



Sustainability  
Report 2025

veoneer

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## 2025 in Brief

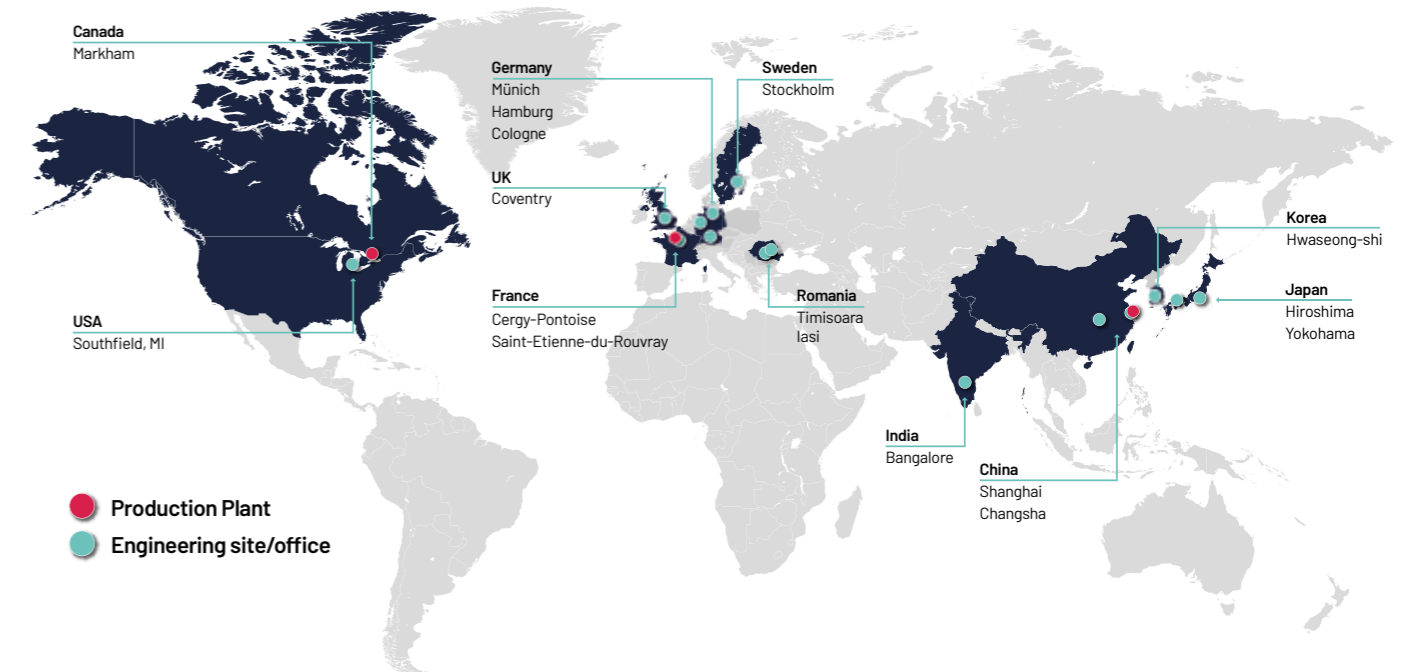
# A World Leader in Automotive Electronics Safety Systems

Veoneer designs, manufactures, and sells the world's best automotive safety electronics. Our scalable restraint control systems are saving lives by mitigating the effects of a car crash.

At Veoneer, we have a real reason for going to work: Veoneer exists to protect everyone in every crash. Veoneer is a world leader in automotive electronics safety systems,

with more than 1 billion sensors and electronic control units delivered. In 2025, the company's products were part of nearly 30 scheduled vehicle launches.

Owned by American Industrial Partners and headquartered in Southfield, Michigan, Veoneer has approximately 2,400 employees in 11 countries.

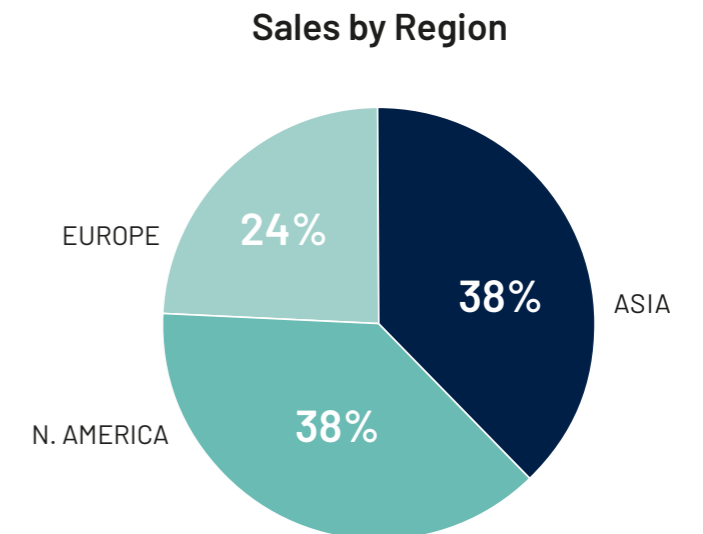


**~2400**  
ASSOCIATES

**11**  
COUNTRIES

**3**  
MANUFACTURING SITES

**23.5%**  
MARKET SHARE IN 2025



# 2025

Veoneer's purpose remains clear: **To Protect Everyone in Every Crash**. Our purpose continues to guide all our decisions and reinforces that our most meaningful contribution to society comes through our core business.

In 2025, we built on the strong foundation established under American Industrial Partners. With stable ownership and a clear strategy, Veoneer continued to strengthen its operational performance while advancing our sustainability agenda. As part of this commitment, we established a more active Sustainability Forum which has enhanced our governance structure and has helped embed environmental, social, and governance considerations into daily operations.

Climate action remains a priority. Over the past year, we continued to grow our region specific emissions reduction efforts and integrated these targets into

our performance review process. We also expanded oversight in our supply chain through increased certification monitoring and the broader use of third party sustainability assessments.

As innovation, safety, and rapid technology shifts continues to shape our industry, we remain committed to responsible and transparent business practices. These principles are essential to long term value creation for our customers, employees, and partners.

We invite you to explore our **2025 Sustainability Report**, which outlines our progress, our challenges, and our continued commitment to building a safer and more sustainable future.

May 2026  
**Nik Endrud, CEO**



# Protect Everyone in Every Crash



**The UN 2030 Agenda for Sustainable Development has a target of reducing road traffic deaths and injuries by 50% by 2030. Each year, road crashes claim the lives of nearly 1.2 million people - around 3,200 each day.**

Road traffic injuries remain the leading cause of death for children and young people aged 5-29. Two thirds of road traffic fatalities occur among people of working age (18-59 years), and approximately 25% of fatalities are drivers and passengers in 4-wheeled vehicles.

**A Business Strategy Delivering Positive Impacts**  
Guided by our purpose To Protect Everyone in Every Crash, Veoneer's core business contributes directly to the Sustainable Development Goal #3 by reducing the number of road fatalities. We design, manufacture and sell the world's best automotive safety electronics to vehicle manufacturers globally. Customer centricity, world-leading quality, and a deep understanding of business will allow us

to make increased safety in vehicles affordable for more people.

Our Restraint Control Systems (RCS) sense and trigger pre-crash and in-crash occupant protections, such as tightening safety belts and deploying airbags, and transmit calls to emergency services when the system determines a collision has occurred. In 2025, Veoneer participated in approximately 30 vehicle launches, and to date, Veoneer has delivered more than 1.1 billion electric control units and crash sensors\*.

Veoneer's SC3 RCS is a highly tailored chipset built on a scalable platform; it includes a family of micro-controllers, software based on our extensive experience in the RCS domain, new mechanical design with manufacturing standardization, and the latest of our high-performance families of crash algorithms. This scalable architecture increases time-to-market and helps lower R&D costs and scrap, making increased safety affordable to more people.

\*Including when Veoneer was part of Autoliv













# Focus Areas, Ambitions and Performance

Our sustainability approach is designed to create long-term stakeholder value by focusing on the most material areas supported by long-term ambitions and concrete targets.

### Materiality Analysis

The double materiality assessment has been combined with a constant review of global challenges,

the automotive industry's challenges, external reports, changes in legislation and frameworks, ESG surveys, stakeholder surveys, and interviews with internal and external stakeholders. This assessment has helped us identify the sustainability areas where we can make the greatest difference. We have identified gaps, baseline metrics, and defined ways to measure our progress.

	UN SDG Target	Focus Areas & Material Topics	Ambitions, goals and targets	2025 Performance
Business	  	<b>Sustainable Mobility:</b> Market leader in Automotive Safety Electronics - Life-saving RCS - World-leading quality	<b>To Protect Everyone in Every Crash</b>	23,5% market share
E		<b>Climate Action</b>	<ul style="list-style-type: none"> <li>2030; 75% Reduction of Carbon Emissions (scope 1&amp;2)</li> <li>2035; Carbon Neutral Operations</li> <li>2040; Carbon Neutral Products From sourcing to disposal</li> <li>2045; Carbon Neutral Company Base year 2019. Revised goals</li> </ul>	Scope 1 and Scope 2 emissions: 8,154 tons CO2 eq (market based) A reduction of 17%
	 	<b>Circular Economy</b> - Waste management - Materials sourcing	<ul style="list-style-type: none"> <li>Year-on-year reduction of waste</li> <li>Zero significant spills and fines</li> <li>"Green" supply chain</li> </ul>	- 17% waste reduction (in tons) - 0 spills and fines - 84% green suppliers
S	 	<b>Safe &amp; Healthy Workplace</b> - Attract and retain employees - Incident rate - Severity rate	<ul style="list-style-type: none"> <li>Voluntary employee turnover rate by 5.17%</li> <li>Zero workplace-related accidents</li> </ul>	- Voluntary employee turnover: 4.32% - Incident rate: 37 - Severity rate: 4
G	 	<b>Ethical business</b> Code of Ethics Anti-corruption and anti-trust Helpline	Zero ESG related legal or regulatory fines	No ESG related legal or regulatory fines

# Stakeholder Engagement

**Risk and opportunity analysis** are conducted regularly by multiple business functions to capture cross-functional insights to risk and opportunities. We strive to systematically assess and manage key impacts, risks, and opportunities on society and the environment related to our business value chain. Engagement with a wide variety of stakeholders helps us drive sustainable mobility and to be aware of expectations. Our main stakeholder groups are those with a high level of influence and interaction, and with whom we interact directly and actively in our day-to-day business.

**Customers and end-customer** insights have high interest in products with improved sustainability performance, both social (protecting people) and environmental (carbon). We engage and collaborate with customers in product innovation and share knowledge at relevant conferences and events. Environmental and social supply chain transparency typically relates to where and how our products are manufactured, along with details of energy efficiency in operations and in our products, and the materials contained therein.

**Associates** are engaged through annual appraisals, pulse surveys, training and development initiatives, staff meetings, and the intranet. Supplier and business partner issues are managed through close cooperation, supply chain audits, and Supplier Code of Conduct compliance.

**Governmental and legal organizations** have strong interest in improving traffic safety, limiting air emissions, and lowering carbon emissions. We provide them with our research in various ways.

**Non-governmental organizations (NGOs)** are engaged through local dialogues when relevant.

**Community** engagement initiatives are generally decided and carried out locally. Examples of local solidarity actions during the year include:

- Veoneer's French sites celebrated the holidays by supporting Restos du Cœur, an organization in France committed to supporting those in poverty or who may be experiencing homelessness.
- The India facility participated in a blood donation drive, sponsored by the Indian Red Cross.
- The team at Veoneer's office in Hiroshima, Japan, took part in "Book Santa," a volunteer project that gifts books to children facing difficult circumstances.
- The Veoneer team in Iasi, Romania, hosted a charity baking event.
- The team in Timisoara took part to local tree planting event.
- Veoneer France has celebrated "Pink October", as part of the commitment to promoting breast cancer awareness and supporting those currently living with the disease.
- Our team in Romania embraced the spirit of generosity through the "Start Safely, Hope for the Future" campaign, an initiative dedicated to supporting children from vulnerable communities with essential school supplies.
- The Veoneer team in India joined together in support of a tree planting event focused on environmental sustainability.
- The Veoneer team at UST came together to support "Operation Backpack," an initiative by Volunteers of America Michigan that provides school supplies to students in need in Southfield and across metro Detroit.
- Members from Veoneer's facilities in China visited a special education institution to spend time with autistic children.
- The Veoneer team in Japan participated in an initiative sponsored by Japan Committee for Vaccines for the World's Children (JCV) called "Vaccines from Old Clothes."
- The Veoneer team in India supported the infrastructure development of a (Kindergarten). Government School to provide a better learning environment for young children.

# Structured Approach to Environmental Performance

## 2025 Highlights

- Veoneer's plant in China, which is the biggest contributor of carbon emissions in the group, has started to purchase part of its electricity from renewable.
- Significant energy savings actions have been implemented in France, like replacement of one old natural gas boiler with modern electrical heating.
- Globally, the ratio of recycled waste has increased to 78% of total waste tonnage.
- Awareness sessions on climate change have continued.
- Life-cycle analysis has been implemented to evaluate new eco-design options.
- The score of all Sustainability questionnaires has increased: Ecovadis score has improved to 61%, NQC is at 90%, and CDP has reached C for climate and water.
- Two Veoneer plants passed the specific ESG assessment of a major OEM with scores significantly greater than the 70% minimum requirement.
- In a recent benchmark within AIP portfolio companies, Veoneer scored very well both compared to AIP and against AIP's other automotive component suppliers across all categories (for example, Scope 1&2 GHG Emissions - Veoneer: Top 25% of automotive component suppliers).

## Policies

Veoneer has a strong commitment to doing business in an environmentally sustainable manner, outlined in Veoneer's Code of Ethics and in the Supplier Code of Conduct, applicable to all people working for Veoneer.

Anchored within the Code of Ethics are Veoneer's Environmental policy and standards.

## Environmental Policy

Veoneer's Environmental policy has a value chain perspective. We engage with our employees, customers, and suppliers to improve our environmental performance, with a particular focus on safe mobility and climate action across the value chain.

## Management Approach

Veoneer is committed to operating its business in an environmentally sustainable manner and supports the Paris Climate Agreement and its goals. Reducing our direct and indirect greenhouse gas follows these five principles:

- Reduction of energy use and a progressive switch to renewable energy, in parallel with feasibility studies of on-site renewable electricity production.
- Transportation optimization - our vehicle fleet, business travel, employee commuting, as well as logistics - with less environmental impact
- Eco-design to reduce environmental impact during the entire lifecycle through usage of recyclable hardware with fewer components, less weight, and less power consumption, and through packaging optimization.
- Waste minimization and recycling improvement, together with avoidance of landfill, as much as possible.
- Involvement of the supply chain with the expectation that they will follow the same high standards with a particular focus on materials with the highest portion of carbon footprint.
- We engage with our employees, customers, and suppliers to improve our environmental performance, with a particular focus on safe mobility and climate action across the value chain.

## Environmental Management System

All our manufacturing facilities are ISO14001 certified. We commit to environmental management systems and environmental performance continuous improvement. We will fulfill all compliance obligations and customer requirements.

Veoneer's Environmental Management System (EMS) emphasizes continuous improvement and learning and establishes the requirements for a standardized global approach to environmental management. This includes identification of material environmental aspects, objective setting, competence development and performance follow-up.

It also establishes a standardized reporting of energy, water, waste, and compliance-related topics, including spills and fines.

## Training and Awareness

Environmental awareness training was launched in 2022, available to all employees.

To further emphasize the importance of environmental awareness, local environmental training programs were launched. In France, employees from the Tech Center learned more about GHG emissions and calculated their own carbon footprint through these dedicated trainings.

In the Purchasing function, 32 buyers out of 46 have been trained on sustainability within the supply chain. This training includes the metrics and methods we use to monitor supplier performance on third-party platforms, helping them better understand environmental challenges.

Veoneer has also engaged in many community initiatives. These are shared with all employees via the company intranet ("Vnet") to help increase awareness.

Among these initiatives, several are related to environmental protection or circular economy; examples for 2025 include:

- The Veoneer teams in Timisoara (Romania) and in India held a tree planting event focused on environmental sustainability
- The Veoneer team in Japan participated in an initiative sponsored by Japan Committee for Vaccines for the World's Children (JCV) called "Vaccines from Old Clothes."

## Responsible Supply Chain

As required by the Supplier Code of Conduct, Veoneer's suppliers must comply with all applicable environmental laws and regulations, and promptly develop and implement plans or programs to correct any non-compliant practices. They should conduct business in an environmentally friendly and responsible manner, taking a precautionary approach to environmental challenges by designing and developing products that limit the impact they have on the environment.

To demonstrate full environmental commitment, our suppliers should implement an Environmental Management System, preferably based on ISO 14001, and obtain the corresponding certification. Veoneer's Purchasing Department monitors the percentage of direct materials spend from ISO 14001 certified suppliers, which was 97% in 2025.

## Land Use and Biodiversity

Veoneer's facilities, including offices, tech centers and manufacturing facilities, are located in urban areas with limited impact on land use and surrounding ecosystems. The main drivers of loss of biodiversity and degradation of ecosystems, on which Veoneer and its value chain has an impact, are climate change and use of natural resources. Consequently, Veoneer addresses its biodiversity-related impacts through its efforts within climate change mitigation and the transition to a circular economy. Biodiversity, including ecosystems, is therefore not managed or reported on a standalone basis.

## Metrics and Targets

- All Veoneer's manufacturing facilities are ISO 14001 certified
- 97% of direct material spend comes from ISO14001 certified suppliers

SO 14001 Certification	Target	2025	2024	2023
% of Manufacturing sites certified	100%	100% (3 of 3)	100% (3 of 3)	100% (3 of 3)
% of TC > 100p. certified	NA	20% (1 of 5)	20% (1 of 5)	20% (1 of 5)
% sites certified	NA	40% (4 of 10)	36% (4 of 11)	36% (4 of 11)
% of employees from sites > 100p. working in an ISO 14001 certified environment	60%	60%	61%	62%
% of all employees working in an ISO 14001 certified environment	50%	56%	56%	57%
Percentage of Direct Materials spend coming from ISO 14001 certified suppliers	97%	97%	93%	-

GRI	Training	Target	% Completed of target group	No employees trained		
				2025	2024	2023
	Environmental awareness training	100%	100%	35	241	461
	Sustainability in Supply Chain	100%	70%	32	13	-

# Climate Action

## 2025 Highlights

- Two Veoneer plants have been audited on carbon emissions reporting according to ISO14064 by an accredited company; both successfully passed the audit.
- The sum of Scope 1 and Scope 2 emissions has globally been reduced by almost 20% in one year (market-based method).
- Veoneer's Chinese plant, the company's biggest contributor of carbon emissions, has started to purchase a part of its electricity from renewables, reducing its emissions by 20%.
- Veoneer's French manufacturing facility has replaced one old natural gas boiler with modern electrical heating, obtaining a 30% reduction of natural gas consumption in winter. Additionally, the plant has implemented various energy saving actions, like improved production means shutdown procedures.
- Due to the sale of the Active Safety business in 2023 and subsequent production ramp down in 2024 and 2025, the number of thermal chambers used for quality screening has significantly decreased in all our plants, reducing the risk of fugitive emissions of refrigerant fluids.
- The biggest engineering offices have switched to partial or complete renewable electricity (USA, India, France, Romania).
- Globally, electricity usage was at 50% from renewable sources and at 65% from carbon-free sources.
- KPIs related to fighting carbon are shared in the quarterly business reviews.
- Indirect emissions have been evaluated on the most relevant Scope 3 categories.
- The most impacting Scope 3 emissions are related to purchased goods.
- Our product usage on low emission vehicles (electric and hybrid) has increased by 8% in the last year.

## Impacts, Risks and Opportunities

Climate change poses a risk to humanity and is driving significant environmental, social, political, and economic changes. Veoneer has identified material impacts related to climate change both upstream and downstream in its value chain, as well as in its own operations.

The vast majority of GHG emissions in Veoneer's value chain occur downstream, primarily from when used in vehicles. The relative importance of upstream emissions, from extraction and processing, manufacturing activities, and transportation, is expected to increase as more renewable energy is deployed and used in the downstream portion of the value chain, reducing emissions from the use phase of sold products. Emissions from Veoneer's direct operations (Scope 1 and 2) represent a small portion of the total carbon footprint but are still considered material.

The most material physical risks identified are connected to a changing climate with increased frequency of extreme weather events, such as floods, storms, hurricanes, wildfires, or heavy rains. In addition, the increasing scarcity of some natural resources, such as water, may directly impact the automotive industry. Climate change may also lead to geopolitical changes in some regions. Lastly, the spread of pandemics could also have impact on our business. In our continuous work with property loss prevention, we take physical climate change risks into consideration by addressing known property risks and protecting our facilities against natural hazards and other climate change consequences. Some regions, mainly Asia, pose higher risks for our business and our associates, but also to our supply chain, local societies, and customers in these regions.

The main risks and opportunities come from the transition from fossil fuels to electric vehicles, hydrogen, and other renewable fuels. This transition is key to reducing carbon emissions, particularly in the use-phase. As emissions from the use-phase will decrease, focus will increasingly shift to the entire value chain, with the best opportunity being to work closely with manufacturers of electric vehicles (EV) and to increase operational energy and materials efficiency. The market shift to electrical vehicles does not impact Veoneer since our products are compatible with use on electrical vehicles.

Energy saving in our facilities and green energy supply are other opportunities coming from our carbon neutral ambition.

## Management Approach

Climate-related risks will be integrated in the **Enterprise Risk Management** (ERM) process.

## Climate Mitigation

Targets have been set with internal reduction tracking per region. KPIs related to reducing carbon levels have been incorporated in each Veoneer Business Area's KPI sheet and, quarterly, are part of Veoneer's business reviews.

## Eco-Design

Eco-design is part of Veoneer's environmental management standard, striving for the lowest possible environmental impact throughout the entire product life cycle.

## Responsible Supply Chain

The Veoneer Supplier Code of Conduct mandates that suppliers consider climate change through identifying, controlling, and reducing greenhouse gas emissions. Additionally, Veoneer standard Purchasing Terms and Conditions require suppliers to annually disclose their carbon emissions to Veoneer and commit to emissions-reduction.

## Energy efficiency and renewable energy sources

In its own operations, Veoneer is continuously increasing its share of renewable energy.

*Scope 1 emissions* for Veoneer consist of fuel sources for heating, cooling and power production processes, and vehicle and fugitive emissions. Fuel sources are mainly natural gas, but also some diesel and gasoline. Fugitive emissions mainly include a limited number of refrigerants and compressed gases leakages.

*Scope 2 emissions* are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. The mix of electricity (indirect Scope 2) used in our manufacturing facilities differs significantly from country to country and is closely related to the country's or region's electricity mix. Within our sites' footprint, there can be a factor 20 between the countries with higher carbonated electricity and the countries with higher ratio of decarbonized electricity. For this reason, we are implementing clean electricity procurement, including in fossil energy-dependent markets.

*Scope 3 emissions* are the result of activities from assets not owned or controlled by the reporting organization yet is indirectly affected in its value chain. Veoneer is committed to improving its performance step-by-step along its value chain and in close collaboration with suppliers and customers. Our goal is to report the main impacting Scope 3 categories.

## Electricity Mix

The mix of electricity (indirect Scope 2) used in our manufacturing facilities differ.

**Canada (Ontario)** runs on electricity that is 87% carbon free: 35% renewable (hydro power 26%, and wind and solar 9%) and nuclear 52%.

**France** runs on electricity that is 100% carbon free: 100% renewable (hydro, wind, and solar).

**China** runs 85% on grid electricity that is 35% carbon free; the remaining 15% of electricity comes from renewables.



**Transportation**

Veoneer has a regional set-up of factories, reducing transportation from us to our customers, saving both time and carbon.

Around 90% of our transports are regional, meaning that our factory in China mainly delivers to car manufacturers in Asia, our factory in Canada to car manufacturers in the Americas, and our European factory to car manufacturers in Europe. When there were exceptions, initiatives to relocate Veoneer production to align with the customer’s production site have been implemented. For example, production was relocated from China to France to be closer to a European OEM plant.

Additionally, Veoneer France has launched a pilot activity using a Transport Management System where carbon emissions are specified for each transport, improving efficiency.

**Business Travel**

Digital meetings and augmented reality have become important tools to limit business travel and save time, money, and carbon emissions.

**Employee Commuting**

Depending on the country and position, up to half of Veoneer’s associates have the opportunity to work hybrid, combining remote and office work (excluding associates at the plants). This lowers carbon emissions from employee commuting.

**Metrics and Targets**

**Targets**

- 2030: 75% Reduction of Carbon Emissions (Scope 1&2)
- 2035: Carbon Neutral Operations
- 2040: Carbon Neutral Products from sourcing to disposal
- 2045: Carbon Neutral Company

Baseline is set to 2019.

**Energy**

Each facility maintains a current record of reported data, including billing documents for self-assessment and auditing purposes.

**Metrics**

Energy consumption	GWH			%		
	2025	2024	2023	2025	2024	2023
<b>Total energy used</b>	40.3	41.1	37.5	100%	100%	100%
- Direct energy	2.7	2.3	2.8	6.8%	5.5%	7.3%
- Indirect energy	37.6	38.8	34.7	93.2%	94.5%	92.7%
<b>Direct energy</b>						
- Natural gas (scope 1)	2.5	2.0	2.5	6.1%	4.8%	6.7%
- Diesel mobile, fleet consumption (scope 1)	0.1	0.1	0.1	0.2%	0.3%	0.2%
- Gasoline mobile - fleet onsumption (scope 1)	0.2	0.2	0.1	0.4%	0.4%	0.3%
<b>Indirect energy</b>						
- Manufacturing facilities (electricity)	34.2	35.4	31.4	91.0%	91.2%	90.5%
- Tech Centers (electricity)	3.4	3.4	3.3	9.0%	8.8%	9.5%
<b>Total energy used by region</b>						
- North America	12.1	10.6	10.3	30.1%	25.7%	27.5%
- Europe	10.4	10.9	12.1	25.9%	26.6%	32.0%
- Asia	17.8	19.6	15.2	44.0%	47.7%	40.5%

Total Carbon free and Renewable Energy Use by Region	GWH		% of total energy use	
	2025	2024	2025	2024
<b>Carbon-free electricity use</b>	26.1	23.7	64.7%	57.7%
- North America	9.9	8.5	81.5%	80.3%
- Europe	8.4	8.8	80.3%	80.5%
- Asia	7.8	6.4	44.1%	32.9%
<b>Renewable electricity use</b>	20.2	17.7	49.9%	43.1%
- North America	4.7	3.6	38.4%	33.8%
- Europe	8.4	8.6	80.6%	79.4%
- Asia	7.1	5.5	40.0%	28.0%

Greenhouse Gas Emissions Scope 1 & 2				
Scope	Unit	2025	2024	2023
Scope 1 and 2 (market based)	tCO2e	8,154	10,002	10,966
Scope 1 and 2 (location based)	tCO2e	10,137	10,280	11,131
Direct Scope 1	tCO2e	1,188	485	604
Indirect Scope 2 (market based)	tCO2e	6,966	9,516	10,363
Indirect Scope 2 (location based)	tCO2e	8,949	9,794	10,528
GHG emissions intensity	tCO2e/Net Sales MUSD (market based)	9.2	10.5	11.7
<b>North America</b>	%	11.0%	9.5%	9.6%
<b>Europe</b>	%	8.5%	8.6%	9.5%
<b>Asia</b>	%	80.5%	81.9%	80.9%

Greenhouse Gas Indirect Emissions Scope 3				
Scope	Unit	2025	2024	2023
Purchased goods	tCO2e	32,500	NA	NA
Upstream transportation	tCO2e	840	NA	NA
Other upstream categories (Waste generated in operations, Business travel, Employee commuting)	tCO2e	4,360	NA	NA
<b>Total Upstream Emissions</b>	tCO2e	37,700		
Downstream transportation	tCO2e	3,360	NA	NA
End-of-life treatment of sold products	tCO2e	8,000	NA	NA
<b>Total Downstream Emissions</b>	tCO2e	11,350	NA	NA
<b>Total Scope 3 Emissions</b>	tCO2e	49,050	NA	NA
<b>North America</b>	%	33	NA	NA
<b>Europe</b>	%	24	NA	NA
<b>Asia</b>	%	43	NA	NA

% of Products Used on Low Emissions Vehicles		2025	2024
- Total	Hybrid	30%	24%
	Electric	8%	6%
- North America	Hybrid	8%	6%
	Electric	6%	6%
- Europe	Hybrid	37%	27%
	Electric	5%	2%
- Asia	Hybrid	43%	35%
	Electric	10%	9%

We report carbon equivalents (CO2e), encompassing carbon dioxide, CO2e of CH4, and CO2e of N2O, the latter two representing very small amounts. Measurement periods are aligned to the fiscal year and based on the latest available data at cut-off date, supplemented with extrapolated estimates for periods where no measured data is available. Figures restated for 2023 cover the remaining RCS share of business and enhance comparability. Veoneer is firmly focused on becoming more energy efficient step-by-step and on increasing the share of renewable energy.

# Water

## Impacts, Risks and Opportunities

Water is essential to life on earth and one of the world's most precious resources. Material impacts related to water have been identified upstream in the value chain, primarily linked to the manufacturing of semiconductors and extraction of natural resources (such as minerals used in electronic hardware). Semiconductor manufacturing requires high quality water; often fresh water is used, which may cause an impact on water availability in adjacent communities if not managed properly. Mining of minerals can impact water in several stages of the mining process, which may impact both the availability of fresh water as well as the quality of the water. As water is a key input in certain parts of Veoneer's upstream value chain, water shortages affecting these parts of the value chain could lead to supply chain disruptions. Manufacturing of semiconductors, mainly in Southeast Asia, are at risk of high water stress in the future, which could cause shortages of manufacturing inputs.

Veoneer has not identified any material water-related impacts in its own operations or downstream in the value chain. Veoneer's manufacturing consists of assembly of electronic components, and water is not used their production. Water is used for cooling, humidity management, sanitization, or in the canteens; 100% of our water withdrawal comes from municipal water supplies. Fresh water is not directly drawn from ground or surface water sources. According to Aqueduct's Water Risk Atlas, Veoneer's

manufacturing facilities are located in areas where water scarcity is considered low (Canada and France) and medium-high (China).

Veoneer's Restraint Control Systems do not consume water in their use phase.

## Policies

Veoneer's Business Code of Ethics and the Environmental policy emphasize the need to reduce the use of natural resources, including water.

## Management Approach

Veoneer acknowledges that water is essential to life on earth and one of our most precious resources. Veoneer's manufacturing consists of assembly of electronic components, and water is not used in their production.

## Responsible Supply Chain

The Veoneer Supplier Code of Conduct stipulates that business resources should be sustainably managed to reduce the environmental impact of operations, explicitly including the limitation of water consumption and the maintenance of water quality.

## Metrics

While not related to any identified material impacts, risks or opportunities, Veoneer discloses water consumption and intensity metrics for its own operations, as this information is frequently asked for by external stakeholders.

	Unit	2025	2024	2023
<b>Total water consumed</b>	Megaliters	32.0	29.2	26.0
<b>Purchased water</b>	%	100	100	100
<b>Water recycled and reused</b>	Megaliters	0	0	0
<b>Water consumption intensity</b>	m3/net sales MUSD	36	31	28

Figures for 2023 and 2022 are restated to cover the remaining RCS share of business and enhance comparability.

# Circular Economy

## Impacts, Risks and Opportunities

Material impacts related to resource use and the transition to a circular economy have been identified upstream in the value chain, primarily linked to manufacturing of electronic equipment. In the downstream value chain, it is related to the recovery and treatment of vehicles' end-of-life.

Design choices significantly impact the resource efficiency and the recyclability of automotive materials. Automotive safety electronics are manufactured using plastics as well as mined and processed raw materials, such as steel, aluminum, copper, tin, tantalum, tungsten, gold, mica, cobalt, and other rare earth minerals.

Automotive suppliers have limited control over material recovery and recycling. To achieve circularity in the automotive sector, several aspects are essential; circular product design should prioritize modularization to facilitate repairs, upgrades, and vehicle disassembly. Focus must be on optimizing product lifetimes to keep materials within circular loops for as long as possible. This requires a framework that companies cannot achieve alone.

Due to understandable quality reasons, our products that have safety functions cannot be repaired. The improvement of internal quality has a positive impact on the environment as it decreases the quantity of scrapped products from production.

## Policies

Veoneer's Business Code of Ethics is complemented by the Environmental policy and several standards, such as the Environmental Management Standards policy.

## 2025 highlights

- The manufacturing plant in Canada has implemented a redesign of trays allowing reuse for some customers; this action contributed to a reduction in indirect CO2 emissions.

- Several other actions of waste reduction have been implemented in Veoneer's Markham, Ontario, plant, like organic waste segregation, or removal of paper towels in the facility washrooms.

- The plant in France has implemented several actions to improve waste sorting to increase the recycling ratio of non-toxic waste. In addition, a significant number of obsolete production means have been sent for recycling, allowing recovery of the metallic elements.

- Waste management improvement initiatives are also underway in our Tech Centers in Romania, France, and Germany. These include initiatives in sorting and repairing, and the practice of reusing and recycling furniture and IT assets.

- Collaboration has started with one of our customers on eco-design and life-cycle-analysis studies.

## Management Approach:

### Standardized Platform

Veoneer's standardized and scalable SC3 platform is one important way to reduce waste, as less variants are produced.

### Eco-design and Life Cycle Assessment

Eco-design is a vital part of Veoneer's Environmental Management Standard, striving for the lowest possible environmental impact throughout the entire product's life cycle. Eco-design is assessed in the ISO 14001-certifications.

Life-cycle assessment on the Restraint Control platform SC3 shows:

- The highest impact of the product is from the raw materials phase and the use phase.

- Reducing one parameter (like the weight of the product) does not guarantee a significant reduction of the product's environmental impact.

- The impact of the use-phase varies depending on how the vehicle is being fueled.

- If the SC3 is mounted in an electric car, the country's energy mix is considerably impacted.

The use-phase was studied in several markets, among them Norway, China, Switzerland, UK, and the U.S.

**Responsible Supply Chain**

The global automotive electronics supply chain is long and complex. It begins with the extraction of natural resources used in electronics manufacturing, which are then sold and transported to smelters and refiners for processing. The refined materials are traded and exchanged, and subsequently used as Veoneer assembles the hardware for its Restraint Control Systems, before being shipped and mounted into our customers' vehicles. Approximately 65% of Veoneer's product cost is purchased materials.

Material environmental impacts related to the upstream value chain are primarily greenhouse gas (GHG) emissions from resource extraction, manufacturing and transportation; use of natural resources and possible inclusion of banned or restricted substances; and fresh water use in primarily resource extraction activities and in semiconductor manufacturing.

Generally, we try to work with suppliers in the region where our products are manufactured and later sold to customers and end-customers to minimize transportation, currency risks, and other costs.

The Veoneer Supplier Code of Conduct requires suppliers to conduct business in an environmentally friendly and responsible manner by designing and developing products that consider the impact they have on the environment and the potential to reuse and recycle them. In addition, resources utilized in business should be sustainably managed, minimizing the use of hazardous chemicals, and subjecting generated wastes to a reasonable reduction and recycling program.

**Materials Management**

As a global automotive safety electronics company, compliance with chemical and material regulations is essential. At the core is our standard that defines requirements for material data reporting and substance use restrictions, applicable for both us and our suppliers. This standard is updated regularly to reflect the latest legal and customer requirements.

Chemicals and chemical preparations used in manufacturing processes shall meet all applicable national and international legal requirements with regards to restrictions on the use, transportation, and disposition of hazardous substances. In addition, suppliers shall use industry best practices to ensure that raw materials and chemicals used during manufacture do not contain toxic or radioactive

contamination that would constitute a health hazard.

Veoneer's suppliers are requested to follow the Global Automotive Declarable Substance List (GADSL), defined by worldwide legal requirements such as ELV; EU REACH and more; other legal requirements; and other Veoneer-specific requirements defined by the OEMs. We follow up continuously with our suppliers to find alternative materials in case a substance needs to be phased out.

**Waste from Our Own Operations**

Veoneer complies with global regulations on hazardous waste and, when conflicting policies exist, our practice is to follow the stricter of the regulations. Most waste is recycled, reused or recovered; recycling opportunities always are considered before incineration, which allows for energy generation. Landfill is always the final option.

**Packaging**

To minimize waste and the number of transports, packaging must be designed and used with respect to maximizing the number of parts per box; using stackable pallets; minimizing usage of bubble foil or material wrapping; recycling to manage waste (cardboard boxes, bubble foil, and wrapping); and making sure the returnable package is foldable, stackable, or can be "nested" to reduce transport space requirements.

Veoneer's manufacturing facilities work closely with suppliers to establish, when possible, a closed loop system of returnable packaging.

**End-of-Life; Recycling of Materials**

While nearly 90% of end-of-life vehicles are reused or recycled,<sup>1</sup> new cars on average contain only one-third of secondary materials. High safety standards limit material reuse, as certain polymers and metals degrade or become contaminated during scrapping. Automotive suppliers have limited control over material recovery and recycling. Optimizing recovery rates and increasing the use of recovered materials in production will require collaboration between OEMs, Tier 1 suppliers, recyclers, and other operators.

<sup>1</sup>)CLEPA

**Metrics and Targets**

- Year-over-year reduction of waste
- No significant spills or fines

Short term, Veoneer aims for year-over-year reduction of waste by continuously reducing the amount of waste and scrap generated by our operations. Long-term, Veoneer's ambition is to turn the end of

our products' life into the beginning of a new cycle. It starts in the design phase, and we continue with this strong mindset in operations and during transportation.

**Metric**

Waste	Metric Tons			%		
	2025	2024	2023	2025	2024	2023
<b>Total Waste</b>	1,850	2,237	2,288	100%	100%	100%
<b>Hazardous Waste</b>	96	109	206	5.2%	4.9%	7.9%
- Recycling	1	1	65	0.0%	0.1%	2.5%
- Landfill	1	0	0	0%	0%	0%
- Incineration	95	108	141	5.2%	4.8%	5.4%
<b>Non Hazardous Waste</b>	1,754	2,127	2,082	94.8%	95.1%	92.1%
- Recycling	1,459	1,665	1,550	78.8%	74.5%	69.1%
- Landfill	125	202	183	6.8%	9.0%	8.5%
- Incineration (with energy recovery)	170	260	349	9.2%	11.6%	14.6%
<b>Waste by Region</b>						
<b>North America</b>	790	839	796	42.7%	37.5%	34.8%
- Hazardous Waste	8	9	22	0.4%	0.4%	1.0%
- Non-hazardous Waste	782	830	774	42.3%	37.1%	33.8%
<b>Europe</b>	674	729	848	36.4%	32.6%	37.1%
- Hazardous Waste	23	27	103	1.2%	1.2%	4.5%
- Non-hazardous Waste	651	702	745	35.2%	31.4%	32.6%
<b>Asia</b>	386	669	644	20.9%	29.9%	28.2%
- Hazardous Waste	66	73	81	3.6%	3.3%	3.5%
- Non-hazardous Waste	320	596	563	17.3%	26.6%	24.6%

**Significant Spills and Fines**

There were no environmental incidents resulting from major permit violations or spills.

Spills and Fines, Number of Incidents	2025	2024	2023
<b>Significant spills <sup>1)</sup></b>	0	0	0
<b>Environmental fines <sup>2)</sup></b>	0	0	0

<sup>1)</sup>Incur clean-up costs above USD 5,000

<sup>2)</sup>International declarations, conventions, and treaties, as well as national, sub-national, regional, and local regulations. Include non-compliances related to spills that exceed \$10,000 USD

# Grow Skilled and Engaged People

## Impacts, Risks and Opportunities

At the end of 2025, Veoneer had a workforce of approximately 2400 associates, both its own employees and the external workforce, in 11 countries. Veoneer's future growth is closely related to how we succeed in being an employer of choice by attracting, developing, and keeping qualified and motivated people.

Veoneer has identified material impacts within health, safety, and well-being. We believe that work-related injuries and illnesses are preventable, and we continually strive to eliminate all workplace accidents.

Veoneer is aware of the importance to globally ensure its local employment policies and practices provided for **secure and fair working conditions**. This is especially true in markets with a heightened risk of violations of international conventions, labor rights, and decent working conditions, as well as weak enforcement of local labor law (such as adequate wages, excessive working time, and the right to freedom of association).

**Diversity and inclusion** are global challenges, and the automotive industry has a below average share of women in the workforce as well as in leadership roles. Veoneer is not an exception. Providing a workplace where people are given the same opportunities regardless of their background is of utmost importance.

## Policies

We require and empower all employees to work in compliance with applicable laws, Veoneer standards, and our Code of Ethics. Veoneer's Code of Ethics is applicable to all people working for Veoneer; it outlines the company's position on being committed to fostering an inclusive and supportive workplace where people can reach their full potential with respect for the dignity of every human being and in accordance with all internationally recognized human rights.

Veoneer's approach and commitments towards Health, Safety, and Wellness are set out in **our Safety and Wellness policy**. This states that Safety is Veoneer's #1 priority, and that we have a goal to achieve zero workplace accidents. The company shall apply a risk-based approach to prevent, control, and mitigate work-related hazards and risks, while continually improving its processes and trainings. As a global company, we recognize that local legal requirements represent a minimum standard for safety; therefore, we have established, and proactively promote, higher standards internally to further protect the health, safety, and well-being of our employees.

Our values, Code of Ethics, talent development strategies, and employment policies support the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the eight conventions in ILO's International labor standards: freedom of association and protection of the right to organize; right to organize and collective bargaining; minimum age for employment; the abolition of forced labor, child labor and discrimination; and equal remuneration.

## Management approach

Veoneer delivers value to its employees by creating an attractive workplace, providing opportunities for growth, and enabling the teams to focus on their priorities. Employees are offered challenging projects at the forefront of technologies, often in close collaboration with partners and our customers, the automotive manufacturers.

## Strong foundation and culture

Veoneer has a strong company culture that guides us in our everyday behavior.



## Work-life balance, wages, and benefits

We believe in healthy work-life balance, emphasizing employee engagement, working together, and having clear expectations. Depending on location as well as position, we offer flexible work hours and work from home opportunities.

At Veoneer, we value our people, and performance is rewarded in a fair way. We have a global process for annual merit reviews and work hard to make sure our benefit packages are comprehensive and competitive for all positions, in all locations. Living wages and legislated minimum wages will always be viewed as a minimum rather than a recommended level.

## Employee Satisfaction Study

The Employee Satisfaction survey had a response rate of over 82%, and an overall organizational health score comparable to the second quartile score for manufacturing industrial companies. The employee survey shows that Veoneer is a foundationally healthy organization, that our employees trust their managers, and that employees find the company to be safe, supportive, and inclusive. Improvement areas were within operational effectiveness, employee communication, and strengthening culture.

## Annual performance dialogue

The annual performance and development process is an important cornerstone for setting employee

objectives in line with company goals, and to enable an ongoing personal, transparent communication between the team member and the manager. The employee's professional and personal development plan is a central part in this process, continuously backed up by regular feedback dialogues on employee performance. The employee's own desire to grow and take on new responsibilities is of vital importance, as we expect our employees to take responsibility for their own career development, supported by the manager.

## Grow Skilled and Engaged People

Veoneer delivers value to its associates by creating an attractive workplace by providing opportunities for growth and enabling the teams to focus on their priorities. Veoneer offers challenging projects at the forefront of technologies, often in close collaboration with partners and our customers, the automotive manufacturers. Knowledge is regularly shared, creating a learning organization and a culture of collaboration and inclusion. Veoneer has a flat organization, enabling clear ownership and accountability while staying flexible.

During 2025, Veoneer has taken a major step forward in how we approach learning and development by adopting a global Learning & Development platform. This shift has helped create a more engaging, accessible, and structured learning experience, supporting continuous growth and professional excellence across the organization.

Veoneer’s Engineering Career Progression Program is one of the most important instruments to reward, grow, and retain our engineering experts. The program allows outstanding engineers to have a clear career path and to maintain a high level of engagement and job performance, all while securing their visibility and recognition both internally and externally.

**Human Rights**

Veoneer is committed to fair employment terms and conditions in accordance with applicable laws.

We promote a workplace free of discrimination and harassment. Physical, psychological, religious, sexual, or verbal harassment is not accepted. To deliver results, people need to feel they can be who they are and that they are recognized for their unique strengths. Inclusion is fundamental to our culture, and we believe that everyone should be respected and treated fairly. All forms of discrimination are prohibited, including discrimination based on factors such as race, color, gender, language, religion, political affiliation, national or social origin, pregnancy or parental status, disability, marital status, age, sexual orientation, gender identity and/or expression, transgender status, health status, trade union membership, or any other characteristic.

As outlined in our Code of Ethics, all employees are free to exercise the right to form, join, or refrain from joining unions or similar organizations, as well as to bargain collectively or individually. In countries where no independent labor unions or collective bargain agreements exist, forums for employer-employee relations have been established, such as work councils, consultations, and environment and safety committees.

Any form of modern slavery, forced, compulsory or involuntary labor, child labor, and human trafficking are prohibited. Any association with the Company is made by free choice. Veoneer fully adheres to the ethical principle of a “zero recruitment fees” policy, being committed to the notion that no employee and/or jobseeker should pay for a job; the costs of recruitment should be borne not by the employee but by the employer. Background checks to verify identity and past employment history are conducted regularly, as are impact assessments to identify potential risk areas.

**Diversity**

At Veoneer, we believe diversity and inclusion drive business performance and innovation. It stretches beyond gender – all our employees are to be treated equally. It is important that our workforce reflects the societies we work in to develop an open-minded culture. We use our succession planning process to evaluate and implement good distribution across our talent pool to increase awareness and to secure more inclusive and diverse representation.

**Metrics**

**Workforce**

The term “Veoneer associates” consists of direct employees and an external workforce that does not have a direct employment relationship with the company. This workforce is primarily made up of consultants. Every year, Veoneer also offers internships to students and new graduates in various parts of the company.



No of associates	2025	2024	2023	2022 <sup>1)</sup>
<b>No of associates at year-end</b>	2396	2,550	2,700	6,367
Permanent employees	2176	2,240	2,300	-
Temporary employees and external workforce	220	310	400	1,071
Manufacturing	666	706	784	1527
Tech Centers	984	1027	1,916	4,840
Admin	746	817		
Full-time	2360	2498	-	-
Part-time	36	52	-	-

<sup>1)</sup> Before the divestment of the Active Safety business

Share of employees by age group	2025	2024	2023	2022 <sup>1)</sup>
<18	0%			
18-30	13%	16%	-	-
30-50	64%	62%	-	-
>50	23%	22%	-	-

<sup>1)</sup> Before the divestment of the Active Safety business

No of employees by site	2025	2024	2023	2022 <sup>1)</sup>
<b>North America, %</b>	<b>25.4%</b>	<b>25%</b>	<b>24%</b>	<b>21%</b>
- Manufacturing; Canada, no	399	408	411	629
- Tech Center USA, no	209	229	244	640
<b>Europe, % <sup>2)</sup></b>	<b>30.4%</b>	<b>31%</b>	<b>31%</b>	<b>42%</b>
- Manufacturing France, no	313	349	389	457
- Tech Center France, no	121	141	148	196
- Tech Center Germany, no	31	39	43	235
- Tech Center Romania, no	253	254	233	615
<b>Asia, %</b>	<b>44.2%</b>	<b>44%</b>	<b>45%</b>	<b>37%</b>
- Manufacturing China, no	505	541	598	757
- Tech Center China, no	187	197	204	501
- Tech Center India, no	239	226	251	770
- Tech Center Japan, no	51	62	58	226
- Tech Center South Korea, no	77	85	91	126

<sup>1)</sup> Before the divestment of the Active Safety business

<sup>2)</sup> Small admin and sales also in Sweden (7 employees) and UK (4 employees)

Grow Associates	Target	2025	2024	2023	2022
Voluntary employee turnover	5.17%	4.32%	5.17%		
Annual Performance Dialog <sup>1)</sup>	80	99.6%	-	82%	86%

Annual Performance dialog ends at the end of March 2026.

Share of women per employee category	2025	2024	2023	2022
Executive Leadership Team	11.1	11.1	0	2
Executive population (Tier 1-3)	27	23	24	26
All employees	37	36	36	31

**Health, Safety and Wellbeing**

We recognize the connection between a safe and healthy workplace and the sustainable success of our company. Veoneer is assembling electronics, and we do not have any dangerous processes or machines.

The main identified risks related to health and well-being for our employees at the manufacturing sites are mainly related to ergonomics issues; for our tech-center employees, they are related to stress or static work patterns.

Our vision is to identify opportunities for EHS improvements and reach zero work accidents. Veoneer’s overall goal is to offer a safe, healthy and attractive workplace where people can grow.

Safety is a mindset, not an activity or role, and is everyone’s responsibility. Every employee must apply and implement Veoneer’s Safety and Well-Being Policy.

It is critically important that we do everything we can to ensure that we keep ourselves and coworkers safe. Nothing is more important than safety.

**2025 Achievements**

Veoneer has made major progress on our key safety KPIs, with the Lost Time Incident Severity and Frequency Rate improving by 70%. This outstanding result reflects the exceptional collective efforts of all Veoneer employees. We have also completed certification of Veoneer manufacturing plants and the European Tech Center to ISO 45001, the international standard for Occupational Health and Safety (OHS) management.

In 2025, Veoneer also launched a new global safety initiative, the “Safety Culture” program, deployed across all plants. Key attributes of the program include:

- Daily operational meetings, from shop-floor teams to executive management, now start with a safety review – we believe strong Health & Safety performance is fundamental to overall company success.
- Go & See activities are conducted regularly to identify, track, and eliminate potential risks.

**Health & Safety**

ISO 45001 Certification	Target	2025	2024	2023
% certified sites	40%	45%	27%	10%
% sites more than 100 employee certified	80%	82%	63%	20%
% of certified manufacturing plants	100%	100%	100%	33%
<b>Incident rate</b> , measured as number of reportable injuries per 200,000 employees hours of exposure	0.8	0.37	0.78	1.99
<b>Frequency rate</b> , measured as number that relates to the total of lost time incident per 200,000 employees hours of exposure	0.6	0.19	0.51	0.72
<b>Severity rate</b> , measured as total days away from work due to work-related reportable injury per 200,000 employees hours of exposure	15	4.1	16.1	14.7

# A Responsible Supply Chain

**Impacts, Risks and Opportunities**

Veoneer’s global supply chain consists of approximately 95 direct material suppliers. The portfolio is notably concentrated, with the top 30 suppliers representing around 95% of total supplier expenditure. Our largest suppliers are recognized as global leaders within the electronics sector and demonstrate advanced sustainability initiatives. More than 86% of Veoneer’s direct material spending is allocated to “Green” suppliers who have achieved a sustainability score exceeding 80% on an independent third-party platform.

The global electronics supply chain is complex, starting with resource extraction and continuing through smelting, refining, manufacturing, and assembly before products reach customers. Many materials are scarce or sourced from regions prone to human rights or environmental risks. Supply chain complexity increases the likelihood of misaligned business conduct, including corruption and bribery. Key social impacts in the upstream value chain include equal opportunity, occupational health and safety, freedom from discrimination, avoidance of forced and child labor, fair working conditions, and worker security.

**Policies**

**Veoneer’s Supplier Code of Conduct** builds on the principles and frameworks of Veoneer’s internal Code of Ethics but is tailored for external partners. The Code outlines global standards that all suppliers, business partners, and other stakeholders—including third parties representing Veoneer—must follow.

Veoneer suppliers are required to comply fully with all applicable local laws, regulations, and Veoneer policies. Suppliers must also ensure that their sub-suppliers are contractually obligated to adhere to the same standards.

The Veoneer Purchasing Department is responsible for addressing any questions regarding the Supplier Code of Conduct and ensuring supplier acknowledgment of its provisions. Non-compliance with these principles may result in early termination of the business relationship or the requirement for an

action plan to address deficiencies. Veoneer may also offer technical support to assist suppliers in implementing necessary corrective measures. Any instances of non-compliance should be reported to the designated Purchasing contact or submitted to [compliance@veoneer.com](mailto:compliance@veoneer.com).

Veoneer has added a sustainability article to its standard Purchasing Terms and Conditions. Suppliers are now contractually obligated to follow requirements related to environmental management, greenhouse gas emissions, labor rights, child and forced labor, conflict minerals, anticorruption, and antitrust policies. Any failure to comply can lead to immediate termination of their contracts. Suppliers must share information about their sustainability efforts, respond to questionnaires, and participate in audits. Additionally, they are required to report their carbon emissions to Veoneer each year and actively pursue reductions in greenhouse gases.

Veoneer’s Partner Portal (VPP) serves as a secure gateway for third-party suppliers and prospective partners to access Veoneer’s web-based applications and shared documents, while also facilitating self-service management of supplier master data. The VPP provides access to the Veoneer Supplier Manual, detailed information regarding organizational requirements, references to the Supplier Code of Conduct, and a dedicated training program on business conduct and ethics for suppliers.

Veoneer’s requirements are based on various audits (governance, social responsibility, project management, process); ISO certifications (9001, 14001, 45001); IATF 16949; VDA 6.3; customer standards; and guidelines in the Veoneer Standards and Supplier Manual (VSM).

**2025 Highlights**

The 2025 Supplier Sustainability campaign has seen an improvement in the percentage of Veoneer spend coming from:

- ISO 14001 certified suppliers: from 93% to 97%
- ISO 45001 certified suppliers: from 91% to 92%
- GREEN suppliers for sustainability: from 80% to 86%

In addition, the two suppliers with a RED sustainability rating in 2024 were able to improve their score to amber, so Veoneer has no RED suppliers in 2025.

A revised process for qualifying direct materials suppliers has been implemented. This initiative aims to enhance risk management – including financial stability and cybersecurity – to ensure regulatory compliance, strengthen purchasing security through third-party due diligence and intellectual property protection, improve transparency and traceability, foster effective collaboration among Veoneer teams (Purchasing, Legal, Finance, Quality), and integrate sustainability practices.

To mitigate business risks associated with new partners, additional measures have been established. These include external screening of prospective suppliers to assess their financial stability; conducting thorough third-party due diligence; evaluating intellectual property safeguards; and reviewing sustainability performance.

**Management approach**

Veoneer expects the same high standards of quality and business ethics throughout its value chain. To ensure top-quality results, Veoneer and its entire supply chain must deliver products and systems that are developed, assembled, and manufactured through well-controlled processes.

**Human Rights**

Suppliers must respect the human rights of workers, local communities, and other relevant stakeholders, and prevent and address adverse human rights impacts linked to their business activities in accordance with the UN Guiding Principles on Business and Human Rights.

As per the Veoneer Supplier Code of Conduct, suppliers should implement a management system for human rights and working conditions that includes the following:

- Health and Safety
- Child Labor and Forced Labor
- Fair Working Conditions
- Non-Harassment and Non-Discrimination
- Freedom of Association & Collective Bargaining
- Identification of Concerns
- Conflict Minerals

We expect that as part of the commitment to doing business with Veoneer that our suppliers and their sub-suppliers will implement this or an equivalent

guideline and commit to upholding the same social, ethical principles in operating their businesses.

**“GREEN suppliers”**

Veoneer utilizes a third-party platform to track the percentage of spending directed toward ‘GREEN suppliers,’ defined as those with a Sustainability score above 80%. We proactively engage with all evaluated suppliers whose overall Sustainability scores fall below this threshold (categorized as AMBER or RED) and encourage those suppliers who exceed the Industry, Country, or Headcount benchmark average across each of the seven assessed sections:

- Company Management
- Human Rights and Working Conditions
- Health and Safety
- Business Ethics
- Environment
- Responsible Supply Chain Management
- Responsible Sourcing Raw Materials

**Supplier evaluations** help reduce supply chain risks and are part of our core sourcing processes. We assess suppliers impartially based on price, quality, reliability, and environmental, social, and ethical standards including safety, health, business ethics, and human rights. Suppliers are audited every three years. Non-compliant suppliers are required to quickly develop corrective action plans.

**Social responsibility audits** are performed to make sure the supplier upholds the same social, ethical and environmental principles as Veoneer does. For new suppliers, or new supplier locations, the social responsibility audit is mandatory to perform as part of the pre-qualification process.

Veoneer’s Policy on **Conflict Minerals** provides further clarification to the principles of the Standards of Business Conduct and Ethics regarding the illegal trade of natural resources, in particular certain minerals, known as “conflict minerals.” Pursuant to SEC rules, conflict minerals include certain minerals that originated in the Democratic Republic of Congo or an adjoining country and are sold to benefit groups financing armed conflicts in those regions.

Veoneer complies with the US Dodd-Frank Act Section 1502 with regard to conflict materials. We have incorporated the principles of this policy into the requirements of our Supplier Manual, and we work with our suppliers to increase transparency in the supply chain. Veoneer supports industry initiatives, such as the Responsible Minerals Assurance Program (RMAP) running under the Responsible

Minerals Initiative (RMI), to validate that the metals used in our products are not contributing to conflict and come from sustainable sources.

We maintain a database of material composition information for all our products which allows us to identify suppliers that use tin, tantalum, tungsten, and/or gold in their products. Material composition data along with information gathered from suppliers, industry initiatives (e.g. Responsible Minerals Assurance Program), and other available sources are used to assess risks of non-compliance to this policy. A third-party due diligence of used smelters is part of our program.

In April 2025, the RMI introduced EMRT 2.0, expanding its mineral scope by supplementing cobalt and mica with copper, natural graphite, lithium, and nickel. This extension is designed to support organizations in meeting reporting requirements outlined in the EU Battery Regulation—particularly for graphite, lithium, and nickel—and to strengthen RMI’s ability to identify additional facilities within these supply chains. Notably, copper is linked to a substantial number of recognized eligible facilities. Veoneer has elected to integrate these four newly included minerals into its 2025 Conflict Minerals Campaign.

Veoneer has implemented a Conflict Minerals policy that prohibits human rights abuses associated with the extraction, transport or trade of minerals. We

also prohibit any direct or indirect support to non-state armed groups or security forces that illegally control or tax mine sites, transport routes, trade points or any upstream actors in the supply chain. We require the parties in our supply chain to agree to follow the same principles and are working within our supply chain to improve traceability of minerals and ensure responsible sourcing.

We continuously collaborate with our suppliers to eliminate high-risk smelters from the supply chain, aiming to have only RMAP conformant smelters.

**Targets**

- Percentage of Direct Materials suppliers that have acknowledged the Supplier Code of Conduct
- Percentage of Direct Materials spend assessed for Sustainability on a third-party platform
- Percentage of Direct Materials spend coming from suppliers with Sustainability Score >80%
- Percentage of Direct Materials spend coming from ISO 14001 certified suppliers
- Percentage of Direct Materials spend coming from ISO 45001 certified suppliers
- Response rate from inquired Direct Material suppliers on Conflict Minerals survey (CMRT/EMRT)

**Metrics**

Responsible Supply Chain	2025	2024	2023
Percentage of Direct Materials suppliers that have acknowledged the Supplier Code of Conduct, including clause on environmental, labor and human right requirements	67% (53 of 79)	67% (53 of 79)	-
Percentage of Direct Materials spend assessed for Sustainability on third party platform	95%	93%	-
Percentage of Direct Materials spend coming from “GREEN” suppliers for Sustainability Rating on third-party platform	86%	80%	38%
Percentage of Direct Materials spend coming from ISO 14001 certified suppliers	97%	93%	-
Percentage of Direct Materials spend coming from ISO 45001 certified suppliers	92%	91%	-

In 2025, the Supplier Sustainability campaign on a third-party platform targeted our top 30 suppliers, accounting for 95% of Veoneer's direct materials spending. This initiative raised the percentage of spend from "GREEN" suppliers from 80% in 2024 to 86% in 2025. Although the largest suppliers already

had sustainability scores above 80%, efforts were made to help others improve their performance. We worked with 20 suppliers; four of them upgraded their status from AMBER to GREEN (score >80%), and two moved from RED to AMBER (score >40%).

Social Responsibility Audits	2025	2024	2023
On-site	15	–	–
Self-assessments	27	23	27

1) Active Safety included

**Conflict Minerals**

In 2025, we achieved an 87% response rate from suppliers for the CMRT and a 77% response rate for the EMRT. We are actively engaging with the remaining suppliers to ensure full participation and are committed to attaining a 100% response rate. The addition of four new minerals to the EMRT has

temporarily reduced the overall response rate. We maintain ongoing collaboration with our suppliers to remove high-risk smelters from our supply chain, with the goal of sourcing exclusively from RM-AP-conformant smelters.

Conflict Minerals Surveys	2025	2024	2023
<b>Response rate from Direct Material Suppliers on Conflict Minerals survey (CMRT)</b> Tin, Tantalum, Tungsten, Gold	87%	100%	100%
<b>Response rate from Direct Material Supplier on Extended Minerals survey (EMRT)</b> Cobalt, Copper, Graphite, Lithium, Mica, Nickel	77%	100%	100%

# Protect Everyone in Every Crash

**Impacts, Risks and Opportunities**

Veoneer's biggest contribution to society is our business: we design, manufacture, and sell the world's best automotive safety electronics. Apart from offering automotive safety electronics, Veoneer, as a company, contributes to society by offering new jobs, technology and knowledge transfer, taxes, as well as improved social and living standards in local communities.

Veoneer builds on its track record of delivering world class quality products to car manufacturers globally. To assure the highest level of quality, Veoneer and its entire supply chain offer products and systems developed, assembled and manufactured with controlled processes.

Excellence in quality protects everyone in every crash and is critical for winning new orders, maintaining low scrap-rates, preventing recalls, and sustaining the business. Flawless delivery is the responsibility and commitment of all our employees. Priority is placed on preventing quality defects from impacting Veoneer's customers and the end-consumer.

**Policies & standards**

Veoneer's **Quality Policy** is complemented by Veoneer standards, which are the highest definition level and are stored in the Veoneer Corporate Standards Database. These requirements are adhered to by all facilities. Veoneer's Quality Management System is audited internally and are third-party certified to IATF16949: 2016. Veoneer Product Development System (VPDS) is based on existing quality system standards, in particular example APQP, ISO26262, Automotive SPICE, customer requirements, and industry best practices, in addition to Veoneer Standards. Each site conducts periodic management reviews per the automotive IATF16949:2016 standard to ensure suitability, adequacy, effectiveness, and consistency of Veoneer's Quality Management System. A procedure (Global, Regional or Local) that outlines more details may complement a standard.

**Management approach**

Veoneer's purpose is to 'Protect Everyone in Every Crash.' That said, manufacturing our products under the highest quality standards is of the utmost importance, as peoples' lives depend on the reliability of our products and systems.

**Well-documented processes**

At each step of the product lifecycle, it is mandatory to verify that both Veoneer and industry standards are applied, and that the quality of deliverables is at the expected level.

Veoneer has a unitary traceability of every product manufactured and shipped to customers, including traceability of components mounted on products, ensuring an accurate identification of parts installed on vehicles. This is a critical parameter for safety automotive products in case of specific campaign organized by OEMs.

**Quality in Product Development**

Quality is a core pillar of the Veoneer Product Development System (VPDS). The VPDS is implemented throughout the entire organization as a fundamental tool to manage product development, and is used for customer application projects, advanced development projects (pre-VPDS), and product serial life. The quality assurance work covers all aspects of the product development process. As an outcome, a quality dashboard is shared monthly with senior management and the development teams to visualize the level of compliance of these projects to the development process and to the quality of the delivered work products and artifacts. Non-compliances are measured, and the month-over-month trend is monitored. Internal work product audits and checkpoint audits are conducted to assess the quality of a project. Veoneer continuously focuses on process standardization while reducing costs and complexity.

To excel in the changing market and to meet customer demand, we have put specific focus on software development for which compliance to industry standards, such as Automotive SPICE, is assessed.

**Quality culture**

Our quality culture is demonstrated by daily efforts throughout the entire organization, application of the highest standards, and continual improvement through regular training of the most efficient quality tools; our people are passionate about continuous improvement activities leading to zero defects.

**Quality Assessment**

All Veoneer facilities (technical centers, manufacturing plants, and logistics centers) record their performance against key quality targets. Key metrics in this assessment are the number of Non-Conforming Events recorded for serial production (NCE-S) prototype delivery (NCE-P.), 0km ppm (number parts per million failing at customer plant), and logistics management. Veoneer has strict quality targets (internal and external), and these results are reviewed by senior managers monthly. Through 'lessons learned,' we take advantage of experiences to make a difference in future projects to help them succeed.

**Cyber Security**

We take product security and increased cyber security risk seriously; it is of utmost importance that our customers can trust our products and all our systems, including software. Cyber security is considered from the very first day of product development, and Veoneer has, together with our customers, established a strong process for ECU software encryption to protect manufactured products.

Veoneer implemented a Cyber Security Management System and Software Update Management System ahead of the UNECE regulation. A constant monitoring of vulnerabilities is a key aspect in the new regulation UNECE WP.29 CS & OTA and in standards like the ISO/SEA 21434.

To protect the company's intellectual property, as well as customer or supplier data, Veoneer has invested in strong cyber security protection and monitoring mechanisms. Veoneer has a dedicated Product Security Incident Response Team (PSIRT) consisting of internal and external experts that monitor Veoneer's network to increase data and privacy protection, and to find anomalies employing advanced machine learning capabilities. There is no 100% guarantee of cyber security, but the team is constantly increasing its knowledge and investing in new technologies.

All employees and contractors are also continuously informed about cyber security through monthly mandatory security trainings.

**Cyber security and supply chain**

External companies or third parties are subjected to an information security assessment using an Information Security Questionnaire (based on Veoneer's ISMS) that must be filled out by the external party. This is then reviewed for compliance by a member of the Information Security Team. In addition, some external parties must provide a SOC 1 report on a yearly basis to cover the IT General Controls (ITGC) which are also based on Veoneer's ISMS.

Suppliers with information security certifications (e.g. ISO/IEC 27001, NIST) are preferred, and we ask that potential suppliers provide us with this information in the questionnaire. The questionnaire also serves as an initial risk assessment before commissioning of an external company. When answering the questionnaire, suppliers are requested to provide proof of information security (e.g. certificate, attestation).

# We Live by the Highest Ethical Standards

**Impacts, Risks and Opportunities**

Veoneer has a strong corporate culture and a commitment to customer service, product quality, and employee development. Key to our performance in these areas is an equally strong commitment to doing business ethically and with integrity through maintaining and fostering a culture of fairness and equality; our culture dictates that we act with the highest ethics and integrity, not tolerate unethical conduct, and ensure that everyone feels empowered to speak up and raise concerns.

There is always a risk that a person's conduct is not aligned to a company's own values, principles and standards relating to corruption and bribery. Starting with Veoneer's Code of Ethics and its' supporting policies and procedures, Veoneer is committed to its ethical culture by engaging in constant ethics and compliance communication and education along with a transparent grievance mechanism.

**Policies**

**Employees:**

Veoneer's Code of Ethics is applicable to every person working for Veoneer. This document outlines the company's position on being committed to an inclusive and supportive workplace where people can reach their full potential. We respect the dignity of every human being in accordance with all internationally recognized human rights, including those outlined in the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. All forms of discrimination are prohibited, even if local law permits it, including discrimination based on factors such as race, color, gender, language, religion, political affiliation, national or social origin, pregnancy or parental status, disability, marital status, age, sexual orientation, gender identity and/or expression, transgender status, health status, trade union membership, or any other characteristic.

Veoneer does not contribute directly or indirectly to political parties or individual politicians, as stipulated by Veoneer's Code of Ethics. Veoneer only participates in trade and industry associations that share

its ethical values and does not engage in any advocacy efforts that would undermine Veoneer's commitment to ethical business practices.

Veoneer's Code of Ethics, published in eight languages and available to all employees, consultants, and contractors, defines the principles and standards that guide our day-to-day decisions to ensure we act with the highest ethics. Our Code of Ethics is a guide to support us in performing our work in an ethical and lawful manner throughout the world. It describes the principles of integrity that have defined our business and are critical to Veoneer's culture. In addition, the Code provides helpful guidance and practical examples related to our daily challenges.

Detailed policies and procedures support our Code of Ethics and provide further expectations for our operations. These include:

- Code of Ethics
- Corporate Governance Guidelines
- Code of Conduct and Ethics for Senior Officers
- Code of Conduct and Ethics for Directors Related Party Transaction Policy
- Anti-corruption and Anti-bribery Policy
- Antitrust and Competition Policy
- Respect in the Workplace Policy (non-harassment, non-discrimination and equal opportunities)
- Conflicts of Interest Policy
- Legal Matters - Investigations Policy
- Non-retaliation Policy

The Veoneer Code of Ethics and detailed policies are available to all employees, either by hard copy or electronically on Veoneer's intranet site.

**Policies**

**Business Partners**

Veoneer has a strong commitment to doing business in a socially, ethically, and environmentally responsible way, and we expect the same processes

and standards along the entire value chain, including environmental systems, carbon emissions, labor rights, and anticorruption. Legal compliance forms the basis for everything we do, accompanied by our Supplier Code of Conduct.

We are fully committed in all business locations to ensure compliance with applicable environmental and human rights laws, including those relating to child labor, slavery, and human trafficking. We require our suppliers, direct and indirect, to comply with our Supplier Code of Conduct, based on the pillars and frameworks of the Code of Ethics but adapted for our external partners. The Code includes principles that apply globally to suppliers, business partners and other stakeholders, such as third parties acting on behalf of Veoneer, and are all required to comply with it.

The Supplier Code of Conduct is published on [veoneer.com](http://veoneer.com) and in Veoneer's Partner Portal (VPP) in multiple languages. The VPP is a secure entry point for third-party suppliers and potential partners to access Veoneer web-based applications and shared documents as well as to enable self-service administration of supplier master data. The VPP hosts the Veoneer Supplier Manual, information on Veoneer requirements, reference to Supplier Code of Ethics, and a training program in business conduct and ethics for suppliers.

**Management Approach  
Compliance Program**

A key message in Veoneer's compliance program is that compliance builds trust. We build trust through our choices and decisions, always made with the highest level of ethics. What we say, how we act, the decisions we make, as well as the business partners we work with, impact this trust since "how we do business is as important as the business we do."

**Risk Assessment**

Veoneer's Compliance Program is designed on a risk-based approach. To understand Veoneer Compliance risk exposure, objective prioritization, and to ensure that the Compliance Program appropriately addresses issues with significant risk, annual risk assessments are conducted. To identify, assess, and define its' risk profile, the Compliance department performs these risk assessments utilizing Veoneer's risk universe; data from the Veoneer Helpline; and input from Business Management, Legal, Internal Audit, and other relevant functions.

Other assessment factors include the locations of operations, the industry sector, the competitiveness of the market, and the regulatory landscape. The input is gathered via risk questionnaires and/or interviews.

The risk assessment supports building Veoneer's Compliance Program through the following strategies:

- Policy development, review, and implementation throughout the organization
- Communication with the organization on Compliance topics
- Education and training
- Monitoring and enforcement
- Testing the effectiveness of the Compliance Program to ensure that all Veoneer employees always know how to act when facing an ethical dilemma.

**Disclosures**

Yearly, 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 violations of the Code of Ethics, including our anti-corruption, anti-bribery, and antitrust and competition policy, as well as other matters that may give rise to actual or apparent compliance concerns

The Conflict of Interest disclosure is also required from affected individuals and anyone with an actual, potential, or apparent conflict of interest; each case will be assessed to determine if mitigation or remediation is necessary.

**Trainings**

An important part of our Compliance Program is communication and education to support employees in understanding company expectations and policies related to the Code of Ethics and other related company policies. We have established a Business Conduct and Ethics Education plan, which includes both classroom trainings and e-Learning. Examples of areas covered include Code of Conduct training, conflicts of interest, prevention of discrimination and harassment, whistleblowing, and Intellectual Property and Confidentiality. Our goal is to provide a continuous communications channel for compliance matters and to train and educate employees in their compliance responsibilities.

**Anti-Corruption and Competitive Behavior**

At Veoneer, we gain the trust and respect of our customers by creating world-class ecosystems and partnerships, and by being open and committed to acting honestly and in compliance with antitrust and fair competition laws and regulations. We have implemented high standards in all business transactions, and it is our responsibility as a company, and as individuals representing the Company, to prevent corruption in all its forms. Our Company values ethical business practices; we do not accept or offer any form of bribery. Every other year, we enroll all employees in targeted groups, such as management, sales, and purchasing, in business conduct and ethics education e-learning courses on anti-corruption and antitrust. Periodically, we also conduct face-to-face trainings to enhance employees' understanding of compliance with our Anti-corruption, Anti-bribery, and Antitrust policies.

**Helpline**

We build trust through our choices and decisions by doing the right thing, always acting with honesty and integrity, and by empowering employees to speak up when suspecting unethical behavior. Veoneer employees are responsible for immediately reporting suspected or known violations of the Code

of Ethics, the law, or other Veoneer policies to their manager or to another member of the management team, Human Resources, the Legal and Compliance Department, or through the Veoneer Helpline. The Veoneer Helpline is an ethics and compliance reporting line available to all employees since Day One of the company; it is a multilingual, third party-operated service where reports can be made confidentially, without fear of retaliation, 24 hours a day, seven days a week, by phone or online. This can be done anonymously, where allowed by law, and/or confidentially in the language of any country where Veoneer operates. We believe that reports, investigations, and constructive feedback play an important role in making our Company a great place to work.

At Veoneer, we are committed to protecting individuals who make a report or participate in an investigation in good faith. "Good faith" means that when making a report or participating in an investigation, all the information is provided with honesty. Retaliation, harassment, and reprisals of any kind are not tolerated at Veoneer. In addition, no employee will be adversely affected because they refused to carry out a directive they believe constitutes fraud or a violation of laws, regulations, the Code of Ethics, or any other Veoneer Standard.

**What Should Be Reported?**

Actual or potential violations of policies, laws and regulations, Veoneer Standards, or this Code that an individual believes have occurred or are about to occur should be reported immediately. Potential violations that should be reported include but are not limited to:

- Accounting or Auditing Irregularities or Misrepresentations
- Antitrust or Competition Violations
- Actual or Potential Conflicts of Interest
- Child or Forced Labor, Human Trafficking
- Corporate Opportunity to Advance Personal Gain
- Destruction of Property and Theft
- Improper Disclosure of Confidential Information
- Illegal substances
- Environment, Health, and Safety Concerns
- Falsification or Destruction of Information
- Inappropriate Gifts and Entertainment, Bribes, or Kickbacks
- Discriminating, Inappropriate, Abusive, or Harassing Behavior
- Inappropriate Use or Misuse of Company Resources
- Quality Concerns
- Retaliation
- Threats or Physical Violence
- Trading on Inside Information
- Unfair or Illegal Employment Practices
- Fraud or Embezzlement

**Targets and Metrics**

	Target	Performance				
		2025	2024	2023	2022	
Annual Code of Ethics Certifications	100%	100%	100%	100%	100%	
Conflict of Interest Disclosure	100%	100%	100%	100%	100%	
Training	Target	% completed of target group in 2025	No of employees trained in 2025 <sup>1)</sup>	No of employees trained in 2024	No of employees trained in 2023	No of employees trained in 2022 <sup>2)</sup>
Code of Conduct eLearning	100%	100%	40	126	309	1,075
Whistleblowing	100%	100%	0	35	321	982
Conflict of interest training	100%	100%	39	131	301	1,066
Anti-corruption training	100%	100%	60	1,400	1,418	-
Anti-trust training	100%	100%	91	440	1,904	-
Intellectual property and confidentiality	100%	100%	42	243	188	3,805
Preventing Discrimination and Harassment	100%	100%	179	198	82	2,955
Environmental Training	100%	100%	35	241	461	2,847

1) Number of employees trained in 2025 decreased due to training cycles, less new hires, and the migration to a new training/learning platform, Absorb.  
2) Active Safety employees included

**Helpline**

The Veoneer Helpline received 100% (8) of all incoming reports that resulted in an investigation, while 50% (2) of the reviewed cases in 2025 were submitted internally (for example reported to Management, Human Resources, or to the Legal and

Compliance department). A total of 8 (8 in 2024) Helpline reports were received. The reporting volume per 100 employees amounted to 0.3 (0.3 in 2024).

Helpline	2025	2024	2023	2022
Incoming reports, no, that resulted in an investigation	8	8	14	23
Helpline - Through the whistleblowing system	4	6	9	-
Distribution internal/external, %	50/50	13/87	36/64	-
Regional distribution of reports open for investigation America/Europe/Asia	1/2/5	3/0/5	15/21/64 (%)	-
Anonymous vs identified whistleblower reports, %	50/50	63/37	50/50	-

There have been no reports received and/or investigated related to Bribery and Corruption, nor related to Antitrust.

# Integrated in Our Business

Sustainability is integrated in Veoneer’s business. It is our ambition that every employee should feel that they have the means to speak up and drive sustainable improvements.

The Veoneer Executive Leadership Team has the ultimate oversight for sustainability – environmental, social, and governance – and is responsible for coordination and implementation. The line and functional managers are ultimately responsible for program execution.

Progress is supported by a Sustainability Forum that meets monthly. At the end of 2025, the Forum consisted of nine appointees responsible for setting KPIs, and driving and measuring progress along the value chain. These people are specialists in their functions and have a global responsibility. Attendance has been high at these meetings, reflecting the company’s dedication to sustainable progress.

## The 2025 Executive Leadership Team

**Nik Endrud**  
CEO  
Joined 2024

**Scott Brawner** (retired January 2026)  
Former SVP Global Sales & General Manager, Americas  
Joined 2018

**Christian Quellier**  
SVP Global Engineering (from June 2025 – January 2026) and General Manager, EMEA General Manager EMEA and India (appointed January 2026)  
Joined 2018

**Bob Hughes**  
APAC General Manager (through January 2026) SVP Global Sales & General Manager, Americas (appointed January 2026)  
Joined 2024

**Brett Johnson**  
SVP Global Engineering (until June 2025) SVP, Global Manufacturing, Quality and Systems (from June 2025)  
Joined 2018

**Romain Nollet**  
CFO  
Joined 2024

**Eric Swanson**  
EVP Legal Affairs, General Counsel and Secretary  
Joined 2018

**Gabriela Al-Bujuq**  
SVP Human Resources  
Joined 2018

**John Chermiside**  
SVP Purchasing  
Joined 2024

# Reporting Principles

This is Veoneer’s 7th sustainability report. It covers the calendar year 2025 and outlines our ambitions and priorities, as well as our approach to managing them. We work continuously to improve reporting transparency, scope, and quality of data. The report has been prepared with reference to the GRI Standards (Universal Standards 2021) with some influence by the European Sustainability Reporting Standards ESRS. Veoneer has not sought external assurance by a third-party assurance provider.

## Reporting Units

The Sustainability report covers the Veoneer Safety Systems group of companies, headquartered in Southfield, Michigan, United States. Data encompasses three manufacturing facilities in Canada, China, and France, and all tech centers in France, Romania, Germany, India, Korea, China, Japan, and the US.

Unless otherwise stated, environmental data is collected for the entire company, both manufacturing facilities and tech centers. Governance and social data, including health and wellness, reflect all employees working in the manufacturing facilities, and employees in tech centers and most supporting operations.

## Changes in Reporting

Veoneer has undergone several organizational changes throughout the years. For increased comparability, and to reflect the business owned by American Industrial Partners Capital Fund VII, environmental figures have been recalculated for 2023 and 2022 due to the change of Veoneer’s scope. An adjustment coefficient has been used; RCS floor space usage for production sites and headcount for tech centers.

## Data Collection

Responsibility for reporting rests with the manager of each site. Data verification is performed at each level before submission. Reported facts and figures

in the sustainability report have been verified in accordance with Veoneer’s procedures for internal control.

## Calculation Principles

Veoneer uses the Greenhouse Gas Protocol, which are standardized generic conversion factors based on the IPCC Guidelines for National Greenhouse Gas Inventories, converted into metric units. Electricity emission factors for the location-based method are based on different sources depending on the countries: China (values from Shanghai Ecological Environment Bureau), US (reference values from the Environmental Protection Agency (EPA) for Michigan - egrid2023\_data\_metric\_rev1), Canada (Government of Canada Emission factors and reference values), France (ADEME), India (Government of India), other countries (Nowtricity). CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O are reported as CO<sub>2</sub>e.

We report location-based Scope 2 emissions and market-based Scope 2 emissions.

Indirect energy (electricity) has been reported for three manufacturing sites and the 10 tech centers, while direct energy has been reported for two manufacturing sites and six tech centers.

We report Scope 3 emissions on our most impacting Scope 3 categories.

Purchased goods emissions are coming from secondary data, using recognized database.

Upstream and downstream transportation emissions are primary data, provided by our transporters.

Emissions from waste generated in operations are calculated from recognized emission factors from ADEME for different categories of waste. The same emission factors are used for end-of-life treatment of sold products.

Business travel emissions are provided by our travel agency, we mainly consider emissions from air travel.

Employee commuting emissions are calculated from distances travelled by means of transport with the use of appropriate emission factors.

**Waste** is reported in metric tons; data comes from our providers. We work upstream on the choice of destination for all different materials. The 2025 data represents waste reported from all manufacturing facilities plus one tech center.

**Water** is reported in total cubic meters abstracted. Where needed, standardized generic conversion factors are used to convert water use from liters and US gallons into cubic meters. Water has been reported for three manufacturing facilities, and seven tech centers.

**Associates** at the end of 2025 include associates with a continuous employment agreement, recalculated to full-time equivalent heads.

## Communication

The Sustainability Report for the fiscal year 2024 was published on veoneer.com in March 2025, and the Sustainability Report for the fiscal year 2025 will be published on veoneer.com in May 2026.

**Internally**, the intranet is an important tool for communicating sustainability progress.

**Externally**, the annual Sustainability Report is posted on veoneer.com to communicate to a wider audience.

## Contact person:

Karen Shulhan, Global Communications Manager, karen.shulhan@veoneer.com

# GRI Reporting Index

The GRI 100 series is obsolete and was replaced by GRI 1, 2, and 3 (2021).

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# Protect Everyone in Every Crash



WHY DO WE EXIST?

**To Protect Everyone  
in Every Crash**

WHAT DO WE DO?

**We Design, Manufacture and  
Sell the World's Best Automotive  
Safety Electronics.**

OUR BEHAVIORS:

**Act with urgency in all we do  
Earn trust every day  
Win with passion as a team**

HOW WILL WE SUCCEED?

**Customer Centricity  
World Leading Quality  
Deep Understanding of Business**