

**SUPPLEMENT DATED 13 SEPTEMBER 2022 TO THE  
BASE PROSPECTUS DATED 4 MAY 2022**

**AB ELECTROLUX (publ)**

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

**EUR 3,000,000,000  
Euro Medium Term Note Programme**

This Supplement (the **Supplement**) to the Base Prospectus (the **Base Prospectus**) dated 4 May 2022 which comprises a base prospectus for the purposes of Article 8.1 of Regulation (EU) 2017/1129 (the **Prospectus Regulation**) constitutes a supplement to the Base Prospectus for the purposes of Article 23(1) of the Prospectus Regulation and is prepared in connection with the EUR 3,000,000,000 Euro Medium Term Note Programme (the **Programme**) established by AB Electrolux (publ) (the **Issuer**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

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

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

**Purpose of the Supplement**

The purpose of this Supplement is (a) to incorporate by reference the Q2 2022 Interim Report (as defined below) and make consequential changes to the section of the Base Prospectus entitled "*Alternative Performance Measures*"; (b) to update the risk factors section to reflect the divestment of the Group's business in Russia; (c) to update the description of AB Electrolux (publ) to reflect the introduction of a new cost reduction programme; and (d) to include a new "*No significant change and no material adverse change*" statement.

**Documents Incorporated by Reference**

On 21 July 2022 the Issuer published its Q2 2022 Interim Report. A copy of the Q2 2022 Interim Report has been filed with the *Commission de Surveillance du Secteur Financier* and, by virtue of this Supplement, is incorporated by reference in, and forms part of, the Base Prospectus. Copies of this Supplement and the Q2 2022 Interim Report can be requested from the registered office of the Issuer and from the specified offices of the Paying Agents for the time being in London and Luxembourg and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

To the section entitled "*Documents Incorporated by Reference*" on pages 31 to 33 of the Base Prospectus the following paragraphs shall be added (with subsequent paragraphs re-numbered accordingly):

- (a) the unaudited interim report of the Issuer for the period ended 31 June 2022 (the **Q2 2022 Interim Report**):

<https://www.electroluxgroup.com/wp-content/uploads/sites/2/2022/07/electrolux-electrolux-q2-2022-interim-report-constraints-impacting-volume-and-productivity-220721.pdf>

### **Interim Report January – June 2022**

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Any non-incorporated parts of a document (which, for the avoidance of doubt, applies to any part of the Q2 2022 Interim Report which is not listed in the cross-reference lists above) referred to herein is not relevant for investors or is contained elsewhere in the Base Prospectus.

The Q2 2022 Interim Report refers to certain supplementary information being available on the Issuer's and/or other websites. Unless otherwise contained in this Supplement, the Base Prospectus or the documents which have been incorporated by reference into the Base Prospectus, the Issuer's website and/or any other website is not incorporated by reference in, and does not form part of this Supplement or the Base Prospectus.

The paragraph under the heading "*Alternative Performance Measures*" on page 33 of the Base Prospectus shall be deemed deleted and replaced with the following:

"To supplement its consolidated financial statements presented in accordance with IFRS, the Group uses certain ratios and measures included or referred to in this Base Prospectus (including, without limitation, in the 2021 Annual Financial Statements and the Q2 2022 Interim Report incorporated by reference) that would be considered Alternative Performance Measures (**APMs**) as defined in the ESMA Guidelines. These measures are considered useful to investors to enhance their understanding of the Group's financial performance. The APMs should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. An explanation of each APM's components and calculation method can be found at page 84 (incorporated by reference herein) of the 2021 Annual Financial Statements."

#### **Update to Risk Factors**

To the end of the third paragraph under the heading "*Global economic factors and geopolitical conditions*" on page 14 of the Base Prospectus at the section entitled "*Risk Factors*", the following shall be added:

"In 2021 Russia accounted for 4% of Business Area Europe sales and 1.6% of Group sales."

To the beginning of the fourth paragraph under the heading "*Global economic factors and geopolitical conditions*" on page 14 of the Base Prospectus at the section entitled "*Risk Factors*", the following shall be added:

"In September 2022 the Group announced the divestment of its business in Russia through the sale of its Russian subsidiary. The divested company may continue to service appliances previously sold by the Group in Russia but the Group has no production in Russia and shall not supply any appliances to the divested company."

#### **Update to Business Description**

To the end of the second paragraph under the heading "*Strategy*" on page 74 of the Base Prospectus, in the section entitled "*Description of AB Electrolux (publ)*", the following shall be added:

"On 12 September 2022, the Group announced a new cost reduction program would be implemented with immediate effect, with a focus on addressing variable and structural costs and particularly eliminating cost inefficiencies in the supply chain and in production. The structural

cost reductions will primarily take place in Europe and North America and include prioritization and efficiency measures leveraging the organizational changes which took effect on 1 July 2022. The measures include increasing productivity in operations as well as optimizing the research and development portfolio, administration, sales and marketing activities. The cost reduction programme was announced as a result of decreased market demand for core appliances in Europe and the US, estimated to have decreased at a significantly accelerated pace in the third quarter of 2022 as compared with the second quarter, driven by the impact of high inflation on consumer durables purchases and low consumer confidence. High retailer inventory levels amplified the impact of the slowdown in consumer demand and market demand for 2023 is expected to continue to be weak in both regions.

In Business Area North America, the strategy to strengthen and broaden the product offering with consumer experience innovations remains. However, the production transformation with two new facilities and several new product platforms, in combination with the particularly challenging supply chain conditions in the region, require additional measures to return to stability and profitability, which will be conducted under the leadership of Ricardo Cons who was appointed the new Head of Business Area North America.”

On page 79 of the Base Prospectus in the section entitled “*Description of AB Electrolux (publ)*”, “Nolan Pike” shall be deleted and replaced with “Ricardo Cons”.

In the section entitled “*Description of AB Electrolux (publ)*” of the Base Prospectus, the last paragraph on page 80 shall be deemed deleted and replaced with the following:

“Based on an authorisation granted by the Annual General Meeting held on 30 March 2022, the Board of Directors on 29 April 2022 resolved to repurchase a maximum of 8,000,000 own series B shares on Nasdaq Stockholm for a total maximum amount of SEK 1,250 million. The programme was initiated on 2 May 2022 and completed on 2 September 2022. The objective of the share buybacks is to optimise the Issuer’s capital structure and the intention is to reduce the Issuer’s share capital through subsequent share cancellations, to further improve earnings per share. It is the Board of Directors’ intention to propose share buybacks with subsequent share cancellations over several years, although given the current market environment the Board does not intend to initiate additional share buybacks before the Annual General Meeting in 2023.”

### **Significant or Material Change**

The first paragraph of the section entitled “*General Information–Significant or Material Change*” on page 87 of the Base Prospectus shall be deemed deleted and replaced with the following:

“There has been no significant change in the financial performance or position of the Issuer or the Group since 31 June 2022.”

### **General Information**

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

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