

**SUPPLEMENT DATED 13 MARCH 2019 TO THE
BASE PROSPECTUS DATED 31 MAY 2018**

AB ELECTROLUX (publ)

(Incorporated as a public company with limited liability under the laws of Sweden)

**EUR 2,000,000,000
Euro Medium Term Note Programme**

This Supplement (the **Supplement**) to the Base Prospectus (the **Base Prospectus**) dated 31 May 2018 which comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive constitutes a supplement to the Base Prospectus for the purposes of Article 13 of Chapter 1 of Part II of the Luxembourg Law dated 10 July 2005 relating to prospectuses for securities, as amended (the **Prospectus Law**) and is prepared in connection with the EUR 2,000,000,000 Euro Medium Term Note Programme (the **Programme**) established by AB Electrolux (publ) (the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement. When used in this Supplement, Prospectus Directive means Directive 2003/71/EC (as amended or superseded), and includes any relevant implementing measure in a relevant Member State of the EEA.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of the Supplement

The purpose of this Supplement is (a) to incorporate by reference the Issuer's 2018 Annual Financial Statements (as defined below) and make consequential changes to the section of the Base Prospectus entitled "*Alternative Performance Measures*"; (b) to incorporate by reference the Issuer's "Green Bond Framework (March 2019)" (the **Green Bond Framework**); (c) to update the description of AB Electrolux (publ) to reflect the proposed separation of its Professional Products business from the Group and certain other recent changes to the Major Appliances and Home Care & Small Domestic Appliances business areas; (d) to update the "*Use of Proceeds*" section of the Base Prospectus to allow for the issuance of Notes to finance or re-finance Eligible Green Assets (as defined below) in accordance with the Issuer's Green Bond Framework; (e) to update the risk factors in respect of Notes issued to finance or re-finance Eligible Green Assets (as defined below) in accordance with the Issuer's Green Bond Framework; (f) to incorporate a new item 4 in Part B of the Applicable Final Terms for the purposes of the issuance of Notes intended to finance or re-finance Eligible Green Assets (as defined below) in accordance with the Issuer's Green Bond Framework; and (g) to include a new "*No significant change and no material adverse change*" statement.

Documents Incorporated by Reference

On 27 February 2019 the Issuer published its 2018 Annual Financial Statements and on 12 March 2019 the Issuer published its Green Bond Framework. A copy of each of the 2018 Annual Financial Statements and the Green Bond Framework have been filed with the *Commission de Surveillance du Secteur Financier* and, by virtue of this Supplement, the 2018 Annual Financial Statements and the Green Bond Framework are incorporated by reference in, and forms part of, the Base Prospectus. Copies of this Supplement, the 2018

Annual Financial Statements and the Issuer's Green Bond Framework can be requested from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in London and Luxembourg and on the website of the Luxembourg Stock Exchange (www.bourse.lu).

To the section entitled "*Documents Incorporated by Reference*" on pages 20 to 21 of the Base Prospectus the following paragraphs shall be added (with subsequent paragraphs re-numbered accordingly):

- (a) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2018 which are set out in the following sections of the Electrolux Annual Report 2018 (the **2018 Annual Financial Statements**):

2018 Annual Financial Statements

Consolidated Income Statement.....	Page 21
Consolidated Balance Sheet	Page 27
Notes	Pages 45 to 81
Audit Report.....	Pages 82 to 84
Corporate Governance Report 2018	Pages 101 to 118

- (i) the Issuer's Green Bond Framework, which is available for viewing on the following website: <https://www.electroluxgroup.com/greenbond/>

Any non-incorporated parts of a document (which, for the avoidance of doubt, means any part of the Electrolux Annual Report 2018 which is not listed in the cross-reference lists above) referred to herein is considered additional information and is not required by the relevant schedules of Commission Regulation (EC) No. 809/2004.

The 2018 Annual Financial Statements and the Green Bond Framework refer to certain supplementary information being available on the Issuer's and/or other websites. Unless otherwise contained in this Supplement, the Base Prospectus or the documents which have been incorporated by reference into the Base Prospectus, the contents of the Issuer's and/or any other website are not incorporated by reference in, and do not form part of this Supplement or the Base Prospectus.

The paragraph under the heading "*Alternative Performance Measures*" on pages 21 and 22 of the Base Prospectus shall be deemed deleted and replaced with the following:

"To supplement its consolidated financial statements presented in accordance with IFRS, the Group uses certain ratios and measures included or referred to in this Base Prospectus (including, without limitation, in the 2018 Annual Financial Statements incorporated by reference) that would be considered Alternative Performance Measures (**APMs**) as defined in the European Securities and Markets Authority Guidelines. These measures are considered useful to investors to enhance their understanding of the Group's financial performance. The APMs should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. An explanation of each APM's components and calculation method can be found at page 80 (incorporated by reference herein) of the 2018 Annual Financial Statements."

Update to the Description of AB Electrolux (publ)

By virtue of this Supplement, the following information shall be inserted at the end of the section of the Base Prospectus entitled "*Description of AB Electrolux (publ) - Business Areas - Professional Products*" on page 62:

On the 31 January 2019, the Issuer announced that it is preparing for the separation of its Professional Products business from the Group. The board of directors of the Issuer intend to present the proposal for the separation, distribution and listing of the Professional Products business at a meeting of the Issuer's shareholders. If the Issuer's shareholders decide to vote in favour of the separation, they will receive shares in the newly listed Professional Products business in proportion to their existing shareholding in the Issuer. The board's intention is to list the new Professional Products business on Nasdaq Stockholm during the first half of 2020. The board expects to provide an update on the preparations and a more detailed time plan later in 2019.

Certain recent changes relating to the Major Appliances and Home Care & Small Domestic Appliances business areas

As of 1 January 2019, the Major Appliances organisation in the Middle East and Africa (**MEA**), which was previously part of the Major Appliances EMEA business area, was incorporated into the Major Appliances Asia/Pacific business area. As of 1 February 2019, the Home Care & Small Domestic Appliances business area has been combined with the four Major Appliances business areas. The Group's operations are thus currently organised into five business areas: Major Appliances Europe, Major Appliances North America, Major Appliances Latin America, Major Appliances Asia/Pacific & MEA and Professional Products.

Update to Use of Proceeds

By virtue of this Supplement, the section of the Base Prospectus entitled "*Use of Proceeds*" on page 58 shall be deemed deleted and replaced by the following:

"The net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes, or, if specified in the relevant Final Terms, to finance or re-finance certain green assets that meet the eligibility requirements set out in the Issuer's Green Bond Framework, incorporated by reference herein (**Eligible Green Assets** and thereto related Notes, **Green Bonds**)."

Update to Risk Factors

By virtue of this Supplement, a new risk factor shall be inserted at the end of the section of the Base Prospectus entitled "*Risk Factors – Risks related to the structure of a particular issue of Notes*" on page 15 as follows:

"In respect of any Notes issued with the specific purpose of financing or refinancing Eligible Green Assets in accordance with the Issuer's Green Bond Framework, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor"

The Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply the proceeds from an offer of those Notes to finance or re-finance certain green assets that meet the eligibility requirements set out in the Issuer's Green Bond Framework (**Eligible Green Assets** and thereto related Notes, **Green Bonds**). Prospective investors should have regard to the information set out in the relevant Final Terms and the Base Prospectus regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary.

In respect of Notes that are issued to finance or refinance Eligible Green Assets, no assurance is given by the Issuer that the use of such proceeds for any Eligible Green Assets will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Eligible Green Assets. Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green" or "sustainable" or an equivalently-labelled project or asset or as to what precise attributes are required for a particular project or asset to be defined as "green" or "sustainable" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, no assurance is or can be given to investors that any projects or assets or uses the subject of, or related to, any Eligible Green Assets will meet any or all investor expectations regarding such "green", "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or assets or uses the subject of, or related to, any Eligible Green Assets.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes and in particular with any Eligible Green Assets to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold any such Notes or that any Eligible Green Assets fulfil any environmental, sustainability, social and/or other criteria. Any such opinion or certification is only current as of the date that opinion was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any such Notes are listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or assets or uses, the subject of or related to, any Eligible Green Assets. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply the proceeds of any Notes so specified for Eligible Green Assets in, or substantially in, the manner described in the relevant Final Terms and the Issuer's Green Bond Framework, there can be no assurance that the relevant project or asset(s) or use(s) the subject of, or related to, any Eligible Green Assets will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially disbursed for or towards such Eligible Green Assets. Nor can there be any assurance that such Eligible Green Assets will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Notes.

Any such event or failure to apply the proceeds of any issue of Notes for or towards any Eligible Green Assets as aforesaid and/or the withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance or re-finance Eligible Green Assets and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for or towards "green" or "sustainable" purposes."

Applicable Final Terms

By virtue of this Supplement, a new section shall be inserted in Part B of the form of Applicable Final Terms (with subsequent paragraphs re-numbered accordingly) on page 35 of the Base Prospectus as follows:

4. REASONS FOR THE OFFER

Reasons for the Offer:

[The net proceeds from the issue of the Notes will be applied by the Issuer for its general corporate purposes.]

[The Issuer intends to apply the net proceeds from this issue of Notes to finance or re-finance certain green assets that meet the eligibility requirements set out in the Issuer's Green Bond Framework (**Eligible Green Assets**).]

(See "Use of Proceeds" wording in the Base Prospectus.)

Significant or Material Change

The section entitled "*General Information-Significant or Material Change*" on page 75 of the Base Prospectus shall be deemed deleted and replaced with the following:

"There has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2018 and there has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2018."

General Information

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.