

Proposal and statement from the Nomination Committee of Volvo Car AB (publ) for the Annual General Meeting 2022

1 Background and reasons

The Nomination Committee prior to Volvo Car AB (publ)'s Annual General Meeting 2022 consist of five members representing the three largest shareholders in terms of voting rights as of November 11, 2021, and the chairman of the Board of Directors.

The purpose of the Nomination Committee is to make proposals to the Annual General Meeting in respect of the Chairperson at the General Meeting, elections of Board members, Chairperson of the Board and auditor, remuneration of each Board member (divided between the Chairperson of the Board, the Vice Chairperson and other Board members, and remuneration for committee work), remuneration to the auditor, and to the extent deemed necessary, proposals for amendments to the instruction for the Nomination Committee.

2 Proposals from the Nomination Committee

Proposal of election of Chairperson of the Annual General Meeting

The Nomination Committee proposes Eva Hägg, attorney, as Chairperson of the Annual General Meeting.

Proposal regarding the number of ordinary and deputy members of the Board of Directors to be elected by the Annual General Meeting

The Nomination Committee proposes that the Board of Directors shall consist of 10 ordinary Board members elected by the shareholders' meeting, without deputy Board members.

Proposal regarding remuneration to the members of the Board of Directors

The Nomination Committee proposes to increase the Board's remuneration with 5% meaning that the following remuneration would be applied until next Annual General Meeting:

Compensation to the Board members that are not employed or otherwise remunerated by Volvo Car Group or the Geely Holding Group shall be the following; (i) SEK 1,155,000 to each of the Board members, other than the vice Chairperson who shall receive SEK 2,730,000, (ii) SEK 131,000 to each of the members of the People Committee, and SEK 168,000 to the Chairperson of the People Committee, and (iii) SEK 189,000 to each of the members of the Audit Committee, and SEK 410,000 to the Chairperson of the Audit Committee. All remunerated Board members elected by the general meeting are also entitled to a company car in accordance with the company's applicable car policy (corresponding to an average yearly benefit of approximately SEK 110,000 per entitled Board member). The Chairperson of the Board, the CEO as well as Daniel (Donghui) Li shall not be remunerated. In addition, the Nomination Committee proposes a symbolic compensation for reading time for the union representatives with in total SEK 331 700, whereof SEK 81,700 to each of the ordinary representatives and SEK 43,300 to each of the deputy representatives.

Proposal regarding election of members of the Board of Directors and Chairperson of the Board

The Nomination Committee proposes re-election of Eric (Shufu) Li, Lone Fønss Schrøder, Thomas Johnstone, Daniel (Donghui) Li, Diarmuid O'Connell, Jonas Samuelsson, Lila Tretikov and Winfried

Vahland. The Nomination Committee further proposes new election of Anna Mossberg and Jim Rowan.

It was noted that Betsy Atkins, Michael Jackson and Jim Zhang have informed the Nomination Committee that they will not stand for re-election. It was further noted that, as previously communicated, Håkan Samuelsson left the Board of Directors in March 2022.

The Nomination Committee further proposes re-election of Eric (Shufu) Li as the Chairperson of the Board of Directors and Lone Fønss Schrøder as vice Chairperson of the Board of Directors.

Information on the proposed Board members is presented below:

Eric (Shufu) Li

Chairperson and member of the Board since 2010.

Born 1963.

Education and professional experience: Bachelor's Degree in Management Engineering from the Harbin University of Science and Technology, China. Master's Degree in Mechanical Engineering from the Yanshan University, China. Former CEO of Zhejiang Geely Holding Group Co. Ltd. Previously board member of Sanya Oriental Tourism Co. Ltd.

Principal activities outside of Volvo Car Group and current Board assignments and similar: Founder of Zhejiang Geely Holding Group Co. Ltd. Chairman of the Board of Zhejiang Geely Holding Group Co. Ltd, Geely Technology Group Co. Ltd, Geely Talents Development Group Co. Ltd, and smart Automobile Co. Ltd. Member of the Board of Geely Group Limited, Geely Sweden Holdings AB and Polestar Automotive Holding Ltd.

Independence: Not independent in relation to the company and Executive Management Team nor the company's major shareholders.

Shareholding (own and/or held by related parties): 2 443 396 227 B shares

Lone Fønss Schrøder

Vice Chairperson of the Board since 2018 and Board member since 2010. Chairperson of the Audit Committee.

Born 1960.

Education and professional experience: Master of Laws from the University of Copenhagen, Denmark. Master of Science in Economics and Business Administration from Copenhagen Business School, Denmark. Studies in Aviation and Insurance Law at the London Polytechnics (now University of Westminster), United Kingdom. Studies in Blockchain at MIT Sloan School of Management, United States. Studies in Management at IMD Business School, Switzerland. More than 20 years of experience from various senior positions at A.P. Møller Maersk A/S. Former President and CEO of Wallenius Lines. Previous experience as senior advisor at Credit Suisse. Previously chairman of the board of Saxo Bank A/S and board member of Valmet Oyj, Bilfinger SE.

Principal activities outside of Volvo Car Group and current board assignments and similar: CEO of Concordium AG. Vice Chairman of the Board of Akastor ASA, Board member of Aker Solutions ASA, Aker Horizons ASA, Queen's Gambit Growth Capital (SPAC), Geely Sweden Holdings AB and CSL Group, Inc. Member of the supervisory Board of INGKA Holding B.V. Member of the EMEA advisory Board of ServiceNow, Inc. Owner of Engelberg Zug Financial Group AG, Cashworks AG and Fredlyst Aps.

Independence: Independent in relation to the company and Executive Management Team, but not in relation to the company's major shareholders.

Shareholding (own and/or held by related parties): 24 897 B shares

Thomas Johnstone

Board member since 2015. Chairperson of the People Committee.

Born 1955.

Education and professional experience: Master of Arts from the University of Glasgow, United Kingdom. Honorary Doctorate in Bachelor of Arts from the University of South California, United States. Honorary Doctorate in Science from Cranfield University, United Kingdom. Previous experience from several positions within the SKF Group, such as President and CEO. Previously board member of Frölunda Hockey Utveckling AB and Hedens Invest i Göteborg AB.

Principal activities outside of Volvo Car Group and current board assignments and similar: Chairman of the Board of Husqvarna AB, Combient AB, Collegial AB, Wärtsilä Oyj Abp, The British Swedish Chamber of Commerce, The English School in Gothenburg and Tom J Consulting AB. Board member of Northvolt AB and Investor AB.

Independence: Independent in relation to the company and Executive Management Team as well as the company's major shareholders.

Shareholding (own and/or held by related parties): 5 627 B shares.

Daniel (Donghui) Li

Board member since 2012. Member of the Audit Committee.

Born 1970.

Education and professional experience: Bachelor of Philosophy from the Renmin University of China. Master of Management Engineering from the Beijing Institute of Machinery Industry, China. Master of Business Administration from the Kelly School of Business at Indiana University, United States. Previously VP and CFO of Zhejiang Geely Holding Group Co. Ltd. Previous experience from key accounting, financing and corporate management positions, such as CFO and General Manager of several companies, including Guanxi Liugong Machinery Co. Ltd, China Academy of Post and Telecommunication, Cummins Inc., BMW Brilliance Automotive Ltd., ASIMCO Braking System (Guangzhou) Co. Ltd. and ASIMCO Braking System (Zhuhai) Co. Ltd. Previously independent Board member of China CYTS Tours Holding Co. Ltd.

Principal activities outside of Volvo Car Group and current board assignments and similar: CEO of Zhejiang Geely Holding Group Co. Ltd. Chairman of the Board of Lotus Group International Limited. Board member of Saxo Bank A/S, Proton Holdings Berhad, Polestar Automotive Holding Ltd and Lynk & Co Investment Co., Ltd. Independent Board member of YTO Express (International) Holdings Ltd.

Independence: Independent in relation to the company and Executive Management Team, but not in relation to the company's major shareholders.

Shareholding (own and/or held by related parties): –

Diarmuid O'Connell

Board member since 2021.

Born 1963.

Education and professional experience: Bachelor of Arts in History and Government from Dartmouth College, United States. Master of Arts in Foreign Policy and Political Economy from the University of Virginia, United States. MBA in Strategy and Finance from Kellogg Graduate School of Management, United States. Studies in marketing from McCann School of Business & Technology, United States. Previous experience from Accenture Consulting, Real Time Learning, Young & Rubicam and the U.S Department of State. Several executive roles at Tesla. Member of the Executive team of Fair Financial Corp. Energy/Mobility Consulting for Antin Infrastructure Partners.

Principal activities outside of Volvo Car Group and current board assignments and similar: Energy consulting for Norsk Hydro ASA. Member of the Supervisory Board of Albemarle Corp, Dana Inc. Technology and Energy Transition Corporation and Mobility House AG.

Independence: Independent in relation to the company and Executive Management Team as well as the company's major shareholders.

Shareholding (own and/or held by related parties): 1 197 B shares

Jonas Samuelsson

Board member since 2020.

Born 1968.

Education and professional experience: Master of Science in Economics and Business Administration from the School of Business, Economics and Law at the University of Gothenburg, Sweden. Previous experience from finance in various roles at Saab Automobile AB and General Motors Corporation. Former CFO at Munters AB and CFO, COO and CEO Major Appliances EMEA at AB Electrolux.

Principal activities outside of Volvo Car Group and current board assignments and similar: CEO at AB Electrolux. Board member of AB Electrolux, Axel Johnson AB, Polygon AB and Ideella Föreningen Teknikföretagen i Sverige.

Independence: Independent in relation to the company and Executive Management Team as well as the company's major shareholders.

Shareholding (own and/or held by related parties): 19 807 B shares

Lila Tretikov

Board member since 2021.

Born 1978.

Education and professional experience: Studies in Computer Science at the University of California Berkeley, United States. Studies at SAAD School of Business, University of Oxford, United Kingdom. Previously CEO of Engie SA, Terrawatt Initiative and Wikimedia Foundation. Previous experience includes several senior positions within SugarCRM Inc., Software General Manager of Evolving Systems Inc., Digital General Manager of Bank of America and founder of GrokDigital.

Principal activities outside of Volvo Car Group and current board assignments and similar: Corporate VP and Deputy CTO of Microsoft. Board member of Xylem Inc., Onfido Limited, Affinifi and Cervest Limited. Member of the Advisory Board of Capgemini SE. Founder and Board member of nam.R S.A.

Independence: Independent in relation to the company and Executive Management Team as well as the company's major shareholders.

Shareholding (own and/or held by related parties): 1 197 B shares

Winfried Vahland

Board member since 2019.

Born 1957.

Education and professional experience: Master's Degree in Mechanical Engineering and Business Administration from Technical University THD Darmstadt, Germany, Master of Business Administration from GMI Engineering & Management Institute, Michigan, United States, Advisory Professor Shanghai Tongji University, China. Honorary Doctorate in Economics from the University of Economics in Prague, Czech Republic. Honorary Doctorate in Mechanical Engineering from Dalian University of Technology, China. Previous experience from several positions within Volkswagen Group, such as CEO and President of Volkswagen Group China and Executive VP in

Finance and Strategy of Volkswagen America do Sul, São Paulo, Brazil, Former Chairman of the Executive Board of Skoda Auto, Czech Republic. Several years of experience from General Motors in the United States and Germany as Head of Project Controlling, Adam Opel AG, Rüsselsheim/Zürich.

Principal activities outside of Volvo Car Group and current Board assignments and similar: Chairman of the Supervisory Board of Eldor Corporation S.p.A. and EuroCar AG. Board member of Proton Holdings Berhad. Member of the Supervisory Board of Vibracoustic SE.

Independence: Independent in relation to the company and Executive Management Team as well as the company's major shareholders.

Shareholding (own and/or held by related parties): 8 618 B shares

Anna Mossberg

Born 1972.

Education and professional experience: MBA from Stanford University, USA, MBA from IE University, Spain, Master of Industrial Engineering and Management from Luleå Technical University Sweden. Previous experiences includes CEO of Silo AB, Business Area Manager at Google Sweden, Senior Vice President Strategy and Portfolio Management at Deutsche Telekom AG, CEO of Bahnhof AB and Vice President of Telia International Carrier AB.

Principal activities outside of Volvo Car Group and current Board assignments and similar: Board Member and member of the Finance Committee in Swisscom AG, Board Member in Orkla ASA, Board Member and member of the Remuneration Committee and Audit Committee in Swedbank AB, Board Member and member of the Audit Committee in Schibsted ASA¹ and in Bygghälsan AB¹.

Independence: Independent in relation to the company and Executive Management Team as well as the company's major shareholders.

Shareholding (own and/or held by related parties): 1788 B shares

Jim Rowan

Born 1965.

Education and professional experience: Degree in Mechanical Engineering from Glasgow Caledonian University and Business, Supply Chain and Logistics from Northumbria University. Previous experience as CEO Consumer Division of Ember Technologies, Chief Executive Officer and Chief Operating Officer of Dyson, Chief Operation Officer of BlackBerry, Executive Vice President, Global Operations of Celestica, Vice President European Operations of Flextronics, Non-executive director of KKR & Co Inc, Nanofilm Technologies International Ltd and PCH International Inc.

Principal activities outside of Volvo Car Group and current Board assignments and similar: Non-executive director of Henkel AG.

Independence: Independent in relation to the company's major shareholders but not in relation to the company and Executive Management Team.

Shareholding (own and/or held by related parties): 151 000 B shares

Proposal regarding amendments to the instruction for the Nomination Committee

The Nomination Committee proposes no changes to the instructions for the Nomination Committee as adopted by the Extra General Meeting on October 17, 2021.

¹ Mossberg has informed that she is not open for reelection to these mandates, and will leave the assignments before the AGM in Volvo Car AB.

Proposal regarding election of auditor and remuneration for the auditor

The Nomination Committee proposes, in accordance with the recommendation from the company's Audit Committee, re-election of Deloitte AB as the company's auditor for the period until the close of the Annual General Meeting 2023 and that remuneration to the auditor shall be paid according to separate invoicing.

3 Statement by the Nomination Committee of its work before the AGM 2022

The Nomination Committee has held 3 meetings and the members of the Committee has had an ongoing dialogue in between the meetings. At its first meeting, the Nomination Committee appointed Hans-Olov Olsson as chairman of the Nomination Committee which is compliant with the Nomination Committee instruction adopted by the general meeting and the Swedish Code of Corporate Governance (the "**Code**").

The Nomination Committee has taken part of the evaluation of the work of the Board during 2021 and also had discussions with the vice Chairperson, Lone Fønss Schrøder, and Daniel (Donghui) Li to discuss the Board work. In addition, the Nomination Committee has reviewed the Board members competence and experience to determine how the current Board composition complies with the requirements on the Board and which additional competences that potentially should be added to the Board. The Nomination Committee has also received and assessed proposals received from shareholders.

As a base for the proposal to appoint Deloitte AB as the company's auditor for the period until the close of the Annual General Meeting 2023, the Nomination Committee has been provided with the Audit Committee's recommendation thereof.

The Nomination Committee has made the assessment that no amendments are needed in the instruction for the Nomination Committee.

The principles applied by the Nomination Committee regarding the Boards' composition have been reflected below in the motivated statement.

On the basis of the above, the Nomination Committee has addressed all matters that the Nomination Committee shall address according to the Code and the instruction for the Nomination Committee.

No remuneration has been paid to the members of the Nomination Committee.

4 Motivated statement by the Nomination Committee to the Board of Directors, auditor and fees to the Board of Directors

When preparing its proposal regarding the Board of Directors, the Nomination Committee has taken part in the Board's evaluation of its work and taken into account the requirements on board composition in the Swedish Companies Act and the requirements of the Code on the size and composition of the Board. The Nomination Committee has also considered the following:

The composition of the Volvo Cars Board shall be diverse in terms of gender, nationality, professional background and other competences to ensure that the Volvo Cars Board has the appropriate balance of expert knowledge, which matches the scale and complexity of Volvo Cars, supports a sustainable development and meets the independency requirements of the Code. It is Volvo Cars' goal to have a balanced composition when it comes to gender and it is the ambition that each gender shall have a share of at least some 40% of the board members elected by the

Shareholders' meeting. The unions represented in the Volvo Car Board shall be encouraged to apply the corresponding goal when appointing their representatives.

Prior to the Nomination Committee proposing candidates for election and/or re-election to the Board of Directors the Nomination Committee ensures that the candidates have sufficient time available for the Volvo Car assignment and that the candidates hold a reasonable number of other mandates and directorship in other companies. When proposing re-election of Board members, the Nomination Committee have also considered the Board members attendance at ordinary Board meetings during the previous year. Although all board members are elected or re-elected on a yearly basis the goal is to have a healthy rotation of the board members. The objective is to have a mix of board members who have served the company several years and newly appointed board members.

To ensure an appropriate size of the board and in the strive for gender balance, the Nomination Committee has had a goal to reduce the board from today's 12 members to 10 members and to increase the gender balance from today's level with 25% women. If the Annual General Meeting would decide in accordance with the proposals from the Nomination Committee, 30% of the board members will be women and 33% if the CEO is not included in the counting. It was noted that the Nomination Committee have agreed to strive to reach 40% female board members in a subsequent step and to continue to have an overall diverse composition of the board.

The Nomination Committee has further taken into consideration the Board members independence of both the company, management and the largest shareholders.

In relation to the proposed new board members, the Nomination Committee has especially considered the following:

Anna Mossberg has acted as professional board member since 2018, comes with extensive experience of board work in listed companies and is well acquainted with Swedish corporate governance requirements. She also brings valuable experience from her senior operational roles in companies such as Silo AB, Google Sverige AB, Deutsche Telecom AG, Bahnhof AB and Telia and a strong tech industry background of relevance for the transforming Volvo Car Group. Anna Mossberg is currently a board member of Swedbank AB, Swisscom AG, Schibsted ASA², Orkla ASA and Bygghälsan AB². She is independent in relation to the company, management as well as the largest shareholder.

Jim Rowan brings with him over three decades of global experience in the consumer and technology sectors, delivering strong growth and profitability through transformation strategies and customer engagement. He has also worked extensively with digitalization, disruption, innovation, engineering and supply chains, which will be valuable for the future of Volvo Cars to realise its strategic ambitions. He has worked with Ember as an investor, board member and its CEO since February 2021. He served as CEO of the Dyson Group between 2017-2020 and as COO between 2012-2017, during which time he accelerated the company's e-commerce strategy, launched new innovative products, and grew its market share worldwide. Prior to Dyson, he was the COO of BlackBerry. He is a member of the Shareholders' Committee of Henkel AG, a German technology and consumer goods company, which operates worldwide. Jim Rowan is independent in relation to the largest shareholder.

² Mossberg has informed that she is not open for reelection to these mandates, and will leave the assignments before the AGM in Volvo Car AB.

The Nomination Committee judges that the Board of Directors with the proposed composition accords well with the above diversity policy and the requirements of the Code and complies with the independence requirements stipulated in the Code.

When preparing its proposal regarding remuneration to the Board members, the Nomination Committee have considered that members of the Volvo Cars Board who are employed or otherwise remunerated by Volvo Cars or Geely Holding Group shall not be entitled to any remuneration for the Board work. The other Board members elected by the shareholders shall be entitled to a competitive and marketable remuneration.

The Nomination Committee of Volvo Car AB (publ)