Polestar

STEVE DEGRAZIO - HEAD OF QUALITY, CAR SERVICE & REPAIR EXPERIENCE, NORTH AMERICA

December 15, 2022 Subject: Recall R10202

TO: All U.S and Canadian Sales and Service Points

NEW VEHICLES IN RETAILER INVENTORY

It is a violation of federal law for a retailer to deliver any new Polestar that is eligible for a recall. Service Points are advised to check all vehicles in inventory for recall eligibility and repair immediately. Violation of this requirement by a Service Point could result in a civil penalty of up to \$22,723 per vehicle.

Correct all vehicles in your new vehicle inventory before delivery.

USED VEHICLES IN INVENTORY

Polestar is ordering the stop-delivery of affected vehicles in auction and inventory until the recalled item can be repaired.

Stopping the delivery of affected used vehicles until the recall is complete is consistent with Polestar commitment to safety. Additionally, while Federal law does not prohibit the sale of used vehicles with open recalls, the sale of such cars could violate certain state laws and create liability on behalf of the service point.

What does this mean for customers?

Customers will not be able to take delivery of affected vehicles until the recall has been completed.

When will this be resolved?

Polestar Automotive USA on behalf of Polestar Performance AB, have decided to launch Recall R10202 on certain model year 2020 - 2021 Polestar 1 vehicles.

Polestar investigations have shown a potential issue with the high-voltage battery in a limited number of PHEV vehicles due to a manufacturing defect, potentially leading to overheating of the battery cells when the battery is fully charged.

There is a potential risk of a fire when the battery is fully charged.

To remedy concerned vehicles, Polestar will as an interim solution, download a software update to the vehicle to minimize the risk and to ensure that the vehicle can be charged as normal. This software update will be an interim solution to prevent the battery to be fully charged, with a reduction of electric driving range as a result, but it does not affect the normal operation of the engine.

The permanent remedy is to replace all defective hardware. Polestar is now preparing a corrective action for the affected vehicles and the customers will be notified when parts are available through a second Recall. Polestar estimates the start date for repairs to begin at the end of quarter 2, 2023.

Vehicle eligibility must be confirmed:

- Vehicle Inquiry Warranty Vehicle Inquiry where the message "Recall R10202
 PHEV Battery" will appear for eligible vehicles, F4+History from the main Inquiry
 menu must be selected to confirm Recall R10202 has not been completed. Eligibility
 can also be confirmed in VIDA.
- Recall R10202 eligible vehicles not yet delivered to end customers must be corrected prior to delivery.

All vehicles must be checked for any incomplete Recalls, Service Campaigns, or Service Upgrades. All open Recall, Service Campaigns or Service Action repairs must be completed.

OWNER NOTIFICATION

An owner notification will be sent out that will notify the owner of this recall instructing them to contact their Polestar Service Point and request an appointment to have this repair completed.

PORT VEHICLES

NOT all eligible vehicles arriving from the ports will have this recall completed. Vehicle eligibility <u>must</u> be confirmed.

PARTS / PARTS RETURN

Please refer to Parts Bulletin R10202 which will be released shortly. No parts are required to be returned for this recall.

CLAIM SUBMISSION

A Quality Bulletin will be released shortly. Please refer to the claim submission information in the Quality Bulletin.

SERVICE POINT RESPONSIBILITIES

Service Point must perform this recall campaign on eligible vehicles regardless of miles/kilometers or vehicle age. All work performed under this recall is free of charge to the owner. As the safety of our customers is our utmost priority, we are taking full responsibility to ensure the highest quality and safety standards for our cars.

If you have questions about this recall or any other field service action, please contact me or any member of our Customer Experience Center.

Your cooperation in completing this important recall is greatly appreciated.

Best regards,

Steve DeGrazio

Head of Quality, Car Service & Repair Experience, North America

201-981-7066

Steve.degrazio@polestar.com