



Volvo Group

SUSTAINABLE MATERIALS SOURCING AND DUE DILIGENCE POLICY

1. Purpose

The Volvo Group is committed to ethically and responsibly sourcing raw materials, including minerals, agricultural products, and forestry-based commodities. This policy ensures that Volvo Group's sourcing practices align with internationally recognized human rights and labor standards, comply with applicable legal regulations, and promote

environmentally sustainable practices. Through the implementation of this policy, Volvo Group aims to effectively manage supply chain risks, enhance transparency and accountability, and uphold the company's values and stakeholder expectations, thereby fostering a responsible and sustainable supply chain network.

A handwritten signature in black ink, appearing to read 'M Lovati', is positioned above the printed name.

Michael Lovati

Chief Purchasing Officer, Volvo Group
Adopted September 04, 2025



2. Scope and Field of Application

This policy applies to all sourcing and procurement activities involving products containing raw materials within the scope of the Sustainable Materials Program across the Volvo Group. This includes, but is not limited to, all Volvo Group entities such as Volvo Trucks, Renault Trucks, Mack Trucks, Volvo Buses, Nova Buses, Volvo Construction Equipment, Volvo Penta, Volvo Group Trucks Purchasing and Volvo Energy.

All supply partners are mandated to adhere to the supply chain due diligence requirements as outlined in

the Supply Partner Code of Conduct and detailed on the Volvo Group Supplier Portal. These requirements encompass compliance with applicable legal regulations, ethical sourcing practices, and the implementation of effective risk management systems to ensure responsible and sustainable supply chains.

This policy remains in effect until it is superseded by a new version approved by the Volvo Group Responsible Purchasing Board.

3. Materials of Concern

Volvo Group's Sustainable Materials Program (SMP) encompasses a comprehensive range of raw materials integral to our products and operations. The identification and prioritization of these materials are guided by the Volvo Group's Top Critical Material List, which is embedded within the Volvo Group Red List (STD 100-0005). This list includes over 20 raw materials identified as high-risk due to environmental, social, or supply chain concerns.

The SMP serves as the framework through which Volvo Group manages due diligence for the following materials, ensuring responsible sourcing practices are upheld. These materials include, but are not limited to:

- ➔ **Conflict Minerals:** Tin, Tantalum, Tungsten, and Gold (3TG)
- ➔ **Cobalt:** Recognized for its significance in battery production and associated human rights concerns, cobalt is subject to the same rigorous due diligence requirements as 3TG minerals.
- ➔ **Battery Raw Materials:** Cobalt, Natural Graphite, Lithium, Nickel, and their chemical compounds, as specified in Annex X.1 of the EU Batteries Regulation (Regulation (EU) 2023/1542)
- ➔ **Agricultural and Forestry-Based Commodities:** Materials subject to the EU Deforestation Regulation (Regulation (EU) 2023/1115), such as cattle, cocoa, coffee, oil palm, rubber, soy, and wood
- ➔ **Other Critical Materials:** Mica

4. Supplier Sustainability and Due Diligence Requirements

Volvo Group is committed to minimizing the environmental and social impacts associated with the sourcing of raw materials. This requires all supply partners to establish and maintain robust policies and processes to ensure that materials used in their parts and the production processes are sourced responsibly, with a focus on reducing environmental impacts and promoting sustainable practices throughout the supply chain.

These policies must also ensure that sourcing activities do not directly or indirectly finance or benefit armed groups or other entities associated with human rights violations. Compliance with internationally recognized standards, including the OECD Due Diligence Guidance for Responsible Supply Chains and the UN Guiding Principles on Business and Human Rights (UNGPs), as well as applicable legal and regulatory requirements such as the EU Batteries Regulation and the EU Deforestation Regulation, is mandatory.

To fulfill these obligations, supply partners are required to implement the below.

DUE DILIGENCE

- **Traceability:** Conduct comprehensive due diligence and implement traceability mechanisms to monitor the origin and journey of raw materials throughout the supply chain.
- **Risk management:** Ensure compliance with all ethical sourcing, environmental, and social risk management requirements.
- **Transparency:** Engage with affected rightsholders and their legitimate representatives, ensuring that potential social and environmental risks are proactively identified, assessed, and mitigated in accordance with due diligence obligations.
- **Audits:** Ensure that all smelters, refiners, and processors in their supply chain actively participate in third-party audit programs and provide full disclosure regarding their sourcing practices, compliance status, and due diligence efforts.
- **Management system:** Establish senior management oversight to ensure full accountability within their material supply chains and implement effective control and transparency measures for all regulated materials, including those sourced from both conflict-affected and non-conflict-affected areas.

REGULATORY COMPLIANCE

- **Conflict minerals:** Provide, upon request, valid Conflict Minerals Reporting Template (CMRT) and/or Cobalt Reporting Template (CRT) reports to ensure transparency and traceability of mineral sourcing.
- **Batteries:** For materials within the scope of the EU Batteries Regulation, including natural graphite, cobalt, lithium, and nickel, address the social and environmental risks outlined in Annex X.2 of the regulation including human rights concerns, labor conditions, environmental sustainability, and responsible resource management.
- **Deforestation:** Ensure that applicable products are certified by FSC or PEFC, and sourced from responsibly managed forests, plantations, recycled materials, or licensed under the FLEGT system to ensure sustainable resource use and forestry practices.

SUSTAINABILITY IMPACT

- **Deep sea mining:** Refrain from procuring minerals or materials extracted through deep-sea mining practices, in alignment with Volvo Group's commitment to environmental sustainability.
- **Human rights:** Ensure that sourcing activities do not infringe upon the rights of indigenous peoples and must obtain their free, prior, and informed consent where applicable.
- **Circular economy:** Adopt circular economy practices, seeking innovative solutions to minimize environmental impact and substituting materials that pose potential environmental or health risks with safer alternatives.
- **Biodiversity:** Assess and mitigate impacts on biodiversity, ensuring that their operations do not harm ecosystems, habitats, or contribute to soil degradation.

The Sustainable Materials Sourcing Due Diligence Policy is an integral part of Volvo Group's Supply Partner Code of Conduct which is reviewed and updated regularly to ensure alignment with evolving regulatory requirements, sustainability standards, and industry best practices.