

# 2022

## Electrolux Green Financing Impact Report



### Executive summary - results as of December 31, 2022

Electrolux established its first Green Bond Framework to fund climate investments and other environmental initiatives in March 2019<sup>1</sup>. It was based on the Electrolux “For the Better” sustainability framework from 2016, which in 2020 was updated and renamed “For the Better 2030”.

In September 2022, Electrolux released an updated and amended version of the Green Bond Framework, renamed the Green Financing Framework<sup>2</sup>. The new framework fully replaces the previous version and in addition to alignment with the International Capital Market Associations Green Bond Principles, June 2021, the framework also aligns with the Loan Market Association and Asian Pacific Loan Market Association Green Loan Principles, February 2021.

The five Eligible Categories in the Green Financing Framework have been renamed to be aligned with the headings in the 2020 sustainability framework. No changes have been made to the eligibility criteria in the Eligible Categories.

The Green Financing Framework has been independently evaluated by CICERO Shades of Green, giving the framework a Medium Green shading<sup>3</sup>.

Since the launch, Electrolux has successfully issued six Green Bonds with a total of SEK 6bn to finance investments aligned with the Green Financing Framework.

During 2022, five new Green Bonds, with a total of SEK 5bn and tenors of two and five years, were

issued. Eligible Green Assets increased by SEK 4.4bn to a total portfolio of SEK 6.8bn at end of year 2022.

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



Eligible Green Assets represent four out of the five categories in the Electrolux Green Financing Framework:

- Be climate neutral and drive clean and resource-efficient operations
- Lead in energy and resource efficient solutions
- Eliminate harmful materials
- Supporting the UN Sustainable Development Goals and Climate Goals

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.

For further information on terms and definitions used in this report we refer to the Green Financing Framework and webpage<sup>4</sup>.

<sup>1</sup> <https://www.electroluxgroup.com/wp-content/uploads/sites/2/2019/03/ab-electrolux-green-bond-framework-2019.pdf>

<sup>2</sup> <https://www.electroluxgroup.com/wp-content/uploads/sites/2/2019/03/ab-electrolux-green-financing-framework-2022.pdf>

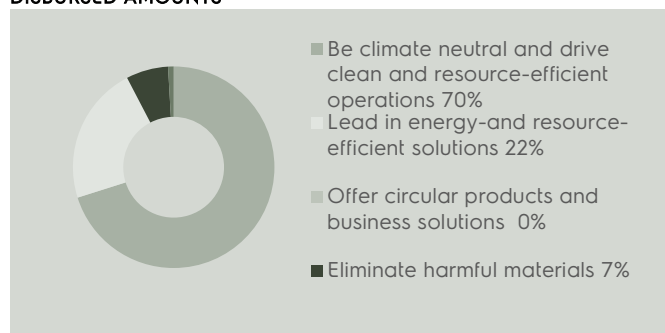
<sup>3</sup> <https://www.electroluxgroup.com/wp-content/uploads/sites/2/2019/03/second-opinion-from-cicero-shades-of-green-2022.pdf>

<sup>4</sup> <https://www.electroluxgroup.com/en/green-financing-framework-29317/>



Electrolux reports on a portfolio basis and in Swedish kronor (SEK m) and the reporting period ended on December 31, 2022.

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



#### CO<sub>2</sub> IMPACT AND GREEN INDICATORS, BASED ON OUTSTANDING DISBURSED AMOUNTS<sup>1</sup>

Project category	GHG emissions reduced/avoided ton CO <sub>2</sub> e/year	Outstanding disbursed amounts to projects, SEK m	Impact, ton CO <sub>2</sub> e per SEK m
Be climate neutral and drive clean and resource-efficient operations	11,800	4,207	3
Lead in energy-and resource-efficient solutions <sup>2</sup>	240,000	1,334	180
Eliminate harmful materials <sup>2</sup>	2,100,000	405	5,182
Supporting the UN Sustainable Development Goals and Climate Goals	4,600	54	86
<b>Total</b>	<b>2,356,400</b>	<b>6,000</b>	
<b>Average impact, ton CO<sub>2</sub> per SEK m</b>			<b>393</b>
<b>Annual renewable energy generation, MWh</b>			<b>9,000</b>
<b>Annual energy savings, MWh</b>			<b>803,000</b>

1 - This table presents the calculated impact in terms of CO<sub>2</sub> 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 Financing Committee that reviews and decides if a potential Eligible Green Asset aligns with the Green Financing Framework and qualifies as an Eligible Green Asset.



1. Potential Eligible Green Assets are identified through the Electrolux regular investment request process.
2. The potential Eligible Green Assets are evaluated in relation to the eligibility criteria in the Green Financing Framework by the Green Financing Committee.
3. The Green Financing Committee decides in consensus which projects meet the requirements to be Eligible Green Assets, according to the Green Financing Framework. Assets will only be approved as Eligible Green Assets if Electrolux concludes that there is a high likelihood that the net, long-term environmental impact of the asset will be positive.
4. The investment is registered as an Eligible Green Asset and becomes part of the qualified Eligible Green Assets portfolio.
5. Electrolux reports on the environmental impact of the Eligible Green Assets on an annual basis.

When deciding on the allocation of the net proceeds from Green Financing instruments, the Green Financing Committee's ambition is to spread the proceeds over all Eligible Categories.



## Green Financing portfolio and proceeds

The portfolio of Eligible Green Assets amounted to SEK 6.8bn as of year-end 2022. Total Green Financing disbursed amounted to SEK 6bn. Green Assets in foreign currency have been converted to Swedish krona using the year-end exchange rates for the year the project was completed and for projects in progress, the exchange rates as per December 31, 2022.

Eligible Category	Disbursed Green Financing (SEK m)	Committed Eligible Green Assets (SEK m)	Share of Financing /Refinancing (%)
Be climate neutral and drive clean and resource-efficient operations	4,207	4,989	100%/0%
Lead in energy-and resource-efficient solutions	1,334	1,334	100%/0%
Offer circular products and business solutions	0	0	0%
Eliminate harmful materials	405	405	100%/0%
Supporting the UN Sustainable Development Goals and Climate Goals	54	55	74%/26%
<b>Total</b>	<b>6,000</b>	<b>6,784</b>	<b>100%/0%</b>
Unallocated amount	0		
Total amount of Green Bonds issued since 2019, in SEK m		6,000	

## 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 people to do more things in their lives.

With approximately 60 million home appliances sold annually, Electrolux has a large environmental impact, including energy consumption, the use of water, materials, and chemicals. The most significant impact over a product's life cycle is the CO<sub>2</sub> emissions from generating the energy to power it.

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 its business model.

The sustainability framework "For the Better" was updated in 2020 with targets for 2030 including the Better Living action plan, which addresses how Electrolux can support consumers to live more sustainably at home.

The updated framework focuses on three areas:

- Better company
- Better solutions
- Better living

Within each area, Electrolux has defined three sustainability goals to make a positive difference for the better. The nine sustainability goals 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.

Based on the 2020 sustainability framework, five Eligible Categories have been defined for the Green Financing Framework:

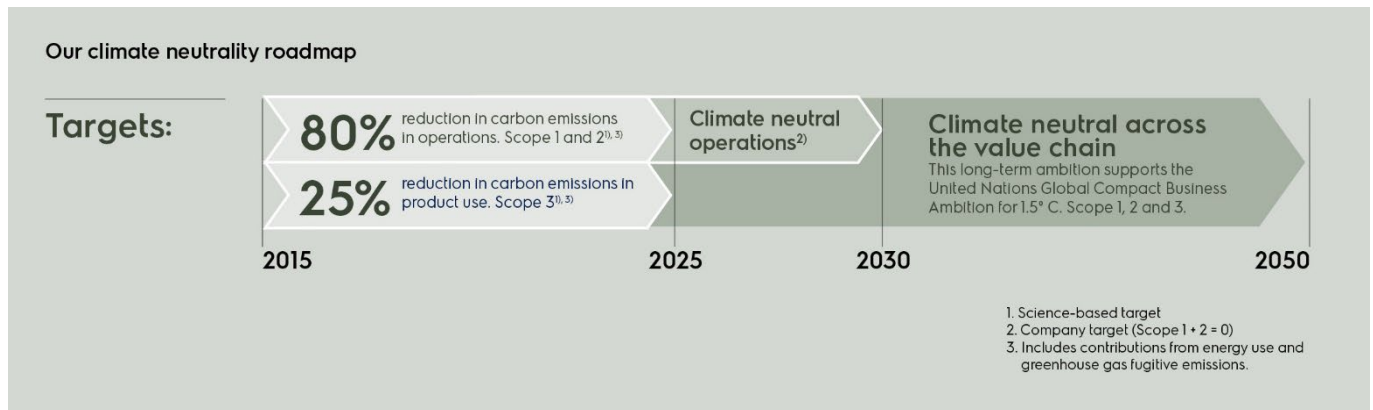
1. Be climate neutral and drive clean and resource-efficient operations
2. Lead in energy and resource efficient solutions
3. Offer circular products and business solutions
4. Eliminate harmful materials
5. Supporting the UN Sustainable Development Goals and Climate Goals (Climate Goals)

The Eligible Categories primarily address two UN Sustainable Development Goals (SDGs); "Responsible consumption and production" (12) and "Climate action" (13).

The Group's climate strategy has also been updated with 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 action plan, 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 has committed 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 use refrigerant gases and foam blowing agents.



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

1. Reduction of CO<sub>2</sub> emissions from energy use in operations (factories, warehouses, and offices) by 80% (Scope 1 and 2).
2. Reduction of CO<sub>2</sub> emissions, covering at least 2/3 of all other aspects during the product's life cycle, by 25% (Scope 3).

The climate impact from the use of hydrofluorocarbons (HFCs), used as refrigerants and foam blowing agents, is included in scope 2 and 3 of the Science Based Targets.

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

### Be climate neutral and drive clean and resource-efficient operations

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 this category are primarily supporting SDG 12, "Responsible consumption and production".

With reference to this impact report, the following 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, and

2. The equipment is a bridging solution towards climate-neutral production processes, or
3. The fossil fuel component of the energy required to run the operations must be marginal (<5%) compared to the production unit's total energy consumption.

A bridging solution toward climate neutral production should fulfill all the following criteria (see Appendix 2 in the Green Financing Framework):

1. A technically and economically viable solution for renewable energy does not exist.
2. The solution contributes to a considerable reduction (>30%) of a production unit's total CO<sub>2</sub> emissions, for example, through lower energy consumption from the production unit.
3. Rebound effects will not outweigh the advantages of reduced CO<sub>2</sub> emissions.

Committed Eligible Green Assets in this category amount to SEK 4,989m and disbursed Green Financing proceeds amount to SEK 4,207m.

The proceeds have primarily been used to finance buildings and manufacturing equipment with improved energy efficiency in two new factories in North America, the new Anderson (SC) factory, replacing the old Anderson and St. Cloud (MN) factories, manufacturing refrigerators and freezers, and the new Springfield (TN) factory, replacing the



old Springfield and Memphis (TN) factories, manufacturing cookers.

For the Anderson factory, the savings in operations have been calculated by comparing the combined consumption of electricity and natural gas in the two factories that have been closed. The year 2018 has been used as the reference year since the factories gradually reduced production volumes during 2019.

When the new Anderson factory is operating at full capacity it is expected to deliver an energy efficiency improvement of at least 20%. The fossil fuel component of the energy required to run the equipment is expected to be less than 5% of the production unit's total energy consumption.

The energy efficiency improvement for the Springfield factory has been calculated by comparing the projected consumption with the combined consumption of electricity and natural gas in the Memphis factory that have been closed and the old Springfield factory that will be closed. The

expected energy efficiency improvement will be at least 20% when the factory is operating at full capacity.

The fossil fuel component in the Springfield factory is above 5%, higher than the Green Financing Framework maximum criteria. However, the investment has been assessed according to the "Screening methodology for assets potentially including a fossil fuel component" (see Appendix 2 in the Green Financing Framework) and been found to be a bridging solution toward climate neutral production. The enameling furnace, which is the main equipment currently using fossil fuel, is designed to operate with electric heaters when it becomes economically feasible.

The environmental impact attributable to the proportion of the Eligible Green Assets that has been financed with Green Financing corresponds to 11,800 tons of reduced carbon emissions.

#### Be climate neutral and drive clean and resource-efficient operations

Committed Eligible Green Assets	SEK m	4,989
Outstanding disbursed Green Financing	SEK m	4,207
Eligibility criteria, minimum improved energy efficiency	%	20
Expected annual energy saving <sup>1</sup>	MWh	70,000
Share of energy saving financed by Green Financing	MWh	59,000
Expected annual carbon emissions reduction <sup>1</sup>	Ton CO <sub>2</sub>	14,000
Share of carbon emissions reduction financed by Green Financing	Ton CO <sub>2</sub>	11,800

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

### Lead in energy- and resource efficient solutions

This category reflects the Group's ambition to attain a leading position as a producer of resource-efficient appliances. Eligible Green Assets in this category primarily support SDG 12, "Responsible consumption and production".

Committed Eligible Green Assets in this category amount to SEK 1,334m and the total outstanding disbursed Green Financing proceeds amount to SEK 1,334m.

Proceeds from the Green Financing have been used to finance the development of two product platforms for refrigerators/freezers in North America as well as a new platform for dishwashers in Europe. Energy and carbon emission savings have been calculated based on projected annual production.

For a project to be eligible for funding through Green Financing, energy efficiency performance (based on sales weight average) for the new range must be at least 15% better than the fleet average of Electrolux products that is being replaced.

In North America, the investment includes seven new refrigerator and freezer models, manufactured in the new Anderson factory, to replace products previously manufactured in the St. Cloud and the former Anderson factories. The energy efficiency for the new models have been verified through laboratory tests to meet the minimum criteria. The calculated lifespan of the products is 13 years. With the projected annual production, this is expected to result in approximately 140,000 tons of reduced carbon emissions.

The new dishwasher models to be manufactured in the Solaro factory in Italy are projected to meet the minimum criteria for energy efficiency improvement



compared to existing models. Based on the projected annual sales this is expected to result in approximately 100,000 tons of reduced carbon emissions.

The total environmental impact attributable to the proportion of Eligible Green Assets that have been financed with Green Financing corresponds to approximately 240,000 tons of reduced carbon emissions.

#### Lead in energy-and resource-efficient solutions<sup>1</sup>

Committed Eligible Green Assets	SEK m	1,334
Outstanding disbursed Green Financing	SEK m	1,334
Eligibility criteria, minimum energy reduction	%	15
Expected energy consumption reduction <sup>2</sup>	MWh	744,000
Share of energy consumption reduction financed by Green Financing	MWh	744,000
Expected carbon emissions reduction <sup>2</sup>	Ton CO <sub>2</sub>	240,000
Share of carbon emissions reduction financed by Green Financing	Ton CO <sub>2</sub>	240,000

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)

### Eliminate harmful materials

The objective of this category is to phase out substances that could have a negative impact on health and/or environment. Eligible Green Assets in this category primarily support SDG 13, "Climate action".

Committed Eligible Green Assets in this category amount to SEK 405m and disbursed Green Financing proceeds amount to SEK 405m.

Disbursed amounts have been used to finance investments to eliminate HFCs as refrigerants and foam blowing agents in the manufacturing of refrigerators and freezers in North America, the conversion of an R&D laboratory to test products with alternative refrigerants and to eliminate HFCs as refrigerant in heat pump washer-dryers in Europe. In these applications, HFCs are replaced by hydrocarbons in foams and as refrigerants. The global warming potential (GWP) of the hydrocarbons is less than the Green Financing Framework criteria of 15 CO<sub>2</sub>eq.

The environmental benefit of replacing HFCs with hydrocarbon alternatives as a refrigerant includes the elimination of all impacts of HFCs such as fugitive emissions and losses in manufacturing, product use and end-of-life.

Based on the previous use of HFCs in North America factories (year 2018), the projected sales, and the substitution to hydrocarbons, the savings of greenhouse gases are expected to be 2.1 million tons of CO<sub>2</sub>eq per year.

The calculated savings of greenhouse gases for washer-dryers as a result of the R134 (an HFC) to propane conversion is based on the projected annual sales and the emission of HFC refrigerants and is expected to be 1,700 tons of CO<sub>2</sub>eq per year.

The environmental impact attributable to the proportion of Eligible Green Assets that has been financed with Green Financing corresponds to 2.1 million tons of reduced carbon emissions.

#### Eliminate harmful materials<sup>1</sup>

Committed Eligible Green Assets	SEK m	405
Outstanding disbursed Green Financing	SEK m	405
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 Financing	Ton CO <sub>2</sub>	2,100,000

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)





Image: The Electrolux Dudley Park factory in Adelaide, Australia

## Supporting the UN Sustainable Development Goals and Climate Goals

This category relates to reduction of greenhouse gases (GHG) produced by the Group through the generation of renewable energy. Eligible Green Assets in this category are primarily supporting SDG 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 Assets in this category amount to SEK 55m and disbursed Green Financing proceeds 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 4,800 tons of CO<sub>2</sub> per year.

The environmental impact attributable to the share of the Eligible Green Assets that have been financed with Green Financing corresponds to 4,600 tons of reduced carbon emissions.

### Supporting the UN Sustainable Development Goals and Climate Goals

Committed Eligible Green Assets	SEK m	55
Outstanding disbursed Green Financing	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 Financing	MWh	9,000
Expected annual carbon emissions avoidance <sup>1</sup>	Ton CO <sub>2</sub>	4,800
Share of carbon emission avoidance financed by Green Financing	Ton CO <sub>2</sub>	4,600

1 - Based on amount of generated electricity and electricity emission factors (see text)

## Offer circular solutions and business models

The objective of the category is to develop circular business models as well as 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.

Eligible Green Assets in this category are primarily supporting SDG 12, "Responsible consumption and production".

There are no projects in this Eligibility Category represented in the allocation of Green Financing.



## Reporting methodology

Depending on the Eligibility Category, various methods have been used to calculate greenhouse gas emissions. The methods are aligned with other reporting schemes such as the Electrolux Sustainability Report, CDP, and the company's Science Based Targets.

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.

### Be climate neutral and drive clean, resource efficient operations

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 mainly uses natural gas for generating energy and heat 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 emissions from purchased energy include 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 the IEA Emission Factors.

The environmental impact is calculated for the reporting year and the environmental benefits are reported on an annual basis.

### Lead in energy and resource efficient solutions

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 annual energy reduction for comparable products, multiplying it first with the expected lifetime for the product (freezers 11 years and refrigerators 13 years in North America). The carbon emission factors for the electricity grid in the geographic region where the products are sold (Ref. IEA Emission Factors) have been constant for the entire lifetime.

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

### Offer circular products and business solutions

No allocation of Green Financing proceeds has been made in this category.

### Eliminate harmful materials

The method for reporting on the company's Science Based Targets 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 cooling system and 4% for foaming a product with PUR insulation.
- The amount of gas is multiplied with the 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 HFCs 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 HFCs that is lost to the atmosphere has been multiplied with the number of products containing HFCs and the 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.

## **Supporting the UN Sustainable Development Goals and Climate Goals**

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, the EU 28 factor has been used (Ref. IEA Emission Factors).

The environmental impact is calculated for the reporting year and the environmental benefits are reported on an annual basis.



## Appendix. Values used for calculations

### Global 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 2019 electricity emission factors (g CO<sub>2</sub>/kWh)

Australia	713
Italy (see The European Union)	266
Mexico	406
Sweden (see The European Union)	266
Thailand	461
The European Union	266
The United States	378



Ref.: IEA Electricity Emission Factors

### 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).





## Auditor's Limited Assurance Report

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

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### Introduction

We have been engaged by the Board and Group Management of AB Electrolux (publ) ("Electrolux") to undertake a limited assurance engagement of Electrolux Green Financing Impact Report for 2022 ("the Report").

### *Responsibilities of Electrolux Management*

Electrolux Management is responsible for the preparation of the Report in accordance with the applicable criteria as well as the accounting principles and calculation principles that the company has developed. The criteria is stated in the Electrolux Green Financing Framework dated September 2022, available on Electrolux website. This responsibility includes the internal control relevant to the preparation of a 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 selected information specified above 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 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 Electrolux Management as described above. We consider these criteria suitable for the preparation of the 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 selected information disclosed in the Green Financing Impact Report is not prepared, in all material respects, in accordance with the criteria.

Stockholm, 31 March 2023

PricewaterhouseCoopers AB

Peter Nyllinge  
Authorized Public Accountant

Karin Juslin  
Sustainability Specialist





# Shape living for the better

Electrolux Group is a leading global appliance company that has shaped living for the better for more than 100 years. We reinvent lifetime 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 2022 Electrolux Group had sales of SEK 135 billion and employed 51,000 people around the world. For more information go to [www.electroluxgroup.com](http://www.electroluxgroup.com)



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