

UNGC Advanced Level Reporting


Electrolux supports the United Nations Global Compact and its ten principles on environment, labor practices, human rights and anti-corruption. Electrolux is also a signatory of the UNGC Water Mandate.

Where relevant, this 2012 sustainability performance review, the 2012 Annual Report and Future InSight, highlight how the Group's sustainability priorities reflect its commitment to these initiatives.

In this UNGC Communication on Progress, Electrolux has considered the UNGC Advanced level of reporting. Electrolux aims to continue to raise its bar on reporting practices according to this level in future reporting cycles.

Where applicable, the below table indicates where readers can find examples of how Electrolux meets, or plans to meet, best practice levels in regards to the 24 criteria for reporting as defined by the UN Global Compact. The column to the right indicates the information requirements of UNGC Advanced level for each criteria. The elements indicated in bold are met in one or more of the links listed in the right hand column (references).

For more information, view the [UN Global Compact website](#).

Strategy, engagement and governance Close 	
UN Global Compact Advanced Criteria and UNGC recommended best practice covered in Electrolux reporting	Reference
<p>Criterion 1 –Key aspects of the company's high-level sustainability strategy in line with the Global Compact principles.</p> <ol style="list-style-type: none"> Impact of broader sustainability trends on the long-term prospects and financial performance of the organization. Major sustainability risks and opportunities in the near to medium term (3-5 years). Social and environmental impact of the organization's activities. Overall strategy to manage sustainability impacts, risks and opportunities in the near to medium term (3-5 years). Key performance indicators to measure progress. Major successes and failures. 	<ul style="list-style-type: none"> - CEO statement: Making a positive difference - Sustainability strategy - Managing sustainability risks - Priorities and progress - Influencing the value chain <p>Electrolux.com:</p> <ul style="list-style-type: none"> - UN Global Compact - Future InSight, CEO Statement Future focus, action now, p. 2 - Future InSight, Tessa Tennant and Keith McLoughlin peer into the future (p. 10)
<p>Criterion 2 –Decision-making processes and systems of governance for corporate sustainability.</p> <ol style="list-style-type: none"> Involvement and accountability of management (C-suite) in sustainability strategy and implementation. Governance structure (Board of Directors or equivalent) and its role in oversight of long term corporate sustainability strategy and implementation. Goals and incentive schemes for management (C-suite) to promote the sustainability strategy. 	<ul style="list-style-type: none"> - Corporate governance report (Committees) - Integrating sustainability - Board oversight - Employment
<p>Criterion 3 - Engagement with all important stakeholders</p> <ol style="list-style-type: none"> Regular stakeholder consultations in the area of human rights, labor, environment and anti-corruption. List of stakeholder groups engaged by the organization. Process for stakeholder identification and engagement. Outcome of stakeholder involvement. Process of incorporating stakeholder input into corporate strategy and business decision making. 	<ul style="list-style-type: none"> - An inclusive approach - Materiality process - Mapping priorities - Performance review: Stakeholders and society (Dialog) - Corporate governance report (General meetings of shareholders)

UN Global Compact Advanced Criteria and UNGC recommended best practice covered in Electrolux reporting	Reference
<p>Criterion 4 – Actions taken in support of broader UN goals and issues.</p> <ol style="list-style-type: none"> Adoption or modification of business strategy and operating procedures to maximize contribution to UN goals and issues Development of products, services and business models that contribute to UN goals and issues. Social investments and philanthropic contributions that tie in with the organization’s core competencies, operating context and sustainability strategy. Public advocacy on the importance of one or more UN goals and issues Partnership projects and collective actions in support of UN goals and issues 	<ul style="list-style-type: none"> - CEO statement: Making a positive difference - An inclusive approach - Sustainability strategy - Management approach: Labor - Management approach: Human rights - Anticorruption and public policy - Future InSight, A strategic approach, p. 6 <p>Electrolux.com:</p> <ul style="list-style-type: none"> - UN Global Compact

Human rights implementation Close 

UN Global Compact Advanced Criteria and UNGC recommended best practice covered in Electrolux reporting	Reference
<p>Criterion 5 – Commitments, strategies or policies in the area of human rights</p> <ol style="list-style-type: none"> Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates. Statement of policy expressing commitment to respect and support human right approved at the most senior level of the company. Statement of policy stipulating human rights expectations of personnel, business partners and other parties linked to operations, products and services. Statement of policy available and communicated internally and externally to all personnel, business partners and other relevant parties. 	<ul style="list-style-type: none"> - Management approach: Human rights - Management approach: Labor practices <p>Electrolux.com</p> <ul style="list-style-type: none"> - Electrolux Workplace Code of Conduct - Electrolux Code of Ethics
<p>Criterion 6 – Management systems to integrate the human rights principles</p> <ol style="list-style-type: none"> Ongoing due diligence processes that include an assessment of actual and potential human rights impacts. Internal awareness-raising and training on human rights for management and employees Operational level grievance mechanisms for those potentially impacted by the company’s activities. Allocation of responsibilities and accountabilities for addressing human rights impacts. Internal decision-making, budget and oversight for effective responses to human rights impacts Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to. 	<ul style="list-style-type: none"> - Management approach: Human rights (see also charts) - Management approach: Labor practices - HR1-3 Procurement practices - HR5-11 Mapping and addressing human rights risks - Managing sustainability risks
<p>Criterion 7 – Monitoring and evaluation mechanisms of human rights integration</p> <ol style="list-style-type: none"> System to monitor the effectiveness of human rights policies and implementation, including the supply chain. Monitoring drawing from internal and external feedback, including affected stakeholders. Leadership review of monitoring and improvement results. Process to deal with incidents. 	<ul style="list-style-type: none"> - Procurement practices - Mapping and addressing human rights risks - Anticorruption and public policy - Management approach: Human rights - Management approach: Labor practices - Snapshot: Olympic results
<p>Criterion 8 – Outcomes of human rights integration</p>	<ul style="list-style-type: none"> - Procurement practices (see diagram Responsible sourcing follow up)

<ol style="list-style-type: none"> 1. Outcomes of due diligence. 2. External and formal reporting of operations or operating contexts that pose risks of severe human rights impacts. 3. Disclosure of main incidents involving the company. 4. Outcomes of processes of remediation of adverse human rights impacts. 	<p>audits)</p> <ul style="list-style-type: none"> - Mapping and addressing human rights risks - Management approach: Human rights - Management approach: Labor practices - Performance review: People and operations (Ethical business) - Performance review: Stakeholders and society (Responsible sourcing) <p>Electrolux.com</p> <ul style="list-style-type: none"> - Regarding Electrolux labor relations in Thailand
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Labor principles implementation Close 

UN Global Compact Advanced Criteria and UNGC recommended best practice covered in Electrolux reporting	Reference
<p>Criterion 9 - Commitments, strategies or policies in the area of labor</p> <ol style="list-style-type: none"> 1. Reference to relevant international conventions and other international instruments (e.g. ILO Core Conventions). 2. Reflection on the relevance of the labor principles for the company. 3. Written company policy (e.g., in code of conduct) on labor. 4. Inclusion of minimum labor standards in contracts with suppliers and other relevant business partners. 5. Specific commitments and goals for specified years. 	<ul style="list-style-type: none"> - Management approach: Labor practices - Management approach: Human rights - Management approach: Society <p>Electrolux.com</p> <ul style="list-style-type: none"> - Workplace Code of Conduct - Electrolux Code of Ethics
<p>Criterion 10 - Management systems to integrate labor principles</p> <ol style="list-style-type: none"> 1. Risk and impact assessments in the area of labor rights. 2. Allocation of responsibilities and accountability within the organization. 3. Internal awareness-raising and training on labor principles for management and employees. 4. Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice. 	<ul style="list-style-type: none"> - Management approach: Labor practices - Management approach: Human rights - An inclusive approach - Labor relations - Occupational health & safety - Training & education - Mapping and addressing human rights risks - Procurement practices
<p>Criterion 11 - Monitoring and evaluation mechanisms of labor principles integration.</p> <ol style="list-style-type: none"> 1. System to track and measure performance based on standardized performance metrics. 2. Audits or other steps to monitor and improve the labor performance of companies in the supply chain. 3. Leadership review of monitoring and improvement results 4. Process to deal with incidents. 	<ul style="list-style-type: none"> - Management approach: Labor practices - Performance review: People and operations (Ethical business) - Labor / management relations - Occupational health & safety - Anticorruption and public policy
<p>Criterion 12 - Outcomes of integration of the labor principles</p> <ol style="list-style-type: none"> 1. Outcome of due diligence and follow up efforts to uphold the freedom of association right to collective bargaining. 2. Outcomes of due diligence and follow up efforts to eliminate forced labor. 3. Outcomes of due diligence and follow up efforts to abolish child labor 4. Outcomes of due diligence and follow up efforts to eliminate discrimination. 5. Disclosure of main incidents involving the company. 	<ul style="list-style-type: none"> - Management approach: Labor practices (see also graph - ALFA assessments of Code of Conduct) - Mapping and addressing human rights risks (see charts on Code of Conduct assessments and audit findings) - Procurement practices



UN Global Compact Advanced Criteria and UNGC recommended best practice covered in Electrolux reporting

Reference

Criterion 13 - Commitments, strategies or policies in the area of environmental stewardship.

1. **Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development).**
2. **Reflection on the relevance of environmental stewardship for the company.**
3. **Written company policy on environmental stewardship.**
4. **Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners.**
5. **Allocation of responsibilities and accountability within the organization.**
6. **Specific commitments and goals for specified years.**

(Including Water mandate criteria)

- [CEO statement: Making a positive difference](#)
- [Future InSight, CEO Statement Future focus, action now, p. 2](#)
- [Managing sustainability risks](#)
- [Management approach: Environment](#)
- [Performance review: Products, services and markets](#)
- [Performance review: People and operations \(Efficiency\)](#)
- Electrolux.com:**
- [The Electrolux Environmental Policy](#)
- [Workplace standard](#)

Criterion 14 – Management systems to integrate the environmental principles.

1. **Environmental risk and impact assessments**
2. **Assessments of lifecycle impacts of products, ensuring environmentally-sound of end-of-life management policies.**
3. **Allocation of responsibilities and accountability within the organisation.**
4. **Internal awareness-raising and training on environmental stewardship for management and employees.**
5. **Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts.**

(Including Water mandate criteria)

- [Integrating sustainability](#)
- [Management approach: Environment](#)
- [Anticorruption and public policy](#)

Criterion 15 – Monitoring and evaluation mechanisms for environmental stewardship.

1. **System to track and measure performance based on standardized performance metrics.**
2. **Leadership review of monitoring and improvement results.**
3. **Process to deal with incidents.**
4. **Audits or other steps to monitor and improve the environmental performance of companies in the supply chain.**

(Including Water mandate criteria)

- [Management approach: Environment](#)
- [Integrating sustainability](#)
- [Managing sustainability risks](#)
- [Procurement practices \(graphs\)](#)

Criterion 16 – Outcomes of integration of the environmental principles.

1. **Indicators on the use of materials and energy.**
2. **Indicators on emissions, effluents and waste.**
3. **Indicators on the company's initiatives to promote greater environmental responsibility.**
4. **Indicators on the development and diffusion of environmentally-sound technologies.**
5. **Disclosure of main incidents involving the company.**

(Including Water mandate criteria)

- [Priorities and progress](#)
- [Performance review: Products, services and markets](#)
- [Performance review: People and operations \(Efficiency\)](#)
- [Materials](#)
- [Energy](#)
- [Water & biodiversity](#)
- [Emissions, effluents & waste](#)
- [Products & services](#)
- [Transport & compliance](#)
- [Procurement practices \(graphs\)](#)

Anticorruption implementation

Close 

UN Global Compact Advanced Criteria and UNGC recommended best practice covered in Electrolux reporting

Reference

Criterion 17 - Commitments, strategies or policies in the area of anticorruption.

1. Publicly stated formal policy of zero-tolerance of corruption.
2. **Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes.**
3. Statement of support for international and regional legal frameworks, such as the UN Convention against corruption.
4. Carrying out risk assessment of potential areas of corruption.
5. Detailed policies for high-risk areas of corruption.
6. **Policy on anti-corruption regarding business partners.**

- [Management approach: Society](#)
- [Integrating sustainability](#)
- [Performance review: People and operations \(Ethical business\)](#)

Electrolux.com:

- [Code of Conduct](#)
- [Code of Ethics](#)
- [Workplace standard](#)

Criterion 18 – Management systems to integrate the anticorruption principle.

1. **Support by the organizations leadership for anti-corruption**
2. **Human resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees.**
3. Internal checks and balances to ensure consistency with the anti-corruption commitment.
4. Actions taken to encourage business partners to implement anti-corruption commitment.
5. Management responsibility and accountability for implementation of the anti-corruption commitment or policy.
6. **Communications (whistle-blowing) channels and follow-up mechanisms for reporting concerns or seeking advice.**
7. **Internal accounting and auditing procedures related to anticorruption.**

- [Management approach: Society](#)
- [SO2-8 Anti-corruption and public policy](#)
- [Managing sustainability risks](#)
- [Management approach: Society](#)
- [Training & education](#)
- [Accounting and valuation principles](#)
- [Auditors statement](#)

Criterion 19 – Monitoring and evaluation mechanisms for the integration of anticorruption

1. **Leadership review of monitoring and improvement results**
2. **Process to deal with incidents**
3. Public legal cases regarding corruption
4. Use of independent external assurance of anticorruption programs.

- [Management approach: Society](#)

Criterion 20 – Outcomes of integration of the anticorruption principle

1. Outcomes of assessments of potential areas of corruption.
2. **Outcomes of mechanisms for reporting concerns or seeking advice.**
3. Human resource indicators and procedures supporting the anti-corruption commitment or policy.
4. Disclosure of main incidents involving the company.

- [Anticorruption and public policy](#)
 - [Management approach, Labor practices](#) (see also graph: Code of conduct assessment of production units)
 - [Procurement practices](#)
- Electrolux.com
- [Workplace standard](#)

Value chain implementation

Close 

UN Global Compact Advanced Criteria and UNGC recommended best practice covered in Electrolux reporting

Reference

Criterion 21 – Implementation of the Global Compact principles in the value chain.

1. **Analysis of sustainability risk, opportunity and impact in the value chain, both upstream and downstream.**

- [Influencing the value chain](#)
- [An inclusive approach](#)
- [Managing sustainability risk](#)

<ol style="list-style-type: none"> 2. Policy on value chain, including a policy for suppliers and subcontractors. 3. Communication of policies and expectations to suppliers and other business partners. 4. Monitoring and assurance mechanisms (e.g. audits/screening) for compliance in the value chain. 5. Awareness-raising, training and other types of capacity building with suppliers and other business partners. 	<ul style="list-style-type: none"> - Management approach: Human rights - Procurement practices - Snapshot: Sharing the wisdom
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Transparency and verification Close

UN Global Compact Advanced Criteria and UNGC recommended best practice covered in Electrolux reporting	Reference
<p>Criterion 22 - Electrolux profile and context of operation.</p> <ol style="list-style-type: none"> 1. Legal structure, including any group structure and ownership. 2. Countries where the organization operates, with either major operations or operations that are specifically relevant to sustainability. 3. Markets served (including geographic breakdown, sectors served, and types of customers/ beneficiaries). 4. Primary brands, products, and/or services. 5. Direct and indirect economic value generated for various stakeholders (employees, owners, government, lenders, etc.) 	<ul style="list-style-type: none"> - Business areas - Governance structure - Share capital and ownership - Net sales and employees in 10 largest countries - Economic performance - Key data - About this report - Map: Electrolux factories worldwide <p>Electrolux.com:</p> <ul style="list-style-type: none"> - Organization and policies
<p>Criteria 23 -Standards of transparency and disclosure.</p> <ol style="list-style-type: none"> 1. COP uses the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines. 2. COP qualifies for level B or higher of the GRI application levels. 3. COP includes comparison of key performance indicators for the previous 2-3 years. 4. Board approves COP and other formal reporting on corporate sustainability 5. Relevant sustainability information from COP is included in annual financial report and filings. <p>(Including water mandate)</p>	<ul style="list-style-type: none"> - About this report - GRI index - Annual report home page
<p>Criteria 24 - Third party verification</p> <ol style="list-style-type: none"> 1. Accuracy of information in COP is verified against assurance standard. 2. Accuracy of information in COP is verified by independent auditors. 3. Content of COP is independently verified against content standards. 4. COP is reviewed by a multi-stakeholder panel or by peers. 	<ul style="list-style-type: none"> - About this report - Statement of GRI application level check