



Communication on progress (COP) for Scania CV AB

From the core values to our 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 or partnerships 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 2018 edition of Scania's Annual and Sustainability Report takes significant steps in outlining the journey that Scania is taking 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 all along the value chain of our products. It reflects how sustainability drives and has impact on our business, long-term strategy, risks, and opportunities. Content is written both for business partners, employees and for other engaged stakeholders, CSR specialists and analysts. The report is complemented with information on our webpage.

The report is available at <https://www.scania.com/group/en/scania-report-2018/>. 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:

<https://www.scania.com/group/en/gri-index/>

A description of the transport industries relation with the Sustainable Development Goals and examples on Scania's contribution can be found on: <https://www.scania.com/group/en/delivering-on-the-sdgs-through-sustainable-transport/>

In his CEO statement Mr. Henrik Henriksson, Scania's President and CEO expresses Scania's continued support for the Global Compact.

<https://www.scania.com/global/en/home/experience-scania/scania-annual-review-2018/ceo-statement.html>

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



UN Global Compact principle	Reference
Human rights	<u>Committed to high principles</u>
Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights.	<u>Responsible sourcing</u> <u>Sustainable every step of the way</u> <u>Doing things right</u> <u>Responsible raw material</u>
Principle 2 make sure that they are not complicit in human rights abuses.	<u>Responsible sourcing</u> <u>Sustainable every step of the way</u> <u>Doing things right</u> <u>Responsible raw material</u> <u>Responsible business KPI's</u>
Labour	<u>Committed to high principles</u>
Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<u>Doing things right</u> <u>Responsible business KPI's</u>
Principle 4 the elimination of all forms of forced and compulsory labour;	<u>Responsible sourcing</u> <u>Doing things right</u> <u>Responsible raw material</u>
Principle 5 the effective abolition of child labour; and	<u>Responsible sourcing</u> <u>Doing things right</u>
Principle 6 the elimination of discrimination in respect of employment and occupation.	<u>Doing things right</u>



Environment	<u>Committed to high principles</u>
Principle 7 Businesses should support a precautionary approach to environmental challenges;	<u>Environmental footprint</u> <u>Doing things right</u> <u>Environmental performance</u> <u>Precautionary principle</u>
Principle 8 undertake initiatives to promote greater environmental responsibility;	<u>Environmental footprint</u> <u>Sustainable every step of the way</u> <u>Doing things right</u> <u>Environmental performance</u> <u>Three pillars for sustainable transport</u>
Principle 9 encourage the development and diffusion of environmentally friendly technologies.	<u>Environmental footprint</u> <u>Three pillars for sustainable transport</u>
Anti-corruption	<u>Committed to high principles</u>
Principle 10 Businesses should work against all forms of corruption, including extortion and bribery.	<u>Business ethics</u> <u>Doing things right</u>