

PRESS RELEASE

Volvo Trucks Awarded \$21.7M from U.S. EPA and South Coast AQMD to Deploy 70 Class 8 VNR Electric Zero-Emission Trucks

This award enables the nation's largest commercial deployment of Class 8 battery-electric trucks.

Volvo Trucks North America was awarded \$21.7 million in grants to deploy 70 VNR Electric trucks in Southern California for regional freight distribution and drayage. The <u>U.S. Environmental Protection Agency's (EPA) Targeted Air Shed Grant Program</u> is providing \$20 million in funding, supplemented by \$1.7 million from the South Coast Air Quality Management District (South Coast AQMD) for charging infrastructure, to improve air quality in the region.

Volvo Trucks will deliver the <u>EPA</u>-funded VNR Electric trucks to Southern California fleet operators starting in 2021 through the third quarter of 2022, allowing for at least a full year of operations by the end of the project period in 2023. The announcement comes as Volvo Trucks nears the official commercial launch of its VNR Electric truck model later this year.

Volvo Trucks will leverage best practices learned from the <u>Volvo LIGHTS</u> (Low Impact Green Heavy Transport Solutions) project, its collaboration with South Coast AQMD and 13 other organizations to develop an end-to-end blueprint to successfully introduce battery-electric trucks and equipment into the market at scale. Combined with the other 25 truck deployments through the Volvo LIGHTS project, Volvo Trucks is committed to delivering nearly 100 VNR Electric trucks to the region for zero-emission freight transport.

"This grant provides Volvo Trucks with an excellent opportunity to further expedite the success of the ecosystem designed through the Volvo LIGHTS project to support the wide-scale deployment of battery-electric heavy-duty trucks," said Peter Voorhoeve, president of Volvo Trucks North America. "We applaud the EPA and South Coast AQMD for addressing the key issues in advancing electromobility and incentivizing technology investments in the region, and are proud they continue to trust in Volvo Trucks North America to lead the acceleration of Class 8 zero-emission vehicles."

The U.S. Environmental Protection Agency's (EPA) Targeted Air Shed Grant Program focuses on the regions that have the highest ozone and particulate matter (PM) pollution, including California's South Coast Air Basin. South Coast AQMD is the agency responsible for attaining state and federal air quality standards for this region—including the counties of Los Angeles, Orange, San Bernardino, Riverside, and the Coachella Valley.

"The EPA Targeted Air Shed Grant has enabled South Coast AQMD to continue partnering with Volvo Trucks for the swift deployment of nearly 100 heavy-duty zero-emission trucks," said Wayne Nastri, executive officer for South Coast AQMD. "Innovative collaborations like this are key to bringing clean air to Southern California. South Coast AQMD is pleased to fund the charging infrastructure to support



these new heavy-duty trucks that will operate in disadvantaged communities facing the brunt of air pollution."

The 70 Volvo VNR Electric trucks deployed through this grant are anticipated to provide lifetime emission reduction benefits in excess of 152.63 tons of NOx, 1.317 tons of PM2.5, and 53,160 tons of CO2. As part of the project, South Coast AQMD will lead a data analysis effort to evaluate the full breadth of emission reduction opportunities presented by battery-electric trucks.

Volvo Trucks will also gather deployment data to further refine total cost of ownership calculations including actual vehicle maintenance and fuel cost savings—which can be even lower when combined with low carbon fuel standard credits and managed charging to reduce demand charges. Learnings from this project will allow Volvo Trucks to fine-tune the production at its New River Valley plant in Virginia, enabling seamless integration of the VNR Electric truck model into its manufacturing process for optimized, quality production.

"Volvo Trucks supports our pioneering fleet customers in paving the way to a real-world, sustainable transport future. The large volume of early Volvo VNR Electric deployments in Southern California will help us kick-start this year's successful commercial launch in North America," noted Voorhoeve.

To learn more about Volvo Trucks' <u>electromobility</u> efforts, visit the <u>Volvo Trucks North America</u> website.

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For more information, please visit volvogroup.com/electromobility

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