



CODE OF CONDUCT FOR BUSINESS PARTNERS

VOLVO CAR GROUP

V O L V O

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PURPOSE

This Code of Conduct for Business Partners (the “Code”) articulates a vision of responsible business behaviour and sets forth the business principles that Volvo Cars requires all its Business Partners to abide by in the course of their business relationship with Volvo Cars.

The term “Business Partner” covers any person or entity (including its directors, officers and employees) that Volvo Cars does business with, including but not limited to organisations that supply goods or services to Volvo Cars, dealers that sell Volvo Cars products and services, and representatives who conduct business on Volvo Cars’ behalf.



PRINCIPLES

Volvo Cars is committed to responsible business and intends to demonstrate this commitment to integrity, business responsibility and trust throughout its value chain.

Therefore, Volvo Cars expects the same level of commitment from its Business Partners. By entering into a business relationship with Volvo Cars and during the term of this business relationship, Business Partners are required to:

- conduct their business in compliance with applicable laws and regulations (which requires Business Partners to maintain awareness regarding these laws and regulations) and with the principles stated in this Code; and
- ensure that their employees and subcontractors are made aware of and comply with applicable laws and regulations and with the principles set forth in this Code; in particular, Business Partners are expected to choose the suppliers they retain in relation with Volvo Cars business with appropriate due diligence, communicate the principles set out in this Code (or equivalent principles) to their suppliers and ensure compliance with these principles.

This Code covers Volvo Cars' requirements and expectations on its Business Partners when it comes to protecting working conditions and human rights, caring for the environment and doing business with integrity (including a zero tolerance policy for bribery and corruption). There may be instances when the principles set forth 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 should always apply. On the other hand, if this Code provides for a higher standard, the Code should prevail, unless this results in illegal activity.

This Code includes requirements that are based on internationally recognized principles that Volvo Cars strongly supports, such as:

- internationally-proclaimed human rights conventions, in particular the International Bill of Human Rights, the eight core conventions of the International Labour Organization and Article 32 of the United Nations Convention on the Rights of the Child, as well as the United Nations Guiding Principles on Business and Human Rights;
- the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the OECD Guidelines for Multi-national Enterprises.

In addition to this, Volvo Cars also supports the United Nations [Global Compact initiative](#), which is a strategic policy initiative for businesses that are committed to aligning with ten universally-accepted principles in the areas of human rights, labour, environment and anti-corruption.

¹ "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).

² International Labour Organization conventions numbers 29, 87, 98, 100, 105, 111, 138 and 182.





VOLVO CARS' EXPECTATIONS FROM ITS BUSINESS PARTNERS

Business Partners are required to meet all of the following requirements in the course of their business relationship with Volvo Cars, and we expect them to be managed professionally and systematically.



A Working Conditions and Human Rights

The Volvo brand has been carefully built for over 90 years and is closely associated with a focus on people, sustainability and safety. For this reason, and because our Business Partners directly or indirectly represent the Volvo brand, we expect them to:

- provide their employees with working conditions that are in line with international labour standards, in particular with the eight core conventions of the International Labour Organization; and
- respect and promote internationally proclaimed principles for human rights, including children's rights.

Volvo Cars supports the requirements of the International Labour Organization (ILO) and expects its Business Partners to adhere to and respect the ILO standards.

Child Labour

Business Partners shall work to prevent all forms of child labour. Under no circumstances should employment be offered to a person younger than 15 years of age (or 14 where the national law so allows) or younger than the country's legal minimum age, if higher than 15.

Forced Labour

There can be no forced labour of any kind relating to Volvo Cars' business, products and services. Therefore, Business Partners must not use forced labour, regardless of its form. This prohibition includes debt bondage, trafficking and other forms of modern slavery.

Terms of Employment

Business Partners must guarantee that the working conditions for their employees comply with all applicable legal requirements. In addition, each employee should have the right to receive written information, in a language that they can easily understand, specifying their terms of employment.

Wages and benefits

Business Partners shall pay employees wages and benefits that meet or exceed the legal minimum standards, collective bargaining agreements or appropriate prevailing industry standards, whichever is higher.

Deductions are accepted only in accordance with applicable law, regulations and collective bargaining

agreements. Deductions from wages as a disciplinary measure shall not be permitted.

Information about wages and benefits must be available to all employees, in a language that they can understand, timely and in accordance with applicable laws.

Volvo Cars recommends its Business Partners to provide their employees with a total compensation that is adequate to cover basic needs and enable a decent standard of living. Business partners are also recommended to systematically strive to ensure fair wages.

Working Hours

Business Partners must comply with applicable legislation regarding working hours (including but not limited to overtime and overtime compensation) and rest rules.

Freedom of Association and Collective Bargaining

Business Partners shall respect the rights of their employees to lawfully form, join or exclude themselves from employer-employee relationship-related associations and to bargain collectively, where permissible by local laws. Business Partners must also ensure that employees are given the opportunity to discuss their working conditions with management without fear of retaliation.

Health and safety

Safety should always be one of the most important factors in any decision. Business Partners must at all times provide and maintain a safe and healthy working environment that meets, and preferably exceeds, applicable standards and legal requirements.

Non-Discrimination and Equal Opportunities

Business Partners must not engage in any form of discrimination based on gender, ethnicity, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social background or other characteristics protected by applicable law. All employees must be treated with respect, dignity and common courtesy.



B Caring for the Environment

Business Partners must ensure that they comply with all applicable environmental laws and regulations. In addition, Business Partners are expected to support Volvo Cars' commitment to protecting the environment and limiting our overall environmental impact throughout the value chain.

This involves taking a proactive approach towards reducing the environmental footprint of their operations, products and services, including through reducing emissions and conserving resources. In this respect, Business Partners are expected to support the move towards a circular economy. They are also expected to put similar environmental expectations on their own supply chain.

General expectations

Business Partners are expected to have:

- an environmental management program, which monitors the use of resources to ensure efficiency; identifies and mitigates any related risks; and allows them to continuously improve their environmental performance;
- an open dialogue with Volvo Cars on environmental matters, and cooperate with them to improve our, as well as their own, performance. Partners should also be transparent and provide Volvo Cars with any necessary environmental data, when requested;
- procedures in place to manage environmental performance of own business partners;
- procedures in place to communicate environmental performance with relevant stakeholders and affected parties, when applicable.

Environmental impact of Business Partners' operations

Where relevant, Business Partners are expected to perform activities that aim at reducing their environmental impact, including but not limited to:

- Reducing Greenhouse Gas Emissions occurring in their own operations, as well as their wider value chain;
- Increasing energy efficiency and their use of renewable energy;
- Air quality control & emissions management;
- Supporting the reduction of waste, through reuse & recycling, and the provision of sustainable material;
- Water quality & consumption management;
- Ensuring the safe management of chemicals used in operations and products.

Responsible Sourcing of Minerals and Metals

Business Partners are expected to use only minerals and metals that have been extracted and traded in such a way that does not contribute to human rights abuses, unethical business conduct (e.g. corruption), environmental damage or funding for conflicts.

Business Partners are expected to ensure that they and their suppliers exercise due diligence within their operations to ensure metals and minerals are responsibly sourced and traded. They should make available these due diligence measures to Volvo Cars upon request.

Business partners are also required to fully support and co-operate with Volvo Cars' efforts to secure full transparency and traceability of their 3TG and cobalt supply chain.

Precautionary Principle

Volvo Cars also expect Business Partners to always apply the precautionary principle, which means that they are expected to always take precautionary measures whenever there is reason to believe that a potential action may negatively impact the health or safety of a person, society or the environment.



C Business Integrity

As the business relationship between Volvo Cars and its Business Partners must be based on trust, transparency, honesty and accountability, Business Partners are expected to conduct their business ethically and with the utmost integrity, which includes:

Anti-Corruption

Business Partners and their subcontractors must conduct their operations and transactions in compliance with applicable laws and regulations relating to anti-bribery and anti-corruption. In line with Volvo Cars' zero tolerance for bribery and corruption, Business Partners and their subcontractors shall never engage in, or tolerate, any act or omission that could possibly be construed as a form of bribery or corruption.

Consequently, Business Partners must ensure that they do not offer or receive any form of inappropriate benefit (gift, favour or hospitality) with the intention to improperly influence a business decision, whether it involves government officials or private individuals. Business Partners are encouraged to pay particular attention to the following situations that are usually considered more risky when it comes to bribery and corruption:

- interactions with public officials: certain stricter rules apply when dealing with public officials; for example, facilitation payments are always forbidden;
- use of intermediaries, in particular agents: many cases of bribery involve third party intermediaries (sales consultants, agents, brokers, etc.) that may use part of their remuneration to provide bribes; intermediaries must be chosen on the basis of appropriate selection criteria and due diligence;
- donations to charity, associations or political parties and sponsoring activities: these activities can be routes for bribery and corruption.

As a principle, Volvo Cars expects its Business Partners to refrain from providing gifts, favours or hospitality to Volvo Cars directors, officers and employees. In all cases, social amenities offered by Business Partners to Volvo Cars employees:

- cannot be intended to improperly influence the recipient's business judgement or create the appearance of doing so;
- must be customary and appropriate business courtesies, i.e. they should not embarrass Volvo Cars or harm its reputation;
- must be reasonable in value and frequency.

Should a Volvo Cars employee ask for any improper payment or incentive in breach of this Code, Business Partners are expected to notify Volvo Cars in accordance with section E below, even if the request is denied.

Business Partners are also expected to ensure that all of their reports, records and invoices are accurate and complete, and that they contain no false or misleading information.

Conflict of Interest

Any situation that may involve a conflict of interest, or the appearance of a conflict of interest, between Volvo Cars and its Business Partners must be avoided: the professional judgement, performance or decision-making ability of an employee of Volvo Cars or of the Business Partner must remain independent from considerations that do not involve the business at hand and cannot be (or seem to be) influenced by private interests.

Consequently, the interest of Volvo Cars and/or the Business Partner on the one hand and the personal interests of their respective employees (or those of a relative, a friend or a close relation) on the other hand must be kept separate.

Business Partners are expected to notify Volvo Cars in accordance with section E below if:

- a Business Partners' director, officer or employee (or any of their relatives) has a personal relationship (e.g., is a family member or a friend) with a Volvo Cars employee who is in a position to make (or influence) decisions which may benefit the Business Partners' business; or
- an employee of Volvo Cars (or their family members) has any sort of involvement in, or financial ties with, a Business Partner.

Similarly, Volvo Cars employees are required to disclose to their manager any potentially conflicting relationship with, and/or interest in, a Business Partner before making a business decision or recommendation regarding said Business Partner.

³ The notion of inappropriate benefit includes, but is not limited to such as monetary gifts, monetary loans, pleasure trips or vacations, luxury goods, concealed commissions or kickbacks.

Fair Competition and Business Practices

Volvo Cars strives to act at all times as a fair and responsible market participant and expects the same from its Business Partners. Thus, Business Partners are required to comply with applicable competition laws and regulations (also referred to as anti-trust laws).

In particular, Business Partners must refrain from entering into any understanding or agreement that would hinder competition either with their competitors or with their own business partners. This applies to any arrangement that influences prices, terms of sales (including discounts), strategies or customer relations, markets, market shares, customers or territories (particular care is expected regarding the participation of Business Partners in tender procedures). This also applies to the exchange of sensitive information or to any other conduct that unlawfully restricts or may restrict competition.

Should a Business Partner have interactions with a competitor of Volvo Cars, Business Partner must not share any of Volvo Cars' sensitive information with the competitor and vice versa, even via third parties.

Business Partners are also expected to compete fairly and ethically for all business opportunities. They must ensure that all statements, communications and representations to Volvo Cars are accurate and truthful.

Trade Sanctions and Export Control

When conducting business with Volvo Cars, Business Partners are required to comply with all trade sanctions that are applicable to Volvo Cars and with all relevant export control laws and regulations.

Trade sanctions restrict trade and financial transactions with certain countries, companies, organizations and individuals, while export controls restrict the export and re-export of certain "controlled" goods, software, and technology without the required licenses or other authorization from the relevant authority. Violation of these rules may expose Volvo Cars to significant penalties and other adverse consequences.

Furthermore, Business Partners must (as applicable):

- not (a) be designated as a Listed Person or (b) engage in any conduct that could reasonably be expected to cause them to be designated as a Listed Person;
- refrain from (a) conducting any business activity, directly or indirectly, with any Listed Person, including by supplying to Volvo Cars items sourced from a Listed Person, (b) conducting any business activity prohibited or restricted under trade sanctions or export control laws applicable to Volvo Cars, or (c) engaging in any transaction that evades, or attempts to violate restrictions under any trade sanctions or export control laws applicable to Volvo Cars;
- ensure that Volvo Cars' products and services are not sold, or in any other way made available, to a comprehensively sanctioned country or territory or to a Listed Person;
- maintain necessary export or re-export licenses or other authorizations for all goods, software and technology supplied to Volvo Cars; and
- provide to Volvo Cars all information and documentation necessary to support Volvo Cars' compliance with relevant export controls when exporting or re-exporting goods, software or technology.

⁴ Examples of "sensitive information" include (but are not limited to) non-public information on prices, costs, profit margins, sales plans, capacity utilization, product plans and market shares.

⁵ "Listed Person" means (i) any individual, company, entity or organization designated for trade sanctions or export control restrictions on a list published by the EU, US, UN or other relevant country or authority, or otherwise subject to such trade sanctions or export control restrictions, and (ii) companies, entities or organisations that are owned 50 percent or greater by any combination of Listed Persons, or controlled by a Listed Person.

Protecting Volvo Cars' Confidential Information and Intellectual Property

Volvo Cars may share confidential information and/or intellectual property elements with its Business Partners in the course of their business relationship.

Business Partners are required to handle Volvo Cars' confidential information in accordance with the confidentiality provisions in place and in particular:

- protect Volvo Cars' confidential information from improper disclosure, theft or misuse by taking all adequate steps to safeguard such confidential information;
- only disclose Volvo Cars' confidential information to their directors, officers and employees with a legitimate "need to know";
- not to share Volvo Cars' confidential information with a competitor of Volvo Cars, unless Volvo Cars has given prior written consent;
- report in accordance with section E below any loss of, or unauthorized access (by a director, officer or employee who does not have a need-to-know or a third party) to Volvo Cars' confidential information; and
- at the end of the business relationship, handle confidential information in accordance with the confidentiality provision in place and recognize that confidentiality obligations survive the end of the business relationship.

If they have access to Volvo Cars' intellectual property in the course of the business relationship, Business Partners are required to handle such intellectual property in the same way and in particular protect it from improper disclosure, theft or misuse at all times.

Data Protection

Business Partners are required to comply with applicable data protection laws and regulations (also referred to as privacy laws) when processing Personal Data in relation to their business with Volvo Cars.

"Personal Data" is defined as any information relating to an identified or identifiable natural person; an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as: a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

In addition, Business Partners performing a processing activity on behalf of Volvo Cars are required to comply with the agreed upon specific contractual provisions. In particular, Business Partners have a responsibility to protect personal data from improper disclosure, theft or misuse at all times and must immediately report to Volvo Cars any incident that involves Volvo Cars Personal Data.



D Audit right

In addition to any audit right set out in any agreement entered into with Volvo Cars, Business Partners agree:

- that Volvo Cars (either directly or through an independent third party appointed for that purpose) may verify and assess their compliance with this Code by conducting an audit at any time, subject to prior written notice. If Volvo Cars reasonably believes that prior notice will interfere with Volvo

Cars verifying whether the Business Partner has complied with its obligations or undertakings under the Code, Business Partner will permit an audit without prior notice.

- to provide Volvo Cars with all relevant information and allow Volvo Cars and its representatives access to their premises for the purpose of performing such audit.

E Grievance Channel and Cooperation

Volvo Cars encourage Business Partners to ask questions regarding this Code and are required to promptly raise concerns in case of suspected non-compliance with applicable criminal laws and regulations, or with the requirements under this Code.

Where permitted by law, concerns may be reported via the Tell-us reporting line ([link](#)) anonymously. However, subject to applicable law, Volvo Cars encourages reporters to identify themselves in order

to create the best possible base for an efficient investigation. The identity of the reporter, if known to Volvo Cars, will be kept confidential to the fullest extent possible.

Business Partners are expected to collaborate with Volvo Cars in case of investigation and are expected to not retaliate against anyone who reports suspected business misconduct.

F Consequences of violations

Business Partners agree that a breach of any of their obligations or undertakings under this Code is a material breach of contract, and may (in Volvo Cars sole discretion) result in:

- the Business Partner having to take necessary remedies, including to pay damages and implementing appropriate corrective actions within a reasonable time, so as to remedy the violation and to prevent similar occurrences in the future; and

- Volvo Cars taking actions against the violating Business Partner, up to immediate termination of the business relationship, upon written notice to the Business Partner.





VOLVO CARS' COMPLIANCE & ETHICS OFFICE MAY BE CONTACTED IN ANY OF THESE WAYS:

Email:

Compliance & Ethics Office: cceoffic@volvocars.com

Augusta Speiser, Chief Compliance & Ethics Officer: augusta.speiser@volvocars.com

Postal mail:

VOLVO CARS

Compliance & Ethics Office

Torslanda HABVS

SE-405 31 Göteborg, Sweden

Tell Us Reporting line: [link](#)

Date:

This Code of Conduct for Business Partners was adopted by Volvo Cars' Executive Management Team on 2019-05-13. This document is reviewed every other year or as needed.

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This Code shall not be construed as an employment contract and does not give anyone any right to continued employment by Volvo Cars.

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