

VEONEER REPORT

FOR

Fighting Against Forced Labour and Child Labour in Canadian Supply Chains Report (financial year ending 31st December 2023)

ABOUT VEONEER

Established on May 31, 2023, as the result of a corporate reorganization, Veoneer Safety Systems (“Veoneer”) is a world leader in automotive safety restraint electronics systems. Our business was formerly part of the Veoneer Group of companies which was spun off from Autoliv, Inc., the worldwide leader in automotive safety systems, in 2018, and was later separated and sold to new owners in a series of transactions completed in 2022, 2023, and 2024.¹

Today, Veoneer is a tier-one automotive supplier headquartered in Southfield, Michigan USA, with affiliated group companies operating in 11 countries worldwide, focused on developing, designing, manufacturing, and supplying state-of-the-art automotive safety restraint systems to major vehicle manufacturers around the world.

Our restraint control systems save lives by mitigating the effects of automobile crashes. We have a passion for saving lives and we continue to build on our heritage of more than 70 years of automotive safety development.

ABOUT OUR SUPPLY BASE

Our company utilizes and manages a single supply base for our business. We do not have multiple supply bases or supply chains supporting our business. Our supply base is multi-tiered, global in nature and, as generally discussed in this report, Veoneer has established requirements and standards for suppliers that do business with our company. We work with more than 1,750 suppliers globally some of which support direct supply (providing components that go into the products we manufacture) and indirect supply (providing good or services that support our business operations). With specific reference to our operations in Canada, we currently have approximately 85 direct suppliers and 350 indirect suppliers who are located in North America, Europe and Asia.

¹For information regarding the sales transactions involving Veoneer in 2022 through 2024, please visit our website: www.veoneer.com/en/history

ABOUT THIS REPORT

This report is submitted in accordance with Section 11 of the Fighting Against Forced Labour and Child Labour in Supply Chains Act of 2023 (the "Act") by AV Bidco, Inc., the parent company of Veoneer Safety Systems, and this report is submitted as a joint report covering the following Veoneer Safety Systems group companies which meet the reporting criteria under the Act:

- **AV Bidco, Inc.**, a US corporation, and parent company of the Veoneer group
- **Veoneer Canada Safety Systems Holdco, Inc.**, a Canadian holding company
- **Veoneer Canada Safety Systems, Inc.**, a Canadian operating company
- **Veoneer US Safety Systems HoldCo, LLC**, a US holding company
- **Veoneer US Safety Systems, LLC**, a US operating company

This Report covers the reporting period ending December 31, 2023.

PREVENTING AND REDUCING THE RISK OF FORCED LABOUR OR CHILD LABOUR

Local legislation and our policies, processes, and standards define how we work with human and labour rights in all areas where we operate.

- **WRITTEN STANDARDS AND POLICIES AGAINST FORCED AND CHILD LABOUR**

Veoneer has the following written standards and policies which directly address our prohibition on forced labour and child labour and/or include auditing processes applicable to such prohibition:

- **Veoneer Standards of Business Conduct and Ethics ("Code of Ethics")**
- **Business Conduct and Ethics for Suppliers ("Supplier Code")**
- **Veoneer Standard 002 – Supplier Audits ("VS002")**
- **Supplier Acknowledgement Letter**
- **Veoneer Partner Portal ("VPP")**
- **Veoneer Supplier Manual (including Supplier Training Materials) ("VSM")**
- **Veoneer Sustainable Supply Chain Management ("VSSCM")**
- **Veoneer Sustainability Report 2023 ("VSR-2023")**

Below is a summary covering how these procedures, processes, and policies are in use at Veoneer.

With respect to overall company operations, we have an established Standards of Business Conduct and Ethics (the "Code of Ethics"), which confirms Veoneer's commitment to, among other things, prohibiting any form of modern slavery, forced, compulsory or involuntary labour, child labour, and human trafficking². As part of our commitment to labour rights, we do not allow forced, bonded, or involuntary labour. Any association with Veoneer should be an expression of free choice and anyone employed by Veoneer or any of its partners should be allowed to resign their employment at any time. All Veoneer employees receive mandatory training on our Code of Ethics. This

² For a complete copy of Veoneer's Code of Ethics, please visit: www.veoneer.com/en/governance. Of note, this Code is available in eight languages on our corporate website.

training is performed as part of employee onboarding and is required to be repeated every three years. The Code of Ethics is available at all times on our public website, as well as on our company intranet.

Additionally, on an annual basis, all employees at the managerial level and higher submit Code of Ethics certifications electronically in our compliance system. The certification requires the disclosure of known or potential violations of the Code of Ethics, laws and regulation, as well as other matters that may present actual or apparent compliance concerns.

Our Code of Ethics, employment policies and employee talent development support the principles contained in the United Nations Universal Declaration of Human Rights and the International Labour Organization’s Fundamental Principles and Labour Standards.

Compliance to our Code of Ethics is further monitored and supported through a third-party operated helpline where employees and third parties can confidentially report any suspected misconduct or violations of law or our standards in the language of any country where Veoneer operates. The Veoneer helpline has been available to all employees since July 1, 2018, and information regarding the Veoneer Helpline can be found on our public website at: www.veoneer.com/en/helpline.

- **SUPPLY BASE REQUIREMENTS**
 - *Mandatory Supplier Code of Conduct*

Veoneer’s commitment to strong ethics and compliance with all applicable laws is further extended to our supply chain by our requirement that all Veoneer suppliers, direct and indirect, comply with our Business Conduct and Ethics for Suppliers (“Supplier Code”)³. Veoneer’s suppliers are obligated to be fully compliant with all local laws and regulations applicable for them in the area where they operate. Our Supplier Code sets forth Veoneer’s expectations and informs our suppliers of the importance of conducting their activities in line with the principles addressed in the Supplier Code. Most specifically, the Code expressly provides:

Child Labor and Forced Labor

Child labor is not tolerated, and the age of employment in accordance with legally established minimum ages in the country where work is performed shall be complied with. Employing any person below the age of 15 is prohibited, except when clearly beneficial to the persons participating and allowable by local legislation. Any forms of physically abusive disciplinary practices are not tolerated, nor are any forms of forced, compulsory or involuntary labor, including modern slavery and human trafficking.

Fair Working Conditions

Working conditions, hours worked and compensation must be fair, and comply with regulations in the country where work is performed; complying with national provisions and agreements applicable to regulating working hours,

³ For a complete copy of Veoneer’s Supplier Code, please visit www.veoneer.com/en/governance. Of note, this Code is available in eight languages on our corporate website.

compensation of a living wage according to local living conditions, overtime compensation, and legally mandated benefits.

Under the Code, Suppliers are required to report non-compliances with the Code to their respective Veoneer Purchasing contact. In the event of any non-conformity, Veoneer reserves the right to early terminate, for cause, our business relationship with any supplier, and/or shall require that suppliers implement an action plan to bring their performance into line and to the extent appropriate shall provide suppliers technical support to jointly define the required remedies.

- o *Signed Acknowledgement of the Supplier Code*

Veoneer requires its suppliers to complete and sign a Supplier Acknowledgement Letter⁴ which confirms the supplier's understanding that the terms of the Supplier Code are mandatory in our business relationship and that the supplier will abide by the Code.

- o *Sustainable Supply Chain Management including Auditing*

Veoneer hosts the Veoneer Partner Portal ("VPP") which is a secure platform where suppliers and potential suppliers can access Veoneer's web-based applications and shared documents including the Veoneer Supplier Manual ("VSM") which outlines the requirements for doing business with Veoneer⁵. The VSM incorporates, by reference, the Supplier Code discussed above. The VPP also contains specific training for our suppliers on business conduct and ethics and Veoneer's Supplier Code.

Veoneer's Sustainable Supply Chain Management program also includes various auditing activities to evaluate processes and assess potential risks that may result from gaps or lack of control and such audits are further supported by Veoneer Standard 002-Supplier Audits("VS002")⁶. Included in the various audit types, are "Social Responsibilities Audits" which assess that our suppliers comply with and commit to upholding the same social, ethical, and environmental principles as Veoneer. This audit is required for all new suppliers or new supplier locations and is mandatory to perform as part of the supplier pre-qualification process, and existing suppliers are also covered by the audit requirement.

Per VS002, our Suppliers are audited on a three-year rolling basis.

In our Sustainability Report covering 2023, Veoneer reiterated its commitment to operate our business with the highest ethical standards. For 2023, we completed 23

⁴ For a copy of Veoneer's Supplier Acknowledgement Letter, please visit www.veoneer.com/en/governance. Of note, this document is available in eight languages on our corporate website.

⁵ To access the VPP and the Veoneer Supplier Manual, please visit: <https://suppliermanual.veoneer.biz/en>

⁶ For more details on Veoneer's Sustainable Supply Chain Management practices, including audits, please visit: www.veoneer.com/en/sustainable-supply-chain-management

Social Responsibility audits with our suppliers with the results confirming 100% compliance⁷.

MEASURES TAKEN TO REMEDIATE ANY FORCED LABOUR OR CHILD LABOUR IN THE COMPANY'S ACTIVITIES OR SUPPLY CHAIN

As of the date of this Report, Veoneer has not received any reports of risks or use of forced or child labour in our supply chain, and we have not identified any such risk or use of forced labour or child labour through our supplier processes.

MEASURES TAKEN TO REMEDIATE THE LOSS OF INCOME TO THE MOST VULNERABLE FAMILIES RESULTING FROM ANY MEASURE TAKEN TO ELIMINATE THE USE OF FORCED LABOUR OR CHILD LABOUR IN THE COMPANY'S ACTIVITIES AND SUPPLY CHAIN.


As no reports or findings for risks or use of forced labour or child labour have been reported or identified, Veoneer has not had to take any such remediation actions.

CONTINUOUS IMPROVEMENT

At Veoneer, how we do business is as important as the business we do. As a safety company, our corporate culture is focused on ensuring we deliver best-in-class restraint control systems while maintaining the highest ethical standards. We continuously assess and develop our processes and standards to ensure that we work in compliance with law and according with our commitments.

ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information contained in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above. In accordance with section 11(4)(b)(ii) of the Act, this Report has been approved by the governing body of AV Bidco, Inc., parent company of Veoneer Safety Systems, which controls the Veoneer Safety Systems legal entities covered under this Report.



Eric R. Swanson
Director
AV Bidco, Inc.

I have the authority to bind AV Bidco, Inc.

⁷ See Veoneer's Sustainability Report 2023, available at: www.veoneer.com/en/sustainability-report