



Electrolux Group  
Conflict Minerals Report  
2023



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# Abbreviations and definitions

<b>3TG</b>	Tin, tantalum, tungsten, gold and their derivatives
<b>CMRT</b>	Conflict Minerals Reporting Template (for 3TG)
<b>EMRT</b>	Extended Minerals Reporting Template (for cobalt and mica)
<b>DRC</b>	Democratic Republic of the Congo
<b>CAHRAs</b>	Conflict-Affected and High-Risk areas. A broad and subjective category. See the indicative EU CAHRA List: <a href="https://www.cahraslist.net/">https://www.cahraslist.net/</a>
<b>Covered Countries</b>	Countries outlined in Section 1502 of the Dodd-Frank Act as those affected or bordering conflict-affected regions; currently defined as the Democratic Republic of the Congo and its nine adjoining countries (Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, Zambia)
<b>OECD</b>	Organization for Economic Co-operation and Development
<b>RCOI</b>	Reasonable Country of Origin Inquiry
<b>RMAP</b>	Responsible Minerals Assurance Process
<b>RMI</b>	Responsible Minerals Initiative
<b>SOR</b>	Smelter or refiner: any company that procures and processes mineral ore, slag and/or materials from recycled or scrap sources into refined metal or metal containing intermediate products. The output can be pure (99.5% or greater) metals, powders, ingots, bars, grains, oxides or salts



# Background and key results

This report describes the supply chain due diligence process for conflict minerals at AB Electrolux, and the results of the 2023 Conflict Minerals survey. Information in this report is based on the Group's supplier status in 2022. Throughout the report, data from the previous reporting year is presented in parentheses.

The Group implemented a policy regarding conflict minerals in the Electrolux Group Code of Conduct in 2014. The policy can now be found in the Electrolux Group Workplace Directive. In 2016, the Group voluntarily started a Conflict Minerals Due Diligence Program, based on the globally recognized framework from the Organization for Economic Co-operation and Development (OECD).

In 2023, Electrolux Group surveyed 222 (226) of its first-tier suppliers in categories where it is expected that conflict minerals are present. Relevant supplier categories include providers of electronical and mechanical components, IT hardware suppliers, and Product Sourcing suppliers (OEM, Original Equipment Manufacturers).

A response rate of 78% (79%) was reached. The proportion of spend (in relevant product categories) of the respondents divided by the relevant spend of all suppliers in scope for the survey was 88% (95%).

Of the suppliers in scope, 63% (41%) indicated that they either had no 3TGs (see definitions) in products supplied to Electrolux Group, or that they have 3TGs that pose no conflict concern.

Twenty-seven (previous year: thirteen) of the surveyed suppliers indicated that they source gold from refiners which are not RMAP conformant as being Conflict-Free. Electrolux Group has approached these suppliers and work is ongoing among several of these suppliers to eliminate these sources of material from their supply chain.

In 2022, Electrolux Group performed a study on 23 suppliers to understand their implementation of controls for the sourcing of cobalt. None of these suppliers were associated with refiners which are not RMAP conformant as being Conflict-Free.



# Executive summary

## Conflict Minerals survey

The **Conflict Minerals Due Diligence Program** aims to improve transparency in the supply chain and mitigate potential risks. In 2023, Electrolux Group contacted **222 (226) first tier suppliers** for the reporting year 2022 and reached a **response rate of 78% (79%)**. The spend with suppliers that responded divided by the spend with all suppliers in scope for the survey was **88% (95%)**. Among the suppliers in scope, **63% (41%)** stated they either have no 3TGs in their products supplied to Electrolux Group or have 3TGs that pose no conflict concern.

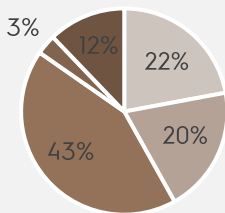
## Potential high-risk suppliers

27 suppliers, representing 12% (7%) of the contacted suppliers in the Conflict Minerals survey, reported the potential use of non-conformant (related to the Covered Countries or the Middle East) gold smelters/ refiners. Electrolux Group endeavors to encourage suppliers to adopt due diligence practices for the responsible sourcing of minerals. All potential high-risk suppliers have been contacted individually, and discussions with suppliers are ongoing (March 2024).

## Cobalt survey

A study on the sourcing of cobalt was performed in parallel. 17 of the 23 suppliers in scope responded. No supplier reported sourcing from non-RMAP conformant SORs related to the Covered Countries or the Middle East.

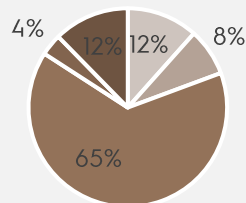
Conflict Minerals reporting, by number of suppliers



- No response: 22% (21%)
- No 3TG: 20% (27%)
- Conflict-free 3TG: 43% (14%)
- Incomplete: 3% (31%)
- High risk: 12% (8%)

Conflict Minerals reporting, by supplier spend

The total spend in the figure represents the 2022 spend of all suppliers in scope



- No response: 12% (5%)
- No 3TG: 8% (36%)
- Conflict-free 3TG: 65% (12%)
- Incomplete: 4% (41%)
- High risk: 12% (7%)



# Introduction

A significant proportion of natural mineral resources are in the Covered Countries, currently defined as the Democratic Republic of the Congo (DRC) and its nine adjoining countries (Angola, Burundi, Central African Republic, Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda and Zambia). The conflict minerals issue is directly or indirectly related to financing armed groups in this region. The trade of such minerals fuel local armed conflict, widespread violence or other risks of harm to people, which hinder economic, environmental and social development. The most lucrative minerals include tin, tantalum, tungsten and gold (3TG), and cobalt.

As defined in 2010 United States legislation, [Dodd-Frank Wall Street Reform and Consumer Protection Act](#), Section 1502(e)(4), the term “conflict mineral” means: columbite-tantalite (coltan), cassiterite, gold, wolframite or their derivatives; or any other mineral or its derivatives determined by the Secretary of State to be financing conflict in the Democratic Republic of the Congo or an adjoining country.

As per the [Dodd-Frank Act, Section 1502](#), companies quoted on the US Stock Exchange are required to report on the country of origin for conflict minerals coming from conflict-affected and high-risk areas. In May 2017, a similar law called the

[EU Conflict Minerals Regulation](#) was passed in the European Union. This law requires importers of 3TGs to report the presence and countries of origin of these minerals.

Electrolux Group is committed to sourcing responsibly and has implemented a Conflict Minerals Due Diligence Program. This program is essential to respond to consumer requirements and to fulfill existing and upcoming international legislations in this area.

Electrolux Group does not fall into the scope of the current legislation. However, the Conflict Minerals Due Diligence Program was implemented on a voluntary basis in 2016 and has been in place ever since. The Program is based on the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance. As part of this commitment, the Group has contacted its suppliers to understand their implementation level of the due diligence programs for the reporting year 2022, and to collect detailed information about the origin of 3TGs and cobalt in the supply chain.



# Electrolux Conflict Minerals Due Diligence Program

The Conflict Minerals Due Diligence Program at Electrolux Group has been implemented based on the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*. The five main steps of the framework for the guidance and how Electrolux Group follows these steps are outlined below.

## Step 1

### Establish strong company management systems

- The [Electrolux Group Workplace Directive](#) includes clear statements regarding the Group's expectations of suppliers for the supply chain of conflict minerals:
- Suppliers are expected to ensure that the sourcing of conflict minerals in products, parts and components supplied to Electrolux Group does not directly or indirectly finance or benefit perpetrators of human rights abuses in conflict-affected or high-risk areas.
- Suppliers shall have in place policies and management systems, consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas that are designed to accomplish the above.
- The Group's management system for the Conflict Minerals Due Diligence Program has been established by Group Function Technology, Digital and Sustainability with support from Global Purchasing, both dedicating resources for the development and monitoring of the program.
- The program focuses on surveying first tier suppliers and reporting the survey results. Detailed information and documentation related to the topic of conflict minerals is retained for a minimum of five years.
- Electrolux has a whistleblower reporting system that allows employees to voice grievances without fear of retaliation.

## Step 2

### Identify and assess risk in the supply chain

- Electrolux Group has identified the main risk in its mineral supply chain as the electrical industry. Therefore, first tier suppliers of electrical components and other risk categories such as thermostats and IT Hardware, as well as original equipment manufacturers are within the scope of the Conflict Minerals Due Diligence Program.
- Electrolux Group decided to contact and survey all large and medium-sized suppliers in each of these risk categories and to conduct a Reasonable Country of Origin Inquiry (RCOI) to determine whether any of the 3TG content originated from the conflict-affected or high-risk areas.



The survey was conducted using the Conflict Minerals Reporting Template (CMRT). Data collected from the CMRTs is compiled into an amalgamated smelter list by the third-party provider.

High-risk facilities are flagged to Electrolux Group by the third-party provider. High-risk facilities are defined as SORs sourcing source from the Covered Countries or one other area of high-concern and which are not RMAP Conformant.

[Responsible Minerals Initiative \(RMI\)](#), an organization that helps companies with tools and other resources to address the conflict minerals issue in the supply chain, has all the necessary information such as audit status of smelters or refiners (SORs), RCOI and human rights violation risks. As a member company, Electrolux Group has access to this information as an assessment tool for the results of the survey.

### Step 3

#### Design and implement a strategy to respond to identified risks

- Results obtained from the survey of the Due Diligence Program are analyzed by the personnel responsible and reported to the Heads of Technology, Digital and Sustainability, and Global Purchasing.
- The main purpose of the survey and analysis is to map the risk among the Group's suppliers. Actions are being planned to respond to the identified risks.

### Step 4

#### Carry out independent third-party audits of supply chain due diligence

- As a downstream company, Electrolux Group has no direct relationship with SORs as they are found several tiers below in the supply chain. As per OECD Guidelines, the Group co-funds independent third-party audits of SORs due diligence practices through industry programs.
- A third-party provider conducts annual outreach to smelters and refiners and encourages participation in the RMAP on behalf of Electrolux Group and its other clients.
- Electrolux Group partners with RMI and finances the Responsible Minerals Assurance Process (RMAP), an industry-wide certification program aimed at ensuring that business practices of SORs are not related to human rights abuses.

### Step 5

#### Report annually on supply chain due diligence

- Electrolux Group reports annually on the status of the Conflict Minerals Due Diligence Program, on a voluntary basis. The results of the program are described in this report and are published on the Group's corporate website.



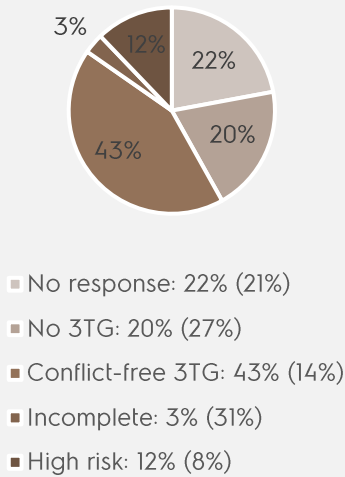


# Survey results

## Supplier status

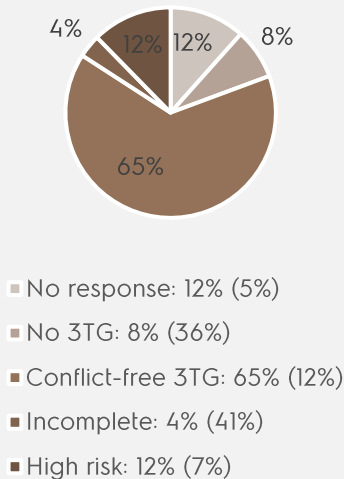
A total of 222 (226) first tier suppliers were identified as in-scope. Relevant supplier categories include providers of electrical and mechanical components, IT hardware suppliers and Product Sourcing suppliers (OEM, Original Equipment Manufacturers). These suppliers were contacted and requested to complete and return the CMRT.

### Conflict Minerals reporting, by number of suppliers



### Conflict Minerals reporting, by supplier spend

The total spend in the figure represents the spend of all suppliers in scope of the survey in 2022



**No response:** Supplier did not respond to the Group’s request to fill out the CMRT.

**No 3TG:** Supplier claimed they do not have 3TGs in their products supplied to Electrolux Group and has not listed any metal processors.

**Conflict-free 3TG:** All the metal processors listed by the supplier are known to be conflict-free for the declared metal(s), either because:

1. all processors are not within (or sourcing from within) the conflict-affected regions, or
2. because all processors in (or sourcing from within) the conflict-affected regions are certified conflict-free for the declared metal(s), or all processors are exclusive recyclers/scrap.

**Incomplete:** Supplier did not provide all the necessary information and therefore their risk status could not be determined. The most common reasons being the supplier declared 3TG in their products but did not provide any information on SOR, and supplier associated with non-certified smelter pending certification.

**High risk:** Supplier has one or more SOR(s) that are potentially sourcing from Level 3 Countries, and which are not RMAP conformant.

*Note that SOR status is constantly changing and updated in the RMI database; SOR status is based on RMI data from January 2024.*



## Cobalt survey

### Background

Cobalt is commonly used in lithium-ion batteries, enamel, and other applications and materials found in household appliances and many other products. The DRC is by far the world's leading cobalt producer, with over two thirds of the global production in 2022 (source: [www.statista.com](http://www.statista.com)). There are serious concerns associated with the cobalt artisanal mining operations in the DRC, including unsafe working conditions, forced labor and child labor.

### The cobalt survey – now a recurring activity

Electrolux Group expanded in 2020 its Conflict Minerals Program to include cobalt. After a two-year pilot period, the Cobalt survey is now in its fourth year an established part of the Electrolux Group Conflict Minerals process and report. In 2023, 23 suppliers were included in the Cobalt survey. 17 of those suppliers (78%) submitted the EMRT (Expanded Minerals Reporting Template, including cobalt and mica).

No suppliers reported RMAP non-conformant (Level 3 countries) cobalt suppliers.

### Previous year High-risk suppliers – actions

Out of the suppliers in the previous, 2022, Cobalt survey, two IT hardware suppliers reported three RMAP non-conformant cobalt smelters in their supply chain.

These suppliers were requested to investigate its supply chain to determine, to the best of their ability, whether any cobalt supplied by the uncertified smelters was obtained from any source associated with groups engaged in armed conflict in the Conflict Region(s). If this was found to be the case, the suppliers were requested to investigate whether any of that cobalt may have been used in the production of any materials that they supplied to the Electrolux Group in 2021 or 2022.

In 2023, no suppliers reported RMAP non-conformant (Level 3 countries) cobalt suppliers.



## Addressing Potential High-Risk Suppliers

Survey responses from 27 suppliers (12% of the contacted suppliers) indicated that they may have sourced gold from smelters or refiners that are not RMAP conformant (Covered Countries, see p. iii). RMAP conformance ensures that smelters or refiners do not have a relationship with persons engaged in armed conflict in the Conflict Region in Central Africa, or other Covered Countries.

The 27 suppliers were requested in November 2023-January 2024 to investigate their respective supply chains to determine, to the best of their abilities, whether any gold supplied by the non-conformant refinery(-ies) was obtained from any source associated with groups engaged in armed conflict in the Conflict Region(s). If this was found to be the case, the suppliers were requested to investigate whether any of that gold may have been used in the production of any materials that they supplied to Electrolux Group in 2022 or 2023.

If such connection to the materials supplied to Electrolux Group was confirmed, the suppliers were asked to do everything in their power to eliminate this source of material from their supply chain. In doing so, Electrolux Group asked the suppliers to engage with sub-suppliers to eliminate any non-RMAP conformant smelters or refiners from their supply chains.

Electrolux Group acknowledges that supply chains may be complex and not always fully transparent. We also understand that it may be challenging to obtain reliable information even if all stakeholders collaborate in good faith.

We will continue to engage with the concerned suppliers throughout 2024 and report the outcome in next year's Conflict Minerals report.

### ***Follow-up of High-Risk suppliers from 2022 (reporting year 2021)***

*In the previous Conflict Minerals survey (2022, reporting year 2021), 17 suppliers indicated that they may have sourced gold or tin from SORs that are not RMAP conformant..*

*All suppliers were contacted individually in January 2023, and then several of them later in the spring. Some came back with updated CMRTs indicating no non-RMAP conformant SORs. However, several of these suppliers later provided CMRTs for the current report with non-RMAP conformant SORs. Last year's 17 high-risk suppliers' status in the current survey:*

- *Updated CMRTs indicating no use of non-conformant SORs (two suppliers)*
- *Still including non-conformant gold SORs (11). However, no reported non-conformant tin SORs.*
- *Supplier phased out (1)*
- *No response (3).*

## Increasing number of potentially high-risk suppliers

This year, Electrolux Group observed an increase in suppliers reporting having non-conformant smelters in their supply chains. We wanted to know why this could be, so we consulted an expert third-party firm. This is a complex issue, and several factors play in:

- Complex supply chains with multiple levels and varying capabilities across suppliers pose a challenge to eliminating smelters which are non-conformant or not participating in RMAP from the supply chain
- In some cases, smaller suppliers under no legislative obligation to report on Conflict Minerals do not have the programs in place to provide part-specific smelter data. As a result, Electrolux Group often receives company-wide smelter information and is unable to gain confirmation as to which smelters are used in the parts supplied to Electrolux Group
- Risks in the supply chain are constantly shifting as socio-political events unfold and allegations emerge. In some cases, smelters which were previously acceptable to source from may lose conformance status part way through the reporting year after they have already been reported in the supply chain
- There are many smelters whose business practices are not connected to sourcing from CAHRAs but have chosen not to take up the RMAP program. Lack of engagement from facilities to take part in audit schemes is not necessarily related to unethical sourcing. In many cases, facilities do not have resources (financial, personnel) to undergo complex audits.

In addition to the above, it must be noted that Electrolux Group actively encourages its suppliers in scope to investigate to the best of their ability, together with their sub-suppliers further down the supply chain, which SORs are present in their supply chain. Many of our suppliers have gone to great length to investigate this, and the more you investigate, the more you are likely to find.

### ***Case: Global Electronic Manufacturing Services supplier***

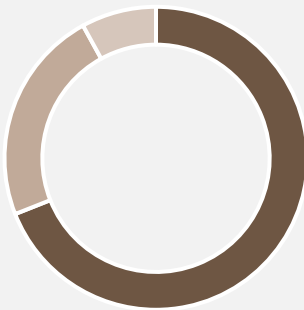
*Electrolux Group contacted all suppliers having reported non-conformant smelters in their supply chain. One of these companies is a multinational supplier of electronic products. This supplier has gone to great length to eliminate from its very complex supply chain non-conformant smelters. For one category of non-conformant smelters, the supplier went from 82 sub-suppliers having such smelters, down to only three. However, despite this very significant effort, this supplier is still in our records as a High-risk supplier. This illustrates the difficulty to fully eliminate non-conformant smelters in the supply chain.*



## Reporting scope

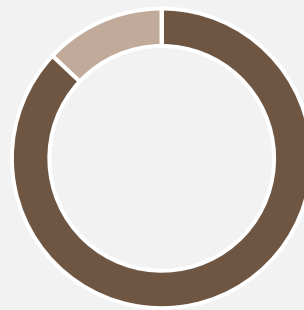
The Conflict Minerals and Cobalt Due Diligence Program at Electrolux has been implemented on a voluntary basis. Therefore, suppliers were free to declare the information they wanted to. Furthermore, Electrolux chose to give their suppliers the ability to share information in the CMRT/EMRT at a level with which they were most comfortable: company level, product level or user-defined. However, the declaration scope had to be specified in the CMRT/EMRT.

Conflict Minerals



- Company level 69% (67%)
- Product level 23% (29%)
- User-defined 8% (4%)

Cobalt



- Company level 87% (71%)
- Product level 13% (29%)
- User-defined 0% (0%)

**Company level:** The supplier's declaration encompasses the entirety of their company's products or product substances produced by the parent company. Therefore, if a supplier reported 3TG/Cobalt data at the company level, they had to report conflict minerals/cobalt data on all products they manufacture.

**Product level:** The supplier chose to report 3TG/cobalt data at the product level and was required to list the manufacturer's quantity of the products that they declared.

**User-defined:** The supplier was required to describe the scope to which the 3TG/cobalt disclosure is applicable. Scope of this class was defined in a text field by the supplier and had to be easily understood by customers or the receivers of the document. As an example, suppliers could provide a link to clarifying information.



## Quality assurance

Supplier responses were evaluated for plausibility, consistency and gaps by the Group's third-party service provider. If any of the following quality control (QC) flags were raised, suppliers were contacted by the service provider:

- One or more SOR(s) were listed for an unused metal;
- SOR information was not provided for a used metal, or SOR information provided was not a verified metal processor;
- Supplier indicated that they have not received conflict minerals data for each metal from all relevant suppliers;
- Supplier indicated they have not identified all the SORs used for the products included in the declaration scope;
- Supplier indicated they have not provided all applicable SOR information received;
- Supplier's indication their products do not contain 3TGs is found to be unreasonable
- Supplier provided unacceptable file format (ex: PDF or outdated template version)
- Supplier provided other documentation in place of a CMRT (ex: statement or policy)
- Supplier did not complete all the required fields within the CMRT



## SOR status, Conflict Minerals and Cobalt

A total of 515 (804) 3TG SORs, and 79 (70) Cobalt SORs have been reported by the suppliers. 168 (245) of the reported CMRT SORs and 3 (4) EMRT SORs have been determined to be either unknown, inactive, non-processors or removed, according to the definitions in the box. SORs that meet any of those criteria were determined out of scope for this report and have therefore been eliminated from further investigation.

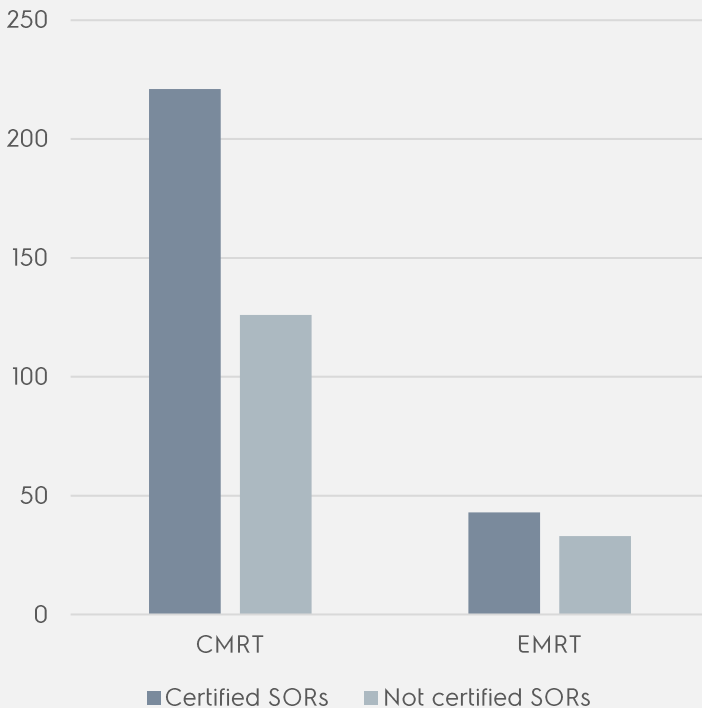
**Unknown:** SOR has not been officially identified by RMI or through third-party research.

**Inactive:** Third-party vendor has determined through outreach or research that the entity no longer meets the definition of a SOR.

**Non-processor:** Any company that does not smelt or refine, or exclusively recycle 3TG. Examples include manufacturers, distributors, metal plating companies, soldering and welding companies.

**Removed:** SOR was listed on the CMRT Smelter Reference List, but the RMI has determined that the smelter no longer meets the definition of a SOR.

The remaining 347 CMRT and 76 EMRT in-scope SORs have been categorized based on their verification and certification status. Of the in-scope SORs, 221 of the CMRT SORs (64%) and 43 of the EMRT SORs (57%) are certified.



**Known and certified:**

SOR is both identified by RMI and certified by the London Bullion Market Authority LBMA, the Responsible Jewellery Council RJC, and/or RMAP as "DRC conflict-free"

**Known but not certified:**

SOR is identified by RMI but not certified by LBMA, RJC, and/or RMAP due to incomplete or not yet commenced auditing process. SORs seek certification regardless of their location to prove their ethical sourcing activities.



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For more detail and comprehensive performance data, please see  
our Sustainability and GRI report:

[www.electroluxgroup.com/sustainabilityreport2023](http://www.electroluxgroup.com/sustainabilityreport2023)