



# Resolutions at Volvo Cars' Annual General Meeting 2024

At the Annual General Meeting (the "AGM") of Volvo Car AB (publ) on 26 March 2024, all proposals were approved and the following was resolved.

## **Adoption of the income statement and the balance sheet**

The AGM adopted the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet for the financial year 2023.

## **Allocation of profit**

The AGM decided that no ordinary dividend should be paid for the financial year of 2023 and that the company's available funds shall be carried forward to the new accounts.

## **Discharge from liability**

The Board members and the CEO were discharged from liability for their administration of the company for the financial year 2023.

## **Election of Board of Directors**

Eric Li (Li Shufu), Lone Fønss Schrøder, Daniel Li (Li Donghui), Anna Mossberg, Diarmuid O'Connell, Jim Rowan, Jonas Samuelson, Lila Tretikov and Ruby Lu were re-elected as Board members. Eric Li (Li Shufu) was re-elected as Chairperson of the Board of Directors and Lone Fønss Schrøder was re-elected as vice Chairperson of the Board of Directors.

## **Election of auditor**

Deloitte AB was re-elected as the company's auditor for the period until the close of the AGM 2025.

## **Board fees and auditor fees**

The AGM resolved that remuneration to Board members that are not employed or otherwise remunerated by Volvo Car Group or the Geely Holding Group shall be paid in accordance with the following: (i) SEK 1,200,000 to each of the Board members other than the vice Chairperson who shall receive SEK 2,840,000, (ii) SEK 145,000 to each of the members of the People Committee, and SEK 185,000 to the Chairperson of the People Committee, (iii) SEK 220,000 to each of the members of the Audit Committee, and SEK 470,000 to the Chairperson of the Audit Committee, and (iv) SEK 220,000 to each of the members of the China 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 120,000 per entitled Board member). In addition, the AGM

resolved on compensation for reading time for the employee representatives with in total SEK 345,100, whereof SEK 85,000 to each of the ordinary representatives and SEK 45,050 to each of the deputy representatives.

It was resolved that auditor fees shall be paid in accordance with approved invoice.

### **Remuneration report**

The AGM resolved to approve the Board of Directors' remuneration report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act, regarding the financial year 2023.

### **Implementation of Performance Share Plan and Employee Share Matching Plan as well as delivery arrangements**

The AGM resolved, in accordance with the Board of Directors' proposal, on implementation of a Performance Share Plan and an Employee Share Matching Plan as well as delivery arrangements in respect thereof by way of an authorisation for the Board of Directors to resolve on acquisition of a maximum of 29,118,075 own shares of series B on Nasdaq Stockholm and on transfer of own shares of series B to the participants in the plans. A maximum of 29,118,075 shares of series B in Volvo Cars (whereof 12,539,648 performance shares and 16,578,427 matching shares) may be transferred free of charge to the participants.

The Performance Share Plan shall comprise approximately 220 employees, whereof approximately 213 Vice Presidents and key individuals, approximately 7 members of the EMT and the CEO of the group. The Performance Share Plan entails an opportunity to, after a three-year vesting period, receive performance shares free of charge, subject to satisfaction of certain performance conditions. The conditions are related to average EBIT excl. income from JV's & affiliates (weighted 40%), compound annual growth rate (CAGR) for group revenue (weighted 25%), percentage of reduction of CO<sub>2</sub> emissions per Volvo car manufactured (weighted 25%) and gender diversity, calculated as the share of females within senior leaders population as of 31 December 2026 (weighted 10%).

The Employee Share Matching Plan comprises all permanent employees of the Volvo Car group, other than the participants in the Performance Share Plan. To participate in the Employee Share Matching Plan, the participants must make own investments in shares of series B in Volvo Cars, up to an aggregate value for each participant at the time of the investment of no more than SEK 10,000. The Employee Share Matching Plan entails an opportunity to, after a two-year vesting period, receive one matching share free of charge for each investment share.

No dilutive effect in terms of shares issued will occur for existing shareholders due to the plans.

### **Amendment of the terms and conditions of the Performance Share Plans adopted in 2022 and 2023**

The AGM resolved, in accordance with the Board of Directors' proposal, to amend the terms and conditions of PSP 2022/2024 and PSP 2023/2025 as adopted by the Annual General Meetings in 2022 and 2023, respectively, with the effect that the PSP Award Value for the CEO shall correspond to 75% of the CEO's gross annual fixed salary in 2022 for PSP 2022/2024, and in 2023 for PSP 2023/2025.

The AGM further resolved, in accordance with the Board of Directors' proposal, to amend the previous resolutions on transfer of own series B shares to the participants, adopted by the Annual General Meetings in 2022 and 2023, so that own series B shares may be transferred to the CEO, free of charge, at the time and on the terms that the CEO is entitled to be allocated shares on the basis of the amended terms and conditions of PSP 2022/2024 and PSP 2023/2025, respectively.

The amendments are not expected to have any significant effect on the estimated costs for the plans as previously disclosed.

### **Authorisation for the Board of Directors to resolve on acquisition of own shares for delivery to participants under the Performance Share Plans and Employee Share Matching Plans adopted in 2022 and 2023**

The AGM resolved, in accordance with the Board of Directors' proposal, to authorise the Board to, on one or several occasions until the next AGM, resolve on acquisition of a maximum of 35,437,818 own shares of series B on Nasdaq Stockholm, for delivery to participants under the Performance Share Plans and Employee Share Matching Plans adopted in 2022 and 2023.

Volvo Cars' own series B shares, acquired pursuant to the authorisation, may be transferred to the participants under the plans in accordance with and on the terms as resolved by the respective AGMs in 2022 and 2023.

#### **Authorisation for the Board of Directors to resolve on new issues**

The AGM resolved, in accordance with the proposal of the Board of Directors, to authorise the Board to, within the scope of the articles of association, on one or several occasions, during the period until the next AGM, resolve on new issues of shares of series B and/or subscription warrants and/or convertible bonds, with or without deviation from the shareholders' preferential right. The total number of shares that may be issued by virtue of the authorisation may not exceed ten per cent of the total number of shares in Volvo Cars at the time of the Board of Directors' resolution. The purpose of the authorisation, and the reason for any deviation from the shareholders' preferential right, is to increase the financial flexibility of the company to enable the company to finance the operations in a fast and efficient way, acquire companies, businesses or parts thereof and/or to enable a broadening of the ownership of the company.

#### **Distribution of Volvo Cars' shareholding in Polestar by way of a share split (2:1), a reduction of the share capital through redemption of shares, and an increase of the share capital through a bonus issue without issuance of new shares**

The AGM resolved, in accordance with the Board of Directors' proposal, to distribute a portion of Volvo Cars' shareholding in Polestar to Volvo Cars' shareholders by way of a share split (2:1), a reduction of the share capital through redemption of shares, and an increase of the share capital through a bonus issue without issuance of new shares. The AGM also resolved to authorise the Board of Directors to finally determine the portion of the Polestar shareholding to be distributed, the redemption amount per share as well as the timetable for the share redemption. The Board of Directors' decision on the final terms and timetable of the distribution is expected to be announced by way of a press release on or around 5 April 2024.

As previously communicated, the Board of Directors' intention is to distribute 62.7 percent of Volvo Cars' shareholding in Polestar, and the redemption consideration is expected to be three (3) Swedish Depository Receipts ("SDRs") for fourteen (14) redemption shares. Further, the Board of Directors estimates that:

- the record date for the share split and the right to receive redemption shares will be on Friday, 12 April 2024;
- trading in redemption shares will take place on Nasdaq Stockholm during the period from and including Monday, 15 April 2024 up to and including Tuesday, 30 April 2024; and
- the SDRs will be available on the shareholders' securities accounts, nominee accounts or equivalent on or around Monday, 13 May 2024.

Due to technical reasons, the Polestar shareholding will be distributed in the form of SDRs, which represent the underlying Polestar Class A American Depositary Shares ("ADSs"), listed on Nasdaq New York. Shareholders will therefore, during the period from and including Monday, 13 May 2024 up to and including Tuesday, 13 August 2024, be able to convert the SDRs, free of charge, into ADSs that can be traded on Nasdaq New York. An information brochure with further information on the distribution as well as detailed instructions on the subsequent, free of charge, conversion is available on Volvo Cars' website (subject to certain confirmations): <http://investors.volvocars.com/en/the-share/polestar>.

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## **Volvo Cars in 2023**

*For the full year 2023, Volvo Car Group recorded a record-breaking core operating profit of SEK 25.6 billion. Revenue in 2023 amounted to an all-time high of SEK 399.3 billion, while global sales reached a record 708,716 cars.*

## **About Volvo Car Group**

*Volvo Cars was founded in 1927. Today, it is one of the most well-known and respected car brands in the world with sales to customers in more than 100 countries. Volvo Cars is listed on the Nasdaq Stockholm exchange, where it is traded under the ticker "VOLCAR B".*

*"For life. To give people the freedom to move in a personal, sustainable and safe way." This purpose is reflected in Volvo Cars' ambition to become a fully electric car maker by 2030 and in its commitment to an ongoing reduction of its carbon footprint, with the ambition to be a climate-neutral company by 2040.*

*As of December 2023, Volvo Cars employed approximately 43,400 full-time employees. Volvo Cars' head office, product development, marketing and administration functions are mainly located in Gothenburg, Sweden. Volvo Cars' production plants are located in Gothenburg, Ghent (Belgium), South Carolina (US), Chengdu, Daqing and Taizhou (China). The company also has R&D and design centres in Gothenburg and Shanghai (China).*