

Corporate governance report

Chairman's introduction



This corporate governance report provides details of the overall governance structure of Electrolux Group, the interactions between the formal corporate bodies, internal policies, and procedures as well as relevant control functions and reporting, which together ensure a robust global governance framework and a strong corporate culture.

Board's focus areas during the year

2023 has been a turbulent year marked by increased geopolitical tensions in the surrounding world with wars and overall macro-economic uncertainty, continued high inflation and a rising interest rate environment. This all together has resulted in a challenging year for Electrolux Group, with continued weak consumer demand and a shift towards lower price segments as well as increased competition in the market, which in turn has led to a decrease in organic sales and margins.

Considering the challenging macro environment, the overriding priority for the Board during 2023 has been to ensure necessary and rapid adaptations of the Group's structure and operations. The Board has regularly been following up on the execution of the on-going Group-wide cost reduction and North America turnaround program, as well as evaluating and initiating further cost reductions, and decided to sharpen the Group's strategic focus by initiating divestments of certain non-core assets – all to as quickly as possible

restore margins, return to profitable growth and achieve the targeted capital structure.

The on-going Group-wide cost reduction and North America turnaround program, initiated in September 2022, has progressed well above target but it has not been sufficient to compensate for the difficult market conditions in which the Group operates. In October 2023, our on-going cost reduction efforts were therefore increased significantly, not just in relation to the operations in North America but Group-wide, to reduce structural and product costs. A new simplified organization was also presented, by which Electrolux Group as of January 1, 2024, has reorganized into three regional business areas and two global product lines, leveraging the Group's global scale with fewer layers. This step-up of cost reduction actions and simplified organizational structure are expected to result in cost savings of SEK 4-5bn in 2024 vs. 2023. Further in this challenging market, focused and strategic portfolio management is more important than ever. As part of the ongoing work to sharpen the strategic focus on growing profitably in selected home appliance categories in the mid- and premium segments, primarily under our main brands Electrolux, AEG and Frigidaire, and to provide resources to execute the strategy at speed and scale, preparations were initiated in July 2023 to divest non-core assets during the coming years, whereof SEK 0.9bn were realized during 2023.

The Board's objective is to maintain a solid investment grade rating, as defined by leading rating institutes, and according to the dividend policy the target is for the dividend to correspond to approximately 50% of the annual income. With the recorded net loss in 2023, the Board has proposed that no payment of dividend is to be made for the fiscal year 2023. Although this proposal is aligned with our dividend policy, it was an undesirable but necessary precautionary measure for the Board in order to ensure long-term value for our shareholders given the continued challenging macro environment. The Board continues to support management in the work to reduce costs and drive profitability, in order to return to dividend-paying conditions as soon as possible.

At the upcoming Annual General Meeting in March 2024, the time has come for me to step down as Chairman, and I would like to take this opportunity to thank my fellow Board members for their good cooperation during these years, constructive contributions and engaged work. I would also like to thank Group Management and all employees for their drive and hard work in this tough and challenging market, and would like to thank all shareholders for the confidence they have shown.

Reflecting on my time as the Chairman of the Board, it has indeed been a dynamic and challenging period, both in the world and for Electrolux Group. We have experienced a pandemic shutting down the world, increased geopolitical tensions and wars, and material macroeconomic uncertainties, leading to unbalances in the supply chains, high inflation and an environment with rising interest rates. Electrolux Group has experienced both profitable growth and rapidly declining consumer demand and price pressure.

Electrolux Group has executed the SEK 8bn re-engineering investments, initiated in 2018, focused on modularization and automation of the production facilities. These previous investments, initiated divestments of non-core assets and the now increased on-going Group-wide cost reduction and North America turnaround program enable us to significantly leverage our global scale by deploying Group-wide technologies and product architecture and thus, providing a foundation for the Group's increased strategic focus on its core brands, to decrease the overall costs level and the possibility to regain its profitability and increase its margins. The Group was also one of the first companies to meet its global science-based climate target 2022 – three years ahead of plan. I am confident that these initiatives combined will make it possible for Electrolux Group to compete successfully in an ever-changing and challenging global market.

Staffan Bohman
Chairman of the Board

Governance in AB Electrolux

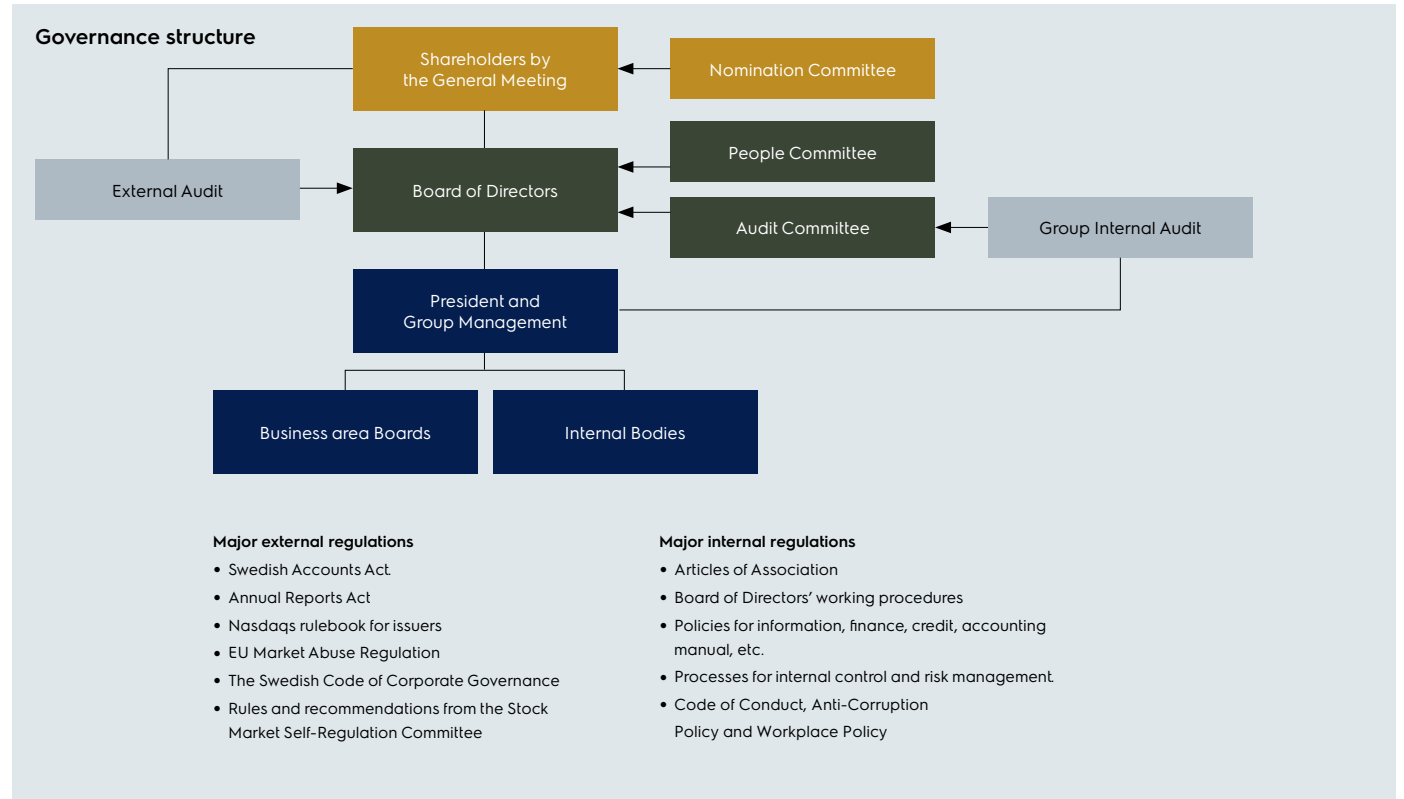
AB Electrolux strives to maintain strict norms and efficient governance processes to ensure that all operations create long-term value for the shareholders and other stakeholders. This involves the maintenance of an efficient organizational structure, systems for internal control and risk management and transparent internal and external reporting.

Electrolux Group comprises 132 companies with sales in approximately 120 markets. The parent company of the Group is AB Electrolux, a public Swedish limited liability company with its shares listed on Nasdaq Stockholm.

The governance of AB Electrolux is based on the Swedish Companies Act, the Annual Accounts Act, Nasdaq Nordic Main Market Rulebook for Issuers of Shares, the EU Market Abuse Regulation and the Swedish Code of Corporate Governance (the "Code"), as well as other relevant Swedish and foreign laws and regulations and internal governing documents. The Code and a description of the Swedish corporate governance model is available on the website of the Swedish Corporate Governance Board, www.corporategovernanceboard.se

This corporate governance report has been drawn up in accordance with the Annual Accounts Act and the Code. AB Electrolux had no deviations from the Code in 2023. There has been no infringement by AB Electrolux of applicable stock exchange rules and no breach of good practice on the securities market reported by the disciplinary committee of Nasdaq Stockholm or the Swedish Securities Council in 2023.

AB Electrolux's formal governance structure is presented to the right



Electrolux Group 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 around the world, 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 household products in approximately 120 markets every year. In 2023, Electrolux Group had net sales of SEK 134bn and employed approximately 45,000 people around the world. For more information go to the Group's website, www.electroluxgroup.com.

AB Electrolux (publ) 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 headquarter is S:t Göransgatan 143, SE-105 45 Stockholm, Sweden.

Highlights 2023

- Re-election of Staffan Bohman as Chairman of the Board at the Annual General Meeting 2023.
- No distribution of dividend for the fiscal year 2022.
- Staffan Bohman announces that he will not be available for re-election at the Annual General Meeting 2024 and the Nomination Committee proposes Torbjörn Lööf as new Chairman of the Board.
- Re-organization and simplification of the Group structure leveraging the Group's global scale with fewer layers, resulting in increased focus and reduced costs.

Shares and shareholders

AB Electrolux shares are listed on Nasdaq Stockholm. At year-end 2023, AB Electrolux had 75,049 shareholders according to Monitor by Modular Finance AB. Of the total share capital, 54% was owned by Swedish institutions and mutual funds, 32% by foreign investors and 14% by Swedish private investors, see the chart to the right. Investor AB is the largest shareholder, holding 17.9% of the share capital and 30.4% of the voting rights. The ten largest shareholders, excluding the company's treasury shares, accounted for 44.9% of the share capital and 53.1% of the voting rights in the company.

Voting rights

The share capital of AB Electrolux consists of Class A shares and Class B shares. One Class A share entitles the holder to one vote and one Class B share to one-tenth of a vote. Owners of Class A shares can request to convert their Class A shares into Class B shares. Conversion reduces the total number of votes in the company. As of December 31, 2023, the total number of registered shares in the company amounted to 283,077,393 shares, of which 8,191,804 were Class A shares and, 274,885,589 were Class B shares. The total number of votes in the company was 35,680,362.9. Class B shares represented 77.0% of the voting rights and 97.1% of the share capital.

Dividend policy

AB Electrolux target is for the dividend to correspond to approximately 50% of the annual income. The Annual General Meeting ("AGM") in March 2023 decided to adopt the Board's proposal that no dividend should be distributed

for the fiscal year 2022 and that AB Electrolux funds would be carried forward in the new accounts.

Ownership structure



The foreign ownership was 32% at year-end 2023 and 25% at year-end 2022.

Foreign investors are not always recorded in the share register. Foreign banks and other custodians may be registered for one or several customers' shares, and the actual owners are then usually not displayed in the register.

The information on ownership structure is updated quarterly on the Group's website. For additional information regarding the shares and ownership structure, see page 41.

General Meeting of shareholders

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

Extraordinary shareholders' meetings may be held at the discretion of the Board or, if requested, by the auditors or by shareholders holding at least 10% of all shares in AB Electrolux.

Participation in decision-making requires the shareholder's participation in the meeting, either personally or by proxy. In addition, the shareholder must be registered in the share register by a stipulated date prior to the meeting and must provide notice of participation in the manner prescribed in the notice.

Individual shareholders requesting that a specific issue be included in the agenda of a shareholders' meeting can request in writing the AB Electrolux Board to do so, using a specific email address published on the Group's website. The last date for making such a request for the respective meeting will be published on the Group's website.

Decisions at the meeting are usually taken on the basis of a simple majority. However, as regards certain matters, the Swedish Companies Act stipulates that proposals must be approved by a larger number of the votes cast and the shares represented at the meeting.

The AGM resolves upon:

- The adoption of the Annual Report.
- Discharge from liability of the Board and President and CEO.
- Dividend.
- Election of Board members, Chairman of the Board and, if applicable, auditors.
- Fees to Board members and auditors.
- Guidelines for remuneration to senior executives.
- The Remuneration Report.
- Other important matters.

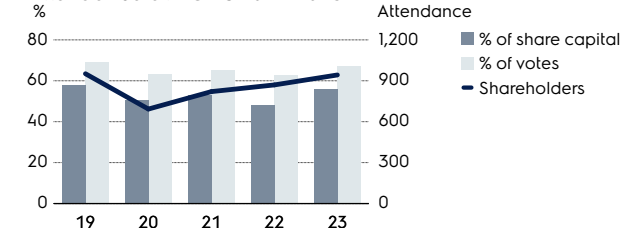
Annual General Meeting 2023

The AGM 2023 was held at Münchenbryggeriet in Stockholm on March 29, 2023. The shareholders had the option to either vote by physical participation at the meeting venue or to vote in advance through postal voting. The AGM was webcasted and an excerpt from the AGM including the CEO's reflections from the past year and the future strategy was made available on the Group's website.

Decisions at the Annual General Meeting 2023:

- Discharge from liability of the Board members and the President and CEO.
- Re-election of all Board members.
- Re-election of Staffan Bohman as Chairman of the Board.
- Re-election of PricewaterhouseCoopers AB as auditor.
- Fees to the Board members and auditor.
- No distribution of dividend for the fiscal year 2022.
- Authorization to acquire own shares and to transfer own shares on account of company acquisitions and the share program for 2021.
- Implementation of a performance based, long-term share program for 2023 and transfer of own shares to the participants.

Attendance at AGMs 2019–2023



Shareholders present through postal voting at the AGM 2023 represented 12.8% of the share capital present and 13.0% of the votes present.

AGM 2024

The next AGM will be held on Wednesday, March 27, 2024 in Stockholm. For additional information about the AGM 2024, see page 122 and the notice convening the AGM.

Nomination Committee

The election and remuneration of the Board of Directors and auditors are prepared by the Nomination Committee in accordance with the Code. The AGM 2011 adopted an instruction for the Nomination Committee which applies until a new instruction is adopted by the AGM.

The current instruction for the Nomination Committee includes a process for the appointment of a Nomination Committee comprised of six members. The members should be one representative of each of the four largest shareholders in terms of voting rights that wish to participate in the Nomination Committee, together with the Chairman of AB Electrolux's Board and one additional Board member. The composition of the Nomination Committee shall be based on shareholder statistics from Euroclear Sweden AB as of the last banking day in August 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 shareholders and their representatives in the Nomination Committee 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 Audit Committee assists the Nomination Committee in preparing proposal for election of auditors, and the Nomination Committee's proposal to the AGM on the election of auditors shall include the Audit Committee's recommendation.

The Nomination Committee's complete proposals are announced in the notice to the AGM. Shareholders may submit proposals for nominees to the Nomination Committee, using a specific email address published on the Group's website.

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

- Chairman of the AGM.
- Board members.
- Chairman of the Board.
- Fees to Board members.
- Remuneration for committee work.
- Amendments of instructions for the Nomination Committee, if deemed necessary.
- Auditors and auditors' fees, when applicable.

Nomination Committee for the AGM 2023

The Nomination Committee for the AGM 2023 was comprised of six members. Johan Forssell of Investor AB led the Nomination Committee's work.

In the nomination work for the AGM 2023, the Nomination Committee assessed the composition and size of the current Board as well as the Electrolux Group's operations. Areas of particular interest were the company's strategies and goals and the demands on the Board that are expected based on the Group's positioning for the future. The Nomination Committee applied rule 4.1 of the Code as diversity policy in its nomination work. The Nomination Committee considered the composition and size of the Board appropriate to meet the Group's needs and that there is a breadth and variety as regards age, nationality, educational background, gender, experience, competence and term of office are represented among the Board members.

The Nomination Committee proposed re-election of all Board members. The Nomination Committee also proposed re-election of Staffan Bohman as Chairman of the Board. Following the AGM 2023, three out of seven (approximately 43%) Board members elected at the shareholders' meeting are women (in this calculation, the President and CEO has not been included in the total number of Board members), which is no change from previous year.

The Nomination Committee also proposed, in accordance with the recommendation by the Audit Committee, re-election of PricewaterhouseCoopers AB as the company's auditor for the period until the end of the AGM 2024.

A report regarding the work of the Nomination Committee was included in the Nomination Committee's explanatory statement that was published before the AGM 2023. Further information regarding the Nomination Committee and its work can be found on the Group's website.

Nomination Committee for the AGM 2024

The Nomination Committee for the AGM 2024 was constituted based on the ownership structure as of August 31, 2023, and was announced by a press release on September 14, 2023.

The Nomination Committee's members are:

- Johan Forssell, Investor AB, Chairman
- Marianne Nilsson, Swedbank Robur Fonder
- Carina Silberg, Alecta
- Anders Hansson, AMF Tjänstepension och Fonder
- Staffan Bohman, Chairman of AB Electrolux
- Fredrik Persson, Board member of AB Electrolux

The Board of Directors

The Board of Directors has the overall responsibility for the Group's organization and administration.

Composition of the Board

According to the Articles of Association, the Board of Directors of AB Electrolux shall consist of not less than five and not more than fifteen members with not more than ten deputy members. The Board is comprised of eight members elected by the AGM 2023, without deputies, and three members with deputies who are appointed by the Swedish employee organizations in accordance with Swedish labor law. The Nomination Committee has proposed to the AGM 2024 to expand the Board to nine members elected by the AGM.

The AGM elects the Chairman of the Board. Directly after the AGM, the Board holds a meeting for formal constitution at which the members of the committees of the Board are appointed, among other things. The Chairman of the Board Staffan Bohman has declined re-election for the AGM 2024.

All current members of the Board elected by the AGM, except for the President and CEO, are non-executive members. Two of the eight Board members elected by the AGM are not Swedish citizens.

➤ *For additional information regarding the Board members, see pages 26-27.*

Independence

The Board complies with the Code's requirements for independence. The result of the assessment of each Board member's independence is presented in the table on page 27.

All Board members except for Petra Hedengran and Jonas Samuelson have been considered independent in relation to the company and its management as well as to major shareholders. Petra Hedengran has been considered independent in relation to the company and its management, but not in relation to major shareholders of AB Electrolux. Jonas Samuelson has been considered independent in relation to major shareholders of AB Electrolux but not, in his capacity as President and CEO, in relation to the company and its management. Jonas Samuelson has no major shareholdings, and he is not a part-owner in companies having significant business relations with Electrolux Group. Jonas Samuelson is the only member of Group Management who is a Board member.

The Board's tasks

One of the main tasks of the Board is to manage the Group's operations in such a manner as to assure the shareholders that their interests in terms of a long-term profitable growth and value creation 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 AB Electrolux are available on the Group's website.

Working procedures and Board meetings

The Board determines its working procedures each year. The working procedures describe the Chairman of the Board's specific role and tasks, as well as the responsibilities delegated to the committees appointed by the Board. In accordance with the working procedures and the Code, the Chairman of the Board shall among other things:

- Organize and distribute the Board's work and ensure that the board receives sufficient information and documentation to enable it to conduct its work.
- Ensure that the Board discharges its duties and has relevant knowledge of the company.
- 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 CEO and other corporate functions regarding matters 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, investments and other capital expenditure. The Board decides on all investments exceeding SEK 100m and receives reports on all investments exceeding SEK 25m.

The working procedures stipulate that the meeting for the formal constitution of the Board shall be held directly after the AGM. Decisions at this statutory meeting include the appointment of members of the committees of the Board and authorization to sign on behalf of AB Electrolux. In addition to the statutory Board meeting, the Board normally holds seven other ordinary meetings during the

year. Four of these meetings are to be held in conjunction with the publication of the Group's full-year report and interim reports. One or two meetings are to be held in connection with visits to Group operations, subject to travel restrictions or other concerns. Additional meetings are held when necessary.

The Board oversees and decides on Group-related matters such as:

- Main goals.
- Strategic orientation.
- Material matters related to financing, investments, acquisitions and divestments.
- Follow-ups and controls of operations, communication and organization, including evaluation of the Group's operational and sustainability management
- Appointment, evaluation and dismissal of the President and CEO.
- Establishment of an effective system of internal control and risk management as well as a satisfactory process for monitoring the company's compliance with relevant laws and other regulations as well as internal policies.

The Board's work in 2023

During the year, the Board held ten meetings. The attendance of each Board member at these meetings is shown in the table on page 27.

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. Electrolux Group's General Counsel serves as secretary at the Board meetings.

Each ordinary Board meeting includes a review of the Group's results and financial position, as well as the outlook for the forthcoming quarter, as presented by the President and CEO. In addition, investments and the establishment of new operations, as well as acquisitions and divestments, are handled. Normally, a member of

Group Management also presents a current strategic issue at the board meeting. For an overview of the Board's ordinary work over the year, see the table below.

Key focus areas for the Board 2023

- Effects and impacts of external factors such as increased geopolitical tensions and wars, high general inflation and interest rate increases.
- Execution of the North America turnaround program and group wide cost reductions to restore margins and return to profitable growth.
- Strategic portfolio management and initiation of divestment of non-core assets.
- Global strategic focus on profitable growth through structural simplification and reduced complexity.

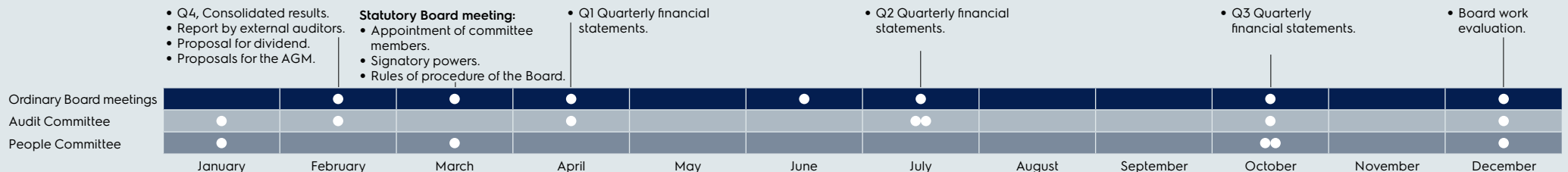
Ensuring quality in external reporting

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

The Board also reviews, primarily through the Board's Audit Committee, the most important accounting principles applied by the Group in its 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, Group Internal Audit.

In accordance with the transitional provisions in the proposed legislation regarding increased requirements for sustainability reporting, the Board's responsibility for formalized routines that

Overview of various items on the Board's ordinary agenda and Committee meetings 2023



Each scheduled Board meeting included a review of the Group's results and financial position, as well as the outlook for the forthcoming quarter.

ensure processes and compliance with internal control for the external reporting will also include the sustainability reporting.

The Group's external auditor reports to the Board as necessary, but at least once a year. At least one of such reports is held without the presence of the President and CEO or any other member of Group Management. The external auditor also attends the meetings of the Audit Committee

Evaluation of Board work

The Board evaluates its work annually with regard to working procedures, the working climate and the focus areas of the Board work. The 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 work and also serves as input for the Nomination Committee's nomination work. The evaluation of the Board is each year initiated and led by the Chairman of the Board. The evaluation of the Chairman is led by one of the other members of the Board. Evaluation tools include questionnaires and discussions.

In 2023, Board members responded to written questionnaires. As part of the evaluation process, the Chairman also had individual discussions with Board members. The evaluations were discussed at a Board meeting and the result of the evaluations has been presented to the Nomination Committee.

Fees to Board members

Fees to Board members are determined by the AGM and paid to the Board members who are not employed by Electrolux Group. The AGM 2023 decided to increase the fees to the Chairman and the Board members, see the table to the right

The Nomination Committee has recommended that Board members appointed by the AGM acquire AB Electrolux shares and that these are kept as long as they remain on the Board. A shareholding of a Board member should after five years correspond to the value of one gross annual fee, according to the recommendation from the Nomination Committee.

Only board members elected by the AGM who are employed by Electrolux Group are invited to participate in the AB Electrolux's long-term performance based share programs for senior managers and key employees.

➤ For additional information on remuneration to Board members, see Note 27.

Remuneration to the Board of Directors 2021–2023 (applicable as from the respective AGM)

SEK	2023	2022	2021
Chairman of the Board	2,475,000	2,400,000	2,285,000
Board member	720,000	700,000	665,000
Chairman of the Audit Committee	310,000	300,000	290,000
Member of the Audit Committee	195,000	190,000	185,000
Chairman of the People Committee	180,000	175,000	170,000
Member of the People Committee	125,000	120,000	115,000
Member of ad hoc committees	60,000	60,000	-

Committees of the Board

The Board has established a People Committee and an Audit Committee. The major tasks of these committees are of preparatory and advisory nature, but the Board may delegate decision-making powers on specific issues to the committees. The matters considered at committee meetings are recorded in minutes of the meetings and reported at the following Board meeting. The minutes from the Audit Committee are also made available to the auditors. The members and chairmen of the committees are appointed at the statutory Board meeting following the AGM.

The Board has also determined that issues may be referred to ad hoc committees dealing with specific matters. In 2022, the Board established one ad hoc committee, the Share Buyback Committee, with the purpose of dealing with matters related to the share buy-back programs. No ad hoc committee was established during 2023.

People Committee

One of the primary tasks of the People Committee is to prepare decisions on matters concerning principles for remuneration, remunerations and other terms of employment for the members of Group Management. The Committee also reviews the Board's report on remuneration pursuant to Chapter 8, Section 53 a of the Swedish Companies Act (the "Remuneration Report").

The People Committee consists of Board members Petra Hedengran (Chairman), Staffan Bohman and Karin Overbeck. At least two meetings are convened annually. Additional meetings are held as needed.

In 2023, the People Committee held five meetings. The attendance of each Committee member at these meetings is shown in the table on page 27. Significant matters addressed include evaluation, review

and resolution on changes in the remuneration to members of Group Management, follow-up and evaluation of previously approved long-term incentive programs and remuneration guidelines for senior executives, review of the Remuneration Report for 2023 and review and preparation of long-term incentive program for 2024. The Head of People & Communications participated in the meetings and was responsible for meeting preparations.

The People Committee's tasks include for example:

- To prepare and evaluate application of remuneration guidelines for Group Management and changes of remuneration to Group Management
- To prepare and evaluate targets and principles for variable compensation.
- To prepare terms for pensions, notices of termination and severance pay as well as other benefits for Group Management
- To prepare and evaluate AB Electrolux long-term incentive programs.
- To review the Remuneration Report.
- To oversee and make recommendations regarding the development, recruitment, and succession planning as well as evaluate the performance of the President and CEO and the other members of Group Management
- To oversee the overall organizational structure and advise Group Management regarding people plans and development of the company culture.

Audit Committee

The main task of the Audit Committee is to oversee the processes of AB Electrolux's financial reporting and internal control in order to secure the quality of the Group's external reporting. The Audit Committee is also tasked with supporting the Nomination Committee with proposals when electing external auditors. In accordance with the transitional provisions in the proposed legislation regarding increased requirements for sustainability reporting, the Audit Committee's duties will also include monitoring processes and internal control for sustainability reporting, including, among other things, submitting recommendations and proposals to ensure the reliability of sustainability reporting and informing the Board of Directors of the results of the review of the sustainability report.

The Audit Committee consists of Board members Ulla Litzén (Chairman), Staffan Bohman, Petra Hedengran and Fredrik Persson. The external auditor report to the Audit Committee at each ordinary meeting. At least three meetings are held annually. Additional meetings are held as needed.

In 2023, the Audit Committee held seven meetings. The attendance of each Committee member at these meetings is shown in the table on page 27. Managers of Electrolux Group have also had regular contacts with the Committee Chairman between meetings regarding specific issues. The Group's Chief Financial Officer, and from time to time other senior management members, have participated in the Audit Committee meetings.

The Audit Committee's tasks include for example:

- To review the financial reporting.
- To monitor the effectiveness of the internal control, including risk management, for the financial reporting.
- To follow up the activities of the Group Internal Audit as regards to organization, recruiting, budgets, plans, results and audit reports.
- To review and approve certain credit limits.
- To keep informed of the external audit and the quality control performed by the Supervisory Board of Public Accountants and to evaluate the work of the external auditors.
- To inform the Board of the outcome of the external audit and explain how the audit contributed to the reliability of the financial reporting, as well as the role of the Committee in this process.
- To review, and when appropriate, pre-approve the external auditors' engagements in other tasks than audit services.
- To evaluate the objectivity and independence of the external auditors.
- To support the Nomination Committee with proposals when electing external auditors.

External auditors

The AGM 2023 re-elected PricewaterhouseCoopers AB (PwC) as AB Electrolux's external auditor for one year, until the AGM 2024. The election of PwC was preceded by recommendation by the Audit Committee. Authorized Public Accountant Peter Nyllinge is the auditor in charge of AB Electrolux.

PwC provides an audit opinion regarding AB Electrolux, the financial statements of the majority of the company's subsidiaries, the consolidated financial statements for the Electrolux Group and the administration of AB Electrolux. The auditor also conduct a review of

the half year report for the second quarter. The audit is conducted in accordance with the Swedish Companies Act, Annual Accounts Act, International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden.

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, including issuance of audit opinions for the legal entities.

SEKm	2023	2022	2021
PwC			
Audit fees	62	56	–
Audit related fees	1	0	–
Tax fees	0	1	–
All other fees	1	10	–
Total fees to PwC	64	67	–
Deloitte			
Audit fees	–	–	59
Audit-related fees	–	–	2
Tax fees	–	–	0
All other fees	–	–	0
Total fees to Deloitte	–	–	61
Audit fees to other audit firms	0	0	0
Total fees to auditors	64	67	61

Deloitte were the AB Electrolux external auditor for 2021. For details regarding fees paid to the auditors and their non-audit assignments in the Group, see Note 28.

Group Internal Audit

The internal audit function (Group Internal Audit) 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.

Internal audit assignments are conducted according to a risk based plan developed annually and approved by the Audit Committee. The audit plan is derived from an independent risk assess-

ment conducted by Group Internal Audit to identify and evaluate risks associated with the execution of the company strategy, operations, and business processes. The plan is designed to address the most significant risks identified within the Group and its business areas. The audits are executed using a methodology for evaluating the design and effectiveness of internal controls to ensure that risks are adequately addressed and processes are operated efficiently.

Opportunities for improving the efficiency in the governance and internal control and risk management processes identified in the internal audits are reported to responsible business area management for action. A summary of audit results is provided to the Audit Board and the Audit Committee, as is the status of management's implementation of agreed actions to address findings identified in the audits.

In accordance with the transitional provisions in the proposed legislation regarding increased requirements for sustainability reporting, Group Internal Audit will also ensure internal control processes and compliance for sustainability reporting.

➤ For additional information on internal control, see pages 30-31.

Electrolux Group – Financial targets

Targeted growth and optimization of the product portfolio to the most profitable product categories and products with distinct consumer benefits, will strengthen the presence of Electrolux Group in the product categories and channels where the Group is most competitive. Electrolux Group's objective is to grow with consistent profitability, see the financial targets below.

Financial targets over a business cycle

The primary financial priority is achieving our financial targets of an operating margin of at least 6% and a return on net assets of over 20%, over a business cycle. Once established, our objective is sales growth of at least 4% annually, over a business cycle. The goal for capital turnover is at least four times over a business cycle.

- Operating margin of at least 6%.
- Return on net assets >20%.
- Sales growth of at least 4% annually.
- Capital turnover-rate of at least 4.

A sustainable business

To be a leader in sustainability is a prerequisite for realizing the Electrolux Group's strategy for long-term profitable growth. In 2023, Electrolux Group's most resource-efficient products represented 29% of products sold and 38% of gross profit.

Electrolux Group takes a consistent approach to sustainability in all of the countries where the Group operates. Understanding and engaging in challenges such as climate change, creating ethical and safe workplaces, and adopting a responsible approach to sourcing and reorganizations are important for realizing the business strategy.

Electrolux Group has a Code of Conduct, which sets out the framework of how Electrolux Group shall conduct its operations in an ethical and sustainable way. The Code of Conduct, which has been approved by the Board of Directors, serves as an introduction to the Group policies and directives, and its purpose is to increase the clarity on what the company's principles mean for the employees. There are regular trainings and communications of the Code of Conduct and Group policies and directives. In 2023 online trainings in the workplace policy and the antitrust policy were rolled out to office based employees. At year end the completion rates for the workplace training were 80% for line managers and 84% for employees respectively, and 75% for the antitrust training.

The Ethics Program encompasses a global whistle-blowing system - Ethics Helpline - through which suspected misconduct can be reported in local languages. Reports may be submitted anonymously if legally permitted. The largest categories of reports in 2023 related to workplace conduct, verbal abuse and other types of disrespectful behavior.

Since 2016, Electrolux Group works on human rights in line with the UN Guiding Principles on Business and Human Rights. During 2023 the work was focused on preparing the Group for new and upcoming legislation, such as increased sustainability reporting (CSRD), the German Supply Chain Due Diligence Act (LkSG) and the Directive on Corporate Sustainability Due Diligence (CSDD). In 2023 the local impact assessment of the operations in China was completed and a local impact assessment of the operations in Germany was initiated.

Electrolux Group's sustainability performance strengthens relations with investors and AB Electrolux is recognized as a leader in the household durables industry. In 2023, AB Electrolux was included in the Dow Jones Sustainability Index (DJSI) World and Europe indexes.

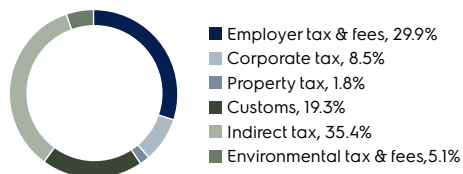
Electrolux Group as a tax payer

One important aspect of Electrolux Group's purpose - Shape living for the better - is to act as a good corporate citizen and taxpayer wherever the Group operates. Electrolux Group plays an important role in contributing to public finances in all jurisdictions where the Group operates. The Group has approximately 45,000 employees with sales in approximately 120 markets.

Of Electrolux Group's total tax contribution, as defined in the below chart, corporate tax represented approximately 8.5% in 2023. Corporate income taxes are only a portion of the Group's total contribution to public finances in the Group's markets. In addition to corporate income taxes, the Group pays indirect taxes, customs duties, property taxes, employee related taxes, environmental charges and a number of other direct or indirect contributions to governments. Electrolux Group's total contribution to public finances for 2023 amounted to approximately SEK 10.8bn whereof approximately half related to emerging markets.

Electrolux Group's most transparent contribution to public finances around the world is corporate income taxes, see Note 10. Corporate income taxes amounted to SEK 0.9bn in 2023, representing a global effective tax rate of the Group of -2.27%.

Electrolux Group total taxes 2023



Management and Group structure

Electrolux Group 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 enterprise risk management, and transparent internal and external reporting.

Following re-organization of the Group into a simplified structure, the organization consist of two global product lines, three regional business areas, and four global functions, all reporting to the President and CEO. The new product line structure became effective as of November 1, 2023, and the new business area structure as of January 1, 2024. There are also a number of internal bodies which are forums that are preparatory and decision-making in their respective areas, see chart on page 25. Each body includes representatives from concerned functions.

The President and CEO and Group Management

In recent year, important decisions have been made to simplify the organization and leverage Electrolux Group's global scale with fewer layers, resulting in increased focus and reduced costs.

Group Management currently includes the President and CEO, heads of the global product lines Taste and Care, heads of the global functions Operations; Technology & Sustainability; Finance, Legal & IT; and People & Communications, and heads of the three regional business areas Europe, Asia-Pacific, Middle East and Africa; North America; and Latin America.

The President and CEO is appointed by and receives instructions from the Board of Directors. The Board also appoints the Group Executive Vice President. The President and CEO, 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.

A diversified management team

The Electrolux Group Management represents seven nationalities and all has extensive experience from various management positions within Electrolux Group and many have previous experience of predominantly multinational consumer goods companies. Following re-organization as of November 1, 2023, three out of ten (30%) members of Group Management are women.

Group Management with its extensive expertise, diverse cultural backgrounds and experiences from various markets in the world, forms an excellent platform for pursuing profitable growth in accordance with the company's strategy and goals as well as for the demands that the Group's future direction and continued challenges are expected to place on Group Management.

Changes in Group Management

As part of the re-organization of Electrolux Group effective as of November 1, 2023, the following changes were made in Group Management.

Anna Ohlsson-Leijon, existing member of Group Management, was appointed Group Executive Vice President and head of the combined business area Europe, Asia-Pacific, Middle East and Africa. Dan Arler was appointed head of product line Taste, Ian Banes was appointed head of product line Care and Elena Breda was appointed head of global function Technology & Sustainability. Therese Friberg, existing member of Group Management, was appointed head of the combined global function Finance, Legal & IT. Carsten Franke remains as head of global function Operations and Lars Worsøe Petersen remains as head of global function People & Communications. Ola Nilsson left his position as head of the organization area Consumer Experience & Product Lines.

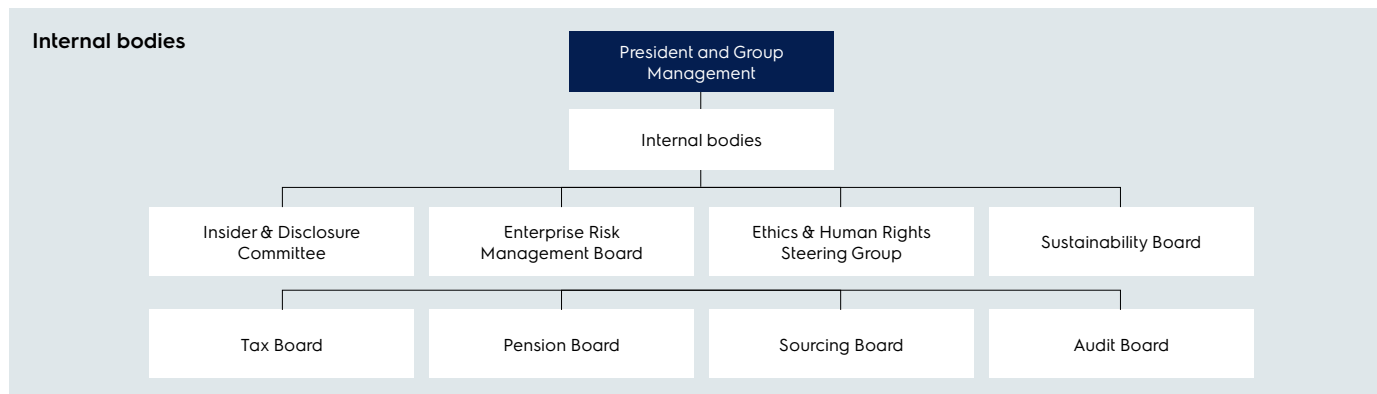
As of January 1, 2024, the new business area structure was effective and the business areas Europe and Asia-Pacific, Middle East and Africa formed one regional business area under the leadership of Anna Ohlsson-Leijon. Chris Braam left his position as head of business area Europe and Adam Cich left his position as head of business area Asia-Pacific, Middle East and Africa, but both remains in other roles in the new organization for business area Europe, Asia-Pacific, Middle East and Africa. The other two regional business areas, North America under the leadership of Ricardo Cons and Latin America under the leadership of Leandro Jasiocha, remain.

► For details regarding members of Group Management, see pages 28-29.

Key focus areas for the President and CEO and Group Management during 2023

- Responding to the dynamic environment caused by continued imbalances in the global supply chain, increased geopolitical tensions, and high inflation.
- Group-wide cost reduction and execution of the North America turnaround program.
- Strategic divestments of non-core assets.
- Continued focus on developing sustainable consumer experiences under sharpened brands and maintaining a competitive product and brand offering in light of the challenges that consumers' reduced purchasing power poses to demand.
- Strengthening consumer relations after product purchase, including aftermarket business.
- Continued implementation of the new sustainability framework, launched in 2020, and preparation for upcoming extended sustainability reporting requirements (CSRD).

Internal bodies



Remuneration to Group Management

Remuneration guidelines for senior Management are resolved upon by the AGM, based on proposal from the Board of Directors. Remuneration to the President and CEO is then resolved upon by the Board, based on proposal from the People Committee. Changes in the remuneration to other members of Group Management is resolved upon by the People Committee, based on proposals from the President and CEO, and reported to the Board.

Electrolux Group shall strive to offer total remuneration that is fair and competitive in relation to the country of employment or region of each Group Management member. The remuneration terms shall emphasize 'pay for performance', and vary with the performance of the individual and the Group.

The current remuneration guidelines have been evaluated by the People Committee during the year and will be submitted to the AGM 2024 for approval, in all material aspects corresponding with the current guidelines adopted by the AGM 2020.

Remuneration may comprise of:

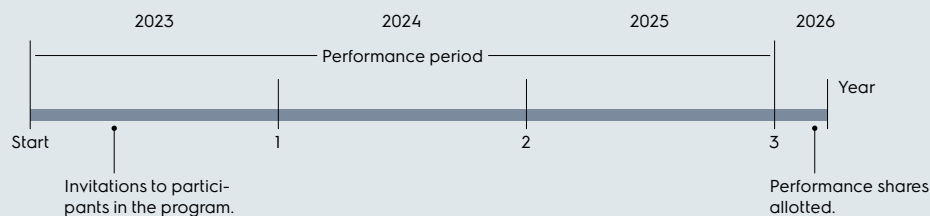
- Fixed compensation.
- Variable compensation.
- Other benefits such as pension and insurance.

Following the 'pay for performance' principle, variable compensation shall represent a significant portion of the total compensation for Group Management. Variable compensation shall always be measured against predefined targets and have a maximum level above which no pay-out shall be made. The targets shall principally relate to financial performance.

Each year, the Board of Directors evaluates whether a long-term incentive program shall be proposed to the AGM. The AGM 2023 decided on a long-term performance based share program for up to 900 senior managers and key employees in Electrolux Group (LTI 2023).

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

Timeline for the long-term incentive program for senior management 2023



The calculation of the number of performance shares, if any, is connected to two performance targets for the Group established by the Board; (i) cumulative earnings per share, and (ii) CO₂ reduction. Allotment of performance shares, if any, to the participants will be made in 2026.

Board of Directors and Auditors



Staffan Bohman

Chairman

Born 1949. Sweden. B.Sc. in Economics and Business Administration. Elected 2018. Member of the Audit Committee and the People Committee.

Other assignments: Chairman of the Board of the Research Institute of Industrial Economics. Board Member of Åke Wiberg Foundation. Member of the Royal Swedish Academy of Engineering Sciences (IVA).

Previous positions: President and CEO of Sapa and DeLaval, Chairman of the German-Swedish Chamber of Commerce, as well as Board member of, inter alia, Atlas Copco AB, Scania AB, Inter-IKEA Holding NV and Rezidor Hotel Group AB.

Holdings in AB Electrolux: 200,000 B-shares. 120,279 call options, issued by Investor AB entitling the right to purchase AB Electrolux B-shares.



Jonas Samuelson

President and CEO

Born 1968. Sweden. M.Sc. in Economics and Business Administration. Elected 2016. *Other assignments:* Board member of Axel Johnson AB and Volvo Cars AB.

Previous positions: Various senior positions within Electrolux Group including CFO of AB Electrolux, COO Global Operations Major Appliances and Head of Major Appliances EMEA. Chief Financial Officer and Executive Vice President of Munters AB. Various senior positions within General Motors, mainly in the U.S., and Saab Automobile AB.

Holdings in AB Electrolux: 94,795 B-shares.



Petra Hedengran

Born 1964. Sweden. M. of Laws. Elected 2014. Chairman of the People Committee and member of the Audit Committee.

Other assignments: General Counsel and member of Group Management of Investor AB. Board member of Alecta and the Association for Generally Accepted Principles in the Securities Market (Sw. Föreningen för god sed på värdepappersmarknaden).

Previous positions: Attorney and partner at Advokatfirman Lindahl. Various positions within the ABB Financial Services including General Counsel of ABB Financial Services, Nordic Region. Law Clerk with the Stockholm District Court. Associate at Gunnar Lindhs Advokatbyrå.

Holdings in AB Electrolux: 15,900 B-shares.



Henrik Henriksson

Born 1970. Sweden. B.Sc. in Business Administration. Elected 2020.

Other assignments: President and CEO of H2 Green Steel AB. Board member of Creades AB, SAAB AB and the Confederation of Swedish Enterprise (Sw. Svenskt Näringsliv).

Previous positions: Various senior positions within Scania including President and CEO of Scania AB. Board member of Hexagon AB.

Holdings in AB Electrolux: 425 B-shares.



Ulla Litzén

Born 1956. Sweden. B.Sc. in Economics and M.B.A. Elected 2016. Chairman of the Audit Committee.

Other assignments: Board member of Epiroc AB, Ratos AB, and Stockholm School of Economics Association.

Previous positions: President of W Capital Management AB, wholly-owned by the Wallenberg Foundations. Various leading positions within the Investor Group including Managing Director and member of Group Management of Investor AB. Board member of Stockholm School of Economics.

Holdings in AB Electrolux: 12,000 B-shares.



Karin Overbeck

Born 1966. Germany. Master's degree in Economics, Marketing and Finance. Elected 2020. Member of the People Committee.

Other assignments: CEO of Freudenberg Home and Cleaning Solutions GmbH. Member of Executive Council, Freudenberg Group. Vice President and member of the Board of the German Brands Association.

Previous positions: Various senior positions within the KAO Corporation as well as in L'Oréal, Tchibo and Unilever.

Holdings in AB Electrolux: 3,135 B-shares.



Fredrik Persson

Born 1968. Sweden. M.Sc. in Economics. Elected 2012. Member of the Audit Committee.

Other assignments: Chairman of the Board of JM AB, the Confederation of European Business (BusinessEurope) and Ellevio AB. Board member of Holmen AB, Hufvudstaden AB, ICA Gruppen AB and A.Ahlström Oy.

Previous positions: Various leading positions within Axel Johnson AB including President and CEO. Head of Research of Aros Securities AB. Various positions within ABB Financial Services AB.

Holdings in AB Electrolux: 5,000 B-shares.



David Porter

Born 1965. USA. Bachelor's degree, Finance. Elected 2016.

Previous positions: Head of Microsoft Stores, Corporate Vice President, Microsoft Corp. Chairman of Serta Simmons Bedding LLC. Head of Worldwide Product Distribution at DreamWorks Animation SKG. Various positions within WalMart Stores, Inc.

Holdings in AB Electrolux: 3,315 B-shares.

Employee representatives



Viveca Brinkenfeldt Lever

Born 1960. Representative of the Federation of the Salaried Employees in Industry and Services. Elected 2018.

Board meeting attendance: 10/10

Holdings in AB Electrolux: 0 shares.



Peter Ferm

Born 1965. Representative of the Federation of Salaried Employees in Industry and Services. Elected 2018.

Board meeting attendance: 9/10

Holdings in AB Electrolux: 100 B-shares.



Wilson Quispe

Born 1978. Representative of the Federation of Salaried Employees in Industry and Services. Elected 2022.

Board meeting attendance: 8/10

Holdings in AB Electrolux: 4,900 B-shares.

Employee representatives, deputy members

Ulrik Danestad

Born 1969. Representative of the Federation of Salaried Employees in Industry and Services. Elected 2020.

Holdings in AB Electrolux: 20 B-shares.

Secretary of the Board

Ulrika Elfving

Born 1973. M. of Laws. General Counsel of Electrolux Group.

Secretary of the AB Electrolux Board since 2022.

Holdings in AB Electrolux: 3,042 B-shares.

Committees of the Board of Directors

People Committee

Petra Hedengran (Chairman), Staffan Bohman and Karin Overbeck.

Audit Committee

Ulla Litzén (Chairman), Staffan Bohman, Petra Hedengran and Fredrik Persson.

Auditors

PricewaterhouseCoopers AB.

Peter Nyllinge

Born 1966. Authorized Public Accountant.

Other audit assignments: Getinge AB, SAAB AB and Sandvik AB.

Holdings in AB Electrolux: 0 shares.

The board's remuneration during 2023, meeting attendance and independence

	Total remuneration 2023, '000 SEK	Board meeting attendance	People Committee attendance	Audit Committee attendance	Independence ¹⁾
Staffan Bohman	2,774	10/10	5/5	7/7	
Petra Hedengran	1,088	10/10	5/5	7/7	No
Henrik Henriksson	715	9/10			
Ulla Litzén	1,038	9/10		7/7	
Karin Overbeck	839	10/10	5/5		
Fredrik Persson	924	10/10		7/7	
David Porter	715	9/10			
Jonas Samuelson	–	10/10			No

¹⁾ For further information about the independence assessment, see page 20.

Group Management



Jonas Samuelson

President and CEO

Born 1968. Sweden. M.Sc. in Economics and Business Administration. In Group Management and employed since 2008.

Other assignments: Board member of Axcel Johnson AB and Volvo Cars AB.

Previous positions: Various senior positions within Electrolux Group including CFO of AB Electrolux, COO Global Operations Major Appliances and Head of Major Appliances EMEA. CFO and Executive Vice President of Munters AB. Various senior positions within General Motors, mainly in the U.S., and Saab Automobile AB.

Holdings in AB Electrolux: 94,795 B-shares.

Dan Arler

Head of Product Line Taste

Born 1969. Netherlands. B.Sc. in Management. In Group Management since 2023 and employed 2002-2020 and since 2023.

Previous positions: Senior positions within Electrolux Group including CEO of business area Asia-Pacific, Middle East and Africa, CEO of business area Europe, Middle East and Africa, and Senior Vice President of the Kitchen product line within business area Europe, Middle East and Africa.

Holdings in AB Electrolux: 18,448 B-shares.

Ian Banes

Head of Product Line Care

Born 1968. United Kingdom. Masters Degree in Manufacturing Engineering. In Group Management since 2023 and employed since 2002.

Previous positions: Senior positions within Electrolux Group including Senior Vice President of the Fabric Care product line within business area Europe, Senior Vice President CX product line Care, Vice President of the Home Comfort product line within business area Europe, General Manager of the business in several countries, and Head of Manufacturing Operations in China. Positions prior to Electrolux Group include various roles at John Crane.

Holdings in AB Electrolux: 15,966 B-shares.

Elena Breda

Chief Technology and Sustainability Officer

Born 1973. Italy. Masters Degree in Electronics Engineering and Ph.D. in Biomedical Engineering. In Group Management since 2023 and employed since 2002.

Previous positions: Senior positions within Electrolux Group including Global Senior Vice President CX product line Food Preservation, Senior Vice President of Sales for Home Care & Small Domestic Appliances Europe, Vice President of Food Preservation and Home Comfort Asia-Pacific, and other positions in the Care product line within business area Europe.

Holdings in AB Electrolux: 8,623 B-shares.

Ricardo Cons

CEO and Head of business area North America

Born 1967. Brazil. Bachelor in Business Administration, Finance and Marketing, MBA in Team Management. In Group Management since 2016 and employed 1997-2011 and since 2016.

Previous positions: Head of business area Latin America. Management positions at Franke in Latin America. Various senior positions at Electrolux Group Brazil, including President Small Appliances Latin America, Sales and Marketing Director Major Appliances. Management positions in Volvo Brazil.

Holdings in AB Electrolux: 23,741 B-shares.



Carsten Franke

Head of Operations

Born 1965. Germany. Engineer's degree (Dipl.-Ing) in Mechanical Engineering. In Group Management since 2020 and employed since 2005.

Previous positions: Various senior positions within business area Europe including Chief Operations Officer, Vice President Supply Chain, Vice President Industrial Operations and Vice President Electrolux Lean Manufacturing System. Positions prior to Electrolux Group include management roles at Knorr-Bremse AG and Maschinenfabrik Reinhausen

Holdings in AB Electrolux: 14,370 B-shares.

Therese Friberg

Chief Financial Officer, Head of Finance, Legal & IT

Born 1975. Sweden. B.Sc. in Business Administration. In Group Management since 2018 and employed since 1999.

Other assignments: Board member of AB SKF. *Previous positions:* Senior positions within Electrolux Group including CFO of Major Appliances EMEA, Pricing Manager of Major Appliances EMEA and Head of Group Business Control.

Holdings in AB Electrolux: 22,541 B-shares.

Leandro Jasiocha

CEO and Head of business area Latin America

Born 1976. Brazil. Master in Business Administration, M.Sc. in International Supply Chain/Purchasing. In Group Management since 2023 and employed 1995-2000, 2002-2016 and since 2018.

Previous positions: Various senior positions within Electrolux Group including Vice President Consumer Journey Latin America and Vice President Product Lines Latin America. Positions prior to Electrolux Group include management positions at Hyva Global B.V.

Holdings in AB Electrolux: 6,817 B-shares.

Anna Ohlsson-Leijon

Executive Vice President, CEO and Head of business area Europe, Asia-Pacific, Middle East and Africa, and Head of Group Consumer Direct Interaction and product line Wellbeing

Born 1968. Sweden. B.Sc. in Economics and Business Administration. In Group Management since 2016 and employed since 2001.

Other assignments: Board member of Atlas Copco AB and Schneider Electric SE.

Previous positions: Senior positions within Electrolux Group including Chief Commercial Officer of AB Electrolux, CEO of business area Europe, CFO of AB Electrolux, CFO of Major Appliances EMEA and Head of Electrolux Corporate Control & Services. CFO of Kimoda. Various positions within PricewaterhouseCoopers.

Holdings in AB Electrolux: 28,850 B-shares.

Lars Worsøe Petersen

Chief Human Resources Officer & Communication

Born 1958. Denmark. M.Sc. in Economics and Business Administration. In Group Management since 2011 and employed 1994-2005 and since 2011.

Previous positions: CHRO, Senior Vice President at Husqvarna AB, 2005-2011. Various senior positions within Electrolux Group including Head of Human Resources for Major Appliances North America and Head of Electrolux Holding A/S in Denmark.

Holdings in AB Electrolux: 34,456 B-shares.

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 ECS adds value through clarified roles and responsibilities, improved process efficiency, increased risk awareness and improved decision support.

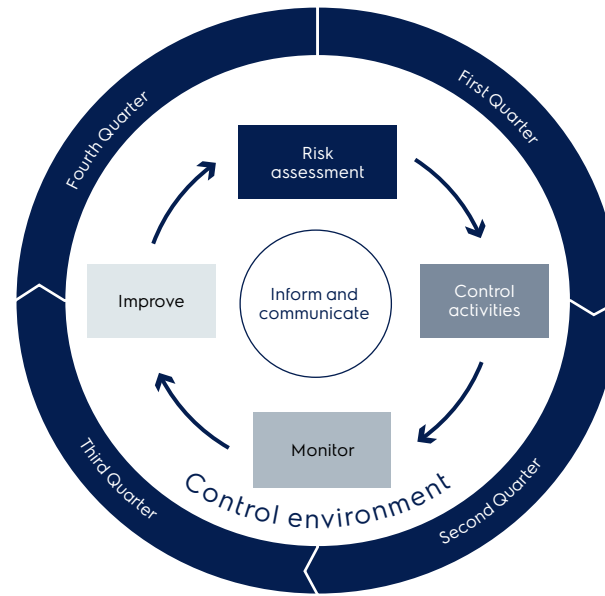
ECS is based on the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The five components of this framework are control environment, risk assessment, control activities, monitor and improve, and inform and communicate.

Control environment

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

The AB Electrolux Board has overall responsibility for establishing an effective system of internal control. Responsibility for maintaining effective internal controls is delegated to the President and CEO. The governance structure of the Group is described on page 18. Specifically for financial reporting, the Board has established an Audit Committee, which assists in overseeing relevant policies and important accounting principles applied by the Group.

The limits of responsibilities and authorities are given in directives for delegation of authority, manuals, policies and procedures, and codes, including the Code of Conduct, the Workplace Policy, and the Anti-corruption Policy, as well as in policies for information, finance, and in the accounting manual. Together with laws and



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

All entities within Electrolux Group must maintain adequate internal controls. As a minimum requirement, control activities should address key risks identified within the Group. Group Management has the ultimate responsibility for internal controls within their areas of responsibility. Group Management is described on pages 28-29.

The ECS Program Management Office (PMO), a department within the Group Internal Audit function, has developed the methodology and is responsible for maintaining the ECS. To ensure timely completion of these activities, specific roles aligned with the company structure, with clear responsibilities regarding internal control, have been assigned within the Group.

Control environment – Examples

Code of Conduct

Minimum standards in the areas of environment, health and safety, labor standards and human rights. The Code of Conduct is mandatory for Electrolux Group’s units.

Group Finance Policy

Details the general framework for how financial operations shall be organized and managed within the Group. The policy contains directives and other mandatory standards issued by the Group Finance organization.

Credit Directive

Rules for customer assessment and credit risk that clarify responsibilities and are the framework for credit decisions.

Delegation of Authority Directive

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

Accounting Manual

Accounting principles and reporting instructions for the Group’s reporting entities are contained in the Accounting Manual. The Accounting Manual is mandatory for all reporting units.

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 as well as risk of loss or misappropriation of assets.

At the beginning of each calendar year, ECS PMO performs a global risk assessment to determine the reporting units, data centers and processes in scope for ECS activities. Within the Electrolux Group, a number of different processes generating transactions that end up in significant accounts in the financial reporting have been identified. All larger reporting units perform the ECS activities.

The ECS has been rolled out to almost all of the smaller units within the Group. The scope for smaller units is limited in terms of monitoring as management is not formally required to test the controls.

Control activities

Control activities mitigate the risks identified and ensure accurate and reliable financial reporting as well as process efficiency.

Control activities include both general and detailed controls aimed at preventing, detecting and correcting errors and irregularities. In ECS, the following types of controls are implemented, documented and tested:

- Manual and application controls – to secure that key risks related to financial reporting within processes are controlled.
- IT general controls – to secure the IT environment for key applications.
- Entity-wide controls – to secure and enhance the control environment.

Control activities – Example

Process	Risk assessed	Control activity
Closing Routine	Risk of incorrect financial reporting.	Reconciliation between general ledger and accounts receivable sub-ledger is performed, documented and approved.
Manage IT	Risk of unauthorized/incorrect changes in the IT environment	All changes in the IT environment are authorized, tested, verified and finally approved.
Order to Cash	Risk of not receiving payment from customers in due time.	Customers' payments are monitored and outstanding payments are followed up.
Order to Cash	Risk of incurring bad debt.	Application automatically blocks sales orders/deliveries when the credit limit is exceeded.

Monitor and Improve

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

The effectiveness of control activities is monitored continuously at four levels: Group, business area, 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 ECS, management is responsible for testing key controls. Management testers who are independent of the control operator perform these activities. Group Internal Audit maintains test plans and performs independent testing of selected controls. Controls that have failed must be remediated, which means establishing and implementing actions to correct weaknesses.

The Audit Committee reviews reports regarding internal control and processes for financial reporting. Group Internal Audit proactively proposes improvements to the control environment. The Head of Group Internal Audit reports: to the President and CEO and the Audit Committee for assurance activities, and reports to the Chief Financial Officer for other activities.

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 ECS.

To 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 ECS.

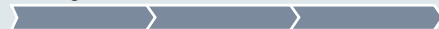
The status of ECS activities is followed up continuously through status meetings between ECS PMO and coordinators in the business areas. Information about the status of ECS is provided periodically to business area and Group Management, the Audit Board and the Audit Committee.

Enterprise risk assessment – Example accounts receivable

Closing Routine – Risks assessed



Manage IT – Risks assessed



Order to Cash – Risks assessed





Financial reporting and information

Electrolux Group routines and systems for information and communication aim at providing the market with relevant, reliable, correct and up-to-date information concerning the development of the Group and its financial position. Specifically for purposes of considering the materiality of information, including financial reporting, relating to Electrolux Group and ensuring timely communication to the market, an Insider & Disclosure Committee has been formed.

AB Electrolux has an information policy and an insider policy meeting the requirements for a listed company.

Financial information is issued regularly in the form of:

- Full-year reports, half-year reports and interim reports.
- The Annual Report.
- Press releases on all matters which could have a significant effect on 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.

Stockholm, February 19, 2024

AB Electrolux (publ)
The Board of Directors

Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in AB Electrolux (publ), corporate identity number 556009-4178

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2023 on pages 17-32 and that it has been prepared in accordance with the Annual Accounts Act

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act

Stockholm, February 21, 2024

PricewaterhouseCoopers AB

Peter Nyllinge

Authorized Public Accountant
Partner in Charge

Helena Kaiser de Carolis

Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.