Fisker Green Bond Framework

August 2021
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California-based Fisker Inc. is revolutionizing the automotive industry by developing the most emotionally desirable and eco-friendly electric vehicles on Earth. Passionately driven by a vision of a clean future for all, the company is on a mission to become the No. 1 e-mobility service provider with the world's most sustainable vehicles.

2. Fisker’s Commitment to Sustainability

“We plan to radically disrupt the mobility industry by setting an ambitious goal for ourselves: to produce a climate neutral vehicle by 2027. We put people and the planet at the forefront of our mission, ensuring a cleaner future for all.”

Henrik Fisker, Chairman and CEO, Fisker Inc.

Environmental and Social Responsibility is “the green thread” running through everything we do. It is the guiding principle for designing our vehicles, sourcing our materials, and manufacturing our products. It’s the promise we will deliver every day to our customers when they drive our electric vehicles. How do we meet our mobility needs as a society, without causing harm to the planet and impacting future generations? By using less, using better, and using again. By building electric vehicles sustainably for our community.

CLIMATE NEUTRAL VEHICLE PRODUCTION

We aim to produce a climate neutral vehicle by 2027, measuring 5 distinct phases of the product life cycle: Upstream Sourcing, Manufacturing, Logistics, Use Phase, and End-of-Life (EOL)/Recycling.

Fisker will not purchase offsets, and our goal is to utilize only climate neutral materials in our products and to use only climate neutral services to support our business.

We recognize the challenges of producing and delivering products without greenhouse gas (GHG) emissions. The supply chains of our suppliers and logistics partners may contain offsets to achieve climate neutrality.

As we progress and measure, we will always look for efficiencies and work with our suppliers to replace any offsets in the supply chain with direct reduction measures.

To understand the true environmental impact of our vehicle, we must analyze its entire life cycle. There are five life cycle phases we will continuously study, measure, and innovate to realize our goal of a climate neutral vehicle.

Each phase, detailed below, has its own top-level solution criteria, which we must act on to assure project-wide climate neutrality.

UPSTREAM SOURCING

- Minimize our bill of materials (BOM)
- Localize suppliers, source recycled materials and remanufactured components
- Develop environmentally innovative products with finished goods suppliers
- Require climate neutral product

MANUFACTURING / ASSEMBLY

- Localize manufacturing
- Run on 100% renewable energy
- No on-site GHG emissions

**INBOUND / OUTBOUND LOGISTICS**
- Localize manufacturing
- Maximize rail and electric-powered transport
- Seek out logistics suppliers that will achieve climate neutrality

**USE PHASE**
- Use public charging networks that run on 100% renewable energy
- If some do not, encourage renewable power purchase agreements (PPAs)
- Work to develop climate neutral home charging solution
- Track charging by kWh and location

**END-OF-LIFE (EOL) - RECYCLING/REUSE**
- Localize recycling partners
- Minimize combustion
- Minimize energy intensity
- Run on 100% renewable energy

### 3. Rationale for Issuance
Through the issuance of our Green Bonds, we aim to finance a low-carbon and sustainable future by meeting mobility needs as a society, without causing harm to the planet and minimizing the impact for future generations.

### 4. Alignment with the Green Bond Principles
The Green Bond Principles, 2021 ("GBP"), as administered by the International Capital Market Association ("ICMA"), are voluntary process guidelines for best practices when issuing Green Bonds. The GBP recommend transparency, disclosure and promote integrity in the Green Bond Market.

The Fisker Green Bond Framework is aligned with the four core components of the GBP.

(i) Use of Proceeds  
(ii) Process for Project Evaluation and Selection  
(iii) Management of Proceeds  
(iv) Reporting

#### 4.1 Eligible Green Projects
We intend to allocate an amount equal to the net proceeds from the sale of any Green Bond issuances to finance or refinance, in whole or in part, one or more new or existing Eligible Green Projects. “Eligible Green Projects” include expenditures made by us or any of our subsidiaries beginning with the issuance date of any Green Bonds, or in the 24 months prior to any such issuance.

“Eligibility Criteria” are outlined below:
<table>
<thead>
<tr>
<th>GBP Category</th>
<th>Eligible Green Projects and Examples</th>
<th>SDG(^1) Alignment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Clean Transportation</strong></td>
<td>Expenditures related to the design, development, manufacturing, maintenance, and operation of electric vehicles (EV) and associated infrastructure. Example projects may include, but are not limited to: • Upstream Sourcing of materials for EV • Manufacturing and Assembly of EV • Transportation of EV • Installation of EV charging stations • End-of-life recycling and reuse of EV</td>
<td>SDG 11</td>
</tr>
<tr>
<td><strong>Renewable Energy</strong></td>
<td>Expenditures related to the construction, development, acquisition, maintenance, and operation of renewable energy projects. Example projects may include, but are not limited to: • Power purchase agreements (PPAs) that are long-term (&gt;5 years) and new to the grid • On-site renewable energy projects that are long-term and new to the grid, such as solar, wind and storage installations</td>
<td>SDG 7, SDG 13</td>
</tr>
</tbody>
</table>

We will not knowingly allocate proceeds from the issuance of our Green Bonds to greenhouse gas intensive projects inconsistent with the delivery of a low carbon economy or activities involving the exploitation of human rights. We will allocate projects as soon as practicable.

### 4.2 Process of Project Evaluation and Selection

We regularly analyze the environmental and social impacts of our businesses and assess how we can mitigate impacts on communities in which we operate. The Fisker team will review and select projects that align with our Green Bond framework. Final allocation will be reviewed and approved by our CFO.

### 4.3 Management of Proceeds

The Finance team will track actual amounts of net proceeds from the sale of any Green Bonds spent on Eligible Green Projects. Pending allocation, proceeds may be temporarily invested in cash, cash equivalents, and/or held in accordance with Fisker’s internal liquidity policy. Any payment of principal and interest on any Green Bonds will be made from our general corporate account and will not be linked to the performance of any Eligible Green Project.

### 4.4 Reporting

1 [https://sdgs.un.org/goals](https://sdgs.un.org/goals)
4.4.1 Allocation Reporting
Annually, until all the proceeds have been fully allocated, and on a timely basis in case of material developments, we will publish a Green Bond Report, on our investor reporting website. The report will include (i) the amount of net proceeds allocated to each Eligible Green Project either individually or by category, subject to confidentiality considerations; (ii) expected impact metrics, where feasible; (iii) a selection of brief project descriptions; and (iv) the outstanding amount of net proceeds to be allocated to Eligible Green Projects at the end of the reporting period.

4.4.2 Impact Reporting
Examples of expected impact metrics may include, where feasible:

<table>
<thead>
<tr>
<th>Project Category</th>
<th>Example Key Performance Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Transportation</td>
<td>• # of Electric Vehicles Manufactured</td>
</tr>
<tr>
<td>Renewable Energy</td>
<td>• Annual GHG emissions reduced/avoided [tCO2 e]</td>
</tr>
<tr>
<td></td>
<td>• Renewable energy capacity commitments [MW]</td>
</tr>
</tbody>
</table>

5. External Review
We expect that our Green Bond Report will be accompanied by (i) assertions by management that an amount equal to the net proceeds of an offering of bonds was allocated to Eligible Projects, and (ii) an attestation report from an independent accountant in respect of the independent accountant’s examination of management’s assertion conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants.

In the event Fisker issues convertible bonds and the bond converts before allocation was completed, Fisker will continue the commitment to allocate an amount equal to the net proceeds as soon as practicable but no later than the original maturity date of the convertible bond.

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