

V O L V O

MODERN SLAVERY STATEMENT

2025



A. Introduction

Volvo Car Australia Pty Ltd (ACN 004 830 611) (Volvo Car Australia) is an Australian incorporated entity and a reporting entity under the Modern Slavery Act 2018 (Cth) (Modern Slavery Act). Volvo Car Australia is a subsidiary of the Volvo Car Group (Volvo Cars), which is headquartered in Gothenburg, Sweden and publicly listed on the Nasdaq Stockholm Stock Exchange. Volvo Car Australia does not own or control any active subsidiary entities.

This Australian Modern Slavery Statement sets out the actions taken by Volvo Cars and Volvo Car Australia to identify, assess and address risks of modern slavery within their operations and supply chains for the reporting period ending 31 December 2025.

This is the sixth modern slavery statement prepared by Volvo Car Australia in accordance with the Modern Slavery Act, reflecting the organisations ongoing commitment to responsible corporate conduct and ethical business practices.

Further information on Volvo Cars' human rights initiatives and sustainability policies is set out in:

- The Volvo Cars Human Rights Statement 2025 (which forms an appendix to this Statement)
- Volvo Cars' Position on Responsible Sourcing (available at www.volvocars.com)
- [The Volvo Cars Annual and Sustainability Report 2025](#)



B. Our operations globally

Our commitment to safeguard human rights

Volvo Cars is committed to adhering to internationally recognised human rights frameworks and standards¹. This commitment to protecting and advancing human rights is endorsed by the Volvo Cars Board of Directors and is reflected in Our Code of Conduct, including the People Policy, Our Volvo Cars Code of Conduct for Business Partners, our Volvo Cars Sustainability Strategy, this statement, and the comprehensive Volvo Cars Human Rights Statement 2025 (annexed to this Statement).

Our operations and value chain are global

Volvo Cars designs, develops, manufactures, and sells a range of premium cars and services. Headquartered in Sweden, Volvo Cars has manufacturing, research, and design operations across Europe, Asia, and the Americas. Within its own operations, Volvo Cars employs approximately 44,000 people across more than 50 locations.

Volvo Cars total value chain is present in more than 100 countries and includes approximately 12,000 directly contracted suppliers (with approximately 1,000 directly contracted suppliers of parts and components) and more than 2,200 retail partner sites.

¹ The International Bill of Human Rights; The International Labour Organization's Declaration of Fundamental Principles and Rights at Work; The Ten Principles of the United Nations Global Compact; The Convention on the Rights of the Child; The United Nations Guiding Principles on Business and Human Rights; The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct; The OECD Due Diligence Guidance for Responsible Business Conduct; The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.



Volvo Cars conducts due-diligence Suppliers

Volvo Cars suppliers must adhere to the requirements of the Code of Conduct for Business Partners, or similar principles, together with other responsible business and sustainability requirements. Volvo Cars carries out due diligence to identify risks and monitor compliance prior to finalising agreements and periodically throughout the business relationship. A risk-based due diligence process operates on two levels:

- Basic Due Diligence: Suppliers' conformance with the Code of Conduct for Business Partners and performance against a wider set of Environmental, Social and Governance requirements are evaluated through on-site visits, self-assessment questionnaires and screenings.
- Enhanced Due Diligence: Enhanced due diligence is conducted on suppliers identified to be associated with heightened risk based on: (1) basic due diligence results; (2) a global value chain human rights risk assessment; (3) provision of components containing Raw Materials of Concern, including the battery supply chain; or (4) alerts from stakeholders, media or our grievance channels.

Two primary sustainability audit programs are run for identified high risk suppliers:

- o existing directly contracted suppliers with a high-risk score in risk assessments, as well as new directly contracted suppliers located in high-risk countries; and
- o for suppliers in the battery supply chain.

Ad-hoc audits are also carried out based on identified risks or other needs. Audits can be conducted without prior notification, and audit programmes are tracked for effectiveness.

External audit providers are used to ensure continuous improvement and efficiency of our assessments. Further detail on due diligence processes for suppliers is set out in the Volvo Cars Human Rights Statement 2025.

Retailers

- Basic Due Diligence: Compliance with the Code of Conduct for Business Partners and the Retailer Standards is audited and assessed on an annual basis for all retailers. Identified deficiencies are documented and reported in a central management system, followed by the development and execution of a corrective action plan. Follow-up audits are conducted after a prescribed period to ensure compliance. In Australia, this process is undertaken by Volvo Cars (and its service providers) in partnership with Volvo Car Australia. Volvo Car Australia oversees this process and is involved in escalations, remediations and further actions as necessary.
- Enhanced due diligence: Due diligence is conducted on potential retail partners in countries with high compliance risk before entering a contract and regularly throughout the relationship. Screening on potential retail partners covers areas such as adverse media, including violations of human rights and modern slavery risks. Red flags are manually reviewed by the Compliance & Ethics Office in collaboration with respective local Volvo National Sales Company or Importer Hub, who will take action based on agreed measures. Enhanced due diligence is not currently undertaken in relation to potential retail partners in the Australian market.



Human rights risk in our value chain

Volvo Cars global footprint and diverse activities mean that a wide range of human rights risks must be considered, with a risk-based approach applied to due diligence processes. Volvo Cars has performed a saliency assessment in line with international guidelines to identify the most salient human rights risks that may apply.

The scope of the saliency assessment covers actual and potential adverse human rights impacts that Volvo Cars may cause or contribute to through our own activities, or which may be directly linked to its operations, products, or services via our business relationships.

Further details regarding the identified salient human rights risks are set out in the Volvo Cars Human Rights Statement 2025.

Volvo Cars uses People Policy Assessments aligned with the UN Guiding Principles on Business and Human Rights for its own operations. This human rights impact assessment includes onsite interviews with potentially affected rightsholders, assessing potential adverse human rights impacts, focusing on impact at manufacturing and office sites (contractors and service providers) and nearby communities.

This identifies opportunities for improvement and actions to mitigate the risk of adverse human rights impacts. The methodology, insights and learnings from the People Policy Assessment informs Volvo Cars approach to strategic projects, including the selection and establishment of new sites.

Complaints mechanisms

Volvo Cars encourages employees, business partners and other stakeholders to raise questions, report concerns and seek advice about suspected violations of the internal Code of Conduct or Code of Conduct for Business Partners, including incidents or situations that could lead to potential and actual adverse human rights impacts. The main grievance channel in operation is the Volvo Cars Tell Us reporting line. This channel can be used worldwide by employees, consultants as well as external stakeholders, including rightsholders or organisations representing rightsholders (such as credible proxies and human rights NGOs) to report potential human rights violations. Further details regarding this channel are set out in the Volvo Cars Human Rights Statement 2025 and on the Volvo Cars website.



C. Our operations in Australia

Responsibility for the marketing and distribution of Volvo Cars products within Australia rests with Volvo Car Australia. These products, including Volvo branded vehicles, parts and accessories, are imported by Volvo Car Australia from its parent company, Volvo Cars and wholesaled via an approved network of third-party retailers. The sale of products to Australian consumers is made through the Volvo Car Australia retailer network. Volvo Car Australia does not own or operate any retailer facilities or service centres.

Volvo Cars manages the procurement of components, materials and services related to the manufacturing and distribution of Volvo Cars products worldwide. Volvo Car Australia relies on Volvo Cars to ensure that suppliers engaged by Volvo Cars meet the standards in place for the supply of goods and services. Volvo Cars conducts assessments to verify that its business partners remain compliant, including described in this Modern Slavery Statement. Further details on Volvo Cars' procurement practices are set out in the Volvo Cars Human Rights Statement 2025.

Volvo Car Australia: risks of modern slavery

In 2025, Volvo Car Australia has continued to operate as a non-manufacturing entity, with only a limited range of lifestyle accessories, uniforms, and vehicle accessories directly sourced from a small number of suppliers, primarily for distribution through the retailer network.

Primary product procurement and supplier risk management, including oversight of human rights and modern slavery risks, continues to be centrally managed by Volvo Cars.

Comprehensive global services such as IT, marketing, logistics, risk management, and compliance functions are provided by Volvo Cars to its sales company subsidiaries, including Volvo Car Australia. Domestically, Volvo Car Australia sources services to support its operations, including marketing support, taxation, catering and events, financial services, technical assistance, warehouse and storage, and vehicle maintenance services.

The organisational structure adopted in Australia places Volvo Cars as the primary entity responsible for product supply chains and associated risk management. Volvo Cars maintains assessment and mitigation processes for modern slavery risks and is responsible for ensuring supplier and business partner compliance with its standards, including contractual requirements, due diligence processes, and the Code of Conduct for Business Partners. Local compliance processes are applied to local suppliers and business partners.

Given the limited scope and volume of Volvo Car Australia's local procurement activities, together with the approach taken by Volvo Cars to address risks within the supply chain, Volvo Car Australia assesses its exposure to modern slavery practices as low risk.

D. Actions taken by Volvo Car Australia

Volvo Car Australia acknowledges the risks of modern slavery within its operations and supply chains and is committed to addressing these risks.

Assessing and addressing risks within the global supply chain for Volvo Cars' products and services is primarily the responsibility of Volvo Cars. However, Volvo Car Australia has implemented standard and ongoing measures to identify and address modern slavery risks associated with its Australian business operations. These measures include:

- A modern slavery questionnaire for new suppliers as part of the vendor registration process
- Communicating the Code of Conduct for Business Partners to the retailer and repairer network and other business partners
- Auditing the retailer network's knowledge and awareness of the Code of Conduct for Business Partners as part of the Volvo Car Retail Standards
- Requiring new third parties that Volvo Car Australia engages with to agree to the Code of Conduct for Business Partners or demonstrate that equivalent policies are in place.

Volvo Car Australia's business partners are expected to comply with these principles and communicate them to their employees, suppliers, and subcontractors.

Volvo Car Australia identified five action items for improvement in 2025:

Action Item 1 – Partnering with Volvo Cars to create a formal assessment of supplier modern slavery risks.

Volvo Car Australia has continued to progress the development of a framework for assessing modern slavery risks in 2025, in partnership with Volvo Cars.

Action Item 2 – Issuing the Volvo Car Australia modern slavery supplier questionnaire to existing suppliers.

In 2025, Volvo Car Australia continued issuing its supplier questionnaire to new suppliers prior to engagement, as part of the onboarding and

registration process within Volvo Car Australia's vendor system.

Action Item 3 – Continuing modern slavery training for stakeholders and employees.

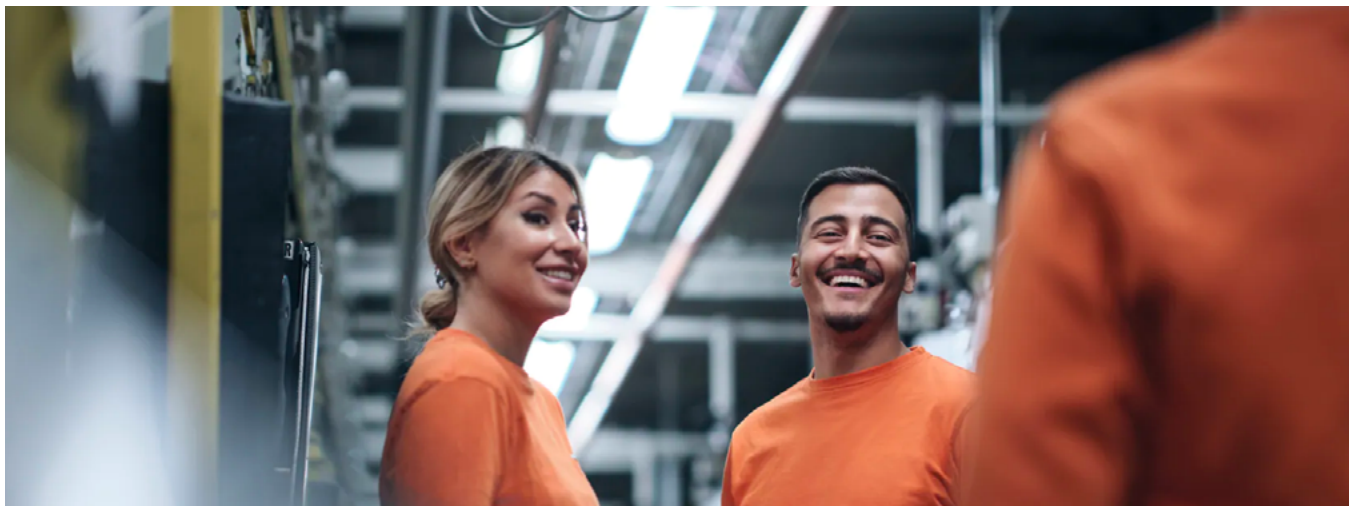
In 2025, Volvo Car Australia continued to deliver modern slavery training through its online suite of mandatory training modules.

Action Item 4 – Continued training and communication with the Volvo Car Australia retailer network regarding the Modern Slavery Act and Volvo Car Australia's Modern Slavery Statement.

In 2025, modern slavery training continued to be made available to the Volvo Car Australia retailer network through the online training platform for registered retailer staff. The course remains non mandatory at this stage, with ongoing communication and engagement to support awareness of modern slavery obligations.

Areas for improvement in 2026

- Finalising a formal framework for assessing supplier modern slavery risks in partnership with Volvo Cars
- Examining the use of the Volvo Car Australia modern slavery supplier questionnaire across a broader supplier base. This may assist Volvo Car Australia to further assess suppliers' anti-slavery programs, promote awareness of anti-slavery measures and strengthen the assessment of the Code of Conduct for Business Partners within suppliers' business operations
- Continuing modern slavery training for stakeholders and employees and progressing the expansion of this training throughout the retailer network.
- Continuing to provide training and communication to the Volvo Car Australia retailer network and business partners on the Modern Slavery Act and Volvo Car Australia's Modern Slavery Statement.



E. Summary

The following checklist summarises the information presented in this Modern Slavery Statement, including the resources referenced within.

<i>Modern Slavery MSA 2018 (Cth) Criteria</i>	<i>Document Reference</i>	<i>Volvo Car Australia inputs</i>
(Criterion 1) Identifying the reporting entity	Page 2	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	Pages 2-6	Volvo Car Australia is a subsidiary of Volvo Cars. It is responsible for the importation, distribution and marketing of Volvo branded passenger vehicles, parts and services in Australia. Volvo Cars is responsible for the upstream supply chain including the procurement of materials, parts and components and the manufacture of Volvo branded products and delivery of Volvo branded services. Third party retailers appointed by Volvo Car Australia sell Volvo branded vehicles to end consumers in Australia.
(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 5 and 6	Volvo Cars operates through an extensive supplier network encompassing thousands of sub-suppliers, creating various potential impacts on both people and the environment. The scale and complexity of our supply chain can present ongoing transparency challenges. Volvo Cars annual global value chain human rights risk assessment is guided by its salient human rights risks and aims to identify people at risk in its value chain. By leveraging global risk indices, past due diligence results and insights from human rights experts and rightsholders, Volvo Cars identifies countries, activities and locations where people may face heightened risks. Based on these findings, Volvo Cars develops a value chain due diligence plan for the upcoming year, including enhanced due diligence activities in its value chain, and People Policy Assessments and workshops for its own operations. In 2025 Volvo Cars reviewed and updated the high-risk countries in the value chain human rights risk assessment. All procurement leaders globally participated in a human rights training aiming at increasing the understanding of salient human rights risks, identified material impacts, as well as of the due diligence process. The training also clarified the role of leaders in the human rights due diligence work.

Summary

The following checklist summarises the information presented in this Modern Slavery Statement, including the resources referenced within.

Modern Slavery MSA 2018 (Cth) Criteria	Document Reference	Volvo Car Australia inputs
(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	Page 7	Volvo Cars manages the procurement of the majority of Volvo branded products (such as cars, parts and accessories) and services from third parties connected to the manufacturing and distribution of Volvo Cars' products to consumers in Australia. Volvo Car Australia relies on Volvo Cars to ensure that these 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 Volvo Cars remains responsible for the manufacture of Volvo Car products and the procurement of parts and components. Volvo Cars has established a Human Rights Compliance Program in order to strengthen, verify and monitor the processes and provide guidance to the business. In 2025 Volvo Cars launched the first version of an internal Human Rights Due Diligence Directive and procedure, and Remediation guideline. Volvo Cars also performed 87 audits across the supply chain, covering locations in China, Hungary, India, Indonesia, Malaysia, Mexico, Philippines, Romania, Sweden, Turkey, USA, Vietnam, and Zimbabwe.
(Criterion 5) Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Pages 3-6 of Volvo Cars Human Rights Statement 2025	For further information about the results of Volvo Cars' basic and enhanced due diligence activities please see the Volvo Car Group Annual and Sustainability Report 2025 pages 142-147. Volvo Car Australia will work with Volvo Cars 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. This does not include the vehicles, parts and accessories that it purchases from Volvo Car Group.
(Criterion 6) Describe the process of consultation with owned or controlled entities	N/A	Volvo Car Australia has no active subsidiaries.
(Criterion 7) Any other relevant information	Pages 5 and 6 of the Volvo Cars Human Rights Statement 2025	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 7	Volvo Car Australia has identified local actions to be taken while Volvo Car Group is continuing to improve its work in this area. Refer to the four points of focus for 2026.

This statement has been adopted and approved by Volvo Car Australia Pty Ltd Board of Directors on 25 June 2026 for the period 1 January 2025 to 31 December 2025 and in accordance with the *Modern Slavery Act 2018 (Cth)*.



Stephen Connor
Managing Director
Volvo Car Australia Pty Ltd



Volvo Cars human rights statement 2025

Table of Contents

About this statement.....	2
Our commitment to safeguard human rights	3
Our operations and value chain are global	3
Human rights risks in our value chain.....	3
Volvo Cars identified Salient Human Rights Risks.....	3
Our approach to human rights due diligence	4
Own operations human rights due diligence	4
Supply chain human rights due diligence.....	5
Basic due diligence	5
Enhanced due diligence.....	5
Raw Materials of Concern	5
Supplier sustainability audits	5
Audit findings and monitoring	6
Collaborating with the industry	6
Retail operations human rights due diligence	6
Basic due diligence	6
Enhanced due diligence	6
Governance	6
Training programs	6
Complaints mechanisms.....	6
Key actions taken in 2025	7
Annual Global Value Chain Human Rights Risk Assessment.....	7
Examples of findings identified during supplier audits.....	7

About this statement

This statement provides an overview of Volvo Car Group's (Volvo Cars) commitment to safeguard human rights and effective human rights due diligence throughout Volvo Cars' value chain. It also describes the processes, risks identified, and actions taken during the reporting period from 1 January 2025 to 31 December 2025 (except where otherwise stated).

The current version was approved by Volvo Cars' Corporate Board on 27 May 2026. We aim to review and update this statement annually.

Our commitment to safeguard human rights

At Volvo Cars, we are committed to adhering to internationally recognised human rights standards and guidelines². Our commitment to safeguard and promote human rights is endorsed by Volvo Cars' Board of Directors, articulated in this statement and in:

- [Our Code of Conduct](#) including the **People Policy** which defines our principles and expectations of Volvo Car employees³ concerning human rights, non-discrimination, equal opportunities, child labour, forced labour, freedom of association, collective bargaining, health, safety, remuneration and working hours.
- [Volvo Cars Code of Conduct for Business Partners](#) which sets out the responsible business standards and principles that we expect all our business partners to abide by – and extend to their own operations and value chain, ensuring employees and subcontractors are made aware of and comply with the same or similar requirements. It covers business ethics and compliance, human rights, working conditions, environmental responsibility, and responsible value chain management.
- [Volvo Cars Sustainability Strategy](#), where human rights is one of the focus areas in the Responsible Business pillar with the aim to ensure responsible business conduct throughout the value chain.

Our operations and value chain are global

Volvo Cars designs, develops, manufactures, and sells a range of premium cars and services. While our headquarters are in Sweden, we have manufacturing, research, and design operations in Europe, Asia, and the Americas. In our own operations, we employ approximately 44,000 people, distributed across more than 50 different locations. Our total value chain is present in more than 100 countries and includes approximately 12,000 directly contracted suppliers (of these, about 1,000 are directly contracted suppliers of parts and components) and more than 2,200 retail partner sites.



Human rights risks in our value chain

Our global footprint and the diversity of our activities mean that we need to consider a wide range of human rights risks and apply a risk-based approach to our due diligence processes. Volvo Cars has performed a saliency assessment in line with international guidelines to identify our most salient human rights risks. The scope of the saliency assessment covered actual and potential adverse human rights impacts that Volvo Cars may cause or contribute to through our own activities, or which may be directly linked to our operations, products, or services via our business relationships.

Volvo Cars identified Salient Human Rights Risk (SHRIs)⁴

- **Impacts on the right to a clean, healthy, and sustainable environment.** As a mobility provider, we recognise the environmental challenges linked to our business. At Volvo Cars we strive to ensure that all people have the right to a clean, healthy, and sustainable environment, which is crucial for the enjoyment of a wide range of other human rights.
- **Impacts on the right to health and safety.** Safety is part of our heritage and the backbone of our company. As a human centric company, health and safety is and must be the highest priority in all our operations, products, and value chain.
- **Modern slavery**, including forced labour. We do not tolerate any form of forced labour relating to Volvo Cars' business, products, and services, including debt bondage, trafficking, or any other forms of modern slavery.
- **Child labour.** We do not tolerate any form of child labour in our own operations or value chain. Children have the right to be protected from economic exploitation and from performing any work that is likely to be hazardous or to interfere with their education or development.
- **Threats or occurrence of abuse or violence.** Volvo Cars has zero tolerance for threats, abuse, and violence. All employees of Volvo Cars, workers in the value chain, communities and other stakeholder shall be treated with respect and dignity.

There are several other potential human rights risks in Volvo Cars' value chain, including but not limited to, adverse impacts on decent working conditions, non-discrimination, privacy, land and water rights, and the rights of indigenous people. Our commitment to safeguarding human rights and our due diligence activities include the full range of potential human rights risks, and we continuously monitor and follow up on indications of human rights violations.

² The International Bill of Human Rights; The International Labour Organization's Declaration of Fundamental Principles and Rights at Work; The Ten Principles of the United Nations Global Compact; The Convention on the Rights of the Child; The United Nations Guiding Principles on Business and Human Rights; The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct; The OECD Due Diligence Guidance for Responsible Business Conduct; and The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

³ For the purposes of this statement, the notion of Volvo Car employees includes (1) all Volvo Cars employees, (2) consultants and agency personnel who work at Volvo Cars premises or under the direction of Volvo Cars, and (3) the members of the Volvo Car Group Board of Directors.

⁴ Salient Human Rights Issues (SHRIs) are the human rights impacts identified as most severe based on scale, scope, and irremediability, in line with the UN Guiding Principles on Business and Human Rights.

Our approach to human rights due diligence

With our risk-based approach, we prioritise our most salient risks, seek collaborative approaches through industry and multi-stakeholder initiatives and work to continuously improve our tools and processes.

The Due Diligence wheel [figure 1] illustrates our approach to human rights due diligence.

1. Responsible business conduct is embedded in our Code of Conduct, corporate policies, Code of Conduct for Business Partners, partner and supplier agreements, and management systems.
2. We identify and assess actual and potential adverse impacts that we may cause, contribute to or which are directly linked to our operations, products, or services by our business relationships.
3. We take action to cease, prevent, and mitigate potential and actual impacts and provide access to remediation for affected rightsholders when appropriate. We actively strive to drive positive change in our industry and contribute to a sustainable society through cross-sector initiatives, public advocacy, collaborations, and investments.
4. We set targets and track our effectiveness by continuously monitoring and evaluating our due diligence processes and outcomes.
5. We communicate how potential and actual human rights risks and impacts are addressed in our Annual & Sustainability Report, in our position papers available on [volvocars.com](https://www.volvocars.com), and in this statement.

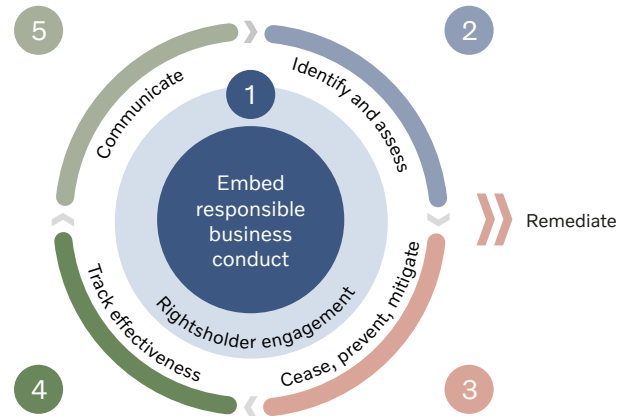


Figure 1 – Volvo Cars' Due Diligence wheel

Engaging with rightsholders and other stakeholders is a vital part of due diligence to identify, understand and mitigate risks, determine appropriate corrective and remedial actions, and to track the effectiveness of these actions. Our identified key rightsholder groups include the four social topics of ESRS⁵: (1) own workforce, (2) workers in the value chain, (3) affected communities and (4) consumers and end users. Based on the nature and context of risks, we aim to interact directly with rightsholders and/or with relevant proxies⁶ and expert stakeholders. Within the rightsholder groups, we work to identify rightsholders at heightened risk of facing adverse human rights impacts due to e.g., marginalisation, discrimination, harassment, under-representation or in need of particular protection (including but not limited to children, women, migrants, refugees, people with disabilities, ethnic minorities, LGBTQI+ individuals and indigenous people), with the aim to have the perspectives of vulnerable groups adequately considered and their rights protected.

The following sections present an overview of the key due diligence activities in the different parts of our value chain.

Own operations human rights due diligence

Volvo Cars uses People Policy Assessments (PPA) aligned with the UN Guiding Principles on Business and Human Rights for our own operations. This human rights impact assessment includes onsite interviews with potentially affected rightsholders, with the purpose of assessing potential adverse human rights impacts, focusing on impact at our manufacturing and office sites (including onsite contractors and service providers) and nearby communities. The assessments identify opportunities for improvement and propose actions to mitigate the risk of adverse human rights impacts. The methodology, insights and learnings from the People Policy Assessment also inform our approach to strategic projects, including the selection and establishment of new sites.

Building on the PPA methodology, we have implemented PPA risk workshops to train managers on maintaining responsible business practices in markets identified as high-risk in the global value chain human rights risk assessment. Training topics include legal requirements, stakeholder consultation, vulnerable groups, and risk identification in a local context. Corrective action plans are developed during the workshops, and the effectiveness of preventive and corrective measures is monitored.

In addition to the People Policy Assessments, we conduct an annual follow-up for all our own operations sites, covering respect for labour rights and the People Policy. The results are used as input for continuous improvement of our human rights due diligence efforts. If deficiencies are identified, adjustments are made to internal processes, with guidance from the Labour Affairs department.

⁵European Sustainability Reporting Standards under the Corporate Sustainability Reporting Directive (CSRD).

⁶Individuals or groups who are recognised as legitimate representatives of affected rightsholders.

Supply chain human rights due diligence

All suppliers of Volvo Cars are obliged to adhere to the requirements of the Code of Conduct for Business Partners, or similar principles, together with our other responsible business and sustainability requirements. Due diligence to identify risks and monitor compliance is carried out prior to finalising agreements and periodically throughout the business relationships. Our risk-based due diligence process operates on two levels, both structured around the due diligence wheel.

Basic due diligence

Suppliers' conformance with the Code of Conduct for Business Partners and performance against a wider set of Environmental, Social and Governance (ESG) requirements are evaluated through on-site visits, self-assessment questionnaires and screenings.

- ***The Sustainability Assessment Questionnaire (SAQ)***

The [SAQ](#) has been mandatory in our sourcing process since 2019 and was developed by Drive Sustainability, a collaborative initiative within the automotive industry. It requires suppliers to report on topics including business ethics, human rights, environmental management and responsible sourcing. All responses are validated by an external assessor. Existing suppliers are required to complete the SAQ every two years, with improvement recommendations based on their results.

- ***Anti-corruption and trade compliance 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 risks in the fields of corruption, trade sanctions, export controls, money laundering and human rights.

Enhanced due diligence

Enhanced due diligence is conducted on suppliers identified to be associated with heightened risk based on: (1) basic due diligence results (2) our global value chain human rights risk assessment; (3) provision of components containing Raw Materials of Concern, including the battery supply chain; or (4) alerts from stakeholders, media or our grievance channels.

Raw Materials of Concern

We have defined 20 minerals, metals, and bio-based materials associated with high ESG risks as Raw Materials of Concern (RMoC)⁷. We continuously strive to enhance traceability and transparency within these supply chains and mitigate ESG risks to support responsible sourcing in line with industry standards, best practice frameworks, and regulatory requirements. To strengthen these efforts, we have implemented a chain of custody program, for tracing raw materials used in our electric vehicle batteries. This enables the traceability of raw materials from the mine to the car, providing visibility into our supply chain tier by tier. It applies to cobalt, lithium, nickel, and graphite (used for battery manufacturing) and mica (for insulation sheets).

Our ambition is to source all components containing tantalum, tin, tungsten, and gold (commonly referred to as conflict minerals) from supply chains where every smelter and refinery has undergone relevant third-party assurance. Each year, we request suppliers of such components to declare their due diligence measures and disclose detailed information on the smelters used via the [Conflict Minerals Reporting Template \(CMRT\)](#) provided by the [Responsible Minerals Initiative \(RMI\)](#). By tracing the origins of minerals in our supply chain and buying components containing material from smelters validated as conformant with the Responsible Minerals Assurance Process (RMAP), we are working to secure responsible sourcing in line with global standards.

Supplier sustainability audits

We run two primary sustainability audit programs for identified high risk suppliers – (1) for existing directly contracted suppliers with a high-risk score in our risk assessments, as well as new directly contracted suppliers located in high-risk countries and (2) for suppliers in our battery supply chain. In addition, ad-hoc audits are carried out based on identified risks or other needs. If needed, audits can be conducted without prior notification. We regularly track the effectiveness of our audit programmes and collaborate with our external audit providers to ensure continuous improvement and efficiency of our assessments.

1. Audits on directly contracted suppliers

We conduct comprehensive audits of suppliers' sustainability performance by utilising the [Validated Assessment Program \(VAP\)](#) from the [Responsible Business Alliance \(RBA\)](#) or equivalent standards. Auditing evaluates labour rights (including freely chosen employment), environment, business ethics, management systems and health and safety. The audits are carried out on-site by accredited third-party auditors over two to five days.

2. Audits on suppliers in our battery supply chain

The audit program covering the battery supply chain aims at ensuring that the suppliers and subcontractors in our cobalt, lithium, nickel, graphite and mica supply chains are conformant with relevant standards and frameworks. The purpose is to help ensure continuous improvement of responsible sourcing 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 for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#) or, for mines, the [IRMA Standard for Responsible Mining Critical Requirements](#) or equivalent schemes and the EU Battery Regulation.

⁷Aluminium/Bauxite, Cobalt, Copper, Gold, Graphite (natural), Lead, Leather, Lithium, Magnesium, Manganese, Mica, Natural Rubber, Nickel, Phosphorous, Rare-Earth Elements, Steel/Iron, Tantalum, Tin, Tungsten, Wool. Read more in [Volvo Cars Position on Responsible Sourcing](#).

Audit findings and monitoring

Audit findings are summarised in a report, which includes identified non-conformities and a list of agreed corrective actions for the supplier to take within agreed timeframes. We monitor the corrective action plan implementation progress to ensure that the needed measures are taken, and that support can be provided where necessary. To help suppliers in the battery supply chain fulfil their commitments, we offer trainings on the concerned audit standards.

Collaborating with the industry

Where possible, Volvo Cars works with industry peers and organisations to achieve a more responsible supply chain for the entire industry. 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 in our supply chain due diligence efforts. We are also an active member of [Drive Sustainability](#). Through [Drive Sustainability](#), we work with other automotive manufacturers to enhance responsible sourcing in our supply chains.

Retail operations human rights due diligence

Retail partners are required to comply with the Code of Conduct for Business Partners and the Volvo Cars Retailer Standards.

Basic due diligence

Compliance with the Code of Conduct for Business Partners and the Retailer Standards is audited and assessed on an annual basis for all retailers. If deficiencies are identified, they are documented and reported in a central management system, followed by the development and execution of a corrective action plan. A follow-up audit is conducted after 90 days to ensure compliance. This process is overseen by the National Sales Companies (NSC) or the Importer Hubs, who manage escalations and further actions as necessary.

Enhanced due diligence

Due diligence, including screening, is conducted on retail partners in countries with high compliance risk before entering a contract and regularly throughout the business relationship. The screening covers e.g., adverse media, including violations of human rights and modern slavery risks. Red flags are manually reviewed by the Compliance & Ethics Office in collaboration with respective NSC or Importer Hub, who will take action based on agreed measures.

Governance

The Board of Directors has the overall responsibility for sustainability matters and oversees sustainability performance as an integral part of Volvo Cars' strategy. The President and CEO is responsible for the execution of Volvo Cars' sustainability strategy and its integration into business operations and decision-making processes. The responsibility for implementing effective human rights due diligence and compliance with applicable laws, internal policies and international guidance lies with the respective business functions of Volvo Cars. To strengthen, verify and monitor the processes and provide guidance to the business, Volvo Cars has established a Human Rights Compliance Program. The performance of our human rights due diligence efforts is further monitored through the cross-functional Human Rights Steering Team with representatives for the different parts of the value chain and is frequently reported on and discussed in various management fora.

Training programs

Volvo Cars has developed, and continues to develop, training programs that include human rights and prevention and mitigation management of human rights risks. As an example, we perform training in conjunction with our PPA, and we have mandatory training on our Code of Conduct annually and at onboarding of new employees, including face-to-face and web-based training for selected groups. We further develop our own trainings and offer training via RBA to our suppliers and employees to raise awareness of ESG issues in our supply chain and promote responsible sourcing. Since 2024, retailers are required to take annual training on human rights.

Complaints mechanisms

We encourage our employees, business partners and other stakeholders to raise questions, report concerns and seek advice about suspected violations of our Code of Conduct or Code of Conduct for Business Partners, including incidents or situations that could lead to potential and actual adverse human rights impacts. Our main grievance channel is the [Volvo Cars Tell Us reporting line](#). This channel can be used by employees, consultants as well as external stakeholders, including rightsholders or organisations representing rightsholders (such as credible proxies and human rights NGOs) to report potential human rights violations.

All reports made via the Tell Us reporting line are received by the Compliance Investigation Unit, an independent function within the Compliance & Ethics Office, and handled confidentially, according to our compliance investigation procedure and relevant regulatory requirements. Volvo Cars does not accept any form of retaliation against individuals who report concerns in good faith. Reports can be made anonymously either via phone or a secure website. The system is available 24 hours per day and 365 days a year. There are multiple language options available, generally allowing for reporting in native language. Responses are provided in the same language. We are continuously exploring potential participation in collaborative complaints procedures and notification mechanisms such as those facilitated by industry associations, multi-stakeholder initiatives, or global framework agreements. For further information, visit our website: [Tell Us - Reporting Line | Volvo Cars](#).

Key actions taken in 2025

During 2025, several actions were taken to improve the performance of our human rights due diligence efforts. These included:

- Reviewed and updated the high-risk countries in the value chain human rights risk assessment (read more below).
- All procurement leaders globally participated in a human rights training aiming at increasing the understanding of SHRIs, identified material impacts, as well as of the due diligence process. The training also clarified the role of leaders in the human rights due diligence work.
- All buyers received training on the Code of Conduct for Business Partners (updated in 2024) and in the RBA VAP audit standard.
- Buyers of batteries received training on the requirements in the EU Battery Regulation.
- People Policy Risk Workshop conducted with the retailer organisation in Sweden.
- Launched the first version of our internal Human Rights Due Diligence Directive and procedure, and Remediation guideline.
- Performed 87 audits across our supply chain, covering locations in China, Hungary, India, Indonesia, Malaysia, Mexico, Philippines, Romania, Sweden, Turkey, USA, Vietnam and Zimbabwe.
- Achieved 85 per cent closure rate for audit findings from audits of directly contracted suppliers.
- Continued to build on our work with traceability in the battery supply chain by extending the battery passport to additional car models beyond the Volvo EX90, which was released with a passport in 2024.
- Hosted training sessions for 64 employees representing 9 of the suppliers in our battery supply chain, aimed at strengthening responsible business performance, including targeted training for key personnel at manufacturing sites in China.
- Conducted a gap analysis on the human rights due diligence process for retailers, including market studies and interviews.
- Launched training on Code of Conduct for Business Partners for retailer group Managing Directors and outlet principals.
- Activated our Retail Standards, with strengthened responsible business criteria, human rights training and grievance channels for our retail partners.
- Stakeholder engagement with e.g. non-governmental organizations, UN agencies, trade union representatives, rightsholders and industry associations.

Global Value Chain Human Rights Risk Assessment

Our global value chain human rights risk assessment is guided by our salient human rights risks and aims to identify people at heightened risk in our value chain. By leveraging global risk indices, past due diligence results and insights from human rights experts and rightsholders, we identify high-risk countries, activities and locations where people may face heightened risks. Based on these findings, we develop a value chain due diligence plan for the upcoming year, including enhanced due diligence activities in our value chain, and people policy assessments and workshops for our own operations.

The 2024 risk assessment resulted in the identification and prioritisation of 20 countries with heightened risk, where Volvo Cars has own operations or a known presence through its value chain. High-risk sites in these countries were prioritised for enhanced due diligence during 2025. The list of high-risk countries was reviewed in 2025 to identify prioritised sites for 2026 enhanced due diligence activities. We aim to review and, if necessary, update our salient human rights risks and the Global Value Chain Risk Assessment at least every three years.

Examples of findings identified during supplier audits

In 2025, most audit findings are found in the areas of labour, health and safety. Findings relating to labour include e.g. exceeding working hours (workers not receiving a day off according to legal requirements and working too many consecutive days) as well as wage related issues. Health and safety findings mainly relate to emergency preparedness, e.g. lack of exit signs and emergency lights, block of emergency exits and no fire drills performed during night shift as well as occupational health and safety, e.g. insufficient usage of personal protection equipment and inadequate number of trained first aid personnel. Since 2018, 372 RBA audits have been carried out on our directly contracted suppliers. 64 of these were conducted during 2025. 85 per cent of corrective measures agreed with suppliers in 2024 have been addressed.

The 2025 audit results in the battery supply chain show that most findings relate to deficiencies in management systems (e.g. poor responsible sourcing policy, lack of supplier engagement and insufficient grievance mechanism). Other common findings relate to risk management such as poor risk assessments and procedures for evaluating identified risks as well as labour and working conditions, including excessive overtime, no emergency response kit easily available, lack of safety exit signs and insufficient fire drills. We work closely with our suppliers and the external audit firm to ensure that corrective measures are implemented within agreed time frames.

Read more about our due diligence activities in the [Volvo Car Group Annual and Sustainability Report 2025](#) p. 180-194.

V O L V O