

**Press Release**

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# Notice convening the Annual General Meeting of AB Electrolux

Stockholm, Sweden, February 24, 2022

**The shareholders of AB Electrolux, reg. no. 556009-4178, are hereby given notice of the Annual General Meeting to be held on Wednesday, March 30, 2022 at 4.00 p.m. (CEST).**

Due to Covid-19, the Board of Directors has decided that the Annual General Meeting will be conducted online through electronic connection with the shareholders in accordance with the Act on temporary exceptions to facilitate the execution of general meetings in companies and other associations that will enter into force on March 1, 2022. This means that the Annual General Meeting will be conducted without the physical presence of shareholders, representatives or third parties. The shareholders can exercise their voting rights at the Annual General Meeting only by participating online or by postal voting as instructed below.

In order to enable the Annual General Meeting to be held online, the Board of Directors has resolved, in accordance with the temporary law that will enter into force on March 1, 2022, that also persons who are not shareholders of the company are entitled to follow the discussions at the Annual General Meeting.

Shareholders and others will also have the opportunity to follow the Annual General Meeting via the Group's website, [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022) (however, without being able to vote or ask questions). Notice of participation is not required to solely be able to follow the Annual General Meeting via the Group's website.

The Annual General Meeting will be conducted in Swedish and simultaneously translated into English.

## Registration and notification

### *Online participation*

A person who wishes to participate online in the Annual General Meeting must

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Tuesday, March 22, 2022; and
- give notice of its participation no later than Thursday, March 24, 2022
  - by telephone +46 8 402 92 79 on weekdays between 9 a.m. and 4 p.m. (CET),
  - by letter to AB Electrolux, c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, or
  - via the Group's website, [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022)

The notification must include the shareholder's name, personal or corporate identification number, address and telephone number, and any assistants. Shareholders represented by proxy shall issue a power of attorney for the representative. A written and dated power of attorney signed by the shareholder must be sent to the company in

advance to the address above for receipt by March 28, 2022, in order for Euroclear Sweden AB to be able to timely distribute login details. Proxy forms are available on the Group's website [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022) and are also provided by the company upon request. If the shareholder is a legal entity, a registration certificate or other supporting document which shows the authorized signatory, shall be sent to the address stated above.

Individual login details and further instructions for participation online will be sent to shareholders and representatives that have given notice of participation online. The instructions for participation online are also available at the Group's website [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022). The individual login details will be distributed to shareholders on an ongoing basis, as shareholders give notice of participation, to the address listed in the share register. The individual login details will be distributed to representatives on an ongoing basis, as soon as a valid power of attorney has been received and approved by the company, to the address of the representative stated in the notice of participation. Shareholders may – by registering via the Group's website [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022), verifying their identity through BankID and stating their e-mail address – choose to receive the instructions by e-mail.

On the day of the Annual General Meeting, login can take place no earlier than 3.30 p.m. (CEST) and must have taken place no later than 4.00 p.m. (CEST). Login for online participation cannot take place after 4.00 p.m. (CEST). The online participation is administrated by Euroclear Sweden AB and its subcontractor Lumi Global. The meeting ID is 142-928-995. To participate in the Annual General Meeting online, the participant shall go to Lumi Global's website <https://web.lumiconnect.com/142-928-995> and enter the unique username and password that have been distributed to those who have given notice of participation.

For online participants, the following rules apply (which the participant accepts by choosing to participate online).

- It will be possible to ask questions online during the Annual General Meeting via a chat service.
- In order to participate and vote online, a steady network connection is required throughout the Annual General Meeting, and it is the shareholder's or proxy's own responsibility to ensure a steady network connection. It is possible to participate online through a computer, a smartphone or another internet connected device. Electrolux has carefully prepared to enable participation and voting online. However, it cannot be ruled out that any technical complication entails functional deficiencies. Therefore, it is important to note that a shareholder who wants to be certain of being able to vote should choose to vote by post.
- A shareholder who has given notice of participation online in the Annual General Meeting has the opportunity to also vote by post according to the instructions under the "Postal voting" section below and still participate in the Annual General Meeting online, for example to be able to ask questions.

#### *Postal voting*

A person who wishes to participate in the Annual General Meeting by postal voting must

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Tuesday, March 22, 2022; and
- give notice of its participation no later than Thursday, March 24, 2022, by casting its postal vote in accordance with the instructions below so that the postal voting form is received by Euroclear Sweden AB no later than that day.

A special form shall be used for postal voting. The form is available at the Group's website [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022) and will be provided by the company upon request. In case of postal voting only, no separate notification of participation in the Annual General Meeting is required.

The completed and signed form must be received by Euroclear Sweden AB no later than Thursday, March 24, 2022. The completed and signed form must be sent by post to AB Electrolux (publ), c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden or by e-mail to [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com). Shareholders may also cast their votes electronically through verification with BankID via Euroclear Sweden AB's website <https://anmalan.vpc.se/EuroclearProxy/>. Such electronic votes must be submitted no later than Thursday, March 24, 2022.

If the shareholder submits its postal vote by proxy, a written and dated power of attorney signed by the shareholder must be attached to the form. Proxy forms are available on the Group's website [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022) and are also provided by the company upon request. If the shareholder is a legal entity, a registration certificate or other supporting document which shows the authorized signatory must be attached to the form.

The shareholder may not provide specific instructions or conditions to the postal vote. If so, the vote (i.e. the postal vote in its entirety) is invalid. Further instructions and conditions are included in the form for postal voting and at <https://anmalan.vpc.se/EuroclearProxy/>.

A shareholder who has voted by post may also participate online, provided that notification has been made in accordance with the instructions under the "Online participation" section above.

### **Shares registered in the name of a nominee**

In order to be entitled to participate in the meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the Annual General Meeting, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of the record date Tuesday, March 22, 2022. Such re-registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee, in accordance with the nominee's routines, at such time in advance as decided by the nominee. Voting rights registration that have been made by the nominee no later than Thursday, March 24, 2022 will be taken into account in the presentation of the share register.

### **Shareholders' right to receive information**

The Board of Directors and the President and CEO shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda and circumstances that may affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the Group.

Requests for such information can be made in writing to the company no later than ten days prior to the Annual General Meeting, i.e. no later than March 20, 2022, at the address AB Electrolux (publ), General Counsel, SE-105 45 Stockholm, Sweden or by e-mail at [agm@electrolux.com](mailto:agm@electrolux.com). The questions and responses will be made available on the Group's website [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022), no later than March 25, 2022, and at the company's head office, S:t Göransgatan 143 in Stockholm, Sweden on the same date. The information will also be sent to the shareholders who requested it and stated their address.

In addition, shareholders participating online may ask questions at the Annual General Meeting through a chat service and may also submit questions in advance by e-mail to [agm@electrolux.com](mailto:agm@electrolux.com), for their questions to be answered at the Annual General Meeting. A moderator will sort and categorize questions asked to facilitate for the Chairman of the Meeting and to avoid repetitions. Since it cannot be ruled out that any technical complication entails functional deficiencies, it is important to note that a shareholder who wants to be certain of being able to ask a question should choose to submit written questions in advance, in accordance with the above.

### **Agenda**

1. Election of Chairman of the Meeting.
2. Election of two minutes-checkers.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Determination as to whether the meeting has been properly convened.
6. Presentation of the Annual Report and the Audit Report as well as the Consolidated Accounts and the Audit Report for the Group.
7. Presentation by the President and CEO, Jonas Samuelson.
8. Resolution on adoption of the Income Statement and the Balance Sheet as well as the Consolidated Income Statement and the Consolidated Balance Sheet.
9. Resolution on discharge from liability of the Directors and the President for 2021.
10. Resolution on dispositions in respect of the company's profit pursuant to the adopted Balance Sheet and determination of record dates for dividend.
11. Determination of the number of Directors and Deputy Directors.
12. Determination of fees to the Board of Directors and the Auditor.
13. Election of Board of Directors and Chairman of the Board of Directors.
  - a) Election of Staffan Bohman as Director. (re-election)
  - b) Election of Petra Hedengran as Director. (re-election)
  - c) Election of Henrik Henriksson as Director. (re-election)
  - d) Election of Ulla Litzén as Director. (re-election)
  - e) Election of Karin Overbeck as Director. (re-election)
  - f) Election of Fredrik Persson as Director. (re-election)
  - g) Election of David Porter as Director. (re-election)
  - h) Election of Jonas Samuelson as Director. (re-election)
  - i) Election of Staffan Bohman as Chairman. (re-election)
14. Election of Auditor.
15. Resolution on approval of Remuneration Report.
16. Resolutions on
  - a) amendment of the maximum and minimum number of shares in the Articles of Association;
  - b) the reduction of the share capital by means of cancellation of repurchased shares; and
  - c) increase of the share capital through a bonus issue without issuance of new shares.
17. Resolutions on
  - a) acquisition of own shares;
  - b) transfer of own shares on account of company acquisitions; and
  - c) transfer of own shares on account of the share program for 2020.
18. Resolutions on
  - a) implementation of a performance based, long-term share program for 2022; and
  - b) transfer of own shares to the participants in the long-term share program for 2022.
19. Resolution on amendment of the Articles of Association to allow persons not being shareholders of the company to attend General Meetings of the company, if so resolved by the Board of Directors.
20. Closing of the meeting.

### **Item 1 – Chairman of the Meeting**

The Electrolux Nomination Committee, consisting of the Chairman Johan Forssell (Investor AB) and the members Carina Silberg (Alecta), Thomas Risbecker (AMF – Försäkring och Fonder), Marianne Nilsson (Swedbank Robur Funds), Staffan Bohman and Fredrik Persson (Chairman and Director, respectively, of the Board of Directors of the company), proposes:

- Eva Hägg, member of the Swedish Bar Association, as chairman of the Annual General Meeting or in the event she is prevented from participating, the person appointed by the Nomination Committee.

### **Item 2 – Election of two minutes-checkers**

The Board of Directors proposes Carina Silberg, Alecta, and Anders Oscarsson, AMF – Försäkring och Fonder, or if one or both of them are prevented from participating, the person(s) appointed by the Board of Directors, to check the minutes. The assignment to check the minutes also include checking the voting list and that the received postal votes are correctly reflected in the minutes of the meeting.

### **Item 3 – Preparation and approval of the voting list**

The voting list proposed to be approved is the voting list prepared by Euroclear Sweden AB on behalf of the company, based on the General Meeting share register, received postal votes and persons having logged in for participation in the Annual General Meeting online, as controlled and checked by the persons assigned to check the minutes.

### **Item 10 – Dividend and record dates**

The Board of Directors proposes a dividend for the fiscal year 2021 of SEK 9.20 per share. The dividend is proposed to be paid in two equal installments of SEK 4.60 per installment and share, the first with the record date Friday, April 1, 2022, and the second with the record date Friday, September 30, 2022. Subject to resolution by the Annual General Meeting in accordance with this proposal, the first installment of dividend is expected to be distributed by Euroclear Sweden AB on Wednesday, April 6, 2022 and the second installment on Wednesday, October 5, 2022.

### **Item 11 – Number of Directors**

The Nomination Committee proposes:

- Eight Directors and no Deputy Directors.

### **Item 12 – Fees to the Board of Directors and the Auditor**

The Nomination Committee proposes fees as follows to Directors not employed by Electrolux:

- SEK 2,400,000 to the Chairman of the Board of Directors and SEK 700,000 to each of the other Directors appointed by the Annual General Meeting;
- for committee work, to the members who are appointed by the Board of Directors: SEK 300,000 to the Chairman of the Audit Committee and SEK 190,000 to each of the other members of the Audit Committee and SEK 175,000 to the Chairman of the People Committee and SEK 120,000 to each of the other members of the People Committee; and
- SEK 60,000 to the members who are appointed by the Board of Directors to participate in any other committee established by the Board of Directors.

The Nomination Committee also proposes that the Auditor's fee be paid as incurred, for the Auditor's term of office, on approved account.

### **Item 13 – Election of the Board of Directors and Chairman of the Board**

The Nomination Committee proposes:

- Re-election of Directors Staffan Bohman, Petra Hedengran, Henrik Henriksson, Ulla Litzén, Karin Overbeck, Fredrik Persson, David Porter and Jonas Samuelson.
- Re-election of Staffan Bohman as Chairman of the Board of Directors.

### **Item 14 – Election of Auditor**

The Nomination Committee proposes, in accordance with the recommendation by the Audit Committee, election of the audit firm PricewaterhouseCoopers AB ("PwC") as the company's auditor for the period until the end of the 2023 Annual General Meeting.

The Audit Committee recommends election of the audit firm PwC as the preferred alternative and election of the audit firm Ernst & Young AB as the secondary alternative. PwC is the Audit Committee's preferred alternative for the following reasons. PwC has relevant experience from large multinational listed companies and fully meet Electrolux requirements in terms of competence, resources, quality and tools. PwC 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.

### **Item 15 – Approval of Remuneration Report**

The Board of Directors proposes that the Annual General Meeting resolves to approve the Board of Directors' report on remuneration pursuant to Chapter 8, Section 53 a of the Swedish Companies Act.

### **Item 16 – Resolutions on a) amendment of the maximum and minimum number of shares in the Articles of Association, b) the reduction of the share capital by means of cancellation of repurchased shares and c) increase of the share capital through a bonus issue without issuance of new shares**

Electrolux has previously, on the basis of authorizations by the Annual General Meetings, acquired own shares. As of December 31, 2021, Electrolux held 25,842,915 own shares of series B, corresponding to approximately 8.4 per cent of the total number of shares in the company.

The Board of Directors proposes that the Annual General Meeting resolves to amend the maximum and minimum number of shares in the Articles of Association, to reduce the share capital by way of cancellation of own shares, and to increase the share capital by way of a bonus issue in accordance with item a), b) and c) below. The resolutions are conditional upon each other.

*16 a) Amendment of the Articles of Association*

The Board of Directors proposes to amend Article 5, first paragraph, in the Articles of Association in accordance with the below:

<b>Current language</b>	<b>Proposed language</b>
Article 5, first paragraph  The number of shares shall be not less than 300,000,000 and not more than 1,200,000,000.	Article 5, first paragraph  The number of shares shall be not less than 200,000,000 and not more than 800,000,000.

*16 b) Reduction of share capital by cancelling shares*

The Board of Directors proposes that the Annual General Meeting resolves to reduce the share capital by way of cancellation of own shares. The purpose of the reduction is allocation to unrestricted equity.

The reduction of the share capital shall be made by cancellation of 25,842,915 own shares of series B that are held by the company. The reduction of the share capital will be SEK 129,214,575 by way of cancellation of 25,842,915 shares of series B. The reduction requires an amendment of the maximum and minimum number of shares in Article 5 of the Articles of Association, as set out under item a) above.

The resolution to reduce the share capital under this item b) may be effectuated without obtaining an authorization from the Swedish Companies Registration Office or, in disputed cases, a court of general jurisdiction, as the company simultaneously effectuates a bonus issue (as set out under item c) below) with an amount corresponding to no less than the amount the share capital is being reduced with as set out above. Combined, these measures entail that neither the company's restricted equity nor its share capital is reduced.

*16 c) Bonus issue*

With the purpose of restoring the share capital after the proposed reduction of the share capital, as set out under item b) above, the Board of Directors proposes that the Annual General Meeting simultaneously resolves on a bonus issue to increase the company's share capital by SEK 129,214,575 through a transfer of SEK 129,214,575 from the company's unrestricted equity. The bonus issue shall be carried out without the issuance of new shares.

*Statement by the Board of Directors pursuant to Chapter 20, Section 13, fourth paragraph of the Swedish Companies Act*

In view of the Board of Directors' proposal for resolution on reduction of the share capital through cancellation of shares, the Board of Directors hereby issues the following statement pursuant to Chapter 20, Section 13, fourth paragraph of the Swedish Companies Act.

It follows from the proposal on reduction of the share capital that the Board proposes that the company's share capital shall be reduced by SEK 129,214,575 through cancellation of 25,842,915 shares of series B for allocation to unrestricted equity.

To achieve a quick and efficient cancellation procedure without the requirement of obtaining the Swedish Companies Registration Office's or a general court's permission, the Board has also proposed that the Annual General Meeting resolves on restoring the company's share capital to its current amount by increasing the share capital with SEK 129,214,575 by way of a bonus issue without issuance of new shares.



The amount is to be transferred from the company's unrestricted equity to the company's share capital.

Through the reduction of the share capital due to the cancellation of shares, the company's share capital is reduced by SEK 129,214,575 and through the bonus issue the company's share capital is increased by the same amount. The company's restricted equity and share capital will therefore remain unchanged after the implementation of the bonus issue.

Following completion of the reduction of the share capital and the bonus issue, the number of shares will be 283,077,393.

#### *Authorization*

The Board of Directors further proposes that the Annual General Meeting authorizes the Board of Directors, or whom they authorize, to make such minor adjustments to the resolutions according to items 16 a), b), and c) above as may be required for registration of the resolutions with the Swedish Companies Registration Office or Euroclear Sweden AB and to take such other measures required to execute the resolutions.

#### *Conditions and majority requirements*

The resolutions under items 16 a), b), and c) are conditional upon each other. In order for the resolutions by the General Meeting in accordance with the Board of Directors' proposals under items 16 a) and b) above to be valid, the resolutions must be accepted by shareholders holding no less than two thirds of the votes cast as well as the shares represented at the General Meeting.

#### **Item 17 – Resolutions on a) acquisition of own shares, b) transfer of own shares on account of company acquisitions, and c) transfer of own shares on account of the share program for 2020**

Electrolux has previously, on the basis of authorizations by the Annual General Meetings, acquired own shares for the purpose of using these shares to finance potential company acquisitions and as a hedge for the company's share related incentive programs. In October 2021, the Board of Directors resolved to repurchase a maximum of 9,369,172 own shares of series B during the period October 28, 2021 to March 25, 2022. The Board of Directors has proposed that the Annual General Meeting 2022 resolves to reduce the share capital by cancellation of 25,842,915 own shares of series B, as set out under item 16 b) above.

The Board of Directors makes the assessment that it continues to be advantageous for the company to be able to adapt the company's capital structure, thereby contributing to increased shareholder value, and to continue to be able to use repurchased shares on account of potential company acquisitions and the company's share related incentive programs.

In view of the above, the Board of Directors proposes as follows.



#### *17 a) Acquisition of own shares*

The Board of Directors proposes the Annual General Meeting to authorize the Board of Directors, for the period until the next Annual General Meeting on one or several occasions, to resolve on acquisitions of shares in the company as follows.

1. The company may acquire as a maximum so many shares of series B that, following each acquisition, the company holds at a maximum 10 per cent of all shares issued by the company.
2. The shares may be acquired on Nasdaq Stockholm.
3. Acquisition of shares may only be made at a price per share at each time within the prevailing price interval for the share.
4. Payment for the shares shall be made in cash.

The purpose of the proposal is to be able to use repurchased shares on account of potential company acquisitions and the company's share related incentive programs, and to be able to adapt the company's capital structure, thereby contributing to increased shareholder value.

The Board of Directors has issued a statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act.

#### *17 b) Transfer of own shares on account of company acquisitions*

The Board of Directors proposes the Annual General Meeting to authorize the Board of Directors, for the period until the next Annual General Meeting on one or several occasions, to resolve on transfers of the company's own shares in connection with or as a consequence of company acquisitions as follows.

1. Own shares of series B held by the company at the time of the Board of Director's decision may be transferred.
2. The shares may be transferred with deviation from the shareholders' preferential rights.
3. Transfer of shares may be made at a minimum price per share corresponding to an amount in close connection with the price of the company's shares on Nasdaq Stockholm at the time of the decision on the transfer.
4. Payment for the transferred shares may be made in cash, by contributions in kind or by a set-off of company debt.

#### *17 c) Transfer of own shares on account of the share program for 2020*

The Board of Directors proposes, on account of the share program for 2020, that the Annual General Meeting resolves that the company shall be entitled, for the period until the next Annual General Meeting on one or several occasions, to transfer a maximum of 1,786,808 shares of series B in the company for the purpose of covering costs, including social security charges, that may arise as a result of the aforementioned program. Such transfers may take place on Nasdaq Stockholm at a price within the prevailing price interval from time to time.

#### *Majority requirement*

In order for the resolutions by the General Meeting in accordance with the Board of Directors' proposals under items 17 a), b), and c) above to be valid, the resolutions must be accepted by shareholders holding no less than two thirds of the votes cast as well as the shares represented at the General Meeting.

**Item 18 – Resolutions on a) implementation of a performance based, long-term share program for 2022, and b) transfer of own shares to the participants in the long-term share program for 2022**

*Background*

The Board of Directors has decided to propose a long-term incentive program for 2022 (the “Share Program 2022”). The Board is convinced that the proposed program will be beneficial to the company’s shareholders as it will contribute to the possibilities to recruit and retain competent employees, is expected to increase the commitment and the motivation of the program participants and will strengthen the participants’ ties to the Electrolux Group and its shareholders.

Compared to the long-term incentive programs for previous years, the Board of Directors proposes certain changes for Share Program 2022. An additional group of participants comprised by senior managers and key employees is introduced. Further, the performance targets are reduced to two (including an amended CO<sub>2</sub> reduction metric); and a three-year performance period shall be applied with respect to each of the performance targets. In addition, in relation to the members of the Group Management, a relative TSR metric is introduced as a modifier for the outcome of the performance under the program.

*Proposals of the Board of Directors*

The Board of Directors proposes that the Annual General Meeting resolves a) to implement Share Program 2022, and b) to transfer own shares, free of consideration, to the participants in Share Program 2022.

*18 a) Implementation of Share Program 2022*

The Board of Directors proposes, in view of the above, that the Annual General Meeting resolves to implement a performance based, long-term share program for 2022 with the following principal terms and conditions:

- a) The program is proposed to include up to 900 senior managers and key employees of the Electrolux Group, who are divided into seven groups; the President and CEO (“Group 1”), other members of Group Management (“Group 2”), and five additional groups for other senior managers and key employees (“Group 3-7”). Invitation to participate in the program shall be provided by Electrolux no later than on May 16, 2022.
- b) Participants are offered to be allocated Performance Shares, provided that the participant remains employed until January 1, 2025. Exemptions to this requirement may be prescribed in specific cases, including a participant’s death, disability, retirement or the divestiture through a sale, spin-off or otherwise of the participant’s employing company from the Electrolux Group.
- c) The Performance Shares shall be based on maximum performance values for each participant category. The maximum performance value for the participants in Group 1 will be 100 per cent of the participant’s annual base salary for 2022, for participants in Group 2, 90 per cent of the participant’s annual base salary for 2022, for participants in Group 3, 80 per cent of the participant’s annual base salary for 2022, for participants in Group 4, 60 per cent of the participant’s annual base salary for 2022, for participants in Group 5, 50 per cent of the participant’s annual base salary for 2022, for participants in Group 6, 40 per cent of the participant’s annual base salary for 2022, and for participants in Group 7, 20 per cent of the participant’s annual base salary for 2022. The total sum of the maximum values of the Performance Shares thus defined for all participants will not exceed SEK 494m excluding social costs.

- d) Each maximum value shall thereafter be converted into a maximum number of Performance Shares<sup>1</sup>, based on the average closing price paid for Electrolux shares of series B on Nasdaq Stockholm during a period of ten trading days before the day the participants are invited to participate in the program, reduced by the present value of estimated dividend payments for the period until shares are allotted.
- e) The calculation of the number of Performance Shares shall be connected to performance targets for the Group, for the performance period, established by the Board for (i) cumulative earnings per share<sup>2</sup> and (ii) CO<sub>2</sub> reduction<sup>3</sup>. The performance targets adopted by the Board will stipulate a minimum level and a maximum level, with the relative weight of the performance targets (i) and (ii) being 80 per cent and 20 per cent respectively. For the participants in Group 1 and 2 (Group Management), the granted Performance Shares based on (i) and (ii) will be multiplied by 0.75-1.25 depending on the outcome of a relative total shareholder return target<sup>4</sup>. The performance period is the financial years 2022-2024 with respect to each of the performance targets.
- f) Performance outcome of the established performance targets will be determined by the Board after the expiry of the three-year performance period in 2025. If the maximum performance level is reached or exceeded, the allocation will amount to (and will not exceed) the maximum number of Performance Shares following from c) and d). If performance is below the maximum level but exceeds the minimum level, a proportionate allocation of shares will be made. No allocation will be made if performance amounts to or is below the minimum level. Information on the performance targets and the outcome will be provided no later than in connection with the allocation of Performance Shares in accordance with h).
- g) The total award of Performance Shares may never exceed one (1) per cent of the total number of shares in Electrolux. If required, allotments shall be reduced to ensure that this dilution cap is observed.
- h) If all conditions in the Share Program 2022 are met, allocation of Performance Shares will take place in the first half of 2025. Allocation will be free of charge except for tax liabilities.
- i) Certain deviations in or adjustments of the terms and conditions for the Share Program 2022 may be made based on local rules and regulations as well as applicable market practice or market conditions or where appropriate due to group re-organizations, including cash settlement instead of delivery of shares under certain circumstances.
- j) The Board of Directors, or a committee established by the Board for these purposes, shall be responsible for the preparation and management of the Share Program 2022, within the framework of the aforementioned terms and conditions.

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<sup>1</sup> With a possibility for the Board of Directors to make adjustments for extraordinary events such as bonus issue, split, rights issue and/or other similar events.

<sup>2</sup> Earnings per share as defined in the financial statements on a cumulative basis during the entire performance period (with a possibility for the Board of Directors to make adjustments for extraordinary events).

<sup>3</sup> The CO<sub>2</sub> reduction target refers to greenhouse gas reductions within the following two areas (weighted equally): (i) operations and (ii) energy from product use, and will be measured on selected predefined product categories and regions.

<sup>4</sup> The relative total shareholder return target refers to Electrolux Group's total shareholder return (TSR) (share price appreciation added by sum of all dividends received during the performance period) performance versus the FTSE EMEA Consumer Discretionary index during 2022-2024. If Electrolux TSR is at or below the lower quartile of the index, a multiplier of 0.75 will apply. If TSR is at or above the upper quartile, a multiplier of 1.25 will apply. If TSR is below the upper quartile but exceeds the lower quartile a proportionate multiplier between 0.75 and 1.25 will apply. The Board of Directors will have the possibility to make adjustments for extraordinary events such as a change of the composition of the index during the performance period.

- k) If material changes would occur within the Electrolux Group or on the market that, according to the Board's assessment, would lead to the conditions for allocation of Performance Shares no longer being reasonable, the Board will have the right to make also other adjustments of the Share Program 2022, including e.g. a right to resolve on a reduced allotment of shares.

#### Costs for the Share Program 2022

The total costs for the Share Program 2022 if the maximum number of Performance Shares are delivered, are estimated to a maximum of SEK 529m, which corresponds to approximately 2.6 per cent of total employment cost for 2021. The costs will be recognized over the years 2022-2024. The costs have been calculated as the sum of salary costs, including social costs, and administration costs for the program. Administration costs are estimated to be less than SEK 1m. If no allotment of shares is made, only administration costs will arise.

The costs have been calculated based on the value, at the start of the program, of the Performance Shares that may be allotted at maximum performance, with a reduction of the present value of estimated dividend payments during a three-year period. The estimate on maximum costs assumes maximum performance and that the number of participants that will leave the Group during the performance period is the same as the historical average since the introduction of share programs in 2004. In the calculation, a maximum share price of SEK 287 per share has been applied.

If repurchased shares would be allocated under the program the number of outstanding shares is estimated to increase with not more than 2,641,000 shares of series B.<sup>5</sup> Such maximum increase would have a dilutive effect on earnings per share of approximately 0.93 per cent. The total maximum increase in the number of outstanding shares of all outstanding share programs is estimated to not more than 5,473,000 shares of series B, corresponding to a dilutive effect on earnings per share of approximately 1.93 per cent. In this calculation, maximum allotment of shares has been assumed for Share Program 2022 and expected allotment has been assumed for the share programs for 2020 and 2021.

#### Hedging measures for the Share Program 2022

In order to implement Share Program 2022 in a cost-effective and flexible manner, the Board of Directors has considered various methods for transfer of shares to the participants. The Board of Directors has found that the most cost-effective alternative is transfer of own shares, and thus proposes that the Annual General Meeting resolves on transfer of own shares in accordance with b) below.

Should the majority required under b) below not be reached, Electrolux intends to enter into an equity swap agreement with a third party.

#### *18 b) Resolution on transfers of own shares to the participants in Share Program 2022*

In order to secure the delivery of Performance Shares in accordance with the terms and conditions of Share Program 2022, the Board of Directors proposes that the Annual General Meeting resolves that the company shall transfer a maximum of 2,641,000 shares of series B in the company on the following terms and conditions:

1. The right to receive shares shall be granted to such persons within the Electrolux Group covered by the terms and conditions pursuant to Share Program 2022. Furthermore, subsidiaries within the Electrolux Group shall have the right to acquire shares, free of consideration, and such subsidiaries shall be obligated to immediately transfer, free of consideration, shares to employees covered by the terms and conditions of Share Program 2022.

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<sup>5</sup> With a possibility for the Board of Directors to make adjustments for extraordinary events such as bonus issue, split, rights issue and/or other similar events.

2. The employee shall have the right to receive shares during the period when the employee is entitled to receive shares pursuant to the terms and conditions of Share Program 2022, i.e. in 2025.
3. Employees covered by the terms and conditions of Share Program 2022 shall receive shares of series B in the company free of consideration.
4. The number of shares of series B in Electrolux that may be transferred under Share Program 2022 will be subject to recalculation as a result of intervening bonus issues, splits, rights issues and/or other similar corporate events.

*Majority requirements*

The resolution of the Annual General Meeting to implement the program according to item 18 a) *above* requires that more than half of the votes cast at the Annual General Meeting approve the proposal. The Annual General Meeting's resolution on transfer of own shares, according to item 18 b) *above* requires that shareholders representing at least nine-tenths of the votes cast as well as the shares represented at the Annual General Meeting approve the proposal.

*Preparation of the proposal for the Share Program 2022*

The proposal regarding the Share Program 2022 has been prepared by the People Committee and the Board of Directors.

*Previous incentive programs in Electrolux*

For a description of the company's other share related incentive programs, reference is made to the Annual Report for 2021, note 27, and the Group's website, [www.electroluxgroup.com](http://www.electroluxgroup.com). In addition to the programs described, no other share related incentive programs have been implemented in Electrolux.

**Item 19 – Resolution on amendment of the Articles of Association to allow persons not being shareholders of the company to attend General Meetings of the company, if so resolved by the Board of Directors**

In order to facilitate and increase the flexibility in conducting General Meetings of shareholders, the Board of Directors proposes that the Annual General Meeting resolves to include a new paragraph in article 11 of Electrolux Articles of Association, to enable the Board of Directors to decide upon attendance by other persons than shareholders at General Meetings of shareholders, in accordance with the below:

Current language	Proposed language
<p><b>Article 11</b></p> <p>The Board of Directors may collect proxies pursuant to the procedure stated in Chapter 7, Section 4, second paragraph of the Swedish Companies Act (2005:551).</p> <p>The Board of Directors may decide before a General Meeting that the shareholders shall be able to exercise their voting rights by post before the General Meeting pursuant to the procedure stated in Chapter 7, Section 4 a of the Swedish Companies Act (2005:551).</p>	<p><b>Article 11 – introduction of a new third paragraph</b></p> <p>The Board of Directors may collect proxies pursuant to the procedure stated in Chapter 7, Section 4, second paragraph of the Swedish Companies Act (2005:551).</p> <p>The Board of Directors may decide before a General Meeting that the shareholders shall be able to exercise their voting rights by post before the General Meeting pursuant to the procedure stated in Chapter 7, Section 4 a of the Swedish Companies Act (2005:551).</p>

Current language	Proposed language
	The Board of Directors may resolve that persons not being shareholders of the Company shall be entitled, on the conditions stipulated by the Board of Directors, to attend or in any other manner follow the discussions at a General Meeting.

The Board of Directors further proposes that the Annual General Meeting authorizes the Board of Directors, or whom they authorize, to make such minor adjustments to the resolution above as may be required for registration of the Articles of Association with the Swedish Companies Registration Office and to take such other measures required to execute the resolution.

#### *Majority requirements*

In order for the resolution by the General Meeting in accordance with the Board of Directors' proposal under item 19 above to be valid, the resolution must be accepted by shareholders holding no less than two thirds of the votes cast as well as the shares represented at the General Meeting.

#### **Shares and votes**

As of February 24, 2022, there are in total 308,920,308 shares in the company of which 8,192,348 are series A shares, each carrying one vote, and 300,727,960 are series B shares, each carrying one-tenth of a vote, corresponding to in total 38,265,144 votes. As of the same date the company holds 30,892,030 own shares of series B, corresponding to 3,089,203 votes that may not be represented at the General Meeting.

#### **Processing of personal data**

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

#### **Documents**

The Board of Directors' complete proposals including the Board of Directors' statement pursuant to Chapter 20, Section 13, fourth paragraph of the Swedish Companies Act are set out above. Information about persons proposed as members of the Board of Directors of Electrolux, information about proposed Auditor and the Nomination Committee's statement etc., can be found on the Group's website, [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022). The Annual Report (including the Board of Directors' statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act relating to the proposal under item 10 above), the Auditor's Report, the Auditor's statement pursuant to Chapter 8, Section 54 of the Swedish Companies Act regarding the remuneration guidelines for the group management, the Remuneration Report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act, and the Board of Directors' statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act relating to the proposal under item 17 a) above will be available at the company, AB Electrolux, S:t Göransgatan 143, SE-105 45 Stockholm, Sweden and on the Group's website, [www.electroluxgroup.com/agm2022](http://www.electroluxgroup.com/agm2022), no later than March 9, 2022.

The documents are presented by being available at the company and on the Group's website. The documents will also be sent to shareholders who so request and state their address. The General Meeting share register will be available at the company's head office, S:t Göransgatan 143, SE-105 45 Stockholm, Sweden.

Stockholm in February 2022  
AB Electrolux (publ)  
THE BOARD OF DIRECTORS

Electrolux is a leading global appliance company that has shaped living for the better for more than 100 years. We reinvent taste, care and wellbeing experiences for millions of people, always striving to be at the forefront of sustainability in society through our solutions and operations. Under our brands, including Electrolux, AEG and Frigidaire, we sell approximately 60 million household products in approximately 120 markets every year. In 2021 Electrolux had sales of SEK 126 billion and employed 52,000 people around the world. For more information go to [www.electroluxgroup.com](http://www.electroluxgroup.com).