



Communication on progress (COP) for Scania CV AB

From the core values to global management systems and the way Scania conducts its business, Scania is committed to upholding the ten principles of the United Nations (UN) Global Compact relating to human rights, labour, the environment and anti-corruption. We are embedding its 10 principles in our operations, in our supplier and other business relationships and take actions that advance societal goals.

This Communication on Progress (COP) is Scania's annual disclosure to stakeholders about the company's efforts to implement the principles of the UN Global Compact. Scania joined the UNGC in 2012.

Scania has one primary channel to report sustainability information, our integrated Annual and sustainability report. The Annual and Sustainability Report report 2017 put focus on Scania's efforts to drive the shift towards a sustainable transport system and Scania's contribution to society – delivering sustainable transport solutions by improving customer profitability. The report addresses sustainability issues both on strategic and in-depth level. It reflects how sustainability drives and has impact on our business, long-term organisational strategy, risks, and opportunities. Content is written both for business partners, employees and for other engaged stakeholders, CSR specialists and analysts. On some topics the report is complemented with information on our webpage.

The report is available at www.scania.com/sustainability. It is prepared in accordance with the Global Reporting Initiative's (GRI) Reporting Guidelines, we aim to fulfil the "In accordance – Core" criteria of the GRI standards. The report is also aligned with the Volkswagen Group guidelines on sustainability reporting, and is self-declared.

This year as well you can find our GRI-index with references on how each GRI-indicator relates to a UN Global Compact principle:

<http://www.scania.com/group/en/section/sustainability/gri-index/> .

A description of the transport industries relation with the Sustainable Development Goals and examples on Scania's contribution can be found in the report but also an extended version on:

<https://www.scania.com/group/en/delivering-on-the-sdgs-through-sustainable-transport/>

In addition, the table on the following pages indicates where to find information, in the report and on the web about how Scania works with the respective principles of the UN Global Compact.



UN Global Compact principle	Reference
Human rights	Committed to high principles
Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.	Responsible sourcing Making it happen, page 28-35 Sustainable every step of the way Doing things right
Principle 2 make sure that they are not complicit in human rights abuses.	Responsible sourcing Making it happen, page 28-35 Sustainable every step of the way Doing things right
Labour	Committed to high principles
Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Sustainability KPIs, page 131 Making it happen, page 28-35 Doing things right
Principle 4 the elimination of all forms of forced and compulsory labour;	Responsible sourcing Making it happen, page 28-35 Doing things right
Principle 5 the effective abolition of child labour; and	Responsible sourcing Making it happen, page 28-35 Doing things right
Principle 6 the elimination of discrimination in respect of employment and occupation.	Making it happen, page 28-35 Doing things right



Environment	<u>Committed to high principles</u>
Principle 7 Businesses should support a precautionary approach to environmental challenges;	<u>Making it happen, pages 32-35</u> <u>Energy and resource efficient operations</u> <u>Sustainability KPIs, page 130</u> <u>Doing things right</u>
Principle 8 undertake initiatives to promote greater environmental responsibility;	<u>Making it happen, pages 32-35</u> <u>Energy and resource efficient operations</u> <u>Sustainability KPIs, page 130</u> <u>Sustainable every step of the way</u> <u>Doing things right</u>
Principle 9 encourage the development and diffusion of environmentally friendly technologies.	<u>Making it happen, pages 32-35</u> <u>Sustainability KPIs, page 129</u> <u>Driving the shift, page 12</u> <u>Our approach to sustainable transport, pages 16-17</u> <u>Making it happen, pages 24-27</u>
Anti-corruption	<u>Committed to high principles</u>
Principle 10 Businesses should work against all forms of corruption, including extortion and bribery.	<u>Making it happen, pages 32-33</u> <u>Business ethics</u> <u>Sustainability KPIs, page 131</u> <u>Doing things right</u>