



# SLAVERY AND HUMAN TRAFFICKING STATEMENT

## SCANIA (GREAT BRITAIN) LIMITED

This statement is made by Scania (Great Britain) Limited (“SGB”) in accordance with Section 54 of the Modern Slavery Act of 2015, for the 2020 financial year.

### ORGANISATION

Scania (Great Britain) Limited (“SGB”) is a member of the Scania Group (“Scania”), which is a world-leading provider of transport solutions, including trucks and buses for heavy transport applications combined with an extensive product-related service offering. Scania offers vehicle financing, insurance and rental services to enable our customers to focus on their core business. Scania is also a leading provider of industrial and marine engines.

With around 51,000 employees in about 100 countries, Scania’s sales and service network is strategically placed where customers need it, no matter where they operate. Research and development activities are mainly concentrated in Sweden, with branches in Brazil and India. Production takes place in Europe, Latin America and Asia with facilities for global interchange of both components and complete vehicles. In addition, there are regional production centres in Africa, Asia and Eurasia.

Scania is also a brand under the TRATON GROUP. Under this umbrella the brands Scania, MAN and Volkswagen Caminhões e Ônibus, work closely together with the aim of turning the TRATON GROUP into a Global Champion of the truck and transport services industry.

### INTERNAL MEASURES

#### Code of Conduct

At Scania, the first priority is to ensure that it complies with all relevant laws and regulations wherever it does business. As a member of the UN Global Compact (“UNGC”), Scania adheres to its ten principles in the areas of human rights, labour, environment and anti-corruption, and is committed to implement, disclose and promote these principles throughout the organisation. Scania is also guided by the Organisation for Economic Cooperation and Development (“OECD”) guidelines for multinational enterprises; a set of recommendations for responsible business conduct.

Scania’s Code of Conduct is a document that sets out how it conducts business in an ethical and responsible manner. With main principles and practical examples, the Code of Conduct provides a guide through statutory provisions and internal rules: in the workplace, as a business partner and as a member of society. The Code of Conduct is binding for all employees and is closely connected to Scania’s ‘core values’.

The Code of Conduct is made up of several chapters, including one dedicated solely to human rights. Scania respects human rights and recognises its responsibility to remediate if it causes or contributes to violations of human rights. Scania’s aim is to assess and manage the impact to human rights every step of the way. Scania rejects all use of child labour and forced, bonded or compulsory labour as well as any forms of modern slavery and human trafficking. This applies not only to cooperation within Scania but also as a matter of course to the conduct of and toward business partners and there is an expectation that our business partners shall acknowledge and comply with the same principles.

#### Whistleblower System

Everyone inside and outside of Scania has access to established channels for reporting suspicions of compliance infringements, including suspicions of human rights violations. Scania’s



whistleblower system is committed to protect the individual and those affected. Scania does not tolerate retaliation of or pressure on whistleblowers. The individuals affected are presumed innocent until proven otherwise.

### **Employee Training**

Communication and employee training plays a key role in Scania's compliance and sustainability work across all hierarchy levels.

Employees have access to various training forms for topics addressed in the Code of Conduct. There are a number of mandatory training items for all employees at Scania, to help to deliver a consistent approach. The Dilemma Game (classroom training) was developed to facilitate discussions on ethical dilemmas and promotes Scania's open speak-up culture.

Scania also has a global e-learning covering the wide area of sustainability, which is mandatory for all managerial positions at Scania. All employees are encouraged to take the same course but it is not mandatory.

Scania complements its training offering with a full-day course specifically targeting buyers and supplier quality analysts. The purpose of this course is to provide all employees involved in any purchasing/procurement aspect within Scania, with the knowledge to undertake an initial screening of a potential or existing supplier and react on potential deviations from Scania's sustainability requirements.

In addition, employees are able to access other online and print communication offerings to obtain further information about the Code of Conduct and the sustainability processes within purchasing.

## **MEASURES IN THE SUPPLY CHAIN**

### **Supply Chain Standard**

Scania is a global company with suppliers located worldwide. These suppliers must meet the same standards that Scania demands from itself. Without exception, all suppliers must accept to comply with the UN Global Compacts' ten principles and commit to Scania's sustainability requirements (contained within the earlier mentioned, Code of Conduct).

Scania and its suppliers have the responsibility to respect and support human rights wherever they operate, in particular these regulations must be considered alongside local laws and regulations. It is the responsibility of the supplier to ensure that relevant rights are identified and prioritised. Scania requires all its suppliers (and its suppliers' personnel) not to tolerate any form of modern slavery, human trafficking, child, forced, bonded or compulsory labour. As part of the tendering and supplier approval process, suppliers are required to confirm that they will comply with the terms of the Code of Conduct. A key element is that the suppliers are expected to communicate Scania's standards to their own suppliers and subcontractors, which is followed up via a self-assessment questionnaire. Scania's requirements are the same no matter where Scania or the supplier operates, though there is a need to handle different risk profiles depending on country, industry or general knowledge about the supplier.

### **Audits and Trainings**

Scania may at any time review and/or request supplier self-assessments and/or perform on-site audits at the supplier's locations for the purpose of confirming compliance with the expected supply chain standards.

## **WAY FORWARD**

Scania continuously monitors and tries to improve its strategies in respect of compliance and sustainability.



The Legal and Compliance functions continue to support Scania in reducing compliance risks by providing knowledge, policies, guidelines, trainings and advice and by setting up respective structures and processes.

The Code of Conduct is an important document which promotes, educates and helps to monitor responsibility and compliance throughout Scania's supply chain. Scania believes it is of great importance to have clear and measurable requirements, allowing its suppliers to work in a proactive way. The Code of Conduct, it is hoped, will help Scania to continue to work closely together with its suppliers to ensure the improvement of compliance performance.

Because Scania regards human rights violations as a dynamic risk, Scania will align its monitoring procedures with ongoing developments and continue to raise awareness of all forms of modern slavery and human trafficking both inside and outside the company. Scania shall continue to monitor and work with suppliers to ensure that they do not engage in any form of forced, bonded, compulsory, trafficked, modern slavery or non-voluntary labour.

Signed by:

A handwritten signature in blue ink, appearing to read 'James Armstrong', with a stylized flourish at the end.

**James Armstrong**

Managing Director

10 September 2021

