



AGENDA FOR THE ANNUAL GENERAL MEETING OF AB VOLVO (publ)

WEDNESDAY APRIL 3, 2019

1. Opening of the Meeting

2. Election of Chairman of the Meeting

Proposal by the Election Committee:
Mr Sven Unger, Attorney at law

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

Notice to attend the meeting has been issued by announcement in Post- och Inrikes Tidningar on Monday March 4, 2019, and by the notice having been available on the Company's website since Thursday February 28, 2019. The fact that notice has been issued has been advertised on Monday March 4, 2019 in Dagens Nyheter and Göteborgs-Posten.

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

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

Proposal:

The Board of Directors proposes that the profits available to the Meeting be disposed of as follows:

To the shareholders, an ordinary dividend of SEK 5.00 per share and an extraordinary dividend of SEK 5.00 per share, for a total of	SEK 20,334,520,840.00
To be carried forward	<u>SEK 31,318,570,692.17</u>
Total	SEK 51,653,091,532.17

It is proposed that the record date for determining who is entitled to receive dividends shall be Friday April 5, 2019.

11. Resolution regarding discharge from liability of the members of the Board and of the President and CEO

12. Determination of the number of members and deputy members of the Board of Directors to be elected by the Meeting

Proposal by the Election Committee:

Ten members and no deputy members.

All proposals made by the Election Committee and the information concerning the proposed directors and the statement explaining the proposals regarding the Board of Directors that according to the Swedish Corporate Governance Code shall be available on the company's website and a presentation of the activities carried out by the Election Committee are attached as Enclosure 1.

13. Determination of the remuneration to be paid to the Board members

Proposal by the Election Committee:

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.

14. Election of the Board members

Proposal by the Election Committee, members:

For the period until the close of the next Annual General Meeting,

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.

- 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

The proposed persons have the assignments as shown in Enclosure 1.

The employee organizations have through separate elections designated the following

members:

Mats Henning (PTK)
Mikael Sällström (LO)
Lars Ask (LO)

deputy members:

Mari Larsson (PTK)
Camilla Johansson (LO)

15. Election of the Chairman of the Board

Proposal by the Election Committee:

The Election Committee proposes re-election of Carl-Henric Svanberg as Chairman of the Board.

16. Election of members of the Election Committee

Proposal by the Election Committee:

The Election Committee proposes that the Annual General Meeting elects the following persons to serve as members of the Election Committee and resolves that no fees shall be paid to the members of the Election Committee, all in accordance with the instructions for the Election Committee:

- The Chairman of the Board of Directors
- Bengt Kjell (AB Industrivärden)
- Carine Smith Ihenacho (Norges Bank Investment Management)
- Pär Boman (Handelsbanken, SHB Pension Fund, SHB Employee Fund, SHB Pensionskassa and Oktogonen)
- Ramsay Brufer (Alecta)

17. Resolution regarding amendment of the Instructions for the AB Volvo Election Committee

The Election Committee proposes that the Annual General Meeting resolves to change the instructions for AB Volvo's Election Committee in accordance with Enclosure 2.

18. Resolution regarding Remuneration Policy for senior executives

The Board of Directors' proposal is attached hereto as Enclosure 3.

19. Proposal from the shareholder Carl Axel Bruno regarding limitation of the Company's contributions to Chalmers University of Technology Foundation

The complete proposal from the shareholder Carl Axel Bruno (in original language) is attached hereto as Enclosure 4.

Proposals by the Election Committee of AB Volvo to the Annual General Meeting 2019

The Election Committee's proposal as regards election of Chairman of the Annual General Meeting

The Election Committee proposes that Sven Unger, attorney, be elected Chairman of the Meeting.

The Election Committee's proposal as regards the number of members and deputy members of the Board of Directors to be elected by the Annual General Meeting

According to the Articles of Association, the Board of Directors is to comprise a minimum of six and a maximum of twelve members, with a maximum of an equal number of deputies. The Election Committee proposes that the number of Board members elected by the Annual General Meeting be ten and that no deputies be elected.

The Election Committee's proposal as regards remuneration to be paid to the Board members

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 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.

The Election Committee's proposal as regards election of Board members and Chairman of the Board

The Election Committee proposes the re-election of Matti Alahuhta, Eckhard Cordes, Eric Elzvik, James W. Griffith, Martin Lundstedt, Kathryn V. Marinello, Martina Merz, Hanne de Mora, Helena Stjernholm and Carl-Henric Svanberg.

The Election Committee proposes the re-election of Carl-Henric Svanberg as Chairman of the Board.

Information relating to the proposed Board members is presented below.

Carl-Henric Svanberg

Born 1952. MSc Eng., B.Sc. Business Administration.

Member of the Volvo Board since: Chairman since 2012

Chairman: The Royal Swedish Academy of Engineering Sciences (IVA) and European Round Table of Industrialists.

Holdings in Volvo, own and related parties: 1,500,000 Series B Shares.

Principal work experience: Has held various positions at Asea Brown Boveri (ABB) and Securitas AB, President and CEO of Assa Abloy AB, President and CEO of Telefonaktiebolaget LM Ericsson and Board Chairman of BP plc. Currently member of the Advisory Board of Harvard Kennedy School.

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.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence, the Election Committee is of the opinion that Carl-Henric Svanberg is independent of the company, company management and the company's major shareholders.

Matti Alahuhta

Born 1952. MSc Eng. and DSc.

Member of the Volvo Board since: 2014

Board Chairman: DevCo Partners Oy and Outotec Corporation.

Board member: Kone Corporation and ABB Ltd.

Holdings in Volvo, own and related parties: 146,100 Series B Shares.

Principal work experience: Has held several management positions in the Nokia Group – President of Nokia Telecommunications, President of Nokia Mobile Phones and Chief Strategy Officer of the Nokia Group; President of Kone Corporation 2005-2014 and between 2006-2014 also CEO.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence, the Election Committee is of the opinion that Matti Alahuhta is independent of the company, company management and the company's major shareholders.

Eckhard Cordes

Born 1950. MBA and PhD, University of Hamburg.

Partner in Cevian Capital and EMERAM Capital Partners. Member of the Executive Committee of Eastern European Economic Relations of German Industry.

Member of the Volvo Board since: 2015

Board Chairman: Bilfinger SE.

Holdings in Volvo, own and related parties: None.

Principal work experience: Started in 1976 with Daimler Benz AG, where he held several management positions, such as head of the trucks and buses business, Head of Group Controlling, Corporate Development and M&A in AEG AG and CEO of Mercedes Car Group. Previously CEO of Metro AG, senior advisor at EQT and Board member of Air Berlin, SKF, Carl Zeiss and Rheinmetall AG. Since 2012 partner in Cevian Capital and EMERAM Capital Partners respectively.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence, the Election Committee is of the opinion that Eckhard Cordes is independent of the company, company management and the company's major shareholders.

Eric Elzvik

Born 1960. MSc Business Administration, Stockholm School of Economics

Member of the Volvo Board since: 2018

Board member: Telefonaktiebolaget LM Ericsson, Landis+Gyr Group AG, Fenix Marine Services and VFS Global.

Holdings in Volvo, own and related parties: 7,475 Series B Shares.

Principal work experience: Joined ABB in 1984 and has held several management positions in the Finance function at ABB in Sweden, Singapore and Switzerland – most recently as Group CFO between 2013 and 2017 and previously as CFO for the Divisions Discrete Automation & Motion and Automation Products and a position as Head of Mergers & Acquisitions and New Ventures and also as Head of Corporate Development. Industrial advisor to private equity.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence, the Election Committee is of the opinion that Eric Elzvik is independent of the company, company management and the company's major shareholders.

James W. Griffith

Born 1954. BSc Industrial Engineering, MBA, Stanford University.

Member of the Volvo Board since: 2014

Board member: Illinois Tool Works Inc.

Holdings in Volvo, own and related parties: 40,000 Series B Shares.

Principal work experience: Began his career at The Timken Company in 1984, where he has held several management positions, such as responsible for Timken's bearing business activities in Asia, Pacific and Latin America and for the company's automotive business in North America. Until 2014, President and CEO of The Timken Company.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence, the Election Committee is of the opinion that James W. Griffith is independent of the company, company management and the company's major shareholders.

Martin Lundstedt

Born 1967. MSc Eng.

President and CEO of AB Volvo. Member of the Royal Swedish Academy of Engineering Sciences (IVA).

Member of the Volvo Board since: 2016

Board Chairman: Partex Marking Systems AB and Permobil AB.

Board member: ACEA Commercial Vehicle and Concentric AB.

Advisory member: The Swedish National Innovation Council.

Holdings in Volvo, own and related parties: 154,056 Series B Shares.

Principal work experience: President and CEO of Scania 2012-2015. Prior to that, various managerial positions at Scania since 1992. Co-chairman of the UN Secretary-General's High-Level Advisory Group on Sustainable Transport 2015-2016.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence and the fact that Martin Lundstedt is the President of AB Volvo and CEO of the Volvo Group, the Election Committee is of the opinion that Martin Lundstedt is independent of the company's major shareholders but not of the company and company management.

Kathryn V. Marinello

Born 1956. BA from State University of New York at Albany, MBA from Hofstra University.

President and CEO Hertz Global Holdings

Member of the Volvo Board since: 2014

Holdings in Volvo, own and related parties: None.

Principal work experience: Has held several management positions at Citibank, Chemical Bank New York (now JP Morgan Chase), First Bank Systems and First Data Corporation, Division President General Electric Financial Assurance Partnership Marketing and Division President General Electric Fleet Services, President and CEO of Ceridian Corporation and subsequently also Chairman. Chairman, President and CEO of Stream Global Services, Inc. Senior Advisor, Ares Management LLC. Past Board member of Nielsen, RealPage, General Motors Co. and MasterCard US.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence, the Election Committee is of the opinion that Kathryn V. Marinello is independent of the company, company management and the company's major shareholders.

Martina Merz

Born 1963. BS from University of Cooperative Education, Stuttgart.

Member of the Volvo Board since: 2015

Board Chairman: SAF Holland SA and Thyssenkrupp AG (supervisory board).

Board member: Deutsche Lufthansa AG (supervisory board), NV Bekaert S.A. and Imerys SA.

Holdings in Volvo, own and related parties: 4,500 Series B Shares.

Principal work experience: Until January 2015, CEO of Chassis Brakes International. Has during almost 25 years held various management positions in Robert Bosch GmbH, most recently as Executive Vice President Sales and Marketing in the Chassis System Brakes division combined with responsibility for regions China and Brazil and previously CEO of the subsidiary Bosch Closure Systems. Has also served as a member of the Board of Management of Brose Fahrzeugteile GmbH & Co.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence, the Election Committee is of the opinion that Martina Merz is independent of the company, company management and the company's major shareholders.

Hanne de Mora

Born 1960. BA in Economics from HEC in Lausanne, MBA from IESE in Barcelona.

Member of the Volvo Board since: 2010

Board Chairman: a-connect (group) ag.

Board member: IMD Supervisory Board and Outotec Oyj.

Holdings in Volvo, own and related parties: 6,000 Series B Shares.

Principal work experience: Credit Analyst Den Norske Creditbank in Luxemburg 1984, various positions within brand management and controlling within Procter & Gamble 1986-1989, Partner McKinsey & Company, Inc. 1989-2002, one of the founders and owners, also Chairman of the Board of the global consulting firm and talent pool a-connect (group) ag since 2002.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence, the Election Committee is of the opinion that Hanne de Mora is independent of the company, company management and the company's major shareholders.

Helena Stjernholm

Born 1970. MSc Business Administration.

President and CEO of AB Industrivärden.

Member of the Volvo Board since: 2016

Board member: AB Industrivärden, Sandvik AB and Telefonaktiebolaget LM Ericsson.

Holdings in Volvo, own and related parties: 8,000 Series B Shares.

Principal work experience: Between 1998-2015, employed by the private equity firm IK Investment Partners (former Industri Kapital) where she held various positions. She was a Partner with responsibility for the Stockholm office. She was also a member of IK's Executive Committee. Prior to that she worked as a consultant for Bain & Company.

Independence: Considering the demands laid down in the Swedish Corporate Governance Code regarding the Board's independence, the Election Committee is of the opinion that Helena Stjernholm is independent of the company and company management. Since AB Industrivärden controls more than 10 percent of the votes in the company, Helena Stjernholm, due to her capacity as President and CEO of AB Industrivärden, is not considered independent of one of the company's major shareholders.

Statement explaining the Election Committee's proposal regarding Board remuneration and Board members

Proposal regarding Board remuneration

The guiding principle for the remuneration to be paid to the members of the Board is that remuneration is to be competitive in order to ensure that Volvo can attract and retain the best possible expertise. Volvo Group is a global organization, meaning that it is of key importance that Volvo can attract people from various parts of the world, who have experience from the various markets where Volvo operates to the Board. The assessment of what comprises competitive remuneration must be based on an international perspective.

Furthermore, the Election Committee has evaluated and discussed the structure and level of the Board remuneration, concluding that an increase of the Board remuneration of approximately 3 percent is justified.

Further, the Election Committee is also of the opinion that an increase in remuneration to the Chairman and members of the Audit Committee as well as to the Chairman and members of the Remuneration Committee is especially due, because of the increased work duties and responsibilities placed on the committees.

Proposal regarding Board members

With respect to the Board composition, the Election Committee takes into account the skills and experience of the individual Board members and also strives to ensure that the Board collectively should function well and possess the necessary breadth regarding both experience and knowledge. In particular, the Election Committee also takes into account the value of diversity and the balance between the need for renewal and continuity on the Board. In its efforts to achieve diversity, the Election Committee takes into account the particular importance of equal gender distribution.

The Board has, with support from external consultants in 2018, made an assessment of the current Board members', Chairman's and the Board's work. In the light of the results of the assessment, the Election Committee is of the opinion that the Board functions well, that the number of Board members is appropriate and that the Board, in its entire capacity, possesses the skills and experience relevant to the Volvo Group.

Against this background, and taking the requirement for continuity and stability into account, the Election Committee sees no need to propose any changes to the composition of the Board. With regard to this, the Election Committee proposes re-election of the ten Board members.

Finally, and obviously, the Election Committee is of the firm opinion that the Board members must be in a position to dedicate enough time to their important task as Board members, and therefore the Election Committee has specifically taken into account the extent of the proposed Board members' duties and engagements outside of Volvo. The Election Committee has noted that all Board members have a very high Board meeting attendance and, as appears from the evaluation of the Board's work, the Board members do dedicate the necessary time for preparation for board meetings and other board work. Further, the Board members have confirmed that they can and will continue to dedicate enough time to their task as Board members in Volvo. Accordingly, the Election Committee has concluded that the proposed Board members are able to dedicate the time required to fulfil their duty as Board members of Volvo. In reaching this conclusion the Election Committee has paid particular attention to the other engagements of Martina Merz and has had a close dialogue with Martina Merz regarding these. Martina Merz has confirmed that her intention is to, over time, reduce the number of her board assignments.

The Election Committee's proposal as regards election of members of the Election Committee

According to the instructions for the AB Volvo Election Committee, the Annual General Meeting is to annually appoint members to the Election Committee for the coming year and the current Election Committee shall submit a proposal therefore to the Annual General Meeting. The Election Committee shall propose five Election Committee members, whereof one member shall be the Board chairman and four members shall be nominated by the largest shareholders based on votes who have expressed their willingness to nominate a member.

In accordance with the above-mentioned instructions, the Election Committee proposes that the Annual General Meeting elect the following individuals to serve as members of the Election Committee and resolve that no fees are to be paid to the members of the Election Committee:

The Chairman of the Board of Directors

Bengt Kjell (AB Industrivärden)
Carine Smith Ihenacho (Norges Bank Investment Management)
Pär Boman (Svenska Handelsbanken, SHB Pension Fund, SHB Employee Fund, SHB Pensionskassa and Oktogonen)
Ramsay Brufer (Alecta)

The Election Committee's proposal as regards changes to the instructions for Volvo's Election Committee

The Election Committee proposes that the Annual General Meeting resolve to change the instructions for AB Volvo's Election Committee in accordance with [Appendix 1](#). The main purpose is to create the necessary scope to consider conflict of interest situations and similar circumstances.

Presentation of the activities carried out by the Election Committee

At the 2018 Annual General Meeting of AB Volvo, the following individuals were appointed to the Election Committee:

The Chairman of the Board of Directors (Carl-Henric Svanberg)
Bengt Kjell (AB Industrivärden)
Pär Boman (Svenska Handelsbanken, SHB Pension Fund, SHB Employee Fund, SHB Pensionskassa and Oktogonen)
Ramsay Brufer (Alecta)
Yngve Slyngstad (Norges Bank Investment Management)

The Election Committee held its first meeting on June 29, 2018. The Election Committee held a total of six meetings. These meetings have mainly been devoted to an evaluation of the performance of the current Board and evaluation and discussions of the fees to be paid to the Board members.

The Election Committee has also, during its meetings, discussed and formulated its proposals to the Annual General Meeting 2019 concerning the Chairman of the Meeting and members of the Election Committee for 2019/2020. Furthermore, the Election Committee has reviewed the instructions for AB Volvo's Election Committee. The Committee has concluded that an update of the instructions is required to create appropriate scope to consider conflict of interest situations and similar circumstances, resulting in the proposed amendment of the instructions set out above.

The Election Committee has applied rule 4.1 of the Swedish Corporate Governance Code as diversity policy in its nomination work. This has resulted in the Election Committee's proposal to the Annual General Meeting regarding election of Board members.

The costs incurred in the Election Committee's discharge of its assignment amount to approximately SEK 370 000.

February 2019

Election Committee for the 2019 Annual General Meeting of AB Volvo

INSTRUCTIONS FOR THE AB VOLVO ("THE COMPANY") ELECTION COMMITTEE,
ADOPTED AT THE ANNUAL GENERAL MEETING ON APRIL 3, 2019

Pursuant to the Swedish Corporate Governance Code ("the Code") companies subject to the Code shall have an Election Committee. The Election Committee is a body of the general meeting of shareholders that prepares decisions on certain appointments to be made by the shareholders at the general meeting of shareholders. The main task of the Election Committee is to propose candidates for election to the Board of Directors including the Chairman of the Board, election of members of the Election Committee and, where applicable, candidates for election of auditors. When nominating persons for election to the Board of Directors, the Election Committee shall, according to the Code, inter alia, determine whether, in its view, the persons nominated for election are considered to be independent of the company and its senior management as well as of major shareholders in the company. In addition, the Election Committee shall propose a candidate for election as Chairman of the general meeting of shareholders. The Election Committee also submits proposals concerning fees to the Chairman of the Board, the other Board members and the auditor, to be presented at the Annual General Meeting for resolution.

In these Instructions, "Large Shareholder" means the largest shareholders in the Company, based on votes, which have expressed their willingness to nominate a member to the Election Committee and where there is nothing preventing such representation. When the Election Committee, in accordance with these Instructions, prepares a proposal for election of members to the Election Committee, or Large Shareholders can or shall be offered to appoint a member, Large Shareholders shall be asked in descending order of voting share.

When these Instructions make reference to which shareholder a certain Election Committee member "represents", the intention is merely to clarify to which shareholder that member is associated, through employment or otherwise, or otherwise which shareholder which has nominated such member. This notwithstanding, the Election Committee members must always act in all shareholders' interests, regardless of how the members have been appointed and who they represent (in the meaning described above).

1. Appointment of the Election Committee

- 1.1 The Annual General Meeting annually elects members of the Election Committee. A proposal for the election of members of the Election Committee shall be submitted by the current Election Committee as set out in 2.4 below.

- 1.2 If a member represents a shareholder(s) which has/have sold the major part of its/their holding of Volvo shares, the Election Committee may decide that the member shall resign from the Election Committee. If such occurs, the Election Committee may, if it considers it appropriate, offer another Large Shareholder representative a position on the Election Committee. Similarly, the Election Committee may decide that a member must leave the committee upon the occurrence of a disqualifying circumstance, relating to the member or the Large Shareholder which the member represent, as set out in the fifth sentence of 2.4.1 below. In such event, the Election Committee may offer, as it deems appropriate, such Large Shareholder to appoint another representative, or, if the disqualifying circumstance relates to the Large Shareholder, offer another Large Shareholder the opportunity to appoint a new member to replace the previous member.
- 1.3 If a member's affiliation with the Large Shareholder ceases – for example, through termination of employment – the same Large Shareholder shall be entitled to appoint a new member to replace the previous member who no longer represents the Large Shareholder. This shall be effected through notice of such being sent from the Large Shareholder to the Chairman of the Election Committee (or, if it is the Chairman who is being replaced, to another member of the Election Committee) stating the name of the member being replaced and the name of the new member.
- 1.4 If a member leaves the Election Committee for some other reason, the Election Committee, if it so finds appropriate, may offer another representative of Large Shareholder(s) a position on the Election Committee. Notice of resignation is sent from the member to the Chairman of the Election Committee (or, if it is the Chairman who is resigning, to another member of the Election Committee).
- 1.5 The Election Committee may offer other Large Shareholders to appoint a representative as a member of the Election Committee so as to reflect changes in the ownership of the Company. However, the number of members of the Election Committee may never exceed seven.
- 1.6 If the general meeting has not decided otherwise, the members of the Election Committee shall elect a chairman from within its number. The Chairman of the Board of the Company shall not be appointed as chairman of the Election Committee.

- 1.7 It is the task of the Election Committee to determine which shareholders should be considered to be Large Shareholder(s).

2. Duties

The Election Committee shall have the following duties.

2.1 Board

- 2.1.1 The Election Committee shall make proposals regarding the Chairman and other members of the board as well as the board fee, for the chairman and other members, and any reimbursement for committee work.
- 2.1.2 The proposals of the Election Committee shall be presented to the Company well in advance in order for the proposal to be presented in the notice to the general meeting and at the same time be presented on the Company's website.
- 2.1.3 The Election Committee shall at the same time information is presented to the Company according to 2.1.2, also furnish the requisite information regarding the proposed board members in order for the Company to present the following information on the Company's website:
- year of birth, main education and work experience,
 - assignments in the Company and other assignments of importance,
 - shares and other financial instruments in the Company held by the person in question as well as related physical or legal entities,
 - whether, according to the Election Committee, the member is deemed to be independent of the Company, the Company management and major shareholders in the Company,
 - in conjunction with re-election, the year in which the member was elected to the board, and
 - other information that could be of importance to the shareholders in making an assessment of the proposed member's expertise and independence.
- 2.1.4 The Election Committee shall at the same time information is furnished to the Company according to 2.1.2 also provide an account of how the Election Committee has performed its work and a statement explaining its proposals

regarding the board of directors with regard to the requirements concerning the composition of the board contained in Code rule 4.1 so that a report can be presented on the Company's website. The Election Committee is to provide specific explanation of its proposals with respect to the requirement to strive for gender balance. If the outgoing chief executive officer is nominated for the post of the chairman of the board, reasons for this proposal are also to be fully explained.

- 2.1.5 The Election Committee shall make a presentation at the general meeting and give reasons for its proposals, taking into consideration the requirements concerning the composition of the Board contained in Code rule 4.1. The Election Committee is to provide specific explanation of its proposals with respect to the requirement to strive for gender balance.

2.2 Auditor

- 2.2.1 If and when the Election Committee shall present a proposal for election of and payment to the auditor, the Election Committee's proposal is to include the Audit Committee's recommendation. If the proposal differs from the alternative preferred by the Audit Committee, the reasons for not following the Audit Committee's recommendation are to be stated in the proposal. The auditor or auditors proposed by the Election Committee must have participated in the Audit Committee's selection process (if any).
- 2.2.2 The Company shall be notified of the Election Committee's proposal well in advance so that the proposal can be presented in the notice to the general meeting and at the same time be presented on the Company's website.
- 2.2.3 The Election Committee shall, at the same time information is furnished to the Company according to 2.2.2, also furnish the information necessary to allow the Company to provide information about circumstances that could be of significance to shareholders in making an assessment of the expertise and independence of the auditor proposed on the Company's website.

2.3 Chairman for the meeting

- 2.3.1 The Election Committee shall present a proposal for a chairman for the annual general meeting.
- 2.3.2 The Election Committee's proposal shall be presented to the Company well in advance so that the proposal can be presented in the notice to the meeting and at the same time be presented on the Company's website.

2.4 Members of the Election Committee

- 2.4.1 The Election Committee shall submit proposals for election of members of the following year's Election Committee. The Election Committee shall propose an Election Committee of five members. One of the members shall be the Chairman of the Board. Four of the members shall be members nominated by Large Shareholders. This notwithstanding, the Election Committee shall not propose as member of the Election Committee anyone who, in the opinion of the Election Committee, would be inappropriate as member of the Election Committee – due to circumstances relating to the individual or the company with which her or she is associated or nominated by – for example due to a conflict of interest or because it could otherwise cause damage to or otherwise negatively affect the Company and its business interests. When the Election Committee prepares its proposal for election of Election Committee members, the Election Committee shall base its proposal on the shareholding statistics received by the Company from Euroclear Sweden AB as per the last bank day of January each year and the willingness of the Large Shareholders thus identified to participate in the Election Committee. The Election Committee may, however, take changes in the shareholding structure of the Company occurring after the last bank day of January into account, to the extent the Committee deems appropriate and practically possible.
- 2.4.2 In its proposal for the members of the following year's Election Committee, the Election Committee shall indicate which Large Shareholders the members represent.
- 2.4.3. The Election Committee's proposal shall be presented to the Company in adequate time so that the proposal can be included in the notice to attend the annual general meeting and at the same time be presented on the Company's website.

3. Meetings

- 3.1 The Election Committee shall meet as often as necessary for the Election Committee to perform its duties. A notice to a meeting is sent out by the chairman of the Election Committee, however, to the first meeting this is done by the Chairman of the Board. If a member requests that the Election Committee be convened, this request shall be complied with.
- 3.2 The Election Committee shall form a quorum if more than half of the members are present – which, however, may not number fewer than three. No decisions may be reached, however, unless all members, have been offered the opportunity to be involved in dealing with the matter.
- 3.3 A decision by the Election Committee applies when more than half of the members present vote for or, in the event of a tied vote, the opinion supported by the chairman.
- 3.4 At the Election Committee meetings minutes should be taken which are signed and verified by the chairman and the member appointed by the Election Committee. The minutes shall be taken and filed in the manner applicable to board minutes.

4. Confidentiality

- 4.1 A member of the Election Committee is subject to a confidentiality obligation concerning the Company's business and this obligation shall, at the Company's request, be confirmed by the member through the signing of a special non-disclosure agreement between the member and the Company.

5. Fee and cost reimbursement

- 5.1 A fee can be payable to the members of the Election Committee following a decision thereon at the general meeting.

- 5.2 The members of the Election Committee are entitled to payment from the Company for reasonable, confirmed costs incurred in the discharge of the assignment as well as, for example, costs for recruitment services.
- 5.3 The Election Committee shall, in conjunction with the presentation of the report on its work, report payments under this point.

6. Amendments to instruction

- 6.1 The Election Committee shall evaluate these instructions and the work of the Election Committee on an ongoing basis and present a proposal at the general meeting for changes to these instructions that the Election Committee has deemed appropriate.
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Proposed policy for remuneration to senior executives

Proposal by the Board of Directors to the Annual General Meeting 2019

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.

Styrelsen för AB VOLVO
Att: Styrelsens sekreterare

Amazovägen 8
440 78 GÖTEBORG

405 08

Vällingby 13 januari 2019

Ärende till bolagsstämman 2019 för Volvo AB om maximalt en till 4 miljoner kr begränsning av bolagets betalningar till Chalmers Tekniska Högskola.

Härmed föreslår jag att Volvo ABs betalningar till stiftelsen Chalmers Tekniska Högskola (CTH) begränsas till maximalt 4 miljoner kronor per år, mot bakgrund av att CTH bedriver forskning, där dom påstår att köttätandet skulle bidra till att luftens halt av växthusgaser skulle öka. Jag fick så småningom svar från Volvo på min fråga 2016 om att bidragen under 2014 till och med 2015 var på ca 5 miljoner per år. Då det ju är så att Chalmers drivs av en stiftelse, så har man inte samma rätt att kräva att få ta del av hur Chalmers använder de medel som dom förfogar över, och dom har ingen skyldighet att besvara brev. Jag har ju skickat två obesvarade brev till Chalmers om kött och koldioxidutsläpp, vilka jag begärde skulle bifogas från bolagsstämmoprotokollet från stämman 2016. På Chalmers anser man nämligen att vi måste äta mindre rött kött, p g a djurens utsläpp av växthusgaser, främst då koldioxid. Dom verkar dock ha missat att korna äter gräs, och det gräset har absorberat motsvarande mängd koldioxid och vatten och bildat cellulosa och syre. Detta kallas för fotosyntesen. Korna kan inte skapa nya kolatomer, så antalet koldioxid-molekyler ut ur en ko under hela processen blir maximalt lika med antalet kolatomer, som just allt det gräset till varje ko har tagit upp, och som kon har ätit, Via gräset lånar kon kolatomer och solenergi från naturen, och lämnar sedan tillbaka vad dom lånat! Tala om nollutsläpp!

Vad hjälper det att minska köttätandet om vi därvid glömmar bort vad vi förorsakar när vi åker bil och flyg, Jag vill nu påminna att Volvo har betalat medlemsavgift till en lobbygrupp för Tysk kolkraft. Detta var ju olämpligt, och eftersom Chalmers drivs som en stiftelse, så har vi ju inte någon möjlighet att kontrollera hur Chalmers har använt Volvos forskningsbidrag, och det jag undrar över är om det hade skett någon uppmuntran från AB Volvos sida, för att förvill oss med jämförelser av typen "ett kilo kött motsvarar ett utsläpp av tjugo kilo koldioxid" och dessutom jämförelser med Thailandsresor med flyg. I och med att det inte kan skapas nya kolatomer i processen så är ju dessa påståenden felaktiga! Jag är medveten om Carl-Henric Svanbergs kontakter inom oljeindustrin, och vill därför åter be att få svar på frågan om Styrelsen har funderat på hur detta felaktiga angrepp på våra lantbrukare, kommer att påverka Volvos försäljning av maskiner till Svenskt skogs- och lantbruk?

Enligt Aktiebolagslagens § 16 så har jag som aktieägare rätt att få mitt ärende behandlat, och Bolaget har inte rätt att hindra detta. I § 16 finns inget krav på att jag skall vara fysiskt närvarande. Ordföranden skall presentera ärendet, fråga om någon har något att säga, för att slutligen fråga om stämman bifaller förslaget, eller inte. Jag hoppas att Cevians köp av Volvo-aktier kommer att medföra att Volvos styrelse stärkts, vad avser kunskaperna i organisk kemi,

Jag begär alltså att det klart framgår av protokollet från bolagsstämman, hur detta ärende har hanterats.

Med vänliga hälsningar

Emottaget

Carl Axel Bruno

.....
AB Volvo

