketing platform targeting key customers and enhancing the brand</li> <li>Ongoing partnership with Red Bull Advanced Technologies to create the Aston Martin Valkyrie and Aston Martin Valkyrie Spider</li> <li>Dedicated Supplier Quality Development team manages supplier quality and performance</li> </ul>	The Board is very supportive of our projects with local communities; however face-to-face engagement opportunities have been limited during the pandemic	<ul> <li>Webcasts, presentations and meetings by the Executive Chair, CEO, CFO and Director of Investor Relations</li> <li>Gaydon site visit for analysts and large investors held in November, to showcase the efficiency work undertaken</li> </ul>
<ul> <li>Roll out of dealer network programmes to monitor performance aligned to increased brand standards and sales growth opportunities</li> <li>Transfer of Aston Martin Academy Training programmes into virtual class delivery, together with upgrade of e-Learning courses</li> <li>Upgrade within digital platforms, supporting increased engagement and elevated brand representation</li> </ul>	<ul> <li>Roll out of the new Responsible         Procurement Policy with our suppliers         as part of our ESG strategy</li> <li>Supply chain champions working         closely with suppliers to resolve         ongoing issues</li> <li>Commodity Team structure established         and being used effectively</li> <li>Supplier risk meeting cadence working         cross functionally to mitigate potential         risks to production</li> <li>Collaboration with suppliers to deliver         innovation and economic improvement</li> <li>Using supplier scorecards to identify         areas for performance improvement</li> </ul>	Outreach programmes with local schools near our Gaydon and St Athan factories, delivered remotely during the pandemic, whereby Aston Martin apprentices promote STEM career choices for young people	<ul> <li>Focused investor relations programme delivered both remotely and in person</li> <li>Retail shareholders engaged via direct communications, our website, press activities, Annual Reports and Annual General Meetings</li> <li>For more information see our Governance Report on page 88 of our 2021 Annual Report</li> </ul>
<ul> <li>Positive dealer sentiment with increased new and pre-owned sales, leading to a significant reduction in year end inventory</li> <li>Increased dealer profitability, with over 81% of reporting dealers recording positive return-on-sales</li> <li>Higher rate of online enquiries</li> </ul>	<ul> <li>Improved supplier relationships that promote a culture of collaboration and innovation</li> <li>Better understanding of Aston Martin supply chain issues and how to resolve and learn from previous issues</li> <li>Commodity teams now incorporate the required departments to aid the effective progression of design and sourcing</li> <li>Supplier risk meetings working at identifying issues and implementing mitigation plans before they affect production</li> <li>Supplier scorecards continue to engage suppliers in how they are performing to our standards</li> </ul>	<ul> <li>Whilst outcomes in this area are not easy to measure, Aston Martin takes a long term approach and will be looking to increase our engagement in 2022, as pandemic restrictions are eased, including an Early Careers recruitment drive launching in H1</li> </ul>	<ul> <li>Shareholders have provided valuable feedback in relation to the trading of the Company's shares and bonds</li> <li>Long term shareholders remain supportive of the Company's strategy</li> <li>Key shareholders have increased their positions in recent months</li> </ul>

#### **GOVERNANCE**

As a signatory of the UN Global Compact we are committed to doing business in an ethical and transparent way. This approach is essential to ensure that our growth is sustainable and provides shared value for our stakeholders. We are committed to comply with the regulatory context of all countries in which the Company operates and to ensure our cars are compliant with the regulation for the markets in which they are sold.

Our Standards of Corporate Conduct apply to all full and part time employees of the Group, and to all temporary, contract and all other individuals and companies that act on behalf of the Group.

The Standards of Corporate Conduct established a series of principles and guidelines of conduct that ensure ethical and responsible behaviour in a number of areas such as: Anti-Bribery and Corruption, Confidential Reporting and Whistleblowing, Modern Slavery, Responsible Procurement and Diversity & Inclusion. The Internal Audit team investigates possible violations of the Standards of Corporate Conduct during periodic audits.

#### **ANTI-BRIBERY AND CORRUPTION**

Our policy is to conduct all of our business in an honest and ethical manner and a zero-tolerance approach is taken to bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery.

To ensure that the Company and its employees conduct business in an ethical and transparent way, we have a number of policies including Anti-Bribery and Corruption, Gifts and Hospitality, and Confidential Reporting and Whistleblowing, that govern business conduct with our key stakeholders. These policies address the giving and receiving of gifts, meals and hospitality, invitations to government officials, our approach to facilitation payments, and matters in relation to the appointment of dealers. We have a gift and hospitality register and an annual online training and certification process

to monitor compliance whereby all employees are required to review all our Standards of Corporate Conduct and certify that they have read and understood them.

#### **SUSTAINABLE SUPPLY CHAIN**

RESPONSIBLE PROCUREMENT POLICY With our aim to improve the social, environmental and economic impact of our operations, we are committed to building a responsible supply chain with our partners. Our policies and practices are designed to promote quality and maintain high standards of sustainable and ethical sourcing.

The Aston Martin Responsible Procurement Policy was revised in 2021 to cover conflict minerals and our commitment to elimination of any identified breaches, as well as the core principles of Green Procurement, and also expanded our commitment to environmentally-friendly products and ISO 14001:2015 in line with our new ESG strategy. The Policy sets out the Company's commitment to the application of social, ethical and environmental principles in the supply chain. These principles are supported by Aston Martin procurement policies and practices, standard terms of conditions of supply and the standards for all Company employees, suppliers and sub-suppliers.

We seek commitment from the Company's existing suppliers and sub-suppliers as well as future suppliers to engage, communicate and promote the principles outlined within the Policy, including but not limited to our expectations around working conditions, regulatory compliance, safety, ethical and environmental commitments and eradicating any forms of slavery or human trafficking in line with the UK's Modern Slavery Act 2015.

Our supply chain management process enables us to work closely with our suppliers to ensure all requirements are understood and supported, with performance monitored and tracked. A detailed overview of the Aston Martin Responsible Procurement Policy can be found on the Company's website: www.astonmartinlagonda.com.

#### SUPPLIERS BY REGION

The Company continues to be focused on sourcing the best suppliers globally, which includes increasing local spend, but also moving further afield than Western Europe. The reliance on Europe and the UK suppliers in 2020 was largely due to the impact of the COVID-19 pandemic.



<ul><li>Africa</li></ul>	1.3%
<ul> <li>Asia Pacific</li> </ul>	0.0%
<ul> <li>North America</li> </ul>	1.1%
<ul><li>Europe</li></ul>	72.7%
• UK	24.8%



	AIIICa	J.J /
	Asia Pacific	0.3%
	North America	1.0%
	Europe	66.4%
•	יעון י	20 00/

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#### **HUMAN RIGHTS AND MODERN SLAVERY**

Modern slavery, together with its components of forced labour and human trafficking, is a hidden crime and a growing worldwide issue exacerbated by the rapid rise in global migration, affecting an estimated 40.3 million people. This issue transcends age, gender and ethnicities. It includes victims trafficked from overseas and vulnerable people in the UK who are forced illegally to work against their will across many different sectors such as agriculture, hospitality, construction, retail and manufacturing.

Our new Anti-Slavery and Human Trafficking Policy provides employees, contractors and other business partners direction on our approach to, and measures we have in place to prevent acts of, modern slavery and human trafficking in the business and supply chain. These measures include training, issuing the Responsible Procurement Policy, conducting due diligence and regular audits of suppliers, and mitigation activities to address supply chain risks. We are required to publish an annual 'Slavery and Human Trafficking Statement' detailing the steps we have taken to ensure that slavery or human trafficking is not taking place in our supply chain.

To address this, we have established a cross functional Modern Slavery Working Group including representation from Human Resources, Legal, Procurement and Supply Chain, Internal Audit and Corporate Responsibility, who are responsible for implementing and maintaining the relevant policies, communication and training to combat modern slavery.

Over the course of 2021 no human rights violations were reported within the Group or our wider supply network. A copy of our Modern Slavery Act Statement can be found on our website at www.astonmartinlagonda.com.

#### WHISTLEBLOWING

We are committed to creating an environment of trust which is open, safe and secure, and it is important that our employees feel that they are able to raise genuine concerns of suspected wrongdoing without fear of suffering detriment or being victimised. Our Confidential Reporting and Whistleblowing Policy has been developed with the aim of encouraging employees to voice any concerns they may have about any known or suspected wrongdoing in strict confidence and outlines the procedure to follow to bring this to the Company's attention. The policy is widely available, and there is also annual mandatory training on this Policy. Any concerns raised are managed by the Internal Audit and Risk Management team, and investigation reports are received and reviewed by the Chief Executive Officer as well as the HR Director and Chair of the Audit and Risk Committee.

There were four whistleblowing reports received in the year, three relating to potential breaches of Company policy/procedures and one potential conflict of interest. One case remains open at year end. 50% of the reports received were reported directly to executive management with the other 50% reported via the online web reporting portal.

#### **POLITICAL DONATIONS**

It is the Company's policy not to make political donations and no such political donations were made during the period.

#### **TAX STRATEGY**

We are committed to complying with our statutory obligations in relation to the payment of tax including full disclosure of all relevant facts to the appropriate tax authorities. In managing our tax affairs, we recognise our responsibilities as a taxpayer and the need to protect the corporate reputation inherent in the brand.

The Board has ultimate responsibility for the Group's tax strategy although the day-to-day management rests with the Executive Committee which comprises the senior operational personnel of the Group. The Chief Financial Officer is the Executive Committee member with ultimate responsibility for tax matters and is the Senior Accounting Officer of the Group. The Chief Financial Officer advises the Board on the tax affairs and risks of the Group to ensure: (i) the proper control and management of tax risk; (ii) the tax position is planned in line with the Group's strategic objectives; (iii) the tax charge is

correctly stated in the statutory accounts and tax returns; and (iv) all tax compliance is completed in a timely manner to HMRC and other tax authorities.

Further information on the Group's tax strategy is available on our website at www.astonmartinlagonda.com.

### MEMBERSHIP OF ASSOCIATIONS IN 2021

The Company is a member of a number of industry bodies and trade associations around the world, which enables the Company to create synergies with other organisations to improve business and to efficiently and sustainably develop industry and society.

**AUTOMOTIVE COUNCIL** 

**BRITISH SAFETY COUNCIL** 

**CDP** 

CONFEDERATION OF BRITISH INDUSTRY (CBI)

EUROPEAN SMALL CAR MANUFACTURERS ALLIANCE (ESCA)

FÉDÉRATION INTERNATIONALE DE L'AUTOMOBILE (FIA)

FTSE4GOOD

ROYAL WARRANT HOLDERS ASSOCIATION

SOCIETY FOR MOTOR MANUFACTURES & TRADERS (SMMT)

**UN GLOBAL COMPACT** 

WELSH AUTOMOTIVE FORUM

Aston Martin is proud of its workplace safety record



Vehicle safety is among our top priorities when developing our vehicles, with the safety of both our customers and other road users in mind. The safety features installed in our vehicles are developed to ensure the most appropriate balance between safety, control and performance is maintained without compromising safety.

All our products are compliant in all markets in which they are sold. Certification is achieved respecting the applicable requirements in each of the respective countries or markets. The vehicle certification in each of the respective countries is maintained and supported by our conformity of production activities.

Global activity on passive safety standards (protection of the occupant in the event of a crash or protection of a pedestrian in the event of being struck by a vehicle) has stabilised recently. The area of greatest regulatory activity, across all territories, has been on active safety Advanced Driver Assistance Systems (ADAS) and cyber security.

### EUROPEAN UNION AND UNITED KINGDOM

Vehicles sold within the European Union are subject to vehicle safety regulations established by the European Union and by individual member states. Governed by EU Framework Regulation (EU) 2018/858, manufacturers demonstrate compliance through testing and witnessing, carried out by technical services and approval authorities. Since its inception in 1992, the European Union has continued to update the vehicle safety legislative requirements. The General Safety Regulation was introduced in 2009, with a significant revision and update adopted in 2020. The updated General Safety Regulation will, from July 2022, include new and revised legislation on passive and active safety items, introducing advanced emergency braking and emergency lane-keeping systems on all motor vehicles registered within the European Union. This regulatory activity has also included development of new safety



subjects in areas such as cyber security of vehicle electrical systems. As well as safety, the changes to the European Framework Directive introduced enhanced requirements in market surveillance, conformity of production and consumer awareness of car defects.

The United Kingdom is expected to continue to be aligned with the European regulatory safety requirements for the foreseeable future. A revised UK legislative framework is expected in 2022.

Several other countries, with the notable exception of the United States, recognise and adopt United Nations Economic Commission for Europe (UNECE) regulations into their national standards and have either implemented regulations that mirror the UNECE regulations or permit passenger vehicles that are compliant with the UNECE regulations.





#### **UNITED STATES**

In the United States, the National Traffic and Motor Vehicle Safety Act of 1966 (the "Safety Act") requires vehicle manufacturers to meet certain safety standards for vehicles sold in the United States. Rule makings passed by Congress are administered by the National Highway Traffic Safety Administration (NHTSA), an agency of the Federal Government. NHTSA operates a self-certification compliance system, in which the manufacturer certifies that their products meet applicable standards. NHTSA has the authority to investigate complaints into vehicle safety and issue recalls for vehicles that do not comply with applicable standards. The Safety Act prohibits the sale in the United States of any new vehicles or equipment that does not conform to applicable vehicle safety standards established by NHTSA. NHTSA standards are updated frequently to incorporate new technologies and requirements.

In line with regulatory activity in other regions, the United States has proposed rule making on active safety crash avoidance measures and technologies that detect driver distraction. It is intended that such rules will be accommodated through autonomous functionality and the introduction of advanced vehicle-to-vehicle and vehicle-to-infrastructure communication technologies. These requirements would have a significant influence on a vehicle's electrical architecture and the cost and complexity of designing and producing cars with associated equipment.

#### **CHINA**

China continues to develop legislation on passive and active safety regulations, aligning itself with activity in the United Nations and Europe. In addition to United Nations and European passive and active safety regulation, China has progressed its own standards on safety regulations for electric vehicles and Cyber Security. In 2021, China announced a requirement to mandate Event Data Recorder installation from 2022.



Our era-defining hypercar, Aston Martin Valkyrie, has brought Formula 1<sup>TM</sup> technology to the road, meeting the highest standards of safety

# METHODOLOGY AND SCOPE

The Aston Martin Lagonda 2021 Sustainability Report for the period 1 January 2021 to 31 December 2021 covers the activities of Aston Martin Lagonda Group Holdings plc and its subsidiaries – all of which are outlined in the Aston Martin Lagonda Group Holdings plc Annual Report, available on our website www.astonmartinlagonda.com.

#### **REPORTING STANDARDS AND FORMATS**

In this Report we set out our new ESG strategy and the initiatives taken during the 2021 period. The Report was drafted by the Sustainability team at Aston Martin under the supervision of the Aston Martin Chief Financial Officer and in compliance with the 'GRI Reporting Standards' established in 2016 by the Global Reporting Initiative (GRI) and in accordance with GRI Standards: Core option. Data used in the report is in directly measurable quantities, where possible, limiting the use of estimates. Any estimated data is indicated accordingly.

Selected performance data in this Report is subject to limited assurance. The independent assurors' statement is included within this Report.

This Report is available online through the Aston Martin Lagonda corporate website www.astonmartinlagonda.com/responsibility. Any questions on this Report, which is updated annually should be directed to the Sustainability team, which can be contacted at sustainability@astonmartin.com.

#### REPORTING SCOPE

#### ENVIRONMENT

#### **BOUNDARY OF REPORTING**

Unless otherwise stated, environmental data includes the following locations where the Company has operational control and the ability to influence resource use:

Regions	Location
Americas	Irvine, US
UK	Gaydon
	St Athan
	Chasepoint
	MIRA
	Newport Pagnell
	Silverstone
	Wellesbourne
	Wolverton Mill
EMEA	Nurburgring, Germany
Asia Pacific	Tokyo, Japan
	Shanghai, China
	Singapore



Proud member of the UN Global Compact Network UK

As a signatory to the United Nations Global Compact (UNGC), this Report aligns with the UNGC's universally accepted principles in the areas of human rights, labour, environment and anti-corruption and highlights key actions implemented and progress made in 2021 against these principles.

#### **ENVIRONMENTAL METRICS REPORTED**

- Total Gross Greenhouse Gas emissions (Scope 1 + Scope 2)
- Scope 1 (tCO<sub>2</sub>e)
- Scope 2 (tCO<sub>2</sub>e) location and market-based
- Greenhouse Gas emissions Scope 3 (tCO<sub>2</sub>e) – business travel, management car miles, personal car mileage, employee commute and water
- Total Energy Consumption (MWh):
   Consumed Fuel + Electricity
- Water consumption (m³)

### CALCULATION METHODOLOGY – GHG EMISSIONS

### GHG EMISSIONS ARE ACCOUNTED FOR IN LINE WITH THE GHG PROTOCOL

- Scope 1 emissions are direct emissions from owned or controlled sources.
- Scope 2 emissions are indirect emissions from the generation of purchased energy. Emissions are reported using the location-based methodology and market-based methodology.
- Scope 3 includes emissions from business air travel, management car miles, personal car mileage, employee commuting figures and water consumed.

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The table below notes the sources of emissions that fall under each Scope and the evidence used for the data:

Regions	Sources of emissions	Evidence used
Scope 1	Natural Gas	Obtained from utility bills
Scope 2 (Location based)	Diesel (used for emergency heating and firing pumps at St Athan)	Data obtained from suppliers
	Petrol	Obtained from Goldcrest (Company proprietary software)
	LPG	Data obtained from suppliers
	Pool cars	Data obtained from security records
	Refrigerant losses	Internal maintenance records
	Electricity consumption	Obtained from utility bills
Scope 2 (Market based)	Electricity consumption (based on sources of electricity)	Obtained from utility bills (most Company sites migrated to the renewable energy tariff since 1/20/2018)
Scope 3 – Business travel and Water	Business air travel, employee commuting mileage and employee business mileage	Data on mileage obtained from HR and finance
	Water	Data obtained from suppliers

The Company reports energy data and converts this into carbon dioxide equivalent ( $CO_2e$ ) for disclosure purposes as part of the Company's mandatory Greenhouse Gas Reporting Requirements. The DEFRA/IEA emissions factor for 2021 are used to calculate the Scope 1,2 and 3 figures.

#### **ESTIMATIONS**

Where the Company does not have visibility of a site's energy consumption such as shared facilities where energy use is not sub-metered, energy consumption is estimated based on the average consumption per sq. ft. of Company sites in that region.

#### DATA COLLECTION AND QUALITY

The data is subject to a detailed scrutiny and analysis by the Aston Martin Environment team, before being reviewed by senior management.

- Audited manufacturing data is used to derive the intensity metric of tCO<sub>2</sub>e per vehicle manufactured.
- Audited data is also used to calculate total Scope 1 and Scope 2 emissions per unit.

## CALCULATION METHODOLOGY – ENERGY CONSUMPTION

Total energy consumption within the organisation is calculated in MWh and is the sum of energy consumed from electricity, gas, LPG petrol and diesel.

Audited data is used to calculate total energy consumed per unit passed to sales.

### CALCULATION METHODOLOGY – WATER CONSUMPTION

Water consumption figures is the total volume of water consumed at the Gaydon, St Athan, Chasepoint and Wolverton Mill sites. This data is sourced from the utility bills of the respective sites.

#### HR

#### **BOUNDARY OF REPORTING**

Our employee data is stored centrally in our HR & Payroll system (HRe). For the purposes of this report, all permanent and contract employees are included (except Gender Pay as set out below).

#### CALCULATION METHODOLOGY – GENDER PAY GAP (5 APRIL 2021 SNAPSHOT) The gender pay gap figures are based on

The gender pay gap figures are based on UK permanent employees only as per regulatory requirements.

Hourly wages pay gap – The mean hourly pay gap is calculated by adding up the hourly pay of all full pay relevant male and female employees and dividing by the total number of males and females respectively. The gap is calculated as the percentage difference between the two numbers.

Proportion of women in each pay quartile – To show the proportion of female full pay relevant employees in each quartile, all employees are ranked from highest to lowest hourly rate and divided into four equal quartiles: the upper, upper middle, lower middle and lower quartiles. Each quartile is then made up of a percentage of males and females.

Bonus pay gap – is defined under the regulations as any remuneration in the form of money, vouchers, securities, security options or interests in securities and relates to profit sharing, productivity, performance, incentive or commission.

The mean bonus gap is calculated by adding up the total bonus paid to all relevant males and females respectively during the 12-month period and dividing by the total number of relevant males and females respectively. The gap is calculated as the percentage difference between the two numbers.

#### **UNDERSTANDING OUR DATA**

**Senior management team** refers to our Chief population, as well as two Executive Committee member Directors.

**Senior leadership team** refers to our Director population (excluding two Executive Committee members).

**Other employees** refers to all other grades of the organisation excluding Chiefs and Directors – this includes Senior Manager, Manager, Expert, Grades 4-9 and technician grades A-C.

**Apprentice:** An apprentice is defined as anyone on a four-year fixed term contract who spends 20% off the job working towards an academic qualification.

# AUDITORS' REPORT

#### INDEPENDENT ASSURANCE STATEMENT TO ASTON MARTIN LAGONDA LTD

Aston Martin Lagonda Limited ("Company") engaged ERM Certification and Verification Services Limited ("ERM CVS") to provide limited assurance in relation to selected indicators set out below and presented in the Company's Sustainability Report 2021 for the reporting year ending 31 December 2021 (the "Report").

#### **ENGAGEMENT SUMMARY**

SCOPE OF OUR ASSURANCE ENGAGEMENT	Whether the 2021 performance indicators as listed below are fairly presented in the Report, in all material respects, with the reporting criteria:  Total Gross Greenhouse Gas ('GHG') emissions (tCO <sub>2</sub> e) Scope 1 GHG emissions (tCO <sub>2</sub> e) Scope 2 GHG emissions–location and market- based (tCO <sub>2</sub> e) Intensity Ratio (tCO <sub>2</sub> e/manufactured volume) Total Energy Consumption (MWh) Gender Diversity (number and %) Senior Management team Senior Leadership team Other employees Gender pay gap Hourly wages pay gap (%) Proportion of women in each pay quarter (%) Bonus pay gap (%) Employment by region (number and %)  We have also checked the consistency of assured data as presented in the AML's 2021 Annual Report.
REPORTING CRITERIA	The Company's Basis of Reporting as described on pages 64-66
ASSURANCE STANDARD	ERM CVS' assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised)
ASSURANCE LEVEL	Limited assurance
RESPECTIVE RESPONSIBILITIES	The Company is responsible for preparing the Report and for the collection and presentation of the information within it. ERM CVS' responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

#### **OUR CONCLUSION**

Based on our activities, nothing has come to our attention to indicate that the 2021 data for the selected indicators, as listed above, are not fairly presented in the Report, in all material respects, with the reporting criteria.

#### **OUR ASSURANCE ACTIVITIES**

Our objective was to assess whether the 2021 data for the selected indicators are reported in accordance with the principles of completeness, comparability (across the organisation) and accuracy (including calculations, use of appropriate conversion factors and consolidation). We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusion.

A multi-disciplinary team of EHS and assurance specialists performed the following activities:

- Interviews with relevant staff to understand and evaluate the data management systems and processes (including internal review processes) used for collecting and reporting the selected data;
- A review of the internal indicator definitions and conversion factors;
- An analytical review of the data from all sites including requesting and reviewing evidence such as utility invoices to support data entries;
- An evaluation of the completeness and accuracy of the corporate data consolidation;

- Reviewing the data presented in the Company's 2021 Annual Report to assess consistency with the assured data; and
- Reviewing the presentation of information in the Report relevant to the scope of our work to evaluate consistency with our findings.

#### THE LIMITATIONS OF OUR ENGAGEMENT

The reliability of the assured data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

GARETH MANNING Partner – Corporate Assurance 11 March 2022



ERM Certification and Verification Services, London

www.ermcvs.com; email: post@ermcvs.com

ERM CVS is a member of the ERM Group. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the ERM staff that have undertaken this engagement work have provided no consultancy related services to Aston Martin Lagonda Ltd in any respect.

# GRI CONTENT INDEX

#### **UNIVERSAL STANDARDS**

GRI Standard	Disclosure	Page or Direct Answer
	GENERAL DISCLOSURES	
	ZATIONAL PROFILE	
102-1	Name of the organisation	Aston Martin Lagonda Global Holdings plc
102-2	Activities, brands, products, and services	Refer to 2021 Annual Report pages 5-11
102-3	Location of headquarters	Aston Martin Lagonda, Banbury Road, Gaydon, Warwick, England CV35 0DB
102-4	Location of operations	Pages 8-9
102-5	Ownership and legal form	Refer to 2021 Annual Report pages 84-86
102-6	Markets served	Page 7
102-7	Scale of the organization	Refer to pages 6-7, and 2021 Annual Report page 3
102-8	Information on employees and other workers	Pages 38-39
102-9	Supply chain	Pages 60-61
102-10	Significant changes to the organization and its supply chain	Refer to 2021 Annual Report pages 19-21
102-11	Precautionary Principle or approach	Refer to 2021 Annual Report pages 40-43
102-12	External initiatives	Page 49
102-13	Membership of associations	Page 61
STRATEG	Y	
102-14	Statement from senior decision-maker	Pages 2-5
102-15	Key impacts, risks, and opportunities	Refer to 2021 Annual Report pages 40-43
<b>ETHICS A</b>	ND INTEGRITY	
102-16	Values, principles, standards, and norms of behaviour	Refer to 2021 Annual Report pages 88-101
102-17	Mechanisms for advice and concerns about ethics	Refer to 2021 Annual Report pages 113-114
GOVERN	ANCE	
102-18	Governance structure	Refer to 2021 Annual Report pages 82-137
STAKEHO	LDER ENGAGEMENT	
102-40	List of stakeholder groups	Pages 58-59
102-41	Collective bargaining agreements	Page 42
102-42	Identifying and selecting stakeholders	Pages58-59
102-43	Approach to stakeholder engagement	Pages 58-59
102-44	Key topics and concerns raised	Pages 12-13
REPORTIN	NG PRACTICE	
102-45	Entities included in the consolidated financial statements	Refer to 2021 Annual Report pages 207-208
102-46	Defining Report content and topic Boundaries	Pages 64-66
102-47	List of material topics	Pages 12-13
102-48	Restatements of information	None
102-49	Changes in reporting	None
102-50	Reporting period	Page 64
102-51	Date of most recent report	Page 64
102-52	Reporting cycle	Page 64
102-53	Contact point for questions regarding the report	Page 64
102-54	Claims of reporting in accordance with the GRI Standards	Page 64
102-55	GRI content index	Pages 69-74
102-56	External assurance	Pages 67-68

#### **TOPIC SPECIFIC STANDARDS**

GRI		Page or
Standard	Disclosure	Direct Answer
GRI 200: E	CONOMIC	
GRI 103: N	1ANAGEMENT APPROACH	
103-1	Explanation of the material topic and its Boundary	Refer to 2021 Annual Report pages 76-81
103-2	The management approach and its components	Refer to 2021 Annual Report pages 159-168
103-3	Evaluation of the management approach	Refer to 2021 Annual Report pages 145-153
<b>ECONOMI</b>	C PERFORMANCE	
GRI 201: E	CONOMIC PERFORMANCE	
201-1	Direct economic value generated and distributed	Refer to 2021 Annual Report Pages 154-157
MARKET PI	RESENCE	
GRI 202: N	MARKET PRESENCE	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Refer to 2021 Company Gender Pay Report Pages 2-3
202-2	Proportion of senior management hired from the local community	Verifiable data currently unavailable
<b>PROCURE</b>	MENT PRACTICES	
GRI 204: P	ROCUREMENT PRACTICES	
204-1	Proportion of spending on local suppliers	Procurement policies, processes and systems, along with large-volume spend and risk management, are closely aligned across internally and externally through our Purchasing Terms and Conditions and supplemental Guides (i.e. Responsible Procurement Policy 2021). The objective is to ensure sustainable performance and adherence to best practice and industry codes. UK suppliers compose 26.5% of parts material spend
ANTI-COR	RUPTION	
GRI 205: A	NTI-CORRUPTION	
205-1	Operations assessed for risks related to corruption	Pages 60-61
205-2	Communication and training about anti-corruption policies and procedures	Pages 60-61
205-3	Confirmed incidents of corruption and actions taken	None
GRI 300: E	NVIRONMENTAL	
GRI 103: N	MANAGEMENT APPROACH	
103-1	Explanation of the material topic and its Boundary	Page 30
103-2	The management approach and its components	Pages 16-31
103-3	Evaluation of the management approach	Pages 64-66
MATERIALS	S	
GRI 301: N	MATERIALS	
301-1	Materials used by weight or volume	14,201.85 tonnes
ENERGY		
GRI 302: E	NEDCV	
GKI 302. L	NLKUT	
302-1	Energy consumption within the organisation	81,183.86 MWh
		81,183.86 MWh 14.05 MWh per unit

GRI		Page or					
Standard	Disclosure	Direct Answer					
WATER							
GRI 303: WATER							
303-1	Water withdrawal by source	Water is supplied by Severn Trent after abstraction via licence from the Environment Agency. The source of the water is the River Severn which is 354 km (220 miles) in length comprising a basin of 11,420 km <sub>2</sub> (4,409m <sub>2</sub> ) with Bromsgrove Sandstone Aquifer as the groundwater source. The used water is discharged after treatment via a foul sewer for which consents for various discharges are maintained					
303-2	Water sources significantly affected by withdrawal of water	N/A					
EMISSIONS							
GRI 305: E	EMISSIONS						
305-1	Direct (Scope 1) GHG emissions	8,705.35 tCO <sub>2</sub> e					
305-2	Energy indirect (Scope 2) GHG emissions	Location based – 7,366.72 tCO <sub>2</sub> e					
		Market based – 192.38 tCO <sub>2</sub> e					
305-3	Other indirect (Scope 3) GHG emissions	6,446.74 tCO₂e					
305-4	GHG emissions intensity	Total Scope 1 Emissions per unit: 1.51					
		Total Scope 2 Emissions per unit: 1.27					
305-5	Reduction of GHG emissions	Scope 1 – 1.24 tCO <sub>2</sub> e (Decrease)					
		Scope 2 – 0.99 tCO <sub>2</sub> e (Decrease)					
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	2.55 mg/m³ (No <sub>x</sub> ) Particulate matter (5.97 mg/m³)					
<b>EFFLUENT</b>	S AND WASTE						
GRI 306: E	EFFLUENTS AND WASTE						
306-2	Waste by type and disposal method	Reuse – Hazardous: 0 tonnes / Non-Hazardous: 6.4 tonnes					
		Recycling – Hazardous: 3.57 tonnes / Non-Hazardous: 377.03 tonnes					
		<b>Recovery</b> – Hazardous: 13.76 tonnes / Non-Hazardous: 457.86 tonnes					
		Landfill – Hazardous 0 tonnes / Non-Hazardous 0 tonnes					
306-3	Significant spills	No spills reported					
306-4	Transport of hazardous waste	Hazardous waste transported – 10.88 tonnes					
ENVIRON	MENTAL COMPLIANCE						
GRI 307: E	ENVIRONMENTAL COMPLIANCE						
307-1	Non-compliance with environmental laws and regulations	The Company has not received any fines and non-monetary sanctions in respect of environmental management					
SUPPLIER ENVIRONMENTAL ASSESSMENT							
GRI 308: S	SUPPLIER ENVIRONMENTAL ASSESSMENT						
308-1	New suppliers that were screened using environmental criteria	100% of all new suppliers are screened using ISO 14001:2015 as a mandatory requirement					
308-1	Negative environmental impacts in the supply chain and	100% of suppliers are subject to environmental assessment					
	actions taken	0% of suppliers identified as having negative environmental impacts					
		All suppliers are required to provide certification of ISO 14001:2015 as a mandatory sourcing requirement. Aston Martin suppliers supply in accordance with our terms & conditions and we request our suppliers sign into and adhere to the Responsible Procurement Policy 2021					

#### TOPIC SPECIFIC STANDARDS CONTINUED

GRI Standard	Disclosure	Page or Direct Answer				
GRI 400: 9	SOCIAL					
GRI 103: /	MANAGEMENT APPROACH					
103-1	Explanation of the material topic and its Boundary	Pages 38-49				
103-2	The management approach and its components	Pages 38-49				
103-3	Evaluation of the management approach	Pages 64-66				
<b>EMPLOYN</b>	MENT					
GRI 401: I	EMPLOYMENT					
401-1	New employee hires and employee turnover	Permanent Company Employees Only				
		Total Leavers	498	Total Starters	370	
		Male	414	Male	307	
		Female	84	Female	63	
401-2	Benefits provided to full time employees that are not provided to temporary or part time employees	A range of benefits are available to full time employees such as; Health Care, Dental Care, Parental Leave, Company Vehicle Schemes, EAP Access				
LABOUR/	MANAGEMENT RELATIONS					
GRI 402: I	LABOUR/MANAGEMENT RELATIONS					
402-1	Minimum notice periods regarding operational changes	Notice Periods: Staff – 4 weeks Management – 12 weeks Directors – 6 months Chiefs – 12 months				
OCCUPAT	TIONAL HEALTH AND SAFETY					
GRI 403: 0	OCCUPATIONAL HEALTH AND SAFETY					
403-1	Employees representation in formal joint management–worker health and safety committees	H&S team comprises five heads (including one human factors ergonomist covering all sites). There is also H&S Senior Manager who is BSc Degree Qualified and holds the NEBOSH Diploma; two other team members are also degree qualified including one in Health and Safety and one other is Dip NEBOSH. H&S Committee representation from Director level to shop floor on the H&S Committees across the sites; Joint Works Forum & Internal ISR H&S Review Committees at Gaydon and St Athan sites. These Committees have met intermittently during the period due to COVID-19 restrictions				
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Accident Frequency Rate (AFR) All sites for employees on 200,000 manhours basis =1.01 (revised rate for 2020 was 1.44) All sites Lost Time Accidents – 5				
		Days Lost – 163 days				
TRAINING	G AND EDUCATION					
GRI 404: 7	TRAINING AND EDUCATION					
404-1	Average hours of training per year per employee	8.5 hours per employee (total permanent employees – 2,154)				
404-2	Programs for upgrading employee skills and transition assistance programs	Manufacturing – Technical trainers carry out upskilling in paint and trim to help C Grades develop into Bs and As				
		Manufacturing Apprentices – Performing Engineering Operations – lathes and millers – learning how to create from a drawing using engineering skills  Compliance Training – First Aid, Fire Marshall, GDPR, High Voltage training,				
		British Supervising Staff Safely Soft Skills – Suite of e-learning modules on the Learning Management System				
				-		
		Academic Qualifications – (i) CMI level 3 in Management (ii) CMI level 5 in Leadership and Management (iii) APM Project Management Level 4				
		MBA – Degree in Engineering. BTec level 3 in Engineering Degree in Business				
		Wellbeing – e-learning and SharePoint site to assist through COVID-19 pandemic				
				•	dundancy during restructure. Janagers with Aviva	
404-3	Percentage of employees receiving regular performance and career development reviews	100%				

CDI	I						
GRI Standard	Disclosure	Page or Direct Answer					
DIVERSITY AND EQUAL OPPORTUNITY							
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY							
405-1	Diversity of governance bodies and employees	Refer to 2021 Annual Report, page 62					
406-1							
<b>GRI 406:</b> N	ION-DISCRIMINATION						
406-1	Incidents of discrimination and corrective actions taken	No incidents reported for Aston Martin Employees					
FREEDOM	FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING						
	GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING						
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Operations as defined under GRI Standards; refer to Company internal operations, where there is no risk					
		Suppliers have not been assessed; however, they are expected to adhere to the terms agreed within the Responsible Procurement Policy 2021					
CHILD LAI	BOUR						
GRI 408: C	HILD LABOUR						
408-1	Operations and suppliers at significant risk for incidents of child labour	Operations as defined under GRI Standards; refer to Company internal operations, where there is no risk					
		Suppliers have not been directly assessed; no risks reported to the organisation, suppliers are expected to adhere to the terms agreed within the Responsible Procurement Policy 2021					
FORCED C	DR COMPULSORY LABOUR						
GRI 409: F	ORCED OR COMPULSORY LABOUR						
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Operations as defined under GRI Standards; refer to Company internal operations, where there is no risk					
		Suppliers have not been directly assessed; no risks reported to the organisation, suppliers are expected to adhere to the terms agreed within the Responsible Procurement Policy 2021					
<b>SECURITY</b>	PRACTICES						
<b>GRI 410: S</b>	ECURITY PRACTICES						
410-1	Security personnel trained in human rights policies or procedures	100%					
RIGHTS O	F INDIGENOUS PEOPLES						
GRI 411: R	IGHTS OF INDIGENOUS PEOPLES						
411-1	Incidents of violations involving rights of indigenous peoples	No instances reported					
	IGHTS ASSESSMENT						
GRI 412: F	IUMAN RIGHTS ASSESSMENT						
412-1	Operations that have been subject to human rights reviews or impact assessments	None – operations as defined under GRI Standards refer to Company's internal operations, no reviews required					
412-2	Employee training on human rights policies or procedures	None – No training modules from HR currently available					
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Aston Martin suppliers supply in accordance with our terms & conditions which state adherence to the Responsible Procurement Policy 2021					
LOCAL CO	MMUNITIES						
GRI 413: L	OCAL COMMUNITIES						
413-1	Operations with local community engagement, impact assessments, and development programmes	Company operates engagement programme with all local communities in which it operates					
413-2	Operations with significant actual and potential negative impacts on local communities	None					

#### TOPIC SPECIFIC STANDARDS CONTINUED

GRI	Pidom	Page or					
Standard STIPPLIED	Disclosure SOCIAL ASSESSMENT	Direct Answer					
	SUPPLIER SOCIAL ASSESSMENT  GRI 414: SUPPLIER SOCIAL ASSESSMENT						
414-1	New suppliers that were screened using social criteria	As part of our sourcing process, a Manufacturing Site Assessment is conducted per supplier which covers social criteria. 100% of new suppliers are screened as we are unable to proceed with sourcing without an MSA being completed					
414-2	Negative social impacts in the supply chain and actions taken	No risks reported to the organisation					
<b>PUBLIC PO</b>	DLICY						
GRI 415: P	UBLIC POLICY						
415-1	Political contributions	None					
CUSTOME	R HEALTH AND SAFETY						
GRI 416: C	CUSTOMER HEALTH AND SAFETY						
416-1	Assessment of the health and safety impacts of product and service categories	All cars are tested in accordance with market safety requirements					
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No instances reported					
MARKETIN	IG AND LABELLING						
GRI 417: N	MARKETING AND LABELLING						
417-1	Requirements for product and service information and labelling	At the point of sale. All product labelling confirms to the requirements set out by the individual market					
417-2	Incidents of non-compliance concerning product and service information and labelling	No instances reported					
417-3	Incidents of non-compliance concerning marketing communications	No instances reported					
CUSTOMER PRIVACY							
GRI 418: C	CUSTOMER PRIVACY						
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No instances reported					
SOCIOECO	SOCIOECONOMIC COMPLIANCE						
GRI 419: SOCIOECONOMIC COMPLIANCE							
419-1	Non-compliance with laws and regulations in the social and economic area	None					

# ASTON MARTIN LAGONDA

# GLOSSARY

#### BEV

Battery Electric Vehicle

### Carbon Dioxide Emissions Equivalent, CO<sub>2</sub>e

The universal unit of measurement used to indicate the global warming potential GHG expressed in the terms of the 100-year global warming potential of one metric tonne of carbon dioxide. CO₂e is calculated using the mass of the given GHG multiplied by its global warming potential

#### **Company**

Aston Martin Lagonda Global Holdings PLC

#### Core

The Company's models in ongoing production excluding Specials. These currently comprise Vantage, DB11, DBS and DBX

#### **ESG**

Environmental, Social and Governance

#### **GHG**

Greenhouse Gases

#### **GPG**

Gender Pay Gap

#### GRI

Global Reporting Initiative

#### **GT**

Grand Tourer, a sports car with two front seats plus smaller rear seats

#### **ICE**

Internal Combustion Engine

#### ISO 14001:2015

The international standard for Environmental Management Systems (EMS) and the most widely used EMS in the world

#### ISO 45000

The international standard for management systems of occupational health and safety

#### ISO 50001

The international standard for Energy Management systems

#### **KPIs**

**Key Performance Indicators** 

#### **Materiality Assessment**

An assessment which determines an organisation's material sources of Environmental, Social and Governance risk and opportunity to inform sustainability reporting processes

#### MW

Megawatt

#### **MWh**

Megawatt hour

#### Net-Zero

Reducing scope 1, 2, and 3 emissions to zero or to a residual level that is consistent with reaching net-zero emissions at the global or sector level in eligible 1.5°C-aligned pathways and neutralizing any residual emissions at the net-zero target year and any GHG emissions released into the atmosphere thereafter

#### **OEM**

Original Equipment Manufacturer

#### OSH/

Occupational Safety and Health Administration

#### PHEV

Plug-in Hybrid Electric Vehicle

#### R&D

Research and Development

#### Retails

A volume measure of unit sales of vehicles by dealers to customers; and/or Company sales of certain Specials direct to customers

#### **SBTi**

Science-Based Targets initiative

#### **SDGs** (Sustainable Development Goals)

The United Nation's 17 Sustainable Development Goals (SDGs) seek to address the world's biggest challenges including water, energy, transport and climate.

#### **STEM**

Science, Technology, Engineering, Mathematics

#### SUV

Sports Utility Vehicle

#### **TCFD**

Task Force on Climate-related Financial Disclosures

#### **Working Group**

A team of Aston Martin employees dedicated to delivering the ESG strategy

#### **DISCLAIMER**

This document may contain forward looking statements. Forward-looking statements appear in a number of places throughout this document and include statements regarding the Company's current intentions, beliefs or current expectations or forecasts of future events and those of our officers, directors and employees. By their nature, these statements involve uncertainty and are subject to a number of risks since future events and circumstances can cause actual results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this document and unless otherwise required by applicable law, the Company undertakes no obligation to update or revise these forward-looking statements. Accordingly, no assurance can be given that any particular expectation will be met, and investors are cautioned not to place undue reliance on the forward-looking statements.

Forward-looking statements are subject to assumptions, inherent risks and uncertainties, many of which relate to factors that are beyond the Group's control or precise estimate. Nothing in this document should be construed as a profit forecast. All members, wherever located, should consult any additional disclosures that the Company may make in any regulatory announcements or documents which it publishes. The Company and its Directors accept no liability to third parties in respect of this document save as would arise under English law.







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Through protecting standing forests, under threat of clearance, carbon is locked in that would otherwise be released. These protected forests are then able to continue absorbing carbon from the atmosphere, referred to as REDD (Reduced Emissions from Deforestation and forest Degradation). This is now recognised as one of the most cost-effective and swiftest ways to arrest the rise in atmospheric  $CO_2$  and global warming effects. Additional to the carbon benefits is the flora and fauna this land preserves, including a number of species identified at risk of extinction on the IUCN Red List of Threatened Species.

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