

Notice convening the Annual General Meeting of AB Electrolux

The shareholders of AB Electrolux, reg. no. 556009-4178 (the “Company”), are hereby given notice of the Annual General Meeting to be held on Wednesday, March 27, 2024, at 4.00 p.m. (CET) at Nalen, Regeringsgatan 74 in Stockholm, Sweden. Admission and registration will commence at 3.15 p.m. (CET).

The Board of Directors has decided that the shareholders shall have the possibility to exercise their voting rights by postal voting before the Annual General Meeting, as instructed below.

The Annual General Meeting will be webcasted live via Electrolux Group’s website, www.electroluxgroup.com/agm2024.

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

Registration and notification

Participation at the meeting venue

Shareholders who wish to participate at the meeting venue, in person or by proxy, must

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Tuesday, March 19, 2024; and
- give notice of its participation no later than Thursday, March 21, 2024
 - by telephone +46 8 402 92 79 on weekdays between 9 a.m. and 4 p.m. (CET),
 - by post to AB Electrolux, c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, or
 - via Euroclear Sweden AB’s website, <https://anmalan.vpc.se/EuroclearProxy/>.

The notification shall include the shareholder’s name, personal or corporate identification number, address and telephone number, and any assistants (two at most).

If a shareholder is represented by proxy, a written and dated proxy signed by the shareholder shall be issued for the representative. A representative for a shareholder that is a legal entity shall provide a registration certificate or other supporting document that shows the authorized signatory of the shareholder. In order to facilitate registration at the Annual General Meeting, the proxy and/or registration certificate or other supporting documents should be sent to the Company to the address above well in advance of the Annual General Meeting.

Proxy forms are available on Electrolux Group’s website, www.electroluxgroup.com/agm2024 and are also provided by the Company upon request.

Postal voting

Shareholders who wish 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 19, 2024; and

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, always striving to be at the forefront of sustainability in society through our solutions and operations. Under our group of leading appliance brands, including Electrolux, AEG and Frigidaire, we sell household products in around 120 markets every year. In 2023 Electrolux Group had sales of SEK 134 billion and employed 45,000 people around the world. For more information go to www.electroluxgroup.com.

- give notice of its participation by casting its postal vote in accordance with the instructions below so that the postal vote is received by Euroclear Sweden AB on behalf of the Company no later than on Thursday, March 21, 2024.

Shareholders who wish to attend the meeting venue in person or by proxy, must give notice in accordance with the instructions listed under "Participation at the meeting venue" above. Hence, a notification of participation only through postal voting is not sufficient for shareholders who also wish to attend the meeting venue.

A special form shall be used for postal voting. The form for postal voting is available at Electrolux Group's website, www.electroluxgroup.com/agm2024 and is also provided by the Company upon request.

The completed and signed form for postal voting shall be either sent by post to AB Electrolux, c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, or by e-mail to GeneralMeetingService@euroclear.com. Shareholders may also cast their postal vote electronically through verification with BankID via Euroclear Sweden AB's website, <https://anmalan.vpc.se/EuroclearProxy/>.

If the shareholder submits its postal vote by proxy, a written and dated proxy signed by the shareholder must be enclosed to the form for postal voting. A representative for a shareholder that is a legal entity must enclose, to the form for postal voting, a registration certificate or other supporting document which shows the authorized signatory of the shareholder. Proxy forms are available on Electrolux Group's website, www.electroluxgroup.com/agm2024 and are also provided by the Company upon request.

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 Euroclear Sweden AB's website, <https://anmalan.vpc.se/EuroclearProxy/>.

Shares registered in the name of a nominee

In order to be entitled to participate in the Annual General Meeting, by attending the meeting venue or by postal voting, 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 in accordance with the instructions above, 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 on Tuesday, March 19, 2024. Such re-registration may be temporary (so-called voting rights registration), and is requested to the nominee, in accordance with the nominee's routines, at such time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee no later than Thursday, March 21, 2024, will be taken into account in the presentation of the share register.

Agenda

1. Election of Chairman of the Annual General Meeting.
2. Preparation and approval of voting list.
3. Approval of agenda.
4. Election of two minutes-checkers.
5. Determination as to whether the Annual General Meeting has been properly convened.
6. Presentation of the Annual Report and the Audit Report as well as the Consolidated Accounts and the Group Audit Report .
7. Presentation by the President and CEO.
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 and CEO for 2023.
10. Resolution on dispositions in respect of the Company's profit or loss pursuant to the adopted Balance Sheet.
11. Determination of the number of Directors and Deputies.
12. Determination of fees to the Board of Directors and the Auditor.
13. Election of Board of Directors and Chairman of the Board.

- a) Petra Hedengran (re-election)
 - b) Ulla Litzén (re-election)
 - c) Karin Overbeck (re-election)
 - d) David Porter (re-election)
 - e) Jonas Samuelson (re-election)
 - f) Torbjörn Lööf (new election)
 - g) Geert Follens (new election)
 - h) Daniel Nodhäll (new election)
 - i) Michael Rauterkus (new election)
 - j) Torbjörn Lööf as Chairman of the Board (new election)
14. Election of Auditor (re-election).
 15. Resolution on instruction for the Nomination Committee.
 16. Resolution on approval of the Remuneration Report.
 17. Resolution on Remuneration Guidelines for senior executives.
 18. Resolutions on
 - a) transfer of own shares on account of company acquisitions; and
 - b) transfer of own shares on account of the share program for 2022.
 19. Resolutions on
 - a) implementation of a performance based long-term share program for 2024; and
 - b) transfer of own shares to the participants in the long-term share program for 2024.
 20. Closing of the Annual General Meeting.

Proposals for decision

Item 1 – Election of Chairman of the Annual General Meeting

AB Electrolux Nomination Committee, consisting of the Chairman Johan Forssell (Investor AB) and the members Marianne Nilsson (Swedbank Robur Fonder), Carina Silberg (Alecta), Anders Hansson (AMF Tjänstepension och Fonder), Staffan Bohman and Fredrik Persson (Chairman and Director, respectively, of the Board of Directors of AB Electrolux), proposes

- Eva Hägg, member of the Swedish Bar Association, as Chairman of the Annual General Meeting (or, if she is prevented from attending, the person proposed by the Nomination Committee).

Item 10 – Resolution on dispositions in respect of the Company’s profit or loss pursuant to the adopted Balance Sheet

The Board of Directors proposes that no dividend shall be distributed for the fiscal year 2023 and that available funds will be carried forward in the new accounts.

Item 11 – Determination of the number of Directors and Deputies

The Nomination Committee proposes that the number of Directors of the Company elected by the Annual General Meeting shall be nine and that no Deputies shall be appointed.

Item 12 – Determination of fees to the Board of Directors and the Auditor

The Nomination Committee proposes fees to Directors of the Board not employed by Electrolux Group as follows.

- SEK 2,560,000 to the Chairman of the Board and SEK 745,000 to each of the other Directors of the Board elected by the Annual General Meeting; and

- for committee work, to the members who are appointed by the Board of Directors: SEK 380,000 to the Chairman of the Audit Committee and SEK 240,000 to each of the other members of the Audit Committee, SEK 205,000 to the Chairman of the People Committee and SEK 140,000 to each of the other members of the People Committee, and SEK 350,000 to the Chairman of the Strategic Planning Committee and SEK 200,000 to each of the other members of the Strategic Planning Committee.

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

Item 13 - Election of Board of Directors and Chairman of the Board

The Nomination Committee proposes that the following persons are elected to the Board of Directors until the close of the Annual General Meeting 2025.

- Re-election of Directors Petra Hedengran, Ulla Litzén, Karin Overbeck, David Porter, and Jonas Samuelson;
- Election of Torbjörn Lööf, Geert Follens, Daniel Nodhäll and Michael Rauterkus as new Directors of the Board; and
- Election of Torbjörn Lööf as Chairman of the Board of Directors.

Staffan Bohman, Fredrik Persson and Henrik Henriksson have announced that they are not available for re-election.

A presentation of the proposed Directors of the Board is available on Electrolux Group's website, www.electroluxgroup.com/agm2024.

Item 14 - Election of Auditor (re-election)

The Nomination Committee proposes, in accordance with the recommendation by the Audit Committee, re-election of the audit firm PricewaterhouseCoopers AB as the Company's auditor for the period until the end of the 2025 Annual General Meeting.

Item 15 - Resolution on instruction for the Nomination Committee

The Nomination Committee proposes that the Annual General Meeting adopt a new instruction for the Nomination Committee in the Company to apply until a new instruction is adopted. The proposal entails that the number of representatives from the Company's Board of Directors in the Nomination Committee is changed from two to only the Chairman of the Board. In connection with this change, editorial and linguistic simplifications of the instruction are proposed, which are not assessed to lead to any significant changes in the work of the Nomination Committee.

The instruction for the Nomination Committee is proposed to have the following wording:

1. The Company shall have a Nomination Committee consisting of five members. The Nomination Committee shall consist of one member appointed by each of the four largest shareholders, in terms of the number of votes held, who wish to appoint a member, and the Chairman of the Company's Board of Directors.
2. Unless the members agree otherwise, the Chairman of the Nomination Committee shall be the member appointed by the largest shareholder in terms of the number of votes held.
3. The Nomination Committee shall be constituted based on shareholding as of the last banking day in August according to reliable ownership information provided to the Company.
4. The composition of the Nomination Committee shall be announced as soon as it is appointed.
5. The term of office for the Nomination Committee shall be for the period until the next Nomination Committee is appointed.

6. Members appointed by shareholders that during the term of office for the Nomination Committee no longer is among the Company's four largest shareholders, in terms of the number of votes held, shall make their seats available to shareholders who, based on reliable ownership information, shall have the right to appoint a member and informs the Company that they wish to appoint a member of the Nomination Committee. Unless there are special circumstances, no changes shall be made in the composition of the Nomination Committee if there are (i) only marginal changes in the number of votes held or (ii) if the change occurs later than three months before the Annual General Meeting. A shareholder that has become one of the four largest shareholders later than three months before the Annual General Meeting on account of a more significant change in the number of votes held, shall however be entitled to appoint a member who shall be invited to the Nomination Committee as a co-opted member.
7. A shareholder who has appointed a member of the Nomination Committee has the right to dismiss such member and appoint a new member of the Nomination Committee.
8. Changes in the composition of the Nomination Committee shall be announced as soon as they have occurred.
9. The Nomination Committee shall perform its assignment in accordance with the Swedish Code for Corporate Governance.
10. If needed, the Company shall provide a secretary function to the Nomination Committee and reimburse such reasonable costs that the Nomination Committee deems necessary to be able to fulfil its assignment.

Item 17 – Resolution on Remuneration Guidelines for senior executives

The Board of Directors proposes that the following guidelines for remuneration shall be approved by the Annual General Meeting of the Company.

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

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

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

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

The Company has a clear strategy to deliver profitable growth and create shareholder value. A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company is able to recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration in relation to the country or region of employment of each Group Management member. These guidelines enable the

Company to offer Group Management a competitive total remuneration. More information on the Company's strategy can be found on Electrolux Group's website and in the most recent annual report, www.electroluxgroup.com/en/.

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

Fixed compensation

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

Variable compensation

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

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

Short Term Incentive ("STI")

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

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

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

Extraordinary arrangements

Additional variable compensation may be approved in extraordinary circumstances under the conditions that such extraordinary arrangement is made for recruitment or retention purposes, is agreed on an individual basis, does not exceed 300 per cent of the ABS and is earned and/or paid out in instalments

over a minimum period of 24 months. Such additional variable remuneration may also be paid on an individual level for extraordinary performance beyond the individual's ordinary tasks and shall in these situations not exceed 30 per cent of the ABS and be paid in one installment.

Right to reclaim variable remuneration

Terms and conditions for variable remuneration should be designed to enable the Board of Directors, under exceptional financial circumstances, to limit or cancel payments of variable remuneration provided that such actions are deemed reasonable (malus). The Board shall also have the possibility, under applicable law or contractual provisions and subject to the restrictions that may apply under law or contract, to in whole or in part reclaim variable remuneration paid on incorrect grounds (claw-back).

Pension and benefits

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

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

Notice of termination and severance pay

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

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

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

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

Salary and employment conditions for employees

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

Consultancy fees

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

Deviations from the guidelines

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

Material changes to the guidelines adopted by the Annual General Meeting 2020

The proposal to the 2024 Annual General Meeting for resolution on guidelines for remuneration corresponds, in all material aspects, with the guidelines adopted by the 2020 Annual General Meeting.

Item 18 – Resolutions on a) transfer of own shares on account of company acquisitions; and b) transfer of own shares on account of the share program for 2022

The Company has previously, on the basis of authorizations by the Annual General Meeting, acquired own shares for the purpose of using these shares to finance potential company acquisitions, as a hedge for the Company's share related incentive programs as well as to adapt the Company's capital structure. The Board of Directors considers it to be of continued advantage for the Company to be able to use repurchased shares on account of potential company acquisitions and the Company's share related incentive programs, and the Board of Directors therefore proposes the authorization to be renewed for the period until the following Annual General Meeting.

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

a) 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 of series B 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 Directors' decision on the transfer may be transferred.
2. Transfer of shares may take place outside Nasdaq Stockholm as set out in Chapter 19, Sections 35-37 of the Swedish Companies Act.
3. The shares may be transferred with deviation from the shareholders' preferential rights. The reason for the deviation from the shareholders' preferential rights shall be that transfer of own shares enables alternative forms of payment for company acquisitions which according to the Board of Directors is beneficial for the Company and contributes to increased shareholder value.
4. Transfer of shares shall be made at a minimum price per share corresponding to an amount in close connection with the price of the Company's share on Nasdaq Stockholm at the time of the decision on the transfer.
5. Payment for transferred shares may be made in cash, by contributions in kind or by a set-off of Company debt.

b) Transfer of own shares on account of the share program for 2022

The Board of Directors proposes 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 555,000

own shares of series B in the Company for the purpose of covering costs related to social security charges, that may arise as a result of the Company's obligations under the previously adopted share program 2022. Such transfers shall take place on Nasdaq Stockholm at a price within the prevailing price interval for the Company's shares at Nasdaq Stockholm from time to time.

Majority requirement

Valid resolutions in accordance with the Board of Directors' proposals a) and b) above require that shareholders holding no less than two thirds of the votes cast as well as the shares represented at the Annual General Meeting are in favor of the proposals.

Item 19 – Resolutions on a) implementation of a performance based long-term share program for 2024; and b) transfer of own shares to the participants in the long-term share program for 2024.

Background

The Board of Directors in the Company has decided to propose a performance based long-term incentive program for 2024 (the "Share Program 2024"). The proposed Share Program 2024 is in all material aspects unchanged compared with the share program for 2023, with the exception that the number of participants is reduced to 800 to reflect the current total headcount of Electrolux Group. The Board of Directors 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 in Electrolux Group, is expected to increase the commitment and the motivation of the program participants and will strengthen the participants' ties to the Company and its shareholders.

Proposals of the Board of Directors

In view of the above, the Board of Directors proposes that the Annual General Meeting resolves to a) implement Share Program 2024, and b) transfer own shares free of consideration to the participants in Share Program 2024, as follows.

a) Implementation of Share Program 2024

The Board of Directors proposes that the Annual General Meeting resolves to implement Share Program 2024 with the following principal terms and conditions:

1. The program is proposed to include up to 800 senior managers and key employees of Electrolux Group, who are divided into seven participant 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 the Company no later than on May 17, 2024.
2. Participants are offered to be allocated shares of series B in the Company ("Performance Shares"), provided that the participant remains employed until January 1, 2027. 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 Electrolux Group.
3. The Performance Shares shall be based on maximum performance values for each participant group. The maximum performance value for the participants in Group 1 will be 100 per cent of the participant's annual base salary for 2024, for participants in Group 2, 90 per cent of the participant's annual base salary for 2024, for participants in Group 3, 80 per cent of the participant's annual base salary for 2024, for participants in Group 4, 60 per cent of the participant's annual base salary for 2024, for participants in Group 5, 50 per cent of the participant's annual base salary for 2024, for participants in Group 6, 40 per cent of the participant's annual base salary for 2024, and for participants in Group 7, 20 per cent of the participant's annual base salary for 2024. The total sum of the maximum values of the Performance Shares defined for all participants will not exceed SEK 568m excluding social costs.

4. Each maximum performance value shall thereafter be converted into a maximum number of Performance Shares¹, based on the average closing price paid for the Company's share of series B on Nasdaq Stockholm during a period of ten trading days before the day the participants are invited to participate in the Share Program 2024, reduced by the present value of estimated dividend payments for the period until shares are allotted.
5. The calculation of the number of Performance Shares shall be connected to performance targets for Electrolux Group, for the performance period, established by the Board of Directors for (i) cumulative earnings per share² and (ii) CO₂ reduction³. The performance targets adopted by the Board of Directors 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 target⁴. The performance period is the financial years 2024-2026 with respect to each of the performance targets.
6. Performance outcome of the established performance targets will be determined by the Board of Directors after the expiry of the three-year performance period in 2027. 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 3 and 4 above. If performance is below the maximum level but exceeds the minimum level, a proportionate allocation of Performance 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 7 below.
7. If all conditions in the Share Program 2024 are met, allocation of Performance Shares will take place in the first half of 2027. Allocation will be free of consideration except for tax liabilities.
8. Certain deviations in or adjustments of the terms and conditions for the Share Program 2024 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.
9. 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 2024, within the framework of the aforementioned terms and conditions.
10. If material changes would occur within Electrolux Group or on the market that, according to the Board of Directors' assessment, would lead to the conditions for allocation of Performance Shares no longer being reasonable, the Board of Directors shall also have the right to make other adjustments of the Share Program 2024, including e.g. a right to resolve on a reduced allotment of Performance Shares.

Costs for the Share Program 2024

The total costs for the Share Program 2024, if the maximum number of Performance Shares are delivered, are estimated to a maximum of SEK 662m, which corresponds to approximately 2.72 per cent of the Group's total employment cost for 2023. The costs will be recognized over the years 2024-2026, in accordance with IFRS 2. 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.

¹ 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 in accordance customary practice for corresponding incentive programs.

² 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).

³ The CO₂ reduction target refers to greenhouse gas reductions within the following three areas: (i) operations, (ii) transportation and (iii) energy from product use, with the relative weight of the performance targets (i) and (ii) being 25 per cent respectively and (iii) 50 per cent and will be measured on selected predefined product categories and regions.

⁴ The relative total shareholder return target refers to the Company'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 2024-2026. If the Company's 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.

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 through transfer of own shares, 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 Electrolux 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 193 per share has been applied.

Hedging measures for the Share Program 2024

In order to implement the Share Program 2024 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 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, the Company intends to enter into an equity swap agreement with a third party to secure the Company's financial exposure.

Number of shares, effects on key figures, etc.

The maximum number of Performance Shares that could be allotted to the participants under the Share Program 2024 shall be limited to 6,108,000, which corresponds to approximately 2.16 per cent of the total number of shares and 1.71 per cent of the votes in the Company.⁵ The Share Program 2024 does not result in any dilutive effect on share capital or votes. If repurchased own shares are allocated under the Share Program 2024, the number of outstanding shares in the Company will increase with not more than 6,108,000 shares of series B, which corresponds to a maximum dilutive effect on earnings per share of approximately 2.21 per cent.⁶ The dilutive effect on earnings per share is independent of the share price as Performance Shares are delivered free of consideration.

The total maximum increase in the number of outstanding shares of all outstanding share programs in the Company is estimated to be not more than 12,714,000 shares of series B, delivered free of consideration, corresponding to a dilutive effect on earnings per share of approximately 4.50 per cent.⁷ In this calculation, maximum allotment of shares has been assumed for the share programs 2024, 2023 and 2022.

b) Resolution on transfers of own shares to the participants in Share Program 2024

In order to secure the delivery of Performance Shares in accordance with the terms and conditions of the Share Program 2024, the Board of Directors proposes that the Annual General Meeting resolves that the Company shall transfer a maximum of 6,108,000 shares of series B in the Company on the following terms and conditions:

1. The right to receive shares shall be granted to participants within Electrolux Group covered by the terms and conditions pursuant to the Share Program 2024. Furthermore, subsidiaries within 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 participants covered by the terms and conditions of the Share Program 2024.
2. The participant shall have the right to receive shares during the period when the participant is entitled to receive shares pursuant to the terms and conditions of Share Program 2024.
3. Participants covered by the terms and conditions of Share Program 2024 shall receive shares of series B in the Company free of consideration.
4. The number of shares of series B in the Company that may be transferred under Share Program 2024 will be subject to recalculation as a result of intervening bonus issues, splits, rights issues and/or other similar corporate events.

⁵ 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 in accordance with customary practice for corresponding incentive programs.

⁶ Outstanding shares defined as the total number of issued shares in the Company reduced by the number of own shares held by the Company.

⁷ Outstanding shares defined as the total number of issued shares in the Company reduced by the number of own shares held by the Company.

Majority requirements

The resolution of the Annual General Meeting to implement the Share Program 2024 according to a) above requires that more than half of the votes cast at the Annual General Meeting are in favor of the proposal. The Annual General Meeting's resolution on transfer of own shares according to 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 are in favor of the proposal.

Preparation of the proposal for the Share Program 2024

The proposal for the Share Program 2024 has been prepared by the People Committee and the Board of Directors.

Other share related incentive programs

For a description of the Company's outstanding share related incentive programs, reference is made to the Annual Report for 2023, note 27, and the corporate governance section on Electrolux Group's website, www.electroluxgroup.com/en/. In addition to the programs described, no other share related incentive programs have been implemented.

Shares and votes

As of the day of announcement of this notice, there are in total 283,077,393 shares in AB Electrolux of which 8,191,804 are series A shares, each carrying one vote, and 274,885,589 are series B shares, each carrying one-tenth of a vote, corresponding to in total 35,680,362.9 votes. As of the same date the Company holds 13,049,115 own shares of series B, corresponding to 1,304,911.5 votes that may not be represented at the Annual General Meeting.

Shareholders' right to receive information

The Board of Directors and the President and CEO shall at the Annual General Meeting, if any shareholder so requests and the Board of Directors considers 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 group companies. Shareholders wishing to submit questions in advance may send them to AB Electrolux, Attn: Office of the General Counsel, SE-105 45 Stockholm, Sweden or by e-mail at agm@electrolux.com.

Documents

The complete proposals from the Board of Director and the Nomination Committee are set out above. Proxy forms, postal voting form, a presentation of about the persons proposed as Directors of the Board, and the Nomination Committee's explanatory statement etc., can be found on Electrolux Group's website, www.electroluxgroup.com/agm2024. The Annual Report, the Auditor's Report, the Auditor's statement pursuant to Chapter 8, Section 54 of the Swedish Companies Act regarding the Remuneration Guidelines, and the Remuneration Report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act, will be available no later than Wednesday, March 6, 2024 at AB Electrolux, S:t Göransgatan 143, SE 105 45 Stockholm, Sweden and on Electrolux Group's website, www.electroluxgroup.com/agm2024. The documents will also be sent to shareholders who so specifically request and state their address.

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

Stockholm, February 2024
AB Electrolux (publ)
The Board of Directors