

Premium Products Delivering Innovation and Efficiency while Reducing Environmental Impact



Miele
PROFESSIONAL

Company Profile



- **1899** founded by Carl Miele and Reinhard Zinkann. To this day, the owner-managed company is 100 percent owned by the two families.
- **\$2.83** billion euro turnover in the 2009/10. Slight recession-induced drop in sales of 1.3 percent in 2008/2009, an increase of 2.2% turnover in 2009/10.
- **16.561** people worldwide employed by Miele in 2009/10.
- **12** production facilities, 8 in Germany, 1 in Austria (Bürmoos), 1 in Czech Republic, 1 in China (Dongguan) and 1 in Romania (Braşov).
- **47** sales/service subsidiaries worldwide in just as many countries, 450 employees in United States
- **23** product groups in the domestic and professional ranges

Principles and Values

- Holistic views of corporate responsibility to customers, employees, suppliers, society and the environment.
- “Immer Besser” (Forever Better) devised by the company founders, strives to constantly develop innovative and resource-conserving products.
- Miele views transparency and openness as necessary conditions of a credible strategy.
- Main focus is responsibility to the people who use our products in their personal or professional environments.
- Guidelines of the corporate philosophy apply company-wide for all employees, who are kept regularly informed about its contents and initiatives.



Miele's Sustainability Program

- Since 1996 a comprehensive sustainability report is produced every two years
- Sustainable activities grew to include every aspect of the business
- Sustainability principles in core company processes, such as product design and production. This extensive required is to assure overall company health far into the future.
- Sustainable behavior cannot be ordered; it must be lived with conviction by the people in the company.
- Sustainable actions centered around efficient use of energy, reduction of CO₂ emissions and the conservation of natural resources throughout the life cycle of our products and during production.

Sustainability Management

- Since 1992 a comprehensive management system has been developed to systematically identify and handle risks and the opportunities they present.
- *Internal and External audits* used as part of a self-monitoring system to detect discrepancies at an early stage and implement countermeasures. These audits keeps Miele ahead of the standards.
- The executive board defines the principle objectives for sustainability, quality, occupational health and safety and environmental protection.
- 2010 saw the implementation of a confidence-building measure and a non-negotiable element of contemporary corporate governance, when an ombudsman was appointed to receive information from employees or external parties regarding corruption or other unlawful business practices.

Sustainability with Employees

- 2009/10 Miele had 16,561 employees worldwide.
- 2009/10, employee turnover was 0.68 percent (previous year: 0.78 percent).
- 2009/2010, 1886 employee ideas were suggested , implemented they contributed to total saving of 1.8 million EUR.
- Results of satisfied employees, USA subsidiary was honored as an outstanding employer by the New Jersey Business & Industry Association in 2009.

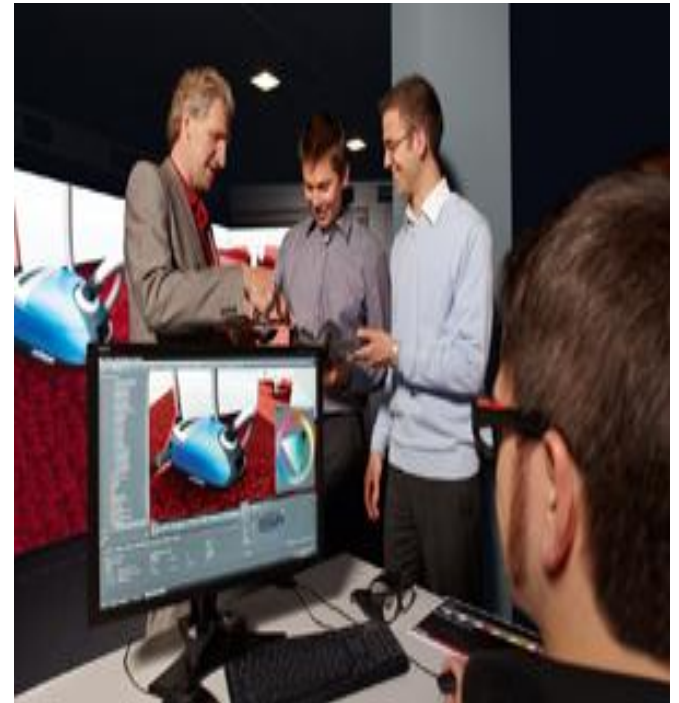


Sustainability in the Supply Chain

- Miele collaborates with over 2,300 suppliers and places value on fair, long-term business relationships based on partnership
- The top priority of the buyers is to ensure they only select and use suppliers who comply with applicable environmental and social standards.
- Sustainability criteria are deeply rooted in conditions of purchase. Aligned with social standard SA8000, as well as the UN Global Compact principles on the protection of human rights and the environment.
- Miele secures ecological standards by requiring suppliers to have a certified environmental management system in place that complies with the ISO 14001 standard or comparable standards.

Product Responsibility - Product Design

- A key strategy for employees is designing products that reduce energy consumption while maintaining performance.
- A strategy of recycling is employed at the planning stage.
- Employees attend development programs for specific training on environmental protection issues and are encouraged to make environmentally relevant suggestions for improvement.



Product Responsibility - Product Development

- Product development cycles are 2 to 4 years long
- Miele invests over 5% of revenues towards R&D (the US spends 2.7% of GDP on R&D)
- Computer Aided Virtual Environment (CAVE) for product development, cost reductions on prototypes other traditional testing and evaluation practices



Product Responsibility - Production

- When designing new appliances and technologies, Miele pursues an overall-product life cycle approach.
- Foundations are laid in the design phase, for example the avoidance of critical substances and the use of secondary raw materials, which guarantee the recyclability of appliances when it comes to disposal.



Product Responsibility – Transport & Logistics

- Miele ensures transportation is as efficient as possible and the impact of transport-related CO₂ emissions are reduced.
- Miele encourages its workforce to reduce pollution by using rail on business trips, instead of air travel, whenever possible.
- In the USA, business trips have been reduced by half using video conferences.



Product Responsibility – Usage Phase

- Miele appliances have been among the most energy and water efficient products on the market for many years.
- In 1995 Miele developed an update function which allows programs to be brought up to date with current energy requirements.
- Eco Feedback displays current energy and water consumption, creating customer awareness by having exact consumption data right before their eyes.



Product Responsibility – Disposal

- Strives to achieve a high degree of appliance recyclability and supports continuous improvement of recycling processes.
- High metal content of 85 percent in household washing machines and up to 90 percent in commercial machines makes a significant contribution not only to quality, but also to efficient recycling.



Environmental Competency



Examples of Environmental Competency

- World first dishwasher that uses 0.28 cu ft of water per cycle
- Laundry washer reduced water consumption by 20%
- Wet (opposed to Dry) cleaning system, removal of perchloroethylene (heavy toxic solvent)
- Heat pump dryers consumes half the energy of conventional units
- Stand-by power consumption, less than one watt, with many products consuming 0.03 watts when power switch is turned off.

Examples of Environmental Competency

- Professional products subjected to long-term testing (15,000 hours for each new machine)
- 20 years LCA (life cycle assessment) on domestic products
- Repair parts are maintained 15 years after product models are discontinued



Examples of Environmental Competency

- Heat pump dryers are expected to decrease utility cost by 46%, compared to conventional dryers
- EPA predicts heat pumps dryers could reduce CO² emissions by 32-34% compared to standard electric models
- Rapid and efficient transfer of energy



Examples of Operating Costs Savings

- Minimized water consumption – 30% less
- Lower electrical consumption due to heating less water
- Lower internal heating and better insulation decreases HVAC demand, due to lower heat emissions
- Lower chemical/detergent usage, due to decreased water level
- Decreased effluent volume and load, due to reduced chemical usage
- Soft mount drum allows higher G-Force, decreasing drying time

Examples of Fabric Care

- Convex-pattern honeycomb drum
- Smaller exit holes
- Network of water channels create a skim layer that cushions clothes
- Drum allows virtually no penetration of fabric through drum.



Thank You

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www.miele-pro.com