

P R E S S R E L E A S E

## Volvo Group starts process to establish plant for battery production in Sweden

To meet the growing demand for battery electric heavy-duty vehicles and machines, the Volvo Group has initiated the process to establish a large-scale production plant for battery cells in Sweden.

“We aim to lead the transition to a decarbonized transport system and have the long-term ambition to offer our customers solutions that are 100% fossil free. There is a strong demand from our customers already today, and by 2030, it is our ambition that at least 35% of the products we sell are electric. This ramp-up will require large volumes of high-performing batteries, produced using fossil free energy and it is a logical next step for us to include battery production in our future industrial footprint. We aim to do this together with partners and the journey starts now,” says Martin Lundstedt, President and CEO of the Volvo Group.

An extensive site localization study has been done, which indicates that the Skaraborg region in Sweden is an ideal location for the plant. The proposed site in the municipality of Mariestad is situated close to the Volvo Group’s current main powertrain plant in Skövde and will benefit from the region’s existing industrial and logistics infrastructure and build on a strong heritage and world-class competence in advanced, high-volume manufacturing, while having access to Sweden’s rich supply of fossil free energy. The Volvo Group’s R&D centers and headquarters in Gothenburg are only two hours away.

The Volvo Group plans to gradually increase capacity and reach large-scale series production by 2030. The battery cells will be designed specifically for commercial vehicle applications, supporting the global roll-out of electric trucks, buses, construction equipment and electric drivelines for different applications.

Establishment of the production site is subject to approvals from relevant authorities. The final localization will be determined after the public consultation has been conducted and operations are subject to environmental permit approvals.

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**About the Volvo Group**

The Volvo Group drives prosperity through transport and infrastructure solutions, offering trucks, buses, construction equipment, power solutions for marine and industrial applications, financing and services that increase our customers' uptime and productivity. Founded in 1927, the Volvo Group is committed to shaping the future landscape of sustainable transport and infrastructure solutions. The Volvo Group is headquartered in Gothenburg, Sweden, employs almost 95,000 people and serves customers in more than 190 markets. In 2021, net sales amounted to SEK 372 billion (EUR 37 billion). Volvo shares are listed on Nasdaq Stockholm.

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