

# Corporate governance report 2008

The Electrolux Group comprises more than 160 companies with operations in over 50 countries. The parent company of the Group is AB Electrolux, a listed Swedish limited company. The company has its primary listing in Stockholm at the exchange NASDAQ OMX Stockholm.

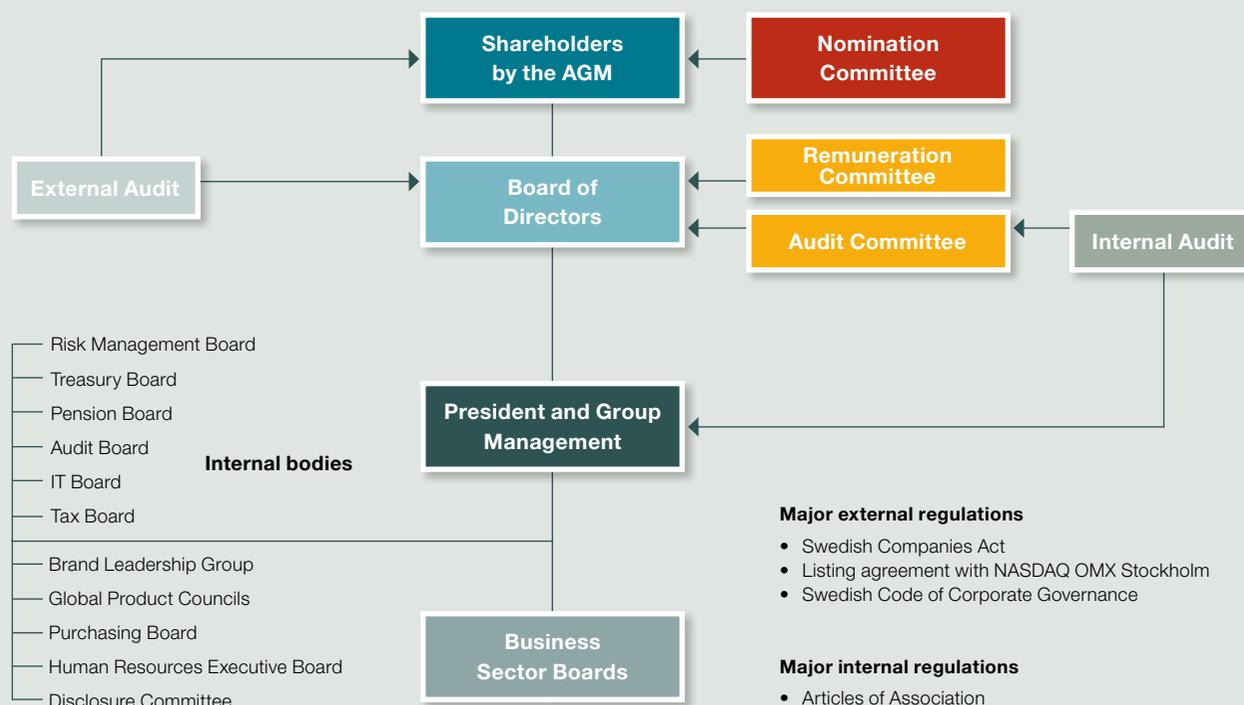
The governance of Electrolux is based on the Swedish Companies Act, the regulatory system of NASDAQ OMX Stockholm and the Swedish Code of Corporate Governance (the “Code”), as well as other relevant Swedish and foreign laws and regulations.

This corporate governance report has been drawn up as a part of Electrolux application of the Code. The report has not been audited by the Group’s external auditors. Electrolux does not report any deviations from the Code in 2008.

## Highlights

- Three new members included in Group Management: Enderson Guimarães, Ruy Hirschheimer and Jonas Samuelson.
- Hasse Johansson elected new member of the Board of Directors.
- The Annual General Meeting resolved that A-shareholders should be able to request the conversion of their A-shares to B-shares.
- In December, the Board decided to reduce the number of employees by more than 3,000 due to sharp decline in market demand.

## Governance structure



### For further information:

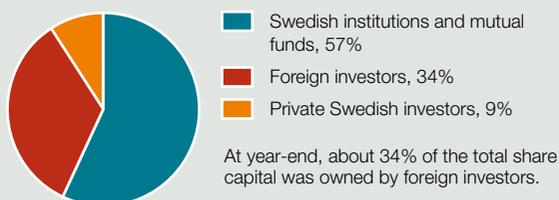
- Swedish Companies Act, [www.sweden.gov.se/sb/d/9171/a/82648](http://www.sweden.gov.se/sb/d/9171/a/82648)
- NASDAQ OMX Stockholm, [www.nasdaqomxnordic.com/?languageld=1&languageld=1](http://www.nasdaqomxnordic.com/?languageld=1&languageld=1)
- Swedish Code of Corporate Governance and specific features of Swedish corporate governance, [www.bolagsstyrning.se/en/](http://www.bolagsstyrning.se/en/)

AB Electrolux is registered under number 556009-4178 with the Swedish Companies Registration Office. The registered office of the Board of Directors is in Stockholm, Sweden. The address of the Group headquarters is S:t Göransgatan 143, SE-105 45 Stockholm, Sweden.

### Ownership structure

Electrolux shares are registered in the share register kept by the Swedish central securities depository Euroclear Sweden AB (formerly VPC AB). According to the share register, the Group had, at year-end 2008, a total of approximately 52,600 shareholders. The number of Electrolux shareholders in Sweden at year-end was approximately 49,700.

Investor AB is the largest shareholder, with approximately 12.7% of the share capital and approximately 28.8% of the voting rights.



Source: SIS Ägarservice as of December 31, 2008.

The majority of the shares owned by foreign investors are held through foreign banks or other trustees. This means that the actual owners are not listed in the share register held by Euroclear Sweden. At year-end, approximately 34% of the total share capital was owned by foreign investors according to SIS Ägarservice.

### Major shareholders

	Share capital, %	Voting rights, %
Investor AB	12.7	28.8
Capital Group Funds	9.2	7.2
Alecta Pension Insurance	5.6	5.6
Swedbank Robur Funds	4.2	3.3
Second Swedish National Pension Fund	2.8	2.2
Barclays Funds	2.1	1.7
Fourth Swedish National Pension Fund	1.9	1.5
SEB Funds	1.8	1.4
Didner & Gerge Mutual Fund	1.6	1.3
AFA Insurance	1.3	1.0
<b>Total, ten largest shareholders</b>	<b>43.2</b>	<b>54.0</b>
Board of Directors and Group Management, collectively	0.09	0.07

Source: SIS Ägarservice and Electrolux as of December 31, 2008. The figures have been rounded off.

The information on shareholders and their holdings is updated quarterly at the Group's website, [www.electrolux.com/corpgov](http://www.electrolux.com/corpgov).

For additional information regarding the ownership structure, see page 77.

### Voting rights

The share capital of AB Electrolux consists of A-shares and B-shares. An A-share entitles the holder to one vote and a B-share to one-tenth of a vote. All shares entitle the holder to the same proportion of assets and earnings and carry equal rights in terms of dividends. An A-share can be converted into a B-share on request of the owner of the A-share.

### Nomination Committee

### Nomination Committee

Each year, the Annual General Meeting (AGM) resolves on the nomination process for the Board of Directors and, when appropriate, the auditors. The process involves the appointment of a Nomination Committee comprised of six members. The Committee shall include one representative of each of the four largest shareholders, in terms of the number of votes, who wish to appoint such representatives together with the Chairman of the Board and one additional Director. The additional Director shall be appointed by the Board among the Directors who are independent in relation to the company.

The composition of the Nomination Committee shall be based on shareholder statistics from Euroclear Sweden AB as of the last banking day in April in the year prior to the AGM and on other reliable shareholder information which is provided to the company at such time. The names of the representatives and the names of the shareholders they represent shall be announced as soon as they have been appointed. If the shareholder structure changes during the nomination process, the composition of the Nomination Committee may be adjusted accordingly.

### The Nomination Committee's tasks include preparing a proposal for the next AGM regarding:

- Chairman of the AGM
- Board members
- Chairman of the Board
- Remuneration to individual Board members
- Remuneration for committee work
- Nomination Committee for the next year
- Auditors and auditors' fees, when these matters are to be decided by the following AGM

The Nomination Committee is assisted in preparing proposals for auditors and auditors' fees by the company's Audit Committee. The Audit Committee evaluates the auditors' work and informs the Nomination Committee of its findings.

The Nomination Committee's proposals are publicly announced no later than on the date of notification of the AGM. Shareholders may submit proposals for nominees to the Nomination Committee.

### Nomination Committee for the AGM 2008

The Nomination Committee for the AGM 2008 comprised of six persons. Petra Hedengran of Investor AB led the Nomination Committee's work. The Nomination Committee held three meetings, with minutes, in addition to discussing a number of issues on

an ongoing basis. The proposals to which the Nomination Committee devoted most time were the composition of the Board and remuneration to the Board. A report on the work of the Nomination Committee was presented to the AGM 2008 and can be found on the Group's website, [www.electrolux.com/corpgov](http://www.electrolux.com/corpgov).

As a basis for its work, the Nomination Committee examined, among other sources, the evaluation of the Board and its work prepared during the year. After a member of the Board declined re-nomination by the AGM 2008, the Nomination Committee deemed that it would be valuable for Electrolux to provide the Board with additional experience in terms of manufacturing, particularly as regards leading and implementing standardization of manufacturing processes.

On the basis of this profile, the Nomination Committee agreed on a candidate, who was subsequently nominated. As is stated on page 100, the nominated candidate, Hasse Johansson, was elected as a new member of the Board by the AGM.

For additional information on Board members, see [www.electrolux.com/board\\_of\\_directors.aspx](http://www.electrolux.com/board_of_directors.aspx) and page 108.

#### Nomination Committee for the AGM 2009

The Nomination Committee for the AGM in 2009 is based on the ownership structure as of April 30, 2008, and was announced in a press release on July 21, 2008.

The Nomination Committee members are:

- Petra Hedengran, Investor AB, Chairman
- Ramsay J. Brufer, Alecta Pension Insurance
- Marianne Nilsson, Swedbank Robur Funds
- Anders Oscarsson, SEB Investment Management
- Marcus Wallenberg, Chairman of Electrolux
- Peggy Bruzelius, Deputy Chairman of Electrolux

No changes in the composition of the Nomination Committee had occurred as of February 3, 2009. Shareholders wishing to submit proposals to the Nomination Committee should send an e-mail to [nominationcommittee@electrolux.com](mailto:nominationcommittee@electrolux.com).

#### Shareholders by the AGM

#### General Meetings of shareholders

The decision-making rights of shareholders in Electrolux are exercised at shareholders' meetings. The Annual General Meeting (AGM) of Electrolux is held in Stockholm, Sweden, during the first half of the year.

#### The AGM resolves on:

- The adoption of the annual report
- Dividends
- Election of Board members and, if applicable, auditors
- Remuneration to Board members and auditors
- Guidelines for remuneration to Group Management
- Other important matters

Extraordinary General Meetings (EGM) may be held at the discretion of the Board or, if requested, by the auditors or by shareholders owning at least 10% of the shares.

Participation in decision-making requires the shareholder's presence at the meeting, either personally or through a proxy. In addition, the shareholder must be registered in the share register at a prescribed date prior to the meeting and must provide notice of participation in the manner prescribed. Additional requirements for participation apply to shareholders with holdings in the form of American Depositary Receipts (ADR) or similar certificates. Holders of such certificates are advised to contact the ADR depository bank, the fund manager or the issuer of the certificate in good time before the meeting in order to obtain additional information.

Individual shareholders requesting that a specific issue be included in the agenda of a shareholders' meeting can normally request the Electrolux Board to do so in good time prior to the meeting via an address provided on the Group's website.

Decisions at the meeting are normally taken on the basis of a simple majority. However, as regards certain issues, the Swedish Companies Act stipulates that proposals must be approved by shareholders representing a greater share of votes cast and shares represented at the meeting.

#### Annual General Meeting 2008

The AGM on April 1, 2008, was attended by shareholders representing 47.3% of the share capital and 58.1% of the voting rights in the company. The President's address was broadcast live via the Group's website and is also presented on [www.electrolux.com/corpgov](http://www.electrolux.com/corpgov), together with the minutes and resolutions. The meeting was held in Swedish, with simultaneous interpretation into English.

The AGM decided, inter alia, to adopt the Board's proposal for a dividend of SEK 4.25 per share and to approve the Nomination Committee's proposal that Hasse Johansson be appointed new member of the Board. Marcus Wallenberg was re-elected as Chairman. The meeting also adopted the Board's proposed guidelines for remuneration to the Group Management of Electrolux, as well as the scope and main principles of the performance-based, long-term Electrolux share program 2008.

The Articles of Association of Electrolux were amended in accordance with the proposal of the Board. This included the approval of the proposal enabling the conversion of A-shares to B-shares on the request of the owners of A-shares. Furthermore, the changes entail that new C-shares can no longer be issued and that the Board is granted the possibility of appointing one or several special auditors in conjunction with the issue of shares, the reduction of share capital, the division of limited liability companies or similar significant events. Previously, only the General Meeting has been able to appoint auditors.

All Board members, as well as the Group's auditor in charge, were present at the meeting.

#### Annual General Meeting 2009

The next AGM of Electrolux will be held on March 31, 2009, at the Berwald Hall, Stockholm, Sweden.

For additional information on the AGM, see page 107.

## Board of Directors

### The Board of Directors

The members of the Board of Directors are elected by the AGM for one year at a time. In addition,

employee representatives are appointed to the Board in accordance with Swedish legislation.

### The Board's tasks

The main task of the Electrolux Board is to manage the Group's operations in such a manner as to assure the owners that their interests, in terms of a long-term good return on capital, are being met in the best possible manner. The Board's work is governed by rules and regulations including the Swedish Companies Act, the Articles of Association, the Code and the working procedures established by the Board. The Articles of Association of Electrolux are available on the Group's web site, [www.electrolux.com/corpgov](http://www.electrolux.com/corpgov).

#### The Board deals with and decides on Group-related issues such as:

- Main goals
- Strategic orientation
- Important policies
- Essential issues related to financing, investments, acquisitions and divestments
- Follow-up and control of operations, communication and organization, including evaluation of the Group's operative management
- Appointment of and, if necessary, dismissal of the President
- Overall responsibility for establishing an effective system of internal control and risk management

### Working procedures and Board meetings

The Board determines its working procedures each year and reviews them when necessary. The working procedures describe the Chairman's specific role and tasks, as well as the responsibilities delegated to the committees appointed by the Board.

In accordance with the procedures, the Chairman shall:

- Organize and distribute the Board's work
- Ensure that the Board discharges its duties
- Secure the efficient functioning of the Board
- Ensure that the Board's decisions are implemented efficiently
- Ensure that the Board evaluates its work annually

The working procedures for the Board also include detailed instructions to the President and other corporate functions regarding issues requiring the Board's approval. Among other things, these instructions specify the maximum amounts that various decision-making functions within the Group are authorized to approve as regards credit limits, capital expenditure and other expenditure.

The working procedures stipulate that the meeting for formal constitution of the Board shall be held directly after the AGM. Decisions at this meeting include the election of Deputy Chairman and authorization to sign on behalf of the company. The Board normally holds six other ordinary meetings during the year. Four of these meetings are held in conjunction with publication of the Group's full-year and interim reports. One or two meetings are held in connection with visits to Group operations. Additional meetings, including telephone conferences, are held when necessary.

### Ensuring quality in financial reporting

The working procedures determined annually by the Board include detailed instructions on the type of financial reports and similar information which is to be submitted to the Board. In addition to the full-year report, interim reports and the annual report, the Board reviews and evaluates comprehensive financial information regarding the Group as a whole and the entities within the Group.

The Board also reviews, primarily through the Group's Audit Committee, the most important accounting principles applied by the Group in financial reporting, as well as major changes in these principles. The tasks of the Audit Committee also include reviewing reports regarding internal control and financial reporting processes, as well as internal audit reports submitted by the Group's internal audit function, Management Assurance & Special Assignments.

The Group's external auditors report at Board meetings as necessary, but at least once a year. A minimum of one such meeting is held without the presence of the President or any other member of Group Management. The external auditors also attend the meetings of the Audit Committee.

The Audit Committee reports to the Board after each of its meetings. Minutes are taken at all meetings of the Audit Committee and are made available to all Board members and the auditors.

### Evaluation of the Board's activities

The Board evaluates its activities annually with regard to working procedures and the working climate, as well as regards the focus of the Board's work. This evaluation also focuses on access to and requirements of special competence in the Board. The evaluation is a tool for the development of the Board's work and also serves as input for the Nomination Committee's work.

The Deputy Chairman of the Board undertakes a separate annual evaluation of the Chairman's work.

### Composition of the Board

The Electrolux Board is comprised of nine members, without deputies, who are elected by the AGM for a period of one year. Three additional members, with deputies, are appointed by the Swedish employee organizations, in accordance with Swedish labor law. The AGM elects the Chairman of the Board. Directly after the AGM, the Board holds a meeting for formal constitution at which the Deputy Chairman of the Board is elected, among other things.

All members of the Board, except for the President, are non-executive members. Three of the nine Board members are not Swedish citizens.

For details of Board members, see Electrolux website [www.electrolux.com/board\\_of\\_directors.aspx](http://www.electrolux.com/board_of_directors.aspx) and page 108.

**Composition of the Board<sup>1)</sup>**

	Nationality	Independence <sup>2)</sup>	Audit Committee	Remuneration Committee	Total remuneration, SEK <sup>3)</sup>
Marcus Wallenberg, Chairman of the Board	SE	No		●	1,655,000
Peggy Bruzelius, Deputy Chairman of the Board	SE	Yes	●		750,000
Hasse Johansson	SE	Yes			475,000
John S. Lupo	US	Yes			475,000
Johan Molin	SE	Yes		●	530,000
Hans Stråberg, President and CEO	SE	No			—
Caroline Sundewall	SE	Yes	●		560,000
Torben Ballegaard Sørensen	DK	Yes	●		560,000
Barbara Millian Thoralfsson	US	Yes		●	595,000
Ola Bertilsson, Employee representative	SE	—			—
Gunilla Brandt, Employee representative	SE	—			—
Ulf Carlsson, Employee representative	SE	—			—
<b>Total</b>					<b>5,600,000</b>

- Chairman
- Member

1) For the period from the AGM 2008 to the AGM 2009.

2) For additional information, see Independence below.

3) For additional information, see Remuneration to Board members below.

**Changes in the Board**

- The AGM elected Hasse Johansson as a new member of the Board after Louis R. Hughes' decision to decline re-election.
- The AGM re-elected Marcus Wallenberg as Chairman of the Board.
- The meeting for formal constitution of the Board re-elected Peggy Bruzelius as Deputy Chairman.
- Johan Molin joined the Remuneration Committee as a new member.

**Independence**

The Board is considered to be in compliance with the requirements for independence of NASDAQ OMX Stockholm.

Marcus Wallenberg has been considered independent in relation to the company and the management of the company, but not in relation to major shareholders of Electrolux. Hans Stråberg has been deemed to be independent in relation to major shareholders of Electrolux, but not, in his capacity as President and CEO, in relation to the company and the management of the company. Hans Stråberg has no major shareholdings, nor is he a part-owner in companies that have significant business relations with Electrolux. As already mentioned, Hans Stråberg is the only member of Group Management with a seat on the Board.

**The Board's work in 2008**

During the year, the Board held eight scheduled and three extraordinary meetings. Seven of the scheduled meetings were held in Stockholm and one in Chicago, US. In connection with the latter, the Board visited several retailers.

All Board meetings during the year followed an agenda, which, together with the documentation for each item on the agenda, was sent to Board members in advance of the meetings. Meetings usually last for half a day or one entire day in order to allow time for presentations and discussions. Cecilia Vieweg, Electrolux General Counsel, served as secretary at all of the Board meetings.

Each scheduled Board meeting includes a review of the Group's results and financial position, as well as the outlook for the following quarters, as presented by the President and CEO. The meetings also deal with investments and the establishment of new operations, as well as acquisitions and divestments. The Board decides on all investments exceeding SEK 50m and receives reports on all investments between SEK 10m and SEK 50m. Normally, the head of a sector also reviews a current strategic issue at the meeting.

**Major issues addressed by the Board**

- Decision to decrease the number of employees within Major Appliances Europe by approximately 400 during 2008, entailing savings of SEK 350–400m on an annual basis.
- Discontinuing of the manufacturing of refrigerators in Scandicci, Italy, during the second six months of 2009, in order to concentrate production in Susegana, Italy.
- Decision that a so-called green range, consisting of products with high environmental performance, will be defined and implemented by each sector.
- Decision to reduce the number of employees by more than 3,000 worldwide, due to sharp market decline in demand in November and December.

## Participation of the Board in 2008

	Board meetings	Committee meetings
Marcus Wallenberg	11/11	8/8
Peggy Bruzelius	10/11	5/5
Hasse Johansson (elected in April 2008)	8/9	
John S. Lupo	11/11	
Johan Molin (joined the Remuneration Committee in April 2008)	11/11	5/6
Hans Stråberg	11/11	
Caroline Sundewall	11/11	5/5
Torben Ballegaard Sørensen	11/11	5/5
Barbara Milian Thoralfsson	11/11	8/8
Louis R. Hughes (left in April 2008)	2/2	2/2
Ola Bertilsson	11/11	
Gunilla Brandt	11/11	
Ulf Carlsson	10/11	

### Remuneration to Board members

Remuneration to Board members is determined by the AGM and distributed to the Board members who are not employed by Electrolux. Remuneration to the individual Board member took place in accordance with the decision of the AGM 2008 and was as follows:

- Chairman of the Board: SEK 1,600,000
- Deputy Chairman of the Board: SEK 550,000
- Director: SEK 475,000
- Chairman of the Audit Committee: SEK 200,000
- Member of the Audit Committee: SEK 85,000
- Chairman of the Remuneration Committee: SEK 120,000
- Member of the Remuneration Committee: SEK 55,000

The AGM 2008 also resolved to approve the Nomination Committee's proposal to pay a part of the remuneration to the Board in the form of so-called synthetic shares. The aim of providing synthetic shares is to further enhance the connection between the owners' and the Directors' common interest of a good long-term development for Electrolux. A synthetic share implies the right to receive, at a future point in time, payment of an amount equivalent to the market value of a B-share in the company at date of payment.

Board members who are not employed by Electrolux are not invited to participate in the Group's long-term incentive programs for senior managers and key employees.

Remuneration to the President is proposed by the Remuneration Committee and determined by the Board.

For additional information on remuneration to Board members and synthetic shares, see Note 27.

### Remuneration Committee Audit Committee

### Committees

The Board has established a Remuneration Committee and an Audit Committee. The major tasks of these committees are preparatory and advisory, but the Board

may delegate decision-making powers on specific issues to the committees. The members and Chairmen of the Committees are appointed at the Board meeting following election.

The Board has also determined that issues may be referred to ad hoc committees dealing with specific matters.

### Remuneration Committee

The main task of the Remuneration Committee is to propose guidelines for remuneration to members of Group Management.

#### The Remuneration Committee proposes guidelines in terms of:

- Targets and principles for calculating variable compensation.
- Relationship between fixed and variable salary.
- Changes in fixed and variable salary.
- Criteria for assessment of variable salary, long-term incentives, pension terms and other benefits.

The Committee comprises three Board members: Barbara Milian Thoralfsson (Chairman), Johan Molin and Marcus Wallenberg. Louis R. Hughes was a member of the Remuneration Committee until the Annual General Meeting 2008. At least two meetings are convened annually. Additional meetings are held as needed.

The Remuneration Committee held six ordinary meetings and two extra meetings in 2008. Significant issues addressed included the follow-up of previously approved incentive programs and the review of the company's strategy for remuneration, relative to the external job market.

The Head of Human Resources and Organizational Development participated in the meetings and was responsible for preparations.

### Audit Committee

#### The primary tasks of the Audit Committee are:

- To assist the Board in overseeing the accounting and financial reporting processes, including the effectiveness of disclosure controls and procedures.
- To assist the Board in overseeing the adequacy and effectiveness in internal control over financial reporting.

The Audit Committee also assists the Board in:

- Overseeing the audit of the financial statements, including related disclosures.
- Pre-approving audit and non-audit services to be provided by the external auditors.
- Reviewing the objectivity and independence of the external auditors.
- Overseeing the work of the external auditors, evaluating the external auditors' performance and, if necessary, recommending their replacement.

In addition, the Audit Committee is tasked with supporting the Nomination Committee in preparing proposals to the Audit Committee regarding external auditors and auditors' fees. The Audit Committee also reviews the Group's internal audit function, Management Assurance & Special Assignments, in terms of organization, staffing, budget, plans, results and reports prepared by this function.

The Audit Committee comprises three Board members: Peggy Bruzelius (Chairman), Caroline Sundewall and Torben Ballegaard Sørensen. The external auditors report to the Committee at each ordinary meeting. At least three meetings are held annually. Additional meetings are held as needed.

In 2008, the Audit Committee held four scheduled meetings and one extra meeting. Electrolux managers have also had regular contacts with the Committee Chairman between meetings regarding specific issues. The Group's Chief Financial Officer and the Head of Internal Audit participated in the majority of the Audit Committee meetings. Cecilia Vieweg, General Counsel, was the secretary at all meetings.

#### External Audit

#### External auditors

The AGM in 2006 re-elected PricewaterhouseCoopers AB (PwC) as the Group's external auditors for a four-year period, until the AGM in 2010. Authorized public accountant Peter Clemetson is the auditor in charge of Electrolux.

PwC provides an audit opinion regarding AB Electrolux, the financial statements of its subsidiaries, the consolidated financial statements for the Electrolux Group and the administration of AB Electrolux.

The audit is conducted in accordance with the Swedish Companies Act and the generally accepted Swedish auditing standards issued by FAR SRS, which is the institute for the accountancy profession in Sweden (Swedish GAAS). The auditing standards issued by FAR SRS are based on international auditing standards issued by the International Federation of Accountants (IFAC GAAS).

Audits of local statutory financial statements for legal entities outside of Sweden are performed as required by law or applicable regulations in the respective countries and as required by IFAC GAAS, including issuance of audit opinions for the various legal entities.

For additional information on the Group's auditors, see page 109. For details of fees paid to the auditors and their non-audit assignments in the Group, see Note 28.

#### 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 104. For additional information on risk management, see page 80.

#### Management and company structure

Electrolux operations are organized in six business sectors that include a total of 25 product lines. There are four Group staff units. The Group has a decentralized corporate structure in which the overall management of operative 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. Its aim is 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 Countering 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 it. Diversity is a prerequisite for Electrolux ability to compete in a global market. Personnel with diverse backgrounds create greater understanding of consumer need in different countries.

For additional information on Electrolux People Vision, see page 44 in part 1.

## GROUP MANAGEMENT



### President and Group Management

#### President and Group Management

Group Management includes the President, the six sector heads and the four Group staff heads. 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 of members of Group Management, see Electrolux website [www.electrolux.com/group\\_management.aspx](http://www.electrolux.com/group_management.aspx) and page 110.

#### Changes in Group Management

- Ruy Hirschheimer, Head of Major Appliances Latin America, joined Group Management in January.
- Enderson Guimarães was appointed Head of Major Appliances Europe in September.
- Jonas Samuelson was employed as Chief Financial Officer in December.

#### 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 and other members of Group Management is, then, resolved upon by the Board, based on proposals from the Remuneration Committee.

Remuneration may comprise fixed compensation, variable compensation in the form of short-term performance targets (up to 1 year) and long-term performance targets (3 years or longer),

pension terms and benefits such as insurance. Variable compensation is based on both financial and non-financial targets. Electrolux strives to offer a total remuneration that is fair and competitive in relation to the home country or region of each Group Management member. Remuneration terms shall emphasize "pay for performance" and shall vary with the performance of the individual and the Group. The remuneration offered by Electrolux is to ensure that right personnel are recruited and retained.

For additional information on remuneration, remuneration guidelines, long-term incentive programs and pension benefits, see Note 22 and Note 27.

### Business Sector Boards

#### Business sectors

The sector heads are members of Group Management and have responsibility for the income statements and balance sheets of their respective sectors. Within Major Appliances, the business sectors are geographically defined, while the sectors Professional Products and Floor Care and Small Appliances are global.

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. The product-line managers are responsible for the profitability and long-term development of their respective product lines.

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

# Internal control over financial reporting

The Electrolux Control System (ECS) has been developed to ensure accurate and reliable financial reporting and preparation of financial statements in accordance with applicable laws and regulations, generally accepted accounting principles and other requirements for listed companies. The system is based on the framework for internal control issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). ECS adds value through clarified roles and responsibilities, improved process efficiency, increased risk awareness and improved decision support.



The objective of ECS is to **quality assure** the internal and external financial reporting.

## Control environment

The foundation for the Electrolux Control System is the control environment, which determines the individual and collective behavior within the Group. It is defined by policies and procedures, manuals, and codes and enforced by the organizational structure of Electrolux with clear responsibility and authority based on collective values.

The Electrolux Board has overall responsibility for establishing an effective system of internal control. The governance structure of the Group is described on page 96. Specifically for financial reporting, the Board has established an Audit Committee, which assists in overseeing relevant manuals, policies and important accounting principles applied by the Group.

Responsibility for maintaining effective internal controls is delegated to the President. The President has organized the Group's operations in six business sectors and four Group staff functions as described on page 103. Group Management includes the President, the six sector heads and the four Group staff heads and they have ultimate responsibility for internal controls within their area of responsibility.

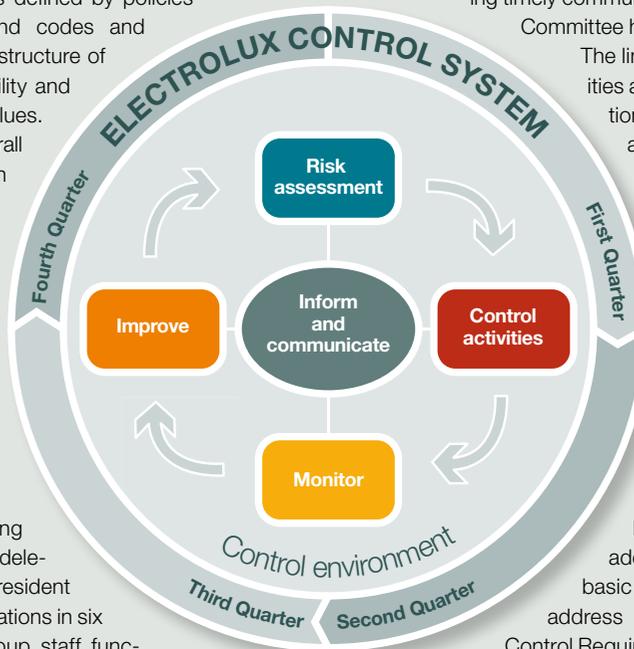
To further structure the responsibilities for certain areas globally, a number of internal bodies have been established for specific areas such as risk management, audit and internal control, IT, trea-

sure, taxes, brands, products, purchasing and human resources. Specifically for purposes of considering the materiality of information, including financial reporting, relating to Electrolux and ensuring timely communication to the market, a Disclosure Committee has been formed.

The limits of responsibilities and authorities are given in instructions for delegation of authority, manuals, policies and procedures, and codes, including the Electrolux Code of Ethics, the Electrolux Workplace Code of Conduct, and the Electrolux Policy on Countering Bribery and Corruption, as well as in policies for information, finance and credit, and in the accounting manual. Responsibility for internal control is defined in the Electrolux Internal Control Policy. All entities within the Electrolux Group must maintain adequate internal controls. As a basic requirement, the controls should address the stipulated Minimum Internal Control Requirements (MICR) covering key risks.

Together with laws and external regulations, these internal guidelines form the control environment and all Electrolux employees are held accountable for compliance.

The Electrolux Control System Office, a department within the Internal Audit function, has developed the methodology and yearly time plan for maintaining the Electrolux Control System. To ensure timely completion of these activities, specific roles aligned with



## Control environment – Example trade receivables



**Accounting Manual.** Rules for revenue recognition and calculation of provision for doubtful trade receivables.

**Credit Policy.** Rules for customer assessment and credit risk, clarifies responsibilities and is the framework for credit decisions.

**Delegation of Authority Document.** Details the approval rights, with monetary, volume or other appropriate limits, e.g., approval of credit limits and credit notes.

**Internal Control Policy.** Details responsibility for internal controls. Controls should address the Minimum Internal Control Requirements (MICR) within every applicable process, for example order to cash.

## Electrolux Control System – Roles and responsibilities

Role	Sector/Group staff internal control coordinator	Reporting unit internal control coordinator	Process owner	Control operator	Management tester
Typically who	Senior person within the Finance organization in the Sector or Group Staff function.	Controller or CFO for the reporting unit.	Person with overall responsibility for the process, e.g., warehouse manager, purchase manager, sales manager.	Person performing the daily activities within the process, i.e. warehouse operator, accounts payable clerk, accounts receivable clerk.	Person with process knowledge but not performing daily activities in the process to ensure independence.
Main responsibilities	<ul style="list-style-type: none"> <li>* Monitor and report on the effectiveness of controls.</li> <li>* Identify skilled resources to ensure sustainability.</li> </ul>	<ul style="list-style-type: none"> <li>* Plan, coordinate and monitor the timeliness of the documentation, testing and improvement of controls.</li> <li>* Support the process owners, control operators and management testers.</li> </ul>	<ul style="list-style-type: none"> <li>* Ensure that controls are implemented within the process.</li> <li>* Execute remediation, i.e., improvement activities when controls have been tested and deemed not effective.</li> </ul>	<ul style="list-style-type: none"> <li>* Document control descriptions.</li> <li>* Perform control activities.</li> <li>* Maintain evidence of control performed.</li> </ul>	<ul style="list-style-type: none"> <li>* Perform testing of controls.</li> <li>* Document and report test results.</li> </ul>
Approximate number of roles assigned	15	110	415	3,700	150

the company structure, with clear responsibilities regarding internal control, have been assigned within the Group. Over the last five years, training and support have been provided to the thousands of persons with assigned ECS roles globally. The objective of the training has been to educate in risk and internal control and provide hands-on tools and techniques in order to effectively carry out the assigned responsibilities. These training sessions have been a mix of regional training sessions, computer based training modules and net meetings.

### Risk assessment

Risk assessment includes identifying risks of not fulfilling the fundamental criteria, i.e., completeness, accuracy, valuation and reporting, for significant accounts in the financial reporting for the Group. Risks assessed also include risk of loss or misappropriation of assets.

At the beginning of each calendar year, the Electrolux Control System Office performs a global risk assessment to determine the reporting units, data centers and processes in scope for the ECS activities. Within the Electrolux Group, 18 different processes generating transactions that end up in significant accounts in the financial reporting have been identified. For each process, key risks are identified and documented.

Since 2004, all larger reporting units perform the ECS activities. These larger units cover approximately 70% of the total external sales and external assets of the Group.

During 2008, ECS has been rolled out to half of the smaller units within the Group. The scope for these units has been limited to four major processes and predetermined key risks within these. During 2009, the ECS activities will be implemented in the remainder of the smaller units.

### Control activities

Control activities mitigate the risks identified and ensure the fulfilment of the fundamental criteria for financial reporting.

Control activities include both general and detailed controls aimed at preventing, detecting and correcting errors and irregularities. In the Electrolux Control System the following controls are implemented, documented and tested;

- Manual and application controls – to secure that key risks related to financial reporting within processes are controlled. Examples of important manual and application controls are ones over journal entries, reconciliations, access rights, master data and segregation of duties.
- IT general controls – to secure the IT environment for key applications. Examples of important IT general controls are ones over change management, user administration, production environment and back up procedures.
- Entity-wide controls – to secure and enhance the control environment within Electrolux. Examples of important entity-wide controls are ones over Group policies, accounting rules, delegation of authority and financial reviews.

Every calendar year, usually between March and May, the documentation of controls is updated and quality assured. Documentation comprises of both flowcharts of the process and descriptions of the control activities detailing out who performs the control, what he or she does and how often the control is performed. Each control activity documented is also evidenced, i.e., a document or file proving that the control actually has taken place is maintained.

Controls are documented by the control operator and stored in a central web-based repository for process and control documentation.

### Risk assessment – Example trade receivables



#### Internal control and risk management – Risks assessed

#### Closing routine – Risks assessed

#### Manage IT – Risks assessed

#### Order to cash – Risks assessed

### Control activities – Example trade receivables

Process	Risk assessed	Control activity	Type of control
Internal control and risk management	Risk of incorrect and inconsistent financial reporting.	Periodic controls to ensure that the Accounting Manual is updated, communicated and adhered to.	Entity-wide control
Closing routine	Risk of incorrect financial reporting.	Reconciliation between general ledger and accounts receivable sub-ledger is performed, documented and approved.	Manual control
Manage IT	Risk of unauthorized/incorrect changes in IT environment.	All changes in the IT environment are authorized, tested, verified and finally approved.	IT general control
Order to cash	Risk of not receiving payment from customers in due time.	Customers' payments are monitored and outstanding payments are followed up.	Manual control
Order to cash	Risk of incurring bad debt.	Application automatically blocks sales order/deliveries when the credit limit is exceeded.	Application control

**Monitor**

Monitor and test of control activities is performed periodically to ensure that risks are properly mitigated.

**Improve**

The effectiveness of control activities are monitored continuously at four levels: Group, sector, reporting unit, and process. Monitoring involves both formal and informal procedures applied by management, process owners and control operators, including reviews of results in comparison with budgets and plans, analytical procedures, and key-performance indicators.

Within the Electrolux Control System, management is responsible for testing key controls. Management testers who are independent of the control operator perform these activities. The Group's Internal Audit function maintains test plans. Testing is usually performed between June and August each calendar year with some additional testing performed up to and at year-end.

Controls that have failed need to be remediated, which means establishing and implementing actions to correct weaknesses.

The Group's Internal Audit function is responsible for performing independent testing of selected controls. In addition, this function proactively proposes improvements to the control environment. The head of the Internal Audit function has dual reporting lines: To the President and the Audit Committee for assurance activities, and to the CFO for other activities.

The Audit Committee reviews reports regarding internal control and processes for financial reporting, as well as internal audit reports submitted by the Internal Audit function. The external auditors report to the Audit Committee at each ordinary meeting.

Results from testing of controls are monitored through the web-based tool. The test results from the larger reporting units are presented to the external auditors who assess the results of the testing performed by management and the Internal Audit function and determine to what extent they can rely upon the work within ECS for Group audit and statutory audit purposes. The external auditors' evaluation of ECS as part of the audit is reported to management as well as to the Audit Board and Audit Committee.

**Inform and communicate**

**Inform and communicate**

Inform and communicate within the Electrolux Group regarding risks and controls contributes to ensuring that the right business decisions are made.

Guidelines for financial reporting are communicated to employees, e.g., by ensuring that all manuals, policies and codes are published and accessible through the group-wide Intranet as well as information related to the Electrolux Control System. This information includes the methodology, instructions and hands-on checklists, description of the roles and responsibilities, and the overall time plan. Periodically, ECS News Alerts with topics such as frequently asked questions and updates to the methodology are published.

Inform and communicate is a central element of the ECS and is performed continuously during the year. Management, process owners and control operators in general are responsible for informing and communicating the results within the ECS. This is done through different sign-off procedures during the year.

The status of ECS activities is followed up continuously through status calls between the ECS Office and sector internal control coordinators. Information about the status of the ECS is provided periodically to relevant parties such as Sector and Group Management, the Audit Board and the Audit Committee.

**Financial reporting and information**

Electrolux routines and systems for information and communication aim at providing the market with relevant, reliable, correct and vital information concerning the development of the Group and its financial position. Electrolux has a communications policy meeting the requirements for a listed company.

Financial information is issued regularly in the form of:

- Full-year reports and interim reports, published as press releases
- The Annual Report
- Press releases on all matters which could materially affect the share price
- Presentations and telephone conferences for financial analysts, investors and media representatives on the day of publication of full-year and quarterly results and in conjunction with the release of important news
- Meetings with financial analysts and investors in Sweden and worldwide

All reports, presentations and press releases are published simultaneously at [www.electrolux.com/ir](http://www.electrolux.com/ir).

**Test of controls and quality assurance**



Management testers perform tests of controls in different test phases during the year.

The Internal Audit function performs independent testing of selected controls through desktop reviews and on-site re-performance of tests to ensure methodology is adhered to.



The final result after performing the ECS activities is a quality assured internal and external financial reporting.

# Annual General Meeting

The Annual General Meeting will be held at 5 pm on Tuesday, March 31, 2009, at the Berwald Hall, Dag Hammarskjölds väg 3, Stockholm, Sweden.

## Participation

Shareholders who intend to participate in the Annual General Meeting must

- be registered in the share register kept by Swedish central securities depository Euroclear Sweden AB (formerly VPC AB) on Wednesday, March 25, 2009, and
- give notice of intent to participate, thereby stating the number of assistants attending, to Electrolux on Wednesday, March 25, 2009.

## Notice of participation

Notice of intent to participate can be given

- by mail to AB Electrolux, C-J, SE-105 45 Stockholm, Sweden
- by telephone +46 8 738 64 10, on weekdays between 9 am and 4 pm.
- by fax +46 8 738 63 35
- on the Internet on the Group's website, [www.electrolux.com/agm](http://www.electrolux.com/agm)

Notice should include the shareholder's name, registration number, if any, address and telephone number. Shareholders may vote by proxy, in which case a power of attorney should be submitted to Electrolux prior to the Annual General Meeting.

Proxy forms in Swedish and English are available on the company's website [www.electrolux.com/agm](http://www.electrolux.com/agm).

## Shares registered by trustee

Shareholders that have their shares registered in the name of a nominee must, in addition to giving notice of participation in the meeting, temporarily be recorded in the share register in their own names (so called voting-rights registration) to be able to participate in the General Meeting. In order for such registration to be effectuated on Wednesday, March 25, 2009, shareholders should contact their bank or trustee well in advance of that date.

## Dividend

The Board of Directors proposes that no dividend will be paid for 2008. Demand in the Group's main markets declined sharply throughout the world in 2008. The decline was particularly steep in the fourth quarter. Global demand for appliances is expected to continue to deteriorate in 2009. Electrolux is implementing a number of cost-reduction programs, which had an adverse effect on cash flow in 2008 and will have a similar effect on cash flow in 2009.

The Group's goal is for the dividend to correspond to at least 30% of income for the period, excluding items affecting comparability. Historically, the Electrolux dividend rate has been considerably higher than 30%. Electrolux also has a long tradition of high total distribution to shareholders that include repurchases and redemptions of shares as well as dividends. A zero dividend is in line with existing policy, with reference to the low income for the period.

## Factors affecting forward-looking statements

This report contains "forward-looking" statements within the meaning of the US Private Securities Litigation Reform Act of 1995. Such statements include, among others, the financial goals and targets of Electrolux for future periods and future business and financial plans. These statements are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially due to a variety of factors. These factors include, but may not be limited to the following; consumer demand and market conditions in the geographical areas and

industries in which Electrolux operates, effects of currency fluctuations, competitive pressures to reduce prices, significant loss of business from major retailers, the success in developing new products and marketing initiatives, developments in product liability litigation, progress in achieving operational and capital efficiency goals, the success in identifying growth opportunities and acquisition candidates and the integration of these opportunities with existing businesses, progress in achieving structural and supply-chain reorganization goals.

# Board of Directors and Auditors



**Marcus Wallenberg**  
Chairman

Born 1956. B. Sc. of Foreign Service. Elected 2005. Member of the Electrolux Remuneration Committee.

**Board Chairman** of SEB, Skandinaviska Enskilda Banken AB and Saab AB. Honorary Chairman of ICC (International Chamber of Commerce). Deputy Chairman of Telefonaktiebolaget LM Ericsson. Board Member of Astra Zeneca Plc, Stora Enso Oyj, the Knut and Alice Wallenberg Foundation and Temasek Holdings Limited.

**Previous positions:** President and CEO of Investor AB, 1999–2005. Executive Vice-President of Investor AB, 1993–1999.

**Holdings** in AB Electrolux: 20,000 B-shares. Related party: 1,500 B-shares.



**Peggy Bruzelius**  
Deputy Chairman

Born 1949. M. Econ. Hon. Doc. in Econ. Elected 1996. Chairman of the Electrolux Audit Committee.

**Board Chairman** of Lancelot Asset Management AB and the Swedish National Agency for Higher Education. Board Member of Axfood AB, Industry and Commerce Stock Exchange Committee, Axel Johnson AB, Akzo Nobel nv., Scania AB, Husqvarna AB, Syngenta AG and the Association of the Stockholm School of Economics.

**Previous positions:** Executive Vice-President of SEB, Skandinaviska Enskilda Banken AB, 1997–1998. President and CEO of ABB Financial Services AB, 1991–1997.

**Holdings** in AB Electrolux: 6,500 B-shares.



**Hasse Johansson**

Born 1949. M. Sc. in Electrical Engineering. Elected 2008. Executive Vice President and Head of Research and Development of Scania AB since 2001.

**Previous positions:** Founder of Mecel AB (part of Delphi Corporation). Senior management positions with Delphi Corporation, 1990–2001.

**Holdings** in AB Electrolux: 0 shares.



**John S. Lupo**

Born 1946. B. Sc. in Marketing. Elected 2007.

**Board Member** of Spectrum Brands Inc., Citi Trends Inc. and Cobra Electronics Corp., USA.

**Previous positions:** Principle of Renaissance Partners Consultants, 2000–2008. Executive Vice-President of Basset Furniture, 1998–2000. Chief Operating Officer of Wal-Mart International, 1996–1998. Senior Vice-President Merchandising of Wal-Mart Stores Inc., 1990–1996.

**Holdings** in AB Electrolux: 500 ADR.



**Johan Molin**

Born 1959. B. Sc. in Econ. Elected 2007. Member of the Electrolux Remuneration Committee. President and CEO of ASSA ABLOY AB since 2005.

**Board Member** of ASSA ABLOY AB.

**Previous positions:** CEO of Nilfisk-Advance, 2001–2005. President of Industrial Air Division, Atlas Copco Airpower, Belgium, 1998–2001. Management positions within Atlas Copco, 1983–2001.

**Holdings** in AB Electrolux: 1,000 B-shares.



**Hans Stråberg**  
President and CEO

Born 1957. M. Eng. Elected 2002. President and CEO of AB Electrolux since 2002.

**Board Member** of the Association of Swedish Engineering Industries, N Holding AB, Roxtec AB and the Confederation of Swedish Enterprise.

**Previous positions:** Joined Electrolux in 1983. Management positions in the Group until appointed President and CEO.

**Holdings** in AB Electrolux: 61,597 B-shares, 90,000 options.



**Caroline Sundewall**

Born 1958. M.B.A. Elected 2005. Member of the Electrolux Audit Committee. Independent Business consultant since 2001.

**Board Member** of TeliaSonera AB, Haldex AB, Lifco AB, Pågengruppen AB, Ahlsell AB and the Association of Exchange-listed Companies.

**Previous positions:** Business commentator at Finans-tidningen, 1999–2001. Managing editor of the business desk section at Sydsvenska Dagbladet, 1992–1999. Business controller at Ratos AB, 1989–1992.

**Holdings** in AB Electrolux through company: 2,000 B-shares.



**Torben Ballegaard Sørensen**

Born 1951. M.B.A. Elected 2007. Member of the Electrolux Audit Committee.

**Board Member** of Egmont Fonden, LEGO A/S, Pandora Holding A/S and Monberg-Thorsen A/S, Denmark.

**Previous positions:** President and CEO of Bang & Olufsen a/s, 2001–2008. Executive Vice-President of LEGO System, 1999–2001. Divisional Director of LEGO System, 1996–1999. Managing Director of CCI Europe, 1988–1996. Managing Director of AA S Grafik, 1983–1988.

**Holdings** in AB Electrolux: 0 shares.



**Barbara Milian Thoralfsson**

Born 1959. M.B.A., B.A. Elected 2003. Chairman of the Electrolux Remuneration Committee. Director of Fleming Invest AS, Norway, since 2005.

**Board Member** of SCA AB, Storebrand ASA, Tandberg ASA, Fleming Invest AS, Stokke AS and Norfolier AS.

**Previous positions:** President of TeliaSonera Norway, 2001–2005. President of Midelfart & Co, 1995–2001. Leading positions within marketing and sales, 1988–1995.

**Holdings** in AB Electrolux through company: 10,000 B-shares.

## Employee representatives, members



**Ola Bertilsson**

Born 1955. Representative of the Swedish Confederation of Trade Unions. Elected 2006.

**Holdings** in AB Electrolux: 0 shares.



**Gunilla Brandt**

Born 1953. Representative of the Federation of Salaried Employees in Industry and Services. Elected 2006.

**Holdings** in AB Electrolux: 0 shares.



**Ulf Carlsson**

Born 1958. Representative of the Swedish Confederation of Trade Unions. Elected 2001.

**Holdings** in AB Electrolux: 0 shares.

## Employee representatives, deputy members



**Gerd Almlöf**

Born 1959. Representative of the Federation of Salaried Employees in Industry and Services. Elected 2007.

**Holdings** in AB Electrolux: 0 shares.



**Peter Karlsson**

Born 1965. Representative of the Swedish Confederation of Trade Unions. Elected 2006.

**Holdings** in AB Electrolux: 0 shares.



**Bengt Liwång**

Born 1945. Representative of the Federation of Salaried Employees in Industry and Services. Elected 2005.

**Holdings** in AB Electrolux: 0 shares.

## Secretary of the Board

### **Cecilia Vieweg**

Born 1955. B. of Law. General Counsel of AB Electrolux. Secretary of the Electrolux Board since 1999.

**Holdings** in AB Electrolux: 18,827 B-shares, 15,294 options.

## Auditors

At the Annual General Meeting in 2006, PricewaterhouseCoopers AB (PwC) was re-elected as auditors for a four-year period until the Annual General Meeting in 2010.

### **Peter Clemedtson**

#### **PricewaterhouseCoopers AB**

Born 1956. Authorized Public Accountant. Partner in Charge.

**Other audit assignments:** Telefonaktiebolaget LM Ericsson and SEB, Skandinaviska Enskilda Banken AB.

**Holdings** in AB Electrolux: 0 shares.

### **Björn Irlé**

#### **PricewaterhouseCoopers AB**

Born 1965. Authorized Public Accountant.

**Holdings** in AB Electrolux: 0 shares.

# Group Management



**Hans Stråberg**  
**President and CEO**

Born 1957. M. Eng. In Group Management since 1998. Joined Electrolux in 1983. Head of product area Dishwashers and Washing Machines, 1987. Head of product division Floor Care Products, 1992. Executive Vice-President of Frigidaire Home Products, USA, 1995. Head of Floor Care Products and Small Appliances and Executive Vice-President of AB Electrolux, 1998. Chief Operating Officer of AB Electrolux, 2001. President and CEO, 2002.

**Board Member** of the Association of Swedish Engineering Industries, N Holding AB, Roxtec AB and the Confederation of Swedish Enterprise.

**Holdings** in AB Electrolux: 61,597 B-shares, 90,000 options.



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

Born 1958. B. Econ. In Group Management since 2006. Sales/marketing positions in Carlsberg Group, Denmark, 1980–1987. Senior management positions within Coca-Cola Company, 1987–2000. Senior Vice-President of Alliances/Partnerships for TDC Mobile, 2001–2003. Joined Electrolux in 2003 as Head of Floor Care and Small Appliances Europe. Head of Floor Care and Small Appliances and Executive Vice-President of AB Electrolux, 2006.

**Board member** of Velux A/S.

**Holdings** in AB Electrolux: 13,138 B-shares, 0 options.



**Enderson Guimarães**  
**Head of Major Appliances Europe, Executive Vice-President**

Born 1960. 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 in 2008 as Senior Vice-President Product and Branding within Major Appliances Europe. Head of Major Appliances Europe and Executive Vice-President of AB Electrolux, 2008.

**Holdings** in AB Electrolux: 0 shares, 0 options.



**Carina Malmgren Heander**  
**Senior Vice-President, Human Resources and Organizational Development**

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 in 2007 as Senior Vice-President of Group Staff Human Resources and Organizational Development.

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

**Holdings** in AB Electrolux: 0 shares, 0 options.



**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 in 1998 as Head of Brazilian Major Appliances operations. Head of Major Appliances Latin America, 2002. Executive Vice-President of AB Electrolux, 2008.

**Holdings** in AB Electrolux: 33,621 B-shares, 5,000 options.



**Lars Göran Johansson**  
**Senior Vice-President, Communications and Branding**

Born 1954. M. Econ. In Group Management since 1997. Account Executive of KREAB Communications Consultancy, 1978–1984, President, 1985–1991. Headed the Swedish "Yes to the EU Foundation" campaign for the referendum that determined Sweden's membership in the EU, 1992–1994. Joined Electrolux in 1995. Communications and Branding include responsibility for Investor Relations as well as Public and Environmental Affairs.

**Holdings** in AB Electrolux: 19,327 B-shares, 19,902 options.



**Keith R. McLoughlin**

**Head of Major Appliances North America, Executive Vice-President**

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 in 2003 as Head of Major Appliances North America and Executive Vice-President of AB Electrolux. Also Head of Major Appliances Latin America, 2004–2007.

**Board Member** of Briggs & Stratton Corp.

**Holdings** in AB Electrolux: 29,125 B-shares, 0 options.



**Detlef Münchow**

**Head of Professional Products, Executive Vice-President**

Born 1952. M.B.A. Ph.D. Econ. In Group Management since 1999. Member of senior management of Knight Wendling/Wegenstein AG, Germany, 1980–1989, and GMO AG, 1989–1992. FAG Bearings AG, 1993–1998, as Chief Operating Officer of FAG Bearings Corporation, USA. Joined Electrolux in 1999 as Head of Professional Indoor Products and Executive Vice-President of AB Electrolux.

**Holdings** in AB Electrolux: 44,828 B-shares, 0 options.



**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 in 2007 as Head of Major Appliances Asia/Pacific and Executive Vice-President of AB Electrolux.

**Holdings** in AB Electrolux: 0 shares, 0 options.



**Jonas Samuelson**

**Chief Financial Officer**

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 in 2008 as Chief Financial Officer.

**Holdings** in AB Electrolux: 0 shares, 0 options.



**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 in 1999 as Senior Vice-President and General Counsel, with responsibility for legal, intellectual property, risk management and security matters.

**Board Member** of Haldex AB.

**Holdings** in AB Electrolux: 18,827 B-shares, 15,294 options.

Holdings in AB Electrolux as of December 31, 2008.