1913:

Bamford and Martin Limited founded on January 13th in Henniker Mews, South Kensington, London.

Their vision:

“A quality car of good performance and appearance: a car for the discerning owner driver with fast touring in mind, designed, developed, engineered and built as an individual.”
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ASTON MARTIN SUSTAINABILITY REPORT 2016
This year, Aston Martin celebrates its 103rd anniversary. Founded in 1913 by Robert Bamford and Lionel Martin in a humble workshop on Henniker Mews in London, their vision was to develop cars with impeccable design and supreme performance. These cars captivated the public’s imagination and still command the same emotive fascination over 100 years later.

Today, Aston Martin is the largest independent British luxury automotive manufacturer. Championing not only breakthroughs in cutting edge design, but also new technologies through cutting edge research and development.

Our ‘Second Century Plan’ is the roadmap for the transformation of Aston Martin from modest sports car maker into one of the world’s most respected luxury brands. Announced in early 2015, the Second Century Plan covers a seven-year period and ultimately calls for both the total renewal of our current product portfolio and the addition of four new models.

Today, Aston Martin makes three sports cars, by the end of the plan in 2022 we will have an expanded portfolio comprising at least seven very different products, the first of these new cars is the DB11.

The focus of our Second Century Plan is to make Aston Martin a sustainable luxury business, through the promotion of responsible and sustainable economic growth. This commitment has led us to develop an integrated Corporate Social Responsibility Strategy for the business and the publication of an annual Sustainability Report.

The report drafted in accordance with the principles set out by the UN Global Compact and Global Reporting Initiative’s G4 guidelines, highlights our ambitions in four key areas: Environmental Sustainability, Community & Stakeholder Engagement, Health & Well-being and Sustainable Supply Chain.

The passion and commitment of our people is a key driving force to our success, and we are committed to investing in both our current employees and the future through our apprentice and graduate programmes. The safety of our people remains paramount, with all sites certified to the international health and safety standard OHSAS 18001. This year marks a significant achievement as we were awarded our 4th Sword of Honour, by the British Safety Council.

With a new manufacturing site in St Athan, South Wales on the horizon and investment in new products such as the all-electric RapidE, we have a great opportunity to improve on our already impressive environmental record.

We continually review our procurement guidelines to ensure our suppliers adhere to the highest possible ethical standards and in adherence to legislation such as the Modern Slavery Act, with a commitment to remove all forms of slavery from our supply chain.

I believe that our commitment to sustainability will drive long-term shareholder value and ensure Aston Martin Lagonda develops into a Sustainable Luxury Business.

Dr. Andy Palmer CMG
President and Chief Executive Officer
KEY FACTS

The largest independent British luxury automotive manufacturer

- 80,000 cars produced to date
- 99.75% employees around the world
- 167 global locations
- 5th visitors a year
- 4,000+ tours a year
- 700+ years old
- Motor Racing Heritage (Aston Hill Climb)
- 5th British Safety Council awarded Sword of Honour Achieved
- 99.75% of all cars produced are still on the road today
- HIGHEST AUDITED GLOBAL SCORE IN BSC FIVE STAR HEALTH & SAFETY MANAGEMENT SYSTEMS AUDIT
- INTERNATIONAL SAFETY AWARD ACHIEVED FOR SEVEN CONSECUTIVE YEARS

ASTON MARTIN SUSTAINABILITY REPORT 2016

ASTON MARTIN SUSTAINABILITY REPORT 2016
Aston Martin, an iconic British marque of unrivalled heritage has entered its second century. With fresh investment and the strongest model line-up in the company’s history, the company now looks to an exciting future.

Founded in 1913 by Robert Bamford and Lionel Martin from a workshop on Henniker Mews in London, their vision was to develop cars with impeccable design and supreme performance. These cars captivated the public’s imagination and still command the same emotive fascination over 100 years later.

Today, Aston Martin is the largest independent British luxury automotive manufacturer, championing not only breakthroughs in cutting-edge design such as the new DB11, but also new technologies through research, development and deployment of lightweight materials and powertrain solutions. The company acts as an essential bridge for the migration of technology from the race track to the road.

The future for Aston Martin is bright under President and CEO Dr Andy Palmer CMG, who took over the helm of the company in late 2014. Dr Palmer’s first task upon joining Aston Martin was to set about reinventing the company as a sustainable luxury business.

This new luxury business will have a broader portfolio of products offering cutting-edge technologies, combined with the very best of design and British craftsmanship.

These new products are being developed under the largest investment plan in the company’s history. By the end of this decade, all sports cars in the current range will be replaced, starting with the new DB11, with each of these models having a striking level of design differentiation while still remaining unmistakably an Aston Martin. Added to this will be up to three additional model lines taking the company into new market segments.

These additional products will underpin the company’s future growth and sustainability, giving it greater global reach.
DB11 showcases a fresh and distinctive design language, pioneering aerodynamics and is powered by a potent new in-house designed 5.2-litre twin-turbocharged V12 engine.

V8 Vantage S
Fusing sophisticated engineering and artful design, V8 Vantage S is a unique package of intense driver involvement.

V12 Vantage S
Thrilling, potent and cracking with attitude, V12 Vantage S is the essence of Vantage concentrated and enhanced to deliver pure driving excitement.

Vantage GT8
Vantage GT8 has an intensity and agility born in the heat of competition. Sculpted from lightweight carbon fibre, shaped by the quest for ultimate aerodynamic efficiency, powered by our race-proven V8 engine and limited to just 150 coupes, Vantage GT8 captures the unalloyed thrills of competition to deliver a uniquely authentic sports car experience.

Vanquish S
Vanquish S – the ultimate super Grand Tourer. Improved engine power, enhanced dynamics and new styling features create a car of unprecedented ability.

Vanquish Zagato
Vanquish Zagato is the fifth car to emerge from a collaboration that stretches back over five decades, pairing Aston Martin’s acclaimed dynamic and material qualities with Zagato’s signature design language. As well as spectacular sporting ability, Vanquish Zagato showcases the very best of Aston Martin’s bespoke luxury.

Rapide S
Singular vision, shared pleasure. Rapide S follows a unique recipe to create the world’s most beautiful four-door sports car.

Rapide S
Singular vision, shared pleasure. Rapide S follows a unique recipe to create the world’s most beautiful four-door sports car.
Aston Martin is in the midst of a transformation programme – the ‘Second Century Plan’ – to build a strong and sustainable future for the Group in the luxury automotive sector. The plan will be to deliver a significant uplift in profitability and cash generation to ensure that long-term product development is funded from strong operating cash generation.

The Second Century plan comprises three key phases:

1. **Stabilisation**
2. **Core Strengthening**
3. **Portfolio Expansion**

Aston Martin is one of the most widely recognised luxury sports car brands with a history of automotive and design excellence spanning more than a century. The Group’s cars are positioned in the expanding high luxury sports segment (HLS) of the global automotive market. Sustained growth of both the global High Net Worth Individual (HNWI) population – particularly in North America and Asia Pacific – and sales of luxury cars, the major factor driving growth in the luxury goods sector, underpin the continued expansion within the HLS segment.

By the end of 2016 the Stabilisation phase of the Second Century Plan had largely been delivered. This phase focused on six key areas:

1. **Profitability**: Driving EBITDA performance through organisational rationalisation, SG&A savings, improvements in transformation cost and a strong focus on cost control.
2. **Organisation**: Lean organisation to support the Second Century Plan and new management structure including five new regional heads.
3. **Product**: Investment in the second generation of sports cars and delivery of new niche products in GT12 and Aston Martin Vulcan.
4. **Quality**: Establishment of cross-functional ‘Total Customer Satisfaction’ approach to quality, reporting directly to the CEO.
5. **Sales**: Strengthening of regional teams and dealer network, delivering significant reduction in dealer and port stock.
6. **Marketing**: Increased brand exposure through new products, collaborations and global events.

**THREE PILLAR PRODUCT STRATEGY**

- **EXCLUSIVE AND RARE SPECIAL PRODUCTS**
  - **For the Love of Beautiful**
  - **Aspirational Luxury**

- **Luxury Sports**
  - Next generation of Sports Sedan to compete with Rolls-Royce/Bentley.

- **Sports & Super Cars**
  - Renewal of sports car range with iconic cars with unmistakable design and increased visual differentiation between product.

- **Cross-over GTs**
  - Athletic and dynamic GT with increased usability targeting a new segment of HNWI customers.
Our 2016 business results show that the Second Century Plan remains well on-track in its second year of implementation. The Group’s performance in the period covered by these accounts reflects the re-balancing of the business to establish a firm foundation to growth, combined with benefits from profit improvement initiatives and on-plan new product launches. Investment for future growth continues with a strong product development pipeline and the integration of advanced technologies in our next-generation models.

The new product offensive began with the launch of DB11 at the Geneva International Motor Show in March 2016. DB11, the flagship for a new generation of Aston Martin sports cars, has received an outstanding reception from media and the public. This, in turn, has secured a strong order book supporting 2017 planned production and underpins solid sales momentum into 2017. Start of production and first deliveries were achieved on-plan and 1,005 units were wholesaled in the three months to December 2016, exceeding the target we communicated externally.

Alongside the renewal of the sports car portfolio, we continued to launch two high-value limited edition models per annum with the production of Vantage GT8 and Vanquish Zagato Coupe in 2016. A future limited edition, ‘AM-RB 001’ (Valkyrie), was announced in July. This revolutionary hypercar is the result of a collaboration with Red Bull that will bring together cutting-edge technology derived from Formula One™ racing and Aston Martin’s signature design language. All of the 150 units were sold out within 24 hours of the official reveal.

Significant progress was also made during the year on plans to expand the product line-up, which will further increase the global reach of the Aston Martin family of models. In February 2016 a site in St Athan, South Wales was chosen as the location for Aston Martin’s second manufacturing facility. This facility will manufacture Aston Martin’s first sports utility vehicle – ‘DBX’. The acquisition of the St Athan site was finalised in December and construction of the new facility has begun.

The Group’s commitment to technical innovation was demonstrated by announcements including plans to develop a production ‘Rapide’ electric vehicle, and the formation of Aston Martin Consulting – a structured approach to providing companies with the opportunity to engage with Aston Martin’s expertise centred on design, engineering and manufacturing. In December 2016, Maximilian Szwaj was appointed Vice President and Chief Technical Officer. In this executive role, Max – who has more than 25 years’ experience in the automotive industry and has held management positions at BMW, Porsche, Ferrari and Maserati – will be responsible for the Group’s global engineering operations.

During the year, Aston Martin strengthened its position as one of the most iconic brands in the luxury sports car sector. In 2016, a number of ventures were launched under the ‘Art of Living’ banner, to enhance the significance of the Aston Martin brand in the luxury space. The Art of Living collaborations support our core business by reaching a wider audience through carefully positioned products and experiences – increasing brand awareness and driving brand value for the long term.

Aston Martin’s financial performance improved substantially during the year. Revenues rose from £510.2m to £593.5m and EBITDA increased 41% to £101m, while cash generated from operating activities more than doubled to £164.6m. On 23 April 2016, the Company accepted binding subscriptions for £200m of preference shares. The second tranche of £100m was drawn in April 2016 and forms the final cash injection that supports the funding required to deliver the Second Century Plan. These preference shares, which are treated as long-term borrowings, are secured by the Group’s assets and are subject to a redemption option at any time after one year. The resulting impact of the Group’s activities in 2016 was a significant uplift in revenue growth, gross margin and underlying operating profit and a reduction in operating loss to £12m from £58m, demonstrating that the Second Century Plan is already delivering tangible transformation. Notably, in the final quarter of 2016 the Group achieved a positive operating profit and profit before tax, excluding non-recurring items.

### Principal activities

The principal activities of the Group are the manufacture of luxury high-performance sports cars, the sale of parts and the servicing of sports cars, all under the brand name of Aston Martin. We design, engineer and produce our vehicles in Warwickshire, United Kingdom and we sell these vehicles through a network of dealers.

We currently have five core models (DB11, V8 Vantage, V12 Vantage, Vanquish and Rapide) with a majority available in both Coupe and Convertible body styles. We also produce limited volume Vantage GT8 and Vanquish Zagato.

### Results and financial position

- FY adjusted EBITDA up 41% to £101 million on revenues ahead 16% to £593 million
- Underlying FY operating profit (adjusted for non-recurring items) of £16 million
- £102 million cash position at year-end
- Revenue of £593.5m (2015: £510.2m)
- Net assets of £72.7m (2015: £264.1m)

Further details can be found in our Annual Report.
Aston Martin continues to expand its presence around the world. With the official dealer network now spanning over 167 locations in 52 countries, our support network and company infrastructure is the largest in Aston Martin’s 103-year history.

MARKET OVERVIEW

The High Luxury Sector (HLS) continues to grow year on year, with global High Net Worth Individual (HNWI) wealth forecast to cross US$70 trillion by 2017. The growth is driven by an increase in the overall population of HNWIs, which has grown by a CAGR of 7.8% since 2009, with cars a major factor driving luxury sector growth as depicted in the chart opposite.

To ensure Aston Martin is best able to exploit this growth, the company analysed this market defining the Luxury Market into seven distinct clusters. The approach taken by the company was to understand the customer drivers and expectations behind each cluster.

“Essentially we asked ourselves what would these customers want from an Aston Martin? This then guided our thinking in how best to develop a distinctly different Aston Martin aimed at each of these seven clusters. The Second Century Plan delivers seven cars aimed at these seven clusters over a seven-year period.”

Christian Marti VP and Chief Sales Officer

GLOBAL HNWI GROWTH
(Capgemini Lorenz Curve Analysis)

The population of HNWIs has the potential to double by 2050

LUXURY CARS MARKET TREND
(Bain & Co Global Luxury Goods Worldwide Market Study)
In 2016, Aston Martin started to benefit from its investment, gaining 7% market share across all HLS models and more specifically 12% in the HLS sports car segment.

Sales increased to 3,687 units, driven by a successful run out of DB9 GT and limited edition GT12 and Aston Martin Vulcan models. The launch of DB11 in late 2016 drove increased brand visibility, supporting market share gains globally with a strong order book.

To ensure continued market development and sales growth, the company is in the process of strengthening its dealer partner network. Its global dealer partners have committed to substantial investment of their own capital over the course of the next two years to enhance the customer sales and service experience. One example of this is a consolidation of dealers in Tokyo, with leading luxury car retailer Sky Group appointed as the new sole dealer in Tokyo. The new dealership is in a prime location in the centre of the luxury car district in Aoyama and is due to open in 2017.

- Wholesales increased to 3,687 units
- Strong order book for DB11
- Successful run out of DB9 GT and limited edition Vantage GT12 and Aston Martin Vulcan models.

Global Wholesales Overview

<table>
<thead>
<tr>
<th>Region</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – UK</td>
<td>957</td>
<td>1,108</td>
</tr>
<tr>
<td>2 – Europe</td>
<td>744</td>
<td>847</td>
</tr>
<tr>
<td>3 – Americas</td>
<td>1,056</td>
<td>899</td>
</tr>
<tr>
<td>4 – China</td>
<td>192</td>
<td>176</td>
</tr>
<tr>
<td>5 – Rest of World</td>
<td>666</td>
<td>727</td>
</tr>
<tr>
<td>GLOBAL</td>
<td>3,615</td>
<td>3,687</td>
</tr>
</tbody>
</table>
The Board of Directors of Aston Martin (UK) Holdings Ltd (AMH Ltd) is the Group’s most senior governing body and Aston Martin Lagonda Limited is the main trading company. The Corporate Officer team of Aston Martin Lagonda Limited is charged by the Board of AMH Ltd with the efficient running of the day-to-day operations and governance of the Group.

Dr Andy Palmer CMG
President and Chief Executive Officer

Mark Wilson
Executive Vice President and Chief Financial Officer

Marek Reichman
Executive Vice President and Chief Creative Officer

Max Szewaj
Vice President and Chief Technical Officer

Nick Lines
Vice President and Chief Planning Officer

Simon Sproule
Vice President and Chief Marketing Officer

David King
Vice President and Chief Special Operations Officer; President of Aston Martin Racing

Christian Marti
Vice President and Chief Sales Officer

Michael Kerr
Vice President and Chief HR Officer

Michael Marecki
Vice President – General Counsel and Company Secretary

Richard Humbert
Vice President and Chief Quality Officer

Keith Stanton
Vice President and Chief Manufacturing Operations Officer, Aston Martin Lagonda Ltd

* director of Aston Martin Holdings (UK) Ltd
† director of Aston Martin Lagonda Ltd
ETHICS

As a signatory to the UN Global Compact the company is committed to doing business in an ethical and transparent manner, overseen by good corporate governance. This is essential to ensure the company’s growth is sustainable and provides shared value to our stakeholders.

We are committed to comply with the regulatory context of all the countries in which Aston Martin operates and to ensure our cars are compliant with the regulation for the markets in which they are sold.

The company has a formalised Ethical Code of Conduct, which applies to all employees. This establishes a series of principles and guidelines of conduct that ensures their ethical and responsible behaviour. In addition, this formal Ethics training is being rolled out across the business.
COLLABORATION WITH INDUSTRY BODIES AND ASSOCIATIONS

Collaboration with industry bodies and trade associations around the world enables Aston Martin to create synergies with other organisations to improve business and to efficiently and sustainably develop the Sector itself. Aston Martin is a member of the following associations:

- Society of Motor Manufacturers and Traders, operates in the UK
- Confederation of British Industry, operates in the UK
- Global Auto Makers – Operates within the United States
- European Small Car Manufacturers Alliance, operates within the EU
- Foreign Small Car Manufacturers Alliance, operates in China
- Fédération Internationale de l’Automobile – operating from Paris, across 143 countries worldwide
- Government and Industry body operating in the UK to strengthen and build the automotive sector.
COMMUNITY AND STAKEHOLDER ENGAGEMENT

Aston Martin is committed to its environment and gives particular attention to the needs and concerns of the communities in which it operates.

Stakeholders

Identification of our stakeholders, the issues that may affect them and how we communicate with them is a fundamental part of a Sustainability report.

Identification of Stakeholders and communication methods:

- **Shareholders**
  - Board meetings
  - Meetings with Management
  - Periodic reports

- **Customers**
  - Dealerships
  - Website, social media (Facebook, Twitter, Instagram)
  - Customer email/direct mail
  - Publicity and media information

- **Employees**
  - Intranet and bulletin boards
  - All Employee communication sessions
  - Other specific communication: email, memos, team meetings, etc

- **Suppliers**
  - Direct contact with purchasing department
  - Contractual documents
  - Other events/media/social media

- **Dealer Network**
  - Direct contact with the Sales team
  - Periodic meetings and communication with Aston Martin

- **Local Community**
  - Website, social media (Facebook, Twitter, Instagram), blog
  - Publicity and media information
  - Meeting with representatives of local bodies and associations

- **Governments**
  - Direct meetings/Events
  - Website, social media (Facebook, Twitter, Instagram), blog
  - Publicity and media information

Social Media

Social Media is becoming an increasingly important method of communication with a range of different stakeholders. Membership of our various social media channels has increased significantly over the past few years and currently stands at the following:

<table>
<thead>
<tr>
<th>Platform</th>
<th>Total fans/followers on 21/9/17</th>
<th>August 2017</th>
<th>Year to date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>6,898,117</td>
<td>+7.5k</td>
<td>+155.5k</td>
</tr>
<tr>
<td>Instagram</td>
<td>4,401,638</td>
<td>+179.6k</td>
<td>+1.5m</td>
</tr>
<tr>
<td>Twitter</td>
<td>1,112,017</td>
<td>+7.7k</td>
<td>+87.6k</td>
</tr>
<tr>
<td>Pinterest</td>
<td>329,915</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Google Plus</td>
<td>94,859</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>YouTube</td>
<td>99,876</td>
<td>+1.4k</td>
<td>+17.5k</td>
</tr>
<tr>
<td>LinkedIn</td>
<td>71,584</td>
<td>+0.9k</td>
<td>+8.8k</td>
</tr>
</tbody>
</table>

Analysing the Key Aspects of Corporate Social Responsibility (CSR)

One of the fundamental issues when drafting a Sustainability report per the Global Reporting Initiative (GRI) G4 guidelines is to report social responsibility issues that are relevant to the organisation and its stakeholders.

To identify the organisation’s relevant issues, we conducted a materiality analysis, which enabled us to determine the organisation’s relevant issues from both an internal and external perspective, thereby complying with the requisites of the guide.

The materiality analysis was conducted in several stages and in accordance with the principles of GRI’s G4 Guide.
Materiality Analysis Steps

1. **Identification** – This stage was approached through an analysis of our own stakeholders through standard communication methods as well as an analysis of the wider automotive sector. This intelligence provided us with a list of relevant aspects as described in the GRI G4 Guide.

2. **Prioritisation** – The prioritisation was assessed through an internal survey of the management team and wider employee base. The results are captured in the materiality chart, which classifies each aspect based on its relevance to both Aston Martin and its stakeholders.

3. **Validation** – Once complete, the process was reviewed for accuracy with greater emphasis being placed on community engagement.

Materiality Chart

[Diagram showing the materiality chart with various aspects and their importance levels for Aston Martin.]
Charitable Contributions

As a business, we actively engage in several charities as set out in our Corporate Social Responsibility strategy. The Company has committed to support two corporate charities that fit with our company ethos, heritage and brand each year. In addition to this a single employee charity will be selected annually by our employees. Our selected charities for 2016 were:

- Médecins Sans Frontières

Beyond direct corporate giving we continue to support our employees and the local community supporting sports teams, events and in fundraising for charities, often through the donation of specific money-can’t-buy experiences.

As an aspirational brand, we support local schools, colleges and businesses to inspire the next generation of engineers and designers. One such example is the sponsorship of the Goodwood Marshals Apprenticeship Scheme, training the next generation of marshals for the iconic circuit.

Over £2m proceeds going to Médecins Sans Frontières

Corporate charities every year

4 Charity Performance Driving Courses in 2016

1 Employee charity per site decided by employees

Over 100 Tours provided for Charity

Over 4,000 Visitors to Gaydon last year
ENVIRONMENTAL SUSTAINABILITY

Aston Martin takes its environmental obligations seriously and as such developed an environmental policy to drive forward its commitment to operating as a responsible business.

The environmental policy covers every aspect of the Company’s operations, whether they are directly or indirectly involved in the design, engineering, manufacture, servicing or restoration of motor cars or the distribution of parts.

Environmental Policy

We strive for continuous improvement in our environmental performance and the elimination of pollution and waste at source in line with our business objectives, using recognised environmental best practices wherever possible.

Our objectives and commitments to the environment and the community are to:

- Minimise the impact of Aston Martin activities, products and services through effective waste management.
- Give due consideration to environmental issues and energy performance in acquisition, design, refurbishment, location and use of buildings.
- Promote sustainable product design and construction, using low carbon energy resources wherever possible.
- Operate and maintain an environmental system in line with 18014:2001
- Communicate internally and externally our environmental policy, working with our employees, suppliers and partners to promote improved environmental performance and encourage feedback.

Aston Martin takes its environmental obligations seriously and as such developed an environmental policy to drive forward its commitment to operating as a responsible business.

The environmental policy covers every aspect of the Company’s operations, whether they are directly or indirectly involved in the design, engineering, manufacture, servicing or restoration of motor cars or the distribution of parts.
Energy consumption within the organisation (GJ)

<table>
<thead>
<tr>
<th>Energy Type</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity</td>
<td>70,644.80</td>
</tr>
<tr>
<td>Gas</td>
<td>90,904.66</td>
</tr>
<tr>
<td>Gasoline</td>
<td>10,161.43</td>
</tr>
<tr>
<td>Diesel</td>
<td>7,482.55</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>178,949.43</strong></td>
</tr>
</tbody>
</table>

This consumption has been reduced during 2016 by 92 GJ per unit, through direct energy saving measures.

Green House Gas Emissions

<table>
<thead>
<tr>
<th>Scope</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>6,678.47</td>
<td>6,656.01</td>
</tr>
<tr>
<td>2</td>
<td>9,075.18</td>
<td>8,085.89</td>
</tr>
<tr>
<td>3</td>
<td>N/A</td>
<td>7,774.50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14,753.72</strong></td>
<td><strong>14,989.31</strong></td>
</tr>
</tbody>
</table>

Continual improvement in GHG is being made through active measures put in place. A reduction of the following has been made in 2016:

- Scope 1 – 3.41 t CO₂e
- Scope 2 – 4.89 t CO₂e
- Scope 3 – Data only started being collected in 2016

Investing in e-mobility

Aston Martin is developing their first Electric car with the aim of offering customers something uniquely different and embracing modern powertrain technology. Based on the Rapide, the beautiful 4-door sports car, the first production electric Aston Martin will be built in the UK.

The Rapide-E, a full battery electric vehicle incorporating state-of-the-art internet of vehicles technology, will be launched in 2019 and is critically important to the company to build expertise in next generation powertrain technologies. These next-generation powertrain technologies will significantly help contribute towards the continuing trend in the reduction of average carbon dioxide emissions across the Aston Martin fleet.

Waste Management

Aston Martin takes waste management and recycling seriously with 99.76% of all waste diverted from landfill. The rate of recycling is also increasing as the company and its partners look for innovative ways to reuse waste materials.

<table>
<thead>
<tr>
<th>Waste Treated (tons)</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Reclaimed solvent</td>
<td>45.12</td>
<td>45.432</td>
</tr>
<tr>
<td>- Landfill</td>
<td>6.12</td>
<td>5.5</td>
</tr>
</tbody>
</table>

Water Usage

Our water is from a municipal supply and we have procedures in place to minimise water usage whenever possible. In 2016 water was down significantly to 32,445m³. This was despite a large increase in production volumes and employment numbers in the same period.
SUPPLY CHAIN SUSTAINABILITY

A sustainable supply chain is essential for any business. Aston Martin will continue to work with suppliers to maintain the high standards of sustainable and ethical resourcing. Aston Martin aims to work together with suppliers to design and develop sustainable components to integrate into our products whilst delivering authenticity, craftsmanship and high quality products.

**Responsible Procurement Guide**

In 2012 Aston Martin established a Responsible Procurement Guide, which set 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’s procurement policies and practices, standard terms of conditions of supply and the standards for all Aston Martin staff, suppliers and sub-suppliers.

The Responsible Procurement Guide seeks the 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 guide, including but not limited to eradicating any forms of slavery or human trafficking in line with the UK’s Modern Slavery Act.

A detailed overview of Aston Martin’s Responsible Procurement Guide can be found on the company’s website.

**Supply Chain Management**

To effectively manage the supply chain in line with the company’s Responsible Procurement Guide, ensuring adherence to the regulatory environment in which the company operates around the world and upholding commitments to initiatives such as the UN Global Compact, an effective supply chain management system needed to be developed.

This supply chain management system is currently under development and will be rolled out later in 2016.

**SUPPLY CHAIN SUSTAINABILITY REPORT 2016**

- **2012**
  - March 2012 – Responsible Procurement Guide Issue 1 issued
  - 2012

- **2013**
  - 2013

- **2014**
  - June 2014 – Aston Martin became a signatory of United Nations Global Compact (UNGC) Initiative
  - December 2014 – Dr Andy Palmer signs Faith Leaders’ Universal Declaration Against Slavery at Vatican

- **2015**
  - Responsible Procurement Guide Issue 1 met the 10 principles of UNGC relevant to Supply Chain
  - Modern Slavery Act passes into UK law, Responsible Procurement Guide adapted to reflect changes

- **2016**
  - Responsible Procurement Guide Issue 2 published
  - Aston Martin Implement new Supply Chain Management system
  - Aston Martin Publish their first Sustainability Report
PEOPLE

As a brand built on passion we are passionate about our people. We foster teamwork, sharing knowledge and skills, being creative and ethical. We also facilitate dialogue at all levels to foster a feeling of belonging to a company that retains its human dimension.

The overall business performance depends on mutual respect, diversity, good working conditions and the professional fulfilment of the women and men in our company. This is something the Executive Team is passionate about.

Equal Opportunities

Modern society is characterised by a variety of different lifestyles. The diversity of the population as a whole has increased as a result of demographic change, changing values in society and increasing global mobility. As a global company, Aston Martin regards a multicultural workforce, with an appropriate gender balance and a good age mix as beneficial to our business. We are convinced that a diverse workforce enhances our innovative strength and further increases our competitiveness, for example by helping us to better understand customers’ needs. The right mix lets us see the bigger picture so we can make smarter decisions.

Each and every one of our employees, in all their diversity, is accorded equal levels of appreciation, respect and opportunity. Employees can address any queries in this connection to their own managers, departmental head or the HR department.

The gender diversity of employees (full time equivalents) within the Group as at 31 December 2016 is as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Senior Management</td>
<td>49</td>
<td>7</td>
</tr>
<tr>
<td>Permanent employees</td>
<td>1,277</td>
<td>198</td>
</tr>
<tr>
<td>Contractors</td>
<td>1,816</td>
<td>350</td>
</tr>
<tr>
<td>Total</td>
<td>3,152</td>
<td>555</td>
</tr>
</tbody>
</table>

Of the total 1,619 Full Time Equivalent employees and directors, 52 are based in our overseas companies with a gender diversity split of 36 male and 16 female.

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group is continued and the appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.
HEALTH AND WELLBEING

The Health and Wellbeing of employees is an important aspect of operating an effective and successful business. The company’s approach to this area is split into two distinct areas developing the company as an Employer of Choice and ensuring that we have the best Health and Safety Management system in the industry.

Employer of Choice

Aston Martin aims to be an employer of choice, recognised by independent organisations such as Investors in People and the Sunday Times Best 100 Companies. This will be achieved by continuing to motivate and engage with employees across all business areas and at all levels, through regular communications; and developing competitive benefits packages and training opportunities.

The company operates a policy of equal remuneration and additional benefits regardless of gender, religion, origin, age, disability, sexual orientation. The company currently takes an active role in the training and upskilling of its workforce through on-the-job training, leadership training, sponsored degrees and master degrees and chartered accreditations.

We invest in training our employees and fostering their talents on an ongoing basis. This enables us to fill our long-term staffing requirements in a dynamic, fast changing environment. Aston Martin approaches training in several ways from vocational training to apprenticeship programmes and to high potential programmes for future managers.

To enable the best possible work life balance, Aston Martin plans to implement a flexible/mobile working system for non-production staff enabling staff to tailor their working hours to their personal needs. This also will alleviate the strain on the local community at peak traffic times.

Adopting an inclusive environment, where all staff feel empowered to make a difference is a key driver for the company and this is achieved through both regular communication and employee engagement activities as well as using social media as a tool for employee engagement. This has been a focus of improvement over the course of 2016.
Health and Safety Management

The health and safety of our workforce, our visitors and the local community is of paramount importance to Aston Martin and we aim to be a centre of excellence where our Health and Safety Management System is held as an example to the rest of the Motor Manufacturing Industry.

Aston Martin has an impressive record in Health and Safety Management, but we strive for continuous improvement by sharing best practice and awareness across the business.

Our philosophy, which supports the achievement of a world-class safety performance, is based on each and every employee / contractor being involved effectively in safety activities on a day-to-day basis.

The Aston Martin Health and Safety team manages the education and adherence to this philosophy and includes members from all parts of the business.

Human Rights

We also educate our employees on the company’s approach to and the specific requirements with regard to human rights in business operations. The training is geared toward managers and focus groups, for example in Purchasing. They are informed of what they must be aware of in their daily actions and to whom they can turn to for questions. If employees have any questions regarding human rights, they can ask their line managers or refer to the company website.

In 2015, no human rights violations within the company were reported via internal channels, nor were any relevant reports received regarding our supplier network.
Community

Beyond our direct employees, we actively engage with our local community, with annual community events being established at each of our sites to foster a sense of partnership between the company and its local community.

As a high-profile brand, we support local schools, colleges and universities in their efforts to inspire the next generation of designers, engineers and professional service staff.
ABOUT THE REPORT

The 2016 Sustainability report covers the period 1st January 2016 to 31st December 2016. The report also covers the activities of Aston Martin Holdings Ltd and its subsidiaries. All of which are covered in the company’s Annual Report (pages 52-53).

The report was drafted in accordance with the Core guidelines as set out in the Guide for Drafting Sustainability Reports. Version G4 of the Global Reporting Initiative.

Questions regarding the content of this report should be sent to the following email address: csr@astonmartin.com
The following table provides an index of AML’s responses to the requirements set out in the Global Reporting Initiative (GRI) G4 standards for ‘In accordance – Core’.

<table>
<thead>
<tr>
<th>Indicators Description</th>
<th>Page or Direct Answer</th>
<th>Omissions</th>
<th>External Assurance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GENERAL STANDARD DISCLOSURES</strong></td>
<td></td>
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<tr>
<td><strong>Strategy and Analysis</strong></td>
<td></td>
<td></td>
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<tr>
<td>G4.1 Statement from the organisation’s senior director</td>
<td>Page 6</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Organisational Profile</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.3 Name of the organisation</td>
<td>Aston Martin Lagonda Ltd.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.4 Main brands, products and services</td>
<td>Pages 12-13</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.5 Location of the organisation’s registered office</td>
<td>Banbury Road, Gaydon, Warwickshire CV35 9DB</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.6 Number of countries in which the organisation operates</td>
<td>Pages 18-19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.7 Legal form of ownership</td>
<td>See Annual Report Pages 52-53</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.8 Markets served</td>
<td>Pages 18-19, 22</td>
<td></td>
<td></td>
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<tr>
<td>G4.9 Scale of organisation</td>
<td>Pages 14-23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.10 Employees by employment type, gender and region</td>
<td>Page 42</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.11 Ratio of employees under collective agreements</td>
<td>24% of total permanent employees are members of Unite the Union</td>
<td></td>
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<tr>
<td>G4.12 Description of the supply chain</td>
<td>Pages 40-41</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.13 Significant changes during the reporting period</td>
<td>None</td>
<td></td>
<td></td>
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<tr>
<td>G4.14 Report whether and how the precautionary approach or principle is addressed by the organisation</td>
<td>N/A</td>
<td></td>
<td></td>
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<tr>
<td>G4.15 External initiatives that the organisation endorses</td>
<td>Page 6</td>
<td></td>
<td></td>
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<tr>
<td>G4.16 Significant memberships in industry and business associations</td>
<td>Page 29</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Identified Material Aspects and Boundaries</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4.17 Entities included in the consolidated financial statements</td>
<td>Members of the Aston Martin group:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Aston Martin Holdings (UK) Limited</td>
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<td>• Aston Martin Investments Limited</td>
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<td>• Aston Martin Capital Holdings Limited</td>
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<td>• Aston Martin Capital Limited</td>
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<td>• Aston Martin Lagonda Group Limited</td>
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<td></td>
<td>• Lagonda Properties Limited</td>
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<td>• Aston Martin Lagonda Limited</td>
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<td></td>
<td>• AML Overseas Services Limited</td>
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<td></td>
<td>• Aston Martin Lagonda of North America Inc.</td>
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<td>• AM Nürburgring Racing Limited</td>
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<td>• Aston Martin Italy S.r.l.</td>
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<td>• AML Italy S.r.l.</td>
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<td></td>
<td>• Aston Martin Lagonda of Europe Gmbh</td>
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<td></td>
<td>• Aston Martin Lagonda Pension Trustees Limited</td>
<td></td>
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<td></td>
<td>• Aston Martin Lagonda (China) Automobile Distribution Co. Ltd</td>
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<td></td>
<td>• Aston Martin Japan Limited</td>
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</tbody>
</table>
G4-EC3 Coverage of the organization’s defined benefit plan obligations

- Pension plan assets £254m
- Pension plan liabilities (324)m
- Net pension liabilities (70)m

The calculation of the defined benefit obligations is performed by a qualified actuary using the projected unit credit method. The calculations were performed at 31 December 2015 and 31 December 2016. A deficit recovery plan was agreed following the valuation in 2014 whereby the group would contribute £2.75m per annum to the scheme through to 2021 to eliminate the deficit. A revised deficit recovery plan will be agreed with the group in 2017/18 in view of the increased deficit. The employees contribute 6.5% of salary and the company 22.5% of salary.

Membership numbers
- Active members – 694
- Deferred members – 723
- Pensioners – 324
- Total members 1,741

G4-EC4 Financial Assistance received from government

- Repayable Business Finance (RBF) Grant Awarded by Welsh Government – £5.8m

Market Presence
G4-DM1 Explain the process to determine, manage and evaluate the general material aspects choice

Page 42

G4-EC5 Standard entry level wage, by gender, compared to local minimum wage, at most significant location

Grade C (21+) on £29,991.50

G4-EC6 Proportion of senior management hired from the local community at significant locations of operation

There is a high proportion of the management population taken directly from the local community. This varies across sites but is circa 25%. Management is defined as senior manager and above

Procurement Practices
G4-DM1 Explain the process to determine, manage and evaluate the general material aspects choice

Page 43

G4-EN1 Materials used by weight or volume

6916.70 tonnes (non-renewable materials)

G4-EN2 Energy consumption within the organization

6916.70 tonnes (non-renewable materials)

G4-EN3 Energy intensity

Using internal figures only, the energy intensity in production is:

- 47 GJ per unit
- 1.41 GJ per m²

G4-EN4 Reduction of energy consumption

Page 39

G4-EN5 Energy intensity

Page 39

G4-EN6 Reduction of energy consumption

Page 39

G4-EN8 Total water withdrawal by source

Page 39

G4-EN9 Water sources significantly affected by withdrawal of water

Page 39

G4-EN10 Direct Greenhouse Gas emissions (Scope 1)

Page 39

G4-EN11 Direct Greenhouse Gas emissions (Scope 2)

Page 39

G4-EN12 Direct Greenhouse Gas emissions (Scope 3)

Page 39

G4-EN13 Greenhouse Gas emissions intensity

Scope 1 – 1.75 tonnes CO₂e per unit
Scope 2 – 2.13 tonnes CO₂e per unit
Scope 3 – 2.04 tonnes CO₂e per unit

G4-EN14 Reduction of Greenhouse Gas emissions

Page 39

G4-EN15 NOx, SOx, and other significant air emissions

NOx – 50 g/m³
VOC – 7912 Kgs
PM – 0.84 mg/m³
MCERTS Accreditation

G4-EN16 Weight of waste by type and disposal method

Page 39

G4-EN17 Significant spills

No spills reported

G4-EN18 Weight of transported, imported, exported, or treated waste and percentage of transported waste shipped internationally

Hazardous Waste Transported – 149.7 tonnes
## Indicators Description

### Compliance
- **G4-EN29** Monetized value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations. No fines/sanctions received.

### Transport
- **G4-EN30** Significant environmental impacts of transporting products and other goods and materials for the organization’s operations, and transporting members of the workforce.
  - 1) GHG emissions through the transportation of parts and materials to manufacture the product (Road Haulage): \(- 836.25 \text{ t CO}_2\text{e}\)
  - 2) GHG emissions through the transportation of completed product (Road Haulage): \(- 504.97 \text{ t CO}_2\text{e}\)
  - 3) GHG emissions through workforce commuting (vehicle movement): \(- 7591.73 \text{ t CO}_2\text{e}\)

### Overall
- **G4-EN31** Environmental protection expenditures and investments by type.
  - Waste disposal and Treatment – £261,289.58
  - Prevention – £96,969.22

### Supplier Environmental Assessment
- **G4-EN32** New suppliers that were screened using environmental criteria.
  - 100% of all new suppliers are screened using ISO14001 as a mandatory requirement.
- **G4-EN34** Grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.
  - None

### Social Aspects – Labour Practices and Decent Work
- **G4-LA9** Hours of training per year per employee. N/A
- **G4-LA10** Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.
  - Various schemes are offered to employees for upskilling/retraining.
- **G4-LA11** Employees performance and career development reviews.
  - 2100 performance reviews were conducted in 2016.

### Diversity and Equal Opportunity
- **G4-LA12** Composition of governance bodies and breakdown of employees per employee category according to indicators of diversity.
  - Page 42
- **G4-LA14** New suppliers that were screened using labour practices criteria.
  - 100% of all new suppliers are screened.
  - With 5% of supplier new in 2016.
- **G4-LA15** Significant, actual and potential, negative impacts for labour practices in the supply chain and actions taken.
  - 100% of all new suppliers are screened.

### Labour Practices Grievance Mechanisms
- **G4-LA16** Grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms.
  - 33 cases in 2016.
<table>
<thead>
<tr>
<th>Indicators</th>
<th>Description</th>
<th>Page or Direct Answer</th>
<th>External Assurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOCIAL ASPECTS – HUMAN RIGHTS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Explain the process to determine, manage and evaluate the general material aspects choice</td>
<td>Page 46</td>
<td></td>
</tr>
<tr>
<td>G4-HR1</td>
<td>Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening</td>
<td>All investment agreements include human rights screening</td>
<td></td>
</tr>
<tr>
<td>G4-HR2</td>
<td>Employee training on human rights policies or procedures concerning aspects of human rights</td>
<td>Training on Human Rights forms an integral part of new starters training</td>
<td></td>
</tr>
<tr>
<td>G4-HR3</td>
<td>Incidents of discrimination and corrective actions taken</td>
<td>None reported</td>
<td></td>
</tr>
<tr>
<td>G4-HR4</td>
<td>Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights</td>
<td>No instances reported. Measures taken to support these rights include Responsible Procurement Guides which covers these aspects and is supplemental to our T&amp;Cs</td>
<td></td>
</tr>
<tr>
<td>G4-HR5</td>
<td>Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour</td>
<td>Page 40</td>
<td></td>
</tr>
<tr>
<td>G4-HR6</td>
<td>Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of practices</td>
<td>Page 40</td>
<td></td>
</tr>
<tr>
<td>G4-HR7</td>
<td>Operations that have been subject to human rights reviews or impact assessments</td>
<td>No instances reported</td>
<td></td>
</tr>
<tr>
<td>Supplier Human Rights Assessment</td>
<td>G4-HR10</td>
<td>New suppliers that were screened using human rights criteria</td>
<td>Page 40</td>
</tr>
<tr>
<td>G4-HR11</td>
<td>Significant, actual and potential, negative human rights impacts in the supply chain and actions taken</td>
<td>Page 40</td>
<td></td>
</tr>
<tr>
<td>G4-HR12</td>
<td>Grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms</td>
<td>No instances reported</td>
<td></td>
</tr>
<tr>
<td>SOCIAL ASPECTS – SOCIETY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G4-DMA</td>
<td>Explain the process to determine, manage and evaluate the general material aspects choice</td>
<td>Page 48</td>
<td></td>
</tr>
<tr>
<td>Local Communities</td>
<td>G4-SO1</td>
<td>Operations with implemented local community engagement, impact assessments, and development programs</td>
<td>Company operates and engagement programme with all local communities in which we operate.</td>
</tr>
</tbody>
</table>