

# Corporate governance

The 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	67
Corporate governance report	68
Board of Directors	76
Group Management Team	78

# Steady course in a turbulent world

2022 turned out to be another year of global turmoil defined by Russia's war against Ukraine, component shortages, and rising inflation. Despite the external challenges, it was a good year financially for the Group and operationally as well as strategically, important steps have been taken to reinforce and future-proof the company.

In this environment, Electrolux Professional Group managed to deliver record high sales and a strong profit growth which is a sign of the strength of the company.

Monitoring developments related to geopolitical and macroeconomic uncertainty has inevitably been high on the Board agenda. It resulted in the decision to divest our operations in Russia. Also related to the global turmoil, challenges stemming from the shortage of components continued last year, and balancing inflation with price increases was also followed closely.

Other important topics for the Board have centered on the integration of Unified Brands and investments in digitalization to future-proof our capabilities and deliver greater customer value. The Board also decided to take up a new EUR 140m syndicated term loan facility for general corporate purposes.

Organizational development was also given a lot of airtime by the Board during

the year. Within the two reportable segments of Food & Beverage and Laundry, five Business Areas have been established, focusing on customer categories and geographies. The objective of these Business Areas is to strengthen business ownership, move decision-making closer to the customer, and thereby increase agility and speed.

Sustainability has continued to be an important topic for the Board, and it is rewarding to see that Electrolux Professional Group is recognized as the sustainability leader in our industry. To further embed this work within the company, the proposed Long-Term Incentive Program for key managers will also include a sustainability target in 2023.

This year the Board has held almost all meetings physically, including a visit to the business in the US. It was truly rewarding to visit units in both Food Service and Laundry, including the recent, strategically acquired Unified Brands.

Despite the external challenges and uncertainty, 2022 was a good year for Electrolux Professional Group. Sales increased substantially, and although the margins have not yet returned, profit is back to pre-pandemic levels. Strategically and operationally important steps have been taken to reinforce and future-proof the company. Consequently, the Board proposes a dividend of SEK 0.70 (0.50) per share, in line with the dividend policy.

The Board would like to express its gratitude to Electrolux Professional Group's management and employees for their great contributions during the year.

**Kai Wärn,**  
*Chairman of the Board*



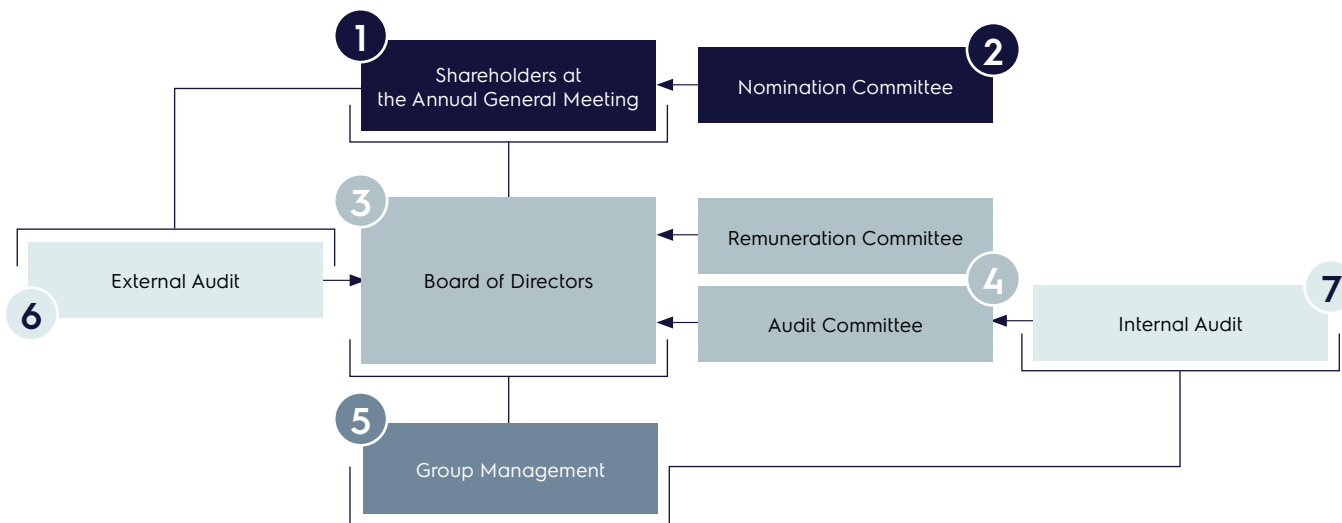
It is rewarding to see that Electrolux Professional Group is recognized as the sustainability leader in our industry.

Kai Wärn, Chairman of the Board

# Corporate governance report

Good corporate governance is about ensuring that Electrolux Professional Group 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 between a company's various bodies in accordance with internal processes and the laws and regulations in effect.

## Corporate governance structure



### External and internal rules

The governance of the Group is defined by external and internal rules. The external rules comprise 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](http://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 without deviations and did not report any deviations from the Code in 2022. There were no infringements of applicable stock exchange rules by Electrolux Professional and no breach of good practice on the securities market were reported by the Disciplinary Committee of Nasdaq Stockholm or the Swedish Securities Council in 2022. This corporate governance report has been drawn up as part of Electrolux Professional's application of the Code.

## 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 8,045,314 are Class A shares and 279,352,136 are Class B shares (as of December 31, 2022), 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 one tenth of a vote at the General Meeting.

The Class B shares of Electrolux Professional are listed on Nasdaq Stockholm and traded on the Large Cap list.

Since September 2020, Class A shares have been delisted from trading on Nasdaq Stockholm. Holders of Electrolux Professional Class A shares have the right to require that Class A shares are converted to Class B shares. During 2022, 2,668 Class A shares were converted to Class B shares.

## 1 Shareholders

The number of registered shareholders at December 31, 2022 was 46,436. On December 31, 2022, Investor AB was the largest shareholder, with a holding corresponding to 32.4% of the votes and 20.5% of the share capital in Electrolux Professional AB. For more informa-

tion about the shares and shareholders, see page 164-166.

## Dividend Policy

Electrolux Professional's target is for the dividend to correspond to approximately 30% of the income for the period. For the financial year of 2022 the Board of Directors proposes a dividend to the shareholders of SEK 0.70 (0.50) per share, corresponding around 30% of the profit for the year.

## 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. The Annual General Meeting (AGM) was held on April 28, 2022 in Stockholm and in combination with advance postal voting.

The AGM of Electrolux Professional is 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 are 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 company's external website 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 for the members of the Board and auditor, as well as guidelines for remuneration for 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 the General Meeting

All shareholders who are directly recorded in the share register maintained by Euroclear Sweden five week days 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 in proportion to 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 26, 2023, in Stockholm.

## 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. No changes were proposed or adopted during 2022.

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 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 after 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 applies 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 indepen-

dence 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.

### Nomination Committee for the AGM 2022

The Nomination Committee for the AGM 2022 was comprised of five members, led by Petra Hedengran of Investor AB. For the proposal for the AGM 2022, the Nomination Committee assessed the composition and size of the Board and the demands on the Board that are expected from the Group's future strategy. The Nomination Committee applied rule 4.1 of the Code as diversity policy in its nomination work.

The Nomination Committee proposed re-election of all Board members including reelection of Kai Wärn as Chairman of the Board. The Nomination Committee also proposed, in accordance with the recommendation by the Audit Committee, re-election of Deloitte AB as the company's auditors for the period until the end of the AGM 2023.

### Nomination Committee ahead of 2023 AGM

The Nomination Committee for the 2023 AGM is based on the ownership structure as of August 31, 2022, and was announced in a press release on October 4, 2022.

### The Nomination Committee members are:

- Petra Hedengran, Chairman, appointed by Investor AB
- Joachim Spetz, appointed by Swedbank Robur Funds
- Jesper Wilgodt, appointed by Alecta
- Suzanne Sandler, appointed by Handelsbanken Funds
- Kai Wärn, Chairman of the Board of Electrolux Professional AB

## 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 2022 AGM for a term of office extending until the close of the 2023 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, the majority of the Board members appointed by the General Meeting must be independent in relation to the company and its Group Management Team. No more than one Board member elected by the General Meeting may be a member of the Group 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 Group Management Team must also be independent in relation to the major shareholders of the company. According to the Code, a major shareholder 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 Group 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's 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 control, including formalized routines to ensure that approved principles for financial reporting and internal control 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 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 sustainability governance on page 150.

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 the Group Management Team. 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 2022

In 2022, the Board held eleven meetings, nine of which were held either as physical meetings or web meetings. Two meetings were held per capsulam.

All scheduled Board meetings during the year followed an agenda, which, together with the

## Board of Directors 2022 – AGM 2023

Name	Position	Board member of 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 <sup>1</sup>
Kai Wärn <sup>2</sup>	Chairman	2019	Yes	Yes	-	Member	104,000
Katharine Clark	Member	2020	Yes	Yes	-	-	9,000
Lorna Donatone	Member	2019	Yes	Yes	Member	-	9,000
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	-	Chairman	7,000
Carsten Voigtländer	Member	2019	Yes	Yes	-	-	10,000
Ulf Karlsson	Member*	1998	-	-	-	-	-
Joachim Nord	Member*	2019	-	-	-	-	110
Per Magnusson <sup>3</sup>	Deputy*	1995	-	-	-	-	-
Jens Pierard <sup>3</sup>	Deputy*	2022	-	-	-	-	-

\* Employee representative.

1) Own holdings and holdings of related persons and affiliated companies. The Board members' respective shareholding in Electrolux Professional as per March 13, 2022

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

3) Per Magnusson resigned as Deputy Employee representative on August 15, 2022. Jens Pierard was elected as Deputy Employee Representative on August 15, 2022.

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 2022, Board members responded to written questionnaires. The evaluations were discussed individually and 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 2022 resolved that the Board fees for the period up until the next AGM should be SEK 1,630,000 for the Chairman of the Board of Directors, and SEK 545,000 for each other Board member (not employed by the company) elected by the AGM. In addition, it was resolved that a fee of SEK 170,000 shall be paid to the Chairman of the Audit Committee and a fee of SEK 110,000 to each of the other committee members, while a fee of SEK 110,000 shall be paid to the Chairman of the Remuneration Committee and SEK 80,000 to each of the other committee members.

The compensation paid in 2022, shown in the table on page 72 refers to compensation until the AGM in 2022 and three quarters of the compensation authorized by the AGM in 2022, see also note 26.

### Gender distribution



documentation for each item on the agenda, was sent to Board members in advance of the meetings. Ordinary Board meetings usually last for half a day or one entire day in order to allow time for presentations and discussions. Electrolux Professional's General Counsel 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, in most scheduled Board meetings a business function or strategic item is presented and reviewed.

### Key focus areas for the Board during 2022

At the beginning of 2022, the business was still affected by the coronavirus pandemic, and the consequences continued to be addressed and monitored including

the effects of increased raw material costs and component shortages. Russia's invasion of Ukraine and the resulting macro-economic effects, including general inflation, affected the business and the Board resolved to cease operations in Russia and to divest the subsidiary in Russia to the local management in July.

In June the board visited the US operations including Unified Brands and the production facility in Vicksburg, Mississippi.

On July 1 the company implemented a new and simplified organization to be able to execute faster on the company's strategic priorities. The new organization consists of the two reportable segments Food & Beverage and Laundry, with five Business Areas focused on customer categories

and geographies: Food Europe, Food Americas, Food APAC & MEA, Beverage & Food Preparation, and Laundry. This also led to changes in Group Management.

In September the company took out a new EUR 140m syndicated term loan facility, for general corporate purposes, restoring the revolving credit facility to its full EUR 200m capacity.

### Evaluation of the Board of Directors

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

## 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 Group Management. For the Audit Committee, at least one of the members who is independent in relation to the company and its Group Management team is also to be independent in relation to the company's major shareholders.

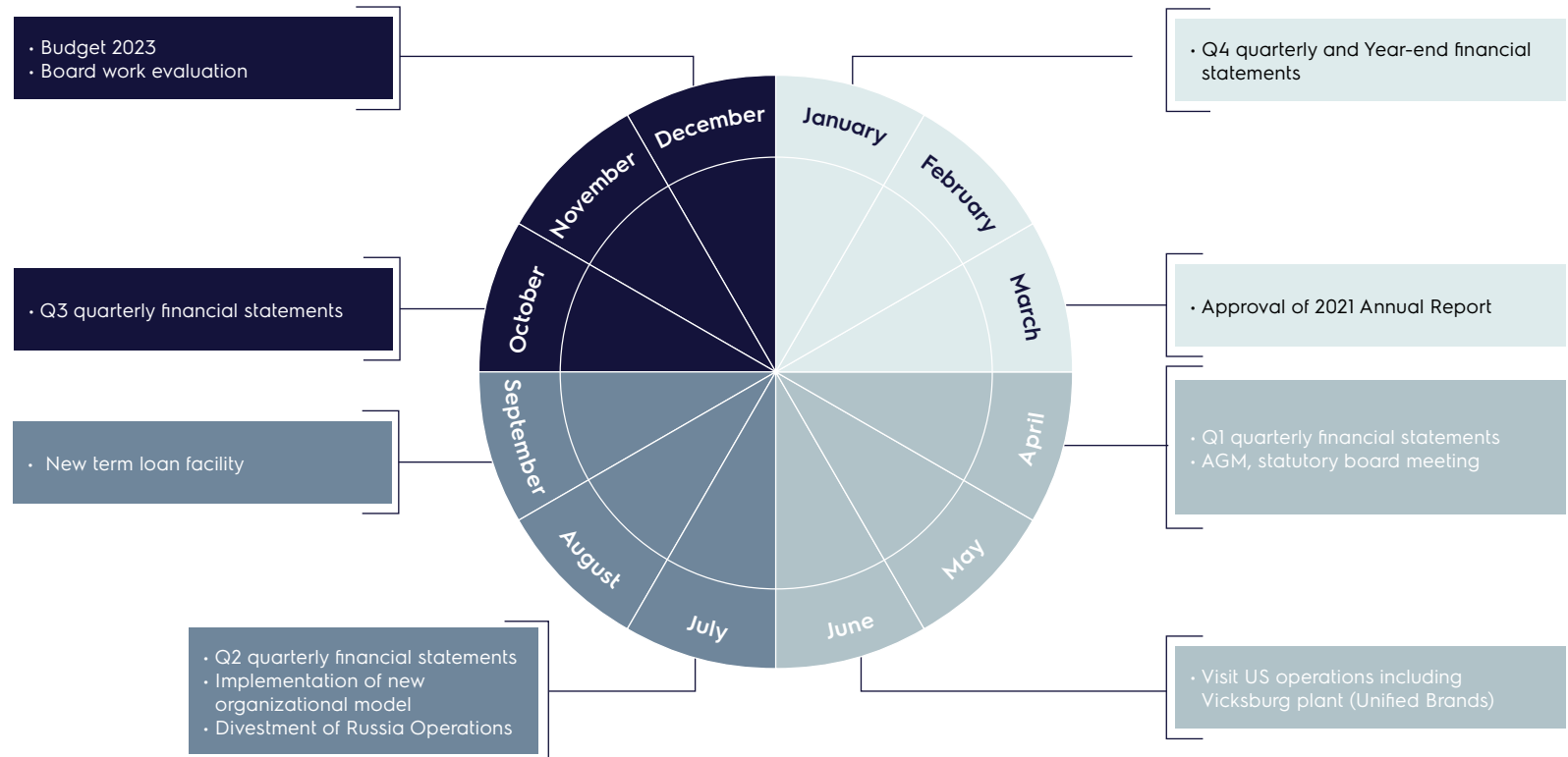
The major tasks of these committees are preparatory and advisory, but the Board may delegate decision-making powers on specific issues to the committees. The issues considered at committee meetings shall be recorded in minutes of the meetings and continuously reported to the Board of Directors. The members and Chairmen of the committees are appointed at the statutory Board meeting following the 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:

## The work of the Board in 2022



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 General Counsel participated in all the committee meetings in 2022.

During 2022 the Audit Committee held five meetings. All audit committee members attended all the meetings.

## Board of Directors – remuneration and meeting attendance

	Total remuneration 2022, '000 SEK	Board meeting attendance	Remuneration Committee attendance	Audit Committee attendance	Independence <sup>1</sup>
Kai Wärn	1,693	11/11	5/5		Yes
Katharine Clark	539	11/11			Yes
Lorna Donatone	648	11/11		5/5	Yes
Hans Ola Meyer	705	11/11		5/5	Yes
Daniel Nodhäll	728	11/11	4/5	5/5	No
Martine Snels	648	11/11	5/5		Yes
Carsten Voigtländer	539	11/11			Yes

1) For further information about the independence assessment, see page 71.

## Remuneration Committee

One of the Remuneration Committee's primary tasks is to propose guidelines for the remuneration of the members of the Group 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 Group Management Team as proposed by the CEO.

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

During 2022 the Remuneration Committee held five meetings. The attendance is presented in the table in the previous page.

## 5 Group Management Team

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

The Group Management Team holds monthly meetings online and quarterly in-person meetings lasting two or three days to review the previous month's results, update forecasts and plans, and discuss strategic issues. During 2022 one of the planned longer meetings was replaced by web meetings and not

all members were able to travel to the physical meetings as a result of pandemic-related restrictions.

## Key focus areas for the Group Management Team during 2022:

- Creation and Implementation of the new organization consisting of the two reportable segments Food & Beverage and Laundry, with five Business Areas focused on customer categories and geographies: Food Europe, Food Americas, Food APAC & MEA, Beverage & Food Preparation, and Laundry
- Digital Transformation
- Integration of Unified Brands
- Continued development of sustainability strategy
- Addressing the business and macro-economic effects resulting from Russia's invasion of Ukraine and its geopolitical consequences.

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. In addition and as a result of the new organizational model, boards and forums have been created to secure collaboration and coordination between the newly created Business Areas such as the Chains and Food product board.

## Management changes

As a result of the new organization, the former Executive Team was replaced by the Group Management teams consisting of the heads of the group functions and the heads

of the five Business Areas.

Pending the recruitment of the head of the Business Area Food Europe, Alberto Zanata, President and CEO has been acting in that position since July 1 2022. In September 2022 it was announced that Camilla Monefeldt Kirstein was recruited to head the Business Area Food Europe. She started this position on March 6, 2023.

## 6 Auditors

The 2022 AGM re-elected Deloitte AB for the period up and including the 2023 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 financial statements for the Electrolux Professional Group, and the admin-

istration 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.

## 7 Internal Audit

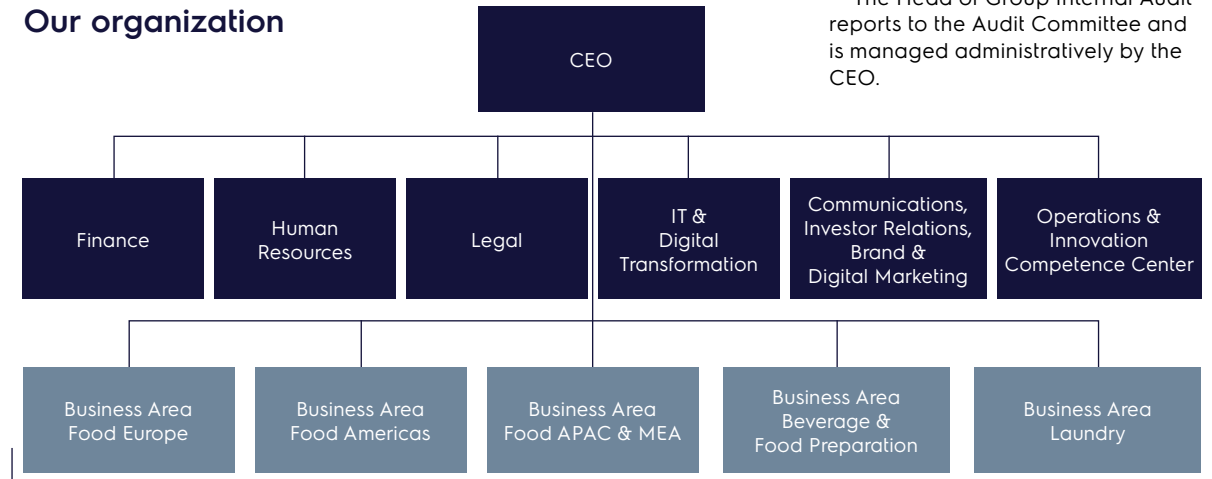
The Group Internal Audit function provides independent, objective assurance designed to add value and improve Electrolux Professional's operations. Group Internal Audit assists Electrolux Professional in accomplishing its objectives by bringing a systematic, disciplined approach to evaluating and improving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

organization's governance, internal control, and risk management processes.

Group Internal Audit assignments are 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 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 of 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 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 to the Audit Committee and is managed administratively by the CEO.

## 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 Group 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 Group 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 provided 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 criteria, i.e., completeness, valuation, existence and occurrence, rights and obligations, and presentation and disclosure of significant accounts in the financial reporting for the Group, as well as the 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

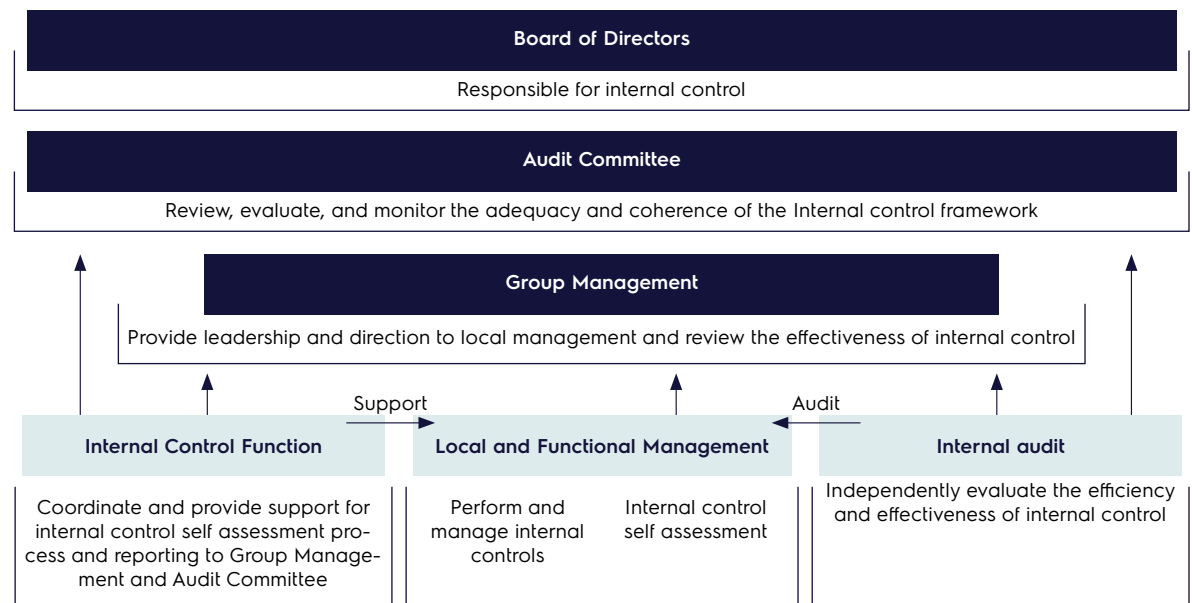
Information and communication within the Group regarding risks and controls helps to ensure that the right business decisions are made. Guidelines for financial reporting are communicated to employees, for instance by ensuring that manuals and policies are published and accessible through the Group-wide 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, evaluates and monitors the internal control process for financial reporting.



## Board of Directors



**KAI WÄRN**

**KATHARINE CLARK**

**LORNA DONATONE**

**HANS OLA MEYER**

**DANIEL NODHÄLL**

	<b>KAI WÄRN</b>	<b>KATHARINE CLARK</b>	<b>LORNA DONATONE</b>	<b>HANS OLA MEYER</b>	<b>DANIEL NODHÄLL</b>
<b>Position &amp; year elected</b>	Chairman of the Board of Directors and Board member since 2019. Member of the Remuneration Committee.	Board member since 2020.	Board member since 2019. Member of the Audit Committee.	Board member since 2019. Chairman of the Audit Committee.	Board member since 2019. Member of the Remuneration Committee and the Audit Committee.
<b>Year of birth</b>	1959	1979	1957	1955	1978
<b>Nationality</b>	Swedish	British	American	Swedish	Swedish
<b>Education</b>	M.Sc. in Mechanical Engineering, KTH Royal Institute of Technology, Stockholm, Sweden.	B.Sc. (Hons) Business Information Systems Management, Bournemouth University, UK. Professional Diploma, 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.
<b>Other board assignments</b>	Board member of Sandvik AB, Mälarhamnar AB, SunStreet Energy AB, Exandio Holding AB and Comparsio AB.	-	Board member of Dawn Food Products Inc., Sbarro, LLC and National Restaurant Association Educational Foundation, USA.	Board member of Azelio AB.	Board member of Husqvarna AB and Saab AB.
<b>Current and previous positions</b>	Previously CEO and President Husqvarna AB, Partner at IK Investment Partners Norden AB, President and CEO of Seco Tools AB, various positions within ABB.	VP BD, Innovation and Sustainability at Gunnebo. Previously VP Commercial Development/CCO, ASSA ABLOY Opening Solutions EMEA.	Previously various senior positions within the Sodexo Group	Previously CFO, Senior Vice President Controlling and Finance at Atlas Copco AB.	Head of Listed Companies at Investor AB.
<b>Independence</b>	Independent in relation to the company and the Group Management Team as well as the company's major shareholders.	Independent in relation to the company and the Group Management Team as well as the company's major shareholders.	Independent in relation to the company and the Group Management Team as well as the company's major shareholders.	Independent in relation to the company and the Group Management Team as well as the company's major shareholders	Independent in relation to the company and the Group Management Team, but not in relation to the company's major shareholders.
<b>Shareholding at March 13, 2023</b>	104,000 Class B shares and 778,816 call options issued by Investor AB entitling him to the right to purchase Electrolux Professional B shares.	9,000 Class B shares.	9,000 Class B shares.	9,000 Class B shares.	20,000 Class B shares.



## Group Management Team



**ALBERTO ZANATA**

**JACOB BROBERG**

**CARLO MARIO CARONI**

**RICHARD FLYNN**

**DAVE HERRING**

**PIA HOVLAND**

<b>Position</b>	President and Chief Executive Officer since 2009.	Chief Communication and Investor Relations Officer since July 2022.	COO (Operations & R&D) since 2014 (Operations) and 2019 (R&D) respectively.	President Business Area Food APAC and MEA since July, 2022.	President Business Area Food Americas, since July, 2022	Chief Human Resources Officer since 2020.
<b>Year of birth</b>	1960	1964	1968	1980	1964	1965
<b>Nationality</b>	Italian	Swedish	Italian	British	American	Swedish
<b>Education</b>	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.	Business management, University of Gloucestershire, England.	MBA, University of Southern New Hampshire, USA. B.Sc in Mechanical Engineering, University of Iowa, USA.	Bachelor's degree in Computer Science, Stockholm University, Sweden.
<b>Other assignments</b>	-	Board member of Sveriges Kommunikatörer AB.	-	-	-	-
<b>Previous positions</b>	Head of Professional Products, Executive Vice President within the Electrolux Group	Most recently, since 2019 SVP Investor Relations and Corporate Communications in Electrolux Professional. Previously SVP Corporate Communications and Investor Relations, Cloetta AB.	SVP Global Operations within the Professional Products business area of the Electrolux Group.	Most recently, since 2021 SVP & GM Commercial Organization APAC & MEA. Previously Sales Director Chains, APAC & MEA. Various roles within Electrolux Professional in Europe and Asia.	Most recently President Unified Brands, part of the Group Management Team in Electrolux Professional since December 2021. VP/GM positions at Avery Dennison Inc.	Various senior HR positions in Britannia Airways, Efnnet Group and Electrolux including SVP HR, Communications & Continuous Improvement at Electrolux Business Area Europe.
<b>Shareholding at March 13, 2023</b>	114,803 Class B shares.	10,000 Class B shares.	-	-	-	3,882 Class B shares.



**CAMILLA MONEFELDT  
KIRSTEIN**

**GUILHEM SENEGAS**

**PAOLO SCHIRA**

**CAROLINA TENDORF**

**FABIO ZARPELLON**

**PHILIPPE ZAVATTIERO**

	<b>CAMILLA MONEFELDT KIRSTEIN</b>	<b>GUILHEM SENEGAS</b>	<b>PAOLO SCHIRA</b>	<b>CAROLINA TENDORF</b>	<b>FABIO ZARPELLON</b>	<b>PHILIPPE ZAVATTIERO</b>
<b>Position</b>	President Business Area Food Europe since March 2023	Chief Information Officer and Head of Digital Transformation, since 2020	President Business Area Laundry, since July 2022.	General Counsel since July, 2022	CFO since 2009.	President Business Area Beverage and Food Preparation, since 2021.
<b>Year of birth</b>	1972	1975	1975	1968	1967	1961
<b>Nationality</b>	Norwegian	French	Italian	Swedish	Italian	French
<b>Education</b>	Master's degree in Industrial Economics, Norwegian University of Science and Technology. Master's degree in Operational Research, London School of Economics and Political Science.	Master's degree in engineering from CentraleSupélec, Paris and MBA from Le Collège des Ingénieurs, Paris.	Master's Degree, Engineering, University of Trieste, Italy.	Master's Degree of Law, University of Stockholm, Sweden	Degree, Business Administration, Ca' Foscari University of Venice, Italy.	Master's Degree of Engineering, National Institute Polytechnique of Grenoble, France. Master's degree ESSEC Business School Paris, France.
<b>Other assignments</b>	Board member of Knowit AB.	-	-	-	President, La Vela srl.	Board member of Institut Paul Bocuse, France.
<b>Previous positions</b>	Recently President Personal Equipment Protection Division at Hultafors Group. Previously Executive Vice President Snickers Workwear and Fristads AB, and various management positions at Oriflame Cosmetics, SAS Group, K-World, and Management consultant at McKinsey & Company.	Various Senior IT roles for bioMérieux & Mérieux Nutrisciences, IT consultant for Capgemini.	Most recently SVP & GM Commercial Organization Europe. Various senior positions within the Professional Products business area of the Electrolux Group, including SVP Business Development and Vice President Business Unit Laundry.	Most recent, since 2019, Head of Legal Electrolux Professional Group, Senior Group Legal Counsel, Electrolux Group, Partner and member of the Swedish Bar Association (Advokat) Ashurst law firm, General Counsel Mandator, Lawyer/Advokat Advokatfirman Södermark.	CFO of Professional Products within the Electrolux Group.	SVP & GM Europe Electrolux Professional, SVP of the Commercial Organization Europe within the Professional Products business area of the Electrolux Group. Board member of Institut Paul Bocuse, France.
<b>Shareholding at March 13, 2023</b>	-	-	7,330 Class B shares.	2,000 Class B shares.	5,944 Class B shares.	8,084 Class B shares.