

V O L V O

HUMAN RIGHTS DUE DILIGENCE AND MODERN SLAVERY STATEMENT

2022

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Global human rights due diligence processes

About this statement

This statement provides an overall presentation of Volvo Car Group's human rights due diligence efforts, describing the processes, risks identified, and actions taken during the financial year that ended 31 December 2022 (Statement). The statement is made under the Australian Modern Slavery Act 2018 (Cth), the UK Modern Slavery Act 2015 and the Norwegian Transparency Act 2022. This first section sets out Volvo Car Group's global human rights due diligence efforts, including the ongoing Due Diligence Design Project detailed below, and its related risks and activities.

In the following three sections of the document, specific local information relevant to Volvo Car Australia Pty Ltd (ACN 004 830 611) (Volvo Car Australia), Volvo Car Norway AS (Org.nr. 958 684 975), Care By Volvo Car Norway AS (Org.nr. 921 689 101) (together "Volvo Car Norway") and Volvo Car UK Limited (Company No. 2281044), Care by Volvo Car UK Limited (Company No. 11734379) (together "Volvo Car UK") is presented.

Our operations are global

Volvo Car Australia, Volvo Car Norway, and Volvo Car UK form part of the Volvo Car Group. The Volvo Car Group designs, develops, manufactures, and sells a range of premium cars and services. While our roots are decidedly Swedish, we have manufacturing, research, and design operations in Europe, Asia and the Americas and a wide range of suppliers located throughout the world. We also have a global sales presence in over 100 countries, including in Australia, the United Kingdom and Norway.

Globally, the Volvo Car Group employs ~43'000 people. Of these employees, 330 people belong to our UK operations, 49 to our Norwegian operations and 45 to our Australian operations.



Human rights risks (including modern slavery) in our value chains

As a global company with complex supply chains, Volvo Car Group acknowledges the existence of human rights (including modern slavery) risks in connection to our operations. These risks cover a broad range of practices and include slavery, debt bondage, forced labour, child labour, forced marriage and other exploitative practices including wage theft, abuse and suppression of freedom of association.

With our shift to electrification, we acknowledge the ethical, social and environmental (ESG) risks (including modern slavery) connected to the extraction, processing, trade and transportation of the raw materials needed to produce electric vehicle batteries (e.g. cobalt, nickel, lithium). Tin, tantalum, tungsten, and gold – also known as ‘3TG’ or ‘conflict minerals’ – are other raw materials used in components in our cars, which in some cases are related to negative impacts on people and planet. We call these raw materials, which are associated with high ESG risks, Materials of Concern and have several due diligence activities in place to prevent and mitigate the risks connected to these supply chains (see below).

Conscious of the existence of these risks, and the inherent challenges they constitute, due diligence is an ongoing, proactive, and reactive process. Information and risk monitoring systems

will progressively be improved over time as a result of constructive engagement with suppliers and other stakeholders.

This applies both in relation to internal risks connected to our own operations, and those within our wider value chain.

As a key part of the Due Diligence Design Project (see below), we have made considerable efforts into identifying the salient human rights risks connected to our value chain. In 2022, the process included:

- a desktop review of internal and external sources,
- benchmarking
- internal audits/assessments
- multiple cross-functional workshops
- internal validation with a global network of key stakeholders
- the initiation of a sourcing process to engage expert third party validation of the final-result and methodology, which will also include validation through rights-holder engagement.

The first iteration of our expanded salient risk assessment will be finalised in 2023 and will be continuously assessed and reviewed in coming years.

1. “Conflict minerals” i.e. tin, tantalum, tungsten and gold (3TG) from the Democratic Republic of the Congo or its nine adjoining countries as well as other minerals from conflict-affected and high-risk areas.



Key actions taken in 2022

During FY22, many actions were taken to improve the performance of Volvo Car Group's human rights due diligence efforts in our value chain. These actions include (for further information see below):

- Initiation of the '[Due Diligence Design project](#),' including a review and development of our due diligence efforts in relation to human rights, environment, and governance.
- Initiation of a project with technology, audit and advisory leader RCS Global Group, to further develop our responsible sourcing management system for [Volvo Cars' Materials of Concern](#)
- Significant expansion of our battery supply chain [audit program](#) with RCS Global Group, covering all tiers of the supply chain from Volvo Cars to the mines, including cobalt, lithium and nickel.
- [Continued implementation of blockchain to increase traceability](#) for cobalt, lithium and nickel which is a key element for securing responsible sourcing (described further below).

Sustainability strategy

The Volvo brand has been carefully built up over 90 years. We take pride in our role within society and are committed to respecting and promoting human rights. Our commitment towards human rights is supported at the Board Level of the Volvo Car Group, as is clearly articulated in our Code of Conduct. We aim to be a pioneer in protecting people and the planet by working towards climate neutrality, embracing the circular economy, and conducting business responsibly. We believe doing this, in partnership with others, ensures we help address global sustainable development challenges and support our profitable growth. Sustainability is central to our business and, quite simply, key to our future success.

Our sustainability ambitions:

- Be a climate neutral company by 2040
- Be a circular business
- Be a recognised leader in ethical and responsible business



Ethical and responsible business

No form of modern slavery, child labour or human trafficking is accepted by the Volvo Car Group. Our corporate culture focuses on ethics and leadership, as well as equal opportunities and decent working conditions for all. We support the United Nations Sustainable Development Goals (SDGs) and reflect the values of the international norms of behaviour and guidelines in our [Code of Conduct](#). As a founding member of the United Nations Global Compact in 2000, we are committed to the UN Global Compact's Ten Principles, including but not limited to; the elimination of all forms of forced and compulsory labour (Principle 3)

We take part in several ESG assessments, and our performance has improved over recent years.

These results confirm that we are on track with our sustainability ambitions. One of the most comprehensive sustainability assessments, covering all the three ESG pillars, is the [Corporate Sustainability Assessment \(CSA\)](#), by Standard & Poor's - one of the world's leading corporate rating and assessment agencies. Volvo Cars achieved the second-highest score out of 72 assessed companies in the automotive industry in the 2022 Corporate Sustainability Assessment. That places us among the top 5 per cent of companies in the industry.

Learn more about our sustainability ambitions and other ratings and assessments of our ESG performance in our [Annual and Sustainability Report 2022](#) (p192).



Our Code of Conduct and Code of Conduct for Business Partners

[Our Code of Conduct](#) describes the commitments and principles that apply to all legal entities of the Volvo Car Group. Everyone working for these entities has the responsibility to follow these commitments and principles. All employees are expected to read and understand the Code, act with integrity and in line with the principles in the Code, as well as our corporate policies and directives.

Volvo Cars has implemented 12 corporate policies, which reflect our strong commitment to responsible business. These policies are adopted by Volvo Cars' Board of Directors and contain the minimum requirements that apply to all employees² of the Volvo Car Group in their daily work. For the purposes of this Statement, the Code includes our People Policy outlining Volvo Cars' position on human rights, including:

- equal opportunities;
- no discrimination or harassment;
- no modern slavery;
- no child labour;
- no forced labour;
- freedom of association and collective bargaining;
- ensuring the health and safety of employees;
- fair terms of employment; and
- total remuneration and working hours.

2. For purposes of this document, the notion of "Employees" includes: (i) all Volvo Cars employees, regardless of function, position or location, whether working full-time or part-time, under a permanent contract or on a temporary basis, as well as (ii) consultants and agency personnel who work at Volvo Cars premises or under the direction of Volvo Cars; and (iii) the members of the Volvo Car AB Board of Directors



Our Code, together with our People Policy, articulate our general endorsement of the following human rights frameworks and charters:

- The eight core conventions of the UN agency, ILO (International Labour Org):
- Child Labour (138 and 182);
- Forced Labour and Compulsory Labour (29 and 105);
- Equal Remuneration and Discrimination (100 and 111); and
- Freedom of Association and Collective Bargaining (87 and 98);
- The Universal Declaration of Human Rights;
- UN Convention on the Rights of the Child;
- UN Guiding Principles on Business and Human Rights (UNGPs); and
- OECD Guidelines for Multinational Companies.

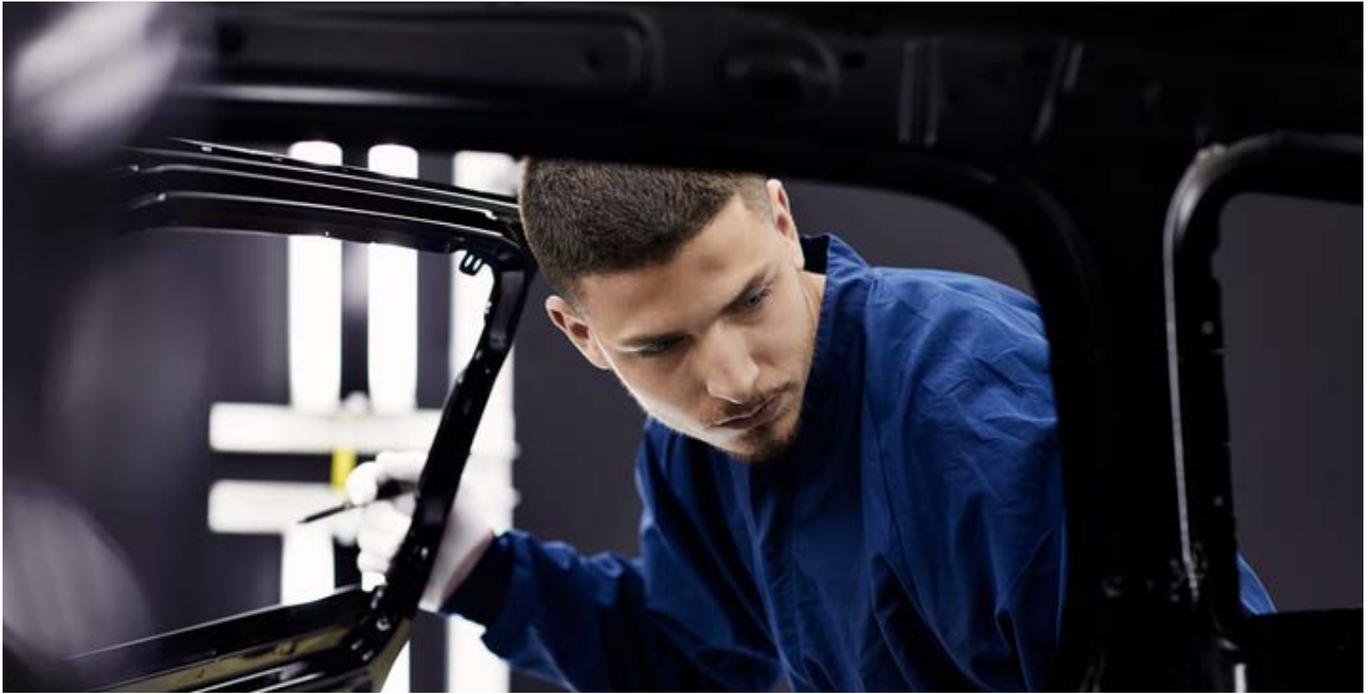
Our commitment to responsible business stretches beyond the Volvo Car Group, and we strive to demonstrate our commitment to legal compliance, human rights, decent working conditions and business integrity throughout our value chain. This commitment is manifested through our [Code of Conduct for Business Partners](#). As an integrated part of our agreements and building on the principles set out in our Code of Conduct, the Code of Conduct

for Business Partners 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.

There may be instances when the principles set forth in Our Code of Conduct for Business Partners differ from local law or customs in a country. If that is the case, and local law or customs impose higher standards than those set out in Our Code of Conduct for Business Partners, local law and customs should always apply. On the other hand, if Our Code of Conduct for Business Partners provides for a higher standard, it should prevail unless this results in illegal activity.

When referring to ‘business partners’ we mean any person or entity (including its directors, officers and employees) that Volvo Cars does business with, such as

- organisations that supply goods or services to Volvo Cars;
- dealers that sell Volvo Cars products and services to customers; and
- representatives who conduct business on Volvo Cars’ behalf.



In relation to people, as our business partners directly or indirectly represent the Volvo brand, we expect our business partners to:

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

By introducing these requirements to our business partners, we seek to ensure that everyone associated with Volvo Cars demonstrates integrity, responsibility and trust, and that the people who make our products and components, sell our vehicles or provide services, are treated with dignity and respect.

Volvo Car Group, including Volvo Car Australia, Volvo Car Norway and Volvo Car UK, take breaches of Our Code of Conduct for Business Partners seriously. Business partners

understand that a breach of the Code of Conduct for Business Partners can have serious consequences, including the end of our business relationship.

Our approach towards subcontracting

Subcontracting by our suppliers is a usual practice in the manufacturing and automotive industry. Volvo Cars manages subcontracting by imposing rules for subcontracting in its contracts with suppliers. The terms include a requirement that subcontractors accept our Code of Conduct for Business Partners, follow the same terms as Volvo Cars has agreed with suppliers and includes the right to audit any subcontractor. Volvo Cars continuously seeks improvements on its ability to monitor its entire supply chain.

At Volvo Car Australia, Volvo Car Norway and Volvo Car UK we permit subcontracting, subject to our consent and our standard contracts include a requirement of the subcontractor to agree to our Code of Conduct for Business Partners. In our standard terms we also retain the right to audit any subcontractor.

'Volvo Cars' Due Diligence Design project

Introduced in 2022, the Due Diligence Design project aims to develop and harmonise Volvo Car Group's work on due diligence in relation to human rights, environment and governance. The project is steered by international best practice (e.g. United Nations Guiding Principles (UNGPs) and the OECD Due Diligence Guidelines) and recent as well as upcoming legislation (e.g. the EU Corporate Sustainability Due Diligence Directive).



Key deliveries

- Define and implement a global, clear, and cross-functional due diligence strategy, organisational structure, and governance in relation to human rights, environment and good governance.
- Define and implement a global way of working.
- Build competence and create awareness on due diligence and human rights in the global organisation, towards business partners and stakeholders.

Key achievements in 2022

- Actions together with Volvo Car Norway to prepare for the Norwegian Transparency Act.
- Development of new ways of working in the field of Human Rights and Environmental Due Diligence (HREDD). This included a first proposal of a new organisation and governance structure to support the improved ways of working.

- Initiated the process to identify the salient human rights risks related to Volvo Car Group's value chain. Specific actions taken in 2022 is [specified above](#).

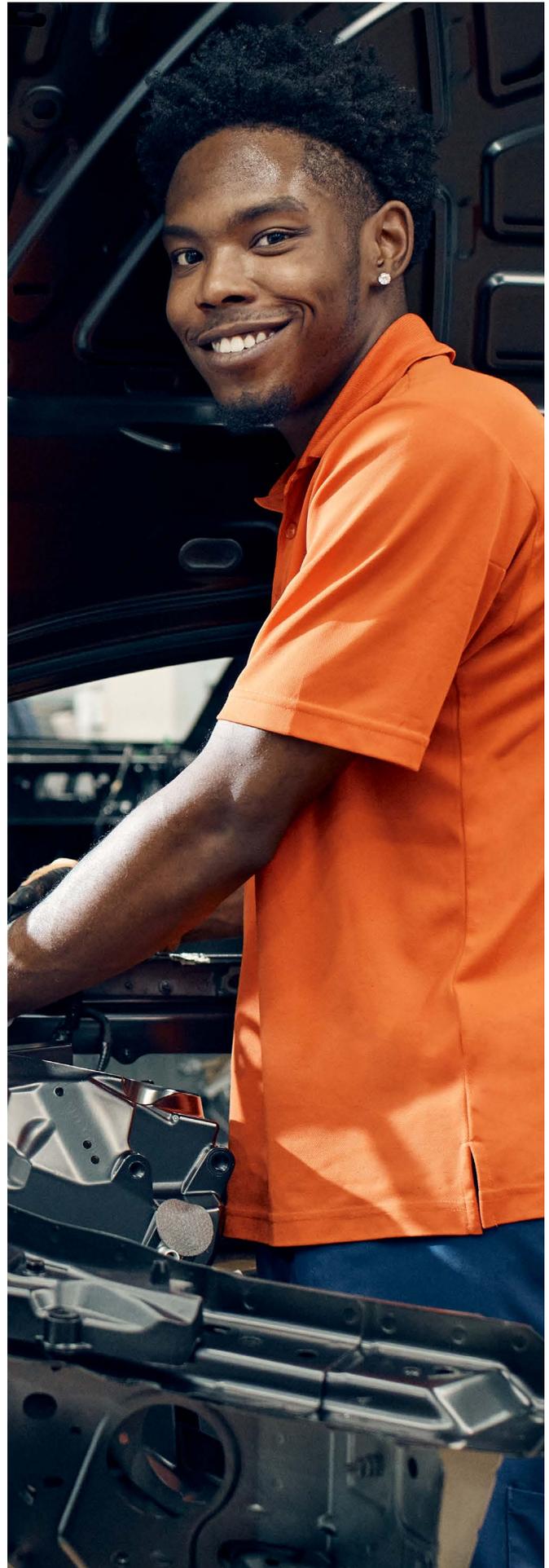
Next steps:

The Due Diligence Design project will continue in the years to come. In 2023, the new ways of working will be ready for piloting and implementation, and the related organisation and governance structure will be ramped up. We will finalise the first iteration of our expanded salient risk assessment, and start developing internal codes, policies, and contracts to better align with our new ways of working and commitment to ethical and responsible business.

We assess the impact of our operations

In 2017, Volvo Cars introduced the People Policy Assessment. This project followed the UNGPs and included onsite interviews with potentially affected rights-holders, with the purpose of assessing potential human rights impacts of our global manufacturing sites. The assessment focused on the impact on people working at Volvo Cars' manufacturing sites globally (including onsite contractors and service providers) and living in nearby communities. The assessments identified improvement opportunities and proposed actions to be implemented to manage the risk of adverse human rights impacts.

The lessons learned from the People Policy Assessment now serve as a core element of the Due Diligence Design project, and the revision of our HREDD processes internally as well as towards the value chain. In addition to the wider improvement of our HREDD work, the experiences and learnings from the People Policy Assessment also guided our way of working in relation to strategic projects such as the site selection and establishment of our new [European electric car manufacturing plant in Kosice](#).





Shaping sustainable supply chains

How we work with suppliers to mitigate risks of modern slavery

Through Volvo Cars' supplier onboarding and management process, suppliers are made aware of:

- the Code of Conduct for Business Partners;
- relevant legal documents; and
- requirements as a part of our sourcing process

These documents contain our requirements towards our suppliers, clearly outlining zero tolerance on any kind of modern slavery or forced labour in our supply chains. Suppliers must meet the requirements and implement systematic management of all areas, including ensuring that employees and sub-suppliers adhere to the requirements.

Basic due diligence

Suppliers' conformance with the Code of Conduct for Business Partners and performance against a wider set of our environmental, social and governance (ESG) requirements are evaluated via e.g. self-assessment questionnaires, on-site visits and other assessments. In addition, risk screenings are performed as part of the basic due diligence (see below).

Drive Sustainability *Self-Assessment Questionnaire*

Since 2019, we have used a mandatory [Self-Assessment Questionnaire](#), (SAQ) in our

sourcing process. It covers ESG areas such as business ethics, human rights, environmental management, and responsible sourcing and was developed in a collaborative initiative by the automotive industry - "Drive Sustainability". All SAQ answers are validated by an external assessor and the suppliers are provided with recommendations on how to improve. Existing suppliers need to complete a SAQ every second year.

Anti-Corruption and Trade Sanctions screening

Suppliers are screened in an anti-corruption and trade sanctions process. This is done prior to sourcing and during ongoing business to identify and mitigate legal risks in the fields of corruption and trade sanctions. Although the process is focused on anti-corruption and trade sanctions, it provides useful information and insights on other areas, including violations of human rights and modern slavery risks.

Risk screening based on country data

We use the [Risk Assessment Platform](#) provided by the Responsible Business Alliance (RBA) to help us rate supplier risk level based on geographical location, our expenditure and the products they supply. This assessment (which includes forced labour as one parameter) is carried out annually and guides us in determining which suppliers will be subject to enhanced due diligence (as outlined below).



Enhanced due diligence

Suppliers that provide components containing Raw Materials of Concern and those who have been flagged by RBA's risk screening tools (see above and below) are subject to Enhanced due diligence.

Raw Materials of Concern

Volvo Cars has defined a list of minerals, metals, and bio-based materials associated with high ESG risks, including cobalt, lithium, aluminium, nickel. We aim to gradually increase the transparency of these supply chains to enhance material traceability and mitigate ESG risks. This will help ensure responsible sourcing and continuous improvements in line with industry norms and regulatory requirements.

For this reason, we started to implement blockchain on cobalt used in our electric vehicle batteries. Blockchain technology enables the tracing of raw materials from the mine to the car and thus the identification of the actors in our supply chain tier by tier. Since the project was launched, in 2019, the implementation of blockchain has been extended to lithium, nickel (used for battery manufacturing) and mica (for insulation sheets).

Furthermore, we require suppliers to only use tin, tungsten, tantalum, and gold from 'conflict-free' smelters⁴ i.e., smelters which are validated by a third party to be conformant with [Responsible Mineral Initiative's](#) Responsible Minerals Assurance Process (RMAP) and comply with the OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas. We regularly request, collect, and analyse due diligence data in a standardised format, [Conflict Minerals Reporting Template \(CMRT\)](#),

from suppliers. Moreover, we request suppliers to remove non-conformant smelters from their supply chains.

In early 2022, we initiated the development of our responsible sourcing management system for the Materials of Concern supported by the technology, audit and advisory leader RCS Global Group. The purpose of the work is to further formalise our way of working to proactively manage human rights and environment-related risks in Volvo Cars' supply chains for the Raw Materials of Concern. We are reviewing and updating existing policies and processes to ensure alignment with international best practice (e.g. the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights). More information about this work will be made available in our Responsible Raw Material Report, which will be launched on [volvocars.com](#).

Supplier sustainability audits

We run two different sustainability audit programs – (1) for existing directly contracted suppliers which have received a high-risk score in the RBA risk assessment, as well as new directly contracted suppliers located in high-risk countries (according to RBA risk map e.g. Mexico and China) and (2) for our directly contracted suppliers of batteries, and their supply chains. In addition, ad-hoc audits can be conducted based on identified risks e.g. through information received from buyers or external stakeholders.



Audits on directly contracted suppliers

We make comprehensive on-site audits of suppliers' sustainability performance by utilising the Validated Assessment Program (VAP) from RBA, which covers areas such as labour rights (including freely chosen employment), environment, business ethics, management systems and health and safety. The audits are conducted by an accredited third-party auditor.

Audits in our battery supply chain

In 2022, we established a structured program to formalise and expand our auditing activities in the cobalt, lithium and nickel battery supply chain. The aim of the program is to ensure that directly contracted suppliers, and their sub-suppliers, in our cobalt, lithium and nickel supply chains are conformant with relevant standards and frameworks and to ensure continuous improvement of ESG performance across our battery supply chain by monitoring the implementation of corrective action plans. The audits are conducted by an external party against criteria based on the OECD Due Diligence Guidance. Since 2021 the audits of mine sites also are performed against the IRMA Standard for Responsible Mining Critical Requirements or equivalent schemes, which allows us to gain a better understanding of the environmental and human rights performance of the mine sites.

Audit findings

Audit findings are summarised in a report, which includes identified non-conformities and a list of agreed corrective actions for the supplier to take (with due dates). We are monitoring the corrective action plan implementation progress to ensure that the needed measures are taken.

During 2022 we identified three cases of risk of forced labour through our audit programs. One case was at a manufacturing site in China and two cases were identified at two mine sites in the Democratic Republic of the Congo. However, no evidence of actual cases of forced labour were identified. We are monitoring these suppliers to ensure that the agreed proactive measures are taken within the agreed timeframe.

For further information about the results of our basic and enhanced due diligence activities (e.g. the number of audits conducted), please see the [Volvo Car Group Annual and Sustainability Report 2022 page 172-176](#).

Collaborating with the industry

Where possible, Volvo Cars works with industry peers and organisations to achieve a more responsible supply chain for the industry as a whole. Volvo Cars is a member of the [Responsible Business Alliance](#) (RBA), the world's largest industry coalition dedicated to corporate social responsibility in global supply chains with the purpose to drive change, exchange best practices and to get access to tools used to secure responsible sourcing. We are also an active member of [Drive Sustainability](#). Through this platform, we work with other automotive manufacturers to enhance responsible sourcing in our supply chains.



Group training programs

Volvo Car Group has developed, and continues to develop, training that include human rights and modern slavery risks. As an example, Volvo Car Group regularly conduct internal training on our Code of Conduct, including face to face and web-based training. You can read more about our internal training efforts in the [2022 Annual & Sustainability Report](#) (p.177).

Examples of other trainings conducted in 2022:

- Newly hired employees within procurement receive introduction training, including ethical and responsible sourcing
- Procurement professionals are offered access to a wide range of digital training in sustainability, including ethical and responsible business
- New leaders receive training on our People Policy, which includes a section on modern slavery
- Dedicated workshops with leaders on potential human rights risks (including modern slavery) and ways to mitigate such risks, in relation to our new electric car manufacturing site in Kosice.

Moreover, we participate in and invite our suppliers to sustainability events and training sessions organised by both RBA and Drive Sustainability.

Our speak up culture

Everyone working at or with Volvo Cars should be comfortable raising questions or concerns about ethical issues, cases of non-compliance and modern slavery concerns. We support a culture of openness, integrity and accountability. Volvo Cars offers the possibility to report violations of Our Code by submitting a report via our publicly available [Tell Us reporting line](#). Reports can be made confidentially and anonymously.

For further information about the our Speak Up Culture and the Tell Us reporting line, please see the [Volvo Car Group Annual and Sustainability Report 2022](#) page 178-179.

Further read

- [Our Code of Conduct](#)
- [Volvo Cars Code of Conduct for Business Partners](#)
- [Volvo Car Group Annual Report 2022](#)
- [Our position on metals and minerals](#)

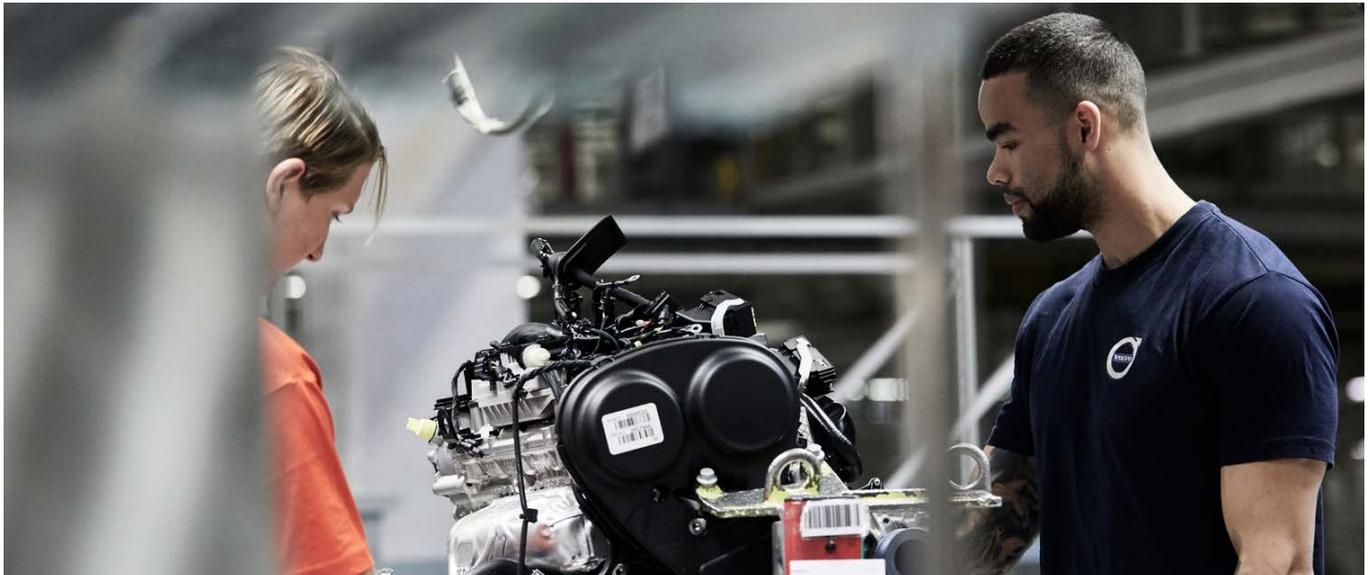
AUSTRALIA MODERN SLAVERY STATEMENT

About this section

This Australian Modern Slavery Statement¹ section supplements the overall presentation of Volvo Cars Human Rights due diligence efforts and is made under the Australian Modern Slavery Act 2018 (Cth) (Modern Slavery Act) to set out the actions taken by Volvo Car Australia Pty Ltd (ACN 004 830 611) (Volvo Car Australia) to assess and address the modern slavery risks in its operations and supply chains during the financial year ended 31 December 2022. Volvo Car Australia, a company incorporated in Australia and is a reporting entity for the purposes of the Modern Slavery Act. It is a subsidiary of the Volvo Car Group, headquartered in Gothenburg, Sweden and listed at Nasdaq Stockholm Stock Exchange. Volvo Cars Australia has no active entities which it owns or controls. Additional information on the Volvo Car Group and its operations is contained on [page 1](#) of the statement.

This is the third modern slavery statement prepared by Volvo Car Australia under the Modern Slavery Act and aligns with the longstanding commitment that the wider Volvo Car Group has with respect to ethical business conduct.

We are proud of the work that we are doing to identify and mitigate the risk of modern slavery from occurring in our business or supply chains however recognise more work is needed on a global and local basis.



Our Australian operations and supply chain

Volvo Car Australia purchases from Volvo Cars:

- Volvo branded products (including Volvo branded vehicles, parts and accessories) which are wholesaled to third party retailers and ultimately to end consumers in Australia; and
- a range of operational services from Volvo Cars (such as IT, connectivity, marketing, tax, legal, finance, technical support and logistics).

Volvo Car Australia markets and distributes Volvo Car products in Australia.

Volvo Car Australia is responsible for distributing Volvo Car products to third party retailers in Australia and the marketing to consumers. It sells, repairs and maintains Volvo Cars' products through approved third-party partners including third party dealers, mechanics and engineers, financial partners and insurance companies. It does not own any dealership or service outlets.

Volvo Car Australia purchases a range of services locally to support its local business operations. These include marketing, catering, IT and digital solutions, some logistics and warehousing and cleaning services for its local office. Volvo Car Australia also purchases some accessories from Australian based suppliers – such as tow bars.

Volvo Car Australia: risks of modern slavery

No products are manufactured by Volvo Car Australia or in Australia. It is the Volvo Car Group that manages the procurement of products and services from third party suppliers. As such, Volvo Cars is Volvo Car Australia's primary tier one supplier. Volvo Car Australia relies on Volvo Cars to ensure that its third-party suppliers meet the Volvo Car Group's ethical standards. This is due to the structure of the organisation, as the Volvo Car Group remains responsible for the manufacture of Volvo Car products and the procurement of the supply chain. Volvo Cars undertakes assessments on suppliers to assess and address modern slavery risk, and to ensure business partners meet the Volvo Car Group's minimum expectations.

Volvo Car Australia has a limited Tier 1 supply chain. We are aware that modern slavery risks can arise in every country. Driven from a risk-based approach, the sustainability audit programs undertaken by Volvo Car Group aligned with the RBA risk map have identified that some of our Tier 2, Volvo Car Group's Tier 1, suppliers that produce components for the vehicles sold in Australia are located in countries, including Mexico and China, where the risks of modern slavery are higher.



We consider our exposure to modern slavery practices for those goods and services purchased by Volvo Car Australia to be low. That being said, we have identified specific suppliers we consider to pose a higher risk to instances of modern slavery occurring. The targeted steps we have taken with these suppliers are set out below.

Actions taken at a local level

Like the Volvo Car Group, Volvo Car Australia is committed to ensuring that appropriate action is taken to address risks of modern slavery practices in its operations and supply chain.

While the Volvo Car Group takes the lead to assess and address risks in the global supply chain for Volvo Cars' products and services, Volvo Car Australia has also implemented actions to assess and address modern slavery risks associated with the running of its Australian business operations. These include:

1. Communicating the Code of Conduct for Business Partners to the dealer and repairer network and other business partners;
2. Auditing the dealer network's knowledge and awareness of the Code of Conduct for Business Partners, as part of the Volvo Car Retail Standards; and
3. Requiring new third parties that Volvo Car Australia does business with to agree to the Code of Conduct for Business Partners or ensure they have equivalent policies in place.

We ask that our business partners not only comply with those principles, but communicate them to their employees, suppliers and subcontractors.

In our last reporting period,, Volvo Car Australia identified four key areas for improvement in 2022:

1. Developing a formalised framework to assess the effectiveness of actions to assess and address modern slavery risks;
2. Provide training to Volvo Car Australia employees on the Modern Slavery Act and Volvo Car Australia's Modern Slavery Statement;
3. Carrying out an audit of our local suppliers' and business partners' agreement to the Code of Conduct for Business Partners; and
4. Continue to review processes for procuring local suppliers.

Due to resource constraints and with a lens to developing its modern slavery programme in an effective and meaningful manner, Volvo Car Australia prioritised Items 3 and 4, with Items 1 and 2 being postponed to 2023. Further actions taken over the last year are described below.

Item 3 - Volvo Car Australia reviewed its existing local supplier list

Volvo Car Australia's suppliers were assessed and categorised as:

- those who had agreed to Volvo Cars' standard terms and conditions; and
- those who had not.

Volvo Cars' standard terms and conditions for purchasing services or goods include references to Volvo Cars Code of Conduct for Business Partners and mandates compliance with laws and basic working conditions. Our standard terms make specific reference to a prohibition on the use of forced labour, underage workers, abusive disciplinary practices by suppliers and their subcontractors compared with those where a bespoke contract template may have been agreed.

Where bespoke agreements were used, the legacy agreements were reviewed to identify if appropriate compliance and ethics language was agreed to by the supplier. If not – suppliers were issued with and asked to sign and return a supplementary letter of commitment.

Volvo Car Australia also undertook an exercise where it categorised local suppliers as high or low risk based on sector risk and the services rendered. It identified three main categories of purchase that we assessed to pose a higher risk of violating Volvo Cars' standard of ethical business conduct and People Policy. These were where the risk of student or foreign labour being used was perceived as being higher, including suppliers providing office cleaning, catering, and car wash and cleaning services. The suppliers identified as posing a higher modern slavery risk were sent a letter where we outlined our Code of Conduct for Business Partners, our minimum expectations for working conditions and human rights and that Volvo Car Australia will not do business with organisations that do not abide by the standards in our Code of Conduct for Business Partners.

We sought the commitment of these deemed high-risk suppliers to take meaningful steps to consider and address modern slavery risk in their own business including current and future

procurement exercises. Of all suppliers contacted only one has not yet signed the commitment letter. Dialogue between Volvo Car Australia and the supplier is ongoing.

Item 4 - Local procurement of suppliers

All of Volvo Car Australia's suppliers must sign our standard form contracts which contain reference to the Code of Conduct for Business Partners and ethical conduct obligations. We have provided additional training to relevant internal business stakeholders on the procurement process and the requirement and importance of suppliers agreeing to our Code of Conduct for Business Partners and using Volvo Car Australia templates. Together with Volvo Cars an escalation process has been developed if a supplier does not agree to the Code of Conduct for Business Partners.

Areas for improvement in 2023

Over the course of the next year, Volvo Car Australia proposes to continue to enhance our anti-slavery program by taking the following steps - including those items that were deferred for action in 2023):

- In partnership with Volvo Cars and the implementation of a global HRDD program, develop a framework to assess the effectiveness of actions to assess and address modern slavery risks.
- Develop a supplier and business partner questionnaire for pre-appointment due diligence and ongoing supplier due diligence.
- Improve stakeholder and employee awareness on global and local risks of modern slavery through training.
- Provide training and communication to the Volvo Car retailer network on the Modern Slavery Act and Volvo Car Australia's Modern Slavery Statement.

To assess the effectiveness of our actions, we will review the overall procurement process followed by Volvo Car Australia and identify areas for improvement.

The following checklist summarises the information presented in this modern slavery statement.

Modern Slavery MSA 2018 (Cth) Criteria	Document Reference	Volvo Car Australia inputs
(Criterion 1) Identifying the reporting entity	Page 16	Volvo Car Australia Pty Ltd is the reporting entity for the purposes of the Modern Slavery Act.
(Criterion 2) Describe the structure, operations and supply chains of the reporting entity	Page 17	Volvo Car Australia is a subsidiary of Volvo Car Corporation. It is responsible for the importation, distribution and marketing of Volvo branded passenger vehicles, parts and services. Third party retailers appointed by Volvo Car Australia sell Volvo branded vehicles to end consumers.
(Criterion 3) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Pages 3 and 12-14	<p>Volvo Car Corporation has defined a list of raw materials associated with high ESG risks (including modern slavery), Raw Materials of Concern. Volvo Car Corporation has policies and processes in place to identify and handle risks in these supply chains (e.g. suppliers are required to only use tin, tungsten, tantalum, and gold from 'conflict-free' smelters and there is an extensive audit program in place for the cobalt, lithium and nickel battery supply chains). In 2022 Volvo Car Corporation initiated a project to further develop its responsible sourcing management system for the Raw Materials of Concern.</p> <p>Volvo Car Corporation acknowledges that modern slavery risks can arise in every country. Driven from a risk-based approach, the sustainability audit programs are partly steered by the RBA risk map, indicating high-risk countries such as Mexico and China.</p>
(Criterion 4) Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes		<p>In respect of Volvo branded products (cars, parts and accessories), the Volvo Car Group manages the procurement of products and services from third parties connected to the manufacturing and distribution of Volvo Cars' products, which end up for sale to consumers in Australia. Volvo Car Australia relies on Volvo Cars to ensure that third party suppliers meet the Volvo Car Group's high ethical standards and undertakes assessments to ensure business partners are compliant. This is due to the organisational structure of the organisation, as the Volvo Car Group remains responsible for the manufacture of Volvo Car products and the procurement of the supply chain.</p> <p>Volvo Car Australia has also taken proactive steps as explained in the Australian Modern Slavery Statement above.</p>
(Criterion 5) Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks		Volvo Car Australia will work with Volvo Car Group to understand its framework for assessing the modern slavery risks associated with the manufacture of vehicles parts and accessories. Volvo Car Australia is still developing a framework as to how it will assess the effectiveness of its actions when purchasing goods and services at a local level, that do not include the vehicles parts and accessories that it purchases from Volvo Car Group. However, over the next reporting period it will review the overall procurement process followed by Volvo Car Australia and identify areas for improvement.
(Criterion 6) Describe the process of consultation with owned or controlled entities		Volvo Car Australia has no active subsidiaries.
(Criterion 7) Any other relevant information		Volvo Car Australia utilises the Volvo Cars Tell Us Reporting Line, and has its own local whistle blower policy, that can be used to report grievances in managing modern slavery risks.
(Focus on continuous improvement)	Page 19	Volvo Car Australia has identified local actions to be taken while Volvo Car Group is continuing to improve its work in this area. Please see the five points of focus for 2023.

This statement has been adopted and approved by Volvo Car Australia Pty Ltd Board of Directors on 7 June 2023 for the period 1 January 2022 to 30 December 2022 and in accordance with the *Modern Slavery Act 2018 (Cth)*.



Stephen Connor
Managing Director
Volvo Car Australia Pty Ltd



NORWAY ACCOUNT OF DUE DILIGENCE

About this section

This section builds on the overall description of Volvo Cars' operations and human rights due diligence efforts and is made under the Norwegian Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act). Together with the global section, this chapter serves as the 2022 account of due diligence of Volvo Car Norway AS and Care By Volvo Car Norway AS (together "Volvo Car Norway") in its operations during the financial year ended 31 December 2022.

Volvo Car Norway, two companies incorporated in Norway, is a subsidiary of the Volvo Car Group, headquartered in Gothenburg, Sweden and listed at Nasdaq Stockholm Stock Exchange. At Volvo Car Norway and as part of the wider Volvo Car Group, we are proud of the work we are doing to ensure fundamental human rights and decent working conditions, as well as providing the general-public access to information regarding how we as a company address these crucial issues.





Our Norwegian operations and supply chain

Volvo Car Norway markets and distributes Volvo Car products in Norway. Volvo Car Norway has no active entities which it owns or controls. The products are imported into Norway from the parent company, Volvo Car Corporation (Volvo Cars). No products are manufactured by Volvo Car Norway.

The Volvo Car Group manages the procurement of products and services from third parties connected to the manufacturing and distribution of Volvo Cars' products, which end up for sale to consumers in Norway. Volvo Car Norway relies on Volvo Cars to ensure that upstream third-party suppliers meet the Volvo Car Group's high ethical standards and undertakes assessments to ensure business partners are compliant – in the ways described above.

Volvo Car Norway sells, repairs, and maintains Volvo Cars' products through approved third-party partners including third party dealers, mechanics and engineers, financial partners, and insurance companies.

Volvo Car Norway has implemented processes requiring local business partners to comply with the law and meet Volvo Cars' standards of ethical business conduct. Many of the suppliers and third-party dealers are large companies with established social governance policies, including in relation to Transparency Act, which affords VCN some assurance in engaging in those commercial relationships. Volvo Car Group's Code of Conduct for Business Partners is provided to all business partners as a core part of the standard contracts used by Volvo Car Norway. The Code of Conduct for Business Partners sets out the expectations and principles we set upon on our business partners (as described above). Volvo Car Norway insist that all business partners not only comply with those principles, but communicate them to their employees, suppliers, and subcontractors. Further, knowledge of the Code of Conduct for Business Partners is assessed as part of the standard dealer audits.

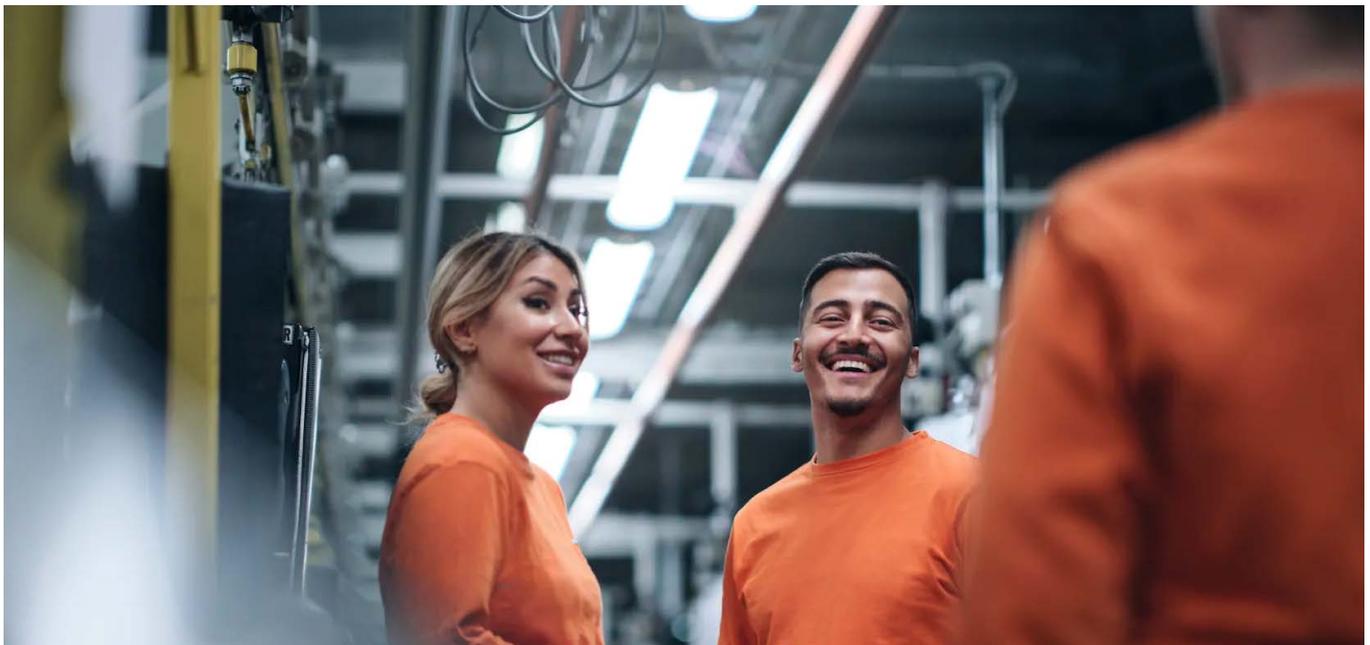
Actions taken at a local level in 2022

Like the Volvo Car Group, Volvo Car Norway is committed to ensuring that appropriate action is taken to address risks concerning human rights and working conditions in its operations and supply chain.

The Volvo Car Group takes the lead to assess and address risks in the global supply chain for Volvo Cars' products and services. Volvo Car Norway, as the local subsidiary of the Volvo Car Group, relies on central policies and processes within the group to identify and manage the risks in the manufacturing and distribution supply chain (which have been described above). This is due to the organisational structure of the organisation, as the Volvo Car Group remains responsible for the manufacture of Volvo Car products and the supply chain responsibilities, while Volvo Car Norway is responsible for marketing and distributing Volvo Car products to dealer and customers in Norway.

However, given there are risks for Volvo Car Norway locally that are different from those for the global organisation Volvo Car Norway also takes steps at a local level to assess and address these risks. In 2022, this included a risk mapping targeting the Norwegian operations and the establishment of interim governance and communication structures. including:

1. Desktop assessment of relevant risks in Norway, the Norwegian automotive industry, and the value chains of our Norwegian operations.
2. Half-day workshop to increase awareness and identify potential human rights risks. The workshop was held by global representatives from the Due Diligence Design project, with key stakeholders in the Norwegian organisation, including purchasing, finance, and communication.
3. Report-out and training sessions with the full management team of the Norwegian sales company.
4. Internal workshop to further identify, access and address potentially risks.
5. Internal knowledge exchange with all employees in Volvo Car Norway.
6. Knowledge-sharing with colleagues in the Norwegian dealer network to secure up to date knowledge regarding the Transparency Act.
7. Establishment of a common process for Volvo Cars and Volvo Car Norway to address information requests under the Transparency Act.



Areas for improvement in 2023

At a local level, Volvo Car Norway proposes to further enhance our transparency program by taking the following steps:

- Continue dialogue and knowledge exchange internally and with partners to secure compliance according to Transparency Act
- Auditing the dealer network's knowledge and awareness of the Code of Conduct for Business Partners, as part of the Volvo Car Retail Standards;

This statement has been adopted and approved by the Board of Directors of Volvo Car Norway AS 12 May 2023 and Care By Volvo Car Norway AS respectively on 7 June 2023 for the period 1 January 2022 to 30 December 2022 and in accordance with the Transparency Act.



Rita Kristin Broch
Managing Director
Volvo Car Norway AS



Hermod Wallestad
Head of Care by Volvo
Care By Volvo Car Norway AS

UK MODERN SLAVERY STATEMENT

About this section

This Modern Slavery Statement is made under the Modern Slavery Act 2015 (“Modern Slavery Act”) and sets out the actions taken by Volvo Car UK Limited (Company No. 2281044) and Care by Volvo Car UK Limited (Company No. 11734379) (together “Volvo Car UK”) to assess and address the modern slavery risks in its operations and supply chains during the financial year ended 31 December 2022 Volvo Car UK, are companies incorporated in the UK, subsidiaries of the Volvo Car Group, headquartered in Gothenburg, Sweden and listed on the Nasdaq Stockholm Stock Exchange.

This statement has been prepared by Volvo Car UK under the Modern Slavery Act and supplements the longstanding commitment that the wider Volvo Car Group has with respect to ethical business conduct.

We are proud of the work that we are doing to identify and mitigate the risk of modern slavery from occurring in our business or supply chains but recognise there is still work to be done.

Our UK operations and supply chain

Volvo Car UK markets and distributes Volvo Car products in the UK. Volvo Car UK has no active entities which it owns or controls.

We sell, repair and maintain Volvo Cars' products directly and through approved third-party partners including third party retailers, mechanics and engineers, financial partners and insurance companies. We provide all business partners with the [Volvo Cars Code of Conduct for Business Partners](#) which sets out our expectations and principles for third parties (described further below). Knowledge of the Code of Conduct for Business Partners is assessed as part of our standard retailer audits.

Volvo Car Corporation (Volvo Cars) import Volvo Car products into the UK. No products are manufactured by Volvo Car UK in the UK. The Volvo Car Group manages the procurement of products and services from third parties connected to the manufacturing and distribution of Volvo Cars' products, which end up for sale to consumers in the UK. Volvo Car UK relies on Volvo Cars to ensure that third party suppliers meet the Volvo Car Group's high ethical standards and undertakes assessments to ensure business partners are compliant.

Locally, Volvo Car UK has implemented processes requiring local business partners to comply with the law and meet Volvo Car's standards of ethical business conduct. Many of our suppliers and third-party retailers are large companies with established social governance policies, including in relation to modern slavery, which affords Volvo Car UK some assurance in engaging in those commercial relationships.

Details on the steps that Volvo Car UK and Volvo Cars takes to address modern slavery risks in its supply chain are set out below.

Actions taken at a local level in 2022

Like the Volvo Car Group, Volvo Car UK is committed to ensuring that appropriate action is taken to address risks of modern slavery practices in its operations and supply chain.

The Volvo Car Group takes the lead to assess and address risks in the global supply chain for Volvo Cars' products and services. Volvo Car UK, as the local subsidiaries of the Volvo Car Group, relies on certain functions within the group to identify and manage the risks in the manufacturing and distribution supplychain (which have been described above). This is due to the organisational structure, as the Volvo Car Group remains responsible for the manufacture of Volvo Car products and the supply chain responsibilities, while Volvo Car UK is responsible for marketing and distributing Volvo Car products to retailers and customers in UK.

However, given there are risks for Volvo Car UK locally that are different from those for the global organisation, Volvo Car UK also takes steps at a local level to assess and address these risks, including:

1. Communicating the Code of Conduct for Business Partners to the retailer and repairer network and other business partners;
2. Auditing the retailer network's knowledge and awareness of the Code of Conduct for Business Partners, as part of the Volvo Car Retail Standards;
3. Training Volvo Car UK staff on our Code; and
4. Requiring new third parties that Volvo Car UK does business with to agree to the Code of Conduct for Business Partners or ensure they have equivalent policies in place

We insist that our business partners not only comply with those principles, but communicate them to their employees, suppliers and subcontractors.

3. "Volvo Car Group" 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).

Areas for improvement in 2023

At a local level, Volvo Car UK proposes to further enhance our anti-slavery program by taking the following steps:

- In partnership with Volvo Cars and the implementation of a global HRDD program, develop a framework to assess the effectiveness of actions to assess and address modern slavery risks
- Provide training to Volvo Car UK employees on the Modern Slavery Act and Volvo Car UK’s Modern Slavery Statement
- Identifying and addressing any remaining suppliers who have not agreed to the Code of Conduct for Business Partners

Modern Slavery Act 2015 statement requirements	Document Reference
Organisation structure and supply chains	Pages 3, 12 & 27
Policies in relation to slavery and human trafficking	Pages 7 & 27
Due diligence processes	Pages 10 & 27
Risk assessment and management	Pages 11 & 27
Key performance indicators to measure effectiveness of steps being taken	Pages 10 & 27
Training on modern slavery and trafficking	Pages 14 & 20

This statement has been adopted and approved by the Board of Directors of Volvo Car UK Limited and Care by Volvo Car UK Limited respectively on 7 June 2023 for the period 1 January 2022 to 30 December 2022 and in accordance with the Modern Slavery Act 2015.



Kristian Elvefors
 Managing Director
 Volvo Car UK Limited

Ben Roth
 Director
 Care by Volvo Car UK Limited

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