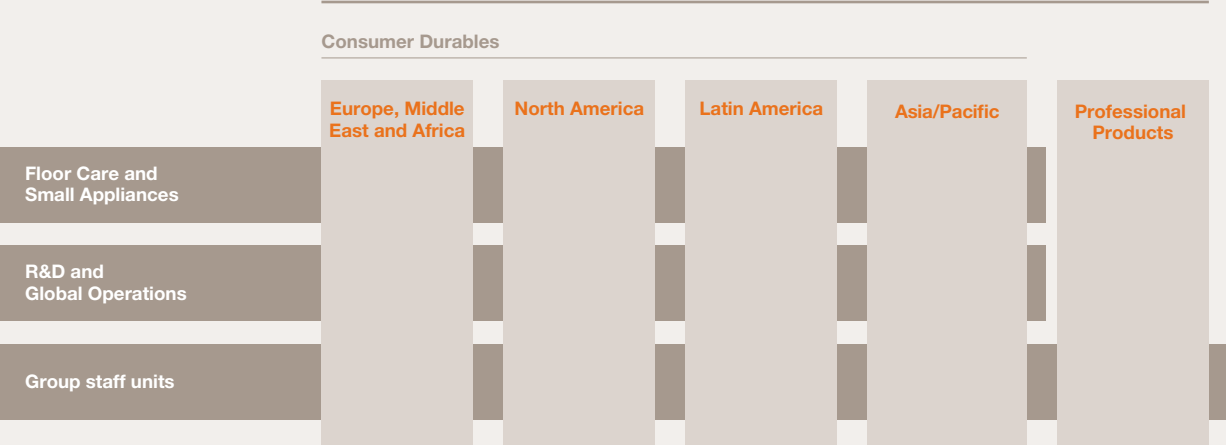


Company structure



Internal Audit

Internal control and risk management

The internal audit function, Management Assurance & Special Assignments, is responsible for independent, objective assurance, in order to systematically evaluate and propose improvements for more effective governance, internal control and risk management processes.

The process of internal control and risk management has been developed to provide reasonable assurance that the Group's goals are met in terms of efficient operations, compliance with relevant laws and regulations and reliable financial reporting.

For additional information on internal control, see page 94. For additional information on risk management, see Note 1, Note 2 and Note 18.

Management and company structure

Electrolux operations are divided into five business areas, which include six sectors and a total of 25 product lines. Within Major Appliances, the business sectors are geographically defined, while the sectors Professional Products and Floor Care and Small Appliances are global. There are five Group staff units that support all business sectors: Finance, Communications, Branding, Legal Affairs, and Human Resources and Organizational Development.

In order to fully take advantage of the Group's global presence and economies of scale, a global organization was established in 2009 with responsibility for product development, purchasing and manufacturing within Major Appliances. The Group has a decentralized corporate structure in which the overall management of operational activities is largely performed by sector boards.

Group policies and guidelines

Electrolux aims at implementing strict norms and efficient processes to ensure that all operations create long-term value for shareholders and other stakeholders. This involves the maintenance of an efficient organizational structure, systems for internal control and risk management and transparent internal and external reporting.

COMPASS was initiated during 2008 as a group-wide project to clarify joint processes and improve their efficiency in order to strengthen control and lower costs. Transparent information also allows better decision data to be developed.

Electrolux has determined that all of its operations will be undertaken on an environmentally, socially and ethically responsible basis. A proactive approach in this regard reduces risks, strengthens the brand, increases the motivation of personnel and ensures good relations with the individuals within the communities with which the Group interacts. Key policies in this context include the Electrolux Code of Ethics, the Electrolux Workplace Code of Conduct and the Electrolux Policy on Corruption and Bribery.

The Electrolux People Vision is to have an innovative culture with diverse, outstanding employees that drive changes and go beyond in delivering on the Group's strategy and performance objectives. The Electrolux culture features diversity and innovation. Development of innovative products is a vital part of this vision. Diversity is a prerequisite for Electrolux ability to compete in a global market. Personnel with diverse backgrounds create a greater understanding of consumer needs in different countries.

Group Management

Keith McLoughlin

President and Chief Executive Officer as of January 1, 2011.

Born 1956. B.S. Eng. In Group Management since 2003.

Senior management positions with DuPont, USA, 1981–2003. Vice-President and General Manager of DuPont Nonwovens, 2000–2003, and of DuPont Corian, 1997–2000. Joined Electrolux as Head of Major Appliances North America and Executive Vice-President of AB Electrolux, 2003. Also Head of Major Appliances Latin America, 2004–2007. Chief Operations Officer Major Appliances, 2009.

Board Member of Briggs & Stratton Corp.

Holdings in AB Electrolux: 30,153 B-shares.

Henrik Bergström

Head of Floor Care and Small Appliances, Executive Vice-President

Born 1972. M.Sc. in Business Administration and Economics. In Group Management since 2010.

Business Development and General Management positions within Electrolux Major Appliances Latin America, 1997–2002. Managing Director of Electrolux Latin America and Caribbean, 2002–2008. Vice-President and General Manager for three business areas in Electrolux Major Appliances North America, 2008–2010. Head of Electrolux Asia Sourcing Operations, 2009–2010. Executive Vice President of AB Electrolux, 2010.

Holdings in AB Electrolux: 12,297 B-shares.

Jan Brockmann

Chief Technology Officer, Senior Vice President as of February 1, 2011.

Born 1966. M. Eng. in Mechanical Engineering. MBA. In Group Management since 2011.

Managements positions within Valeo Group, 1994–1999. Project Manager in Roland Berger Strategy Consultants, 2000–2001. Senior managements positions within Volkswagen Group, 2001–2010. Joined Electrolux as head of R&D for Global Operations, Electrolux Major Appliances, 2010. Chief Technology Officer, 2011.

Holdings in AB Electrolux: 593 B-shares (January 20, 2011).

Enderson Guimarães

Head of Major Appliances Europe, Middle East and Africa,

Executive Vice-President

Born 1959. M.B.A. In Group Management since 2008.

Brand management and marketing manager with Procter & Gamble, Brazil, 1990–1991, and Johnson & Johnson, Canada, 1991–1997. Marketing Director with Danone, Brazil, 1997–1998. Senior management positions with Philips Electronics, Brazil and the Netherlands, 1998–2007. Joined Electrolux as Senior Vice-President Product & Branding within Major Appliances Europe, 2008. Head of Major Appliances Europe and Executive Vice-President of AB Electrolux, 2008.

Holdings in AB Electrolux: 3,046 B-shares.

Carina Malmgren Heander

Head of Human Resources and Organizational Development, Senior Vice-President

Born 1959. B. Econ. In Group Management since 2007.

Project Director at Adtranz Signal (Bombardier), 1989–1998. Vice-President Human Resources of ABB AB, 1998–2003. Senior Vice-President Human Resources of Sandvik AB, 2003–2007. Joined Electrolux as Senior Vice-President of Group Staff Human Resources and Organizational Development, 2007.

Board Member of Cardo AB and IFL at the Stockholm School of Economics.

Holdings in AB Electrolux: 3,464 B-shares.

Ruy Hirschheimer

Head of Major Appliances Latin America, Executive Vice-President

Born 1948. M.B.A. Doctoral Program in Business Administration. In Group Management since 2008.

Executive Vice-President of Alcoa Aluminum, Brazil, 1983–1986. President and CEO of J.I. Case Brazil, 1990–1994. President and CEO of Bunge Foods, 1994–1997. Senior Vice-President of Bunge International Ltd., USA, 1997–1998. Joined Electrolux as Head of Brazilian Major Appliances operations, 1998. Head of Major Appliances Latin America, 2002. Executive Vice-President of AB Electrolux, 2008.

Holdings in AB Electrolux: 33,621 B-shares.

MaryKay Kopf

Chief Marketing Officer, Senior Vice President as of February 1, 2011.

Born 1955. B.S. Finance, MBA. In Group Management since 2011.

Marketing and segment management positions within, DuPont Nomex, Kevlar, North America, 1991–1998. European Business Manager, DuPont Nomex, Kevlar, 1998–2001. Global Business and Brand Strategy Manager, DuPont Tyvek, Sontara, 2001–2003. Joined Electrolux in 2003 as VP Brand Marketing, Electrolux Major Appliances North America, 2003. Chief Marketing Officer, 2011.

Holdings in AB Electrolux: 2,768 B-shares (January 20, 2011).

Gunilla Nordström

Head of Major Appliances Asia/Pacific, Executive Vice-President

Born 1959. M. Sc. In Group Management since 2007.

Senior management positions with Telefonaktiebolaget LM Ericsson and Sony Ericsson in Europe, Latin America and Asia, 1983–2005. President of Sony Ericsson Mobile Communications (China) Co. Ltd. and Corporate Vice-President of Sony Ericsson Mobile Communications AB, 2005–2007. Joined Electrolux as Head of Major Appliances Asia/Pacific and Executive Vice-President of AB Electrolux, 2007.

Board Member of Videocon Industries Ltd, India, and Atlas Copco AB.

Holdings in AB Electrolux: 3,530 B-shares.

Jonas Samuelson

Chief Financial Officer, Chief Operations Officer and Head of Global Operations Major Appliances as of February 1, 2011.

Born 1968. M. Sc. in Business Administration and Economics. In Group Management since 2008.

Business development and finance positions in General Motors, USA, 1996–1999. Treasurer and Director Commercial Finance and Business Support in Saab Automobile AB, 1999–2001. Senior management positions within controlling and finance in General Motors North America, 2001–2005. Chief Financial Officer of Munters AB, 2005–2008. Joined Electrolux as Chief Financial Officer, 2008.

Board Member of Polygon AB.

Holdings in AB Electrolux: 3,490 B-shares.

Kevin Scott

Head of Major Appliances North America, Executive Vice-President

Born 1959. Ph.D. (Chem. Eng.). In Group Management since 2009.

Technical, manufacturing, brand marketing and business management roles with DuPont, USA, 1985–1994. Construction, purchasing, and operations finance management roles with PepsiCo, 1994–1999. Senior general management positions within DuPont, Switzerland, 1999–2003. Joined Electrolux as General Manager, Consumer Services Group, within Major Appliances North America, 2003. General Manager Refrigeration within Major Appliances North America, 2006–2009. Head of Major Appliances North America and Executive Vice-President, 2009.

Holdings in AB Electrolux: 8,849 B-shares.

Cecilia Vieweg

General Counsel, Senior Vice-President

Born 1955. B. of Law. In Group Management since 1999.

Attorney of Berglund & Co Advokatbyrå, 1987–1990. Corporate Legal Counsel of AB Volvo, 1990–1992. General Counsel of Volvo Car Corporation, 1992–1997. Attorney and partner of Wahlin Advokatbyrå, 1998. Joined Electrolux as Senior Vice-President and General Counsel, with responsibility for legal, intellectual property, risk management and security matters, 1999.

Board Member of Haldex AB, Vattenfall AB, PMC Group AB and member of the Swedish Securities Council.

Holdings in AB Electrolux: 11,972 B-shares.

Alberto Zanata

Head of Professional Products, Executive Vice-President

Born 1960. University degree in Electronic Engineering with Business Administration. In Group Management since 2009.

Joined Electrolux Professional Products, 1989. Senior management positions within factory management, marketing, product management and business development, 1989–2002. Head of Professional Products in North America, 2003–2008. Head of Professional Products and Executive Vice-President of AB Electrolux, 2009.

Holdings in AB Electrolux: 14,313 B-shares.

Changes in Group Management

Hans Stråberg, President and Chief Executive Officer of AB Electrolux during 2002–2010, left the company on December 31, 2010. Keith McLoughlin succeeded him as President and Chief Executive Officer.

Holdings in AB Electrolux as of December 31, 2010. The information is regularly updated at www.electrolux.com/group-management.

As of February 1, 2011, new appointments were made in Group Management;

- Jonas Samuelson, Chief Operations Officer and Head of Global Operations Major Appliances, in addition to his position as CFO
- Jan Brockmann, Chief Technology Officer
- MaryKay Kopf, Chief Marketing Officer

President and Group Management

President and Group Management

Group Management includes the President, the six sector heads, the five Group staff heads, the head of R&D Global Operations and the head of Global Operations Major Appliances. The President is appointed by and receives instructions from the Board. The President, in turn, appoints other members of Group Management and is responsible for the ongoing management of the Group in accordance with the Board's guidelines and instructions.

Group Management holds monthly meetings to review the previous month's results, to update forecasts and plans and to discuss strategic issues.

For details regarding members of Group Management, see page 92. The information is updated regularly at the Group's website www.electrolux.com/group-management

Changes during the year

- Hans Stråberg, President and CEO of Electrolux, left the company on December 31, 2010. He was succeeded by Keith McLoughlin from January 1, 2011.
- Lars Göran Johansson, head of Communications and Branding, has left Electrolux.
- Henrik Bergström has been appointed head of Floor Care and Small Appliances.

New appointments as of February 1, 2011

- Three new appointments in Group Management as of February 1, 2011, to increase the speed of product innovation and to continue to leverage Electrolux shared global strength;
 - Jonas Samuelson, Head of Global Operations Major Appliances, in addition to his position as CFO
 - Jan Brockmann, Chief Technology Officer
 - MaryKay Kopf, Chief Marketing Officer.

Remuneration to Group Management

Remuneration guidelines for Group Management are resolved upon by the AGM, based on the proposal from the Board. Remuneration to the President is then resolved upon by the Board, based on proposals from the Remuneration Committee. Remuneration to other members of Group Management is resolved upon by the Remuneration Committee, based on proposals from the President, and reported to the Board.

Electrolux shall strive to offer total remuneration that is fair and competitive in relation to the country of employment or region of each Group Management member. The remuneration terms shall emphasize 'pay for performance', and vary with the performance of the individual and the Group.

Remuneration may comprise of fixed compensation and variable compensation. Following the 'pay for performance' principle, variable compensation shall represent a significant portion of the total compensation opportunity for Group Management. Variable compensation shall always be measured against pre-defined targets and have a maximum above which no pay-out shall be made. The targets shall principally relate to financial performance, for shorter (up to 1 year) or longer (3 years or longer) periods. Non-financial targets may also be used.

Each year, the Board of Directors will evaluate whether or not a long-term incentive program shall be proposed to the AGM. The AGM 2010 decided on a long-term share program for up to 160 senior managers and key employees.

For additional information on remuneration, remuneration guidelines, long-term incentive programs and pension benefits, see Note 27.

Business Sector Boards

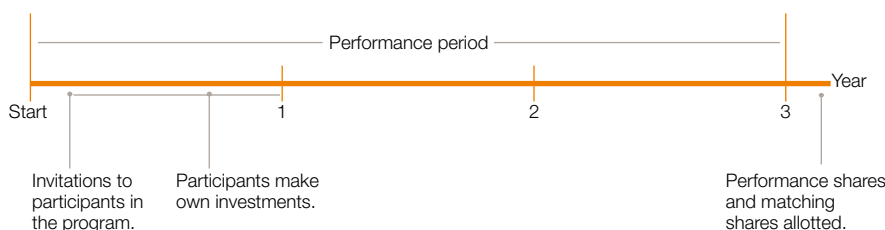
Business sectors

The sector heads are comprised of members of Group Management and have responsibility for the income statements and balance sheets of their respective sectors.

The overall management of the sectors is the responsibility of sector boards, which meet quarterly. The President is the chairman of all sector boards. The sector board meetings are attended by the President, the management of the respective sectors and the Chief Financial Officer. The sector boards are responsible for monitoring on-going operations, establishing strategies, determining sector budgets and making decisions on major investments.

In the external reporting, the Group's operations are divided into five business areas. Operations within Consumer Durables are divided into four geographic business areas: Europe Middle East and Africa, North America, Latin America and Asia/Pacific. Professional Products is the fifth business area.

Timeline for the long-term incentive program for senior management



Earnings per share for Electrolux, excluding items affecting comparability, has to increase by an average of at least 5% annually before any performance shares will be allotted.

Participants in the program must invest in Electrolux shares. At the end of the three-year period, one matching share is allotted for each share acquired.