

Husqvarna AB (publ) Nomination Committee's motivated opinion regarding proposal of the Board of Directors at the Annual General Meeting on April 21, 2015

Background

In accordance with the decision by the Annual General Meeting in April 2013, Husqvarna shall have a Nomination Committee consisting of representatives of each of the four largest shareholders in terms of voting rights, who have expressed a wish to participate in the nomination committee work, and the Company's Chairman of the Board.

The four largest shareholders have appointed the following representatives who, together with Husqvarna's Chairman of the Board, will form the Nomination Committee.

The Nomination Committee's members are:

- Petra Hedengran, Investor AB, Chairman of the Nomination Committee
- Claes Boustedt, L E Lundbergföretagen AB
- Ramsay J. Brufer, Alecta
- Ricard Wennerklint, If Skadeförsäkring AB
- Lars Westerberg, Chairman of the Husqvarna Board

The Nomination Committee's proposal regarding the Board of Directors:

- Eight Directors to be elected by the AGM, and no deputies.
- Re-election of Magdalena Gerger, Tom Johnstone, Ulla Litzén, David Lumley, Katarina Martinson, Daniel Nodhäll, Lars Pettersson and Kai Wörn.
- New election of Tom Johnstone as Chairman of the Board of Directors.

Lars Westerberg has declined re-election.

Motivated opinion

The Nomination Committee's view is that – in accordance with existing regulations, i.a. the Swedish Code of Corporate Governance – the composition of the Board should exhibit diversity and breadth, and members elected by the AGM should reflect the various skills, experiences, and backgrounds needed for the Company's operations, growth, and other conditions.

The Nomination Committee has been presented with an evaluation of the Board and its work as well as the Chairman of the Board's report on the operations, objectives and strategies of the Company. To assess the degree to which the current Board of Directors meets the requirements that are placed on the Board following the Company's situation, strategic development and future direction, the Board's size and composition, as regards, for example, diversity, industry experience and skills, has been discussed. The Nomination Committee has, in the assessment of the Board's evaluation and in its proposal, paid particular attention to the requirement for diversity and breadth of the board and the requirement to strive for gender equality. The Nomination Committee has sought a balanced gender distribution and the now proposed directors who are not employees of the company are made up of three women and four men, i.e., the underrepresented sex has received a percentage wise greater representation on the Board, compared with the previous year.

The Nomination Committee proposes that the current Directors Magdalena Gerger, Tom Johnstone, Ulla Litzén, David Lumley, Katarina Martinson, Daniel Nodhäll, Lars Pettersson and Kai Wärn are re-elected.

The Nomination Committee proposes Tom Johnstone as the Chairman of Board because of his background as a longstanding member of the Board, his vast industrial experience, his understanding of running a multinational company in a changing world, and his ability to devote time to the task.

It is the opinion of the Nomination Committee that the proposed eight Directors are very well suited for carrying out Husqvarna's Board work over the coming term of office.

The Nomination Committee considers that the proposed Board of Directors has an appropriate composition to meet the Company's needs with respect to its operations and its competitive situation. The Nomination Committee has paid particular attention to the increasing international competition and the demands it places on the Board's skills, knowledge about the different operations and the ability to foresee the outcome and risks at different markets. The Nomination Committee has also paid attention to other criteria, i.e. Members' different backgrounds, experience and diversity. In its pursuit of diversity, the Nominating Committee has for example, considered the goal of having a gender balance in the Board.

The Nomination Committee has assessed if the Directors fulfil the requirements of independency as set forth in the Swedish Code of Corporate Governance. The Nomination Committee has assessed that seven out of the eight proposed Directors are independent in relation to the Company and management. Kai Wärn, the Company's President and CEO, constitutes an exception. The Nomination Committee has also assessed that three out of the eight proposed Directors are independent in relation to the Company's major shareholders. Magdalena Gerger, Tom Johnstone, Katarina Martinson, Daniel Nodhäll and Lars Pettersson are assessed as non-independent by the Nomination Committee.

It is therefore the opinion of the Nomination Committee that the proposal for the composition of the Board meets the requirements of the Swedish Code of Corporate Governance for independent Directors.

Information about all individuals proposed as Members of Husqvarna AB's Board, and the Nomination Committee's evaluation of each Member's independence, can be found on the Company's website.

The Nomination Committee, March 2015