

Corporate Governance Report

Corporate Governance Report

Husqvarna AB ("Husqvarna" or "the Company") is a public company listed on Nasdaq Stockholm and its governance is subject to a number of laws and regulations. The most important of these are the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm Rulebook for Issuers and the Swedish Code of Corporate Governance ("the Code"). Husqvarna's corporate governance complies with the Code in all aspects.

This Corporate Governance Report has been prepared in accordance with the Annual Accounts Act and The Swedish Code of Corporate Governance. Husqvarna's auditors have reviewed the report and their opinion has been included in the Auditor's Report. In addition to the above external regulations, Husqvarna operates under internal regulations, which include the Company's Articles of Association, policies, governance documents, guidelines and instructions.

Husqvarna strives to operate its activities in a sustainable manner while at the same time creating value for customers, shareholders, employees, suppliers, local communities and other stakeholders. The Company's new strategy (for details, see pages 9–15), combined with its financial goals (see page 8) supports this direction. The Company's sustainability ambitions are described briefly on pages 32–36, and in more detail in the Sustainability Report.

The highest corporate decision making body in the Company is the Shareholders' General Meeting, which is normally held once per year in the form of the Annual General Meeting ("AGM"), but can also be in the form of an Extraordinary General Meeting ("EGM") under certain circumstances. The latest EGM took place in 2009 when a rights issue was adopted.

The Company prepares the AGM, however with influence from the shareholders, who have the right to propose matters for the AGM agenda.

Shareholders

Husqvarna AB's shares have been traded on Nasdaq Stockholm since June 2006. At year-end 2014, the share capital amounted to SEK 1,153m, represented by 122,425,469 A-shares and 453,918,309 B-shares, each with a par value of SEK 2.

A-shares carry one vote and B-shares carry one tenth of a vote. As per the Articles of Association, holders of A-shares are entitled to request conversion of A-shares to B-shares.

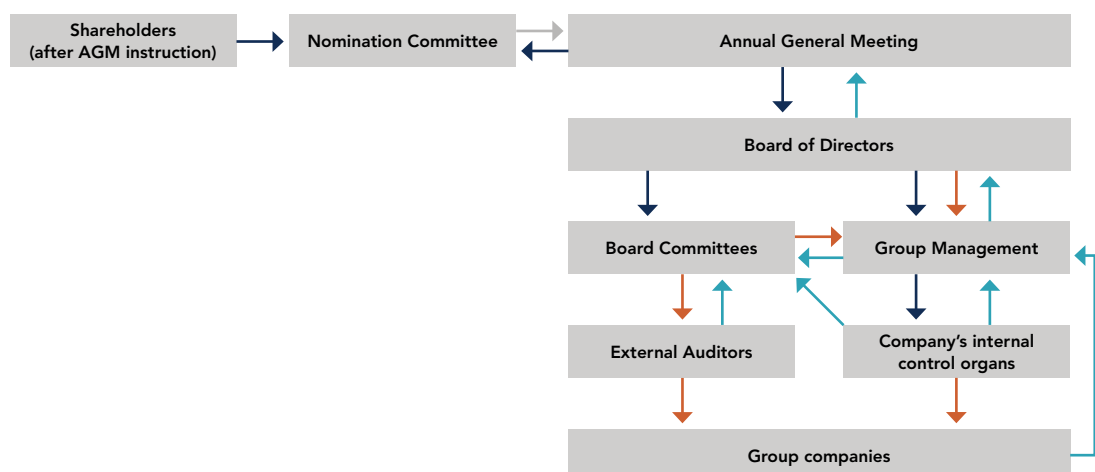
In 2014, 4,168,399 A-shares were converted to an equivalent number of B-shares.

On December 31, 2014, the number of shareholders was 55,234. Of the total number of shares, foreign shareholders accounted for approximately 35 percent (27). 90 percent (88) of the total number of shares were owned by legal entities and 10 percent (12) by private individuals representing 91 percent (90) and 9 percent (10) of the total number of votes respectively. Investor AB is the single largest shareholder with a holding of about 17 percent of the share capital and approximately 31 percent of the votes as of December 31,

Governance structure

Husqvarna AB and Husqvarna Group from the shareholders' and the Board of Directors' perspective.

- Appoints
- Controls
- Reports
- Proposes



2014. Measured by the number of votes, L E Lundbergföretagen is the second largest owner, with a holding of about 8 percent of the capital and approximately 24 percent of the votes on December 31, 2014.

For further information on the Husqvarna shares and shareholders, see page 114.

Nomination Committee

Six months prior to the AGM, the Company's Nomination Committee is convened. The rules for the composition of the Nomination Committee are adopted by the AGM. At the AGM in 2013, it was decided that, until the AGM resolves otherwise, the Company shall have a Nomination Committee consisting of five members. The members shall comprise of one representative of each of the four largest shareholders in the Company in terms of the number of known voting rights held as of the last banking day of August who have expressed a wish to participate in the work of the Nomination Committee, together with the Chairman of the Board of Directors. The Company's Board secretary serves as secretary of the Nomination Committee. In the case of major changes in shareholdings after the Nomination Committee is constituted, the composition of the Nomination Committee may be altered accordingly.

Each year a survey is conducted among the Board members concerning the Board's work, composition, qualifications, experience and efficiency. This survey forms the basis for the Nomination Committee's evaluation of whether the Board should be strengthened with additional expertise or if there are any other reasons to make changes to the composition of the Board. The Nomination Committee has also evaluated the goal to achieve an even gender balance in the Board of Directors. Normally, the Nomination Committee also meets separately with the Company's President and CEO, and occasionally with individual Board members. Any proposed new Board members are interviewed by the Nomination Committee.

The Nomination Committee evaluates the Company's Board composition from an independency perspective and takes into account any proposals made to the Nomination Committee about the composition of the Board, which may have been suggested by other shareholders.

The names of the Nomination Committee representatives and the shareholders that they represent shall be announced publicly at least six months prior to the AGM. The members of the Nomination Committee for the AGM in 2015 announced on October 8, 2014, are:

- Petra Hedengran (Chairman), Investor AB
- Claes Boustedt, L E Lundbergföretagen AB
- Ramsay Brufer, Alecta
- Ricard Wennerklint, If Skadeförsäkring AB
- Lars Westerberg, Chairman of the Board of Directors

The selection of the four shareholders to be represented on the Nomination Committee was based on known holdings of voting rights as of August 29, 2014. The Nomination Committee's tasks include preparing a proposal for the AGM regarding the following:

- Proposal for election of Chairman of the AGM;
- Proposal for election of Board members;
- Proposal for election of Chairman of the Board;
- Proposal on remuneration to the Board members, including the Chairman, and Board members' work on the Board committees;
- Proposal on remuneration to the external auditors; and
- Composition of the Nomination Committee and its tasks for the next following year (if applicable).

The Nomination Committee should also submit proposals for the election of external Auditors when such are to be appointed by the AGM. The Nomination Committee is then assisted by the Audit Committee, which among other things informs the Nomination Committee of the results of the evaluation of the Auditors' work. The Nomination Committee shall present to the AGM its motivated opinion for its proposals.

Shareholders who wish to submit proposals to the Nomination Committee may do so by sending an email to nominationcommittee@husqvarnagroup.com. The Nomination Committee's proposals are announced publicly in connection with or prior to the notice of the AGM.

Nomination Committee members do not receive compensation from the Company for their work on the Nomination Committee.

Annual General Meeting agenda

The agenda for the AGM consists of matters that are statutory (as per the Swedish Companies Act), regulatory (as per the Swedish Code of Corporate Governance) or internal (as per the Company's Articles of Association). Shareholders may also, prior to the publication of the notice to attend the AGM, propose matters to be put on the AGM agenda.

In preparation for the AGM, the Board reviews matters to be proposed for decision by the AGM, including:

- Adoption of statutory financial documentation;
- Discharge of liability for the Board members and President and CEO;
- Disposition of the Company's profit;
- Principles of remuneration for Group Management;
- Adoption of long-term incentive programs (if applicable);
- Repurchase and transfer of the Company's own shares (if applicable);
- Authorization to resolve on the issuance of new shares (if applicable); and
- Other matters to be decided by the AGM.

The AGM also decides on matters proposed by the Nomination Committee as follows:

- Election of Chairman of the AGM;
- Number of Board members;
- Remuneration to Board members and external auditors;
- Election of Board members and Chairman of the Board; and
- Election of external auditor (every fourth year according to the Articles of Association).

The AGM shall be convened not later than six months after the close of the preceding financial year, and it is normally held in March/April each year. The notice of the AGM shall be made public at least four weeks and not more than six weeks prior to the AGM. In Husqvarna's case, it is published in the Swedish daily newspaper Svenska Dagbladet and the Swedish Official Gazette (Post- och Inrikes Tidningar). It is published by press release and on the Company's website www.husqvarnagroup.com/agm.

Shareholders who are listed in the share registry on the record day and wish to be represented at the AGM must register to do so with the Company in due time. Shareholders who are not able to attend in person may appoint a proxy. Shareholders who are represented by proxy, including all corporate shareholders, must submit a valid power of attorney as well as other required documentation in due time before the AGM. This allows the Company to compile a book of shareholders from the Swedish central securities depository, Euroclear Sweden (VPC). Following this compilation, voting certificates are sent to all shareholders attending the meeting or their designated representatives. Voting certificates are proof of voting rights and also

Corporate Governance Report

serve as an entrance card to the AGM. The Company's Articles of Association does not limit the number of votes cast by a shareholder at the AGM.

Annual General Meeting

The AGM is the highest decision-making body of the Company and shall decide on the above-mentioned matters proposed by the Board of Directors and the Nomination Committee, as well as changes to the Articles of Association, etc.

The AGM of the Company shall be held in Jönköping, Sweden or in Stockholm, Sweden.

At the AGM, the Chairman of the Board presents a report on the Board's work during the preceding year; the President and CEO gives an overview of the Company's business and current priorities; and the auditors present their report and their review of the Company's finances. If required, the Chairman of the Remuneration Committee reports on remuneration to Group Management and, if it is to be decided by the AGM, the Company's long-term incentive programs. Shareholders may also direct questions to the Chairman of the Board, the President and CEO, the Chairman of the Nomination Committee, the Chairman of the Remuneration Committee, the external auditors or any other Board member.

Written documentation is presented at the AGM, normally both in English and Swedish. This documentation may be downloaded from the Company's website and is also sent to shareholders upon request.

Such documentation includes:

- The agenda for the AGM;
- Proposals from the Board of Directors and the Nomination Committee;
- The Remuneration Committee's evaluation of programs of variable remuneration for Group Management, the application of the principles of remuneration for Group Management and applicable remuneration structures and levels in the Company;
- The Nomination Committee's motivated opinion regarding the proposal for appointment of Board members; and
- The Board's report in relation to the proposed dividend and the proposal on the acquisition of own shares (if applicable).

The AGM is conducted in Swedish, but simultaneous translation into English is available. The minutes recorded at the AGM are normally published within a few days of the AGM. A press release containing the decisions made by the AGM is published immediately after the AGM.

Annual General Meeting 2014

The AGM 2014 was held on April 10 in Jönköping with 713 shareholders attending, personally or by proxy, representing 56 percent of the total number of shares and 75 percent of the total number of votes. Also attending were the Board of Directors, the external auditors and members of Group Management. The following resolutions were passed:

- Adoption of the Income Statements and Balance Sheets for 2013, together with the Board of Directors' dividend proposal, which was set at SEK 1.50 per share.
- The Board of Directors and the President and CEO were discharged from liability for the financial year 2013.
- The Nomination Committee's proposal for the number of Board members and the election of Lars Westerberg, Magdalena Gerger, Tom Johnstone, Ulla Litzén, Katarina Martinson, Daniel Nodhäll, David Lumley, Lars Pettersson and Kai Wörn as Directors of the Board. Lars Westerberg was appointed Chairman of the Board.
- The Nomination Committee's proposed remuneration to the Board of SEK 5,595,000 in total, whereof SEK 1,675,000 to the

Chairman of the Board and SEK 485,000 to each of the Board members elected by the AGM and not employed by the Company, was adopted. Furthermore, according to the Nomination Committee's proposal, remuneration of SEK 175,000 to the Chairman of the Audit Committee and SEK 75,000 to each of the other two members of the Audit Committee was resolved, as well as SEK 100,000 to the Chairman of the Remuneration Committee and SEK 50,000 to each of the other two members.

- The Nomination Committee's proposal to elect Ernst & Young AB as Auditor for the period from the AGM 2014 up until the end of the AGM 2018.
- The Auditor's fee shall be paid on the basis of approved invoices.
- The Board of Directors' proposal for principles of remuneration to Husqvarna Group Management.
- The Board's proposal for a performance-based long-term incentive program for 2014, LTI 2014.
- The Board of Directors was authorized to, on one or more occasions during the period up until the next AGM, approve purchase of own B-shares, on the condition that the Company's holding does not at any time exceed 3 percent of the total number of shares in the Company. Shares shall be purchased on Nasdaq Stockholm at a price within the share price interval registered at the time.
- The Board of Directors was authorized to, on one or more occasions during the period up to the next AGM, approve the transfer of the Company's own B-shares on Nasdaq Stockholm. Shares may be transferred on Nasdaq Stockholm only at a price within the share price interval registered at that time.
- Not more than 1,800,000 B-shares may be transferred to employees in accordance with LTI 2014.
- The Board was authorized to approve the issue of not more than 57.6 million new B-shares against consideration in kind on one or more occasions during the period up to the AGM in 2015.

Annual General Meeting 2015

The Annual General Meeting 2015 of Husqvarna AB will be held at 4 p.m. on Tuesday, April 21, 2015 at the Culture Center Spira, Kulturgatan 3, in Jönköping, Sweden.

For more information regarding the AGM 2015, see page 64.

The Board of Directors

According to Husqvarna AB's Articles of Association, the Board of Directors shall comprise of no less than five and no more than ten Board members. There are currently nine Board members elected by the AGM (see table on page 53). In addition to the Board members elected by the AGM, the Swedish trade unions have the statutory right to appoint two ordinary Board members with voting rights and two deputies.

The Board of Directors is responsible for organizing the Company and management of the Company's operations. The Board shall also issue guidelines and instructions to the President and CEO. In addition, the Board shall ensure that the Company's organization in respect of accounting, management of funds and the Company's financial position are satisfactory controlled.

The Board has adopted Rules of Procedure for its internal activities, which includes rules regarding the number of Board meetings, matters to be handled at regular Board meetings and the duties of the Chairman of the Board. The Chairman shall also ensure that the Board evaluates the President and CEO on a regular basis, at least once every year.

The Board has also issued written instructions specifying when and how information required to enable the Board to evaluate the Company and the Group's financial position shall be reported to the Board, as well as the distribution of duties between the Board

Board of Directors

Name	Nationality	Independence ¹	Attendance 2014			Authorized fees, total in SEK ²	Holdings, number of A-shares ³	Holdings, number of B-shares ³		
			Board meetings	Audit Committee	Remuneration Committee					
Lars Westerberg	Board Chairman Committee member	SE	Yes/Yes	11/11		3/3	1,725,000	–	270,000	
Magdalena Gerger		SE	Yes/No	11/11			485,000	3,100	–	
Tom Johnstone	Committee Chairman	UK	Yes/No	11/11		3/3	585,000	990	4,800	
Ulla Litzén ⁴	Committee member Committee Chairman	SE	Yes/Yes	11/11		2/2 7/7	660,000	–	10,000	
David Lumley ⁵		US	Yes/Yes	8/8			485,000	–	6,252	
Ulf Lundahl ^{6,7}	Committee Chairman	SE	Yes/No	3/3		2/2	–	n/a	n/a	
Katarina Martinson	Committee member	SE	Yes/No	11/11		7/7	560,000	113,478	378,737	
Anders Moberg ⁶	Committee member	SE	Yes/Yes	2/3		1/1	–	n/a	n/a	
Daniel Nodhäll	Committee member	SE	Yes/No	11/11		9/9	560,000	–	5,000	
Lars Pettersson ⁵	Committee member	SE	Yes/No	7/8		2/2	535,000	–	–	
Kai Wärn ⁵		SE	No/Yes	8/8			–	–	130,570	
Soili Johansson	Employee representative	SE	–	10/11			–	225	750	
Annika Ögren	Employee representative	SE	–	10/11			–	–	–	
Carita Spångberg ⁸	Employee representative	SE	–	9/10			–	–	–	
Lotta Widehäll ⁸	Employee representative	SE	–	10/10			–	–	–	
Total				11		9	3	5,595,000	117,793	806,109

¹ Refers to independence in relation to the company and management, and independence in relation to major shareholders.

² Board members are expected to engage themselves financially in Husqvarna shares within a period of five years, corresponding to one year's Board fee.

³ Refers to December 31, 2014 and includes related parties.

⁴ Committee Chairman as of the 2014 AGM.

⁵ Elected at the 2014 AGM.

⁶ Resigned at the 2014 AGM, remuneration presented during 2013.

⁷ Committee Chairman until the 2014 AGM.

⁸ Deputy.

and the President and CEO. The Rules of Procedure also include an investment and capital expenditures policy, a financial policy, a credit policy and an internal control policy.

The duties of the Board are partly exercised through its Audit Committee and Remuneration Committee, and the Board has also adopted charters for such Board committees.

The topics for Board meetings follow an agenda plan that details the matters that should be dealt with by the Board during the Board's tenure as well as when such should be dealt with, whilst leaving room for the Board members' own initiatives for topics to be addressed at the Board meetings.

The Rules of Procedure are updated at least once annually and are adopted by the Board of Directors at its statutory meeting, which normally immediately follows the AGM.

The Chairman of the Board ensures that the Board's work and procedures are evaluated and discussed with the Board members annually, and are brought to the attention of the Nomination Committee.

Evaluation of the Chairman of the Board shall also be carried out annually. This work shall be led by the Chairman of the Remuneration Committee.

The Board members elected by the AGM fulfill the independence criteria set by the Code.

Fees to Board members

Fees to Board members, including fees for committee work, is set by the shareholders at the AGM. For information on fees to the Board of Directors in 2014, see Note 4.

Board meetings

According to the Board's Rules of Procedure, the Board shall hold at least four ordinary meetings and one statutory meeting per calendar year. In 2014, the Board held eleven meetings, of which four were by telephone, one per capsulam, two in Huskvarna, Sweden, one in Ulm, Germany, one in Charlotte, the U.S. and two in Stockholm, Sweden.

Agendas for ordinary Board meetings, together with supporting documentation as required under the Rules of Procedure or which are otherwise necessary for the Board to take adequate action, shall be sent to the Board members approximately one week before each Board meeting. The documentation is distributed electronically over a secure network. In addition to the documentation prepared for each Board meeting, the Board members are sent additional information regarding the Company, its markets and competitors on a regular basis.

The Chairman of the Board, the President and CEO, and the Secretary of the Board discuss and agree upon the topics for each Board meeting prior to the meeting.

At Board meetings, the Company's President and CEO, the Company's CFO and the Company's General Counsel are present. The General Counsel serves as the Board's secretary and records the minutes of the Board meetings. Other members of Group Management or other senior managers of the Company may also report or make presentations on significant matters.

Once a year, the Company's internal auditor meets with the Board and presents its findings and plans.

In addition, the Company's external auditors meet with the Board once a year, in general without participation of the members of Group Management.

All Board meetings follow the adopted agenda plan, which includes the following matters:

- Opening of meeting, appointment of person to verify the minutes, agenda approval;
- Approval of the previous meeting minutes;
- Business and financial update;
- Market and competitor update;
- Report from the Audit Committee;
- Report from the Remuneration Committee;
- Decision-related matters; and
- Information-related matters.

Corporate Governance Report

When relevant and at least quarterly, the Group Management presents forecasts and key performance indicators, providing the Board with an overview of the financial development and expectations of the Company, including a set of key performance indicators measuring the Company's Accelerated Improvement Program. The Company's budget is reviewed and approved once a year, generally in the fall. The Board also reviews the Company's significant litigations quarterly and follows up on the Company's compliance work annually.

The minutes of Board meetings, including all supporting materials, are sent electronically over a secure network to all Board members.

The Board's committees

The Board has two Board committees: the Audit Committee and the Remuneration Committee.

Audit Committee

The Audit Committee monitors the Company's financial reporting, ensures that the principles adopted for financial reporting, internal control, internal audit and risk assessment are observed, and reviews and supervises the Company's external auditors' impartiality and independence.

It reports on its findings and provides recommendations at each Board meeting held in person, and if relevant, also at Board meetings by telephone.

The Audit Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time.

The Board determines the composition of the Audit Committee, which shall have at least three members. The Board appoints the Committee members annually at the statutory Board meeting or when a Committee member needs to be replaced. The Committee members appointed in April 2014 were Ulla Litzén (Chairman), Daniel Nodhäll and Katarina Martinson.

The Committee members must satisfy applicable financial literacy and independence requirements, as well as other legal and regulatory requirements, including those of the Company's Articles of Association and the Code.

In 2014, the Audit Committee held nine meetings, which fulfills its own charter rule that it shall meet at least four times per year. All Audit Committee meetings follow the adopted agenda plan, which comprises the following matters:

- Opening of the meeting, agenda approval, appointment of minute approvers
- Approval of previous meeting minutes
- Review of open issues
- Treasury and tax update
- Internal audit update

The Audit Committee also reviews the Company's Interim Reports and Annual Report before they are submitted to the Board. It meets frequently with the Company's external auditors and solicits reports on the audit work and the closing of the books. At least once a year, the Committee meets separately with the Company's internal auditor.

When relevant and at least quarterly, the Committee reviews the Company's treasury operations and tax position. It also reviews the Company's compliance work quarterly.

Meeting materials are prepared by the Company and distributed electronically over a secure network to Committee members approximately one week prior to each meeting.

Audit Committee meetings are also attended by the Company's internal auditor who keeps the minutes of the meetings, the Company's CFO and the General Counsel. Other members of Group Management are present to report on matters as relevant.

The minutes of Audit Committee meetings, including all supporting materials, are distributed electronically over a secure network and made available to all Board members, not only to the members of the Committee.

Board meetings in 2014

In addition to the above mentioned list of recurring agenda items, the Board dealt with the following specific matters during 2014. Board meetings were held in person unless otherwise specified:

February, meeting by telephone

- Approval of the press release for the Year-end Report 2013
- Proposal for the dividend (to be decided by the AGM)

March, in Ulm, Germany

- Report from the Company's auditors
- Report from the Nomination Committee
- Strategy process update
- Approval of notice to attend the AGM
- Approval of investments

April, meeting in Huskvarna, Sweden in conjunction with the AGM

- Report on a new strategy direction

April (statutory meeting), meeting in Huskvarna after the AGM

- Adoption of the Board's Rules of Procedure
- Election of Chairman and members of the Board's committees
- Decision on Board meetings in 2015

April, meeting by telephone

- Approval of the press release for the first quarter 2014

May, meeting in Charlotte, the U.S., in conjunction with a visit to the Company's business in North America

- Adoption of a new strategy and focus areas, including
 - A revised brand architecture
 - A revised organization
- Approval of a revised MTN prospectus

July, meeting by telephone

- Approval of the press release for the second quarter 2014, including the auditors' review of the first six-month period ending on June 30, 2014
- Approval of terms for revised external financing

August, meeting per capsulam

- Approval to acquire a business

September, meeting in Stockholm, Sweden

- Update on the new organization
- Capital Markets Day
- Approval to acquire a business
- Approval to divest shares

October, meeting by telephone

- Approval of the press release for the third quarter of 2014
- Report on the Board evaluation

December, meeting in Stockholm, Sweden

- Approval of the 2015 budget
- Approval of new financial reporting structure
- Approval of short-term incentive program for 2015 and salary review for Group Management
- Approval of revised credit limits for major customers
- Approval of revised Rules of Procedure due to the revised organization
- Annual follow-up of the Company's major investments

Remuneration Committee

The Remuneration Committee is assigned to prepare the Board's decisions on principles for remuneration and other terms of employment for the President and CEO and other Group Management members, to monitor and evaluate programs for variable remuneration – both ongoing and those that have ended during the year – for Group Management, and to monitor and evaluate the application guidelines for remuneration that the AGM is legally obliged to establish, as well as the current remuneration structures and levels in the Company.

It reports on its findings and recommendations at each Board meeting held in person, and if relevant, also at Board meetings by telephone.

The Remuneration Committee may exercise any other powers and carry out any other responsibilities delegated to it by the Board from time to time.

The Board determines the composition of the Remuneration Committee, which shall have at least three members. The Board appoints the Committee members annually at the statutory Board meeting, or when a Committee member needs to be replaced. The Committee members appointed in April 2014 were Tom Johnstone (Chairman), Lars Petterson and Lars Westerberg.

The Committee members must satisfy applicable independence requirements and other legal and regulatory requirements, including those of the Company's Articles of Association and the Code.

In 2014, the Remuneration Committee held three meetings, which fulfills the charter criteria that it shall meet at least twice a year.

All Committee meetings follow the adopted agenda plan, which comprises the following matters:

- Opening of the meeting, agenda approval, appointment of minute approvers
- Approval of previous meeting minutes
- Review of open issues

The Committee also reviews the Company's long-term ("LTI") and short-term incentive ("STI") programs and ensures that these programs follow legal and internal policies, decisions from the AGM and other relevant rules and instructions. If needed, the Committee solicits advice and external benchmarks to ensure that the Company's remuneration principles are up to date.

The Remuneration Committee also ensures that the performance of Group Management members and the President and CEO is evaluated once a year.

Meeting materials are prepared by the Company and distributed electronically over a secure network to Committee members approximately one week prior to each meeting.

All meetings are also attended by the Company's SVP People & Organization and Communications, who keeps the minutes of the meetings. Other participants are invited, if relevant.

The minutes from Committee meetings are distributed electronically over a secure network and made available to all Board members, not only to the members of the Committee. For more information on remuneration to Group Management, see Note 4.

Auditors

At the 2014 AGM, following the Nomination Committee's proposal, Ernst & Young AB was elected as auditor for the period from the AGM 2014 up until the end of the AGM 2018. The auditor-in-charge is Hamish Mabon, supported by Helene Siberg Wendin.

As per the AGM's decision, the auditor's fee until the 2015 AGM shall be paid on the basis of approved invoices. For more information see, Note 7.

Organization and Group Management in 2014

Following the reorganization approved by the Board of Directors in May 2014, changes were in parallel gradually implemented in the organization during 2014, see "Organization and Executive Management in 2015" below. This section describes the organization of the Company during 2014.

Committee meetings in 2014

In addition to the above mentioned list of matters dealt with at Committee meetings, the following specific matters were dealt with by the Committees in 2014. All meetings were held in person unless otherwise specified:

Audit Committee

February

- Year-end Report and external auditors' comments on the 2013 closing
- Impairment test and valuation of defined-benefit pension plans
- Review of Audit Committee meetings during 2014
- Internal Audit Annual Plan 2014

February

- Review of Annual Report for 2013

April

- Review of the Company's report for the first quarter 2014
- Approval of the external audit plan for 2014
- Review of internal audits report

May

- Review of the proposed MTN prospectus for 2014
- Review of the Company's plans to renew its external financing

July

- Review of the second quarter report
- Review of the external auditors' report on the second quarter 2014

September

- Review of internal audit reports
- Review of final terms of revised external financing

October

- Review of the third quarter report 2014

November

- Review of the auditors' report on the hard close
- Review of a proposal for revised dividend distribution

Remuneration Committee

February

- Results of short-term incentive (STI) program, STI 2013
- Results of long-term incentive (LTI) program, LTI 2011
- Design and targets for LTI 2014 and feedback and comments from major shareholders were discussed
- The Board's proposal and information to the 2014 AGM
- Separation terms for a member of Group Management
- Remuneration for 2014 to the former President and CEO

September

- Status update on STI 2014, LTI 2013 and LTI 2014
- Proposed structure for STI and LTI 2015
- Confirmation of approved compensation reviews for Group Management due to new organization, as well as compensation to the former President and CEO

November

- Group Management remuneration for 2015
- Status update on STI 2014, LTI 2013 and LTI 2014
- STI 2015 targets for Group Management
- Structure for LTI 2015, (preparation for AGM 2015)

Corporate Governance Report

The organization encompassed business units and Group staff functions. In addition, the heads of Brand & Marketing, Program Office – Accelerated Improvement Program and Business Development were direct reporting functions to the President and CEO.

Group Management comprised the President and CEO, the heads of the business units and the heads of the Group staff functions.

The President and CEO is appointed by the Board and is responsible for the ongoing management of the Company in accordance with the Board's guidelines and instructions. These instructions include responsibility for financial reporting, preparation of information for decisions, and ensuring that commitments, agreements and other legal documents do not conflict with Swedish or foreign legislation or ordinances, including competition regulations. The President and CEO shall also ensure compliance with the Company's goals, policies and strategic plans, as well as updating these when necessary. The President and CEO appoints all members of Group Management.

The heads of the business units were responsible for the revenues, costs and use of capital in their respective operations. Overall management of the business units was exercised through the quarterly meetings convened to review operations. In addition to the President and CEO, who directs these meetings, the CFO and the heads of the business units participate, along with relevant representatives from each unit.

Group staff functions were responsible for the coordination of general issues of importance to the Group, development of policies and guidelines, and support for the business units that apply them. The tasks of staff functions include consolidation and reporting of financial results, financing, treasury, tax, internal audit, internal control, IT, IR, legal matters, risk management and insurance, health and safety, environmental and sustainability issues, compliance, personnel issues, internal communication as well as external communication with media and the capital markets, brand & marketing, quality and business development.

Group Management held monthly meetings to review the previous month's results, update forecasts and plans, and discuss strategic issues. In addition, weekly meetings were held by telephone.

Organization and executive management in 2015

Due to the revised strategy, which was approved by the Board of Directors in May 2014, the Company gradually introduced a revised organization for its operations during 2014, which is fully effective from January 1, 2015.

The new brand-driven organization necessitates a revised reporting structure for its four divisions: Husqvarna, Gardena, Consumer Brands and Construction. These new divisions became effective on January 1, 2015. For further information on the new reporting structure, please see pages 41-43. During 2014, the Company continued to report in accordance with its previously existing reporting structure based on the three business areas Europe/Asia Pacific, Americas and Construction, see pages 41-43.

In the new organization, Husqvarna's executive management consists of the Executive Team and Group Management.

The Executive Team is comprised of the President and CEO, Group CFO, the four division Presidents, the SVP of People & Organization and Communications and the General Counsel (Head of Legal Affairs).

Group Management consists of the Executive Team members as well as the SVP of Business Development, the SVP of Group Operations, the SVP of Technology Office, the SVP of Brand & Marketing and the VP of Program Office for the Accelerated Improvement Program.

Executive Team

The Executive Team makes decisions on (i) enhancing Group synergies, (ii) internal financial and business follow-up, (iii) external financial reporting for Board approval, (iv) Group governance, (v) Group staffing plans, and (vi) issue resolution. Executive Team meetings are chaired by the President and CEO who has a casting vote. The Executive Team meets monthly by video and/or telephone and quarterly in person.

Group Management

Group Management is the management team for the Company and makes decisions on matters related to (i) the Group's strategic and business development, (ii) budgets, (iii) external affairs, (iiii) board reporting, and (v) risk handling and mitigation as well as (vi) Group policies and guidelines. Group Management meetings are chaired by the President and CEO who has a casting vote. The Group Management meets monthly by video and/or telephone and quarterly in person.

President and CEO

The President and CEO is appointed by the Board and is responsible for the ongoing management of the company in accordance with the Board's guidelines and instructions. These instructions include responsibility for financial reporting, preparation of information for decisions, and ensuring that commitments, agreements and other legal documents do not conflict with Swedish or foreign legislation or ordinances, including competition regulations. The President and CEO shall also ensure compliance with goals, policies and strategic plans, as well as updating these when necessary. The President and CEO appoints all members of Group Management.

The Staff functions

The Group Staff functions comprise the functions headed by the Group CFO, the General Counsel and the Group's SVP People & Organization and Communications.

Finance, IT & IR

The Finance, IT & IR function is headed by the Group CFO and is responsible for the Group's financial reporting. The function is also responsible for Group IT and Investor Relations (IR), (including certain external communication). The Finance, IT & IR function sets and deploys the policies and rules for the Group's financial, treasury, tax, internal audit and internal control activities. The function is also responsible for defining budget parameters for divisions and approving such budgets.

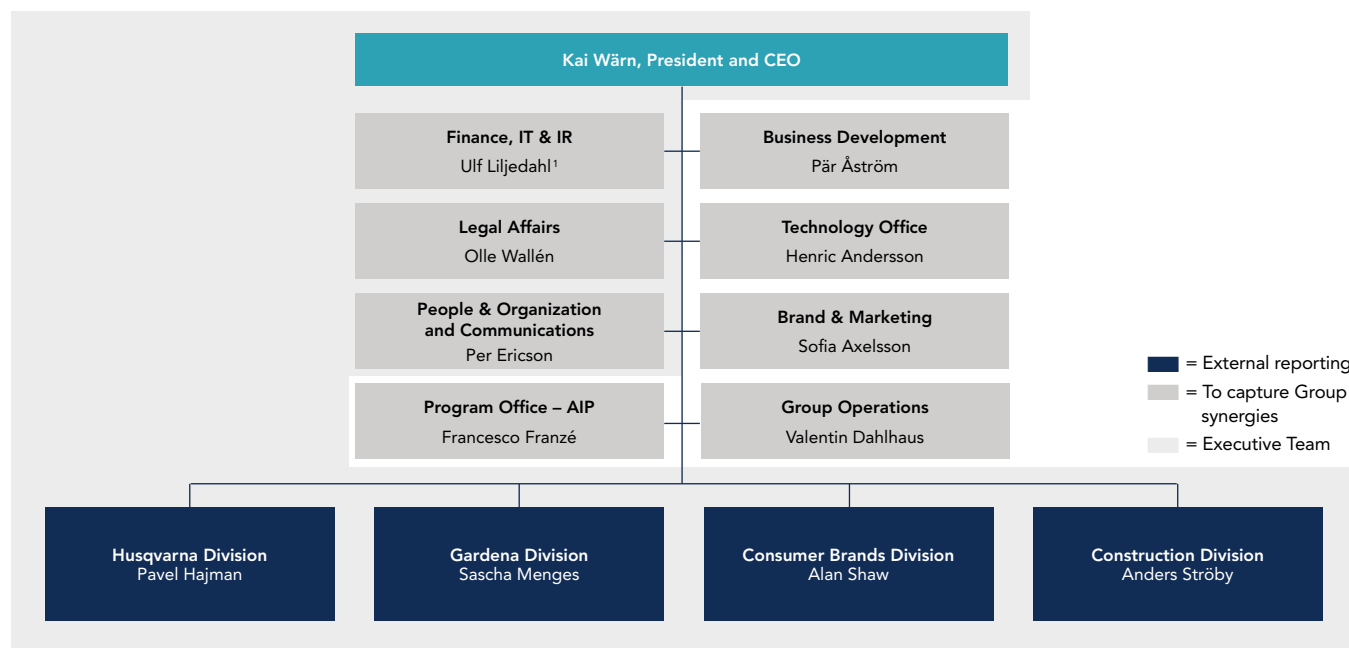
Legal Affairs

The Legal Affairs function is headed by the Group's General Counsel and is responsible for the Group's legal affairs. The function sets and deploys policies and rules for the Group's legal compliance and activities. The Legal Affairs function is also, among other things, responsible for board meeting preparation, shareholders' general meeting preparation and execution, corporate legal reporting, legal and ethical compliance reporting and investigations, Group sustainability strategies and processes and Group real estate strategy.

People & Organization and Communications

The People & Organization and Communications function is headed by SVP People & Organization and Communications and is responsible for the Group's human capital resources as well as corporate communications. This includes, among other things, people and organization management, monitoring and aligning

Group Management Structure



¹ Ulf Liljedahl left the Group in February, 2015 and is replaced by Jan Ytterberg on April 1, 2015.

compensation and benefit programs Group wide, Group talent management and Group communications (internal and external corporate communications).

The Group strategic functions

Group strategic functions comprise Group Operations, the Technology Office, the Brand & Marketing function, Business Development function and the Program Office – Accelerated Improvement Program.

Group strategic functions are responsible for designing the strategic framework under which each part of the value chain operates in order for it to be optimal within the Group. The strategic framework includes the long-term vision within each function and Group instructions or guidelines. Group strategic functions are also responsible for ensuring that the divisions execute their business in line with such a framework. Group strategic functions are critical in driving innovation and creating a strong market position, as well as in ensuring synergies, consistency and best practice sharing.

Group Operations

The Group Operations function is responsible for ensuring that the Group can capture operational synergies across the different divisions, while not contravening the Group's overall strategic goals. In relation to the divisions, the SVP Group Operations shall provide the backbone of Group operational strategies, policies and rules, including deployment, as well as set the framework within which the divisions can maneuver.

Technology Office

The Group Technology Office leads the Group's technology and innovation management. In addition, it develops the product commonality and compliance strategy for the Group, and is responsible for ensuring that the Group can capture product and technology synergies within and between the different divisions.

In relation to the divisions, it performs a role of providing the backbone of Group product and technology investments, policies and rules, including deployment. The Technology Office shall ensure strategic alignment and cooperation within its area of responsibility to capture synergies to ensure long-term strategic goals.

Brand & Marketing

The Group Brand & Marketing function is responsible for managing the Group's brand portfolio, brand positioning, brand- and customer insight, and business intelligence. This includes, among other things, being responsible for market analysis and customer insights, brand tracking, global end customer segmentation, research guidelines as well as research projects related to customer behavior and defining Group tools and methods to execute brand positioning. Group Brand & Marketing function is also responsible for capturing group marketing synergies as well as defining the Group's licensing framework and approving licensing arrangements. It also governs the Group's strategic sales agenda. The Group Brand & Marketing function also has responsibilities to develop strategic pricing practices in the Group by establishing pricing principles and guidelines and focusing on pricing overlap between divisions.

Business Development

The Business Development function is responsible for the Group strategy, acquisitions and divestments. This includes Group strategy development and periodical assessment of alignment between strategy, organization, initiatives and resources. The Group Business Development function shall also support the implementation of strategic initiatives, including supporting in Group wide communication and supporting the divisions in their strategy development.

Program Office – Accelerated Improvement Program

The Program Office – Accelerated Improvement Program ("PO-AIP") is responsible for following up on the Accelerated Improvement

Program (see pages 10-11) during years 2014-15. This includes implementing common metrics and providing a Group perspective on each division's progress. The PO-AIP shall also coordinate cross-divisional processes and ensure compliance with the Group Accelerated Improvement Program.

Divisions

The divisions consist of Husqvarna, Gardena, Consumer Brands and Construction. Each division President is responsible for the income statement and balance sheet for its division as well as any decisions affecting the division. All decisions made by a division shall be subject to the Group's overall strategic goals, Group policies, processes, instructions and guidelines. For more information about the divisions please see pages 16-31.

Managing divisions, Group strategic functions and staff functions

Each of the Group divisions, strategic functions and Group staff functions shall have management meetings on a monthly basis chaired by the division President/function head that cover both internal governance and governance by external requirements.

Roles and responsibilities

Clear roles and responsibilities apply for each of the Group strategic and staff functions and the functions within the divisions. These roles and responsibilities are in writing and changes can only be made by the decision of the Executive Team.

Husqvarna Group's decision making structure

In the new organization, a Group governance structure has been implemented to ensure that decisions are made as close to operations as possible. Clear guidance has been provided to identify the level on which different types of decisions should be made. Changes to the governance structure can only be made by the decision of the Executive Team.

External information

Husqvarna's Board has adopted an Information Policy that complies with the requirements for such a policy in the Nasdaq Stockholm Rule Book for Issuers. The policy applies to the Board and Group Management, and covers both written and oral information.

Financial information is regularly issued in the form of:

- Interim Reports, published as press releases;
- Annual Report;
- Press releases concerning news and important issues;
- Presentations and telephone conferences for financial analysts, investors and media on the day of publication of the interim and year-end reports, and in connection with the publication of other important information;
- Presentations for financial analysts and investors in connection with Capital Market Days and Road Shows, etc.

All reports, presentations and press releases are published at the Group's website, www.husqvarnagroup.com

INTERNAL CONTROL OVER FINANCIAL REPORTING

Husqvarna Group's process for internal control is designed to manage and minimize the risk of inaccuracy in financial reporting.

Description and evaluation of the Group's internal control activities is based on the COSO framework (the Committee of Sponsoring Organizations of the Treadway Commission). The framework comprises five components; control environment, risk assessment, control activities, information and communication, and monitoring activities.

Control environment

Internal control over financial reporting is based on the overall control environment. This involves clear definitions of organizational structure, decision-making paths and authority, which are communicated in the form of internal control documents such as policies, instructions and guidelines. The control environment also includes laws and other external regulations.

The Board of Directors is ultimately responsible for internal control over financial reporting. Efficient performance by the Board is thus the basis for satisfactory internal control. The Board has established rules of procedure and clear instructions for its work, which also include the activities of the Audit and Remuneration Committees.

The overall duty of the Audit Committee is to support the Board's supervision of the auditing and reporting processes, and to ensure the quality of such reports and processes. The activities of the Audit Committee during the year are described in greater detail on page 55.

Responsibility for maintaining an effective control environment as well as the ongoing work on risk management and internal control over financial reporting is delegated to the President and CEO. This responsibility is in turn delegated to managers within their specific areas at various levels in the Company.

Responsibility and authority are defined in instructions to the President and CEO, regarding the right to sign for the Company, manuals, various policies, routines and codes. The Board approves certain Group policies and the Code of Conduct.

Group Management approves other policies and instructions, and divisions and Group staff functions issue guidelines and monitor implementation of all policies and instructions.

Group rules for accounting and reporting are stipulated in the accounting manual available to all personnel in finance and accounting.

Internal control documents are reviewed and updated regularly with reference to e.g. changes in legislation, accounting standards, procedures and listing requirements.

Risk assessment

Risks of material misstatements in financial reporting may exist in relation to recognition and measurement of assets, liabilities, revenue and cost or insufficient disclosure and documentation. Items in the balance sheet and the income statement based on

estimates, or generated by complex processes, are relatively more exposed to risk of error than other items. Major items, in this respect, include goodwill and other intangible assets, as well as provisions in captive insurance companies and pension provisions.

Each year the Group's finance function performs a risk assessment regarding the Group's balance sheet and income statement taking into consideration both qualitative and quantitative risks. The purpose of the risk assessment is to ensure that the internal control is satisfactory regarding financial reporting.

Control activities

Control activities are designed to prevent, identify and correct errors and deviations in the financial reporting. Husqvarna Group has defined internal control standards, i.e. specifications of the control activities that shall be included in each business processes in order to ensure and maintain a uniform level of internal control over financial reporting within the Group. Control activities are integrated in processes for accounting and financial reporting, and include, among others, routines for authorization and signing for the Company, reconciliation of bank balances and accounts, analysis of results, segregation of duties, automatic controls integrated in IT-systems, and control of the basic IT environment. The Group maintains several control processes for financial reporting.

Husqvarna Group has in 2014 established a function for Internal Control. The objective of the Group Internal Control function is to provide support to the Group Management and the Management of the Divisions, enabling them to continuously provide solid and improved internal controls relating to financial reporting. The tasks performed by the Internal Control function aim to ensure compliance with policies, instructions and guidelines, and to create efficient conditions for specific control activities in key processes related to financial reporting. The Audit Committee is informed of the results of the work performed by the Internal Control function.

Each operative unit has a controller whose responsibilities include ensuring that the unit's internal controls comply with Group standards, as well as compliance with Group guidelines and principles as stated in Husqvarna's Accounting Manual. The controller is also responsible for ensuring that financial information is correct and complete and is delivered on time. Country Officers are appointed by Husqvarna Group in each country where the Group operates subsidiaries. The Officers' duties include safeguarding the interests of the shareholders as well as identifying and reporting risks linked to fiscal regulations and other legislation.

Group Management performs monthly reviews of the results for the Group and for the operative units, as well as updated forecasts, plans and strategic issues.

Information and Communication

Husqvarna Group maintains information and communication systems to facilitate correct and complete financial reporting. The accounting manual and other instructions for reporting are updated when necessary and are reviewed quarterly. In addition, other policies relevant to internal control over financial reporting can be accessed on the Group's intranet by all relevant personnel. Changes in accounting routines are communicated and explained in quarterly newsletters from the Group accounting function.

The Group has a global whistle blower system. It enables employees to contact an independent third party and report actions or events that involve violations, or suspected violations, of e.g. external laws and regulations or internal policies and guidelines. All

calls are logged and a summary of the calls and the actions taken is periodically disclosed to the Audit Committee and made available to the Board.

Monitoring activities

Husqvarna Group maintains a comprehensive financial reporting system for the monitoring of operations, which enables identification of possible deviations in financial reporting.

Husqvarna Group applies IFRS. This is defined in the Accounting Manual, which includes rules for accounting and evaluation principles that are mandatory for all companies within the Group, as well as instructions for reporting. The manual is reviewed and updated quarterly.

Financial data is reported every month by approximately 120 reporting units, in accordance with the standardized routines for reporting that are stipulated in the Group's accounting manual. These reports are the basis for the Group's consolidated financial reporting. Consolidation is performed from both legal and operational perspectives, which generates quarterly legal reports, i.e. complete balance sheets and income statements for each company as well as consolidated, and monthly, operative reports. All consolidation is centralized. All financial reports are stored in a central database from which data is retrieved for analysis and monitoring at Group, business area and business unit level. Interim reports are posted on the website, www.husqvarnagroup.com

The Group Internal Audit function supports the development and improvement of internal control over financial reporting. Group Internal Audit establishes an annual audit plan that is approved by the Audit Committee. Internal Audit performs independent and objective audit engagements in order to evaluate and enhance the efficiency of internal controls, including internal control over financial reporting. The result of the audit engagements are presented to the Group's CFO, the Group's President and CEO, and the Audit Committee.

BOARD OF DIRECTORS AND AUDITORS

Lars Westerberg*Chairman*

Born 1948. M. Sc. Eng., Royal Institute of Technology, Stockholm, Sweden, BBA, Stockholm University, Sweden. Elected 2006. Member of the Remuneration Committee.

Other major assignments: Board member of AB Volvo, Meda AB, Sandvik AB, SSAB and Stena AB.

Previous positions: President and CEO and Board Member of Autoliv Inc. 1999–2011. President and CEO of Gränges AB 1994–1999. President and CEO of Esab AB 1991–1994.

Holdings in Husqvarna: 270,000 B-shares.

Kai Wörn*Board member*

Born 1959. M.Sc. in Mechanical Engineering, the Royal Institute of Technology, Stockholm, Sweden. Elected 2014. President and CEO of Husqvarna AB.

Previous positions: Operations partner at IK Investment Partners Norden AB 2011–2013. President and CEO of Seco Tools AB 2004–2010. Various positions at ABB 1985–2004.

Holdings in Husqvarna: 30,570 B-shares (Own), 100,000 B-shares (Legal person).

Magdalena Gerger*Board member*

Born 1964. M. Econ., and MBA, Stockholm School of Economics, Sweden. Elected 2010. President of Systembolaget AB.

Other major assignments: Board member of Investor AB and IFN (the Research Institute of Industrial Economics). Member of IVA (Royal Academy of Engineering Sciences) and the Swedish Trade Federation.

Previous positions: Senior Vice President and responsible for Marketing & Innovation in the Nordic region, Arla Foods 2005–2009. Management consultant, Futoria AB 2004. Category Director (U.K. and Ireland) Nestlé U.K. Ltd 2000–2003, ICI Paints 1998–2000 and in Procter & Gamble 1996–1997.

Holdings in Husqvarna: 3,100 A-shares.

Tom Johnstone*Board member*

Born 1955. M.A., University of Glasgow, Scotland, Hon. Doc. in B.A., University of South Carolina, U.S. Hon. Doc. In Science, Cranfield University, U.K. Elected 2006. Chairman of the Remuneration Committee.

Other major assignments: Board member of Investor AB and AB SKF.

Previous positions: President and CEO of AB SKF 2003–2014. Executive Vice President of AB SKF 1999–2003. President Automotive Division 1995–2003. Senior management positions within AB SKF since 1987.

Holdings in Husqvarna: 990 A-shares, 4,800 B-shares.

Ulla Litzén*Board member*

Born 1956. M. Sc., Stockholm School of Economics, Sweden and MBA, Massachusetts Institute of Technology, U.S. Elected 2010. Chairman of the Audit Committee.

Other major assignments: Board member of Atlas Copco AB, AB SKF, Boliden AB, Alfa Laval AB and NCC AB.

Previous positions: President of W Capital Management AB 2001–2005. Senior management positions and member of the Management Group, Investor AB 1996–2001. Managing Director, responsible for Core Holdings 1999–2000. President of Investor Scandinavia AB 1996–1998.

Holdings in Husqvarna: 10,000 B-shares.

David Lumley*Board member*

Born 1954. B.A. in Communications/Marketing, Western Illinois University, Macomb, Illinois, U.S.; MSJ Journalism, Northwestern University Medill School of Journalism, Evanston, Illinois, U.S. and an MBA, Northwestern University Kellogg School of Management, Evanston, Illinois, U.S. Elected 2014. President and CEO of Spectrum Brands, Middleton, Wisconsin, U.S.

Other major assignments: Board member of Spectrum Brands.

Previous positions: President Rubbermaid Home Products, Newell-Rubbermaid Inc., Atlanta, Georgia, U.S. President and CEO, EAS Inc., Golden, Colorado, U.S. President Brunswick Bicycles, Brunswick Corp., Lake Forest, Illinois, U.S. President OMC International and Senior Vice President Marine Power Group, Outboard Marine Corp., Waukegan, Illinois, U.S. General Manager Wilson Sporting Goods Co., Chicago, Illinois, U.S.

Holdings in Husqvarna: 6,252 B-shares.

Katarina Martinson*Board member*

Born 1981. M. Sc., Stockholm School of Economics, Sweden. Elected 2012. Member of the Audit Committee. Portfolio management for the Lundberg Family.

Other major assignments: Board member of L E Lundbergföretagen AB, Fastighets AB L E Lundberg, Karlsson & Wingsjö AB, Lundbergs Kapitalförvaltning, Fidelio Capital AB, AniCura AB, Bellbox/Lyko AB and Picadeli AB.

Previous positions: Analyst at Handelsbanken Capital Markets 2008, Vice President at Strategas Research Partners LLC, New York, U.S. 2006–2008, investment research at ISI, International Strategy & Investment Group, New York 2005–2006.

Holdings in Husqvarna: 113,478 A-shares, 378,737 B-shares.

Daniel Nodhäll*Board member*

Born 1978. M.Sc., Stockholm School of Economics, Sweden. Elected 2013. Member of the Audit Committee. Investment Manager and Head of Capital Goods at Investor AB.

Previous positions: Analyst focused on the engineering sector at Investor AB since 2002.

Holdings in Husqvarna: 5,000 B-shares.

Lars Pettersson*Board member*

Born 1954. M. Sc. in Applied Physics, Materials Technology, Uppsala University, Sweden. Elected 2014. Member of the Remuneration Committee

Other major assignments: Board Chairman of KP-Komponenter A/S. Board member of Indutrade AB, LKAB, L E Lundbergföretagen AB, Uppsala University, PMC Group AB and the Swedish Corporate Governance Board.

Previous positions: President and CEO of AB Sandvik 2002–2011 and various positions within AB Sandvik 1978–2002.

Holdings in Husqvarna: 0 shares.

Soili Johansson*Employee representative*

Born 1962. Representative of the Federation of Salaried Employees in Industry and Services.

Holdings in Husqvarna: 225 A-shares, 750 B-shares.

Annika Ögren*Employee representative*

Born 1965. Representative of the Swedish Confederation of Trade Unions.

Holdings in Husqvarna: 0 shares.

Carita Spångberg*Deputy employee representative*

Born 1968. Representative of the Swedish Confederation of Trade Unions.

Holdings in Husqvarna: 0 shares.

Lotta Widehäll*Deputy employee representative*

Born 1976. Representative of the Federation of Salaried Employees in Industry and Services.

Holdings in Husqvarna: 0 shares.

Auditors

Ernst & Young AB is appointed auditors for a four-year period until the Annual General Meeting 2018.

Hamish Mabon**Ernst & Young AB**

Born 1965. Authorized Public Accountant.

Auditor in charge.

Other audit assignments include:

Vattenfall AB, AB Tetra Pak, Dustin Group AB and Apotek Hjärtat AB

Holdings in Husqvarna: 0 shares.

Helene Siberg Wendin**Ernst & Young AB**

Born 1965. Authorized public accountant.

Other audit assignments include:

Scania AB, Boliden AB, Lantmännen, IKEA Industry AB, Papyrus AB, Ovako AB

Holdings in Husqvarna: 0 shares.

All holdings in Husqvarna AB shares are as of December 31, 2014.

**Board
of Directors**



Lars Westerberg



Kai Wörn



Magdalena Gerger



Tom Johnstone



Ulla Litzén



David Lumley



Katarina Martinson



Daniel Nodhäll



Lars Pettersson

Employee representatives



Soili Johansson



Annika Ögren



Carita Spångberg



Lotta Widehäll

GROUP MANAGEMENT¹**Kai Wärn***President and CEO*

Born 1959. M.Sc. in Mechanical Engineering, the Royal Institute of Technology, Stockholm, Sweden. Employed and member of Group Management since 2013.

Previous positions: Operations partner at IK Investment Partners Norden AB 2011–2013. President and CEO of Seco Tools AB 2004–2010. Various positions at ABB 1985–2004.

Holdings in Husqvarna: 30,570 B-shares (Own), 100,000 B-shares (Legal person).

Henric Andersson*Senior Vice President, Technology Office*

Born 1973. M. Sc. in Industrial Engineering & Management, Linköping Institute of Technology, Sweden. Employed 1997 and member of Group Management since 2012.

Previous positions: Executive Vice President, Head of Product Management & Development, 2011–2014. Vice President Construction Equipment, Husqvarna 2008–2011. Vice President Commercial Lawn & Garden and President Husqvarna Turf Care 2004–2008. Vice President Riders & Robotic Mowers 2002–2004. Several leadership positions in product & business management, Husqvarna 1997–2001

Holdings in Husqvarna: 11,116 B-shares.

Sofia Axelsson*Senior Vice President, Brand & Marketing*

Born 1973. M.Sc. in Public finance and accounting/Business administration, Gothenburg University, Sweden. Employed 2011 and member of Group Management from 2015.

Previous positions: Vice President Brand Management and Global Marketing 2011–2014. CEO Diplomator and Snickarper/Inwido Group 2007–2011. Global Marketing Director Husqvarna, Pfaff, Singer 2006–2007. Various positions within Brand & Marketing in Husqvarna/Pfaff Sewing machines 1998–2005.

Holdings in Husqvarna: 5,098 B-shares.

Valentin Dahlhaus*Senior Vice President, Group Operations*

Born 1973. MBA, Freie Universität, Berlin, Germany. Employed 2010 and member of Group Management from 2015.

Previous positions: VP Demand and Supply Chain Management, Husqvarna Group, 2013–2014. Supply Chain development/PO, Husqvarna Group, 2011–2013. Demand and Supply Chain development, Husqvarna Group, 2010–2011. Arcandor AG (Primondo GmbH), Nürnberg/Fürth, 2007–2010. Continental AG, Hannover, 2004–2007.

Holdings in Husqvarna: 0 shares.

Per Ericson*Senior Vice President, Group Staff People & Organization and Communications*

Born 1963. Forest Engineer, U.S. Forestry Studies. Studies in Change Management in Organization and Social Systems. Employed and member of Group Management since 2011.

Previous positions: Executive Vice President Human Resources, Haldex 2006–2011. Various executive positions, most recently as Executive Vice President Human Resources, Stora Enso 1987–2006.

Holdings in Husqvarna: 14,804 B-shares.

Francesco Franzé*Vice President, Program Office – Accelerated Improvement Program and Quality*

Born 1964. M.Sc. in Mechanical Engineering, the Royal Institute of Technology, Stockholm, Sweden. Employed 1989 and member of Group Management from 2015.

Previous positions: VC and Management consultancy, own enterprise, 2009–2013. Head of Electric Category, Husqvarna Group, 2004–2008. Senior VP Industrial Operations Dishwashers, Electrolux 1998–2003. Various positions within Operations in Electrolux Professional, 1989–1999.

Holdings in Husqvarna: 15,643 B-shares.

Pavel Hajman*President, Husqvarna Division*

Born 1965. M.Sc. in Industrial Engineering and Management, Linköping Institute of Technology, Sweden. Employed 2014 and member of Group Management since 2014.

Previous positions: Executive Vice President, Head of Asia/Pacific, 2014. President Assa Abloy AHG Greater China 2013–2014. Numerous senior management positions in Seco Tools 1990–2013, President Asia Pacific, Senior Vice President Group Business Development, Regional Director CEE.

Holdings in Husqvarna: 4,182 B-shares.

Ulf Liljedahl²*Senior Vice President, CFO, Group Staff Finance, IT & IR*

Born 1965. B.Sc. in Business Administration and Economics, Lund University, Sweden. University of Pennsylvania – The Wharton School (Advanced Management Program), U.S. Employed and member of Group Management since 2011.

Previous positions: Executive Vice President and CFO, Cardo Group 2007–2011. Various positions within Finance at Alfa Laval 1992–2007.

Holdings in Husqvarna: 21,495 B-shares.

Sascha Menges*President, Gardena Division*

Born 1971. M.Sc. in Ind. Engineering & Management, Swiss Federal Institute of Technology, Zurich, Switzerland. MBA, INSEAD, France. Employed 2004 and member of Group Management since 2011.

Previous positions: Executive Vice President, Head of Manufacturing & Logistics 2011–2014. Various leadership positions in Supply Chain Management and Operations, Husqvarna 2007–2011. Vice President Supply Chain Management, Gardena AG 2004–2007. Associate Principal Management Consulting, McKinsey & Company, Inc 1996–2004.

Holdings in Husqvarna: 39,025 B-shares.

Alan Shaw*President, Consumer Brands Division*

Born 1963. MBA, Indiana University and BS, University of Idaho, U.S. Employed and member of Group Management since 2013.

Previous positions: Executive Vice President, Head of Americas, 2013–2014. President and CEO, Char-Broil LLC, US 2005–2013. President and CEO, Murray Group, U.S., 2003–2005. Various positions within Whirlpool Corporation 1987–2003.

Holdings in Husqvarna: 15,763 B-shares.

Anders Ströby*President, Construction Division*

Born 1953. M. Sc. Eng., Royal Institute of Technology, Stockholm, Sweden. Employed 1980 and member of Group Management since 2006.

Previous positions: Executive Vice President, Head of Construction, 2002–2014. Head of Garden Equipment and Construction Products, Electrolux 1996–2002.

Holdings in Husqvarna: 9,198 A-shares, 101,940 B-shares.

Olle Wallén*Senior Vice President, Group Staff Legal Affairs, Husqvarna Board Secretary*

Born 1953. M. of Law, Stockholm University, Sweden. Employed 1993 and member of Group Management since 2006.

Other major assignments: Advisory Board Member, FM Global Europe

Previous positions: General Counsel, Electrolux Europe 2002–2005. General Counsel, Electrolux North America 2000–2001.

Holdings in Husqvarna: 4,842 A-shares, 35,364 B-shares.

Pär Åström*Senior Vice President, Business Development*

Born 1972. M. Sc. in Industrial Engineering & Management, Royal Institute of Technology, Stockholm, Sweden. Employed 2013 and member of Group Management from 2015.

Previous positions: Vice President Business Development, Husqvarna Group, 2013–2014. Principal, A.T. Kearney Management Consultants, 2007–2013. Management Consulting 1998–2009.

Holdings in Husqvarna: 10,241 B-shares.

¹ During 2014 the Group Management also included the following members; Martin Austermann and Frida Norrbom Sams.

² Ulf Liljedahl left the Group as of end of February, 2015. He is replaced by Jan Ytterberg who will start April 1, 2015.

Group
Management
as of January 1,
2015



Kai Wärn



Henric Andersson



Sofia Axelsson



Valentin Dahlhaus



Per Ericson



Francesco Franzé



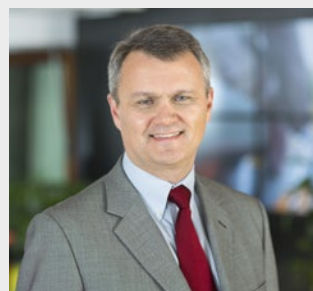
Pavel Hajman



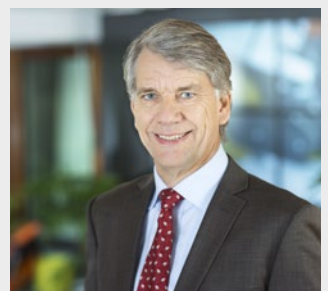
Ulf Liljedahl



Sascha Menges



Alan Shaw



Anders Ströby



Olle Wallén



Pär Åström

ANNUAL GENERAL MEETING 2015

The Annual General Meeting of Husqvarna AB (publ) will be held at 4 pm on Tuesday April 21, 2015, at the Culture Center Spira, the Concert Hall, Kulturgatan 3, Jönköping, Sweden.

Participation

Shareholders who intend to participate in the AGM must:

- Be registered in the share register kept by Euroclear Sweden AB on Wednesday April 15, 2015.
- Give notice of intent to participate, thereby stating the number of assistants attending, to Husqvarna no later than Wednesday April 15, 2015.

Notice of participation

Notice of intent to participate can be given:

- By mail to Husqvarna AB, c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden.
- By telephone at +46 36 14 70 10 between 9 am and 4 pm weekdays.
- At www.husqvarnagroup.com/agm

Notice should include the shareholder's name, personal or company registration number, if any, address and telephone number.

Information provided together with the notice will be made subject to data processing and will be used solely for the AGM 2015.

Shareholders may vote by proxy, in which case a power of attorney should be submitted to Husqvarna prior to the AGM.

Shares registered by nominees

Shareholders, whose shares are registered in the names of nominees, must have their shares temporarily registered in their own name on Wednesday April 15, 2015, in order to participate in the AGM. To ensure that such registration is made prior to Wednesday April 15, 2015 shareholders must inform the nominee well in advance of that date.

Dividend

The Board of Directors has proposed a dividend for the financial year 2014 in the aggregate amount of SEK 1.65 per share, to be paid in two parts consisting of a dividend payment of SEK 0.55 per share for which Thursday, April 23, 2015 shall be the record day, and a dividend payment of SEK 1.10 per share for which Friday, October 23, 2015 shall be the record day. If the Annual General Meeting resolves in accordance with the Board of Directors' proposal, the estimated date for payment of the dividend from Euroclear Sweden AB is Tuesday April 28, 2015 for the first part of the dividend and Wednesday, October 28, 2015 for the second part of the dividend.

The last day for trading in Husqvarna shares with right to the first part of the dividend is Tuesday, April 21, 2015 and with right to the second part of the dividend, Wednesday, October 21, 2015.



Financial information 2015

April 21	Annual General Meeting
April 21	Interim report Jan–March
July 17	Interim report Jan–June
October 21	Interim report Jan–Sep