

# 2019

## Electrolux Green Bond Impact Report



### Executive summary - results as of December 31, 2019

In March 2019, Electrolux established its first Green Bond framework to fund climate investments and other environmental initiatives that support our sustainability framework, For the Better<sup>1</sup>. The Green Bond framework has been developed in alignment with the Green Bond Principles 2018, with projects eligible for funding defined to support the UN's Sustainable Development Goals and the Paris Climate Agreement. The Electrolux Green Bond framework has been independently evaluated by the Center for International Climate Research (CICERO), that gave the framework a Medium Green shading<sup>2</sup>.

Since the launch, Electrolux has successfully issued its first Senior Unsecured Green Bond of SEK 1bn with a tenor of five years to finance investments aligned with the Green Bond framework.

This report presents a description of the portfolio of approved Eligible Green Assets that have been financed, the process for asset evaluation and selection and the expected environmental impact of the investments, including the methodology applied.

Electrolux reports on a portfolio basis and in Swedish kronor (SEK m) and the reporting period ended on December 31, 2019. The exchange rate used is per the end of the reporting period. During the year, Electrolux issued one Green Bond amounting to SEK 1bn, maturing March 27, 2024. The proceeds from the bond have been used to finance and re-finance investments that are in alignment with the Electrolux Green Bond framework. Eligible Green Assets amounted to SEK 2.6bn at end of year 2019.

Eligible assets represent four out of the five categories in the Electrolux Green Bond framework:

- Improve product performance and efficiency
- Achieve more with less
- Eliminate harmful materials
- Climate targets

For assets in the categories "Improve product performance and efficiency" and "Achieve more with less," the environmental impact for the reporting year has been based on projected production volumes when the new refrigerator factory in Anderson, South Carolina, US, is operating at full capacity.

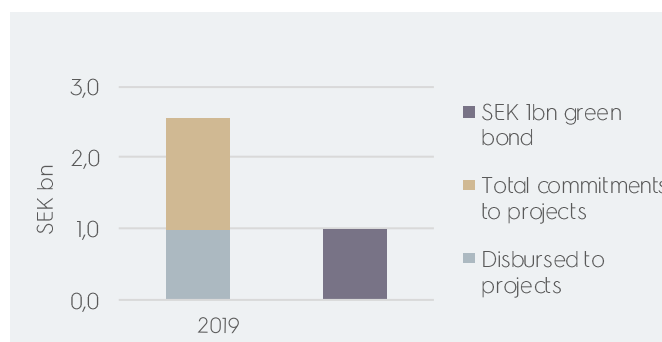
For "Improve product performance and efficiency," the environmental impact has been calculated as the life cycle impact for products manufactured during the reporting year.

For "Eliminate harmful materials," the reduced environmental impact, as a result of phasing out HFCs, has been calculated over the life cycle including manufacturing, product use and end-of-life treatment.

#### ELIGIBLE GREEN ASSET PORTFOLIO DISTRIBUTION BASED ON DISBURSED AMOUNTS



#### GREEN BOND ISSUANCE AND PORTFOLIO OF ELIGIBLE GREEN ASSETS (SEK bn)



<sup>1</sup> <https://www.electroluxgroup.com/sustainabilityreports/2019/>

<sup>2</sup> <https://www.electroluxgroup.com/en/wp-content/uploads/sites/2/2019/03/second-opinion-from-cicero-2019.pdf>



## CO2 IMPACT AND GREEN INDICATORS, BASED ON OUTSTANDING DISBURSED AMOUNTS<sup>1</sup>

Project category	GHG emissions reduced/avoided ton CO2e/year	Outstanding disbursed amounts to projects, SEK m	Impact, ton CO2e per SEK m
Improve product performance and efficiency <sup>2</sup>	114 000	128	891
Achieve more with less	1 500	478	3
Eliminate harmful materials <sup>2</sup>	1 800 000	340	5 294
Climate targets	4 900	54	91
<b>Total</b>	<b>1 920 400</b>	<b>1 000</b>	
Average impact, ton CO2 per SEK m			1 920
Annual renewable energy generation, MWh			9 000
Annual energy savings, MWh			282 000

1 - This table presents the calculated impact in terms of CO2 reduced or avoided. Aggregated project data reported represent expected outcomes.  
2 - Based on the total environmental impact calculated over the lifetime of products (see text)

## Process for asset evaluation and selection

Electrolux has established a Green Bond Committee that reviews and decides if a potential Eligible Green Asset aligns well with the Green Bond framework and qualifies as an Eligible Green Asset.



- Potential Eligible Green Assets are identified through the Electrolux regular investment request process
  - The potential Eligible Green Assets are evaluated in relation to the eligibility criteria in the Green Bond Framework by the Green Bond Committee
  - The Green Bond Committee decides in consensus which projects meet the requirements to be Eligible Green Assets, according to the Green Bond Framework. Assets will only be approved as Eligible Green Assets if Electrolux considers that there is a high likelihood that the net, long-term environmental impact of the asset will be positive.
  - The investment is registered as an Eligible Green Asset and becomes part of the qualified Eligible Green Assets portfolio
  - Electrolux reports on an annual basis the environmental impact of the Eligible Green Assets
- When selecting the allocation of the net proceeds to Eligible categories, the Green Bond Committee's ambition is to spread the net proceeds over all asset categories.

## Green bond portfolio and proceeds

The portfolio of Eligible Green Assets amounted to SEK 2.6bn as of year-end 2019, with an exchange rate as per December 31, 2019. Total green loans disbursed amounted to SEK 1bn.

Eligible Category	Disbursed green loans (SEK m)	Committed Eligible Green Asset (SEK m)	Share of financing / Refinancing (%)
Improve product performance and efficiency	128	174	100%/0%
Make better use of resources	0	0	0%
Achieve more with less	478	1 936	100%/0%
Eliminate harmful materials	340	402	100%/0%
Climate Targets	54	56	74%/26%
<b>Total</b>	<b>1 000</b>	<b>2 567</b>	<b>99%/1%</b>
Unallocated amount	0		
Total amount of Green bond issued since 2019, in SEK m		1 000	



The five categories in our Green Bond Framework primarily address two UN Sustainable Development Goals (SDGs); “Responsible consumption production” (12) and “Climate action” (13). More information can be found in our Green Bond framework.

## Impact reporting

The primary function of household appliances is to make everyday living more sustainable. While convenience is an important aspect, the basic benefit of the product is more fundamental. A refrigerator preserves food and reduces food waste, a dishwasher saves energy, water and detergents needed to clean dishes, and has less environmental impact than cleaning the dishes by hand. In addition to the environmental benefits, appliances also have a profound social impact as they free up time and enable how we live our lives today.

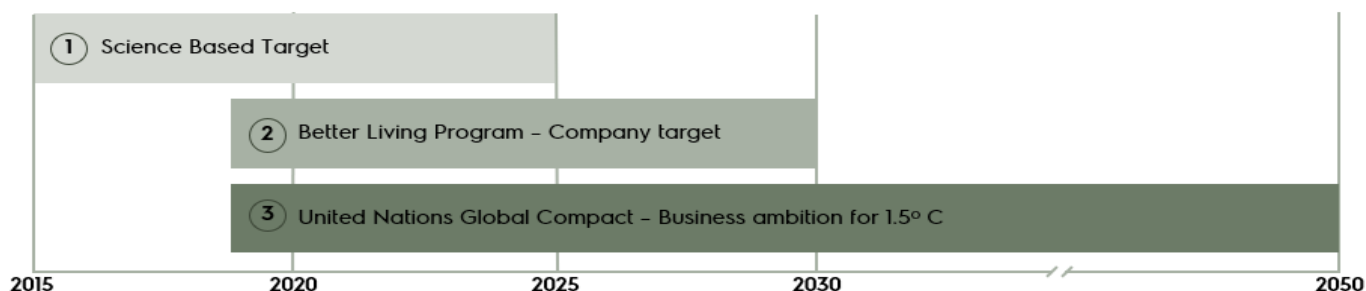
With approximately 60 million home appliances sold annually, Electrolux has a large environmental impact – including energy consumption, use of materials and chemicals. The most significant impacts over the products’ life cycle are emissions from the energy generation necessary for using products.

To achieve the Group’s purpose – Shape living for the better – and drive profitable growth, Electrolux uses a business model that focuses on creating outstanding consumer experiences. Sustainability leadership is crucial to realizing the company’s purpose and deliver on the business model.

Electrolux implemented a new sustainability framework in 2016 called “For the Better”. The framework focuses on three areas:

- Better solutions
- Better operations
- Better society

Within each area, Electrolux defined three sustainability promises to make a positive difference



1) Science Based Target (SBT) Scope 1 & Scope 2 – 80% reduction and Scope 3 – 25% reduction by 2025  
 2) Company target, Climate neutral operations (Scope 1 & Scope 2 = 0) by 2030  
 3= UNGC Business Pledge - climate neutral value chain by 2050

for the better. The nine sustainability promises cover all stages of the value chain – from R&D and suppliers, through operations and consumer use, to the end of life of products. The sustainability framework also includes targets to reduce greenhouse gas emissions.

The Green Bond Framework defined five Eligible categories based on the 2016 sustainability framework:

1. Improve product performance and efficiency
2. Make better use of resources
3. Achieve more with less
4. Eliminate harmful materials
5. Climate targets

The sustainability framework was updated in 2020 with targets for 2030 including the Better Living Program, which addresses how Electrolux can support consumers to live more sustainably at home. All the aspects addressed in the Green Bond Framework have a central position in the updated sustainability framework, For the Better 2030 (see below).

The Group’s climate strategy has also been updated with new climate targets:

- In 2018, Electrolux set Science Based Targets (SBT) to align its business with the Paris Agreement’s goal to limit the global average temperature to well below 2 °C - above pre-industrial levels - and to pursue efforts to limit the increase to 1.5 °C. With the Company target in the Better Living Program, Electrolux commits to be carbon neutral in its operations by 2030
- By signing the UNGC’s Business Ambition for 1.5 °C in 2019, Electrolux commits to have net zero emissions throughout its value chain by 2050
- As part of the commitment to the UN Cool Coalition, Electrolux has submitted a global warming reduction plan for all products that utilize refrigerant gases and foam blowing agents



The Science Based Target includes two targets for 2025 with 2015 as the reference year:

1. Reduction of CO2 emissions from energy use in operations (factories, warehouses and offices) by 80% (called Scope 1 and 2)
2. Reduction of CO2 emissions from 2/3 of all other aspects during the products life cycle by 25% (called scope 3)

The climate impact from the use of hydrofluorocarbon (HFC), utilized as refrigerants and foam blowing agents, is included in both Science Based Targets.

The Green bond proceeds have been allocated to Eligible Green Assets aligned with those targets.

### Improve product performance and efficiency

“Improve product performance and efficiency” is addressed as “Lead in energy- and resource efficient solutions” in the updated sustainability framework. This reflects the Group’s ambition to attain a leading position as a producer of resource-efficient appliances. Eligible Green Assets in the category “Improve product performance and efficiency” primarily support the UN SDG no. 12, “Responsible consumption and production”.

Proceeds from the Green Bonds have been used to finance the development of two product platforms for refrigerators/freezers in North America. Committed Eligible Green Asset in this category amounts to SEK 174m and the total outstanding disbursed green loans amount to SEK 128m. This investment includes seven new models that will be manufactured in the new

Anderson factory in the US to replace products previously manufactured in the St. Cloud factory and the former Anderson factory. The new Anderson factory will be in ramp-up phase throughout 2020. Energy and carbon emission savings have been calculated based on projected annual production for 2020, assuming the factory is operating at full capacity.

In order to be eligible for funding through Green Bonds, energy efficiency performance for the new range must be at least 15% better than the fleet average of Electrolux products that have been replaced. The energy efficiency for the new models have been verified through laboratory tests and are 18% to 37% more energy efficient compared to previous models.

The environmental impact in this category is calculated over the entire lifespan of the products and is assigned to the year products are manufactured. As an example, the environmental benefit of a refrigerator is calculated over a 13-year lifespan and compared to the product it replaces. The total reduced climate impact is accounted for during the first year when the new product is manufactured. With the projected annual sales, this is expected to result in approximately 155 000 metric tons (tons) of reduced carbon emissions compared to the sales of previous models. The environmental impact attributable to the share of the Eligible Green Asset that has been financed with Green Bonds corresponds to 114 000 tons of reduced carbon emissions.

Improve product performance and efficiency <sup>1</sup>		
Committed eligible green assets	SEK m	174
Outstanding disbursed green loans	SEK m	128
Eligibility criteria, minimum energy reduction	%	15
Actual performance, energy reduction	%	18 - 37
Expected energy consumption reduction <sup>2</sup>	MWh	374 000
Share of energy consumption reduction financed by Green Bonds	MWh	275 000
Expected carbon emissions reduction <sup>2</sup>	Ton CO <sub>2</sub>	155 000
Share of carbon emissions reduction financed by Green Bonds	Ton CO <sub>2</sub>	114 000

1 - Based on the total environmental impact calculated over the lifetime of products (see text)  
2 - Based on projected annual production when the factory is operating at full capacity (see text)

### Make better use of resources

The objective of the category is to improve material efficiency and increase the use of recycled materials, e.g. investments in manufacturing equipment related to the development and production of recycled materials.

“Make better use of resources” is called “Offer circular solutions and business models” in the updated

sustainability framework, to reflect the Group’s objective to include a wider scope of aspects connected to circular business models. Eligible Green Assets in this category are primarily supporting the UN SDG no. 12, “Responsible consumption and production”.

There are no projects in this eligibility category represented in the allocation of Green Bonds.



## Achieve more with less

With progressive objectives for Electrolux to become climate neutral in operations, the area “Achieve more with less” has changed its name to “Be climate neutral and drive clean, resource efficient operations” in the updated sustainability framework.

The objective of the category is to reduce the impact of operations on the environment relating to energy, water, waste and emissions, e.g. through investments that reduce the environmental impact from Electrolux operations such as factories, warehouses and offices. Eligible Green Assets in the category “Achieve more with less” are primarily supporting the UN SDG no. 12, “Responsible consumption and production”.

With reference to this impact report, two conditions must be met in this category to make investments eligible; 1) Energy efficiency improvements, including buildings and equipment, should be at least 20% compared to buildings or equipment being replaced 2) The fossil fuel component of the energy required to run the operation must be marginal (<5%) compared to the production unit’s total energy consumption.

Committed Eligible Green Asset in this category amounts to SEK 1 936m and disbursed green loans amount to SEK 478m. The proceeds have been used to finance buildings and manufacture equipment with

improved energy efficiency in the new Anderson factory in the US where refrigerators and freezers are manufactured.

The savings in operations have been calculated by comparing the combined consumptions of electricity and natural gas in the St. Cloud and the former Anderson factories with the new Anderson factory. 2018 has been used as the base year since the factories gradually reduced production volumes during 2019.

As the new Anderson factory will be in ramp-up phase during 2020, the calculation is based on a planned reduction of natural gas of approximately 95% and a conservative estimate of the reduction of electricity (approximately 8%). Together, these two reductions are expected to deliver at least 25% savings in energy consumption, or savings of at least 6,200 tons of CO<sub>2</sub> per year, at full capacity.

The environmental impact attributable to the share of the Eligible Green Asset that has been financed with Green Bonds corresponds to 1,500 tons of reduced carbon emissions.

The fossil fuel component is expected to be below 3% of the total energy consumption, which is below the Green Bond framework criteria of maximum 5%.

Achieve more with less		
Committed eligible green assets	SEK m	1936
Outstanding disbursed green loans	SEK m	478
Eligibility criteria, minimum improved energy efficiency	%	20
Eligibility criteria, maximum amount of fossil fuels	%	5
Expected performance, improved energy efficiency	%	25
Expected use of fossil fuels	%	3
Expected annual energy saving <sup>1</sup>	MWh	29 500
Share of energy saving financed by Green Bonds	MWh	7 300
Expected annual carbon emissions reduction <sup>1</sup>	Ton CO <sub>2</sub>	6 200
Share of carbon emissions reduction financed by Green Bonds	Ton CO <sub>2</sub>	1 500

<sup>1</sup> - Based on projected annual production when the factory is operating at full capacity (see text)

## Eliminate harmful materials

Eligible Green Assets in the category “Eliminate harmful materials” primarily support the UN SDG no. 13, “Climate action”.

The objective of this category is to phase out substances that could have a negative impact on health and/or environment. Committed Eligible Green Asset in this category amounts to SEK 402m and disbursed green loans amount to SEK 348m. Disbursed amounts have been used to finance

investments to eliminate HFC as refrigerants and foam blowing agents in the manufacturing of refrigerators and freezers in North America, as well as the conversion of a R&D laboratory to test products with alternative refrigerants. In these applications, HFCs are replaced by hydrocarbons in foams and as refrigerants. The greenhouse warming potential (GWP) of the hydrocarbons is less than the Green Bond framework criteria of 15 CO<sub>2</sub>-eq (see table Eliminate harmful materials).



The environmental impact of this category is calculated over the entire lifespan of the products and is assigned to the year the product is put on the market, e.g. the environmental benefit of replacing HFCs with hydrocarbon alternatives in a refrigerator includes elimination of all impacts of HFCs such as losses in manufacturing, product use and end-of-life. Based on the previous use of HFCs in North America

factories (year 2018) and the substitution to hydrocarbons, the savings of greenhouse gases is expected to be 2.1 million tons of CO<sub>2</sub> per year. The environmental impact attributable to the share of the Eligible Green Asset that has been financed with Green Bonds corresponds to 1.8 million tons of reduced carbon emissions.

Eliminate harmful materials <sup>1</sup>		
Committed eligible green assets	SEK m	402
Outstanding disbursed green loans	SEK m	340
Eligibility criteria, maximum GWP new gas	CO <sub>2</sub> eq	< 15
New foam blowing agent, Cyclopentane, GWP 100 years	CO <sub>2</sub> eq	10
New refrigerant, Isobutane, GWP years	CO <sub>2</sub> eq	3
Expected annual carbon emissions (CO <sub>2</sub> -eq) reduction <sup>2</sup>	Ton CO <sub>2</sub>	2 100 000
Share of carbon emissions (CO <sub>2</sub> -eq) reduction financed by Green Bonds	Ton CO <sub>2</sub>	1 800 000

1 - Based on the total environmental impact calculated over the lifetime of products (see text)  
2 - Expected reduction based on annual consumption of HFCs in factories 2018 (see text)



## Climate targets

Climate targets relates to reducing greenhouse gases (GHG) produced by the Group through the generation of renewable energy. In the For the Better 2030 framework "Climate targets" is called "Supporting the UN Sustainable Development Goals and climate targets". Eligible Green Assets in this category are primarily supporting the UN SDG no. 13, "Climate action".

Eligible Green Assets can include assets and/or projects which involve the generation of renewable energy, such as solar panels (collectors) or photovoltaic (PV) panels. Committed Eligible Green Asset in this category amounts to SEK 56m and disbursed green loans amount to SEK 54m.

Disbursed amounts have been used to finance investments in several PV installations at Electrolux factories in Australia, Thailand, Italy, Sweden and Mexico.

Compared to the electricity grid mix, the total GHG saving as a result of generated renewable electricity from PV panels is expected to be approximately 5,100 tons of CO<sub>2</sub> per year.

The environmental impact attributable to the share of the Eligible Green Asset that has been financed with Green Bonds corresponds to 4,900 tons of reduced carbon emissions.



Climate targets		
Committed eligible green assets	SEK m	56
Outstanding disbursed green loans	SEK m	54
Eligibility criteria, production of renewable energy (RE)	type of RE	Photo Voltaic
Expected annual production of RE	MWh	9 300
Share of annual production of RE financed by Green Bonds	MWh	9 000
Expected annual carbon emissions avoidance <sup>1</sup>	Ton CO <sub>2</sub>	5 100
Share of carbon emission avoidance financed by Green Bonds	Ton CO <sub>2</sub>	4 900

<sup>1</sup> - Based on amount of generated electricity and electricity emission factors (see text)

## Reporting methodology

Depending on the eligible category, various methods have been used to calculate greenhouse gas emissions. The methods are aligned for other reporting schemes such as the sustainability report, CDP and Science Based Targets.

For the categories “Achieve more with less” and “Climate target” the environmental impact has been calculated for the reporting year.

For the categories “Improve product performance and efficiency” and “Eliminate harmful materials,” the environmental impacts over the life cycle have been assigned the reporting year when the products have been put on the market.

Environmental constants used for calculations, such as values for GWP, electricity and emission factors, as well as factors for calculating HFC emissions, are listed in the Appendix.

## Improve product performance and efficiency

The energy efficiency for new models has been measured in laboratory tests and the reported annual energy consumption is the average of at least four product samples. The results for new models have been compared with laboratory test results for the product models that are being replaced.

The reduction of carbon emissions for new models compared to previous models has been calculated by taking the reported yearly energy reduction for comparable products, multiplying it first with the expected lifetime for the product (freezers 11 years and refrigerators 13 years). The carbon emission factor for the electricity grid in the US (Ref. IEA Emission factors 2019) has been constant for the entire lifetime.

The environmental benefits in this category are calculated over the products life span and the results are allocated to the year the products are placed on the market.

## Make better use of resources

No allocation of Green Bonds has been made in this category.

### Achieve more with less

The emissions in this category have been calculated as the sum of Scope 1 and 2 emissions in Electrolux operations such as factories, warehouses and offices.

Scope 1. Emissions produced directly by Electrolux

Electrolux is mainly using natural gas for generating energy on site for its operations.

- The amount of fuel used is recorded through meters or through invoicing, e.g. amount in m<sup>3</sup> or BTUs of natural gas.
- The amount of gas is multiplied with the conversion factor given by the WRI (Calculation Tool for Direct Emissions from Stationary Combustion) to give the greenhouse gas emissions in CO<sub>2</sub>.

Scope 1 emissions also include fugitive emissions as a result of manufacturing of products using HFCs, but are reported under “Eliminate harmful materials”.

Scope 2. Indirect Emissions from the Consumption of Purchased Energy

Indirect emission from purchased energy includes electricity, district heating/cooling and steam.

- The amount of electricity used at a unit is recorded through meters or through invoicing
- The amount of electricity is multiplied with the conversion factor (grams CO<sub>2</sub> per kWh electricity) for individual regions given by IEA Emission factors 2019.

The environmental benefits in this category are reported on an annual basis.

## Eliminate harmful materials

The method for reporting Science Based Target has been used. Fugitive emissions, leakage during use and losses at end-of-life are reported together.



For Scope 1 (direct emissions in operations)

- The type and amount of HFC gas used at a factory in the manufacturing of products as refrigerant or foam blowing agent, is recorded.
- The emission factors due to losses in manufacturing are used to calculate fugitive emissions in manufacturing. Losses of HFCs are 1% for filling of a refrigeration system and 4% for foaming a product with PUR insulation.
- The amount of gas is multiplied with the Global Warming Potential (GWP, 100 years AR 5) values for each HFC given by the Greenhouse Gas Protocol

For Scope 3 (emissions during use and end-of-life)

- The impact from the use of HFCs has been calculated by taking the amount of HFCs used as refrigerants and foam blowing agents in manufacturing.
- The amount of HFC entering the atmosphere during the product life cycle has been calculated using the IPCC (Intergovernmental Panel on Climate Change) guidelines (Calculation Tool for Direct Emissions from Stationary Combustion).
- The amount of HFC that is lost to the atmosphere has been multiplied with the number of products

containing HFCs and the Greenhouse Warming Potential (GWP, see Calculating HFC and PFC Emissions from the Manufacturing, Servicing, and/or Disposal of Refrigeration and Air-Conditioning Equipment, Calculation Worksheets (Version 1.0)) for the specific HFCs.

The environmental benefits in this category are calculated over the product life span and the results are allocated to the year the products are placed on the market.

### **Climate target**

The GHG savings have been calculated by taking the projected production of renewable electricity (in MWh) and multiplying it with the carbon emission factor for the electricity grid in the country.

The country mix has been used in Australia, Thailand and Mexico. For installation in Sweden and Italy, EU 28 factor has been used. (Ref. IEA Emission factors 2019).

The environmental benefits in this category are reported on an annual basis.





## Appendix. Values used for calculations

### Greenhouse warming potential (GWP) for alternative foam blowing agents and refrigerants

#### Isobutane (refrigerant)

GWP = 3 (CO<sub>2</sub>-eq)

Ref.: <https://www.epa.gov/snap/substitutes-household-refrigerators-and-freezers>

#### Cyclopentane (foam blowing agent)

GWP = 3-10 (CO<sub>2</sub>-eq)

GWP = 10 used in calculations

Ref.: <https://www.epa.gov/sites/production/files/2014-11/documents/notice25substitutefoams.pdf>

### Electricity emission factors

IEA 2017 electricity emission factors (g CO<sub>2</sub>/kWh)

Australia	743
Italy (see The European Union)	282
Mexico	477
Sweden (see The European Union)	282
Thailand	473
The European Union	282
The United States	415



Ref.: IEA Electricity emission factors 2019

### Gas emission factor

Gas emission factor = 0,1848 g CO<sub>2</sub>/kWh

Ref.: WRI (Calculation Tool for Direct Emissions from Stationary Combustion)

### HFC emissions

#### Fugitive emissions (losses in production)

- Foam blowing agents 4.0% of amount in PU foam formulation
- Refrigerants 0.5% of charge amount to the cooling system

#### Leakage during use

- Foam blowing agents 0.25% of remaining amount in the foam per year
- Refrigerants 0.10% of remaining amount in the cooling system per year

#### Losses at end-of-life

- Foam blowing agents 100% of remaining amount in the foam at end-of-life
- Refrigerants 30% of remaining amount in the cooling system at end-of-life

Ref.: IPCC (Intergovernmental Panel on Climate Change) guidelines (Calculation Tool for Direct Emissions from Stationary Combustion).



## Limited Assurance Report from the independent auditor

To AB Electrolux (publ),  
corporate identity number 556009-4178

### Introduction

We have been engaged by AB Electrolux (publ) to undertake a limited assurance engagement of the Green Bond Impact reporting as of 31 December 2019 as set out in this document ("the Reporting").

### Responsibilities of Electrolux Management

Electrolux Management is responsible for the preparation of the Reporting in accordance with the applicable criteria, as explained in the AB Electrolux Green Bond Framework 2019 (available at <https://www.electroluxgroup.com/en/green-bond-framework-29317/>) as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of the Reporting 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 Reporting based on the limited assurance procedures we have performed. Our engagement is limited to historical information presented and does therefore not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 *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 Reporting, and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The firm applies ISQC 1 (International Standard on Quality Control) 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 of Electrolux in accordance with professional ethics for accountants

in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement.

Accordingly, the conclusion of the procedures performed do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by Electrolux Management as described above. We consider these criteria suitable for the preparation of the Reporting.

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 Green Bond Impact reporting as of 31 December as set out in this document, is not prepared, in all material respects, in accordance with the criteria.

Stockholm April 3 2020

Deloitte AB

Jan Berntsson  
Authorized Public Accountant

Lennart Nordqvist  
Expert Member of FAR





# Shape living for the better

Electrolux is a leading global appliance company that has shaped living for the better for more than 100 years. We reinvent taste, care and wellbeing experiences for millions of people around the world, always striving to be at the forefront of sustainability in society through our solutions and operations. Under our brands, including Electrolux, AEG and Frigidaire, we sell approximately 60 million household products in approximately 120 markets every year. In 2019 Electrolux had sales of SEK 119 billion and employed 49,000 people around the world. For more information go to [www.electroluxgroup.com](http://www.electroluxgroup.com)