

Remuneration guidelines for senior executives

The guidelines set forth herein shall apply to remuneration and other terms of employment for the President and CEO, Deputy CEO, and other members of group management (together “Group Management”) and, if applicable, remuneration to board members for work in addition to the board assignment. Group Management currently comprises ten executives.

The principles shall be applied to employment and consultancy agreements entered into after the 2024 Annual General Meeting, and to changes made to existing agreements thereafter. The guidelines shall be in force until new guidelines are adopted by the General Meeting. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

Remuneration for the President and CEO and, if applicable, members of the Board of Directors is resolved by the Board of Directors of the Company, based on the recommendation of the remuneration committee (the “People Committee”). Remuneration for other members of Group Management is resolved upon by the People Committee and is reported to the Board of Directors. People Committee shall also monitor and evaluate programs for variable remuneration for Group Management, the application of these guidelines as well as the remuneration structures and compensation levels in Electrolux Group. The Board of Directors shall, based on the recommendation from the People Committee, prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The President and CEO, Deputy CEO and other members of Group Management do not participate in the Board of Directors’ processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Note 27 of the Annual Report includes a detailed description of existing remuneration arrangements for Group Management, including fixed and variable compensation, long-term incentive programs and other benefits.

The Company has a clear strategy to deliver profitable growth and create shareholder value.

A prerequisite for the successful implementation of the Company’s business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company is able to recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration in relation to the country or region of employment of each Group Management member. These guidelines enable the Company to offer Group Management a competitive total remuneration. More information on the Company’s strategy can be found on Electrolux Group’s website and in the most recent annual report, www.electroluxgroup.com/en/.

The remuneration terms shall emphasize ‘pay for performance’ and vary with the performance of the individual and Electrolux Group. The total remuneration for Group Management shall be in line with market practice and may comprise the following components: fixed compensation, variable compensation, pension benefits and other benefits. Employment contracts governed by rules other than Swedish may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Fixed compensation

The Annual Base Salary (“ABS”) shall be competitive relative to the relevant market and reflect the scope of the job responsibilities. Salary levels shall be reviewed periodically (usually annually) to ensure continued competitiveness and to recognize individual performance.

Variable compensation

Variable compensation consists of both short-term and long-term incentives. Long-term incentives consist of long-term share-related incentive programs (“LTI programs”). Such programs are resolved upon by the General Meeting and are therefore excluded from these guidelines. Each year, the Board of Directors evaluate whether an LTI program shall be proposed to the Annual General Meeting. LTI programs shall be distinctly linked to the business strategy and shall always be designed with the aim to further enhance the common interest of participating employees and the Company’s shareholders of a good long-term development for Electrolux Group. For more information regarding the LTI programs, including the criteria which the outcome depends on, please see the corporate governance section on Electrolux Group’s website, www.electroluxgroup.com.

Following the ‘pay for performance’ principle, variable compensation shall represent a significant portion of the total compensation opportunity for Group Management. Variable compensation shall always be measured against pre-defined targets and have a maximum above which no payout shall be made. Variable compensation shall mainly relate to financial performance targets. Non-financial targets may also be used in order to strengthen the focus on delivering on the Company’s business strategy and long-term interests, including its sustainability. The targets shall be specific, clear, measurable and time bound and be determined by the Board of Directors.

Short Term Incentive (“STI”)

Members of Group Management shall participate in an STI plan under which they may receive variable compensation. The objectives in the STI plan shall mainly be financial and the measurement period shall be one year. The objectives shall mainly be set based on financial performance of Electrolux Group and, for the business area and product line heads, of the business area or the product line for which the Group Management member is responsible, such as profit, financial efficiency, and sales. Financial objectives will comprise at least 80 per cent of the weighting. Non-financial objectives may be related to sustainability, customer satisfaction, quality, or company culture.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be determined by the People Committee when the measurement period has ended. For financial objectives, the evaluation shall be based on the annual financial performance in accordance with the most recent interim report for the fourth quarter made public by the Company.

The maximum STI entitlements shall be dependent on job position and may amount to a maximum of 100 per cent of the ABS. Reflecting current market conditions, the STI entitlement for Group Management members employed in the U.S. may amount to a maximum of 150 per cent of ABS.

Extraordinary arrangements

Additional variable compensation may be approved in extraordinary circumstances under the conditions that such extraordinary arrangement is made for recruitment or retention purposes, is agreed on an individual basis, does not exceed 300 per cent of the ABS and is earned and/or paid out in instalments over a minimum period of 24 months. Such additional variable remuneration may also be paid on an individual level for extraordinary performance beyond the individual’s ordinary tasks and shall in these situations not exceed 30 per cent of the ABS and be paid in one installment.

Right to reclaim variable remuneration

Terms and conditions for variable remuneration should be designed to enable the Board of Directors, under exceptional financial circumstances, to limit or cancel payments of variable remuneration provided that such actions are deemed reasonable (malus). The Board shall also have the possibility, under applicable law or contractual provisions and subject to the restrictions

that may apply under law or contract, to in whole or in part reclaim variable remuneration paid on incorrect grounds (claw-back).

Pension and benefits

Old age and survivor's pension, disability benefits and healthcare benefits shall be designed to reflect home country practices and requirements. When possible, pension plans shall be based on defined contribution. In individual cases, depending on provisions in collective agreements, tax and/or social security legislation to which the individual is subject, other schemes and mechanisms for pension benefits may be approved. Defined pension contributions shall not exceed 40 per cent of the ABS unless the entitlement is higher under applicable collective agreements.

Other benefits, such as company cars and housing, may be provided on an individual level or to the entire Group Management. Costs relating to such benefits may not amount to more than 20 per cent of the ABS. Members of Group Management who are expatriates, may receive additional remuneration and other benefits to the extent reasonable in light of the special circumstances associated with the expatriate arrangement. Such benefits shall be determined in line with Electrolux Group's Directive on International Assignments and may for example include relocation costs, housing, tuition fees, home travel, tax support and tax equalization.

Notice of termination and severance pay

The notice period shall be twelve months if the employer takes the initiative to terminate the employment and six months if the Group Management member takes the initiative to terminate the employment.

In individual cases, contractual severance pay may be approved in addition to the notice periods. Contractual severance pay may only be payable upon the employer's termination of the employment arrangement or where a Group Management member gives notice as the result of an important change in the working situation, because of which he or she can no longer perform to standard. This may be the case in e.g., the event of a substantial change in ownership structure of Electrolux Group in combination with a change in reporting line and/or job scope.

Contractual severance pay may for the individual include the continuation of the ABS for a period of up to twelve months following termination of the employment agreement; no other benefits shall be included. These payments shall be reduced with the equivalent value of any income that the individual earns during that period of up to twelve months from other sources of income, either from employment or from other business activities.

In addition, compensation for any non-compete undertaking may be awarded. Such compensation shall be based on the ABS at the time of notice of termination of the employment, unless otherwise stipulated by mandatory collective agreement provisions, and be awarded over the period for which the non-compete clause applies, which should not exceed twelve months after termination of the employment. The compensation shall be reduced by an amount corresponding to any income that the person receives from other sources of income, either from employment or from other business activities.

Salary and employment conditions for employees

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

Consultancy fees

If a member of the Board of Directors (including through a wholly-owned subsidiary) should carry out services to Electrolux Group in addition to the board assignment, specific fees for this can be paid out (consultancy fees), provided that such services contribute to the implementation of the Company's business strategy and the safeguarding of the Company's long-term interests, including its sustainability. Such consultancy fee may for each member of the Board of Directors not to exceed the annual remuneration for the board assignment. The fee shall be in line with market practice.

Deviations from the guidelines

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

These Remuneration Guidelines were adopted by the Annual General Meeting on March 27, 2024.