

Minutes of the Annual General Meeting
in **ASSA ABLOY AB** held on 28 April
2021 in Stockholm

§ 1

The Meeting elected, in accordance with the Nomination Committee's proposal, Lars Renström as Chairman of the Meeting.

It was noted that the General Counsel Johan Ahlgren served as secretary at the Meeting.

It was noted that Meeting has been held pursuant to Sections 20 and 22 of the Swedish Act (2020:198) on temporary exemptions to facilitate the execution of general meetings in companies and associations; entailing that the shareholders have exercised their voting rights at the Meeting only by voting in advance, so-called postal voting.

The notice to attend the Meeting is enclosed as Appendix 1.

The form used for advance voting is enclosed as Appendix 2.

A compilation of the result of the advance voting for each item on the agenda that falls under advance voting is enclosed as Appendix 3, which states the information specified in Section 26 of the abovementioned Act 2020:198. It was specifically noted that no shareholder had notified the company of request that a resolution on one or several of the items on the agenda should be deferred to a so-called continued general meeting.

It was noted that no request for information pursuant to Section 23 of the abovementioned Act 2020:198 had been received by the company.

§ 2

The Meeting appointed Johan Hjertonsson, representing Investment AB Latour, and Liselott Ledin, representing Alecta, to approve the minutes of the Meeting together with the Chairman.

§ 3

The Meeting resolved to adopt the list in Appendix 4 as the voting register for the Meeting.

§ 4

The Meeting resolved to adopt the proposed agenda, which had been included in the notice to attend the Meeting, Appendix 1.

§ 5

It was noted the Meeting had been duly convened as the notice to the Meeting had been published in the Official Swedish Gazette (*Post- och Inrikes Tidningar*) on 26 March 2021, and had been available on the company's website www.assaabloy.com since 24 March

2021. An announcement stating that the notice to the Meeting had been published was published in Dagens Nyheter on 26 March 2021.

§ 6

It was noted that the annual report, the auditor's report, the consolidated financial statements and the auditor's report on the consolidated financial statements for the financial year 2020, [Appendix 5](#), as well as the auditor's report regarding guidelines for remuneration to senior executives in accordance with Chapter 8, Section 54 of the Swedish Companies Act, [Appendix 6](#), had been presented by having been held available at the company and on the company's website three weeks prior to the Meeting.

§ 7

- (a) The Meeting resolved to adopt the income statement and balance sheet and the consolidated income statement and consolidated balance sheet for the financial year 2020.
- (b) The Meeting resolved, in accordance with the proposal of the Board of Directors, of disposition of the company's profit entailing that a dividend of SEK 3.90 per share should be distributed to the shareholders, that the dividend should be paid in two equal installments of SEK 1.95 per share and installment and that the remaining available funds, SEK 12,120 M, should be carried forward. The Meeting established Friday 30 April 2021 as record date for dividend for the first installment and Tuesday 23 November 2021 as record date for dividend for the second installment.

The Board of Directors' statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act, which had been presented by having been held available at the company and on the company's website three weeks prior to the Meeting, is enclosed as [Appendix 7](#).

- (c) The Meeting resolved to discharge the Board members and the CEO from liability for the financial year 2020.

It was noted that those Board members and the CEO who own shares in the company did not participate in the resolution under item (c) in respect of their own part.

§ 8

The Meeting resolved, in accordance with the Nomination Committee's proposal, that the number of Board members elected by the Meeting should be eight without deputy members.

§ 9

- (a) The Meeting resolved, in accordance with the Nomination Committee's proposal, that fees to Board members appointed by the Meeting should amount to a total of SEK 8,500,000 (remuneration for committee work not included) to be distributed among the Board members as follows: SEK 2,700,000 to the Chairman of the Board, SEK 1,000,000 to the Vice Chairman of the Board and SEK 800,000 to each of the other Board members appointed by the Meeting. As remuneration for committee work, the Chairman of the Audit Committee should receive SEK

325,000, the Chairman of the Remuneration Committee SEK 150,000, members of the Audit Committee (the Chairman excluded) SEK 225,000 each, and member of the Remuneration Committee (the Chairman excluded) SEK 75,000.

- (b) The Meeting resolved, in accordance with the Nomination Committee's proposal that the fees to the auditor should be paid according to contract.

§ 10

The Meeting re-elected, in accordance with the Nomination Committee's proposal, Lars Renström, Carl Douglas, Eva Karlsson, Lena Olving, Sofia Schörling Högberg and Joakim Weidemanis as Board members. The Meeting elected, in accordance with the Nomination Committee's proposal, Johan Hjertonsson and Susanne Pahlén Åklundh as new Board members. The Meeting re-elected, in accordance with the Nomination Committee's proposal, Lars Renström as Chairman of the Board and Carl Douglas as Vice Chairman of the Board.

It was noted that information regarding the proposed Board members' assignments in other companies had been available at the company and on the company's website. Further, it was noted that recorded presentations of the new proposed Board members Johan Hjertonsson and Susanne Pahlén Åklundh had been available on the company's website.

It was noted that the employee organisations had appointed Mats Persson and Rune Hjälms as Board members and Bjarne Johansson and Nadja Vikström as deputies for the employee representatives.

§ 11

The Meeting re-elected, in accordance with the Nomination Committee's proposal, the registered audit firm Ernst & Young AB as auditor for the time period until the end of the Annual General Meeting 2022. It was noted that Ernst & Young AB had notified that authorized accountant Hamish Mabon will remain as auditor in charge.

§ 12

It was noted that the Board of Directors' proposal on remuneration report according to Chapter 8, Section 53 a of the Swedish Companies Act had been presented by being held available at the company and on the company's website three weeks prior to the Meeting.

The Meeting resolved in accordance with the Board of Directors' proposal, to approve the remuneration report in accordance with Appendix 8.

§ 13

It was noted that the Board of Directors' proposal to authorize the Board to repurchase and transfer Series B shares in the company and the Board of Directors' statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act had been presented by being held available at the company and at the company's website three weeks prior to the Meeting.

The Meeting resolved, in accordance with the Board of Directors' proposal, to authorize the Board to repurchase and transfer Series B shares in the company in accordance with Appendix 9.

The Board of Directors' statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act is enclosed as Appendix 7.

It was noted that the resolution was supported by more than two-thirds of both the votes cast and the shares represented at the Meeting.

§ 14

It was noted that the Board of Directors' proposal to implement a long-term incentive program had been presented by being held available at the company and at the company's website three weeks prior to the Meeting.

The Meeting resolved, in accordance with the Board of Directors' proposal, on implementation of a long-term incentive program in accordance with Appendix 10.

It was noted that the Chairman of the Board had expressed a warm thank you to the resigning Board members Birgitta Klasén and Jan Svensson for their valuable contributions to the Board.

At the minutes:

Johan Ahlgren

Approved:

Lars Renström

Johan Hjertonsson

Liselott Ledin

Notice of Annual General Meeting in ASSA ABLOY AB

The shareholders of ASSA ABLOY AB (Reg. No. 556059-3575) are hereby invited to participate in the Annual General Meeting to be held on Wednesday 28 April 2021.

Due to the Covid-19 pandemic, the Board of Directors has decided that the Annual General Meeting is to be held only through advance voting (postal voting) in accordance with temporary legislation. This means that the Meeting will be conducted without the physical presence of shareholders, representatives or external parties and that shareholders will only be able to exercise their voting rights by postal voting in advance of the Meeting in the manner described below.

A speech by the CEO is expected to be available at the company's website www.assaabloy.com, no later than Friday 23 April 2021. Further, a speech by the auditor will be available at the company's website.

Notice of participation

Shareholders who wish to participate at the Annual General Meeting by advance voting must:

- be recorded in the shareholders' register kept by Euroclear Sweden AB on Tuesday 20 April 2021, and
- give notice of intent to participate to ASSA ABLOY AB no later than Tuesday 27 April 2021, by submitting their advance votes in accordance with the instructions under the heading "Advance voting" below, so that the advance vote is received by Euroclear Sweden AB no later than that day.

Nominee registered shares

Shareholders whose shares are nominee registered through a bank or other nominee must, in addition to giving notice of participation by submitting an advance vote, request that their shares be temporarily registered in their own name in the share register kept by Euroclear Sweden AB (so called voting right registration) in order to be entitled to participate at the Annual General Meeting. The shareholders' register for the General Meeting as of the record date Tuesday 20 April 2021 will take into account voting right registrations completed no later than Thursday 22 April 2021. Shareholders concerned must, in accordance with each nominee's routines, request that the nominee makes such voting right registration well in advance of that date.

Advance voting

The shareholders may exercise their voting rights at the Meeting only by voting in advance, so called postal voting in accordance with Section 22 of the Swedish Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations.

A special form shall be used for advance voting. The form is available on the company's website www.assaabloy.com. The advance voting form is considered as the notification of participation at the Meeting.

The completed and signed voting form must be received by Euroclear Sweden AB no later than Tuesday 27 April 2021. The completed and signed form shall be sent to ASSA ABLOY AB (publ), "Annual General Meeting 2021", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden. The completed and signed form may alternatively be submitted electronically and is then to be sent to GeneralMeetingService@euroclear.com. Shareholders who are natural persons can also submit their advance votes electronically by verifying with BankID via Euroclear Sweden AB's website <https://anmalan.vpc.se/EuroclearProxy/>.

The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (in its entirety) is invalid. Further instructions and conditions are included in the form for advance voting.

For questions about the advance voting, please contact Euroclear Sweden AB, telephone +46 8 506 485 14 (Monday-Friday 9.00 am – 4.00 pm (CET)).

Proxy

If the shareholder votes in advance by proxy, a power of attorney shall be enclosed with the advance voting form. Proxy form is available upon request and on the company's website www.assaabloy.com. If the shareholder is a legal entity, a certificate of incorporation or other authorization document shall be enclosed with the advance voting form.

Shareholders' right to request information

The Board of Directors and the CEO shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda and circumstances that can affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the Group. Requests for such information shall be made in writing to ASSA ABLOY AB, "Annual General Meeting 2021", P.O. Box 70340, SE-107 23 Stockholm, Sweden, or by e-mail to info@assaabloy.com, no later than Sunday 18 April 2021. The information will be disclosed by being held available at ASSA ABLOY AB, Klarabergsviadukten 90, SE-111 64 Stockholm, Sweden, and on the company's website www.assaabloy.com, no later than Friday 23 April 2021. The information will also be distributed to the shareholder who so requests and states its postal address or email address.

Agenda

1. Election of Chairman of the Annual General Meeting.
2. Election of two persons to check the Annual General Meeting minutes.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Determination of whether the Annual General Meeting has been duly convened.
6. Presentation of:
 - a) the Annual Report and the Audit Report as well as the Consolidated Accounts and the Audit Report for the Group, and
 - b) the Auditor's statement regarding whether the guidelines for remuneration to senior executives adopted on the previous Annual General Meeting have been complied with.
7. Resolutions regarding:
 - a) adoption of the Statement of Income and the Balance Sheet as well as the Consolidated Statement of Income and the Consolidated Balance Sheet,
 - b) dispositions of the company's profit according to the adopted Balance Sheet, and
 - c) discharge from liability of the members of the Board of Directors and the CEO.
8. Determination of the number of members of the Board of Directors.
9. Determination of:
 - a) fees to the Board of Directors,
 - b) fees to the Auditor.
10. Election of the Board of Directors, Chairman of the Board of Directors and Vice Chairman of the Board of Directors.
11. Election of Auditor.
12. Resolution on approval of remuneration report.
13. Resolution regarding authorization to repurchase and transfer Series B shares in the company.
14. Resolution regarding long-term incentive program.

Item 1 – Election of Chairman of the Annual General Meeting

The Nomination Committee, appointed in accordance with the instructions for the Nomination Committee adopted by the Annual General Meeting 2018 and consisting of Chairman Carl Douglas (Investment AB Latour), Mikael Ekdahl (Melker Schörling AB), Liselott Ledin (Alecta), Marianne Nilsson (Swedbank Robur fonder) and Yvonne Sörberg (Handelsbanken Fonder) proposes that Lars Renström is elected Chairman of the Annual General Meeting, or in the event he is prevented from attending, the person designated by the Board of Directors.

Item 2 - Election of two persons to check the Annual General Meeting minutes

The Board of Directors proposes that Johan Hjertonsson (Investment AB Latour) and Liselott Ledin (Alecta), or if one or both of them are prevented from attending, the person or persons instead designated by the Board of Directors, are assigned to check the minutes of the Meeting together with the Chairman. The assignment to check the minutes also includes verifying the voting list and that the advance votes received are correctly stated in the minutes of the Meeting.

Item 3 - Preparation and approval of the voting list

The voting list proposed to be approved under item 3 on the agenda is the voting list prepared by Euroclear Sweden AB on behalf of the company, based on the shareholders' register for the General Meeting and the advance votes received, as verified and recommended by the persons elected to check the minutes.

Item 7 b) – Disposition of the company's profit according to the adopted Balance Sheet

The Board of Directors proposes a dividend of SEK 3.90 per share. In order to facilitate a more efficient cash management, the dividend is proposed to be paid in two equal installments, the first with the record date Friday 30 April 2021 and the second with the record date Tuesday 23 November 2021. If the proposal is adopted by the Annual General Meeting, the first installment is estimated to be paid on Wednesday 5 May 2021 and the second installment on Friday 26 November 2021.

The Board of Directors has presented a motivated statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act, the statement is available at the company and on the company's website www.assaabloy.com.

Items 8-11 – Determination of the number of members of the Board of Directors, determination of fees to the Board of Directors and the Auditor as well as election of the Board of Directors, Chairman of the Board of Directors, Vice Chairman of the Board of Directors and Auditor

The Nomination Committee proposes that the Annual General Meeting resolves as follows.

- The number of members of the Board of Directors shall be eight.
- The fees to the Board of Directors have been unchanged since 2019. The Nomination Committee has in its work compared the fees to the Board of Directors with Board fees among comparable companies in Sweden and internationally. Based on this, a raise of the fees to the Board of Directors is proposed as an adjustment to market practice, meaning that the fees shall amount to a total of SEK 8,500,000 (remuneration for committee work not included) which shall be distributed among the members of the Board of Directors as follows; SEK 2,700,000 to the Chairman, SEK 1,000,000 to the Vice Chairman and SEK 800,000 to each of the other members of the Board of Directors elected by the Annual General Meeting. As remuneration for the committee work, the Chairman of the Audit Committee is to receive SEK 325,000, the Chairman of the Remuneration Committee SEK 150,000, members of the Audit Committee (the Chairman excluded) SEK 225,000 each, and member of the Remuneration Committee (the Chairman excluded) SEK 75,000.
- Fees to the Auditor according to contract.

- Re-election of Lars Renström, Carl Douglas, Eva Karlsson, Lena Olving, Sofia Schörling Högberg and Joakim Weidemanis as members of the Board of Directors. Birgitta Klasén and Jan Svensson have declined re-election.
- Election of Johan Hjertonsson and Susanne Pahlén Åklundh as new members of the Board of Directors.
- Re-election of Lars Renström as Chairman of the Board of Directors and Carl Douglas as Vice Chairman.
- Re-election of the registered audit firm Ernst & Young AB as Auditor for the time period until the end of the Annual General Meeting 2022, in accordance with the Audit Committee's recommendation. Ernst & Young AB has notified that, provided that the Nomination Committee's proposal is adopted by the Annual General Meeting, authorized public accountant Hamish Mabon will remain appointed as auditor in charge.

Johan Hjertonsson is born 1968 and holds a Master of Science in Business and Economics. Since 2019, Johan is President and CEO of Investment AB Latour. Previously he was President and CEO of AB Fagerhult and Lammhults Design Group AB and has held numerous management positions within the Electrolux Group. Johan is also Chairman of Nederman Holding AB, Swegon Group AB, Hultafors Group AB, Nord-Lock International AB, Caljan AS, Alimak Group AB and Latour Industries AB as well as board member of Sweco AB and Investment AB Latour.

Susanne Pahlén Åklundh is born 1960 and holds a Master of Science in Engineering. Since 2017, Susanne is President of the Energy Division at Alfa Laval AB. She has held numerous management positions within the Alfa Laval Group since 2009, which include President of the Equipment Division, Head of Mid Europe and Nordic, and Head of the Process Industry segment.

More detailed information regarding the proposed members of the Board of Directors can be found in the Nomination Committee's proposal which is available at the company's website www.assaabloy.com.

Item 12 – Resolution on approval of remuneration report

The Board of Directors proposes that the Annual General Meeting resolves to approve the Board of Directors' report on remuneration pursuant to Chapter 8, Section 53 a of the Swedish Companies Act.

Item 13 – Resolution regarding authorization to repurchase and transfer Series B shares in the company

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to pass a resolution, on one or more occasions for the period up until the next Annual General Meeting, on repurchasing Series B shares in the company in accordance with the following.

- The repurchase may as a maximum comprise so many Series B shares that the company after each repurchase holds a maximum of 10 percent of the total number of shares in the company.
- The repurchase of Series B shares shall take place on Nasdaq Stockholm.
- The repurchase of Series B shares on Nasdaq Stockholm may only occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price.
- Payment of the Series B shares shall be made in cash.

Furthermore, the Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to pass a resolution, on one or more occasions for the period up until the next Annual General Meeting, on transferring Series B shares in the company in accordance with the following.

- The maximum number of Series B shares to be transferred may not exceed the number of shares held by the company at the time of the Board of Directors resolution.
- Transfers of Series B shares shall take place:
 - (i) on Nasdaq Stockholm, or
 - (ii) in connection with acquisition of companies or businesses, on market terms.
- Transfers of Series B shares on Nasdaq Stockholm may only occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price.
- The authorization includes the right to resolve on deviation of the preferential rights of shareholders and that payment may be made in other forms than cash.

The purpose of the authorizations is to make possible the ability for the Board of Directors to continuously adapt the company's capital structure and thereby contribute to increased shareholder value, to be able to exploit attractive acquisition opportunities by fully or partly financing future acquisitions with the company's own shares, and to ensure the company's undertakings, including social security costs, in accordance with the Board of Directors' proposal for a long-term incentive program under Item 14.

The Board of Directors has presented a motivated statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act, the statement is available at the company and on the company's website www.assaabloj.com.

The proposal in this Item 13 requires an approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the Annual General Meeting to be valid.

Item 14 – Resolution regarding long-term incentive program

Summary of the program

The Board of Directors proposes that the Annual General Meeting resolves to implement a new long-term incentive program for senior executives and key employees within the ASSA ABLOY Group (LTI 2021). LTI 2021 is based on the same principles as LTI 2018, LTI 2019 and LTI 2020.

LTI 2021 is proposed to include a maximum of 115 senior executives and key employees within the ASSA ABLOY Group. In order to participate in LTI 2021 the participants will have to invest in Series B shares in ASSA ABLOY at market price. For every Series B share purchased within the scope of LTI 2021, the company will grant so called performance awards free of charge in accordance with the terms stipulated below.

The rationale for the proposal

The purpose of LTI 2021 is to strengthen the ASSA ABLOY Group's ability to retain and recruit competent employees, to contribute to ASSA ABLOY providing a total remuneration that is on market conditions and competitive, and to align the interests of the shareholders with the interests of the employees concerned. Through a share-based long-term incentive program, the employees' remuneration is tied to ASSA ABLOY's future earnings and value growth. In light of the above, the Board of Directors believes that the implementation of LTI 2021 will have a positive effect on the long-term value growth of the Group, including its sustainability, and consequently that LTI 2021 is beneficial to both the shareholders and the company.

Personal investment

In order to participate in LTI 2021, the participants will have to invest in Series B shares in ASSA ABLOY at market price. The personal investment shall amount to a value corresponding to a minimum of 5 percent (all participants) and a maximum of 15 percent (CEO and other senior executives) or 10 percent (other participants), respectively, of the participant's fixed base salary. If the participant has access to inside information and is therefore prevented from making the personal investment in connection with the

application to participate in LTI 2021, the personal investment shall be made as soon as possible, but no later than before the next Annual General Meeting.

For employees who have not participated in previous LTI programs, the participation in LTI 2021 is in addition subject to renunciation of customary salary review for the year 2021.

Participants in LTI 2021 and allocation

LTI 2021 is proposed to include a maximum of 115 senior executives and key employees within the ASSA ABLOY Group, divided in three categories. For each Series B share the CEO of the Group purchases under LTI 2021, the company will grant six performance awards. For each Series B share that other senior executives (currently nine individuals) purchase under LTI 2021, each such individual will be awarded five performance awards. For each Series B share that other participants (approximately 105 individuals) purchase under LTI 2021, each such individual will be awarded four performance awards.

Performance condition

The number of performance awards that gives right to receive Series B shares in the company depends on the annual development of ASSA ABLOY's earnings per share¹ based on the target levels, as defined by the Board of Directors, during the measurement period 1 January 2021 – 31 December 2023, where each year during the measurement period is compared to the previous year. The outcome is calculated yearly, whereby one third of the performance awards is measured against the outcome for 2021, one third is measured against the outcome for 2022 and one third is measured against the outcome for 2023.

The outcome for each year is measured linearly. Unless the minimum level is achieved for the year, none of the relevant performance awards will give right to Series B shares, and if the maximum level is achieved each performance award linked to the relevant year will give right to one Series B share. The Board of Directors intends to present the fulfilment of the performance based condition in the Annual Report for the financial year 2023.

Other conditions

In addition to the above conditions, the following shall apply for the performance awards.

- The performance awards shall be granted free of charge after the Annual General Meeting 2021.
- Each performance award entitles the holder to receive one Series B share free of charge three years after allotment of the award (vesting period), provided that the holder, with some exceptions, at the time of the release of the interim report for the first quarter 2024 still is employed by the ASSA ABLOY Group and has maintained the personal investment purchased under LTI 2021.
- To make the participants' interest equal with the shareholders' the company will compensate the participants for distributed dividend during the vesting period by increasing the number of Series B shares that each performance award gives right to after the vesting period.
- The performance awards are non-transferable and may not be pledged.
- The performance awards can be granted by the company or by any other company within the Group.

Preparation and administration

The Board of Directors shall be responsible for preparing the detailed terms and conditions of LTI 2021, in accordance with the mentioned terms and guidelines. To this end, the Board of Directors shall be entitled to make adjustments to meet foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes

¹ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

in the ASSA ABLOY Group, or its operating environment, would result in a situation where the decided terms and conditions for LTI 2021 no longer are appropriate.

In the event that the Board of Directors considers that the delivery of Series B shares under LTI 2021 cannot be achieved at reasonable cost, with reasonable administrative efforts or due to specific market conditions, participants may instead be offered a cash settlement.

Scope and cost of the program

LTI 2021 may, if the share price for the company's Series B share remains the same during the program's term, result in a maximum amount corresponding to 90 percent (CEO), 75 percent (other senior executives) or 40 percent (other participants), respectively, of the participants annual base salary (excluding social security costs). Such outcome is subject to a maximum personal investment, meaning that the participant must purchase Series B shares in the company for an amount corresponding to 15 percent (CEO and other senior executives) or 10 percent (other participants), respectively, of the participants annual base salary, maintain the initially purchased shares, that the performance based condition has been fully achieved and that the participant, with some exceptions, still is employed during the vesting period.

The total amount of Series B shares, which corresponds to the participant's total maximum personal investment, and thus the total amount of performance awards being allotted, depends on the share price for the company's Series B share at the time of allotment of performance awards under LTI 2021. The total number of outstanding shares in the company amounts to 1,112,576,334 shares.

Provided that the share price for the company's Series B share is traded at around SEK 234 at the time of allotment of performance awards under LTI 2021, LTI 2021 will, in accordance with the principles and assumptions set out above, comprise a maximum of 600,000 Series B shares in total, which corresponds to approximately 0.1 percent of the total outstanding shares and votes in the company.

LTI 2021 shall be expensed as personnel costs over the vesting period. Provided that the performance based condition is fully achieved, the cost for LTI 2021 before tax is, in accordance with the principles and assumptions set out above, estimated to approximately SEK 130 million, allocated over the vesting period. Estimated social security costs and financing cost are included in such amount.

The costs are expected to have marginal effect on key ratios of the ASSA ABLOY Group.

The Board of Directors deems that the positive effects on earnings that are expected to result from increased share ownership among senior executives and persons in senior managerial positions, which may be further increased through LTI 2021, outweighs the costs related to LTI 2021.

Delivery of shares under LTI 2021

To ensure the delivery of Series B shares under LTI 2021, the company intends to enter into an agreement with a third party, under which the third party shall, in its own name, buy and transfer Series B shares in the company to the participants in accordance with LTI 2021.

Preparation of the proposal

LTI 2021 has been initiated by the Board of Directors of ASSA ABLOY, and has been structured in consultation with external advisers based on an evaluation of previous incentive programs. LTI 2021 has been prepared by the Remuneration Committee and reviewed at meetings of the Board of Directors.

Previous incentive programs

The company's other share-based incentive programs, LTI 2018, LTI 2019 and LTI 2020 are based on the same principles as LTI 2021. For a description of LTI 2018, LTI 2019 and LTI 2020, reference is made to the Annual Report 2020, Note 34, and the company's website www.assaabloy.com.

Shares and votes

The total number of shares in the company at the time for the notice to the Annual General Meeting amount to 1,112,576,334 shares, of which 57,525,969 are Series A shares and 1,055,050,365 Series B shares, which is equivalent to a total of 1,630,310,055 votes. ASSA ABLOY AB is holding at the time of the notice to the Annual General Meeting, 1,800,000 own Series B shares, corresponding to 1,800,000 votes that may not be represented at the Annual General Meeting.

Documentation and additional information

The complete proposals of the Nomination Committee with respect to items 8–11 above, including the Nomination Committee's motivated statement, are available at the company's website www.assaabloy.com. The financial statements, the auditor's report, the Board of Directors' complete proposals including the Board of Directors' statements pursuant to Chapter 18, Section 4 and Chapter 19, Section 22 of the Swedish Companies Act, the Board of Directors' report on remuneration pursuant to Chapter 8, Section 53 a of the Swedish Companies Act, and the auditor's statement pursuant to Chapter 8, Section 54 of the Swedish Companies Act regarding guidelines for remuneration to senior executives, are presented by being available at the company and on the company's website www.assaabloy.com no later than Wednesday 7 April 2021. Copies of the documents will be sent free of charge to shareholders who so request and state their address to the company. The shareholders' register for the General Meeting will be available at ASSA ABLOY AB, Klarabergsviadukten 90, SE-111 64 Stockholm, Sweden.

Processing of personal data

For information on how your personal data is processed, see:

<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Stockholm in March 2021
The Board of Directors
ASSA ABLOY AB (publ)

NOTIFICATION OF PARTICIPATION AND FORM FOR ADVANCE VOTING

by postal voting in accordance with Section 22 of the Swedish Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations

To be received by Euroclear Sweden AB no later than Tuesday 27 April 2021.

The shareholder set out below hereby notifies the company of its participation and exercises its voting right for all of the shareholder's shares in ASSA ABLOY AB, Reg. No. 556059-3575, at the Annual General Meeting on Wednesday 28 April 2021. The voting right is exercised in accordance with the voting options marked below.

Shareholder	Personal identity number/registration number

Assurance (if the undersigned is a legal representative of a shareholder who is a legal entity): I, the undersigned, am a board member, the CEO or a signatory of the shareholder and solemnly declare that I am authorised to submit this advance vote on behalf of the shareholder and that the contents of the advance vote correspond to the shareholder's decisions

Assurance (if the undersigned represents the shareholder by proxy): I, the undersigned, solemnly declare that the enclosed power of attorney corresponds to the original and that it has not been revoked

Place and date	
Signature	
Clarification of signature	
Telephone number	E-mail

Instructions:

- Complete the information above
- Select the preferred voting options below
- Print, sign and send the form in the original to ASSA ABLOY AB (publ), "Annual General Meeting 2021", c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden. The completed and signed form may also be submitted electronically and shall, in such case, be sent to GeneralMeetingService@euroclear.com. Shareholders who are natural persons can also submit their advance votes electronically by verifying with BankID via Euroclear Sweden AB's website <https://anmalan.vpc.se/EuroclearProxy/>
- If the shareholder is a natural person who is personally voting in advance, it is the shareholder who should sign under *Signature* above. If the advance vote is submitted by a proxy of the shareholder, it is the proxy who should sign. If the advance vote is submitted by a legal representative of a legal entity, it is the representative who should sign
- A power of attorney shall be enclosed if the shareholder votes in advance by proxy. Proxy form is available upon request and on ASSA ABLOY AB's website www.assaabloy.com. If the shareholder is a legal entity, a registration certificate or a corresponding document for the legal entity shall be enclosed with the form
- **Please note that a shareholder whose shares are registered in the name of a bank or other nominee must register its shares in its own name to vote.** Instructions regarding this are included in the notice convening the meeting

A shareholder cannot give any other instructions than selecting one of the options specified at each item in the form. If a shareholder wishes to abstain from voting in relation to a matter, kindly refrain from selecting an option. A vote (*i.e.* the advance voting in its entirety) is invalid if the shareholder has provided the form with specific instructions or conditions or if pre-printed text is amended or supplemented. One form per shareholder will be considered. If more than one form is submitted, the form with the latest date will be considered. The form latest received by the company will be considered if two forms are dated at the same date. An incomplete or wrongfully completed form may be discarded without being considered.

The form, together with any enclosed authorization documentation shall be received by Euroclear Sweden AB no later than Tuesday 27 April 2021. An advance vote can be withdrawn up to and including Tuesday 27 April 2021 by contacting Euroclear Sweden AB via e-mail to GeneralMeetingService@euroclear.com with reference ("ASSA ABLOY Annual General Meeting 2021"), with mail to ASSA ABLOY AB (publ), "Annual General Meeting 2021", c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, or by telephone +46 8 506 485 14 (Monday-Friday 9.00 am - 4.00 pm (CET)).

For complete proposals regarding the items on the agenda, kindly refer to the notice convening the Meeting and the proposals on ASSA ABLOY AB's website www.assaabloy.com.

For information on how your personal data is processed, see the integrity policy that is available at Euroclear's website www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf.

Annual General Meeting in ASSA ABLOY AB on Wednesday 28 April 2021

The voting options below comprise the proposals of the Board of Directors and the Nomination Committee both included in the notice convening the Annual General Meeting.

1. Election of Chairman of the Annual General Meeting Yes <input type="checkbox"/> No <input type="checkbox"/>
2. Election of two persons to check the Annual General Meeting minutes
2a. Johan Hjertonsson (Investment AB Latour) Yes <input type="checkbox"/> No <input type="checkbox"/>
2b. Liselott Ledin (Alecta) Yes <input type="checkbox"/> No <input type="checkbox"/>
3. Preparation and approval of the voting list Yes <input type="checkbox"/> No <input type="checkbox"/>
4. Approval of the agenda Yes <input type="checkbox"/> No <input type="checkbox"/>
5. Determination of whether the Annual General Meeting has been duly convened Yes <input type="checkbox"/> No <input type="checkbox"/>
7a. Resolution regarding adoption of the Statement of Income and the Balance Sheet as well as the Consolidated Statement of Income and the Consolidated Balance Sheet Yes <input type="checkbox"/> No <input type="checkbox"/>
7b. Resolution regarding dispositions of the company's profit according to the adopted Balance Sheet Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. Resolution regarding discharge from liability of the members of the Board of Directors and the CEO
7c. 1 Lars Renström (<i>Chairman of the Board</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 2 Carl Douglas (<i>Vice Chairman of the Board</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 3 Eva Karlsson (<i>Board member</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 4 Birgitta Klasén (<i>Board member</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>

7c. 5 Lena Olving (<i>Board member</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 6 Sofia Schörling Högberg (<i>Board member</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 7 Jan Svensson (<i>Board member</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 8 Joakim Weidemanis (<i>Board member</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 9 Rune Hjältn (<i>Board member, employee representative</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 10 Mats Persson (<i>Board member, employee representative</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 11 Bjarne Johansson (<i>deputy Board member, employee representative</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 12 Nadja Wikström (<i>deputy Board member, employee representative</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
7c. 13 Nico Delvaux (<i>CEO</i>) Yes <input type="checkbox"/> No <input type="checkbox"/>
8. Determination of the number of members of the Board of Directors Yes <input type="checkbox"/> No <input type="checkbox"/>
9a. Determination of fees to the Board of Directors Yes <input type="checkbox"/> No <input type="checkbox"/>
9b. Determination of fees to the Auditor Yes <input type="checkbox"/> No <input type="checkbox"/>
10. Election of the Board of Directors, Chairman of the Board of Directors and Vice Chairman of the Board of Directors Yes <input type="checkbox"/> No <input type="checkbox"/>
11. Election of Auditor Yes <input type="checkbox"/> No <input type="checkbox"/>
12. Resolution on approval of the remuneration report Yes <input type="checkbox"/> No <input type="checkbox"/>
13. Resolution regarding authorization to repurchase and transfer Series B shares in the company Yes <input type="checkbox"/> No <input type="checkbox"/>
14. Resolution regarding long-term incentive program Yes <input type="checkbox"/> No <input type="checkbox"/>

**The shareholder wishes that the resolutions under one or several items in the form above be deferred to a continued general meeting
(Completed only if the shareholder has such a wish)**

Item/items (use
numbering):

Postal votes - final outcome (26§ 2020:198)

A - 10 votes		B - 1 vote		Total
Present shares	57 525 969	526 037 805	583 563 774	
Present votes	575 259 690,0	526 037 805,0	1 101 297 495,0	
Issued share capital	57 525 969	1 055 050 365	1 112 576 334	
Repurchased shares	0	1 800 000	1 800 000	

	Votes		Not voted	Shares		Not voted	% of given votes		% present shares		% of issued share capital	
	For	Against		For	Against		For	Against	For	Against	For	Against
1 - Election of Chairman of the Annual General Meeting												
1 094 019 673,0	30,0	7 277 792,0		576 285 952	30	7 277 792	100,000%	0,000%	0,661%	98,753%	0,000%	1,247%
2a - Election of two persons to check the Annual General Meeting minutes - Johan Hjertensson (Investment AB Latour)												
1 094 019 673,0	30,0	7 277 792,0		576 285 952	30	7 277 792	100,000%	0,000%	0,661%	98,753%	0,000%	1,247%
2b - Election of two persons to check the Annual General Meeting minutes - Liselott Ledin (Alecta)												
1 094 019 524,0	30,0	7 277 941,0		576 285 803	30	7 277 941	100,000%	0,000%	0,661%	98,753%	0,000%	1,247%
3 - Preparation and approval of the voting list												
1 091 850 576,0	0,0	9 446 919,0		574 116 855	0	9 446 919	100,000%	0,000%	0,858%	98,381%	0,000%	1,619%
4 - Approval of the agenda												
1 094 019 554,0	0,0	7 277 941,0		576 285 833	0	7 277 941	100,000%	0,000%	0,661%	98,753%	0,000%	1,247%
5 - Determination of whether the Annual General Meeting has been duly convened												
1 094 019 703,0	0,0	7 277 792,0		576 285 982	0	7 277 792	100,000%	0,000%	0,661%	98,753%	0,000%	1,247%
7a - Resolution regarding adoption of the Statement of Income and the Balance Sheet as well as the Consolidated Statement of Income and the Consolidated Balance Sheet												
1 100 832 576,0	1,0	464 918,0		583 098 855	1	464 918	100,000%	0,000%	0,042%	99,920%	0,000%	0,080%
7b - Resolution regarding dispositions of the company's profit according to the adopted Balance Sheet												
1 098 662 743,0	2 634 603,0	149,0		580 929 022	2 634 603	149	99,761%	0,239%	0,000%	99,549%	0,451%	0,000%
7c.1 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Lars Renström (Chairman of the Board)												
1 083 122 998,0	15 650 635,0	2 523 862,0		565 389 277	15 650 635	2 523 862	98,576%	1,424%	0,229%	96,886%	2,682%	0,432%
7c.2 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Carl Douglas (Vice Chairman of the Board)												
1 090 494 039,0	9 696 292,0	1 107 164,0		572 760 318	9 696 292	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%
7c.3 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Eva Karlsson (Board member)												
1 090 494 068,0	9 696 263,0	1 107 164,0		572 760 347	9 696 263	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%
7c.4 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Birgitta Kläsén (Board member)												
1 090 494 068,0	9 696 263,0	1 107 164,0		572 760 347	9 696 263	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%
7c.5 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Lena Olving (Board member)												
1 090 494 068,0	9 696 263,0	1 107 164,0		572 760 347	9 696 263	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%
7c.6 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Sofia Schörling Högborg (Board member)												
1 093 327 149,0	15 446 484,0	2 523 862,0		565 593 428	15 446 484	2 523 862	98,594%	1,406%	0,229%	96,921%	2,647%	0,432%
7c.7 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Jan Svensson (Board member)												
1 090 494 039,0	9 696 292,0	1 107 164,0		572 760 318	9 696 292	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%
7c.8 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Joakim Weidemanis (Board member)												
1 090 494 068,0	9 696 263,0	1 107 164,0		572 760 347	9 696 263	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%
7c.9 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Rune Hjalim (Board member, employee representative)												
1 090 493 368,0	9 696 963,0	1 107 164,0		572 759 647	9 696 963	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%
7c.10 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Mats Persson (Board member, employee representative)												

1 090 493 368,0	9 696 963,0	1 107 164,0	572 759 647	9 696 963	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%	51,480%	0,872%	47,648%
7c.11 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Bjarne Johansson (deputy Board member, employee representative)														
1 090 493 368,0	9 696 963,0	1 107 164,0	572 759 647	9 696 963	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%	51,480%	0,872%	47,648%
7c.12 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Nadja Wikström (deputy Board member, employee representative)														
1 090 493 368,0	9 696 963,0	1 107 164,0	572 759 647	9 696 963	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%	51,480%	0,872%	47,648%
7c.13 - Resolution regarding discharge from liability of the members of the Board of Directors and the CEO - Nico Delvaux (CEO)														
1 090 494 068,0	9 696 263,0	1 107 164,0	572 760 347	9 696 263	1 107 164	99,119%	0,881%	0,101%	98,149%	1,662%	0,190%	51,481%	0,872%	47,648%
8 - Determination of the number of members of the Board of Directors														
1 101 116 393,0	181 102,0	0,0	583 382 672	181 102	0	99,984%	0,016%	0,000%	99,969%	0,031%	0,000%	52,435%	0,016%	47,548%
9a - Determination of fees to the Board of Directors														
1 097 633 491,0	3 664 004,0	0,0	579 899 770	3 664 004	0	99,667%	0,333%	0,000%	99,372%	0,628%	0,000%	52,122%	0,329%	47,548%
9b - Determination of fees to the Auditor														
1 096 079 682,0	5 217 813,0	0,0	578 345 961	5 217 813	0	99,526%	0,474%	0,000%	99,106%	0,894%	0,000%	51,983%	0,469%	47,548%
10 - Election of the Board of Directors, Chairman of the Board of Directors and Vice Chairman of the Board of Directors														
944 718 225,0	152 013 881,0	4 565 389,0	426 984 504	152 013 881	4 565 389	86,139%	13,861%	0,415%	73,168%	26,049%	0,782%	38,378%	13,663%	47,959%
11 - Election of Auditor														
1 098 978 444,0	2 319 051,0	0,0	581 244 723	2 319 051	0	99,789%	0,211%	0,000%	99,603%	0,397%	0,000%	52,243%	0,208%	47,548%
12 - Resolution on approval of the remuneration report														
1 073 242 073,0	26 534 236,0	1 521 186,0	555 508 352	26 534 236	1 521 186	97,587%	2,413%	0,138%	95,192%	4,547%	0,261%	49,930%	2,385%	47,685%
13 - Resolution regarding authorization to repurchase and transfer Series B shares in the company														
1 098 736 070,0	2 390 468,0	170 957,0	581 002 349	2 390 468	170 957	99,783%	0,217%	0,016%	99,561%	0,410%	0,029%	52,221%	0,215%	47,564%
14 - Resolution regarding long-term incentive program														
952 893 671,0	144 162 451,0	4 241 373,0	435 159 950	144 162 451	4 241 373	86,859%	13,141%	0,385%	74,569%	24,704%	0,727%	39,113%	12,958%	47,930%

TRANSLATION FROM THE SWEDISH ORIGINAL

Auditor's report in accordance with Chapter 8, Section 54 of the Swedish Companies Act (2005:551) on whether the guidelines adopted by the General Meeting regarding remuneration to Group Executive Management have been complied with

To the General Meeting of ASSA ABLOY AB (publ), corporate identity 556059-3575

We have examined whether the Board of Directors and the Managing Director of ASSA ABLOY AB (publ), have, for the year 2020, complied with the guidelines on remuneration to Group Executive Management, adopted at the General Meeting on 29 April 2020. The period 2020-01-01–2020-04-29 (from the opening of the financial year until the General Meeting) complied with the guidelines on remuneration to Group Executive Management, adopted at the General Meeting on 25 April 2019.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for compliance with the guidelines and for the internal control the Board of Directors and the Managing Director determine is necessary to ensure compliance with the guidelines.

Auditor's responsibility

Our responsibility is to issue a report, based on our examination, to the General Meeting regarding whether the guidelines have been complied with. The examination has been performed in accordance with FAR's recommendation RevR 8 *Granskning av ersättningar till ledande befattningshavare i vissa publika aktieföretag* (Examination of Remuneration to Group Executive Management in certain listed companies). Those standards require us to comply with the ethical requirements, and also to plan and perform the examination in such a manner that we may obtain reasonable assurance about whether the guidelines on remuneration have been complied with. The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of ASSA ABLOY AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The examination has covered the company's organization and documentation of issues concerning remuneration for Group Executive Management, new decisions concerning remuneration, as well as a selection of the financial year's payments to Group Executive Management. The procedures selected depend on the auditor's judgement, including the assessment of the risk that the guidelines have not, in all material respects, been complied with. In making this risk assessment, the auditor considers internal control relevant to the company's compliance with the guidelines in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

We believe that our examination provides a reasonable basis for our conclusion.

Conclusion

In our opinion the Board of Directors and the Managing Director of ASSA ABLOY AB (publ) have, during the period 2020-04-30–2020-12-31 complied with the guidelines on remuneration to Group Executive Management, which were adopted by the General Meeting on 29 April 2020.

In our opinion the Board of Directors and the Managing Director of ASSA ABLOY AB (publ) have, during the period 2020-01-01–2020-04-29 complied with the guidelines on remuneration to Group Executive Management, which were adopted by the General Meeting on 25 April 2019.

Stockholm, 2 February 2021

Ernst & Young AB

Hamish Mabon
Authorized Public Accountant

The Board of Directors' statement pursuant to Chapter 18, Section 4 and Chapter 19, Section 22 of the Swedish Companies Act

ASSA ABLOY's objective is that the dividend, in the long term, shall correspond to 33-50 percent of the Group's earnings after standard tax, however, always taking into account the ASSA ABLOY's long-term financing requirements. The Board of Directors has proposed that the Annual General Meeting 2021 resolves on distribution of profits to the effect that a dividend of SEK 3.90 per share shall be distributed to the shareholders. Thus, the dividend payment amounts to SEK 4,332 million in total.¹ In order to facilitate a more efficient cash management, the Board of Directors has proposed the dividend is to be paid in two equal installments, the first with record date 30 April 2021 and the second with record date 23 November 2021. If the proposal is adopted by the Annual General Meeting, the first installment is estimated to be paid on 5 May 2021 and the second installment on 26 November 2021.

Furthermore, the Board of Directors has proposed an authorization for the Board of Directors to, on one or more occasions for the period up until the next Annual General Meeting, resolve on repurchasing and transferring Series B shares in the company. The purpose of the proposal is, among other things, to make possible the ability to continuously adapt the company's capital structure and thereby contribute to increased shareholder value, to be able to exploit attractive acquisition opportunities by fully or partly financing future acquisitions with the company's own shares, and to ensure the company's undertakings, including social security costs, in accordance with the long-term incentive program proposed by the Board of Directors in Item 14 of the agenda of the Annual General Meeting.

The Board of Directors hereby presents the following updated statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act and statement in accordance with Chapter 19, Section 22 of the Swedish Companies Act. The Board of Directors' reasons for the proposed dividend payment and the authorization to repurchase and transfer Series B shares in the company being in accordance with the provisions of Chapter 17, Section 3, Paragraphs 2 and 3 of the Swedish Companies Act are as follows.

The assets and liabilities have been valued at their actual value in accordance with Chapter 4, Section 14a of the Swedish Annual Accounts Act (1995:1554). If the valuation had not been made at actual value, the equity would not have been higher.

The company's premium fund amounts to SEK 787 million, the company's retained earnings amount to SEK 10,112 million and the earnings of the financial year 2020 amount to SEK 5,552 million (SEK 9,172 million for the Group). Provided that the Annual General Meeting 2021 resolves on distribution of profits in accordance with the Board of Directors' proposal, SEK 12,120 million will be carried forward to the new financial year.¹ The company's restricted equity will be fully covered after the proposed dividend payment.

Taking into account the proposed dividend and a full utilization of the proposed authorization, the Board of Directors' assessment is that the size of the company's and the Group's equity is sufficient in relation to the scope of the company's and the Group's business and the risks connected therewith. The Board of Directors has hereby taken into consideration, among other things, the company's and the Group's historical development, budgeted development and situation in the business cycle.

The Board of Directors has made an assessment of the company's and the Group's position and the ability to fulfil their obligations on both a short and long-term basis. The proposed

¹ Calculated on the total number of outstanding shares at the time of the notice to the Annual General Meeting. No dividend is paid for ASSA ABLOY AB's holding of own shares, whose exact number is determined on the respective record date for payment of the dividend. At the time of the notice to the Annual General Meeting ASSA ABLOY AB's holding of own shares totaled 1,800,000 Series B shares.

dividend in total constitutes 16.5 percent of the company's equity and 7.4 percent of the Group's equity, as of 31 December 2020. The Board of Directors has proposed that the Board of Directors is authorized to resolve to repurchase so many Series B shares in the company that the company's holding after each purchase does not exceed 10 percent of the total number of votes and shares in the company.

Following distribution of the dividend, the company's and the Group's equity-debt ratio will amount to 36.4 percent and 46.5 percent, respectively. The company's and the Group's equity-debt ratio is thereby good in relation to the industry. The Board of Directors considers that the company and the Group are in a position to meet future business risks and withstand possible losses. The dividend and a full utilization of the proposed authorization will not have negative effects on the company's or the Group's ability to make further investments, as planned by the Board of Directors.

The proposed dividend and the proposed authorization to repurchase and transfer Series B shares in the company will not have negative effects on the company's or the Group's ability to meet current payment liabilities. The company and the Group have good access to short as well as long-term credit facilities, which can be utilized with short notice. Hence, the assessment of the Board of Directors is that the company and the Group are well prepared to manage changes in liquidity as well as unforeseen events.

In addition to the above, the Board of Directors has taken into account other known circumstances that might be of importance in relation to the financial position of the company and the Group. With reference to the above, and to what has otherwise come to the knowledge of the Board of Directors, the Board of Directors is of the opinion that the proposed dividend and the authorization to repurchase and transfer Series B shares in the company are justified according to the provisions of Chapter 17, Section 3, Paragraphs 2 and 3 of the Swedish Companies Act.

Stockholm in March 2021
The Board of Directors
ASSA ABLOY AB (publ)

ASSA ABLOY remuneration report 2020

Introduction

This remuneration report describes how ASSA ABLOY AB's guidelines for remuneration to senior executives, adopted by the Annual General Meeting 2020, were implemented in 2020. The report also provides information on remuneration to the CEO and a summary of the company's outstanding share and share-price related incentive programs. The report has been prepared in accordance with Chapter 8, Sections 53 a and 53 b of the Swedish Companies Act (2005:551) and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Information required by Chapter 5, Sections 40-44 of the Annual Accounts Act (1995:1554) is available in note 34 (*Employees*) on pages 87-88 in the company's annual report for 2020 (the "**Annual Report 2020**").

Information on the work of the Remuneration Committee in 2020 is set out in the corporate governance report available on pages 47-57 in the Annual Report 2020.

Remuneration of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and disclosed in note 34 (*Employees*) on page 87 in the Annual Report 2020.

Key developments 2020

The CEO summarizes the company's overall performance in his statement on pages 6-7 in the Annual Report 2020.

ASSA ABLOY's remuneration guidelines: scope, purpose and deviations

With the objective that ASSA ABLOY shall continue to be able to recruit and retain competent employees, the basic principle being that remuneration and other employment conditions shall be offered on market conditions and be competitive. The remuneration guidelines enable ASSA ABLOY to offer senior executives a total remuneration that is on market conditions and competitive. Prerequisites are thereby established for successful implementation of the Group's business strategy as well as safeguarding ASSA ABLOY's long-term interests, including its sustainability. Under the remuneration guidelines, the total yearly remuneration to the senior executives shall be on market conditions and be competitive and also reflect each senior executive's responsibility and performance. The total yearly remuneration shall consist of fixed base salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall be linked to predetermined and measurable financial targets and can also be linked to strategical and/or functional targets individually adjusted on the basis of responsibility and function. These targets shall be designed so as to contribute to ASSA ABLOY's business strategy and long-term interests, including its sustainability, by for example being linked to the business strategy or promote the senior executive's long-term development within ASSA ABLOY.

The remuneration guidelines are found in note 34 (*Employees*) on pages 87-88 in the Annual Report 2020. During 2020, the company has complied with the applicable remuneration guidelines adopted by the General Meeting. No deviations from the remuneration guidelines have been decided and no derogations from the procedure for implementation of the remuneration guidelines have been made. The auditor's report regarding whether the company has complied with the remuneration guidelines is available on the company's website www.assaabloy.com. No remuneration has been reclaimed.

In addition to remuneration covered by the remuneration guidelines, the Annual General Meetings of ASSA ABLOY AB have resolved to implement share-based long-term incentive programs (LTIs) and on remuneration to the Board of Directors.

Table 1 – Total remuneration of the CEO in 2020 (SEK thousands)

Name of Director (position)	Financial year	1 Fixed remuneration		2 Variable remuneration		3	4	5	6
		Base salary	Other benefits	One-year variable	Multi-year variable ¹	Extraordinary items ²	Pension expense	Total remuneration	Proportion of fixed and variable remuneration
Nico Delvaux (CEO)	2020	18,389	152	1,350	6,482	2,000	6,446	34,820	72%/28%

Share based remuneration

Outstanding share and share-price related incentive programs

ASSA ABLOY has three outstanding share-based long-term incentive programs (LTI 2018, LTI 2019 and LTI 2020) for senior executives and other key employees in the Group that have been resolved at Annual General Meetings (2018-2020). In April 2020, vesting of the remaining parts of the 2017 share-based long-term incentive program (LTI 2017) took place.

LTI 2018-LTI 2020

For each Series B share acquired by the CEO within the framework of LTI 2018, LTI 2019 and LTI 2020, the company has awarded six performance-based share awards. For each Series B share acquired by other members of the Executive Team, the company has awarded five performance-based share awards. For other participants, the company has awarded four performance-based share awards. Each performance-based share award entitles the holder to receive one Series B share in the company free of charge three years after the award date, provided that the holder, with certain exceptions, at the time of the release of the interim report for the first quarter 2021 (LTI 2018), first quarter 2022 (LTI 2019) and first quarter 2023 (LTI 2020) still is employed by the Group and has maintained the shares acquired within the framework of the respective long-term incentive program. In addition to these vesting conditions, the number of performance-based share awards that entitles the holder to Series B shares in the company depends on the annual development of ASSA ABLOY's earnings per share based on the target levels, as defined by the Board of Directors, during the measurement period 1 January 2018 – 31 December 2020 (LTI 2018), the measurement period 1 January 2019 – 31 December 2021 (LTI 2019) and the measurement period 1 January 2020 – 31 December 2022 (LTI 2020) where each year during the measurement period is compared to the previous year. The outcomes are calculated yearly, whereby one third of the performance-based share awards is measured against the outcome for the first year in the measurement period, one third is measured against the outcome for the second year in the measurement period and one third is measured against the outcome for the third year in the measurement period. The outcome

¹ Multi-year variable remuneration is defined as the company's personnel cost, excluding social charges, related to the CEO for all the existing long-term share incentive programs (LTIs) for the current year (i.e. IFRS2 cost).

² Cash compensation for share incentive programs from a previous employer.

for each year is measured linearly. Unless the minimum target level in the interval is achieved for the year, all of the relevant performance-based share awards will lapse. If the maximum target level in the interval is achieved, each performance-based share award linked to the relevant year entitles the holder to one Series B share at the end of the three-year vesting period provided the other vesting conditions are met.

In accordance with the terms of LTI 2018, LTI 2019 and LTI 2020, employees have acquired a total of 369,906 Series B shares in ASSA ABLOY AB. The CEO, Nico Delvaux, has acquired 12,648 Series B shares in LTI 2018, 13,050 Series B shares in LTI 2019 and 14,825 Series B shares in LTI 2020.

Fulfilment of the performance-based condition for LTI 2018, LTI 2019 and LTI 2020, respectively, is intended to be presented in the annual report for the financial year in which the relevant program vests.

The total number of outstanding performance-based share awards for LTI 2018, LTI 2019 and LTI 2020 amounted to 1,409,499 on the reporting date of 31 December 2020.

Fair value is based on the share price on the respective award date. The present value calculation is based on data from an external party. Fair value is also adjusted for performance-based share awards not expected to be realized at the end of the vesting period of the respective program. The company further assesses the probability of the performance targets being met when calculating the compensation expense. The fair value of ASSA ABLOY's Series B share on the award date for LTI 2020, 28 May 2020, was SEK 196.25. The fair value of ASSA ABLOY's Series B share on the award date for LTI 2019, 24 May 2019, was SEK 194.23. The fair value of ASSA ABLOY's Series B share on the award date for LTI 2018, 25 May 2018, was SEK 191.63.

The total cost of LTI 2017-LTI 2020 excluding social security costs amounted to SEK 49 million in 2020.

LTI 2017

For each Series B share acquired within the framework of LTI 2017, the company has awarded one matching share award and one to four performance-based share awards. Each matching share award entitled the holder to receive one Series B share in the company free of charge three years after the award date, provided that the holder, with certain exceptions, at the time of the release of the interim report for the first quarter 2020 was still employed by the Group and had maintained the shares acquired within the framework of LTI 2017. Each performance-based share award entitled the holder to receive one Series B share in the company free of charge three years after the award date, provided that the above vesting conditions have been fulfilled. In addition, the maximum level in a range determined by the Board of Directors for the performance of the company's earnings per share must have been fulfilled during the first year of the program in order to receive full outcome at the end of the three year vesting period. The performance condition was 100 percent fulfilled for LTI 2017. The fair value of ASSA ABLOY's Series B share on the award date for LTI 2017, 26 May 2017, was SEK 192.10. In April 2020, vesting of the remaining parts of LTI 2017 took place equivalent of 126,551 shares at a total market value at the time of vesting of SEK 22 million. The CEO, Nico Delvaux, did not take part in LTI 2017.

Table 2 – Share award plans (LTI)

	The main conditions of share award plans					Information regarding the reported financial year 2020					
						Opening balance	During the year		Closing balance		
	1	2	3	4	5	6	7	8	9	10	11
Name of Director (position)	Name of plan	Performance period ³	Award date performance awards	Vesting Date	End of retention period	Performance awards held at the beginning of the year	Number of performance awards awarded	Number of shares vested	Performance awards subject performance condition in order to be awarded ⁴	Performance awards awarded and unvested at year end ⁵	Performance awards subject to a retention period ⁶
Nico Delvaux (CEO)	LTI 2018	2018-2020	25 May 2018	As soon as possible after the release of the interim report for Q1 2021	Vesting Date	75,888	-	-	-	75,888	-
	LTI 2019	2019-2021	24 May 2019	As soon as possible after the release of the interim report for Q1 2022	Vesting Date	78,300	-	-	-	78,300	-
	LTI 2020	2020-2022	28 May 2020	As soon as possible after the release of the interim report for Q1 2023	Vesting Date	-	88,950	-	-	88,950	-
Total						154,188	88,950	-	-	243,138	-

³ Measurement period.

⁴ All performance awards are granted at the launch of the relevant program.

⁵ All performance awards remain unvested until the relevant Vesting Date. To make the participants' interest equal with the shareholders' the company will compensate the participants for distributed dividend during the vesting period (i.e. until the relevant Vesting Date) by increasing the number of Series B shares that each performance award gives right to after the vesting period for the relevant program. Hence, the final number of Series B shares received at vesting will be adjusted at the time of vesting.

⁶ Neither the performance awards nor the Series B shares received upon vesting are subject to post-vesting retention.

Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected to deliver ASSA ABLOY's business strategy and to encourage behavior which is in ASSA ABLOY's long-term interest, including its sustainability. In the selection of performance measures, the strategic objectives and short-term and long-term business priorities for 2020 have been taken into account. Please refer to page 97 *Definitions of key ratios* in the Annual Report 2020 for a general description of financial performance measurements.

Table 3 a – Performance of the CEO in the reported financial year 2020 - short-term variable compensation (STI)

Name of Director (position)	1 Description of the criteria related to the remuneration component	2 Relative weighting of the performance criteria	3
			a) Measured performance and b) actual award/ remuneration outcome, SEK thousands
Nico Delvaux (CEO)	Improvement earnings per share (EPS) ⁷	90%	a) EPS year on year improvement
			b) -
	Operating cash flow/income before tax ⁸	10%	a) Operating cash flow/income before tax ⁹
			b) 1,350

Table 3 b – Performance of the CEO in the reported financial year 2020 - long-term variable compensation (LTI)

Name of Director (position)	Name of the plan	1 Description of the criteria related to the remuneration component	2 Relative weighting of the performance criteria	3
				a) Measured performance and b) actual award/ remuneration outcome, SEK thousands ¹⁰
Nico Delvaux (CEO)	LTI 2018	Improvement earnings per share (EPS) ¹¹ over three years	100%	a) EPS year on year improvement
				b) -
	LTI 2019	Improvement earnings per share (EPS) ¹² over three years	100%	a) EPS year on year improvement
				b) -
	LTI 2020	Improvement earnings per share (EPS) ¹³ over three years	100%	a) EPS year on year improvement
				b) -

⁷ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

⁸ Operating cash flow in relation to income before tax excluding items affecting comparability.

⁹ See footnote 8.

¹⁰ The performance awards remain unvested till the end of the relevant vesting period (i.e. until the relevant Vesting Date set out in Table 2). In 2020 no performance awards for LTI 2018, LTI 2019 and LTI 2020 have vested. The cost of LTI 2018-LTI 2020, set out in Table 1, are allocated over the three year vesting period, calculated in accordance with IFRS2.

¹¹ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

¹² Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

¹³ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

Table 4 – Remuneration and company performance in the reported financial year (RFY)

Remuneration and company performance	RFY 2020
CEO remuneration	SEK 34.8 M
Group operating income ¹⁴	SEK 12,458 M
Average remuneration on a full-time equivalent basis of employees of the company (ASSA ABLOY AB)	2.5% ¹⁵

Additional information

Call options issued by shareholders to the CEO

Pursuant to an agreement dated 7 February 2018 between the CEO, Nico Delvaux, and Latour Förvaltning AB ("**Latour**") and Melker Schörling AB ("**MSAB**"), Latour and MSAB have issued in total 94,787 call options to Nico Delvaux with the right to acquire the same number of Series B shares in ASSA ABLOY AB from Latour and MSAB. The purchase price was SEK 21.10 per call option and the transaction date was 7 February 2018. The call options were sold at market price, ensured through an external independent valuation.

CEO's total holdings of shares and call options in ASSA ABLOY AB

The CEO, Nico Delvaux, holds in total 59,623 Series B shares and 94,787 call options as at 31 December 2020.

¹⁴ Group operating income is defined as income before financial net, and taxes on income, including items affecting comparability.

¹⁵ Percentage of CEO remuneration.

The Board of Directors' proposal regarding authorization to repurchase and transfer Series B shares in the company

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to pass a resolution, on one or more occasions for the period up until the next Annual General Meeting, on repurchasing Series B shares in the company in accordance with the following.

- The repurchase may as a maximum comprise so many Series B shares that the company after each repurchase holds a maximum of 10 percent of the total number of shares in the company.
- The repurchase of Series B shares shall take place on Nasdaq Stockholm.
- The repurchase of Series B shares on Nasdaq Stockholm may only occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price.
- Payment of the Series B shares shall be made in cash.

Furthermore, the Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to pass a resolution, on one or more occasions for the period up until the next Annual General Meeting, on transferring Series B shares in the company in accordance with the following.

- The maximum number of Series B shares to be transferred may not exceed the number of shares held by the company at the time of the Board of Directors resolution.
- Transfers of Series B shares shall take place:
 - (i) on Nasdaq Stockholm, or
 - (ii) in connection with acquisition of companies or businesses, on market terms.
- Transfers of Series B shares on Nasdaq Stockholm may only occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price.
- The authorization includes the right to resolve on deviation of the preferential rights of shareholders and that payment may be made in other forms than cash.

The purpose of the authorizations is to make possible the ability for the Board of Directors to continuously adapt the company's capital structure and thereby contribute to increased shareholder value, to be able to exploit attractive acquisition opportunities by fully or partly financing future acquisitions with the company's own shares, and to ensure the company's undertakings, including social security costs, in accordance with the Board of Directors' proposal for a long-term incentive program under Item 14.

The Board of Directors has presented a motivated statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act, the statement is available at the company and on the company's website www.assaabloy.com.

The proposal in this Item 13 requires an approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the Annual General Meeting to be valid.

Stockholm in March 2021
The Board of Directors
ASSA ABLOY AB (publ)

The Board of Directors' proposal regarding long-term incentive program

Summary of the program

The Board of Directors proposes that the Annual General Meeting resolves to implement a new long-term incentive program for senior executives and key employees within the ASSA ABLOY Group (LTI 2021). LTI 2021 is based on the same principles as LTI 2018, LTI 2019 and LTI 2020.

LTI 2021 is proposed to include a maximum of 115 senior executives and key employees within the ASSA ABLOY Group. In order to participate in LTI 2021 the participants will have to invest in Series B shares in ASSA ABLOY at market price. For every Series B share purchased within the scope of LTI 2021, the company will grant so called performance awards free of charge in accordance with the terms stipulated below.

The rationale for the proposal

The purpose of LTI 2021 is to strengthen the ASSA ABLOY Group's ability to retain and recruit competent employees, to contribute to ASSA ABLOY providing a total remuneration that is on market conditions and competitive, and to align the interests of the shareholders with the interests of the employees concerned. Through a share-based long-term incentive program, the employees' remuneration is tied to ASSA ABLOY's future earnings and value growth. In light of the above, the Board of Directors believes that the implementation of LTI 2021 will have a positive effect on the long-term value growth of the Group, including its sustainability, and consequently that LTI 2021 is beneficial to both the shareholders and the company.

Personal investment

In order to participate in LTI 2021, the participants will have to invest in Series B shares in ASSA ABLOY at market price. The personal investment shall amount to a value corresponding to a minimum of 5 percent (all participants) and a maximum of 15 percent (CEO and other senior executives) or 10 percent (other participants), respectively, of the participant's fixed base salary. If the participant has access to inside information and is therefore prevented from making the personal investment in connection with the application to participate in LTI 2021, the personal investment shall be made as soon as possible, but no later than before the next Annual General Meeting.

For employees who have not participated in previous LTI programs, the participation in LTI 2021 is in addition subject to renunciation of customary salary review for the year 2021.

Participants in LTI 2021 and allocation

LTI 2021 is proposed to include a maximum of 115 senior executives and key employees within the ASSA ABLOY Group, divided in three categories. For each Series B share the CEO of the Group purchases under LTI 2021, the company will grant six performance awards. For each Series B share that other senior executives (currently nine individuals) purchase under LTI 2021, each such individual will be awarded five performance awards. For each Series B share that other participants (approximately 105 individuals) purchase under LTI 2021, each such individual will be awarded four performance awards.

Performance condition

The number of performance awards that gives right to receive Series B shares in the company depends on the annual development of ASSA ABLOY's earnings per share¹ based on the target levels, as defined by the Board of Directors, during the measurement period 1 January 2021 – 31 December 2023, where each year during the measurement period is compared to the previous year. The outcome is calculated yearly, whereby one third of the

¹ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

performance awards is measured against the outcome for 2021, one third is measured against the outcome for 2022 and one third is measured against the outcome for 2023.

The outcome for each year is measured linearly. Unless the minimum level is achieved for the year, none of the relevant performance awards will give right to Series B shares, and if the maximum level is achieved each performance award linked to the relevant year will give right to one Series B share. The Board of Directors intends to present the fulfilment of the performance based condition in the Annual Report for the financial year 2023.

Other conditions

In addition to the above conditions, the following shall apply for the performance awards.

- The performance awards shall be granted free of charge after the Annual General Meeting 2021.
- Each performance award entitles the holder to receive one Series B share free of charge three years after allotment of the award (vesting period), provided that the holder, with some exceptions, at the time of the release of the interim report for the first quarter 2024 still is employed by the ASSA ABLOY Group and has maintained the personal investment purchased under LTI 2021.
- To make the participants' interest equal with the shareholders' the company will compensate the participants for distributed dividend during the vesting period by increasing the number of Series B shares that each performance award gives right to after the vesting period.
- The performance awards are non-transferable and may not be pledged.
- The performance awards can be granted by the company or by any other company within the Group.

Preparation and administration

The Board of Directors shall be responsible for preparing the detailed terms and conditions of LTI 2021, in accordance with the mentioned terms and guidelines. To this end, the Board of Directors shall be entitled to make adjustments to meet foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes in the ASSA ABLOY Group, or its operating environment, would result in a situation where the decided terms and conditions for LTI 2021 no longer are appropriate.

In the event that the Board of Directors considers that the delivery of Series B shares under LTI 2021 cannot be achieved at reasonable cost, with reasonable administrative efforts or due to specific market conditions, participants may instead be offered a cash settlement.

Scope and cost of the program

LTI 2021 may, if the share price for the company's Series B share remains the same during the program's term, result in a maximum amount corresponding to 90 percent (CEO), 75 percent (other senior executives) or 40 percent (other participants), respectively, of the participants annual base salary (excluding social security costs). Such outcome is subject to a maximum personal investment, meaning that the participant must purchase Series B shares in the company for an amount corresponding to 15 percent (CEO and other senior executives) or 10 percent (other participants), respectively, of the participants annual base salary, maintain the initially purchased shares, that the performance based condition has been fully achieved and that the participant, with some exceptions, still is employed during the vesting period.

The total amount of Series B shares, which corresponds to the participant's total maximum personal investment, and thus the total amount of performance awards being allotted, depends on the share price for the company's Series B share at the time of allotment of performance awards under LTI 2021. The total number of outstanding shares in the company amounts to 1,112,576,334 shares.

Provided that the share price for the company's Series B share is traded at around SEK 234 at the time of allotment of performance awards under LTI 2021, LTI 2021 will, in accordance with the principles and assumptions set out above, comprise a maximum of 600,000 Series B shares in total, which corresponds to approximately 0.1 percent of the total outstanding shares and votes in the company.

LTI 2021 shall be expensed as personnel costs over the vesting period. Provided that the performance based condition is fully achieved, the cost for LTI 2021 before tax is, in accordance with the principles and assumptions set out above, estimated to approximately SEK 130 million, allocated over the vesting period. Estimated social security costs and financing cost are included in such amount.

The costs are expected to have marginal effect on key ratios of the ASSA ABLOY Group.

The Board of Directors deems that the positive effects on earnings that are expected to result from increased share ownership among senior executives and persons in senior managerial positions, which may be further increased through LTI 2021, outweighs the costs related to LTI 2021.

Delivery of shares under LTI 2021

To ensure the delivery of Series B shares under LTI 2021, the company intends to enter into an agreement with a third party, under which the third party shall, in its own name, buy and transfer Series B shares in the company to the participants in accordance with LTI 2021.

Preparation of the proposal

LTI 2021 has been initiated by the Board of Directors of ASSA ABLOY, and has been structured in consultation with external advisers based on an evaluation of previous incentive programs. LTI 2021 has been prepared by the Remuneration Committee and reviewed at meetings of the Board of Directors.

Previous incentive programs

The company's other share-based incentive programs, LTI 2018, LTI 2019 and LTI 2020 are based on the same principles as LTI 2021. For a description of LTI 2018, LTI 2019 and LTI 2020, reference is made to the Annual Report 2020, Note 34, and the company's website www.assaabloy.com.

Stockholm in March 2021
The Board of Directors
ASSA ABLOY AB (publ)