

Christian Levin
Chief Executive Officer
Scania AB (publ)
Vagnmakarvägen 1
SE-15187 Södertälje
Sweden

December 11, 2024

Dear Mr. Levin and the Scania Leadership Team,

We write to you as [B4Ukraine](#), a coalition of Ukrainian and international civil society organizations working to curtail the financial resources enabling the Russian invasion of Ukraine. In the spirit of respect for the fundamental rights of all people, the rules-based international order, and a prosperous global economy, we expect companies to demonstrate public support for the people, democracy, and territorial integrity of Ukraine, opposition to Russia's war of aggression, and alignment with the UN Guiding Principles on Business and Human Rights (UNGPs).

We are writing to express our concern regarding the presence of Scania trucks in the Russian market, particularly in light of the critical role that trucks play in military logistics and the ongoing war in Ukraine.

It has been over two and a half years since Russia invaded Ukraine and the devastating impacts continue to shock the global conscience and shake the global economy. Russia is violating international humanitarian law (IHL), including war crimes and crimes against humanity, through attacks on civilians and civilian infrastructure (e.g., mass executions, sexual violence, torture, forcible transfer of civilians). More than 30,000 Ukrainian civilians have been killed and injured and millions more have been forced to flee their homes, creating one of the largest humanitarian and refugee crises of modern times. In recognition of the severity of abuses, in March 2023 the International Criminal Court issued an arrest warrant for Vladimir Putin to answer war crimes charges.¹

Research conducted by Corisk based on data from the Russian Customs Agency, reveals that Russian imports of trucks produced in Germany have increased since 2022, with Scania emerging as one of the leading Western producers supplying this market.² According to the Corisk research, on June 15, 2024, 183 sanctioned Scania trucks were listed for sale on a prominent Russian truck sales platform. In brief, despite international sanctions, Scania trucks have become increasingly available in Russia.

We kindly urge Scania to clarify its position on this matter and outline any steps being taken to ensure that its products are not used in ways that contribute to Russia's aggressive war in Ukraine. We trust that Scania, as a global leader, shares the values of accountability and commitment to ethical and responsible business practices.

¹ International Criminal Court, "Situation in Ukraine: ICC judges issue arrest warrants against Vladimir Vladimirovich Putin and Maria Alekseyevna Lvova-Belova," March 17, 2023, <https://www.icc-cpi.int/news/situation-ukraine-icc-judges-issue-arrest-warrants-against-vladimir-vladimirovich-putin-and> (accessed March 22, 2023).

² Von Konrad Schuller, "Der Russland-Boom der Mercedes-Laster," November 30, 2024, *Frankfurter Allgemeine*, <https://www.faz.net/aktuell/politik/krieg-gegen-die-ukraine-der-russland-boom-der-mercedes-laster-110142587.html> (accessed December 12, 2024).

As you are aware, companies have a responsibility to respect human rights.³ In order to do this, businesses must have policies and processes in place to meet their responsibilities to respect human rights, including conducting robust human rights due diligence. As stated in Article 18 of the UNGPs⁴, in order to gauge human rights risks, business enterprises should identify and assess any adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationship. The context of conflict may increase the risks of enterprises being complicit in gross human rights abuses committed by other actors. As clarified by the UNGPs, businesses should treat this risk as a legal compliance issue “given the expanding web of potential corporate legal liability arising from extraterritorial civil claims, and from the incorporation of the provisions of the Rome Statute of the International Criminal Court in jurisdictions that provide for corporate criminal responsibility.”⁵

We acknowledge Scania’s Non-Re-Exportation to Russia document.⁶ Among else, Scania notes that customers must ensure Scania products are not re-exported to Russia or used there. This includes direct or indirect sales to Russian entities or individuals, as well as enforcing similar restrictions in agreements with subsequent buyers.⁷ Scania further mandates customers to provide end-user statements, cooperate with audits, and account for the location of Scania products. Failure to do so may result in order cancellations, penalties, and other sanctions.⁸ According to the document, Scania imposes penalties for breaches.⁹

Shortly after the start of the full-scale invasion, Scania had decided to stop deliveries of both trucks and parts to Russia and halted the production in St Petersburg.¹⁰ Additionally, Scania announced that it had decided to immediately ramp down the production and sale of vehicles in Russia until further notice.¹¹ However, in June 2023, media reports indicate that Scania trucks began production in Kazakhstan, allegedly with the intention of exporting to Russia.¹² Moreover, in March 2024, a Ukrainian NGO conducted research about suppliers who supply Scania products to Russia. The organisation asked the company to conduct an internal investigation and stop supplying products to suppliers from third countries who, bypassing sanctions, continue to supply them to Russia.

Scania’s human rights policy states: “We therefore strive to manage our human rights impact every step of the way in line with the established frameworks for Business and Human Rights. We recognise our responsibility to respect human rights and our responsibility to remediate if we have

³ United Nations Guiding Principles on Business and Human right: Implementing the United Nations ‘Protect, Respect, and Remedy’ Framework, https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf (accessed December 4, 2024).

⁴ Ibid.

⁵ Ibid.

⁶ Scania, “Non-Re-Exportation to Russia,” <https://www.scania.com/content/dam/www/market/se/important/Sales-Conditions-Template-No-Russia-Clauses-7-March-2024.pdf> (accessed December 12, 2024).

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ Scania, “Scania makes a provision for Russia,” September 13, 2022, <https://traton.com/en/newsroom/press-releases/traton-group-information-on-russia-ukraine-conflict.html> (accessed December 06, 2024).

¹¹ Traton, “The TRATON GROUP brands Scania and MAN Truck & Bus ramp down production and sale in Russia,” March 7, 2022, <https://traton.com/en/newsroom/press-releases/traton-group-information-on-russia-ukraine-conflict.html> (accessed December 06, 2024).

¹² “В Казахстане начали производить грузовики Scania” June 16, 2023, <https://www.youtube.com/watch?v=lpNmqJZMY74> (accessed December 06, 2024).

caused or contributed to violations of human rights – ensuring victims access to remedy. We also believe that we have a possibility to contribute to positive human rights impact.”¹³ The company further recognises its responsibility not to cause or contribute to human rights violations, confirming that Scania seeks to “assess and mitigate existing or potential direct or indirect linkages to human rights violations occurring in connection to us for example through business relationships or product use.”¹⁴ Additionally, Scania’s Human Rights Policy states: “In cases where Scania identifies or is made aware of human rights violations in connection to our operations, we shall address them appropriately. Scania recognises our responsibility to provide access to remedy in cases where we have caused or contributed to human rights violations.”¹⁵

While at this point, we are not claiming that the company breached sanctions Scania’s continued business links to the Russian military sector are undoubtedly contradictory to the company’s statements and principles regarding respect for human rights, as well as CSR and ESG more broadly. Furthermore, we would like to remind Scania that sanctions compliance is complementary to, but distinct from, a business’ responsibility to respect human rights as described under the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines, the UNDP Guide on Heightened Human Rights Due Diligence for Business in Conflict-Affected Contexts, as well as the broader business and human rights framework or responsible and ethical business conduct.

Accordingly, we would like to pose the following questions:

- **Can Scania comment on potential sanction breaches stemming from the alleged ongoing imports of its trucks into Russia?**
- **What supervisory mechanisms and supply chain due diligence has Scania implemented to fulfil the obligation of adapting company behaviour to recognise, prevent, and stop sanction circumventions from happening?**
- **Can Scania provide insight into the specific heightened human rights due diligence process undertaken regarding the ongoing presence of its trucks in Russia?**
- **Can Scania clarify its mechanisms for ensuring that its business practices consistently align with the company’s own stated commitments to human rights, CSR, and ethical conduct, especially in contexts of severe human rights violations?**
- **Is Scania concerned that maintaining this business relationship could negatively impact its ESG score and result in significant reputational risks?**

In consideration of the above points, we kindly request a dialogue with the Scania’s relevant senior management and staff to discuss ongoing activities and relationships in Russia and associated risks to the people of Ukraine. Should you wish to join the proposed meeting, please contact the B4Ukraine Coalition at contact@b4ukraine.org to schedule a call. We kindly ask for your response by 5:00pm CET, December 28, 2024.

¹³ Scania, “Human Rights Policy,” <https://www.scania.com/content/dam/group/sustainability/sustainability-at-scania/policies-and-documents/scania-human-rights-policy.pdf> (accessed December 6, 2024).

¹⁴ Ibid.

¹⁵ Ibid.

Please note that this letter and any response provided, or lack thereof, will be published on the B4Ukraine webpages. In case you would like to join the proposed call, any such meeting will be held under Chatham House Rules.

Sincerely,

The B4Ukraine Coalition