

Corporate governance

As required by the Swedish Annual Accounts Act and the Swedish Code of Corporate Governance (the "Swedish Code"), this Corporate Governance Report describes the organizational bodies, rules, and other governance structures by which the Electrolux Professional Group is controlled and operated. The Group's external auditors have reviewed this report and their opinion has been included in the Auditor's Report.

Chairman's comments	65
Corporate Governance report	66
Internal control	73
Board of Directors	74
Executive Management	76
Remuneration report 2020	78
Risk and risk management	80

Chairman's comments

An intense first year as a listed company

The start of the year was dominated by the finalization of the separation from AB Electrolux and the listing of Electrolux Professional on Nasdaq Stockholm on March 23.

The overarching strategic rationale for the spin-off was to create better conditions for strong future value creation in the company. It allows undivided attention on developing concepts and business models for professional customers under Electrolux Professional's own dedicated management team and Board of Directors.

At almost the same time as the March listing, the pandemic started to impact us all, and the Food & Beverage Service businesses in the hospitality sector were struck particularly hard. Thanks to our experienced management team, dedicated employees, and swift actions, the company has been able to mitigate the impact of the pandemic as far as it reasonably can. Additional cost reductions and efficiency improvements were implemented while innovation continued. The impact of the pandemic on the Laundry business was less severe.

During the beginning of the year the work of the Board was focused on setting the strategic priorities and financial targets, as well as the release of the prospectus and establishing all the necessary policies needed as a listed company. The pandemic quickly shifted the Board's focus to the activities needed to mitigate the sharp decline in sales in March. Throughout the year, the Board has worked closely with the CEO and the Executive Management to make sure all necessary measures were taken to safeguard the health and safety of our employees as well as the profitability of the company.

As the year progressed, the Board increased its focus on key business growth areas and profit drivers. Other vital aspects of the business such as Talent Management, Cyber Security, and Sustainability were also addressed.

Most of the Board meetings were held completely or partially online. However, we managed to visit the two largest plants during the year. In February we visited the food equipment plant in Vallenoncello and in August we visited the laundry equipment plant in Ljungby.

During the summer, the shares of series A were delisted from trading on Nasdaq Stockholm against a background of insufficient liquidity resulting in dysfunctional pricing. As a consequence, the Board facilitated a process that allowed any holders of A shares that so wished to easily convert their shares to B shares.

Finally, I would like to express my gratitude to Electrolux Professional's CEO, Executive Management, and employees for their many great contributions during a very challenging year. I would also like to thank my colleagues on the Board of Directors for their dedication and for delving into the DNA of the company and future value creation opportunities.

Kai Wörn
Chairman of the Board



“The overarching strategic rationale for the spin-off was to create better conditions for strong future value creation in the company.”

Kai Wörn, Chairman

Corporate governance report

Good corporate governance is about ensuring that Electrolux Professional is managed as responsibly and efficiently as possible to meet our obligations as a public company, and also to create value for shareholders in an efficient, responsible, and sustainable manner. Corporate governance determines how rights and responsibilities are distributed among a company’s various bodies in accordance with internal processes and the laws and regulations in effect.

External and internal rules

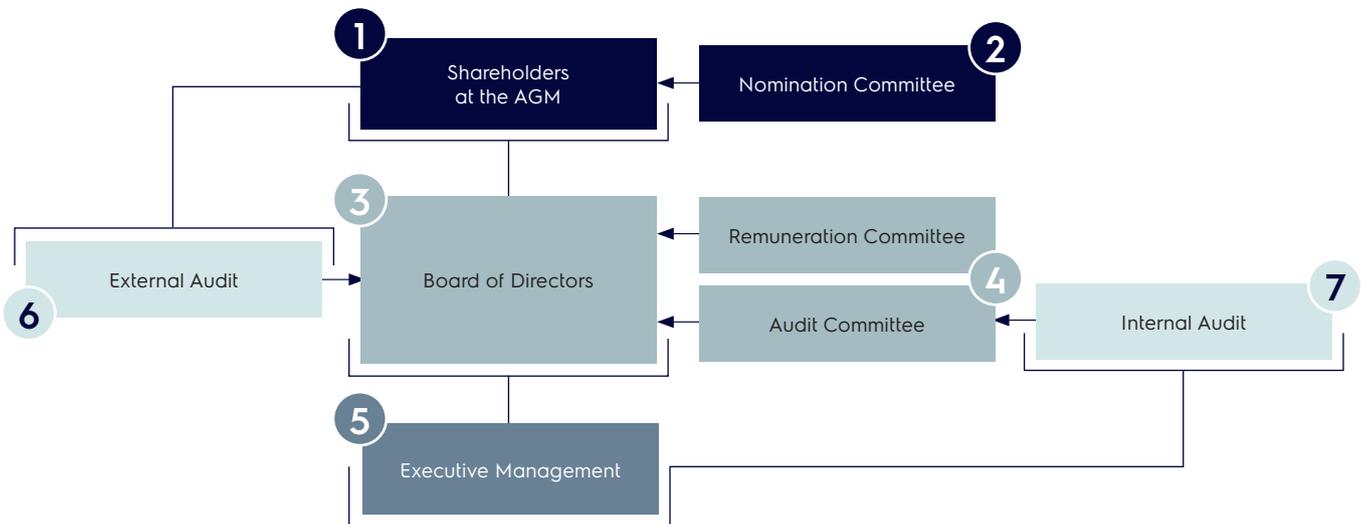
The governance of Electrolux Professional is defined by external and internal rules. The external rules are

the Swedish Companies Act, Nasdaq Stockholm’s Rule Book for Issuers and the Swedish Code of Corporate Governance (the “Code”), as well as other relevant Swedish and foreign laws and regulations. The Code is available at www.corporategovernanceboard.se and describes good practices in the stock market. The internal rules consist of the Articles of Association, The Rules of Procedure of the Board of Directors, the Electrolux Professional Code of Conduct, policies for information, finance, credit, internal control, risk management, anti-corruption and other group policies.

Application of the Code

Electrolux Professional applies the Code with no deviations. Electrolux Professional did not report any deviations from the Code in 2020. There have been no infringements by Electrolux Professional of applicable stock exchange rules and no breach of good practice on the securities market reported by the Disciplinary Committee of Nasdaq Stockholm or the Swedish Securities Council in 2020. This corporate governance report has been drawn up as part of Electrolux Professional’s application of the Code.

Corporate governance structure



Distribution and listing of Electrolux Professional

The extraordinary general meeting of AB Electrolux held on February 21, 2020 decided to distribute all shares in Electrolux Professional to the shareholders of AB Electrolux. The first day of trading in Electrolux Professional's shares was on March 23, 2020. In total, 287,397,450 shares in Electrolux Professional were distributed, 8,192,539 of which were Class A shares and 279,204,911 were Class B shares.

Shares

According to Electrolux Professional's Articles of association, the share capital shall not be less than SEK 20,000,000 and not be more than SEK 80,000,000, divided into not less than 200,000,000 shares and not more than 800,000,000 shares.

The Electrolux Professional registered share capital is SEK 28,739,745, represented by 287,397,450 shares of which (as of December 31, 2020) 8,120,527 are Class A shares and 279,276,923 shares are Class B shares, each with a quota value of SEK 0.1. Each Electrolux Professional Class A share entitles the holder to one vote and each Electrolux Professional Class B share entitles the holder to a tenth of a vote at the General Meeting.

The Class A and Class B shares of Electrolux Professional were listed on Nasdaq Stockholm on March 23, 2020 and traded on the Large Cap list.

Delisting of the Class A shares

In August 2020, the Board of Directors of Electrolux Professional applied for delisting of the company's Class A shares following contacts with Nasdaq Stockholm due to insufficient liquidity in the series A shares resulting in dysfunctional pricing. Nasdaq Stockholm's listing committee decided on August 20, 2020 to approve Electrolux Professional's application for delisting of the company's Class A shares to trading on Nasdaq Stockholm. The last day of trading of the Class A-shares was September 4, 2020. Holders of Electrolux Professional Class A shares have the right to require that Class A shares are converted to Class B shares. During 2020, 72,012 Class A shares have been converted to Class B shares.

1 Shareholders

The number of registered shareholders at December 31, 2020 was 50,227. On December 31, 2020, Investor AB was the largest shareholder, with a holding corresponding to 32.4% of the votes and 20.5% of the share capital in the company. **For more information about the shares and shareholders, see page 160.**

Dividend Policy

Electrolux Professional's target is for the dividend to correspond to at approximately 30% of the income for the period. Due to the ongoing pandemic, the Board proposes to pay no dividend for 2020.

General Meeting of shareholders

Pursuant to the Swedish Companies Act, the General Meeting is the supreme decision-making body in a Swedish limited liability company, and shareholders exercise their voting rights at such meetings. In 2020, The Annual General Meeting (AGM) was held prior to the distribution of Electrolux Professional shares to the shareholders of AB Electrolux and consequently Electrolux Professional has not held an AGM as a listed company in 2020.

The AGM of Electrolux Professional will be held annually before the end of June. In addition to the AGM, Extraordinary General Meetings (EGM) can be convened when required. The General Meetings of Electrolux Professional will be held in the municipality of Stockholm, where the company's registered office is located. The date and place of the AGM is communicated on the external web no later than the publication of the quarterly report for the third quarter.

At the AGM, shareholders of Electrolux Professional resolve on several matters, including confirmation of income statements and balance sheets, the disposition of the company's profit or loss, discharge of liability for the members of the Board and the CEO, composition of the Nomination Committee, election of members of the Board (including the Chairman of the Board) and auditor, remuneration to the members of the Board and auditor, as well as guidelines for remuneration to the CEO and other senior executives.

The shareholders of Electrolux Professional also resolve on other matters that are important to the company, for example any changes to the Articles of association, at the General Meeting.

Shareholders who wish to have a matter dealt with must submit a written request to the Board to that effect. The request must have been received by Electrolux Professional no later than seven weeks prior to the General Meeting.

Right to attend General Meeting

All shareholders who are directly recorded in the share register maintained by Euroclear Sweden five weekdays prior to the General Meeting, and who have notified the company of their intention to participate, are entitled to attend the General Meeting and vote for the number of shares they hold.

Shareholders whose shares are nominee registered through a bank or other nominee must request that their shares are temporarily registered in their own names in the register of shareholders maintained by Euroclear Sweden, in order to be entitled to participate in the General Meeting.

The next AGM will be held on April 28, 2021. Due to the coronavirus pandemic, the Board of Directors has decided that the AGM shall be conducted without the physical presence of shareholders, representatives or third parties and that the shareholders before the meeting shall be able to exercise their voting rights only by voting in advance, so-called postal voting. However, the shareholders will be able to ask questions in writing ahead of the meeting.

2 Nomination Committee

At the Extraordinary General Meeting held on December 5, 2019, the current instruction for the Nomination Committee was adopted to apply until further notice.

The Nomination Committee shall comprise five members. The members should be one representative of each of the four largest shareholders, in terms of voting rights that wish to participate in the Committee, together with the Chairman of the Electrolux Professional Board. The composition of the Nomination Committee shall be based on shareholder statistics

from Euroclear Sweden as of the last banking day in August in the year prior to the AGM and on other reliable shareholder information which is provided at such time. The names of the representatives and the names of the shareholders they represent shall be announced as soon as they have been appointed.

If the shareholder structure changes during the term of office of the Nomination Committee, the composition of the Nomination Committee may be adjusted accordingly. Changes in the composition of the Nomination Committee shall be published as soon as any such changes have been made.

The Nomination Committee's task includes preparing a proposal to the next AGM regarding:

- The Chair of the AGM
- The number of Board members
- The nominees for election to the Board
- The Chair of the Board
- Remuneration for Board members including work on Board committees
- Auditors and auditor's fees
- Amendments to instructions for the Nomination Committee

The Company's Audit Committee shall assist the Nomination Committee in preparing proposals for auditors, and the Nomination Committee's proposal shall include the Audit Committee's recommendation on the election of auditors. The Nomination Committee's proposals are publicly announced no later than on the date of notification of the AGM. Shareholders may submit proposals for nominees to the Nomination Committee.

The election of the present Board took place at an AGM prior to the listing of Electrolux Professional. The Board was elected applying rule 4.1 of the Code as its diversity policy. The aim was to appoint a Board that is diverse in terms of age, gender, experience, educational background, and nationality. Three of the seven Board members are women.

Nomination Committee ahead of 2021 AGM

The first Nomination Committee appointed in Electrolux Professional as a listed company is the Nomination Committee for the 2021 AGM and is based on the ownership structure as of

August 31, 2020, and was announced in a press release on September 17, 2020.

The Nomination Committee members are:

- Petra Hedengran, Investor AB, Chairman
- Joachim Spetz, Swedbank Robur Funds
- Jesper Wilgodt, Alecta
- Peter Guve, AMF Försäkring och Fonder
- Kai Wärn, Chairman of Electrolux Professional

The Chairman of the Board conducts a yearly evaluation of the Board by way of a survey to the Board members and subsequent discussions to assess the Board's composition, qualification, efficiency, and work procedures. The conclusions are presented to the Nomination Committee. On this basis and if deemed appropriate, subsequent discussions and interviews, the Nomination Committee determines whether the existing Board should be strengthened with additional expertise or if there are any other reasons to make changes to the composition of the Board. In making such determinations and (if applicable) evaluating potential new candidates for the Board, the Nomination Committee takes into consideration the objective to achieve a gender balance in the Board. The Nomination Committee applied rule 4.1 of the Swedish Code as its diversity policy.

In addition, the Nomination Committee takes into consideration the need to ensure that the independence requirements of the Swedish Code are met. These requirements stipulate that at least the majority of Board members must be independent from Electrolux Professional's management, and that at least two (from such majority) are also independent of Electrolux Professional's largest shareholders. The Nomination Committee also takes into account any proposals made to the Nomination Committee about the composition of the Board that may have been suggested by other shareholders.

The Nomination Committee's proposals were announced in connection with the notice convening the AGM 2021.

3 Board of Directors

The Board of Directors has the overall responsibility for Electrolux Professional's organization and administration. The duties of the Board of Directors are set forth in the Swedish Companies Act, the Company's Articles of Association and the Code. In addition, the work of the Board of Directors is governed by the Rules of Procedure of the Board of Directors, adopted annually by the Board. The instructions for the Board of Directors govern, among other things, the division of work and responsibility between the Board of Directors, its Chairman and the CEO, and specify financial reporting procedures for the CEO. The Board of Directors also adopts instructions for the Board committees.

Composition and Independence of the Board of Directors

According to Electrolux Professional's Articles of Association, the Board of Directors shall be comprised of no less than three and no more than nine members, with no more than three deputy members, elected by the shareholders at the AGM. In addition and by law, employee organizations are entitled to appoint employee representatives. The Board of Directors currently comprises seven members elected by the 2020 AGM for a term of office extending until the close of the 2021 AGM, with no deputies, as well as two ordinary members and one deputy appointed by Swedish employee organizations.

The AGM elects the Chairman of the Board. Directly after the AGM, the Board holds a meeting for formal constitution at which the members of the committees of the Board are elected. The Chairman of the Board of Electrolux Professional is Kai Wärn. All current members of the Board are non-executive members.

According to the Code, a majority of the Board members appointed by the General Meeting must be independent in relation to the Company and its Executive Management Team. No more than one Board member elected by the General Meeting may be a member of the Executive Management Team of the company or a subsidiary. At least two of the Board members that are independent in relation to the company and the Executive Management Team must also be independent in relation to

Board of Directors 2020 – AGM 2021

Name	Position	Board member in Electrolux Professional since	Independent in relation to the company and the Executive Management Team	Independent in relation to the company's major shareholders	Audit Committee	Remuneration Committee	Shareholding ¹
Kai Wärn ²	Chairman	2019	Yes	Yes	-	Chairman	104,000
Katharine Clark	Member	2020	Yes	Yes	-	-	-
Lorna Donatone	Member	2019	Yes	Yes	Member	-	-
Hans Ola Meyer	Member	2019	Yes	Yes	Chairman	-	9,000
Daniel Nodhäll	Member	2019	Yes	No	Member	Member	20,000
Martine Snels	Member	2019	Yes	Yes	-	Member	-
Carsten Voigtländer	Member	2019	Yes	Yes	-	-	-
Ulf Karlsson	Member*	1998	-	-	-	-	-
Joachim Nord	Member*	2019	-	-	-	-	110
Per Magnusson	Deputy*	1995	-	-	-	-	-

*) Employee representative.

1) Own holdings and holdings of related persons and affiliated companies. The Board members' respective shareholding in Electrolux Professional as per February 28, 2021.

2) Kai Wärn also has 778,816 call options issued by Investor AB entitling the right to purchase Electrolux Professional B-shares

the major shareholders of the company. A major shareholder, according to the Code, is a shareholder that directly or indirectly controls 10% or more of the shares or votes in the company. The independence is to be assessed by the Nomination Committee.

The Board is considered to be in compliance with relevant requirements for independence. All Directors apart from Daniel Nodhäll are considered to be independent. Daniel Nodhäll is considered to be independent in relation to the company and the Executive Management Team, but not in relation to major shareholders of Electrolux Professional.

Management of the company's affairs

The Board of Directors is responsible for the organization of Electrolux Professional and the management of the company's affairs. The Board of Directors' tasks include adopting strategies, targets, business plans, budgets, interim reports, year-end financial statements, and policies. The Board of Directors is also required to monitor the company's financial performance and ensure that the company has good internal controls, including formalized routines to ensure that approved principles for financial reporting and internal controls are applied, and that financial reports are produced in accordance with legislation, applicable accounting standards, and other requirements for listed companies. Furthermore, the

Board of Directors decides on major investments and changes in the organization and operations of the Group. The Board of Directors is responsible for regularly evaluating the work of the CEO.

Moreover, the Board of Directors is to ensure that there is a satisfactory process for monitoring the company's compliance with laws and other regulations relevant to operations, as well as the application of internal guidelines, and to evaluate the operations on the basis of the objectives and policies set by the Board of Directors.

The Board of Directors is also tasked with identifying how sustainability issues impact risks to, and business opportunities for, the company and defining appropriate guidelines to govern the company's conduct in society with the aim of ensuring its long-term value creation capability. **Read more about the governance model of our sustainability focus on page 154.**

The Chairman of the Board of Directors leads and organizes the work of the Board, ensures that the Board fulfils its tasks, and ensures that the Board's decisions are implemented. The Chairman of the Board of Directors shall, together with the CEO, monitor the company's performance and prepare and chair Board meetings. The Chairman is also responsible for ensuring that the Board members evaluate their work each year and continuously receive the information necessary to effectively perform their tasks. The

Chairman represents the company in relation to its shareholders.

The Group's external auditors report to the Board as necessary, but at least once a year. A minimum of one such meeting is held without the presence of the President or any other member of Group Management. The external auditors also attend the meetings of the Audit Committee. The Audit Committee reports to the Board after each of its meetings. Minutes are taken at all meetings and are made available to all Board members and to the auditors.

Board meetings in 2020

In 2020, the Board held 15 meetings of which ten were held either as physical meetings, web meetings, or a combination of the two. Five meetings were held per capsulam.

All scheduled Board meetings during the year followed an agenda, which, together with the documentation for each item on the agenda, was sent to Board members in advance of the meetings. Meetings usually last for half a day or one entire day in order to allow time for presentations and discussions. Electrolux Professional's Head of Legal serves as the secretary at the Board meetings. Each scheduled Board meeting includes a review of the Group's results and financial position, as well as the outlook for the forthcoming quarters, as presented by the CEO. The meetings also deal with investments, credit limits, and other matters that are to be submitted to the Board

under the Rules of Procedure or the company's policies. The Board decides on all investments exceeding SEK 25m and receives reports on all investments exceeding SEK 10m. Finally, at most scheduled Board meetings a business function or strategic item is presented and reviewed.

The Board's work was heavily impacted by the fact that the company was listed during the year, as well as the Coronavirus pandemic. As a consequence, international Board members were largely unable to travel to several of the Board meetings and instead attended via online conferencing. The Board meetings per capsulam dealt with decisions related to the separation and listing of Electrolux Professional, the delisting of the Class A share, and other decisions that could not wait until the next scheduled board meeting.

The key focus areas for the Board during the year have been:

- The distribution and listing of Electrolux Professional

- The development of Electrolux Professional's organization and strategy as an independent group
- Addressing, monitoring and adapting operations due to the effects of the Coronavirus pandemic
- Streamlining measures to improve efficiency in the organization

Evaluation of the Board of Directors

The Board evaluates its work annually with regard to working procedures and the working climate, as well as regarding the focus of the Board work. This evaluation also focuses on access to, and requirements of, special competence in the Board. The evaluation is a tool for the development of the Board work and also serves as input for the Nomination Committee's work.

Each year, the evaluation of the Board is initiated and led by the Chairman of the Board. Evaluation tools include questionnaires and discussions. In 2020, Board members responded to written questionnaires. The evaluations

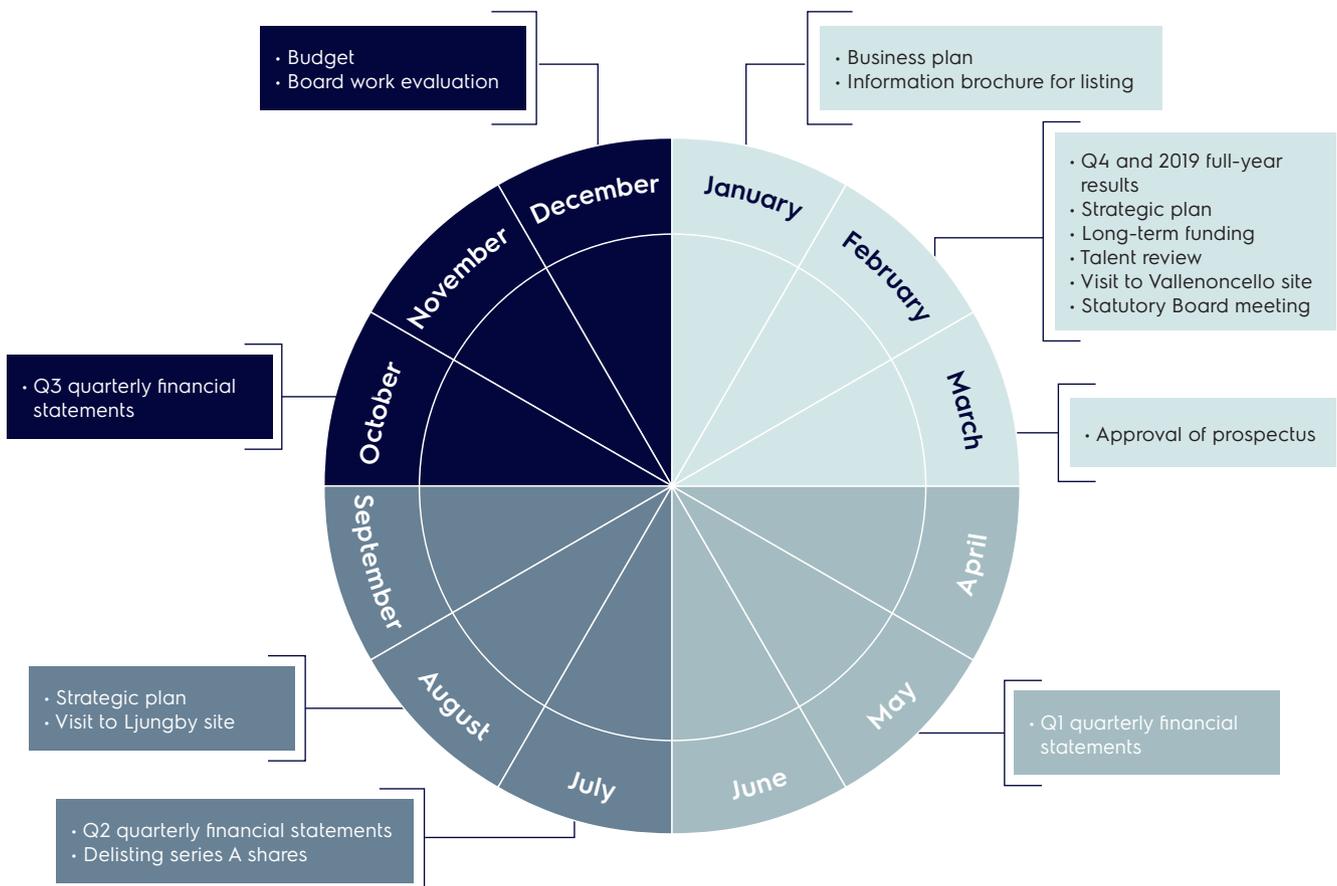
were discussed at a Board meeting. The result of the evaluations was presented to the Nomination Committee.

Fees for Board Members

The AGM determines the compensation for the Board of Directors for a period of one year until the next AGM. The compensation is distributed between the Chairman, other members of the Board and remuneration for committee work.

The AGM 2020 resolved that the board fees for the period up until the next AGM should be SEK 1,500,000 to the Chairman of the Board of Directors and SEK 500,000 to each other Board member (not employed by the company) elected by the AGM. In addition, it was resolved that a fee of SEK 150,000 shall be paid to the Chairman of the Audit Committee and a fee of SEK 100,000 to each of the other committee members, while a fee of SEK 100,000 shall be paid to the Chairman of the Remuneration Committee and SEK 75,000 to each of the other committee members.

The work of the Board in 2020



It was further resolved that fees shall be paid retroactively for the period from the election of each Board member until the 2020 AGM, with a prorated amount of the Board and committee fees stated above based on the time each Board member had been part of the Board and the respective committee.

The compensation paid in 2020, in the table below, refers to retroactive compensation until the AGM in 2020 and three fourths of the compensation authorized by the AGM in 2020, see also note 26.

4 Board committees

According to the Swedish Companies Act and the Code, the Board of Directors shall institute an audit committee and a remuneration committee. The majority of each Committee’s members are independent in relation to the company and its executive management. For the Audit Committee, at least one of the members who is independent in relation to the company and its executive management team is also to be independent in relation to the company’s major shareholders.

The major tasks of these committees are preparatory and advisory, but the Board may delegate decision-making powers on specific issues to the committees. The issues considered at committee meetings shall be recorded in minutes of the meetings and continuously reported to the Board of Directors. The members and Chairmen of the committees are appointed at the statutory Board meeting following election of Board members. The Board has also determined that issues may be referred to ad hoc committees dealing with specific matters.

Audit Committee

The main tasks of the Audit Committee are to oversee the process of Electrolux Professional’s financial reporting, internal control and internal auditing in order to secure the quality of the Group’s external reporting. The Audit Committee is also tasked with supporting the Nomination Committee with proposals when electing external auditors.

The Audit Committee consists of the following three Board members: Hans Ola Meyer (Chairman), Lorna Donatone and Daniel Nodhäll. The external auditors report to the Committee at each ordinary meeting. The CEO, CFO, Head of Group internal audit and Head of Legal have participated in all the audit committee meetings in 2020.

During 2020 the Audit Committee held six meetings. All audit committee members attended all the meetings.

Remuneration Committee

One of the Remuneration Committee’s primary tasks is to propose guidelines for the remuneration of the members of the Executive Management Team. The Committee also proposes changes in remuneration of the President, for resolution by the Board, and reviews and resolves on changes in remuneration of other members of the Executive Management Team on proposal by the CEO.

The Remuneration committee consists of the following three Board members: Kai Wärn (Chairman), Daniel Nodhäll, and Martine Snels. The Chief Human Resources Officer participated in the meetings and was responsible for the meeting preparations.

During 2020 the Remuneration Committee held five meetings which were attended by all the remuneration committee members.

5 Executive Management Team

The Executive Management Team currently includes the CEO and nine other members. The CEO is appointed by, and receives instructions from, the Board of Directors. The CEO, in turn, appoints other members of the Executive Management Team and is responsible for the ongoing management of the Group in accordance with the Board’s guidelines and instructions.

The Executive Management Team holds monthly meetings (shorter meetings via web and longer meetings lasting two or three days or in person) to review the previous month’s results, to update forecasts and plans, and to discuss strategic issues. During 2020 two of the anticipated longer meetings were replaced by web meetings.

The key focus areas for the Executive Management Team during 2020 were:

- The preparation and execution of the separation and stock listing of Electrolux Professional
- The development and implementation of the strategic plan for Electrolux Professional as a listed group
- Addressing, monitoring, and adapting the operations due to the effects of the Coronavirus pandemic
- Cost-saving measures to improve efficiency in the organization
- Investments in digital transformation

Most, but not all, Executive Management meetings are also attended by the Head of Legal, CIO, Vice President Global Marketing, Vice President Customer Care and Chief Technology Officer. Together with the Executive

Remuneration of Board of Directors

	Total remuneration 2020, '000 SEK ¹	Board meeting attendance	Remuneration Committee attendance	Audit Committee attendance	Independence ²
Kai Wärn	1,875	15/15	5/5		Yes
Katharine Clark	416	15/15			Yes
Lorna Donatone	641	15/15		6/6	Yes
Hans Ola Meyer	758	15/15		6/6	Yes
Daniel Nodhäll	772	15/15	5/5	6/6	No
Martine Snels	575	15/15	5/5		Yes
Carsten Voigtländer	500	13/15			Yes

1) Includes remuneration for 2019 and the share of the remuneration decided at the 2020 AGM paid put during 2020
 2) or further information about the independence assessment, see page 69

Management team they form the Extended Executive Management Team.

Electrolux Professional has established procedures and internal bodies ("boards") for the preparation and execution of key activities and processes, such as the Insider and Disclosure Committee, the Finance Governance Board, the Code of Conduct Steering Group, the Audit Board, the Enterprise Risk Management Board, and the Sourcing Board.

Pia Hovland was appointed Chief Human Resources Officer (CHRO) on October 1, 2020, replacing Marie-Thérèse Chaabane.

financial statements for the Electrolux Professional Group, and the administration of Electrolux Professional AB. The auditors also conduct a review of the interim report for the second quarter. The audit is conducted in accordance with the Swedish Companies Act, International Standards on Auditing (ISA), and generally accepted auditing standards in Sweden. Audits of local statutory financial statements for legal entities outside of Sweden are performed as required by law or applicable regulations in each country, including issuance of audit opinions for the various legal entities.

Group Internal Audit assignments are to be conducted according to a risk-based plan developed annually and approved by the Audit Committee. The audit plan is derived from an independent risk assessment conducted by Group Internal Audit to identify and evaluate risks associated with the execution of the Company's strategy, operations, and processes. The audits are to be executed using a methodology for evaluating the design and implementation of internal controls to ensure that risks are adequately addressed, and processes operate efficiently. Opportunities for improving the effectiveness in the governance, internal control, and risk management processes identified in the internal audits are reported to management for action. A summary of audit results is to be provided to the Audit Committee, as is the status of management's implementation of agreed actions to address findings identified in the audits. The Head of Group Internal Audit reports administratively to the CEO and functionally to the Audit Committee.

6 Auditors

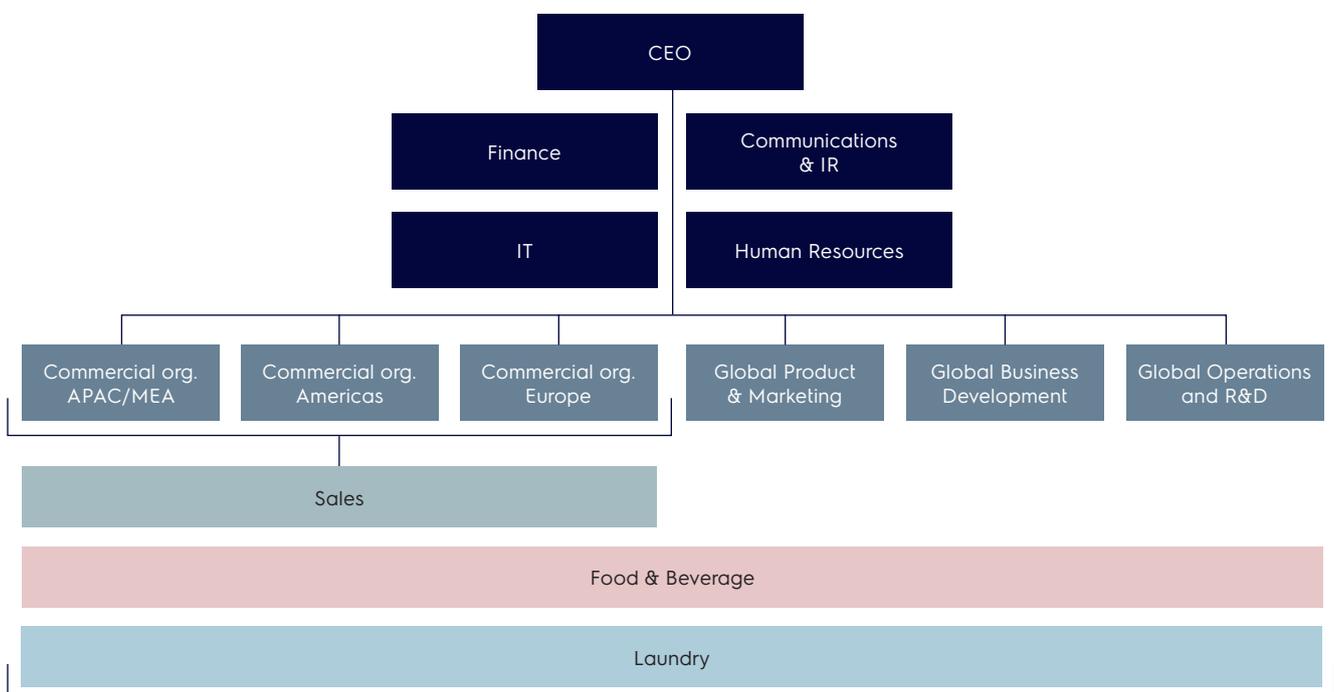
The 2020 AGM re-elected Deloitte AB for the period up and including the 2021 AGM. Jan Berntsson, authorized public accountant and a member of FAR (the professional institute for authorized public accountants in Sweden), is the auditor-in-charge.

Deloitte provides an audit opinion regarding Electrolux Professional AB, the financial statements of the majority of its subsidiaries, the consolidated

7 Internal Audit

The Group Internal Audit function provides independent, objective assurance designed to add value and improve Electrolux Professional's operations. Group Internal Audit assists Electrolux Professional in accomplishing its objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of the organization's governance, internal control, and risk management processes.

Our organization



Internal control over financial reporting

Electrolux Professional uses the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission) as a basis for internal control over financial reporting. The processes for internal control, risk assessment, control activities, information and communication, and monitoring regarding the financial reporting are designed to ensure reliable overall financial reporting and external financial statements in accordance with IFRS, applicable laws and regulations and other requirements. This process involves the Board of Directors, the Audit Committee, the Executive Management Team and all employees.

Control Environment

The Board has overall responsibility for establishing an effective system of internal control. The Audit Committee regularly reviews and evaluates the adequacy of the internal control framework. It monitors control deficiencies identified within the Group's internal control environment and oversees implementation of action plans if applicable. The CEO and the Executive Management Team have the ultimate responsibility for internal controls within their areas of responsibility.

All entities within the Group must maintain adequate internal controls. As a minimum requirement, control activities should address key risks identified within the Group. Limits of responsibilities and authorities are given

in the Delegation of Authority Policy, manuals, policies and procedures and codes, including the Code of Conduct, the Group Workplace Policy, and the Group Anti-Corruption Policy, as well as in policies for information, finance and in the finance manual. Together with laws and external regulations, these internal guidelines form the control environment and all Electrolux Professional employees are held accountable for compliance.

Risk assessment

Risk assessment is the assessment of risks in the various processes and data points that feed into the Company's financial reports. This includes identifying risks of not fulfilling the fundamental criterias, i.e., completeness, valuation, existence and occurrence, right and obligations and presentation and disclosure of significant accounts in the financial reporting for the Group, as well as risk of loss or misappropriation of assets and potential fraud.

Control activities

Control activities aim to mitigate the risks identified and ensure accurate and reliable financial reporting as well as process efficiency. Control activities include ongoing evaluations, self-assessments, and internal audit to ascertain whether the components of internal control are present and functioning.

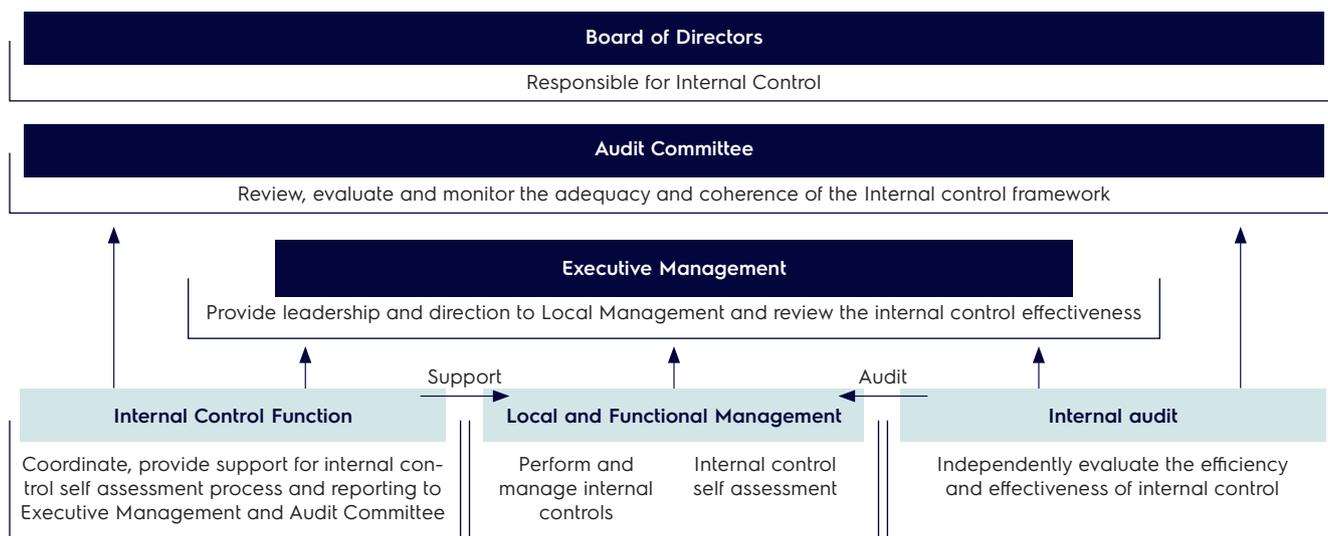
Information and communication

Information and communication within the Group regarding risks and controls helps to ensure that the right business decisions are made. Guidelines for financial reporting are communicated to employees, e.g., by ensuring that manuals and policies are published and accessible through the Group-wide intranet.

Monitoring

Monitoring and testing of control activities is performed periodically to ensure that risks are properly mitigated. The effectiveness of control activities is monitored continuously at three levels: Group, legal unit, and process. Monitoring involves both formal and informal procedures applied by management, process owners, and control operators, including reviews of results in comparison with budgets and plans, analytical procedures and key-performance indicators, and self-assessment results.

Internal audit independently evaluates the design and implementation of controls based on the audit scope and proactively proposes improvement to the control environment. Controls that have failed must be remediated. Management establishes and implements action plans to correct weaknesses. The audit committee reviews, evaluate and monitor the internal control process for financial reporting.



Board of Directors



	KAI WÄRN	KATHARINE CLARK	LORNA DONATONE	HANS OLA MEYER	DANIEL NODHÄLL
Position & elected	<i>Chairman of the Board of Directors and Board member since 2019. Chairman of the Remuneration Committee.</i>	<i>Board member since 2020.</i>	<i>Board member since 2019. Member of the Audit Committee.</i>	<i>Board member since 2019. Chairman of the Audit Committee.</i>	<i>Board member since 2019. Member of the Remuneration Committee and the Audit Committee.</i>
Year of birth	1959	1979	1957	1955	1978
Nationality	Swedish	British	American	Swedish	Swedish
Education	M.Sc. in Mechanical Engineering, KTH Royal Institute of Technology, Stockholm, Sweden.	B.Sc. (Hons) Business Information Systems Management, Bournemouth University, UK. Professional Diploma in Marketing, Chartered Institute of Marketing, UK.	MBA, Texas Christian University, USA. B.Sc. Tulane University, USA.	B.Sc. in Economics and Business Administration from Stockholm School of Economics, Sweden.	M.Sc. in Economics and Business Administration, Stockholm School of Economics, Sweden.
Other board assignments	Board member of Sandvik, Exandio Holding AB and Comparsio AB.	-	Board member of Sbarro, LLC and National Restaurant Association Educational Foundation, USA.	Board member of Upplands Motor Holding AB.	Board member of Husqvarna AB and Saab AB.
Current and previous positions	Previously CEO and President Husqvarna AB, Operations Partner at IK Investment Partners Norden AB, President and CEO of Seco Tools AB, various positions within ABB.	VP Commercial Development, ASSA ABLOY Opening Solutions EMEA.	Various senior positions within the Sodexo Group	Senior Vice President Controlling and Finance at Atlas Copco AB.	Head of Listed Companies at Investor AB.
Independence	Independent in relation to the company and the Executive Management Team as well as the company's major shareholders.	Independent in relation to the company and the Executive Management Team as well as the company's major shareholders.	Independent in relation to the company and the Executive Management Team as well as the company's major shareholders.	Independent in relation to the company and the Executive Management Team as well as the company's major shareholders	Independent in relation to the company and the Executive Management Team, but not in relation to the company's major shareholders.
Shareholding by February 28, 2021	104,000 Class B shares and 778,816 call options issued by Investor AB entitling the right to purchase Electrolux Professional B shares.	-	-	9,000 Class B shares.	20,000 Class B shares.



	MARTINE SNELS	CARSTEN VOIGTLÄNDER	JOACHIM NORD	ULF KARLSSON	PER MAGNUSSON
Position & elected	<i>Board member since 2019. Member of the Remuneration Committee.</i>	<i>Board member since 2019.</i>	<i>Board member since 2019. Employee representative of the Council for Negotiation and Cooperation (PTK).</i>	<i>Board member since 1998. Employee representative of the Swedish Confederation of Trade Unions (LO).</i>	<i>Deputy board member since 1995. Employee representative of the Swedish Confederation of Trade Unions (LO).</i>
Year of birth	1969	1963	1966	1958	1964
Nationality	Belgian	German	Swedish	Swedish	Swedish
Education	M.Sc. Agriculture, industrial engineering, Katholieke Universiteit Leuven campus Geel, Belgium, studies in mathematics, Universiteit Antwerpen, Belgium, Advanced Finance, London Business School, England. Finance for non-financials, Singapore Institute of Management, Singapore. B2B Marketing, Vlerick Business School, Belgium.	Degree in Mechanical Engineering, Technical University of Braunschweig, Germany. Doctoral Degree/Dr.-Ing., Process Engineering, Technical University of Braunschweig, Germany. Advanced Management Programme, INSEAD			
Other board assignments	Independent Non-Executive Director of Resilux. Independent Non Executive Director of Vion Food Group. CEO and owner of L'Advance B.V.	Vice Chairman of the Board of Directors of Saurer Intelligent Technology Ltd. Board member of Arbonia AG and BBC Group AG. Non-Executive Director of INNIO Group and Star Deutschland GmbH. Member of the Foundation Board of Friedhelm Loh Stiftung.			
Current and previous positions	Member of the Executive Board of GEA Group and various positions within FrieslandCampina, including Chief Operating Officer and Executive Director Ingredients	CEO and owner of Voigtlaender Board Advisory. CEO of Vaillant Group.			
Independence	Independent in relation to the company and the Executive Management Team as well as the company's major shareholders.	Independent in relation to the company and the Executive Management Team as well as the company's major shareholders.			
Shareholding by February 28, 2021	-	-	110 Class B shares.	-	-

Executive Management Team



	ALBERTO ZANATA	JACOB BROBERG	CARLO MARIO CARONI	JOHN EVANS	PIA HOVLAND
Position	<i>President and Chief Executive Officer since 2009.</i>	<i>SVP Investor Relations and Corporate Communications since 2019.</i>	<i>COO (Operations & R&D) since 2014 (Operations) and 2019 (R&D) respectively.</i>	<i>SVP & GM Americas since 2011.</i>	<i>Chief Human Resources Officer since October 1, 2020.</i>
Year of birth	1960	1964	1968	1967	1965
Nationality	Italian	Swedish	Italian	American	Swedish
Education	Master's degree in Electronic Engineering with Business Administration, Padua University, Italy.	B.A., Political Science and Economics, Lund University, Sweden.	Master's degree in Mechanical Engineering in Economics and Management, Politecnico di Torino, Italy.	Kings College, Wilkes-Barre, PA, USA.	Bachelor's degree in Computer Science, Stockholm University, Sweden.
Other assignments	-	Board member of Sveriges Kommunikatörer AB.	-	-	-
Previous positions	Head of Professional Products, Executive Vice President within the Electrolux Group	SVP Corporate Communications and Investor Relations, Cloetta AB.	SVP Global Operations within the Professional Products business area of the Electrolux Group.	Head of the Americas within the Professional Products business area of the Electrolux Group.	Various senior HR positions in Britannia Airways, Efnnet Group and Electrolux including SVP HR, Communications & Continuous Improvement at Electrolux Business Area Europe.
Shareholding by February 28, 2021	114,803 Class B shares.	10,000 Class B shares.	10,972 Class B shares.	4,240 Class B shares.	1,882 Class B shares.

**PAOLO SCHIRA****TORSTEN URBAN****DOUGLAS WALKER****FABIO ZARPELLON****PHILIPPE ZAVATTIERO**

	PAOLO SCHIRA	TORSTEN URBAN	DOUGLAS WALKER	FABIO ZARPELLON	PHILIPPE ZAVATTIERO
Position	<i>SVP Business Development since 2019.</i>	<i>SVP Product and Marketing since 2019.</i>	<i>SVP & GM APAC & MEA since 2014.</i>	<i>CFO since 2009.</i>	<i>SVP & GM Europe since 2013.</i>
Year of birth	1975	1970	1960	1967	1961
Nationality	Italian	German	British	Italian	French
Education	Master's Degree, Engineering, University of Trieste, Italy.	Business Management with a focus on marketing, VWA Munich, Germany.	Polymer Technology, Plastics and Polymer Engineering Technology, University of North London, England.	Degree, Business Administration, Ca' Foscari University of Venice, Italy.	Master's degree in Engineering, National Institute Polytechnique of Grenoble, France. Master's degree ESSEC Business School Paris, France.
Other assignments	-			President, La Vela srl.	Board member of Institut Paul Bocuse, France.
Previous positions	Various senior positions within the Professional Products business area of the Electrolux Group, including SVP Business Development and Vice President Business Unit Laundry.	Various senior positions within the Professional Products business area of the Electrolux Group, including SVP Product and Marketing and SVP Business Unit Food Service.	Various senior positions within the Professional Products business area of the Electrolux Group, including SVP Commercial APAC and Head of Region UK.	CFO of Professional Products within the Electrolux Group.	SVP of the commercial organization Europe within the Professional Products business area of the Electrolux Group.
Shareholding by February 28, 2021	7,331 Class B shares.	5,214 Class B shares.	4,385 Class B shares.	5,944 Class B shares.	8,084 Class B shares.