

Volvo Group Code of Conduct



The Volvo Group enjoys an invaluable reputation for corporate trustworthiness around the world, based on consistently conducting business with integrity and in compliance with the laws and regulations governing its activities. The Volvo Group corporate values and commitment to sustainable development are, and will continue to be, reflected, promoted and implemented in Group policies, decisions and actions.

Scope of Application

The Volvo Group Code of Conduct has been adopted to underscore the principles by which the Group conducts its relations with employees, business partners and other stakeholders. It applies to all members of the Board of Directors, and all employed by the Volvo Group.

The Volvo Group encourages suppliers, dealers, consultants and other business partners within its sphere of influence to adopt these principles.

In the assessment of potential and current suppliers, the principles described in this document shall be applied.

Business Principles

Legal Compliance

In every country in which it operates, the Volvo Group shall abide by the laws and regulations of that country.

In situations where the law does not give guidance, the Group applies its own standards based on its corporate values and culture.

In cases of conflict between mandatory law and the principles contained in this code, the law shall prevail.

Relations with Business Partners

The Volvo Group's dealings with its business partners are characterized by fairness.

The Volvo Group shall not offer customers, potential customers, governments, agencies of governments, or any representatives of such entities, any rewards or benefits in violation of either applicable laws or reasonable and generally accepted business practices.

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Volvo Group employees must not accept payments, gifts, or other kinds of reimbursement from a third party that could affect or appear to affect their objectivity in their business decisions.

Accounting and Reporting

All financial transactions by the Volvo Group must be reported in accordance with generally accepted accounting practices, and accounting records must show the nature of all transactions in a correct and non-misleading manner. The Volvo Group will provide disclosure that is open, truthful, relevant, comprehensible and timely.

Conflicts of Interest

Employees and members of the Boards of Directors of the Volvo Group shall conduct their private and other external activities and financial interests in a manner that does not conflict or appear to conflict with the interests of the Group.

Should such a conflict of interest arise, it must be reported immediately by the person subject to the conflict to his/her immediate supervisor.

Political Involvement

The Volvo Group observes neutrality with regard to political parties and candidates. Neither the names nor the assets of Volvo Group companies shall be used to promote the interests of political parties or candidates.

Stakeholder Communications

The Volvo Group encourages an ongoing dialogue with its stakeholders.

Environmental Principles

Resource Efficiency

Volvo Group products and processes are designed in such a way that energy and raw materials are used efficiently, and waste and residual products are minimized over the products' life cycles.

Precautionary Principle

The Volvo Group supports the precautionary principle by avoiding materials and methods posing environmental and health risks when suitable alternatives are available.

Environmental Performance

The Volvo Group routinely audits, follows up and reports on its environmental performance, with particular emphasis on evaluating the potential risks of present and future products and operations.





Human Rights and Workplace Practices

Human Rights

Within its sphere of influence, the Volvo Group supports and respects the protection of internationally proclaimed human rights and ensures that it is not complicit in human rights abuses.

Non-Discrimination

The Volvo Group hires and treats its employees in a manner that does not discriminate with regard to gender, race, religion, age, disability, sexual orientation, nationality, political opinion, union affiliation, social or ethnic origin. Workplace diversity at all levels is encouraged.

Labor

No form of forced, compulsory or child labor is tolerated in the Volvo Group. The minimum employment age is the age of completion of compulsory school.

Freedom of association and the right to collective bargaining and agreements shall be respected in all Volvo Group operations.

Work Environment

The necessary conditions for a safe and healthy work environment shall be provided for all Volvo Group employees.

Adopted by the Board of Directors 17 June 2003

Responsibility of Managers and Employees

It is the responsibility of Volvo Group managers to communicate and demonstrate the content as well as the spirit of this document within their organizations, and to encourage employees to reveal behaviour that may be non-compliant with these principles. Explicit or implicit approval of questionable actions will not be tolerated.

Reports of violations of this code may be done anonymously and confidentially to the chairman of the audit committee. Persons reporting violations in good faith will not be subject to retaliation.

This Code of Conduct will be promptly and consistently enforced. Failure to comply with its provisions can result in disciplinary action.

This Code of Conduct has been adopted by the Board of Directors of AB Volvo and can only be amended or waived by the Board. Any amendments or waivers shall be disclosed.

VOLVO

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