

Press release

Stockholm May 19, 2020

Notice of Annual General Meeting of Husqvarna AB (publ)

The shareholders of Husqvarna AB (publ) are hereby invited to participate in the 2020 Annual General Meeting ("AGM"), which will be held on Friday, June 26, 2020. In light of the COVID-19 pandemic, the AGM will be conducted pursuant to so called mail-in procedures, meaning that no shareholders will attend the AGM in person or through proxy. Instead, shareholders can participate in the AGM by voting and submitting questions in advance pursuant to the instructions described below.

The AGM was originally scheduled to take place on April 2, 2020, but due to the COVID-19 situation, the AGM was postponed and rescheduled for June 26, 2020.

In order to participate in the AGM, a shareholder must

- a. be registered in the register of shareholders maintained by Euroclear Sweden AB as of Thursday, June 18, 2020, and
- b. notify attendance at the AGM no later than Thursday, June 25, 2020. The exercise of voting rights in accordance with the mail-in procedure will be considered as a notification from the shareholder to attend the meeting.

Shareholders whose shares are registered in the names of banks or other nominees must temporarily register the shares in their own name in order to be entitled to participate in the AGM via the mail-in process. To ensure that such registration is in place as of Thursday, June 18, 2020, shareholders must inform the nominee well in advance of that date.

A. Overview of Mail-In Procedures for the AGM

Due to the COVID-19 pandemic and in order to ensure the health and safety of the Company's shareholders, employees and other stakeholders, the Board of Directors of Husqvarna AB has resolved on extraordinary meeting procedures pursuant to Section 22 of the temporary act on general meetings (2020:198) (the "Temporary Act"). Specifically, the following procedures will apply:

1. The AGM will take place on Friday, June 26, 2020. However, no shareholders, proxy holders or other external persons will be able to attend in person.
2. Shareholders will only be able to participate in the AGM by voting on the matters and the proposals on the meeting agenda and submitting questions to the Company in advance. See Section B, below, for more details on how.

3. The Agenda for the AGM is as set forth below in **Section C**, with certain items being further explained in **Section D**.
4. There will be no webcast in connection with the AGM. A press release will be issued following the AGM informing of those material items that are approved by the AGM as soon as the outcome of the mail-in voting procedure has been finally established. Details of the actual voting results will be included in the minutes of the meeting and will be published within two weeks thereafter.

At the time of the issue of this Notice of AGM, the total number of shares in the Company amounts to 111,900,132 A-shares and 464,443,646 B-shares, corresponding to 158,344,496.6 votes in total. The Company holds no A-shares or B-shares as of the date of this notice.

B. Process for Advanced Voting and Questions

A shareholder can exercise his/her/its shareholder's rights at the AGM by (A) voting in advance on the items on the agenda of the AGM, and (B) submitting questions to the Company in connection with the AGM.

Any registered shareholder intending to participate in the AGM (via advanced voting or questions), must submit the following information in connection with their respective submissions:

- the shareholder's name,
- personal or organization number,
- email address, and
- telephone number.

The data received will be computerized and used solely for the purpose of the 2020 AGM.

For shareholders wishing to participate through an authorized representative (i.e., where such authorized representative is the one submitting advanced voting or questions on behalf of such shareholder), the Company will provide power of attorney templates on the Company's website. Shareholders participating through an authorized representative must submit the power of attorney together with the voting form or question. If the shareholder is a legal entity, a copy of a registration certificate or a corresponding document for the legal entity shall be enclosed.

B1. Advance voting

Advance voting will be available as of Wednesday, May 20, 2020 until Thursday, June 25, 2020. A shareholder can vote in advance by any of the following three methods:

1. *Website Voting:* Voting may be done electronically through signing with BankID on the Company's website www.husqvarnagroup.com
2. *Email Voting:* Voting may be submitted by completing the advance voting form available on the Company's website www.husqvarnagroup.com and then emailing such form to the following email address GeneralMeetingService@euroclear.eu, together with any power of attorney and/or other authorization documents (See Section B, above).
3. *Regular Mail:* Voting may be submitted by completing the advance voting form available on the Company's website www.husqvarnagroup.com and after completion sending a physical copy (i.e., printed out) of such form, together with any power of attorney and/or other authorization documents (See Section B, above). to the following address, Husqvarna AB

(publ), "Advance voting 2020 AGM", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden.

A shareholder cannot give any other instructions than selecting one of the options specified at each point in the advanced voting form. A vote (i.e. the postal voting in its entirety) is invalid if the shareholder has modified the form to provide specific instructions or conditions or if pre-printed text is amended or supplemented.

An email or regular mail voting form, together with any enclosed power of attorney and other authorization documentation, must have been received by Husqvarna no later than on Thursday, June 25 2020. If received later, the vote will be disregarded.

For questions regarding advance voting, please contact Euroclear Sweden AB, ph.+46 36 14 70 10, between 9:00 a.m. and 4:00 p.m. (CET) weekdays.

B2. Questions

Questions to the Company in connection with the AGM can be submitted to Husqvarna up until Tuesday, June 16, 2020. Shareholders wishing to pose questions may do so by any of the following methods:

1. *Email:* Questions may be submitted by emailing to the following email address ir@husqvarnagroup.com.
2. *Regular Mail:* Questions may be submitted by regular mail to the following address, Husqvarna AB, "AGM 2020", P.O. Box 7454, SE-103 92 Stockholm, Sweden.

The shareholder must include name of the shareholder, personal or organization number and postal address, for the question to be answered. The shareholder should also state its email address and telephone number.

Questions submitted by shareholders must have been received by Husqvarna no later than on Tuesday, June 16, 2020, and will be responded to and published not later than on Sunday, June 21, 2020. The questions and responses will be available at the Company, Husqvarna AB, Regeringsgatan 28, SE-111 53 Stockholm, Sweden and on the Company's website, www.husqvarnagroup.com, and will be sent to the shareholder provided the shareholder's address is known by the Company or provided by the shareholder together with the question

The Board of Directors and the CEO shall, upon request of a shareholder, and provided that the Board of Directors deems this can be done without causing major harm to the Company, inform about matters which might affect the assessment of an item on the agenda or circumstances affecting Husqvarna's or its subsidiaries' financial situation or about Husqvarna's relation to another Group entity, or in relation to the consolidated Annual Report

C. AGM Agenda

1. Opening of the AGM
2. Election of Chair of the Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of one or two minute-checkers
6. Determination as to whether the Meeting has been duly convened

Address	Visiting address	Telephone	Fax	Reg. No.	Web site
Husqvarna AB (publ) Box 7454 SE-103 92 Stockholm Sweden	Regeringsgatan 28	+46 8 738 90 00	+46 8 738 94 01	556000-5331	www.husqvarnagroup.com

7. Resolutions concerning
 - a) adoption of the Profit and Loss Statement and the Balance Sheet as well as the Consolidated Profit and Loss Statement and the Consolidated Balance Sheet
 - b) proposed distribution of earnings (allocation of the Company's profit or loss pursuant to the adopted Balance Sheet)
 - c) discharge from liability of the Directors and the CEO
8. Determination of the number of Directors and Auditors to be elected
 - a) number of Directors
 - b) number of Auditors
9. Determination of remuneration to the Directors
10. Election of Directors and Chair of the Board
 - a) individual election of Directors
 - b) election of Chair of the Board
11. Election of, and remuneration to, external Auditors
 - a) election of external Auditors
 - b) determination of remuneration to external Auditors
12. Resolution on remuneration guidelines for Group Management
13. Resolution regarding the adoption of a long term incentive program (LTI 2020)
14. Resolution on authorization to enter into equity swap arrangements to cover obligations under LTI 2020 and any previously resolved LTI programs
15. Resolution on authorization to resolve on the issuance of new shares
16. Closing of the Meeting

D. Explanation of Certain AGM Proposals

Election of Chair of the Meeting (item 2)

The Nomination Committee proposes that Björn Kristiansson be elected Chair of the AGM, or if he is unable to attend the meeting, any other person proposed by Husqvarna's Nomination Committee.

Preparation and approval of the voting list (item 3)

The voting list that is proposed to be approved is the voting list that has been prepared by Euroclear Sweden AB, based on the general meeting share register and votes received, checked by the minute-checkers.

Election of one or two minute-checkers (item 5)

The Board of Directors proposes that two minute-checkers be elected, and that Ricard Wennerklint, If Skadeförsäkring AB and Henrik Didner, Didner & Gerge Fonder AB are elected, or, if someone or both of them are unable to attend the meeting, any other person proposed by Husqvarna's Nomination Committee.

Proposed distribution of earnings (item 7 b)

The Board of Directors proposes no dividend for financial year 2019 (a deviation from the proposal presented in the Annual Report).

Determination of the number of Directors and Auditors to be elected (item 8)

The Nomination Committee proposes that the Board of Directors shall be comprised of eight Directors to be elected by the AGM and one audit firm.

Determination of remuneration to the Directors (item 9)

In light of the COVID-19 situation, the Nomination Committee proposes that there be no increase in Directors compensation for 2020. Instead, it proposes that Directors receive the same basic compensation for their Board work (plus the same additional remuneration for committee work), as was approved at the 2019 AGM, as shown in the below table:

	Proposal 2020	2019	Percentage Increase
Chair of the Board	SEK 2,000,000	SEK 2,000,000	0%
Director	SEK 580,000	SEK 580,000	0%
Audit Committee Chair	SEK 240,000	SEK 240,000	0%
Audit Committee Member	SEK 135,000	SEK 135,000	0%
People & Sustainability Committee* Chair	SEK 140,000	SEK 140,000	0%
People & Sustainability Committee* Member	SEK 80,000	SEK 80,000	0%

* Formerly, the "Remuneration Committee".

In addition to the compensation described above, and reimbursement for travel expenses, the Nomination Committee proposes that the following compensation be paid to Directors for each physical meeting attended in Sweden (no change from prior year):

Residence of Director	Per Meeting Compensation
Nordic Countries	None
Europe (non-Nordic)	SEK 10,000
Outside of Europe	USD 3,500

The Nomination Committee declares its expectation that each elected Director engage themselves financially in Husqvarna by acquiring Husqvarna shares within a period of five years, corresponding to approximately one year's remuneration, calculated before tax.

Election of Directors and Chair of the Board (item 10)

a) Individual election of Directors

On April 2, 2020, Kai Wörn retired from his role as CEO and Board Member, and Henric Andersson became the new CEO. In light of this change, the Nomination Committee proposes that Henric Andersson be elected as a new member of the Board of Directors and that the remaining members be reelected. Thus, the Nomination Committee proposes the election of:

1. Tom Johnstone,
2. Ulla Litzén,
3. Katarina Martinson,
4. Bertrand Neuschwander,
5. Daniel Nodhäll,
6. Lars Pettersson,

7. Christine Robins, and
8. Henric Andersson (new election).

The proposed Directors are presented in more detail on the Company's website.

b) Election of Chair of the Board

The Nomination Committee proposes that Tom Johnstone be appointed Chair of the Board.

Election of, and remuneration to, external Auditors (item 11)

a) Election of external Auditor

The Nomination Committee proposes the election of Ernst & Young as external Auditor for the period from the 2020 AGM up until the end of the 2021 AGM.

Ernst & Young AB has informed that, provided that the AGM adopts the Nomination Committee's proposal regarding election of Auditors (item 12), the registered auditor-in charge will be authorized public accountant Hamish Mabon.

b) Determination of remuneration to external Auditors

The Nomination Committee proposes that the Auditors' fee shall be paid on the basis of approved invoice, in accordance with previous years' practice.

Resolution on remuneration guidelines for Group Management (item 12)

The Board of Directors proposes that the following remuneration guidelines, for the CEO and other members of Group Management, should be approved by the 2020 AGM.

These guidelines do not apply to any remuneration otherwise decided or directly approved by the AGM or other general meeting.

The overarching ambition of the Company's strategy is market leadership, of which long-term profitable growth and being an innovation leader are important aspects. Built on a strategy for market leadership, the Company's business model is designed for profitable growth, bringing the best forestry, lawn and garden and construction solutions to the market by maximizing assets and minimizing waste and carbon dioxide from operations. Further information on the Company's strategy and financial targets can be found on the Company's website <http://www.husqvarnagroup.com/en/financial-targets>.

A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company is able to recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration.

The guidelines set forth in this item shall apply to remuneration and other employment conditions of Group Management, as defined in the Company's Annual Report. The guidelines shall apply to contracts of employment entered into after the 2020 AGM and also to amendments made thereafter to contracts of employment which are in force.

Remuneration to members of Group Management shall be on market terms and based on the position held, individual performance and Group performance, and shall be on a competitive basis in the country of employment. The overall remuneration package for Group Management is comprised of fixed cash salary, variable cash remuneration in the form of short-term incentives

based on annual performance targets, long-term incentives, pension and other benefits. In addition, there are conditions on notice of termination and severance pay.

Additionally, the general meeting may – irrespective of the guidelines – resolve on, among other things, share-related or share price-related remuneration.

The Company shall aim to offer a competitive total remuneration (i.e., all remuneration elements described below) level with a primary focus on “pay for performance”.

Fixed cash salary

Fixed salary shall constitute the basis for total remuneration and may amount to not more than 70% of the total remuneration. The salary shall be related to the relevant market and shall reflect the degree of impact, contribution and knowledge involved in the position. The salary levels shall be reviewed regularly (normally annually) in order to ensure continued competitiveness and reward performance.

Variable cash remuneration (Short-term Incentive, “STI”)

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration may amount to not more than 150% of the fixed salary and not more than 50% of the total remuneration. The Board of Directors decides whether the maximum levels shall be utilized or if a lower level shall be used. The level of STI is set by the Board of Directors based on size of position, taking into account degree of impact, contribution and knowledge involved in the position but also country of employment.

The STI shall be based on the financial result for the Company and/or for the business unit for which the member of Group Management is responsible. The variable remuneration shall be based on predetermined and measurable criteria, such as operating income, net sales growth, operating working capital and cost efficiency programs. Each criteria/target has a defined minimum/entry level, which must be exceeded for variable remuneration to be paid, and a maximum/stretch level. The criteria are designed so as to contribute to the Company’s business strategy and long-term interests, including its sustainability. The extent to which the criteria for awarding variable remuneration has been satisfied shall be evaluated/determined when the applicable one-year measurement period has ended. The People & Sustainability Committee (formerly the Remuneration Committee)¹ is responsible for the evaluation and it shall be based on the latest financial information made public by the Company.

Long-term incentive

The Board of Directors will annually evaluate if a long-term incentive program should be offered and be proposed to the AGM. The award level of such long-term incentive program may amount to not more than 120% of the fixed salary when the program is launched and not more than 50% of the total remuneration.

Pension and other benefits

Pension and disability benefits shall be designed to reflect regulations and practice in the country of employment. Pension plans shall be defined contribution plans and the employer contribution, including contributions for disability pension/insurance, may amount to not more than 40% of the fixed cash salary and not more than 30% of the total remuneration.

¹ This Committee is intended to be a “remuneration committee”, within the meaning of Section 9 of the Swedish Code of Corporate Governance.

Other benefits may include, for example, life and health care insurance, housing allowance and company cars. Costs relating to such benefits may amount to not more than 20% of the fixed cash salary and not more than 15% of the total remuneration. For employments governed by mandatory rules, pension and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Group Management members who are expatriates may receive additional remuneration and benefits to the extent reasonable in light of the special circumstances associated with the expatriate arrangement, taking into account, to the extent possible, the overall purpose of these guidelines. Such remuneration and benefits may not in total exceed 80% of the fixed cash salary.

Termination of employment

The notice period may not exceed twelve months if notice of termination of employment is made by the Company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to fixed salary for two years. The period of notice may not exceed six months when termination is made by the Group Management member, unless there is a right to severance pay to compensate for a longer notice period. Members of Group Management shall be obliged not to compete with the Company during the notice period. Based on the circumstances in each case, a non-compete obligation with continued severance pay may be applied also after the end of the notice period. Non-compete obligation shall not apply for more than 24 months from the end of the notice period and the severance pay during such non-compete period may not exceed an amount equivalent to the fixed salary.

Additionally, remuneration may be paid for non-compete undertakings to compensate for loss of income and shall only be paid in so far as the previously employed Group Management member is not entitled to severance pay. The remuneration shall amount to not more than 60% of the fixed salary at the time of termination of employment, unless otherwise provided by mandatory collective agreement provisions, and be paid during the time the non-compete undertaking applies, however not for more than 24 months following termination of employment.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the Company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the People & Sustainability Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report to be published in accordance with the EU Shareholder Rights Directive.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a People & Sustainability Committee, which qualifies as a "remuneration committee" within the meaning of the Swedish Code of Corporate Governance (the "Committee"). The Committee's tasks include preparing the Board of Directors' decision to propose guidelines for Group Management remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The People & Sustainability Committee shall also monitor and evaluate programs for variable remuneration for Group Management, the application of the guidelines for Group Management remuneration as well as the current remuneration structures and compensation levels in the Company.

The members of the People & Sustainability Committee are independent of the Company and its Group Management. The CEO and other members of Group Management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As set out above, the People & Sustainability Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines. Any derogation from the guidelines must not cause any of the remuneration elements to exceed two times the maximum level specified in these guidelines.

Resolution regarding the adoption of a long term incentive program (LTI 2020) (item 13)

Summary of the program

The Board of Directors proposes that the 2020 AGM resolves to adopt a performance based long term incentive program ("**LTI 2020**") in line with the following description. The program is based on the same principles as the incentive program granted in 2019 (LTI 2019).

LTI 2020 is proposed to be offered to a maximum of 100 senior managers within the Husqvarna Group and offers participants the opportunity to receive "performance share awards". Subject to the fulfilment of certain performance targets and conditions during a three year vesting period, performance share awards to be granted in 2020 will vest and give right to Husqvarna B-shares in accordance with the following.

Participants in LTI 2020 will be granted a number of performance share awards based on such participant's annual target income (fixed salary plus variable salary at a target level) in 2020.

The number of performance share awards that vest and give rights to receive B-shares further depends on the fulfilment of certain levels of increase of the Company's value creation (defined as Earnings Before Interest and Tax – Average Net Assets x Weighted Average Cost of Capital), during the calendar years 2020-2022, as determined by the Board of Directors. These levels are "Entry", "Target" and "Stretch". Entry constitutes a minimum level which must be exceeded in order for the performance share awards to vest and give right to B-shares. The levels correspond to the following number of B-shares, with a linear progression between each level:

- Entry: 10% of annual target income / the share price SEK 74.66²
- Target: 33% of annual target income / the share price SEK 74.66²
- Stretch: 66% of annual target income / the share price SEK 74.66²

If the price for the B-shares would increase more than 200% during the three year vesting period, the number of performance share awards that vest and give right to B-shares will be limited to the value of the maximum allocation at Stretch level at a share price increase of 200% from grant of share awards to vesting (vesting period). This limitation enables control and predictability over the maximum scope and cost of the program.

² Corresponding to the average closing price of Husqvarna's B-share at Nasdaq Stockholm during December 2019, January 2020 and February 2020.

Additional terms & conditions

The performance share awards shall be governed by the following terms and conditions:

- Shares are allotted free of charge
- Are vested three years after grant (vesting period)
- Vesting of performance share awards and allotment of B-shares in Husqvarna requires that the participant is then, with certain exceptions, still employed by the Husqvarna Group
- Carry no right to compensation for dividends on underlying shares
- Are non-transferable

Design and administration

The Board of Directors, or a committee established by the Board, shall be responsible for the detailed design and administration of LTI 2020, in accordance with the presented terms and guidelines. To this end, the Board of Directors shall be entitled to make adjustments to meet domestic or foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes in the Husqvarna Group, or its environment, would result in the resolved terms and conditions for LTI 2020 no longer being appropriate to apply.

Allotment

In accordance with the above principles and assumptions, LTI 2020 will comprise the following number of B-shares for the different categories of participants: the CEO, approximately 119,000 B-shares, other members of Group Management, each approximately an average of 42,000 B-shares, corresponding to a total of approximately 378,000 B-shares, and other participants, each approximately an average of 19,000 B-shares, corresponding to a total of approximately 1,710,000 B-shares. The above stated numbers are calculated assuming the attainment of performance level Stretch as described above.

Scope and costs of LTI 2020

LTI 2020 is estimated to comprise a maximum of 2.3 million B-shares, which corresponds to less than 0.4% of the total number of outstanding shares. The Company has approximately 576 million shares outstanding. The issued and outstanding rights to shares in accordance with the Company's previous outstanding incentive programs (LTI 2017, LTI 2018 and LTI 2019) correspond to approximately 0.8% of the total number of outstanding shares. The Company's incentive programs' effect on important key figures is only marginal. Information on LTI 2017, LTI 2018 and LTI 2019 can be found in the Annual Report for 2019, note 4, and on the Company's website, www.husqvarnagroup.com.

LTI 2020 will be accounted for in accordance with IFRS 2 – Share-based Payment. IFRS 2 stipulates that the performance share awards should be expensed as personnel costs over the vesting period and will be reported directly against equity. Estimated social security charges will be recorded as a personnel expense in the income statement by current reservations. The cost for LTI 2020 is estimated to amount to SEK 82m before tax, if the performance level Target is reached, and is allocated over the years 2020-2023. The corresponding cost at performance level Stretch is estimated to SEK 164m. Financing costs and social security charges are included in the estimated amounts. The estimation of cost above is based on the assumptions that the share price is SEK 75 at the time of grant of the performance share awards, that the annual share price increase for the Company's B-shares is 5%, that social security charges amount to 25% and that the annual employee turnover is 5% among the participants of LTI 2020.

In order to ensure delivery of Husqvarna B-shares under LTI 2020 and to limit the costs, including social security charges, for LTI 2020, the Board of Directors will adopt hedging measures, such as

equity swap agreements with third parties, under which the third party would in its own name buy and transfer Husqvarna B-shares to the participants in accordance with LTI 2020 provided that the AGM resolves in accordance with Item 13 on the agenda. The hedging options are described below under Item 14 of the agenda. The intention is to not issue new shares as a result of LTI 2020.

The rationale for the proposal

The purpose of LTI 2020 is to influence and award long term performance, align shareholders' and managements' interest, attract and retain key employees and provide variable remuneration instead of fixed salary. In light of the above, the Board of Directors believes that adopting LTI 2020 will have a positive effect on the development of the Husqvarna Group and consequently that it will be beneficial to both the shareholders and the Company.

Preparation

LTI 2020 is based on the same principles as LTI 2019 and has in accordance with guidelines set out by the People & Sustainability Committee been prepared by Group Management in consultation with external advisors, taking into consideration evaluations of previous incentive programs. LTI 2020 has been reviewed at meetings of the Board of Directors in 2019 and 2020.

Resolution on authorization to enter into equity swap arrangements to cover obligations under LTI 2020 and any previously resolved LTI programs (item 14)

The Board of Directors proposes that the 2020 AGM authorizes the Board of Directors to pass a resolution, on one or more occasions, for the period up until the next AGM, to direct the Company to enter one or more equity swap agreements with a third party (e.g., a bank), on terms and conditions in accordance with market practice, to hedge the obligations of the Company under LTI 2020 and any previously resolved incentive programs (the "**Covered Programs**"). Under such equity swap arrangements, in exchange for certain fees paid by the Company, the third party acquires (in its own name) such number of Husqvarna B-shares as are necessary to cover the Company's obligations under the Covered Programs and then, transfer (in its own name) such shares to the participants per the terms of the Covered Programs.

Resolution on authorization to resolve on the issuance of new shares (item 15)

The Board of Directors proposes that the 2020 AGM authorizes the Board to resolve to issue not more than 57,634,377 B-shares, which represents 10% of the total number of shares in the Company, against payment in kind, on one or several occasions, during the period until the next AGM.

The price for the new shares shall be based on the market price of the Company's B-shares. The purpose of the authorization is to facilitate acquisitions where the consideration will be paid with own shares.

Other information

For a valid resolution of all agenda items above except elections, a shareholder majority of half of the votes cast at the AGM is required. For elections, the person(s) receiving the highest number of votes is elected.

Information on the proposed Board of Directors of Husqvarna AB as well as the proposed external auditor and the Nomination Committee's Explanatory Statement etc. are available on the Company's website, www.husqvarnagroup.com. The Annual Report and the Audit Report as well

as the Auditors report on the guidelines adopted regarding remuneration are presented by being available at the Company and on the Company's website, www.husqvarnagroup.com. They will, on request, be sent to shareholders at the address provided. The share register will be available at Husqvarna AB, Regeringsgatan 28, SE-111 53 Stockholm, Sweden.

For information on how your personal data is processed, see
<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Stockholm in May 2020
Husqvarna AB (publ)
THE BOARD OF DIRECTORS

Husqvarna Group

Husqvarna Group is a global leading producer of outdoor power products and innovative solutions for forest, park and garden care. Products include chainsaws, trimmers, robotic lawn mowers and ride-on lawn mowers. The Group is also the European leader in garden watering products and a global leader in cutting equipment and diamond tools for the construction and stone industries. The Group's products and solutions are sold under brands including Husqvarna, Gardena, McCulloch, Poulan Pro, Weed Eater, Flymo, Zenoah and Diamant Boart via dealers and retailers to consumers and professionals in more than 100 countries. Net sales in 2019 amounted to SEK 42bn and the Group has around 13,000 employees in 40 countries.