

AB Electrolux Nomination Committee's explanatory statement regarding its proposals to the Annual General Meeting 2018, including an account of how the Nomination Committee has conducted its work

Electrolux Nomination Committee for the Annual General Meeting (AGM) 2018 was composed on the basis of the ownership status of the company as of August 31, 2017.

The Chairman of the Nomination Committee is Johan Forssell, Investor AB. The other owner representatives are Kaj Thorén, Alecta, Marianne Nilsson, Swedbank Robur funds, and Carine Smith Ihenacho, Norges Bank Investment Management. The Nomination Committee also includes Ronnie Leten and Fredrik Persson, Chairman and Director, respectively, of the Board of Electrolux.

Shareholders have been able to submit proposals to the Nomination Committee via e-mail.

Proposal and explanatory statement regarding election of Board of Directors

Ronnie Leten has informed the Nomination Committee that he declines re-election. The Nomination Committee proposes re-election of Petra Hedengran, Hasse Johansson, Ulla Litzén, Bert Nordberg, Fredrik Persson, David Porter, Jonas Samuelson, Ulrika Saxon and Kai Wörn as Board Members and election of Staffan Bohman as new member of the Electrolux Board.

Staffan Bohman was born in 1949. He is Chairman of Höganäs AB, Ipco AB and Upplands Motor Holdings AB, and Board Member in Atlas Copco AB. He is also Chairman of the German-Swedish Chamber of Commerce. He has previously been President and CEO of Sapa and DeLaval as well as Board Member in inter alia Scania AB, Inter-IKEA Holding NV and Rezidor Hotel Group AB.

The Nomination Committee also proposes that Staffan Bohman is elected new Chairman of the Board for the coming year.

The Nomination Committee's proposal is thus that the following Directors are elected to the Board of Electrolux for a term of office until the next AGM:

- Staffan Bohman, Chairman
- Petra Hedengran
- Hasse Johansson
- Ulla Litzén
- Bert Nordberg
- Fredrik Persson
- David Porter
- Jonas Samuelson, President and CEO
- Ulrika Saxon
- Kai Wörn

In the nomination work for this year's AGM, the Nomination Committee has made an assessment of the composition and size of the current Board as well as the Electrolux Group's operations. Areas of particular interest have been Electrolux strategies and goals and the demands on the Board that are expected from the Group's positioning for the future. A good understanding of Electrolux business and strategy is

important for the members of the Nomination Committee. The Chairman of the Board as well as the President and CEO have therefore presented their views on the company's position and strategy and which competences and experiences are considered important for Electrolux. The Nomination Committee has also received information on Electrolux approach to Sustainability. As a part of its evaluation, the Nomination Committee has studied the result of the board evaluation and been informed about how the board work functions. The Nomination Committee has noted that the Directors have a high Board meeting attendance and that they are well prepared at the meetings. Three out of nine¹ of the proposed Directors of the Board to be elected at the shareholders' meeting are women. The Nomination Committee has before the AGM 2018 held six meetings. In between, the committee members have also had ongoing discussions on several issues.

After a thorough evaluation, the Nomination Committee has found that the board work functions well. Those different fields of competence and experience considered important to Electrolux are also after the proposed new election well represented on the Board. The Nomination Committee considers that the composition and the size of the proposed Board is appropriate to meet Electrolux needs. The Nomination Committee has also assessed that the proposed Board members will be able to devote the necessary time required to fulfil their tasks as Board members in Electrolux.

The Nomination Committee has applied rule 4.1 of the Swedish Corporate Governance Code as diversity policy in its nomination work. The Nomination Committee considers that a breadth and versatility as regards age, nationality, educational background, gender, experience, competences and the term of office is represented among the proposed Directors of the Board. The Nomination Committee believes that diversity is vital and that it is important that coming Nomination Committees continue to work actively to achieve a gender balance in the Board.

The Nomination Committee believes that Staffan Bohman in the role as Chairman of Electrolux will provide extensive experience and competence that will benefit the company and the board work. Staffan Bohman has successfully led businesses both as CEO and chairman. He has deep industrial experience from global companies and is a competent leader with strong strategic skills and good judgement.

It is noted that the Nomination Committee has found that the proposed Board is considered to be in compliance with relevant requirements for independence.

The Nomination Committee has discussed the level and structure of the Board compensation and proposes an increase of the Board fees as a market adjustment. The proposed increase for work in the Audit Committee is also motivated by the Committee's increased workload. No change is proposed as regards the fees for work in the Remuneration Committee.

The Nomination Committee has reviewed the current instructions for the Nomination Committee, which were resolved by the Annual General Meeting 2011, and has decided that no changes will be proposed. The Nomination Committee has also resolved to adopt a recommendation for Board Members' acquisitions and holdings of Electrolux shares with the same wording as last year.

Proposal for election of auditor

The Nomination Committee proposes, in accordance with the recommendation by the Audit Committee, election of the audit firm Deloitte AB as the company's auditor for the period until the end of the 2019 Annual General Meeting.

The Audit Committee recommends election of the audit firm Deloitte as the preferred alternative and election of the audit firm PricewaterhouseCoopers AB as the secondary alternative. Deloitte is the Audit

¹ In this calculation, the President and CEO has not been included in the total number of Directors of the Board.

Committee's preferred alternative for the following reasons. Deloitte has relevant experience from large multinational listed companies and fully meet Electrolux requirements in terms of competence, resources, quality and tools. Deloitte has also made the most attractive offer compared to the other firms with respect to lead team, audit profile, work procedure, local presence and fee level. The Audit Committee has confirmed that the recommendation is free from influence by a third party and that it does not result from a contractual term restricting the choice of auditor.

Stockholm, February 2018
AB Electrolux Nomination Committee