

MODERN SLAVERY STATEMENT

2021

Structure, business and supply chain

Volvo Truck Corporation is a Gothenburg, Sweden, based company which manufactures, markets, imports and sells trucks, and provides aftermarket products and services. Volvo Truck Corporation has 8 wholly owned production facilities and sells its products to more than 140 markets.

Volvo Truck Corporation is a member of the Volvo Group. The Volvo Group is a publicly held company headquartered in Gothenburg, Sweden. The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines and also provides complete financing solutions. In 2021, the Volvo Group's sales amounted to about SEK 372 billion (EUR 37 billion). The Volvo Group brands include Volvo Trucks, Volvo Construction Equipment, Volvo Buses, Volvo Penta, Renault Trucks, Mack Trucks, Rokbak, Prevost, Novabus and Arquus. The Volvo Group also has a number of strategic partnerships and joint ventures, including Dong Feng, Eicher and Shandong Lingong Construction Machinery (SDLG). In addition, during 2021 the Volvo Group entered into several partnerships with focus on autonomous solutions, electrification and charging infrastructure. These include, among others, partnering with Aurora to jointly develop autonomous transport solutions, completing the transaction to form the fuel-cell joint venture cellcentric with Daimler Truck AG, and to create a joint venture to install and operate a high-performance public charging network across Europe with Daimler Truck and the Traton Group. Also, a strategic alliance with Isuzu became operational in 2021.

The Volvo Group employs 95,000 people worldwide, has production facilities in 18 countries and its products are sold in more than 190 countries. The major production facilities are located in Australia, China, Belgium, Brazil, France, Germany, India, Mexico, Poland, Russia, South Africa, Sweden, the United Kingdom and the United States.

The Volvo Group has around 51,000 Tier 1 suppliers, of which 6,000 supply automotive product components. In 2021, the Volvo Group made purchases of goods and services totalling SEK 253,7 billion (EUR 22,2 billion). Purchases were made from suppliers in EMEA (60%), Americas (15%), and Asia-Pacific (25%). The supply chain is complex and there are in general several tiers of suppliers between the manufacturing entities and the supplier of raw material.

Human Rights Governance

The Volvo Group's mission is to drive prosperity through transport and infrastructure solutions. Hence, respect for human rights is fundamental for the Volvo Group and the Volvo Group is committed to respecting internationally recognized human rights. Negative human rights impacts may potentially materialize not only within our own organization, but also through our business relationships and in the value chain. We also seek to address adverse human rights impacts with which the Volvo Group is involved.

The Volvo Group has been a signatory of the UN Global Compact since 2001 and we strive to align ourselves with the UN Guiding Principles on Business and Human Rights ("UNGP"). This is a continuous journey and we have adopted a risk-based approach where we prioritize and focus on the areas where we consider that we

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have the highest risks for adverse human rights impacts.

To further strengthen our human rights governance we have established a Human Rights Board, composed of relevant members of our Executive Board. The Human Rights Board is supported by a cross-functional reference group and a working group with members from relevant Group functions, truck divisions and business areas. It is our firm belief that responsible governance of human rights related matters is key to the long-term business success of the Volvo Group. In 2021, we continued the work to formalize and strengthen our human rights program and human rights plan.

Policies including statements relating to modern slavery

Volvo Group Code of Conduct

Non-tolerance of forced labour and child labour has been part of the Volvo Group Code of Conduct since 2003. The Code of Conduct applies to everyone who works on Volvo Group's behalf, including full- and part-time employees, consultants, temporary staff, and senior management. The current version of the Volvo Group Code of Conduct states that we do not tolerate any forms of modern slavery. Practices that constitute forced labour, including debt bondage, human trafficking and other forms of modern slavery, are not accepted in any part of the Volvo Group. The Code of Conduct includes examples of modern slavery related practices such as confiscation of identity papers or passports, withholding of wages, not conferring an official employment status, subjecting someone to physical and sexual violence, debt bondage, imposing excessive recruitment fees, and restricting

people's freedom of movement. The Volvo Group Code of Conduct is publicly available on Volvogroup.com.

Volvo Group Human Rights Policy

The Volvo Group's sustainability ambitions are divided into the three areas of climate, resources and people. Human rights risks may be associated with our activities and business relationships in all three of these areas. In 2021, the Volvo Group launched a standalone Human Rights Policy. The policy sets the common threshold for the Volvo Group's commitment to respect human rights and applies to all Volvo Group entities, employees and others working at our sites. The Human Rights Policy describes the Volvo Group's ten salient human rights risks across the three areas of sustainability ambitions. Modern slavery and children's rights are included in our list of salient human rights risks. The policy states that the Volvo Group do not tolerate any forms of modern slavery and child labor in our own operations and our supply chain. The Volvo Group Human Rights Policy is publicly available on Volvogroup.com.

Supply Partner Code of Conduct

Since 1996, our Responsible Purchasing Program has consistently increased supplier requirements on environmental performance, business ethics and human rights. Since 2019, suppliers are required to commit contractually to comply with the Supply Partner Code of Conduct. In 2021, we updated and strengthened our Supply Partner Code of Conduct with firmer requirements and targets including more due diligence requirements on our direct suppliers to cover further tiers in the supply chain. The Supply Partner Code of Conduct states that the Volvo Group does not

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tolerate any forms of modern slavery or forced labour in its supply chain, including but not limited to forced, bonded or compulsory labour and human trafficking. It is further stated that suppliers and their recruitment agencies shall not engage in or tolerate, restrictions of movement, unethical recruitment fees, confiscation of identity documents and/or passports, withholding of wages, abusive working conditions, debt bondage, violence or any other kind of exploitation or abuse. Suppliers are also encouraged to have adequate policies, risk awareness, risk assessment and due-diligence processes in place to prevent modern slavery and forced labour throughout their supply chain. Suppliers are further encouraged to engage constructively with relevant stakeholders such as recruitment agencies, non-governmental organisations and industry associations in order to build awareness and proactively work towards preventing modern slavery and forced labour

Suppliers are required by the Supply Partner Code of Conduct to ensure that their own organization and its direct suppliers comply with the Supply Partner Code of Conduct's minimum requirements. It is further stated that suppliers are expected to perform human rights due diligence of their supply chains, and suppliers are encouraged to work proactively in their supply chains beyond direct suppliers to implement standards that correspond to the standards of the Supply Partner Code of Conduct. The Supply Partner Code of Conduct is implemented through self-assessments and supplier audits as part of our Responsible Purchasing Program (see below). The Supply Partner Code of Conduct is publicly available at VolvoGroup.com.

Risk assessment, due diligence and effectiveness

Modern slavery, including forced labour and human trafficking, may materialize not only in our own organization and operations, but also through our business relationships and in other parts of our value chain. Modern slavery related risks in our operations are assessed within the framework of the Human Rights reviews while these risks in our supply chain are assessed through our Responsible Purchasing Program (see below). In these reviews and assessments, we prioritize the countries and purchase segments where we believe that we have the highest risks for adverse human rights impacts, using data from credible third party service providers on modern slavery risks in different countries. We noted increased risks in for example certain countries in Africa and Asia, the Middle East and South America.

2021 continued to be marked by Covid-19 and as a result demand and business activity levels were impacted. One of the Volvo Group's primary focus during 2021 has been to continuously ensure the health, safety and well-being of our colleagues and external stakeholders such as suppliers and customers. To the extent possible given the circumstances, we have continued with our human rights due diligence activities including follow-ups of previous activities as further detailed below.

Own Operations - Human Rights reviews

Based on our risk-based approach in the prioritization of the Human Rights reviews of our own operations, we have been in recent years, and intend to continue, performing Human Rights reviews across our own

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operations. These reviews also cover on-site service providers. It typically involves desktop reviews of country and sector human rights risks, self-assessments and in-person workshops with the local management and human resources personnel, in-person discussions with employees, on-site service providers and their employees, union representatives and also, if relevant, potential in-person discussions with other stakeholders. It is adapted to reflect the needs and risks of the country being reviewed. Following each Human Rights review, action plans for identified improvement areas are created with clear ownership and anchoring with the local management team. The results of the Human Rights reviews and the action plans are shared with relevant members of our Executive Management. Following each review, action plans are developed with ownership and accountability within the local management.

Human rights reviews have been performed in India (2017), South Africa (2018), and Mexico (2019). After a pause in 2020 and 2021 due to the Covid-19 pandemic and following a review of the process and methodology, we are aiming to restart human rights reviews.

We have also continued our follow-up on findings from previous human rights reviews with the local management. No adverse findings relating to modern slavery were identified in connection with these human rights reviews.

Suppliers – Responsible Purchasing Program

In 2019, an updated and improved Responsible Purchasing Program was implemented, and in 2021 we updated our Supply Partner Code of Conduct. In addition to our Supply Partner

Code of Conduct and trainings (see below), the Responsible Purchasing Program includes various due diligence activities in relation to our suppliers:

- Supplier Self-Assessments: New suppliers must complete a self-assessment questionnaire against the requirements in the Supply Partner Code of Conduct and share the results with the relevant Volvo Group entity. The results of the self-assessment, together with other risk parameters, forms the basis for the decision to accept the relevant supplier or not. During 2021, 97% of the spend was to suppliers who were self-assessed on environmental and social criteria, of which 93% were approved with respect to forced labour and other requirements. In high-risk areas, this percentage was 99%, where 96% have recorded an approved score. Spend in relation to suppliers that were not approved in the assessment may nonetheless have been engaged for a number of reasons, such as providing a credible mitigation plan.
- Sustainability Audits: As part of the supplier selection process, new suppliers above a certain spend in high-risk countries and segments are assessed through on-site sustainability audits. Further, sustainability audits of existing suppliers are performed when deemed necessary due to risk indications from internal or external sources. During sustainability audits, suppliers' facilities are visited by trained Volvo Group personnel to assess, among other aspects, labour rights, working conditions, health and safety, and modern slavery related risks.
- Sustainable Minerals Program: The Volvo Group does not directly source conflict

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minerals or other minerals of concern such as tin, tantalum, tungsten, gold and cobalt, however these minerals are part of our global supply chain and are used in a variety of materials and components. We aim to support our suppliers to secure sustainable supply chains of these minerals through our Sustainable Minerals Program. The Volvo Group is a member of the Responsible Mining Initiative (RMI) and with the support of the tools provided by RMI we perform supply chain mapping and due diligence of our supply chain for conflict minerals. This is an important initiative with the aim of mitigating human rights related risks at the bottom of our supply chain, including but not limited to, modern slavery related risks and with a focus on the implementation of the EU Conflict Minerals Regulation.

During 2021, it has been difficult to conduct on-site sustainability audits due to the Covid-19 pandemic, and travel and meeting restrictions. To ensure the continuity of our ongoing Responsible Purchasing Program, audits were trialled via digital connection where on-site audits were not possible. During 2021, sustainability audits were performed on 45 suppliers in Brazil, China, India, Mexico, Russia and United Arab Emirates. No adverse findings relating to modern slavery were identified in connection with these audits.

In 2021, 821 tier one suppliers were invited to take part in the Volvo Group's Sustainable Minerals Program with the aim to create transparency and visibility in the supply chains of minerals. Several of the invited companies already collaborate with the Volvo Group in this respect, and all invited suppliers will be assessed on the parameters of (a) the strength of their Human Rights Due Diligence program

and (b) their association to smelters or refiners of concern in their supply chain. The long-term ambition of the Sustainable Minerals Program is to drive full transparency by 2025 with all in-scope supply chain partners complying with our Responsible Purchasing Standards and Requirements.

Business Partners

In addition to our own manufacturing entities, the Volvo Group collaborates with truck assembly partners and bus body builders, some of which are located in high risk countries from a human rights perspective. In 2021, we have continued our work to strengthen our contractual terms with assembly partners and bus body builders and are further considering how to strengthen our overall due diligence on corporate responsibility and human rights in this area. In 2021, we also followed up on a 2019 review at a truck assembly partner in Malaysia focusing on employment practices. The review was carried out on-site and the final analysis of the outcome is still under discussion together with our partner.

Training and capacity building

During 2021, the Volvo Group performed certain training initiatives, both for employees and suppliers.

All employees with access to computers are required to complete a Volvo Group Code of Conduct e-learning each year and for employees in the production environment or without access to computers, managers are required to lead mandatory Volvo Group Code of Conduct training sessions. In 2021, the Volvo Group Code of Conduct e-learning included a focused module on Modern Slavery for all employees. By year-end, more than 37,000

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employees (86% of the target group) had completed the training.

Volvo has an e-learning program for all Volvo Group staff working with suppliers, outlining the concept of responsible purchasing. Further, during 2021, the Volvo Group conducted various internal trainings on more detailed sustainability topics connected to specific purchase segments and connected risks.

As on-site sustainability trainings for our suppliers had to be limited in 2021 due to Covid-19, the Volvo Group has, in cooperation with DRIVE Sustainability (see below) taken part in producing and launching an on-line training for supply chain partners. The on-line training enables commitment and communication around all key sustainability topics (including modern slavery) and serves as a good alternative to face to face training. The training is intended to target suppliers with a low sustainability performance. The Volvo Group has actively participated and invited suppliers to the on-line training, and during 2021, a total of 1,100 number of supplier employees completed the training. Live supplier sustainability trainings under the umbrella of DRIVE Sustainability have also been re-launched in a digital format, and during 2021 Volvo Group has invited and onboarded suppliers located in Russia, France, India and Turkey.

Grievance mechanisms

The Volvo Group offers various channels to internal and external stakeholders to report on potential ethical concerns or violations of the Volvo Group policies, including our whistleblower process, the “Volvo Whistle”, which is publicly available on Volvogroup.com. Our internal and external stakeholders are also

made aware of the “Volvo Whistle” through for example our Code of Conduct, included as part of compliance and human rights trainings, articles on our intranet, and in our Annual and Sustainability Report. The Volvo Group does not tolerate any retaliation against whistleblowers raising concerns in good faith. In 2021, an updated Whistleblowing and Investigations Policy was published to emphasize Volvo Group’s commitment of non-retaliation and whistleblower protection, including confidentiality, right to anonymity, and other key aspects of proper handling of the reported concerns. No issues relating to modern slavery were reported through the Volvo Whistle since it was launched in 2017.

Partnerships

During 2021, the Volvo Group continued as a Lead Partner in DRIVE Sustainability. DRIVE Sustainability is a global network with the mission to drive sustainability in the supply chains of the automotive industry. We believe that a joint industry approach is one of the best ways to drive sustainability in our supply chains.

During 2021, the Volvo Group also continued its membership with the Responsible Minerals Initiative (RMI), an organization which holds valuable knowledge within the mining industry and provides important tools used within our Sustainable Minerals Program.

In addition, the Volvo Group is involved in CSR Europe’s Responsible Trucking Initiative. The initiative aims to improve employment and working conditions for truck drivers in the road transport sector across Europe. In 2021, the initiative released new social guidelines for common expectations towards suppliers and

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sub-contractors on human rights, working conditions and business ethics.

and applies for the period January 1, 2021 to December 31, 2021.

The statement is made in accordance with Section 54 (1) of the UK Modern Slavery Act 2015. The statement has been approved by the Board of Directors of Volvo Truck Corporation

Signed



Roger Alm

Director

June 2022

