

Anti-Corruption Charter

Volvo Group



Dear Colleague,

The Volvo Group believes it is very important to carry out its activities honestly and in compliance with the laws and regulations applicable to it. Combating corruption, influence peddling and other breaches of integrity is an area in which it is essential to comply with the laws and regulations. It is necessary for the group to combat such practices that undermine the smooth functioning of the market and stop transactions being concluded under normal conditions of competition. Corruption harms the group's governance, reputation and ethics. It exposes the group and the people involved to the risk of serious legal proceedings and penalties.

The Anti-Corruption Charter is an additional system deployed in the group to promote this culture of compliance, ethics and honesty. It therefore completes the Volvo Group Code of Conduct and more generally the Volvo Group compliance programme, by helping us to identify, by means of concrete examples, high-risk situations and behaviours linked to corruption, influence peddling and other breaches of integrity. The Anti-Corruption Charter also helps us to find the right response.



Read the Anti-Corruption Charter. Discuss with your manager and your colleagues how it applies to your specific situation and your work. Do not hesitate to ask for help from our legal experts if you need to clarify certain things. And talk about it if you notice behaviour that appears to you to be inappropriate.

We are proud of our values and rules, and the Anti-Corruption Charter should enable us to understand them, in order to comply with them more effectively.

Contents

Why do we have an Anti-Corruption Charter?	2
Who does the Anti-Corruption Charter apply to?	3
Definitions and General Principles	4
Gifts, invitations and other benefits.....	7
Facilitation payments.....	10
Conflicts of interests.....	12
Sponsoring, Patronage and Lobbying	14
Consequences of failure to comply with the Anti-Corruption Charter	16
Speak out!	20

Why do we have an Anti-Corruption Charter?

THE ANTI-CORRUPTION CHARTER FORMALISES OUR CONTINUED COMMITMENT TO A CORRUPTION PREVENTION AND DETECTION APPROACH.

In accordance with the law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and modernisation of the economy, known as the Sapin II law, the Volvo Group is obliged to implement a certain number of measures to prevent and detect the committing of acts of corruption or influence peddling in France and abroad.

These measures include the drawing up of an Anti-Corruption Charter in order to define and illustrate the “various types of behaviour to be prohibited as likely to characterise acts of corruption or influence peddling”. For that purpose, the Anti-Corruption Charter sets out the rules that we must all comply with, regardless of the duties we perform or the country where we work, in order to prevent risks in this regard.

The Anti-Corruption Charter is not exhaustive and does not provide the response to each situation you may encounter or each question you are worried about. It sets out the main definitions and examples of the different types of behaviour to be prohibited with regard to corruption and influence peddling. If you have any questions, please contact your manager or the support departments concerned.



WHO DOES THE ANTI-CORRUPTION CHARTER APPLY TO?

The Anti-Corruption Charter applies to all Volvo Group employees who work at subsidiaries of Volvo Holding France as well as their subsidiaries and controlled companies in France and abroad.

The Anti-Corruption Charter applies everywhere that we carry out our activities, including abroad, where appropriate in accordance with the strictest local legislation and regulations. If the Anti-Corruption Charter is stricter than the local laws or regulations, you must comply with the Charter which takes precedence.

INVOLVEMENT OF THE EXECUTIVE BODIES AND MANAGERS

The executive bodies are fully committed to preventing and combating corruption. Corrupt practices are always prohibited, without exception, by the Volvo Group in its business, its relationships with its private and public partners, and its relationships with customers.

The Volvo Group managers implement the values and principles of the Anti-Corruption Charter and ensure that it is properly applied. As such, they are heavily involved in activities to raise awareness, disseminate and ensure compliance with the Anti-Corruption Charter in their teams.

We must all embody the values and principles of the Anti-Corruption Charter and give the lead by our own behaviour.

Definitions and General Principles

WHAT IS CORRUPTION?

Corruption can be defined as:

- the fact of offering, promising, authorizing or granting
- directly or indirectly
- an undue advantage
- to a public official or a person in the private sector
- in order to carry out, or not carry out, an action that is directly or indirectly part of his or her duties.

Example: a group employee offers to hire the close relative of an employee of a rival company in return for confidential information concerning the rival group.

Corruption also involves activities whereby:

- a public official or a person in the private sector
- requests or accepts an undue advantage of that kind
- in order to carry out, or not carry out, an action that is directly or indirectly part of his or her duties.

Example: a member of a public tender committee requires an employee of a group that is submitting a tender for the contract, to pay the personal expenses of a close relative in return for obtaining the contract.

Corruption is punished in both the public and the private sector.

Corruption may be direct or indirect (i.e. via third parties such as officials, consultants, business getters, middlemen etc.). It is therefore forbidden to use a partner to carry out a task that we cannot legally do ourselves.

WHAT IS INFLUENCE PEDDLING?

Influence peddling is a forbidden behaviour similar to corruption.

Its aim however is not to obtain or prevent an action, but to abuse a real or supposed influence in order to obtain honours, jobs, contracts or any other favourable decisions or situations from an authority or government department.

VERY IMPORTANT:

The nature of the things offered or promised under a corrupt agreement is interpreted very widely: it may involve any form of money, gifts, signs of hospitality, expenses, reciprocal favours, political or charitable gifts, or any direct or indirect benefit or advantage.

WHAT IS A PUBLIC OFFICIAL?

It is:

- any person who holds an elective, administrative or judicial office in a country, whether by appointment or election
- any person who exercises a public office for a country, including for a public enterprise or body
- any civil servant or official of a public international organisation.

Examples: a minister, mayor, customs or tax authority official, member of the police force or army, judge, member of Parliament, employee of a public enterprise, member of a tender committee in connection with public procurement procedures etc.

OTHER BREACHES OF INTEGRITY

Favouritism: this offence involves people who hold a public office obtaining or attempting to obtain for others an unjustified advantage by breaking rules that impose free access and equality for tenderers in public procurement contracts and concession contracts.

For a company, involvement in obtaining a decision by unequal treatment of tenderers and gaining an advantage constitute acts of complicity and/or receiving favouritism.

Example: an elected representative gives confidential information to a specific company to enable it to submit a better bid than its competitors by changing its bid so that it is the only one that meets the requirements.

Misappropriation of public funds: this involves a representative of public authority or person with a public service remit, receiving, demanding or ordering to be collected in public duties, taxes or levies, an amount that they know is not due, or exceeds the amount due. It also involves such a person granting, in any form and on any grounds whatsoever, an exemption from the public duties, taxes or levies in breach of the laws or regulations.

Example: a tax authority official draws up VAT declarations reducing the amounts due and defers the cashing of cheques issued monthly to pay this tax, in order to reduce the late payment penalty for the taxpayer concerned.

The simple fact of offering or asking for an advantage constitutes corruption, regardless of whether the advantage is actually granted or accepted, and regardless of whether or not the anticipated act is carried out.

Illegal acquisition of interests: this offence involves representatives of public authority or people with a public service remit or an elective public office, acquiring, receiving or retaining, directly or indirectly, any stake in a company or transaction that they are, at the time of the act, wholly or partly responsible for supervising, administering, liquidating or paying.

Example: the mayor of a town intervenes in the awarding of public procurement contracts to companies of which he is the de facto manager.

Finally, and in general, it is forbidden to commit any act deliberately intended to deceive, in order to obtain an unlawful advantage, whether by the means used (forgery, use of forgeries, concealment of income) or by embezzlement itself (misuse of company assets, insider trading, theft, fraud etc.)

WHAT IS COMPLICITY?

An accomplice is a person who, by different means (material or intellectual aid and assistance, incitement, providing specific instructions) helps the perpetrator of an offence or their accomplices.

Example: a person who has full knowledge of the pattern of corruption put in place and who is personally involved in organising and running it, to ensure that the fraudulent operations run smoothly

If you are an accomplice to acts of corruption, influence peddling or any other offence, you will receive the same penalty as the perpetrator of the offence.

OUR ZERO-TOLERANCE POLICY

The Volvo Group implements a zero-tolerance policy with regard to corruption and influence peddling.

The Volvo Group undertakes to conduct all of its activities in full compliance with the strictest legal and ethical standards in this regard, and to adopt a professional, fair and honest attitude in all of its activities. All of the people who work for the Volvo Group and/or act on its behalf are expected to adhere to these commitments.

Consequently, all employees of the Volvo Group, its subsidiaries and the companies that it controls, as well as everyone who acts in their name or on their behalf, must conduct their activities in accordance with the applicable laws and regulations concerning combating corruption.

It is therefore forbidden to take part in any way in an act of corruption, and in particular:

to make any offer, promise, gift, present or offer any advantage, directly or indirectly, to influence any person in order to commit a dishonest, illegal or inappropriate act or to infringe their professional obligations; or

to make any offer, promise, gift, present or offer any advantage, directly or indirectly, to any person in order to obtain or retain a contract or an advantage in the course of conducting business, for the Volvo Group; or

to seek or accept any offer, promise, gift present or advantage for acting or having acted inappropriately so that a third party can obtain a contract with the Volvo Group.

Any non-compliance on this account may seriously damage the group's reputation and may result in the group, its subsidiaries and controlled companies and the individual(s) concerned incurring very large civil and criminal penalties.

GOOD HABITS

If you are not sure what to do, the following questions make it possible in particular to identify situations where you are at risk:

- Are you uncomfortable about a request you have received?
- Are you unsure about the legality of the procedure?
- Do you have the feeling you are being coerced or that the expectations are not very clear?
- Will you be able to justify your decision if you are asked to do so?
- Would you be embarrassed if your decision was disseminated internally (to your manager or colleagues) or made public externally (in particular to our competitors)?
- Would you feel free to talk about it to your circle of friends?
- Are all the parties involved in the transaction known by everyone and transparent?

If you have any doubts, please contact your manager or the support departments concerned



Gifts, invitations and other benefits

WHAT CONSTITUTES A GIFT?

A gift is any type of material or intangible favour, such as discounts, gift cards or tokens, cash or equivalent gifts, subsidies, loans, services (work carried out at a person's home, repairs to a vehicle, placement carried out by a family member or close relation of a civil servant in the company concerned etc.), of any kind whatsoever.

WHAT CONSTITUTES AN INVITATION?

An invitation relates to any form of social pleasure or entertainment such as meals, travel, trips, accommodation and sports, cultural or other social events.

THE RULE

No members of staff can directly or indirectly, in the course of their duties, offer, promise, grant, authorise or receive a gift or provision of a service, to or from anyone (representative of public authority or private individual) in order to obtain an undue advantage of any kind.

There can be no justification for departing from this rule (custom or local "obligation", behaviour adopted by competitors, risk of losing a contract etc.).

For you, that means:

- Not seeking, in exchange for a gift, an invitation, any service or other advantage, whatever its form.
- Refusing any request to grant, in return for a gift, an invitation or any service, or other advantage.
- Any gift made or accepted in violation of the Anti-Corruption Charter must be immediately returned. Any service undertaken in violation of the Anti-Corruption Charter must be immediately interrupted.
- Report this request to your manager and to the Legal and Compliance Department.
- If the request has been accepted, immediately report this behaviour to your manager and to the Legal and Compliance Department in order to put an end to the situation and determine the action to be taken to limit the consequences of this breach of internal rules.

GOOD BEHAVIOUR:

To not constitute undue advantages, the gifts and invitations offered or received must:

- Be of a reasonable value.
- Be occasional, i.e. offered/received for specific events such as national, traditional or religious feasts or celebrations, promotional campaigns etc.
- Not be able to affect the good judgement and impartiality of the person who receives them.

VERY IMPORTANT:

You must understand the rules of the Volvo Group in this regard. The Volvo Group Anti-Corruption Guidelines for accepting gifts and shows, available on the Volvo Group intranet portal dedicated to Compliance, are an additional tool which will help you to determine what is acceptable or not.

WHAT GIFTS, INVITATIONS AND OTHER ADVANTAGES ARE FORBIDDEN?

The following gifts/invitations are forbidden, whether they are received or offered:

- cash or equivalent gifts (gift cards or vouchers, coupons etc.) regardless of their value, likely to constitute an undue advantage,
- extravagant gifts
- gifts in the form of services or gifts such as benefits in kind (e.g. recruitment commitment or work carried out at the home of a Volvo Group employee or of the beneficiary of the gift)
- gifts/invitations offered/received during a call for tenders or contractual negotiations, or not during a call for tenders or negotiations if it may reasonably be expected that a call for tenders or contractual negotiations with the third party will take place soon, or if a call for tenders was won or contractual negotiations were concluded recently
- gifts/invitations offered/received in a way that is not transparent (e.g. without justification or sent to the home of the person concerned etc.)
- gifts/invitations of an unsuitable nature or that represent an affront to human dignity
- in general, gifts/invitations contrary to the laws and regulations applicable to the Volvo Group, its members of staff or the beneficiary of the gift or invitation, as well as gifts/invitations not allowed by the internal rules applicable in the beneficiary's organisation

EXAMPLES OF FORBIDDEN BEHAVIOUR – NOT TO BE DONE/ACCEPTED:

The following examples show different types of behaviour/situations to be avoided:

- A member of a haulage contractor purchasing group offers to make his apartment available to you for your next holiday, in return for a “small reduction” in the sales price of trucks.
- A supplier of transport services for the group offers to transport the personal possessions of your son who is moving house or carry out work at your home, in order to obtain a contract with the Volvo Group.
- You are experiencing personal financial difficulties and a customer offers you a loan if you give it discounts on the sale of trucks.
- You offer to undercharge man-hours for a customer in return for the payment of a sum.
- An applicant for a dealership offers to pay your husband/wife a benefit in order to be awarded the dealership contract with the group.
- A financial institution offers to grant you a personal loan under very favourable conditions so that you send it customers in order to conclude loan agreements for trucks with them.
- A trader offers to pay you a sum in order to get a discount on the sales price of used vehicles.
- A public official offers to change the wording of the specifications (by inserting technical criteria favourable to the group) in return for the payment of a benefit.
- A supplier offers you free meals in the restaurant of his/her husband/wife, in exchange for continuing to do business with the group.
- A public official asks you to carry out repairs on trucks belonging to his spouse's company, in return for concluding contracts with the Volvo Group. He tells you that the costs of repairing the trucks belonging to his spouse can be invoiced in the framework of the contract to be concluded.

HOW TO HANDLE GIFTS AND INVITATIONS

Ask yourself the following questions:

- Is the gift/invitation liable to influence you?
- Is the gift/invitation that you will offer liable to influence the person you are planning to offer it to?
- Would you feel free to talk about the gift/invitation you are being offered to your circle of friends? If you feel uncomfortable, you must refuse the gift/invitation.



Facilitation payments

WHAT IS A FACILITATION PAYMENT?

A facilitation payment can be defined as an amount of money paid as a personal benefit to public officials, directly or through a third party, to ensure or accelerate the performance of ordinary actions to which the applicant is legitimately entitled.

For example, a payment made for a service carried out by a public official that is higher than the published or officially documented price list, or a payment made in order to get equipment or goods through customs more quickly.

THE RULE

Members of staff cannot directly or indirectly offer, promise, grant or authorise facilitation payments to anyone.

This rule also applies in countries where local laws allow such payments.

For you, that means:

- Refuse any requests for facilitation payments.
- Report this request to your manager and to the Legal and Compliance Department.
- If the request has been accepted, immediately report this behaviour to your manager and to the Legal and Compliance Department in order to put an end to the situation and determine the action to be taken to limit the consequences of this breach of internal rules.
- If you are exceptionally forced to make a facilitation payment, you must immediately inform your manager and the Legal and Compliance Department.

GOOD BEHAVIOUR:

- Allow enough time to make any requests for authorizations, permits, visas or other administrative procedures.
- Contact the Legal and Compliance Department to find out the applicable rules in order to fulfil all necessary formalities and be able to challenge any unjustified request for payment by a public official
- How do you respond/refuse if you receive a request? Explain that the Volvo Group Code of Conduct and Anti-Corruption Charter forbid you from making such payments and ask the public official to contact your manager if he/she has any questions.

HOW TO HANDLE FACILITATION PAYMENTS

Ask yourself the following questions:

- Does the payment relate to an actual service or an official tax?
- Does the payment requested match the amount indicated on the official price list?
- Has the public official asked you to make the payment officially and transparently, or secretly and directly?
- Are you able to obtain an invoice or an official receipt for the payment requested?

EXAMPLES OF FORBIDDEN BEHAVIOUR – NOT TO BE DONE / ACCEPTED:

- You absolutely must go to a meeting organized urgently abroad and you offer money to an immigration officer to obtain your visa more quickly.
- A customs official offers to accelerate customs clearance of goods in return for the payment of a small sum.
- A public official asks for the payment of a sum in return for approval of a vehicle or certification of a factory.



Conflicts of interests

WHAT IS A CONFLICT OF INTERESTS?

There is a conflict of interests when the personal interests of a member of staff conflict or compete with the interests of the company where they work.

These personal interests may result from professional or financial commitments, political or ideological ties that you have outside the Volvo Group, or family or personal ties. The notion of personal interests includes the direct material or moral interests of the person or those of his or her close relatives (i.e. any person related or close to the person).

THE RULE

You must prevent or avoid any situations that cause or might cause a real or apparent conflict between your personal interests and those of the Volvo Group.

GOOD BEHAVIOUR:

If you face a situation that is likely to constitute a conflict of interests, it is essential to immediately inform your manager.

Inform your manager if you hold an elective office, a term of office as managing agent, or if you or your close relatives hold a position of responsibility at a competitor or partner of the Volvo Group.

Do not take part in the decision-making process if there is a real or potential conflict of interests.

Clearly state that you are not representing the Volvo Group when you make a personal commitment concerning politics or an association.

If you need help, contact the Human Resources Department or the Legal and Compliance Department.

VERY IMPORTANT:

You must understand the rules of the Volvo Group in this regard. The rules are detailed in the Volvo Group Code of Conduct.

EXAMPLES OF FORBIDDEN BEHAVIOUR – NOT TO BE DONE/ACCEPTED:

- Undertake any activity that conflicts with the interests of the Volvo Group or one of its subsidiaries, such as for example working as a consultant or in any way whatsoever for one of the group's competitors.
- Involve the Volvo Group in a contractual relationship with a member of your family or a close relation, or with a company in which a member of your family or a close relation has a financial interest, without first informing your manager or the Legal and Compliance Department.
- Use or share confidential information concerning the Volvo Group in your personal interest or that of a close relation.
- Get involved in the recruitment, supervision or career management of one of the members of your family or one of your close relations.
- Conceal information about a conflict of interests, even if it is only potential.



Sponsoring, Patronage and Lobbying

THE RULE

Sponsoring, patronage and lobbying activities can be a means of promoting the image/interests of the Volvo Group. However, they may constitute acts of corruption if they are intended in particular to obtain an undue advantage.

For this reason these activities are strictly controlled by the group. These activities must therefore be authorised beforehand and carried out in complete transparency so that their reasons can be justified.

WHAT ARE SPONSORING, PATRONAGE AND LOBBYING?

Sponsoring involves providing material or financial support for an initiative which the group wants to use directly to improve its image. It may be comparable to an advertising campaign for the group.

Patronage involves a gift with no direct or indirect consideration. It involves providing material or financial support for a work or a person to carry out activities that are in the public interest. Patronage means that the beneficiary is not subject to any obligation in return for the gift that he or she receives.

Lobbying involves influencing public decision making, in particular concerning the content of a law or regulatory act by getting in touch with public officials.

GOOD BEHAVIOUR:

- Ensure that the sponsoring or patronage activities comply strictly with the applicable rules and the ethical values of the Volvo Group.
- Check the integrity of the entity/organisation that receives any material or financial support from the Volvo Group.
- Ask for advice from the Communications Department or the Public Affairs Department, depending on the case, before taking part in sponsoring/patronage/lobbying activities.

For you, that means:

- Any sponsoring or patronage activities must be authorised beforehand by the Communication Department and any lobbying activities must be authorised by the Public Affairs Department.
- Lobbying activities can only be carried out by the Public Affairs Department.
- Any sponsoring or patronage activities must be formalized by drawing up an agreement approved by the Legal and Compliance Department.

EXAMPLES OF FORBIDDEN BEHAVIOUR – NOT TO BE DONE / ACCEPTED:

- Make gifts that could be interpreted as made in return for obtaining or securing contracts or obtaining a decision, action or favour for the Volvo Group.
- Finance organizations whose reputation is likely to harm the interests or image of the Volvo Group or whose directors and/or management are not identified.
- Seek or accept any advantage from a person concerning a charitable/association project in order to obtain the material or financial support of the Volvo Group for that project.
- Carry out sponsoring or patronage activities that are not subject to an agreement.
- Accept to make a donation or provide sponsoring requested by a prospect/customer in particular during commercial negotiations.
- Make payments onto an account held by a natural person in connection with a sponsoring or patronage operation.
- Carry out lobbying in a way that is not transparent, or for any personal reasons.
- Carry out lobbying in order to obtain or grant consideration or any undue advantage.
- Take steps in the course of lobbying in order to obtain or try to obtain information or decisions by deliberately providing incorrect information or using ploys intended to deceive.

Consequences of failure to comply with the Anti-Corruption Charter

YOU ARE REQUIRED TO KNOW AND COMPLY WITH THE ANTI-CORRUPTION CHARTER.

Any forbidden behaviour and more generally any behaviour that does not comply with the commitments and principles of the Volvo Group concerning preventing and detecting acts of corruption, influence peddling and other breaches of integrity may result in a disciplinary measure against the member(s) of staff concerned or even their dismissal.



Speak out!

If you witness anything that appears to you to be abnormal or infringes this Anti-Corruption Charter, make it known.

Reporting things early can help to solve a problem quickly and limit the damage.

HOW DO I REPORT A CONCERN?

To report a concern, you can:

- Speak to your manager or your manager's manager.
- Speak to the support departments concerned such as the Human Resources Department, the Finance Department or the Legal and Compliance Department.
- Use the Volvo Group Whistle tool at: www.volvogroup.com in the "About us" section or on Violin.
- Write a letter to the director of the Corporate Audit Department at the following address:

Head of Corporate Audit
AB Volvo
Department AA14400, VGHQ6
SE 405-08 Göteborg
Sweden

CAN I MAKE A WHISTLEBLOWING CLAIM ANONYMOUSLY?

Yes, if anonymous whistleblowing claims are authorised by the local regulations.

However, we encourage you to provide your identity when you make a whistleblowing claim. This enables the company to obtain all of the facts, investigate your whistleblowing claim correctly and hold confidential talks with you.

Your identity will be kept confidential.

WHAT HAPPENS ONCE I HAVE VOICED A CONCERN?

Once you have made your whistleblowing claim, the Volvo Group will study the situation and take the necessary measures.

If you voice a concern in good faith, the Volvo Group will not tolerate any form of reprisals against you. This applies regardless of the result of the investigation.

V O L V O