

Electrolux Professional Group statement on slavery and human trafficking 2020

Electrolux Professional is dedicated to be a responsible employer and a good corporate citizen. Part of the Group's work with human rights is to ensure that Electrolux Professional is not complicit in infringements in forced and bonded labor within its sphere of influence – i.e. that there is no modern slavery in any part of our business or our supply chain.

This statement is made by the Electrolux Professional Group pursuant to section 54 of the UK Modern Slavery Act 2015 and section 3 of the California Transparency in Supply Chains Act.

About the Electrolux Professional Group

The Electrolux Professional Group is one of the leading global providers of food service, beverage and laundry solutions, serving a wide range of customers globally, from restaurants and hotels to healthcare, educational and other service facilities. We have two segments – Food & Beverage and Laundry. Food & Beverage provides a wide range of equipment for professional cooking and beverage solutions. Laundry provides a wide range of equipment for professional laundry operations. In addition to their product offerings, aftermarket services are provided to customers throughout the equipment lifecycle.

Electrolux Professional's production units operate through eleven manufacturing sites in Europe, Asia and the USA, with Vallenoncello in Italy, Ljungby in Sweden and Rayong in Thailand being the global manufacturing bases.

Electrolux Professional is our core brand. In addition, we use specialty brands including Zanussi, Wascomat, Crathco, Grindmaster, SPM, Unic, Alpeninox, Kelvinator, Veetsan, Schneidereit, Dito Sama and Molteni.

In 2020, the Electrolux Professional Group had sales of SEK 7,263 million and approximately 3,500 employees.

Our commitment

Electrolux Professional is a signatory of the UN Global Compact, we support the OECD Guidelines for Multinational Enterprises and applies the UN Guiding Principles on Business & Human Rights in the work to identify and remediate any negative impact on people that is a direct or indirect result of the operations

The Group's [Code of Conduct](#) and [Workplace Policy](#) set out provisions for human rights and labor standards in our own operations. The same requirements are reflected in the [Electrolux Professional Supplier Workplace Standard](#) which applies to our suppliers. This Standard defines a zero-tolerance principle towards forced, involuntary, or trafficked labor. This includes indentured, bonded, and unapproved prison labor and other forms of working against one's own will or choice – also known as modern slavery.

Identifying risks

The Electrolux Professional Group appreciates that certain geographical locations and industries in its supply chain present greater risks of modern slavery. These risks include the use of child labor and other forced, bonded or indentured labor. Electrolux Professional regularly assesses risks and conditions regarding forced and bonded labor in our product supply chains.

Electrolux Professional has eleven manufacturing sites in seven countries. The manufacturing sites are located in Sweden, Italy, Switzerland, France, China, Thailand, USA. In total, Electrolux Professional source materials or products from around 3,300 suppliers. Our main purchasing volume origins from the same countries as our manufacturing operations, but we also source from other countries.

Electrolux Professional deems that there is a high risk for forced and bonded labor within our sphere of influence in particularly China and Thailand (due to our manufacturing and supplier footprint). Electrolux Professional also have suppliers in other risk countries such as Turkey and Romania.

Management of risks

Electrolux Professional manages risks within its supply chain by stipulating demands related to social responsibility including human rights and labor conditions. We require our suppliers to adhere to the principles in our Supplier Workplace Standard, which similarly apply to our own operations. This standard is aligned with requirements in frameworks such as the International Labor Organization's (ILO) core conventions and the OECD guidelines for multinational enterprises.

Electrolux Professional has established a risk-based due diligence process for introduction of new suppliers. Based on defined risk levels, defined due diligence activities are put in place.

Electrolux Professional audits its existing supplier base. Part of the social and environmental audits was previously supported by a group function within the Electrolux Group, while Electrolux Professional conducted quality audits. During 2020 Electrolux Professional was separated from the Electrolux Group. In 2020 Electrolux Professional has introduced Environmental and Health & Safety sections to the audits in addition to its quality sections. During the year 72 audits were conducted by our own dedicated employees in regard to quality, health and safety and environment. Due to the restrictions in physical movement caused by the pandemic, 39 of the audits were carried out virtually in 2020. The majority of the audits were performed on suppliers based in China and Thailand.

Any finding of elements of forced labor will put the supplier in “disqualified” status until the situation has been remedied, thereby preventing further sourcing assignments from this supplier. In 2020, there were no forced labor-related cases which led to the supplier being put into “disqualified” status.

Internal accountability

Electrolux Professional maintains accountability standards and procedures for employees and onsite contractors and all are expected to uphold the Workplace Policy. In each region and/or business area, management is responsible for the implementation and safeguarding of our policies, including ensuring that there are regional/local procedures in place to support compliance.

Training

Code of Conduct training is mandatory for all employees. During the year around 900 employees participated in Code of conduct training, which includes labor and human right topics.

This statement has been approved by the board of directors in Electrolux Professional AB, the parent company of the Electrolux Professional Group.

Stockholm, June 2021

Alberto Zanata
President and Chief Executive Officer
Electrolux Professional AB