

## Environmental Requirements for Volvo Group Suppliers and Contractors

The Volvo Group Environmental Policy presents the commitment to environmental work within the Volvo Group. Environment together with Quality and Safety is a core value for Volvo.

Suppliers of production materials, equipment, services and consumption goods play a vital part in the development and production of Volvo products. A true holistic approach means that the Volvo commitment on environmental care must be reflected in the supplier network.

All suppliers and contractors must have knowledge of the Volvo Group Environmental Policy coupled with internal working procedures including the following aspects:

- an environmental management system. Suppliers of production materials and major contractors must be certified - or have a time plan for certification - according to ISO 14001 or EMAS. All other suppliers and contractors must be able to report on their environmental work, including organisation, fulfilment of legal demands, and environmental results.
- objectives and action plans for the reduction of environmental impact. Best industry standard should be the ultimate objective.
- follow-up of development activities regarding environmental care within its industry and maintain an open dialogue with Volvo concerning achievements and trends.
- environmentally related data from production and products must be available for Volvo to enable environmental assessments.
- chemicals or materials involved in products or services delivered to a Volvo company must fulfil the requirements stated in the Volvo "black" and "grey" lists. Any presence of listed chemicals must be accounted, and have phase-out plans.
- planning and choice of packing materials, and handling of excess and rejected materials in such a way that the total environmental impact is minimised for the delivered products and services.
- consideration of recyclability and the use of recycled materials when selecting materials and design solutions.

These requirements are part of the Volvo Group Purchase Agreement for production material. Any deviations must be documented. The application for other suppliers and contractors are clarified in the attachment. Each Volvo company is responsible for the implementation and follow-up.

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## Volvo environmental requirements for suppliers and contractors

### Explanation for certain supplier categories

Each Volvo company is responsible for time frames and implementation procedures.

Supplier / Contractor Category	Company size / Supply frequency	Environmental requirements	Follow-up by Volvo
<b>Consumer goods</b>	Frequent supplies	Environmental management system	Checklist
	All	Product specific requirements (to be specified by customer) Package requirements	According to specification
<b>Machines and tools</b>	Frequent supplies	Environmental management system (cf. requirements on quality management systems)	Checklist
	All	Product specific requirements (to be specified by customer)  For example: <i>Low total energy consumption (start-up, use, and stop)</i> <i>Low noise levels</i> <i>Low consumption of chemicals, standard chemicals with low environmental impact should be used</i> <i>Must not contain black listed chemicals</i> <i>Grey listed chemicals must be minimised and content stated</i>	According to specification
Supplier / Contractor Category	Company size / Supply frequency	Environmental requirements	Follow-up by Volvo
<b>Contract manufacturers</b>	Large or frequent contractors	(planned) certified environmental management system (cf. quality management system)	Checklist and certificate
	Smaller contractors	Established env. work, including legal requirement follow-up, improvement plans	Checklist
	All	Materials and chemicals in products and processes must fulfil Volvo's black and grey lists	Declarations
<b>Contractors working at Volvo premises</b>	Large contractors	(planned) certified environmental management system	Checklist and certificate
	Smaller contractors	Established env. work, including legal requirement follow-up, improvement plans	Checklist
	All contractors	Fulfilment of the local Volvo procedures for handling of waste, chemicals, emergencies, etc.  Materials used by the contractor must fulfil Volvo black and grey lists of chemicals.	Local procedures, eg. signed agreements
	All contractors	Specifications of materials used on premises must be available at Volvo.	Documents

<b>Supplier / Contractor Category</b>	<b>Company size / Supply frequency</b>	<b>Environmental requirements</b>	<b>Follow-up by Volvo</b>
<b>Engineering consultants</b>	Large companies	(planned) certified environmental management system	Checklist and certificate
	All	Environmental training for engineers Knowledge of Volvo requirements	Specification of training
<b>Subcontractors</b>	All	First tier contractor is responsible. Subcontractors working at Volvo premises, must be informed and agree on local procedures	signed agreements
<b>Subsuppliers</b>	All	First tier supplier is responsible	
<b>Transport contractors</b>	Frequent	(planned) certified environmental management system	Checklist and certificate
	Low frequency	Established env. work, including legal requirement follow-up, improvement plans	Checklist
	All	Environmental training for drivers Declaration of vehicle fleet (vehicle types, age, fuel consumption, etc.)	Vehicle data