

## Press release

March 22, 2021

# Notice convening the Annual General Meeting of Electrolux Professional AB (publ)

**The shareholders of Electrolux Professional AB (publ), reg. no. 556003-0354, are hereby given notice of the Annual General Meeting to be held on Wednesday, April 28, 2021.**

Due to the coronavirus, the Board of Directors has decided that the Annual General Meeting should be conducted without the physical presence of shareholders, representatives or third parties and that the shareholders should be able to exercise their voting rights only by post before the meeting.

Information on the resolutions passed at the meeting will be disclosed on April 28, 2021, as soon as the outcome of the postal voting has been finally confirmed.

### Registration and notification

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

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Tuesday, April 20, 2021, and
- give notice of participation no later than Tuesday, April 27, 2021, by casting its postal vote in accordance with the instructions under the heading Postal voting below so that the postal voting form is received by Euroclear Sweden AB no later than that day.

In order to be entitled to participate in the meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the general meeting by submitting its postal vote, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of April 20, 2021. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee, in accordance with the nominee's routines, at such a time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee no later than April 22, 2021 will be taken into account in the presentation of the share register.

### About Electrolux Professional

Electrolux Professional is one of the leading global providers of food service, beverage and laundry for professional users. Our innovative products and worldwide service network make our customers' work-life easier, more profitable – and truly sustainable every day. Our solutions and products are manufactured in 12 plants in seven countries and sold in over 110 countries. In 2020, Electrolux Professional had global sales of SEK 7,3bn and approximately 3,500 employees. Electrolux Professional's B-shares are listed at Nasdaq Stockholm. For more information, visit <https://www.electroluxprofessional.com/corporate>

**Electrolux Professional AB (publ)**

Reg no: 556003-0354

Postal and visiting address:

S:t Göransgatan 143, SE-112 17 Stockholm

Telephone: +46 8 41056450

## Postal voting

The Board of Directors has decided that shareholders should be able to exercise their voting rights only by postal voting in accordance with section 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. A special form must be used for the postal vote. The form for postal voting is available on the Group's website <https://www.electroluxprofessional.com/corporate/annual-general-meeting-2021/>. Completed and signed forms for postal voting can be sent by mail to Electrolux Professional AB (publ) "Årsstämma" c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden or by e-mail to [generalmeetingservice@euroclear.com](mailto:generalmeetingservice@euroclear.com). Completed forms must be received by Euroclear no later than April 27, 2021. Shareholders who are natural persons may also cast their votes electronically through verification with BankID via the Euroclear Sweden AB's website <https://anmalan.vpc.se/EuroclearProxy/>. Such electronic votes must be submitted no later than April 27, 2021.

The shareholders may not provide special instructions or conditions to the postal vote. If so, the entire postal vote is invalid. Further instructions and conditions can be found in the postal voting form and at <https://anmalan.vpc.se/EuroclearProxy/>.

## Powers of attorney

If the shareholder submits its postal vote by proxy, a written and dated Power of Attorney signed by the shareholder must be attached to the postal voting form. Proxy forms are available on the Group's website <https://www.electroluxprofessional.com/corporate/annual-general-meeting-2021/>. If the shareholder is a legal person, a registration certificate or other authorization document must be attached to the form.

## Shareholders' right to receive information

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

Questions to the Company in connection with the Annual General Meeting may be submitted in writing to the Company up until April 18, 2021 (ten days prior to the Annual General Meeting) by any of the following methods:

- by regular mail at the address of Electrolux Professional AB, Head of Legal, "Annual General Meeting 2021", S:t Göransgatan 143, SE-112 17 Stockholm, Sweden, or
- by email to [agm@electroluxprofessional.com](mailto:agm@electroluxprofessional.com).

The submission should include the name of the shareholder including such shareholder's personal or organization number. It is also recommended that the submission includes the shareholder's postal address, email address and telephone number.

The questions and responses will be made available on the Group's website <https://www.electroluxprofessional.com/corporate/annual-general-meeting-2021/> and on the Company's head office, S:t Göransgatan 143, SE-112 17 Stockholm, Sweden no later than Friday, April 23, 2021. The information is also sent to the shareholders who requested it and have stated their address.

## Agenda

1. Election of Chairman of the meeting.
2. Election of minutes-checkers.
3. Preparation and approval of the voting list.
4. Approval of the agenda.

5. Determination as to whether the meeting has been properly convened.
6. Presentation of the annual report and the audit report as well as the consolidated accounts and the group audit report, as well as the statement of the auditor regarding the application of guidelines for remuneration which have applied since the previous Annual General Meeting.
7. Resolution on adoption of the profit and loss account and the balance sheet as well as the consolidated profit and loss account and the consolidated balance sheet.
8. Resolution on dispositions in respect of the Company's profit or loss in accordance with the adopted balance sheet.
9. Resolution on discharge of liability of the directors of the Board and the Managing Director.
10. Determination of the number of Directors and Deputy Directors.
11. Determination of fees to the Board of Directors and the auditor.
12. Election of the Board of Directors and Chairman of the Board of Directors.
  - a) Election of Kai Wörn as Director (re-election).
  - b) Election of Lorna Donatone as Director (re-election).
  - c) Election of Hans Ola Meyer as Director (re-election).
  - d) Election of Daniel Nodhäll as Director (re-election).
  - e) Election of Martine Snels as Director (re-election).
  - f) Election of Carsten Voigtländer as Director (re-election).
  - g) Election of Katharine Clark as Director (re-election).
  - h) Election of Kai Wörn as Chairman (re-election).
13. Election of Auditor.
14. Resolution on approval of remuneration report.
15. Resolution on
  - a) Implementation of a performance based, long-term share program for 2021 ("Share Program 2021").
  - b) Equity swap agreement with third party.
16. Resolution on amendments to the Articles of Association.

### **Item 1 – Election of Chairman of the meeting**

The Electrolux Professional Nomination Committee, consisting of the Chairman Petra Hedengran, Investor AB, and the members Joachim Spetz, Swedbank Robur Funds, Jesper Wilgodt, Alecta, Peter Guve, AMF – Försäkring och Fonder, and Kai Wörn, Chairman of the Board of Directors of the Company, proposes:

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

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

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

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

The voting list proposed to be approved is the voting list prepared by Euroclear Sweden AB on behalf of the Company, based on the general meeting share register and received postal votes, controlled by the persons assigned to check the minutes.

### **Item 8 – Dispositions in respect of the Company's profit or loss in accordance with the adopted balance sheet**

The Board of Directors proposes that no dividend should be distributed and that the earnings for the financial year 2020 and the retained earnings should be carried forward.

#### **Item 10 – Number of Directors and Deputy Directors**

The Nomination Committee proposes:

- Seven Directors and no Deputy Directors.

#### **Item 11 – Fees to the Board of Directors and the Auditor**

The Nomination Committee proposes Directors' fees as follows:

- SEK 1,560,000 to the Chairman of the Board of Directors and SEK 520,000 to each of the other Directors appointed by the Annual General Meeting not employed by Electrolux Professional; and
- for committee work, to the members who are appointed by the Board of Directors: SEK 155,000 to the Chairman of the Audit Committee and SEK 105,000 to each of the other members of the Committee and SEK 105,000 to the Chairman of the Remuneration Committee and SEK 80,000 to each of the other members of the Committee.

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

#### **Item 12 – Election of the Board of Directors and Chairman of the Board**

The Nomination Committee proposes:

- Re-election of Directors Kai Wörn, Lorna Donatone, Hans Ola Meyer, Daniel Nodhäll, Martine Snels, Carsten Voigtländer and Katharine Clark.
- Re-election of Kai Wörn as Chairman of the Board of Directors.

#### **Item 13 – Election of Auditor**

The Nomination Committee proposes, in accordance with the recommendation by the Audit Committee, re-election of the audit firm Deloitte AB as the Company's Auditor for the period until the end of the 2022 Annual General Meeting.

#### **Item 14 – Approval of remuneration report**

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

#### **Item 15 – Implementation of a performance based long-term share program for 2021 and hedging measures relating thereto**

##### **A. Implementation of Share Program 2021**

The Board of Directors proposes that the Annual General Meeting resolves to implement a performance based, long-term share program for 2021 ("Share Program 2021") in accordance with the below.

##### **Objectives**

The Board is convinced that the proposed program will be beneficial to the Company's shareholders as it will contribute to the possibilities to recruit and retain competent employees, is expected to increase the commitment and the motivation of the program participants and will strengthen the participants' ties to the Electrolux Professional Group and its shareholders.

### Description of the key terms

- a) The program is proposed to include up to 30 senior managers and key employees of the Electrolux Professional Group, who are divided into four groups; CEO and President ("Group 1"); other members of Executive Management and Senior Managers ("Group 2-3"); as well as certain other key employees ("Group 4"). Invitation to participate in the program shall be provided by Electrolux Professional no later than May 27, 2021.
- b) Participants are offered to be allocated Performance Shares, provided that the participant remains employed until January 1, 2024. Exemptions to this requirement may be prescribed in specific cases, including a participant's death, disability, retirement or the divestiture through a sale, spin-off or otherwise of the participant's employing company from the Electrolux Professional Group.
- c) The Performance Shares shall be based on maximum performance values for each participant category. The maximum performance value for the participants in Group 1 will be 100 per cent of the participant's annual base salary for 2021, for participants in Group 2, 80 per cent of the participant's annual base salary for 2021, for participants in Group 3, 60 per cent of the participant's annual base salary for 2021, and for participants in Group 4, 40 per cent of the participant's annual base salary for 2021. The total sum of the maximum values of the Performance Shares thus defined for all participants will not exceed SEK 34m excluding social costs.
- d) Each maximum value shall thereafter be converted into a maximum number of Performance Shares<sup>1</sup>, based on the Volume Weighted Average Price (VWAP) paid for Electrolux Professional B-shares on Nasdaq Stockholm during a period of 20 trading days before the day the participants are invited to participate in the program.
- e) The calculation of the number of Performance Shares shall be connected to performance targets for the Group established by the Board for (i) earnings per share and (ii) operating cash flow after investments<sup>2,3</sup>. The performance targets adopted by the Board will stipulate a minimum level and a maximum level, with the relative weight of the performance targets (i) and (ii) being 60 per cent and 40 per cent respectively.
- f) The performance period is the financial year 2021. Performance outcome of the established performance targets will be determined by the Board after the expiry of the performance period. If the maximum performance level is reached or exceeded, the allocation will amount to (and will not exceed) the maximum number of Performance Shares following from c) and d). If performance is below the maximum level but exceeds the minimum level, a proportionate allocation of shares will be made. No allocation will be made if performance amounts to or is below the minimum level. Information on the performance targets and the outcome will be provided no later than in connection with the allocation of Performance Shares in accordance with h).
- g) The total award of Performance Shares may never exceed 0.4 per cent of the total number of shares in Electrolux Professional. If required, allotments shall be reduced to ensure that the limitation is observed.
- h) If both performance conditions in the Share Program 2021 are met, allocation of Performance Shares will take place in the first half of 2024. Allocation will be free of charge except for tax liabilities.
- i) Certain deviations in or adjustments of the terms and conditions for the Share Program 2021 may be made based on local rules and regulations as well as applicable market practice, changed market conditions or where appropriate due to group re-organizations,

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

<sup>2</sup> To calculate operating cash flow after investments; cash flow from operations and investments shall be adjusted for financial items paid, taxes paid and acquisitions/divestments of operations.

<sup>3</sup> With a possibility for the Board of Directors to make adjustments to (i) and (ii) for extraordinary events.



and may include cash settlement instead of delivery of shares under certain circumstances.

- j) The Board of Directors, or a committee established by the Board for these purposes, shall be responsible for the preparation and management of the Share Program 2021, within the framework of the aforementioned terms and conditions.
- k) If material changes would occur within the Electrolux Professional Group or on the market that, according to the Board's assessment, would lead to the conditions for allocation of Performance Shares no longer being reasonable, the Board will have the right to make also other adjustments of the Share Program 2021, including e.g. a right to resolve on a reduced allotment of shares.

### **Costs for the Share Program 2021**

The total costs for the Share Program 2021 if the maximum number of Performance Shares are delivered, are estimated to a maximum of SEK 49m, which corresponds to approximately 2 per cent of total employment cost for 2020. The costs will be recognized over the years 2021-2023. The costs have been calculated as the sum of salary costs, including social costs, costs for hedging measures and administration costs for the program. Administration costs are estimated to be less than SEK 1m. If no allotment of shares is made, only administration costs will arise.

The costs have been calculated based on the value, at the start of the program, of the Performance Shares that may be allotted. The estimate on maximum costs assumes maximum performance and that no participants leaves the Group during the term of the program. In the calculation, a maximum share price of SEK 62 per share has been applied.

### **Hedging measures for the Share Program 2021**

To ensure delivery of B-shares under Share Program 2021, the Board of Directors proposes that the Annual General Meeting resolves that Electrolux Professional should be able to enter into an equity swap agreement with a third party, in accordance with item 15 B) below.

### **Preparation of the proposal for the Share Program 2021**

The proposal regarding the Share Program 2021 has been prepared by the Remuneration Committee and the Board of Directors.

### **Previous incentive programs in Electrolux Professional**

For a description of the Electrolux Professional's other incentive programs, reference is made to the Annual Report for 2020, note 26, and the Company's website, <https://www.electroluxprofessional.com/corporate/incentive-program/>. In addition to the programs described, no other share or share price related incentive programs have been implemented in Electrolux Professional.

### **B. Equity swap agreement with third party**

The Board of Directors proposes that the Annual General Meeting resolves that the expected financial exposure of Share Program 2021 shall be hedged by Electrolux Professional entering into an equity swap agreement with a third party on terms and conditions in accordance with market practice, whereby the third party in its own name shall acquire and transfer B-shares in Electrolux Professional to employees who participate in Share Program 2021.

### **Item 16 – Amendments to the Articles of Association**

According to Chapter 7, Section 6 of the Swedish Companies Act (2005:551) it may be stated in the articles of association that persons not being shareholders of the company shall be entitled

to attend or in any other manner follow the discussions at a general meeting. Furthermore, according to Chapter 7, Section 4 of the Swedish Companies Act (2005:551) the Board of Directors may collect proxies for the general meeting if it is specified in the articles of association. According to Chapter 7, Section 4 a of the Swedish Companies Act it may also be stated in the articles of association that the Board of Directors may decide that the shareholders shall be able to exercise their voting rights by post before the general meeting.

In order to be able to use the alternatives provided by the Swedish Companies Act to decide on proxy collection and postal voting as well as to decide on attendance at a general meeting for persons not being shareholders, the Board of Directors proposes that a new article 11 is included in the Articles of Association, with the wording set out below, and that the Articles of Association be re-numbered so that the current article 11 becomes article 12 and the current article 12 becomes article 13:

*Article 11*

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

*The Board of Directors may collect proxies pursuant to the procedure stated in Chapter 7, Section 4, second paragraph of the Swedish Companies Act (2005:551).*

*The Board of Directors may decide before a General Meeting that the shareholders shall be able to exercise their voting rights by post before the General Meeting pursuant to the procedure stated in Chapter 7, Section 4 a of the Swedish Companies Act (2005:551).*

The Board of Directors proposes that the President and CEO shall be authorized to make the minor adjustments to the above resolution that may prove to be necessary in connection with the registration of the Articles of Association with the Swedish Companies Registration Office.

### **Majority requirements**

In order for the Annual General Meeting's resolution in accordance with the Board of Directors' proposal under item 16 to be valid, the resolution must be accepted by shareholders holding no less than two thirds of the votes cast as well as the shares represented at the Annual General Meeting.

### **Shares and votes**

There are in total 287,397,450 shares in the Company of which, as of March 22, 2021, 8,055,969 are A-shares, each carrying one vote, and 279,341,481 are B-shares, each carrying one-tenth of vote, corresponding to in total 35,990,117.1 votes.

### **Processing of personal data**

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

### **Documents, etc.**

Information about persons proposed as members of the Board of Directors of Electrolux Professional, information about proposed Auditor and the Nomination Committee's statement etc., can be found on the Company's website, <https://www.electroluxprofessional.com/corporate/annual-general-meeting-2021/>. The Annual Report, the Auditor's Report, the Board of Directors' remuneration report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act, as well as the Auditor's statement pursuant to



Chapter 8, Section 54 of the Swedish Companies Act regarding the remuneration guidelines for the Executive management are presented by being available at the Company and on the Company's website, <https://www.electroluxprofessional.com/corporate/annual-general-meeting-2021/>, no later than three weeks prior to the Annual General Meeting. They will also be sent to shareholders who so request and state their address. In respect of the other items, complete proposals are provided under the respective item in the Notice. The general meeting share register will be available at the Company's head office, S:t Göransgatan 143, SE-112 17 Stockholm, Sweden.

Stockholm in March 2021  
Electrolux Professional AB (publ)  
THE BOARD OF DIRECTORS

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**About Electrolux Professional**

Electrolux Professional is one of the leading global providers of food service, beverage and laundry for professional users. Our innovative products and worldwide service network make our customers' work-life easier, more profitable – and truly sustainable every day. Our solutions and products are manufactured in 12 plants in seven countries and sold in over 110 countries. In 2020, Electrolux Professional had global sales of SEK 7,3bn and approximately 3,500 employees. Electrolux Professional's B-shares are listed at Nasdaq Stockholm. For more information, visit <https://www.electroluxprofessional.com/corporate>