



**Shape living  
for the better**

Electrolux Group's purpose is to shape living for the better by reinventing taste, care and wellbeing experiences for more enjoyable and sustainable living around the world. As a leading global appliance company, Electrolux Group places the consumer at the heart of everything it does, with a focus on delivering outstanding consumer experiences within the three innovation areas:



## Taste

As a kitchen appliance leader, we want our products to enable consumers to prepare food with the right taste and texture, minimize food waste, and create healthy and nutritious meals. We continuously add new functionalities in terms of control, interaction and innovative digital technologies.

**62%**  
of sales

Product categories: Cookers, hobs, ovens, hoods, microwave ovens, refrigerators and freezers.

## Care

Our laundry products aim to offer consumers outstanding garment care, water and energy efficiency, and effective low temperature washing. Demand for our washing machines and tumble dryers is driven by innovations that promote user-friendliness and garment care through tailored and adaptive programs combined with leading resource efficiency.

**30%**  
of sales

Product categories: Washing machines, tumble dryers and dishwashers.

## Wellbeing

We strive to create wellbeing products that are differentiated by their visual appeal, and how they promote healthy indoor environments and sustainable living. Our wellbeing products enable more people to sustainably benefit from comfortable temperatures as well as fewer particles in the air, in the water and on surfaces.

**8%**  
of sales

Product categories: Vacuum cleaners, air-conditioning equipment, water heaters, heat pumps and small domestic appliances.

## Electrolux Group in brief

# A global leader in household appliances

Sustainable consumer experience innovation is a key driver for long term profitable growth, enabling users to prepare great-tasting food, care for their clothes so they stay new for longer and achieve healthy wellbeing at home.

Consistently increasing operational efficiency through digitalization, automation and modularization is key to improve profitability and enable profitable growth. Sustainability is an integral part of Electrolux Group's strategy. A solid balance sheet facilitates profitable growth.

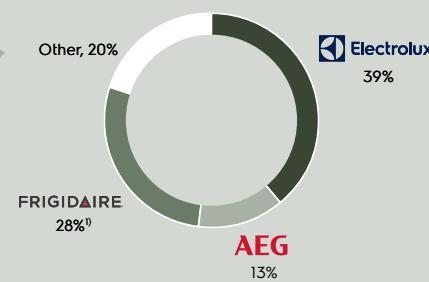
Electrolux Group's headquarters are located in Stockholm, Sweden, and the company's shares are listed on Nasdaq Stockholm.

## Sales in ~120 markets for a total of SEK 134bn in 2023

### Sales by region



### Sales by brand



## Strategy for profitable growth

### Financial targets

Operating margin	Return on net assets	→ Sales growth
<b>≥6%</b>	<b>&gt;20%</b>	<b>≥4%</b>

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.



Driving sustainable consumer experience innovation



Increasing efficiency through digitalization, automation and modularization

Solid balance sheet facilitates profitable growth



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Electrolux Group has been committed to shaping living for the better for more than 100 years and is on a journey to become a truly sustainable company. In 2023, the global non-profit CDP awarded Electrolux Group an A score for its work on climate action, and A- for water. The Group was also recognized in the Household Durables category of the Dow Jones Sustainability Index (DJSI).



## Sustainability Report

This is Electrolux Group's full Sustainability Report 2023. It contains detailed reporting of the Group's sustainability approach and its progress in 2023. The report is aimed at sustainability analysts, investors and other stakeholders who require detailed sustainability information about Electrolux Group.

## Sustainability in Brief

This is a summary of Electrolux Group's sustainability progress and achievements in 2023. The summary is aimed at anyone interested in the Group's sustainability work during the year. Sustainability in Brief 2023 is available both as a downloadable PDF and a printed version.  Download the Sustainability in Brief 2023.

## Annual Report

The Annual Report for AB Electrolux (publ), 556009-4178, includes the Group's sustainability information that is required by Swedish law and the EU Taxonomy.  See pages 53–68 in the Annual Report 2023 for the Group's legal sustainability reporting. Download the Annual Report 2023.

## Sustainability on the Electrolux Group website

 Visit [electroluxgroup.com/sustainability](https://electroluxgroup.com/sustainability) for information about how the Group works with sustainability.

## Sustainability recognition

 See page 95 for Electrolux Group's awards and recognitions during 2023.

# Sustainability framework

Electrolux Group has a sustainable business strategy for profitable growth that drives sustainable consumer experience innovation and increased resource efficiency in its operations.

To drive this strategy for profitable growth, the Group has defined its sustainability framework – For the Better 2030 – to achieve Better Company, Better Solutions and Better Living Goals by 2030, as well as its Climate Goals. It also helps fulfil the Group's purpose to Shape living for the better.

For the Better 2030 is based on the Group's most important sustainability topics that have been identified by its materiality analysis and informed by ongoing stakeholder dialogue. Read more in the Double materiality process section on page 61.

In addition, the framework helps to address the expectations of the Global Reporting Initiative (GRI) and the UN Sustainable Development Goals (SDGs).



## Better Company

Drive resource-efficient operations

Act ethically, lead in diversity and respect human rights

Drive supply chain sustainability



## Better Solutions

Lead in energy- and resource-efficient solutions

Offer circular products and business solutions

Eliminate harmful materials



## Better Living

Make healthy and sustainable eating the preferred choice

Make clothes last twice as long with half the environmental impact

Make the home a healthier place to thrive in, with half the carbon footprint

## Climate Goals

Toward a net-zero value chain by 2050

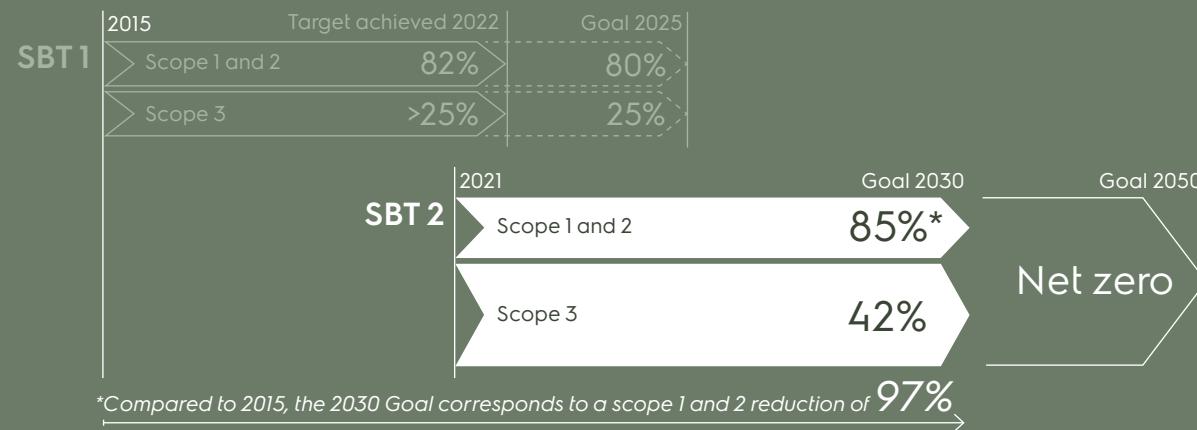
# Climate Goals roadmap

Electrolux Group's Climate Goals roadmap includes the Group's new science-based climate target that was approved by the Science Based Targets initiative (SBTi) in 2023. It also includes the Group's commitment to contribute to the United Nations Global Compact Business ambition for 1.5°C.



## New expanded science-based target 2021-2030 approved in 2023

### Carbon emission reduction targets



**SBT 1** (base year 2015)  
Scope 1, direct emissions  
Scope 2, indirect emissions  
Scope 3, other indirect emissions, including the category:  
• Use of sold products

**SBT 2** (base year 2021)  
Scope 1, direct emissions  
Scope 2, indirect emissions  
Scope 3, other indirect emissions, including the categories:  
• Purchased goods and services (new)  
• Upstream transportation and distribution (new)  
• Business travel (new)  
• Use of sold products

# Key results 2023



## Better Company

**60%**

of energy used in operations came from renewable sources.



## Better Solutions

**29/38**

The Group's most energy and water-efficient products accounted for 29% of total units sold and 38% of gross profit



## Better Living

**28%**

food waste reduction can be achieved with new built-in refrigerator.<sup>3)</sup>

**3 million**

meals donation target achieved seven years early.

**98%**

of top 285 suppliers responded to the CDP Supply Chain Program.

**up to 49%**

recycled plastic in the Group's latest range of stick vacuum cleaners.<sup>1)</sup>

**-30%**

ColourCare washing machines use up to 30% less energy<sup>4)</sup> and improve the use of detergent even in cold water.

**97%**

of products with refrigerants have switched to low global warming gases.<sup>2)</sup>

**6**

products for wellbeing at home won Red Dot and IF Design awards.

<sup>1)</sup> For the parts made of plastic. Not including accessories and depending on color and nozzles.

<sup>2)</sup> The 97% figure is based on the time of signing the Cool Coalition commitment in 2019.

<sup>3)</sup> Compared to the 500 ColdSense refrigerator and based on external tests on duration of the edibility of soft cheese and cooked ham stored on shelves.

Results may vary depending on type of foods. Estimated potential food waste reduction based on appliance performance only and not considering user behavior.

<sup>4)</sup> Internal calculation of energy use compared to the minimum threshold to achieve the highest energy rating.

## Emission reductions by 2023

**Operations (scope 1 and 2)****33%**

reduction compared to 2021

**Products (scope 3 / use of sold products)****28%**

reduction compared to 2021





**"We will increasingly draw on the Group's sustainability expertise throughout the business to ensure we deliver on our 2030 agenda and beyond."**

Elena Breda, Chief Technology & Sustainability Officer

**"As most of the lifecycle impacts of our products occur in their use phase in homes around the world, product use is clearly where we must focus our sustainability efforts going forward."**

Jonas Samuelson, President & Chief Executive Officer

# Partnerships are key to achieve our sustainability objectives

Jonas Samuelson, President & Chief Executive Officer, and Elena Breda, Chief Technology & Sustainability Officer, talk about Electrolux Group's new science-based climate target, the new Electrolux and AEG EcoLine selection of appliances and other progress on its For the Better 2030 Goals.

**Firstly, congratulations Elena on your new role.**

**What does your appointment mean for the Group?**

**Elena:** Thank you! Well from a Group perspective, our sustainability ambitions are unchanged as we remain committed to our For the Better 2030 Goals. But we will increasingly draw on the Group's sustainability expertise throughout the business to ensure we deliver on our 2030 agenda and beyond. We can also accelerate synergies between the technology and sustainability areas to bring smarter and more resource-efficient products to the market that can help consumers live more sustainably.

**Jonas:** Elena brings her long experience of developing more sustainable products. As most of the lifecycle impacts of our products occur in their use phase in homes around the world, product use is clearly where we must focus our sustainability efforts going forward. As Chief Technology & Sustainability Officer and as a member of Group Management, Elena will also strengthen our Group sustainability leadership.

**Why have you set a new science-based climate target?**

**Jonas:** Having already achieved our first science-based target in 2022, three years ahead of plan, we have developed a new target to keep up the momentum on driving climate action throughout our value chain. Our new science-based climate target aims to reduce the Group's emissions from operations (scope 1 and 2) by 85% and emissions mainly from products sold (scope 3) by 42% between 2021 and 2030. Our new target was approved by the Science Based Targets initiative at the end of 2023.

**Elena:** Our new science-based target will help us reduce emissions in our operations (scope 1 and 2) by 97% by 2030 compared with 2015, and we aim to achieve the target of net-zero emissions in our operations by 2033 despite the challenging global economic outlook and some manufacturing processes to be addressed together with our suppliers. With approximately 85% of the climate impact of an appliance generated when it is in use, the target will help us to offer more resource and energy-efficient products, which is where we can have the greatest positive climate impact.

**What is the Electrolux and AEG EcoLine selection and how is it promoting our most sustainable products?**

**Jonas:** We created the Electrolux and AEG EcoLine selection of appliances in 2023 to showcase our most energy-efficient products for European consumers. Our ambition is to make it easier for the consumer to choose these products either online or instore.

**Elena:** Electrolux and AEG EcoLine makes it easy for consumers to identify our most energy-efficient appliances in Europe, which supports our mission to drive consumer behavioral change and help them to live more sustainably. In addition, Electrolux and AEG EcoLine also includes some products partly made with a high proportion of recycled plastics. Going forward, we will explore the potential to expand this approach of showcasing our more sustainable products for consumers beyond Europe.



**"We can also accelerate synergies between the technology and sustainability areas to bring smarter and more resource-efficient products to the market that can help consumers live more sustainably."**

Elena Breda

### Can you give examples of products that help consumers to live more sustainably?

**Jonas:** We offer various appliances that can help the consumer use less energy and water in their home – while often providing additional benefits. For example, our steam ovens not only use less energy, they also help retain nutrients in food. Our 800 Series Cooling 360 built-in refrigerator can help reduce food waste and retain nutrients.

**Elena:** Our Electrolux and AEG EcoLine washing machines not only have the best energy ratings on the market, they also feature Auto-Dose that helps consumers use less detergent. ProSteam technology can quickly refresh clothes while saving water and energy compared to a full wash. And let's not forget our vacuum cleaners and air-conditioning equipment that help improve air quality and wellbeing in the home.

### What progress was made within circularity during the year?

**Elena:** We were proud to win the European Plastic Recycling Award for "Automotive, Electrical or Electronic Product of the Year 2023" for our recycled plastic fridge inner liner. The inner liners are made from 70% recycled plastic, which equates to 13% of the total plastic used in the refrigerator. We were the first in the world to incorporate this much recycled plastic in inner liners in a refrigerator, so it's an important industry breakthrough. In addition, we have launched more sustainable business models.

### What key sustainability progress was made in Electrolux Group operations?

**Elena:** Our manufacturing sites have made great progress on energy in recent years and have improved efficiency by 5.7% compared with 2020. We have also improved water efficiency in our operations by 39% compared to 2015 by implementing various water-saving measures. In 2023, 98.3% of our total manufacturing waste was either reused or recovered – and 71% of our factories were "Zero Waste to Landfill" certified, meaning that less than 7% of the total waste is sent to landfill.

### Tell us about the work to phase out gases with high global warming potential.

**Jonas:** Since signing up to the UN Cool Coalition initiative back in 2019, we have phased out high Global Warming Potential gases from 97% of our products containing refrigerants. I'm proud of how our teams have worked internally and with external partners to switch from high-impact greenhouse gases to gases with lower global warming potential across our product lines.

### What progress did the Electrolux Food Foundation make during the year?

**Elena:** The Electrolux Food Foundation reached its target to donate over three million meals to people in need around the world seven years early. During the year, the foundation set a new target to donate six million meals to people in need by 2030.

**Jonas:** It was great to see the foundation's Food Heroes project go from strength to strength during the year. By the end of 2023, over 128,000 children around the world had become food heroes by learning about more sustainable food habits.

### What was achieved within diversity and inclusion in 2023?

**Elena:** We established a new dashboard to track our progress toward the Group's 2030 diversity and inclusion ambitions that will drive our work forward. A mentor program with mentees from the Group was launched to support young female STEM (Science, Technology, Engineering and Mathematics) students. Our AsYouAre week in September brought together all employees at Group offices and factories around the world to celebrate the power of diversity.

### What are the Group's main sustainability challenges and opportunities in 2024 and beyond?

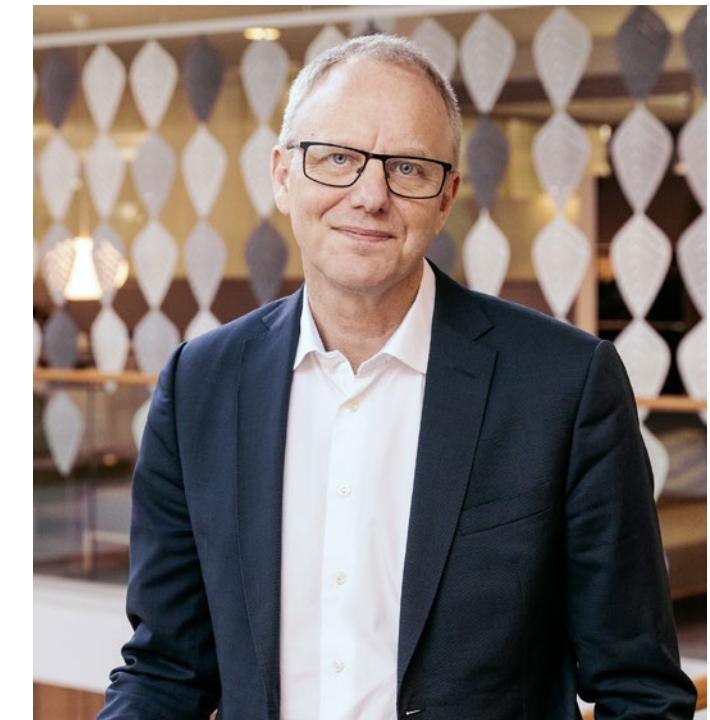
**Jonas:** As we can't do everything ourselves, partnering on sustainability is becoming increasingly important. We partner with a broad range of actors – from Stena Recycling on circularity to Workplace Pride on diversity and inclusion. We are also a long-term signatory of the UN Global Compact and its ten principles on human rights, labor, environment and anti-corruption, which continue to be a cornerstone of our sustainability work. I firmly believe that society's environmental, social and governance challenges ahead can only be overcome in close collaboration with our partners.



Jonas Samuelson  
President and CEO



Elena Breda  
Chief Technology and  
Sustainability Officer



**"Since signing up to the UN Cool Coalition initiative back in 2019, we have phased out high Global Warming Potential gases from 97% of our products containing refrigerants."**

Jonas Samuelsson



# Better Company

**Drive resource-efficient operations >**

**Act ethically, lead in diversity and respect human rights >**

**Drive supply chain sustainability >**



## 2023 HIGHLIGHTS

- 60% of the Group's energy came from renewable sources.
- 33% reduction of carbon emissions for scope 1 and 2 (2021 baseline).
- 71% of factories were Zero Waste to Landfill program certified (less than 1% of waste sent to landfill).

# Drive resource-efficient operations

Electrolux Group will continue to reduce its environmental footprint by shifting to renewable energy, and optimizing the use of energy and other resources throughout its operations.

### The case for action

Electrolux Group aims to run resource-efficient operations and phase out fossil fuels as an integral part of its work by applying industry-leading practices. This reflects the Group's values and what it stands for as a company – being part of the solution is important for both employees and consumers. Despite the Group's operations being responsible for less than 1% of its climate impact in terms of scope 1 and 2 (approximately 85% of the its lifecycle climate footprint occurs during the use phase of its products), the company works proactively to reduce the environmental impact of its operations through energy, water and waste management.

Electrolux Group works to reduce the impact of its operations by running lean and efficient operations and by switching from fossil fuels to renewable sources of energy. This work is helping to reduce the Group's climate footprint.

Water is an important global issue. Consumption has increased globally by roughly 1% per year over the last 40 years and is expected to grow at a similar rate until 2050.<sup>10</sup> With manufacturing operations around the world, the Group identifies the factories that operate in regions with water risks and promotes water efficiency throughout its operations.

With waste deposition and raw material extraction and processing having significant environmental impacts, Electrolux Group strives to send zero waste to landfill. The Group also has a focus on e-waste. [➤ Read about Electrolux Group's approach to the material topics related to this Goal on page 73.](#)

<sup>10</sup> The United Nations World Water Development Report 2023, p.1. unesdoc.unesco.org/ark:/48223/pf0000384655

### Progress on resource-efficient operations

This section presents the Group's activities and progress to drive more resource-efficient operations. In 2023, Electrolux Group was in the final stage of executing SEK 8bn of re-engineering investments, which are focusing on the modularization and automation of five production facilities in Europe and the Americas. These investments will drive resource-efficient operations and reduce dependence on fossil fuels.

#### Energy

Energy efficiency and the shift toward renewable energy drives Electrolux Group's efforts to reduce the climate impact of its operations. Since 2021, the Group has reduced its carbon dioxide footprint by 33% toward the objective to reduce emissions from operations by 85% by 2030. With this new target, Electrolux Group will achieve a 97% carbon emissions reduction in scope 1 and 2 by 2030 compared with 2015. The new science-based target has been approved by the Science Based Targets initiative (SBTi). [➤ Read more in Climate Goals on page 52.](#)

The Group is working to improve energy efficiency at its manufacturing sites and warehouses by an additional 12.5% by 2025 (2020 baseline). During 2023, energy efficiency at the Group's manufacturing sites improved by 5.7% (3.5) while fossil fuel usage efficiency improved by 13% (4). This more energy-efficient production was due to better energy management and the electrification of more processes.

The Group continued to execute technology roadmaps that involve ongoing improvements in energy and resource use in its operations. Electrolux Group's internal Green Sprit program, which includes a rating and certification system, continues to be crucial in

driving resource efficiency. In 2023, 85% (86) of Group facilities achieved top ratings – either Gold or Platinum.

In 2023, Electrolux Group continued to work with the ISO 50001 energy management system at its manufacturing sites. At the end of 2023, 85% (85) of Electrolux Group factories were ISO 50001 certified.

At the end of 2023, the proportion of Electrolux Group total energy and electricity derived from renewable sources was 60% (59) and 96% (98) respectively. The goal is to increase the proportion of renewable energy for Electrolux Group operations to 65% by 2025.

Electrolux Group has sites with solar photovoltaic systems in Italy, Thailand, Australia, China, South Africa, Mexico and Sweden. The Group's first solar power purchase agreement (PPA) was approved at the Porcia factory in Italy and a 7.4 MW system will be installed in 2024.

## Water

By the end of 2023, Electrolux Group had improved its water efficiency by 48% since 2015 through good water management practices at its manufacturing sites around the world.

During the year, Electrolux Group continued to work with the WWF Water Risk Filter at all its plants. The filter provides better understanding of water risks for all Group operations and helps to set tougher water saving requirements in potential high-risk regions. It also helps to integrate local stakeholder actions on water into Group operations. The Group aims to reduce water use in potential high-risk regions by 5% each year, and by 1% in all other regions.

The majority of the Group's plants recycle process water, and some use closed loop systems that reuse process water. Opportunities at several other facilities are being investigated. Electrolux Group also uses harvested rainwater in some manufacturing sites in Thailand, Brazil and Australia.

## CDP – Climate and Water

In 2023, the global non-profit CDP awarded Electrolux Group an A score for its work on climate action, and A- for water.

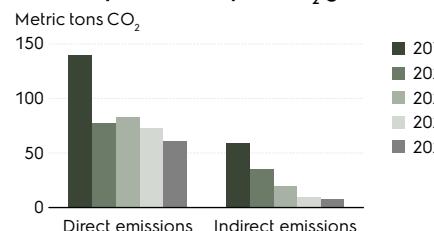
## Waste

### Zero Waste to Landfill program

In 2023, 98.3% (98) of the total waste produced at Electrolux Group manufacturing sites was either reused or recovered – and 74% (55) of its factories were "Zero Waste to Landfill" certified – toward the target to certify all Group manufacturing sites by 2025. The program is verified by a third party according to Electrolux Group's own standard. "Zero" in this context means that less than 1% of the total waste is sent to landfill.

During 2023, 6 (7) additional factories were certified to the Zero Waste to Landfill program. This means that by the end of the year, a total of 25 (19) factories were certified in Argentina, Australia, Brazil, Chile, Egypt, Germany, Italy, Mexico, Poland, Thailand and the US.

## Total scope 1 and scope 2 CO<sub>2</sub> gas emissions<sup>1)</sup> by weight



<sup>1)</sup> Scope 1 and 2 emissions, including contributions from energy use and greenhouse gas fugitive emissions.

## Greenhouse gas (GHG) emissions<sup>2)</sup> intensity



<sup>2)</sup> Scope 1 and 2 emissions, including contributions from energy use and greenhouse gas fugitive emissions.

## Energy consumption within the organization (MWh)

Year	Oil	Coal	Natural gas	LPG	District heating	District cooling	Steam	Electricity	Renewables	Total
2023	771	0	288,142	15,796	8,569	1,552	0	22,658	502,646	840,134
2022	1,252	0	339,810	27,395	8,648	1,616	0	11,157	555,462	945,341
2021	1,848	0	387,696	34,083	9,659	1,468	45	31,376	581,226	1,047,399
2020	1,732	0	355,699	17,209	7,649	1,200	68	65,294	501,034	949,885
2019	1,787	0	365,646	9,744	10,109	1,591	208	132,200	453,751	975,036

## Waste directed to disposal (metric ktons)<sup>3)</sup>

Year	Waste disposed <sup>4)</sup>	Waste-to-energy	Waste recovered <sup>5)</sup>	Hazardous waste amount (in each group)	Waste not included in Zero Waste to Landfill
2023	2.4	2.6	140	1.5	2.7
2022	3.7	3.2	148	2.4	14.1
2021	4.6	4.0	166	2.4	7.0
2020	4.5	4.5	149	2.3	4.2
2019	5.7	7.7	150	3.1	2.7

<sup>3)</sup> The reported amount relates to the Group's own activities. Waste data is collected monthly according to 22 different waste types in an on-line tool.

<sup>4)</sup> Waste to landfill and incinerated without energy recovery.  
<sup>5)</sup> Except waste-to-energy.

The Group's Zero Waste to Landfill Program currently covers finished goods factories that have implemented the program.



By the end of 2023, Electrolux Group had improved its water efficiency by 48% since 2015.

Lean manufacturing practices are instrumental in identifying waste reduction opportunities in the Group's production processes. In 2023, over 70 Continuous Improvement workshops and around 100 problem solving activities focusing on reducing scrap and/or waste were conducted.

All manufacturing sites segregate waste and internal audits are conducted to monitor proper segregation and identify areas for improvement. The Group promotes the adoption of reusable items and the use of returnable packaging for raw materials and components whenever possible. Recycling opportunities are continuously investigated for waste streams that are still sent to landfill or incineration. Dedicated efforts also focused on phasing out single-use domestic plastic in operations, such as plastic water bottles. Recent initiatives have avoided the generation of around 23 metric tons of single-use domestic plastic per year at European manufacturing sites.

Waste generated by manufacturing sites is handled by third parties. Zero Waste to Landfill (less than 1% of waste) certified sites are required to manage their waste vendors through the implementation of due diligence, contractual agreements aligned with local regulations, risk-based audits, comprehensive reporting, and continuous communication and collaboration. Certified units must also get assurance from waste vendors, typically through contracts, that waste intended for diversion will not be disposed of in landfills without prior agreement.

Manufacturing sites source waste data from internal records, waste vendor receipts, hauling records, governmental databases and supplier declarations on waste destination. The documents used may vary between countries, in compliance with local requirements and standards. Each site must consolidate and upload monthly waste data to the Group database, which includes quantities by waste type and destination. The total amount of hazardous waste managed each month is also specified.

Uploaded waste data is automatically processed by a web-based server application for data analysis and validation. Zero Waste to Landfill certified sites undergo an annual third-party audit that includes data cross-checks.

#### e-waste

In 2023, local participation agreements as part of the Group's global Master Services Agreement for unwanted IT equipment were signed in 23 (8) countries. In eight of these countries, 15 collections received approximately 3,200 (5,000) pieces of unwanted IT equipment. In total, 11,626 kg (12,000) of equipment was reused, repaired or properly recycled and diverted from becoming e-waste sent to landfill or incineration.

#### Water withdrawal

##### Total water withdrawal from all areas in megaliters<sup>1)</sup>

Year	Fresh surface water	Ground water – renewable	Rainwater	Wastewater from other organizations	Third-party sources – Municipal water	Total water withdrawal
2023	35	2,070	3	0	962	3,071
2022	56	2,509	2	0	1,100	3,670
2021	108	2,350	1	0	1,244	3,703
2020	56	1,979	4	0	1,158	3,197
2019	73	2,592	5	0	1,356	4,026

##### Total water withdrawal from all areas with water risk in megaliters<sup>1), 2)</sup>

Year	Fresh surface water	Ground water – renewable	Rainwater	Wastewater from other organizations	Third-party sources – Municipal water	Total water withdrawal
2023 <sup>3)</sup>	0	0	3	0	294	298
2022 <sup>3)</sup>	0	0	2	0	352	354
2021	38	78	1	0	436	553
2020	33	68	4	0	598	702
2019	45	86	5	0	661	797

<sup>1)</sup> 1 megaliter equals 1,000 m<sup>3</sup>.

<sup>2)</sup> Risk areas defined by the WWF Water Risk Filter.

<sup>3)</sup> Updated risk areas defined by the WWF Water Risk Filter.

#### Water discharge

##### Total water discharge to all areas in megaliters<sup>4)</sup>

(MI)	Third-party destinations		Fresh surface water		Total
	Untreated	Pre-treated	Untreated	Pre-treated	
2023	1,043	282	1,641	104	3,071
2022	1,255	362	1,912	140	3,670
2021	1,396	375	1,713	216	3,700
2020	1,217	379	1,393	203	3,192
2019	1,433	459	1,161	642	3,695

##### Total water discharge to all areas with water risk in megaliters<sup>4), 5)</sup>

(MI)	Third-party destinations		Fresh surface water		Total
	Untreated	Pre-treated	Untreated	Pre-treated	
2023 <sup>6)</sup>	220	77	0	0	298
2022 <sup>6)</sup>	266	88	0	0	354
2021	434 <sup>7)</sup>	104	38	9	586
2020	462	206	0	34	702
2019	730	160	6	6	903

<sup>4)</sup> 1 megaliter (MI) equals 1,000 m<sup>3</sup>.

<sup>5)</sup> Risk areas defined by the WWF Water Risk Filter.

<sup>6)</sup> Updated risk areas defined by the WWF Water Risk Filter.

<sup>7)</sup> Updated administrative error. 443 MI reported in 2021.



## Progress on Goal: Drive resource-efficient operations

Roadmap to 2030	Progress in 2023	Next steps	Status
Reduce the Group's CO <sub>2</sub> footprint in operations by 85% by 2030 (2021 baseline).	Since 2021, the Group has reduced its CO <sub>2</sub> footprint in operations by 33%.	Continue to source and implement renewable energy at Electrolux Group sites.	<span style="color: green;">● On track</span>
Improve energy efficiency at Electrolux Group manufacturing sites and warehouses by an additional 12.5% by 2025 (2020 baseline).	By the end of 2023, energy efficiency at the Group's manufacturing sites improved by 5.7% (3.5) compared with 2022. 85% (86) of Group facilities achieved top ratings (either Gold or Platinum) in the Electrolux Group's internal Green Spirit program.	Continue to implement the Green Spirit program and the energy management certification scheme.	<span style="color: yellow;">● Additional effort is required</span>
Increase the proportion of renewable energy for Electrolux Group operations to 65% by 2025.	At the end of 2023, the proportion of Electrolux Group total energy derived from renewable sources was 60% (59). Continued to source renewable energy and biofuels for the Group's sites around the world.	Continue to increase the proportion of electricity sourced from certified renewable sources. Continue to pilot biofuels, the electrification of processes and opportunities for solar PPAs.	<span style="color: green;">● On track</span>
Improve water efficiency at Electrolux Group manufacturing sites by 25% by 2025 (2020 baseline) in potential water risk areas, until the site has reached optimal levels of efficiency.	Continued to apply WWF Water Risk Filter at all the Group's plants.	Develop strategies for water efficiency based on the WWF Water Risk Filter with a focus on high-risk regions.	<span style="color: green;">● On track</span>
Third-party Zero Waste to Landfill (less than 1% of waste) certification for all factories by 2025.	Six additional factories were certified to the Electrolux Group Zero Waste to Landfill program.	Continue the certification process for factories not yet certified.	<span style="color: green;">● On track</span>

● On track   ● Additional effort is required   ● Off track   ○ Work has not yet begun

## Challenges

- Following over a decade of prioritized investments with good payback periods, it is becoming increasingly challenging to realize continuous improvements in energy and water efficiency with acceptable payback periods.
- Phasing out fossil fuels is a challenge in high-temperature processes due to the lack of technical and economically viable alternatives.



## 2023 HIGHLIGHTS

- 3 million meals donation target achieved by the Electrolux Food Foundation seven years early.
- Human rights approach further developed in preparation for coming legislation.
- Program for annual Workplace Policy factory audits implemented.

<sup>1)</sup> McKinsey 2020. Diversity wins: How Inclusion matters. [mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters](https://mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters)

<sup>2)</sup> Other sources: Bourke (2016); Ali, Metz, & Kulik (2015); Kabat-Farr & Cortina (2014); Downey, van der Werft, Thomas, & Plaut (2015).

# Act ethically, lead in diversity and respect human rights

Electrolux Group will earn the trust of everyone impacted by its operations, demonstrating a commitment to ethics, diversity and inclusion, and human rights through its words and actions. This includes working to ensure the health, safety and wellbeing of Electrolux Group employees.

## The case for action

A strong culture of ethics is vital for stakeholder trust and long-term business success. Consumers are increasingly making purchasing decisions based on whether a company is perceived as being trustworthy and how it contributes to society. Employees also prefer to work for a company with values that match their own. Additionally, corruption has a significant negative impact on the global economy.

The wellbeing, health and safety of people are extremely important. Electrolux Group has a duty of care toward every individual working for it and works to respect human rights throughout the value chain wherever the company operates in the world. This often involves going beyond local regulations.

Diversity and inclusion (D&I) can promote innovation and help attract top talent, and more diverse companies outperform those that do not invest in this area.<sup>1), 2)</sup> Community investment is also an important part of the Group's positive societal contribution. ➤ *Read about Electrolux Group's approach to the material topics related to this Goal on page 73.*

## Progress on ethics, diversity and human rights

This section presents the activities and progress in the areas of human rights, ethics, health and safety and wellbeing during 2023.

### Human rights

In 2023, the Group further developed its approach to human rights to ensure the strong management of human rights issues. A consolidated action plan for human rights salient issues, which includes a roadmap for initiatives and actions with metrics, was established.

The Group target is to conduct local impact assessments in all high-risk countries where the Group has manufacturing operations by 2024. By the end of 2023, six out of the eight assessments in scope had been conducted. During 2023, this included a partial-scope human rights assessment in China that covered workplace risks and impacts, and the Group's tier 1 suppliers in the country. In addition to the targeted eight countries, an assessment for the Group's German operations and supply chains was initiated during the year, in line with the German Supply Chain act. This means that in recent years, Electrolux Group has conducted impact assessments in Egypt, Thailand, Ukraine, Romania, South Africa, China and Germany. These assessments identified issues such as safety, working hours, wages, labor relations, corruption training, and supply chain risks. Mitigating country-level action plans have been implemented. The majority of the open actions have been initiated and involve ongoing activities.

## Human rights impact assessments in 2023

Country	Actions closed by Dec. 31, 2023	Examples of results and actions
Egypt	All	<ul style="list-style-type: none"> <li>Improved management-employee communication, including dialogue with unions.</li> </ul>
Thailand	All	
Ukraine	All	
Romania	25 out of 26	<ul style="list-style-type: none"> <li>Addressing benefits and rewards, including medical coverage and benchmarking with living wage estimations.</li> </ul>
South Africa	45 out of 54	<ul style="list-style-type: none"> <li>Enhanced health and safety, for example improvements in facilities, road safety and ergonomics in production.</li> <li>Additional anti-corruption training and communication on the Group's Ethics Helpline.</li> <li>Addressing working hours and overtime.</li> <li>Strengthened management of labor-related risks at suppliers.</li> <li>Launch of community investment activities, supported by the Electrolux Food Foundation.</li> </ul>
China	10 out of 22	

### Workplace Policy follow-up

In 2023, Workplace Policy audits were conducted at all the Group's 34 manufacturing facilities. The target is to audit all facilities annually, and 2023 was the first year when this was achieved.

Most findings during the year were related to safety, such as evacuation drills, lighting and electrical safety. Non-compliance with shift limitations was the second most common area. Local corrective action plans were developed to address the identified findings and ensure continuous improvement.

During the year, 12,400 employees and line managers completed the Workplace Policy e-learning, which is rerun every three years. Completion rates were 80% and 85% for line managers and employees respectively.

### Freedom of association

Freedom of association is one of Electrolux Group's salient human rights issues. [Read more on Understanding and managing Electrolux Group human rights risks on page 70.](#) In line with international conventions, employees are free to join, or not to join unions. At the end of 2023, 66% (67%) of the Group's workforce was covered by collective agreements.

27 of Electrolux Group's 34 manufacturing facilities are unionized, and an additional five have employee-management committees in place, which deal with work-related issues. Electrolux Group also has an International Framework Agreement with global unions. The agreement is revised annually with the Electrolux Group Board union representatives – KFD (Koncernfacklig delegation). In 2023, the Group met with external global union representatives from IndustryAll, which is a federation of unions, to discuss potential concerns and maintain constructive relations. Such a meeting will be held each year going forward.

Following its decision to close the Group's production in the Nyíregyháza factory in Hungary during the year, a plan was agreed with the local unions to support employees in the best possible way. This included support from outplacement agencies, re-training, arranging a job fair, additional bonus payments and communications to keep employees informed every step of the process. The most suitable buyer was selected by taking various factors into account, including their plans to quickly ramp up a new manufacturing business at the site. The buyer also expressed an interest to offer positions to some existing Electrolux Group employees at the factory.

As part of the process for introducing new senior managers, five sessions were held with newly appointed senior managers in different countries, to ensure they are aware of and aligned with the Group's policies and principles regarding labor relations.

### Human rights in acquisitions and divestments

When evaluating acquisitions, sustainability (including aspects such as human rights and ethics) is part of the Group's due diligence process. No acquisitions were finalized during the year. Extensive considerations of the impact on employees by the closure of Electrolux Group operations at the Nyíregyháza factory in Hungary in 2023 were made.

### Ethics

#### Code of Conduct and Group policies

During 2023, e-learnings on the Code of Conduct, anti-trust and anti-corruption continued and the completion rates for the e-learnings were 90% (89), 75% (86) and 89% (87) respectively. As the Electrolux Group Code of Conduct, Workplace Policy, and diversity and inclusion training includes human rights, an estimated total of 2,300 hours were spent on training related to human rights in 2023.

The Employee Voice survey in 2023 indicated a high level of Code of Conduct awareness among employees. Employees rated their understanding of what the Code of Conduct means for them at 87 (88) (average score on a scale of 1-100).

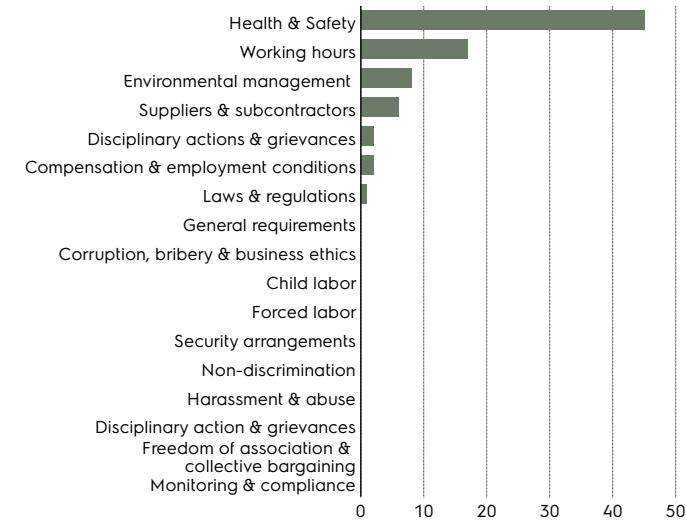
Anonymous reports via the Ethics Helpline, as well as non-anonymous reports, that allege non-compliance with Electrolux Group policies are promptly investigated and remediated.



27 of Electrolux Group's 34 manufacturing facilities are unionized, and an additional five have employee-management committees in place.

### Workplace Policy audits

Number of audit findings in 2023 (34 factories)



## Anti-corruption

Anti-corruption risks are continually assessed through formal and informal channels – including site/factory assessments, surveys and in-person interviews.

Face-to-face training sessions are designed to reach those employees that are most likely to face corruption risks, such as those working in purchasing, sales and finance. Electrolux Group executives and senior management engage in dedicated structured discussions around anti-corruption compliance and challenges.

## Anti-trust

Electrolux Group trains its employees in anti-trust compliance. All new non-production employees are required to take an anti-trust e-learning as part of their onboarding process and are thereafter required to complete the e-learning every second year.

During 2023, face-to-face training sessions were conducted for several employees that are most likely to face anti-trust risks, such as those working in sales and other employees that have relations with customers. Specific in-depth trainings were also conducted with local leadership teams in some countries.

## Countering discrimination and harassment

Anti-harassment and non-discrimination training is provided through elearnings on the Group's Code of Conduct, Workplace Policy, diversity and inclusion, as well as through Managing Bias workshops. During 2023, this corresponded to approximately 2,800 hours (4,300) of training on anti-harassment and non-discrimination.

Trainings for HR professionals on how to handle concerns reported by employees, including discrimination and harassment cases, continued during the year. The emphasis has been on how to handle reports in an independent, professional and confidential manner, and on ensuring that there is no retaliation directed at the reporter. Non-discrimination and anti-harassment are an integral part of several trainings such as the onboarding of new employees and Code of Conduct training for management.

## Ethics Helpline reports

In 2023, 550 (478)<sup>10</sup> ethics cases were reported through the Ethics Helpline, out of which 502 (453) cases led to further investigation and 48 (25) lacked sufficient detail to allow investigation. By the end of the year 457 of the 502 investigations were concluded and the cases closed. The most common categories of reports in 2023 were related to harassment, workplace conduct, and disrespectful behavior.

A small number of the cases fell into the category "other" including general complaints or reports of alcohol and drug abuse. 15 (12) cases of breaches of business integrity were reported – including for example accounting, fraud, theft and corruption.

During the year, 25 (32) cases were related to discrimination. Two of these were proven and led to disciplinary action and termination of employment, respectively.

In total, 553 (616) cases were processed by the investigation team during 2023, including cases reported in previous years.

Typically, case investigations that result in the confirmation of wrongdoing lead to warnings and retraining, but in some severe cases to dismissal. During the year, 12 (19) employees were dismissed from the company as a result of investigations into helpline cases. There were no public corruption cases during 2023, and no employee was dismissed as a consequence of a corruption case.

## Employee Voice Survey 2023

In the Employee Voice survey in 2023, the level of trust in the Ethics Helpline decreased slightly to a score of 77 from 78 in 2022 (average employee scores on a scale of 1-100).

The fact that the number of employees that use the Ethics Helpline has increased in recent years indicates that there is a high level of trust in the whistleblowing system and that efforts with the Ethics program are having a positive impact.

## Privacy and integrity

During the year, there were no investigations by authorities regarding personal data resulting in administrative fines or other corrective actions. Various privacy access requests have been submitted to the Electrolux Group Data Protection Officer function, for example by consumers. These requests were processed and responded to, in line with internal procedures, the Electrolux Group Code of Conduct and the applicable legislation.

## Health and Safety

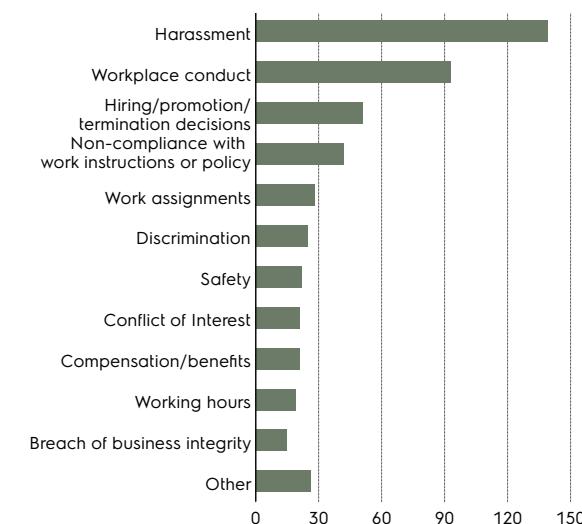
The Group's overall injury rate has declined by approximately 6% every year since 2015. The Total Case Injury Rate (TCIR) at Group level in 2023 was 0.34 (0.36) per 100 employees per year. This means that a factory of 100 people would have one single injury after almost three years on average. The Group target is a year-on-year improvement of 5%.

First-class health and safety practices are essential for building trust among employees, their families and local communities. The Group focuses on the safety of all employees, placing greatest attention on manufacturing sites, where employees are exposed to greater risks.

The Group continues to align its safety systems and processes in different regions with a Group-wide approach – the Electrolux Group Safety Management System – which is based on ISO 45001.

## Ethics Helpline 2023

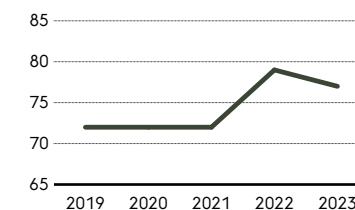
Number of cases



## Employee engagement

Based on employee responses from the Group's Employee Voice survey on how happy they are as an Electrolux Group employee and how likely they are to recommend Electrolux Group as a great place to work.

Average employee score on a scale of 0-100



Please note that the survey methodology was updated between 2019 and 2022 and the results are not fully comparable.

<sup>10</sup> As of 2023, cases received but found to be outside the scope of the helpline are no longer included in this data.

## Work-related injuries<sup>1)</sup>

	2023	2022	2021	2020	2019
Number of work-related injuries	131	148	190	199	209
Injury rate <sup>2)</sup>	0.34	0.36	0.43	0.5	0.53
Number of workdays lost due to occupational injuries	2,737	1,208	1,772	2,006	2,158
Lost day rate <sup>2)</sup>	7.18	2.96	4	5	6
Number of work-related fatalities	0	0	0	1	2
Worked hours	76,197,364	81,567,359	87,580,767	79,183,458	78,537,838

<sup>1)</sup> In 2023, a process to ensure that reported lost days are revised and updated post-injury was implemented. The process updates the initial forecast made at the time of the incident and ensures the accurate capture of any extension in the recovery period beyond the initial work-related sick leave. The main types of work-related injuries are: lacerations, fractures and contusions. Contractors working within Electrolux operations included in reported data.

<sup>2)</sup> Rate per 200,000 hours.

## Average hours of training per year per employee

Business area	Non-production employees		
	Average hours of training per year per employee – Female	Average hours of training per year per employee – Male	Average hours of training per total
APAC-MEA	16.8	19.8	18.5
Europe	14.4	6.2	9.6
Latin America	13.7	12.8	13.1
North America	10.9	8.6	9.3
<b>Total</b>	<b>15.2</b>	<b>14.2</b>	<b>14.6</b>



### Proportion of employees receiving regular performance and career development reviews

86% of non-production employees had a Year End Review 2023, including performance reviews, with their manager. Parts of the Group's manufacturing organization have implemented performance appraisals for production employees.

The objective is to have all manufacturing sites certified by 2025 and at the end of 2023, 29 of the Group's 34 sites had achieved certification. In 2023, pedestrian segregation from forklifts was completed in assembly areas across all sites. A Group-wide Lockout-Tagout procedure was also implemented at all units to ensure that equipment is properly shut off prior to maintenance or repair work.

A digital ergonomic evaluation tool was reviewed and tested at multiple sites for potential further implementation. The tool is intended to enhance ergonomic conditions by increasing both assessment capacity and speed.

### Employee wellbeing

Employee wellbeing is important for Electrolux Group to ensure a motivated workforce and that individuals can find a good work-life balance. The Group's employee wellbeing program "Shape Your

Wellbeing" runs globally to engage employees in various preventative and promotional wellbeing activities and initiatives, which are mostly organized on a regional, country or local level. Examples of such activities include digital health challenges, fitness classes, gym membership, mindfulness sessions and awareness seminars. The Group allows office-based employees to work remotely when possible and relevant.

A global minimum parental leave policy had been implemented in 37 countries by the end of the year, with four more in January 2024. This constitutes all of the 41 countries where the policy provides an added benefit for employees. The policy grants all mothers and fathers, same sex parents, parents to adopted children or through surrogacy, four weeks of paid parental leave, across all employee groups.

During 2023, internal communication efforts continued to raise awareness and fight the stigma around the topics of mental health and wellbeing. Additionally, employees in most Electrolux Group locations have access to an Employee Assistance program or an equivalent initiative, to provide professional support to those who need it.

The Employee Voice survey includes two questions related to wellbeing. Employees gave the following statement a score of 76 (78): "I am able to successfully balance my work and personal life" and the following statement a score of 71 (73): "Electrolux Group takes a genuine interest in the employees' wellbeing".

# Diversity and inclusion

Electrolux Group recognizes the unique value that every individual brings to the company. The Group is therefore committed to being a leader in diversity. Diversity and inclusion (D&I) makes the Group stronger, more innovative and a better employer.

Electrolux Group takes a broad approach to D&I that includes gender, ethnicity, race, color, age, national origin, religion, sexual orientation, gender identity and/or expression, disability and other characteristics.

## The case for action

Multiple studies have proven that beyond the moral imperative, there is a strong correlation between business performance and D&I. This makes D&I an important topic for Electrolux Group. Consequently, the Group continuously builds diverse and inclusive teams and takes decisions based on the different perspectives around the table.  [Read about Electrolux Group's approach to D&I on page 75.](#)

## The Group's D&I Progress

### Develop a diverse pool of talent:

The Group's aspirational objective is to achieve a gender balance among people leaders of between 40 and 60 percent of the under-represented gender, throughout the company by 2030. At the end of 2023, the overall proportion of female people leaders was 30.3%. This represents an increase of 1% since December 2022. The objective is for all business areas and Group functions to establish and implement plans with actions aimed at ensuring improvements with respect to under-represented groups where appropriate.

### Nurturing an inclusive culture:

The Group assesses progress toward fostering an inclusive culture through two main indicators: **Inclusion** and **Belonging**. In 2023, data on these indicators was collected through the global Employee Voice. Further analysis of the results shows that more work needs to be done to promote inclusive leadership. The average scores (including production and non-production) for the two inclusion indicators are included in the box on this page.

### Equal treatment:

The Group gauges the progress toward equal treatment through two main indicators: **Equal opportunity** and **Non-discrimination**. In 2023, data on these indicators were collected through the global Employee Voice. Further analysis of the results shows that more work needs to be done to reduce discrimination and ensure fairness in decision-making processes. The box includes the average scores (including production and non-production employees) for the two equal treatment indicators.

## Team inclusion

# 75<sup>1)</sup> (75)

Our team has a climate in which diverse perspectives are valued.  
(Non-Production: 80. Production: 72)

- The overall score for inclusion remained the same while the belonging score increased slightly compared to 2022.
- Compared to 2022, the inclusion and belonging score for production employees remained the same. However, the inclusion score for non-production employees increased slightly and the belonging score decreased slightly.

## Belonging

# 77<sup>1)</sup> (76)

I feel a sense of belonging at Electrolux Group.  
(Non-Production: 79. Production: 75)

<sup>1)</sup> Average scores on a scale of 1-100

## Equal opportunities

# 67<sup>2)</sup> (70)

Regardless of background, everyone at Electrolux Group has an equal opportunity to succeed.  
(Non-Production: 71. Production: 65)

- The overall scores for non-discrimination and equal opportunity decreased compared to the 2022 results.
- Compared to 2022, the equal opportunity and non-discrimination scores for both production and non-production employees decreased.

## Non-discrimination

# 79<sup>2)</sup> (80)

I work in an environment that is free from harassment and discrimination.  
(Non-Production: 86. Production: 75)

<sup>2)</sup> Average scores on a scale of 1-100

**"My relationship with my mentor couldn't be better, I feel like I can count on her for different types of advice, and we've already made great progress."**

Quote from a STEM:FEM program mentee

**"Overall, it has been great! I have improved on some of my soft skills that I really wanted to improve on."**

Quote from a STEM:FEM program mentee

their first steps toward beginning a career in STEM. The 20 mentees (from 15 countries) were each paired with an Electrolux Group mentor.

The Group believes that bringing more diverse talent into the STEM fields will promote creativity and innovations that meet wider consumer needs. However, evidence suggests that there are substantial barriers to STEM education and employment for women globally. STEM: FEM offers Electrolux Group the opportunity to contribute to overcoming these barriers.

#### D&I Events

The Group planned and delivered three global events in 2023. In March, Electrolux Group joined individuals and organizations around the world to celebrate International Women's Day. The Group hosted a global panel event in Stockholm, where a diverse group of speakers from the business discussed how to use innovation, data and technology to support gender equality as well as how to attract, retain and promote more women in the STEM field.

In June, the Group celebrated Pride month in various locations by focusing on allyship. Internal communications and activities were planned to explore what it means to be an ally, why it is important to practice allyship and how to practice allyship. There were both global and local events hosted in Sweden, Brazil and the US with great external speakers. Pride month also paved way for the Group to educate employees on terminologies associated with the LGBT+ community specifically and D&I in general.

The AsYouAre week in September brought together all employees at Group offices and factories around the world to celebrate the power of diversity. A series of activities with the theme "Deconstructing label to be seen #AsYouAre" including global, regional, and local events was delivered to educate, inspire and encourage employees to see beyond labels and celebrate the authentic essence of every individual.

More than 15,000 employees were engaged during the week through both virtual campaigns and physical events.

#### D&I Training

At the end of the year, approximately 9,700 employees, equivalent to 55% of the Group's eligible global workforce, had completed the Group's global D&I e-learning. The Challenge Bias Workshop also continued to be offered digitally to enable employees to acknowledge and address the cultural and social conditioning that can subconsciously affect their decision-making and attitudes toward others. Approximately 2,400 employees had completed the virtual workshop by the end of 2023. Additionally, the "LGBT+ inclusion toolkit" and the "Inclusion toolkit for leaders" remained accessible to employees globally and were promoted through various internal communication channels.

In June, the Group introduced a new toolkit focusing on Allyship and Microaggression. The toolkit aims to help employees to under-

#### Number of employees per geographical area and contract at the end of 2023

Headcount	Europe			North America			Latin America			APAC&MEA			Group <sup>1)</sup>		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Number of employees	7,893	10,023	17,916	4,296	5,752	10,072	2,790	6,022	8,817	1,986	5,161	7,152	16,965	26,959	43,959
Number of permanent employees	7,467	9,618	17,085	4,219	5,656	9,875	2,785	6,019	8,804	1,903	4,369	6,274	16,376	25,664	42,038
Number of full-time employees	7,225	9,825	17,050	4,295	5,748	10,043	2,790	6,022	8,812	1,953	5,154	7,111	16,263	26,750	43,017
Number of part-time employees	668	198	866	0	5	5	0	0	0	33	6	39	702	208	910

<sup>1)</sup> Entire Electrolux Group (including business areas and Group functions). Data source: Group-wide HR system.

#### Employee turnover and number of new hires

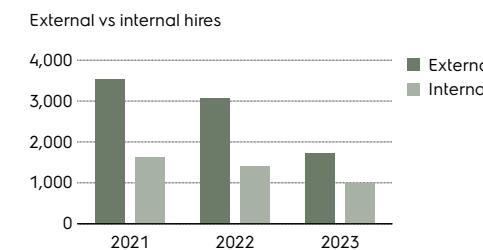
Employee turnover, %	2023	2022	2021	2020	2019
All employees	21	26	20	15	15
Males	19	23	15	14	14
Females	23	30	20	17	17
People Leaders	9	9	7	4	5
Non-production	15	17	13	10	14
- voluntary	11	13	10	7	10
- involuntary	4	4	3	3	4
Production	23	32	23	22	26
- voluntary	14	23	18	16	18
- involuntary	9	9	5	6	8
Total number of new hires			External, %	Internal, %	
2,710			63%	37%	

stand the concept of allyship. Specifically, the toolkit explored the importance of allyship, how to become an active ally at work and how to recognize, address and proactively prevent instances of microaggression in the workplace.

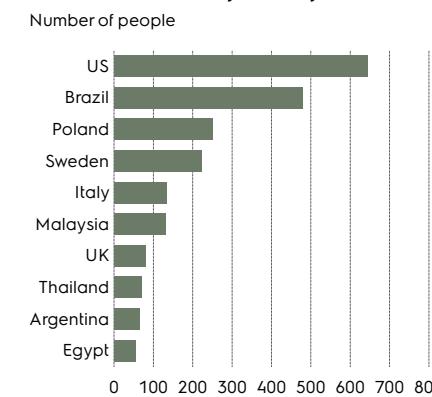
#### Managing Employee Resource Groups

There are several employee-driven grassroots D&I networks throughout the Group that promote diversity and inclusion based on local needs and priorities. The employee networks play an important role in coordinating local action and delivering both global and local initiatives. In 2023, more than 10,000 colleagues engaged (physically and digitally) in the activities of various Employee Resource Groups (ERGs) globally. These activities fostered connections among employees and increased D&I awareness.

#### New hires in 2023



#### New hires in 2023 by country



The table below shows some of the major activities/achievements by some of the ERGs around the world:

Employee Resource Group	Major achievements
Misture-se, Latin America	<ul style="list-style-type: none"> <li>• Webinar and educative communication for each of the five subcommittees according to their commemorative months – March for Gender, June for LGBT+, October for Generations, November for Ethnicity, and December for People with Disability. Each webinar was attended by approximately 700 employees.</li> <li>• Engaged more than 3,000 employees during AsYouAre week through activities such as an online quiz, a webinar with Chef Aline Guedes and other in-person activities.</li> <li>• Reviewed processes to guarantee more inclusive benefits, products and services.</li> <li>• Expanded childcare assistance to cover fathers.</li> <li>• Introduced consumer assistance program for persons with disabilities.</li> </ul>
MOSAIC, North America	<ul style="list-style-type: none"> <li>• Commemorated international days and months for marginalized groups such as Pride month, Asian American Pacific Islander (AAPI) Heritage month, International Women's Day, Black History month etc.</li> </ul>
WE Stockholm, Sweden	<ul style="list-style-type: none"> <li>• WE Talk during Pride month to educate employees on LGBT+ inclusion and Allyship. Also organized Pride quiz to engage employees.</li> <li>• WE Talk on The Power of Data (presented during Women in Tech Stockholm) as part of the celebration of International Women's Day. The event was attended by 200 employees (including both virtual and physical).</li> <li>• WE Movie/book club.</li> <li>• Activities to commemorate International Women's day.</li> <li>• Human Resources activity day (engaged 500 employees).</li> <li>• An AsYouAre Week (engaged 900 employees).</li> </ul>
WE North America	<ul style="list-style-type: none"> <li>• Participated in the "Go Red for Women" campaign.</li> <li>• The Women in Leadership series where women in leadership positions at Electrolux Group were celebrated.</li> <li>• Celebrated International Women's Day.</li> </ul>
WE Shine, APAC & MEA	<ul style="list-style-type: none"> <li>• Training and coaching for 20 female emerging leaders.</li> <li>• Celebrated International Women's Day and the Swedcham (Swedish Chamber of Commerce) mentoring program for female employees in Singapore and Dubai.</li> </ul>

#### External engagement

Becoming a leader in D&I means partnering with others for change. This means being visible and available to share best practice and have open discussions to promote learning.

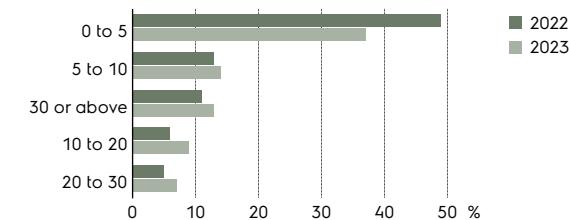
- In 2023, Electrolux Group continued to collaborate with Workplace Pride to improve the experiences of LGBT+ employees. In September, the Group joined forces with Workplace Pride to organize the first-ever Nordic LGBT+ Workplace Pride Inclusion forum. The event, which was hosted at the Electrolux Group headquarters in Stockholm, brought together companies, civil society organizations and Government officials based in the Nordic region to explore how to collectively create greater LGBT+ inclusion in the workplace.
- In February, the Group's Global Head of Diversity joined government representatives, members of Parliament, business representatives and Civil Society Organizations (CSOs), both from Japan and the EU, to discuss gender equality and human rights in business

activities. The event led to a constructive exchange of data, knowledge, good practice and the challenges affecting the achievement of sustainable fair business practices.

- The Group received ten nominations and submitted six finalists for the Women MAKE Awards hosted by the National Association of Manufacturers (NAM), which recognizes women gamechangers working in the manufacturing industry in the US.
- In Brazil, Electrolux Group was recognized by the GPTW (Great Place to Work) diversity category as the 16th best company for women to work for.
- Electrolux Group also signed external commitments such as Pride Connection in Chile (to promote inclusive workspaces for sexual diversity and generate ties to attract LGBT+ talent), Forum LGBTI+ (a business movement that brings together large companies around ten commitments to promote LGBTI+ human rights) and an anti-racist manifesto in Brazil.

#### Employee turnover breakdown in 2023 and 2022 – by tenure

Tenure (years)



#### Workforce breakdown – by gender

Diversity indicator, %	2023	2022	2021
Proportion of women in all management positions	30	29	28
Proportion of women in junior management positions	32	31	69
Proportion of women in top management position	28	27	20
Proportion of women in management positions in revenue-generating functions (based on three functions: Sales, Consumer Care/ Customer Care and Product Line, which have been identified as revenue-generating functions)	40	40	40

#### Workforce breakdown in 2023 – by nationality<sup>1)</sup>

Nationality	Proportion in total workforce (as % of total workforce)	Proportion in all management positions, including junior, middle and senior management (as % of total management workforce)
Brazilian	15	13
Polish	11	6
Italian	10	11
Egyptian	5	5
Thai	4	3
German	3	3

#### Workforce breakdown in 2023 – by age<sup>1)</sup>

Age group	% of FTEs
<30 years old	13
30–50 years old	65
>50 years old	22

<sup>1)</sup> The US is not included in the reported data. Source of data: Group-wide HR system.

# Community investment

As a world leader in kitchen appliances, Electrolux Group's community investment activities focus on sustainable cooking and eating – in cooperation with employees and partners.

## The case for action

Feeding the world's growing population sustainably is one of the greatest global challenges facing humanity. About one third of all food produced is lost or wasted<sup>1)</sup> and almost 828 million people face severe food insecurity.<sup>2)</sup> At the same time, more than 1.9 billion adults worldwide are overweight and obesity has nearly tripled since 1975,<sup>3)</sup> while according to the UN Food and Agriculture Organization (FAO), more than a quarter of global greenhouse gas emissions can be attributed to the way society produces, processes and packages food.<sup>4)</sup> Read about Electrolux Group's approach to community investment on page 77.

## Progress on community investment

During 2023, the Electrolux Food Foundation continued its work to raise awareness on more sustainable cooking and eating, both online and through face-to-face activities. The foundation also donated meals to people impacted by natural disasters and living in disadvantaged communities. Through global partnerships with the Red Cross and other local non-profit organizations, the Electrolux Food Foundation supported people affected by natural disasters such as the earthquakes in Turkey, Syria and Morocco, the floods in northern Italy, and populations living in disadvantaged communities around the world. Relief supplies – such as food, water, hygiene kits, baby supplies, clothing and basic medical items – in addition to first aid, medical services and shelter were provided to families affected by these tragedies.

In line with the Group's commitment to support the activities of the Electrolux Food Foundation, Electrolux Group donated SEK 10m to the foundation in 2023. Additionally, in 2023, SEK 7.2m was provided as in-kind donations and SEK 17.6m in monetary donations. Electrolux Group employees volunteered approximately 7,000 hours of their time to support local social initiatives during the year.

The Electrolux Food Foundation's targets and results achieved in 2023 are detailed below.

### Awareness

#### 2030 target

The Electrolux Food Foundation and its partners will raise awareness of more sustainable eating and cooking by achieving a total viewership of 300 million by 2030.

Viewership is defined as the number of impressions on social media, views on websites and the reach of digital and printed media for the content produced by the Electrolux Food Foundation and its partner initiatives.

#### Achieved in 2023

- Electrolux Food Foundation and its partners reached a viewership of 32.6 million around the world. The aggregated viewership since 2016 is thereby 187 million.
- Continued to run Replate.com – an online hub on more sustainable eating and cooking developed together with partners to inspire a shift to more sustainable food habits in society.
- Launched "The Magic Puzzle" documentary on World Food Day 2023 that investigates how society can solve the puzzle of feeding the world more sustainably.

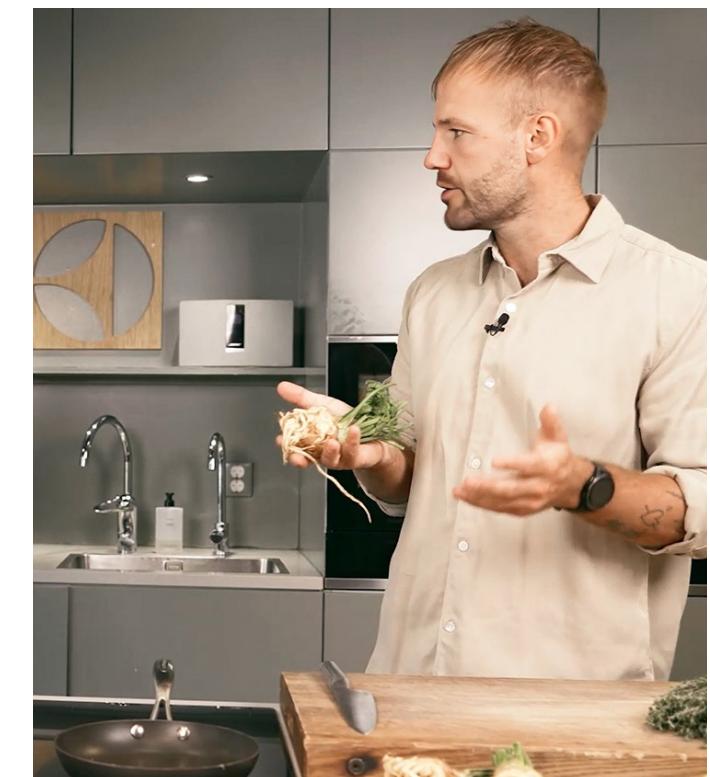
### Education: Engagement

#### 2030 target

The Electrolux Food Foundation and its partners will engage and inspire 300,000 children, consumers and professionals on more sustainable cooking and eating habits by 2030.

#### Achieved in 2023

- Replate.com continued to engage with people on more sustainable cooking and eating, and the "Food Heroes" project was added to the site with an open-source toolkit to educate children.
- More than 47,400 people were engaged in one of the educational initiatives created and delivered by the foundation and its partners, including "Food Heroes" workshops, Worldchefs webcasts and local sustainable cooking initiatives.
- Since 2016, over 174,000 children, consumers and professionals have participated in activities aimed at engaging and inspiring more sustainable food habits.
- Surpassed the annual engagement target for Food Heroes (annual target is 30,000 people engaged).



Chef Sebastian Gibrand, winner of the global Bocuse d'Or Silver Prize, featured in the Group's documentary the Magic Puzzle about how to eat more sustainably.

<sup>1)</sup> Food and Agriculture Organization. fao.org/food-loss-and-food-waste/en/

<sup>2)</sup> Food and Agriculture Organization. fao.org/3/ca9692en/online/ca9692en.html#chapter-executive\_summary

<sup>3)</sup> World Health Organization. who.int/news-room/fact-sheets/detail/obesity-and-overweight

<sup>4)</sup> United Nations. news.un.org/en/story/2021/03/1086822

- Launched a partnership with Cook School to promote more sustainable cooking workshops in schools and pilot projects in public and private schools in UK and Sweden.
- Local more sustainable eating and cooking initiatives – inspired by the Food Heroes toolkit have been implemented in several countries, such as in Latvia, Thailand, Vietnam and China, that involved Electrolux Group employees and their families.

#### **Education: Professional training**

##### **2030 target**

- Electrolux Food Foundation and its partners will train 3,000 people in the Like a Chef Program and educate more than 9,000 culinary professionals through the Feed the Planet's Sustainability Education course by 2030.

##### **Achieved in 2023**

- In 2023, 235 people graduated from the "Like a Chef" program (the Electrolux Food Foundation's culinary training program for the unemployed and underprivileged). On average, 69% of participants found a job within six months after completing the program. Since 2017, more than 1,200 people have graduated from the Like a Chef training program.
- Over 1,800 people completed the online or offline version of the Sustainability Education course, in culinary colleges, local chef communities and via a mobile app, and 11,000 have been trained since its launch in 2018. This meant that the foundation's target to train 9,000 culinary professionals by 2030 was achieved seven years early. A new goal to train 50,000 culinary professionals by 2030 was announced during the year.

#### **Support**

##### **2030 target**

Donate 3 million meals to people in need by 2030.

##### **Achieved in 2023**

- The equivalent of approximately 362,000 meals was donated by the Electrolux Food Foundation through employee-led projects in local communities and through global partnerships, such as with the Red Cross. The total number of meals donated between 2017 and 2023 exceeded the Group's target of 3 million meals seven years ahead of schedule. An updated target to donate six million meals to people in need by 2030 was announced during the year.



The Electrolux Food Foundation target to donate three million meals was achieved seven years early.



## Progress on Goal: Act ethically, lead in diversity and respect human rights

Roadmap to 2030	Progress in 2023	Next steps	Status
Continue to build a Group-wide approach to human rights and ensure the strong management of human rights issues.	A partial-scope human rights assessment completed in China. Closure of the actions: <ul style="list-style-type: none"><li>• China 10 out of 22</li><li>• South Africa 43 out of 54</li><li>• Romania 25 out of 26</li></ul> The final outstanding action from the Egypt assessment was closed.  The Group further developed its approach in view of emerging legislation.	Further develop due diligence processes to close any gaps relating to areas such as: additional parts of the value chain, clarity of metrics, targets and action plans, and integration of environmental topics. Continue to conduct local assessments and follow up action plans.	<span style="color: green;">●</span>
Drive a company culture based on ethics, integrity and respect by providing leadership that demonstrates and nurtures inclusion and accountability. This will foster an environment where people feel safe to speak up.	In the 2023 Employee Voice survey, employees rated that they understand what the Code of Conduct means for them with a score of 87 (88) (average score on a scale of 1-100).  Continued work to ensure employees throughout the organization, and particularly in manufacturing facilities, are educated on the Code of Conduct and relevant key policies.  Extension of the Ethics Onboarding program for senior managers to a wider audience.	Further develop the Ethics governance and an Ethics program, including leadership responsibilities. During 2024, a new whistleblower system and an improved investigation process will be launched to further strengthen whistleblower protection and simplify third-party access to the grievance mechanism.	<span style="color: yellow;">●</span>
Take proactive measures to ensure that various elements of the global anti-corruption compliance program are effective in practice.	Face-to-face training sessions were conducted for employees that are most likely to face corruption risks.	Align and improve corruption prevention efforts throughout the company through various methods. This includes the implementation of relevant policies and instructions, trainings, audits and internal inquiries. Emphasize the zero-tolerance message for bribery and corruption throughout the organization.	<span style="color: green;">●</span>
Electrolux Group will be the leader in health and safety in the appliance industry, wherever it operates in the world.	The Total Case Injury Rate (TCIR) at Group level in 2023 was 0.34 per 100 employees per year, compared with 0.36 in 2022.  Removal of forklift trucks from assembly areas at all factories.	Continue to reduce the Group's accident frequency. Attain safety certifications for manufacturing facilities.	<span style="color: green;">●</span>
Electrolux Group is committed to continuously developing a work environment that enables sustainable performance where all employees can deliver at their best.	In 2023, the global minimum parental leave policy was implemented in 37 countries and there was a focus on continuing to raise awareness on mental illness.	Continue to develop and define strategic objectives and KPIs for employee wellbeing.	<span style="color: yellow;">●</span>

● On track ● Additional effort is required ● Off track ○ Work has not yet begun

### Challenges

- Bridging different local cultures and practices in a global organization.
- The Group's most significant health and safety risks occur in warehouses and technical departments, and when working with external contractors.



## Progress on diversity and inclusion

Roadmap to 2030	Progress in 2023	Next steps	Status
Develop a diverse talent pool by including under-represented groups, achieving a balanced gender representation among leaders, and enabling D&I while ensuring qualification-based recruitment and talent growth.	<p>At the end of 2023, the overall proportion of female employees and female people leaders was 38.6% and 30.3% respectively.</p> <p>Developed a comprehensive dashboard to monitor and track progress toward the Group's 2030 D&amp;I objectives.</p>	<p>Introduce a new continuous improvement program to ensure more resources are allocated to maximize impact.</p> <p>Continue to embed D&amp;I principles into the talent strategy and hold key stakeholders accountable to the Group's aspirational objective on gender balance.</p>	<span style="color: yellow;">●</span>
Nurture an inclusive culture by recognizing individual differences, educating employees on bias and inclusiveness, and enabling employees to achieve a good work-life balance.	<p>Approximately 9,700 employees, equivalent to 55% of the Group's eligible global workforce had completed the global D&amp;I e-learning by the end of the year. Additionally, approximately 2,400 employees had completed the challenge bias training.</p> <p>In the 2023 Employee Voice survey results, an average inclusion score of 75 (75) and average belonging score of 77 (76) were recorded.</p>	<p>Ensure all employees complete the relevant D&amp;I training.</p> <p>Monthly and quarterly D&amp;I community engagement</p> <p>Deliver global events in tandem with business areas and functions.</p> <p>Pilot an inclusive leadership program for people leaders.</p>	<span style="color: green;">●</span>
Treat people equally and with respect by eliminating structural pay gaps, educating employees on non-discrimination, and providing equal opportunities.	<p>In the 2023 Employee Voice results, the Group recorded an average score of 67 (70) for equal opportunity and 79 (80) for non-discrimination.</p>	<p>Full implementation of the pay equity dashboard and monitoring of pay gaps.</p> <p>Develop training on non-discrimination and anti-harassment.</p> <p>Track progress in ensuring equal access to opportunities and creating a discrimination-free workplace.</p>	<span style="color: yellow;">●</span>

● On track ● Additional effort is required ● Off track ○ Work has not yet begun

## Challenges

- Overcoming behavior and biases that are sometimes deeply engrained in society.



## Progress on community investment

Roadmap to 2030	Progress in 2023	Next steps	Status
Develop the Electrolux Food Foundation and a strong Group approach to community investment in line with the UN Sustainable Development Goals.	<p>Continued to develop the collaboration within the Feed the Planet partnership (Worldchefs, AIESEC and Electrolux Food Foundation), scaled up new initiatives and enhanced existing ones.</p> <p>Built internal online tools to boost employee engagement in community investment initiatives.</p>	<p>Further strengthen the Group's approach to community investment by further developing the Food Foundation programs and other philanthropic initiatives.</p> <p>Build collaborative partnerships and engage employees – all with the aim of scaling up positive impact in communities.</p>	
Engage and inspire 300,000 children, consumers and professionals on more sustainable food habits and reach the viewership of 300 million – all by 2030.	<p>Held Food Heroes workshops in 36 countries, in collaboration with partners. 47,474 people were engaged.</p> <p>Added new content to the Food Heroes section on <a href="#">replate.com</a> and updated more versions of the toolkit including translations into four new languages, which are now available to download for free from the website.</p> <p>Released "The Magic Puzzle" documentary about sustainable food that explores how society can solve the puzzle of feeding the world more sustainably.</p>	<p>Further develop digital tools for programs to inspire and educate more people on sustainable cooking and eating.</p> <p>Launch new partnerships to create innovative educational materials, expand the target audience and launch more interactive and engaging activities.</p>	
Train 3,000 unemployed and underprivileged people in more sustainable cooking with the aim of helping them to find a job, and educate 9,000 culinary professionals in more sustainable practices.	<p>Delivered the Like a Chef program in eight locations, targeting different vulnerable groups, including war refugees. 235 people were trained.</p> <p>Promoted the online and offline versions of Sustainability Education course, which is available in three languages. Started working on translating the curriculum into two additional languages. In 2023, around 1,800 people completed the course.</p> <p>The 2030 target for the Sustainability Education course was achieved: more than 11,000 culinary professionals had been trained since 2018. A new target to train 50,000 professionals by 2030 was announced.</p>	<p>Strengthen the "Like a Chef" program in existing locations and evaluate the launch of programs in new locations in collaboration with partners.</p> <p>Continue to replicate and develop educational programs with a blended learning approach – including both virtual and physical tools and engagement.</p> <p>Increase the reach of the Sustainability Education curriculum, through existing online tools and by providing versions in additional languages.</p>	

## Cont. Progress on community investment

Roadmap to 2030	Progress in 2023	Next steps	Status
Support 3 million people by 2030 through the distribution of meals, employee engagement, and the donation of food, equipment and money.	<p>The 2030 target was achieved as more than 3 million meals were donated to people in need. A new target to donate six million meals by 2030 was announced.</p> <p>Organized employee fundraising campaigns with matched funding to support people affected by natural disasters, such as earthquakes in Turkey, Syria and Morocco, and floods in Italy, in collaboration with the Red Cross and other local non-profit organizations.</p> <p>Continued to support local communities through employee engagement and food donations. A total of 362,000 meals were donated to people in need during 2023.</p>	<p>Continue to co-fund local food donations and develop the Red Cross partnership.</p> <p>Continue to build an internal ambassador community to expand the scale of the Group's impact and increase employee engagement.</p> <p>Continue to support people in need in local communities close to the Group's factories.</p>	<span style="color: green;">●</span>

● On track   
 ● Additional effort is required   
 ● Off track   
 ○ Work has not yet begun

### Challenges

- Ensuring that the Group's approach to community investment leverages its global presence and partnerships, while at the same time allowing local adaption and delivering tangible societal benefit.
- Scaling up positive impact to reach more people, both online and face-to-face.



## 2023 HIGHLIGHTS

- 98% of top 285 suppliers responded to the CDP Supply Chain Program.
- Supplier Workplace Standard performance improved across categories.
- 34% of annual ocean cargo transported with more sustainable fuels.

# Drive supply chain sustainability

Electrolux Group takes its sustainability leadership agenda into the supply chain. The Group works with suppliers so they can live up to its high expectations, no matter where they are located, and supports them in their transition to more sustainable practices.

### The case for action

The domestic appliance industry is dependent on complex supply chains that can influence the Group's overall sustainability impact. As a company with sustainability leadership aspirations, Electrolux Group sees its suppliers as an extension of its own operations. First tier suppliers include suppliers of materials such as components, metals and plastics, and Original Equipment Manufacturers.

Suppliers are expected to support Electrolux Group's sustainability agenda by actively working to improve their own performance in terms of the impact on the environment and on people. This drives progress, not only in the Group's supply chains, but in supply chains around the world.

Logistics is also a key area in the supply chain as Electrolux Group emits more greenhouse gas emissions by distributing its goods than through the energy consumed in the Group's manufacturing. Approximately 270,000 metric tons of carbon dioxide are annually emitted through the global transportation of the Group's goods via land, sea and air. ➤ [Read about Electrolux Group's approach to the supply chain on page 76.](#)

### Progress on supply chain sustainability

The Group continued to work with suppliers in 2023 to improve their sustainability performance through its Responsible Sourcing Program and the auditing of their operations.

### Responsible Sourcing Program

The Group's focus in 2023 continued to be on integrating social sustainability aspects into the supplier evaluation process, spearheaded by supplier compliance with the Electrolux Group Supplier Workplace Standard. Progress was also made in standardizing social sustainability requirements across sourcing processes, which involved promoting collaboration across the value chain. A Responsible Sourcing scoring model has been globally implemented and is used in sourcing decisions to reward and promote good supplier performance on sustainability as well as to improve underperforming suppliers.

In 2023, 742 (746) of the Group's suppliers were considered to be critical and were the focus of the Group's Responsible Sourcing Program. Electrolux Group defines a critical supplier as a supplier that has elevated risks related to their operations, such as running factories in high-risk areas, or production processes that pose higher risks for environmental, labor and human rights violations, or health and safety incidents. Migrant labor management was another focus area in 2023, with ongoing activities in Thailand including an analysis of the supply chain, training and supplier dialogue.

During the year, the Group explored ways to identify and address risks in the supply chain beyond first-tier suppliers.

### Responsible sourcing auditing

Supply chain issues that developed during the pandemic continued to have a prolonged impact on businesses around the world in 2023. The Group continued to monitor and audit processes and ran both on-site and remote supplier assessments.

In 2023, 369 (306) supplier audits were conducted, including 142 (111) that were conducted virtually. A total of 115 (90) audits were made by third-party auditors.

In addition, 49% (41) of the Group's critical suppliers were audited, which included verifying that the Group's expectations were communicated to second tier suppliers.

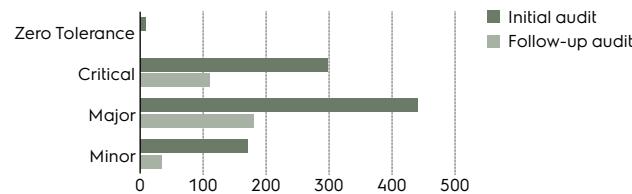
Health and safety, as well as environmental governance, continue to be the areas with the greatest challenges. Deviations related to the Group's policy on working hours are persistent as well as findings related to compensation and benefits.

A total of 12 (14) zero-tolerance findings were uncovered in 2023. These were related to the following situations: a child labor case involving a 15-year-old worker found on the premises of a supplier, incompliance with business license requirements, compensation deduction above legal limits, requests for written approval for workers to leave premises and a production supervisor using abusive language. Findings were isolated cases and mostly related to poor governance. Although serious in nature, such issues were quickly addressed by escalating them within the relevant suppliers. Findings related to the management of authorized young workers significantly decreased in 2023, but issues related to young workers continue to represent an area of concern in the supply chain. Findings related to authorized young workers in 2023 concerned inadequate health examinations, no registration with a local labor bureau and lack of procedures in place.

All zero-tolerance cases are reported to the senior management of the Group's Purchasing, Sourcing and Licensing departments, which also monitor remediation actions or ultimately take the decision to phase out a particular supplier.

The graph below shows the non-compliances in initial audits and the subsequent follow-up audits conducted in 2023.

### Responsible sourcing audit findings



### Distribution of audit findings in each region, (%)

Electrolux Group Workplace Directive chapter <sup>d)</sup>	Asia Pacific including Southeast Asia	Latin and North America	Europe, Middle East and Africa	GROUP
1. General requirements	0.4	3.2	4.3	1.4
2. Laws and regulations	0.5	3.8	0.7	1.4
3. Suppliers and subcontractors	0.5	2.8	2.9	1.3
4. Corruption, bribery and business ethics	0.4	0.2	1.4	0.4
5. Child labor	0.9	0.2	0.0	0.7
6. Forced labor	0.6	0.0	0.0	0.5
7. Security arrangements	0.6	1.2	0.0	0.7
8. Worker H&S	44.0	39.5	49.3	42.7
9. Non-discrimination	0.1	0.0	0.0	0.1
10. Harassment and abuse	0.0	0.2	0.0	0.0
11. Disciplinary actions and grievances	0.8	0.0	0.7	0.6
12. Working hours	23.4	13.2	4.3	19.4
13. Compensation and employment conditions	15.8	4.5	7.1	12.2
14. Freedom of Association and collective bargaining	0.6	0.0	0.0	0.4
15. Environmental governance and procedures	11.3	26.4	27.9	16.6
16. Monitoring and compliances	0.2	4.8	1.4	1.5

Number of audits included in sample: 369

<sup>d)</sup> For more detailed information on the areas covered in each chapter, see the Electrolux Group Workplace Directive ([electroluxgroup.com/en/workplace-directive-8839/](https://electroluxgroup.com/en/workplace-directive-8839/)).

Certain types of serious findings are prevalent in some markets, due to societal issues and significant discrepancies between local legislation and Electrolux Group requirements. Such areas are working hours in Asia and environmental management findings in Latin and North America. See the distribution of audit findings per region in the table.

Regional variations are due to differences in EHS legislation, legal enforcement and societal differences.

To increase the number of training activities, the Supplier Workplace Standard virtual training was used to reach a wider audience among suppliers, internal and external auditors, as well as other internal stakeholders. This training includes a comprehensive explanation of each requirement of the standard and the importance of complying to support the Electrolux Group sustainability Goals. The Group uses the QuizRR tool, which is a digital learning platform to engage with workers at suppliers. In 2023, the Group expanded QuizRR training coverage to Mexico through a pilot aimed at providing workers with knowledge on human and labor rights topics.

### Electrolux Group Supplier Awards

The Electrolux Group Supplier Awards have sustainability as a category. The award invites suppliers to nominate initiatives that contribute to any of the Electrolux Group For the Better 2030 Goals, and several nominations were submitted during the year.

In 2023, the winner of the Electrolux Group Sustainability Award was Nidec Global Appliance, which was recognized for proactively sharing its sustainability progress. The leading manufacturer of products for home and commercial applications has implemented an ESG Materiality Steering Committee to demonstrate the company's commitment to integrate sustainability into its business.

### Conflict minerals and cobalt

A Conflict Minerals and Cobalt survey was conducted during the year to understand supplier implementation of Conflict Minerals and Cobalt Due Diligence programs, and to collect detailed information about the use and origin of these elements in the supply chain. In 2023, 222 (226) and 27 (23) suppliers were identified as being in scope for the Conflict Minerals and Cobalt surveys respectively. The study was conducted on a voluntary basis. [Read more in the Electrolux Group's 2023 Conflict Minerals Report](#)

The Conflict Minerals Program has been implemented based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Electrolux Group is a member of the Responsible Minerals Initiative, an umbrella organization for industry to support responsible mineral sourcing. The Group's proactive work with conflict minerals and cobalt demonstrates that it wants to go beyond compliance, and to further improve the supply chain.

#### Supplier environmental footprints

Environmental impacts are reduced throughout the value chain by promoting the Group's internal approach to monitoring and reducing resource consumption among key suppliers. Electrolux Group defines key suppliers as suppliers that are of strategic importance to its business.

#### CDP Supply Chain Program

In 2023, Electrolux Group had a CDP supplier response rate of 98%, compared with an industry average of 60% as this work plays a key role in working toward the Group's target to ensure net-zero emissions throughout the value chain by 2050.

In 2023, the Group's strategic Original Equipment Manufacturers (OEMs), representing 87% of the total OEM spend, were included in the CDP Supply Chain Program. The response rate was 100% (90). During the year, some of the key component suppliers to the OEMs were also included with a response rate of 100%.

In addition, energy and water data, action plans and targets from the individual factories of the strategic OEMs covering 83% (84) of the Group's OEM spend, were collected and used in supply base development activities.

285 (286) of the top direct material suppliers (corresponding to 81% (77) of direct material spend), 15 (13) global logistics companies (49% of total logistics spend) and 20 IT companies (equivalent to around 10% of total indirect material spend) disclosed their emissions and set targets through the CDP Supply Chain Program.

#### Risk countries

Risk countries are defined as countries where Electrolux Group has manufacturing or suppliers that have a greater risk for violations in the areas of human rights, labor standards, corruption and environmental practices. The Group's classification is based on Verisk Maplecroft's risk index matrices. This risk grading, together with an

internal risk evaluation of social, labor and environmental risk, is based on historic evidence and industry knowledge. It forms the basis of the Group's audit programs and can lead to upgrading the risk level of a supplier or facility in some instances.

Electrolux Group facilities	Suppliers
Brazil	Brazil
China	China
Egypt	Colombia
Mexico	Egypt
South Africa	India
Thailand	Indonesia
Ukraine	Malaysia
	Mexico
	Philippines
	South Africa
	Thailand
	Turkey
	Ukraine
	United Arab Emirates
	Vietnam

#### Logistics

Approximately 270,000 metric tons of carbon dioxide are emitted through the distribution of the Group's goods by sea, air and land transportation in Europe, North America, Australia, Egypt, Brazil, Chile and Argentina each year.

Greenhouse gas emissions from the Group's land and sea transportation have decreased by 24% (20) and 31% (34) respectively since 2015. For the Group's land transport, the focus in 2023 was on increasing the proportion of rail/intermodal shipments and working with carriers to improve their environmental score. Projects were implemented to power trucks and ships with more sustainable energy sources such as electricity and biofuels. In 2023, 34% (35) of the Group's annual ocean cargo was transported using more sustainable fuels, such as biofuel containing waste cooking oil. Since 2021, climate impact from air transport decreased by over 85% as the Group continues to shift to lower climate impact transport modes.

The Group continues to track and evaluate environmental performance through its logistics dashboard. The dashboard is used to identify where carbon dioxide transport impacts arise and can compare the benefits of using rail and intermodal transport (when more than one mode of transport is used). In 2023, tracking the use of more sustainable fuels was included in the dashboard.

During the year, the Group continued dialogue with the logistics industry to share best practice in transport management as member of the US Environmental Protection Agency-led SmartWay and the Smart Freight Centre initiative with commitments to decrease road and sea transport-related emissions respectively.



The winner of the 2023 Electrolux Group Supplier Sustainability Award was a leading manufacturer of products for home and commercial applications that was recognized for proactively sharing its sustainability progress.



## Progress on Goal: Drive supply chain sustainability

Roadmap to 2030	Progress in 2023	Next steps	Status
Secure compliance to Electrolux Group principles among direct suppliers of components, finished goods, licensed products and services. Engage in high-priority geographies and topics further up the supply chain.	The focus in 2023 was on integrating social sustainability aspects into the supplier evaluation process, spearheaded by supplier compliance with the Electrolux Group Supplier Workplace Standard.	Leverage the Group's new sourcing strategy and organization to increase the coverage of the Group's supply base and create engagement on both sides – to drive supplier performance through dedicated supplier improvement projects.	<span style="color: green;">●</span>
Ensure transparency in mineral and material supply chains from high-risk areas, working toward a conflict-free supply chain by 2025.	The Group's most relevant suppliers from a conflict minerals perspective were focused on during 2023 and investigated 222 (226) suppliers in total.	Continue to improve the supplier response rate in annual surveys and promote a conflict-free supply chain.	<span style="color: green;">●</span>
Drive the environmental performance of all strategic suppliers on key metrics.	The Group continued to engage with key suppliers through the CDP Supply Chain Program.	Increase the proportion of key suppliers that commit to reporting to CDP.	<span style="color: green;">●</span>
Build partnerships with suppliers of all categories to contribute toward the Electrolux Group sustainability priorities.	The winner of the 2023 Electrolux Group Supplier Sustainability Award, a leading manufacturer of products for home and commercial applications, was recognized for proactively sharing its sustainability progress.	Initiate cooperation with suppliers on water risks.  Expand the usage of supplier management tools for main suppliers, set improvement targets and launch pilots at selected key suppliers.	<span style="color: green;">●</span>
Halve transport emissions by 2025 compared to 2015.	34% (35) of annual ocean cargo was transported using more sustainable fuels. Projects were implemented to power trucks and ships with more sustainable fuels. The proportion of rail/intermodal shipments was increased, and the Group worked with carriers to improve their environmental score.	Continue work to integrate sustainability performance into supplier evaluations.  Continue to increase the use of renewable fuels and promote the electrification of road transport.	<span style="color: green;">●</span>
		Continue the implementation of environmental scorecards in the tendering process for dedicated transport services.	<span style="color: green;">●</span>
		Collaborate with logistics partners to share/discuss best practice and implement initiatives to reduce transport emissions.	<span style="color: green;">●</span>

● On track ● Additional effort is required ● Off track ○ Work has not yet begun

### Challenges

- Ensuring high sustainability performance throughout the value chain beyond direct suppliers.
- Adopting a collaborative approach with industry peers to bring about greater positive change among shared suppliers.
- Assessing and monitoring the Group's 1,600+ direct material and original equipment manufacturers (OEM).
- Suppliers lacking access to renewable fuels and more sustainable modes of transport may not meet Electrolux Group's low-carbon objectives.
- Local politics and differences in work culture can be obstacles to working with sustainability topics.

### Transparency Supply Chain

Please find the Electrolux Group statement on the California Transparency in the Supply Chains Act and the UK Modern Slavery Act at:

[Transparency in the supply chain](#)



# Better Solutions

**Lead in energy- and  
resource-efficient solutions >**

**Offer circular products and  
business solutions >**

**Eliminate harmful materials >**



# Lead in energy- and resource-efficient solutions

Electrolux Group will continuously improve the energy and water performance of its appliances, raising the bar for product efficiency around the world.

## The case for action

Tackling climate change by reducing greenhouse gas emissions is one of the most urgent global challenges facing society. As product energy use is responsible for approximately 85% of Electrolux Group's climate impact, product energy efficiency is where it can make the greatest contribution to tackling climate change. Energy-efficient appliances can help to save energy and thus reduce greenhouse gas emissions. The move towards energy sourced from renewable sources in the homes of millions of consumers around the world would make a big difference in terms of emission reduction.

Water is an important global issue. Consumption has increased globally by roughly 1% per year over the last 40 years and is expected to grow at a similar rate until 2050.<sup>1)</sup> As a manufacturer of dishwashers and washing machines, Electrolux Group has a role to play in helping people to use less water in their homes — as well as promoting water efficiency in its operations.

Internal studies have shown that dishwashers could save up to 90 liters of water and use up to 60% less energy in a single cycle compared with handwashing.<sup>2)</sup> [Read about Electrolux Group's approach to the material topics related to this Goal on page 73.](#)

## Progress on energy and resource-efficient solutions

The Group continued to roll out more resource-efficient products in 2023 that can help consumers to use less energy and water. The Group's most resource-efficient products accounted for 29% (24) of total units sold and 38% (39) of gross profit for consumer products in 2023.

## 2023 HIGHLIGHTS

- The most resource-efficient products accounted for 29% of total units sold and 38% of gross profit.
- Emissions from the use of products (scope 3 emissions) decreased by more than 28% compared to 2021.

## Developing efficient solutions

In 2023, the Electrolux and AEG EcoLine selection showcased some of the Group's most energy-efficient products in Europe. The selection has been identified using a science-based approach.

Examples of efficient solutions in 2023:

- **New refrigeration range expanded to Latin America** — uses inverter technology that utilizes up to 30% less energy compared to the A energy class in Brazil, which provides the maximum A+++ rating efficiency and the lowest consumption on the Brazilian market.
- **New efficient hood** — a new generation of hoods with motor technology that reduces energy consumption by up to 48%.<sup>3)</sup> The hoods use Autosense technology that automatically adjusts the extractor fan speed for optimized air quality in the home.

<sup>1)</sup> The United Nations World Water Development Report 2023, p.1. unesdoc.unesco.org/ark:/48223/pf0000384655

<sup>2)</sup> Comparing water/energy consumption per wash for ECO program of D class and above with EU average consumption for handwashing (as established by Stamminger et al. Washing-up behaviour and techniques in Europe (2007) considering 12 plate sets).

<sup>3)</sup> Based on internal test for odor removal comparing 9000 AutoSense Hood (Automatic mode) vs DGE5861HM Hood (Manual mode) when running for 75 minutes. This result may vary based on the personal usage of the cooker hood.

• **ColourCare washing machines** – the ColourCare system treats the water to optimize the detergent even in cold water. Washing in cooler temperatures helps clothes retain their color for longer and reduces energy use by up to 30% compared with a Class A energy product in Europe.<sup>1)</sup>

• **SteamCare washing machines** – the SteamCare system allows consumers to refresh their clothes when they do not need a full wash. It uses up to 90% less water and 30% less energy compared to a complete washing cycle.<sup>2)</sup>

• **Highly efficient dehumidifiers** – launched by the Group in North America in 2023 received the most efficient ENERGY STAR mark, which is designed to recognize and promote the most efficient products. To qualify for this mark, products are required to be at least 19% more efficient than the federal minimum, offering savings of at least 100 kWh/year.

• **New generation of inverter air conditioners in Brazil** – offer consumers significant energy savings of up to 80% in higher capacity models compared to the Group's conventional models with the same capacity.<sup>3)</sup>

### Contributing to the Group's Climate Goals

Energy efficiency is a priority across all the Group's key product categories and markets and is related to the Electrolux Group science-based target, as well as indicators to track progress.

The Group's most resource-efficient products make good business sense in terms of profitability as they accounted for 29% (24) of total units sold but 38% (39) of gross profit for consumer products in 2023.

Electrolux Group classifies its most efficient products with energy labeling in Europe according to the EU Taxonomy. *Read more in the Annual Report 2023.*

➤ *Read more in The Group's Climate Goals on page 52.*

<sup>1)</sup> Internal calculation of energy use compared to the minimum threshold to achieve highest energy rating.

<sup>2)</sup> Based on internal test of water consumption comparing Steam Refresh with a full wash 30°C Delicate program using 1 kg load.

<sup>3)</sup> According to internal tests using the 2021 energy efficiency regulation in Brazil.

<sup>4)</sup> Based on an internal test comparing the ECO program vs a standard 90 minunit program of an energy class C appliance.



Quickselect and Ecometer dishwasher solutions can help consumers to reduce energy consumption by up to 20%.<sup>4)</sup> ➤ *Read more on page 44.*

### Progress on Goal: Lead in energy- and resource-efficient solutions

Roadmap to 2030	Progress in 2023	Next steps	Status
Be a leader in product efficiency for key categories and markets by 2030.	Overall, the Group improved the energy efficiency of its global product offering in 2023, which lowered the carbon footprint of its products by approximately 1.8% on average.	Continue to deliver more efficient products to meet customer demand and new stringent energy efficiency standards.	● On track
Continue to develop products with good environmental performance, with a focus on energy and water efficiency.	More low-energy consumption solutions were introduced to the Group's product ranges.	Continue to integrate environmental performance processes into R&D and product planning.	● On track
Continue to drive the market for efficient products by integrating sustainability into the Group's brands.	The Electrolux and AEG EcoLine selection was introduced to showcase the Group's most energy-efficient solutions to consumers in Europe.	Use the Group's global influence to inspire and educate consumers on more sustainable living globally.	● On track

● On track   ● Additional effort is required   ● Off track   ○ Work has not yet begun

### Challenges

- Consumer awareness of the benefits of using more efficient products – particularly in markets without energy labels.
- With already high product efficiency in Europe, the cost of further product improvements increases while new efficiency savings are more difficult to achieve.

- Various energy efficiency standards around the world make it difficult to apply worldwide best practice.
- Global data management complexity.



## 2023 HIGHLIGHTS

- New 6-week Circular Economy Masterclass course for selected employees.
- Collaboration with Stena Recycling to develop new recycled materials from WEEE waste.

# Offer circular products and business solutions

Electrolux Group will contribute to the circular economy by integrating recycled materials into its product platforms, promoting recyclability, using more sustainable packaging solutions, increasing the availability of spare parts to repair its products, and developing circular business solutions.

### The case for action

Electrolux Group has an important role to play in enabling people to live more circular lives through its products and solutions. In this way, the Group can help overcome resource challenges while meeting the need for a more circular and low-carbon society.

### Population growth and raw materials

As the global middle class continues to grow,<sup>1)</sup> the demand for material resources, such as steel, plastic and electronic components, will increase. At the same time, many industries are based on virgin materials that are non-renewable and fossil based. For example, more than 400 million metric tons of plastic are produced globally each year and only about 12% comes from recycled materials.<sup>2)</sup> However, there are opportunities to source materials with recycled content, and even bio-based materials from renewable sources.

### The need for a circular economy

According to the 2023 Circularity Gap Report by Circle Economy,<sup>3)</sup> only 7.2% of the resources used globally are cycled back into the economy after use. This compares to 9.1% in 2019. The report stresses

<sup>1)</sup> Visual Capitalist 113 Million People Will Enter the Global Consumer Class in 2024. [visualcapitalist.com/113-million-people-middle-class-2024/#](http://visualcapitalist.com/113-million-people-middle-class-2024/#)

<sup>2)</sup> OECD Environment Policy Paper no. 12, 2018

<sup>3)</sup> Circle Economy. Circularity Gap Report. [circularity-gap.world/2023/#](http://circularity-gap.world/2023/#)

the need for a circular economy that makes better use of resources to prevent further and accelerated environmental degradation and social inequality.

Consumers are increasingly demanding more circular products and solutions. This includes everything from recycled materials incorporated into products and more sustainable packaging, to solutions that enable them to extend the lifespan of their products. Electrolux Group's own research has shown that consumers perceive products containing recycled plastics to be more innovative, premium, high quality and sustainable.

### Greenhouse gas emissions

Materials are the Group's second largest source of greenhouse gas (GHG) emissions after product use. Virgin materials cause considerable GHG emissions through their extraction and manufacturing. By sourcing recycled plastic and steel manufactured with higher scrap content, Electrolux Group can make a significant reduction to its greenhouse gas emissions from materials.

Emissions can also be reduced by extending the useful lifespan of products. This can be achieved through promoting more circular business models or providing aftermarket services that enable longer product lifetime and ultimately make better use of resources.  Read about Electrolux Group's approach to materials on page 74.

## Progress on circular products and business solutions

Electrolux Group is in the process of re-calibrating its approach to circularity by reassessing its priorities in different parts of the business, promoting circularity training and awareness raising among employees, and partnering with suppliers and other innovative partners.

### Recycled plastics

Electrolux Group continued to work to incorporate recycled plastics into its products toward its target to increase the proportion to 50% by 2030. However, challenges in 2023 meant that the amount of recycled plastics in products remained flat at 8,600 metric tons (8,600). At the end of 2023, 4% of the plastic the Group used in its products came from recycled waste streams.

Despite still having a long way to go to achieve its recycled plastic target, the Group successfully incorporated recycled plastics into several new components across all regions and expanded its supply base with new suppliers in Europe and Latin America.

New products with recycled plastics included:

- the **MaxiSpace green zone built-in refrigerator range with inner liners made from 70% recycled plastic**,<sup>1)</sup> which was an industry first and equates to 13% of the refrigerator's total plastic. Plastic from discarded fridges is recycled to make the inner liners. The inner liners made from recycled plastic have been well received by consumers who perceive them as being more premium both in terms of their look and their sustainability benefits. Furthermore, more than 80% of the materials in the fridge can be recycled.
- Electrolux Group's latest range of **stick vacuum cleaners uses between 43% and 49% recycled plastic**<sup>2)</sup> (not including accessories and depending on color and nozzles). This was the first time on the market that an entire range of six different colors was made from different recycled plastic formulations. Recycled plastic products usually only come in black.
- The Group is developing a **variety of components for its appliances that are made from recycled plastics** and it improved its measurement of the quantity of recycled plastics and how it communicates this information to consumers in 2023.

In 2023, a new guideline to evaluate recycled plastic formulations, establish a new approval process and ensure quality was launched. The Group also continued to proactively ask its OEM suppliers to source recycled plastics for the products they deliver to the Group, developing long-term partnerships with suppliers to develop new recycled plastic formulations.

<sup>1)</sup> For the parts made of plastic.

### Defining a path toward low-carbon footprint steel

Electrolux Group continued to approve low-carbon footprint steel suppliers in North America, but approvals were delayed in Europe. The Group is working toward its target to reduce the GHG emissions from the steel it uses in its products by 30% by 2030 through active supplier engagement.

Electrolux Group began sourcing steel manufactured with higher scrap content and a lower environmental impact process and signed an initial agreement with a European steel supplier to supply low-carbon footprint steel in the future. The low-carbon footprint steel will be produced with electricity from fossil-free sources and green hydrogen instead of coal.

### Circular business models

The Group continued to pilot a variety of more circular business models in its markets around the world.

In 2023, the AtEase household appliance subscription service was launched in Sweden. The all-inclusive subscription service covers everything needed to keep the appliance running smoothly, including proactive maintenance, automatic shipments of accessories, support and replacement. AtEase is designed to make life as easy as possible for the consumer while reducing electronic waste and contributing to the circular economy, with consumers having the option to subscribe to a new product or a refurbished one.

Electrolux Group expanded the Levande all-in-one appliance subscription service in Singapore and Thailand. The service offers setup, delivery, repair, recycling and a 48-hour guaranteed like-for-like replacement of new and refurbished appliances. In this way, Levande optimizes the lifecycle of appliances, promotes re-use and reduces e-waste.

In Sweden, the **Appliance-as-a-Service program** for landlords signed a new customer agreement. The program includes repairing or replacing products for a monthly fee. The team completed the 5-year learning project "White goods as a service" at the end of 2023.

**Pilot projects with Swedish municipal housing companies** are continuing. The concept involves leasing large appliances such as washing machines to landlords with furnished apartments. The appliances are maintained and serviced by Electrolux Group to optimize their lifespan.

The consumer **take-back service in Brazil** continued to be rolled out to meet new legislation on e-waste. The service enables consumers in 14 states (>85% of direct-to-consumer sales) to have their old refrigerator, cooker, washing machine and tumble dryer collected when their new Electrolux Group product is delivered. The old appliances are disassembled by a specialist recycling company and the parts are reused by other industries.

In 2023, Electrolux Group collected and recycled more than 14,000 metric tons of products in Brazil, Ecuador, Colombia, Peru and Chile. The Group also gives collected products a second life when possible by refurbishing and selling products that are still under warranty to consumers. In 2023, more than 2,200 products were refurbished and sold in Latin America.

Electrolux Group's **Fixed-price repair service continues to be popular in Europe**. More than 142,000 repairs were made in 2023, which is a 4.4% increase compared with previous year. The service is designed to alleviate consumer cost concerns by ensuring there are no hidden costs to repair and extend the lifespan of their products. Certainty on the cost of repair can encourage consumers to repair a product rather than replacing it. The service draws on the Group's good spare parts availability and specialist technicians. The aver-

### Materials used by weight, metric kton

	Metals <sup>2) 3)</sup>	Plastics <sup>2) 3)</sup>	Articles <sup>2) 3)</sup>	Process material <sup>3)</sup>	Others <sup>2) 3)</sup>	Packaging products <sup>2) 4)</sup>	Packaging suppliers <sup>4)</sup>	Reusable Packaging <sup>3)</sup>
2023	670	327	137	24	472	29	4	17
2022	669	241	147	6	93	45	6	18
2021	833	321	198	30	198	80	11	10
2020	786	364	213	30	190	72	9	11
2019	806	315	237	36	185	74	14	10

<sup>2)</sup> Direct material    <sup>3)</sup> Non-renewable    <sup>4)</sup> Approximately 55% non-renewable

Material use is based on engineering estimates and is affected by lower production volumes.

age consumer satisfaction rating for the Fixed-price repair service was 6.1 out of 7 in 2023.

During the year, the Group also launched the Fixed-price repair, which combines the ease of repair with the peace of mind of prolonged coverage for any future breakages in a handful of European markets and makes repair a great option, even for older appliances, which consumers might otherwise consider replacing.

In 2023, an internal Design for Repair guideline was developed and launched to help improve repairability from the design phase.

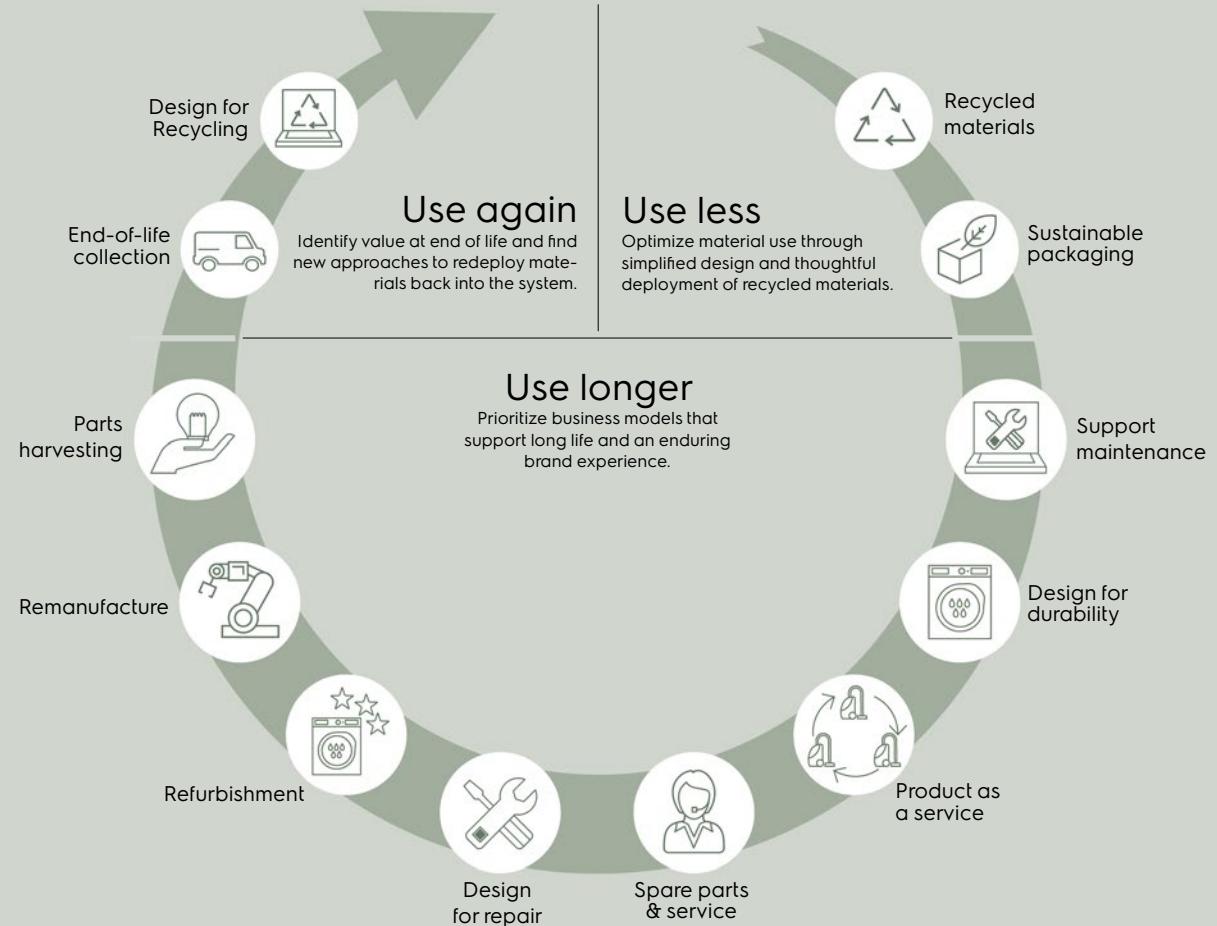
#### **Partnersing on circularity**

In 2023, Electrolux Group collaborated with the **University of Exeter's Centre for Circular Economy** and the consultancy Clarasys Ltd to develop an understanding of the challenges around engaging customers in a circular economy. Together with other companies, the Group contributed to a research study on the topic.

During the year, the Group began offering a six-week **Circular Economy Masterclass course** with content developed by the University of Exeter Business School and the Ellen MacArthur Foundation for select Electrolux Group employees.

Electrolux Group has a long-term partnership with **Stena Recycling** that involved developing new recycled materials from Waste Electrical and Electronic Equipment (WEEE) waste, including household appliances, in 2023. The Group's factories in Italy are working together with a new Stena Recycling factory in Italy to develop recycled plastics from WEEE waste. Previous work with Stena Recycling has developed prototype vacuum cleaners made from 100% recycled materials and another that was 90% recyclable.

#### **Circular economy: Value from resourcefulness**





## Progress on Goal: Offer circular products and business solutions

Roadmap to 2030	Progress in 2023	Next steps	Status
Where possible, replace virgin materials with recycled materials in the Group's products.	Continued the development of recycled plastic for applications across multiple regions, and expanded the Group's supply base with new suppliers in Europe and Latin America.	Expand strategic partnerships with suppliers. Leverage experience from Europe in other regions. Create product category roadmaps with milestones on how to achieve the Group's 2030 targets.	<span style="color: red;">●</span>
Increase the proportion of recycled plastic the Group uses to 50% by 2030.	<p>At the end of 2023, 4% of the plastic the Group used in its products was recycled.</p> <p>The total use of recycled plastic remained flat at 8,600 metric tons in 2023. Electrolux Group began the production of a new built-in refrigerator range with inner liners made from 70% recycled plastic, which equates to 13% of the refrigerator's total plastic.</p>	Focus on purchasing and R&D efforts to enable the introduction of recycled plastic into more applications. Improve and develop the Group's collaboration in strategic regions to ensure market growth and improved supply. Add more aesthetic applications.	<span style="color: red;">●</span>
Reduce the carbon footprint of steel in the Group's production, for example by increasing the amount of steel that is manufactured with higher scrap content.	The Group increased the recycled steel it sources from a European supplier, which is currently the only supplier in the EU that can deliver steel manufactured with higher scrap content. An initial agreement was also signed with another European steel supplier to supply low-carbon footprint steel in the future.	Continue to leverage experience from North America in other regions and identify suppliers of steel manufactured with higher scrap content. Develop a roadmap to source low-carbon steel – including exploring opportunities for steel made with hydrogen rather than coal.	<span style="color: yellow;">●</span>
Reduce the greenhouse gas emissions from the steel the Group uses in its products by 30% by 2030.			
Identify and evaluate relevant circular business models that can be scaled up.	Electrolux Group continued to evaluate circular business models.	The Group will continue to identify and evaluate circular business models and scale up the most successful.	<span style="color: yellow;">●</span>

● On track ● Additional effort is required ● Off track ○ Work has not yet begun

### Challenges

- Securing consistent, traceable, safe and high-quality recycled raw materials in sufficient volumes.
- Ensuring recycled materials are incorporated into new product platforms.
- Optimizing product lifespan in a way that benefits the consumer, Electrolux Group and the environment.
- Finding more sustainable packaging solutions that protect products.

Overcoming these challenges requires strategic partnerships throughout the value chain. Partnerships are also sometimes required to create circular business models that create common value for Electrolux Group and its partners.

# Eliminate harmful materials



Electrolux Group will protect people and the environment by managing chemicals carefully and continuing to replace those that cause concern.

## The case for action

With more than 40,000 commercial substances in use and global sales expected to double between 2017 and 2030,<sup>1)</sup> chemicals must be carefully managed to avoid detrimental impacts on human health and pollution to air, soil or water. According to the European Environment Agency, about 6% of the world's disease burden – including chronic diseases, cancers, neurological and developmental disorders – and 8% of deaths can be attributed to chemicals.<sup>2)</sup>

Various chemicals are used in the appliance industry and the impact of chemicals on people and the environment is high on the Electrolux Group's agenda. The Group wants consumers to feel reassured that it has a robust approach to selecting materials for its products – to protect both human health and the environment. Consumers are raising their expectations on appliance companies such as Electrolux Group on the management of chemicals in products.

Phasing out the use of high-impact greenhouse gases is an important part of the Group's approach to chemical management as they have historically been a significant contributor to its climate footprint. [Read about Electrolux Group's approach to harmful materials on page 74.](#)

## 2023 HIGHLIGHTS

- 97% of products with refrigerants have switched to low global warming gases.
- 3,200 components tested for chemical compliance according to legislation and the Group's Restricted Materials List.

## Progress on harmful materials

In 2023, Electrolux Group continued its work to avoid the use of harmful substances in its products.

### **Chemical management and the Electrolux Group Restricted Materials List**

The Group constantly updates its Restricted Materials List and Eco@web tool, which is a tool to register and monitor the substances in the components and parts used in its products. In 2023, the Group tested 3,200 components for chemical compliance. The tool is being developed to be in accordance with the new Swedish chemical tax legislation and the EU SCIP reporting. Food contact requirements are not yet available in Eco@Web.

Electrolux Group will continue to work toward completing the global implementation of Eco@web and to cover a larger supply base in the areas where the tool has already been implemented. North America made progress with implementation in 2023 and Latin America will be the Group's focus region in 2024.

During 2023, the Group updated its Restricted Materials List guideline and ran an extensive training campaign for all relevant employees and suppliers. Approximately 1,500 employees attended the training in 2023 – from teams in R&D and quality to purchasing, product sourcing and sustainability. In addition, training was also provided to over 1,300 suppliers, including direct material suppliers and sourced product suppliers.

<sup>1)</sup> World Health Organization (2022). Guidance on chemicals and health. [who.int/tools/compendium-on-health-and-environment/chemicals](http://who.int/tools/compendium-on-health-and-environment/chemicals)

<sup>2)</sup> European Environment Agency. [eea.europa.eu/signals Archived/signals-2020/articles/living-healthily-in-a-chemical-world](http://eea.europa.eu/signals Archived/signals-2020/articles/living-healthily-in-a-chemical-world)

### Phase-out of high-impact greenhouse gases

Hydrofluorocarbons (HFCs) have a high global warming potential but can be replaced by hydrocarbon refrigerants (HCs) that have a low-climate impact. In North America during 2023, HFCs were phased out of all Electrolux Group dehumidifiers.

**UN Cool Coalition** – as part of the initiative, Electrolux Group has committed to replace high global warming potential gases in its appliances with low-climate impact refrigerants. The coalition objective was to phase out the production of all high global warm-

ing potential gases from all markets by the end of 2023. Electrolux Group achieved this milestone for most of its production, accounting for around 97% of products with refrigerants.<sup>1)</sup> However, delays occurred due to local legislation in some countries, the availability of supply and some technical issues.

<sup>1)</sup> The 97% figure is based on the products that were in scope at the time of signing the Cool Coalition commitment in 2019.

### Progress on Goal: Eliminate harmful materials

Roadmap to 2030	Progress in 2023	Next steps	Status
Implement a best-in-class global system for improving the control of chemicals throughout the Group's complex supply chain and work with suppliers to replace chemicals of concern.	Eco@web coverage of regions has continued to be implemented in North America and data collection is ongoing.	Improve the coverage of supplier declarations of chemicals throughout the Group's regions.	<span style="color: yellow;">●</span>
Raise the bar on chemical requirements, taking into account new scientific findings.	Further restrictions on the phase out of PFAS.	Update the Electrolux Group Restricted Material List	<span style="color: green;">●</span>
Eliminate high-impact greenhouse gases from Electrolux Group products.	Progress in the phase-out of high-impact GHGs in the Air Care category in Latin America and North America.	Conclude the phase out of high impact GHG.	<span style="color: green;">●</span>

● On track   ● Additional effort is required   ● Off track   ○ Work has not yet begun

### Challenges

- Driving the phase-out of chemicals where it is not supported by regulation.
- Replacing high-impact greenhouse gases needs to be driven industry-wide as solutions are dependent on legislation to enable viable alternatives.



# Better Living

**Make healthy and sustainable eating the preferred choice >**

**Make clothes last twice as long with half the environmental impact >**

**Make the home a healthier place to thrive in, with half the carbon footprint >**



## 2023 HIGHLIGHTS

- Up to 28% food waste reduction can be achieved with new built-in refrigerators.<sup>1)</sup>
- New user interface for induction cooktops can help consumers to cook more sustainably.
- AirFry functionality for ovens requires little or no oil for healthier cooking with up to 70% less fat.<sup>2)</sup>

# Make healthy and sustainable eating the preferred choice

Electrolux Group will promote healthy and sustainable eating by helping consumers reduce food waste, adopt more plant-based eating, minimize nutrition loss in cooking, and enhance healthy and sustainable eating experiences.

### The case for action

According to the UN Food and Agriculture Organization (FAO), more than one-third of global greenhouse gas emissions can be attributed to the way food is produced, processed and packaged.<sup>3)</sup> At the same time, almost a third of all food produced is wasted<sup>4)</sup> and hunger remains a challenge, with more than one in nine people in the world not having access to enough food.<sup>5)</sup>

According to Electrolux Group's consumer research summarized in the [2021 Change Makers Report](#), 50% of young people actively minimize their food waste and 30% actively reduce their meat consumption. [The 2019 Better Living Report](#) highlighted that many people are not living as sustainably as they want with a third of consumers stating they throw away food because it goes bad too

<sup>1)</sup> Compared to the 500 ColdSense refrigerator and based on external tests on duration of the edibility of soft cheese and cooked ham stored on shelves. Results may vary depending on type of foods. Estimated potential food waste reduction based on appliance performance only and not considering user behavior.

<sup>2)</sup> Tests carried out by a nutritionist with 800g of frozen french fries, comparing conventional frying (using 1800ml of soybean oil) and preparation using the airfry function of the OE9XB built-in oven (without adding oil). The result demonstrated a reduction of 33.9% in calories and 68.7% in fat when prepared in the airfry function of the OE9XB model.

<sup>3)</sup> United Nations. news.un.org/en/story/2021/03/1086822

<sup>4)</sup> World Food Programme (2020). wfp.org/stories/5-facts-about-food-waste-and-hunger

<sup>5)</sup> World Food Programme. wfp.org/overview

quickly or passes its best before date. This highlights the growing consumer demand for help with changing behavior toward more sustainable eating, cooking and storing food.

Healthier and more sustainable food habits often go hand in hand. Electrolux Group products can help consumers to eat healthier and more sustainably. This includes nudging consumers to try healthier and more sustainable diets and cooking techniques that help preserve nutrients, while reducing food waste. By adopting more plant-based diets and avoiding overeating, for example, consumers can improve their health while reducing the burden on the global food system. [Read about Electrolux Group's approach to the material topics related to this Goal on page 73.](#)

### Progress on making healthy and sustainable eating the preferred choice

In 2023, Electrolux Group continued to deliver new solutions, raise consumer awareness and work in partnership to promote more sustainable food habits.

#### Solutions for better food habits

Recent examples of products that promote healthier and more sustainable eating, while helping consumers to use less resources, are highlighted below.

## Food preservation:

- **New UltimateTaste 700 multi-door range launched in APAC & MEA** – with TasteLockPlus crispers that maintain a humid environment can keep fruit and vegetables fresh for longer. The range can retain vitamin C levels for up to seven days and up to 98% of the protein in ingredients for up to three days compared with a standard refrigerator. This helps to reduce food waste and promotes healthier eating.
- **800 Series Cooling 360 built-in refrigerator** – can help reduce food waste and retain nutrients in ingredients with advanced cooling. Better temperature distribution on every shelf helps consumers avoid up to 28% food waste.<sup>1)</sup>
- **New built-in fridge-freezer range** – reduces CO<sub>2</sub> emissions by 20% across the life cycle of the appliance compared with previous models. The calculation of the reduction is based on a third-party Life Cycle Assessment by Università Politecnica delle Marche in Italy.
- **New cooling range expanded to Latin America** – can help consumers preserve the freshness of ingredients and reduce food waste. The new Top Freezer range, launched in Brazil, uses inverter technology that saves up to 30% energy, which provides the maximum A+++ rating efficiency. The new Bottom-Freezers and Multi-door range use AI-powered AutoSense technology, which automatically controls the temperature by learning from consumer routines and extends the life of ingredients by up to 30%.
- **CustomFlex fridge door** – allows consumers to better see fresh produce. During 2023, new vacuum food containers were added.

## Food preparation:

- **Electrolux Steam ovens** – cooking with steam saves time while retaining more nutrients, for example up to 90% of the vitamin C is preserved in broccoli.<sup>2)</sup> Steam ovens can also use up to 20% less energy than a conventional oven by allowing lower temperature cooking.<sup>3)</sup> In addition, steam ovens can help reduce food waste by easily reheating leftovers without drying them out.
- **AirFry functionality for ovens** – uses superheated air that is quickly and evenly circulated around the oven to achieve a crispy-on-the-outside, juicy-on-the-inside taste and texture with little or no oil. AirFry requires little or no oil for healthier cooking with up to 70% less fat and up to 34% less calories compared with conventional frying.<sup>4)</sup> Tests have also shown that AirFry can prepare up to four times more portions than a conventional oven.<sup>5)</sup>
- **Induction cooktops** – a new generation of user interface that provides tips and features and added a new section of plant-based recipes.

• **Integrated extractor cooktop and hood** – combines a cooktop and hood into one appliance to promote greater resource efficiency compared with manufacturing two separate appliances.

• **New efficient hood** – a new generation of hoods with motor technology reduces energy consumption by up to 48% compared with an asynchronous motor.<sup>6)</sup> Autosense technology automatically adjusts the extractor fan speed to enhance air quality in the home.

## Dishwashing:

- **Quickselect and Ecometer dishwasher solutions** – an intuitive program selection slider on the control panel promotes more sustainable program selections. The solution can guide consumers to reduce energy use by up to 20% when using the ECO program compared to a standard 90 minute program of an energy class C appliance.<sup>7)</sup> The technology was extended across the Group's dishwasher ranges in 2023.
- **Dual Orbit/Satellite Clean and CleanBoost dishwashing system** – with multi-directional spray arms that achieve excellent cleaning results without extra water. The system also includes new Clean-Boost technology that dissolves the dishwasher tablet more than six times faster. These technologies together with cycle software upgrades reduce energy use in the dishwasher range in North America and helped to achieve EnergyStar 7.0 certification.

## Raising consumer awareness

The Group's communication campaigns promote more sustainable habits in managing and eating food. Ongoing campaigns include:

- **Online food storage advice and mobile app** – together with the Group's global and regional websites. Electrolux Group social media channels include information about how consumers can best store their food to keep ingredients fresher for longer. This includes Q&A interviews with tips from food experts.
- **AEG and Electrolux apps** – for mobile devices allow consumers to personalize their daily cooking experience, receive advice on how to keep appliances clean and use them efficiently, as well as troubleshooting. The apps are continuously being developed to offer better consumer experiences.
- **Sustainable eating campaign in Brazil** – promoted refrigerators that make food last longer. The first phase of the campaign involved children questioning adults on their everyday behavior to raise consumer awareness of more healthy and sustainable eating.
- **Rita Lobo becomes an Electrolux brand ambassador** – Lobo is the most famous chef in Brazil and the partnership aims to inspire consumers in the kitchen through practical and authentic cuisine, without ultra-processed foods. The focus is on using more fresh, nutritious and tasty food while encouraging consumers to reduce food waste.



CleanBoost technology dissolves the dishwasher tablet more than six times faster to promote more effective cleaning.

<sup>1)</sup> Compared to the 500 ColdSense refrigerator and based on external tests on duration of the edibility of soft cheese and cooked ham stored on shelves. Results may vary depending on type of foods. Estimated potential food waste reduction based on appliance performance only and not considering user behavior.

<sup>2)</sup> Based on external tests comparing raw broccoli against steamed broccoli vitamin C levels. Test performed based on determination of ascorbic acid (vitamin C) in foodstuff by HPLC/UV-visible method.

<sup>3)</sup> Based on internal test comparing salmon fillet cooked with FullSteam function vs traditional non-steam cooking.

<sup>4)</sup> Tests carried out by a nutritionist with 800 g of frozen french fries, comparing conventional frying (using 1800ml of soybean oil) and preparation using the airfry function of the OE9XB built-in oven (without adding oil). The result demonstrated a reduction of 33.9% in calories and 68.7% in fat when prepared in the airfry function of the OE9XB model.

<sup>5)</sup> Tests comparing the ability to prepare chicken wings at a single time in the Electrolux EAF20 Airfryer (330g) and the Electrolux OE9XB built-in oven (1100g), where the result in the oven's airfry function produced 3.6 more portions.

<sup>6)</sup> Based on an internal test for odour removal comparing 9000 AutoSense Hood (Automatic mode) Vs DGE5861HM Hood (Manual mode) when running for 75 minutes. This result may vary based on the personal usage of the cooker hood.

<sup>7)</sup> Based on an internal test comparing the ECO program vs a standard 90 minute program of an energy class C appliance.

- **Replate.com** – The Electrolux Food Foundation, with the support of its partners, manages the Replate.com website to inspire people to shift to healthier and more sustainable food habits. This includes the free-to-use Food Heroes Toolkit to educate children on more sustainable food habits in several languages. [Read more on Community Investment on page 23.](#)

#### **Partnering to promote change in food habits**

Electrolux Group establishes long-term partnerships with various food expert organizations to promote more sustainable habits in managing and eating food. Examples include:

- **“The FoodTech Hub” partnership in Brazil** – the partnership aims to develop research, solutions development and innovation activities in food, with laboratory capabilities together with two other companies.

- **Waste Watcher sponsorship** – for research on food waste habits in different countries of the world to identify the most wasted foods and quantity by country.
- **Misfits Market** – Electrolux Group supports the Misfits Market subscription box service, which sells food to US consumers that would be otherwise unnecessarily thrown away.
- **University partnerships** – such as with Clemson University (US), Padova University (Italy) and Universidade Regional de Blumenau (FURB, Brazil) to calculate the positive impact of freshness technology on reducing food waste and emissions.
- **Partnership with Merieux NutriSciences** – to test freshness and the impact of cooking technology on food lifespan and nutrient preservation with different cooking methods.
- **Partnering with Research Institutes of Sweden (RISE)** – to calculate environmental impacts and nutritional values of different diets

and foods, including the preservation and preparation phases. In 2023, the Group continued the partnership with further work to refine the calculation models.

- **Umeå Institute of Design** – Electrolux Group is collaborating with students to develop product ideas for single people living in small spaces. The products included a slim dehumidifier and adaptable cooktops.

#### **Progress on Goal: Make healthy and sustainable eating the preferred choice**

Roadmap to 2030	Progress in 2023	Next steps	Status
Launch enhanced food preservation solutions that help reduce food waste and ensure food quality.	Refrigerator solutions such as even cooling, AutoSense technology and crisper drawers that can help keep ingredients fresher for longer to help reduce food waste were introduced to more ranges and markets.	Focus innovation and communication roadmaps even more around modules that support healthier eating and can help reduce food waste.	●
Provide consumers with functionalities that can help them make more efficient use of food resources during cooking.	Making more sustainable technology, such as steam ovens, available to more people can help consumers to make better use of ingredients and save energy.	Continue to develop solutions that support consumers with tips and assisted functions to help reduce energy and food waste. These are key R&D innovation areas moving forward.	●
Launch product solutions that help to enhance the experience of eating more sustainably and inspire better eating habits through providing practical support and advice.	Websites, social media and apps inspired consumers to keep food fresh for longer. Plant-based recipes added to the new generation of the induction hob user interface to offer consumers more sustainable food options.	Continue to launch new solutions that promote consumer experiences related to healthier and more sustainable eating.	●
Partnerships with food experts on food and food waste to advance knowledge and inspire people around the world.	The partnership with Misfits Market to save food continued in 2023.	Continue to develop existing partnerships and investigate new partnering opportunities.	●
Inspire people to eat healthier and more sustainably through the Electrolux Food Foundation – including educating 300,000 people on sustainable eating by 2030.	Replate.com continued to offer information on more sustainable eating.	Continue to work with the Electrolux Food Foundation and its partners to inspire consumers on healthier and more sustainable eating.	●

● On track   ● Additional effort is required   ● Off track   ○ Work has not yet begun

#### **Challenges**

- Changing the well-established cooking and eating habits of consumers.



## 2023 HIGHLIGHTS

- ColourCare washing machines use up to 30% less energy<sup>①</sup> and improve the use of detergent even in cold water.
- Electrolux and AEG EcoLine washing machines are better than the best energy class in Europe.
- The laundry tower was energy star certified in North America.

# Make clothes last twice as long with half the environmental impact

Electrolux Group has the objective to make clothes last longer and reduce the environmental impact of garment care while caring for all fabrics.

### The case for action

The fashion industry, including the production of the clothes that people wear, contributes to around 10% of global greenhouse gas emissions.<sup>②</sup> At the same time, the number of garments people purchase has increased by 400% in the past 20 years.<sup>③</sup> According to the [Electrolux Group's 2023 Truth About Laundry Report](#), items of clothing are thrown away after being worn just ten times on average.

Society is increasingly aware of the resource and climate impacts of the textile industry and its throw-away fashion culture. Research shows that extending the lifespan of clothing by an extra nine months can reduce carbon, waste and water footprints by between 20% and 30%.<sup>④</sup>

Water scarcity around the world is an increasing issue with 14 out of 20 of the world's largest cities already experiencing inadequate supplies and two-thirds of the world's population expected to live in water-stressed areas by 2025.<sup>⑤</sup> In the home, the average daily water consumption per person is up to 500 liters in some cities.<sup>⑥</sup>

More than 80% of the lifecycle laundry carbon footprint comes from the appliance use phase.<sup>⑦</sup> This means that Electrolux Group

<sup>①</sup> Internal calculation of energy use compared to the minimum threshold to achieve the highest energy rating.

<sup>②</sup> UN Climate Change. unfccc.int/news/un-helps-fashion-industry-shift-to-low-carbon

<sup>③</sup> The True Cost truemcostmovie.com/learn-more/environmental-impact/#::text=Disposable%20Clothing.of%20textile%20waste%20each%20year

<sup>④</sup> WRAP. wrap.org.uk/resources/guide/extending-clothing-life-protocol

<sup>⑤</sup> WWF. worldwildlife.org/threats/water-scarcity

<sup>⑥</sup> WBCSD. wbcisd.org/Programs/Cities-and-Mobility/Sustainable-Cities/ Blueprint-for-a-sustainable-built-environment/

<sup>⑦</sup> Based on Electrolux Group's internal LCAs on an EU average.

can have a positive environmental impact by developing more resource-efficient appliances.

According to Electrolux Group's consumer research summarized in the [2019 Better Living Report](#), 69% of consumers agree that increasing the lifespan of garments by taking better care of them is the most sustainable approach. However, people often practice outdated laundry care due to a lack of knowledge, time or access to laundry appliances with the most optimal functions. Despite this, most consumers want more help to adopt more sustainable laundry habits. On the other hand, some are unwilling to change their behavior for fear of ruining clothes or not getting them properly clean. For instance, despite being encouraged to wash clothes at 30°C or lower for better results and longer garment durability, almost two-thirds of Europeans (63%), wash at 40°C or higher, according to the Electrolux Group's The Truth About Laundry study, which surveyed 12,000 adults in 2021. [Read about Electrolux Group's approach to the material topics related to this Goal on page 73.](#)

### Progress on making clothes last twice as long with half the environmental impact

In 2023, the Group continued to deliver new solutions and raise consumer awareness to promote better garment care.

#### Solutions for better garment care

Electrolux Group innovates to help consumers adopt more sustainable laundry behavior. This includes enabling them to take better care of their clothes. Electrolux Group washers and dryers are also

increasingly resource efficient. [Read more in the Goal Lead in energy and resource efficient solutions on page 34.](#)

Recent examples of garment care products and initiatives that help drive sustainability include:

- **Next generation energy efficiency** – machine software developments have improved energy efficiency in several ranges. This includes improved capabilities to adjust the cycle parameters based on the actual load, with tailored drum movements and reduced use of resources.
- **ColourCare washing machines** – treats the water to improve the use of detergent even in cold water. Washing in cooler temperatures helps clothes retain their color for longer and reduces energy use by up to 30% compared with a Class A energy product in Europe.<sup>1)</sup> The solution is featured in more of the Group's washing machines sold in 2023.



ColourCare washing machines reduce energy use by 30% compared with the best energy class in Europe.

• **SteamCare washing machines** – allow consumers to refresh their clothes using up to 90% less water and 30% less energy compared to a complete washing cycle.<sup>2)</sup> In 2023, SteamCare was added to new models in new regions.

• **Hygienic Care washing machine program** – uses the power of steam to refresh clothes by removing up to 99.9% of bacteria and viruses.<sup>3)</sup>

• **UniversalDose and AutoDose** – optimal detergent dispensing solutions were integrated into more washing machine models globally in 2023. UniversalDose is a unique washing machine compartment that ensures that every type of detergent (including detergent pods) properly dissolves to enable it to work for short washes and at low temperatures. AutoDose uses up to 60% less detergent compared to manual dosing by automatically calculating the quantity.<sup>4)</sup> In 2023, the solutions were introduced to washer-drier ranges in Europe.

• **Laundry tower** – with a full-sized front load washer on the bottom, a full-sized dryer on the top, and a control panel in the middle for easy access, was launched in North America in 2023. The tower is the Group's first stacked solution to be energy star certified.

• **CycloneCare / 3DSense dryers** – the CycloneCare system includes innovative 3DSense technology, which scans deep into fabrics to promote accurate drying and help prevent over drying.

• **DelicateCare dryers** – adapt the temperature and drum movement to suit specific fabrics, which means that even wool garments can keep their shape and waterproof garments can retain their function. In 2023, the system was rolled out into new markets and lower price point models and the solution was declared Best-in-test model by Stiwa in Germany in terms of drying quality, product efficiency and durability.

• **Power jets in top load washers** – were added to more models in the top load washing machine range in Latin America. Combining water recirculation with reduced mechanical agitation, the technology can save up to 72 liters of water and 8%, while also reducing color fading and wear and tear on garments.<sup>5)</sup>

• **New Care Drum** – a "cushion-like" washing machine drum pattern for clothes to softly glide on combined with enhanced cycle functionality to provide significantly gentler fabric care. The drum was introduced to higher capacity machines in 2023.

• **Microplastic filter** – a filter that can be fitted to any Electrolux, Zanussi and AEG washing machine to help capture microplastics. The filter captures up to 90% of microplastic fibers larger than 45 microns.<sup>6)</sup>

#### Raising awareness on fabric care

Electrolux Group helps consumers to look after their clothes in the best possible way. This involves running campaigns to inspire consumers to better care for their clothes and reduce water use.



The Electrolux Group's microplastic filter, which is compatible with any Electrolux, Zanussi and AEG washing machine, can help capture microplastic.

• **Make it Last** – is the Group's global campaign to inspire better garment care among consumers. It includes branded websites with inspiration and laundry care tips for consumers to choose more sustainable options. Make it Last is built on Electrolux Group's knowledge and the specific innovations available in its various markets. The campaign was expanded to APAC & MEA in 2023.

<sup>1)</sup> Internal calculation of energy use compared to the minimum threshold to achieve the highest energy rating.

<sup>2)</sup> Based on an internal test of water consumption comparing SteamRefresh with a full wash 30°C Delicate program using a 1 kg load.

<sup>3)</sup> Tested for *Staphylococcus aureus*, *Enterococcus faecium*, *Candida albicans*, *Pseudomonas aeruginosa* and MS2 Bacteriophage in external test performed by Swissatest Testmaterialien AG in 2021 (Test Report No. 20210117).

<sup>4)</sup> Comparison of liquid detergent dosage with an Autodose machine.

<sup>5)</sup> Comparison of a wash cycle in the Normal program without Power Jets and a rinse, with a wash cycle in the Normal program with Power Jets, Eco rinse option, in the LEV17 model.

<sup>6)</sup> Filtration capacity measured using an internal test method with polycotton and polyester blend materials in a 40°C Synthetic wash cycle.

• **The Truth About Laundry Report** – tackles laundry habits around the world. In 2023, the Group published a new edition of the report on new laundry habits in Europe that drive lower energy consumption and reduced carbon emissions. [Read more on: New research from Electrolux Group reveals Europe turns to 30° wash, driving down CO<sub>2</sub> emissions – Electrolux Group.](#)

[Check out the truth about laundry report – resource efficiency edition 2023.](#)

• **The 50L Home** – is a public-private partnership between Electrolux Group, other global brands and NGOs to re-invent domestic water consumption. In 2023, the partnership implemented a pilot project in Los Angeles in the US to demonstrate how existing and new innovations can help achieve substantial savings in domestic water and energy use in the home. [Read more on Piloting water innovation in the home with IKEA, P&G and Kohler – Electrolux Group.](#)

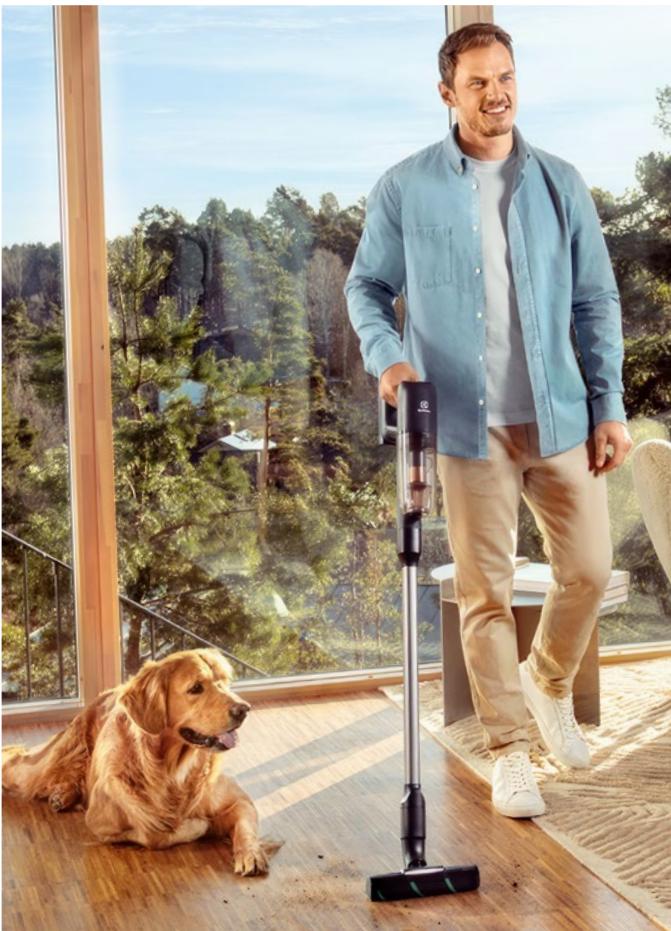
#### Progress on Goal: Make clothes last twice as long with half the environmental impact

Roadmap to 2030	Progress in 2023	Next steps	Status
Help consumers extend the life of their clothes and help them better care for their clothes in general.	Solutions such as 3D Sense technology in driers and power jets in ColourCare washing machines can help consumers to reduce energy use in the home.	Continue to deliver products, solutions and campaigns that can help consumers take better care of their clothes.	<span style="color: green;">●</span>
Reduce environmental impact during garment care.	Solutions include a new microplastic filter that can help capture microplastics from wastewater systems and potentially the environment AutoDose can help consumers use less detergent SteamCare washing machines can help to refresh clothes in a water-efficient way.	Continue to develop products that can help consumers to make their garments stay fresher for longer.	<span style="color: green;">●</span>

● On track   ● Additional effort is required   ● Off track   ○ Work has not yet begun

#### Challenges

- Reaching consumers with new information and changing long-standing outdated consumer laundry habits.
- Increasing the uptake of new innovations in solutions that provide opportunities for consumers to practice more sustainable laundry care.



## 2023 HIGHLIGHTS

- Six products for wellbeing at home won Red Dot and IF Design awards.
- New dehumidifiers in North America received “ENERGY STAR Most Efficient” mark.
- More sustainable packaging introduced for all new floor and air care products in the EU and APAC.

<sup>1)</sup> WHO. Billions of people still breathe unhealthy air: new WHO data. [who.int/news-room/04-04-2022-billions-of-people-still-breathe-unhealthy-air-new-who-data](http://who.int/news-room/04-04-2022-billions-of-people-still-breathe-unhealthy-air-new-who-data)

<sup>2)</sup> Sustainable Energy for All. [seforall.org/data-stories/the-cooling-dilemma](http://seforall.org/data-stories/the-cooling-dilemma)

# Make the home a healthier place to thrive in, with half the carbon footprint

By leveraging adaptive technologies, new business models and inspiration for smarter consumer habits, Electrolux Group aims to spearhead solutions by 2030 that contribute to healthier homes with half the carbon footprint. By fast-tracking the rollout of these solutions in all markets, the Group will enable more people to benefit from more comfortable indoor environments with cleaner air, water and surfaces.

### The case for action

According to the World Health Organization, almost the entire global population breathes air that exceeds air quality limits.<sup>1)</sup> Therefore, optimizing the indoor environment where people spend most of their time is becoming increasingly important for many.

According to Electrolux Group consumer research summarized in [the 2019 Better Living Report](#), four out of five consumers mention air quality and cleanliness as two of the most important factors for wellbeing at home. However, only 39% of people feel empowered to improve their indoor air quality.

As global temperatures are increasing, there is a growing need for temperature control appliances – particularly in emerging markets – increasing global energy use and carbon emissions. The number of air conditioners in use is expected to grow from 1.2 billion today

to 4.5 billion by 2050,<sup>2)</sup> which would increase emissions from such appliances by 90% by 2050 compared with 2017 levels.

Electrolux Group is in a position to drive societal change that can improve the home environment for people around the world.

[Read about Electrolux Group’s approach to the material topics related to this Goal on page 73.](#)

### Progress on making the home a healthier place to thrive in, with half the carbon footprint

In 2023, the Group focused on refining its wellbeing product development roadmaps to better reflect its sustainability priorities. This involved bringing together a broad cross functional team to map all relevant sustainability attributes and use this to build a detailed checklist that will ensure sustainability is an integral part of all product development projects going forward.

During the year, Electrolux Group further explored the creation of a Wellbeing Index to measure the elements of clean air, comfortable air, clean water, comfortable water and clean floors. The Group will continue to develop the index during 2024.

## Solutions for healthier and more sustainable homes

Electrolux Group offers various consumer air, water and floor products and solutions that can make the indoor environment healthier and enable consumers to care for it more sustainably. This includes products such as vacuum cleaners, air purifiers, air conditioners and dehumidifiers. Relevant examples from 2023 include:

- **Award-winning wellbeing products** – during the year, six wellbeing products won Red Dot and IF Design awards. These products included more sustainable solutions such as molded in color plastics to avoid the need for surface paint and/or contain a significant proportion of recycled content. The IF Design award winners in particular scored highly in the sustainability and impact criteria.
- **Electrolux UltimateHome 500 2-in-1 air purifier** – promotes wellbeing in the home by ensuring good air quality and humidity. The product uses molded in color plastic to avoid the need to use surface paint on any of its color variants and won a Red Dot Award in 2023.
- **Advances in cordless vacuum cleaners** – have included removable and replaceable batteries and upgraded motors to improve product longevity. The Ultimate 700/7000 is the lightest ever Electrolux Group vacuum cleaner weighing between 1.9 and 2.2 kg, depending on model. The cleaner is ergonomically balanced to make it easy to clean smaller living spaces. The product is a Red Dot 2023 Award winner and uses up to 60–70% recycled plastic,<sup>1)</sup> depending on model and region. Both the Ultimate 700 and 7000 series, as well as the Ultimate 800 and 8000 series of products, offer a sealed filtration system to remove up to 99.9% of particles (between 0.3 µm–10 µm in size) from the home environment.
- **Electrolux Clean 600 series / AEG Hygienic 6000 canister vacuum cleaner** – uses paint-free surfaces and is made with up to 65% recycled plastics.<sup>1)</sup> The cleaner also has an inclusive and ergonomic design to allow the consumer to easily operate the cleaner without bending. The product won an IF Gold award and a Red Dot Award in 2023.
- **Highly efficient dehumidifiers** – launched by the Group in North America in 2023 received the “ENERGY STAR Most Efficient” mark, which is designed to recognize and promote the most efficient products of that program. To qualify for this mark, products are required to be at least 19% more efficient than the federal minimum, offering savings of at least 100 kWh/year. The Group also continued its switch toward refrigerants in dehumidifiers with lower climate impact in North America as well as in APAC & MEA.
- **New generation of inverter air conditioners launched in Brazil** – that filters out up to 99.9% of allergens, bacteria and fungus while offering consumers energy savings of up to 80% in higher capacity models.<sup>2)</sup> As part of the Group’s partnership with the UN Cool Coalition, this new product switched refrigerants from R410a to R32,

which is a gas with 67% less climate impact and that also enables greater product efficiency. Prolonged product durability is a design feature with an anti-corrosion treatment to the outdoor unit to help it to endure the humid Brazilian climate.

- **Redesigned electric water heaters for greater efficiency** – by increasing the amount of insulation and added smart controls to make it easier for consumers to use the product in a more energy efficient manner. The water heaters offer energy savings up to 13% compared with the previous range.
- **Consumables and accessories** – During 2023, the Group made progress on delivering more sustainable consumables and accessories for its floor and air care products. In floor care, the Group began using post-consumer recycled polypropylene in many configurations of its plastic dust bag collars and used 55 metric tons of this material in 2023. These are sold under both generic and private label brands across Europe. During the year, the Group also began to work in a more connected and holistic way on the interrelationship between finished product and consumables and accessories to ensure that sustainability and innovation are cornerstones of the complete commercial concept.

## Raising consumer awareness

Better informing consumers can help them make their indoor environment healthier while reducing environmental impact:

- **Smart modes for efficient use** – canister vacuum cleaners with a smart mode use up to 40% less energy when this mode is enabled. Floor care products with a smart mode use sensors to detect the surface type and adjust the suction power accordingly to deliver an efficient cleaning experience. Portable air conditioners and dehumidifier products enabled with smart modes operate on the basis that when temperature and humidity are aligned, less forceful cooling is required, which saves energy. Auto mode sensors are also present in air purifiers, allowing the product to better monitor and respond to indoor air pollution.
- **Electrolux and AEG EcoLine** – Electrolux and AEG EcoLine Eco-Line floor care products include the 700 and 800 cordless vacuum cleaners, and the Pure D8.2 and Pure D9 air purifiers. The selection also includes the Pure A9, Pure Multi 700, Comfort 600, Chillflex PRO, Chillflex GOLD, Chillflex SILENCE and Well P7 air conditioners.

## Partnerships

Collaborating with other partners can amplify the Group’s contribution to promoting healthier and more sustainable homes. For example, it partners through:

- **Cool Coalition** – as part of this UN initiative, Electrolux Group has phased out high-impact greenhouse gases from 97% of its prod-



Air purifiers can significantly improve air quality and wellbeing in the home.

ucts with refrigerants. In the case of Wellbeing products, the Group replaced high GWP gases in production for all products serving major markets by the end of 2023. In some smaller markets, local codes and legislation currently limit opportunities for products with low and very low GWP gases.

- **United for Efficiency** – working with other global companies and the UN to help more countries implement product efficiency standards.
- **Stena Circular Consulting** – the Group continued its collaboration with Stena in 2023 by conducting an insightful study together with key actors in the value chain on urban mining. The study helped to better understand the potential to design for the recycling and recovery of critical raw materials from Electrolux Group products.

<sup>1)</sup> For the parts made of plastic.

<sup>2)</sup> Compared with Electrolux Group fixed speed air conditioners.

**Progress on Goal: Make the home a healthier place to thrive in, with half the carbon footprint**

Roadmap to 2030	Progress in 2023	Next steps	Status
Inspire better home care habits by providing solutions that actively guide consumers toward more sustainable habits in caring for their home.	More smart modes introduced to air and floor care products. More energy efficient dehumidifiers launched in North America. New more energy efficient air conditioners in Brazil.	Further develop solutions that enable and inspire consumers on more sustainable home care habits. Work with digital solutions to explore opportunities to further guide consumers.	<span style="color: green;">●</span>
Work to increase awareness of issues around air and water hygiene, to ensure that solutions are effective and broadly accessible.	The Group's dedicated advanced development teams are continually exploring opportunities to integrate improvements in filtration, materials and technology.	Continue to ensure more sustainable solutions that benefit the consumer are incorporated into product development processes.	<span style="color: green;">●</span>
Continue to provide innovation that makes it possible for consumers to reduce environmental impact during usage – to bridge the gap between the need for comfort and care for the planet.	Electrolux Group's innovation landscape and processes have been revitalized to create a vibrant and dynamic internal community that ensures innovation and sustainability are important considerations in new product developments.	Continue to evolve the Group's well-developed portfolio management to deliver a pipeline of innovative and more sustainable solutions.  Continue to develop a wellbeing index to measure the portfolios potential to ensure improved product and environmental performance.  Further explore opportunities to leverage digital capabilities to influence product impact.	<span style="color: yellow;">●</span>

● On track   ● Additional effort is required   ● Off track   ○ Work has not yet begun

**Challenges**

- Connecting with end consumers may require a technological and even legal evolution in some markets.
- Increasing the adoption of more sustainable heating and cooling solutions in markets with limited ambitions and regulations.

# Climate Goals

The Group's ambitious Climate Goals focus on its major impacts – to prevent millions of metric tons of greenhouse gases from entering the atmosphere.

## The case for action

Tackling climate change by reducing greenhouse gas emissions is one of the most urgent challenges facing society. According to the latest Intergovernmental Panel on Climate Change (IPCC) Report (Climate Change 2023: Synthesis Report<sup>1)</sup>), human activity is already changing the climate in unprecedented ways. The report calls for strong and sustained action to limit climate change.

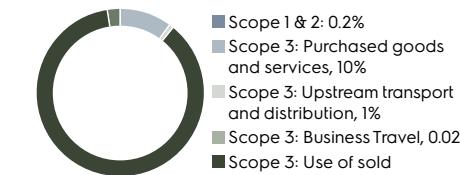
As product energy use is responsible for approximately 85% of Electrolux Group's climate impact,<sup>2)</sup> product efficiency is where the Group can make its greatest contribution to tackling climate change. Electrolux Group is also reducing carbon dioxide emissions from its own manufacturing facilities as well as from transportation, materials used in products and business travel. In addition, the Group can

make a difference by eliminating the use of hydrofluoro-carbons (HFCs) in refrigerators, air conditioners and products with heat pumps. HFCs are gases with a high Global Warming Potential (GWP) still used in some countries due to regulatory or technical barriers to alternative solutions. [Read about the Group's work to replace high-impact greenhouse gases in the Goal Eliminate harmful materials on page 40.](#)

<sup>1)</sup> Intergovernmental Panel on Climate Change (IPCC). ipcc.ch/report/sixth-assessment-report-cycle/

<sup>2)</sup> Based on global Electrolux Group lifecycle assessment data.

## Average carbon dioxide impact during the lifetime of appliances<sup>3)</sup>



The product life cycle perspective guides how to best reduce climate impacts. The greatest carbon emission impacts in the Electrolux Group value chain occur from energy consumption when products are used. See page 54 for more details on the company's Climate Goals.

<sup>3)</sup> The graph is based on the Group's total carbon dioxide impact in 2021 which was used for setting its second science-based climate target

## New expanded science-based target 2021-2030 approved in 2023

### Carbon emission reduction targets



### SBT 1 (Base year 2015)

Scope 1, direct emissions

Scope 2, indirect emissions

Scope 3, other indirect emissions, including the category:

- Use of sold products

### SBT 2 (Base year 2021)

Scope 1, direct emissions,

Scope 2, indirect emissions, energy

Scope 3, other indirect emissions, including the categories:

- Purchased goods and services (new)
- Upstream transportation and distribution (new)
- Business travel (new)
- Use of sold products

## Climate Goals

Electrolux Group's long-term ambition is to ensure that its entire value chain is net zero by 2050. This supports the UN Global Compact – Business Ambition for 1.5°C, which Electrolux Group President and CEO Jonas Samuelson has signed.

Having achieved its 2025 science-based climate target to reduce 80% of absolute emissions in operations (scope 1 and 2) and 25% emissions reduction in the use phase of sold products (scope 3) with baseline 2015, three years ahead of plan in 2022, Electrolux Group got its second science-based target approved in 2023.

Electrolux Group's second science-based target aims to reduce the emissions from its operations (scope 1 and 2) by 85% by 2030. The aim is to reduce absolute scope 3 emissions by 42% between 2021 and 2030, and scope 3 emissions were broadened to include the use of sold products, materials, transport of products and business travel. This second climate target replaces Electrolux Group's first climate target, and the Group will only report on its climate progress in relation to this new target from 2023.

With this second science-based target in place, the Group aims to achieve a 97% emissions reduction in operations (scope 1 and 2) by 2030 compared with the baseline 2015. The Group's science-based climate target is aligned with the 2015 Paris climate agreement, which aims to keep the global temperature rise in line with a 1.5°C trajectory to avoid the most severe impacts from climate change.

In this report, 2021 is used as base year for the new science-based target Total scope 1 and 2 emissions in 2021 amounted to 103 ktons CO<sub>2</sub>. Operational control has been used as a consolidation approach.

## Progress on Climate Goals

### Scope 1 and 2 emissions

By the end of 2023, Electrolux Group had reduced its absolute scope 1 and 2 greenhouse gas emissions by 33% compared to 2021.

[Read more about the Group's scope 1 and 2 emissions in the Goal Drive resource-efficient operations on page 12.](#)

### Scope 3 emissions

In 2023, the Electrolux Group science-based target scope 3 emissions related to "Use of sold products", were reduced by 28% compared to 2021. Emissions are calculated based on annual energy consumption (as defined by standard legislation models for each major market), sales volumes per category, IEA's WEO 2021 emission scenario factors per region, and estimated product lifetime. This methodology and the data quality are evolving and improving over time.

### Initiatives to reduce emissions

#### Scope 1 and 2

- Resource and energy efficient manufacturing.
- Increased share of renewable energy.
- Phase-out of fossil fuels in operations.
- Hydrofluorocarbon (HFC) phase-out

#### Scope 3

- Supply chain initiatives i.e. collecting supplier CO<sub>2</sub> data.
- Transition to greener logistics (biofuel and electrification).
- Use of more sustainable materials, for example recycled plastics and green steel.
- Increased product efficiency.
- Hydrofluorocarbon (HFC) phase-out

### What are scope 1, 2 and 3 emissions?

The Group uses definitions in line with GHG Protocol:

**Scope 1** – emissions produced directly by an organization, for instance through the combustion of fuels, e.g. natural gas combustion for manufacturing processes.

**Scope 2** – includes indirect emissions generated through the consumption of purchased energy, e.g. through electricity use.

**Scope 3** – other indirect emissions due to the activities of an organization, but that are produced and controlled by a different emitter, e.g. emissions resulting from the use of a company's products.

### Direct and indirect CO<sub>2</sub> emissions

	GRI 305-1 – scope 1	GRI 305-2 – scope 2	Total CO <sub>2</sub> e (metric ktons)
	Direct CO <sub>2</sub> e emissions (metric ktons)	Indirect CO <sub>2</sub> e emissions (metric ktons)	
2023	61	8	69
2022	73	10	83
2021	83	20	103
2020	77	35	112
2019	140	59	199

Greenhouse Gas Protocol and World Resource Institute methodologies have been used to calculate CO<sub>2</sub> emissions.

### Phase-out of high-impact greenhouse gases

Electrolux Group is working to phase out the use of HFCs that have a high GWP but can be replaced by hydrocarbon refrigerants that have a lower climate impact. [Read about the Group's progress in the Goal Eliminate harmful materials on page 40.](#)

In Europe, the Group's new highly efficient range of heat pump driers uses a hydrocarbon refrigerant in their compressors instead of an HFC refrigerant. Following the phase-out of HFCs in refrigerators ahead of legislation in Australia and several countries in Asia, Electrolux Group is in the process of phasing out HFCs in other markets in the region.

### Emissions of ozone-depleting substances (ODS)<sup>10</sup>

	Production	Refrigerant	Foaming	Total (kg CFC-11 eq)
2023	3.3	0	0	3.3
2022	0.82	0.01	0	0.83
2021	3.8	0	0	3.8
2020	5.5	0	0	5.5
2019	4	0	0	4

<sup>10</sup> World Resource Institute methodologies have been used to calculate CFC-11 eq emissions. R22 gas use contributes to emissions.

### CDP

In 2023, the global non-profit CDP awarded Electrolux Group an A score for its work to tackle climate change, and A- for its work on water security.



## Progress on the Climate Goals

Roadmap to 2030	Progress in 2023	Read more in the relevant Goals	Status
Be a leader in product efficiency in the Group's most important markets.	The Electrolux and AEG EcoLine selection includes some of the Electrolux Group's most energy-efficient products in Europe.	➤ Lead in energy- and resource-efficient solutions on page 34.	●
Eliminate high-impact greenhouse gases from Electrolux Group products.	In Europe, the Group's new highly efficient range of heat pump driers uses a hydrocarbon refrigerant in their compressors instead of an HFC refrigerant.	➤ Eliminate harmful materials on page 40.	●
Improve efficiency throughout the Group's operations and supply chain.	Electrolux Group had implemented the ISO 50001 energy management system at 85% of its factories by the end of 2023.	➤ Drive resource-efficient operations on page 12.	🟡
Increase the proportion of renewable energy for the Group's operations to 65% by 2025.	60% of the Group's energy came from renewable sources.	➤ Drive resource-efficient operations on page 12.	●

● On track   ● Additional effort is required   ● Off track   ○ Work has not yet begun

## Challenges

- Consumer awareness of the benefits of using more efficient products – particularly in markets without energy labels.
- With already high product efficiency in Europe, the cost of further product improvements increases while new efficiency savings are more difficult to achieve.
- Various energy-efficiency standards around the world make it difficult to apply worldwide best practice.
- Global data management complexity.
- Driving the phase-out of chemicals where it is not supported by regulation.

- Replacing high-impact greenhouse gases needs to be driven industry-wide as solutions are dependent on legislation to enable viable alternatives.
- Following over a decade of prioritized investments with good payback periods, it is becoming increasingly challenging to realize continuous improvements in energy and water efficiency with acceptable payback periods.
- Phasing out fossil fuels is a challenge in high temperature processes due to the lack of technical and economically viable alternatives.



# External context

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# Global megatrends

Electrolux Group's long-term strategy is based on key industry trends that pose challenges for its business – as well as enormous opportunities.

The Group's sustainability framework – For the Better 2030 – helps manage these trends, and ensures it contributes toward international sustainable development objectives including the UN Sustainable Development Goals.

## Global megatrends

## Implications for Electrolux Group

### Consumer power

Greater access to information is empowering consumers who are increasingly choosing brands with a purpose that they feel matches their own values.

- Greater consumer empowerment and awareness requires transparency and sustainable business practices.
- Ongoing need to improve the environmental performance of products to meet consumer demands.
- Growing attention to brand performance in areas such as diversity and labor standards for factory workers.

### Digitalization

Digitalization enhances consumer power, while enabling increasingly advanced products and direct contact with consumers as well as greater productivity and flexibility in industrial operations.

- Digitalization will drive the next wave of operational efficiency, including closer integration with suppliers.
- Connectivity offers opportunities for circular business models that result in greater resource efficiency.
- IoT enables a lifelong relationship between producers and consumers but requires high standards of data security and privacy.

### Sustainability

Consumers and authorities are increasing their demands on manufacturers to develop and offer more sustainable products. There is also an urgent need to reduce greenhouse gas emissions and work within planetary boundaries.

- Continued need to improve the environmental performance of products.
- Growing importance of circular solutions.
- Pressure to reduce water consumption in areas with water scarcity.
- Expectations to go beyond chemical legislation.

### Global demographic trends

Population growth, the growing middle class, an aging population and urbanization – are increasing the demand for home appliances. By 2030, the global middle class is expected to increase by 1.3 billion people compared with 2023.<sup>10</sup> Globalization and the growth of generation Z are leading to an increased focus on inequality in the world.

- Significant growth potential in emerging markets.
- Growing importance of older consumer groups and the increasing number of smaller households.
- Potential for new business models, e.g. shared ownership.
- Growing focus on the fair treatment of employees.

<sup>10</sup> European Commission. Supporting policy with scientific evidence. knowledge4policy.ec.europa.eu/growing-consumerism\_en

# Forthcoming and proposed legislation

Electrolux Group's business will be affected by new legislation that will come into force in the coming years.

Key proposed and forthcoming legislation includes:

## Products

### EU:

- New stricter energy efficiency limits for washing machines, washer/dryers, refrigerators, freezers and dishwashers apply from March 1, 2024. New Eco-design rules plus revised energy labels are being developed for dryers, ovens, hobs, hoods, air-conditioners, vacuum cleaners, fans and displays, as well as stricter requirements for standby power.
- A Sustainable Products Regulation (ESPR) has been proposed by the EU Commission. It includes a digital Product Passport to accompany each product during its lifecycle and that is to be updated at its repair or refurbishment phase. The passport may include information such as recyclability, recycled content, durability, reusability, refurbishment, repairability, chemical content, carbon footprint and material content provided by the supply chain.
- Stricter legislation for batteries and battery products.

### US:

- The Association of Home Appliance Manufacturers (AHAM), together with consumer, climate, and energy and water efficiency advocates, reached an agreement on a consensus plan to improve energy and water efficiency for refrigerators and freezers, beverage and wine chillers, clothes washers, clothes dryers, dishwashers and cooking products. The jointly recommended standards, if adopted by the US Department of Energy, are projected to save more than nine quadrillion Btu of energy – reducing costs for families and cutting greenhouse gas emissions while allowing home appliance manufacturers to continue to deliver highly efficient products with the features that consumers want and expect. The effective dates for the new standards will range from 2027 to 2030 depending on the product category.

### Brazil:

- Refrigerator power consumption to be 30% lower at the end of 2025 and 61% lower by 2030.

### Australia:

- New energy efficiency test standards for washers, dryers and dishwashers. The standards are likely to be implemented in 2024.

## Circular economy

### EU:

- By December 2025, the EU Commission will present a proposal for mandatory microfiber filters in washing machines (discussions are ongoing on microfiber filters in other regions).
- Revised WEEE Directive (electronic waste) and packaging legislation.
- Revised REACH/RoHS rules on chemicals. Restrictions on PFAS.
- Citizens' "right to repair" of consumer goods.
- A Critical Raw Material Act has been proposed by the Commission. The obligations will start with product labelling obligations.
- Unfair Commercial Practices Directive to establish stricter requirements for green claims.
- Deforestation Regulation requiring due diligence for wood, paper, cardboard and rubber material and parts from December 30, 2024. A new registration system will be introduced for the import and export of items. The requirements also apply to the trading of items within the EU.

### Australia:

- Stage 2 of the Western Australia Plan for Plastics came into effect on February 27, 2023. Part of the regulation includes an expanded polystyrene ban for molded packaging which will be enforced from July 1, 2025.

## Climate

- High-impact greenhouse gases are being phased out under the UN Montreal Protocol. More stringent legislation is already in place in Europe and will be introduced in the US and Asia Pacific.

### EU:

- Revision of the CO<sub>2</sub> trading scheme (ETS), and the introduction of a Carbon Border Adjustment Mechanism (CBAM) for the import of steel and aluminum raw materials and parts. CBAM certificates need to be purchased to allow the import of such parts and materials to the EU. The revised ETS legislation will require EU steel, aluminum and electricity producers to start purchasing emission permits from 2026. The cost of CBAM certificates will follow the cost of ETS permits. The cost of raw materials will increase depending on the amount of CO<sub>2</sub> intensity of their production.

## Human rights

### EU:

- New regulation regarding mandatory Corporate Sustainability Due Diligence Directive (CSDDD). The scope covers both human rights and environmental impacts and risks.

## General

### EU:

- The Corporate Sustainability Reporting Directive (CSRD).
- Smart appliances, data security, AI and privacy.
- The Green Claims Directive and amendments to the Unfair Commercial Practices Directive.

# Electrolux Group and the UN Sustainable Development Goals

The Sustainable Development Goals (SDGs) provide the global community with a roadmap for how to combat global challenges related to economic, social and environmental sustainability. The initiative has gained broad acceptance and has encouraged initiatives from businesses and other stakeholders.

Electrolux Group's sustainability framework – For the Better 2030 – contributes to several of the SDGs. This chapter describes the Group's most relevant SDGs and how it contributes toward them through its Goals.

## The Group's most relevant SDGs

As a sustainability leader in the appliance industry, Electrolux Group believes it can make the greatest contribution to SDGs 8, 12, 13 and 17. The correlation between the UN SDGs and the Electrolux Group sustainability framework shows that the Group's materiality analysis is aligned with societal sustainability objectives.



## SDG 8 – Decent work and economic growth

Providing decent work and economic growth is related to the Group's manufacturing operations. The Electrolux Group Workplace Policy and Supplier Workplace Standard set out decent labor standards as a requirement for the Group's operations and suppliers.

### Relevant SDG sub targets

- 8.5 – By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.
- 8.8 – Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

## SDG 12 – Responsible consumption and production

Promoting responsible consumption and production is the most significant SDG for Electrolux Group. The Group strives to bring more resource-efficient products, manufactured in a sustainable way, to as many people as possible around the world. Electrolux Group has set ambitious targets to reduce the footprint of its products and production, including suppliers. The Group also increasingly considers the end-of-life phase of its products by designing for reparability and recyclability, and by offering repair services and product take-back.

Additionally, a key focus of the Group's community investment program, is encouraging consumers to adopt more sustainable eating habits at home – such as wasting less food or adopting a more plant-based diet. [Read more about the Group's community investment work in the Goal Act ethically, lead in diversity and respect human rights on page 16.](#)

Electrolux Group products and campaigns promote more sustainable fashion by helping consumers to adopt gentler garment care and make clothes last longer. This helps to reduce the amount of waste garments and the need to produce new garments. [Read more in the Goal Make clothes last twice as long with half the environmental impact on page 46.](#)

Electrolux Group's products and campaigns also encourage consumers to waste less food. [Read more in the Goal Make healthy and sustainable eating the preferred choice on page 43.](#)

### Relevant SDG sub targets

- 12.2 – By 2030, achieve the sustainable management and efficient use of natural resources.
- 12.3 – By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.
- 12.5 – By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

## SDG 13 – Climate action

The Group's action on climate change is reflected in its Climate Goals to reduce its CO<sub>2</sub> footprint, including product usage, production and transportation. Electrolux Group is committed to achieving its science-based emission target. [Read more about the Group's Climate Goals on page 52.](#)

### Relevant SDG sub targets

- 13.3 – Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

## SDG 17 – Partnerships for the Goals

Electrolux Group engages in numerous partnerships to work toward the SDGs:

- UN Global Compact
- United4Efficiency
- Cool Coalition
- US Environmental Protection Agency-led SmartWay
- Smart Freight Center - Clean Cargo initiative
- Decarbonization of ocean transport, Aspen Institute
- United Nations Women's Empowerment Principles (WEPS)
- Workplace Pride
- 50L Home Coalition
- Swedish Life Cycle Center
- University of Exeter's Centre for Circular Economy
- Stena Circular Consulting

The Electrolux Food Foundation partners with Worldchefs, AIESEC, and the Red Cross and Red Crescent Movement.

### Relevant SDG sub targets

- 17.16 – Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries.
- 17.17 – Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.



## Other relevant SDGs

Electrolux Group additionally strives to contribute to other SDGs through its solutions, operations and societal engagement.

## SDG 3 – Good health and wellbeing

The Group prioritizes health and wellbeing in its operations by promoting health and safety among employees and contractors. It also provides solutions for more healthy and sustainable living for more people in the home.

## SDG 4 – Quality education

The Electrolux Food Foundation and its global partnership Feed the Planet offer vocational culinary training to help the unemployed to enter the labor market, raise awareness on sustainable food habits and work with schools around the world.

## SDG 5 – Gender equality

The Group focuses on gender diversity and aims to continuously improve its proportion of female leaders at all levels. Several of the Group's social investment projects also empower women in society.

## SDG 6 – Clean water and sanitation

Electrolux Group provides a range of domestic appliances that help to conserve local water resources. The Group's laundry products promote sanitation in homes and it endorses the UN's CEO Water Mandate and report annually on its progress in implementing the mandate's six elements.

The Group assesses the water risks for all its operations, identifies factories in water-scarce areas and sets water savings requirements. Some of its plants recycle process water, are closed loop in terms of reusing process water, and harvest rainwater for use in processes.

## SDG 7 – Affordable and clean energy

Electrolux Group is working to increase its use of electricity and energy from renewable sources.



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# Double materiality process

The For the Better 2030 sustainability framework includes Electrolux Group's material sustainability topics, which identify the environmental, social, financial and governance impacts, risks and opportunities for the Group.



## Better Company

### Drive resource-efficient operations

En Wt Em Ws

### Act ethically, lead in diversity and respect human rights

An In No Oc TE Em La Se Gr Ci Pu

### Drive supply chain sustainability

Tr En Wt Em SE SA TE



## Better Solutions

### Lead in energy- and resource-efficient solutions

En Wt Em

### Offer circular products and business solutions

Ma Ws

### Eliminate harmful materials

Ma Ha Em



## Better Living

### Make healthy and sustainable eating the preferred choice

Ws En Wt Ma TE

### Make clothes last twice as long with half the environmental impact

Ws En Wt Ma TE

### Make the home a healthier place to thrive in, with half the carbon footprint

En Wt Em Ma TE

The Group has identified and continuously monitors its material topics to ensure it addresses its impacts on stakeholders and the planet, as well as impacts on its business. This is done through an annual analysis of the input from key external and internal stakeholders on material topics. The input is collected through engagement and dialogue with stakeholders, as well as by monitoring the Group's business and industry peers and the relevant trends and drivers (read more in *Global megatrends* on page 56).

The annual analysis of materiality topics is conducted by the Group's sustainability experts together with Investor Relations and HR and draws on stakeholder engagement, business context, business strategy and relevant publications. The results of the analysis are reported to the Sustainability Board. The Sustainability Board informs Group Management. The President & CEO and the Chief Technology & Sustainability Officer inform the Electrolux Group Board. Revisions are made when the long-term business strategy is updated. These are approved by the Electrolux Group Board. (Read more on *Governance* on page 81.)

The double materiality process helps the Group to understand and act upon stakeholder input, the Group's impact on people and the environment, and the potential risks and opportunities for the business. This enables Electrolux Group to improve its ability to create and sustain societal value in the long term. The double materiality process was done in alignment with the Global Reporting Initiative (GRI) guidelines and was also inspired by the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). No changes since last year, re-formulation of topics.

The criteria to select the material topics for Electrolux Group, and thereby the decision to include them in its sustainability framework are determined by:

- Positive and negative impact on people and the environment caused by the Group's activities throughout the value chain.
- Financial risks and opportunities.
- How the impacts, risks and opportunities relate to each other.

## Material sustainability topics aligned with the Global Reporting Initiative (GRI)

### Economic

An Anti-corruption, anti-competitive behavior

### Environment

Tr Transport

Ma Materials

En Energy

Ha Harmful materials

Wt Water

Em Emissions

Ws Waste

SE Supplier environmental assessments

### Social

In Investments

No Non-discrimination, child labor, forced or compulsory labor

Oc Occupational health and safety

TE Training and education

Em Employment, diversity and equal opportunities

La Labor and management relations

SA Supplier assessment for labor practices and human rights

Se Security practices

Gr Grievance mechanisms

Ci Community investment

Pu Public policy

# Stakeholders inform the Group's approach

Electrolux Group has ongoing dialogue with a wide range of internal and external stakeholders on its material topics. Stakeholder engagement helps the Group assess its impact, risks and opportunities.

Electrolux Group collects input from key external and internal stakeholders, business context and strategy and relevant publications.

## Stakeholder priorities and the Group's response

Electrolux Group has systematic contact with major stakeholder groups. Stakeholder engagement enables the Group to evaluate and adapt its impact, risks and opportunities. The For the Better 2030 framework and its Goals require improvements throughout the Group's value chain – from sourcing to product end-of-life.

Consequently, the Group cannot deliver on its ambitions alone and engagement with consumers, customers, employees, investors, suppliers, industry peers, other industries and NGOs is crucial. Working with these selected stakeholder groups provides Electrolux Group with the best opportunities to address its impacts on society.

Stakeholder	Form of engagement	How impact is addressed	Relevant GRI material topics
Consumers	<b>Surveys and specific campaigns.</b> Consumer surveys in key markets to understand perceptions on sustainability – particularly when developing a new campaign or to fill a gap in knowledge. Brand and consumer awareness campaigns on more sustainable living – such as to promote more energy-efficient products or encourage consumers to waste less resources.	Input supports the development of solutions and services.	En Wt Em Ma Ci
Customers	<b>Dialogue.</b> Sustainability engagement is becoming more long-term and strategic. Ongoing engagement with customers and key stakeholders to share learnings and discuss sustainability and the Group's products and operations.	Input supports collaboration on chemical handling, recycling, supply chain monitoring, energy efficiency and recyclability.	En Wt Ws
Investors	<b>Dialogue and interviews.</b> In response to significant growth in ESG investments, Electrolux Group engages with investors and shareholders on sustainability topics through regular meetings and investor dialogue. Eight of the Group's ten largest shareholders are signatories to the UN Principles for Responsible Investment	Input addressed in the Sustainability Report, CDP, TCFD, EU Taxonomy and Green Financing Framework.	An En Wt In No Oc La Gr Ci Pu
Employees	<b>Employee engagement.</b> Annual employee survey and pulse surveys gather employee perceptions and feedback.  Structured dialogue between management and employee representatives and unions. Topics include updates on restructuring plans, feedback on business development, audit outcomes, human rights assessments, Ethics Helpline, and Health and Safety performance.  Confidential interviews and round table discussions.  Global intranet and employee app.	Input informs action plans, audits and follow up.	An En Wt No Oc TE Em La Se Gr Ci

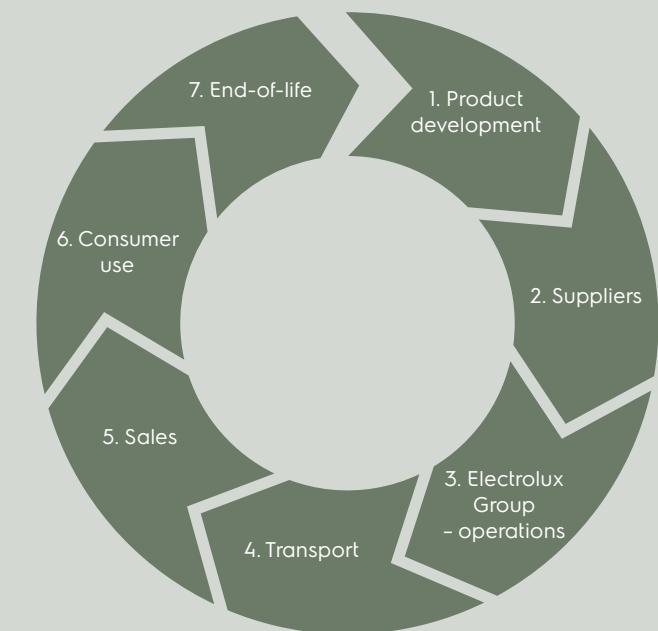
Stakeholder	Form of engagement	How impact is addressed	Relevant GRI material topics
<b>Suppliers &amp; suppliers' employees</b>	<p><b>Dialogue and interviews.</b> During the Responsible Sourcing and Quality auditing and assessment work, the Group proactively works with suppliers to understand the topics of greatest importance and concern to them. It also helps suppliers to improve their performance through training and dialogue. Workplace Policy workshops for suppliers and regular regional Supplier Sustainability Days provide further opportunities for interaction.</p> <p>The annual global Supplier Award Day celebrates the most innovative and efficient suppliers allowing engagement with top management and key functions. The Supplier Award Day includes a Supplier Sustainability Award. Best practices in transport management are shared with the logistics industry, i.e. through Electrolux Group's membership in the US Environmental Protection Agency-led SmartWay, with a commitment to reduce road transport emissions; Clean Cargo, which focuses on reducing the impact of sea transport; and the decarbonization of ocean transport initiative by the Aspen Institute.</p>	Input informs audits and follow up as well as workshops and training.	<span style="color: #4F81BD;">An</span> <span style="color: #A9C42D;">Tr</span> <span style="color: #4CAF50;">SE</span> <span style="color: #FFB703;">No</span> <span style="color: #FF9800;">Oc</span> <span style="color: #FFC107;">TE</span> <span style="color: #E91E63;">Em</span> <span style="color: #FFB703;">La</span> <span style="color: #FFB703;">SA</span> <span style="color: #FF9800;">Se</span> <span style="color: #FFC107;">Gr</span>
<b>Industry peers</b>	<p><b>Dialogue and best practice sharing.</b> The Group conducts competitor analyses and shares best practice within various organizations such as APPLiA, Teknikföretagen and the Swedish Network for Business &amp; Human Rights.</p>	Input supports development of best practice in respective areas.	<span style="color: #4F81BD;">An</span> <span style="color: #4CAF50;">Tr</span> <span style="color: #FFB703;">In</span> <span style="color: #FF9800;">No</span> <span style="color: #FF9800;">Oc</span> <span style="color: #FFC107;">La</span> <span style="color: #FFB703;">SA</span> <span style="color: #FFC107;">Pu</span>
<b>NGOs, academia, governmental organizations</b>	<p><b>Dialogue.</b> Dialogue with experts on human rights and labor rights – including advocacy groups, local representatives of international organizations, academia and embassies. Engagement in the European Environmental Bureau on energy efficiency and labeling.</p> <p>Discussions at various multi-stakeholder events on circularity.</p> <p>Updates on national or regional policies and regulations.</p>	Input from experts and civil society supports local impact assessments, serving as proxies for affected communities. Input supports the development of policies, products, technologies, recycling and labeling procedures.	<span style="color: #4F81BD;">An</span> <span style="color: #4CAF50;">En</span> <span style="color: #FFB703;">Wt</span> <span style="color: #FF9800;">Em</span> <span style="color: #FFC107;">Ci</span> <span style="color: #FFC107;">Pu</span>

# Impacts throughout the value chain

A value chain perspective on sustainability helps to identify how Electrolux Group can best manage its impacts and risks – to create optimal value throughout the household durables industry. Aligned with the For the Better 2030 framework and the GRI standards, this approach makes it easier to identify risks and opportunities, address impact or enhance positive impact. It also helps to understand the interrelation between impact, risks and opportunities.

Electrolux Group is a leading global domestic appliance manufacturer that sells household products in over 120 markets every year. The Group's products include refrigerators, freezers, ovens, cookers, hobs, hoods, microwave ovens, dishwashers, washing machines, tumble dryers, vacuum cleaners, air conditioners, air purifiers and small domestic appliances. Products are primarily sold through retailers. The company is active in Europe, Asia-Pacific, Middle East and Africa, North America and Latin America.

Electrolux Group has a global supply chain consisting of around 1,700 direct material and original equipment manufacturers (OEMs) suppliers around the world. The illustration represents the Electrolux Group value chain. [Read more on how the material topics are managed in Management approach for material topics on page 73.](#)



	Impacts	Risks	Opportunities	Ability to influence	Value creation	Relevant For the Better 2030 Goals	Relevant GRI material sustainability topics
<b>Product development</b> Close collaboration between Design, Marketing and R&D enables new products to offer best-in-class consumer experiences more sustainable products.	<ul style="list-style-type: none"> <li>Energy-driven appliances lead to the generation of greenhouse gas emissions that have a climate impact.</li> <li>The use of high-impact greenhouse gases in the Group's appliances have an environmental impact.</li> <li>The use of materials to produce appliances, such as steel and plastic, has an impact on the environment, planetary resources and the climate.</li> <li>The use of chemicals in appliances has an environmental impact.</li> </ul>	<ul style="list-style-type: none"> <li>Not meeting regulatory or consumer expectations can reduce sales.</li> </ul>	<ul style="list-style-type: none"> <li>Developing more efficient products, products with more recycled material content and more sustainable business models can drive future sales.</li> </ul>	High	<ul style="list-style-type: none"> <li>More sustainable products deliver consumer value while reducing negative environmental impact.</li> <li>Food preparation and food preservation appliances can help reduce food waste and encourage healthier and more sustainable diets.</li> <li>Laundry products can help to better care for clothes to make them last longer.</li> </ul>	<ul style="list-style-type: none"> <li>Lead in energy- and resource-efficient solutions</li> <li>Offer circular products and business solutions</li> <li>Eliminate harmful materials</li> </ul>	<span style="color: #587E58;">Ma</span> <span style="color: #587E58;">En</span> <span style="color: #587E58;">Wt</span> <span style="color: #FFC107;">In</span> <span style="color: #FFC107;">TE</span>



	Impacts	Risks	Opportunities	Ability to influence	Value creation	Relevant For the Better 2030 Goals	Relevant GRI material sustainability topics
<b>Suppliers</b> Electrolux Group relies on thousands of suppliers, including many in emerging markets. The focus is on safeguarding the Group's standards and developing supplier capacity to improve their sustainability performance.	<ul style="list-style-type: none"><li>Supplier selection and collaboration can influence the working conditions for thousands of workers around the world, as well as the environmental performance of third-party industrial operations.</li><li>Potential business disruption and financial impact from corruption and anti-competitive behavior.</li><li>Potential child labor can result in physical and mental harm to underage workers.</li><li>Potential compulsory or forced labor can harm workers.</li><li>Workplace discrimination can cause individual and societal harm.</li></ul>	<ul style="list-style-type: none"><li>Connections to social, ethical and human rights violations can damage the Group's brands.</li><li>Operating around the world risks being connected to breaches of environmental and ethical standards and other violations of human rights throughout the Group's supply chain.</li><li>Severe weather conditions caused by climate change could negatively affect supply and hinder operations.</li></ul>	<ul style="list-style-type: none"><li>More thorough selection of supply chain partners helps to mitigate the risk of violations and creates more resilient supply chains.</li><li>Improved supply chain reporting will drive performance and the achievement of the Group's 2050 targets.</li><li>Opportunities for creativity and innovation.</li></ul>	Medium	<ul style="list-style-type: none"><li>Enforcing Electrolux Group standards raises environmental, labor and economic standards, particularly in emerging markets. Reducing fossil fuel use will have a positive climate impact.</li></ul>	<ul style="list-style-type: none"><li>Drive supply chain sustainability</li></ul>	     



Impacts	Risks	Opportunities	Ability to influence	Value creation	Relevant For the Better 2030 Goals	Relevant GRI material sustainability topics
<p><b>Group operations</b> Electrolux Group has 34 factories, 45,000 employees and sales in around 120 markets. The Group focuses on minimizing its environmental footprint, maintaining high ethical standards and working conditions, and promoting positive impact in local communities.</p>	<ul style="list-style-type: none"><li>Group operations may impact employees.</li><li>Group operations have environmental impacts by using energy, water and materials.</li><li>The use of non-renewable energy in Group operations creates greenhouse gas emissions.</li><li>Waste sent to landfill or incinerated can have an impact on the environment and people.</li><li>The use of high-impact greenhouse gases in operations has an environmental impact.</li><li>The use of water in operations can put pressure on water supplies around the world.</li><li>Environmental impacts due to emission and discharges as a result of incidents.</li><li>Potential health and safety risks for people in factories, warehouses and offices.</li><li>Ill-informed employees on critical social and environmental issues can be detrimental to the company and individual employees.</li><li>Business investments have the potential for negative social and environmental impacts.</li></ul>	<ul style="list-style-type: none"><li>Environmental incidents or ethical violations could disrupt operations and damage the Group's brands</li><li>A less diverse workforce and unequal opportunities can reduce efficiency and innovation.</li><li>Poor labor relations with employees can impact the ability to operate efficiently.</li><li>Unreported grievances can cause harm to individuals and the company.</li><li>Severe weather related to climate change can disrupt operations.</li><li>Failure to take the Group's responsibility seriously can potentially harm stakeholders and could damage the Group's brands.</li><li>Poor relations with communities can reduce opportunities for local people and can negatively affect the Group's ability to recruit and retain employees.</li><li>Not participating in the development of public policy may mean that policy that promotes sustainability is not implemented.</li><li>Potential business disruption and financial impact from corruption and anti-competitive behavior.</li></ul>	High	<ul style="list-style-type: none"><li>More resource-efficient operations can reduce costs.</li><li>Phasing out fossil fuels mitigates risk and enhances the Group's brands.</li><li>Continued focus on human rights and health and safety reduces the exposure to risk.</li><li>Long-term local community programs enhance the Group's brands.</li></ul>	<ul style="list-style-type: none"><li>Electrolux Group creates societal benefit by providing good employment opportunities and employee wellbeing.</li><li>Local community engagement promotes positive stakeholder relations, improves employee pride and enhances brand reputation.</li></ul>	<ul style="list-style-type: none"><li>Drive clean and resource-efficient operations</li><li>Act ethically, lead in diversity and respect human rights</li><li>Eliminate harmful materials</li></ul>



							Relevant GRI material sustainability topics
	Impacts	Risks	Opportunities	Ability to influence	Value creation	Relevant For the Better 2030 Goals	
<b>Transport</b> The Group uses various logistics providers to transport its goods and products around the world.	<ul style="list-style-type: none"><li>Electrolux Group emits more greenhouse gases transporting its goods than through the energy used in its operations.</li><li>The transport of materials and goods has a climate footprint, particularly when using suppliers that use non-renewable energy or unsustainable modes of transport.</li></ul>	<ul style="list-style-type: none"><li>Transport-related emissions and inadequate labor conditions in logistics companies can be detrimental to the Group's brands.</li><li>Severe weather related to climate change can disrupt logistics operations.</li></ul>	<ul style="list-style-type: none"><li>Promoting more efficient modes of transport reduces logistics-related impacts and mitigates risk.</li></ul>	Medium	<ul style="list-style-type: none"><li>Helping to create a more sustainable transport industry strengthens the Group's reputation.</li><li>Transport is included in the Electrolux Group's climate target. It also supports suppliers in their work to improve their environmental and labor standards.</li></ul>	<ul style="list-style-type: none"><li>Drive supply chain sustainability</li></ul>	
<b>Sales</b> Electrolux Group sells products in around 120 markets every year, primarily through retailers.	<ul style="list-style-type: none"><li>Domestic appliances use energy, water and detergents, which have an environmental impact</li></ul>	<ul style="list-style-type: none"><li>Failure to effectively inform consumers or meet consumer expectations on more sustainable products can reduce sales.</li></ul>	<ul style="list-style-type: none"><li>Greater awareness of more sustainable products can drive sales and revenue.</li><li>Consumer communication campaigns can drive sales by highlighting consumer benefits such as product efficiency, reducing food waste, and promoting better garment care and wellbeing in the home.</li></ul>	Medium	<ul style="list-style-type: none"><li>Marketing communication and engagement can influence consumer behavior to make more sustainable product choices.</li><li>Promoting transparency and the Group's sustainable product offering contributes to retailer sustainability goals, strengthens brands and builds customer loyalty.</li><li>An offering of more sustainable products can drive profitability.</li></ul>	<ul style="list-style-type: none"><li>Lead in energy- and resource-efficient solutions</li></ul>	



Impacts	Risks	Opportunities	Ability to influence	Value creation	Relevant For the Better 2030 Goals	Relevant GRI material sustainability topics
<b>Consumer use</b> As the main environmental impacts of Electrolux Group's products occur when they are used by consumers, product energy and water efficiency are top priorities. <ul style="list-style-type: none"><li>Domestic appliances use resources during their use.</li><li>Approximately 85% of a product's climate footprint is generated during its use.</li></ul>	<ul style="list-style-type: none"><li>Not meeting expectations on product performance can limit sales and damage the Group's brands.</li></ul>	<ul style="list-style-type: none"><li>Intuitive design and product guidance help consumers to get the most out of their products boosting consumer satisfaction and driving sales.</li><li>Connected products can help optimize product use and enhance consumer relations.</li></ul>	Medium	<ul style="list-style-type: none"><li>Appliances deliver societal benefits – from food preservation and better hygiene, to freeing up time from household chores and facilitating equal opportunities. These benefits are particularly significant in emerging markets. Providing more sustainable products, raising consumer awareness and increasing appliance connectivity can help counter rising global greenhouse gas emissions, while reducing food waste, making clothes last longer and improving wellbeing in the home.</li></ul>	<ul style="list-style-type: none"><li>Offer circular products and business solutions</li><li>Make healthy and sustainable eating the preferred choice</li><li>Make clothes last twice as long with half the environmental impact</li><li>Make the home a healthier place to thrive in, with half the carbon footprint</li></ul>	
<b>End-of-life</b> Legislation on appliance recycling is being introduced in more markets. On average, materials account for approximately 10% of a product's life-cycle impact, and Electrolux Group research highlights that it is a top consumer priority. <ul style="list-style-type: none"><li>Appliances have environmental impacts at their end-of-life if not properly processed.</li></ul>	<ul style="list-style-type: none"><li>Not meeting expectations beyond legislation can damage the Group's brands.</li></ul>	<ul style="list-style-type: none"><li>Promoting proper recycling as part of producer responsibility mitigates risk and enhances the Group's brands.</li></ul>	Low	<ul style="list-style-type: none"><li>Building resource-efficient and closed-loop systems help reduce environmental impact and overall resource consumption.</li><li>Innovative designs that allow material reuse save resources and can enhance consumer trust.</li></ul>	<ul style="list-style-type: none"><li>Offer circular products and business solutions</li></ul>	

# Risk

## Managing sustainability risks

A comprehensive analysis of sustainability risks requires cross-functional insights from Group management, Group business areas and local facilities. Electrolux Group focuses on the future to prepare for the changing business landscape and mitigate potential risks.

The global trends described on page 56 will continue to affect Electrolux Group. Understanding and managing the sustainability risks and opportunities associated with these trends is an integral part of managing the Electrolux Group's business. Risks related to each part of the value chain are described in [Impacts throughout the value chain on page 64](#).

Several Group functions are involved in identifying and managing sustainability risks in their area of responsibility. These risks are regularly reported to Group management and fed into the materiality process. [Read more about the Double materiality process on page 61 and how the company manages risk in the Annual Report 2023](#).

### Group Internal Audit

The Group Internal Audit team evaluates and improves governance, internal control and risk management processes.

### Group Risk Management

Group Risk Management supports the business to identify and assess key risks in operations and critical suppliers.

### Sustainability risk management processes

The Group manages sustainability through the following risk assessments:

- Materiality
- Responsible sourcing
- Ethics
- Human rights
- Climate risk

### Group External Affairs Committee

The committee, which consists of representatives from all regions, monitors regulatory developments in the Group's markets and develops common Group positions.

### Other Group Functions

The Risk function and other functions conduct risk assessments for:

- Global industrial operations product lines
- Purchasing
- Legal
- Finance
- Communications
- HR Executive Team

# Understanding and managing human rights risks

Electrolux Group is continuing its journey to better understand the human rights risks associated with its activities, and to establish the tools and processes to manage these risks.

The Group strives to minimize any risk of its operations causing harm to people. [Read more in the Goal Act ethically, lead in diversity and respect human rights on page 16 and in Management approach for material topics on page 73.](#)

## Electrolux Group's commitment

Human rights are at the core of the Electrolux Group Code of Conduct and Goal Act ethically, lead in diversity and respect human rights. As the most important risk areas relate to the Group's employees and the employees of its suppliers, Electrolux Group's human rights commitment has a strong focus on labor standards and employee rights.

The Code of Conduct includes a human rights policy statement, which is based on the UN Guiding Principles on Business and Human Rights. It considers the outcomes of the Group's human rights impact assessments as well as best practice in the field.

Key minimum standards for labor rights and corruption are also set by the Workplace Policy, the Supplier Workplace Standard and the Workplace Directive.

[For more on the implementation, follow up and progress read the Goal Act ethically, lead in diversity and respect human rights on page 16, in the Goal Drive supply chain sustainability on page 29, and in Management approach to material issues on page 73.](#)

## Human rights governance and responsibilities

Line managers, from Group management and throughout the company, are responsible for ensuring adherence with Group policies on human rights as part of the Electrolux Group human rights governance structure.

The Ethics & Human Rights Steering Group oversees both ethics and human rights and is responsible for evaluating the Group's human rights approach, including approving priorities and action plans. It consists of senior managers and Group management members, including the Group General Counsel, SVP Human Resources & Communications, SVP Internal Audit, SVP Corporate Communications, and the Chief Technology & Sustainability Officer. A Human

Rights Coordination Group is responsible for identifying and assessing risks and developing human rights action plans.

## Identifying human rights risks and impacts

Electrolux Group has developed a methodology to identify and assess human rights impacts on a Group level. The methodology is based on the UN Guiding Principles on Business and Human Rights, and common practices for human rights impact assessments.

Building on the Group's Enterprise Risk Management (ERM), the assessment includes a review of internal and external documentation, interviews, surveys and workshops, which involves representatives from across business functions and regions, as well as external stakeholders such as investors, unions and NGOs. The final outcomes are based on the severity of the potential impacts. Human rights impacts are also assessed with a focus on local business operations in high-risk countries. Both the Group level and the local assessments encompass the consideration of risks connected to relevant vulnerable groups such as women, indigenous people, migrant workers, contract workers and society in general.

Assessments have been conducted in several countries in recent years. These assessments have identified issues such as safety, working hours, wages, labor relations, corruption training and supply chain risks, and involve implementing mitigating action plans.

## Statement on salient human rights issues

Group-level assessments have identified Electrolux Group's salient human rights issues. This involved defining improvement areas for each salient human rights issue, with responsibilities allocated to relevant senior managers, and progress is monitored by the Ethics & Human Rights Steering Group.

The relevant local managers are responsible for implementing actions to remediate the prioritized issues resulting from the local assessments.

As a manufacturing-based company with a large workforce in production and a presence in low-cost countries, the Group's salient issues continue to revolve around labor standards and working conditions.

A wide focus on human rights as part of the broader value chain is applied in the assessment, which means that issues such as forced labor, child labor, migrant workers and safety in the supply chain are included.

## Human rights issues and context

### Labor relations

#### *Issue: Right to freedom of association*

*Potential impact on people – a general perspective:*

- Employees not being able to improve working conditions or negotiate compensation.
- Lack of constructive employee-management dialogue.
- Employees discouraged from participating in union activities.
- Conflict/strike might lead to loss of income and may affect living standards.

#### *The Electrolux Group context and high-risk countries*

High-risk areas include North America, Latin America, China, South-east Asia and the Middle East.

Dialog between company representatives and internal and external unions is ongoing at Group level and regional/local levels. Key principles are reinforced through training, in dialog with HR and the Group leadership, and among newly appointed senior leaders as part of their induction. An International Framework Agreement is in place and alignment with this agreement is followed up annually with both internal and external union representatives.

Freedom of association and employee-management dialogue are part of the local human rights impact assessments the Group conducts every year, which contribute toward local action planning. The objective is to maintain constructive relationships and ensure any potential conflict is dealt with responsibly by all parties and with respect for freedom of association and collective bargaining.

## Working hours and wages

**Issues:** Right to decent working conditions and adequate standards of living

Potential impact on people – a general perspective:

- People may be unable to provide for themselves and their families due to low wages (e.g. lack of food, education, medical services, etc.).
- People suffering from a lack of free time and family life due to excessive overtime, which also increases the risk of accidents.

The Electrolux Group context and high-risk countries:

- Overtime is an issue in some geographic areas.
- The concept of “living wage” is increasingly in focus for the Group’s stakeholders.
- Both these first two issues are potential reputational risks for Electrolux Group.
- Wages and overtime are significant risks in all regions except Western Europe, Canada, Australia and New Zealand.

Wage levels are part of the Group’s local assessments. A working hours reporting system tracks the Group’s factories align with the policy of a weekly maximum of 60 hours (including overtime) and at least one day of rest per week. The results and planned improvement measures are reviewed with the Group’s HR and Sustainability teams, and are integrated into the regular reviews of factory performance. A pilot project testing a management tool for responsible wage practices was initiated in 2023 and will be completed in 2024. The outcomes will form the basis for the planning of a Group approach and rollout.

## Non-discrimination, diversity and equality

**Issues:** Equal rights and non-discrimination

Potential impact on people – a general perspective:

- Discrimination, such as in recruitment and promotion, violates the basic human right of equal treatment/opportunities.
- Discrimination can have significant social and economic consequences. Individual quality of life and self-esteem can suffer through unequal opportunities.

The Electrolux Group context and high-risk countries:

- The Group works actively to counter discrimination, and to strengthen diversity, inclusion and equal opportunities throughout its operations. Countering biases will always remain a challenge, due to some societal structures.
- High-risk countries include Brazil, China, Egypt, Mexico and Thailand.

Group diversity and inclusion objectives include aspirational objectives for the proportion of female people leaders and a specific action on non-discrimination training for all employees. Non-discrimination and anti-harassment are key elements of the Group’s Code of Conduct, People Policy and Workplace Policy.

[Read more about the Group’s work with diversity and inclusion in the Goal Act ethically, lead in diversity and respect human rights on page 16.](#)

## Corruption or bribery

**Issue:** Right to adequate standard of living

Potential impact on people – a general perspective:

- Bribery undermines the rule of law and the principle of fair competition.
- Corruption distorts the division of economic resources and hinders social and economic development, usually with a negative impact on the least privileged in society.

The Electrolux Group context in high-risk countries:

- Electrolux Group operates in some high-risk markets in Asia, Latin America, the Middle East, Egypt, South Africa, Ukraine and parts of Europe, and needs to constantly educate employees and monitor risks.
- Risk areas include obtaining licenses/permits, sales, purchasing, gifts and events.

The Group promotes its Anti-Corruption and Bribery Policy through online and face-to-face training. Corruption risks are considered in local human rights assessments.

[Read more in the Goal Act ethically, lead in diversity and respect human rights on page 16.](#)

## Suppliers – tier 1 and beyond

**Issues:** Rights of the child, freedom of slavery, freedom to choose work, right to just and favorable conditions of work

Potential impact on people – a general perspective:

- Global supply chains are large and complex, and the number of sub-suppliers increases exponentially upstream. This means that the risk of possible human rights infringements increases when a perspective beyond tier-one suppliers is applied.
- Potential risks include child labor, forced labor, the abuse of migrant workers and poor occupational health and safety.
- Exploitation further upstream, particularly in high-risk industries such as the extractive industries.

The Electrolux Group context and high-risk countries:

- The Group’s supply chain spans across all regions of the world, and particularly high risks occur in parts of Latin America, Africa, the Middle East and Asia.

## Managing supply chain risks

The Responsible Sourcing Program manages the risk of negative impacts among the Group’s first tier suppliers ([read more in the Goal Drive supply chain sustainability on page 29](#)). The Conflict Minerals program addresses risks for human rights abuses all the way to smelters. The OECD guidelines are implemented to reduce risks related to conflict minerals.

The Group’s Responsible Sourcing team is part of all decisions to approve new suppliers and new projects over USD 50,000. Suppliers are regularly reviewed and audited where risks are identified. Electrolux Group also has a comprehensive approach to migrant labor.

Supply chain risks form part of the Group’s local human rights assessments.

## Privacy

Risks related to privacy and integrity are ever present. Whilst privacy has previously been assessed as a salient human rights issue, the management of the topic has been strengthened in recent years, and the risk of actual harm to people due to sensitive personal data being leaked has been assessed as being lower. This topic is there-

fore currently not in the list of salient issues, but the management of privacy and integrity risks remains a high priority for the company.

#### High-risk locations

Electrolux Group maps its operations using the Verisk Maplecroft Human Rights and Corruption Risk Atlas. Historic audit results and industry risks also feed into overall risk mapping. This forms the basis for the prioritization of countries for local human rights risk assessments, and also risk screening for acquisitions, market entry and new partners.

➤ *Read more in the Goal Act ethically, lead in diversity and respect human rights on page 16.*

➤ *See the list of Electrolux Group's high-risk countries on page 31.*

#### Stakeholder engagement

The Group's approach to assessing local human rights impacts includes interviewing employees, employee representatives and experts on human rights, labor rights and corruption – including advocacy groups, local representatives of international organizations, academia and embassies. The context these external stakeholders provide is essential for understanding expectations on Electrolux Group as a responsible company and employer, as well as for assessing potential human rights risks. This includes information regarding the protection of human rights in particular countries

as well as the situation for labor organizations, and other information regarding specific human rights that are at risk.

➤ *Read more about the Group's stakeholders on page 62.*

#### Implementation, monitoring and follow up

Employee education on the Group's human rights principles takes place through training and communication activities. Electrolux Group aims to provide regular training for employees and line managers on Group policies and the Code of Conduct. The Workplace Policy Group leads the work to ensure the implementation of labor standards in the Group's factories in accordance with the Workplace Policy.

Electrolux Group monitors its human rights performance through internal and external audits, the Ethics Helpline, employee-management dialogue, health and safety committees, and the Supplier Workplace Standard mailbox for suppliers.

These approaches are complemented by local and topic-specific human rights impact assessments, which provide further details about the risk of negative impacts on people by focusing on the Group's activities at country level.

➤ *Read more in the Goal Act ethically, lead in diversity and respect human rights on page 16 and the Management approach for material topics on page 73.*

# Management approach for material topics

The For the Better 2030 framework governs sustainability work within the Electrolux Group. It addresses the company's material topics that were selected through a materiality process and are systematically monitored. This section describes the material topics, aligned with the Global Reporting Initiative (GRI), that are included in the Group's framework and how they are managed.

The Group's progress on its materiality sustainability topics is tracked according to the roadmaps for each Goal and the progress on the related KPIs. ➤ *Read more about the For the Better 2030 framework on page 5, and about the Group's Double materiality process on page 61.*

## Overall management of material topics

The Electrolux Group Code of Conduct is a crucial document for ensuring high standards within environment, social and governance topics within the Group and is relevant to many of its material topics. The code summarizes the key Group policies and is a guide for employees on how to conduct themselves in line with the principles of ethics, integrity and respect. It covers areas such as respect for people, anti-corruption, non-discrimination, conflicts of interest, fraud, privacy of information, health, safety, and respect for the environment, and it constitutes the basis of the Group's ethics program. It also helps define expectations throughout the value chain.

Operating around the world means there are risks of being connected to breaches of social and environmental standards in the Group's own operations or through direct and indirect suppliers. Failure to meet stakeholder expectations on any of the Group's material topics risks damaging its brand and ultimately sales.

## Economic material topics

### An Anti-corruption, anti-competitive behavior

Electrolux Group commitments are specified in the Code of Conduct, Anti-Corruption Policy and Anti-Trust Policy. The Group has a zero-tolerance policy toward corruption and is committed to complying with all applicable anti-corruption laws. Improvements and enhancements to the Group's compliance program are guided by recommendations issued by industry and regulatory bodies, such as the OECD.

The Corporate Legal department is responsible for the Group's Anti-Corruption and Anti-Trust policies, for their communication and follow-up. Executive and senior management throughout the company oversee the implementation and effectiveness of the program, and their efforts are coordinated at Group level.

The Group Anti-corruption Policy (in addition to the Code of Conduct) is key to the anti-corruption compliance program, which applies to everyone working with or on behalf of Electrolux Group. Employees are educated on the policies through online and face-to-face training. The policy is supplemented by more in-depth guidance for employees in certain areas, such as gifts, hospitality and events. The Group's suppliers are subject to anti-corruption requirements as part of its Responsible Sourcing Program.

Electrolux Group internally investigates reports of corruption cases. The Ethics Program, including the Ethics Helpline, is a cross-functional initiative, led by HR together with Group Sustainability, Group Legal and Internal Audit with oversight by the Ethics & Human Rights Steering Group.

➤ *For more information on the effectiveness of the management approach of this material topic, read Note 1 in Accounting principles in the Annual Report Progress and the Roadmap sections of the Goal Act ethically, lead in diversity and respect human rights on page 16.*

### Environmental material topics

Electrolux Group applies a product life cycle approach to managing environmental impacts, which considers the entire life cycle – from supplier impacts to transport, manufacturing and use. The Group also applies the precautionary principle, whereby it aims to act responsibly despite not having the full scientific knowledge of negative impacts, to ensure it stays ahead of potential risks. Severe weather conditions due to climate change can disrupt the Group's operations.

### Em Emissions

The Group has a science-based climate target that has been approved by the Science Based Targets initiative (SBTi). This target include the phase-out of high-impact greenhouse gases and ozone-depleting substances. The Group's R&D teams implement long-term product development plans to contribute toward the target

In its operations, the Group continuously drives energy efficiency and is raising its level of ambition in terms of renewable energy

sources. The Operational Resource Management Team coordinates the shift to renewable energy and the reduction in relative energy use.

➤ *For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Lead in energy and resource efficient solutions on page 34, the Goal Drive resource-efficient operations on page 12 and Climate Goals on page 52.*

### En Energy

As approximately 85% of the climate impact of an appliance occurs when it is in use, product energy efficiency is where Electrolux Group can make its greatest contribution to tackling climate change. The Group strives to be a market leader in product efficiency in its key categories and markets.

Product efficiency KPIs are integrated into the Group's R&D processes and product generation planning – supported by an analysis of the market position, energy efficiency improvements, regulatory landscape and energy labelling. The innovation evolution of product platforms is mapped for the coming five years. Electrolux Group measures the proportion of annual sales volumes and gross profit from its most resource-efficient products in main markets compared with its global offering. Every year, the bar is raised in terms of the criteria used to define the Group's most energy-efficient products.

Product efficiency objectives are designed to contribute toward the Group's climate target. The Group's science-based target aims to reduce its absolute scope 3 emissions from the use of sold products by 42% between 2021 and 2030. The scope 3 target for product use is calculated based on annual energy consumption (as defined by standard use models for each major market), sales volumes per category, the latest IEA emission factors per region, and estimated product lifetime.

In its operations, the Group continuously drives energy efficiency. Each business area is required to implement an environmental management system throughout its operations, and all operations with over 50 employees are expected to have ISO 14001 certification. In addition, the Group implements the ISO 50001 energy management system at all its manufacturing sites. Every facility reports

monthly energy consumption data, and this data is aggregated on a regional and global level against monthly performance targets. The Group continuously works to reduce its energy use through technological investments in new equipment, employee awareness and behavioral change, and by implementing best practice throughout its operations. The Group has both relative and absolute targets for energy consumption. The Group is also working to reduce its climate footprint by sourcing more renewable electricity, generating solar energy and phasing out fossil fuels.

The Electrolux Group Green Spirit program is the Group's internal resource efficiency program and rating system that includes criteria related to climate, energy and water performance, management, engagement, and actions that are reviewed annually. The program is continuously improved to reduce the Group's environmental impact and operational costs. It drives and promotes the sharing and implementation of best practice among Group manufacturing sites globally. The Group Green Spirit program, including the Green Spirit rating and certification system, is also crucial in driving energy efficiency.

Group operations and suppliers are audited and monitored to ensure Group expectations and commitments are met. The section Auditing and Monitoring outlines how operations and suppliers meet Group expectations and commitments.

**➤ For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Lead in energy and resource efficient solutions on page 34, the Goal Drive resource-efficient operations on page 12, Climate Goals on page 52, the Goal Make healthy and sustainable eating the preferred choice on page 43, the Goal Make clothes last twice as long with half the environmental impact on page 46 and the Goal Make healthy and sustainable eating the preferred choice on page 49.**

## Tr Transport

Electrolux Group uses its purchasing power to influence the logistics industry by developing more sustainable transport solutions together with partners. Electrolux Group also sets environmental requirements in the tender process – e.g. all shipping companies must be members of the Smart Freight Centre and participate in the Clean Cargo partnership. Responsibility lies with each of the Group's Business Area and action is monitored and coordinated through the Group Sustainability function.

The Group is an active partner in the Business for Social Responsibility Clean Cargo Working Group and is represented on its steering committee. All sea transport providers must be a member of the working group, which enables the Group to standardize emission calculations. Workgroup members account for more than 85% of all global shipping container freight.

**➤ For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Drive supply chain sustainability on page 29.**

## Ma Materials

Electrolux Group is increasing its use of recycled materials, which helps make better use of resources, reduces environmental impact, and promotes the circular economy. This involves working with multiple topics that contribute to the Group's capacity to be able to offer more circular products and business solutions:

- **Overall material choices** – the Group will choose more sustainable materials that are based on recycled or renewable raw materials and can more easily be recycled.
- **Recycled material** – Electrolux Group will continue to replace virgin steel and plastics with recycled materials in products.
- **Spare parts and service, durability and refurbishment** – the Group will broaden its offering of spare parts and servicing, to enable products to be more easily repaired and extend their useful lifespan.
- **New business models** – the Group will continue to develop innovative business models that promote circularity by making better use of resources.
- **Sustainable packaging** – the Group will continue to develop solutions to replace non-recyclable packaging with recycled and renewable alternatives, and which are also recyclable.
- **Product take-back** – Electrolux Group will work to find ways to improve product recycling with a special focus on regions where there is no legally mandated product take-back.
- **Design for repair and recycling** – the Group will design products that can be more easily repaired and recycled.

**➤ For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Offer circular products and business solutions on page 36.**

## Ha Harmful materials

The Electrolux Group Global Chemicals Office coordinates and manages the chemicals listed on the Restricted Materials List throughout the Group and among suppliers. The Restricted Material List, which is an integral part of the Group's contracts with suppliers, provides information about chemical phase-out as well as the requirements for the use of chemicals. Electrolux Group continuously updates the list in light of new legislation and research, as well as demands from consumers and NGOs.

The environmental management process tracks material use on a site-by-site basis. Focusing on high-risk applications and suppli-

ers, thousands of components are tested every year for chemical compliance at Electrolux Group laboratories and select approved institutes.

Eco@web is the Group's chemical management tool that includes detailed information on the chemicals used in Electrolux Group products as well as at manufacturing sites. It allows the Group to avoid unwanted materials and track those that might cause concern in the future. Eco@web helps to manage the complex global supply chain of direct suppliers. The tracked data and mandatory documentation provide proof of chemical compliance for consumers and institutions.

**➤ For more information on the effectiveness of the management approach of this material topic read, the Progress and Roadmap sections of the Goal Eliminate harmful materials on page 40. This material topic is outside of the GRI scope but is considered to be an important material topic for Electrolux Group.**

## Wt Water

Electrolux Group is committed to developing increasingly water-efficient dishwashers and washing machines to help consumers to use less water in their homes.

In its operations, the Group has comprehensive processes to minimize water use – particularly at factories in regions with water risks. The Group's water targets are based on the results from the WWF Water Risk Filter, which helps the Group to identify which factories are located in potential water risk regions. Decisions around water targets are based on the tool, and the Group's factories are divided into two groups – Water Risk and Water Management factories. The Green Spirit program shares water management best practices, monthly reporting on water performance indicators as well as water mapping globally. Every facility reports monthly water consumption data, and this data is aggregated on a regional and global level against monthly performance indicators. The Group has both relative and absolute targets for water consumption.

**➤ For more information on the effectiveness of the management approach of this material topic, read the Progress and roadmap sections of the Goal Drive resource-efficient operations on page 12, the Goal Lead in energy and resource efficient solutions on page 34, the Goal Make healthy and sustainable eating the preferred choice on page 43, the Goal Make clothes last twice as long with half the environmental impact on page 46 and the Goal Make healthy and sustainable eating the preferred choice on page 49.**

## Ws Waste

The Electrolux Group Zero Waste to Landfill (less than 1% sent to landfill) global program has the objective to reduce the Group's environmental footprint, find opportunities for material reuse and recycling, and at the same time decrease the amount of waste sent

to landfill or incinerated without energy recovery. To achieve this, it works to reduce waste and identify opportunities for reusing waste materials. Indicators following the 2008 CEE Directive for all factories are measured quarterly and followed up by Group management.

The Group shares practical knowledge on how consumers can reduce food waste and make their clothes last longer, such as through campaigns and by partnering organizations.

 For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Drive resource-efficient operations on page 12, the Goal Make healthy and sustainable eating the preferred choice on page 43 and the Goal Make clothes last twice as long with half the environmental impact on page 46.

#### SE Supplier environmental assessments

The Group works to implement and drive plans to reduce the environmental impact of suppliers so they can live up to its high expectations, no matter where they are located in the world. This involves supporting suppliers to reduce their greenhouse gas emissions, energy consumption and water use. Electrolux Group shares knowledge with direct and indirect suppliers, provides tools to evaluate their environmental footprint, defines suitable improvement activities and rewards progress and proactivity. Electrolux Group requests strategic suppliers to report their climate and water impact through CDP. Suppliers are also expected to assess their water impacts according to the WWF Water Risk Filter.

Group commitments are outlined in the Supplier Workplace Standard and Workplace Directive. Compliance is mandatory and non-negotiable for suppliers, which is stated in supplier contracts. The main original equipment manufacturer (OEM) and Original Design Manufacturer (ODM) suppliers must measure and report their energy and water use through the energy reporting standard.

 Read the "Supplier assessment for labor practices and human rights" material topic on page 76 for more on how Electrolux Group works with suppliers.

 For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Drive supply chain sustainability on page 29.

#### Social material topics

Electrolux Group supports labor rights according to the ILO Core Conventions and the Declaration on Fundamental Principles and Rights at Work, and has an International Framework Agreement with unions that affirms its commitment to high labor standards.

The Electrolux Group Code of Conduct and Workplace Policy provide the basis for the governance of several social material topics. The Group's Code of Conduct includes a Human Rights Policy Statement, and how these commitments are fulfilled is further detailed

in a Human Rights Directive. The implementation of the Workplace Policy is followed up by Workplace Policy audits of the Group's manufacturing facilities. This procedure is central, not only for the follow up, but also for educating and reminding line managers of their responsibilities for making Workplace Policy alignment a part of their daily activities.

#### La Labor and management relations

As a manufacturing-based company with a large production workforce and a presence in low-cost countries, promoting and safe-guarding high labor standards and good working conditions is essential. The Group has a broad approach that covers labor relations, working hours, compensation, forced labor, child labor and safety in its operations and throughout the supply chain.

Labor and management relations are specified in the Electrolux Group Code of Conduct, Workplace Policy and Workplace Directive. The Group's strategy is informed by the International Framework Agreement with the Swedish trade unions IF Metall, Unionen and IndustriAll, which underlines its commitment to ILO conventions and common global standards. Country and local line organizations are responsible for realizing the strategy, supported by HR Country Managers and Group Labor Relations.

Workplace Policy training for line managers and employees supports the implementation of the policy throughout the Group, and annual audits of all manufacturing facilities follow up progress. Corrective action plans are established, with clear local ownership, and the closure of findings is monitored. Compliance with the Workplace Policy working hours limits is monitored through a working hours reporting system. Compliance with the International Framework agreement is reviewed and discussed with the Electrolux Group unions and IndustriAll on an annual basis.

Accountability for the Ethics Program and oversight of human rights lies with the cross-functional Ethics & Human Rights Steering Group, which includes representatives from Group Management. Human rights procedures engage representatives from Sustainability and Human Resources, Purchasing, Operations and Legal.

Each business area has established Compliance Committees that oversee overall performance, including employee training efforts and ethics case handling. The business area senior Heads of Legal, HR, Finance and the CEO are part of the committees.

Local assessments of Group operations located in high-risk countries are conducted from a human rights and corruption perspective. The assessments focus on identifying the risk of harming people as a direct or indirect result of Electrolux Group operations. They include confidential interviews conducted by Group internal specialists and third-party experts on human rights and corruption. The interviews involve a broad range of workers, sales representatives and managers at Electrolux Group, as well as external stakeholders such as

civil society and academia to understand the risks in the country. Assessment outcomes are agreed in interactive workshops with the local management.

 For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Act ethically, lead in diversity and respect human rights on page 16, and the Understanding and managing human rights risks section on page 70.

#### Em Employment, diversity and equal opportunities

The Group's commitments to diversity and equal opportunities are specified in the Code of Conduct, People Policy and Workplace Policy. The People Plan, which is a component of the Business Strategy – describes Electrolux Group's aim to become a high-performing learning organization with the right people in the right jobs. Mandatory directives are in place to ensure fair hiring and compensation practices, for example the Recruitment Directive, the Compensation Directive and the Grandparent Principle Directive.

The Senior Vice President of Human Resources and Communications is responsible for HR-related policies. The implementation of policies and remuneration are managed by the business areas. Through performance appraisals and talent reviews, Electrolux Group evaluates employee performance and development, while promoting diversity and equal opportunities. Group management has set the overall ambition and objectives framework to make the Electrolux Group a leader in diversity, and they oversee progress through the Electrolux Group Sustainability Board. The HR Executive Team has overall responsibility for diversity and inclusion (D&I), makes strategic recommendations to Group management and monitors progress. A D&I taskforce develops proposals, drives the D&I culture and coordinates the work throughout the organization. The business areas and Group functions are responsible for the implementation of the Group's D&I work.

Employees set annual objectives and development plans that are followed up in one-to-one meetings between manager and employee. Managers are responsible for succession management, aimed at securing the necessary skills for the future, by connecting the talent pipeline and the employee development plans. Through the talent planning process for the top 200 positions, opportunities for promoting women are constantly reviewed. Efforts are in place to connect talent acquisition closer to business planning, including headcount data and forecasting. Strategic workforce planning is in the pipeline for global implementation in the coming years.

The Group has implemented systems that track e.g. gender distribution, turnover, metrics for people processes, which form the basis for designing improvement actions to address D&I. Electrolux Group focuses on attracting, developing and retaining women for leadership roles.

► For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Act ethically, lead in diversity and respect human rights on page 16.

#### No Non-discrimination, child labor, forced or compulsory labor

Non-discrimination is integrated into Electrolux Group's Code of Conduct and Workplace Policy, and is covered by several employee trainings and e-learnings. HR professionals receive specialist training on how to handle discrimination concerns reported by employees. Each business unit line manager has the responsibility to ensure that the Code of Conduct and Group policies are abided by. This includes the communication of requirements within their unit through training, and annually auditing the unit's performance.

Electrolux Group proactively avoids child labor and compulsory labor in its operations and that of its suppliers. These issues are covered by the Group's policy commitments, such as the Code of Conduct, Workplace Policy and People Policy.

► For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Act ethically, lead in diversity and respect human rights on page 16 and the Goal Drive supply chain sustainability on page 29.

#### Oc Occupational health and safety

Health and safety has long been a fundamental part of the Group's values and sustainability agenda, with clear targets and processes in place to ensure progress. Health and safety commitments are specified in the Group's Code of Conduct and Workplace Directive.

The Group applies the same Health & Safety management system throughout its own operations and among its contractors. All production employees and contractors are covered by a reporting system to track incidents and hours worked. All manufacturing sites have Safety Committees that include managers, workers and worker representatives. The Group Operations Environment, Health & Safety (EHS) team defines goals, monitors progress, shares best practice, and manages the monthly recording system. All new Electrolux Group employees receive safety training and annual training tailored to their role is provided.

The Group's Safety Management System is aligned with the ISO 45001 occupational health and safety management system. Compliance requirements vary geographically but Electrolux Group always respects local legislation and often goes beyond legal requirements.

All workplaces have been designed and enhanced through a risk assessment-based approach. Safety audits identify and address safety concerns and employees are encouraged to report any

potential safety hazards they discover during the audit process to their supervisors for swift investigation and action to mitigate risks.

If a work-related injury occurs, it is always thoroughly investigated and reported into the Group safety database. All injuries are then reviewed and discussed during monthly meetings of the Group and business area EHS core team. Corrective actions are analyzed and strengthened if considered inadequate, and cross-site activities are initiated if necessary.

To further reduce work-related hazards and minimize the risk of workplace accidents, safety audits are regularly conducted by local safety teams. Team leaders also perform audits to enhance workplace safety, identify areas for improvement, and ensure employee behavioral compliance with safety procedures.

► For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Act ethically, lead in diversity and respect human rights on page 16.

#### TE Training and education

A focus area of the Group's People Plan is to truly become a learning organization. The training and education program is built on "experience, exposure and education" through challenging assignments and on-the-job experience, relationships, networks and feedback, and formal training. It gives Electrolux Group unique competitive advantages as it helps it to stay relevant in a challenging and changing environment.

Responsibility lies with each unit's line management, supported by the business areas and functions, in close collaboration with Group HR.

Electrolux Group continues to provide a global portfolio of leadership development programs aligned with its business strategy. Additional development is provided through improving digital learning solutions and other learning initiatives.

Employees are trained and educated on sustainability issues through regular trainings and e-learnings, and internal communication. Training on health and safety and ethics topics is particularly important to the overall performance of Electrolux Group.

► For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Act ethically, lead in diversity and respect human rights on page 16.

#### SA Supplier assessment for labor practices and human rights

Group commitments to sound labor practices and human rights are specified in the Supplier Workplace Standard and Workplace Directive and the Group works together with suppliers to ensure they abide by its requirements and set performance targets to con-

tinuously improve. Compliance is mandatory and non-negotiable for suppliers and is stated in the supplier contract. Global, category or business area Sourcing Boards are responsible for assessing current and prospective suppliers, and the responsible Purchasing Director is also responsible for ongoing compliance and performance, with support from the Responsible Sourcing Team and within Sustainability.

The Group collaborates with suppliers to ensure they can live up to its high expectations, no matter where they are located, and to drive and support their transition to more sustainable practices. Knowledge is shared by working together with both direct and indirect suppliers to strengthen relationships and improve sustainability performance throughout the value chain.

The Electrolux Group Responsible Sourcing Program focuses on four types of activities:

- **Policy awareness and initial evaluations** – to communicate policies, conduct initial sustainability and risk evaluations of prospective suppliers, and potentially conduct audits as part of the initial sourcing decision.

- **Regular supplier risk assessments** – conducted annually together with the Group's Purchasing, Sourcing and Licensing departments, with a focus on suppliers in high (and medium) risk countries and based on Responsible Sourcing criteria and sourcing data. The assessments help the Electrolux Group Responsible Sourcing team decide which suppliers should participate in audits or other activities. Prioritized suppliers should be subject to an audit at least every second year with follow-ups as needed to drive improvement. Audits are carried out by an internal team or external auditing companies. The Group also assesses indirect suppliers.

- **Supplier capacity building** – online and in-person capacity building initiatives. Training focuses both on creating an understanding of the Electrolux Group principles as well as on increasing knowledge of important sustainability topics among companies and individuals in the supply chain and the wider industry.

- **Making performance count** – supplier evaluations and audits are used in formal sourcing decisions. Disqualified and uncooperative suppliers are subject to an escalation process. This process involves reporting serious supplier non-compliances and addresses non-compliances through mandatory corrective actions, as well as beyond-compliance support activities such as capacity building. Responsible Sourcing data is also included in the regular formal performance tracking of strategic suppliers. Improvements are monitored.

The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas is embedded into policies and activities to avoid sourcing conflict minerals.

➤ For more information on the effectiveness of the management approach of this material topic, read the Report Progress and Roadmap sections of the Goal Drive supply chain sustainability on page 29.

### Se Security practices

Security practices are specified in the Workplace Policy, Supplier Workplace Standard and Workplace Directive. The Group also has a Security Program that covers selection criteria for security providers as well as incident reporting. Unit line management is responsible for fulfilling the Security Program locally, supported by Group Security.

Security inspections are performed locally, based on risk and in accordance with the Group's Security Program. Security requirements are included in Workplace Policy training for employees, as well as in the Workplace Policy audits of manufacturing units.

### Gr Grievance mechanisms

Electrolux Group is committed to addressing and remediating issues and grievances that are identified through its own procedures and those that are reported to the company.

Product and service-related complaints and grievances are always managed by the consumer support organization in each market. Any escalation of this type of matter is routinely managed through the organizational structure of the company. Grievances can also be reported through any of the contacts in the contact section on the Group website.

Employees can report misconduct confidentially and anonymously (where legally permitted) through a confidential reporting mechanism – the Ethics Helpline. Reports can be made in local languages, either by phone or online. The Ethics Helpline is hosted on an external platform, and only a central ethics coordination team has access, which includes representatives from the Group Functions HR, Legal, Internal Audit and Sustainability. Cases are dispatched to trained investigators who have no conflict of interest in the cases. The ethics coordination team provides support on the handling of investigations and follow up of cases. External investigators are engaged as appropriate. The Ethics & Human Rights Steering Group is responsible for the oversight of cases and the procedures, and any severe cases are escalated to this group.

The Ethics Helpline can also be used by external stakeholders to report incidents related to the Group's activities. In addition, employees can report misconduct through local managers, HR managers, unions and the local authorities. Suppliers can report possible non-compliances through the Supplier Workplace Standard mailbox.

➤ For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap

sections of the Goal Act ethically, lead in diversity and respect human rights on page 16.

### C Community investment

The Group's approach to community investment is designed to have a positive impact on local communities and the planet, while creating opportunities for employee engagement. Ultimately, this strengthens the Group's brand with consumers, customers, and employees as a company that genuinely cares for people and the planet.

Electrolux Group provides long-term support to projects that build on the conviction that education is the key to making food habits more sustainable.

Action is facilitated through the Electrolux Food Foundation, a non-profit organization founded by Electrolux Group in 2016. The foundation supports and funds local and global projects that tackle food-related challenges. Its board reviews applications from local project teams from around the Group and decides on funding. Electrolux Group has committed to continue funding the foundation at least until 2030.

For greater impact, Electrolux Food Foundation established a long-term global partnership – Feed the Planet – together with Worldchefs (the world association of chefs' societies) and AIESEC (the world's largest youth organization) in 2016. The partnership supports projects with combined expertise, skills and resources from all three organizations. The Electrolux Food Foundation in collaboration with the Electrolux Group project teams – both locally and at Group level – plan and implement the projects together with Worldchefs and AIESEC members, and additional local partners.

The Electrolux Food Foundation and the Feed the Planet partnership support projects that do one or more of the following:

- Educate children, consumers and professionals on more sustainable cooking and eating habits, for example through the website Replate.com and the program "Food Heroes" aimed at children.
- Provide professional culinary training that helps people in need to secure work in a professional kitchen, through the "Like a Chef" program.
- Provide sustainability education for chefs and students in culinary schools and via online tools.
- Support people in need through the donation of meals and equipment, monetary donations and employee engagement.

➤ For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Act ethically, lead in diversity and respect human rights on page 16.

### Pu Public policy

Electrolux Group's approach to public policy is governed by its Code of Conduct and high ethical standards are applied. The Group External Affairs Committee, including representatives from the business areas, coordinates positions and other public affairs matters.

Group Management and functional heads have the overall responsibility for the Group's public policy. Each business area is responsible for engaging with their respective policy makers. Public policy initiatives are primarily conducted through industry organizations, such as the European Appliance Industry Association (APPLiA) and the Association of Home Appliance Manufacturers in the United States and Canada (AHAM), the Australian Consumer Electronics Association and the Associação Nacional de Fabricantes de Produtos Eletroeletrônicos (Eletros) in Brazil.

#### Key policies affecting the Electrolux Group's business:

##### EU

- Revision of the EU energy label and energy efficiency legislation (eco-design legislation)
- Legislation on circular economy and resource efficiency
- Digital Product Passport to accompany each product during its life cycle and to be updated at repair or refurbishment
- Waste and packaging legislation
- Chemical legislation
- Microfiber filters for washing machines
- Critical Raw Material Act
- Changes to the CO<sub>2</sub> trading scheme (ETS) and introduction of a Carbon Border Adjustment Mechanism (CBAM)
- Deforestation regulation
- Stricter legislation for batteries and battery products Consumer Rights Directive, including product durability guarantees
- Right to repair
- Amendments to the Unfair Commercial Practices Directive establishing stricter requirements for green claims
- EU Taxonomy
- Smart appliances, data security, AI and privacy
- The Corporate Sustainability Reporting Directive (CSRD)
- The Corporate Sustainability Due Diligence Directive (CSDDD)
- Trade sanctions regarding Russia

#### North America

- Department of Energy (DOE) appliance standard rulemakings
- Trade Relations with China
- Disruption of commercial goods traffic at US-Mexico border
- E-Star Standards
- Chemical Regulations including those related to PFAS

- Packaging EPR
- Plastic Pollution
- Repair Regulations

#### Asia Pacific

- Waste and packaging (CN, AU)
- Environment Protection Act (AU)
- Plastic Plan (AU)
- Chemical regulations (SEA)
- Energy Efficiency Regulation (APAC)
- Climate Change Act (AU)
- National Energy Strategy (AU)
- Australian Consumer Law (AU)
- Cyber security regulations and incentives (AU)
- Trade relations with China and potentially the EU (AU)
- Ratification of the RCEP (Regional Comprehensive Economic Partnership) between all ten ASEAN countries plus China, Japan, South Korea, Australia and New Zealand

#### Latin America

- Carbon market regulation and National Policy for Circular Economy in Brazil
- Extended Producer Responsibility (EPR) legislation regarding recycling of appliances in Brazil, Chile, Peru and Colombia
- Energy efficiency regulation for air conditioners in Colombia
- Energy efficiency labeling for refrigerators in Brazil and Chile
- Sustainable packaging labels in Chile
- Outcomes of the Kigali Amendment to the Montreal Protocol in Brazil and Colombia
- Regulation of washing machine water consumption in Colombia
- Discussion in the Mercosur trade-block on a free trade agreement with EEC
- Argentina's energy ministry has commissioned a study to create energy efficiency regulations for commercial refrigerators

 *Read more about Forthcoming and proposed legislation on page 57. Public policy is outside of the GRI scope but is considered to be important for several of Electrolux Group's material topics.*

#### In Investments

Human rights screening is included in the Group's acquisition processes, as specified in the Human rights risks in acquisitions guideline. Responsibility lies with each project team, supported by Group Legal and Sustainability.

Electrolux Group has a Green Financing Framework, which is used to finance or refinance projects that support the Electrolux Group sustainability framework – For the Better 2030. Examples include investments in R&D to improve the energy or water efficiency of appliances, improving the efficiency of manufacturing processes, developing recycled materials and increasing the use of renewable energy at Electrolux Group factories.

 *For more information on the effectiveness of the management approach of this material topic, read the Progress and Roadmap sections of the Goal Act ethically, lead in diversity and respect human rights on page 16. Read more about Forthcoming and proposed legislation on page 57.*

#### Sustainability-related policies

	Environment	Social, labor and human rights		Anti-corruption
Policies	Electrolux Group Code of Conduct			
	Environmental Policy	Workplace Policy, People Policy		Anti-Corruption Policy
	Workplace Policy	Supplier Workplace Standard		Conflict of Interest Policy
	Workplace Directive and the Supplier Workplace Standard			
Central areas	Product design	Child and forced labor		Conflict of interest
	Efficiency in operations	Health and safety, working hours, compensation		Bribes or other improper benefits
	Influencing legislation	Discrimination and harassment		Business partners
	Environmental management systems	Freedom of association, collective bargaining		Political contributions

The full list of Electrolux Group policies is available at  [electroluxgroup.com/en/category/sustainability/codes-and-policies](http://electroluxgroup.com/en/category/sustainability/codes-and-policies).

#### Employee training on sustainability-related policies

New employees are required to take e-learnings covering the Code of Conduct and key Group Policies, and then every second or third year depending on Policy. This includes signing off that they have understood the Code of Conduct and Policies. Production employees take part in face-to-face townhalls, trainings and workshops. To ensure leaders are informed and lead by example, senior managers such as General Managers, Country Managers and Plant Managers are provided with a specific Ethics induction when they begin their role, which includes the Code of Conduct e-learning and one-on-one discussions with key functional leads in Legal, Internal Audit, Sustainability, People Ethics and Labor Relations. The Supplier Workplace Standard and the Workplace Directive are communicated to suppliers as part of business agreements, and cover labor standards, health and safety, anti-corruption and environmental management.

# Auditing and monitoring

Electrolux Group has several follow-up mechanisms that allow it to monitor how its organization and suppliers abide by its Code of Conduct and Supplier Workplace Standard. They are used differently depending on the level of risk.

	Purpose	Criteria
<b>Workplace Policy audits</b>	Workplace Policy audits identify improvement areas and ensure Workplace Policy compliance.	In line with the Group's updated Workplace Directive, Workplace Policy audits shall be conducted at all its factories on an annual basis.  ➤ <i>Read more in the Goal Act ethically, lead in diversity and respect human rights on page 16 for more on how the Group works with the Workplace Policy and see the results Workplace Policy Audit findings.</i>
<b>The Ethics Helpline</b>	The Ethics Helpline is a whistleblowing system that enables employee bottom-up monitoring. It allows employees to remain anonymous (to the extent permitted under local law), without fear of exposure or retaliation.	The helpline is third-party operated and covers breaches of ethics-related policies such as the People Policy, Workplace Policy, Conflicts of Interest Policy and Anti-corruption Policy.  ➤ <i>Read more on how the Group works with the Ethics Helpline in the Goal Act ethically, lead in diversity and respect human rights on page 16.</i>
<b>Group Internal Audit</b>	Group Internal Audit provides independent assurance. The team evaluates the effectiveness of risk management, control and governance processes by conducting operational, financial, and compliance process audits and investigations of alleged employee fraud. Group Internal Audit also proposes improvement measures to be taken.	Risk-based annual plan approved by the Audit Committee, and ad hoc investigations of reported fraud allegations.  ➤ <i>Read more in the Goal Act ethically, lead in diversity and respect human rights on page 16.</i>
<b>Employee engagement surveys</b>	The engagement, leadership, organizational capabilities and commitment to the Group's strategy and purpose are assessed through employee surveys. They also enable comparison with other high-performing organizations.	The annual, Group-wide survey including employees in offices and manufacturing is known as "Employee Voice". In addition, several business functions have their own surveys that gather employee feedback on a more frequent basis.  ➤ <i>Read more on the Employee Voice in the Goal Act ethically, lead in diversity and respect human rights on page 16.</i>
<b>Global audits of ISO standards for environment and safety</b>	Every Electrolux Group business area must have an environmental management system at each of their manufacturing sites.	All the Group's manufacturing facilities are subject to annual audits, with recertification audits every third year. All manufacturing units with over 50 employees must be certified to ISO 14001. The Group is rolling out ISO 50001 energy management and ISO 45001 occupational health and safety management systems with the ambition to fully implement them at all its production facilities.  ➤ <i>Read more in the Goal Act ethically, lead in diversity and respect human rights on page 16 and the Goal Drive resource-efficient operations on page 12.</i>



	Purpose	Criteria
<b>Green Spirit certification and reporting system</b>	The Green Spirit certification and reporting system assesses improvements in environmental performance and employee engagement. The system monitors energy and water consumption among the Group's facilities. Best practice is shared, and performance is monitored against defined energy and water targets.	All manufacturing sites are evaluated annually as part of the certification and are awarded stars according to their energy management performance.  ➤ <a href="#">Read more in the Goal Drive resource-efficient operations on page 12.</a>
<b>Safety Management System (SMS)</b>	SMS is a factory self-assessment protocol to assess if manufacturing units meet internal safety standards.	Electrolux Group conducts SMSs annually for all Global Industrial Operations.  ➤ <a href="#">Read more in the Goal Act ethically, lead in diversity and respect human rights on page 16.</a>
<b>Responsible sourcing audits</b>	Responsible sourcing audits assess if suppliers meet the Group's Supplier Workplace Standard and Workplace Directive. Suppliers are required to establish action plans to rectify actions, and the progress is monitored in follow up audits.	The audits assess medium to high-risk direct material suppliers (raw materials, parts and sub-assemblies) as well as suppliers of finished goods and services. Audited suppliers are categorized and ranked on their performance, as disqualified, severe, conditional, active or preferred suppliers.  ➤ <a href="#">Read more on how the Group works with responsible auditing in the Goal Drive supply chain sustainability on page 29.</a>
<b>GEARS</b>	GEARS collects and compiles health and safety data.	Monthly reporting for all factories and warehouses.  ➤ <a href="#">Read more in the Goal Act ethically, lead in diversity and respect human rights on page 16.</a>
<b>Zero Waste to Landfill program audits</b>	The third-party certified Zero Waste to Landfill program audits quantify how much waste is sent to landfill at each Electrolux Group factory.	To be certified according to the Electrolux Group Zero Waste to Landfill program, Electrolux Group factories must send less than 1% of their total waste to landfill.
<b>External verification of sustainability reporting</b>	The verification enhances reporting credibility and reporting practices.	The Electrolux Group Sustainability Report is based on the GRI Standards – in accordance with the Core level. It is also reviewed in accordance with ISAE3000. A separate report is developed to fulfill the requirements in the Swedish Annual Accounts Act.  ➤ <a href="#">Read more in About this report on page 88.</a>
<b>Product safety and quality</b>	Product safety is always considered during the design process, striving to eliminate unreasonable and foreseeable risks of injury from the intended uses of its products.	Electrolux Group Quality Management System (EQMS), fully aligned to ISO 9001 standards, is implemented across the Group's facilities and verified by independent third-party certification bodies.
<b>Electrolux Logbook</b>	System for collection energy, water and waste data monthly and the tool for the annual sustainability survey to the Group's own operations.	Data collection is an important part of target tracking and management

# Governance

Everything Electrolux Group does and all the decisions it makes must be governed by the principles of ethics, integrity and respect for people and care for the environment. This affirms the Group's commitment to sound and universal ethical business practices.

## Sustainability management at Electrolux Group

Electrolux Group endorses the UN Global Compact. Electrolux Group abides by universal principles, including the environment, labor and human rights through Group codes and policies, both internally and among suppliers.

Group management has adopted policies concerning the Environment, Workplace, and Anti-Corruption, while the Electrolux Group Board has endorsed the Electrolux Group Code of Conduct. Sustainability work is guided by sustainability-related policies, which are listed in the table on page 78. Policies set out the minimum standards the Group must meet across the value chain. Electrolux Group's sustainability framework – For the Better 2030 – sets ambitious objectives that go beyond what is expected of it.

During 2023, the Electrolux Group's climate change strategy was managed by Group Sustainability (GS) in close cooperation with other Group functions and the company's business areas. From January 1, 2024, GS became part of the new Technology, Digital and Sustainability (TDS) function. The scope of the function is to build consumer-led, differentiated experiences at competitive price points via a platform approach to smartness/connectivity and sustainability, as a core pillar of the Electrolux Group strategy. A robust approach to innovation across application and appliance drives synergies and efficiencies through R&D excellence and across product lines. With this change, the Head of GS role was merged into a function head role with the new title Chief Technology and Sustainability Officer – representing Sustainability in Group Management. Each business area and function will own the execution of the sustainability strategy, and TDS will coordinate and ensure that objectives are clearly communicated and follow up on deliveries through regular meetings and strong governance with all functions involved.

Group Legal Affairs is responsible for implementing the Anti-Corruption Program. The Electrolux Group Global Ethics Helpline (the Group's whistleblower function), the Ethics Program and the Group's approach to human rights, are overseen by the Ethics & Human Rights Steering Group.  Read more in *Understanding and managing the Group's human rights risks on page 70*.

The Code of Conduct, which has been signed by the CEO, sets the expectations for all employees on behavior, including conflict of interest. This area is detailed in the internal Conflict of Interest Policy.

The Chief Technology and Sustainability Officer reports directly to the CEO and has regular meetings with the Electrolux Group Sustainability Board.

## The Electrolux Group Sustainability Board

The Sustainability Board is a forum to discuss and decide on sustainability action throughout the company. This Board is an essential part of the Group's ability to deliver its sustainability work and ambitions going forward.

The Electrolux Group Sustainability Board is chaired by the CEO, who has the overall ownership of the For the Better 2030 framework. In turn, the CEO regularly reports on sustainability progress to the Electrolux Group Board, which oversees the overall company strategy.

Other members of the Sustainability Board are the members of Group management, including the Chief Technology and Sustainability Officer.

The Electrolux Group Sustainability Board gives recommendations to the Electrolux Group Management, which makes decisions about sustainability topics. Any critical concerns are promptly raised to the Electrolux Group Board for discussion. No critical concerns were raised in 2023.

## Governance Climate strategy

The Electrolux Group climate change strategy is managed by Sustainability in close cooperation with Group functions and the company's business areas. The Sustainability Board gives recommendations to Electrolux Group Management, which makes decisions about sustainability and climate-related issues. The CEO reports climate-related progress to the Electrolux Group Board.

Group Risk Management manages the Electrolux Group's Enterprise Risk Management (ERM) framework. This framework is governed by the ERM board, which consists of the CEO, CFO, CCO, COO, Head of CHRO & Communications, Head of EVP, CIO, VP

Business Development & M&A, General Counsel, VP Group Treasury, Head of Group Internal Audit and Head of Group Risk Management. The ERM framework in compliance with the Loss Prevention Standard manages among others risks related to direct climate impacts and covers both identified and emerging risks, and with a time-horizon of around three years. Both physical and transitional climate risks are included in the ERM and reports the outcome both to the Sustainability Board and the ERM Board.

Sustainability risks are also reported to the Sustainability Board, tasked with assessing priorities, monitoring progress and evaluating risks.

## The Group's business model

To achieve Electrolux Group's Purpose – to Shape living for the better – and drive profitable growth, a business model is used that focuses on delivering best-in-class consumer experiences in taste, care and wellbeing. The objective is to create a steady stream of consumer-relevant innovations under strong brands in key experience areas. The focus is on enabling great-tasting food, great care for clothes and healthy wellbeing in the homes of consumers.

Sustainable development is defined as a transformational driver in the Electrolux Group business model, as it recognizes the growing importance of sustainability performance and reputation – including the impact of its business and products on the planet.

## Electrolux Group Board and sustainability

The Electrolux Group Board is the highest governance body for sustainability at Electrolux Group. The Chief Technology and Sustainability Officer engages with the Electrolux Group Board to discuss sustainability progress and the development of the company's strategic direction for sustainability work.

In 2023, Group Sustainability informed the Board about the forthcoming EU CSRD requirements. An in-depth session is planned for early 2024.

## 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.

#### **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.

#### **Independence**

The Board complies with the Code's requirements for independence.

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.

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 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 lead 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 below.

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.

#### **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	-

#### **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).

#### **Remuneration and terms of employment for the President in 2023**

The remuneration package for the President comprises fixed salary, variable salary based on annual targets, a long-term performance-share program and other benefits such as pension and insurance. For the President, the annualized base salary for 2023 has been set at SEK 13.3m.

The variable salary is based on annual financial and non-financial targets for The Group. Each year, a performance range is determined with a minimum and a maximum. If the performance outcome for the year is below or equal to the minimum level, no pay-out will be made. If the performance outcome is at or above the maximum, pay-out is capped at 100% of the annualized base salary. If the performance outcome is between minimum and maximum, the pay-out shall be determined on a linear basis. The President participates in the Group's long-term performance based share programs. For further information on these programs, see below.

The notice period from the employer is 12 months, and from the President 6 months. The President is entitled to 12 months severance pay based on base salary with deduction for other income during the 12 months severance period. Severance pay is applicable if the employment is terminated by the employer. It is also applicable if the employment is terminated by the President provided serious breach of contract by the employer or if there has been a major change in ownership structure in combination with changes in management and changed individual accountability.

#### Pensions for the President

The President is covered by the collectively agreed ITP plan, the alternative rule of the plan, and Electrolux Pension Plan for CEO. The Electrolux Pension Plan for CEO is a defined contribution plan. The employer contribution to the plan for the President is equivalent to 35% of annual base salary, which also includes the contributions for the benefits of the ITP-plan, alternative ITP and any insurable supplementary disability and survivor's pension. In addition, a disability pension is provided of maximum SEK 1.2m per year if long term disability occurs. The retirement age for the President is 65.

The capital value of pension commitments for the President in 2023, prior Presidents, and survivors is SEK 207m (185), whereof SEK 52m (44) relates to the current President.

#### Remuneration and terms of employment for other members of Group Management in 2023

Like the President, other members of Group Management receive a remuneration package that comprises fixed salary, variable salary based on annual targets, long-term performance-share programs and other benefits such as pensions and insurance. Base salary is revised annually per January 1. The average base-salary increase for members of Group Management in 2023 was 2.8% (7.9).

Variable salary in 2023 is based on financial and non-financial targets on business area and Group level. Variable salary for Business Area heads and head of Group Operations varies between a minimum (no pay-out) and a maximum of 100% of annual base salary, which is also the cap. Group Management members in the USA have a maximum of up to 150% of annual base salary.

Group Management members that are Group staff heads receive variable salary that varies between a minimum (no pay out) and a maximum of 80%, which is also the cap.

The members of Group Management participate in The Group's long-term performance based share programs. For further information on these programs, see below.

The notice period for Group Management members employed in Sweden is 12 months for the employer and 6 months for the employee. Certain members of Group Management are entitled to 12 months' severance pay based on base salary with deduction for other income during the 12 months severance period. Severance pay is applicable if the employment is terminated by the employer. It is also applicable if the employment is terminated by the Group Management member provided serious breach of contract by the employers or if there has been a major change in ownership structure in combination with changes in management and changed individual accountability.

For members of Group Management employed outside of Sweden, varying terms of employment and benefits, such as company car, may apply depending upon the country of employment

#### Legal proceedings

Litigation and claims related to asbestos are pending against the Group in the U.S. Almost all of the cases refer to externally supplied components used in industrial products manufactured by discontinued operations prior to the early 1970s. The cases involve plaintiffs who have made substantially identical allegations against other defendants who are not part of the Electrolux Group.

As of December 31, 2023, the Group had a total of 3,625 (3,365) cases pending, representing approximately 3,630 (approximately 3,371) plaintiffs. During 2023, 1,161 new cases with approximately 1,161 plaintiffs were filed and 901 pending cases with approximately 902 plaintiffs were resolved.

The Group continues to operate under a 2007 agreement with certain insurance carriers who have agreed to reimburse the Group for a portion of its costs relating to certain asbestos lawsuits. The agreement is subject to termination upon 60 days notice and if terminated, the parties would be restored to their rights and obligations under the affected insurance policies. It is expected that additional lawsuits will be filed against Electrolux Group. It is not possible to predict the number of future lawsuits. In addition, the outcome of asbestos lawsuits is difficult to predict and AB Electrolux cannot provide any assurances that the resolution of these types of lawsuits will not have a material adverse effect on its business or on results of operations in the future.

In October 2013, Electrolux Group became subject of an investigation by the French Competition Authority regarding a possible violation of antitrust rules. The Authority has thereafter decided to conduct two separate investigations whereof one was completed in December 2018. In February 2023, the Authority issued a Statement of Objections relating to the other investigation and Electrolux

France is alleged to have breached the antitrust rules by conducting resale price maintenance in the home appliance sector between 2009 and 2014 and by exchanging with other parties competitively sensitive information relating small appliances in France between 2009 and 2014. During the second quarter 2023, a settlement has been agreed with the Competition Authority and Electrolux Group has therefore in accordance with accounting principles set a provision of SEK 643m. A minor part of the provision relates to the settlement of another legal matter in Europe. The final amount will be decided at the end of the procedure.

In the fourth quarter 2023 the Brazilian Supreme Federal Court issued a ruling regarding a specific state value added tax for the fiscal year 2022. It cannot be ruled out that the consequences of this ruling could have a material impact on Electrolux Group's financial result. As the written ruling has not yet been released, it is however at this stage not possible to evaluate the consequences of this ruling for Electrolux Group's subsidiaries in Brazil. No provision relating to this matter has been set.

In 2019 an order was issued by the Italian Environmental Authorities for certain remediation actions connected to contamination at a manufacturing site in Aviano (Italy), a site that Electrolux subsidiary INFA s.p.a. ("INFA") divested to the current operator of the site, Sarinox s.p.a. ("Sarinox"), in 2001. Following certain court proceedings, the order became final against Sarinox in the fourth quarter of 2021. Pursuant to the order, Sarinox shall, *inter alia*, participate in projects to improve the groundwater quality in the Friuli region, Italy (whereby interventions for a cost of EUR 42m are mentioned in the order), and take certain other measures to clean 42m cubic meters of contaminated groundwater in the region. Although INFA is not liable to perform the obligations under the order from the Environmental Authority, it is possible that the situation can evolve and result in a liability for INFA in its capacity as former owner and operator or seller of the site. However, it is at this stage not possible to evaluate the extent of such a potential liability. No provision relating to this matter has been set.

#### Statutory sustainability reporting

The statutory sustainability reporting in the Annual Report is approved by the Electrolux Group Board. The Group's annual statutory Sustainability Report covers the main material topics organized in the For the Better 2030 framework, and the main progress for the year.

# Electrolux Group Board members



**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 Hedengren**  
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:* 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:* 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:* Board member 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:* President of 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.

*Board meeting attendance:*  
8/10

*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.



# Reporting Framework

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# About this report

Being transparent about Electrolux Group's sustainability ambitions and how it measures, manages and integrates these priorities into its business is an important part of the Group's annual reporting process.

The 2023 Electrolux Group Sustainability Report presents the nine Goals of the company's sustainability framework – For the Better 2030 – and its Climate Goals. Using the Global Reporting Initiative (GRI) sustainability reporting guidelines as a starting point, the report aims to deliver the information needs of different stakeholders on the Group's work with sustainability. The report is presented in a PDF format and was published on March 15, 2024. The Group's previous Sustainability Report was published in March 2023.

Based on a materiality analysis, the Group's sustainability framework includes the sustainability topics most relevant to Electrolux Group and its value chain. The report outlines why sustainability is relevant to the Group's business, priorities and response, roadmap to 2030, how progress is measured, and its approach to managing each of the nine For the Better 2030 Goals and Climate Goals.

## Annual Report

Sustainability information is integrated throughout the [Electrolux Group Annual Report 2023](#), and as a brief specific section. EU-taxonomy and climate-related risk disclosures are also reported in the Annual Report Targeted at shareholders and other stakeholders, the Annual Report focuses on how sustainability issues relate to the Group's business strategy, as well as its risk assessment, objectives and performance.

## Reporting realm

This Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards and has been reviewed by a third party to ensure reporting accuracy and completeness. The scope and boundaries of the Sustainability Report are defined by the GRI Index. The GRI Index leads readers to information on relevant disclosures as defined by the GRI Standards.

Electrolux Group is in an ongoing process to increase transparency on managing human rights related issues by responding to the disclosure requirements of the United Nations Guiding Principles Reporting Framework (UNGPR).

Unless otherwise indicated, standard disclosures include all operations that can potentially affect Electrolux Group's performance.

There were no restatements of information and changes in reporting during 2023. [See the section Restatement of information and changes in reporting on page 89](#) for information on how discontinued operations are reported.

The Group's internal practice is to seek external assurance for its sustainability reporting. The Audit Committee evaluates the objectivity and independence of the external auditors.

Electrolux Group applies the precautionary principle for managing sustainability and reporting as stated in its Environmental Policy.

## Boundary of the report

The Electrolux Group Sustainability Report is published annually. This report covers data that has been collected throughout the 2023 calendar year – from January 1 to December 31. At year end, the total number of employees was 43,959 (48,243) including the Group's majority-owned operations. This report covers 34 (41) factories, 44 (44) warehouses and 37 (36) offices, in 33 (30) countries. Staff working at facilities with less than 30 employees are not included in this report. The average number of employees in the Electrolux Group decreased by 9% during 2023. Generally, acquired entities are included in Group evaluations within two years of their acquisition.

AB Electrolux (publ) is a publicly listed company and its ownership structure is approximately as follows<sup>1)</sup>:

- Swedish institutions and mutual funds, 55%
- Foreign investors, 32%
- Swedish private investors, 13%

The Group is headquartered in Stockholm, Sweden.

<sup>1)</sup> Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

Country	Factories	Warehouses	Offices
Argentina	X	X	
Australia	X	X	X
Austria			X
Brazil	X	X	X
Canada			X
Chile	X	X	
China		X	
Colombia			X
Croatia			X
Ecuador			X
Egypt		X	
France		X	X
Germany	X		X
Greece			X
Hungary	X	X	X
Italy	X	X	X
Mexico	X	X	
New Zealand			X
Peru			X
Poland	X	X	X
Puerto Rico			X
Romania		X	
Singapore			X
South Africa	X	X	
Spain			X
Sweden	X	X	X
Switzerland		X	X
Thailand	X		X
The Netherlands			X
The UK			X
The US	X	X	X
Ukraine		X	
Venezuela			X

Unless otherwise indicated, sustainability disclosures include all operations that contributed to Group performance across all material topics for the calendar year 2023. No adjustments for minority interests are applied.

Reported data is without contributions from discontinued operations unless otherwise stated. No significant changes in activities, value chain and other business relationships are noted.

Energy reduction performance was calculated according to the World Resources Institute (WRI). Electricity emission factors were updated according to the CO<sub>2</sub> emissions from fuel combustion 2023 edition data, as published by the International Energy Agency (IEA). To allow for comparability, these electricity emission factors used in this report are offset by a three-year period. Units using renewable energy have been defined as having a CO<sub>2</sub> emission factor of zero. CO<sub>2</sub> and HFCs are contributing to emission calculations. Offsets are not included in any reduction calculations. Wherever possible, Electrolux Group reports on its performance indicators covering the last five years.

Health and safety statistics are based on the Electrolux Group global definitions in terms of what constitutes a workplace injury and a lost day due to injury. All personnel within the Electrolux Group manufacturing and logistics operations are included, as well as contractors.

Throughout the report, where data is presented as part of the narrative, 2022 data is presented in (brackets).

#### Restatement of information and changes in reporting

No restatements during 2023.

#### External assurance

The Sustainability Report (as referenced in the GRI index) is reviewed in accordance with the standard ISAE 3000. Furthermore, this report is approved by the CEO.

The Group's Sustainability Report has received external limited assurance, since 2012. [Read the Auditor's Limited Assurance Report on page 96](#).

For more detailed and regularly updated information on the Electrolux Group's progress and performance in terms of sustainability issues, visit: [electroluxgroup.com](http://electroluxgroup.com)

Or contact:

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# GRI Index

**Statement of use** Electrolux Group has reported in accordance with the GRI Standards for the period January 1, 2023 – December 31, 2023.

**GRI 1 used** GRI 1: Foundation 2021

**Applicable GRI sector standards** Not currently available

GRI Standard	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
<b>General disclosures</b>					
GRI 2: General Disclosures 2021	2-1 Organizational details	88			
	2-2 Entities included in the organization's sustainability reporting	88			
	2-3 Reporting period, frequency and contact point	88–89			
	2-4 Restatements of information	89			
	2-5 External assurance	89, 96			
	2-6 Activities, value chain, and other business relationships	2, 25, 64–68, 88–89			
	2-7 Employees	16–19, 21			
	2-8 Workers who are not employees	-	Omission	Information unavailable	Currently not tracked. Extended tracking is planned
	2-9 Governance structure and composition	81–82, 83–86	Omission	Information incomplete	Underrepresented social groups is not a criteria in selection.
	2-10 Nomination and selection of the highest governance body	81–82	Omission	Information incomplete	Electrolux Group follows Swedish Corporate Governance Code.
	2-11 Chair of the highest governance body	85			
	2-12 Role of the highest governance body in overseeing the management of impacts	81–82			
	2-13 Delegation of responsibility for managing impacts	81			
	2-14 Role of the highest governance body in sustainability reporting	61, 81–82			
	2-15 Conflicts of interest	78, 81	Omission	Information incomplete	Cross share holding not disclosed.
	2-16 Communication of critical concerns	81			
	2-17 Collective knowledge of the highest governance body	-	Omission	Information unavailable	Significant sustainability issues are addressed when needed, such as the implementation of the CSRD.
	2-18 Evaluation of the performance of the highest governance body	83			
	2-19 Remuneration policies	81, 83–84			
	2-20 Process to determine remuneration	81			
	2-21 Annual total compensation ratio	-	Omission	Information unavailable	Median pay not tracked.



GRI Standard	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
cont <i>GRI 2: General Disclosures 2021</i>	2-22 Statement on sustainable development strategy	9-10			
	2-23 Policy commitments	78			
	2-24 Embedding policy commitments	73-79, 81			
	2-25 Processes to remediate negative impacts	12-53, 62-63, 70-77			
	2-26 Mechanisms for seeking advice and raising concerns	18, 73-78			
	2-27 Compliance with laws and regulations	84	Omission	Information incomplete	Information not compiled at global level.
	2-28 Membership associations	77			
	2-29 Approach to stakeholder engagement	62-63			
	2-30 Collective bargaining agreements	17, 70			
<b>Material Topics</b>					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	61-68			
	3-2 List of material topics	61-68			
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management approach, 205	61-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	17, 31, 70	Omission	Information incomplete	Risk based approach guides this work.
	205-2 Communication and training about anticorruption policies	17-18	Omission	Information incomplete	Qualitative focus on parts of the business most in risk.
	205-3 Confirmed incidents of corruption and actions taken	18	Omission	Information incomplete	Corruption cases included in Breach of Business Integrity.
Anti-competitive Behaviour					
GRI 3: Material Topics 2021	3-3 Management approach, 206	15, 17, 56-57, 61-63, 70-77, 80	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	17-18, 84			
Materials					
GRI 3: Material Topics 2021	3-3 Management approach, 301	61-63, 70-77, 80			No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 301: Materials 2016	301-1 Materials used by weight or volume	37			
	301-2 Recycled input materials used	37	Omission	Information incomplete	Only recycled plastic amount tracked.
Energy					
GRI 3: Material Topics 2021	3-3 Management approach, 302	61-63, 73-78	Omission	Information incomplete	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 302: Energy 2016	302-1 Energy consumption within the organization	13, 86			
	302-3 Energy intensity	13			



GRI Standard	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
<strong>Water and Effluents</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 303	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the Better 2030 framework.
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	14	Omission		Seawater and Produced water not used. Contaminants not consolidated at Group level due to different local standards and legal requirements.
	303-4 Water discharge	13-14	Omission		Seawater and Produced water not used. Contaminants not consolidated at Group level due to different local standards and legal requirements.
<strong>Emissions</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 305	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	13, 53			
	305-2 Energy indirect (Scope 2) GHG emissions	13, 53			
	305-4 GHG emissions intensity	13			
	305-5 Reduction of GHG emissions	13, 89			
	305-6 Emissions of ozone-depleting substances (ODS)	53			
<strong>Waste</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 306	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	13			
	306-2 Management of significant waste-related impacts	13, 74-75			
	306-5 Waste directed to disposal	13			
<strong>Supplier Environmental Assessment</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 308	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	29, 75	Omission	Information incomplete	Percentage metric not reported.
<strong>Employment</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 401	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	21	Omission	Information incomplete	Breakdown by age group and region not reported.
<strong>Occupational Health and Safety</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 403	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	76			
	403-9 Work-related injuries	18-19	Omission	Information incomplete	High-consequence injury/illness not reported separately.



GRI Standard	Disclosure	Location	Omission		
			Requirement(s) omitted	Reason	Explanation
<strong>Training and education</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 404	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	19	Omission	Information incomplete	Covers only non-production employees.
	404-3 Percentage of employees receiving regular performance and career development reviews	19	Omission	Information incomplete	Covers only non-production employees. No gender breakdown.
<strong>Diversity and Equal Opportunity</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 405	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	22, 85-86			
<strong>Non-discrimination</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 406	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	18, 20-22			
<strong>Freedom of Association and Collective Bargaining</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 407	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	17, 30-31, 70-72			
<strong>Child Labour</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 408	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	31, 70-72	Omission	Information incomplete	No information on young workers exposed to hazardous work.
<strong>Forced or Compulsory Labour</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 409	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	31, 70-72			
<strong>Supplier Social Assessment</strong>					
GRI 3: Material Topics 2021	3-3 Management approach, 414	62-63, 73-78	Omission	Information unavailable	No specific lessons learnt, work guided by the For the Better 2030 framework.
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	29-32, 71	Omission	Information incomplete	Percentage metric not reported.

# UN Guiding Principles Reporting Framework

## Part A: Policy commitment

**A1** What does the company say publicly about its commitment to respect human rights?

### Response

- Codes and policies
- Code of Conduct
- Workplace Policy and Supplier Workplace Standard
- Act ethically, lead in diversity and respect human rights
- Drive supply chain sustainability

## Embedding respect for human rights

**A2** How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?

- Act ethically, lead in diversity and respect human rights
- Drive supply chain sustainability
- Understanding and managing human rights risks

## Part B: Defining the focus of reporting

**B1** Statement of salient issues: State the salient human rights issues associated with the company's activities and business relationships during the reporting period.

- Understanding and managing human rights risks

**B2** Determination of salient issues: Describe how the salient human rights issues were determined, including any input from stakeholders.

- Understanding and managing human rights risks
- Materiality process

**B3** Choice of focal geographies: If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.

- Understanding and managing human rights risks
- High-risk countries

**B4** Additional severe impacts: Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed.

- Understanding and managing human rights risks
- Act ethically, lead in diversity and respect human rights

## Part C: Management of salient human rights issues specific policies

**C1** Does the company have any specific policies that address its salient human rights issues and, if so, what are they?

### Response

- Code of Conduct
- Workplace Policy and Supplier Workplace Standard

## Stakeholder engagement

**C2** What is the company's approach to engagement with stakeholders in relation to each salient human rights issue?

- Materiality process
- Stakeholders inform the Group's approach
- Understanding and managing human rights risks

## Assessing impacts

**C3** How does the company identify any changes in the nature of each salient human rights issue over time?

- Materiality process
- Understanding and managing human rights risks

## Integrating findings and taking action

**C4** How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?

- Understanding and managing human rights risks
- Management approach
- Act ethically, lead in diversity and respect human rights
- Drive supply chain sustainability

## Tracing performance

**C5** How does the company know if its efforts to address each salient human rights issue are effective in practice?

- Auditing and monitoring
- Workplace policy audits

## Remediation

**C6** How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient human rights issue?

- Act ethically, lead in diversity and respect human rights
- Auditing and monitoring
- Drive supply chain sustainability

# Awards and recognition

Rating agencies and sustainability rankings have recognized our sustainability commitment and performance in 2023.



## CDP

In 2023, the global non-profit CDP awarded Electrolux Group an A score for its work on climate action, and A- for water. CDP is an international non-profit that runs a global disclosure system for investors, companies, cities, states and regions.

Member of

## Dow Jones Sustainability Indices

Powered by the S&P Global CSA

### Dow Jones Sustainability World Index

Electrolux Group is recognized as a sustainability leader in the Dow Jones Sustainability Index (DJSI) World and Europe in the consumer durables industry.



## MSCI

MSCI ESG Research provides in-depth research, ratings and analysis of the environmental, social and governance-related business practices of thousands of companies worldwide. Our research is designed to provide critical insights that can help institutional investors identify risks and opportunities that traditional investment research may overlook. The MSCI ESG Ratings are also used in the MSCI ESG Indexes, which are produced by MSCI, Inc.

# STOXX

## Stoxx

Electrolux Group was included in the STOXX® Global ESG Leaders index. The STOXX® Global ESG Leaders Index provides visibility for companies that excel in more sustainable operations and management.



## FTSE4Good

### FTSE4Good

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Electrolux Group has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies that demonstrate strong ESG practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.



## ISS oekom Prime Status

ISS oekom research assesses the environmental, social and governance performance of companies with over 100 social and environmental criteria, selected specifically for each industry. ISS oekom research awards Prime Status to those companies that are among the leaders in their industry and that meet industry-specific minimum requirements.



## Nasdaq

Electrolux has been recognized as a Nasdaq ESG Transparency Partner. The recognition is presented to companies that display a high level of transparency to its investors in regard to environmental, social and governance (ESG) issues.

# Auditor's Limited Assurance Report on AB Electrolux (publ) Sustainability Report

To AB Electrolux (publ), corporate identity number 556009-4178

## Introduction

We have been engaged by the Board and Group Management of AB Electrolux (publ) ("Electrolux") to undertake a limited assurance of Electrolux Sustainability Report for 2023. The company has defined the scope of its sustainability report on page 88.

## Responsibilities of the Board and Group Management

The Board of Directors and Group Management are responsible for the preparation of the Sustainability Report in accordance with the applicable criteria, as explained on page 88 in the Sustainability Report, and consists of the GRI Sustainability Reporting Standards which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the company has developed. This responsibility includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

## Responsibilities of the auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed. Our assignment is limited to the historical information that is presented and thus does not include future-oriented information.

We conducted limited assurance procedures in accordance with ISAE 3000 (revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. A limited assurance engagement consists of making inquiries, primarily of persons

responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. A limited assurance engagement has a different focus and a considerably smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The audit firm applies ISQM 1 (International Standard on Quality Management) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent in relation to Electrolux according to generally accepted auditing standards in Sweden and have fulfilled our professional ethics responsibility according to these requirements.

The procedures performed in a limited assurance engagement do not allow us to obtain such assurance that we would become aware of all significant matters that could have been identified if an audit was performed. The conclusion based on a limited assurance engagement, therefore, does not provide the same level of assurance as a conclusion based on an audit has.

Our procedures are based on the criteria defined by the Board of Directors and the Group Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

## Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Group Management

Stockholm 14 March 2024

PricewaterhouseCoopers AB

Peter Nyllinge  
Authorized Public Accountant  
Partner in Charge

Helena Kaiser de Carolis  
Authorized Public Accountant

# Sustainability milestones

<b>1991</b> First Environmental Policy.	<b>1999</b> First time Electrolux Group is included in the Dow Jones Sustainability Index as the sustainability leader in its industry.	<b>2003</b> Electrolux Group joined the UN Global Compact	<b>2011</b> Ethics Helpline was launched.	<b>2016</b> Electrolux Food Foundation established and the Feed the Planet partnership with Worldchefs and AIESEC launched.	<b>2021</b> Electrolux Group was recognized for its sustainability leadership with a prestigious A score for its actions on climate and water as well as a Supplier Engagement Leader by the global non-profit CDP.	<b>2023</b> The Group's new and expanded science-based climate target was approved.
<b>1995</b> First Environmental Report	<b>2002</b> Formalized corporate social responsibility commitments and implemented the Workplace Code of Conduct	<b>2004</b> Implemented the Electrolux Group Restricted Materials List	<b>2014</b> Carbon target to halve the Group's climate impact by 2021 compared with 2005.	<b>2018</b> One of the first 100 companies with a science-based target approved to meet the Paris Climate Agreement's ambition.	<b>2022</b> The Group achieved its science-based climate target three years ahead of plan.	





AB Electrolux (publ), 556009-4178

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