

VOLVO

Volvo Cars Production Challenges

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Circular Economy



VOLVO

A fast growing premium brand

MID-DECADE BUSINESS AMBITIONS

Climate Action



1.2M
UNITS SOLD

50%
FULLY
ELECTRIC
SALES

2025: 50% fully electric sales
2030: 100% fully electric sales

8-10%
EBIT MARGIN

50%
ONLINE
SALES

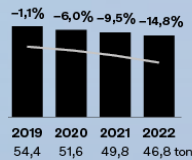
40%
CO₂ REDUCTION
PER CAR

2022: Key sustainability figures

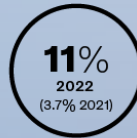


CLIMATE ACTION

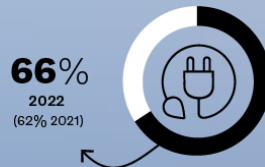
CO₂ EMISSIONS REDUCTION PER CAR



FULLY ELECTRIC VEHICLES (BEVS) SOLD

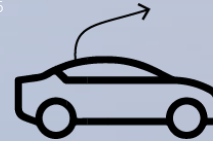


CLIMATE NEUTRAL ENERGY IN MANUFACTURING OPERATIONS

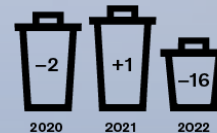


CIRCULAR ECONOMY

RECYCLED MATERIAL 25% in new models 2025



WASTE REDUCTION PER CAR IN MANUFACTURING



WATER USAGE REDUCTION PER CAR IN MANUFACTURING



ETHICAL & RESPONSIBLE BUSINESS

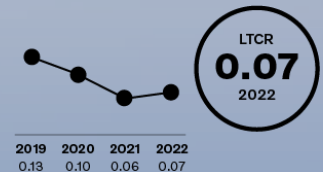
WOMEN IN SENIOR LEADERSHIP



EMPLOYEE ENGAGEMENT



INJURY RATE EMPLOYEE (LTCR)



Circular Economy

The impact of circular business

As manufacturers and mobility providers, we aim to reduce our consumption of resources and prioritise the use of recycled materials, to mitigate our negative impact on the planet.

We aim to achieve this through the adoption of circular business principles throughout our value chain:

- 1 Use less resources by improving efficiency, making materials circular and circulating them at maximum value
- 2 Eliminate all waste and pollution by designing products and operations for long and high utilisation lifecycles.
- 3 Enable growth beyond vehicle sales by offering services and solutions to all Volvo users and products

We have two overarching ambitions for circular business.

In 2025 we aim to annually:



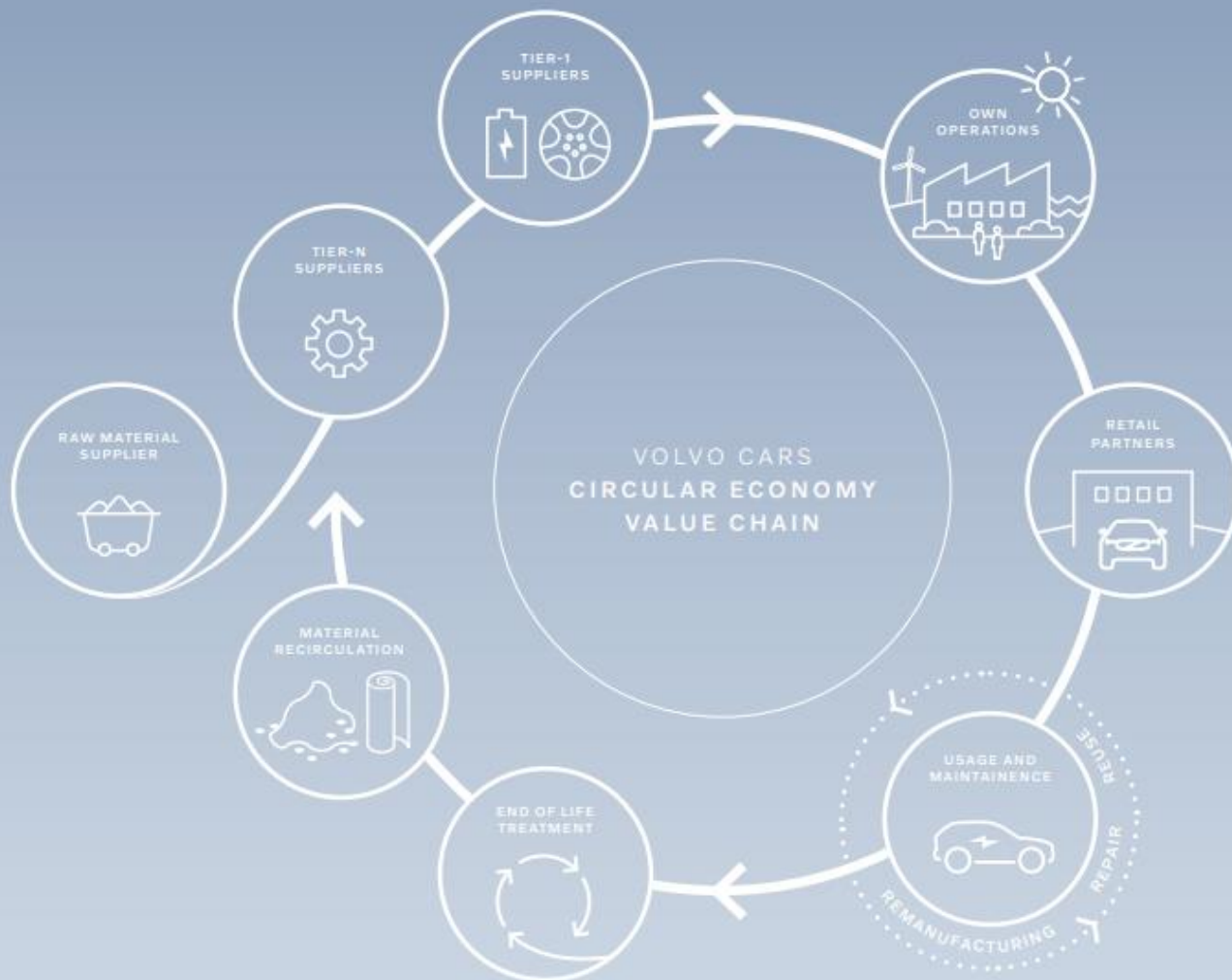
Generate cost savings and new revenue streams worth one billion SEK
(from a 2018 baseline):

In 2022 we improved the efficiency of component value retention and waste trading to enable circular flows profitably. Volvo on Demand continues to deliver mobility as a service while displacing the need for new vehicles.



Reduce CO₂ emissions by 2,500 kilo tonnes
(from a 2018 baseline):

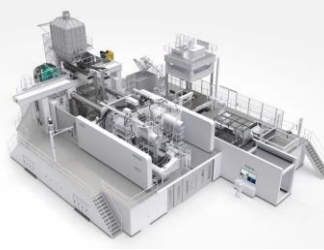
In 2022 we have made progress to ensure recycled content for upcoming vehicles, improved our waste management systems and increased component value retention to support the contribution to CO₂ savings.



Production transformation in Sweden

Car plant:

- Mega Casting
- Battery assembly
- Fully refurbished paint and assembly plant



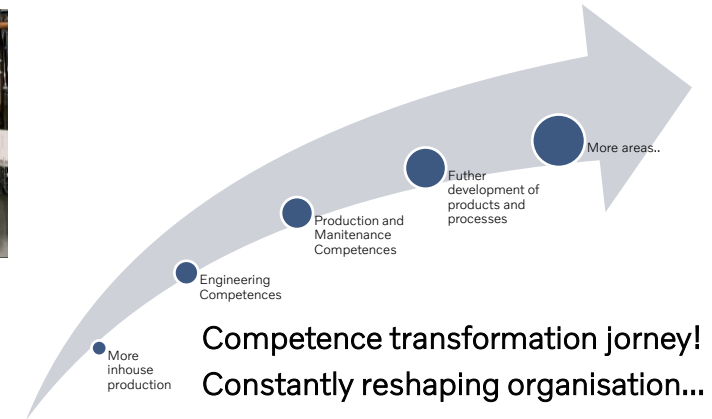
Electric Motors:

- New production facility for electric motors



JV with Northvolt:

- R&D JV to develop cells for the next generation of cars
- Production plant to produce batteries for the European demand



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