

VOLVO

Capital Markets Presentation



Electrification

Electrification Strategy

Well positioned in the fastest growing segment to achieve above-market growth

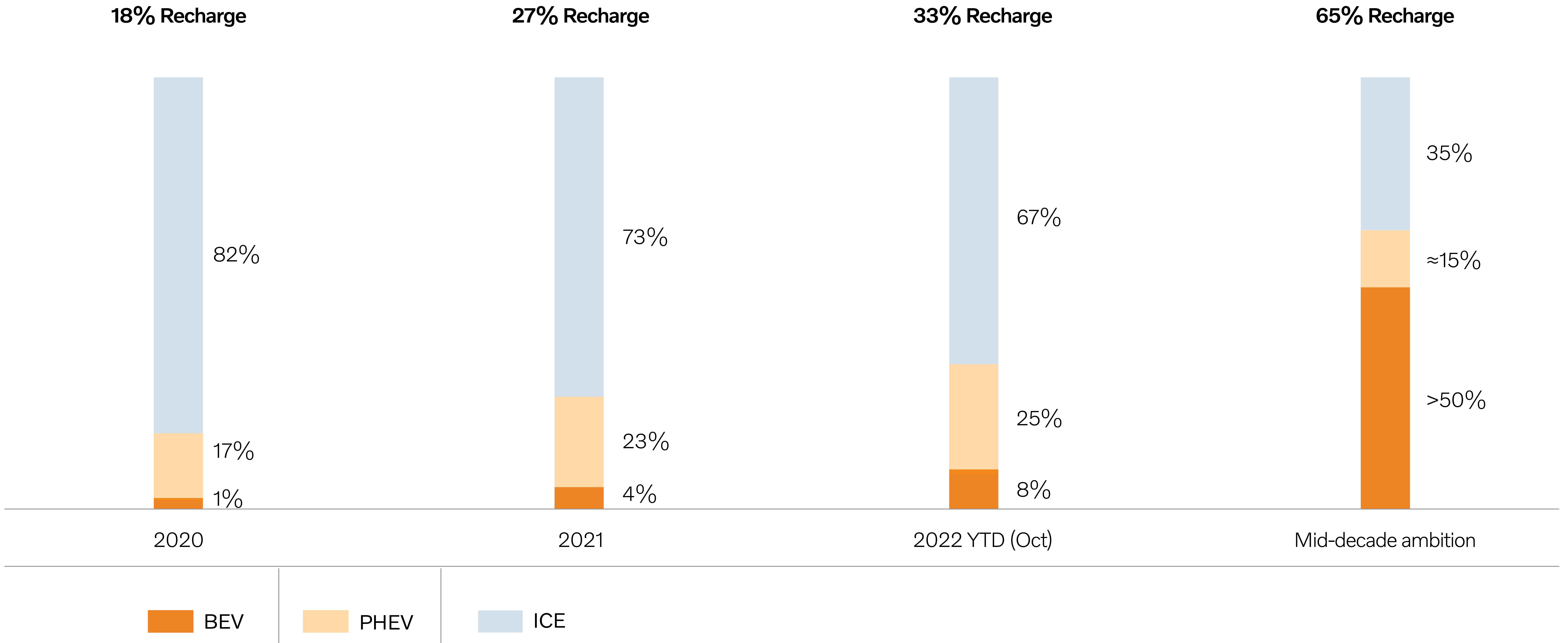
Leverage strong electrified track record and product plan with full electric focus

Reduce ICE legacy exposure to fully focus on electrification

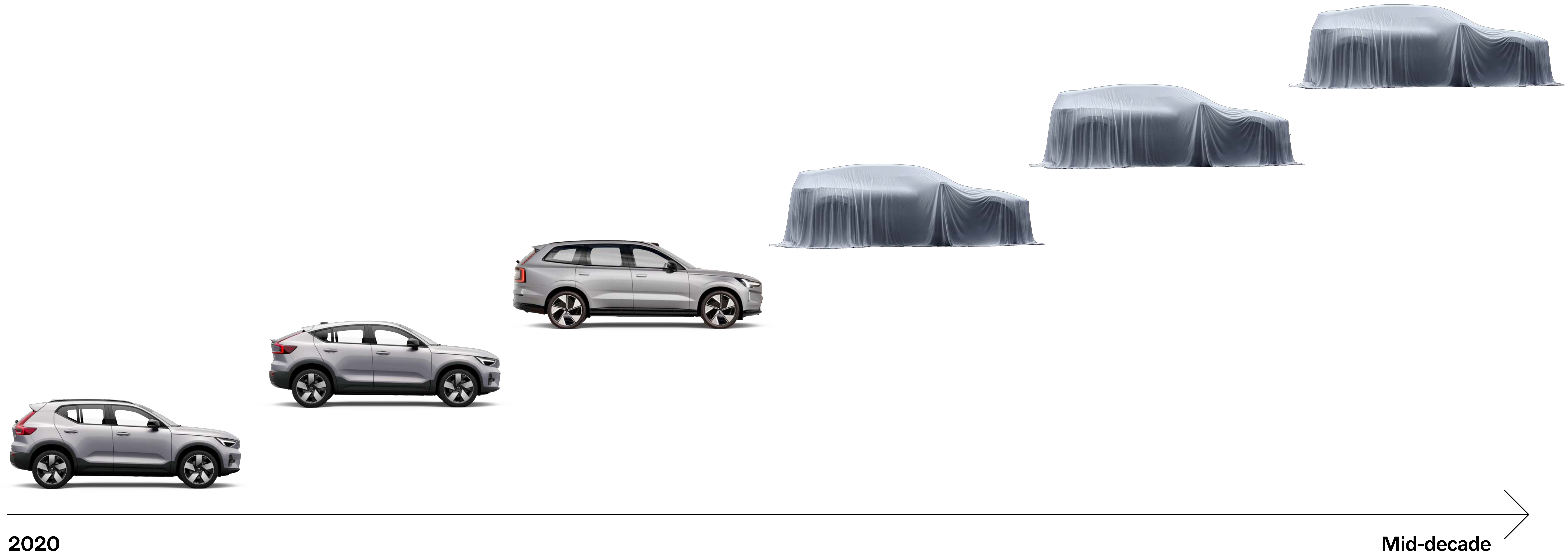
Control value-chain of sustainable battery technology and secure supply

Integrate e-propulsion development and manufacturing expertise

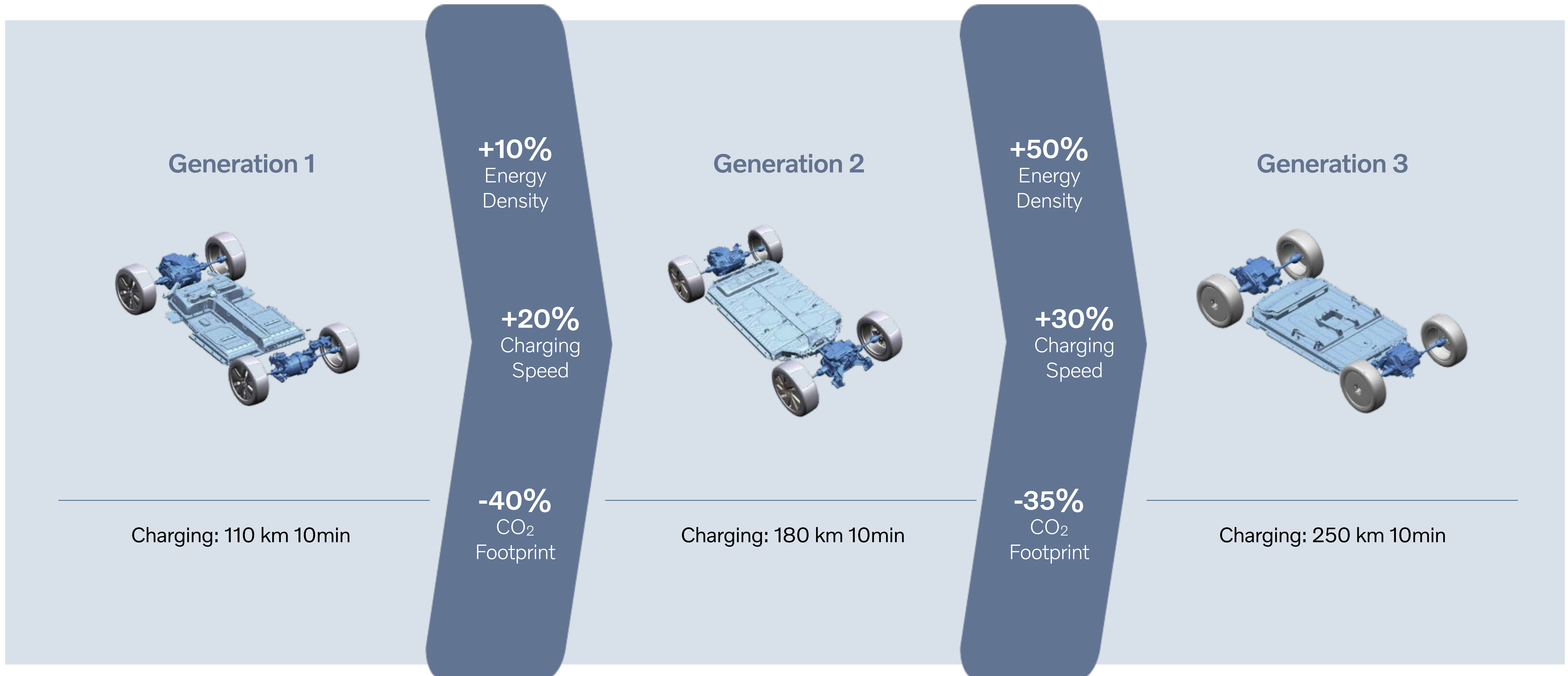
Volvo Cars' Electrification Strategy



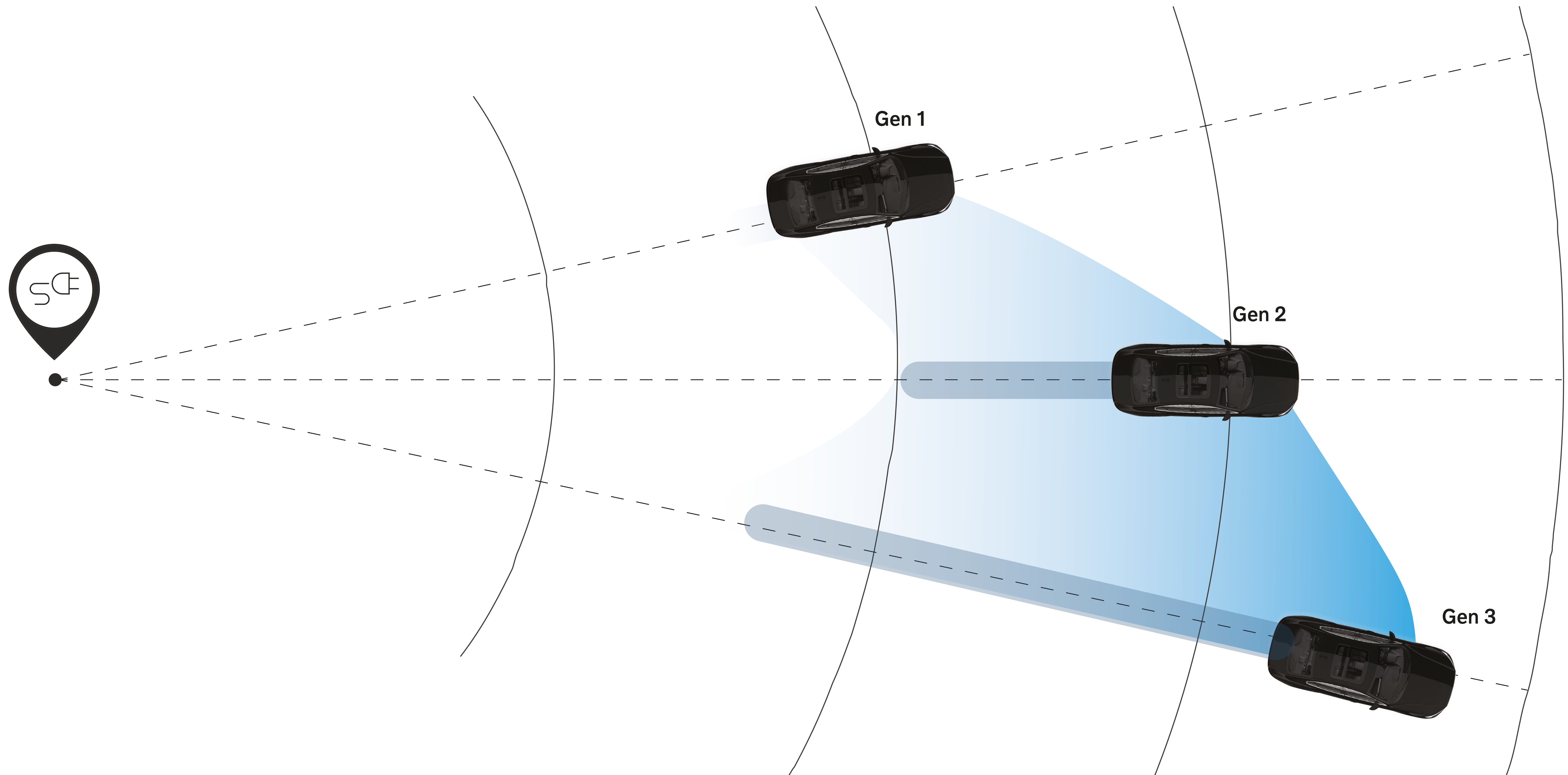
Growing BEV Portfolio



Propulsion Evolution



Widened range offering with new generations



Why vertical integration is important for us

Speed of
innovation

Value chain
control

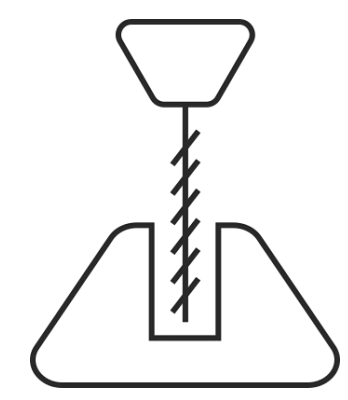
Cost
efficiency

Torslanda, Gothenburg

Gigafactory

In direct connection to existing Volvo Cars plant with a potential capacity of up to 50 gigawatt hours (GWh) per year.

Timeline



2023 Q1

Start groundworks

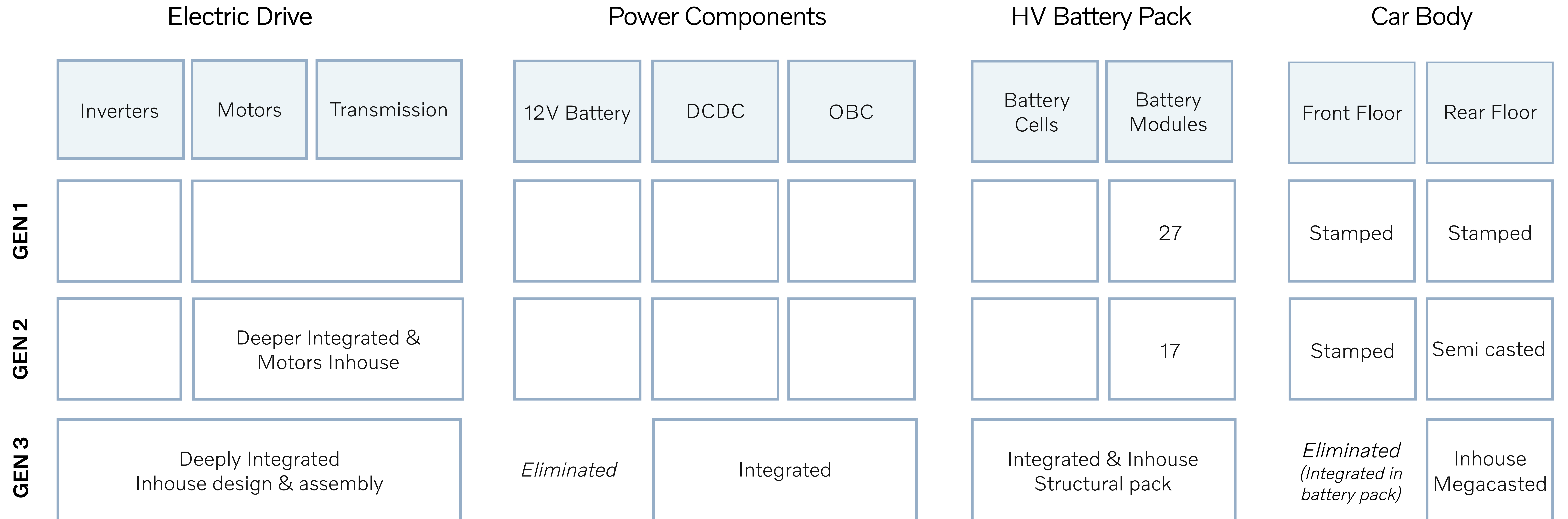


2026 Q1

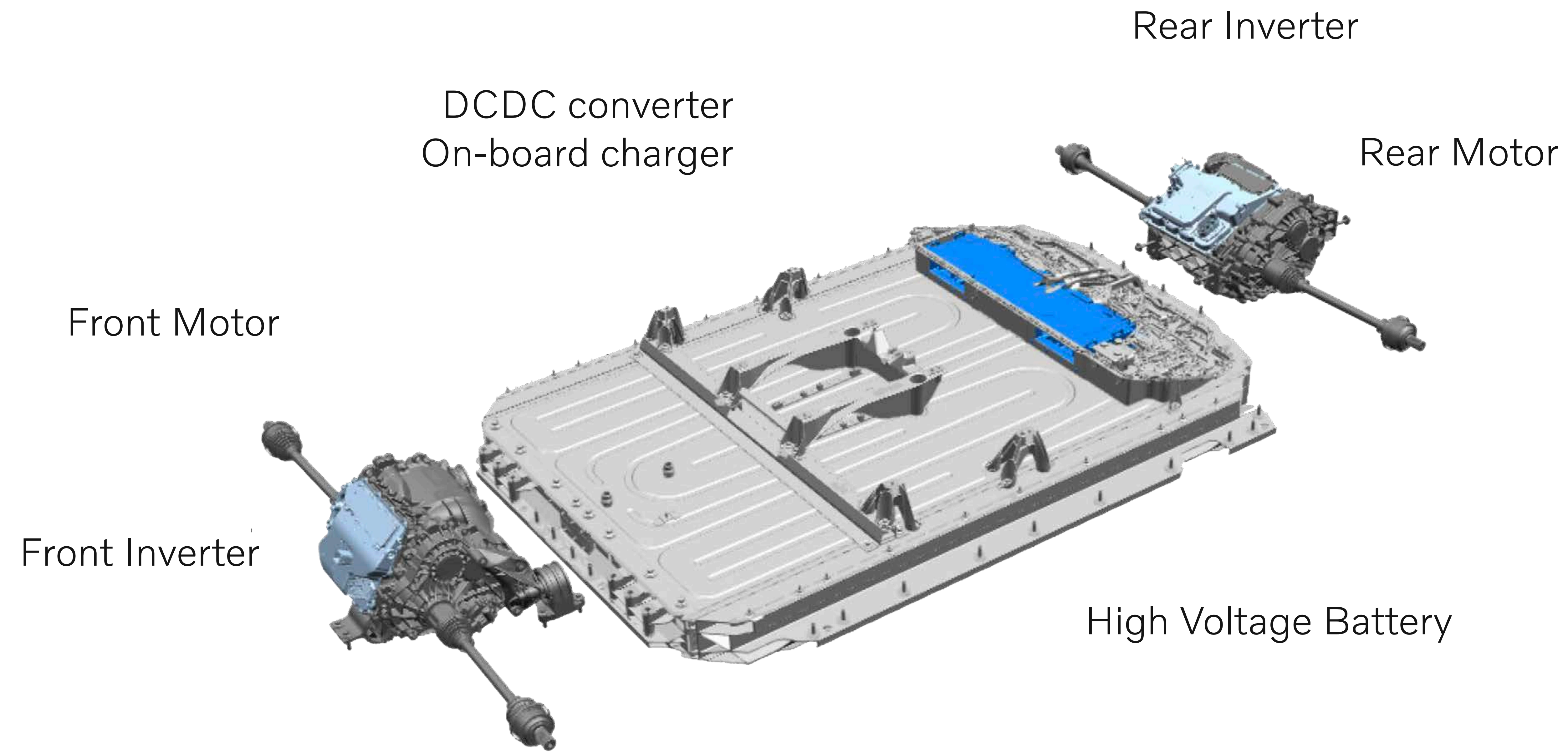
Production start



System Integration Strategy

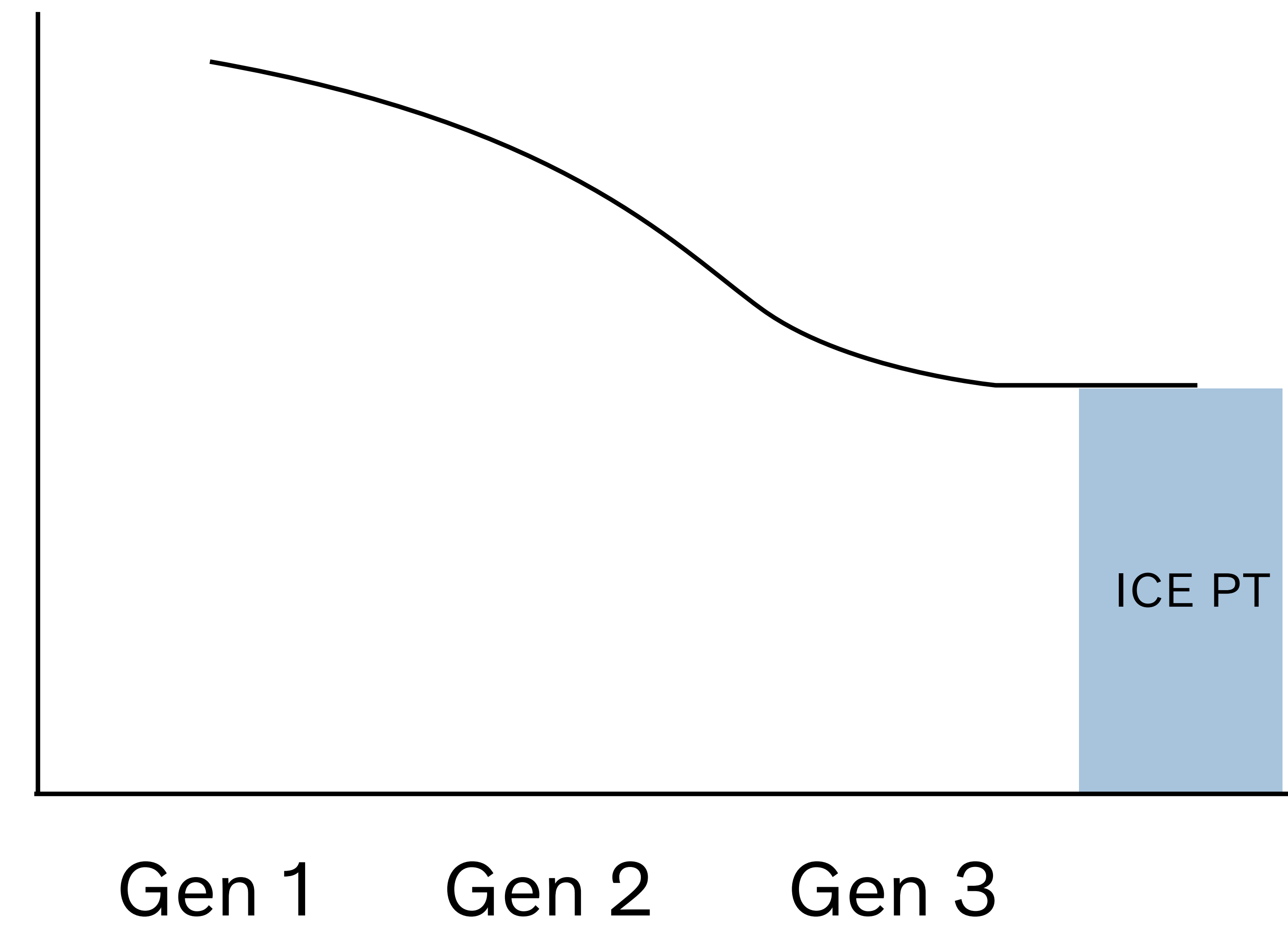


Electric Propulsion Cost Competitiveness



All major electric propulsion components re-engineered to achieve cost efficiency

Cost



Gen3 total battery pack expected to reach cost levels below <math><100</math> USD/kwh

Battery Supply Until 2030

In-house production in 2026 Q1 with NOVO

Long term volume commitment with Northvolt and NOVO

Fully localising supply in production regions

Volumes commitments for supply with Tier 1s

Volumes commitments with Tier 1s

Long term contracts with Tier 1s

Raw material sourcings to feed into supply chain, regionalized

Today

Mid Term

2030+

Contract confirmed

In progress

We can transform fast

Committed, focused, fast

Strong demand
& attractive
product plan

Technology
evolution

Robust execution
plan to deliver on
cost and supply