



ESG Report 2021

Embark Environmental, Social, and Governance Report



Table of Contents

Our ESG Vision	3
Leadership Message	4
Who We Are	5
Building A Resilient Trucking Industry	8
Our Key Focus Areas	11
Safety	12
AV Truck Development	14
Testing Fleet	15
Partnership With Arizona Department Of Transportation To Accelerate Highway Work Zone Safety	16
Environment	18
Using Electric Trucks For Short-Haul Routes	19
Testing Fleet Impact Reduction	21
Data Storage	21
People	22
Who Are Our People?	23
Remote Work Policy	24
Developing Homegrown Leaders	25
Our Commitment To Diversity, Equity, And Inclusion	26
Addressing Traditional Gender Disparities In Tech	26
Safety Drivers	27
Including All Employees In Our Nasdaq Listing Event	28
Community	29
First-Ever Autonomous Gift Haul	30
Partnering With Texas A&M University For Continued Innovation	31
Governance	32
Cybersecurity & Data Privacy	34
Appendix	36
ESG Frameworks	37
Indexing	38

Our ESG Vision

01 Leadership Message

02 Who We Are

Our SaaS Product Ecosystem

Our Asset-Light, Partnership Approach

03 Building A Resilient Trucking Industry

04 Our Key Focus Areas





Leadership Message

We couldn't be more excited to share Embark's inaugural ESG report. Our team constantly strives to develop the most innovative autonomous driving technology in the industry, but we never lose sight of the fact that safety and sustainability are at the core of our mission. We know that our success depends on how well we protect our environment, support our people, and engage with our community and stakeholders. We believe that the freight transport industry is at a turning point, and we envision a resilient trucking industry that is made safer, more sustainable, and more equitable by autonomous trucks.

This inaugural 2021 ESG report highlights the work we did across each of our ESG focus areas last year. 2021 was an exciting year for Embark. Looking forward, as we expand and achieve our remaining milestones, we will continue to hold ourselves accountable to our ESG priorities.

Alex Rodriguez
Co-Founder & CEO

Brandon Moak
Co-Founder & CTO

Who We Are

Embark is making the trucking industry safer, more sustainable, and more efficient with autonomous driving software. We're working with the trucking industry to seamlessly integrate autonomous vehicle (AV) technology across different truck platforms and into our partners' operations. Our mission is to make autonomous driving a reality for the freight transport industry across the United States.



Our SaaS Product Ecosystem

Our autonomous vehicle software is designed from the ground up for long-haul trucking.



Embark Driver

Software That Drives the Truck in Response to Sensed Conditions

The Embark Driver detects road conditions with multiple redundant sensors, never gets tired or distracted, and is always thinking ahead. It features a differentiated approach to mapping that dynamically adapts to changes in the road environment, allowing it to traverse a broad set of road situations safely and efficiently.



Embark Universal Interface

Autonomous Driving Technology for Any Fleet

Embark offers the only autonomous driving system that is designed to work across all of the major truck OEM platforms. The Embark Universal Interface gives carriers the freedom to add Embark's technology to their fleet regardless of the trucks they use.



Embark Guardian

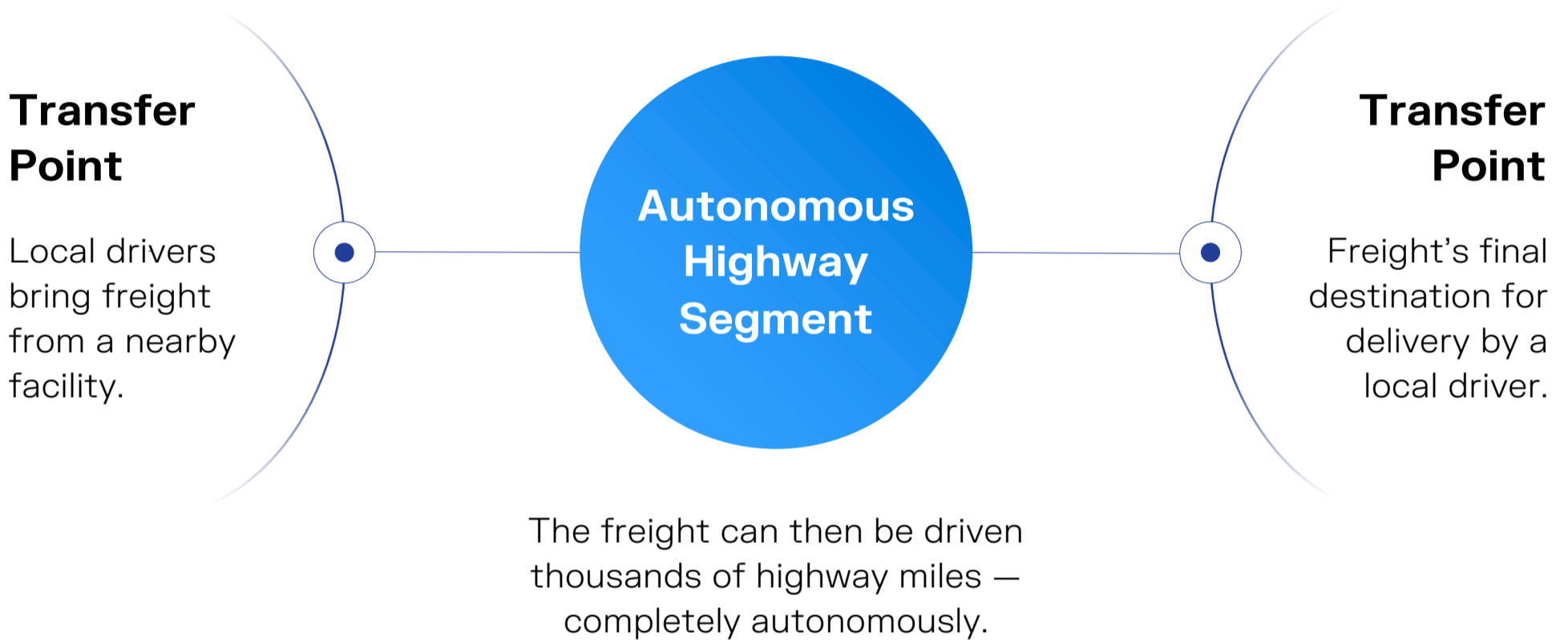
A Comprehensive Cloud-Based Autonomous Fleet Management Solution

Guardian gives carriers complete oversight over their autonomous truck operations. Guardian features include 24/7 monitoring, remote assist capabilities, and intelligent dispatching against real-time weather, traffic, and construction data.



Our Asset-Light, Partnership Approach

Better for Drivers, Better for Business



Better Business for Any Carrier

Our technology is designed to be compatible across the major truck OEM platforms. Carriers can run Embark's software to supercharge their business without switching OEMs.

Partners

We intend to collaborate, rather than compete, with carriers, truck manufacturers, and Tier 1 suppliers. Through our Partner Development Program, carriers like Werner Enterprises, Bison Transport, and Mesilla Valley Transportation and shippers like AB InBev and HP are working with us to commercialize autonomous trucks.



Building a Resilient Trucking Industry

The trucking industry faces mounting challenges. It has significant operational safety challenges, is a major contributor to greenhouse gas emissions, and faces a growing driver shortage.

We believe that adopting autonomous driving technology will address these challenges and build resiliency in our industry to make it safer, more sustainable, and more attractive for truck drivers.



Operational Safety Challenges

Challenge:

In 2020, crashes involving large trucks in the US led to:

4,600+
deaths¹

68,000+
injuries¹

Human error is a contributing factor in the overwhelming majority of serious and fatal crashes.²

Embark-Powered Trucks Can Reduce Accidents Attributable to Human Behavior:



Don't get fatigued or distracted

Embark-powered trucks aren't affected by human cognitive factors that may cause accidents.



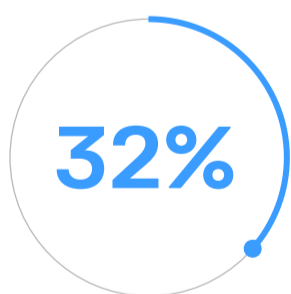
Maintain a 360-degree view of their surroundings

Embark-powered trucks have more visibility and fewer blind spots than human drivers.

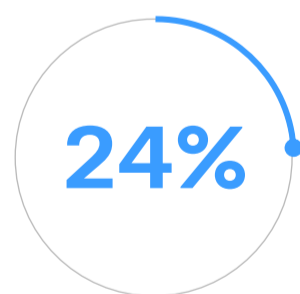
Diesel Fuel Emissions

Challenge:

Heavy-duty trucks are major contributors to air pollution in the US, emitting about:



of mobile source NOx³



of mobile source GHGs⁴

These pollutants are linked to adverse respiratory and cardiovascular effects and increased climate change impacts.⁵ They are often experienced disproportionately by vulnerable populations, communities of color, and low-income neighborhoods.⁶

Embark-Powered Trucks Can Increase Heavy-Duty Truck Fuel Efficiency:



Better Speed Management

Human drivers often drive well over posted speed limits, while Embark-powered trucks are programmed to drive at or below the speed limit, where fuel economy is best.



Smoother Handling

Embark-powered trucks drive with optimal braking and acceleration profiles, helping reduce unnecessary fuel consumption from poor driving habits.⁷



Reduced Idle Time

Embark-powered trucks won't need to consume fuel and emit pollutants to idle overnight or during rest periods like human drivers do.⁸

Driver Working Conditions

Challenge:

Long-haul truck driving is an extremely demanding profession with one of the highest injury and illness rates of all occupations.⁹ Drivers often experience:⁹



Insufficient exercise



Extended time away from home



Lack of sleep



Feelings of isolation

These conditions, along with regulations limiting working hours and the aging trucking workforce, are contributing to a high occupational turnover rate¹⁰ and a growing driver shortage that surpassed 80,000 drivers in 2021.¹¹

Embark's Transfer Point Model Can Improve Driver Working Conditions, Increase Driver Retention, and Reduce Demand for Traditional Driver Jobs:



Short-Haul Routes

Having drivers service primarily short-haul routes, with Embark-powered trucks servicing long-haul routes, supports a more attractive lifestyle for drivers that improves their well-being.



No Layoffs Expected

Given the expected timeline to full-scale adoption¹² and the severe existing driver shortage, we do not anticipate that our autonomous driving technology will cause truck driver layoffs.¹²



Our Key Focus Areas

The remainder of this report outlines what we are doing at Embark across our six key ESG focus areas. To identify these material issues, we reviewed the Sustainable Accounting Standards Board's (SASB) Industry Frameworks, MSCI Industry Materiality Maps, and United Nations Sustainable Development Goals (UN SDGs), and applied the applicable ESG categories for our business.



Safety

01 AV Truck Development

02 Testing Fleet

03 Partnership with Arizona Department of Transportation (ADOT) to Accelerate Highway Work Zone Safety



Safety

At Embark, our primary ESG focus is safety on public roads and in our operations. Our approach to safety is dynamic and multi-layered. To us, safety is not an achievement, but rather it is a result of a firm commitment to constant attention, communication, and improvement. All aspects of our testing and development are committed to safety as the number one priority.

One million real world miles without a Department of Transportation (DoT) reportable safety incident.



AV Truck Development

We are working to ensure that our software and hardware are developed in alignment with established automotive safety standards and newer emerging standards specific to autonomous vehicles.

Guided by these standards, Embark's engineering team designs the Embark Universal Interface with very high reliability as a key safety goal and Embark employs techniques like component redundancy and fault detection, isolation, and recovery to ensure that critical safety risks to other drivers are effectively mitigated.

Our suite of simulation testing, private track testing, software testing, hardware testing, subsystem integration testing, and real-world on-road testing helps Embark demonstrate the safety of our system throughout our development lifecycle. This tiered hierarchy of verification and validation activities aligns with the best practices of other industries (aviation, spaceflight, and traditional automotive).



Testing Fleet



We manage our testing fleet according to the highest safety standards. All our automated trucks are operated with experienced safety drivers at the wheel and operators supporting the ride. We have dedicated teams responsible for real-time safety monitoring, including ensuring trucks are being tested within their Operational Design Domain, reviewing truck intervention events, monitoring safety drivers for safe driving practices, and surveilling weather and road conditions.

Our system records inward and outward-facing camera views at all times. Our team audits random samples and specific safety events daily to discover any safety driver issues and continually improve our safety processes. If a safety risk is identified, we have robust processes to respond appropriately, including grounding the fleet or pausing testing of a software branch when needed.

Throughout automated rides, we keep an open line of communication with our operators, who sit in the passenger seat or support the ride remotely. Operators keep safety drivers apprised of system status and communicate feedback on system performance back to our engineering team. Our trucks also have automated safety tools such as hands-on-wheel detection, wherein audio and visual warnings are triggered after

the system detects the driver's hands off the wheel for a period of time. Our system also notifies drivers of changing traffic and road conditions.

For safety drivers, we match the standards of the most selective truck fleets in the country. We hire safety drivers who are professionally licensed and average over a million miles of professional driving experience. Before safety drivers assume their duties, we provide a multi-week training program, including classroom, test-track, and on-road components, culminating in a DMV-style final exam. They also participate in fault-injection training on a test track to learn how to safely respond to system faults at any time.

In addition to abiding by State and Federal DOT safety regulations, we hold our safety drivers to rigorous safety policies, including driving limits stricter than Federal Hours of Service limits, random drug testing, and a restriction on phones while the truck is in motion.

During the COVID-19 pandemic, we developed a custom in-cabin airflow system to reduce the accumulation of airborne transmissible contagions in our truck cabins. Our virologist consultant confirmed that our system is likely to prevent airborne transmission of COVID-19 in our trucks.

Spotlight

Partnership with ADOT to Accelerate Highway Work Zone Safety



We are partnering with the Arizona Department of Transportation (ADOT) to accelerate the continued safe interaction between automated commercial vehicles and highway work zones in Arizona.

Highway work zone safety is a shared priority of ours and ADOT's because it is a critical aspect of road safety.

In 2020, the United States had 102,000 work zone related crashes, causing 857 deaths.¹³ Large trucks were involved in 26% of fatal crashes.¹³ Given that these highway work zones will be a common obstacle that all drivers encounter, including autonomous trucks, achieving continued safety will be critical to mass deployment.

Specifically, we are collaborating with ADOT to share relevant information and feedback on areas of mutual interest.

Using our operations data, Embark will provide ADOT with feedback on mutually-defined areas of interest such as infrastructure health, road design, and quality of publicly available work zone data. We'll also provide technical briefings to Arizona officials on AV technology. ADOT, in turn, will share open-source data on work zones that can contribute to safe navigation.

Safely navigating work zones is an important requisite for any driver, including autonomous trucks. By working with ADOT, we've accelerated our ability to understand and safely navigate corner cases, moving us closer to our goal of deploying autonomous trucks. We are excited that our system's ability to read signs, respond to traffic control devices, and detect workers, combined with its 'always-on' state that never gets fatigued or distracted, can be an important contributor to road safety in Arizona.



Brandon Moak

Embark Co-Founder and
Chief Technology Officer

ADOT is committed to supporting technological innovations that improve the safety of our highways. Work zone safety and automated vehicles are key examples of this commitment. We are proud of the work ADOT has done so far in advancing work zone safety and support the safe testing of autonomous vehicles. This collaboration with Embark creates the opportunity to combine those efforts. We look forward to the results of this effort and what lessons can be applied across the state.

John Halikowski

Arizona Department of Transportation Director



Environment

01 Using Electric Trucks for Short-Haul Routes

02 Testing Fleet Impact Reduction

03 Data Storage





Spotlight

Using Electric Trucks for Short-Haul Routes

We are passionate about creating a sustainable future for our industry and enabling our fleet partners to comply with the more stringent emissions standards in the coming years, like those announced in the EPA's "Clean Trucks Plan."¹⁴ We want to be on the right side of change.

Our technology allows fleets to re-map their operations to take advantage of recent advances in both electrification and autonomy. We're testing this with HP in an electric vehicle drayage pilot. This partnership helps us advance our efforts within our community to align with local emissions policy, make our distribution network more sustainable, and reduce diesel emissions in the greater Los Angeles area.

We are working with HP to integrate electric trucks into an end-to-end shipment process that will utilize Embark-powered trucks for the highway segments. We are using BYD 8TT electric trucks, operated by human drivers, for

short-haul routes to and from the Los Angeles transfer point used in the pilot. We believe that at scale, this approach of combining the sustainability benefits of autonomous driving and electrification will decrease truck freight emissions significantly. Our research indicates that HP can reduce its carbon dioxide and other pollutant emissions by up to 50,000 tons in the next ten years by adopting short-haul electric truck drayage and long-haul autonomous trucks.¹⁵

Through this partnership, we're examining the technologies that are currently available to make an autonomous-enabled shipment process as sustainable as possible. Combining short-haul electric truck drayage and long-haul autonomous truck technologies helps us achieve short-haul diesel emissions reductions alongside the fuel efficiencies achieved by autonomous trucks on long-haul routes.

We're excited to see innovative companies like HP, Embark, and BYD step up to help the State of California meet its ambitious emission reduction goals. With zero-emissions short-haul and autonomous long-haul trucks working in tandem, we're improving air quality in California's disadvantaged communities and addressing the climate crisis head-on.



Eloise Gomez Reyes

California State Assembly Majority Leader

We're combining the best of both worlds with this partnership, pairing the middle-mile strengths of autonomous trucks with the sustainability benefits of electric trucks in urban road settings. Autonomous and electric trucks represent a powerful tool for companies like HP to help the trucking industry reduce harmful diesel emissions while continuing to deliver goods to the businesses and consumers who need them.

Alex Rodrigues

Embark Co-Founder and
Chief Executive Officer



Testing Fleet Impact Reduction

We employ a number of practices to increase resource efficiency and reduce the environmental impact of our testing fleet:



To avoid idling truck engines while doing engineering and installation work, we plug trucks into shore power.



When we upgrade trucks, we reuse and repurpose materials like wiring and aluminum extrusions.



To reduce coolant use and waste, we use misting lubricant for machining equipment instead of fluid coolant.

Data Storage

Embark's artificial intelligence system is data-intensive, and thus energy-intensive. We use Amazon Web Services (AWS) as our cloud provider and we do not own, manage, or rent any other data centers. AWS is committed to integrating renewable energy into its mix, and in the long term, achieving 100% renewable.¹⁶ More information on AWS's sustainability practices can be found on [AWS's Sustainability Website](#).



People

01 Who Are Our People?

02 Remote Work Policy

03 Developing Homegrown Leaders

04 Our Commitment to Diversity, Equity, and Inclusion

Addressing Traditional Gender Disparities in Tech

05 Safety Drivers

06 Including All Employees in Our Nasdaq Listing Event



Who Are Our People?



Our path to tomorrow's trucking industry starts with our people. Our success relies on fresh ideas that lead to creative solutions. Our people are kind, collegial, and innovative.

We are proud to employ top talent from the widest possible range of educational backgrounds, experiences, and perspectives. We believe our unique employee skill set differentiates us from other software companies.

OUR EMPLOYEES



Unique Talent

Seasoned engineers, veterans, professors, career truck drivers, ex-White House, ex-NASA, business executives, and more.



Global Workforce

Different countries including Angola, Columbia, Canada, Germany, India, Philippines, Serbia, South Africa, and Spain.



Diverse Education

Range of educational backgrounds including recent college graduates, holders of doctoral degrees, and seasoned safety drivers with decades of experience.

As we grow our company rapidly, we continue to seek out top talent. We recruit candidates through various channels and have a successful internship program, which we use as a pipeline for full-time hires.

Remote Work Policy

We employ a remote work policy to blend the best of both worlds — a strong, in-office culture with a far greater recruiting pool, and the ability to give our employees the flexibility they need to work from wherever works well for them on any given day, week, or in the long-run. This policy helps us reduce employee burnout, reduce time and fuel spent commuting, and support employees with structural impediments to traditional workplace success, like working mothers who have had to take on additional childcare responsibilities and household work during the pandemic.¹⁷

Today, over 30 percent of our workforce chooses to work remotely full-time, up from zero percent prior to the COVID-19 pandemic. Many of our non-remote employees also have hybrid work arrangements.

We still value our strong team culture and in this hybrid world have continued to create opportunities for all employees to stay engaged. Some teams have implemented an "office week," where remote employees opt-in to work from the San Francisco office once per month so that they can collaborate and work together in person when needed while being remote most of the time.



Developing Homegrown Leaders

We believe in facilitating personal and professional growth for our employees. Our people learn from each other, share ideas, and compel each other to achieve things we couldn't imagine doing on our own. Feedback and mentorship are core pillars of this.

We use a continuous, bi-directional feedback model, which includes mid-year and yearly 360 performance reviews and ongoing opportunities for check-ins and goal-setting. We believe that feedback should be exchanged respectfully and in the spirit of making the company better. It is an opportunity to strengthen our relationships and unlock new information to drive better outcomes.

We also offer mentorship programs and various training opportunities to our employees. One such program is our voluntary Engineering Mentorship program. For managers at all levels, we offer a variety of resources to support their development. This has included externally-developed management training programs and executive coaches, in addition to manager training developed in-house.

Evidence of our culture of talent development is the number of homegrown leaders in our organization. We seek out ways to help our employees pursue their career goals and actively develop internal candidates for management roles. Half of Embark's top executives have been with the company for over four years.



Our Commitment to Diversity, Equity, and Inclusion (DEI)

We want our company to represent the community around us. We aim to build a diverse and inclusive organization across our employee base, leadership, and board.

Our commitment to diversity begins with making sure that we create a safe and equitable workplace for each of our employees. We maintain a strict equal opportunity and anti-harassment policy, with robust mechanisms to report events anonymously, investigate violations of our policies in a fair and thorough manner, and take disciplinary or other enforcement action as appropriate. Each of our employees is required to attend Harassment and Discrimination Prevention Training, and we have a Manager resource in charge of mitigating bias in the performance management process.

Pay equity is a core tenant of Embark's compensation framework. Our pay structure promotes fair and equitable pay regardless of an employee's race, gender, age, religion, disability, or any other demographic status.

To hold us accountable for achieving our diversity goals, we've established Company-level DEI Objectives & Key Results, calling for a cross-functional team to evaluate our DEI policies and provide an actionable framework for improvement. We've also engaged DEI vendors to conduct assessments of our DEI practices and lead executive team workshops on DEI.



Addressing Traditional Gender Disparities in Tech

We're working to address traditional gender disparities in engineering and technology companies. We run events with the Society of Women Engineers and do targeted recruiting from universities and groups such as Women in Robotics.

Women comprise 60% of our most recent group of interns.

To foster an open and inclusive environment for women, Embark supports the Ladies at Embark resource group. Programming in the past year included a training session on women in male-dominated industries, a women in trucking panel discussion for all of Embark, breakfast with the co-founders, a book club, social events such as lunches and happy hours, and an active digital community. Other informal resource groups will be more formally integrated as Embark continues to grow.

Safety Drivers

We are proud to employ some of the industry's most distinguished truck drivers, and we work hard to make sure we treat them as valued employees. While many of our competitors hire drivers and operations staff as contractors, we hire our drivers and operations staff as full-time employees with full benefits and equity in the company. Our safety drivers go home at the end of most days, and we have a rotating schedule that considers drivers' preferred shifts. We also run a Truck Team Recognition Program to recognize and reward drivers who are living our values.





Spotlight

Including all Employees in our Nasdaq Listing Event

To us, innovation is a team sport. We wouldn't be where we are today without each of our employees. Knowing this, when we became a publicly traded company in November 2021, we decided to invite all our employees to our listing event in New York City.

On the day of our listing, all Embark employees who were not at our live bell ringing ceremony were invited, along with their guests, to watch the ceremony from a viewing room inside the Nasdaq MarketSite. After the ceremony, everyone headed to Central Park for lunch and an afternoon of team building activities. In the evening, we attended a company gala, where we celebrated our successes, heard from early employees about what they love about Embark, and aligned on the road to come.

The event was very special for Embark. It was our first time coming together as a full team since before the pandemic, and it was an opportunity for us to meet many of our new hires in person for the first time. We also got to build excitement and motivation for the hard work that has only just begun.

Community

01 First-Ever Autonomous Gift Haul

02 Partnering with Texas A&M University for Continued Innovation





Spotlight

First-Ever Autonomous Gift Haul

This holiday season, we worked with DePelchin Children’s Center, an accredited foster care and adoption agency, to complete the first-ever autonomous gift haul for children and families across Texas.

Every year, DePelchin Holiday Project gives gifts and basic need items to hundreds of children and families in the Houston, Austin, San Antonio, and Lubbock areas. This year, we volunteered to deliver the gifts collected at their main Houston office to San Antonio and Austin to be distributed to children. We also made a \$20,000 donation to DePelchin to further support their mission.

We were excited to support an organization in our community that shares our values. We are both committed to changing the world by thinking of new ways to provide vital services to the communities we serve.



Partnering with Texas A&M University for Continued Innovation

In December 2021, we announced our expansion into Texas. We've launched an autonomous trucking lane between Houston and San Antonio and have opened a facility in the Houston area. As part of this expansion, we're excited to work closely with Houston's leading innovators in autonomous vehicle technology, such as Texas A&M University.

We're partnering with Texas A&M to test, deploy, and validate our technology as we achieve our remaining milestones. We'll use the state-of-the-art test track at the Engineering Experiment Station, and work with the Center for Autonomous Vehicles and Sensor Systems (CANVASS) and faculty in the J. Mike Walker '66 Department of Mechanical Engineering to perform research and testing.

Texas is the center of America's trucking industry, and it's the perfect home for Embark's expanded operations. We're excited by the talent and entrepreneurial spirit that Houston has to offer. Our new footprint in Texas will support our growing network of partners and fuel our rapid growth across the Sunbelt. As we scale our operations, we will continue to work closely with local and state governments and other organizations so that we improve the safety, sustainability, and efficiency of trucking with autonomous technology.



Stephen Houghton

Chief Operating Officer

Governance



Governance

Good governance means creating accountability of our leadership to our shareholders and is paramount for our business' continued success. We recently became a public company and are striving to develop robust organizational accountability within our management teams and to our Board of Directors as well as develop a world-class compliance program to provide enterprise risk management.

Our Board of Directors is composed of two executive officers and four independent directors. We believe our Board's membership should reflect a diversity of experience, qualifications, skills, gender, race, and age. Accordingly, our Board is made up of members with deep industry experience, high-quality personal and professional integrity, strong ethics and values, and keen business judgment.

Our Board of Directors plays a critical role in the oversight of our business outcomes, compliance, and enterprise risk management. It is tasked with overseeing the reporting of our financials and operations, material transactions, and other events and any significant risks to our business. We have three standing committees, made up of independent directors: the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee. Each Board committee is responsible for evaluating and overseeing the

management of certain risks. The entire Board will be regularly informed through committee reports about these risks.

Equity awards are a key component of our compensation structure. Our founders' compensation program going forward is based primarily on a performance share formula and is thus highly aligned with our shareholders. All key executives are granted meaningful equity to ensure retention of key talent. Each of our employees is also granted equity, which gives our employees an ownership mindset and incentivizes high quality work.

We are an organization with strong values of responsibility and integrity, and we strive to conduct business with the highest level of ethical conduct. We have several policies in place to enforce our principles, which are guided by our [Code of Business Conduct and Ethics](#). These programs include a process for anonymous whistleblower complaints and required compliance training for all employees.

ESG governance is a priority at Embark. Our Board of Directors and our executive leadership team are engaged in our ESG strategy and have oversight over our ESG initiatives. Leaders across Embark's organization, including on our Operations, Finance, Legal, Business Development, Human Capital, and Engineering teams, work to deliver on our ESG goals.

Spotlight Elaine Chao

In 2021, we are proud to have added Elaine Chao, former U.S. Secretary of Labor and the former U.S. Secretary of Transportation, to our Board. Secretary Chao has extensive experience in the private and public sectors, and she oversaw the development of the first-ever regulatory guidance on autonomous trucking. Her guidance will be critical as we achieve our remaining milestones.



Cybersecurity & Data Privacy





Cybersecurity & Data Privacy

Embark takes a proactive approach to the security of our proprietary business data to ensure safe and efficient operations. We continuously evaluate emerging security tools, industry standards, and legal controls to protect our organization's systems and technology platforms against cybersecurity risks and safeguard sensitive customer information. In addition to internal efforts, Embark engages with third-party cybersecurity firms to provide external assessments of our security policies and framework adherence.

Embark's core systems are built with security best practices in mind to protect against external threats and environmental disasters. We leverage monitoring across our networks and systems to enable us to detect and surface anomalies across core systems. Our networks are architected to segment critical systems and data, with access to individual resources governed by the principle of least privilege. We have tools and processes in place to quickly isolate and quarantine individual systems or users from any part of our network in order to contain any potential threats.

We put a strong focus on data protection practices to prevent information loss or theft. All of Embark's critical data – which consists of vehicle logs, intellectual property in the form of software code and engineering

designs, and administrative data – is stored in hardened cloud environments. We have backup processes in place to ensure data integrity with regard to cyber threat, loss, theft, or human error. All of Embark's core technical infrastructure, encompassing core data and cloud-based services, is built with geographic redundancy to protect against the impact of localized environmental disasters.

The business' email and data storage platforms are encrypted both in transit and at rest. We enforce drive encryption for all employee devices with administrative controls to remotely lock and wipe compromised hardware. This acts in tandem with the systems that grant, monitor, and revoke credentials for individuals for access to both our internal and cloud-based resources.

In conjunction with our design and architecture efforts, we also work to address evolving cybersecurity threats with specific consideration to industry standards, including NIST, CIS, and ISO frameworks. Targeted attacks, like social engineering attempts against our users, require more holistic approaches to both training and reporting. By further educating users and providing specific reporting channels for suspicious communications and business activities, we are working to minimize external attack vectors.

Appendix

01 ESG Frameworks

Indexing



ESG Frameworks

To identify Embark's key focus areas, we reviewed the Sustainable Accounting Standards Board's (SASB) Industry Frameworks, MSCI Industry Materiality Maps, and United Nations Sustainable Development Goals (UN SDGs), and applied the applicable ESG categories for our business.

SASB Industry Frameworks	MSCI ESG Industry Materiality Map	UN SDGs
<p>We aligned the key focus areas that drive our ESG Report with the SASB's sector-specific ESG materiality standards. Our focus is on seven materiality topics in SASB's software & IT services¹⁸ and road transportation¹⁹ industries:</p>	<p>We also mapped our key focus areas to MSCI's Industry Materiality Map²⁰ of the current key ESG issues in the systems software and trucking sub-industries. We are focused on eight key issues that directly relate to our business operations:</p>	<p>We are committed to the UN SDGs²¹. Our focus is on eight of the seventeen UN SDGs that directly correlate with our ESG approach. Each of these goals relates to specific aspects of our business operations:</p>
<ul style="list-style-type: none"> • Accident & Safety Management • Greenhouse Gas Emissions • Air Quality • Environmental Footprint of Hardware Infrastructure • Recruiting & Managing a Global, Diverse, & Skilled Workforce • Driver Working Conditions • Data Security 	<ul style="list-style-type: none"> • Health & Safety • Product Safety & Quality • Carbon Emissions • Human Capital Development • Labor Management • Privacy & Data Security • Governance • Opportunities in Clean Tech 	<ul style="list-style-type: none"> 3. Good Health & Well Being 5. Gender Equality 8. Decent Work & Economic Growth 9. Industry, Innovation, & Infrastructure 10. Reduced Inequalities 12. Responsible Consumption & Production 13. Climate Action 17. Partnerships for the Goals

Indexing

Below is our indexing of our key focus areas to each framework:

Key Focus Area	SASB Topic	MSCI Topic	UN SDG
Safety	<ul style="list-style-type: none"> Accident & Safety Management 	<ul style="list-style-type: none"> Health & Safety Product Safety & Quality 	3. Good Health & Well Being 17. Partnerships for the Goals
Environment	<ul style="list-style-type: none"> Greenhouse Gas Emissions Air Quality Environmental Footprint of Hardware Infrastructure 	<ul style="list-style-type: none"> Carbon Emissions Opportunities in Clean Tech 	12. Responsible Consumption & Production 13. Climate Action 17. Partnerships for the Goals
People	<ul style="list-style-type: none"> Recruiting & Managing a Global, Diverse, & Skilled Workforce Driver Working Conditions 	<ul style="list-style-type: none"> Human Capital Development Labor Management 	3. Good Health & Well Being 5. Gender Equality 8. Decent Work & Economic Growth 9. Industry, Innovation, & Infrastructure 10. Reduced Inequalities
Community			8. Decent Work & Economic Growth 9. Industry, Innovation, & Infrastructure 17. Partnerships for the Goals
Governance		<ul style="list-style-type: none"> Governance 	5. Gender Equality
Data Security & Privacy	<ul style="list-style-type: none"> Data Security 	<ul style="list-style-type: none"> Privacy & Data Security 	

Endnotes

1. US Department of Transportation, Federal Motor Carrier Safety Administration (2022, March). *Crash Statistics*. <https://ai.fmcsa.dot.gov/CrashStatistics/Default.aspx>
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