

ELECTROLUX SUPPLIER WORKPLACE STANDARD

1. Purpose

Electrolux has a long tradition of providing safe and healthy working conditions, and caring for the environment as well as our own employees and people around us.

An important fundament for these efforts is the Group Workplace Policy and the Supplier Workplace Standard. These define minimum acceptable standards for health and safety, environment, labor and human rights – in all countries, wherever we operate. They are based on internationally recognized treaties and agreements, such as the core conventions of the International Labor Organization, the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights and the UN Global Compact.

2. Electrolux Policy Statement

Electrolux is dedicated to being a responsible employer and a good corporate citizen, with products and solutions that contribute to improving people's lives around the world. All our activities – including the sourcing, manufacturing, distribution and sale of products – must be conducted with respect and consideration for human rights, for human safety and health, and for the environment.

This commitment includes the respect and support of labor rights as set out by the ILO Declaration on Fundamental Principles and Rights at Work, as well as the respect and support of broader human rights covered by the International Bill of Human Rights.

We strive for continuous improvement with sustainability as a core focus in all our operations and activities in which we are involved.

The Electrolux Supplier Workplace Standard (hereinafter referred to as “the Standard”) and the Workplace Directive (hereinafter referred to as “the Directive”) reflect our ambition to be a good corporate citizen, and address expectations of our stakeholders.

3. Scope and implementation

The Standard is applicable to all suppliers of the Electrolux Group, and compliance is required. The same requirements apply to our own operations, and this is detailed in the Electrolux Workplace Policy. Any changes in the Workplace Policy, must lead to the corresponding changes in the Supplier Workplace Standard.

It is the responsibility of the supplier management to implement and ensure compliance with the Standard. This responsibility includes regular education of own employees. Suppliers' employees are responsible for acting in accordance with this Standard.

It is the responsibility of Electrolux to include the requirements of the Standard in the terms of the business relationship, to inform and educate suppliers about the Standard, and monitor compliance.

4. Definitions

The Electrolux Group Workplace Directive clarifies and specifies the requirements of the Electrolux Group Workplace Policy and Supplier Workplace Standard.

This Standard replaces the previous Electrolux Workplace Code of Conduct.

5. Expectations on suppliers

5.1 Laws and regulations

All Electrolux Group suppliers shall operate in full compliance with relevant laws and regulations applicable to their operations and employment in the countries in which they operate.

5.2 Suppliers

It is the responsibility of the supplier to require that their suppliers comply with the provisions in the Standard and the Directive. On request, the Electrolux supplier shall be able to inform Electrolux which suppliers they use, and demonstrate that these have received and understood the provisions in the Supplier Workplace Standard.

Suppliers will ensure that the sourcing of materials in products, parts or components supplied to Electrolux does not directly or indirectly contribute to human right abuses in conflict-affected and high-risk areas.

5.3 Corruption, bribery and business ethics

The Electrolux Group does not tolerate corruption, bribery or unethical business practices in any form. All Electrolux suppliers and their employees, shall refrain from offering, giving, demanding or receiving bribes or any other improper benefits.

5.4 Child labor

Child labor is not tolerated in any form. Unless local law stipulates a higher age limit, no person younger than the age for completing compulsory education or younger than 15 shall be employed.

For authorized minors, management is responsible for providing age-appropriate working conditions, hours of work and wage, in compliance with applicable local law.

If a child is found working at a site where Electrolux products or components are produced, or services relating to Electrolux operations are performed, all actions taken must be in the best interest of the child, and all remediating actions must be taken to maintain or improve the child's social situation.

5.5 Forced labor

Forced, involuntary, or trafficked labor is not tolerated in any form. This includes indentured, bonded, and unapproved prison labor, and other forms of working against one's own will or choice.

5.6 Security arrangements

Security practices must at all times be performed in full respect of human rights and applicable legislation. The use of force must be avoided to the extent possible.

5.7 Health and safety

All suppliers' employees shall be provided with a safe and healthy working environment and, when applicable, safe and healthy residential facilities, with applicable local law as a minimum. The unit should take appropriate action to prevent, and manage, potential workplace accidents and illnesses.

5.8 Non-discrimination

The Electrolux Group recognizes and respects diversity and cultural differences. All suppliers' employees shall be treated strictly according to his or her abilities and qualifications in any employment decisions, including but not limited to hiring, advancement, compensation, benefits, training, layoffs and termination.

5.9 Harassment and abuse

No supplier employee shall be subject to physical, sexual, psychological or verbal harassment, intimidation or abuse.

5.10 Disciplinary action and grievances

Disciplinary actions shall be conducted in a manner to ensure the fair and humane treatment of employees. No supplier employee shall be subject to corporal punishment. Progressive disciplinary action shall be applied. Supplier employees are encouraged and expected to report concerns and suspected breaches of this Standard and are assured that there will be no retaliation or other negative consequences.

5.11 Working hours

Electrolux recognizes the need for a healthy balance between work and free time for all. Suppliers' employees shall not, on a regularly scheduled basis, be required to work a standard work week of more than 48 hours per week or a total work week of more than 60 hours (including overtime).

Except in extraordinary business circumstances, all workers shall be entitled to at least one day off in every seven-day period.

5.12 Compensation

Wages, including overtime compensation and benefits, shall equal or exceed the level required by applicable law. Electrolux encourages consideration of the cost for meeting basic needs of the suppliers' workers and their families, as part of defining wage levels.

5.13 Freedom of association and collective bargaining

All suppliers' employees are free to exercise their legal rights to form, join, or refrain from joining organizations representing their interests as employees. No supplier employee shall be subject to intimidation or harassment in his or her peaceful exercise of these rights.

The supplier employees' right to collectively bargain shall be respected.

5.14 Environmental management

All suppliers shall operate in full compliance with applicable environmental legislation and Electrolux-specific requirements. A management system shall be in place, aimed to continuously improve the unit's environmental standards and performance. Each unit shall identify all relevant environmental aspects and take appropriate actions to address these, including resource consumption, emissions, chemicals and waste.

5.15 Monitoring and compliance

Supplier management is responsible for regular and documented monitoring and review of the compliance with this Standard by its unit. Management is also responsible for maintaining adequate documentation to demonstrate compliance by its suppliers.

As a condition of doing business with the Electrolux Group, suppliers must permit Electrolux and its designated agents (including third parties) to perform audits, including confidential employee interviews.

5.16 Violations and non-compliance with this standard

Supplier employees and managers who violate the standard should be subject to disciplinary action decided by the supplier management.

Suppliers which are found to be in non-compliance with the Standard may be subject to termination of contract with Electrolux, depending on the facts and circumstances.

5.17 How to report violations

Suppliers' employees are encouraged and expected to report incidents of non-compliance.

Violations of this Standard may be reported through the suppliers' available grievance mechanisms. Anyone reporting a violation shall, to the extent legally permissible, have the possibility to remain anonymous.

Violations may also be reported through the esws@electrolux.com mailbox function.

There should be a non-retaliation rule in place and the supplier will work to ensure that there are no adverse work-related consequences for any employee who, in good faith, alerts management of possible violations of this policy.

6. Further guidance

For questions regarding this Standard, please contact Electrolux Purchasing.

References available on www.electroluxgroup.com:

Electrolux Code of Conduct
Electrolux Workplace Policy
Electrolux Workplace Directive
Electrolux Group Environmental Policy
Electrolux Restricted Materials List

Additional references:

The OECD Guidelines for Multinational Enterprises
ISO14001
ISO26000
BS OHSAS 18001
SA8000
UN Global Compact
International Bill of Human Rights
UN Guiding Principles on Business and Human Rights
Children's Rights and Business Principles
ILO Declaration on Fundamental Principles and Rights at Work
ILO conventions:
C1, Hours of Work (Industry) Convention, 1919
C29, Forced Labour Convention, 1930
C87, Freedom of Association and Protection of the Right to Organise Convention, 1948
C98, Right to Organise and Collective Bargaining Convention, 1949
C100, Equal Remuneration Convention, 1951
C105, Abolition of Forced Labour Convention, 1957
C111, Discrimination (Employment and Occupation) Convention, 1958
C131, Minimum Wage Fixing Convention, 1970
C138, Minimum Age Convention, 1973
C182, Worst Forms of Child Labour Convention, 1999