

PRESS INFORMATION

Volvo Construction Equipment inaugurates new facilities to accelerate transformation journey

Volvo Construction Equipment (Volvo CE) has inaugurated new facilities at its plants in Changwon, South Korea and Braås, Sweden to support its strategy to offer more sustainable solutions to its customers and meet its ambitious sustainability commitments.



An investment totaling SEK 440 million (\$40.5 million) has been used to develop its facilities in [Changwon](#) and [Braås](#)

Kamel Sid, Head of Operations at Volvo CE, said: “The investment in our facilities is an important part of our strategy to drive the transformation towards more sustainable solutions and to help us meet our [Science Based Target](#) commitments. We have an ambition to be fossil-free and for 35% of our machine sales to be electric by 2030, so investing in our facilities is another important step on our [electrification roadmap](#).

[In Changwon, an investment of SEK 80 million](#) (\$7.8 million) has been used to build a new battery pack production facility for the benefit of the Volvo Group, while at the Braås plant in Sweden SEK 360 million (\$32.7 million) has been used to expand production facilities to accelerate the phased shift to electromobility for articulated haulers.



Inauguration of the new battery facility at Volvo CE Changwon

Powering itself forward

Andrew Knight, Head of Excavator Industrial Strategy and Managing Director of Volvo Group Korea, says: “Our new battery facility in Changwon will produce a range of battery pack solutions for the Volvo Group. In April 2022, we established a mass production line for electric excavators and with the completion of the new battery pack production facility, we can now produce them in-house, from batteries to finished products, saving time and logistics costs. The new 2,500 sq. meter facility which has been built within the plant includes assembly and logistics areas. Our skilled and experienced workforce is ready to help us take this next step on our transformation journey.”

The new battery pack production facility in Changwon is now operational. The new battery pack will be used in the 23-ton [Volvo EC230 Electric](#) excavator which begins mass production in Changwon from August 2024. Changwon is the largest excavator manufacturing site in Volvo CE, producing around 55% of its total excavator volumes and with this investment it will become a core competence center for electric excavators. It is also an ideal location, close to battery module supply partners and other key suppliers in South Korea.

Pioneering sustainable innovations

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The inauguration at Volvo CE's Braås facility in Sweden

[In Braås, the investment](#) has been used to expand the manufacturing facilities at the plant, which specializes in the production of articulated haulers. Importantly, it will enable the factory to deliver a larger range of articulated haulers with different types of powertrain to reflect the company's shift toward offering solutions that run on more sustainable power sources. The plant has always been at the forefront of sustainability, it was here that the [first articulated hauler in the world was produced using fossil-free steel](#).

Joakim Karlsson, Head of Global Quality, Safety and Sustainability, Operations at Volvo CE, said: "Our employees at Braås have been instrumental in this project to develop our facilities. As part of the process, we have evaluated our ways of working and introduced improvements that deliver health and safety and ergonomic benefits for our employees, as well as helping us increase productivity. With the new building, we've also added height to more easily accommodate production of our [60-ton A60H](#), the largest articulated hauler in the world."

The new building will be used for Pre-Delivery Inspection (PDI) and final assembly, with work commencing here from June 3.

Volvo CE is also committed to investing in its facilities to reduce their environmental impact and has a target to cut emissions across its own operations, facilities, and manufacturing processes by half by 2030. Braås was the first in the construction industry to achieve a carbon neutral operation powered entirely by renewable energy, whilst in Changwon the [installation of solar panels](#) will be completed and providing renewable energy by late August this year.

May 2024

Journalists wanting further information, please contact:

Åsa Alström

Head of Strategic Communications

Volvo Construction Equipment

asa.alstrom@volvo.com

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Volvo Construction Equipment (Volvo CE) is a global leader in construction solutions, delivering premium products and services that combine power and performance with a more sustainable way of working. We are a company driven by people and together we have a purpose: To build the world we want to live in. Founded in 1832 and with a distribution network across every major market, our many dedicated experts around the world are fulfilling our shared purpose through a focus on sustainability, electromobility and services. As well as our expanding range of electric machines and charging solutions, Volvo CE provides industry-leading haulers, loaders, excavators and much more, all built to suit the demands of our customers' varied construction and infrastructure needs. Volvo CE benefits from being connected to the Volvo Group, which also offers trucks, buses, power solutions for marine and industrial applications, financing and services that increase our customers' uptime and productivity. Through its holistic perspective, Volvo Group is committed to shaping the future landscape of sustainable transport and infrastructure solutions. For further company information and to explore our values further please visit www.volvoce.com