

V O L V O

Code of Conduct

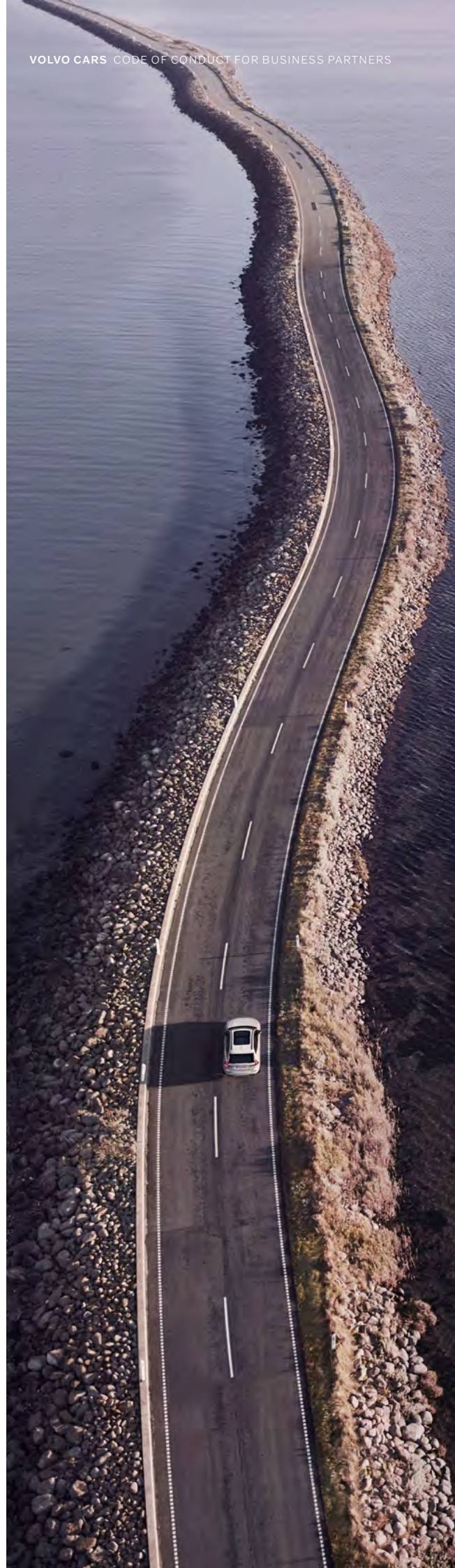
for Business Partners



Volvo Car Group

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This Code of Conduct for Business Partners was adopted by Volvo Cars' Executive Management Team on 16 December 2024. The document is reviewed every other year or as needed.



Introduction

Foreword

Since we first started building cars in 1927, we have strived to protect people in and around our vehicles. With electrification and rapid technological development, the pace of change in the industry is accelerating, but some things never change – our commitment to conducting business in a responsible, sustainable, and ethical way.

This commitment extends beyond our business and is key to our future success. As a trusted partner in our value chain, your collaboration is vital to help us reach our ambitions and fulfil our purpose: ***For life. To give people the freedom to move in a personal, sustainable, and safe way.***

We believe that by working together for a more responsible, sustainable, and ethical automotive value chain, we can jointly address global challenges, have a positive impact on society, and support profitable growth.

We expect you, as a Business Partner¹ to Volvo Cars², to adhere to the standards and principles outlined in this Code of Conduct for Business Partners ("Code"), including but not limited to:

- Respecting the human rights and dignity of all individuals.
- Providing safe and fair working conditions for all Employees³.
- Protecting our planet by minimising environmental impact.
- Ensuring transparency, compliance, and ethical behaviour in all business activities.

By establishing business relationships based on cooperation, transparency, and trust, we can learn and take action together, and continuously improve our sustainability performance.

Purpose and Scope

This Code sets out the responsible business standards and principles that Volvo Cars expects all Business Partners to abide by throughout the course of their business relationship with Volvo Cars.

The requirements are based on our values, corporate framework, sustainability ambitions, and applicable laws and regulations. They are minimum requirements guided by international standards related to human rights and working conditions, environmental responsibility, and ethical business conduct, including but not limited to the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the Ten Principles of the United Nations Global Compact.

The Code is an integral part of any existing business relationship with Volvo Cars and is incorporated by reference into the agreements.

¹ Business Partner means any entity that supply goods or services to Volvo Cars, e.g. suppliers and service providers, companies that distribute Volvo Cars' products or provide services in relation hereto including but not limited to importers, dealers or repairers and representatives engaged to act for or on behalf of Volvo Cars.

² "Volvo Cars" means Volvo Car AB and its subsidiaries, i.e. all persons and entities directly or indirectly controlled by Volvo Car AB, where control may be by management authority, equity interest or otherwise.

³ "Employee/s" refer to any individual employed or engaged, directly or indirectly, by the Business Partner, including those in full-time, part-time, internship or trainee roles as well as temporary and contract positions.

General Requirements

At Volvo Cars, we are committed to leading by example and demonstrating responsible and sustainable business conduct throughout our value chain. We expect you as our Business Partner to share this commitment.

By entering a business relationship with Volvo Cars and during the term of the business relationship, Business Partners shall:

- Conduct their business in compliance with applicable laws and regulations, this Code and the other contractual terms and conditions agreed upon with Volvo Cars.
- Implement the standards and principles set out in this Code throughout its organisation and extend the requirements to its value chain, ensuring that its Employees, subcontractors and other relevant third parties comply with said standards and principles.
- Implement and maintain appropriate due diligence processes and risk management systems to effectively identify, prevent, mitigate, and monitor risks related to the areas covered by this Code – in its own operations as well as connected to its value chain. This includes having adequate policies, tools, risk assessment and internal controls in place.
- Invest in training programmes and capacity building to enhance awareness and understanding of the areas covered by this Code among its Employees and relevant subcontractors and other stakeholders.
- Apply the precautionary principle, which means to take adequate protective measures whenever there is reason to believe that a potential action, or inaction, may negatively impact the health or safety of a person, society, or the environment.
- Support audits and assessments to verify compliance with the areas covered by this Code, including making the relevant premises and all necessary information and documentation available to Volvo Cars.
- Where needed, take timely and appropriate corrective actions to cease, prevent and mitigate negative impacts on people or the environment, and provide access to remediation for affected stakeholders.
- Provide access to effective grievance channels and remedial mechanisms⁴ for Employees and other stakeholders potentially affected by its activities, including local communities and vulnerable groups, to raise legitimate concerns related to any area covered by this Code without fear of retaliation.

⁴ In accordance with the UN Guiding Principles on Business and Human Rights.

There may be instances when the standards and principles set out in this Code differ from local law or customs in a particular country. If that is the case, and local law or customs impose higher standards than those set out in this Code, local law and customs shall always apply. On the other hand, if this Code provides a higher standard, the Code shall prevail, unless this results in illegal activity. In case of conflict between national legal requirements and those of the Code, Business Partners shall, without undue delay, notify Volvo Cars.

Speak Up

Business Partners shall promptly report any observation related to their business relationship with Volvo Cars that may imply violation of applicable laws and regulations, the contractual terms and conditions agreed upon with Volvo Cars, or the requirements under this Code.

Reports are preferably submitted via the Volvo Cars Tell Us reporting line.

In case of investigation, Business Partners shall fully collaborate with Volvo Cars, including making relevant information and other pertinent evidence available to Volvo Cars upon request, and must refrain from retaliating against anyone who has submitted a report.

Audit and Consequences of Violation

Volvo Cars reserves the right to verify and assess Business Partners' compliance with this Code, if deemed necessary, by conducting an audit. Any such audit will be subject to prior written notice unless Volvo Cars reasonably believes that giving notice will interfere with the possibility of verifying compliance. When needed, Business Partners shall further use their best efforts to enable Volvo Cars to conduct audits at any relevant subcontractor in the value chain.

Business Partners shall take measures to remedy identified violations and to prevent similar occurrences in the future, including implementing appropriate and timely corrective actions. Lack of cooperation, failure to address violations or take timely actions may lead to claims, a loss of business and, ultimately, termination of the business relationship with Volvo Cars.



Business Ethics and Compliance

At Volvo Cars, we are dedicated to promoting an ethical business environment characterised by integrity, transparency, high standards, and responsible practices. This includes fostering trust and accountability in our partnerships together with you.

As a Business Partner, we expect you to share our commitment to ethical business conduct. In line with this, you shall adhere to the following requirements:



Anti-corruption

Business Partners shall comply with all applicable anti-corruption and bribery laws and regulations. Accordingly, Business Partners shall never, directly or indirectly, engage in or tolerate any form of bribery or corruption. This prohibition includes but is not limited to facilitation payments, inappropriate gifts, favours or hospitality, and political contributions. Business Partners shall not offer or accept any form of inappropriate benefit, to or from a third party (private or public), with the intention to improperly influence business decisions or obtain any form of preferential treatment.

In particular, Business Partners shall be extra cautious when interacting with public officials, including persons representing state or governmental-owned enterprises, working with agents or other intermediaries, or in other high-risk situations such as donations or sponsoring activities. Business Partners shall ensure that all their reports, records and invoices are accurate and complete, and that they contain no false or misleading information.

In line with the above, Business Partners shall refrain from offering to Volvo Cars, its employees or other representatives, any form of improper payment or incentive. If a Volvo Cars representative asked for such payment or incentive, Business Partners are encouraged to notify us via [the Volvo Cars' Tell Us reporting line](#), even if the request is denied.

Conflict of Interest

Business Partners shall conduct business in an objective and transparent way, and diligently identify, disclose and manage any potential or actual conflict of interest that may be linked to its interactions with Volvo Cars.

This implies that Business Partners must disclose any situation where any of its Employees (or any of their close relatives) have a personal relationship with a Volvo Cars employee in a position to make or influence decisions related to the Business Partner's business. Similarly, Business Partners shall also disclose if a Volvo Cars employee has a personal interest of any kind, including financial ties, to the Business Partner's business.

Fair Competition and Business Practices

Business Partners shall comply with applicable competition laws and regulations (also referred to as anti-trust laws). In particular, Business Partners shall refrain from activities or agreements that would restrict or hinder competition, including but not limited to any arrangement that may influence price, terms of sales (including discounts), strategies, market shares, customer allocation, territories or any other conduct that unlawfully restricts or may restrict competition, unless explicitly allowed according to applicable law or decree.

Business Partners that interact with a competitor of Volvo Cars must never share any of Volvo Cars' sensitive information with the competitor and, vice versa, not share any such competitor information with Volvo Cars.

Trade Sanctions and Export Control

Business Partners shall comply with all applicable trade sanctions and export control laws and regulations. Furthermore, Business Partners shall not perform any act which would cause Volvo Cars to violate rules applicable to Volvo Cars or otherwise expose Volvo Cars to adverse consequences.

In particular, Business Partners warrant and represent that neither the Business Partner, nor any of its affiliates, directors, officers, or agents are designated for sanctions or export control restrictions. In addition, Business Partners shall not, directly or indirectly, supply to Volvo Cars any goods, software, technology or services from or involving any such restricted party or a sanctioned country.

Business Partners shall further ensure that Volvo Cars' products and services are not, directly or indirectly, sold or in any other way made available in a sanctioned country or to a restricted party.

"Business Partners shall not share Volvo Cars' confidential information with any third party, unless Volvo Cars has given prior written consent."

Protecting Volvo Cars' Confidential Information and Intellectual Property

Business Partners shall respect and protect Volvo Cars' confidential information and intellectual property rights, in accordance with applicable law and the contractual terms and conditions, e.g. by protecting such information from improper disclosure, theft or misuse, and only disclose Volvo Cars confidential information to Business Partners' Employees with a legitimate "need to know".

Furthermore, Business Partners shall not share Volvo Cars' confidential information with any third party, unless Volvo Cars has given prior written consent.

Data Protection

Business Partners shall comply with all applicable data protection laws and regulations (also referred to as privacy laws) when processing personal data in relation to its business with Volvo Cars.

The terms "processing" and "personal data" have the meanings given to them in the relevant and applicable laws and regulations.

In addition, whenever Volvo Cars entrusts a Business Partner with personal data, the Business Partner shall comply with the agreed contractual terms and conditions related to the processing of that personal data. In particular, and without limitation, Business Partners shall protect personal data from personal data breaches and must immediately report to Volvo Cars any incident that involves Volvo Cars' personal data.

Protecting People

All people have the right to be treated with dignity and respect, the right to safe and healthy working conditions, as well as fair wages, benefits, and opportunities for advancement.



We must all, separately and together, ensure respect for internationally recognised human rights, including the rights of local communities and vulnerable groups, such as indigenous peoples' social, cultural, environmental, and economic interests.

As a Business Partner, we expect you to share our commitment to protecting people. In line with this, you shall adhere to the following requirements:

Respect for Human Rights

Business Partners shall adhere to and respect international human rights laws and standards, including at a minimum the International Bill of Human Rights, the Convention on the Rights of the Child, and the fundamental conventions as set out in the ILO Declaration on Fundamental

Principles and Rights at Work. Business Partners shall further adhere to UN Guiding Principles on Business and Human Rights and other applicable internationally recognised standards.

"As a Business Partner, we expect you to share our commitment to protecting people."

Child Labour

Business Partners shall not tolerate any form of child labour in their own operations or value chain, and always act in the best interest of children. The minimum working age is the age of completion of compulsory school, in line with the country's legal minimum age requirement, but never less than 15 years⁵.

Young Employees under the age of 18 years shall not be exposed to any hazardous work, meaning work that risks harming the physical or mental health, safety, or morals of young persons⁶.

Forced Labour

Business Partners shall ensure that all work is voluntary and shall not make use of or benefit from any form of forced labour, debt bondage, human trafficking, or any other manifestations of modern slavery⁷.

Business Partners, or any party acting on their behalf, shall not engage in or tolerate restrictions of movement, including confiscation of identity documents or passports, charging of any fees or related costs to Employees throughout the recruitment process, withholding of wages, abusive working conditions, or any other kind of exploitation or abuse.

Threats or Occurrence of Abuse or Violence

Business Partners shall implement adequate safeguards to protect Employees and other stakeholders (including people from nearby communities) from being subject to threats or occurrences of abuse or violence. This includes taking timely and appropriate action to investigate and address any form of psychological or physical abuse, whether occurring in the immediate workplace or linked via contracted third parties, including but not limited to private or public security personnel.

⁵ In line with the ILO Minimum Age Convention No. 138.

⁶ In line with the ILO Worst Forms of Child Labour Convention No. 182.

⁷ In line with the ILO Forced Labour Convention No. 29.

"Business Partners shall not tolerate any form of child labour in their own operations or value chain, and always act in the best interest of children."

Healthy and Safe Work Environment

Business Partners shall provide and at all times maintain a safe and healthy working environment that meets, and preferably exceeds, applicable standards and legal requirements. Workplace premises shall be kept in a clean and suitable condition for the intended purpose and be designed to meet the needs of both Employees and, where relevant, visitors, subcontractors, and other stakeholders⁸.

If Business Partners provide accommodation, either directly or indirectly, they shall fulfil legal standards and be designed to satisfy the needs of both occupants and visitors.

Safety Procedures

Business Partners shall proactively address health and safety risks to protect Employees, visitors, subcontractors, or relevant stakeholders from being exposed to any work-related hazards likely to pose a risk of causing injury, illness or

death. In line with this, Business Partners shall implement adequate occupational health and safety procedures⁹ and provide Employees with appropriate personal protective equipment.

Business Partners shall provide appropriate training and information on health and safety to all Employees, and encourage them to report safety risks and incidents. It is vital that the necessary health and safety-related information is clear, easily accessible, and available in a language understandable to each Employee, or where relevant, other stakeholders.

Terms and Conditions of Employment

Business Partners shall ensure the right of Employees to receive written information specifying their terms of employment and other relevant information such as wage statements, all in a format and language that the Employee can easily understand. The terms of employment shall comply with all applicable laws as well as applicable collective bargaining agreements.

⁸ This includes providing appropriate water, sanitation and hygiene, as well as prevention and control of occupational hazards due to e.g. noise, temperature and vibration, to ensure appropriate working conditions that secure human well-being, safety, and health.

⁹ This includes implementing adequate emergency preparedness and conduct regular evacuation drills.

"Business Partners shall provide appropriate training and information on health and safety to all Employees, and encourage them to report safety risks and incidents."



Wages and Benefits

Business Partners shall respect wages agreed under any collective bargaining agreement and provide a remuneration that meets or exceeds legal minimum standards. The remuneration shall at minimum be sufficient to enable full-time employed workers¹⁰ and their dependents to cover their basic needs and support a decent standard of living.

Wages shall be fair, with equal pay for equal work without distinction of any kind. Unauthorised wage deductions and the withholding of wages as a disciplinary measure are prohibited. Deductions from wages is permitted only if, and to the extent, prescribed by applicable law or collective bargaining agreements.

Working Hours

Business Partners shall at least comply with applicable laws, ILO standards and collective bargaining agreements regarding working hours, including but not limited to overtime and rest rules, as well as annual, sick, and parental leave. Business Partners shall respect regular working hours and should enable Employees to achieve a work-life balance. All overtime work shall be voluntary and appropriately compensated. Employees shall have at least 24 consecutive hours of rest after 6 days of work.

Freedom of Association and Collective Bargaining

Business Partners shall respect the rights of its Employees to form, join or exclude themselves from employer-employee relationship-related associations and trade unions, to bargain collectively and to engage in assembly, where permissible by local laws. Where local laws set restrictions on the right to freedom of association, Business Partners shall support other lawful forms of employee representation.

Business Partners shall create a work environment where Employees or their representatives can openly communicate and share ideas and concerns without fear of discrimination, reprisal, intimidation, or harassment.

Non-Discrimination and Equal Opportunities

Business Partners shall not engage in or tolerate any form of discrimination. This includes discrimination based on gender, ethnicity, religion, age, disability, pregnancy, sexual orientation, nationality, political opinion, union affiliation, social background or other characteristics protected by applicable law. Employees shall be treated with respect, dignity, and common courtesy, where equal opportunities based on competence are provided.

Rights of Indigenous People

Business Partners shall respect the rights of local communities and indigenous people that may be affected by the activities of the Business Partners' operations or value chain by respecting the principle of Free, Prior, and Informed Consent ("FPIC").

Business Partners should have a robust risk assessment in place before starting operations or engaging in activities where the rights of indigenous people or local communities may be adversely affected and implement mitigating actions as required.

"Business Partners shall at least comply with applicable laws, ILO standards and collective bargaining agreements regarding working hours, including but not limited to overtime and rest rules, as well as annual, sick, and parental leave."

¹⁰ The obligation to provide a living wage is also applicable for full-time workers engaged by Business Partners as consultants or agency personnel and who work at the Business Partners' premises or under the direction of the Business Partner.

Environmental Responsibility

Protecting our planet's natural resources and ecosystems is a collective responsibility. We expect our Business Partners to share our commitment to preserving the environment, striving to reduce ecological impacts, and moving towards a circular economy.

We must all ensure adherence to applicable environmental laws and regulations, reporting requirements and obtaining and maintaining required environmental permits as well as adapting science-based approaches to minimise pollution (air, soil and water).

Accordingly, as a Business Partner to Volvo Cars, you shall as appropriate for the size, nature, and circumstances of your business, adhere to the following environmental requirements:

Environmental Management

Business Partners shall work to continuously improve their environmental performance by assessing the environmental impact of their products, services, and activities.

Business Partners shall implement mitigative actions to address the identified risks and monitor the effectiveness of such actions, preferably through a certified environmental management system.

Business Partners should set and work towards targets for continuous reduction of their environmental impact throughout the entire value chain, including e.g. product development, manufacturing, operations, distribution, and logistics.

Business Partners shall be transparent and continually inform Volvo Cars about their sustainability performance, including sharing qualitative and quantitative data where relevant, and providing updates on progress and challenges as required.

"Business Partners shall work to continuously improve their environmental performance by assessing the environmental impact of their products, services, and activities."

Climate Impact Reduction

Business Partners shall actively support Volvo Cars' aim to reach net-zero greenhouse gas emissions by 2040. Accordingly, Business Partners shall establish a Greenhouse Gas ("GHG") Emissions Reduction Plan and set targets in line with climate science and the Paris Agreement, and preferably have such targets validated by the Science Based Target Initiative.

In addition, Business Partners shall prioritise the use of recycled, low- and near-zero CO₂ emission materials in its products, by giving preference to materials with a lower carbon footprint in comparison to conventional alternatives.

operations and actively work to minimise waste. This includes applying circular business model approaches to avoid waste going to landfill, oceans, rivers, or incineration.

Business Partners should further strive to eliminate waste and pollution overall by redirecting redundant material into high-value circular loops.

"Business Partners shall prioritise the use of recycled, low- and near-zero CO₂ emission materials in its products."

Circular Economy and Resource Efficiency

Business Partners shall use resources responsibly and actively work to improve resource efficiency, including but not limited to energy, water, and materials. Business Partners should further adopt circular principles to minimise the use of primary resources.

Substances of Concern

Business Partners shall implement adequate procedures when handling potentially harmful chemicals and substances to ensure that they are managed safely, with due consideration for Employees as well as other stakeholders and the environment.

Energy Efficiency

Business Partners shall actively work to improve their energy efficiency by implementing measures to reduce energy consumption and to increase the share of renewable or climate-neutral energy related to its operations and value chain.

Volvo Cars takes a proactive approach in eliminating the use of substances of concern¹¹, in advance of future legislation. In line with this, Business Partners shall, where applicable, actively work to minimise and phase out use of harmful chemicals and substances, and support Volvo Cars on our journey to eliminate such substances from our products and facilities.

Water Management

Business Partners shall have in place practices that enable efficient water management. This includes implementing clear and measurable targets for reducing water withdrawal and consumption, and preventing pollution from its water discharge. These targets should take into account the nature and context of the Business Partners' operations, including the geolocation (e.g. areas of high water-stress).

Biodiversity

Business Partners shall consider the nature and context of their activities, including their geolocation(s) in key biodiversity areas, and appropriately assess their biodiversity impact. They shall prioritise actions to actively avoid and mitigate their negative impact, including but not limited to pollution and land use change.

Waste Management

Business Partners shall have in place practices that enable responsible, proportionate, and efficient waste management within their

Business Partners shall not directly or indirectly procure or finance the procurement of raw materials that result in deforestation or habitat destruction, or that are mined from the deep seabed. Business Partners should engage in and contribute to restoration activities, the protection of natural ecosystems and endangered species.

¹¹ "Substances of concern" means chemicals or substances that have known negative properties to either human health or the environment and have been identified in relevant regulations.

Responsible Value Chain Management

We aim to ensure responsible business conduct throughout the value chain. To achieve this, we rely on your collaboration and support as Business Partners.

At Volvo Cars, we continuously monitor, assess and take action to ensure that our business activities and products are not linked to human rights abuses, unethical business conduct, or environmental harm. As a Business Partner, we expect you to share this commitment to responsible value chain management. In line with this, you shall adhere to the following requirements:

Corporate Sustainability Due Diligence

Business Partners shall have effective due diligence processes in line with the OECD Due Diligence Guidance for Responsible Business Conduct. The human rights and environmental due diligence conducted by the Business Partner shall be risk-based and appropriate for the size, nature, and circumstances of its business. This includes identifying, preventing, and mitigating potential and actual adverse impacts on people and the planet, with particular consideration for vulnerable groups. It also includes providing access to remediation for affected stakeholders and accounting for how adverse environmental and human rights impacts are addressed.

As part of its due diligence, Business Partners shall continuously map their supply chain in line with a risk-based approach, preferably end-to-end. Increased supply chain traceability and transparency is key to identify, prevent, and mitigate potential and actual risks to people and planet.

Responsible Sourcing of Raw Materials and Minerals

Business Partners shall have effective due diligence processes when sourcing, or making use of, minerals and metals, in line with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Business Partners shall support Volvo Cars' efforts to secure responsible sourcing in global supply chains. This includes conducting due diligence for Raw Materials of Concern ("RMoC")¹² to mitigate risks, enhance transparency and implement chain of custody models for material traceability in the supply chain.

¹² Raw materials identified as being associated with risks for adverse environmental, social, or governance impacts during their extraction, processing, trade, or transportation. The list of RMoC is available at [volvocars.com](https://www.volvocars.com).



"Business Partners shall support Volvo Cars' efforts to secure responsible sourcing in global supply chains."

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