

## **AB Volvo**

## Press release

## More efficient logistics reduced the Volvo Group's carbon footprint by 22 percent

Between 2006 and 2010, emissions of carbon dioxide from the Volvo Group's transportation of goods and products in Europe was reduced by 22 percent, measured as the average number of grams of carbon dioxide per ton per kilometer. This is one of the findings revealed in a report from Volvo Logistics, the Volvo Group's logistics company, which develops and purchases transportation solutions. The report is a summary of the work that began in 2008 when Volvo Trucks and Volvo Logistics challenged its transportation suppliers. The reduction also includes transportation for Volvo Car Corporation.

Among the trucking companies in Europe used by the Volvo Group, the proportion of truck drivers who had undergone theoretical and practical training in fuel-efficient driving increased to 74 percent in 2010. In recent years, the companies' trucks have also been equipped with more modern engines, which consume less fuel and emit less carbon dioxide. In addition, cargo space is being used more efficiently, thus enabling the transportation of more goods at the same time. All of these factors have contributed to reducing total emissions of carbon dioxide per ton per kilometer from the Volvo Group's transports, which usually take the form of trucks driven on highways, but also include marine and railway solutions.

In Sweden, truck rigs that are 25.25 meters long are already used, thus making road transportation more efficient compared with many other parts of Europe. Since 2007, carbon dioxide emissions from the Volvo Group's truck transports in an industrial area in Gothenburg have been further reduced with the help of even longer vehicles that transport more goods during each run. Volvo Logistics uses Sweden's longest truck rigs, measuring 32 meters, for trips between the Volvo Group's terminal and harbor in Gothenburg. The rigs are able to transport two 40-foot containers instead of one, thus reducing emissions of carbon dioxide per ton per kilometer. The next step could involve the use of a 48-meter long rig that can transport up to three 40-foot containers, which would further reduce CO<sub>2</sub> emissions.

The Volvo Group has also reduced its carbon dioxide emissions in Europe by using more marine and train solutions to supplement truck transportation in cases where harbors and railways satisfy the Group's stringent demands for reliability and

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precision. For example, marine transportation of goods and products can currently operate more smoothly because one of the shipping lines commissioned by Volvo has lengthened its vessels. Another example is Viking Rail, a train concept launched by Volvo Logistics in 2008 for cargo between Germany and Sweden. This solution enables trailers to be loaded on low-floor goods wagons in southern Germany, connecting the wagons to complete train sets in northern Germany and then driving the trains to Gothenburg, where the cargo is reloaded and transported by truck to the final destination.

"In most cases, road transportation is the only efficient alternative, which is why we are cooperating with our trucking companies in an effort to reduce the environmental impact of transportation. We are also aiming to find more ways of integrating road, rail and marine solutions. Our objective is to reduce carbon dioxide emissions from our transportation in Europe by 30 percent by 2015, with 2006 as the base year," says Susanna Hambeson, Environmental Manager at Volvo Logistics.

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