

Proposals by the Election Committee of AB Volvo to the Annual General Meeting 2008 (updated as per March 31, 2008)

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

The Election Committee proposes Sven Unger, lawyer, to be the Chairman of the Meeting.

The Election Committee's proposal as regards the number of members and deputy members of the Board of Directors

The Election Committee proposes nine members and no deputy members.

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

The Election Committee proposes that the individual fees shall remain on the same level as 2007. The Election Committee accordingly proposes that the Chairman of the Board is awarded SEK 1,500,000 and each of the other members SEK 500,000 with the exception of the President. It is further proposed that the Chairman of the Audit Committee is awarded SEK 250,000 and the other two members of the Audit Committee SEK 125,000 each and the members of the Remuneration Committee SEK 75,000 each. The Election Committee further recommends the next coming Election Committee to review the fee structure and to evaluate the possibility of introducing a new compensation structure that includes share-related components.

The Election Committee's proposal as regards Board members

The Election Committee proposes the re-election of Peter Bijur, Tom Hedelius, Leif Johansson, Finn Johnsson as Chairman, Philippe Klein, Louis Schweitzer, Lars Westerberg and Ying Yeh. The Election Committee further proposes the election, for the first time, of Ravi Venkatesan.

Information relating to the proposed Board members is set out below.

Peter Bijur

Born 1942, MBA Marketing, BA Political Science

Member of the Volvo Board since: 2006, member of the Audit Committee.

Board member: Gulfmark Offshore Inc.

Holdings in Volvo: 3,000 Series B shares

Principal work experience: Numerous positions with Texaco Inc, retired as Chairman and Chief Executive Officer in 2001.

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

Tom Hedelius

Born 1939, Master of Business Administration, Hon. Dr. of Economics.

Member of the AB Volvo Board since: 1994, member of the Remuneration Committee.

Board Chairman: AB Industrivärden, B&B Tools AB, Anders Sandrews Stiftelse and Jan Wallanders och Tom Hedelius Stiftelse.

Honorary Chairman: Svenska Handelsbanken.

Vice Chairman: Addtech AB and Lagercrantz Group AB.

Board member: Svenska Cellulosa Aktiebolaget SCA and Lundbergs AB.

Holdings in Volvo, own and related parties: 13,465 shares, including 3,465 Series B shares.

Principal work experience: AB Industrikredit; numerous positions with Svenska Handelsbanken (Credit Director, Executive Vice President, President and CEO, Chairman).

Independence: Considering the demands laid down in the Swedish Code of Corporate Governance regarding the Board's independence, the Election Committee considers Mr. Hedelius independent of the company's major shareholders but not of the company and company management, due to that Tom Hedelius has been a Board member for more than 12 years.

Leif Johansson

Born 1951, Master of Engineering.

President of AB Volvo and Chief Executive Officer of the Volvo Group since 1997.

Member of the AB Volvo Board since: 1997.

Board member: Bristol-Myers Squibb Company, Svenska Cellulosa Aktiebolaget SCA, Confederation of Swedish

Enterprise and The Association of Swedish Engineering Industries. Member of the Royal Swedish Academy of Engineering Sciences.

Holdings in Volvo, own and related parties: 304,714 shares, including 297,690 Series B shares, and 50,000 employee stock options.

Principal work experience: Project consultant Indevo; Assistant to President Centro Maskin Morgårdshammar; President Husqvarna Motorcyklar; Division Manager Office Machines Facit Sweden; President Facit; Division Manager AB Electrolux Major Appliances; Division President AB Electrolux Major Appliances; Executive Vice President AB Electrolux; President AB Electrolux; CEO Electrolux Group.

Independence: Considering the demands laid down in the Swedish Code of Corporate Governance regarding the Board's independence and that Leif Johansson is Volvo's CEO, the Election Committee considers Mr. Johansson independent of the company's major shareholders but not of the company and company management.

Finn Johnsson

Born 1946, Master of Business Administration.

Member of the AB Volvo Board since: 1998. Chairman since 2004, Chairman of the Remuneration Committee.

Board Chairman: Luvata Oy, Thomas Concrete Group AB, Unomedical A/S, KappAhl AB, City Airline and EFG European Furniture Group AB.

Board member: Skanska AB and AB Industrivärden.

Holdings in Volvo, own and related parties: 30,000 shares, whereof 15,000 Series B shares.

Principal work experience: Machine Division at Swedish Match; President Arenco Machine Co., USA; President Swedish Match Europe and Swedish Match Asia; President Tarkett AB; Executive Vice President Stora AB; President Industri AB Euroc; President United Distillers, UK; CEO of Mölnlycke Health Care AB.

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

Philippe Klein

Born 1957

Senior Vice President, CEO/COO Office and Corporate Administration, Nissan Motor Co., Ltd.

Member of the Volvo Board since: 2006.

Holdings in Volvo: 2,250 Series B shares

Principal work experience: Various positions within Renault (from Engine Engineer to Senior Vice President, CEO's Office Renault SA and member of the Renault Management Committee); Vice President, CEO's Office at Nissan.

Independence: Considering the demands laid down in the Swedish Code of Corporate Governance regarding the Board's independence, the election committee is of the opinion that Mr. Klein is independent from the company and the company management. Philippe Klein is employed by Renault SA and represents Renault SA on the company's Board. Since Renault SA controls more than 10% of the shares and votes in Volvo, he may not in the Election Committee's opinion be considered as independent in relation to one of the company's major shareholders.

Louis Schweitzer

Born 1942. Bachelor of Laws.

Member of the AB Volvo Board since: 2001, member of the Remuneration Committee.

Board Chairman: Renault and AstraZeneca Plc. and chairman of the Supervisory Board of Le Monde

Board member: Electricité de France, BNP-Paribas, Véolia, L'Oréal and Vice President of the Philips Supervisory Board.

Holdings in Volvo: 10,000 Series B shares.

Principal work experience: Official at French Budget Department; Chief of Staff of Mr Laurent Fabius (Minister of Budget, then Minister for Industry and Research, and Prime Minister), Chairman, French Commission for Equality (since 2005); numerous positions with Renault SA (Chief Financial Officer and Executive Vice President Finance and Planning, President and Chief Operating Officer, Chairman and Chief Executive Officer).

Independence: Considering the demands laid down in the Swedish Code of Corporate Governance regarding the Board's independence, the election committee is of the opinion that Mr. Schweitzer is independent from the company and the company management. Louis Schweitzer is employed by Renault SA and represents Renault SA on the company's Board. Since Renault SA controls more than 10% of the shares and votes in Volvo, he may not in the Election Committee's opinion be considered as independent in relation to one of the company's major shareholders.

Ravi Venkatesan

Born 1963. MBA from Harvard University and a Master's Industrial Engineering from Purdue University.

Chairman of Microsoft Corporation (India) Pvt. Ltd, and responsible for Microsoft's marketing, operational and business development activities in India.

Board Chairman: Junior Achievement India, Non profit organisation

Board member: Thermax, Non Profit Advisory Board Harvard Business School, Advisory Board Indian Institute of Technology

Holdings in Volvo: None

Principal work experience: Before joining Microsoft, Ravi Venkatesan worked for over 17 years with Cummins, Inc, a US-based designer, manufacturer and distributor of engines and related technologies. He served in various leadership capacities at Cummins, including chairman of Cummins India Ltd and managing director of Tata Cummins Ltd, a joint venture between Cummins Inc and Tata Motors Ltd. Under his leadership, Cummins became the leading provider of power solutions and the largest manufacturer of automotive engines in the country.

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

Lars Westerberg

Born 1948, MSc Engineering, Bachelor business administration

Member of the AB Volvo Board since: 2007, member of the Audit Committee.

Board Chairman: Autoliv Inc. and Husqvarna AB.

Board member: SSAB and Plastal AB

Holdings in Volvo, own and related parties: 40,000 Series A shares

Principal work experience: President and CEO of Gränges AB, President and CEO of Esab and President and CEO of Autoliv Inc.

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

Ying Yeh

Born 1948, BA, Literature & International Relations.

President and Chairman of Kodak North Asia Region.

Member of the Volvo Board since: 2006, member of the Audit Committee.

Holdings in Volvo: None

Principal work experience: Journalist NBC, New York. Numerous positions with the U S Government Foreign Service in Burma, Hong Kong, Taiwan and Beijing. Various positions with Eastman Kodak in China.

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

The Election Committee's proposal as regards members of 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.

Finn Johnsson, Chairman of the Board

Carl-Olof By, representing AB Industrivärden

Lars Förberg, representing Violet Partners LP

Anders Oscarsson, representing SEB Fonder / Trygg Försäkring

Thierry Moulouguet, representing Renault SAS

Presentation of the activities carried out by the Election Committee

At the 2007 Annual General Meeting of shareholders in AB Volvo, the following were appointed to the Election Committee.

Finn Johnsson, Chairman of the Board

Carl-Olof By, representing Svenska Handelsbanken, SHB Pension Fund, SHB Pensionskassa, SHB Employee Fund and Oktogonen

Lars Förberg, representing Violet Partners LP

Björn Lind, representing SEB Fonder / Trygg Försäkring

Thierry Moulouguet, representing Renault SAS

The Election Committee held its first meeting on June 11, 2007, at which Thierry Moulouguet was appointed Chairman and it was decided to add another member to the Election Committee. Following this decision, Eva Halvarsson, representing the Second Swedish National Pension Fund – AP2, was appointed to the Election Committee. On the following meeting on August 28, 2007, it was decided to add yet another member representing AB Industrivärden to the Election Committee and, by reason of changes in the shareholder

structure, to replace the member representing the Second Swedish National Pension Fund – AP2 with a member representing AMF Pension. By reason hereof, Eva Halvarsson resigned from the Election committee and Bengt Kjell, representing AB Industrivärden, and Christer Elmehagen, representing AMF Pension, were appointed to the Election Committee.

The Election Committee has held in total 8 meetings. These meetings have mainly been devoted to an evaluation of the performance of the current Board, discussions regarding the need to undertake new recruitment, discussions relating to potential new Board members and discussions regarding the fees to be paid to the Board members.

The evaluation of the current Board has included i.a. a report from the Board Chairman Finn Johnsson to the Election Committee on the Board's recurring self-evaluation process.

The Election Committee was informed at an early stage that Per-Olof Ericsson would not be available for re-election. By reason i.a. hereof, the election committee concluded that a new Board member should be considered. For this reason, the Election Committee decided to engage the services of Egon Zehnder International (EZI), a recruitment consultant, to assist the Election Committee in identifying candidates for future work on the Volvo Board. With the help of EZI, a list of potential Board member candidates was developed, which was thereafter discussed and reduced to a short list of candidates. After EZI had contacted the short-listed candidates, the group of potential candidates was reduced even further and additional information was supplied by EZI and discussed.

After a global and deep search as well as the thorough review of several high talented candidates, the Election Committee was unanimously ready to propose the election of Ravi Venkatesan at the upcoming Annual General Meeting. However, Ravi Venkatesan had not, on the date of the first version of this report, been able to fully complete the internal process necessary to confirm the candidacy and the Election Committee therefore declared that it remained ready to support the nomination in the event the candidacy would be confirmed before the Annual General Meeting. Ravi Venkatesan has now confirmed the candidacy.

At the Election Committee's meetings, the Committee also discussed and formulated proposals to the 2008 Annual General Meeting as regards the other Board members, including the Chairman, the Chairman of the Annual General Meeting, the number of Board members and deputy Board members and the fees to be paid to Board members.

The costs incurred in the Election Committee's discharge of its assignment amounts to SEK 893,170.49, whereof 848,792.02 for the services of EZI, SEK 12,634.66 for travelling expenses, SEK 3,418.56 for teleconference services and SEK 28,325.25 for a report on Director compensation.

The Election Committee regrets that its proposals were not finalized in time to be included in AB Volvo's notice to the Annual General meeting. However, the Election Committee wish to stress that, under the circumstances, it is convinced that it has acted in the best interest of AB Volvo.

March 31, 2008 (original version March 10, 2008)

AB Volvo, Election Committee for the 2008 Annual General Meeting
through
Thierry Moulouguet