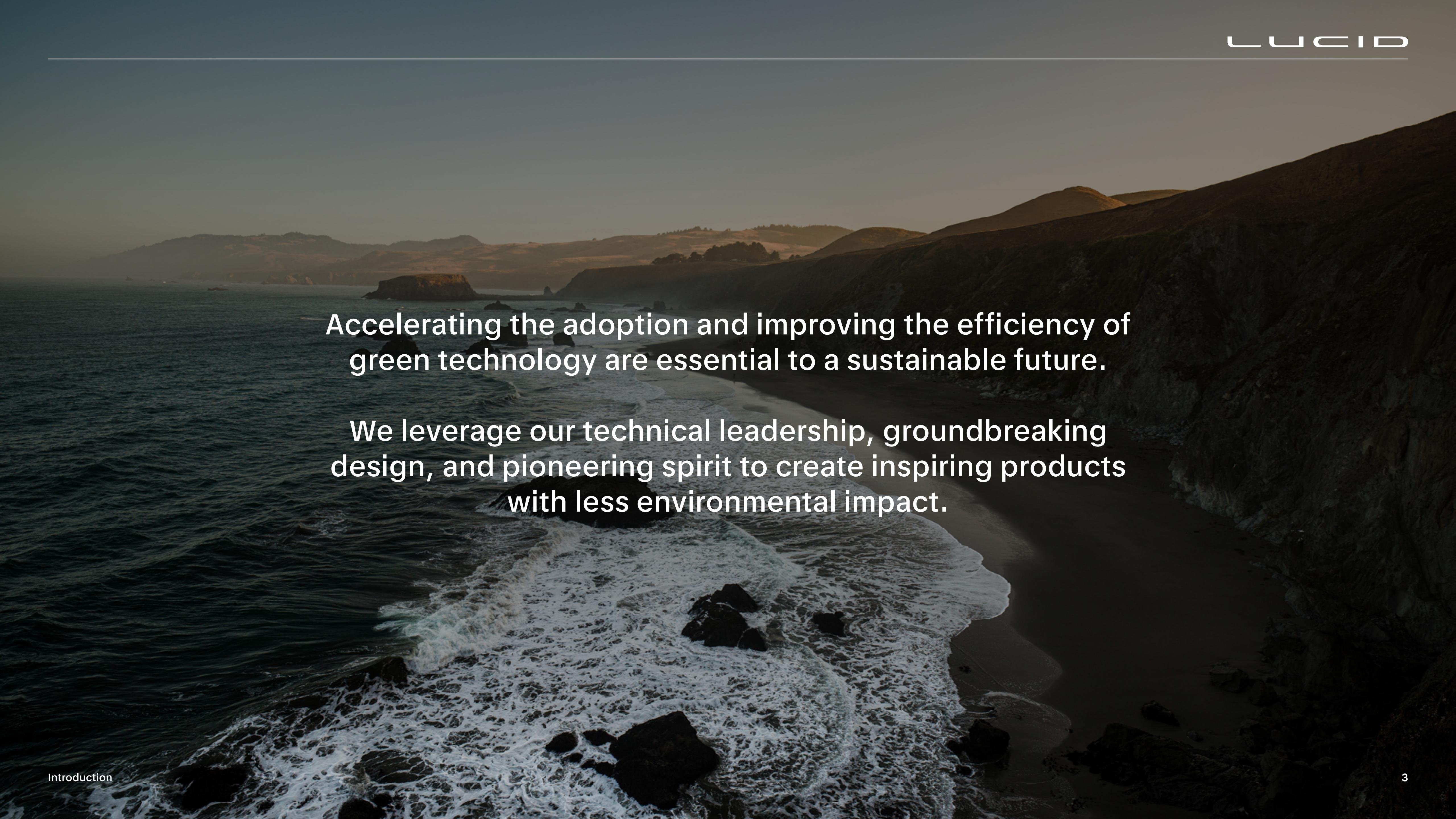


2023 Sustainability Report

Further, Faster

OI: Introduction





Accelerating the adoption and improving the efficiency of green technology are essential to a sustainable future.

We leverage our technical leadership, groundbreaking design, and pioneering spirit to create inspiring products with less environmental impact.

A Message From Peter Rawlinson

Sustainability is at the core of who we are - it is ingrained in our purpose and our products. With our award-winning Lucid Air lineup, we have the longest-range and some of the fastest charging electric vehicles (EVs) currently on the market. Our vehicles help address some of the fundamental obstacles to widespread EV adoption, and we continue to push the envelope with our highly efficient technology. However, developing and manufacturing the most advanced EVs isn't enough; we want to change the world.

To increase our technology's impact, we aim to make products that can do more with less energy and fewer materials, lowering their total environmental impact. As such, we believe efficiency is the new imperative. With the launch of Lucid Air Pure rear-wheel drive (RWD), we have set a landmark driving efficiency of 4.74 miles of range per kilowatt hour. The Pure RWD will travel farther using less battery energy than any other all-electric offering on the market today. We are proud to be pioneers of range and efficiency and are excited to continue to develop even more exceptional vehicles, like the Gravity SUV.

At Lucid, we also understand that sustainability goes beyond our products. We are committed to improving environmental and social impacts across

our value chain and ensuring a robust governance structure to support our efforts. As we continue to grow, we are taking a purposeful approach to embedding sustainability concepts early on to minimize any negative impact on the planet while maximizing our positive impact on society. Transparency is a cornerstone in building a successful sustainability program, which is why I am delighted to be sharing with you our first sustainability report. In this document, we highlight the programs we have put in place for continued improvement across our business. Make no mistake, this is just the beginning for us, and we endeavor to improve our impact on the planet and society in the months and years to come.

Now, more than ever, we need sustainable solutions that make the best use of the world's resources. Lucid has a critical role to play in developing those solutions and, as we continue to grow as an organization, we are paving a pathway to a more innovative and environmentally sustainable future. None of this would be possible without the amazing team at Lucid that brings our vision for sustainable energy to life. We seek the best and the brightest talent from around the globe who are committed to pushing the boundaries of what is possible to create our innovative technology. I am grateful for the commitment and energy of every one of our team members; their hard work and dedication is what drives Lucid forward.

The next pages outline our first steps in our sustainability mission, and we look forward to building upon this foundation.

Thank you for joining us on our journey.

Peter Rawlinson
Chief Executive Officer/Chief Technology Officer



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About Lucid



We, Lucid Group, Inc. (Lucid) (Nasdaq: LCID), are an American technology company and all-electric automaker based in Newark, California. We are setting new standards with our advanced EVs, beginning with the Lucid Air sedan, the longest-range car on the market today, and one of the fastest-charging. Lucid 1) designs, engineers, and assembles EVs, EV powertrains, software, and battery systems in-house using our own equipment and factories, 2) offers a refined customer experience at our own geographically distributed retail and service locations and through direct-to-consumer online and retail sales, and 3) has a strong product roadmap of future vehicle programs and technologies. Our focus on in-house technology innovation, vertical integration, and a "clean sheet" systems approach to engineering, software, and design has led to the development of the award-winning Lucid Air.

Locations

Manufacturing

Arizona: After evaluating over 60 sites in 13 states for our factory we chose a 500-acre property in Casa Grande, Arizona, as the place to assemble our EVs. Located between Phoenix and Tucson and within easy reach of our Silicon Valley headquarters, Casa Grande offers close proximity to critical utilities, an established transportation system, and strong support from state and local governments.

This facility, Advanced Manufacturing Plant-1 (AMP-1), is the first purpose-built EV factory in North America. Designed to our exact specifications, it was built with efficiency in mind and outfitted with advanced production line equipment.

The Phase 2 expansion added about three million square feet to our existing plant in early 2024. This expansion includes production capacity for the Lucid Gravity SUV

as well as additional production capacity for Lucid Air, a logistics center, a stamping facility, and the on-site relocation of our nearby powertrain facility.

Saudi Arabia: We commenced assembly of Lucid Air in our new facility, Advanced Manufacturing Plant 2 (AMP-2) in Saudi Arabia on September 3, 2023, only 14 months after breaking ground. The plant is located in King Abdullah Economic City (KAEC), which offers established infrastructure by land and sea, and will enable us to export our finished EVs to other regions in the future. AMP-2 is located north of Jeddah which is expected to act as a catalyst to further grow and expand the newly established domestic supply chain in the region, creating demand for local suppliers and fostering long-term growth.

The opening of this facility is another exciting milestone for us as we operationalize our first semi knocked-down (SKD)

manufacturing facility outside of the U.S., making Lucid the first original equipment manufacturer (OEM) to re-assemble passenger vehicles in Saudi Arabia. Currently, the SKD capacity is 5,000 vehicles per year.

Studio & Service Centers

Lucid's direct-to-consumer sales approach offers an exceptional customer experience from discovery to ownership. As of December 31, 2023 Lucid has 38 studios and service centers in North America, five in Europe, and two in Saudi Arabia (excludes temporary and satellite service centers).



Awards & Recognition

It is not enough for Lucid to create an EV that goes further, charges faster, and is more efficient. We also aim to create the most captivating vehicles because we believe that a car that is as compelling from the outside as it is from the driver's and passenger's seats entices even more customers to make the switch to electric. We have received countless of awards and accolades for our approach.



2024

10 Best Cars



WORLD CAR AWARDS

2023

World Luxury Car



2022

Motortrend's 2022
Car of the Year

Newsweek

2023

World's Greatest
Powertrain Award

Bloomberg

2023

Highest rating overall
Green EV ranking



2022

Best Luxury Electric Car

Newsweek

2022–2023

Best Super Luxury Car



2022

The quickest-charging EV
Car and Driver has tested

INSIDEEVs

2022

Record for longest range
EV ever tested

INSIDEEVs

2022

Record-setting 70-mph
range test



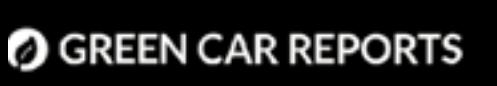
2022

World's 10 Best Interiors
and UX

MotorWeek

2022

Drivers' Choice Award,
Best EV



2022

Best Car to Buy in 2022



2022

Record for the longest
range EV ever tested



2022

10 Best Engines &
Propulsion Systems



2022

Top EV Pick for Luxury



2022

Lucid Motor's home-
grown technologies
are setting the pace in
electrification

Lucid Sustainability Approach

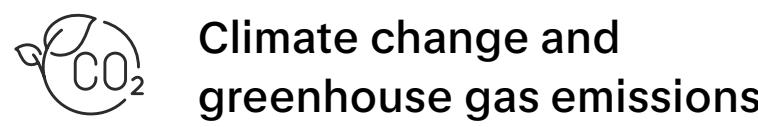
As a technology and EV company hyper-focused on efficiently using our planet's precious resources, we are proud that sustainability has been at the core of our business since day one.

At the same time, we recognize that being truly sustainable means never settling when it comes to our environmental and social impact, and that we are still in the early stages of building our holistic approach in this area. As a relatively young company, we are working on data collection and establishing our baseline in key sustainability focus areas for our business. We also believe in the importance of accountability and transparency, which is why we are creating our first sustainability report. This document is intended to provide a qualitative description of our products and programs as we work to enhance our commitments, data, and reporting for future years.

Lucid Sustainability Approach

Building a Data-Driven Approach to Sustainability: Materiality Assessment

In 2021, we completed a high-level materiality assessment through a third party to develop the foundation of a data-driven sustainability strategy. This commonly used tool employs a structured approach to identify key topics for our strategy. Our effort included gathering insight from investors, ratings and rankings, company leadership interviews, research on peers and consumer trends, and a business/investor media review. Our most material topics included:



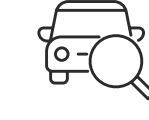
Climate change and
greenhouse gas emissions



Human rights



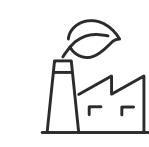
Sustainable product
innovation and design



Product integrity (including
traffic safety) and intellectual
property



Corporate governance



Environmental protection
and biodiversity



Talent, inclusion, and
diversity

The results of this assessment are helping us prioritize actions within our sustainability strategy and develop internal roadmaps for more material topics to our business. This early-stage assessment is a starting point, and our team continues to monitor developments in sustainability topics around the globe to continue to refine our strategic approach.

United Nations Global Compact

In April 2023, Lucid joined the United Nations Global Compact (UNGC), the world's largest voluntary corporate sustainability initiative. With more than 21,800 companies in over 162 countries¹ participating, the UNGC seeks to mobilize a global movement of sustainable companies and stakeholders.

The UNGC challenges companies to conduct business responsibly by aligning their operations and strategies with the United Nations' Ten Principles relating to human rights, labor, environmental practices, and anti-corruption. By joining, we have committed to act in accordance with the UN Sustainable Development Goals (SDGs). In particular, our mission addresses SDG 8: Decent Work and Economic Growth, SDG 12: Responsible Consumption and Production, and SDG 13: Climate Action.

UNGC participant organizations commit not only to sustainable practices but also to enhancing transparency. Signatories report yearly on their commitment to the universal sustainability principles and development goals.



¹At the time of joining in April 2023

Highlights of Sustainable Impact

Accelerating the adoption and improving the efficiency of green technology are essential to a sustainable future. We leverage our technical leadership, groundbreaking design, and pioneering spirit to create inspiring products with less environmental impact.

“Efficiency is the key to unlocking the full potential of electric vehicles to help the world’s urgently needed transition to sustainable transportation, and it is a singular approach that simultaneously improves both EV range and battery costs, arguably two of the biggest obstacles to wider EV adoption today.”

—Peter Rawlinson
CEO and CTO



Highlights of Sustainable Impact

Efficiency

Efficiency helps to minimize the impact of EVs on the environment.

For Lucid, efficiency means using less materials and energy to do more, as well as being intentional about our use of the planet's precious resources. More efficient EVs provide drivers with the range they need while using fewer batteries and resources. As a result of our commitment to efficiency, we were able to achieve the longest range² and one of the fastest charging³ EVs at the highest efficiency measured in miles/kilowatt-hour. Using fewer batteries for a given range reduces the demand per vehicle for lithium and other critical materials and the associated environmental impact and supply chain bottlenecks. Most EVs are charged from the power grid, which, while rapidly becoming cleaner, still includes emitting sources. More efficient EVs use less grid electricity, thereby reducing any upstream emissions associated with their charging and vehicle miles traveled.

To learn more about Lucid Air's efficiency, please go to our [Product Environmental Impact section](#).

² The 2024 Lucid Air Grand Touring has a projected range of at least 500 miles when equipped with 19" wheels; range and battery power vary with temperature, driving habits, charging and battery condition and actual results will vary.

³ When connected to 350 kW DC fast charger and equipped with 19" wheels. Actual rates will vary based upon vehicle equipment and charging conditions.

⁴ <https://www.epa.gov/ghgemissions/sources-greenhouse-gas-emissions>

⁵ <https://insideevs.com/news/561634/us-median-range-gasoline-bevs/>

⁶ EPA est. range ratings when equipped with 19" wheels: 516 Grand Touring/425 Touring. Manufacturer's projected range for Pure equipped with 19" wheels is 410 miles; EPA est. range is 419. Actual range and battery power may vary with temperature, driving habits, charging and battery condition and actual results will vary.

⁷ This concept is the fear drivers have that, especially where charging infrastructure is limited, they will be stranded if they run out of charging. By creating vehicles that can achieve 400-516 miles of range, we have addressed fears of range anxiety and aided the adoption of electric cars.

EV Adoption

According to the U.S. Environmental Protection Agency (EPA), the largest emitting sector in the U.S. is transportation.⁴ By addressing some of the key barriers to EV adoption, Lucid is helping replace more internal combustion engine vehicles with EVs and decarbonize transportation.

Range Anxiety: In 2021, the median range of a gasoline vehicle was 403 miles, but for an EV the median was only 23⁵. In contrast, Lucid's cars achieve 410-516 miles of range⁶—by having the longest-range electric car on the market today, we help alleviate range anxiety⁷ and may further aid society's transition to EVs.

Making Batteries Go Further: Increased efficiency can lower vehicle production costs and purchase prices by reducing the number of batteries needed (the largest cost input for EVs). Fewer batteries lower the vehicle weight, further reducing the number of cells required to achieve a desired range. Our focus on efficiency can support the acceleration of mass adoption of EVs through the potential to reduce vehicle prices in the long term.

Strategic Technology Arrangement: One company with highly efficient technology is not enough if we want to accelerate the transition to EVs. By providing access to our advanced technologies to other organizations we can spread the benefits of efficiency and enable EV adoption through and beyond Lucid's own vehicles.

Our state-of-the-art technology is showcased in the execution of the award-winning Lucid Air lineup. The industry-topping capabilities of Lucid Air are a compelling proof point for the growing interest in our technology. In 2023, we entered into a strategic technology arrangement to provide Aston Martin access to Lucid's technologies, which will be at the center of its all-new battery EV platform. This landmark arrangement marks the first such relationship for Lucid, a realization of a vision that expands the reach of Lucid's products, paves the way for more mainstream applications, and accelerates electrification in the automotive industry.



SAN FRANCISCO

**Go the distance on
a single charge.**

Los Angeles to San Francisco – 410 miles

With up to 500 miles⁸ of estimated range at your disposal, "range anxiety" is not in your vocabulary. Turn day trips to road trips without the worry. Explore more. Charge less.

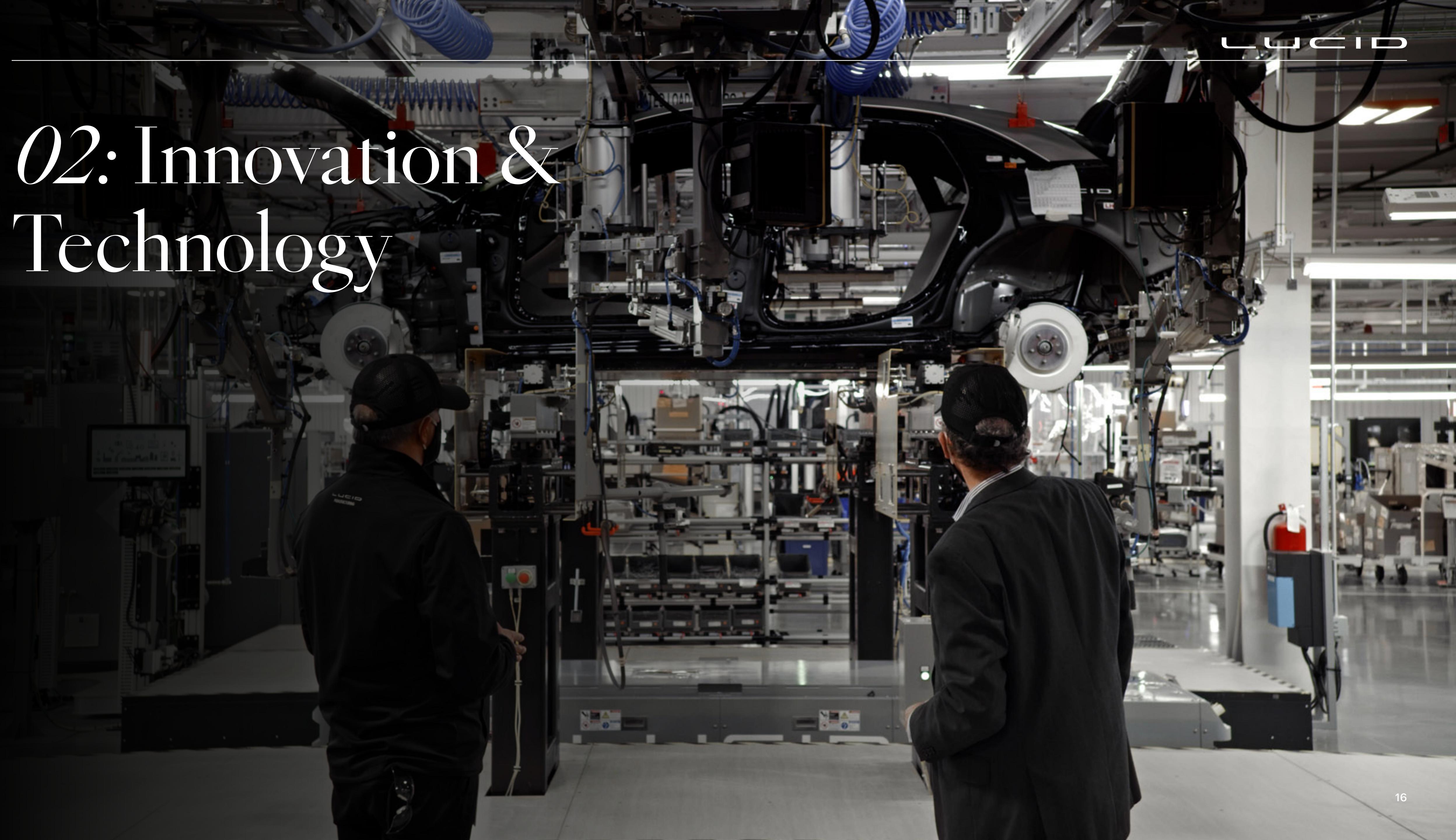
LOS ANGELES

⁸ Manufacturer's projected range for Grand Touring is 500 miles equipped with 19" wheels. EPA est. range for Touring is 411 miles equipped with 19" wheels. Manufacturer's projected range for Pure RWD equipped with 19" wheels is 410 miles; EPA est. range is 419 miles. EPA est. range for Sapphire is 427 miles. Range and battery power vary with temperature, driving habits, charging and battery condition and actual results will vary.



No other electric car on the market produces more range with less energy than the Lucid Air, as measured by miles/kWh.

02: Innovation & Technology



Introduction



“Lucid is here to advance the state of the art for sustainable mobility. We are defining a new paradigm for electric vehicle engineering that, for the first time, recognizes that optimizing energy efficiency is the key to designing products that can do the impossible, satisfying the broad array of needs from a diverse customer base. Our first vehicle, the Lucid Air sedan, has received widespread acclaim from the public and the media, and we are already building upon everything we have learned as we continue development of upcoming Lucid products intended to reach new customers.”

—Eric Bach

Senior Vice President of Product and Chief Engineer

At Lucid, we are not simply making advanced EVs, we are also committed to positive environmental and social impact – we focus on designing our vehicles for safety and minimizing the use of resources and energy where possible all while providing a superior driving experience. We believe in designing and building safe, comfortable, range-efficient, and fast-charging EVs.



Product Environmental Impact

Efficiency is Our Guiding Principle

Our focus on efficiency is a core value that drives our efforts to minimize environmental impact and to deliver maximum performance to our customers. We think about efficiency at every level of our product development process. For example, by creating range-efficient EVs with smaller battery packs, we can open new opportunities to reduce the carbon footprint and energy needs, from reducing the volume of critical raw materials in our vehicles to using less energy from power grids and the associated emissions of generating that power.

Use Phase Efficiency – Not All EVs Are Created Equally

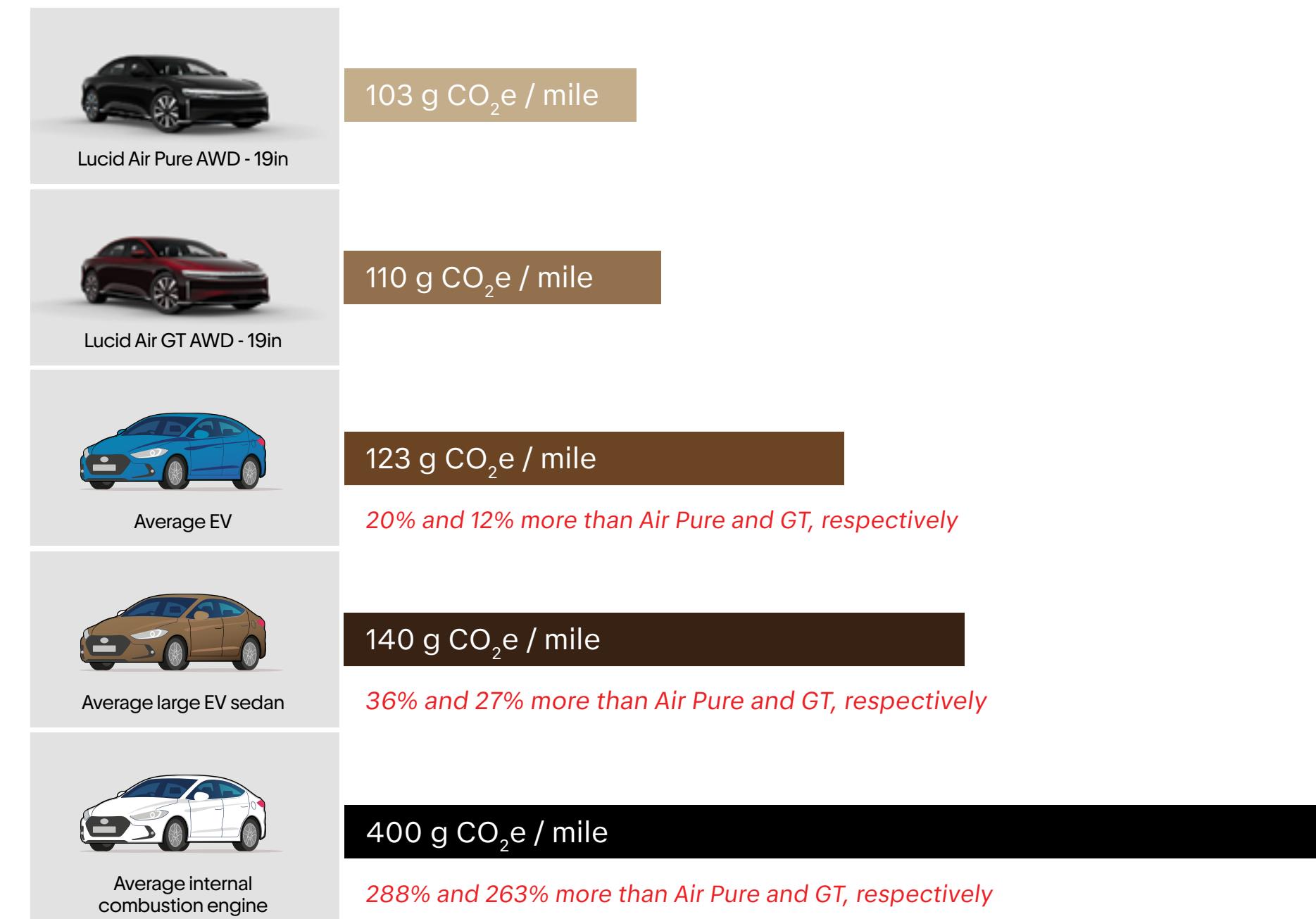
Although all EVs can contribute to cleaner roads and communities because they do not produce the tailpipe emissions of vehicles with internal combustion engines, EVs can vary dramatically in their overall environmental impact. While there are multiple factors that influence this, it is largely due to the broad differences in energy efficiency among EVs. Since electricity is still most often generated by burning fossil fuels in power plants, the more efficient the vehicle, the less electricity it needs to be driven, meaning fewer carbon emissions associated with every mile driven.

For this reason, our vehicles are designed and engineered to be among the most energy-efficient commercially produced cars ever made. Variants of Lucid Air achieve some of the highest ratios of driving range per kilowatt-hour of any EVs on the market, one widely used method for measuring EV efficiency. Lucid vehicles also excel in another efficiency metric: the U.S. EPA Miles Per Gallon Equivalent, or MPGe, with Lucid Air Touring and Air Pure rated at up to 140 MPGe in combined highway and city driving.⁹

Our achievements in vehicle efficiency validate our holistic approach: we seek to optimize the vehicle for all significant on-road efficiency factors, including aerodynamics, mass and rolling resistance, powertrain, and auxiliary energy consumption. This optimization also helps Lucid's vehicles stand out as leaders among other cars in our comparable class. For instance, our most efficient model, the single-motor Lucid Air Pure rear-wheel drive, sets a remarkable standard with a driving efficiency of 4.74 miles per kilowatt-hour (miles/kWh).

So, what does that efficiency mean? Let's look at some examples (below and next page).

Use Phase Carbon Emissions¹⁰



Note:

- Upstream impacts resulted from fuel/electricity are considered (for both EV & ICEV).
- Electricity generation impacts (for EVs) are considered using the average U.S. electricity mix.
- Fuel combustion impacts (for ICEVs) are considered.

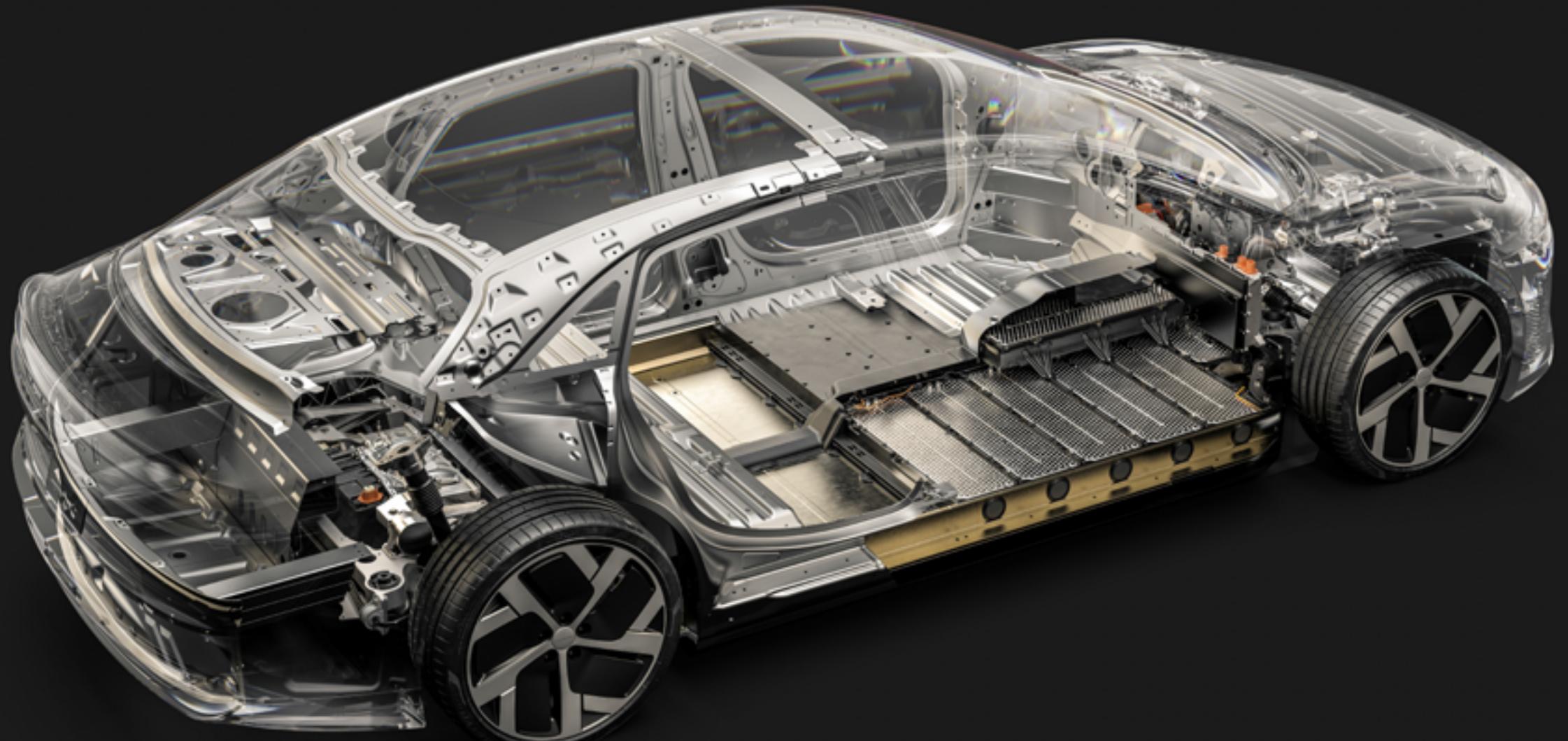
⁹ Compare Side-by-Side (fueleconomy.gov)

¹⁰ Footnote on following page.

Why Does Efficiency Matter?

With 300 million vehicles expected to be on the roads in the U.S. by 2050¹¹, a full transition to EVs will increase demand on the electrical grid. With the average energy utilization of EVs today, those 300 million vehicles would need the same power as it takes to run 113 million homes.

But what if every vehicle had the same energy utilization as Lucid Air Pure? If that were the case, those same vehicles would only need the power it takes to run 92 million homes, saving the equivalent of 21 million homes' worth of energy each year – more homes than currently exist in California, Oregon, and Washington combined.¹²



¹⁰Sources for calculations:

2023 Lucid Air Pure AWD (19 in) & Lucid Air GT AWD (19 in):

Source 1: U.S. Environmental Protection Agency (US EPA). (2023a). Emissions & Generation Resource Integrated Database (eGRID). <https://www.epa.gov/eGRID>

Source 2: Argonne National Laboratory. (2023). The Greenhouse gases, Regulated Emissions, and Energy use in Technologies (GREET) 2022 Model. <https://greet.anl.gov/>

Weighted average EV & weighted average large EV sedan:

Source 1: U.S. Environmental Protection Agency (US EPA). (2023a). Emissions & Generation Resource Integrated Database (eGRID). <https://www.epa.gov/eGRID>

Source 2: Argonne National Laboratory. (2023). The Greenhouse gases, Regulated Emissions, and Energy use in Technologies (GREET) 2022 Model. <https://greet.anl.gov/>

Source 3: Singer et al. (2023). EV efficiency ratios for light-duty vehicles registered in the U.S. National Renewable Energy Laboratory. <https://www.nrel.gov/docs/fy23osti/84631.pdf>

Weighted average internal combustion engine:

Source 1: U.S. Environmental Protection Agency (US EPA). (2023b). Greenhouse gas emissions from a typical passenger vehicle. <https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-ve>

¹¹EIA https://www.eia.gov/outlooks/aoe/tables_ref.php

¹²Analysis from The American Council for an Energy-Efficient Economy stating full electrification of the country's light-duty vehicles with an efficiency of 4.2 mi/kWh versus 3.4 mi/kWh would equate to an energy savings equivalent to the power need for 21 million U.S. homes. According to latest U.S. census data, there are approximately 19.6 million homes in the states of California, Oregon, and Washington. <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Product Environmental Impact

Battery Efficiency

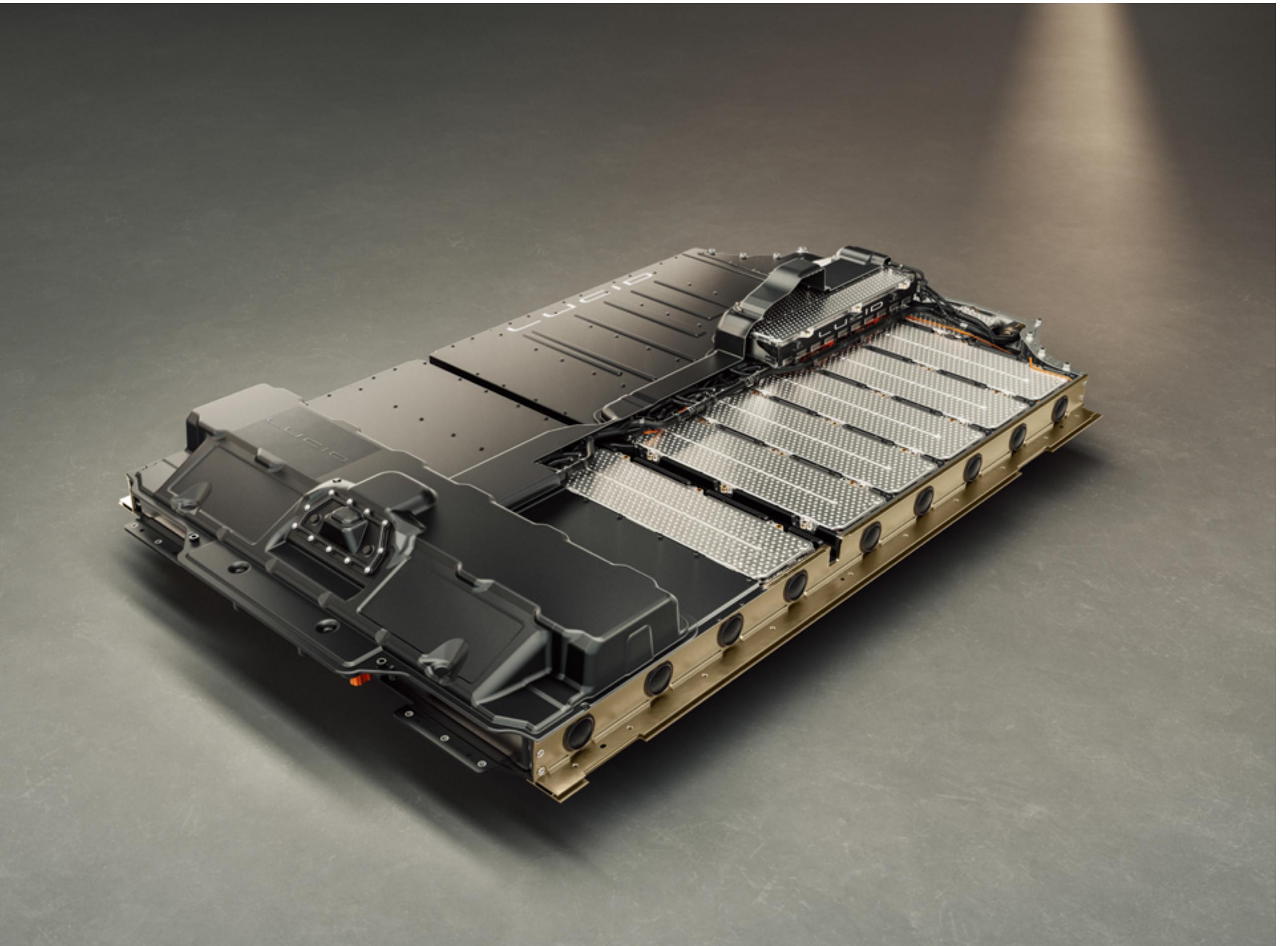
Reducing Battery Inputs

The performance of a Lucid during its use phase is only one part of the story. Reducing the total environmental impact of our vehicles also means aiming for more efficient material use in the design and development of each model while maintaining the safety, quality, and the driving experience Lucid's customers expect.

Our commitment to efficiency and best-in-class miles per kilowatt hour underpins our battery philosophy – we design our products to use fewer batteries and battery materials to attain those results. In contrast to prevailing trends in the market, where bigger vehicles are often equipped with larger batteries to achieve even a fraction of Lucid Air's range, our focus on efficiency at Lucid allows us to reach impressive ranges with a smaller battery pack. This reduces both the total volume of critical raw materials needed to create the batteries as well as the supply chain emissions associated with the mining and processing of those materials, contributing to a more environmentally responsible EV solution.

Piloting Battery Circularity

Circularity is a critical topic within the automotive industry, and nowhere is that more evident than in the battery itself. By accounting for circularity early, we plan to have a pathway for our vehicles when they approach their end-of-life. Currently, we recycle batteries that are part of the production and testing processes and are developing a strategy for end-of-life solutions including reuse, remanufacturing, and recycling. We began a remanufacturing pilot program in 2023 and have begun to send remanufactured battery packs to Service Centers for customers.

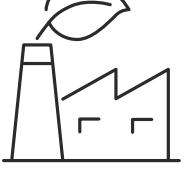
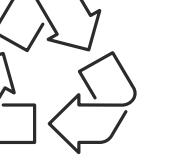


Product Environmental Impact

Life Cycle Assessment

As Lucid continues to improve our environmental impact as an organization, we are working to build a robust data foundation to find opportunities to lower our emissions. In 2023, we completed our first life cycle assessment (LCA) on Lucid Air Grand Touring. An LCA is a systematic analysis of the environmental impacts of products or services during their entire life cycle. The data provided by our LCA will enable strategic decisions that can further improve our product sustainability.

General LCA Stages

			
Material	Manufacturing	Use	End-of-life
Raw material extraction	Module assembly	Vehicle efficiency	Dismantling
Material processing	Vehicle assembly	Upstream electricity	Reuse/ Recycling
Material transport	Scrap/waste management	Vehicle maintenance	Incineration Landfill



Product Environmental Impact

More Sustainable Interior Materials

In our commitment to sustainable design, we look to prioritize environmentally responsible materials and local suppliers whenever feasible for the interior of our vehicles. We continuously seek new, high-quality options that are durable and can lower the environmental footprint of our vehicles. Notable sustainable material choices featured in Lucid Air include:

- Sustainably harvested wood options such as eucalyptus, walnut, and red oak. Our vendors are Forest Stewardship Council (FSC) certified, demonstrating their dedication to responsible environmental practices. Our vendors prioritize sustainability where possible and focus on efficiency in their operations, and some vendors have publicly disclosed actively working on further decarbonization efforts.
- Textile options such as an alpaca wool blend that utilizes minimal dye and recycled yarn.
- Leather from suppliers that are Leather Working Group certified, which confirms their dedication to strong environmental and animal welfare practices while also offering excellent quality, look, feel, and durability. To support the evaluation of our leather partners, we performed an analysis of the environmental impacts of the leather supply chain, including an assessment of the risk of deforestation and overall carbon emissions. We strive to work with leather suppliers dedicated to lowering their carbon footprint.



Product Environmental Impact

Our Technology is Changing EVs

At Lucid, we work to inspire the adoption of sustainable energy in part through our advanced technologies. We have undertaken efforts to raise the visibility of our cutting-edge technology, which is revolutionizing the EV sector, encouraging more drivers to go electric, and setting a new, higher standard for other EV companies. Technological innovations and in-house proprietary software such as our high-performance powertrain, industry-leading Wunderbox™ charger and inverter, battery, DreamDrive™ advanced driver-assistance system, spacious interior, and intuitive infotainment system are revolutionizing mobility, improving safety, and building the knowledge foundations for a zero-emissions future.



“At Lucid, we combine timeless design and best-in-class technology to not only provide the best human experience but a sustainable one, too. Sustainability is at the center of every choice we make and it’s a core design principle for the team, which is reflected in everything from the thoughtfully selected materials to the aerodynamics of the vehicle.”

—Derek Jenkins
Senior Vice President of Design and Brand



Product Environmental Impact

Our Technology is Changing EVs

Spotlight: Air Pure

Our groundbreaking, proprietary EV technology enables a comprehensive approach to engineering for efficiency. The incredible miles/kWh range of our single-motor Air Pure rear-wheel drive is made possible in part by many of Lucid's in-house innovations:

- Microjet-cooled electric drive units, the only production wave-wound motors in the world, with leading gravimetric and volumetric power density
- Race-proven, race-derived battery technology with special ultrasonic ribbon bonding of battery cells to reduce heat generation
- Silicon-carbide dual voltage boost-charging Wunderbox™ technology
- Innovative aerodynamic exterior, with a 0.197 drag coefficient when equipped with 19" wheels – the lowest for any current production vehicle
- A vortex induction and split radiator system for improved cooling
- The first curved battery pack underfloor wing
- True aircraft-style riveted and epoxy-bonded aluminum body shell, featuring one of the world's first implementations of ultra-high-strength, warm-formed aerospace aluminum alloy door ring for light-weight crash performance



Product Environmental Impact

Our Technology is Changing EVs

Tech Talks

In 2022 we launched Lucid Tech Talks, a new streaming series that uncovers some secrets behind our proprietary EV technology. Tech Talks are led by our Chief Executive Officer and Chief Technology Officer Peter Rawlinson and other Lucid leaders and feature deep dives on how Lucid is setting a new standard in EV efficiency, performance, and design. Watch new and previous episodes [here](#).

Electric Motorsports

Lucid has been involved in electric motorsport racing since 2016 through our Atieva brand. Racing serves as a platform for showcasing the full potential of EVs, highlighting their record-breaking range and efficiency without compromising on performance. Before Atieva was involved, drivers had to swap EVs midrace due to limits in battery capacity. From 2018-2022, Atieva designed, developed, and manufactured a battery system that enabled racecars to complete a race on a single charge. In 2023, Atieva began supplying its ultra power-dense electric drive unit designed for use in motorsports and will be used in vehicles through 2026.

Supplying our powertrain technology for use in motorsports has also played a pivotal role in accelerating the development and refinement of our consumer products. Lucid Air benefits from the same race-proven technology that pushes the boundaries of what EVs can achieve in performance settings. This cross-pollination of expertise drives innovation and ensures the continued improvement of our EV offerings for a wider audience. Learn more [here](#).



Product Environmental Impact

Our Technology is Changing EVs

Strategic Technology Arrangement

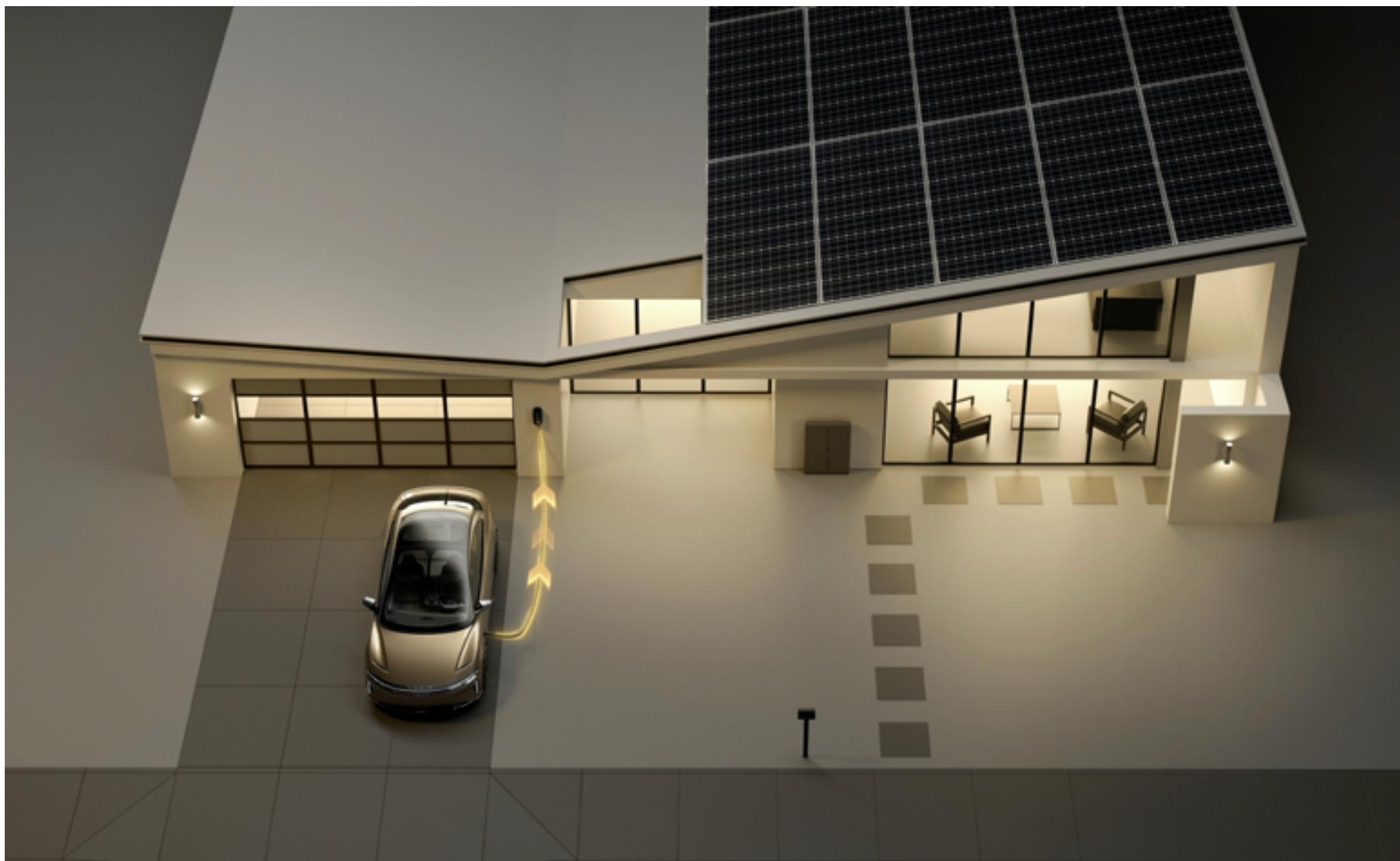
By providing access to our advanced technologies to other organizations, we can facilitate EV adoption and proliferate the benefits of our efficient technology. In June 2023 we announced a definitive agreement to establish a long-term strategic technology arrangement with Aston Martin to accelerate the iconic British brand's high-performance electrification strategy and long-term growth. The arrangement will give Aston Martin access to world-leading electric powertrain technology, which is engineered and manufactured exclusively in-house by Lucid, to power future Aston Martin battery EVs. The arrangement will also provide Aston Martin with technical support and components from Lucid in integrating its proprietary technology into a bespoke all-new EV platform developed by Aston Martin.

This arrangement gives Aston Martin access to state-of-the-art engineering and sophisticated technical know-how to propel the company towards its target of launching the first pure electric Aston Martin model in 2025 and to support the brand's wider sustainability strategy, *Racing. Green.*

Through this arrangement, we are working with Aston Martin to get more efficient EVs out on the road. It marks the first such car manufacturer relationship for Lucid, expanding the reach of our products and paving the way for more mainstream applications of our revolutionary electric powertrain technology in the future. We see this as just the beginning, and we hope to continue to leverage our technology further to reduce and avoid global emissions.

Future Adaptations of our Technology

We are exploring opportunities to adapt and expand the sustainable impact of our technology. For example, we hope our battery systems expertise will enable us to produce compelling stationary energy storage system (ESS) products that offer flexibility, efficiency, and stability to our customers and the electrical grid across the residential, commercial, and utility-scale energy storage sectors. We also hope our battery systems and powertrain expertise will enable customers to power their homes through vehicle-to-grid (V2G) charging capabilities, adding resiliency to customers' power supply and reducing impact on the grid during power outages and shortages.



Product Safety & Quality

Safety is One of Our Highest Priorities

At Lucid, we believe true sustainability goes beyond environmental impact. Our customers deserve products that provide social benefits as much as they reduce emissions and material use. A safe driving experience for our customers is one of our highest priorities and we are committed to incorporating safety considerations into every step of the vehicle design and manufacturing processes. We also continue to enhance safety for our vehicles on the road through frequent over-the-air software updates. These updates support driver assistance features and diagnostic software that can help identify potential issues before they arise.

Safety Ratings

The 2022 Lucid Air achieved an overall five-star rating in the European New Car Assessment Program (Euro NCAP) testing in September 2022, the highest rating possible. The vehicle also scored well in the subcategories thanks to our focus on safety and the suite of safety technology in our vehicles. Lucid Air was among the highest in the industry for Adult Occupant protection and Child Occupant protection with scores of 90% and 91% respectively. Further testing on variants of Air such as rear-wheel drive (RWD) is underway to extend the five-star rating to as many variants as possible.

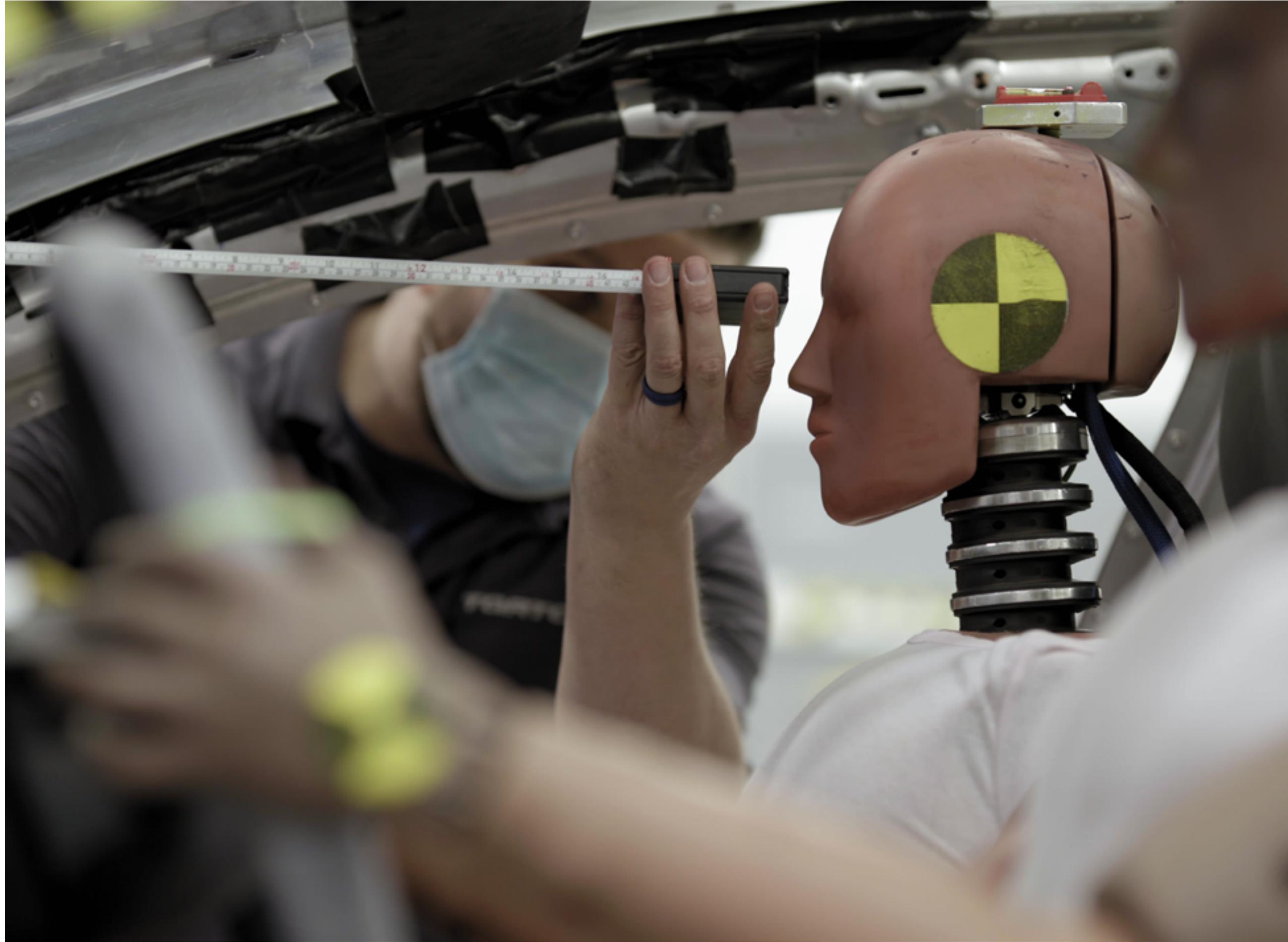
Read more about our Euro NCAP Rating on the [Euro NCAP website](#).

Internal Processes & Governance

We are committed to a holistic approach to safety practices. Our governance structure includes a Product Safety Working Group (PSWG) that investigates, evaluates, and documents vehicle safety concerns, pulling in expertise throughout the company to make recommendations to Lucid's Product Safety Executive Council (PSEC), which makes final safety-related decisions.

Lucid also maintains a product and service safety policy called the Product Safety Assessment Procedure (PSAP), which outlines our process for evaluating vehicle safety concerns and determining whether a recall is required. Even when a recall is not required, we may still make product improvements through design changes or service campaigns. The PSAP applies to Lucid vehicle safety concerns raised through any channel, whether internal or external. For example, internal references may come from organizations such as Engineering, Digital (Software), Manufacturing, Sales, Service, Warranty and Customer Care. External references can include customer complaints, complaints to the National Highway Traffic Safety Administration (NHTSA), customer postings to online forums, and media accounts of accidents or incidents.

Product Safety & Quality



Safety is One of Our Highest Priorities

Testing

Lucid vehicles undergo extensive testing to ensure the highest quality and safety standards are met. Testing happens both in the virtual and physical world as soon as the first prototype parts become available. Much of our homologation activity and testing is designed to evaluate the regulatory compliance and safety-critical aspects of the vehicle such as crash avoidance, crashworthiness, and post-crash survivability.

Other types of testing focus on ensuring that our products meet the requirements of competitive categories such as noise, vibration, and harshness (NVH); efficiency; and durability.

Product Safety & Quality

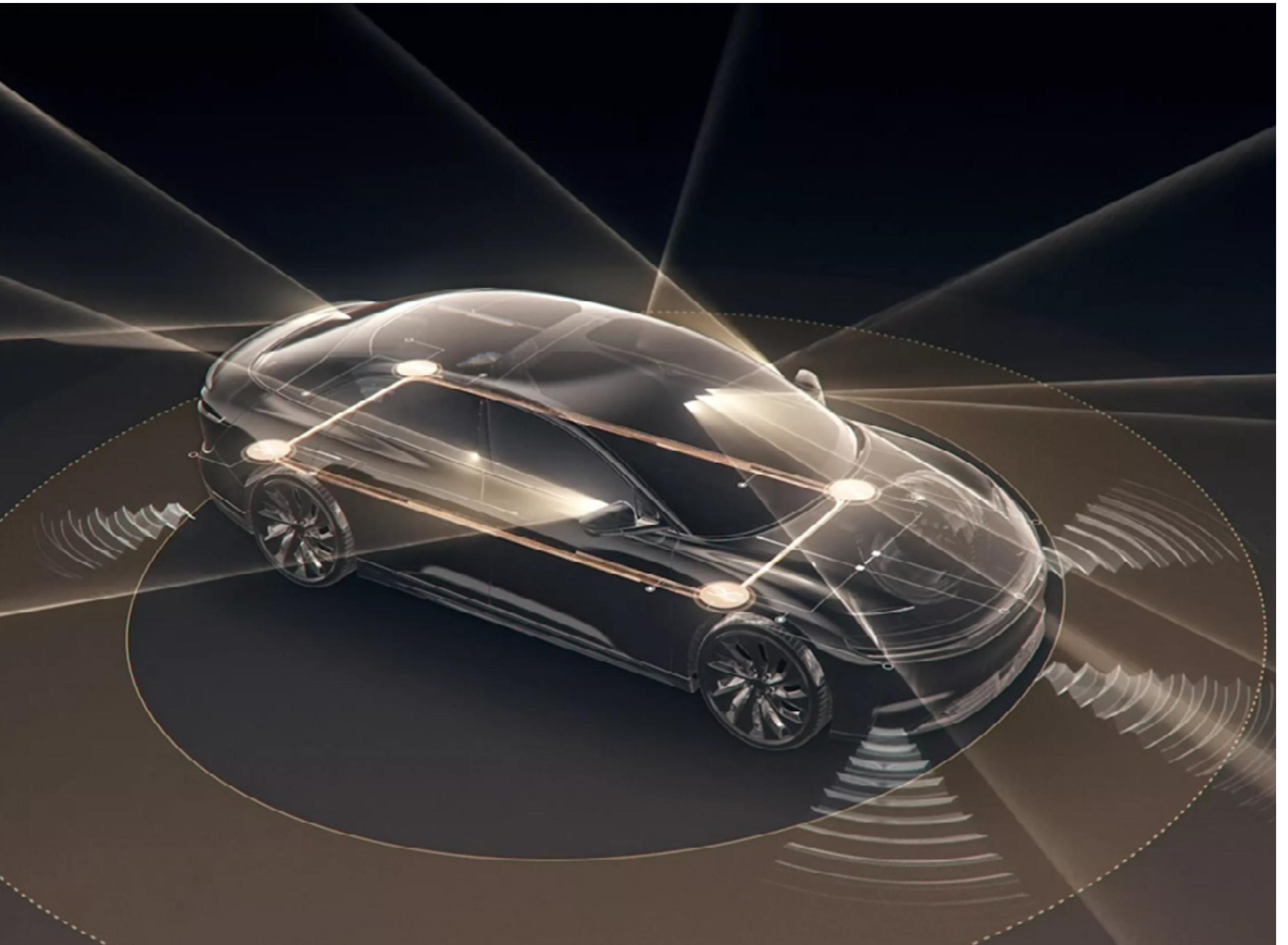
Safety is One of Our Highest Priorities

Advanced Driver Assistance System

We designed Lucid Air from the outset to incorporate critical, forward-looking hardware, and we continually refine the suite of detection, warning, and prevention systems on our vehicles. Our vehicles are equipped with extensive sensor suites, large capacity computing power, and redundant systems for advanced levels of driver assistance. These are standard, along with a comprehensive suite of active safety features, including automatic emergency braking, rear cross traffic protection, traffic sign recognition, blind spot monitoring, lane departure protection, and rear pedestrian collision protection.

Our proprietary DreamDrive™ advanced driver assistance system (ADAS) is offered in several feature combinations, depending on customer preference, with as many as 32 on-board sensors, including 14 cameras and five radar units. It is one of the most comprehensive sensor suites in the market. Lucid Air is also one of the first vehicles available with an integrated lidar (laser imaging, detection, and ranging) sensor, which works in combination with other sensors to identify stationary objects that would be undetectable by radar alone. We were one of the first to launch a fully redundant platform at scale, including redundant independent power sources, fail operational actuators, fault tolerant computation, and redundant sensor sets and communication paths.

Part of our commitment to safety includes education on ADAS technologies. In addition to educating our customers on these features at our studios, we are members of the Partners for Automated Vehicle Education (PAVE) to ensure ethical marketing of these technologies.



Product Safety & Quality

Achieving Positive Impact Through Quality

At Lucid, we create vehicles of world-class quality and are dedicated to continuous improvement. We believe that a culture of quality in our products, processes, and operations is critical to our success and positive impact. Similar to our approach to efficiency in our engineering, we take a holistic view of quality in the field, in manufacturing, and at the supplier level.

Product Quality

Lucid's focus on quality in the development, construction, and testing of our vehicles supports a range of integrated environmental and social benefits, such as:

- Durability and waste: Our goal is zero safety defects per vehicle. When we do things right the first time, we minimize waste. We also aim to make our vehicles and parts last for as long as possible, which we accomplish with extensive simulations and testing that guide the engineering design of parts, reducing the need for replacement materials and lowering the lifecycle impact of the vehicle. Real world full vehicle testing is also conducted across several groups including durability, vehicle validation, and quality.
- Noise, vibration, and harshness (NVH): The quality of the ride can make or break a driving experience, and we want to provide a luxurious ride in our vehicles while also reducing the impact of exterior noise inside the cabin. We use our test track to drive our vehicles through different surfaces to identify abnormal noises in the vehicle and make corrections if needed.
- Weight optimization: We strive to achieve the highest vehicle safety ratings, world-class NVH ratings, and reliable and durable vehicles while also reducing the weight in the vehicle as much as possible, understanding that mass and weight in EVs is detrimental to cost, performance, range, and efficiency. Our relentless attention to weight optimization allows us to achieve better fuel economy and range with fewer materials in the long term. Weight optimization allows us to use fewer resources from our environment in our products while still delivering the highest quality experience to our customers.



Product Safety & Quality

Quality Management: ISO 9001

Our Arizona manufacturing facility, in its very first year of operation, achieved ISO 9001:2015 certification, the most widely accepted product safety and quality standard. This achievement is a symbol of our commitment and dedication to ensuring quality products.

The ISO 9001 standard outlines requirements for a quality management system that supports product consistency, quality, and safety through policies, processes, and procedures. This certification includes training of our employees, certified inspectors located in different key areas of the facility so we can maintain quality in every stage of our process in a consistent way, quality internal and external audits for safety, and critical elements and processes to identify, document, investigate, evaluate, and correct/resolve concerns. We also conduct regular risk assessments to test adherence to the standard and effectiveness of our processes. Following these ISO standards helps Lucid to meet our own expectations and those of our customers when it comes to quality and safety.



Supplier Quality

We also rely on Lucid's partners to help maintain high levels of quality in our vehicles, supported by our Supplier Quality team. We work closely with our suppliers to make products right the first time, which helps to reduce waste associated with rework or scrapping parts. The Supplier Quality team supports our goal of developing the best final product possible by using a robust quality planning and parts approval process.

Program highlights:

- Lucid's supplier quality manual helps us manage and communicate quality compliance and is updated annually
- We expect our suppliers to comply with ISO 9001 or IATF 16949 certifications
- We provide quality trainings multiple times per month to ensure company expectations are met
- We conduct onsite audits of our suppliers for quality assurance, control, and potential sourcing of future programs
- Our Supplier Quality team assesses the capability and capacity of potential suppliers to meet minimum Lucid requirements for quality systems to produce best products and continuously improve
- We produce monthly supplier quality scorecards based on quality, defects, etc., to evaluate supplier performance

03: Environmental Engagement & Operations



Introduction



“Lucid’s sustainability efforts are central to our day-to-day operations and stakeholder engagement strategy. To have true impact and drive environmental progress, we must collaborate across a broad range of external audiences and partners to promote and strengthen sustainability programs around the world.”

—Jessica Nigro
Vice President of External Affairs

Though the majority of our environmental impact lies in how our products are made or used, Lucid is also committed to reducing emissions in our own operations and, where possible, engaging externally to lower emissions beyond our own walls. As we grow as an organization, we are building systems for robust data collection both to better measure our operational impact and to further enhance our approach to and disclosure of that impact. Below are some of the qualitative highlights of our environmental program today. We are dedicated to improving this impact as we scale.



Engagement

Embedding Sustainability in Our Culture

Internal engagement is a critical component of our approach to sustainability. Lucid's employees are passionate about improving environmental impact both in their work at Lucid and in their personal lives. Through our employee resource group, Sustainability @ Lucid, we leverage our employees' passion to drive a sustainable culture and mindset across our global operations. Some highlights of initiatives include bike challenges, improving recycling practices within our offices, volunteering in our local communities, and leading educational webinars for our employees to drive our sustainable culture further. To date, we have over 600 members in our active chapters, leading efforts in offices in California, Arizona, Saudi Arabia, and the Netherlands.



Leading by Example

Lucid regularly engages with groups across the globe to support the decarbonization of the transportation sector as well as the ongoing improvement of EVs as a whole. This includes participating in high-visibility events such as:

- **Climate Week NYC:** Since 2022, Lucid has been increasingly engaged in Climate Week NYC, one of the largest annual climate events of its kind. We offer Climate Week Demo Drives out of our local New York studio to help generate discussion among speakers, hosts, and participants on electric mobility and efficiency, and decarbonizing the transportation sector. Additionally, in 2023 our head of investor relations participated in a roundtable discussion, The Evolution of Corporate Sustainability Regulation, at the United Nations Global Compact USA Network's Sustainable Development Goals (SDGs) Summit.
- **Global Sustainability Congress:** In 2023, Lucid took part in the Global Sustainability Congress hosted by the King Abdullah University of Science and Technology (KAUST). This event brought together higher education professionals, governments, and industry with over 1600 thought leaders and innovators to discuss urgent solutions to the climate crisis and to meet the United Nations' Sustainable Development Goals (SDGs). Lucid's CEO and CTO, Peter Rawlinson, and our Vice President and Managing Director of Lucid Middle East, Faisal Sultan, spoke about how our work supports the SDGs related to responsible consumption and production, industry innovation and infrastructure, and economic growth.

UNGC Climate Ambition Accelerator

Lucid is a proud participant in the United Nations Global Compact (UNGC), and part of our commitment to join the organization is to take action in support of the UN SDGs. We were members of the 2023 cohort of the Climate Ambition Accelerator program, which equips companies with the knowledge and skills their leaders need to accelerate progress towards setting emissions reductions targets. It aims to scale-up credible climate action across companies of all sizes, sectors, and regions, enabling them to deliver meaningful commitments to reduce emissions at scale. Through our efficient EVs, Lucid already has a powerful impact on decarbonizing the transportation sector, and we are proud to take part in this initiative to develop a pathway to further reduce emissions.

Engagement

Public Policy Advocacy

Our public policy efforts are instrumental in setting the bar higher for the rest of the industry by showcasing Lucid's sustainable impact. We advocate for strong environmental policy to increase the adoption of sustainable technology like EVs and a greater focus on efficiency to maximize our planet's precious resources. To learn more about our advocacy efforts for decarbonization topics like EV adoption and efficiency, please go to our [Public Policy & External Affairs section](#).

Dream Ahead Tour

As part of our product marketing efforts, we traveled around the country to showcase our EVs and technology. This tour was highlighted in a White House fact sheet released in April 2023 as part of the [President's EV Acceleration Challenge](#), promoting actions by the private sector, nonprofits, and state/local governments to encourage EV deployment. As part of consumer EV education and support, Lucid committed to demonstrate Air Grand Touring's 516-mile range in the 42-city Dream Ahead Tour over an 8-month period in 2023 to show Americans how efficient EVs can provide consumers the range they need while using less energy and reducing costs.



Environmental Operations

Purposeful, Continuous Improvement

From our production facility in Casa Grande, Arizona to our vehicle reassembly facility in Saudi Arabia, we have designed our manufacturing sites to minimize carbon emissions where practical through energy efficiency. We strive to reduce the environmental impact of manufacturing while maintaining our relentless drive to produce high-quality vehicles for our customers, and our ongoing efforts to collect performance data and set our baseline will help improve our environmental impact wherever possible. Our operational activities are guided both by our environmental policy and environmental management system and underpinned by our principles of continuous improvement.



“At Lucid Motors, we are focused on developing and manufacturing some of the world’s most efficient electric vehicles. We recognize the importance of environmental impact not just in our products but across our whole value chain, and have designed our operations with efficiency in mind and plan to continue to improve as we grow.”

— Steven David
Senior Vice President of Operations



Environmental Operations

Arizona

Environmental Management System - ISO 14001

Our Environmental, Health, and Safety Policy outlines our commitment to building and maintaining a practice of environmental protection in our operations. As a demonstration of our commitment, we achieved an ISO 14001 certification for our Arizona factory, which provides a framework for a proactive and systematic approach to environmental practices, less than one full year after the start of production in our Arizona facility. This certification is the most used framework for an Environmental Management System (EMS) and is designed to help organizations improve their environmental performance through more efficient use of resources and reduction of waste. This program supports us in finding efficient and standardized methods to continuously improve our environmental impact. This program encompasses training, measurement, and monitoring of data, and corrective actions for continual improvement for environmental practices.



Energy Efficient Design

Building a greenfield site provides an opportunity to think of energy efficiency from the start rather than retrofitting an old location. As we build out our sites, we seek ways to design the facilities to minimize energy use and emissions once they are running. This includes prioritizing LED lighting, using demand response lighting controls, using chilled water to improve HVAC and process water efficiency, and using Variable Frequency Drives on mechanical motors to improve efficiency and lower the overall energy costs on larger motors. We plan to continue to identify and execute opportunities to reduce energy usage and emissions across our facilities both through building and process efficiencies.

In addition, as of September 2023, the installation of energy efficient equipment at existing and newly constructed facilities in Arizona has resulted in more than \$1.2 million in rebates from a local utility company. The utility company provides incentives to companies that select resource efficient equipment as a part of the manufacturing process. Seeking out opportunities to finance energy efficient processes supports our initiative to further energy and emissions reduction.

Renewable Energy

Renewable energy is an important part of our strategy to reduce emissions from our operations. We currently have up to a 1-megawatt (MW) capacity solar power system in Arizona as a solar carport. The energy generated goes directly into powering our plant. To light our parking lots, we have installed solar-powered LED lighting. We also have rooftop solar panels at our headquarters in California, giving us a total capacity of up to 2 MW across all our sites. Lucid recognizes the need to increase the use of renewable or carbon-free energy and we are actively working to increase renewable energy generation and purchases where possible.

AMP₀₁

ADVANCED MANUFACTURING PLANT

Environmental Operations

Arizona

Logistics

We track the carbon footprint of our logistics¹² to actively pursue opportunities to reduce emissions where practical. Initiatives that we have tracked which can both reduce emissions and cost include projects like mode conversion from air to ocean, supplier localization, and network optimization either by the reduction in miles or the quantity of trucks.

Waste Reduction

We actively track our waste and seek opportunities to reduce our waste-to-landfill rate through diversion practices. Reducing packaging waste is one of our key opportunity areas; we have a dedicated packaging engineering team that has a strong focus on reducing environmental impact. Opportunities we routinely evaluate and pursue where possible include:

- Modular/standardized expandable packaging
- Returnable packaging
- New sustainable materials and continuous improvement (including evaluation of materials like biodegradable plastics, ocean bound plastics, and more)
- Collaboration with vendors to find partner opportunities to reduce waste

The pursuit of packaging sustainability represents an ongoing process of continuous improvement, including the engagement, commitment, and collaborative efforts of stakeholders at all levels. Lucid is actively engaged in this endeavor and exploring optimal methodologies to assess and cultivate packaging sustainability impact.

Water Conservation

We are committed to minimizing water use where possible and to complying with wastewater regulations across our facilities. One of the higher energy and water intensive processes in auto manufacturing is the paint booth process, where our team employs methods to significantly reduce energy and water use in the paint booth as well as to minimize hazardous air pollutants.

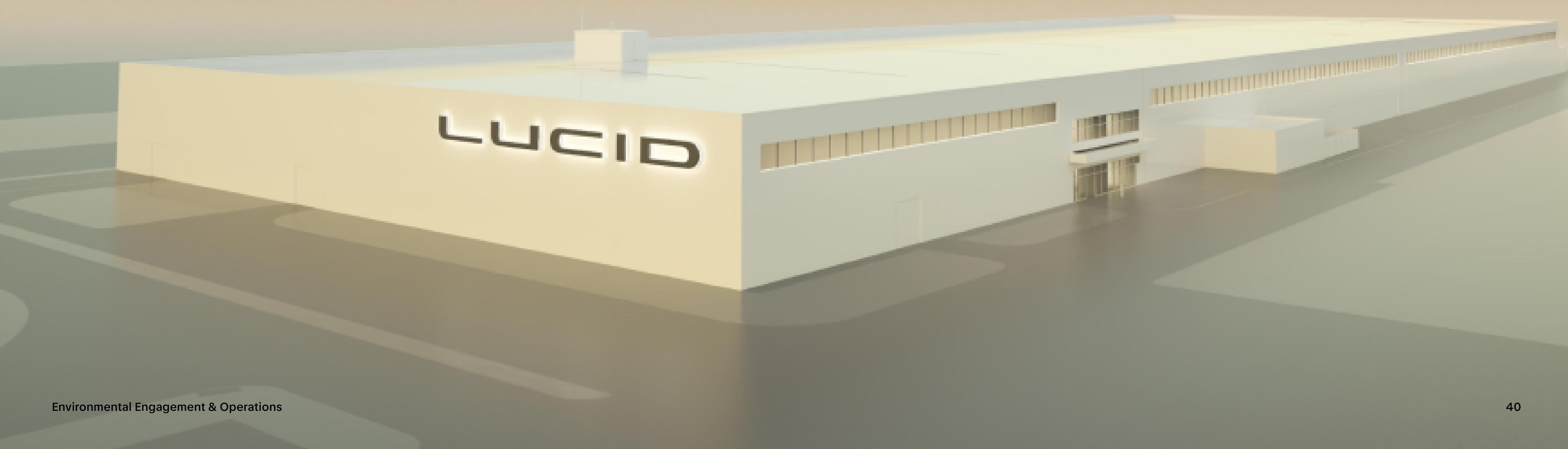


¹² Using guidance from the Green Freight Handbook created by Environmental Defense Fund (EDF) to refer to the freight emission factors.

Environmental Operations

Saudi Arabia

As we continue to build out our new AMP-2 manufacturing site in Saudi Arabia, Lucid is taking a proactive approach to construction to minimize our environmental impact. For example, we are increasing our energy consumption efficiency by implementing a building management system that will control HVAC temperature and lighting based on optimized building operation requirements with advanced energy metering. Water is also a valuable and limited resource for our Saudi Arabia site, and we work to conserve water where possible. Our efforts include implementing water-efficient processes, reusing water where possible through a gray water system, metering to monitor consumption, and assessing other water treatment technologies for future expansions to significantly reduce water consumption in manufacturing operations.



04: People



Introduction



“A strong, healthy, and diverse company culture is critical to fostering the innovation Lucid continues to create in the EV industry. At Lucid, we put in place the programs necessary to broaden the diversity of people and ideas that contribute to a common goal of technological growth and sustainability to impact on the world.”

—Gale Halsey
Vice President of People

As an EV company, Lucid naturally has a strong environmental focus, but we believe supporting our employees and communities is key to creating a more sustainable future. We are building a robust talent development program to support and encourage growth of our workforce, and we place an emphasis on diversity, equity, and inclusion (DEI) across our global locations. We further recognize that our organization can have significant impact beyond our walls, and we are dedicated to supporting human rights across our value chain and supporting our communities across the globe.



DEI

Representation Matters at Lucid

Diversity, equity, and inclusion (DEI) is an essential part of who we are. We value the diverse perspectives, experiences, and identities of our employees who reflect the communities we serve. Our differences spark innovation and drive us forward, and we are committed to fostering an equitable and inclusive culture that empowers us to bring our best selves to work and achieve our mission to build a better future together.

Our DEI work is centered around three strategic pillars, which represent the three ways we unite:

- **Workforce:** Grow a workforce that represents the diversity of our communities.
- **Culture:** Foster an inclusive and equitable culture where all can thrive.
- **Community:** Be key contributors by engaging with and investing in local communities.



DEI

Workforce

UNGC Gender Accelerator

Lucid is a proud participant in the United Nations Global Compact (UNGC), and part of our commitment is to take action in support of the UN Sustainable Development Goals (SDGs). This year, we joined the 2023 cohort of the Target Gender Equality Accelerator program. This program allows companies participating in the UNGC to deepen their implementation of the Women's Empowerment Principles and to strengthen their contribution to the SDGs through tools and learnings that support meaningful progress towards the SDGs.

Society of Women Engineers SWE22

Lucid is proud to be on the Society of Women Engineers (SWE) Corporate Partner Council. This organization aims to empower women to achieve their full potential in careers as engineers and leaders, expand the image of the engineering and technology professions as a positive force in improving the quality of life, and demonstrate the value of diversity and inclusion. In October 2022, members of our employee resource group Women @ Lucid attended professional development sessions and simultaneously recruited women and underrepresented minority engineering talent into the organization.

Women MAKE Awards

In 2022, Lucid nominated five employees for the National Association of Manufacturer's (NAM) 2023 Women MAKE Awards, which recognize women in science, technology, engineering, and production who exemplify leadership within their companies. This U.S. national honor identifies top talent in the manufacturing industry and encourages mentoring to inspire the next generation of women to pursue manufacturing careers. In our first year of nominations, one of our nominees was selected as an Honoree and was celebrated along with other Honorees at the annual award ceremony in Washington, D.C. In 2023, we nominated six women and are awaiting the final results.



DEI

Culture

Lucid is committed to creating a culture where employees are empowered to thrive. This includes many different projects and initiatives, and we are constantly looking for new opportunities to support our employees. Highlights of these initiatives include:

- Our employees have rallied together to form communities of belonging known as Employee Resource Groups (ERGs) that support and empower historically excluded affinities. In July 2023 we hosted our first Belong @ Lucid Employee Fair at our headquarters in Newark which was designed to help Lucid employees find community or communities within Lucid, whether it is through official Lucid ERGs, interest groups, or connecting with other team members throughout the event.
- Lucid has seven ERGs. They are an official function of Lucid and have goals dedicated to company priorities, furthering DEI at Lucid, and creating impact for its member base. ERGs are open to all who identify, and all allies are welcome.
- In our Newark headquarters, Lucid converted single stalls into inclusive restrooms equipped with signage to educate employees on the importance of these inclusive spaces.
- To promote more inclusive meetings and discussions, Lucid created over 200 conference and meeting room tent cards that include practical tips on inclusive language as a reminder to employees participating in day-to-day meetings and conversations.
- We have created processes to ensure that employees are able to use their preferred name or nickname to display in all digital Lucid systems to foster a sense of inclusion and belonging.
- We regularly host educational webinars and "Safe Spaces" through our ERGs to educate, create awareness, and offer a channel for safe expression. The "Safe Spaces" provide a channel for employees to discuss difficult topics, including responses to major global events and climate anxiety. The sessions end with additional tools and resources employees can use to support their mental health and continue building space for challenging conversations.



DEI

Culture

DEI Training

We believe in the value of education to drive a diverse and equitable company culture. For this reason, we launched our "DEI Fundamentals" eLearning to provide a foundational understanding of DEI topics in the workplace and build awareness of how everyday actions have an impact on each other's sense of inclusion and belonging at Lucid.

Additionally, we recognize that leaders need to be equipped to create inclusive and equitable environments where teams can thrive. Starting in March 2022, we embarked on a journey to provide coaching on the topic of "Inclusive Leadership" to our executive teams and senior leadership. Through these learning opportunities, executives and senior leaders were guided through the creation of DEI action plans to foster a culture of inclusion and belonging.

Culture & Leader Effectiveness Survey

At Lucid, we believe in creating a feedback culture in order to continuously learn and improve. In July 2023, we launched our first-ever Culture & Leader Effectiveness Survey. The purpose of this survey was to obtain direct confidential feedback from all employees about their views on the current state of Lucid's culture and insight into how effectively our leaders are supporting their teams across the organization. The feedback will allow us to identify organizational opportunities and develop action plans to increase leader effectiveness and accountability. The inaugural survey response rate was 76% of employees. We believe that this feedback is critical not only for the well-being and satisfaction of our employees but also for our company's overall success. We plan to request feedback semi-annually as we move forward.



DEI

Employee Resource Groups

Our employees have rallied together to form communities of belonging, commonly known as employee resource groups—or ERGs—to support and empower historically excluded affinities. Each ERG creates impact through programs and events put on for their members.

Women at Lucid

Our first ERG, Women at Lucid, was launched alongside International Women's Day on March 8, 2021. It's comprised of strong women from across the company who are creating space for women to share stories, develop professionally, and mentor others. The group also strives to provide mentorship and resources to women and girls in the community. In February 2023, Women at Lucid hosted over 100 educators from Pinal County Middle Schools for Lucid Science Technology Engineering Art Mathematics/Manufacturing (STEAM) Educators' Day during which educators were provided tools and resources to best serve their students and encourage STEAM education.



Pride at Lucid

The second ERG launched at Lucid was for our LGBTQIA+ colleagues and allies anchored in the mission to celebrate the contributions of all Lucid employees to the company's success — regardless of their sexual orientation, gender identification, or gender expression. In July 2023, as part of Pride Month celebration, the group hosted Raffi Freedman-Gurspan, Deputy Director of Public Engagement at the United States Department of Transportation (USDOT), LGBTQ and gender equality policy expert, and dedicated champion of human rights.



Veterans at Lucid

The Veterans at Lucid ERG is made up of veterans who've served or are currently serving in the armed forces across the globe. Veterans @ Lucid has made space for the Veterans by creating a Lucid challenge coin and erecting Missing Man Tables for Memorial Day and have honored the fallen by planting over 2,000 flags at National cemeteries.



DEI

Employee Resource Groups

Sustainability at Lucid

The Sustainability at Lucid group brings employees of all backgrounds together who have a passion for Sustainability. The group's aim is to drive sustainability mindset and culture at Lucid through various projects and events which focus on greening the spaces in which we operate, education, culture change, and community engagement. Notably, Sustainability at Lucid hosts several environmentally focused volunteering activities throughout the year in California, Arizona, and Amsterdam with goals of targeting more and more of the communities that Lucid inhabits.



Black at Lucid

The Black at Lucid ERG helps uplift and amplifies Black voices at Lucid. This is done through hosting safe spaces for Black employees, contributing to local communities, building camaraderie through Juneteenth Cookouts, and providing professional development webinars bring prominent Black speakers.



HOLA at Lucid

The Hispanic and Latine Organization for Leadership and Advancement at Lucid is vibrant community for Hispanic and Latine employees to come as authentically as they are. HOLA has been honoring the diverse cultures of the members through story telling on blog posts, educating the company on their rich heritages and creating a community sourced cookbook featuring the recipes of their familias.



AaPI at Lucid

The Asian and Pacific Islanders at Lucid ERG is focused on create authentic space for our Asian, Pacific Islanders, Middle Eastern employee around the world. This is done through programs that focus on enriching professional development, cultural education such bringing Lion dancers for Lunar New Year or coloring the campus for Holi, and community engagement like racing in Dragon Boat races.



DEI

Community

As our third pillar of our DEI mission, we believe it is important to uplift DEI topics not only within our own walls, but also in the communities where we operate. Please go to our [Philanthropy & Volunteering section](#) to learn more about our community engagement efforts from our DEI channels and broader organization.



Talent & Development

Benefits, Compensation Plans, & Programs

Lucid offers a wide range of competitive benefits to support the needs and well-being of our employees and their families. Benefits are comprehensive, balanced, egalitarian, cost-conscious, standardized and compliant regardless of region or location. Our benefits package for full-time employees, which varies by country, can include medical, dental, vision, life insurance, disability insurance, time-off, and retirement savings matching. We offer competitive compensation to attract and retain the best and brightest people in the world, and we help care for our people so they can focus on our mission. Our employees' total compensation package includes salaries, bonuses, and equity offerings. We generally grant Lucid stock awards to our full-time employees and offer an employee stock purchase plan to eligible employees globally – we want Lucid team members to share in our success as a business.

Some highlights of our program include:

- An equity program and/or a discretionary annual incentive program, subject to the rules governing such programs and individual and company performance.
- Mental health benefits through our partnership with Modern Health for personalized coaching/counseling for physical, emotional, financial, relationship, and professional health.
- Fertility and family forming assistance through our partnership with Carrot, including family-forming education, IVF, egg freezing, and adoption.
- Medical coverage includes gender-affirming benefits, lifestyle medications and support for wellbeing, such as smoking cessation, weight management, menopause, and low testosterone.

Customer-Facing Employee Protections

At Lucid, we pride ourselves on creating an environment where everyone feels safe and valued. It is imperative that we keep an open line of communication for any customer-related harassment concerns. We provide training to all customer-facing roles intended to reinforce our commitment to protect employees from harassment and other inappropriate conduct, help our employees understand everyone's role in preventing, identifying, and addressing harassment or other inappropriate conduct, and outline support mechanisms for and actions to be taken when addressing harassment or other inappropriate conduct.



Talent & Development

Health & Safety

We have instilled an expectation and culture of health and safety in our workplace. We believe that this is critical to ensure that our processes, tools, and teams are designed and oriented with a risk prevention focus. One of the key objectives in our Environmental Health and Safety (EHS) policy is to protect our employees through a proactive and systematic approach to safety and health management. As a manufacturing company, we are also committed to ensuring workplace health, safety and environmental protection for our suppliers, business partners, customers, and other stakeholders.

To demonstrate our commitments, in 2022 we achieved voluntary ISO 45001 certification for our Arizona manufacturing site which validates our system of continuous improvement to reduce occupational risk and improve worker safety. This certification of our EHS management system helps us to improve overall EHS performance, regulatory compliance, risk management, and injury prevention. Through the standards in the ISO certification, it increases engagement with our EHS programs and allows us to ensure adherence to standards, procedures, and continual improvement. Through this system we have defined KPIs and metrics across the facilities based on leading and lagging indicators. This allows us to track our performance and output of our incidents such as EHS impacts, continuous improvement safety suggestions of employees, and lost time incident rates.



Talent & Development

Learning & Development

At Lucid, we are committed to supporting the growth and development of our employees. We believe that learning helps our organization grow, increases our awareness, and contributes positively to our organization's business results. Our approach to learning and development is centered on two key pillars: skillset and mindset. With skillset, we work to ensure that employees have the skills they need to perform their jobs and continuously improve and develop. The mindset pillar focuses on supporting employees to approach their work with an open mind toward continuous improvement. Highlights of our learning and development opportunities include:

- **New Hire Training:** We provide new hires with robust training and onboarding as they begin their journeys at Lucid. They have access to a centralized repository which includes tools and resources to guide them through a successful onboarding journey. In addition, new hires also have access to an employee peer-to-peer forum to ask questions and reinforce connections across the company. Lucid has implemented a roadmap of surveys to obtain actionable feedback on the onboarding experience, launching a day one, 30-day, and 90-day feedback survey to employees to understand the Lucid onboarding experience.
- **Stretch Assignments:** Employees have the opportunity to volunteer for cross-learning stretch assignments in our Logistics and Field Delivery areas to experience other aspects of the business and broaden their skillsets. These learning experiences coupled with our performance approach provide a consistent, predictable, and transparent framework across Lucid to enable employee growth and drive performance.
- **Junior Maintenance Technician program:** The Junior Maintenance Technician program gives Lucid employees the opportunity to broaden their skills and advance in the company by allowing employees interested in maintenance to apply for a Junior Maintenance Technician position. If selected, participants in the two-year program receive On-the-Job Training (OJT) with a mentor assigned by their supervisor, use a performance-based skills check sheet, and attend classes at the local community college to provide core maintenance skills. During the two-year period the Junior Maintenance Technician is intended to progress from Junior Technician to Technician.

- **Broader skills training:** We regularly host live learning sessions for employees and people leaders around the globe that are designed to address real-time challenges and develop solutions through shared experiences. These sessions are co-facilitated by subject matter experts and senior leaders who offer critical tips and insights combined with opportunities for peer learning on topics such as leading through change, resiliency, and project management.

ISO Training for Certification Maintenance

Our Arizona AMP-1 location is an ISO-certified facility for three certifications: Quality: 9001, Environmental: 14001, and Health and Safety: 45001. In order to achieve and maintain these certifications, we are required to train, track, and develop our employees in these topic areas. As we create these critical trainings, we build upon the requirements to ensure our employees are equipped with the tools they need to be successful at Lucid, including specific role-based training where appropriate.



Community Engagement

Job Creation

We support our local communities with high-quality, high-paying, green jobs. Lucid is currently the largest employer in Pinal County, Arizona, where our AMP-1 manufacturing site is located. As the state leader in automotive manufacturing, Lucid trains all our manufacturing team members at a state-of-the-art training facility developed in conjunction with Central Arizona College, called Drive48. The Drive48 training facility represents a unique collaboration among government, industry and academia to bolster Arizona's workforce training and development efforts. The state-of-the-art facility serves the region and state by providing a training center for high-tech manufacturing jobs in fields such as automotive assembly, advanced manufacturing, heavy equipment and more. Drive48 trains Lucid employees in current EV technology and advanced manufacturing practices, promoting and growing the pipeline of workers equipped for green jobs. Furthermore, Drive48 steers the next generation of talent to advance their skills and inspires the pursuit of higher education with the goal of creating a robust talent pipeline prepared for work in the EV and advanced manufacturing sectors.



Community Engagement



Philanthropy & Volunteering

It is important to give back to our local communities where we can. Lucid hosts various events, fund-raising drives, and volunteer opportunities in our communities around the world. Our primary focus has been on supporting our local communities through STEAM education and local DEI efforts. Below are some of the highlights of our recent events:

United Way

Lucid joined the United Way of Pinal County in Arizona to support various programs such as GED scholarships, rental and utility assistance, childcare assistance, and more. In 2022 we held a fundraising campaign and raised over \$130,000 for this cause. As thanks for our contributions, the Mayor of Pinal County presented Lucid with a key to the city.

FIRST Robotics Competition

Our Arizona team actively supports the FIRST Robotics competitions, whose mission is to "inspire young people to be science and technology leaders and innovators by engaging them in exciting mentor-based programs that build science, engineering, and technology skills, that inspire innovation, and that foster well-rounded life capabilities including self-confidence, communication, and leadership." Lucid sponsored a team in Arizona, enabling their participation in two events, and our Lucid mentors contributed roughly 120 hours of volunteer time.

Community Engagement

Philanthropy & Volunteering

Pinal County Teacher Event

In February 2023, our Arizona manufacturing site hosted educators from Pinal County Middle Schools for Lucid Science Technology Engineering Art Mathematics/Manufacturing (STEAM) Educators' Day. This project, led by our Women @ Lucid ERG, supports underrepresented students entering careers in the STEAM field. The event included inspiring presentations from Lucid senior executive leaders as well as greetings from Arizona governmental officials. Participating educators attended five sessions throughout the day that were led by women engineers across Lucid representing various manufacturing and engineering roles.

Partnership with Newark Memorial High School

We are dedicated to serving as a partner for education and development, especially in STEAM studies, to inspire and create skill-building opportunities for students. Near our headquarters in Newark, CA, we have partnered with Newark Memorial High School students who are hoping to build a career in the technology and automotive industries. These volunteer opportunities allow Lucid to strengthen our investments and connections in the local community and inspire students to pursue further education in critical fields.

In May 2022, volunteers from our organization served as judges for the annual student showcase event and, later that year, attended and spoke at the grand opening of the new STAR Academy space focused on providing students the tools and resources to excel in the computer science and technology industry. This year, 11 Lucid volunteers participated in a final project for their Mission Valley Regional Occupational Program business/entrepreneur students and conducted over 60 mock interviews to prepare students for future resume, interviewing, and portfolio presentation skills. This provided students an opportunity to practice professional and career-building skills with local professionals.



Community Engagement

Philanthropy & Volunteering

Supporting DEI in the Community

One of the key pillars of DEI program is supporting our communities, and our employee resource groups are actively involved in their communities. Some highlights of their activities include:

- Community Child Care Council (4Cs) of Alameda County: Teams and ERGs from Lucid HQ campus adopted an estimated 26 families in partnership with 4Cs of Alameda County. Families made a holiday wish list of essential necessities including grocery gift cards, diapers, and winter coats and nice to have items such toys and self-care items. Lucid employees rallied to make sure every person had an exceptional holiday by donating an estimated \$15k through personal cash or other donations.
- Veterans at Lucid volunteered at National Cemeteries across the U.S. to plant over 2,000 flags into Veterans gravestones.
- Pride at Lucid sponsored a table at Billy DeFrank LGBTQ+ Community Center's annual gala to raise funds to support programs for the Silicon Valley LGBTQIA+ community.
- Black at Lucid attended Alameda County's Science in the Park to help inspire students to consider a future career in STEM.
- Veterans at Lucid and Women at Lucid partnered with the U.S. Marines' Toys 4 Tots Program in both Arizona and Newark, CA. The teams were able to collect over ten boxes of toys for Maricopa and Alameda children in need.
- Sustainability at Lucid in Arizona supports roadside cleanup activities twice a year for the Adopt-a-Street program sponsored by the City of Casa Grande. Lucid employees volunteer in April and October each year to collect trash and debris from the street that creates the northern boundary of the property.



Community Engagement



Philanthropy & Volunteering

Car Donations

Our EVs not only have a positive environmental impact, but we seek to find ways to support our local communities with our vehicles too. In November 2023, we donated two Lucid Air Kingdom Dream Editions to a charity auction in Saudi Arabia. Proceeds from the sale of these special numbered edition vehicles went to DSCA, a non-profit organization empowering parents of children with Down Syndrome.

Community Engagement

Digital Twins

A digital twin is a digital representation of a physical object, system, process, or region designed to help an organization simulate real situations and their outcomes, ultimately allowing it to make better decisions. Lucid is leveraging this technology as we build and expand our manufacturing sites in Arizona and in Saudi Arabia to ensure we are building in a way that enables sustainable growth for both Lucid and the communities in which we operate.

In both locations we are collaborating with local governments and other key stakeholders to create dynamic models of the regions as a complex system of systems. Ultimately, the digital twins will facilitate the planning, implementation, and operation of key infrastructure (such as roads, rail, energy, water, sewage) and services (such as healthcare, education, social, safety). This technology also provides a compelling way to engage the community at large.



Human Rights



We consider human rights to be a critical dimension of business operations and we take our responsibility to respect and uphold them seriously. As Lucid grows, we are committed to respecting human rights, protecting human dignity, and promoting equality for all. We strive to identify, prevent, mitigate, and remedy adverse human rights impacts throughout our operations and broader value chain, and we expect our suppliers and other business partners to do the same.

We have begun to build a robust human rights program to address the various potential human rights risks in our operations. We have made progress in establishing the foundation of our program but also recognize that addressing human rights is a complex and challenging issue given the intricacy of our operations and supply chain, which spans multiple tiers and countries around the world.



“As an ever-expanding global company, Lucid is committed to its responsibility to protect human rights. Our company invests time and resources to protect those rights through critical programs, policies, and partnerships, and Lucid is always looking to improve upon these efforts across our supply chain as human rights are such an important critical component to driving societal progress.”

—Kevin Callanan
Vice President of Supply Chain

Human Rights

Governance

Human Rights are a priority for our sustainability program and is managed under our general ESG governance structure which includes human rights policies and program oversight by our CEO and Nominating and Corporate Governance Committee of the Board of Directors. We have established a cross-functional Human Rights Working Group comprised of leaders from Corporate Communications and External Affairs, Legal, Human Resources, and Supply Chain, and led by our Human Rights team. This working group meets regularly throughout the year to approve the overall strategic direction of the program, approve all new policies and public disclosures, monitor any emerging trends and risks, address stakeholder feedback, and provide oversight of any significant risks and remediation.

Human Rights Due Diligence

We have begun developing a risk-based approach for our human rights due diligence program to monitor and assess risks in our operations and value chain. Lucid worked with a third party to perform a human rights risk assessment and develop a human rights due diligence process that includes requirements for direct and indirect suppliers, risk assessment procedures, due diligence, compliance assessment methodology, and corrective action and remediation procedures. This framework is modeled on the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business and United Nations Guiding Principles on Business and Human Rights. In addition, our new supplier procedures include a public records screening for any potential risks for human trafficking and forced labor, amongst other issues, prior to contracting with new suppliers. Lucid has also completed a risk assessment of our suppliers by materials and locations.



Human Rights

Memberships

We recognize and support an open and ongoing dialogue with our stakeholders to inform and educate our own human rights program. Joining human rights organizations enables us to push the industry forward through collective advocacy while further supporting the advancement of our own program through access to knowledge and resources.

Specific to human rights topics, Lucid is a member of the below organizations. We have also joined various forced labor-related working groups to further support industry-wide action:

- **Automotive Industry Action Group (AIAG):** AIAG is a not-for-profit organization where OEMs, suppliers, service providers, government entities, and individuals in academia have worked collaboratively for more than 41 years to drive down costs and complexity from the automotive supply chain.
- **Responsible Business Alliance (RBA):** RBA is the world's largest industry coalition dedicated to responsible business conduct in global supply chains. Members gather and collaborate with peers and stakeholders to discuss the most pressing challenges and meaningful solutions.
- **Responsible Minerals Initiative (RMI):** With more than 400 member companies, RMI is one of the most utilized and respected resources for companies from a range of industries addressing responsible mineral sourcing issues in their supply chains.
- **United Nations Global Compact (UNGC):** UNGC challenges companies to conduct business responsibly by aligning their operations and strategies with the UN's Ten Principles which pertain to human rights, labor, environmental practices, and anti-corruption. It also commits companies to take actions in accordance with the UN Sustainable Development Goals (SDGs). These goals provide a powerful aspiration for businesses, governments, civil society, and citizens to make a better world. By joining the UNGC, organizations commit not only to sustainable practices but also to enhancing transparency. Participation in the UNGC requires signatories to report yearly on their commitment to the universal sustainability principles and development goals.

Policies & Public Disclosures

To learn more about our policies & disclosures, please see documents below:

- [Responsible Sourcing Policy](#)
- [Code of Business Conduct and Ethics](#)
- [California Transparency in Supply Chains Act Statement](#)



05: Business Fundamentals



Introduction



“Thoughtful governance is key to upholding responsible business practices. Our structure and policies provide a strong foundation for innovation, growth, and opportunity and facilitates our ability to create best-in-class technological advancements. It is these same systems that promote continued progress in our environmental and social initiatives.”

—Matthew Everitt
Sr. Vice President and General Counsel

Sound governance practices are critical to our success as a business and a foundational element of our sustainability program. We are committed to establishing and maintaining structures that oversee environmental, social, and governance (ESG) issues across our business and ensure responsible practices, including in product environmental impact, health and safety, talent, culture, community engagement, honesty and ethics, cybersecurity and privacy, and risk management. We are also committed to leveraging our influence for sustainable progress, engaging in transparent public policy efforts to advocate for sustainable practices in transportation.



Corporate governance

Board of Directors

Our Board of Directors (Board) sets high standards for our employees, officers and directors. Implicit in this philosophy is the importance of sound corporate governance. It is the duty of the Board to serve as a prudent fiduciary for shareholders and to oversee the management of the Company's business. To fulfill its responsibilities and to discharge its duty, our Board follows the procedures and standards that are set forth in our Corporate Governance Guidelines. These guidelines are subject to modification from time to time as the Board deems appropriate in Lucid's best interests or as required by applicable laws and regulations. To see our full Corporate Governance Guidelines, please go to our [Investor Relations website](#).

Board Structure

Our Board is elected annually by our stockholders to oversee the business and affairs of the Company, establish overall policies and standards, and review the performance of management. Our Board acts as the ultimate decision-making body of the Company, except for matters specifically reserved to the stockholders, and is guided by our Corporate Governance Guidelines, our Code of Business Conduct and Ethics, and the charters for each Board committee.

In 2023 we updated our Code of Business Conduct and Ethics (Code) to simplify it and make it more user friendly. It was developed to serve as guiding principles and practices for directors to promote the Board's effective functioning and to maintain the trust of our stakeholders. This Code is intended to focus the Board and each director on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, and help foster a culture of honesty and accountability. Each director must comply with the letter and spirit of this Code.

For more detailed information on our Board and Corporate Governance as well as the Code, please visit the Governance section of Lucid's [Investor Relations website](#).

Committee Structure

Our Board has four committees: an Audit Committee, a Compensation and Human Capital Committee, a Nominating and Corporate Governance Committee, and an Executive Committee. Summaries of each committee's duties are included below:

- The Audit Committee oversees our financial statements and audit functions, monitors compliance with legal and regulatory requirements, monitors cybersecurity and privacy risks, and reviews our policies and practices with respect to risk assessment and risk management, including discussing with management our major financial risk exposures and the steps that have been taken to monitor and control such exposures.
- The Nominating and Corporate Governance Committee manages Board membership, recommends Board candidates, evaluates Board performance, and monitors the effectiveness of our Corporate Governance Guidelines and policies. They oversee and periodically review our policies and programs concerning environmental sustainability, corporate social responsibility, and governance.
- The Compensation and Human Capital Committee oversees our executive compensation and benefits policies, evaluates executive officer performance and compensation, and assesses and monitors risks arising from our compensation policies and programs.
- The Executive Committee reviews, discusses with management and makes recommendations regarding the implementation and execution of our business plan, operational performance and certain other matters and approves transactions within a certain range set by our Board.

Charters for each committee are available on our [Investor Relations website](#).

Corporate governance

Board Diversity

We are committed to diversity and inclusion, and the diverse composition of our Board reflects that commitment. We believe that a variety of experiences and points of view contributes to a more effective decision-making process. The below Board Diversity Matrix reports self-identified diversity statistics for the Board in the format required by Nasdaq's rules.

Board Diversity Matrix (as of February 15, 2023)				
Total Number of Directors	9			
	Female	Male	Non-binary	Did Not Disclose Gender
Part I: Gender Identity				
Directors	3	6	0	0
Part II: Demographic Background				
African American or Black	1	0	0	0
Alaskan Native or Native American	0	0	0	0
Asian	1	1	0	0
Hispanic or Latinx	0	0	0	0
Native Hawaiian or Pacific Islander	0	0	0	0
White	1	5	0	0
Two or More Races or Ethnicities	0	0	0	0
LGBTQ+	0	0	0	0
Did Not Disclose Demographic Background	0	0	0	0

Sustainability Governance

Lucid is dedicated to creating and executing a robust sustainability strategy that prioritizes material environmental, social, and governance (ESG) topics that maximize our ability to positively impact our environment and society, meet investor expectations, and instill pride and purpose in our employees and customers. We recognize that in order to have the most effective approach to sustainability as an organization, we must have a sound ESG governance structure to guide strategic, cross-functional efforts.

We have established a senior cross-functional leadership group, our ESG Steering Committee, to provide direction for the company's sustainability vision while leading and tracking progress of company-wide initiatives. This group is comprised of senior executive leaders and has met at least quarterly since 2021 to drive our strategic approach to and execution of ESG and sustainability topics such as greenhouse gas emissions and decarbonization; diversity, equity, and inclusion; partnerships; human rights; and reporting. In addition, a dedicated ESG and sustainability team is driving our efforts to implement a leading strategy and program.

Our ESG Steering Committee is comprised of leaders from departments considered most critical to ESG & sustainability strategy across our business:

- Co-Sponsor: VP, External Affairs
- Co-Sponsor: VP, People
- Chief Financial Officer
- SVP, General Counsel
- SVP, Design and Brand
- SVP, Operations
- SVP, Product and Chief Engineer
- VP, Supply Chain
- Sr. Director, Investor Relations
- Sr. Manager, ESG and Sustainability

Together with our CEO, the ESG Steering Committee reports to and advises our Nominating and Corporate Governance Committee of the Board, which oversees and reviews Lucid's policies and programs concerning its environmental sustainability, corporate social responsibility, and governance.

Corporate governance

Stakeholder Engagement

As a part of our regular efforts to ensure that we maintain awareness of the latest key topics in the ESG space, we engage with key external stakeholders and incorporate available public data into our decision-making processes. This includes evaluation of opportunities to enhance scores with key raters and rankers to enhance both our programs and our disclosures, connecting directly with investors to learn about key trends and priorities in the investor space, and connecting with environmental and social non-profit organizations for resources and insight.

“As a mission-driven company, we strive to improve each day in order to inspire the adoption of sustainable transportation. We believe engagement and collaboration with a range of stakeholders to enhance our best practices and programs can help us to exceed our goals and expectations.”

—Maynard Um
Senior Director of Investor Relations



Public Policy & External Affairs



Advancing Global Environmental Policies

Lucid's mission to advance sustainable technologies cannot be achieved without complementary government policies supporting environmental protection and addressing the climate crisis. For this reason, Lucid strongly advocates for stringent environmental policies such as efficiency incentives, stronger greenhouse gas emissions standards, and related regulatory topics in the United States, Europe, and the Middle East, the markets in which we have presence. We are committed to ethical and transparent lobbying practices. All advocacy is compliant with the laws and regulations in the relevant jurisdiction and with Lucid's Lobbying Policy, which has been reviewed and approved by senior management.

Public Policy Team

We have a dedicated Public Policy team engaging with national, local, and regional governments to enact policies that support our mission. This team advocates for strong environmental policy in U.S. states, the U.S. federal government, Canada, the European Union (EU), governments of EU Member States, other European countries, and countries in the Middle East on topics including progressive climate regulations, greater investment in public charging networks, and stringent greenhouse gas and fuel economy rules. We have filed publicly available comments with the U.S. Environmental Protection Agency (EPA), the U.S. National Highway Traffic Safety Administration (NHTSA), the Federal Communications Commission (FCC), the California Air Resources Board (CARB), and several other U.S. states. In the European Union, our entity Lucid Europe B.V. (part of the [European Transparency Register](#) (935776746396-92)) engages with EU policymakers, sharing our positions and views to influence the lawmaking and policy implementation process in the European Union.

Trade Associations & Memberships

Lucid is part of trade associations and industry groups that enhance our impact by moving the industry forward, participating in effective collective advocacy, and building our knowledge and resources. These include organizations like The European Association for Electromobility (AVERE), CharIN, Portable Rechargeable Battery Association (PRBA), and the Zero Emission Transportation Association (ZETA).

Public Policy & External Affairs

Policy Engagement Highlights

Efficiency/Emissions Reduction

U.S.: Our technology proves the most stringent emissions regulations are not only achievable but essential to rapidly reduce emissions from the transportation sector. As such, we strongly supported the strictest emissions reduction alternative (Alternative 1) to the EPA's Proposed Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles. We believe the fastest reduction pathway is the most appropriate and immediate government response to reduce tailpipe emissions from light-duty combustion vehicles on our roadways. You can find our public comment [here](#).

EU: We are also playing an active role in the European Union to raise the bar on EV industry standards for efficiency through lobbying, advocacy, and outreach efforts. To this end, on the Commissions' Euro 7 Proposal we have proposed that standards take into greater account EV efficiency in addition to supporting the introduction of minimum battery durability requirements for EVs to encourage manufacturers to produce more efficient EVs.

Charging

U.S.: Reliable charging infrastructure around the world will have a powerful impact on EV adoption and we are undertaking collaborative efforts in this area. For example, we are an active participant in the National Charging Experience Consortium, organized by three U.S. national laboratories, which has the mission to "bring together EV charging industry members, national laboratories, and other stakeholders to develop breakthrough solutions that will quickly and substantially improve the public charging experience."

EU: We are working to enhance charging infrastructure policy in the European Union, including through the Alternative Fuel Infrastructure Regulation. We advocated for the harmonization of charging standards in the EU to enable smart and AC-bidirectional charging.

Direct Sales

U.S.: Our teams have advocated in support of direct-to-consumer automobile sales. An Electrification Coalition study examined the potential impact of requiring manufacturers to sell EVs through franchised dealerships and found that "giving consumers the freedom to buy EVs direct from a manufacturer could increase EV sales by between 360,000 and 3.9 million vehicles, with a medium case increase of about 1.4 million EVs, or a 5% increase. This potential increase in EV adoption would result in a cumulative greenhouse gas reduction of between 11 and 117 million metric tons of CO₂ emissions equivalent, with the medium case reduction of 42 million metric tons."¹³ Additionally, under a direct sales model, the standard pricing of each car can create stronger equity and can reduce discrimination in the sales process.

Safety

U.S.: Lucid believes it is important to educate and raise awareness of safety features in our vehicles. We are the first all-electric automaker to join an industry coalition focused on informing the public about automated vehicles and advanced driver assistance systems (ADAS). When used properly, ADAS can reduce traffic accidents and resulting injuries and fatalities. Through this coalition, we leverage the expertise of partners and invest in joint communication campaigns to educate consumers on automation technologies.

¹³ <https://electrificationcoalition.org/direct-sales-analysis/>

Finance

Green Bonds

In 2021, we issued an aggregate of \$2.01 billion principal amount of 1.25% convertible senior notes, which have been designated as green bonds. This issuance was one of the largest green convertible offerings in market history at that time, and it underscores our commitment to addressing climate change and environmental challenges.

All of the net proceeds from the Green Bonds were used to fund, in whole or in part, the "Eligible Green Investments" as defined on our investor page and outlined in the offering memorandum for the Green Bonds. "Eligible Green Investments" means investments and expenditures by us or any of our subsidiaries which have been made within the 24-month period preceding the date of issuance of the notes, in the case of refinancing existing investments, and up to the maturity date of the notes, in the case of financing future investments, in any of the following eligible categories: development, manufacturing or distribution of products, key components and machinery related to EVs. We were able to allocate the entirety of the proceeds from the offering towards investing in our manufacturing capabilities, inventory purchases, and research and development. For more information, please go to our [investor page](#).



Risk Management

Risk Management is Integrated Across Our Board

One of the Board's key functions is informed oversight of our risk management process. The Board believes that its current leadership structure facilitates its risk oversight responsibilities. In particular, the Board believes the majority-independent Board and independent Board committees provide a well-functioning and effective balance to an experienced Chief Executive Officer. The Board does not have a standing risk management committee, but rather administers this oversight function directly through the Board as a whole, as well as through various standing Board committees that address risks inherent in their respective areas of oversight. For example, the Board acts as the ultimate decision-making body of the Company and advises and oversees management, who is responsible for the day-to-day operations and management of the Company. Our Chief Executive Officer, Chief Financial Officer, and General Counsel work with the Board and the rest of the management with regard to the determination and implementation of responses to any problematic risk management issues. Committee Chairpersons are also responsible for reporting findings regarding material risk exposures to the Board as quickly as possible.

Our approach to risk management includes evaluation of risk in key areas of our business. This includes risk tracking tools in our supply chain that allow us to track risks of tier 1 suppliers including financial, regulatory, political, environmental, and natural hazards. Additionally, we contemplate climate-related risks in our enterprise risk framework and continuously monitor changes to our overall risk landscape.

Climate Risk Management using TCFD Framework

At Lucid we believe it is important to understand climate-related risks and opportunities. In 2022 we engaged a third party to help develop a robust climate risk and opportunity management program based on the Taskforce for Climate Related Financial Disclosures (TCFD). We leveraged our assessment framework for managing other financial risks to map to traditional enterprise risks for consistency.

To screen our climate-related risks and opportunities, we identified a group of key stakeholders with responsibilities across our business. This group ranked the impact and likelihood of risks and opportunities relevant to their business area in the absence of mitigating controls. This group was also asked to rank the effectiveness of control measures in place to manage the risk or capitalize on the opportunity, and to identify the time horizon in which the risks and opportunities could be relevant for Lucid. Lucid manages climate-related risks and opportunities consistent with our broader risk management practices. Each risk and opportunity identified is assigned to an ownership group. Risk and opportunity owners are typically leaders and managers of key business areas across the organization. Among these owners there are subject matter experts dedicated to providing strategy and management support.

An owner has the responsibility of identifying related risks and opportunities, conducting ongoing assessments, developing preparedness strategies, and championing them into their broader function. Owners have been trained on the universe of risks and opportunities to monitor and we have established a network of subject matter experts they can rely on for support as these risks and opportunities are often relevant for more than one functional area.

We prioritize risks and opportunities to be addressed according to a high-moderate-low rating system.

- High-rated residual risks and opportunities: priority focus of additional attention to further explore the controls in place to manage the risk or capitalize on the opportunity.
- Moderate-rated residual risks and opportunities: closely monitor and ensure planned programs are put in place.
- Low-rated residual risks and opportunities: maintain and regularly evaluate to monitor changes.

To see the full results of our TCFD assessment, please go to our [TCFD supplement](#).



Cybersecurity & Privacy

Protecting Our Customers' Data is a Priority

At Lucid, we approach cybersecurity and privacy through the lens of trust. We understand and value the trust our customers and business partners place in us, and we believe trust is built when customers are confident about Lucid and when their fundamental need for safety is met. This includes not only physical safety when driving our cars but also security when sharing their personal information with us.

We have a passion for excellence and continuously strive to improve every area of our company within a culture of trust. It is critical to Lucid that we safeguard our customers' personal data and treat it with the utmost care every day. We do this through a keen focus on cybersecurity and privacy.

Cybersecurity and privacy are shared responsibilities within Lucid, supported at the highest level by our senior management and cross-functional leadership across the company. Our corporate values and culture further support this expectation with strong leadership oversight.

Cybersecurity

Cybersecurity is a top priority for us as we strive to create a sustainable future while also enabling business growth, maintaining regulatory compliance, and minimizing adverse impacts on Lucid's business, operations, brand value, and customer trust.

Lucid's Cybersecurity Program is based on foundational and advanced capabilities to protect against the ever-evolving cyber threat and risk landscape. We have made significant investments in people, processes, and technology to protect Lucid's connected vehicles, services, and personal information.

We are continuously assessing and enhancing our protection, detection, response, and recovery capabilities and regularly engage with the cybersecurity community to support our goals and objectives.

Privacy

Our Global Privacy Program Framework is built upon policies, standards, processes, procedures, and mandatory privacy and information security training that are upheld throughout the company. Ensuring that our Global Privacy Program Framework is robust and up to date is of utmost importance.

Governance

Lucid has established a formal Cybersecurity and Privacy governance model to effectively and efficiently provide oversight, escalate risks, and support key decision making. The governance model includes a cadence of strategic, operational, and tactical committee meetings to support regular briefings and updates for senior executives, the Audit Committee, and the Board on the status of current activities and future initiatives.

Honesty & Ethics

“Our right to operate and bring innovation to automotive consumers everywhere requires trust with all stakeholders around the globe. Our codes of conduct, training, and oversight programs promote and ensure all of our employees and key partners maintain a constant focus on honesty and integrity in every facet of our operation.”

—Brian Tomkiel
Compliance Officer

Code of Business Conduct & Ethics

Lucid’s Code of Business Conduct and Ethics (Code) sets forth our commitment to doing business honestly and with integrity. In 2023, we updated Code to simplify it and make it user friendly. This Code sets guiding principles and expectations to help our employees make the right decisions and take the right actions in all business proceedings. The Code also sets forth the business conduct and ethics expectations of Lucid’s Board and Executive Leadership and applies to all Lucid directors, officers, and employees. All employees are required to review and acknowledge the Code, and we provide regular training to employees on this document.

Supplier Code of Conduct

To do business with Lucid, all new suppliers are required to review and agree to our Supplier Code of Conduct (Lucid Supplier Code). We believe in doing the right thing even when no one is looking, and we expect our business partners to do the same. The principles and requirements in the Lucid Supplier Code promote social and environmental responsibility and ethical business conduct throughout our supply chain. These topics include anti-corruption, trade law compliance and ethical operations, conflicts of interest, human rights and labor, health and safety, environmental stewardship, and ethics.

Honesty & Ethics

Anti-Bribery & Anti-Corruption

Our Anti-Corruption Policy and approach to bribery are simple and clear:

- We do not offer or accept bribes in any form.
- We do not offer or accept kickbacks in any form.
- We do not tolerate corruption in any of our business dealings.

This policy applies to all worldwide directors, officers, employees, individuals serving as independent contractors of the Company, and any third-party intermediaries assisting in doing business on the Company's behalf. Our Board and senior management are committed to preventing corruption from tainting our business and require employees to comply with this Policy.

International anti-corruption laws have broad jurisdictional reach and any violation of them may subject employees and Lucid to substantial fines and penalties, imprisonment, debarment, loss of export privileges, or other consequences regardless of nationality or country of residence. We recognize that these laws also often overlap with other criminal statutes and can result in multiple charges for a single act.

Such laws forbid everyone—including businesses, private individuals, and government officials—from engaging in bribery and other corrupt acts. While some acts such as kickbacks and facilitation payments may be accepted practice in some countries, at Lucid they are strictly prohibited.

Employees are individually responsible for understanding and abiding by our Anti-Corruption Policy. Any violation of this Policy results in disciplinary action.

Reporting Violations

We are committed to creating workplaces in which open and honest communication among all employees, suppliers, and independent contractors is valued and respected. We believe that a fundamental ingredient of business success is that all personnel conduct themselves with basic honesty and integrity and in accordance with the law. To enhance communication and promote ethical behavior, Lucid encourages the use of our Company's Speak Up! Integrity Hotline, which is a 24/7 anonymous system available for reporting concerns or asking questions about ethical conduct, policy violations, or potentially illegal behavior. Lucid is committed to addressing these topics and reports will be treated seriously and dealt with promptly and as confidentially as possible.

Lucid is committed to providing a welcoming, positive, and rewarding workplace, where members of the Lucid community feel empowered to speak up and share their concerns freely. We do not allow unlawful retaliation against anyone who engages in good faith reporting of concerns that might arise to violations of this Code or who participates in the investigation of such possible violations.

Lucid's The Company's Speak Up! Integrity Hotline is available as follows:

- Call: (800) 461-9300 Please note: if located outside the United States, you must go to the [webpage](#) and select your country for more instructions
- Online: [The Lucid Integrity Helpline](#) also has a webpage where reports and questions may be submitted anonymously

Forward Looking Statements

Cautionary Notes: This report may contain forward-looking statements regarding our future business expectations, which involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. Forward-looking statements include all statements that are not purely historical and are often identified by the use of words such as, but not limited to: "aim," "believe," "can," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "project," "potential," "seek," "should," "target," "will," "would" and similar expressions or variations intended to identify forward-looking statements. Such statements include, but are not limited to: statements regarding our business plans and objectives, our strategies and systems for implementing our goals, our commitments to programs and policies, and our expectations and priorities for ESG initiatives. These statements reflect management's current expectations, estimates and assumptions based on the information currently available to us. These forward-looking statements are not guarantees of future performance and involve significant risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from results, performance or achievements expressed or implied by the forward-looking statements contained in this report. Further information on factors that could affect our results and the forward-looking statements in this report is included in the filings we make with the SEC from time to time, including in our most recent Form 10-K and Form 10-Q, particularly under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Copies of these documents may be obtained by visiting our Investor Relations website at <https://ir.lucidmotors.com>.

com or the SEC's website at www.sec.gov. We assume no obligation and do not intend to update these forward-looking statements, except as required by law. Historical and forward-looking statements contained in this report may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. Such historical and forward-looking statements may be subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such information and may include estimates or approximations. We believe that such estimates are appropriate and reasonable; however, due to inherent uncertainties in making estimates and assumptions, actual results could differ from the original estimates. The precision of different measurement techniques may also vary. This report also includes certain information that is obtained or derived from published sources or third parties. The accuracy and completeness of such information are not guaranteed. Such information is subject to assumptions, estimates and other uncertainties, and we have not independently verified this information. The inclusion of topics in this report should not be read as implying that such topics are "material" in the context of the U.S. federal securities laws or any other regulatory framework, even where we use words such as "material" or "materiality." "Materiality" for purposes of our ESG reporting includes impacts on communities, the environment, and stakeholders such as employees, customers, and suppliers, and the inclusion of topics in this report, even when described as "material," does not indicate that such topics are material to the Company's business, operations, or financial condition.



06: Appendices

Appendix 1- TCFD Table

TCFD Pillars	Disclosure	TCFD Pillars	Disclosure
Governance	<p>Describe the board's oversight of climate-related risks and opportunities</p> <p>The Nominating and Corporate Governance (Nom and Gov) Committee reviews and guides the company on ESG, including climate-related strategy, climate-related risks and opportunities, and risk management policies.</p> <p>The Nom and Gov Committee receives reports from the management-level ESG Steering Committee and is responsible for advising the ESG Steering Committee on reported ESG risks and opportunities, adequacy of the business' response, and improvement opportunities.</p>		<ul style="list-style-type: none"> Potential transition risk drivers were identified related to short and long-term transition risks, including shifts in policy and regulatory landscape, shifting market dynamics, reputational implications, and technology innovations. Overall, the potential physical and transition risk impacts identified were related to supply chain, operations, and IT infrastructure. Potential opportunity drivers were also identified, including industry climate leadership, sustainable products and services, energy sourcing, resource efficiency, and resiliency building.
Describe management's role in assessing and managing climate-related risks and opportunities	<p>The ESG Steering Committee, a cross-functional team comprised of senior executive leaders from various business areas, seeks to drive Lucid's ESG strategy and integrate its ESG vision into the overall purpose, mission, and culture of the company while tracking progress on ESG initiatives across the business.</p> <p>Committee members provide executive sponsorship, resource allocation, and prioritization for ESG strategy and growth based on the recommendations of a set of topic-specific working groups that align with Lucid's ESG strategy.</p> <p>The Committee reports directly to the board-level Nom and Gov Committee and CEO who are responsible for monitoring and reporting on climate-related impacts across the company.</p>	b. Describe the impact of climate-related risks and opportunities on the organization's business, strategy and financial planning	<p>Lucid has not identified any climate-related risks and opportunities as presenting severe residual risk or opportunity to the business, strategy, and/or financial planning.</p> <p>Substantive financial and strategic impacts stem from climate-related risks and opportunities that could plausibly have a severe influence on financial planning, production rates, product safety, legal stability, or brand in the short term (within two years).</p> <ul style="list-style-type: none"> Physical risk impacts: potential business disruption due to acute physical events impacting our manufacturing operations and supply chain operations are factored into the financial planning for our business continuity and disaster recovery programs, including related measures such as the management of the inventory of parts. Transition risk impacts: as an electric vehicle (EV) company, our operations, and supply chain are not carbon intensive and we have not identified significant impacts to our overall business, strategy, and financial planning related to transitional aspects such as carbon pricing, stakeholder expectations (reputation), and legislation. However, we are committed to taking responsibility for our carbon footprint as part of our sustainability program and we factor costs associated with the delivery of our annual greenhouse gas accounting and emissions reduction initiatives into our annual financial planning. Opportunity impacts: the opportunity identified as having the highest impact on our business, strategy, and financial planning relates to the development of products and services that improve sustainability. This could include providing emergency relief during power outages, improving the climate resiliency of our batteries, and improving the recyclability of our batteries. This broader opportunity is strategically relevant to our research and development investments and financial planning.
Strategy	<p>a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term</p> <p>Lucid has completed an inaugural climate risk and opportunity assessment to examine the potential relevance and significance of climate-related risks and opportunities. This includes risks and opportunities that were identified as being applicable to our business over short (0–2 years), medium (2–5 years), and long (5+ years) time horizons.</p> <p>As a startup, Lucid is in a phase of rapid growth, and changes may occur over a shorter period than is common for a more mature company. Lucid's time horizons for climate-related risks and opportunities are aligned with this assumption.</p> <ul style="list-style-type: none"> Potential climate-related physical risk drivers were identified related to the short and medium-term impact of increasing frequency/severity of climate-driven weather events, and longer-term changes in mean temperatures, weather patterns, water stress, and sea levels. 		

Appendix 1- TCFD Table

TCFD Pillars	Disclosure	TCFD Pillars	Disclosure						
Strategy	<p>c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2-degree Celsius or lower scenario</p> <p>Lucid actively considers the resilience of the organization's strategy under a warming climate scenario. Our organization's strategy has taken into consideration climate-related risks and opportunities.</p> <p>While we have not yet completed a quantitative scenario analysis, we carefully consider the potential future costs of energy and carbon to perform critical activities and enable reductions of our greenhouse gas (GHG) emissions. The climate risk and opportunity assessment is a critical input that will help focus any scenario analysis planning we conduct. Should the residual risk increase in the future, a quantitative scenario analysis may be used to better understand the potential financial impacts on our organization.</p>								
Risk Management	<p>Describe the organization's processes for identifying and assessing climate-related risks</p> <p>Lucid recognizes the importance of understanding climate-related risks and opportunities and, as a result, in 2022 we engaged a consulting partner to help develop a robust climate risk and opportunity management program. We leveraged our assessment framework for managing other financial risks to map to traditional enterprise risks for consistency.</p> <p>We identified a group of key stakeholders with responsibilities across our business. This group ranked the impact and likelihood of risks and opportunities relevant to their business area in the absence of mitigating controls. This group was also asked to rank the effectiveness of control measures in place to manage the risk or capitalize on the opportunity, and to identify the time horizon in which the risks and opportunities could be relevant for Lucid.</p>								
Describe the organization's processes for managing climate-related risks	<p>Lucid manages climate-related risks and opportunities consistent with our broader risk management practices. Each risk and opportunity identified is assigned to an ownership group. Risk and opportunity owners are typically leaders and managers of key business areas across the organization. Among these owners there are subject matter experts dedicated to providing strategy and management support.</p> <p>An owner has the responsibility of identifying related risks and opportunities, conducting ongoing assessments, developing preparedness strategies, and championing them into their broader function. Owners have been trained on the universe of risks and opportunities to monitor and we have established a network of subject matter experts who they can rely on for support as these risks and opportunities are often relevant for more than one functional area.</p>								
		<p>The below table shows how we prioritize risks and opportunities to be addressed:</p> <table border="1"> <tr> <td>High-rated residual risks and opportunities</td><td>Priority focus of additional attention to further explore the controls in place to manage the risk or capitalize on the opportunity.</td></tr> <tr> <td>Moderate-rated residual risks and opportunities</td><td>Identified as ones to closely monitor and ensure planned programs are put in place.</td></tr> <tr> <td>Low-rated risks residual risks and opportunities</td><td>Identified as ones to maintain and regularly evaluate to monitor changes.</td></tr> </table>		High-rated residual risks and opportunities	Priority focus of additional attention to further explore the controls in place to manage the risk or capitalize on the opportunity.	Moderate-rated residual risks and opportunities	Identified as ones to closely monitor and ensure planned programs are put in place.	Low-rated risks residual risks and opportunities	Identified as ones to maintain and regularly evaluate to monitor changes.
High-rated residual risks and opportunities	Priority focus of additional attention to further explore the controls in place to manage the risk or capitalize on the opportunity.								
Moderate-rated residual risks and opportunities	Identified as ones to closely monitor and ensure planned programs are put in place.								
Low-rated risks residual risks and opportunities	Identified as ones to maintain and regularly evaluate to monitor changes.								

Appendix 1- TCFD Table

TCFD Pillars	Disclosure
Metrics and Targets	<p>Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</p> <p>Lucid looks at a range of indicators to help understand our progress against mitigating climate-related risks and capitalizing on opportunities. These indicators include:</p> <ul style="list-style-type: none"> • Investing in low-carbon research and development • Scope 1, 2, and 3 GHG emissions and progress toward our reduction target • ESG ratings and rankings that include climate risk management indicators • Energy and water efficiency performance • Battery efficiency and EV range and performance improvements • Life cycle assessments for product design sustainability
Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	<p>Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks</p> <p>Lucid has measured its 2021 carbon footprint and used the data for internal climate risk and opportunities and overall decarbonization efforts.</p>
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	<p>Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets</p> <p>Lucid recognizes the importance of the transition to a low-carbon future and makes decisions based on the most responsible use of natural resources. Lucid's approach to target setting focuses on evaluating potential commitments that fit within our existing business model.</p> <p>Our overarching commitments are to:</p> <ul style="list-style-type: none"> • Develop highly efficient electric vehicles (e.g., highest range efficiency per mile) • Setting benchmarks for vehicle efficiency, performance, and range • Minimizing carbon emissions in our operations • Implementing energy efficiency on-site • Increasing the procurement and usage of renewable energy on-site <p>In addition to these commitments, as we scale, we are actively considering carbon targets and developing goals and KPIs around managing our climate risks and capitalizing on opportunities.</p>

Appendix 2- SDG Table

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries – developed and developing – in a global partnership. They recognize that ending poverty and other deprivations must go together with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests. (Source: <https://sdgs.un.org/goals>)

While the SDGs are intended for UN Member States, individual companies also have a role to play in helping to achieve these goals. The table below shares the link between the SDGs and our sustainability report sections.



SDG	Target	Description	Sustainability Report Chapter
3 GOOD HEALTH AND WELL-BEING 	3.4	<p>Lucid looks at a range of indicators to help understand our progress against mitigating climate-related risks and capitalizing on opportunities.</p> <p>These indicators include:</p> <ul style="list-style-type: none"> • Investing in low-carbon research and development • Scope 1, 2, and 3 GHG emissions and progress toward our reduction target • ESG ratings and rankings that include climate risk management indicators • Energy and water efficiency performance • Battery efficiency and EV range and performance improvements • Life cycle assessments for product design sustainability 	Talent & Development
	3.6	By 2020, halve the number of global deaths and injuries from road traffic accidents	Product Safety & Quality
	3.7	By 2030, ensure universal access to sexual and reproductive health-care services, including for family planning, information and education, and the integration of reproductive health into national strategies and programs	Talent & Development

Appendix 2- SDG Table

SDG	Target	Description	Sustainability Report Chapter
	4.3	By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university	Community Engagement
	4.4	By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	Community Engagement
	4.7	By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development	Community Engagement
	5.1	End all forms of discrimination against all women and girls everywhere	DEI
	5.5	Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	DEI
	5.c	Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	DEI
	7.1	By 2030, ensure universal access to affordable, reliable and modern energy services	Lucid Sustainability Approach
	7.2	By 2030, increase substantially the share of renewable energy in the global energy mix	Environmental Operations
	7.3	By 2030, double the global rate of improvement in energy efficiency	Environmental Operations

Appendix 2- SDG Table

SDG	Target	Description	Sustainability Report Chapter
 8 DECENT WORK AND ECONOMIC GROWTH	8.2	Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors	Product Environmental Impact
	8.5	By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	Talent & Development
	8.7	Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms	Human Rights
	8.8	Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	Human Rights
 10 REDUCED INEQUALITIES	10.2	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	DEI
	10.3	Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard	DEI
 11 SUSTAINABLE CITIES AND COMMUNITIES	11.6	By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	Product Environmental Impact Product Safety & Quality

Appendix 2- SDG Table

SDG	Target	Description	Sustainability Report Chapter
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	12.2	By 2030, achieve the sustainable management and efficient use of natural resources	Product Environmental Impact
	12.6	Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Engagement Public Policy & External Affairs
 13 CLIMATE ACTION 	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	Product Environmental Impact Public Policy & External Affairs Risk Management
	13.2	Integrate climate change measures into national policies, strategies and planning	Public Policy & External Affairs
	13.3	Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	Engagement
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	16.2	End abuse, exploitation, trafficking and all forms of violence against and torture of children	Human Rights
	16.5	Substantially reduce corruption and bribery in all their forms	Honesty & Ethics
	16.6	Develop effective, accountable and transparent institutions at all levels	Corporate Governance Honesty & Ethics
	16.b	Promote and enforce non-discriminatory laws and policies for sustainable development	Public Policy & External Affairs
 17 PARTNERSHIPS FOR THE GOALS 	17.14	Enhance policy coherence for sustainable development	Public Policy & External Affairs
	17.17	Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	Engagement Public Policy & External Affairs



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About This Report

This report was published February 2024.

Data covered by this report is through December 31, 2023.