

VOLVO

Volvo Cars' Sustainability Update



VOLVO

Climate Action



VOLVO CARS SUSTAINABILITY STRATEGY



CLIMATE ACTION

We aim to reach net zero greenhouse gas emissions by 2040

- Transform to pure electrification
- Minimise emissions from materials
- Minimise operational emissions



CIRCULAR ECONOMY

We aim towards becoming a circular business by 2040

- Minimise primary resource use
- Eliminate waste and pollution
- Grow circular business



RESPONSIBLE BUSINESS

We aim to protect and improve people's lives in our value chain and wider society

- Ensure employee wellbeing
- Safeguard human rights
- Contribute to a sustainable society

Supported by stakeholder collaboration and advocacy



CLIMATE ACTION

We aim to reach net zero greenhouse gas (GHG) emissions by 2040

AMBITIONS	CO ₂ PER AVERAGE CAR	TRANSFORM TO PURE ELECTRIFICATION	MINIMISE EMISSIONS FROM MATERIALS	MINIMISE OPERATIONAL EMISSIONS
2025	-40%	-50% 50% fully electric vehicles.	-25% Sourcing of low-emission steel, aluminium and batteries.	-25% Climate neutral energy in own operations. Reduce GHG emissions from retail partners' operations and facilities by 50% .
2030	-75%	-100% Pure electrification. Reduce Scope 3 GHG emissions from use of sold products by 52% per vehicle km.	-30% 10% of primary aluminum near zero.	-30% 40% reduced energy use in own operations per average car. Reduce absolute Scope 1&2 GHG emissions by 60% .
2040	-90-95%	← Net zero greenhouse gas emissions by 2040 →		



CLIMATE ACTION

Progress 2023

FULLY ELECTRIC VEHICLES (BEV) SHARE OF TOTAL SALES

100% BY 2030

16.0%

2023 (10.9% 2022)



MINIMISE EMISSIONS FROM MATERIALS

-30% BY 2030

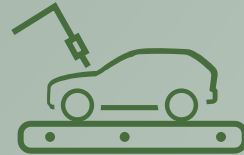
+22%



MINIMISE OPERATIONAL EMISSIONS

-30% BY 2030

-19%

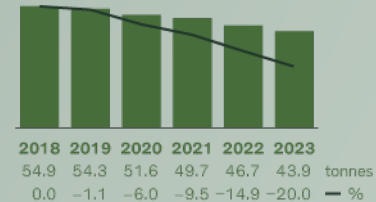


CO₂ EMISSION REDUCTION PER AVERAGE VEHICLE

-75% IN 2030

-20%

Reduction since 2018



SCOPE 1-2

-60% BY 2030

-65%

SCOPE 3, USE OF SOLD PRODUCTS

-52% BY 2030

-22%



CLIMATE ACTION

Strengthening our capability to steer towards set CO₂ ambitions

WHAT IS “CO₂ STEERING”?

A more precise operating model to help us steer towards set climate ambitions
Aligned with established performance steering model for cost

HOW DOES IT CHANGE THE WAY WE WORK?

Corporate CO₂ targets are broken down to individual cars and components early

Early CO₂ estimates from design or engineering drafts

A Volvo Cars estimate of the CO₂ emissions from suppliers – to spur dialogue

Sourcing of components steered towards set CO₂ budget

CO₂ controlling to help us know the status and roadmaps

ENABLED BY:

A virtual representation of sustainability performance
Single source of data across
Collecting and storing documented proofs

VOLVO

Circular Economy and Biodiversity



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CIRCULAR ECONOMY

We aim towards becoming a circular business by 2040

AMBITIONS	MINIMISE PRIMARY RESOURCE USE	ELIMINATE WASTE AND POLLUTION	GROW CIRCULAR BUSINESS
2025	<ul style="list-style-type: none"> Reach 25% recycled content in new car models. Reduce water use in manufacturing by 45% per average car. 	<ul style="list-style-type: none"> Reduce waste in manufacturing by 40% per average car. 	<ul style="list-style-type: none"> +SEK 1bn revenue from circular initiatives.
2030	<ul style="list-style-type: none"> Reach 30% average recycled content across the fleet, with new car models having at least 35% recycled content. Reduce water use in own operations by 50% per average car. 	<ul style="list-style-type: none"> At least 99% of all our waste is either reused or recycled. 	

Biodiversity: Longer term Volvo Cars strives to be Net Positive across its value chain and to contribute to a Nature Positive future.



CIRCULAR ECONOMY

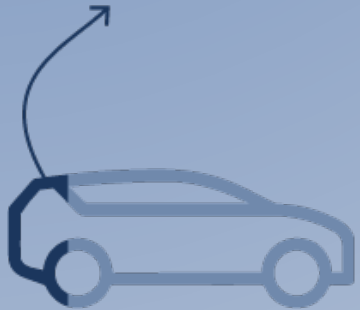
Progress 2023

RECYCLED MATERIAL

35% IN NEW MODELS 2030

17%

recycled content in the Volvo EX30



REUSE AND RECYCLING RATE FOR WASTE

>99% 2030

92%

2023



WATER WITHDRAWAL REDUCTION PER CAR

-50% 2030

-23%

reduction since 2018



COPPER CASE STUDY

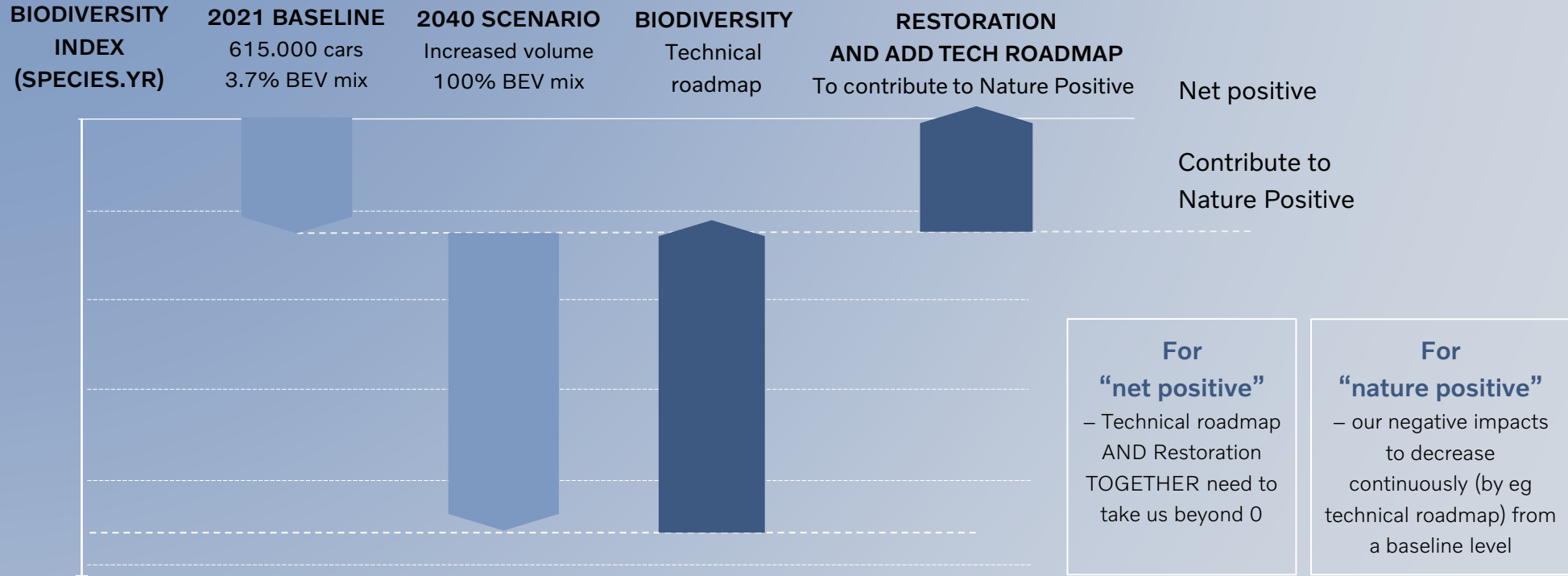
Believed recycled = low quality
500kg tested
Now known =
Equivalent quality





LONGER TERM AMBITION

To be Net Positive across its value chain and to contribute to a Nature Positive future.



illustrative

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