

A SPECIAL REPORT BROUGHT TO YOU BY **FleetNews**

THE POLESTAR 'MOONSHOT'

New brand aims to have the first well-to-wheel, fully emissions-free vehicle that does not require additional carbon offsetting to back its claims

In association with

Polestar



Goal is a fully emissions-free vehicle without any carbon offset 'cop outs'

Fleets across the UK are making the switch to electric vehicles (EVs) to help cut carbon emissions. But, simply transitioning to EVs and away from internal combustion engines (ICEs) doesn't mean fleets have "gone green".

There's no getting away from the fact that manufacturing a car is damaging to the environment, whether it's an EV, hybrid, diesel or petrol vehicle.

It's why Polestar, the performance electric vehicle brand, has laid down the gauntlet to the industry to say it will build a well-to-wheel emissions-free vehicle by 2030.

The Sino-Swedish brand is also going to do it without using carbon offsetting (such as planting trees to absorb more CO₂), a practice which Thomas Ingenlath, Polestar's global boss describes as a "cop out".

It's a bold statement that immediately throws up questions about all elements of the manufacturing process. How can you manufacture an electric battery at no cost to the environment?

There are many challenges and difficult questions to be answered over the next nine years, but as Jonathan Goodman, Polestar UK's chief executive officer and head of global communications explains, this kind of "moonshot" project is what sets the brand apart.

Goodman says: "The world does not need another automotive sub-brand. We have to offer something truly unique for the industry to justify our existence and setting a target like manufacturing a truly carbon neutral car sends out a signal of intent."

"It's going to mean we question everything and rewrite all the fundamentals of the car manufacturing process."

This is Polestar's aspiration across the business: it wants to completely rip up the rulebook on how cars are made, sold and serviced.

Goodman's team in the UK has been given the remit to pick and choose what it wants from the legacy of the old automotive world and discard the rest.

It means that unlike other new automotive start-ups, Polestar can take the platforms, safety heritage and technology expertise Volvo has built up over the years, as well as the funding and supply chain experience from Geely, and forge a new path.

Any fleet manager or customer can go onto the polestar.com website and look at what kind of environmental impact producing a Polestar 2 has.

It's there for all to see that producing an EV's materials and its battery pack actually results in higher CO₂ emissions than producing an ICE engine for a conventional car.

Polestar is laying it all out on the table and communicating openly about the true environmental impact of the entire life cycle of electric cars, from production to end-of-life.

Goodman adds: "Project 0 will actually mean we'll be making a positive contribution towards climate change. That's something the automotive industry has never done."

"It's brave and you're there to be shot at, but we're not afraid to make the

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JONATHAN GOODMAN, POLESTAR UK'S CHIEF EXECUTIVE OFFICER AND HEAD OF GLOBAL COMMUNICATIONS

Fleet customers have been treated like second class citizens for too long

Fleets choosing Polestar shouldn't expect the standard experience they're used to when picking their next company car.

The new performance electric brand is a newcomer to the UK fleet market and is looking to right some wrongs by having closer direct relationships with drivers, without cutting out fleet managers and leasing companies from the picture.

Having the right approach to the fleet market will be essential, as 70% of the company's all-electric Polestar 2 sales are expected to go to company car drivers (see page 4 for an in-depth report on the Polestar 2).

The brand is not playing a numbers game in the UK, so is not chasing retail or fleet volumes or worrying about upsetting a car dealer sales network. Polestar doesn't have one.

Goodman says: "The fleet customer has been treated like a second class citizen by other manufacturers for too long."

"Company car drivers are often treated with disdain when they go to the dealership and the sales executive realises they're not going to get a sale."

"Polestar's fleet customers can get the same experience as a retail customer and they will be treated like they're the most important person in the world."

The brand has two physical retail experience centres called Spaces, with one at the London shopping centre Westfield or at The Trafford Centre in Manchester,

and more than 100 service points across the UK bringing peace of mind to fleet decision makers and drivers when it comes to the barriers for switching to EVs.

The teams at the Spaces are not paid a commission on sales, so it's a no pressure, no hassle environment.

Test drives can be arranged online at regional hubs or at Polestar's current road test roadshow across the UK. But that's only if fleets want to engage with the brand in person. It's totally up to them.

The entire buying, or leasing experience can be conducted directly online at polestar.com.

Small business owners, SMEs and personal leasing customers can complete their orders for a new Polestar end-to-end online.

Meanwhile, larger corporate customers will have Polestar introduced by their existing leasing companies.

Orders can be placed through the leasing company and then when Polestar has permission, it will contact drivers directly and update them on the status of the vehicle order and when it's time for their handover.

COLLABORATING WITH THE UK LEASING INDUSTRY

Matt Hawkins, Polestar UK head of sales, says: "We don't want to cut the leasing company out by going directly to the customer."

"If the fleet is already comfortable working with their leasing company and happy with them, we would rather go through them to make that introduction."

Hawkins says it's much better to forge relationships with leasing companies and to get buy-in with the brand, rather than trying to go direct to fleets, particularly as the brand is "the new kid on the block".

All the team at Polestar ask for in return is that it deals directly with drivers at the point of vehicle handover.

A lot of fleets Polestar is already talking to have made the decision to switch to EVs or they're actively assessing their options to electrify their fleets.

But Hawkins acknowledges that Polestar is still largely an unknown quantity.

Some company car drivers have been tracking the launch of Polestar since October 2017 and even approaching the brand without the knowledge of their fleet manager.

Hawkins says: "As long as the driver understands the decision on offering Polestar is a decision the fleet manager will ultimately make, we are happy to look after drivers and give them a retail brand experience."

Polestar UK's fleet and sales team has already been working with leasing



companies in the UK to provide product information. It means account managers at leasing companies that already have relationships with fleets can have the initial conversations introducing Polestar as an alternative EV option.

Hawkins says: "Rather than us be a bolt out of the blue for fleets that have never dealt with Polestar as a brand before, they can have the comfort in knowing we've presented to their leasing company."

"Fundamentally, the leasing companies will already understand the differences in our sales process so they can align that to the customer."

Debbie Hunt leads Polestar's UK fleet sales and both she and Hawkins have many years of experience in the industry, working across leasing companies, dealer groups and car manufacturers.

Crucially, Hawkins says the team has experience working in the field spending many hours behind the wheel each day.

He says: "We know where drivers are coming from when they talk about choosing the right vehicle for them."

GETTING BEHIND THE WHEEL OF A POLESTAR

There are several ways Polestar is offering test drives for fleets. If a fleet manager is happy for a driver to arrange a test drive like any other retail customer, that's an option open to them.

Drivers can choose a time online that suits them, fill in their driving licence details and turn up.

There will be a short presentation of the brand, a short walk around of the car and then drivers get access to the Polestar 2 to take it out on the road.

Fleet specialists will be on hand at all test drive locations, so when a company car driver turns up, they will get access to more specialist knowledge.

It's here where Polestar will do some more due diligence to make sure an EV is right for each driver, crucially before any orders go through.

Hawkins says: "By making EVs so attractive to fleet drivers due to the 1% benefit-in-kind (BIK) company car taxation, it means some drivers might not have done all their research before making the switch."

"What kind of journeys are you doing? What's your daily mileage? Do you have access to a home charging point and is driving an EV going to fit into your daily schedule?"

Polestar also has a corporate demonstrator fleet of vehicles that are available on request to leasing company influencers and fleet decision makers for longer term test drives.

This can be to assess the performance of the car over a longer period of time and if a fleet or leasing company might be setting their own residual values (RVs).

Polestar is also looking at holding some takeover events for test drives that are held in collaboration with leasing companies.

Hawkins says: "We recognise there will be a grey area where there is a fleet operator that has demand from drivers to experience Polestar."

"They want to get something more tailored to their business but don't necessarily need a longer test drive."

Polestar is currently working on creating one day events at its own test drive locations where leasing companies can invite their own customers along for a ring-fenced period of time.

Hawkins adds: "This is just the start of Polestar's fleet journey."

"Our team is in the early stages of gathering information about what customers want and we're tailoring our processes around what drivers, fleet managers and leasing companies need."

"We're working hard to make sure the processes underpinning our fleet sales are as seamless as possible."



Polestar 2 in focus



The Polestar 2 is the first mainstream production car with an all-electric powertrain to arrive in the UK from the brand and it offers a true rival to the Tesla Model 3.

The range has recently expanded to three different variants - two long range 78kWh versions (408hp/231PS) with a WLTP range of up to 335 miles, as well as a standard 64 kWh (224PS) model that still offers over 260 miles. Prices range between £39,900 and £45,900.

As would be expected from an electric vehicle (EV), acceleration is instant and relentless, with the 50-70 mid-range especially punchy.

A 0-80% rapid charge can be achieved in 40 minutes.

What's most impressive about the Polestar 2 is how it drives. The Polestar 2 lives up to the brand's performance promise.

The battery weight helps keep the car planted, while its specially-tuned suspension takes corners with ease.

Driving the car on normal roads, the capabilities are well hidden. On a motorway jaunt, Polestar 2 exhibits the same levels of comfort and refinement as a luxury saloon.

There are no sport or eco modes, just a nicely tuned accelerator pedal that allows for effortless (and efficient) cruising or breakneck acceleration.

For an extra £3,000, an optional Pilot Pack includes enhanced safety and driver assistance features, such as the Pixel LED headlights with LED front fog lights, Driver Assistance with Adaptive Cruise Control and Pilot Assist, a 360-degree surround view camera, all-round parking sensors, and Driver Awareness including Blind Spot Information System (BLIS) with steering support, Cross Traffic Alert with brake support, and Rear Collision Warning.

Polestar 2's infotainment system also deserves praise.

The car was awarded a five-star Euro NCAP safety rating in March 2021, thanks to structural safety developments, eight airbags, and safety assistance features which include vehicle, pedestrian, cyclist and road edge detection support.



POLESTAR 2 KEY STATS

| Variant | Battery capacity | Output | Preliminary consumption (WLTP) | Preliminary range (WLTP) |
|-----------------------------|------------------|-----------------------|--------------------------------|--------------------------|
| Long range dual motor | 78 kWh | 300 kW (408PS) 660 Nm | 31.4-32.6 kWh/100 miles | 279-298 miles |
| Long range single motor | 78 kWh | 170 kW (231PS) 330 Nm | 27.5-29.4 kWh/100 miles | 320-335 miles |
| Standard range single motor | 64 kWh | 165 kW (224PS) 330 Nm | 27.5-28.9 kWh/100 miles | 260-273 miles |



Google has designed the car's operating system and infotainment system, so apps like Google Maps and Spotify are smartly integrated into the 11-inch central touchscreen and 12.3-inch driver display, enabling a smartphone experience.

Operation is simplistic, as are all the car's features. You don't even need to switch it on or off, just jump in and select 'drive'. Provided you have your smartphone nearby, you also don't need a key, with locking, unlocking and operation all digitally secure through the Polestar app.

The *avant-garde* and minimalist design of the exterior and bespoke interior is beautifully finished with a variety of materials, including real wood and WeaveTech vegan fabrics. There's plenty of space for passengers too, with similar cabin space to a large saloon.

The boot is bigger than you would get in a VW Golf at 405 litres, plus there's an extra storage space under the bonnet, ideal to store the charging cables.



A COMFORTABLE TRANSITION TO EV

Polestar, fundamentally, is a build-to-order brand and is currently working to a three-month lead time for deliveries.

However, there are some limited pre-configured stock customers can get hold of more quickly.

Matt Hawkins, Polestar UK head of sales, says the Polestar 2 has already been described by customers as a car that makes it easier to transition to EV. The fact the new model also qualifies for 1% benefit-in-kind tax makes the new model even more attractive for company car drivers.

He says: "The Polestar 2 doesn't feel like you're getting into a piece of tech. You get into the car and it feels like a premium saloon. It has a gear lever in the middle to select forward and reverse, it has an instrument binnacle behind the steering wheel with a familiar set-up. That helps drivers that might be used to a petrol or diesel car."

Hawkins thinks the Google-powered operating system will be a particular highlight for fleets.

He says: "It's a pretty big step for a manufacturer to say we know we're good at hardware, but the software companies such as Google are better at that."

It means the Polestar 2 can seamlessly link Google Map information between smartphone and the vehicle and it can also point out charging points and EV range for each journey to help make planning work trips easier.

The voice recognition system can control temperature, audio and the navigation system so drivers can keep their hands on the wheel and eyes on the road.