NOTHING (R)

THE ROAD TO NOTHING

2022 Sustainability Report

Take nothing from the earth to make our product, and leave nothing behind when it's replaced.

Contents

Message from the CEO

Carl Pei
CEO & Co-founder

It's my pleasure to share Nothing's first sustainability report.

Our vision is a world where tech is fun again. An alternative to the stagnant consumer tech industry we face today. But as we build our company, we need to work responsibly.

If we can make meaningful products with global appeal whilst minimising our impact on the planet, we'll know that this is a risk worth taking. We're still a young company so we have a lot to learn. But this gives us the opportunity to continuously improve our environmental efforts and be the real leaders of change.

Sustainability has always been at the centre of conversation. Our first product Ear (1) was focused on carbon offsetting and became the world's first carbon-neutral earbud product. This was a good start. But the real step forward was our second product where we turned our attention to materials. For Phone (1), we built a 100% recycled aluminium frame manufactured with 100% renewable energy. Going forward, we're committed to partnering with our supply chain to be even more innovative and responsible.

Recently we were asked by another brand if they could use the aluminium grade featured in Phone (1) for their own products. Naturally, we said yes. We know that we can use our influence for good — we hope to inspire other brands and newcomers to follow suit as we work to build a more sustainable industry together.

I'm excited to see where this journey takes us.

Thank you for your continued support.

Carl Pei and Team

About Nothing

Our lives rely on technology. But in a world where so much of it looks and feels the same, it's easy to feel uninspired. Locked into empty product iterations. Under the thumb of giants.

Nothing is here to change that. By creating iconic products that make interactions with technology more joyful. Whether it's the Glyph interface on the back of Phone (1) or a transparent earbud stem revealing the precision of our engineering — we're building a world where tech is fun again. Because, what's the point otherwise?

We're obsessed with design — but never at the expense of quality. We have a state-of-the-art research and development lab, where we're also developing our sustainability strategy to do better for people and the planet.

What we're doing feels really exciting. We might not be the biggest just yet but that's not to say we can't be the most impactful. And the most human. Our culture is an open and honest one. As we share our journey with a close-knit community of like-minded thinkers and believers.

About this report

Nothing Technology Limited is voluntarily publishing this Sustainability Report based on the values of honesty and transparency.

This report discloses in detail our vision, goals, and practices in the pursuit of environmental sustainability as we continue to grow and improve as a brand.

Report boundary
This is the first Sustainability Report published by Nothing. It covers Nothing's activities during the 2021 and 2022 calendar years (1 January 2021 to 31 December 2022).

External assurance
We have obtained third-party certification from SGS, TÜV Rheinland, and DEKRA for some of this report's content, including our greenhouse gas emission inventory and the Material Recycling Statement. For details, **see Appendix C.**

Contact us
If you have any questions about this report or wish to obtain further information, please contact us through the email address: **sustainability@nothing.tech**

Our 2025 goals

As an environmentally conscious brand, we continuously review the global impact of our products to locate the most urgent environmental issues, so that we can set credible goals to help reverse them. All of our goals are supported by clear explanations to facilitate quantification and tracing.
See Appendix A for more information.

Circularity

- Metals: introduce recycled sources for 7 out of the 11 key metals we use in our products.
- Plastics: use recycled or renewable sources for 80% of plastics contained in our products.
- Nothing products: extend the lifespan of our products, launch trade-in programs, and expand product recycling programs to more areas.

Climate action and carbon transparency

- Apply carbon footprint labels to all products.
- Ensure that every product series decreases its carbon footprint with each generation starting in 2025.
- Ensure that key suppliers use 100% renewable energy in conducting Nothing-related business.
- Participate in carbon removal or carbon offset projects.

Low-environmental-impact packaging

- Adopt more compact and lightweight packaging designs.
- Achieve plastic-free packaging in phone products, then gradually extend to all product lines.
- Use recycled or FSC-certified sources for all fibres in product and shipping packaging.
- Reduce the printed area on packaging and use 100% plant-based or carbon-negative ink.

Greener chemistry

- Create a complete product chemical database that collects material composition information from our suppliers, with at least 10,000 entries.
- Promote the Nothing Restricted Substance Management Standards throughout the supply chain, and require all suppliers to sign the Supplier Commitment Not to Use Restricted Substances.

Sustainable supply chain

- Implement a set of Sustainability Policies for suppliers, with regular assessments and progress updates. Including:
  - Water: reduce water consumption per unit of product manufactured by key suppliers.
  - Waste: ensure key suppliers achieve zero waste to landfill.
  - Conduct responsible mineral supply chain audits. Regularly release Nothing conflict minerals reports, and publish smelter and refiner lists.

Product highlights

Upon its 2021 release, Nothing's first product, Ear (1), became the world's first carbon-neutral earbud product. Made possible through renewable electricity manufacturing, and offsetting with VCS-compliant carbon credits.

Then came Phone (1). Another leap in our eco-friendly efforts:

We significantly reduced the use of chlorine & bromine flame retardants, 21 phthalates, Hg, Be, and PVC.

The phone's middle frame, volume buttons, power button, and SIM tray tip use 100% recycled aluminium manufactured with 100% renewable energy.

100% recycled tin is used in the soldering process on the main board and sub board.

Over 50% of the plastic components use either recycled or bio-based plastics.

Packaging has no plastic film and uses more than 40% recycled fibre. The protective film of Phone (1) is made of a biodegradable PLA material.

These efforts led to Phone (1) receiving an Eco Rating of 77. As of the end of 2022, the highest score in the smartphone category was 85.

The Eco Rating is an industry-wide evaluation criteria and scoring system for the environmental impact of the entire process of production, transportation, use, and disposal of mobile phones.

Receiver mesh frame
80% post-consumer recycled plastic

Camera lightstrip frame
Bio-based plastic

Power button
100% recycled aluminium

Wireless charger frame
Bio-based plastic

Volume buttons
100% recycled aluminium

Middle frame
100% recycled aluminium

The soldering paste used for the main board and sub board contains 100% recycled tin

SIM tray tip
100% recycled aluminium

Proximity & light sensor gasket frame:
Bio-based plastic

Power button FPC frame:
Bio-based plastic

TransFlash hole plug:
Bio-based plastic

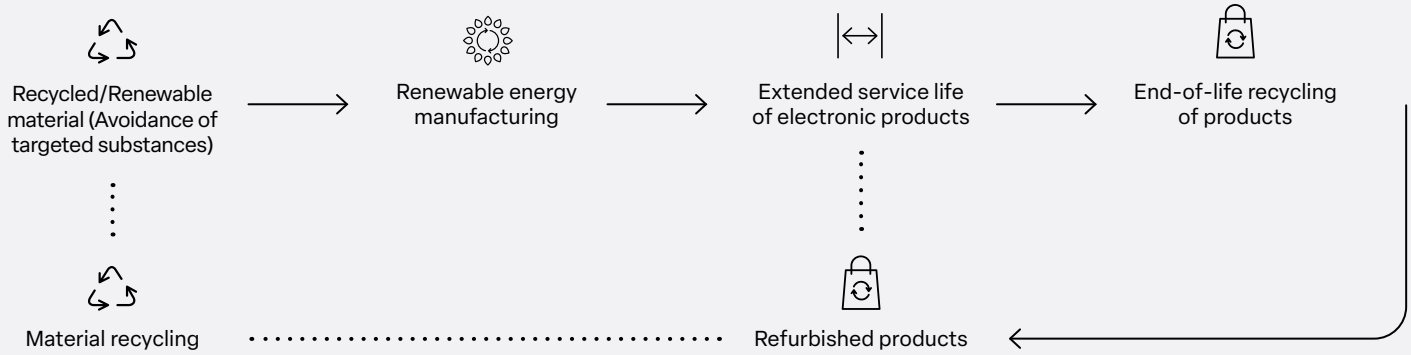
Light sensor holder:
80% post-consumer recycled plastic

Side key frame:
A/B/C:
Bio-based plastic

CIRCULARITY

Circularity

At Nothing, we're striving to replace the traditional "Take – Make – Dispose" linear economic model by transitioning to renewable and recycled materials as much as possible. Our ultimate goal is to extract no resources from the planet and generate zero waste.



Linear model	Circular model
Requires large inputs of virgin materials. The mining and smelting of these materials harm the environment, deplete resources, and can threaten the health and safety of workers and communities.	Switching to more recycled and renewable materials reduces the need for virgin materials. Responsible sourcing of mineral and fibre materials reduces harm inflicted on environments and communities.
Devices containing hazardous substances start a harmful cycle, making subsequent recycling more difficult.	Restricting the use of certain hazardous substances makes recycling easier and safer. **See Greener chemistry** for details.
Replacement of products speeds up resource and energy depletion.	Making products easier to maintain and more durable prolongs their service life.
The manufacture of smart products is energy-intensive and mostly takes place in countries that rely on fossil fuels.	We require key suppliers to use 100% renewable electricity. **See Climate action and carbon transparency** for details.

Goals and progress

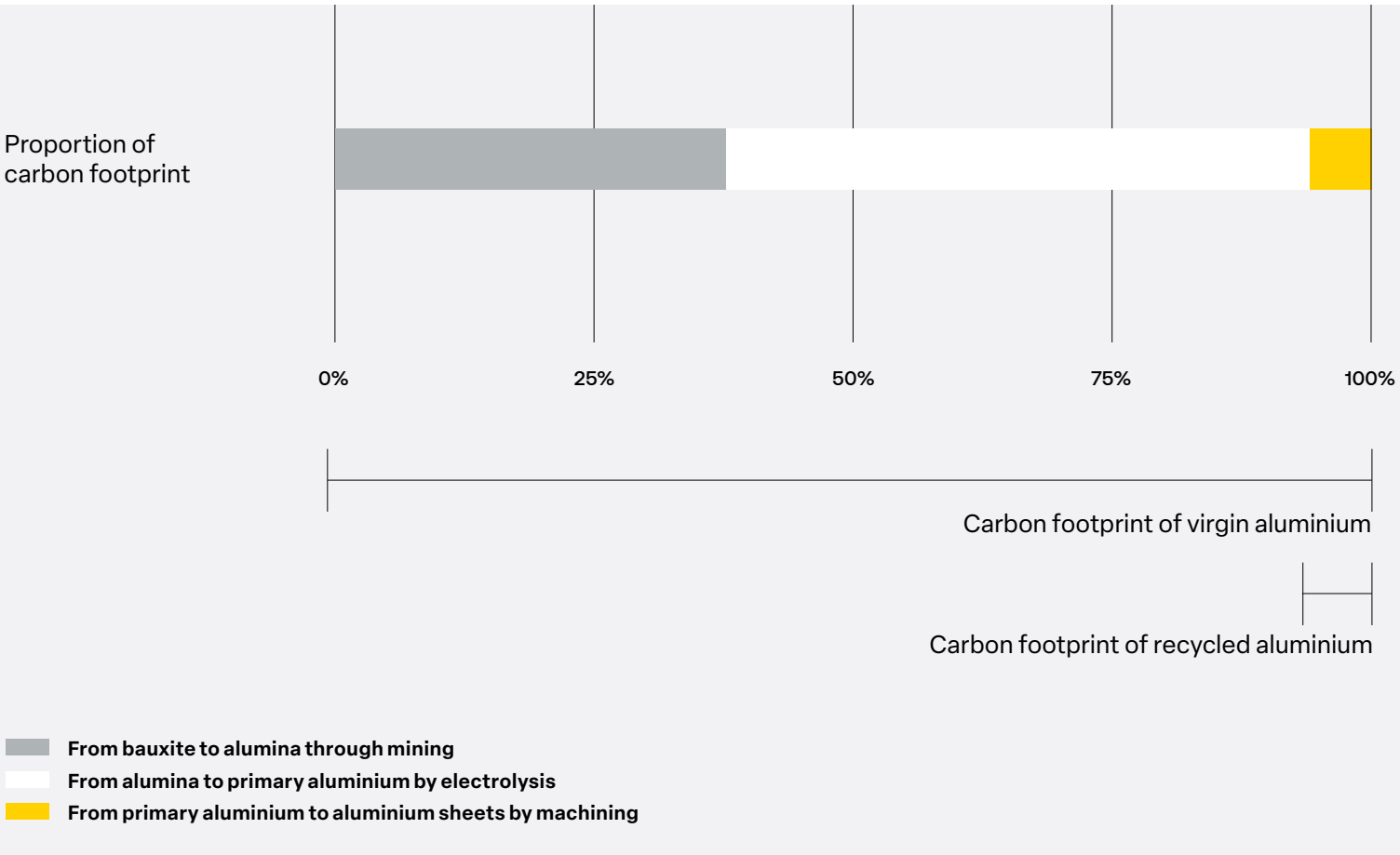
2025 goal	Progress and outlook as of 2022
Introduce recycled sources for 7 out of the 11 key metals used in our products.	We have switched to 100% recycled tin and 100% recycled aluminium. In 2023 we will introduce recycled steel, recycled copper, and more.
Use recycled or renewable sources for 80% of plastics in our products.	More than 50% of the plastic used in Phone (1) is either recycled or bio-based plastic. In 2023, this ratio will be increased to 80% for our next generation of phones. We will also gradually increase the application of recycled/bio-based plastics in other product lines.
Extend the lifespan of our products, launch trade-in programs, and expand product recycling programs to more areas.	We plan to pilot a phone trade-in program in certain regions in 2023.

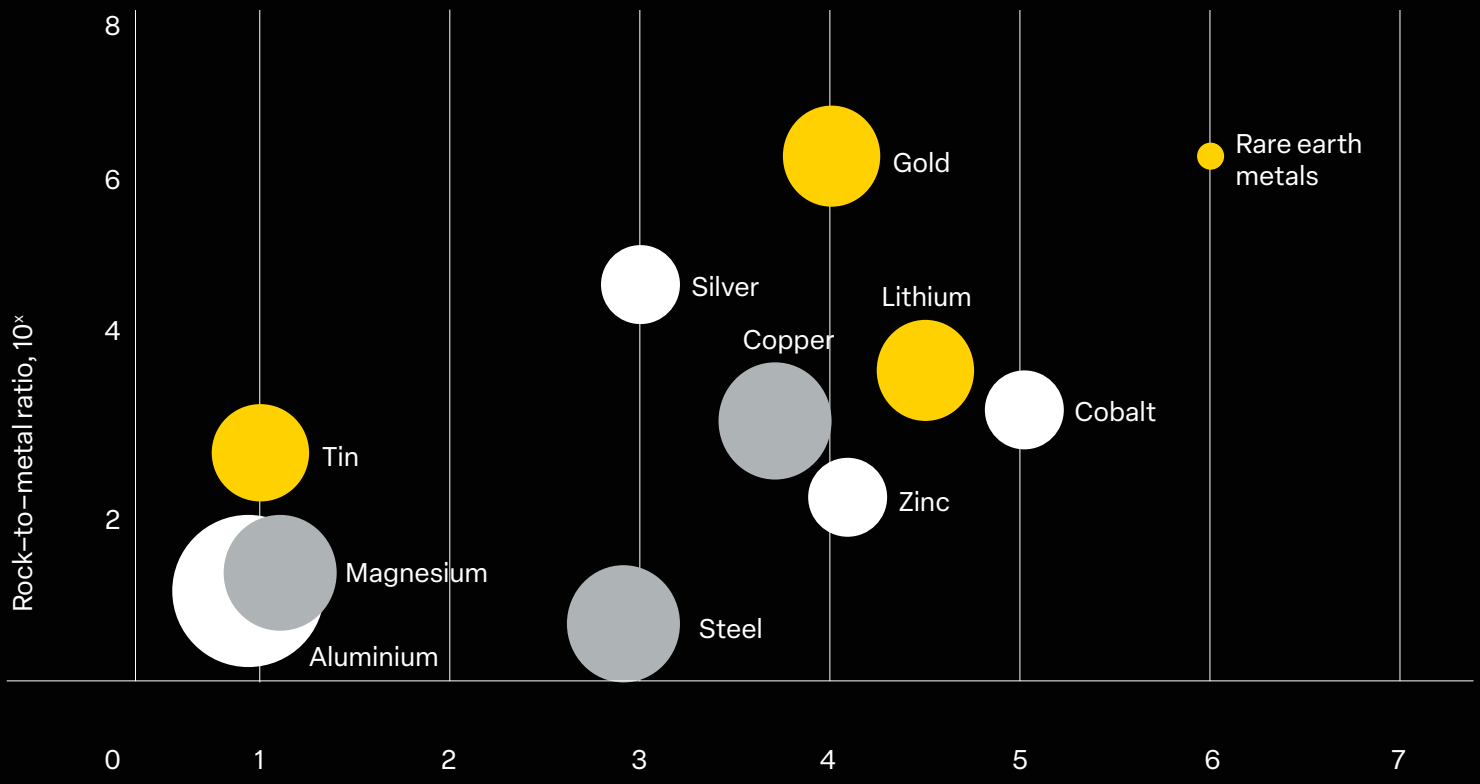
Year	Material
By 2022	Aluminium, Tin
By 2023	Copper, Steel
By 2025	Gold, Magnesium, Lithium
Keep exploring	Cobalt, Rare earth elements, Silver, Zinc

We are transitioning to using more low-impact recycled or renewable materials in our products.

Recycled metals

Phones are predominantly made up of a combination of metals such as aluminium, magnesium, cobalt, tungsten, gold, and more. These metals are obtained from mining and smelting operations. These processes consume a lot of resources, generate pollution, and can lead to human rights violations. Using recycled materials is the only way forward. By switching to recycled aluminium, for example, carbon emissions associated with aluminium can be reduced by 90%.





Recycling difficulty: 0 = easy, 7 = hard.

○ **Bubble size = Amount in products**

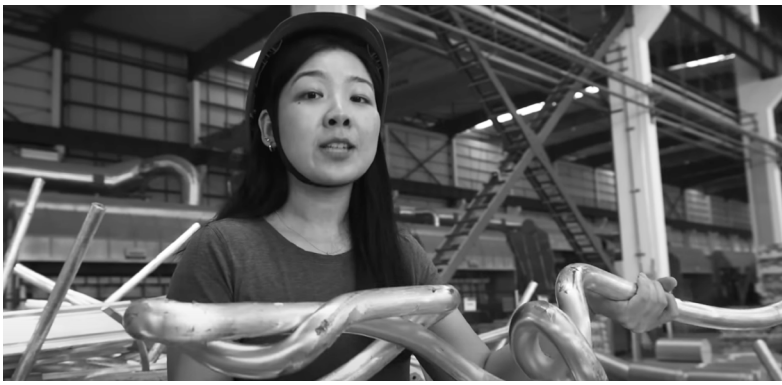
Note:
The rock-to-metal ratio originates from research literature.

The recycling difficulty level refers to the difficulty of introducing recycled materials into consumer electronics, including material reliability, supply chain availability, and other factors.

As we were planning to introduce recycled metals, we needed to consider the order in which the metal elements would be incorporated. We decided which metals we wanted to replace with recycled sources and focused on three factors: a material's environmental impact, its recycling maturity, and the quantities required to make a product. Considering this alongside supply chain opportunities and material reliability, we ultimately decided to use recycled aluminium and recycled tin for Phone (1).

Aluminium performs at the same level after undergoing the appropriate recycling process, and is a resource that can be indefinitely recycled. We visited aluminium recycling factories in China to inspect their processes and completed iterative testing to ensure that recycled aluminium could work just as well in our products.

Collected end-of-life aluminium



Recycled aluminium re-enters the melting furnace

Newly forged billets are cut

Further trimmed for phone-usable aluminium

For recycled tin, we followed a similar process. As mobile phones generally use recycled tin less often than recycled aluminium, building a supply chain is more difficult and has more technical challenges.

All of our main board and sub board soldering is done using recycled tin. Our teams in Product R&D and Hardware Testing have been heavily involved in testing with suppliers to find the best parameters for our product performance needs. During the production process, we use a variety of verification measures such as visual identification and SOPs to ensure that all of our products across all factories use recycled tin of satisfactory quality. And we won't stop there. In the future, we will continue pushing our supply chain for adoption until tin in all parts and components are from recycled sources.

The tin and aluminium currently being used for Phone (1) have received certification from SCS for containing 100% recycled content.

1 Build a traceable supply chain of recycled materials

2 Use more recycled materials in products

3 Achieve 100% recycled material certification

Recycled plastics or bio-based plastics

Plastic is an essential material in mobile phones. We use post-consumer recycled plastics or bio-based plastics as much as possible to significantly reduce environmental impact.

In Phone (1), over 50% of plastic components used are post-consumer recycled plastics or bio-based plastics such as lightstrip frames, or wireless charger frames. The recycled plastics we use come from daily household waste, such as bottles, plastic sheets, and CDs. While the raw material used in bio-based plastics is castor oil — a non-food crop, and therefore unrelated to issues with food supply.

Where most of the industry still relies on fossil-based plastics, we are leading the charge for change. However, new attempts lead to new challenges. Plastic components used in phones need to meet unique structural and performance requirements. This was put to the test when designing the transparent back of the Phone (1).

Our structural engineers worked with experts from companies such as DuPont and SABIC for months to obtain: the optimal technical parameters for injection moulding, how to use a higher proportion of recycled content in plastics, and how to replace more components with recycled or bio-based plastics.

Product durability

We are committed to ensuring that our newest generations of products are not only more powerful but also more durable. By improving our products' resistance to dust and water, as well as extending battery life, we reduce the need for product repairs and replacements. Based on this, we are planning to offer a variety of after-sales repair options, including authorised repairers and mail-in repairs.

We also plan to release online tutorials and official Nothing parts to enable self-service repair. To better promote the flow of our discarded items, we plan to roll out a trade-in initiative for used products and an authorised refurbished product venture.

Waste products recycling and disposal

E-waste recycling is a vital part of the circular economy. We strictly follow WEEE regulations in different countries and regions, as well as the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes. Furthermore, we partner with professional and reliable recycling agencies and not-for-profit organisations such as the European Recycling Platform, Ecologic, and Stichting Open.

In two-thirds of the countries or regions in which Nothing sells products, we run product take-back programs to ensure products are properly disposed of. We are planning to further expand our recycling programs in the future. At the same time, we create a cleaner cycle from the start by limiting the use of hazardous substances and implementing safer recycling. **See Greener chemistry** for details.

CLIMATE ACTION AND CARBON TRANSPARENCY

Climate action and carbon transparency

The 2022 IPCC assessment report sent a clear message: there is no time to lose in addressing the climate crisis.

We realise that reducing greenhouse gas emissions is a major challenge. In fact, the entire industry is under pressure to decouple business growth from carbon emissions. As a new, fast-growing company, we're determined to be a force for industry change, pursuing innovation to carry out one of our brand values — "Be the change". It takes time to build up resources and experience to make breakthroughs, but our results so far show that we're on the right track.

2025 goal	Progress and outlook as of 2022
Apply carbon footprint labels to all products.	All Nothing products have carbon footprint labels. We will continue to do this and keep optimising the calculation model.
Ensure that key suppliers use 100% renewable energy in conducting Nothing-related business.	Ear (1) and Ear (stick) are manufactured with 100% renewable electricity. We are working towards making 100% renewable electricity a mandatory requirement for all products.
Ensure that every product series decreases its carbon footprint with each generation starting in 2025.	Ear (1) is a carbon-neutral product. We are working closely with our suppliers to explore innovative emission reduction solutions.
Participate in carbon removal or carbon offset projects.	Nothing's scope 1, 2, and 3 carbon emissions are fully documented, laying the foundation for future carbon removal or offsets.

Through innovative technology, renewable energy applications, transparent disclosure of data, and high-quality carbon removal projects, we will reduce our impact on the climate.

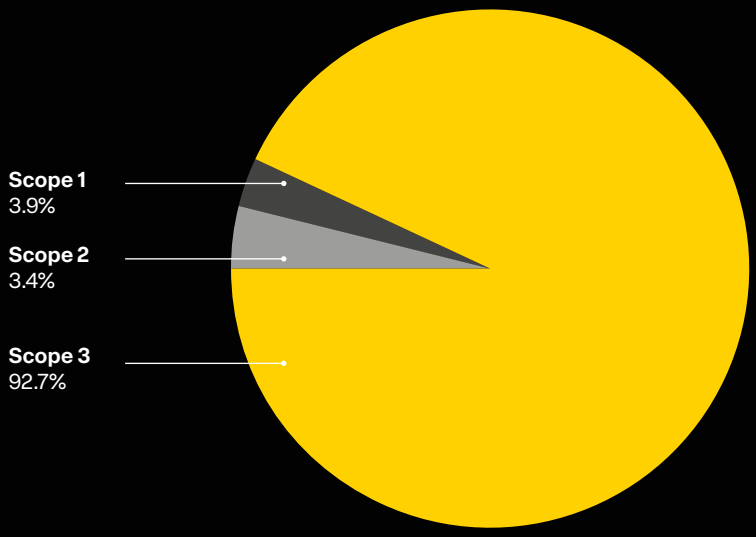
1. We disclose the carbon footprint of our entire value chain.

Based on the GHG Protocol, we fully identify and calculate GHG emissions related to our operations and value chain. Our calculations indicate that 90% of our emissions impact comes from either upstream (material acquisition etc.) or downstream (product use phase) in the value chain.

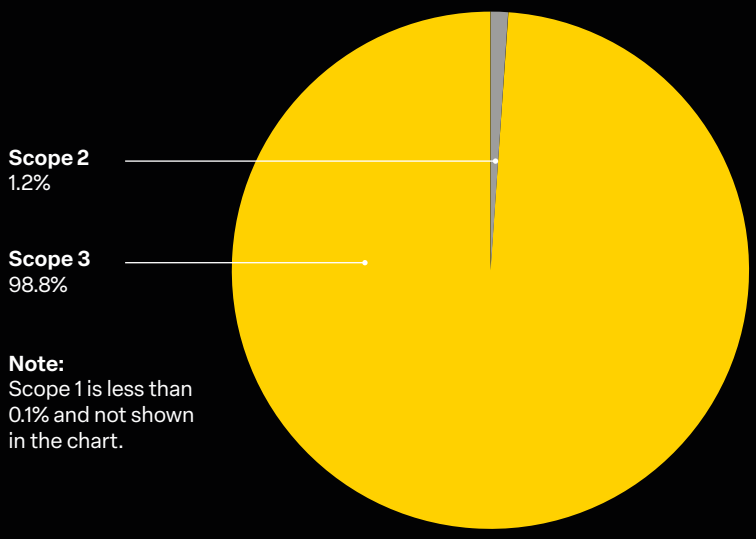
Our offices (Scope 1 and 2)
In 2021, we had five offices in operation, while in 2022, we expanded our reach to eight offices and one store across the globe. Moving forward, any additional workspaces will be accounted for in our upcoming GHG inventories.

Our value chain (Scope 3)
As shown in the chart, product manufacturing is the main contributor to our carbon footprint. This includes material acquisition and supplier manufacturing. We have incorporated the carbon footprint of our products into our value chain emissions calculation. For specific categorised scope-3 emission data, **see Scope 3 inventory.**

Nothing 2021 GHG emission structure

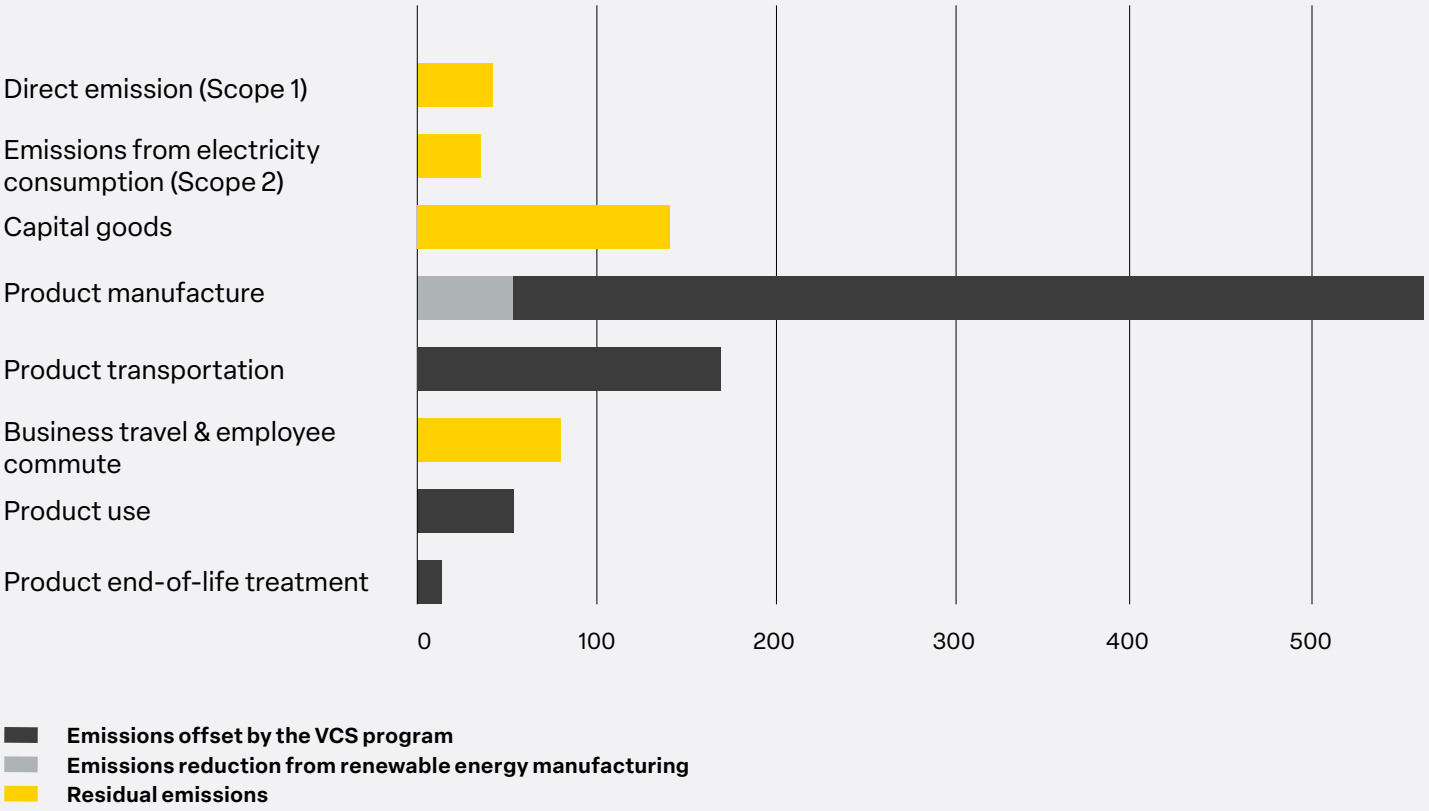


Nothing 2022 GHG emission structure

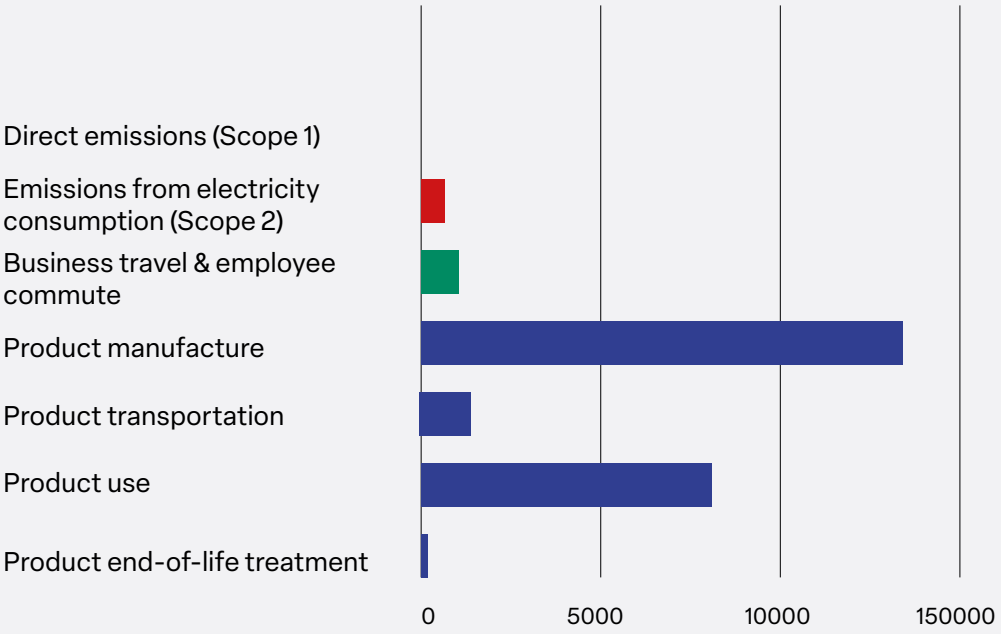


Note:
Scope 1 is less than 0.1% and not shown in the chart.

Nothing organisational carbon footprint 2021



Nothing organisational carbon footprint 2022



LIFECYCLE CARBON FOOTPRINT 3.1 KG CO2E

EU

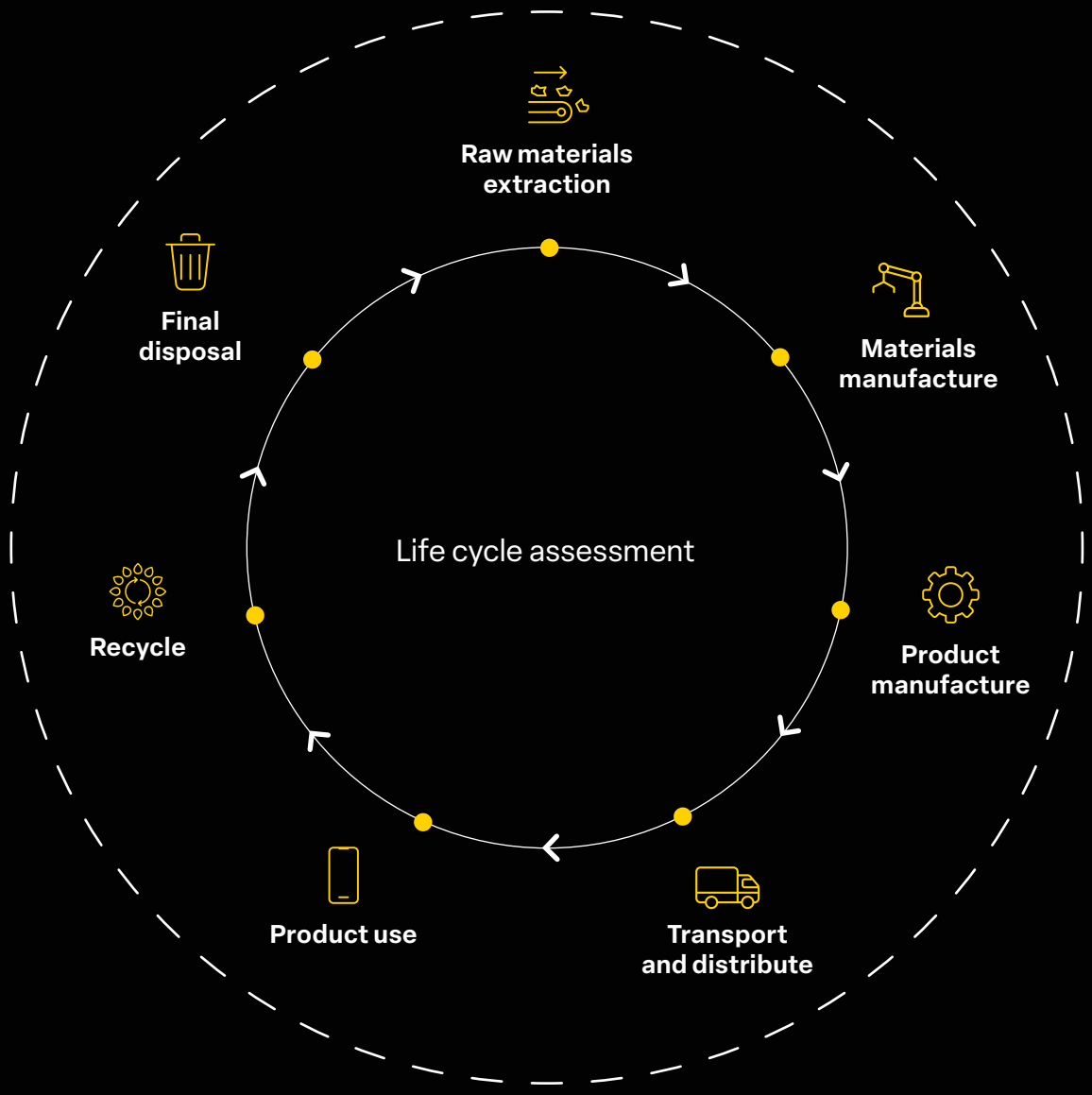
India

Global

We believe that carbon footprint data should be as clearly marked on the packaging as other specifications, so consumers can make informed decisions. As of the end of 2022, carbon footprint labels have been added to all six products, including our product accessories. We will continue this practice into the future.

The carbon footprint of a product quantifies the total amount of greenhouse gases a product generates throughout its lifecycle. From raw material acquisition to assembly and manufacturing, product transportation, use, and disposal. We follow ISO 14040, 14044, and 14067 standards to quantify product carbon footprints, and our data has been certified by SGS, DEKRA, and TÜV Rheinland.

More accurate product carbon footprint reporting delivers more accurate data across the cycle for decision-making, which is why we plan to keep optimising our calculation model and to include more primary data. Looking ahead long-term, we hope to participate in establishing consumer electronics standards for carbon footprint calculation, and promote this practice in the industry.



2. We require our key suppliers to use 100% renewable energy in their manufacturing processes.

The key to solving the climate crisis is to end our dependence on fossil fuel energy. The use of renewable energy is a major driver to reducing emissions across the value chain. As we understand the barriers in place for our supplies to procure renewable electricity, namely their small scale and the high costs involved, we have purchased I-RECs (International Renewable Electricity Certificates) for our Ear (1) and Ear (stick) final assembly suppliers. This includes 101 MWh of solar power and 449 MWh of low-impact hydropower to offset manufacturing electricity consumption. This has led to 447 tCO_2e of avoided emissions.

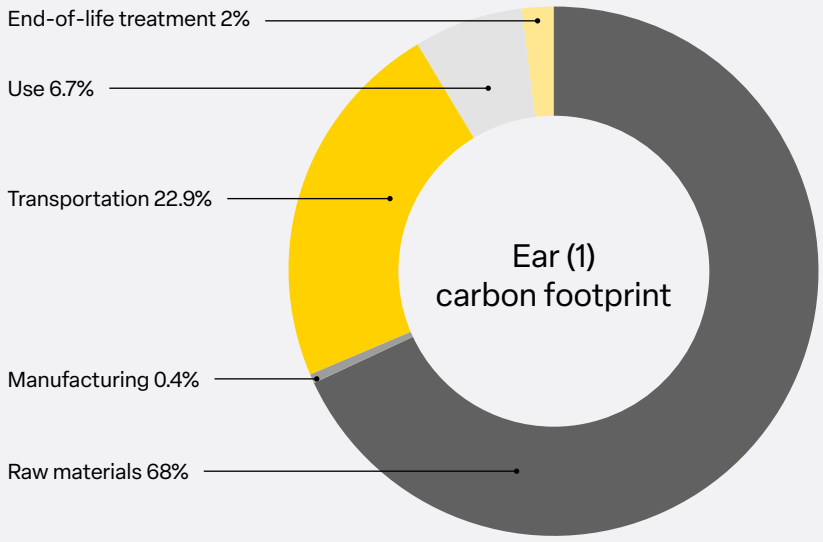
Nothing is committed to ensuring all our key suppliers switch to 100% renewable energy for our products. As renewable electricity market transactions mature and the scale of production expands, we will support our suppliers in developing renewable energy sources, such as on-site generation, green utility providers, and the “Integration of Certificate and Power” model.

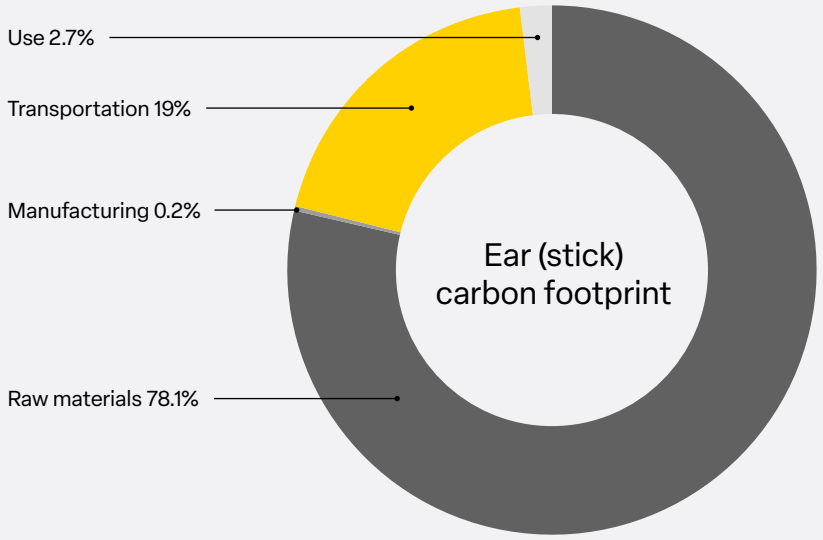
3. We are always exploring new ways to radically reduce carbon emissions.

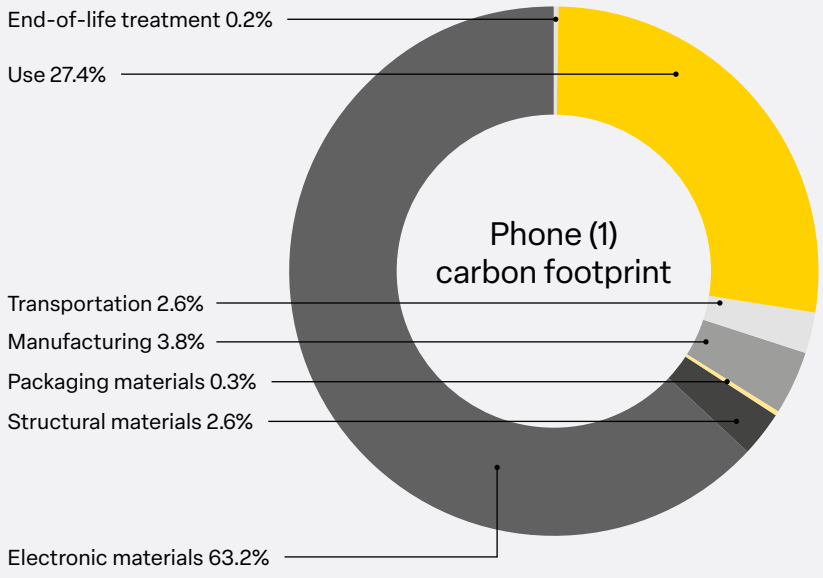
When we analyse the carbon emissions distribution of our earbuds and phones, across the cycle, we can see that 60–70% of emissions are generated during raw material procurement, followed by product transportation and product use. For this reason, we put recycled and renewable materials at the core of our products. We have already made notable progress, incorporating many recycled materials in Phone (1). **See Circularity** for details.

In addition, the manufacture of electronic components has the greatest influence on consumer electronics emissions. It is a massive technical challenge to reduce the carbon footprint of upstream component suppliers for components such as chips. There is still a long road in front of us, but through broader collaboration, there is an opportunity to make transformational breakthroughs together.

Regarding product transportation, we are looking to change from air to sea transport. If possible, we also want to work with carbon-neutral logistics providers. Through more innovative practices, we can accelerate the transition to low-carbon solutions.







4. We plan to invest in high-quality, nature-based carbon removal.

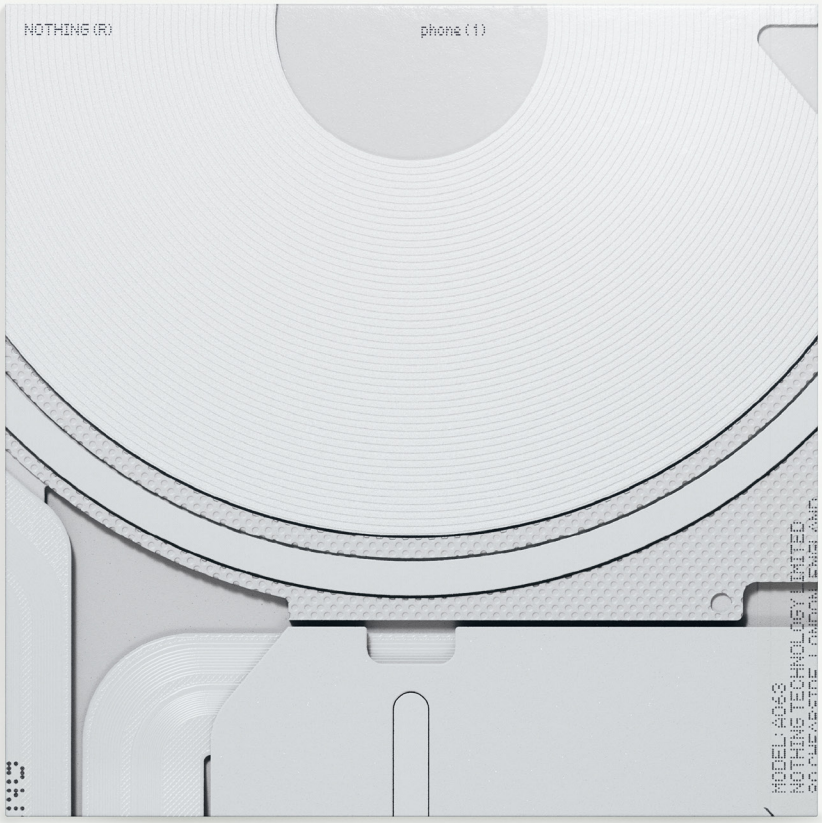
The 2022 IPCC assessment report stated that in order to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels, carbon removal is "essential". Not only is it important that we reduce the emissions we are emitting now, but also we need to remove cumulative emissions in the atmosphere. To this end, we must take measures to restore nature's ability to remove greenhouse gases.

In 2021, we purchased 1,338t of VCS-compliant carbon credits from wind power projects, offsetting the remaining carbon footprint of Ear (1).

The Verified Carbon Standard (VCS) Program is the world's most widely used program for purchasing carbon offsets. It follows rigorous evaluation criteria to verify the authenticity and reliability of emission reduction projects.

Going forward, we plan to use more funds to protect and develop natural carbon sinks such as forests, wetlands, and grasslands. We give priority to directly investing in and operating these carbon removal projects, followed by cooperating with professional institutions.

Low-environmental-impact packaging



Low-environmental-impact packaging

Our commitment to sustainability extends to every detail, covering not only our products but also their packaging. We require our product packaging to be lightweight, plastic-free, and easily recyclable, while still protecting the contents and ensuring a hassle-free unboxing experience.

2025 goal	Progress and outlook as of 2022
Adopt more compact and lightweight packaging designs.	When designing packaging for new products, we pay close attention to volumetric efficiency and weight reduction. We want to make each generation's packaging have less impact than the last.
Achieve plastic-free packaging in phone products, then gradually extend to all product lines.	The packaging of Phone (1) removes the plastic film typically wrapped around cardboard boxes, and we are working towards eliminating all plastic materials in our packaging.
Use recycled or FSC-certified sources for all fibres in product and shipping packaging.	Using Phone (1) as an example, the packaging box uses 40% recycled fibre. In 2023, we will gradually increase the proportion of FSC-certified fibre in our packaging.
Reduce the printed area on packaging and use 100% plant-based or carbon-negative ink.	In 2023, bioinks will be used for product packaging, and new carbon negative inks such as algae ink will be investigated and introduced in due course.

1. Zero plastic

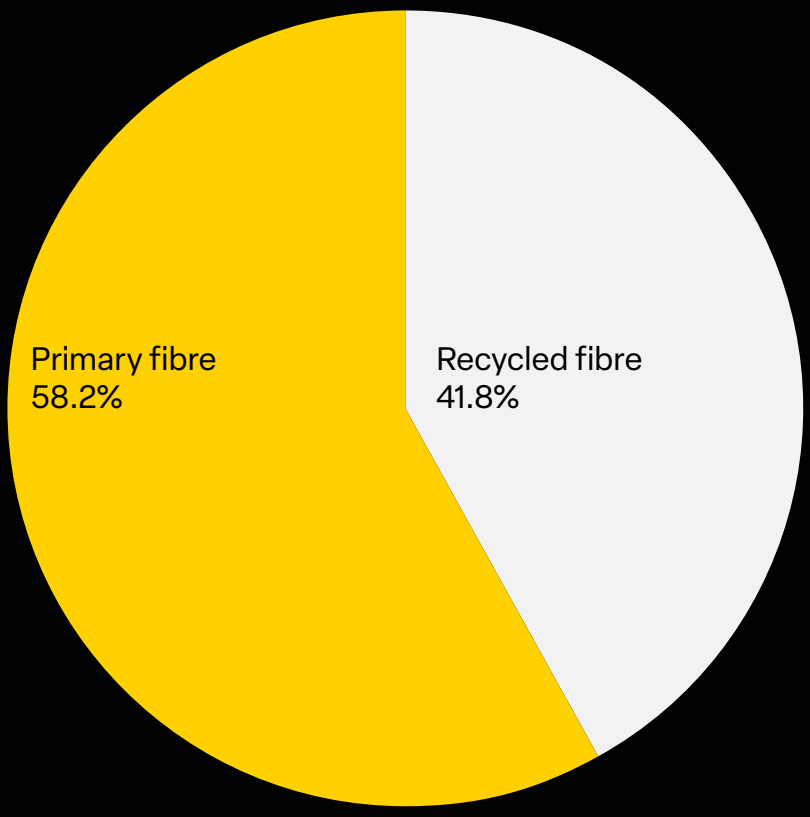
Phone (1) is packaged using a single-use paper seal in place of plastic wrap. This not only simplifies unboxing, but also helps reduce the use of plastic by approximately 1.6 tons in total. This design will be used for all packaging in the future. For plastic parts that cannot be easily replaced, we are investigating alternative-fibre materials. However, the current solutions available on the market have defects. We are currently covering the phones with a PLA film that can biodegrade under industrial composting conditions.

2. Use of responsible, recycled fibre materials

Different fibres from different sources have varying environmental impacts. Generally speaking, recycled fibres are the best, followed by virgin bamboo fibres (including bagasse), and then virgin wood fibres. We follow this priority order when selecting materials. Using Phone (1) as an example, we increased the proportion of recycled fibre to 40%. Furthermore, we are planning to gradually increase the proportion of FSC-certified fibre materials, which are derived from responsibly managed forests.

From 2023 onwards, we will expand into using recycled and responsible materials for transport packaging, such as delivery boxes made of recycled fibres and biodegradable shock-absorbing packaging foam. We will also provide recycled fibre packaging options for our retail stores.

Phone (1) package fibre composition



3. Usage standards for printing inks

We aim to only print the minimum required content on packaging to reduce the amount of ink we use. For the ink we need to use, we will move from fossil-based inks to vegetable-based inks, such as soybean inks.

Not only does this avoid the release of volatile organic compounds (VOCs) into the atmosphere, but also soybean ink is easier to remove from paper, making it easier to recycle. We are also investigating other promising printing inks, such as carbon-negative algae-based inks.

These packaging requirements are explained in the Nothing Packaging Sustainability Guideline, and all related design teams and suppliers must implement them.

GREENER CHEMISTRY

Greener chemistry

Creating safer, greener products means strictly managing the chemicals used throughout the entire process, from product manufacturing to use, through to recycling. We enforce a rigorous chemical management policy and comprehensively identify the chemicals used in our products and their manufacturing processes. We also hold ourselves to stricter standards than are legally required, ensuring the utmost safety for every supplier, employee, and consumer.

2025 goal	Progress and outlook as of 2022
Create a complete product chemical database with at least 10,000 entries.	This project has been initiated, and we expect that the supplier material disclosure system will be officially launched and gradually improved in 2023.
Promote the Nothing Restricted Substance Management Standards throughout the supply chain, and require all suppliers to sign the Supplier Commitment Not to Use Restricted Substances.	We have updated the Nothing Restricted Substance Management Standards, and key Tier-1 suppliers have signed a commitment to meeting these specifications.

Our solutions

Consumer electronics products contain thousands of chemical substances due to their complex material composition. So that we can comprehensively and thoroughly understand which chemicals are in our products, we require suppliers to fully disclose the composition of the materials they use, and we are establishing a system for material disclosure.

We have always believed in staying ahead of regulations when it comes to the management of restricted substances.

In 2022, we updated the Nothing Restricted Substance Management Standards (QM-BZ-0301) (abbreviated as "our specifications" in this report) to meet the RoHS Directive, REACH regulation, POPs regulation, and other national regulations. We proactively ban the use of PVC, red phosphorus, polycyclic aromatic hydrocarbons (PAHs), antimony trioxide, beryllium and its compounds, and brominated and chlorinated flame retardants (BFRs and CFRs).

The Nothing Restricted Substance Management Standards contain detailed quantitative requirements for the following content:

5.1 General standards

5.2 Packaging materials management standards

5.3 Battery management standards

5.4 Process management standards

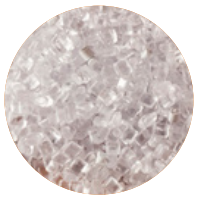
5.5 Management standards for skin-contact materials

RoHS stands for Reduction of Hazardous Substances and is an EU directive that restricts the use of hazardous substances in electrical and electronic equipment to protect the environment and public health.

REACH stands for "Registration, Evaluation, Authorisation and Restriction of Chemicals" and is a European regulation that restricts the use of certain chemical substances in all parts and products manufactured, sold, and imported within the EU.

We invest more resources and bear higher costs to implement our specifications. For example, CFRs and BFRs are effective at stopping electrical components from catching on fire, but they release harmful substances during product use. These chemicals accumulate in the environment and the food chain, ultimately causing harm to the human body. Therefore, we require our suppliers to use safer and more environmentally friendly flame retardants such as phosphorus compounds or inorganic minerals.

It's important to note that in comparison to many other companies' restricted substance commitments, we implement our standards across all product lines, not just some.

Chemical substance		Removed and limited harmful substances
Polyvinyl chloride (PVC)		We have removed PVC from all our products. Commonly used for connecting wires, PVC endangers human health and the environment while being manufactured, during product use and when it is being disposed of.
Polycyclic aromatic hydrocarbons (PAHs)		We have removed PAHs from all plastic components that come into contact with human skin. PAHs are commonly found in plastics and potentially cause cancer through skin contact.
Antimony trioxide		We have banned the use of antimony trioxide in all of our products. The World Health Organization's International Agency for Research on Cancer (IARC) has classified antimony trioxide as a Group 2B agent, which is possibly carcinogenic to humans as outlined in the IARC monographs. It is often added to connecting wires as a flame retardant.
Beryllium		We have discontinued the use of beryllium in electronic components including connecting wires and switches. Exposure to beryllium can cause beryllium poisoning.
Chlorinated and brominated flame retardants (CFRs and BFRs)		We have removed these two flame retardants from all components. CFRs and BFRs accumulate in the environment and human body over a long period and can cause serious harm.
Red phosphorus		After we removed halogen flame retardants, we went further and required red phosphorus to be replaced with organophosphorus as a flame retardant. Red phosphorus is not only toxic, but also flammable.

As consumer electronic products have become more integrated within our daily lives, expectations for device cleanliness and comfort have risen, particularly for wearable devices. We are exploring potential alternatives to acrylate, a common allergen, and we are planning to work with laboratories to develop new antibacterial materials.

We closely follow every phase of the product cycle, from R&D to sales, to ensure that our specifications are implemented. We are also building a tracking process for further follow-up.

Step 1
Product development

We follow green chemistry policies during development, and stay up to date on each country's regulations and research on new materials. The Nothing Restricted Substance Management Standards are promptly updated as needed.

Step 2
Product material selection

We communicate our specifications to all potential suppliers and request the relevant certifications for verification.

Step 3
Commitment signing

We verify that each supplier has signed the Supplier's Commitment to Not Use Restricted Substances and filled in the Substance Declaration Form and Material Composition Declaration.

Step 4
Incoming material inspection

Nothing or an entrusted third-party performs various tests on the materials. If the materials do not meet the requirements, we return them to the supplier and ask them to make the necessary corrections.

Step 5
Process control

We screen and test auxiliary materials used in the manufacturing process to ensure they meet our specifications.

Step 6
Shipment inspection

We spot check outbound products to verify that our specifications are met.

SUSTAINABLE SUPPLY CHAIN

Sustainable supply chain

To reach our sustainability goals and drive widespread change, we need to work closely with our supply chain. This means clearly communicating our vision and goals, providing resources and support, and monitoring supplier performance to encourage continued improvement.

2025 goal	Progress and outlook as of 2022
Implement a Sustainability Policy for suppliers, with regular assessments and progress updates	The first version of our Sustainability Policy has gone into effect and will continue to be updated to encourage supplier improvement.
Reduce water consumption per unit of product manufactured by key suppliers.	We are planning to pilot rainwater and wastewater recycling projects in key factories.
Our key suppliers will achieve zero waste to landfill.	Some of our key suppliers have already made zero-waste-to-landfill commitments. We will continue to support these commitments and gradually encourage suppliers to obtain UL zero waste certifications.
Conduct responsible mineral supply chain audits, regularly release Nothing conflict minerals reports, and publish smelter and refiner lists.	Our key Tier-1 suppliers have committed to not use conflict minerals.

Sustainability Policy

Our supply chain Sustainability Policy covers five aspects: the environment, occupational health and safety, sustainable resources, restricted substance management, and responsible mineral procurement.

Environment aspect sections

Greenhouse Gas Emissions Management

Water and Wastewater Management

Solid Waste Management

Exhaust Emission Management

When it comes to the environment, our suppliers are required to not only meet basic compliance requirements, but to build a complete management system for environmental issues, proactively seeking to reduce pollution from the source. In 2022, our remaining Tier-1 suppliers have not had any environmental violation incidents, and 100% have obtained ISO 14001 EMS certification. This is a good start, but we also plan to assist key suppliers with resource recycling, increasing their water reuse rate, and waste recycling conversion rate.

The remaining Tier-1 suppliers have also received either ISO 45001 or SA 8000 certification for occupational health and safety management. Some have completed the Responsible Business Alliance (RBA) Validated Assessment Program (VAP). These third-party assessments help us verify that our suppliers are meeting our standards.

For sustainable resources, we have released use specifications for three core materials: metal, plastic and fibre. The specifications prioritise the use of low-environmental-impact and responsibly sourced materials, and clearly communicate our expectations across the supply chain.

We strive to use responsibly sourced raw materials in all of our products, and we particularly avoid the use of conflict minerals. We require our suppliers to sign the Conflict-Free Minerals Commitment. As of 2022, key Tier-1 suppliers had signed the commitment. Suppliers are required to conduct their own due diligence checks on their mineral sources, and regularly update the Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) to confirm which smelters and refineries they use. The final manufacturers of Ear (stick) and Phone (1) have implemented this procedure and submitted CMRTs that meet requirements.

APPENDIX

Appendix A: Goal methodology

Metric 2:

Plastics: Use recycled or renewable sources for 80% of plastics contained in our products.

This goal applies to our phones where 80% of the plastic components contain recycled or bio-based plastics.

Metric 6:

Ensure that key suppliers use 100% renewable energy in conducting Nothing-related business.

The key suppliers in this goal refer to Tier-1 final assembly suppliers.

Metric 8:

Adopt more compact and lightweight packaging designs.

This goal uses Phone (1) as the basis for volumetric efficiency and weight efficiency improvements.

$$\text{Packaging volumetric efficiency} = \frac{\text{Product volume}}{\text{Packaging volume}}$$

$$\text{Packaging weight efficiency} = \frac{\text{Product weight}}{\text{Packaging weight}}$$

Metric 10:

Use recycled or FSC-certified sources for all fibres in product and shipping packaging.

This goal refers to the product packaging box and shipping box.

Appendix B: Greenhouse gas emissions

Nothing GHG emission inventory

Scope	Emission source	2021 GHG emission (tCO_2e)	2022 GHG emission (tCO_2e)
Scope 1: Direct emissions		43.20	10.34
Fossil fuel combustion emissions	No relevant emission source	—	—
Fugitive emissions	Fugitive methane from office wastewater processing	23.92	10.34
	HFC – 32	19.28	—
Process emissions	No relevant emission source	—	—
Scope 2: Emissions related to electricity consumption		37.00	275.52
Energy (location-based)	Energy (China)	24.27	173.72
	Energy (United Kingdom)	4.93	24.43
	Energy (India)	7.59	76.82
	Energy (Sweden)	0.21	0.55
Scope 3: Emissions across the value chain			
	Before offset	976.03	22821.86
	Product offset	–738.33	—
Total carbon emissions (before offset)		1056.24	23107.91
Total carbon emissions (after offset)		317.91	

Scope 3 inventory

GHG protocol category	2021 GHG emission (tCO_2e)	2022 GHG emission (tCO_2e)	Emissions calculation methodology
Purchased goods and services	504.35	13759.06	This category of emissions mainly includes the procurement of raw materials for production and the emissions generated by the supplier's manufacturing process, and also includes the emissions from paper purchased for the office, where the emission factor used is cradle-to-gate.
Capital goods	142.16	11.72	This category mainly includes emissions from the procurement of assets and equipment (refrigerators, computers, etc.) using cradle-to-gate emission factors. Assets and equipment required for the following five years were purchased in unison in 2021, making the 2021 emissions generated in this category relatively large. In subsequent years, we expect a significant decline.
Fuel- and energy-related activities	9.65	57.14	Fuel- and energy-related activities (not included in Scope 1 or 2) include upstream emissions of purchased electricity, while transmission and distribution (T&D) losses (by energy use type) have been included in Scope 2.
Upstream leased assets	Not relevant	Not relevant	We do not lease other related party assets.
Upstream transportation and distribution	170.16	654.23	This category mainly includes emissions from transporting the assembled products from the assembly supplier to the warehouse, and then from the warehouse to the place of sale.
Waste generated	4.54	0.87	This category mainly includes emissions from incinerating office waste.
Business travel	26.19	150.20	This category mainly includes emissions from air travel, high-speed trains, vehicles and hotels used for business travel.
Employee commuting	54.93	242.60	This category mainly includes emissions from employees using electric vehicles, cars, and metro transport.

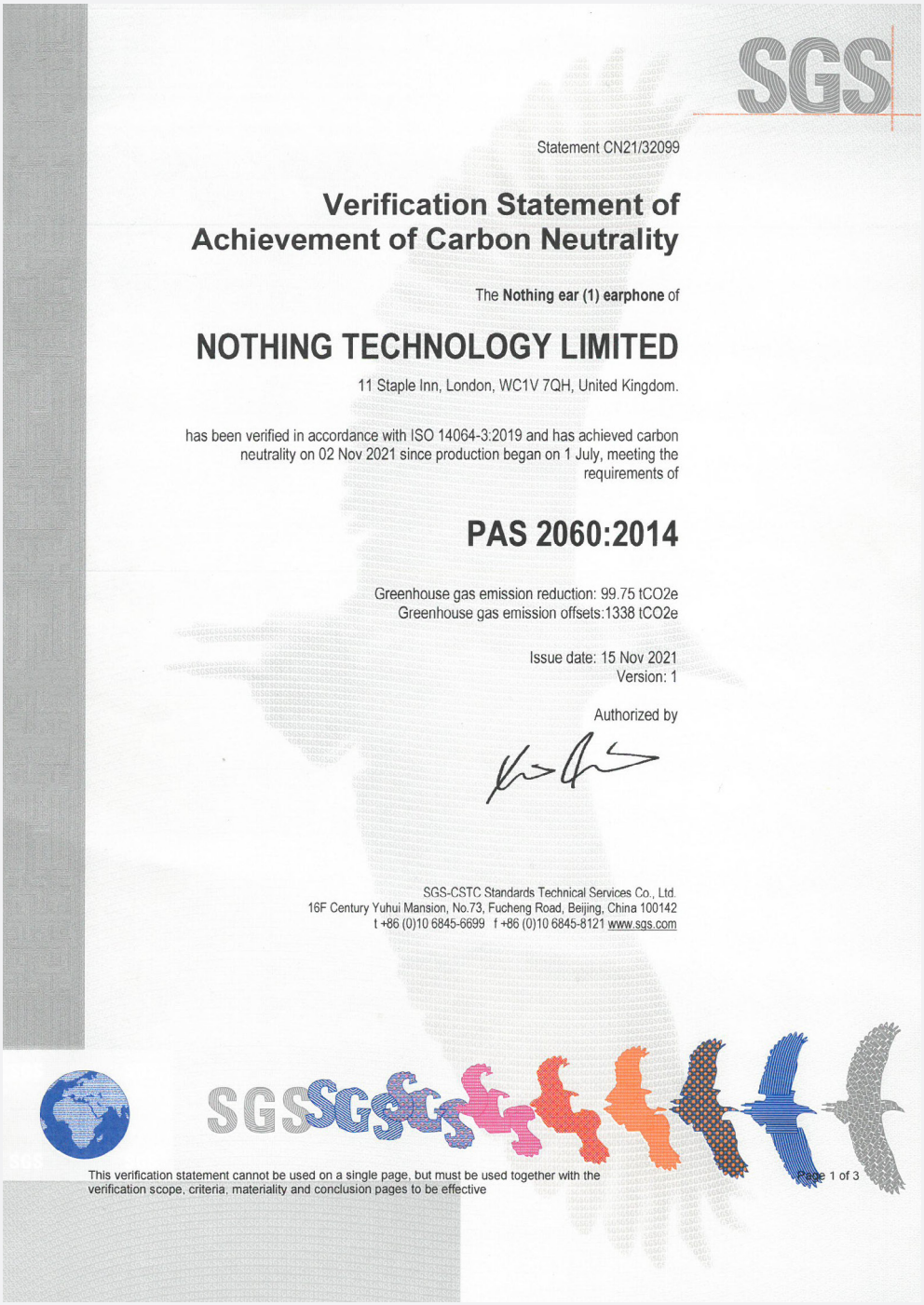
Scope 3 inventory

GHG protocol category	2021 GHG emission (tCO_2e)	2022 GHG emission (tCO_2e)	Emissions calculation methodology
Processing of sold products	Not relevant	Not relevant	This category is not relevant because our products are sold directly to consumers or distributors. No intermediate products are sold.
Downstream transportation and distribution	Not relevant	Not relevant	Our product transport services are procured by Nothing. These emissions are included in the upstream transportation and distribution category. There are no other emissions relevant to this category.
Use of sold product	49.51	7860.98	This category mainly includes emissions from the lifetime electricity use of devices we sold during this reporting year.
End-of-life treatment of sold products	14.56	57.46	This category mainly includes emissions from the end-of-life treatment of devices we sold during the reporting year. To generate an estimate for this category, the model assumes that a quarter of devices are sent to landfills and the rest are recycled at the end of their life.
Downstream leased assets	Not relevant	Not relevant	We do not lease assets externally.
Franchise	Not relevant	Not relevant	We do not have any franchises.
Investments	Not relevant	Not relevant	We have not engaged in equity investment, long-term financing of projects, or debt issuance.

Emission factors & conversion factors

Year	Source
CY2022	Per CY2021 below, except for updates made to reflect: • China Products Carbon Footprint Factors Database, available online: lca.cityghg.com • IEA 2022, International Energy Agency emission factors • UK BEIS Greenhouse gas reporting: conversion factors for 2022 • For LCA/PCF Studies: Chinese Life Cycle Database-China-ECER 0.8
CY2021	• For LCA/PCF Studies: Ecoinvent v3.7 databases with impact assessment method IPCC AR5 GWP100,including biogenic carbon and land use change • For LCA/PCF Studies: European Life Cycle Database • UK BEIS Greenhouse gas reporting: Conversion factors for 2021 • IEA 2021, International Energy Agency emission factors • PRC Ministry of Ecology and Environment, Notice on the Key Work Related to the Management of Corporate Greenhouse Gas Emission Reporting in 2022 • NDRC, Guidelines for Accounting and Reporting of Greenhouse Gas Emissions for Electronic Equipment Manufacturers • IPCC (default based on NCV) 2006

Appendix C: Certification



SGS

Statement CN21/32099

Verification Statement of Achievement of Carbon Neutrality

The **Nothing ear (1) earphone** of

NOTHING TECHNOLOGY LIMITED

11 Staple Inn, London, WC1V 7QH, United Kingdom.

has been verified in accordance with ISO 14064-3:2019 and has achieved carbon neutrality on 02 Nov 2021 since production began on 1 July, meeting the requirements of

PAS 2060:2014

Greenhouse gas emission reduction: 99.75 tCO2e
Greenhouse gas emission offsets:1338 tCO2e

Issue date: 15 Nov 2021
Version: 1

Authorized by

SGS-CSTC Standards Technical Services Co., Ltd.
16F Century Yuhui Mansion, No.73, Fucheng Road, Beijing, China 100142
t +86 (0)10 6845-6699 f +86 (0)10 6845-8121 www.sgs.com

This verification statement cannot be used on a single page, but must be used together with the verification scope, criteria, materiality and conclusion pages to be effective

Page 1 of 3

Appendix C: Certification

SGS

Statement of Conformity CN22/00000988

Greenhouse Gas Verification Statement

The inventory of Greenhouse Gas emissions in
01 Jan. 2021 to 31 Dec. 2021 of

Nothing Technology Limited.

Business address: 11 Staple Inn, London, WC1V 7QH, United Kingdom
Organization boundary: Detail organization boundary information has been listed in Annex, for multi-site statement

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of

ISO 14064-1:2018

Direct Emissions [Category 1]
43.20 tonnes of CO2e
Indirect Emissions from Imported Energy [Category 2]
37.00 tonnes of CO2e
Indirect Emissions from Transportation [Category 3]
81.11 tonnes of CO2e
Indirect Emissions from Products Used by An Organization [Category 4]
156.59 tonnes of CO2e
Indirect Emissions Associated with The Use of Products from The Organization [Category 5]
[be determined as non-significant indirect emissions and not quantified]
Indirect Emissions from Other Sources [Category 6]
[be determined as non-significant indirect emissions and not quantified]
Total Emissions Quantified
317.91 tonnes of CO2e

Authorised by

DATE: 06 May 2022

SGS-CSTC Standard Technical Services Co., Ltd. Knowledge
Country Headquarter 16/F Century Yuhui Mansion, No.73, Fucheng Road, Beijing, China 100142
Several statements have been issued for this scope, this is main statement

Page 1 of 4

Appendix C: Certification

DEKRA

Product Carbon Footprint Verification Statement

This is to verify that

NOTHING TECHNOLOGY LIMITED

80 CHEAPSIDE, LONDON, ENGLAND，EC2V 6EE

As a result of performing the verification of cradle to grave greenhouse gas (GHG) emission, it's the opinion of DEKRA based on the verification report No.CFP-VER-20220616 with reasonable assurance that

- The cradle to grave product carbon footprint of Nothing Phone (1) is 58.4953 kilograms CO_2 equivalent per declared piece of product.
- No material misstatements in this GHG emission statement were revealed.

The cradle to grave GHG data quality was verified to be acceptable against the requirements of ISO14067:2018 & PAS2050:2008.
This statement shall be valid for a maximum period of one year after the latest issue date of this statement. Should there be any changes in the cradle to grave GHG emissions are being assessed, the validity of this statement will cease.

Statement Registration No. PCF 2022001C
Reporting Period: from 2021-11-01 to 2022-06-08
Originally Registration Date: 2022-07-18 Valid from 2023-07-17
Latest Revision Date: 2022-07-18 Valid to 2023-07-17

General Manager
Paulson Wei
DEKRA, Hangzhou, 2022-07-18

DEKRA Certification DEKRA Approved Hangzhou, China

This verification statement is based on the information made available to Hangzhou DEKRA Certification Co., Ltd., therefore Hangzhou DEKRA Certification Co., Ltd. can't be held liable to any party relying on or acting on this verification statement.

Hangzhou DEKRA Certification Co., Ltd
Floor 14th, International Sunyard, No. 1750 Jianghong Avenue, Binjiang District, Hangzhou, 310052

page 1 of 1

Appendix C: Certification

Certificate

Inventory Standard	**ISO 14067:2018**
Certificate Registr. No.	**CO 50563045 0001**
Report No.	**70312018 001**
Certificate Holder:	**NOTHING TECHNOLOGY LIMITED** 80 CHEAPSIDE, London, EC2V 6EE, United Kingdom
Verification Site:	Refer to audit report (audit report number 70312018 001)
Verification Method:	Verification Body: TÜV Rheinland (China) Ltd. - Process: Document review, interview, site visit and recalculation - Verification Standard: ISO 14064-3:2006

Verification Scope:	Based on the information we have received and evaluated that:
	- Programme: Voluntary PCF scheme
	- Product Category Rules: N/A
	- Organizational Boundary: Operational Control
	- Level of Assurance: Reasonable
	- Materiality: 5%
	- Global warming potential (GWP): IPCC 2013
	- Analysis method: IPCC 2013 GWP 100a v1.02
	- LCA software and database: eFootprint V1.0; Ecoinvent 3.8; ELCD 3.0; CLCD-China-ECER 0.8; GaBi 10.6.2.9
	- Product: ear 2
	  - Life cycle: Cradle to Grave
	  - Time period: 2021.08.01~2022.07.31
	  - Functional unit: 1 pcs of ear 2, continuous use 500 times charge and discharge
	  - Model No. / Carbon emissions: Model 21211: 3.10 kg CO_2e

Validity:	This certificate is valid from 2022-11-01 until 2024-10-31. This certificate only verified the target product/service carbon footprint, this verification does not include review of external communication.

2022-11-01

TÜV Rheinland (China) Ltd.
Room 301, 3F and Room 1203, 12F, Building 4, No.15, Ronghua South Road, Beijing Economic-Technological Development Area, Beijing (Yizhuang group in high-end industrial area of Beijing Pilot Free Trade Zone), 100176, P. R. China

This verification and validation is based on the information made available to TÜV Rheinland and the engagement conditions detailed above. Therefore, TÜV Rheinland cannot guarantee the accuracy or correctness of this information. TÜV Rheinland cannot be held liable by any party relying or acting upon this verification and validation.

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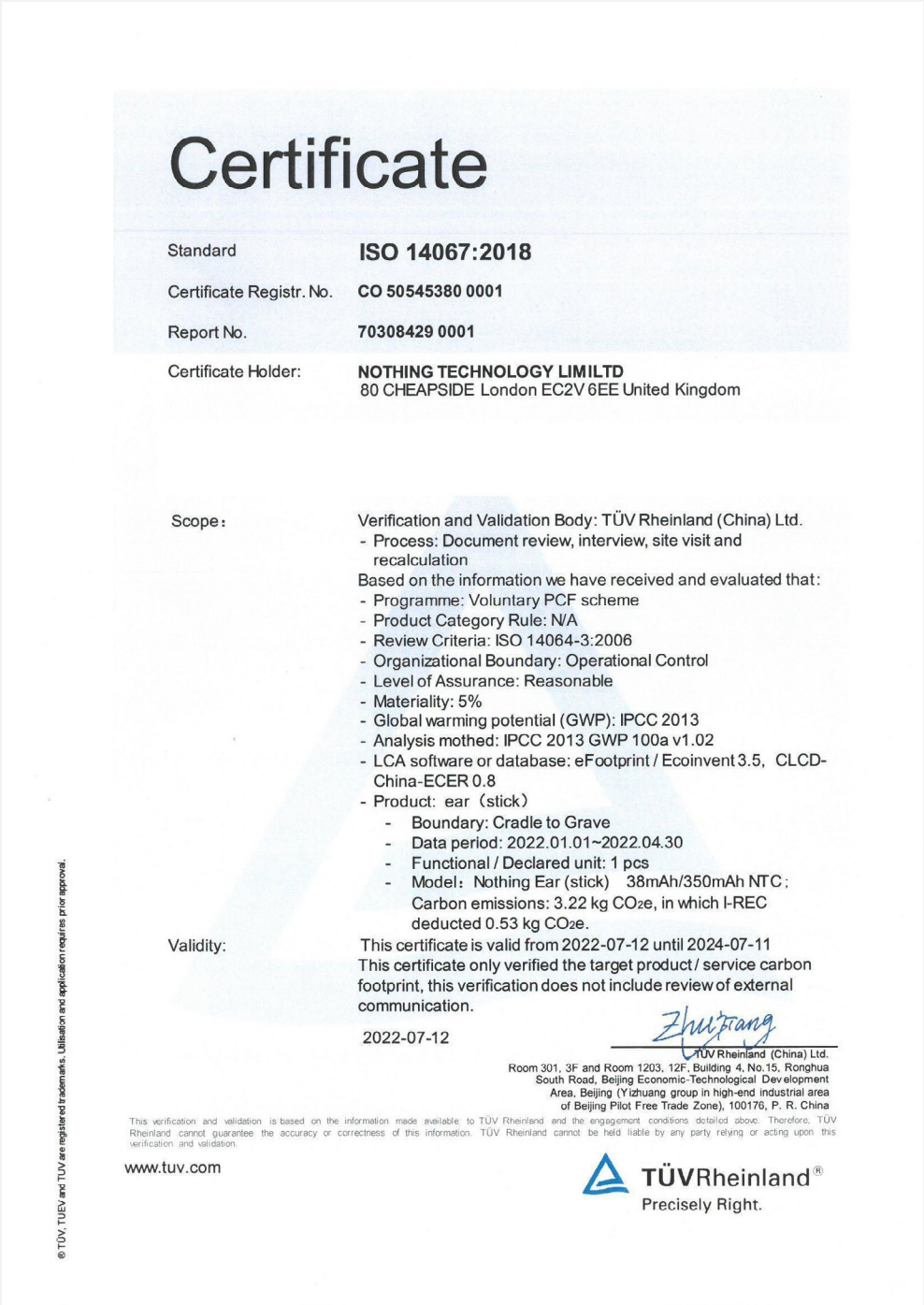
Appendix C: Certification



Certificate

Standard	**ISO 14067:2018**
Certificate Registr. No.	**CO 50545380 0001**
Report No.	**70308429 0001**
Certificate Holder:	**NOTHING TECHNOLOGY LIMILTD** 80 CHEAPSIDE London EC2V 6EE United Kingdom

Scope:

Verification and Validation Body: TÜV Rheinland (China) Ltd.
- Process: Document review, interview, site visit and recalculation

Based on the information we have received and evaluated that:
- Programme: Voluntary PCF scheme
- Product Category Rule: N/A
- Review Criteria: ISO 14064-3:2006
- Organizational Boundary: Operational Control
- Level of Assurance: Reasonable
- Materiality: 5%
- Global warming potential (GWP): IPCC 2013
- Analysis mothed: IPCC 2013 GWP 100a v1.02
- LCA software or database: eFootprint / Ecoinvent 3.5, CLCD-China-ECER 0.8
- Product: ear（stick）
  - Boundary: Cradle to Grave
  - Data period: 2022.01.01~2022.04.30
  - Functional / Declared unit: 1 pcs
  - Model：Nothing Ear (stick) 38mAh/350mAh NTC; Carbon emissions: 3.22 kg CO_2e, in which I-REC deducted 0.53 kg CO_2e.

Validity: This certificate is valid from 2022-07-12 until 2024-07-11

This certificate only verified the target product / service carbon footprint, this verification does not include review of external communication.

2022-07-12

TÜV Rheinland (China) Ltd.
Room 301, 3F and Room 1203, 12F, Building 4, No.15, Ronghua South Road, Beijing Economic-Technological Development Area, Beijing (Yizhuang group in high-end industrial area of Beijing Pilot Free Trade Zone), 100176, P. R. China

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THANK YOU