

## **Proposals by the Election Committee of AB Volvo to the Annual General Meeting 2023**

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

The Election Committee proposes that Erik Sjöman, 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 eleven 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 3,925,000 (3,850,000) and each of the other members elected by the Annual General Meeting SEK 1,175,000 (1,150,000) with the exception of the President and CEO. Furthermore, the Election Committee proposes that the Chairman of the Audit Committee will be awarded SEK 445,000 (405,000), the other members of the Audit Committee SEK 250,000 (190,000) each, the Chairman of the Remuneration Committee SEK 175,000 (170,000), the other members of the Remuneration Committee SEK 130,000 (125,000) each, the Chairman of the Volvo CE Transformation Committee SEK 300,000 (200,000) and the other members of the Volvo CE Transformation Committee SEK 200,000 (170,000) 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, Jan Carlson, Eric Elzvik, Martha Finn Brooks, Kurt Jofs, Martin Lundstedt, Kathryn V. Marinello, Martina Merz, Helena Stjernholm and Carl-Henric Svanberg and new election of Bo Annvik. Hanne de Mora has informed the Election Committee that she will not stand for re-election.

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 AB Volvo Board since: Chairman since 2012

Chairman: The European Round Table of Industry (ERT).

Holdings in Volvo, own and related parties: 2,000,000 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, Board Chairman of BP plc, member of External Advisory Board of the Earth Institute at Columbia University and the Advisory Board of Harvard Kennedy School. Chairman of the Royal Swedish Academy of Engineering Sciences (IVA).

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 AB Volvo Board since: 2014

Board Chairman: DevCo Partners Oy.

Board member: Kone Corporation.

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 from 2005-2014 and from 2006-2014 also CEO.

Previous Board assignments include Vice Chairman of Metso Outotec and member of the Board in ABB Ltd.

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.

### Bo Annvik

Born 1965. M.Sc. Business Administration and Economics

President and CEO of Indutrade AB.

Board Chairman: Abdon Food AB.

Board member: Indutrade AB, SSAB and Abdon Group AB.

Holdings in Volvo, own and related parties: 45 Series A Shares.

Principal work experience: President and CEO of Indutrade AB since 2017. President and CEO of Haldex from 2012-2017. Has, since 1994, held several leading positions within Volvo Car Corporation, SKF and Outokumpu.

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 Bo Annvik is independent of the company, company management and the company's major shareholders.

### Jan Carlson

Born 1960. M.Sc. in Physics and Electrical Engineering from University of Linköping in Sweden.

Board Chairman: Autoliv Inc.

Board member: Telefonaktiebolaget LM Ericsson (proposed as new Chairman of the Board of Ericsson for the Ericsson Annual General Meeting 2023 planned to be held on March 29, 2023).

Holdings in Volvo, own and related parties: None

Principal work experience: Has held various positions within the Autoliv Group since 1999, including President Autoliv Europe, Vice President Engineering of Autoliv and President Autoliv Electronics. President and CEO of Autoliv Inc. 2007-2018 and Chairman of Autoliv Inc. since May 2014. President and CEO and Chairman of Veoneer Inc. 2018-2022. Previous positions also include President of Saab Combitech and of Swedish Gate Array.

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 Jan Carlson 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 AB Volvo Board since: 2018

Board Chairman: Global Connect Group.

Board member: Telefonaktiebolaget LM Ericsson and Landis+Gyr Group AG.

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 M&A and New Ventures and also as Head of Corporate Development. Currently, Senior Industrial advisor to EQT.

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.

#### Martha Finn Brooks

Born 1959. BA in Economics and Political Science from Yale University. MBA in International Business from Yale School of Management, Yale University.

Member of the AB Volvo Board since: 2021

Board member: Constellium, CARE USA and CARE Enterprise Inc.

Holdings in Volvo, own and related parties: 10,500 American depositary receipts representing Volvo B shares (ADRs).

Principal work experience: Has held various management positions in Cummins truck and bus businesses from 1986-2002. From 2002-2005 Martha was CEO, Rolled Products and SVP in Alcan Inc. and from 2005-2009 she was the President and COO of Novelis Inc., global leader in aluminium rolled products and recycling. Martha has been a Board Member of Harley-Davidson, International Paper, Bombardier, Jabil and privately held Algeco Scotsman.

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

#### Kurt Jofs

Born 1958. MSc Engineering, Royal Institute of Technology, Stockholm.

Member of the AB Volvo Board since: 2020

Board Member: Telefonaktiebolaget LM Ericsson (will not stand for re-election at the Ericsson Annual General Meeting 2023 planned to be held on March 29, 2023), Feal AB and Arjeplog Hotel Silverhatten AB.

Holdings in Volvo, own and related parties: 47,515 Series B Shares.

Principal work experience: Previous positions include Executive Vice President and responsible for Ericsson's Networks business from 2003-2008, CEO of Segerström & Svensson from 1999-2001, CEO of Linjebuss from 1996-1999 and various positions within ABB and Ericsson. Previous Board assignments include Board Chairman of Tieto, Vesper Holding AB and Höganäs AB.

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 Kurt Jofs 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) and of the European Round Table of Industry (ERT).

Member of the AB Volvo Board since: 2016

Board Chairman: Permobil AB and the European Automobile Manufacturers Association (ACEA CV BOD).

Board member: Autoliv Inc. and the Confederation of Swedish Enterprise.

Holdings in Volvo, own and related parties: 251,681 Series B Shares and 300,000 call options in Series B shares.

Principal work experience: President and CEO of Scania from 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 from 2015-2016. Previous Board assignments include Board member of Concentric AB.

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 nor company management.

#### Kathryn V. Marinello

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

President and CEO of PODS.

Member of the AB Volvo Board since: 2014

Board Chairperson: Concentrix.

Board member: Ares Acquisition Corporation.

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, President and CEO Hertz Global Holding. 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.

CEO of thyssenkrupp AG.

Member of the AB Volvo Board since: 2015

Board member: Siemens AG.

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.

#### Helena Stjernholm

Born 1970. MSc Business Administration.

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

Member of the AB Volvo Board since: 2016

Board member: AB Industrivärden, Sandvik AB, Telefonaktiebolaget LM Ericsson and the Confederation of Swedish Enterprise.

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

Principal work experience: Between 1998 and 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 the Volvo Group can attract and retain highly competent Board members. The Volvo Group is a complex global organization and is active in industries currently undergoing an unprecedented transformation. It is therefore of key importance that the Volvo Group can attract Board members from all over the world. In order to be able to do so the assessment of what comprises competitive remuneration must be based on an international perspective.

The Election Committee has evaluated and discussed the level of the Board remuneration, concluding that a limited increase of the Board remuneration is prudent for the Annual General Meeting 2023. It is the view of the Election Committee however that the level of the Board remuneration in AB Volvo is on the low side.

In relation to the remuneration to members of the Board Committees, the Election Committee has considered it to be justified to propose a more substantial increase to members of the Audit Committee and to members of the Volvo CE Transformation Committee in light of the scope, and importance of the work performed by these Committees. The time required for the work of these Committees is substantial.

##### *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 competence. In particular, the Election Committee 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.

During 2022, the Board has made an assessment of the Board members', the Chairman's and the Board's work. The result of the assessment shows that overall the Board functions well and that it possesses skills and experience relevant to the Volvo Group.

Hanne de Mora is not available for re-election at the Annual General Meeting 2023. The Election Committee proposes the re-election of all other current Board members. In addition, the Election Committee proposes to elect Bo Annvik as new Board member. Bo Annvik has many years of experience from management positions and board work in global companies within the manufacturing and automotive industries. Since 2017, he has been the President and CEO of Indutrade, an international technology and industrial group whose business philosophy is based on entrepreneurship and decentralised leadership. It is the Election Committee's opinion that Bo Annvik, through his broad experience and expertise, will bring value to the work of the Board of Directors.

Against this background, the Election Committee proposes the re-election of the remaining ten Board members and the election of Bo Annvik as new Board member. The proposal implies that the total number of Board members remains eleven.

Finally, the Election Committee is of the opinion that the Board members must be in a position to dedicate enough time to their 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 the Volvo Group. The Election Committee has, in summary, concluded that the proposed Board members are able to dedicate the time required to fulfil their duty as Board members of AB Volvo.

### **The Election Committee's proposal as regards election of Auditors**

The Election Committee proposes, in accordance with the Board of Directors' and the Audit Committee's recommendation, that the registered firm of auditors Deloitte AB ("Deloitte") be elected as auditor for a period until the close of the Annual General Meeting 2024.

#### Statement explaining the Election Committee's proposal regarding election of Auditors

Deloitte was elected auditor for the Volvo Group at the Annual General Meeting 2018 for the period until the close of the Annual General Meeting 2022. When Deloitte was elected in 2018, the Articles of Association of AB Volvo prescribed a four-year term for auditors. However, the Articles of Association were thereafter amended at the Annual General Meeting 2021, thus allowing the election of auditors for a period of one to four years. Hence, at the Annual General Meeting 2022 Deloitte was re-elected auditor for a one-year period until the close of the Annual General Meeting 2023. The Board of Directors and the Audit Committee have decided to recommend the re-election of Deloitte for the coming one-year period (for the audit year 2023) and that the auditors are paid as per approved invoices. This recommendation is based on that the performance of Deloitte is considered satisfactory, that Deloitte's fees are considered to be competitive and that a change of auditors after only five years cannot be justified in light thereof.

The Election Committee therefore proposes that the Annual General Meeting, in accordance with the Board of Directors' and the Audit Committee's recommendation, re-elects Deloitte as auditor for a period of one year until the close of the Annual General Meeting 2024.

The Election Committee proposes that the fees to the auditors shall be paid in accordance with approved invoices.

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

According to the instructions for the AB Volvo Election Committee (issued by the General Meeting), 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 as per the last bank day of January who have expressed their willingness to nominate a member.

In accordance with the instructions for the AB Volvo Election Committee, the Election Committee therefore 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  
Pär Boman (AB Industrivärden)  
Anders Oscarsson (AMF and AMF Funds)  
Magnus Billing (Alecta)  
Anders Algotsson (AFA Insurance).

### **Presentation of the activities carried out by the Election Committee**

At the 2022 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)  
Pär Boman (AB Industrivärden)

Anders Oscarsson (AMF and AMF Funds)  
Magnus Billing (Alecta)  
Anders Algotsson (AFA Insurance)

The Election Committee held its first meeting on May 2, 2022. The Election Committee held a total of ten meetings. These meetings have mainly been devoted to an evaluation of the performance of the current Board, succession planning, assessment of the fees to be paid to the Board members and discussions on election of auditors and audit fees.

The Election Committee has also, during its meetings, discussed and formulated its proposals to the Annual General Meeting 2023 concerning the Chairman of the Meeting and members of the Election Committee for 2023/2024.

The Election Committee has applied rule 4.1 of the Swedish Corporate Governance Code as diversity policy in its nomination work.

The costs incurred in the Election Committee's discharge of its assignment amount to approximately SEK 1,375,000.

February 2023

Election Committee for the 2023 Annual General Meeting of AB Volvo