

Notice of Annual General Meeting in ASSA ABLOY AB

The shareholders of ASSA ABLOY AB (Reg. No. 556059-3575) are hereby invited to attend the Annual General Meeting to be held on Wednesday 27 April 2022 at 3.30 p.m., at Stockholm Waterfront Congress Centre, Nils Ericsons Plan 4, Stockholm, Sweden.

Registration for the Annual General Meeting starts at 2.30 p.m. The shareholders will also have the opportunity to exercise their voting rights by postal voting prior to the Annual General Meeting in accordance with temporary legislation.

Right to participate and notification

Participation at the meeting venue

Shareholders who wish to attend the meeting venue in person or by proxy must:

- be recorded in the share register kept by Euroclear Sweden AB on Tuesday 19 April 2022, and
- give notice of their participation to ASSA ABLOY AB no later than Thursday 21 April 2022. Notice of participation shall be given on the company's website www.assaabloy.com, by telephone +46 8-402 90 71 or in writing by mail to ASSA ABLOY AB, "2022 Annual General Meeting", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden.

The notification must state name, personal or corporate identification number, address, telephone number and names of any assistants attending. An entrance card, to be shown at the registration for the Annual General Meeting, will be sent as confirmation of the notification.

If the shareholder is represented by proxy, a written and dated power of attorney signed by the shareholder must be enclosed to the notification and be presented in original at the latest at the Annual General Meeting. Proxy form is available upon request and on the company's website www.assaabloy.com. If the proxy is issued by a legal entity, a certificate of incorporation or equivalent authorization document must be enclosed.

Participation by postal voting

Shareholders who wish to participate in the Annual General Meeting by postal voting must:

- be recorded in the share register kept by Euroclear Sweden AB on Tuesday 19 April 2022, and

- give notice of their participation to ASSA ABLOY AB no later than Thursday 21 April 2022 by submitting their postal votes in accordance with the instructions below so that the postal vote is received by ASSA ABLOY AB c/o Euroclear Sweden AB no later than that day.

A person who wishes to attend the meeting venue in person or by proxy, must give notice in accordance with the instructions under the heading *Participation at the meeting venue* above. Hence, a notice of participation only through postal voting is not sufficient for a person who wishes to attend the meeting venue.

A special form shall be used for postal voting. The postal voting form is available on the company's website www.assaabloy.com. The completed and signed postal voting form shall be sent to ASSA ABLOY AB, "2022 Annual General Meeting", 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 can also submit their postal votes electronically by verifying with BankID via Euroclear Sweden AB's website <https://anmalan.vpc.se/EuroclearProxy/>. The postal vote must be received by ASSA ABLOY AB c/o Euroclear Sweden AB no later than Thursday 21 April 2022.

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

If the shareholder submits its postal vote by proxy, a written and dated power of attorney signed by the shareholder must be enclosed with the postal voting form. Proxy form is available upon request and on the company's website www.assaabloy.com. If the proxy is issued by a legal entity, a certificate of incorporation or equivalent authorization document must be enclosed with the postal voting form.

Nominee registered shares

Shareholders whose shares are nominee registered through a bank or other nominee must, in addition to giving notice of participation, 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 in the Annual General Meeting. The shareholders' register for the General Meeting as of the record date Tuesday 19 April 2022 will take into account voting right registrations completed no later than Thursday 21 April 2022. 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.

Agenda

1. Opening of the Annual General Meeting.
2. Election of Chairman of the Annual General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of two persons to check the Annual General Meeting minutes.
6. Determination of whether the Annual General Meeting has been duly convened.
7. Speech by the President and CEO, Mr. Nico Delvaux.
8. Presentation of:
 - a) the Annual Report and the Auditor's Report as well as the Consolidated Accounts and the Auditor's Report for the Group,
 - 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, and
 - c) the Board of Directors proposal regarding distribution of profits and motivated statement.
9. 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.
- 10. Determination of the number of members of the Board of Directors.
- 11. Determination of:
 - a) fees to the Board of Directors,
 - b) fees to the Auditor.
- 12. Election of Board of Directors, Chairman of the Board of Directors and Vice Chairman of the Board of Directors.
- 13. Election of Auditor.
- 14. Resolution on approval of remuneration report.
- 15. Resolution regarding guidelines for remuneration to senior executives.
- 16. Resolution regarding authorization to repurchase and transfer Series B shares in the company.
- 17. Resolution regarding long-term incentive program.
- 18. Closing of the Annual General Meeting.

Item 2 – Election of Chairman of the Annual General Meeting

The Nomination Committee, appointed in accordance with the instructions for the Nomination Committee resolved by the 2018 Annual General Meeting and consisting of Chairman Johan Hjertonsson (Investment AB Latour), Mikael Ekdahl (Melker Schörling AB), Marianne Nilsson (Swedbank Robur Fonder), Liselott Ledin (Alecta) and Yvonne Sörberg (Handelsbanken Fonder), proposes that Lars Renström is elected Chairman of the Annual General Meeting.

Item 9 b) – Disposition of the company's profit according to the adopted Balance Sheet

The Board of Directors proposes a dividend of SEK 4.20 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 29 April 2022 and the second with the record date Tuesday 22 November 2022. If the proposal is adopted by the Annual General Meeting, the first installment is estimated to be paid on Wednesday 4 May 2022 and the second installment on Friday 25 November 2022.

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 10-13 – 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 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 nine.
- The Nomination Committee has in its work regarding Board fees compared the fees to the Board of Directors with Board fees among comparable companies in Sweden and internationally. Based on this and the fact that the Board of Directors is proposed to expand and include one more member, a raise of the fees to the Board of Directors is proposed, meaning that the fees shall amount to a total of SEK 9,995,000 (remuneration for committee work not included) which shall be distributed among the members of the Board of Directors as follows; SEK 2,900,000 to the Chairman, SEK 1,075,000 to the Vice Chairman and SEK 860,000 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 340,000, the Chairman of the Remuneration Committee SEK 160,000, members of the Audit Committee (the Chairman excluded) SEK 235,000 each, and member of the Remuneration Committee (the Chairman excluded) SEK 80,000.
- Fees to the Auditor according to contract.

- Re-election of Lars Renström, Carl Douglas, Johan Hjertonsson, Sofia Schörling Högberg, Eva Karlsson, Lena Olving, Joakim Weidemanis and Susanne Pahlén Åklundh as members of the Board of Directors.
- Election of Erik Ekudden as new member 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 2023 Annual General Meeting, 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.

Erik Ekudden is born 1968 and holds a Master of Science in Electrical Engineering. Erik is since 2018 Senior Vice President, Chief Technology Officer and Head of Group Function Technology at Telefonaktiebolaget LM Ericsson. Previously he has held a number of management positions within the Ericsson Group. Erik is a Fellow of the Royal Swedish Academy of Engineering Sciences (IVA) and board member of IVA's Business Executives Council (IVAs Näringslivsråd) as well as a member of the Broadband Commission for Sustainable Development.

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 14 – 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 15 – Resolution regarding guidelines for remuneration to senior executives

Scope

The Board of Directors proposes that the Annual General Meeting adopts the following guidelines for the remuneration and other employment conditions of the President and CEO and other members of the ASSA ABLOY Executive Team (the "**Executive Team**").

These guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2022 Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

Employment conditions of a member of the Executive Team that is employed or resident outside Sweden or that is not a Swedish citizen, 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.

Promotion of ASSA ABLOY's business strategy, long-term interests and sustainability

One of the strategies for value creation followed by ASSA ABLOY is *Evolution through people*. 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, taking into account both global remuneration practice and practice in the home country of each member of the Executive Team. These guidelines enable ASSA ABLOY to offer the Executive Team a total remuneration that is on market conditions and competitive. Prerequisites are thereby established for successful implementation of the Group's business strategy, which on overall level is to lead the trend towards the world's most innovative and well-designed access solutions, as well as safeguarding ASSA ABLOY's long-term interests, including its sustainability. More information about ASSA ABLOY's business strategy and ASSA ABLOY's sustainability report is available on ASSA ABLOY's website assaabloy.com.

ASSA ABLOY has on-going share-based long-term incentive programs in place that have been resolved by the General Meeting and which are therefore excluded from these guidelines. Future share-based long-term incentive programs proposed by the Board of Directors and submitted to the General Meeting for approval will be excluded for the same reason. The purpose of the share-based long-term incentive program is to strengthen ASSA ABLOY's ability to recruit and retain 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. At present the performance criteria used is linked to earnings per share. The programs are further conditional upon the participant's own investment and holding period of several years. More information about these programs is available on ASSA ABLOY's website assaabloy.com.

Types of remuneration

The total yearly remuneration to the members of the Executive Team shall be on market conditions and be competitive and also reflect each member of the Executive Team's responsibility and performance. The total yearly remuneration shall consist of fixed base salary, variable cash remuneration, pension benefits and other benefits (which are specified below excluding social security costs). Additionally, the General Meeting may – and irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The variable cash remuneration shall be linked to predetermined and measurable targets, which are further described below, and may amount to not more than 75 percent of the yearly base salary. In order to ensure that the remuneration levels are in line with market conditions and competitive, taking into account the current market conditions in the US, the variable cash remuneration for members of the Executive Team employed in the US may amount to not more than 100 percent of the yearly base salary.

Additional variable cash remuneration may be paid in specific cases in the form of remuneration with lump sums, provided that such remuneration is only provided at an individual basis for the purpose of recruiting senior executives. Such remuneration may not exceed an amount corresponding to 100 percent of the yearly base salary and the maximum variable cash remuneration, and may not be paid more than once per year and individual.

The members of the Executive Team shall be covered by defined contribution pension plans, for which pension premiums are based on each member's yearly base salary and is paid by ASSA ABLOY during the period of employment. The pension premiums shall amount to not more than 35 percent of the yearly base salary.

Other benefits, such as company car, life insurance, extra health insurance or occupational healthcare, should be payable to the extent this is considered to be in line with market conditions in the market concerned for each member of the Executive Team. Premiums and other costs relating to such benefits may totally amount to not more than 10 percent of the yearly base salary. Furthermore, housing allowance benefit may be added in line with ASSA ABLOY's policies and costs relating to such benefit may totally amount to not more than 25 percent of the yearly base salary. Premiums and other costs relating to other benefits and housing allowance benefit may, however, totally amount to not more than 30 percent of the yearly base salary.

Criteria for awarding variable cash remuneration

The variable cash remuneration shall be linked to predetermined and measurable financial targets, such as earnings per share (EPS), earnings before interest and taxes (EBIT), cash flow and organic growth 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 Committee shall for the Board of Directors prepare, monitor and evaluate matters regarding variable cash remuneration to the Executive Team. Ahead of each yearly measurement period for the criteria for awarding variable cash remuneration the Board of Directors shall, based on the work of the Remuneration Committee, establish which criteria that are deemed to be relevant for the upcoming measurement period. To which extent the criteria for awarding variable cash remuneration has been satisfied shall be determined when the measurement period has ended. Evaluations regarding fulfilment of financial targets shall be based on determined financial basis for the relevant period.

Variable cash remuneration can be paid after the measurement period has ended or be subject to deferred payment. Paid variable cash remuneration can be claimed back when such right follows from general principles of law.

Duration of employment and termination of employment

The members of the Executive Team shall be employed until further notice. If notice of termination is made by ASSA ABLOY, the notice period may not exceed 12 months for the CEO and 6 months for the other members of the Executive Team. If the CEO is given notice, ASSA ABLOY is liable to pay, including severance pay and remuneration under the notice period, the equivalent of maximum 24 months' base salary and other employment benefits. If any other member of the Executive Team is given notice, ASSA ABLOY is liable to pay a maximum of 6 months' base salary and other employment benefits plus severance pay amounting to a maximum of an additional 12 months' base salary. If notice of termination is made by a member of the Executive Team, the notice period may not exceed 6 months, with no right to severance pay.

A member of the Executive Team may, for such time when the member is not entitled to severance pay, be compensated for non-compete undertakings. Such compensation shall amount to not more than 60 percent of the monthly base salary at the time of the termination and shall only be paid as long as the non-compete undertaking is applicable, at longest a period of 12 months.

Remuneration and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, remuneration and employment conditions for employees of ASSA ABLOY have been taken into account by including information on the employees' total remuneration, the components of the remuneration and increase and growth rate over time in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

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

The Remuneration Committee's tasks include preparing the Board of Directors' decision to propose guidelines for remuneration to the Executive Team. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration to the Executive Team, the application of the guidelines for remuneration to the Executive Team as well as the applicable remuneration structures and remuneration levels in ASSA ABLOY. The members of the Remuneration Committee are independent of the company and its management. The CEO and other members of the Executive Team 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.

Deviation from the guidelines

The Board of Directors may temporarily resolve to deviate from the guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve ASSA ABLOY's long-term interests, including its sustainability, or to ensure ASSA ABLOY's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

Description of material changes of the guidelines and how the views of shareholders' have been taken into consideration

These guidelines, which are proposed for the 2022 Annual General Meeting, correspond to a large extent with the guidelines resolved upon by the 2020 Annual General Meeting. However, in the guidelines now proposed, an option to pay additional variable cash remuneration has been introduced and, in addition, the maximum level for variable cash remuneration for members of the Executive Team employed in the US has been adjusted. Please be referred to the section "Types of remuneration" above.

No comments or questions on the remuneration guidelines have emerged in connection with general meeting proceedings.

Item 16 – 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 17.

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 16 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 17 – 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 2022). LTI 2022 is based on similar principles as LTI 2019, LTI 2020 and LTI 2021.

LTI 2022 is proposed to include a maximum of 150 senior executives and key employees within the ASSA ABLOY Group. In order to participate in LTI 2022 the participants will have to hold Series B shares in ASSA ABLOY within the scope of LTI 2022 (saving shares). For every saving share held, 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 2022 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 2022 will have a positive effect on the long-term value growth of the Group, including its sustainability, and consequently that LTI 2022 is beneficial to both the shareholders and the company.

Personal investment in saving shares

In order to participate in LTI 2022, the participants will have to hold saving shares. The saving shares can either be Series B shares in ASSA ABLOY that have vested or been used as saving shares under LTI 2019 or previous years' long-term incentive programs, or Series B shares in ASSA ABLOY purchased on the market in connection with the notification to participate in LTI 2022.

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 2022, 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 2022 is, in addition, subject to renunciation of customary salary review for the year 2022.

Participants in LTI 2022 and allocation

LTI 2022 is proposed to include a maximum of 150 senior executives and key employees within the ASSA ABLOY Group, divided in three categories.

For each saving share that the CEO of the Group holds under LTI 2022, the company will grant six performance awards. For each saving share that other senior executives (currently eight individuals) hold under LTI 2022, each such individual will be awarded five performance awards.

For each saving share that other participants (approximately 140 individuals) hold under LTI 2022, 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 2022 – 31 December 2024, 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 2022, one third is measured against the outcome for 2023 and one third is measured against the outcome for 2024.

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 2024.

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 2022 Annual General Meeting.
- 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 2025 still is employed by the ASSA ABLOY Group and has maintained the saving shares held under LTI 2022.
- 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 2022, 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 2022 no longer are appropriate.

In the event that the Board of Directors considers that the delivery of Series B shares under LTI 2022 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 2022 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

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

personal investment, meaning that the participant must hold saving shares at a value that corresponds to 15 percent (CEO and other senior executives) or 10 percent (other participants), respectively, of the participants annual base salary and that the performance based condition has been fully achieved. Full vesting is further subject to the saving shares being retained and that the participant, with some exceptions, is still employed during the vesting period.

The total number of saving shares, which corresponds to the participant's total maximum personal investment, and thus the total number 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 2022. 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 265 at the time of allotment of performance awards under LTI 2022, LTI 2022 will, in accordance with the principles and assumptions set out above, comprise a maximum of 650,000 Series B shares in total, which corresponds to approximately 0.1 percent of the total outstanding shares and votes in the company.

LTI 2022 shall be expensed as personnel costs over the vesting period. Provided that the performance based condition is fully achieved, the cost for LTI 2022 before tax is, in accordance with the principles and assumptions set out above, estimated to approximately SEK 160 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 2022, outweighs the costs related to LTI 2022.

Delivery of shares under LTI 2022

To ensure the delivery of Series B shares under LTI 2022, 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 2022.

Preparation of the proposal

LTI 2022 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 2022 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 2019, LTI 2020 and LTI 2021 are based on the similar principles as LTI 2022. For a description of LTI 2019, LTI 2020 and LTI 2021, reference is made to the Annual Report 2021, 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.

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, at the Annual General Meeting 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 and the Group accounts.

Documentation etc.

The Annual Report and the Auditor's Report, the Board of Directors' remuneration report and all other supporting documentation for the Annual General Meeting are available at the company and on the company's website www.assaabloy.com no later than three weeks before the Annual General Meeting.

Further, the Nomination Committee's complete proposals including motivated statement, are available at the company and on the company's website www.assaabloy.com no later than four weeks before the Annual General Meeting.

Copies of the documents will be sent free of charge to shareholders who so request and state their address to the company.

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>

This notice is a translation of the Swedish notice and in case of any deviations between the language versions, the Swedish version shall prevail.

Welcome!

Stockholm in March 2022
The Board of Directors
ASSA ABLOY AB (publ)

For more information, please contact:

Nico Delvaux, President and CEO, tel. no: +46 8 506 485 82
Erik Pieder, CFO and Executive Vice President, tel. no: +46 8 506 485 72
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About ASSA ABLOY

The ASSA ABLOY Group is the global leader in access solutions. The Group operates worldwide with 51,000 employees and sales of SEK 95 billion. The Group has leading positions in areas such as efficient door openings, trusted identities and entrance automation. ASSA ABLOY's innovations enable safe, secure and convenient access to physical and digital places. Every day, we help billions of people experience a more open world.