

FINAL TERMS

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") or in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive (as defined below). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels. For the avoidance of doubt, neither the Issuer nor the Parent is a manufacturer for the purposes of the MiFID Product Governance Rules.

4 May 2020

VOLVO TREASURY AB (publ) (the "Issuer")
Legal Entity Identifier (LEI): 549300PD69T87IGZG395
Issue of SEK 300,000,000 Floating Rate Notes due November 2022, Series 406, tranche 2
(the "Notes") (to be consolidated and form a single Series with the existing SEK 2,000,000,000
Floating Rate Notes due November 2022 issued on 4 November 2019 (the "Existing Notes"))
guaranteed by AB Volvo (publ) (the "Guarantor") issued pursuant to the
U.S.\$15,000,000,000 Euro Medium Term Note Programme
PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the prospectus dated 8 May 2019 (the "**Prospectus**") and the supplements to the Prospectus dated 30 July 2019, 3 September 2019, 24 October 2019, 31 January 2020, 27 February 2020, 19 March 2020, 27 March 2020 and 24 April 2020 (the "**Supplements**") which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended or superseded (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Prospectus and the Supplements. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus and the Supplements. The Prospectus and the Supplements have been published on the

websites of the Luxembourg Stock Exchange (www.bourse.lu) and the Volvo Group (www.volvogroup.com) and are available for viewing at, and copies may be obtained from, the registered office of the Issuer and from the specified offices of the Paying Agents in London and Luxembourg.

1. (i) Series Number: 406
- (ii) Tranche Number: 2
- (iii) Date on which the Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with the existing SEK 2,000,000,000 Floating Rate Notes due November 2022 issued on 4 November 2019 on exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 22 below, which is expected to occur on or about 15 June 2020.
2. Specified Currency or Currencies: Swedish Krona (“SEK”)
3. Aggregate Nominal Amount:
 - (i) Series: SEK 2,300,000,000
 - (ii) Tranche: SEK 300,000,000
4. Issue Price: 96.779 per cent. of the Aggregate Nominal Amount plus accrued interest amounting to SEK 12,916.67 from and including 4 May 2020 to but excluding the Issue Date.
5. (i) Specified Denomination(s): SEK 2,000,000 and integral multiples of SEK 1,000,000 in excess thereof up to and including SEK 3,000,000. (Note: no notes in definitive form to be issued with a denomination above SEK 3,000,000).
- (ii) Calculation Amount: SEK 1,000,000
6. (i) Issue Date: 6 May 2020
- (ii) Interest Commencement Date: 4 May 2020
7. Maturity Date: Interest Payment Date falling in or nearest to November 2022
8. Interest Basis: 3 month STIBOR + 0.51 per cent. Floating Rate
9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
10. Change of Interest Basis: Not Applicable
11. Put/Call Options: Not Applicable

Provisions Relating to Interest (if any) Payable

| | | |
|--------|--|--|
| 12. | Fixed Rate Note Provisions | Not Applicable |
| 13. | Floating Rate Note Provisions | Applicable |
| (i) | Specified Period(s)/Specified Interest Payment Dates: | 4 February, 4 May, 4 August and 4 November in each year, from and including 4 August 2020 up to and including the Maturity Date. |
| (ii) | Business Day Convention: | Modified Following Business Day Convention |
| (iii) | Additional Business Centre(s): | Not Applicable |
| (iv) | Manner in which the Rate of Interest and Interest Amount is to be determined: | Screen Rate Determination |
| (v) | Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): | Not Applicable |
| (vi) | Screen Rate Determination: | Applicable |
| | – Reference Rate and Relevant Financial Centre: | Reference Rate: 3 month STIBOR Relevant Financial Centre: Stockholm |
| | – Interest Determination Date(s): | 11.00 a.m. Stockholm time on the second Stockholm Business Day prior to the start of each Interest Period |
| | – Relevant Screen Page: | Reuters screen “SIDE” page |
| (vii) | ISDA Determination: | Not Applicable |
| (viii) | Linear Interpolation: | Not Applicable |
| (ix) | Margin(s): | +0.51 per cent. per annum |
| (x) | Minimum Rate of Interest: | Not Applicable |
| (xi) | Maximum Rate of Interest: | Not Applicable |
| (xii) | Day Count Fraction: | Actual/360 |
| (xiii) | Reference Rate Replacement: | Not Applicable |
| 14. | Zero Coupon Note Provisions | Not Applicable |

Provisions Relating to Redemption

| | | |
|-----|-------------------------------------|----------------|
| 15. | Issuer Call: | Not Applicable |
| 16. | Make-whole Redemption by the Issuer | Not Applicable |

- | | | |
|-----|--|--|
| 17. | Clean-up Call: | Not Applicable |
| 18. | Residual Maturity Call: | Not Applicable |
| 19. | Investor Put: | Not Applicable |
| 20. | Final Redemption Amount: | Subject to any purchase or cancellation or early redemption, the Notes will be redeemed on the Maturity Date at SEK 1,000,000 per Calculation Amount |
| 21. | Early Redemption Amount payable on redemption for taxation reasons or on event of default: | SEK 1,000,000 per Calculation Amount |

General Provisions Applicable to the Notes

- | | | |
|-----|---|---|
| 22. | Form of Notes: | |
| (a) | Form of Notes: | Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event |
| (b) | New Global Note: | No |
| 23. | Additional Financial Centre(s): | Not Applicable |
| 24. | Talons for future Coupons to be attached to Definitive Notes: | No |

Signed on behalf of the Issuer:

By: _____

Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market, *Bourse de Luxembourg*, with effect from the Issue Date.

The Existing Notes were so listed and admitted to trading on 4 November 2019.

- (ii) Estimate of total expenses related to admission to trading: EUR 600

2. RATINGS

Ratings: The Notes to be issued have been rated A3 by Moody's Investors Service (Nordics) AB ("**Moody's**") and A- by S&P Global Ratings Europe Limited ("**S&P**")

Each of Moody's and S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). As such each of Moody's and S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The Dealer and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business.

4. BENCHMARKS REGULATION - FLOATING RATE NOTES CALCULATED BY REFERENCE TO A BENCHMARK ONLY

Amounts payable under the Notes will be calculated by reference to STIBOR which is provided by the Swedish Financial Benchmark Facility ("**SFBF**"). As at the date of these Final Terms, the SFBF does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011.

5. YIELD

Not Applicable

6. DISTRIBUTION

- (i) If syndicated, names of Managers: Not Applicable
- (ii) Date of Subscription Agreement: Not Applicable
- (iii) Stabilisation Manager(s) (if any): Not Applicable
- (iv) If non-syndicated, name and address of relevant Dealer: DNB Bank ASA, Sweden Branch
Regeringsgatan 59
SE-105 88 Stockholm
Sweden
- (v) TEFRA: TEFRA D

7. OPERATIONAL INFORMATION

- (i) ISIN Code: Temporary ISIN Code: XS2168062714
Permanent ISIN Code applicable on consolidation with the Existing Notes: XS2075216395
- (ii) Common Code: Temporary Common Code: 216806271
Permanent Common Code applicable on consolidation with the Existing Notes: 207521639
- (iii) CFI: DTVNFB, as set out on the website of the Association of National Numbering Agencies (**ANNA**) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
- (iv) FISN: VOLVO TREASURY/VAREMTN 20221104, as set out on the website of the Association of National Numbering Agencies (**ANNA**) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN
- (v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable
- (vi) Delivery: Delivery against payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): Not Applicable

- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

8. **THIRD PARTY INFORMATION**

Not Applicable