



Environmental Policy

Environmental Care is a Volvo Core Value. The Volvo Group is to be ranked as a leader in terms of Environmental Care among the world's top producers of transport related products, equipment and systems. The environmental programmes shall be characterised by holistic view, continual improvement, technical development and resource efficiency. The Volvo Group will by these means gain competitive advantage and contribute to sustainable development.

Holistic view

In our efforts to reduce environmental impact from our products, operations and services we shall:

- take account of the complete life cycle;
- take a leading position regarding environmental care, wherever in the world we operate, with applicable legislation and other regulations as a minimum standard;
- make pollution prevention a prerequisite for all operations;
- encourage suppliers, dealers and other business partners within our sphere of influence to adopt the principles in this policy.

Continual Improvement

Our environmental activities shall be integrated in all operations and be improved continually by:

- formulating, communicating and monitoring clearly-defined goals;
- involving our employees.

Technical development

We shall strive to exceed demands and expectations from our customers and society by:

- active and future-oriented research and development efforts;
- developing transport solutions with low environmental impact;
- promoting development of harmonized legal requirements;
- continually reducing our products' fuel consumption, exhaust emissions, noise and impact on climate change;
- reducing the use of environmentally harmful materials.

Resource efficiency

Taking account of the complete life cycle, our products and industrial operations shall be such that:

- the consumption of energy and raw materials is minimised;
- the production of waste and residual products is minimised, and waste management is facilitated.

The environmental programmes and their results shall be communicated in an open and factual manner. Business areas and business units are responsible for implementing action programmes based on this Policy.

March 24th, 2004

Leif Johansson
President of AB Volvo and CEO