Human Rights Due Diligence Process Description

1. Introduction and Purpose

Electrolux Group is committed to respecting and promoting human rights across its operations and value chain. This commitment is embedded in the Group's Code of Conduct, Human Rights Policy Statement, and the For the Better sustainability framework. Human Rights Due Diligence (HRDD) is a key mechanism through which the Group identifies, assesses, prevents, mitigates, and remediates actual and potential adverse impacts on people and the environment.

This document provides a description of Electrolux Group's HRDD process. The process is designed to align with international frameworks such as the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, and emerging regulatory requirements including the EU Corporate Sustainability Due Diligence Directive (CSDDD) and the German Supply Chain Act (LKSG).

2. Scope of Application

The HRDD process applies to all entities within the Electrolux Group, including majority-owned subsidiaries and joint ventures, where applicable. It also extends to third parties contracted to perform HRDD-related services, and to suppliers and business partners whose operations may impact human rights. The process is designed to cover both direct and indirect relationships, ensuring that risks are addressed throughout the value chain. In addition to ongoing operations and supplier relationships, the HRDD process is also applied proactively in the context of new business relations such as acquisitions.

Electrolux Group's HRDD approach is grounded in the recognition of internationally protected rights, including those outlined in the International Bill of Human Rights, the ILO Core Conventions, and the Convention on the Rights of the Child. Special attention is given to vulnerable groups such as migrant workers, women, children, and indigenous peoples. Environmental impacts that affect human rights such as pollution, deforestation, and access to water are also considered, in line with the environmental provisions of the CSDDD and LKSG.

3. Governance and Organizational Responsibilities

Human rights governance at Electrolux Group is structured to ensure accountability and cross-functional collaboration. The Sustainability Board, chaired by the President and CEO and convened by the Chief Technology & Sustainability Officer (CTSO), serves as the highest-level forum for sustainability oversight. This board includes members of Group Management and is responsible for strategic direction and alignment.

Operational oversight of HRDD is provided by the Ethics & Human Rights Steering Group (the Steering Group), which includes senior leaders from Legal, Internal Audit, HR, and Corporate Communications. This group approves the HRDD strategy and monitors its effectiveness.

The Social Sustainability team leads the implementation of HRDD activities, including the Responsible Sourcing Program (RSP). This team coordinates risk assessments, audits, supplier evaluations, and stakeholder engagement. Business Area Compliance Committees, composed of legal, HR, finance, and operational leaders, ensure that HRDD is integrated into day-to-day decision-making and compliance monitoring.

All leaders within the Group are responsible for ensuring adherence to human rights policies within their areas of responsibility. This includes promoting awareness, supporting assessments, and implementing corrective actions where needed.

4. Human Rights Risk and Impact Assessments

Risk and impact assessments are central to the HRDD process. These assessments are conducted at the group level, local level, and on an ad hoc basis in response to specific incidents or changes in operations.

Group-Level Assessments

Group-level assessments are conducted at least every three years, or more frequently if significant changes occur in the business. These assessments follow a structured methodology based on the UNGPs and OECD Due Diligence Guidance. The process includes a review of internal documentation, external reports, stakeholder interviews, and workshops. Stakeholders may include employees, unions, NGOs, investors, and community representatives.

The outcomes of these assessments are documented in the Human Rights Risk Register, which identifies and prioritizes the Group's salient human rights issues. These issues are reviewed annually as part of the Double Materiality Assessment required under the CSRD.

Local-Level Assessments

Local assessments are conducted in regions or operations where elevated risks are identified. These assessments are led by cross-functional project teams that include representatives from, for example, Sustainability, HR, Compliance, and local management. External experts may be engaged to support the process.

The assessment begins with a planning phase, where the scope is defined based on known risks, recent changes, and stakeholder input. Internal sources such as audit results, SpeakUp Line cases, and employee surveys are reviewed alongside external data from human rights indices and country reports.

Stakeholder engagement is a critical component. Employees, contractors, and third-party workers are invited to participate in confidential interviews and roundtables. Civil society organizations may be consulted as proxies when direct engagement is not feasible. The findings are consolidated and documented in a report that includes recommendations and proposed actions.

Ad Hoc Assessments

Ad hoc assessments are triggered by specific events, such as a grievance, media report, or operational change. These assessments follow a six-step process:

1. **Initial Review**: Relevant functions assess the available information and determine whether escalation is needed.
2. **Decision**: The Steering Group decides on immediate actions and whether a formal investigation is required.
3. **Team Formation**: An investigation team is assembled, including internal experts and external advisors, as appropriate.
4. **Investigation**: The team conducts interviews, document reviews, and stakeholder engagement, ensuring confidentiality and due process.
5. **Findings**: Results are presented to the Steering Group for validation.
6. **Action Plan**: A remediation plan is developed, including timelines, responsibilities, and desired outcomes.

5. Audits and Supplier Evaluations

Audits are conducted to verify compliance with human rights standards in both Electrolux Group's own operations and its supply chain.

Internal Workplace Audits

All Electrolux factories are audited annually against the Workplace Directive. Audits are conducted by trained internal or third-party Social Sustainability auditors and include site visits, document reviews, and employee interviews. The findings are used to inform local assessments and develop action plans.

Supplier Audits

Suppliers are screened and prioritized for audits based on risk factors such as geography, industry, and past performance. Audits follow ISO 19011 standards and assess compliance with the Supplier Workplace Standard. Non-compliances are documented in Corrective Action Reports (CARs), and suppliers must submit action plans to address findings.

Suppliers are assigned evaluation grades based on audit results. Suppliers with serious violations may be suspended or terminated if they fail to remediate issues based on audit results.

Extended Supply Chain Due Diligence

To address human rights risks beyond tier 1 suppliers, Electrolux is exploring ways to extend due diligence efforts deeper into the supply chain. The Group runs a Conflict Minerals Due Diligence Program, which targets materials such as tin, tantalum, tungsten, gold (3TG), cobalt, and mica, commonly used in electronics and mechanical components.

Annual assessments are conducted and validated by the Responsible Minerals Assurance Process (RMAP). Where transparency is lacking or sourcing from high-risk regions is identified without mitigation, suppliers are flagged for further review. The results are publicly available in the annual Conflict Minerals Report. Electrolux Group is a member of the Responsible Minerals Initiative, to support positive change in the minerals supply chain alongside other companies.

This extended due diligence enables Electrolux Group to proactively identify and address human rights risks not only in direct supplier relationships but also in the deeper tiers of its supply chain. It reinforces the Group's commitment to responsible sourcing and to minimizing the risk of contributing to human rights violations through indirect business relationships.

6. Grievance Mechanisms

Electrolux Group provides multiple channels for stakeholders to raise concerns and seek resolution. These mechanisms are designed to be accessible, confidential, and responsive.

Employees can report issues to HR representatives, union leaders, or through the European Works Council. The International Framework Agreement (IFA) provides additional protections for labor rights.

The SpeakUp Line is available to both internal and external stakeholders and allows for anonymous reporting. Cases are triaged by a cross-functional team and investigated by trained personnel. Serious cases are escalated to the Steering Group.

Grievances raised during audits or through external mechanisms (e.g., OECD National Contact Points) are also addressed through the HRDD process. Where necessary, ad hoc assessments are conducted to investigate and resolve issues.

7. Action Plans and Remediation

When risks or impacts are identified, Electrolux Group develops action plans to address them. These plans include immediate measures to stop harm, implement corrective actions to address root causes, preventive actions to avoid recurrence, and, where appropriate, remediation. Plans are developed in consultation with affected stakeholders and include clear responsibilities and deadlines.

8. Monitoring, Review, and Reporting

The HRDD process is reviewed at least every two years, or more frequently if significant changes occur. Effectiveness is monitored through sustainability targets, audit results, assessment outcomes, and feedback from employees and stakeholders.

Progress is reported annually in the Sustainability Statement, in compliance with the CSRD. Additional reports are published as required by national legislation, including the UK Modern Slavery Act and the German Supply Chain Act.