

Organisation Volvo Car Corporation	Owner 50092 Compliance & Ethics	Document type Statement	Version 1.0
Document name Volvo Cars Human Rights Statement 2024		Valid from 2025-04-07	Security class Public

Volvo Cars Human Rights Statement

2024

Table of Contents

About this statement	2
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
<i>Raw Materials of Concern</i>	5
<i>Supplier sustainability audits</i>	5
<i>Audit findings and monitoring</i>	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 2024	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 2024 to 31 December 2024 (except where otherwise stated).

The current version was approved by Volvo Cars' Corporate Committee on 7 April 2025. 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 guidelines¹. 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 employees² 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 “Safeguarding 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 12,900 directly contracted suppliers (of these, about 1,030 are directly contracted suppliers of parts and components) and more than 2,400 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 Risks

- **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 safeguard human rights and our due diligence activities include the full range of potential human rights risks, and we continuously monitor and follow up on any indication of human rights violations.

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.

² 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.

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 advocacy³, 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.

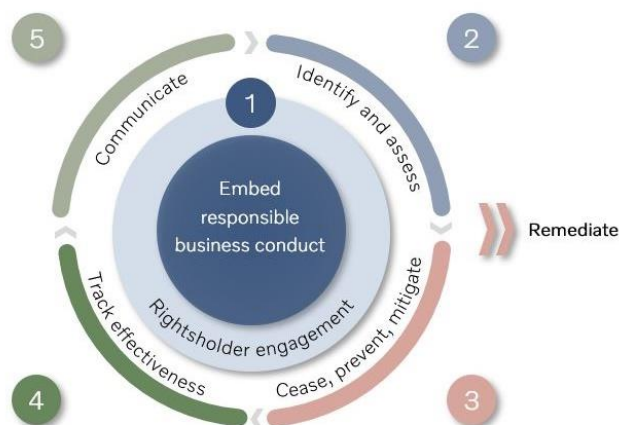


Figure 1 – Volvo Cars' Due Diligence wheel

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 ESRS⁴: (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 proxies⁵ 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 annual 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.

³ See also [Volvo Cars position on public policy and advocacy](#).

⁴ European Sustainability Reporting Standards under the Corporate Sustainability Reporting Directive (CSRD)

⁵ Individuals 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 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 risks in the fields of corruption, trade sanctions, 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 annual 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)⁶. 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 blockchain technology for tracing raw materials used in our electric vehicle batteries. Blockchain technology enables the traceability of raw materials from the mine to the car, providing visibility into our supply chain tier by tier. This 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 or specific audit programs 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. In 2024, we further expanded our audit standard to also include an audit module aligned with the EU Battery Regulation.

⁶ Aluminium/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 launched a training programme on the concerned audit standards in 2023.

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 [Better Mining](#), [the Responsible Mica Initiative](#) and [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 sanction and corruption 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 is establishing 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. 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 2024

During 2024, several actions were taken to improve the performance of our human rights due diligence efforts. These included:

- Volvo Cars' second annual global value chain human rights risk assessment (read more below).
- Training on human rights provided to all non-production employees in the annual Compliance & Ethics training, and specific training on human rights, responsible sourcing or responsible business provided to specific departments.
- One full People Policy Assessment conducted at our local factory in Malaysia.
- Ten People Policy Risk Workshops organised with our organisations in Brazil, India, Malaysia, Mexico and Turkey.
- Updated contract templates for suppliers and other business partners with strengthened human rights and due diligence requirements.
- Performed 96 audits across our supply chain, covering locations in Mexico, Morocco, the Democratic Republic of the Congo, Madagascar, Germany, Hungary, Poland, Sweden, Turkey, Ukraine, China, India, Indonesia, Japan, Philippines, and Vietnam.
- Achieved 92 per cent closure rate for audit findings from audits of directly contracted suppliers.
- Implemented a new audit module aligned with the EU Battery Regulation for audits in the battery supply chain.
- Introduced enhanced due diligence measures for copper, leather, natural rubber and rare earth elements as part of our work with Raw Materials of Concern.
- Hosted training sessions for 190 employees from 17 of the suppliers in our battery supply chain, with the purpose to drive responsible business performance.
- Gap analysis on the human rights due diligence process for retailers, including market studies and interviews.
- Launched training on human rights and grievance channels for our retail partners.
- Updated our Retailer Standards, with strengthened responsible business criteria, set to be activated in 2025.
- Stakeholder engagement with e.g., non-governmental organizations, UN agencies, trade union representatives, rightsholders and industry associations.

Annual Global Value Chain Human Rights Risk Assessment

Our annual global value chain human rights risk assessment is guided by our salient human rights risks and aims to identify people at risk in our value chain. By leveraging global risk indices, past due diligence results and insights from human rights experts and rightsholders, we identify 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 will be prioritised for enhanced due diligence during 2025. We aim to review and, if necessary, update our salient human rights risks and the global value chain risk assessment annually.

Examples of findings identified during supplier audits

In 2024, the most frequent non-conformities found in RBA audits of our suppliers were related to excessive working hours, and wages and benefits. Since 2018, 330 RBA audits have been carried out on our directly contracted suppliers. 68 of these were conducted during 2024. 92 per cent of the corrective measures agreed with suppliers in 2023 have been addressed. The improvement of the rate of corrective measures being addressed is due to implementation of new processes and ways of working.

The most common findings in audits of our battery supply chain⁷, were related to risk assessment and management system. Audit findings against the module aligned with the EU Battery Regulation mainly concerned labour and working conditions, e.g., working hours and emergency preparedness. Findings from audits at mine sites⁸ mostly concerned management system and risk assessment. We work closely with our suppliers and RCS Global to ensure that corrective measures are implemented within agreed time frames. To help suppliers in the battery supply chain fulfil their commitments, we launched a training program on the concerned audit standards in 2023.

Read more about our due diligence activities in the [Volvo Car Group Annual and Sustainability Report 2024](#) p. 186-201.

⁷ Audit criteria: OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas

⁸ Audit criteria: IRMA Standard for Responsible Mining Critical Requirements

