Appendix 4

This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.

AB Electrolux Nomination Committee's proposal on fees to the Board of Directors and the Auditor

The nomination committee proposes Directors' fees as follows:

(a) SEK 1,600,000 to the Chairman of the Board of Directors, SEK 550,000 to the Deputy Chairman of the Board of Directors and SEK 475,000 to each of the other Directors appointed by the General Meeting but not employed by Electrolux; and

(b) for committee work, to the members who are appointed by the Board of Directors: SEK 200,000 to the Chairman of the audit committee and SEK 85,000 to each of the other members of the committee and SEK 120,000 to the Chairman of the remuneration committee and SEK 55,000 to each of the other members of the committee.

The nomination committee proposes that it be possible to pay part of the fees to the Directors, in respect of their assignment to the Board of Directors, in the form of so-called synthetic shares, on the terms and conditions set forth below.

The nomination committee also proposes that the Auditor's fee be paid on approved account.

AB Electrolux (the "Company")

Terms and Conditions
for
Remuneration of Directors
through
Allocation of Synthetic Shares

1. Background and Purpose

Traditionally, remuneration of directors in Sweden has been paid in the form of a fixed cash amount resolved upon by the general meeting. In recent years, certain companies have recommended the Board of Directors to acquire shares in the company for a certain part of the net remuneration after tax.

With the purpose of enhancing the directors' interest for the Company and its financial development and also to provide an opportunity for the directors to have a financial interest in the Company comparable with the shareholders', the intention is to facilitate for directors to receive part of the remuneration in the form of Synthetic Shares. By a Synthetic Share is understood a right to receive a future payment of an amount which corresponds to the market value of a share of class B in the Company at the time of payment.

2. Directors' participation in Synthetic Share Program

Directors participating in the Company's Synthetic Share Program will receive 75 percent of the remuneration in cash and will be allocated a number of Synthetic Shares, which value at the time of allocation shall correspond to 25 percent of the remuneration. Prior to the election, a director may also elect to receive 50 percent of the remuneration in cash and 50 percent in Synthetic Shares. In addition, foreign directors may decide not to participate in the Synthetic Share Program.

The number of Synthetic Shares allocated to the director shall be based on a volume weighed average of the market price of shares of class B during the five trading days immediately following the day of the publication of the Company's interim report for the first quarter of the year that the director was elected or re-elected as director.

3. Vesting Period

The director's right to receive maximum allocation of Synthetic Shares is contingent on whether the director remains as a director during the whole or only part of the twelvemonth period of mandate. Vesting and allocation is granted on four occasions during the period of mandate; immediately after the year-end report or the interim report in each quarter, respectively, and with 25 percent on each occasion.

4. Payment

The director's right to receive payment occurs after the publications of the year-end report and the three interim reports, respectively, during the fifth year following the year when the general meeting resolved on the allocation of the Synthetic Shares, with 25 percent of the allocated Synthetic Shares on each occasion. The payable amount shall be determined based on the volume weighed average price for shares of class B during the five trading days immediately following the publications of the year-end report and the respective interim reports and payment shall be made five banking days after the payable amount has been determined.

Each Synthetic Share shall during the holding period entitle to allocation of additional Synthetic Shares, corresponding to the cash dividend payable on the Company's B-share. The payable amount shall thus result in an allocation of additional Synthetic Shares calculated based on a volume weighed average of the market price for shares of class B during the five trading days immediately following the day (the Report Day) of the publication of the Company's interim report for the first quarter of the year that the dividend is paid out. The right to receive such additional Synthetic Shares shall be based on the holding of Synthetic Shares on the first day after the Report Day.

The Company is entitled to make deductions for withholding tax (Sw. *källskatt*) in respect of amounts to be paid to the directors and to forward such tax to the tax authorities.

5. Recalculation

In case the share capital in the Company is increased or decreased, convertibles or warrants are issued, extraordinary dividends are paid or the Company is liquidated or merged or similar matters occur, the number of Synthetic Shares and/or the value per Synthetic Share shall be recalculated to ensure the director the economic rights corresponding to what would have been the case had the director been the holder of a corresponding number of shares of class B since the time of allocation and the time of dividend respectively, in accordance with Section 4, second paragraph, above. The Swedish market practice for recalculation of similar instruments shall, as far as possible, apply for the recalculation. In case recalculation is not possible or a matter of transaction regarding the Company becomes more difficult due to the fact that the Synthetic

Shares are outstanding, payment may be made in advance with respect to outstanding Synthetic Shares based on the market price at such time for the Company's B shares.

The recalculations and decisions set forth in the previous paragraph, shall be made, with binding effect for the Company and the directors, by an accounting firm appointed by the Stockholm Chamber of Commerce, which firm shall be independent from the Company.

6. Advance Payment

In case the Director resigns as Board Member prior to a payment date in accordance with Section 4 above, the director has a right, within three months after the director's resignation, to request that the time of payment shall be brought forward. Payment shall then occur, in relation to 25 percent of the total number of allocated Synthetic Shares, after the publications of each of the year-end report and the three interim reports, respectively, which are made during the year after the year when the director resigned. The payable amount shall be calculated based on the volume weighed average price for shares of class B during the five trading days immediately following the publication of the Company's year-end report and three interim reports, respectively, and payment shall be made five banking days after the payable amount has been determined. The corresponding right to request advanced payment shall apply for the survivor of a deceased director.

7. Prohibition against Pledging or Transfer of Rights

The right that comes with the Synthetic Share cannot be pledged, transferred, or in any other way be disposed over. However, in the event that the director is deceased, the rights are transferred to the deceased's estate.

8. Amendments of the Terms of the Agreement

Any amendments to these terms shall be approved by the general meeting of the Company.

9. Disputes

Disputes regarding the interpretation or application of these terms shall be settled in accordance with Swedish law regarding arbitrators in Stockholm whereby Swedish law shall be applicable. The costs for such arbitration proceeding shall be borne by the Company with exception for arbitration proceedings that, according to the arbitrational award, have been claimed by the director without reasonable cause.

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