



PRESS RELEASE

Annual General Meeting of AB Volvo

AB Volvo's Annual General Meeting will take place on Wednesday, April 3, 2019 at 3.00 p.m. at Konserthuset, Götaplatsen, in Göteborg.

Shareholders who wish to participate at the Annual General Meeting must be recorded as a shareholder in AB Volvo's share register on March 28, 2019 and must also give notice of their intention to participate at the Meeting to AB Volvo no later than March 28, 2019.

Notice of intention to participate at the Meeting may be given by telephone to +46 8 402 90 76, or by mail addressed to AB Volvo (publ), "AGM", c/o Euroclear Sweden AB, P O Box 191, SE-101 23 Stockholm, Sweden, or directly on AB Volvo's website www.volvogroup.com. Please note that notice of intention to participate could be given per telephone no later than 4.00 p.m. on March 28, 2019.

Media wishing to participate at the Meeting can notify their intention to Media Relations, AB Volvo, at +46 765-53 72 29.

The notice to attend the Annual General Meeting follows below.

Welcome!

AB Volvo

February 28, 2019

For more information, please visit www.volvogroup.com/press

The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment and marine and industrial engines. The Group also provides complete solutions for financing and service. The Volvo Group, which employs almost 105,000 people, has production facilities in 18 countries and sells its products in more than 190 markets. In 2018 the Volvo Group's sales amounted to about SEK 391 billion (EUR 38,1 billion). The Volvo Group is a publicly-held company headquartered in Göteborg, Sweden. Volvo shares are listed on Nasdaq Stockholm.



Translation of Swedish original

NOTICE TO ANNUAL GENERAL MEETING OF AB VOLVO (publ)

AB Volvo (publ) hereby gives notice to attend the Annual General Meeting at Konserthuset, Götaplatsen, Göteborg, Wednesday, April 3, 2019, at 3.00 p.m. Registration to the Annual General Meeting starts at 1.30 p.m.

Proposed agenda

Matters:

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Verification of the voting list
4. Approval of the agenda
5. Election of minutes-checkers and vote controllers
6. Determination of whether the Meeting has been duly convened
7. Presentation of the work of the Board and Board committees
8. Presentation of the Annual Report and the Auditor's Report as well as the Consolidated Accounts and the Auditor's Report on the Consolidated Accounts. In connection therewith, speech by the President and CEO
9. Adoption of the Income Statement and Balance Sheet and the Consolidated Income Statement and Consolidated Balance Sheet
10. Resolution in respect of the disposition to be made of the Company's profits
11. Resolution regarding discharge from liability of the Board members and of the President and CEO
12. Determination of the number of Board members and deputy Board members to be elected by the Meeting
13. Determination of the remuneration to the Board members
14. Election of Board members

The Election Committee proposes election of the following Board members:

- 14.1 Matti Alahuhta
- 14.2 Eckhard Cordes
- 14.3 Eric Elzvik
- 14.4 James W. Griffith
- 14.5 Martin Lundstedt
- 14.6 Kathryn V. Marinello
- 14.7 Martina Merz
- 14.8 Hanne de Mora
- 14.9 Helena Stjernholm
- 14.10 Carl-Henric Svanberg



15. Election of the Chairman of the Board
The Election Committee proposes re-election of Carl-Henric Svanberg as Chairman of the Board
16. Election of members of the Election Committee
17. Resolution regarding amendment of the Instructions for the AB Volvo Election Committee
18. Resolution regarding Remuneration Policy for senior executives
19. Proposal from the shareholder Carl Axel Bruno regarding limitation of the Company's contributions to Chalmers University of Technology Foundation

Motions

Point 2: The Election Committee proposes Sven Unger, Attorney at law, to be the Chairman of the Meeting.

Point 10: The Board proposes payment of an ordinary dividend of SEK 5.00 per share and an extra dividend of SEK 5.00 per share. Friday, April 5, 2019, is proposed as the record date to receive the dividend. If the Annual General Meeting resolves in accordance with the proposal, payment of the dividend is expected to be performed through Euroclear Sweden AB on Wednesday, April 10, 2019.

Point 12: The Election Committee proposes ten members and no deputy members.

Point 13: The Election Committee proposes that the Chairman of the Board will be awarded SEK 3,600,000 (3,500,000) and each of the other Board members elected by the Annual General Meeting SEK 1,060,000 (1,030,000) with the exception of the President and CEO. Furthermore, the Election Committee proposes that the Chairman of the Audit Committee will be awarded SEK 380,000 (360,000) and the other members of the Audit Committee SEK 175,000 (165,000) each and that the Chairman of the Remuneration Committee will be awarded SEK 160,000 (150,000) and the other members of the Remuneration Committee SEK 115,000 (110,000) each. The Election Committee finally proposes that the Chairman of the Technology and Business Transformation Committee¹ will be awarded SEK 190,000 and the other members of the Technology and Business Transformation Committee SEK 160,000 each.

Point 14-15: The Election Committee's proposals are set out in the proposed agenda. A presentation of the candidates proposed by the Election Committee is available on AB Volvo's website; www.volvogroup.com or www.volvokoncernen.se.

Point 16: The Election Committee proposes that Pär Boman (Svenska Handelsbanken, SHB Pension Fund, SHB Employee Fund, SHB Pensionskassa and Oktogonen), Ramsay Brufer (Alecta), Bengt Kjell (AB Industrivärden), Carine Smith Ihenacho (Norges Bank Investment Management) and the Chairman of the Board are elected members of the Election Committee and that no fees are paid to the members of the Election Committee.

¹ The Chairman of the Board has informed the Election Committee that the current Business Area Committee is intended to be replaced by a new committee, the Technology and Business Transformation Committee. The Annual General Meeting 2018 resolved that the Chairman of the Business Area Committee should be awarded SEK 180,000 and the other members of the Business Area Committee SEK 155,000 each.



Point 17: The Election Committee proposes that the Annual General Meeting resolves to amend the Instructions for the AB Volvo Election Committee, primarily to create the necessary scope to consider conflict of interest situations and similar circumstances.

Point 18: The Board proposes that the Annual General Meeting resolves to adopt the following Remuneration Policy for senior executives.

This policy concerns the remuneration and other terms of employment for the members of the Volvo Group Executive Board ("Executives").

The remuneration and the other terms of employment of the Executives shall be competitive so that the Volvo Group can attract and retain competent Executives. The total remuneration to Executives consists of fixed salary, short-term and long-term incentives, pension and other benefits. Short-term and long-term incentives shall be linked to predetermined and measurable criteria relating to EBIT and cash flow targets for the Volvo Group, devised to promote the long-term value creation of the Volvo Group and strengthen the link between achieved performance targets and reward. The criteria for short-term and long-term incentives shall be determined by the Board annually.

Short-term incentive may, as regards the President & CEO, amount to a maximum of 100 % of the fixed salary and, as regards other Executives, a maximum of 80 % of the fixed salary.

Long-term incentive may, as regards the President & CEO, amount to a maximum of 100 % of the fixed salary and, as regards other Executives, a maximum of 80 % of the fixed salary. The long-term incentive program for the Group's top executives, including the Executives, is cash-based. Awards under the program, based on how well the performance targets are achieved, are disbursed in cash to the participants on the condition that they invest the net award in AB Volvo shares and that they retain the shares for at least three years. In addition, the Executives should be required to accrue (if they do not already have such a holding) and retain a holding of AB Volvo shares with a market value of at least one year's pre-tax fixed salary (two years' for the President and CEO), subject to a right for the Board of Directors to grant such exceptions as the Board deems appropriate. For the avoidance of doubt, Executives shall not be under any obligation to purchase additional shares, other than those purchased in connection with the long-term incentive program, to satisfy the accrual and retention requirement.

Any new share-based incentive program will, where applicable, be resolved by the General Meeting, but no such program is currently proposed.

For Executives resident in Sweden, the notice period upon termination by the company shall not exceed 12 months and the notice period upon termination by the Executive shall not exceed 6 months. In addition, in the event of termination by the company, the Executive may be entitled to a maximum of 12 months' severance pay.

Executives resident outside Sweden or resident in Sweden but having a material connection to or having been resident in a country other than Sweden may be offered notice periods for termination and severance payment that are competitive in the country where the Executives are or have been resident or to which the Executives have a material connection, preferably solutions comparable to the solutions applied to Executives resident in Sweden.



Authority to decide on deviations from this policy

The Board of Directors may deviate from this policy if there are special reasons to do so in an individual case.

Additional information

Executive compensation, which has been decided but which has not yet become due for payment by the time of the 2019 Annual General Meeting, falls within the scope of this policy. Additional information regarding remuneration is available in the Volvo Group Annual Report for 2018.

Point 19: Proposal from the shareholder Carl Axel Bruno that the Annual General Meeting shall decide upon limitation of the Company's contributions to Chalmers University of Technology Foundation to a maximum of SEK 4 million per year.

Documents

The complete proposal by the Election Committee and its statement explaining the proposals as well as the letter from the shareholder Carl Axel Bruno (in original language) pursuant to Point 19 of the Agenda are available at www.volvogroup.com and www.volvokoncernen.se.

The Annual Report, the Auditor's Report and the Auditor's statement pursuant to Chapter 8, Section 54 of the Swedish Companies Act will be available at www.volvogroup.com and www.volvokoncernen.se, and at AB Volvo Group's Headquarters, Gropegårdsgatan 2, Göteborg, from March 13, 2019 at the latest.

The documents will be sent on request to such shareholders who provide their address from the date they become available. The documents will also be available at the Annual General Meeting.

The number of shares and votes

When this notice to attend the Annual General Meeting was issued, the total number of shares in the Company was 2,128,420,220, distributed among 478,105,829 series A shares (1 vote per series A share), and 1,650,314,391 series B shares (1/10 vote per series B share). The total number of votes was 643,137,268.1. The Company's holding of own shares amounted to 94,968,136, distributed among 20,728,135 series A shares and 74,240,001 series B shares, corresponding to 28,152,135.1 votes. The Company may not vote using its treasury shares.

Information at the Annual General Meeting

Upon request by any shareholder and where the Board believes that such may take place without significant harm to the Company, the Board and the President and CEO should provide information at the Annual General Meeting in respect of any circumstances which may affect the assessment of a matter on the agenda, and any circumstances which may affect the assessment of the Company's or a subsidiary's financial position and as regards the Company's relationship to other Group companies.

Right to participate in the Annual General Meeting

Participation in AB Volvo's Annual General Meeting is limited to those who are recorded as shareholders in the share register maintained by Euroclear Sweden AB on March 28, 2019 and who no later than March 28, 2019 give notice of their intention to participate in the Annual General Meeting to AB Volvo.



Shares registered in the name of a nominee

To be entitled to participate in the Annual General Meeting, shareholders having their shares registered in the name of a nominee must request the nominee to enter the shareholder into the share register. Such registration, which can be temporary, must have been effected by March 28, 2019 and should therefore be requested well in advance of March 28, 2019. Nominees normally charge a fee for this.

Notice

Notice of intention to participate in the Annual General Meeting can be given:

- by telephone, +46 8 402 90 76 (Monday-Friday 8.30 am to 4.00 pm)
- by mail addressed to AB Volvo (publ), "AGM", c/o Euroclear Sweden, P.O. Box 191, SE-101 23 Stockholm, Sweden
- on AB Volvo's website; www.volvogroup.com and www.volvokoncernen.se

In providing such notice, the shareholder should state:

- name
- personal registration number (corporate registration number)
- address and telephone number
- name and personal registration number of the proxy, if any
- the number of any accompanying assistant(s) (maximum two assistants)

Shareholders who wish to participate in the Annual General Meeting must submit notice no later than March 28, 2019. If you wish to be accompanied by an assistant, notification of the number of assistant(s) must be provided as specified above.

Shareholders who are represented by proxy must issue a written, dated proxy for the representative. Such proxy forms are available at www.volvogroup.com or www.volvokoncernen.se. The proxy, in its original, should be sent to the Company at the above address well in advance of the Annual General Meeting. The proxy may not be older than one year unless it states that it is valid for a longer period of time, although the validity of the proxy may not exceed five years. If the proxy is issued by a legal entity, a certified copy of the certificate of registration or an equivalent certificate of authority must be submitted to the Company. Note that shareholders who are represented by proxy must notify the Company of their participation according to the above instructions and be registered as shareholders in the share register on March 28, 2019.

Processing of personal data

For information on how your personal data is processed, see the privacy notice available on Euroclear's webpage www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf. AB Volvo (publ) has corporate registration number 556012-5790 and registered office in Göteborg, Sweden.



Miscellaneous

The main entrance of Konserthuset opens at 1.30 p.m. A light meal will be served in the foyer before the Annual General Meeting.

Göteborg, February 2019

AB Volvo (publ)

The Board of Directors