

Sustainability report 2025

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Zenseact at a glance

Zenseact is an AI company, founded by Volvo Cars to help save lives on the road through advanced driver assistance and autonomous driving software. We combine innovation in physical AI and safety-critical systems with care for people, society and the environment. In this report, we describe how that commitment is reflected in our sustainability efforts.



Every year, around 1.2 million people lose their lives in traffic. Our work is fueled by the belief that advanced software can help prevent many of these collisions.

How we work, and why it matters

At Zenseact, responsibility is part of our everyday culture – in how we collaborate, how we make decisions, and how we keep learning and improving. For me, it starts with people who care deeply, take ownership, and work together with openness and trust. That's the foundation for the company we want to be.

Responsibility is also at the heart of our mission and our greatest contribution to sustainability: helping to save lives on the road. Every year, around 1.2 million people lose their lives in traffic, and many more are seriously injured. Behind these numbers are people, families, and lives changed in an instant. I truly believe automation done right can help prevent many of these accidents, and that gives our work a very real sense of purpose.

There is, however, an irony in the fact that the work behind our greatest societal contribution also creates our largest environmental impact. AI and software development depend on energy-intensive computing capacity and data center operations. We are very aware of this, track it closely, and keep working to improve efficiency, for example through renewable electricity and smarter cooling solutions.

Moreover, responsibility in our work goes beyond climate and energy. During the year, we continued to strengthen areas such as information security, data protection, and responsible AI, supported by internal policies, ethical frameworks, and certified management systems such as ISO 9001 and ISO 14001.

I'm proud of the progress we have made in understanding our sustainability impact more clearly. This is our first sustainability report based on the VSME standard, a voluntary framework for companies of our size – but we have chosen to go further than what is expected of us. We have taken a thorough look at our impact because this matters to us, and because we want to take our responsibility seriously. At the same time, this is just the beginning. We still have more to learn, more to improve, and more to do, and I look forward to continuing that work.

Sincerely,

Ödgärd Andersson
CEO, Zenseact



General information

Reporting framework and scope

Our sustainability report covers the 2025 financial year. Zenseact is a wholly owned subsidiary of Volvo Cars, which reports in accordance with the Corporate Sustainability Reporting Directive (CSRD) and includes Zenseact in its consolidated sustainability disclosures.

This is our first standalone sustainability report, prepared to provide a clearer picture of our sustainability work, priorities, and performance. We conducted a double materiality assessment (DMA) to examine both how Zenseact affects the world and how the world affects us financially, in line with the European Sustainability Reporting Standards (ESRS). Through this process, we identified the sustainability topics, impacts, risks, and opportunities that are material to Zenseact and our stakeholders. These are described in this report. We engaged external experts to help us develop a robust, structured process.

The report has been prepared in accordance with the Voluntary Sustainability Reporting Standard for Small and Medium-sized Enterprises (VSME), applying both the Basic and Comprehensive modules. It also includes disclosures on Zenseact's identified material topics to enhance transparency and relevance for stakeholders.

The report covers our operations from January 1 to December 31, 2025. Quantitative information is based on the best available internal data at the time of publication. Some impacts, particularly further upstream in the value chain, still require better data over time, and we will continue to strengthen data quality and transparency in future reporting cycles.

Basis for preparation

Table 1 summarizes the basis for this sustainability report, including the reporting framework applied (VSME Basic & Comprehensive Module, Option B), the reporting boundary, and any omissions. The report also provides key

information about the company for 2025, including turnover, balance sheet total, number of employees, sector classification, ownership and main locations of operation.

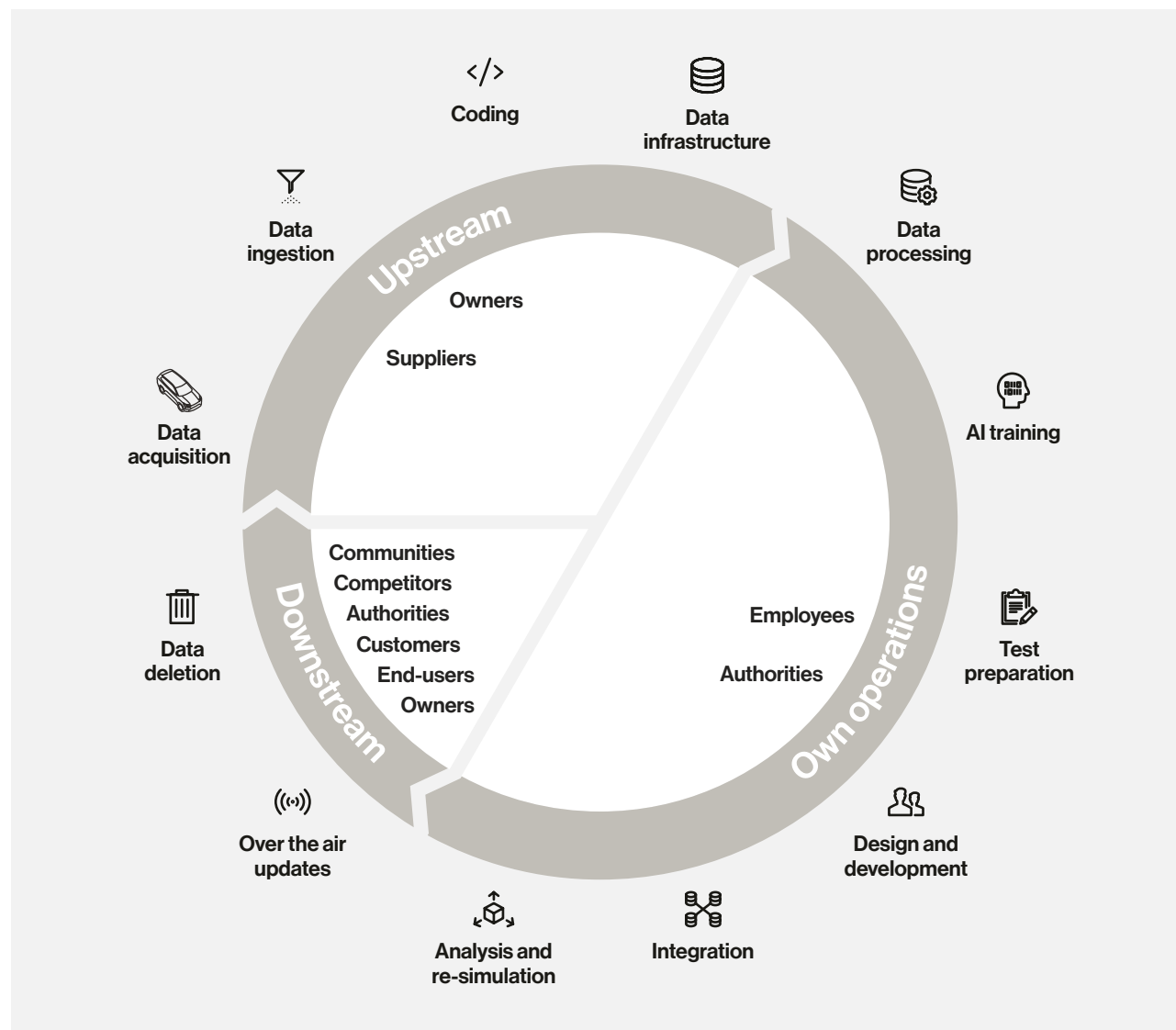
Table 1: Basis for preparation

Basis for preparation		Basic & Comprehensive Module (Option B)	
Omitted disclosures deemed classified or sensitive		None	
Basis for reporting (consolidated or individual)		Individual basis	
Company facts (2025)			
Turnover (MSEK)		1,784	
Total assets/balance sheet size (MSEK)		1,741	
Number of employees		579	
Employee counting methodology		At the end of the reporting period (headcount)	
Legal form		Private limited undertaking	
NACE sector classification		NACE K – 62.01 Computer programming activities	
Country of primary operations		Sweden	
Ownership		Wholly owned by Volvo Car AB	
Locations			
Site		Address	
HQ, Gothenburg		Lindholmspirén 2, 417 56, Gothenburg, Sweden Coordinates: 57.7085612, 11.9403086	
Workshop, Gothenburg		Åskvädersgatan 4, 418 34, Gothenburg, Sweden Coordinates: 57.706414, 11.881038	
Lund office		Scheelevägen 22, 223 63, Lund, Sweden Coordinates: 55.716398, 13.219135	
Munich office		Schleißheimer str. 2, 80333, Munich, Germany Coordinates: 48.1479502, 11.5591068	

Value chain

To clarify where Zenseact's most significant sustainability impacts and risks can arise, the illustration provides an overview of our value chain across upstream, our own, and downstream operations. The value chain reflects the data- and compute-intensive nature of our software development, from data acquisition and ingestion through processing, AI training, testing, integration, and simulation to over-the-air updates and eventual data deletion.

This value chain perspective supports our reporting scope and materiality focus by linking key operational steps to topics such as energy use in data centers, responsible data handling, and product-related impacts.



Double materiality assessment

Our double materiality assessment (DMA) identified the sustainability material to Zenseact and our stakeholders. The DMA was carried out through a structured process that included internal workshops, expert input, and stakeholder perspectives. Potential and Actual impacts, risks, and opportunities (IROs) were identified across the value chain, covering upstream activities, own operations, and downstream activities.

For impact materiality, topics were scored according to factors such as scale, scope, remediability, and likelihood. In addition, the topics were reviewed based on their actual or potential impact, with particular attention to human rights-related aspects. However, in the case of human rights impacts, severity takes precedence over likelihood when identifying material matters. For financial materiality, topics were scored based on their potential financial effect and likelihood. The time horizon related to the impacts, risks and opportunities was also evaluated.

The time horizons considered in the DMA process are in line with the ESRS. Short-term is defined as the period corresponding to the financial reporting period, medium-term as the period from the end of the short-term horizon up to five years ahead, and long-term as a period extending beyond five years.

Topics were prioritized using defined thresholds to determine whether they were material from an impact perspective, a financial perspective, or both. Topics above the threshold were prioritized for reporting and follow-up.

The outcome of the DMA is presented in Figure 1 and Table 2, which categorizes topics by materiality. We have identified 5 topics as material and/or double material. This assessment forms the foundation for Zenseact's sustainability priorities, guiding both reporting and the development of actions to manage identified impacts, risks, and opportunities (details to be found in Table 3).

Figure 1



Double materiality assessment, cont.

Table 2: DMA

IMPACT MATERIALITY	DOUBLE MATERIALITY	FINANCIAL MATERIALITY	NOT MATERIAL
E1 Climate change Mitigation E5 Circular economy Resource outflows related to products and services S1 Own workforce Equal treatment & opportunities S2 Workers in the value chain Working conditions	E1 Climate change Energy S1 Own workforce Working conditions S4 Consumers & end-users Personal safety	S4 Consumers & end-users Information-related impacts for consumers and/or end-users	E1 Climate change Adaptation E2 Pollution E3 Water and marine resources E4 Biodiversity & ecosystems E5 Circular economy Resource inflows including resource use and waste S1 Own workforce Other work-related rights S2 Workers in the value chain Other work-related rights and equal treatment and opportunities for all S3 Affected communities S4 Consumers and end-users Social inclusion of consumers and/or end-users G1 Business conduct

Table 2 outlines the outcome of the DMA and groups topics by whether they are non-material, material from an impact perspective, material from a financial perspective, or both (double materiality).

Double materiality assessment, cont.

Table 3: Detailed description of Impacts

ESRS topic	Sub-topic	Description of IRO	Value chain	Stakeholder group	Actual/Potential	Positive/Negative	Time horizon
E1 Climate Change	Climate change mitigation	GHG emissions in the value chain	Upstream Downstream	Environment Society	Actual	–	Short Medium Long
	Energy	High energy consumption in data centers	Upstream Own operations Downstream	Environment	Actual	–	Short Medium Long
E5 Circular economy	Resource outflows related to products and services	Resource use reduction due to fewer car repairs because of less damage incidents.	Downstream	Environment	Actual	+	Short Medium Long
S1 Own workforce	Working conditions	AD is a challenging sector with extensive developments	Own operations	Employees	Actual	–	Short
	Equal treatment and opportunities for all	High diversity, over 30 different nationalities	Own operations	Employees	Actual	+	Short
S2 Workers in the value chain	Working conditions	Limited insight further down the value chain	Own operations	Value chain workers	Potential	–	Short
S4 Consumers and end-users	Personal safety	Increased traffic safety	Upstream	Consumers/end-users	Potential	+	Short

Table 4: Financial perspective on Risks and Opportunities

ESRS topic	Sub-topic	Description of IRO	Value Chain	Risk/Opportunity	Financial impact	TimeHorizont
E1 Climate Change	Energy	Increased energy grid cost in combination with higher energy use	Own operations	Risk	Increased cost	Medum
S1 Own workforce	Working conditions	Lack of qualified future workforce	Own operations	Risk	Reduced dev speed leading to reduced sales	Medum
S4 Consumers and end-users	Information-related impacts	Exposure of personal data due to cyberattacks	Own operations	Risk	Reputational damage	Short
	Personal safety	Cyberattacks on autonomous systems	Own operations	Risk	Brand damage leading to reduced sales	Short

Stakeholders

Zenseact identifies and engages with key stakeholder groups whose expectations regarding product safety and responsible operations are taken into account in the company's governance, risk management, and sustainability work.

We engage with stakeholders through established communication channels, providing valuable input to support continuous improvement and strategic decision-making. Externally, we share knowledge through our website, including podcasts and articles on topics such as safety, AI, and software-defined vehicles.

Table 5 shows our key stakeholder groups, their main expectations regarding our business, and how we engage with them.

Table 5: Stakeholders

Stakeholder	Topics of interest	How we engage
Authorities	Climate change, Consumers and end-users, Business conduct	Audits, reporting, subscriptions and formal dialogue when needed
Communities	Climate change, Resource use and Circular economy, Affected communities	Communication via press releases/PR, social media and website
Competitors	Consumers and end-users, Business conduct	New-tech monitoring and market research
Customers and end-users	Consumers and end-users, Business conduct	Indirect engagement via Volvo Cars
Employees	Own workforce, Business conduct	1:1s, team meetings, townhalls, intranet updates, mandatory trainings and employee dialogues
Owners	Climate change, Own workforce, Business conduct	Governance and delivery meetings, reporting, demos, visits, day-to-day communication channels and agreements
Partners	Climate change, Resource use and Circular economy, Business conduct	Partnership agreements, meetings, visits and regular reviews
Suppliers	Climate change, Workers in the value chain, Business conduct	Supplier agreements, meetings, business reviews and evaluations



Certifications

Sustainability at Zenseact is integrated into how we run our business, develop our product, and build our organization. Responsible conduct is governed by our Code of Conduct, which defines how we work and build trust across our partnerships.

Zenseact is certified to ISO 9001 (quality management) and ISO 14001 (environmental management), which provide a structured basis for process control, continuous improvement, and follow-up.



Participations

We support the United Nations Global Compact initiative, a global strategic business initiative on corporate responsibility.

As a participating company we get the opportunity to take part in trainings, networks and knowledge sharing in all areas of corporate responsibility.

WE SUPPORT



Sustainability policies and practices

Our strategy centers on developing world-leading safety software for consumer cars, with the overarching goal of enabling zero traffic collisions through advanced technology, data-driven development, and continuous improvement. The approach combines a strong technical focus – including deep learning and other AI methods – with company priorities, including a very strong people-centric culture.

Sustainability is embedded in our strategy primarily through our ambition to contribute to safer roads and reduce the risk of traffic incidents through our product. Environmental considerations are also part of this approach, including the potential to reduce traffic-related inefficiencies, optimize vehicle energy use, lower the climate impact of data-intensive operations, and lessen the environmental impacts associated with collisions, such as damaged vehicles, material waste, and resource-intensive repairs.

Our strategy also emphasizes responsible AI practices, regulatory compliance, and inclusive workplace principles as part of its long-term development.

Strategy and business model

Business model summary

Description of significant groups of products and/or services offered	Autonomous Driving/ Advanced Driver Assistance System (AD/ADAS) Solutions
Description of significant market(s) the undertaking operates in (e.g. B2B, wholesale, retail, countries)	B2B
Description of main business relationships (such as key suppliers, customers, distribution channels)	Volvo Cars is our main customer

Table 6: Sustainability policies and practices

Sustainability topic	Practices / public info / targets	Overseen by
Climate change GHG and Energy	Practices/policies: Yes Publicly available: Partly Targets: In development We aim for 100% renewable electricity, including data centers and continue to contribute to Volvo Cars 2040 net-zero goal.	Facility manager
Water	Practices/policies: Yes Publicly available: No Targets: No Water use mainly relates to offices and facility services. We currently do not publish detailed water data externally but monitor consumption internally.	Facility manager
Resource use, circular economy and waste	Practices/policies: Yes Publicly available: No Targets: Yes Due to fewer accidents, we contribute to lowering the need for vehicle repairs and therefore resource use. We also focus on extending lifetime and reuse of data-center equipment and effective recycling of office waste. Detailed waste metrics and targets are being documented but not published externally.	Facility manager
Own workforce	Practices/policies: Yes Publicly available: Partly Targets: Yes We monitor key People metrics, including employee engagement, retention, health and well-being, supported by defined targets and regular follow-up to track performance and drive continuous improvement.	Chief people manager
Workers in the value chain	Practices/policies: Yes (supplier code of conduct) Publicly available: No Targets: Yes Supplier-related expectations are being covered through procurement agreements and our Code of Conduct.	Purchase manager
Consumers and end-users	Practices/policies: Yes Publicly available: Partly Targets: Yes We aim to continuously improve the safety performance of our product, with a target of achieving higher Euro NCAP scores with each new release. As the number of vehicles equipped with our technology grows, we will increasingly complement these metrics with real-world performance data, enabling us to set and track targets based on actual traffic scenarios.	Chief technology officer

Environmental information

As a software- and data-driven company, the largest part of our operational footprint comes from energy use for compute, cloud services, and data centers. That is why our environmental work starts with improving efficiency, increasing the share of renewable electricity, and making choices in the infrastructure that powers our development.

At the same time, we look beyond energy alone. We work to use resources more carefully by extending the life of equipment, encouraging reuse where possible, and reducing the need for unnecessary materials.

Waste is another part of that picture. Through sorting, responsible handling, data purging, and better everyday practices, we aim to reduce waste and improve material recovery. And by helping avoid collisions, our technology can also contribute to fewer scrapped vehicles, less material waste, and lower costs over time.

100%
renewable electricity
in own operations

In 2025, all electricity used across our operations came from fossil-free sources – part of our work to reduce the footprint of data- and compute-intensive development.

Climate change

Climate change mitigation¹⁾

We report the estimated greenhouse gas (GHG) emissions across Scopes 1–3 using the best available internal data according to the Green House Gas protocol. Scope 2 emissions are presented using both location-based and market-based methods. Scope 3 – covering indirect upstream and downstream activities – represents the largest share. Emission intensity per turnover is also shown to support performance tracking over time.

Zenseact's Scope 1 emissions are zero, as we do not own or control any direct emission sources. For Scope 2, all electricity consumed across operations is sourced from 100% renewable sources, in line with our internal policy. Scope 3 emissions are primarily driven by purchased goods and services, including cloud and data center usage.

While we have not yet established standalone GHG reduction targets, we contribute to Volvo Cars' net-zero ambition and are working toward defining formal targets and a climate transition plan, including enhanced Scope 3 coverage, as part of our ongoing sustainability governance.

Methodology

We calculated our CO₂ emissions using a combination of supplier-specific data and a spend-based approach, balancing accuracy with broader coverage. Where suppliers could provide reliable and detailed emissions data, we used that information directly, as it best reflects the actual impact of our value chain.

For areas where direct supplier data was unavailable, we estimated emissions from Zenseact's 2025 procurement spend using relevant emission factors. These were sourced from recognized environmentally extended databases, including EXIOBASE and CEDA, and selected to match the relevant country, sector, and type of purchased goods or service as closely as possible.

¹⁾ The sub-topic has been identified as material.

This approach gives us a pragmatic and transparent view of our emissions today, while we continue to improve data quality and increase the share of supplier-specific insights over time.

Scope 1: Direct emissions

Scope 1 emissions were assessed to be zero, as Zenseact does not own or control any emission-generating sources such as fuel-combusting assets or company-owned vehicles.

Scope 2: Indirect energy emissions

Scope 2 emissions were calculated using energy consumption data from suppliers. Both market-based and location-based approaches are applied in accordance with the GHG Protocol. Data quality is high because supplier-specific energy data and emission factors are available.

Scope 3: Other indirect emissions

Category 1: Purchased goods and services

Primarily calculated using a spend-based approach based on Zenseact's 2025 procurement data. Emission factors are sourced from environmentally extended databases such as EXIOBASE and CEDA, selected for their relevance to the country, sector, and purchase type. Where available, supplier-specific emissions data is used.

Category 4: Upstream transport and distribution

Activity data for upstream transport and distribution was supplied by the respective companies and the associated emissions were calculated on our behalf.

Category 6: Business Travel

Business travel emissions were automatically generated based on data from our travel platform, Egencia.

Category 7: Employee commuting

Employee commuting emissions were based on data from a 2022 project led by Climate and economic research in organizations (CERO) and Västtrafik, where employee surveys were conducted. These number form the basis and have been adjusted to reflect 2025.

Category 8: Upstream leased assets

For upstream leased assets, activity data were based on payment cards covering fuel and electric-vehicle charging for leased cars. The 2025 emission factors were obtained from the European Environment Agency (EEA) and International Energy Agency (IEA).

Category 11: Use of sold products

Activity data for the use of sold products include the number of cars in traffic, estimated annual driving hours per vehicle, and the power rating of the vehicle computing unit.

Table 7: Greenhouse gas emissions 2025

Category	tCO ₂ e 2025
Scope 1 (gross)	0
Scope 2 (location-based, gross)	78
Scope 2 (market-based, optional)	0
Total Scope 1 + 2 (location-based)	78
Total Scope 1 + 2 (market-based, optional)	0
3:1: Purchased goods and services	2,856
3:4: Upstream transport and distribution	1
3:6: Business Travel	124
3:7: Employee commuting	221
3:8: Upstream leased assets	53
3:11: Use of sold products	20
Scope 3 Total	3,275
Total Scope 1 + 2 + 3 (location-based)	3,353
GHG emission intensity per turnover (tCO₂e/MSEK)	
Intensity – Scope 1 + 2 + 3 (location-based)	1.9
Intensity – Scope 1 + 2 + 3 (market-based)	1.8

Climate change, cont.

Energy¹⁾

To reduce our environmental impact, we focus on improving the efficiency of the compute, storage, cloud services, and data center operations that support software development and validation, particularly in AI and deep learning. This includes more energy-efficient hardware, optimized operations, and a structured process for continuous improvement.

Our operations are powered by 100% fossil-free energy. In 2024, 87% of the energy consumption came from renewable sources. In 2025, the non-fossil share increased to 100%. This progress is supported by systematic procurement of guarantees of origin to verify renewable sources.

In 2025, the rooftop solar panels at our headquarters generated enough electricity to power our fully electric pool car fleet. The on-site data center is also designed with energy efficiency in mind, using seawater cooling and recovering excess heat for delivery into the city's district heating system.

Our commitment actually extends beyond our own operations. We also require our data center suppliers and cloud service providers to use fossil-free electricity, ensuring a consistent approach to renewable energy sourcing across both internal operations and external digital infrastructure.

In addition, we follow strict rules for data lifecycle management throughout our development process. We reduce climate impact by minimizing unnecessary data, avoiding duplication, and optimizing how and when we use storage and compute:

- **Reduce data footprint** – compress data, remove low-quality data, apply retention.
- **Keep only valuable data** – filter early, enforce data quality to avoid wasted processing.
- **Avoid duplication** – reuse datasets & centralized components instead of rebuilding.
- **Optimize compute usage** – run jobs only when needed, right-size resources.
- **Monitor & improve continuously** – track pipeline efficiency and eliminate waste.

Table 8: Energy consumption

Breakdown of energy consumption (MWh)	2025	2024
Total energy consumption	1,815	1,967
Electricity (utility billings) – renewable	1,458	1,598
Electricity (utility billings) – non-renewable*	81	80
District heating (utility billings) – renewable	276	289
District heating (utility billings) – non-renewable	0	0
Fuels	0	0

* The non-renewable consists of nuclear supporting our cooling.



¹⁾ The sub-topic has been identified as material.

Circular economy

Resource outflows related to products and services¹⁾

By helping to prevent collisions and improve traffic efficiency, our technologies have the potential to reduce material waste and repair-related resource use. (More about this under Consumers and end-users).

Our main material flows are associated with IT and data center equipment and office equipment, forming the focus of our circularity efforts. To minimize waste generation, we prioritize extending hardware lifetimes and reusing equipment wherever feasible. When equipment reaches end-of-life, it is handled by secure, compliant recycling partners to ensure responsible material recovery. These actions reduce demand for new materials, limit electronic waste, and help lower upstream emissions.

These efforts are complemented by promoting responsible day-to-day practices across our offices, including waste sorting and recycling where infrastructure is available. Mixed waste is directed to energy recovery processes in which incineration produces biogas.

Together, these initiatives support our ambition to improve resource efficiency and reduce environmental impact. Our target is to achieve a 75% reuse and recycling rate for office waste, and 66% represents the highest achieved performance to date, demonstrating solid progress toward this goal.

Table 9: Circular economy principles

Circular economy principles	
Undertaking applies circular economy principles	YES
Description of how it applies these principles	Recycling waste such as organic, plastics, paper packaging, cardboard, metals, glass, electronics, pallets, confidential paper and aluminum cans. Biogas is produced from the incineration of mixed waste.



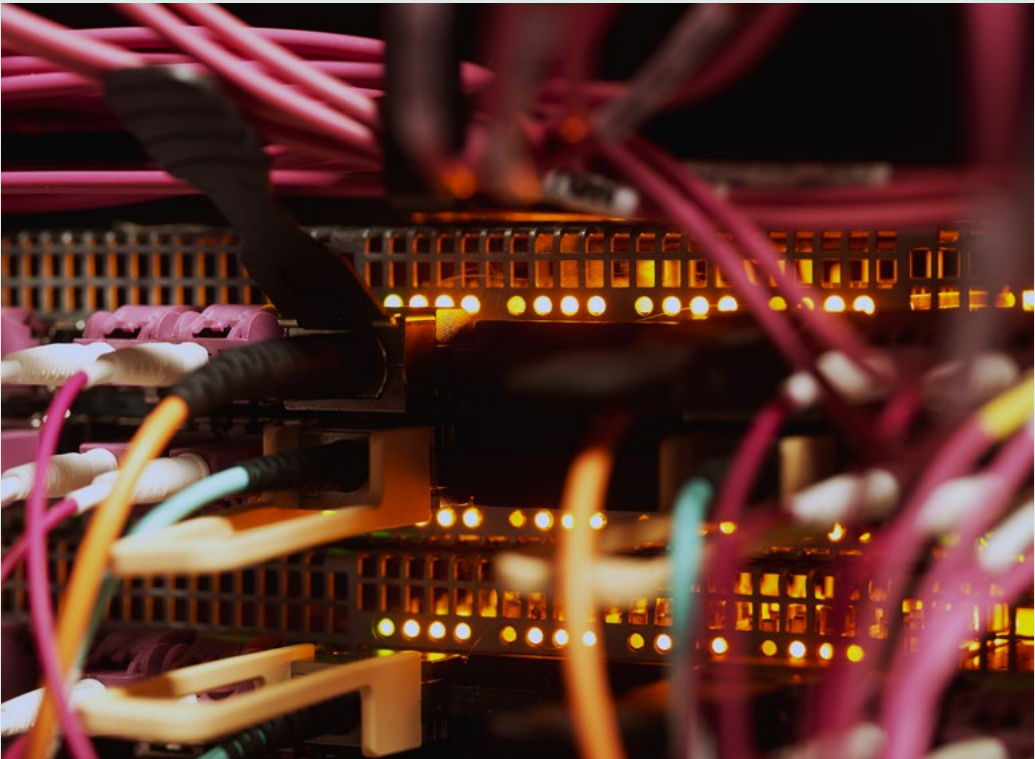
¹⁾ The sub-topic has been identified as material.

Circular economy, cont.

Waste

Waste mainly arises from our office operations and technology-related activities. Table 10 provides a breakdown of waste generated in 2025 by European Waste Catalog (EWC) code, distinguishing between non-hazardous and hazardous waste streams. As a mainly office and technology-based business, our waste is largely linked to everyday operations and IT equipment. To support compliant treatment and recycling, we use sorting and certified waste partners. In 2025, 100% of municipal waste was used to support district heating and electricity. All waste was classified as non-hazardous.

Table 10: Waste generated (kg)



Environment other

Water

Water use in our own operations primarily relates to office and facilities services. Where on-site cooling solutions are used, we seek efficient approaches and follow up with facility partners to ensure responsible management. The total water withdrawal from all sites is 1,954 (m³).



Social information

Social responsibility starts inside Zenseact, with the conditions we create for our own workforce: a workplace where people are treated fairly, feel safe, can keep learning, and have room to grow. In a high-demand, fast-paced business environment at the core of AI, long-term engagement and the ability to attract and retain talent are critical to building strong teams. But responsibility also includes the people in our value chain, where we work to set clear expectations and build responsible partnerships grounded in fair working conditions and respect for human rights.

Because the technology we develop reaches real people in everyday traffic, social responsibility also means protecting consumers and end users – both regarding personal safety and the handling of information. In a company like ours, these themes are deeply connected: how we treat people, how we work with others, and how our technology affects lives outside Zenseact.

79/100
engagement

Our employee engagement score reached 79 in 2025, reflecting a steady upward trend and our focus on building a workplace where people can grow, contribute, and feel safe.

Own workforce

Working conditions¹⁾

Continuous focus on our employees and their long-term performance is crucial in a high-paced environment. We want to attract, develop, and engage our people while supporting their skills, knowledge, and creativity. Our leadership as well as our people processes are rooted in our core values, and as an employer, we are dedicated to promoting our people@heart culture, which means:

- **Respect and trust:** Every individual is treated with respect, and their contributions are valued.
- **Diversity and inclusion:** We appreciate and leverage differences as strengths, fostering an inclusive environment.
- **Continuous growth and strong leadership:** We encourage ongoing learning and development through training, mentorship, and internal mobility.
- **Well-being:** We promote health, safety, and balance by offering resources for physical and mental wellness and flexible work arrangements.

In 2026, Zenseact was named a Karriärföretag (Career Company) by Karriärföretagen, which annually recognizes Sweden's most attractive employers for students and young professionals. The recognition highlights our work to develop life-saving safety software, together with a learning-oriented culture and employee-centered leadership. We see it as external confirmation that our focus on equality, inclusion, and long-term competence-building supports our ambition to attract and retain talent.



¹⁾ The sub-topic has been identified as material.

Moreover, our Gothenburg headquarters at Lindholmspiren 2 was Fitwell-certified already (2-star) in 2020. Fitwell is a third-party certification focused on how buildings support health and well-being. We see this external validation of our efforts to create a workplace environment that supports people's everyday work, collaboration, and long-term well-being as a critical factor in sustaining our people@heart culture.

Table 11 provides a combined overview of key workforce characteristics for the reporting period, including contract type, gender distribution, main countries of employment, and employee turnover. This information supports transparency in our workforce profile and helps contextualize our priorities for well-being, inclusion, and long-term competence-building.

Zenseact tracks employee engagement by conducting quarterly surveys. Since the company's beginning in 2020, when the "Zenpulse" survey recorded a score of 63 (on a 0–100 scale), engagement has shown a steady upward trend, reaching 79 in 2025 and therefore matching the highest KPI the company has achieved to date (Figure 3).

Learning is primarily embedded in day-to-day work and strengthened through structured opportunities for skill-building. Most learning happens through hands-on work, cross-functional collaboration and peer interaction, complemented by formal training where appropriate. Psychological safety and a growth mindset are key enablers for learning and innovation.

We support development through leadership programs, mentorship and buddy programs, internal knowledge-sharing forums, study circles, technical communities, and opportunities for internal rotation. Development discussions and regular one-to-one dialogue help guide individual learning and career development (See Table 12 – Training hours).

Zenseact works to provide fair working conditions, equal opportunities, and a safe, inclusive workplace. This section outlines our approach to well-being, development, diversity and remuneration across our own workforce.

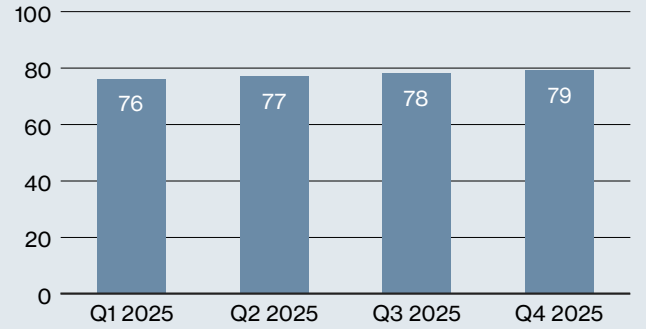
Table 11: Workforce – general characteristics (2025)

Category	Metric	Value
Contract type	Permanent contract	579
	Temporary contract	0
	Total employees	579
Gender ¹⁾	Male	450
	Female	129
Country of employment	China	1
	Germany	14
	Sweden	564
Turnover ²⁾	Employee turnover rate	9%

¹⁾ The gender distribution at Zenseact reflects broader structural challenges in the technology and engineering sectors, where women remain underrepresented, particularly in software, AI and autonomous driving-related roles. Zenseact recognizes this imbalance and continues to work actively with recruitments and development initiatives to support greater gender diversity over time.

²⁾ Employee turnover refers to employees who leave the undertaking voluntarily or due to dismissal or retirement.

Figure 3: Engagement KPI 2025



Own workforce, cont.

Equal treatment and opportunities for all¹⁾

Zenseact actively promotes diversity and inclusion as drivers of innovation and quality. We work with structured initiatives, leadership programs and surveys to strengthen inclusion and reduce bias. Our approach includes:

- **Proactive work** on psychological safety and inclusive leadership through leadership practices, surveys and continuous dialogue.
- **External partnerships** and community engagement that support diversity in technology (for example, Mentor Sverige, Changers Hub, Girls at Tech Nordics, Jobbsprånget and Öppet Hus).
- **Feedback loops** through surveys, retrospectives and other employee dialogue formats that help identify and address inclusion barriers.
- **Inclusion work** can include Cultural fikas (Zenseact's way of learning about topics that are dear to Zenseact's employees) and professional Swedish training.

Inclusion matters to us because better teams make better decisions, and better decisions help us build safer systems.

Gender diversity ratio

Table 13 shows the gender diversity ratio at management level, supporting transparency and informing our work on equal opportunities, leadership development and inclusion.

Workforce health and safety

Health and safety are fundamental responsibilities at Zenseact. Our Code of Conduct requires the provision and maintenance of safe, healthy work environments, risk prevention, training and clear reporting mechanisms for workplace incidents or concerns. Safety considerations must always take precedence in decision-making.

Table 14 summarizes key occupational health and safety indicators for the reporting period, including the number of recordable incidents and the total hours worked. These metrics help us track workplace safety performance and support continuous improvement.

Remuneration & collective bargaining

Table 15 provides an overview of remuneration and collective bargaining coverage, including confirmation of pay at or above applicable minimum wage levels, average gross hourly pay by gender, the pay gap and the share of employees covered by collective bargaining agreements.

Table 12: Training hours per employee (2025)¹⁾

Gender	Annual training hours
Male/Female	36
Average	36

¹⁾ Data on training hours broken down by gender is not available for the 2025 reporting period.

Table 13: Gender diversity ratio at management level

Gender diversity ratio (management level)	2025
Number of male employees at management level	40
Number of female employees at management level	21
Female-to-male ratio at management level	0.53

Table 14: Workforce health and safety

Workforce health and safety	2025
Number of recordable work-related accidents in the reporting period	0
Number of hours worked by one full-time employee in the reporting period	1,800
Total number of hours worked in a year by all employees in the reporting period	1,042,200

Table 15: Remuneration and collective bargaining¹⁾

Remuneration and collective bargaining	2025
Employees receive pay that is equal or above applicable minimum wage (law or collective bargaining agreement)	YES
Percentage gap in pay between female and male employees (%)	2.1
Number of employees covered by collective bargaining agreements	564
Percentage of employees covered by collective bargaining agreements (%)	97

¹⁾ The Zenseact office in Germany does not have a collective bargaining agreement.

¹⁾ The sub-topic has been identified as material.

Workers in the value chain

Working conditions¹⁾

We recognize that workers in our value chain play a critical role in delivering high-quality, safe technology. We are committed to promoting fair working conditions by setting clear expectations for our suppliers and partners through agreements and codes of conduct. These include requirements related to labor rights, health and safety, and compliance with applicable laws and standards.

We maintain ongoing dialogue, evaluations, and business reviews with suppliers to monitor performance and address risks, aiming to foster long-term, responsible partnerships and continuous improvement across the value chain. In the end of 2025 75% of our key suppliers (representing 80% share of the 2025 spend), have signed a Code of Conduct agreement.

Human rights policies

We are committed to upholding human rights and fair labor practices within our own workforce and workers in the value chain through a structured set of policies and processes. These are anchored in our Code of Conduct and supplier Code of Conduct, which cover key topics such as the prohibition of child and forced labor, the prevention of discrimination and accidents, and additional safeguards, including anti-harassment, non-violence, and policies on drugs and alcohol. While human trafficking is not explicitly defined as a separate topic, related risks are addressed through broader labor and ethical standards.

Employees can report concerns safely and confidentially through a formal whistleblowing process, ensuring that issues are addressed and followed up appropriately.



¹⁾ The sub-topic has been identified as material.

Consumers and end-users

Information-related impacts and personal safety of consumers and end users¹⁾

The people who use and are affected by our technology are at the heart of how we think about safety. Since human error plays a major role in most crashes, automation has strong potential to make driving safer. Real-world data also shows that ADAS can reduce both the number and severity of collisions by helping address common driver mistakes.

If ADAS reaches near-universal adoption in the U.S. passenger fleet, studies project up to 37 million fewer crashes, 14 million fewer injuries, and nearly 250,000 lives saved over 30 years. Forward Collision Warning, combined with Automatic Emergency Braking, can cut rear-end crashes by 50%, while pedestrian AEB has reduced pedestrian-related crashes by 27%. Benefits increase further when multiple ADAS functions work together.

In 2025, Zenseact continued to launch its software across multiple car models. Our belief that the software saves lives and reduces traffic-related suffering is expected to be further supported by fleet data and is already reflected in top Euro NCAP scores for the Polestar 3 and Volvo EX90, both of which carry our software. By learning from data, controlling the full software stack, advancing AI and deep learning, and staying always releasable, we keep moving faster toward our mission of zero accidents.

Consumers and end users are central to our approach to safety, also in the context of information security. We recognize that cyberattacks targeting autonomous systems represent a material risk, as they could compromise system integrity and, in turn, impact personal safety.

This is supported by structured cybersecurity governance and continuous system monitoring. Our cybersecurity work is aligned with the ISO 27001 standard for Information security management systems, with the goal of achieving certification in the coming year.

¹⁾ The sub-topic has been identified as material.

Moreover, product development follows the ISO/SAE 21434 standard, which applies specifically to automotive cybersecurity engineering and applicable regulatory requirements, including UN R155, Cybersecurity and

Cybersecurity management system. We are also using a security operations center to monitor and respond to security events around the clock.



50%
fewer rear-end
crashes

Forward Collision Warning together with Automatic Emergency Braking can cut rear-end crashes by half – a clear example of how driver assistance technology can help prevent everyday accidents before they happen.

Governance information

Good governance helps turn our ambition into responsible action. It gives us the structure to follow up on sustainability work, make decisions, and stay accountable. For us, this also means building clearer processes, better data, and a stronger foundation for transparency over time.

As a company developing safety-critical and AI-driven technology, we need governance that supports integrity, accountability, and responsible decision-making in everyday work. These principles are reflected in our internal policies, ethical frameworks, and external communication.

With changing expectations and a maturing company, we will continue to strengthen our way of working so that our systems, policies, and decisions remain aligned with our purpose and responsibilities. In that sense, governance is not only about control, but about building trust over time.

Although governance-related topics were included in the double materiality assessment, none were identified as material for Zenseact in the current reporting period. We will continue to monitor them and reassess their significance in future reporting cycles as our business, operating environment, and stakeholder expectations develop.

NOTE: We are not active in controversial weapons, tobacco cultivation and production, or fossil fuel sectors. We are also not excluded from any EU reference benchmarks that are aligned with the Paris Agreement.

**24/7
security
monitoring**

Our security operations center monitors and responds to security events around the clock, helping protect the integrity of safety-critical technology.

Looking ahead

Saving lives is our purpose and we must follow that ambition responsibly in relation to people, society, and the planet. This report marks an important step in making our sustainability work more structured and transparent. While we are still at an early stage in some areas, our direction is clear: to develop technology responsibly, reduce our environmental impact, and continue building a workplace where people can grow and do meaningful work.

Looking ahead, we know that scaling our technology also brings greater responsibility. As more cars are equipped with advanced software, and as development and deployment require greater use of data centers and cloud computing, our energy use is expected to grow. At the same time, wider deployment of our products could help reduce traffic accidents and improve road safety. An important task ahead is therefore to balance these effects: minimizing the environmental footprint of our operations while maximizing the safety benefits our technology can deliver.

Sustainability will remain integrated into how we turn ambition into practice. As we continue to grow, our focus will be on scaling responsibly and making sure that technological progress, safer mobility, and environmental considerations move forward together.