

Miele



Sustainability Report 2019

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Foreword from the Executive Board

Dear readers,

We once again look back on two successful business years. Never before has Miele generated more turnover and sold more appliances. We have gained further market share in Germany and in other important markets. Our investments in innovation and growth – particularly with a focus on the challenges and opportunities of digitalisation – have risen to record highs for two successive years. Moreover, Miele now offers more than 20,000 people worldwide a place to work. We are delighted at that figure, and we would like to take a moment to thank our employees, without whom this positive long-term development would not have been possible. Still, we also know that the constant growth of the company brings with it a special responsibility. That is why Miele continues making every effort to be a responsible and appreciative employer, business partner and neighbour.

The proverbial reliability and durability of Miele’s appliances are a part of the company’s identity. Yet we also aim to offer our customers pioneering innovations time and time again that enrich their lives. The Dialog oven, which combines conventional cooking technology with electromagnetic waves, is one example of these innovative achieve-

ments. Our Generation 7000 dishwashers, with their AutoDos automatic detergent dispenser, are also a unique addition to the market. Thanks to their intelligent connectivity solutions, both appliances are raising the bar in smart home technology. More connectivity at home means more convenience, but also places data privacy issues squarely in the focus of public attention. We are happy to rise to our corporate digital responsibility. The development and introduction of our Miele Privacy Policy is just one example of the steps we took during the reporting period.

This holistic perspective and the consideration of potential conflicting objectives help us during the product development process. After all, we want our appliances to grow more and more efficient and provide greater convenience. SingleWash is an example of how conflicting objectives can lead to innovative solutions. The function is the response to a common problem: Washing machines are often run for light loads in everyday life, consuming unnecessary amounts of resources. SingleWash makes it possible to wash even single items of clothing economically, quickly and hygienically. That is because it precisely adjusts water consumption to match light loads, automatically

CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

In 2015, the United Nations adopted the Sustainable Development Goals (SDG). They are at the heart of the 2030 Agenda for Sustainable Development. The 17 SDGs aim to address some of the most urgent global challenges and reduce extreme poverty. Miele is committed to the SDGs and is dedicated to making a contribution to achieving these goals and sub-goals as part of its business activity. See the SDG icon at the start of each chapter to find out which goal Miele is focused on achieving in a particular area of action. Miele also refers to the SDGs in the overview of its > value chain.



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The Executive Directors from left: Dr Stefan Breit, Dr Markus Miele, Olaf Bartsch, Dr Reinhard Zinkann and Dr Axel Kniehl

leading to lower energy consumption. Wasting water and energy are just as much a thing of the past as waiting for weeks to do laundry.

This innovation, along with many others, is part of our vision to make Miele the most sustainable company in the industry – and to make sure people see us as such. That is why we have been a member of the UN Global Compact since 2004. We are committed to the ten universal principles of the initiative, as well as the aim of the Paris Agreement to limit global warming to less than 2 °C. Furthermore, we are doing our part to help achieve the Sustainable Development Goals of the United Nations.

Nearly all of our plant locations have now developed their own programmes based on the objectives of our sustainability strategy, which they are working step by step to achieve. We have also made progress on our specific CO₂ emissions per item, per tonne of product and per employee, which have fallen by up to 11 percent compared to 2015. Absolute rises in CO₂ emissions and energy consumption during the period under review are for the most part due to increases in production.

The use of energy-efficient domestic appliances has the greatest impact on bringing down CO₂ emissions. This shows a sample calculation of the emissions

of our appliances. For the first time, we have investigated the entire use phase.

On balance, our goal is to continue to reduce emissions. Sustainability rankings such as the Sustainability Image Score furnish proof that our efforts have not gone unnoticed. In 2017, Miele took the top spot in the Sustainability Image Score for the first time, making it the brand that people in Germany perceive to be the most sustainable.

To learn more about sustainability at Miele, please continue reading this report. We hope you enjoy it.

Miele & Cie. KG Executive Board

Olaf Bartsch,
Executive Director Finances and Administration

Dr Stefan Breit,
Executive Director Technology

Dr Axel Kniehl,
Executive Director Marketing and Sales

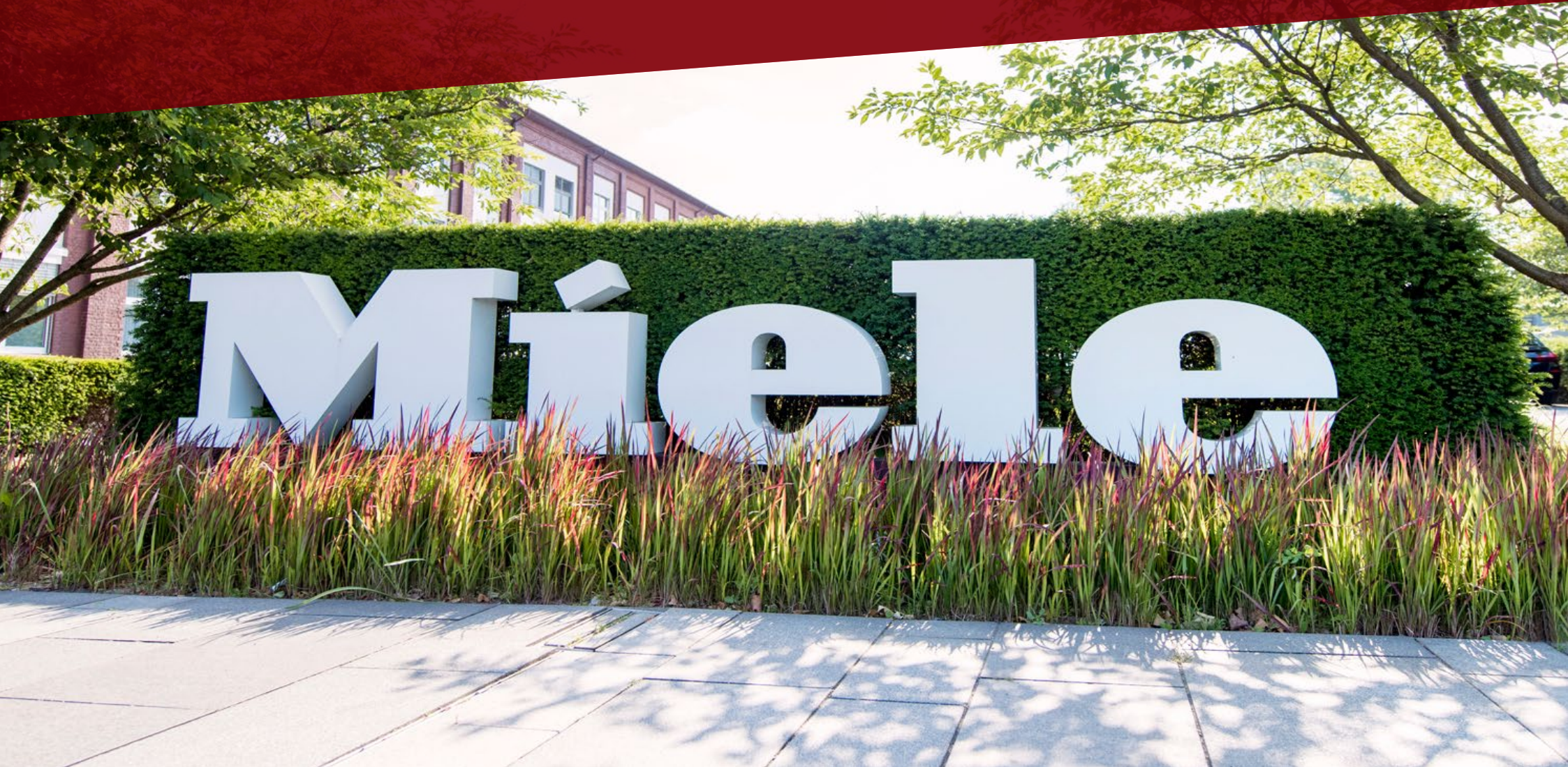
Dr Markus Miele,
Executive Director and Co-Proprietor

Dr Reinhard Zinkann,
Executive Director and Co-Proprietor

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Miele at a glance

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What Miele stands for

A matter of tradition: products and solutions that set standards

[GRI 102-1, 102-2, 102-3, 102-5, 102-7, 102-8, 102-16, 102-18, 203-2] For 120 years, Miele has been synonymous with high-quality domestic appliances and commercial machines and is regarded as the epitome of reliable and long-lasting products. Miele aims to continuously delight its customers with unparalleled quality, innovative technology, perfect results and timeless elegance, while also playing a pioneering role in energy efficiency and environmental protection. "Forever Better", the precedent set by the company founders, sums it up. The owners and Executive Board feel an obligation towards the employees, customers, suppliers, the environment and society. Miele embodies partnership-based conduct towards its business partners, an employee-focused corporate culture as well as continuity of values, goals and leadership. The family-owned company is now in its fourth generation, with the two founding families Miele and Zinkann holding 100 percent of the shares. This ensures independence from the interests of external investors. The company focuses on the Miele brand and its positioning in the premium segment. Digital products and services from the Smart Home division are playing an increasingly important role, as are solutions for commercial users in the Professional division.

HEADQUARTERS

Gütersloh has been the headquarters of the Group since 1907.

EXECUTIVE BOARD

The Executive Board of the Miele Group consists of five Executive Directors with equal voting rights. These include two Executive Directors who act as representatives of the owner families, as well as three Executive Directors with divisional responsibility, who are not associated with the families.

MIELE & CIE. KG

Central administration, plants and subsidiary in Germany

MIELE BETEILIGUNGS-GMBH

Sales subsidiaries, international plants and participations

IMPERIAL-WERKE OHG

Subsidiary (100 percent) of Miele & Cie. KG with plants in Bünde and Arnsberg

MIELE VENTURE CAPITAL GMBH

Subsidiary (100 percent) of Miele & Cie. KG based in Gütersloh, focus: Start-up funding Smart Home/Industry 4.0

STEELCO GROUP

Majority stake in Italian medical technology company, Treviso

4.1 BILLION EUROS in turnover generated by the Miele Group in 2017/18



20,098 EMPLOYEES

of which 11,225 in Germany as at 30 June 2018

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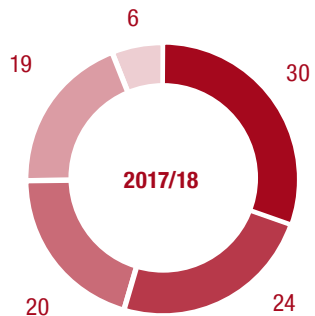
Miele worldwide

Regionally based, internationally active

[GRI 102-1, 102-4, 102-6, 102-7] Miele produces in 13 plants at a total of 12 locations, 8 of which are located in Germany. Appliances are also produced in Austria, Romania, the Czech Republic and China. In addition, Steelco and other manufacturing partners also produce for Miele. As a key employer in these regions, Miele is aware of its responsibility. A central policy at Miele is therefore to keep jobs secure at all company locations.

TURNOVER BY REGION

as a percentage



- Germany
- Northwest Europe
- Southern, Eastern, and Central Europe
- North and South America, Australia, New Zealand, and South Africa
- Asia

50 COUNTRIES



with own sales subsidiaries

SALES REGIONS

With its own subsidiaries and importers, Miele is represented in about 100 countries. After Germany, the USA and Australia are the regions with the highest turnover. Asia constitutes the biggest growth market, with Canada, Austria and Russia also featuring prominently. The sales subsidiaries are also responsible for the international implementation of Miele's sustainability strategy.

12 PRODUCTION SITES

Gütersloh, Arnsberg, Bielefeld, Bünde, Euskirchen, Lehrte, Oelde, Warendorf, Bürmoos (AT), Braşov (RO), Dongguan (CN), Uničov (CZ)



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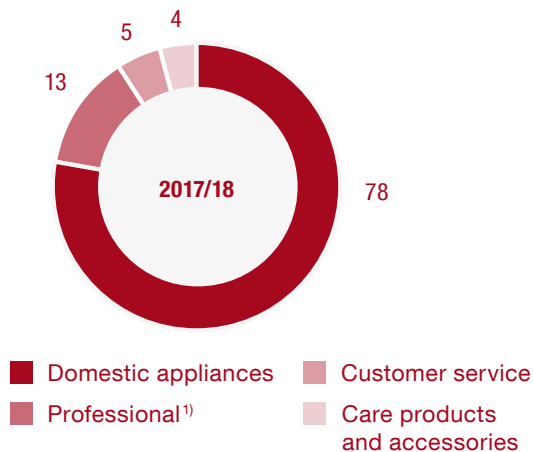
The products

Leading solutions for domestic and commercial purposes

[GRI 102-2, 102-6, 102-7] With six million appliances sold in 2017/18, Miele is the world's leading supplier of premium appliances for kitchen, laundry and floor care. In addition, Miele also offers solutions for commercial applications: in 2017/18 alone, 92,000 appliances were sold for commercial usage, medical facilities and laboratories.

TURNOVER BY BUSINESS AREAS

as a percentage



1) Commercial machines, service, and spare parts.



DOMESTIC APPLIANCES

Floor care:

- Cylinder and upright vacuum cleaners
- Stick vacuum cleaners
- Robotic vacuum cleaners¹⁾

Laundry care:

- Washing machines
- Washer dryers
- Tumble dryers
- Rotary ironers

Kitchen appliances:

- Steam ovens/combination units
- Dialog oven
- Cooker hoods
- Dishwashers
- Cookers and ovens/combination units
- Coffee machines¹⁾
- Hob units
- Refrigerators and freezers¹⁾
- Microwave ovens¹⁾
- Vacuum drawers¹⁾
- Warming drawers
- Wine conditioning units¹⁾



COMMERCIAL MACHINES

Medical technology:

- Washer-disinfectors
- Lab washers

Laundry technology:

- Washing machines
- Tumble dryers
- Rotary ironers

Dishwashing technology:

- Fresh water dishwashers
- Tank dishwashers



SMART HOME AND CUSTOMER SERVICE

- Miele@mobile app: control devices via smartphone
- ShopConn@ct: order detergent via app
- Voice control: operate devices via Alexa
- HomeVision: camera on robotic vacuum cleaner sends live images to smartphone
- SmartStart: connect washing machines to a (renewable) electricity supply
- Con@ctivity: cooker hood adapts to the hob
- M@Chef app: order haute cuisine via app



CARE PRODUCTS AND ACCESSORIES

- Detergents (for washing machines)
- Detergents (for dishwashers)
- Appliance maintenance
- Tumble dryer fragrance
- Process chemicals (commercial)
- Vacuum cleaner bags
- Appliance accessories



6.1 MILLION

domestic appliances and commercial machines sold by Miele in 2017/18.

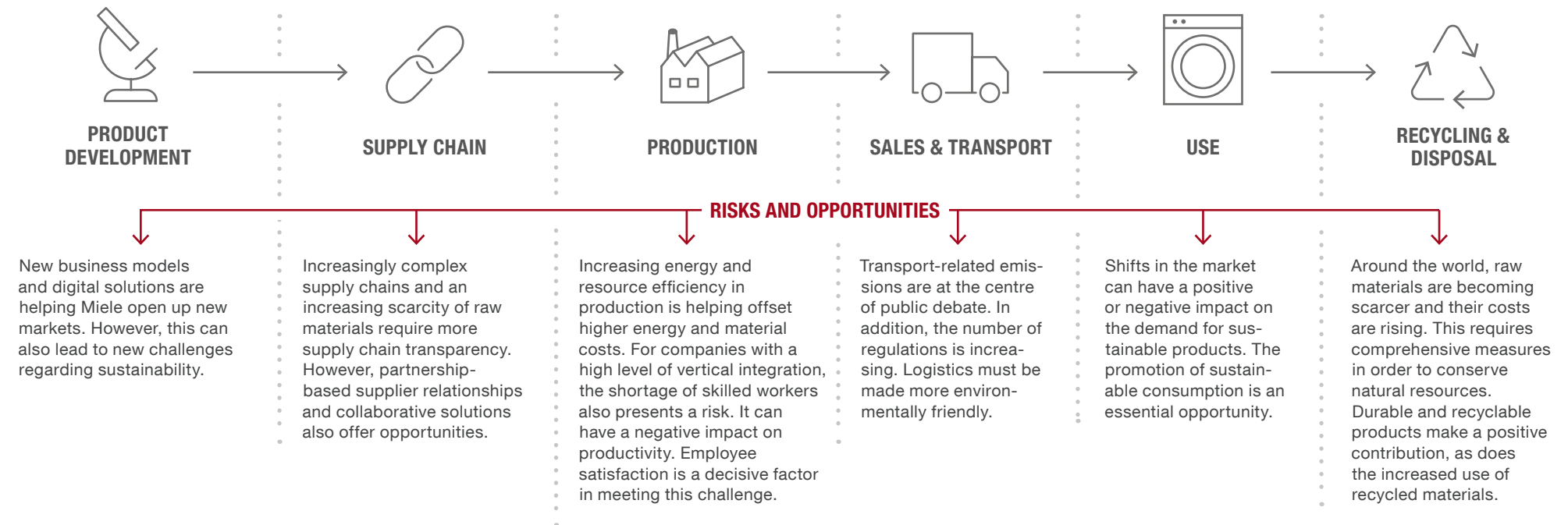
1) Miele cooperates with manufacturing partners on these appliances.

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The value chain

Keeping the entire service life in mind

[GRI 102-9] The Miele value chain extends across product development, the selection and procurement of raw materials and components, through to production in the Miele plants, transport and sales, and usage itself. The chain ends with the recycling or disposal of the appliances.



MIELE IS MAKING A CONCERTED CONTRIBUTION TO SUSTAINABLE DEVELOPMENT THROUGH THESE SUSTAINABLE DEVELOPMENT GOALS:



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Milestones

Sustainable thinking since 1899

1899

Miele is founded with eleven employees.

1909

The company health insurance fund for employees is founded.

2008

The Miele Code of Conduct is adopted.

2004

Miele joins the United Nations Global Compact network.

1929

A company pension scheme is introduced.

1951

The corporate suggestion scheme is set up.

2012

Energy management is certified (ISO 50001), the Diversity Charter is signed.

2011

Occupational safety is certified (OHSAS 18001).

1970

The locations' environmental data is recorded for the first time.

1990

The Environmental Office for products is founded.

2014

Miele receives the National German Sustainability Award.

1993

The quality of production is certified (ISO 9001).

1996

The first environmental report is published and the environmental management is certified (ISO 14001).

2015

The Sustainability Action Team is founded and Miele places second in the sustainability report rankings.

2018

Miele employs more than 20,000 people.

2002

The first sustainability report is published.

2018

Miele opens its first nursery at the Gütersloh location.

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Management & processes

- > Strategic approach
- > Sustainability strategy
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Strategic approach

For Miele, sustainability stands not only for responsibility towards people and the environment, but also integrity, continuity and a sense of quality. This is the basis of our sustainability strategy.

OBJECTIVE



The long-term financial success of Miele is ensured through sustainability.

Sustainable corporate governance makes economic sense in the long term. Miele therefore develops its sustainability strategy on an ongoing basis. > Sustainability strategy



Sustainability communication with stakeholders is international and tailored to the target audience.

Stakeholders should be thoroughly informed about Miele's sustainability performance. To promote exchange and communication, Miele is developing additional channels, nationally and internationally. > Stakeholder engagement



In addition to legal requirements, risk management also takes into account the expectations of stakeholders.

Miele ensures compliance with statutory regulations through a schedule of legal provisions. Screenings help to identify potential risks. The goal is to fully eliminate complaints and incidents of non-compliance. > Sustainability management



Miele is recognised and valued worldwide as the most sustainable company in the industry. Sustainability is an integral part of its brand identity.

Miele continues to expand its commitment to sustainability and also emphasises sustainability aspects in product and brand presentation. Means of measuring success include surveys. > Sustainability strategy



Employees and managers are aware of and engaged in value-driven, sustainable behaviour.

Miele would like to anchor awareness of sustainability throughout the company, for example with on-site events that focus on strategy, objectives and measures. > Sustainability strategy

RISKS AND OPPORTUNITIES

- ⊖ Regulations and legal loopholes as well as insufficient market surveillance can create false incentives – with negative consequences for the environment. This is the case, for example, when manufacturers combine low energy consumption with extremely long programme durations.
- ⊕ Miele can help to shape society in this area and distinguish itself from the competition. To achieve this, sustainability must be firmly rooted in all business processes.

SUSTAINABLE DEVELOPMENT GOALS



Sustainability strategy

Solutions to tomorrow's challenges

[GRI 102-15, 103-2/3, 102-16] The core of the sustainability strategy is based on the following vision: "Miele is the most sustainable company in the industry – and is also perceived as such!". This vision is set out in 15 specific strategic objectives to be achieved by 2025. In addition to overarching management objectives, comprehensive objectives exist for the areas of "products and services", "supply chain and production" and "employees and society". The sustainability strategy is an integral part of the corporate strategy and is also intended to serve as a model for all employees in their daily activities. A detailed description of the objectives can be found in the individual chapters of the sustainability report, alongside an overview of current priorities in the various fields of activity.

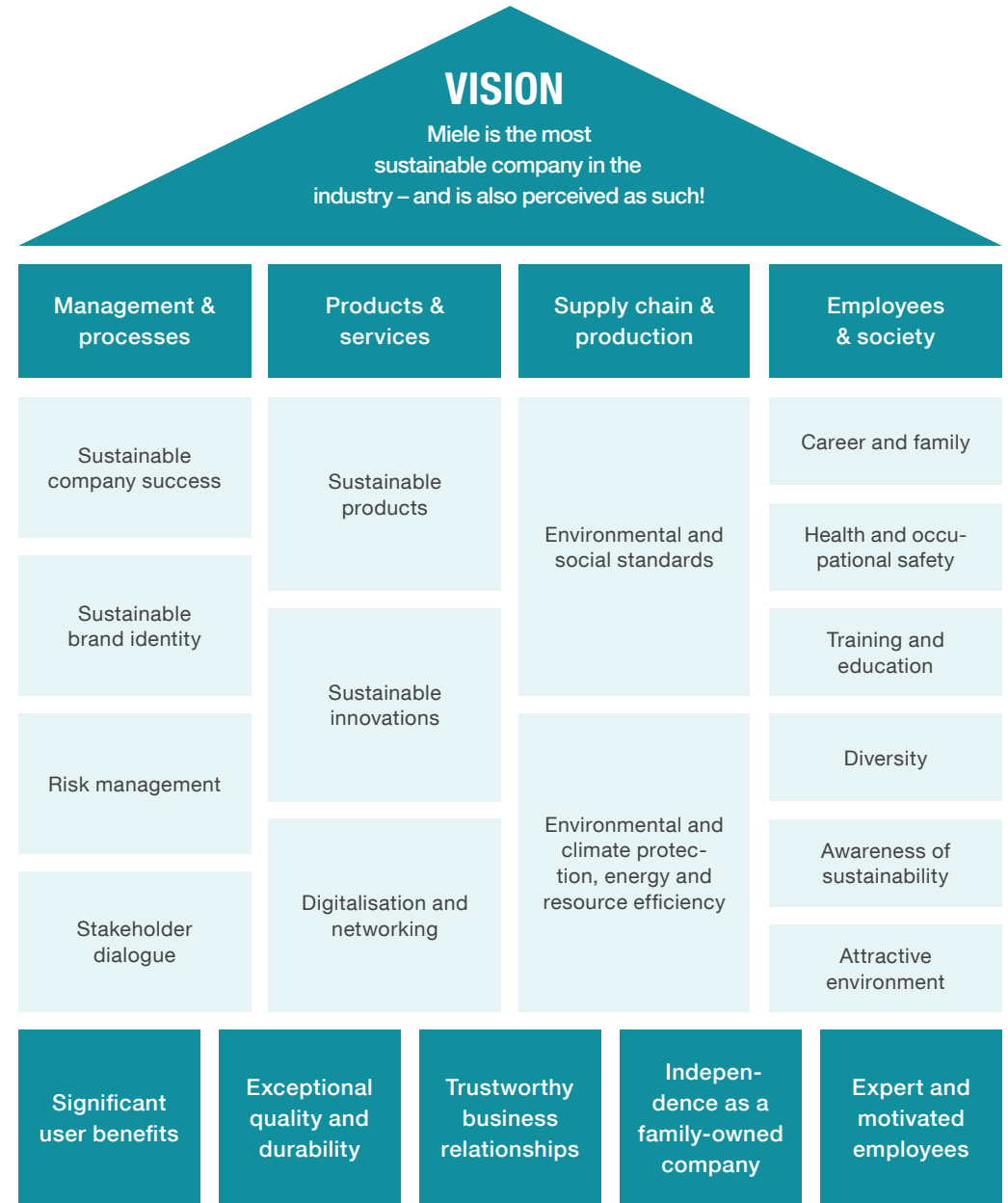
Miele's sustainability strategy is regularly reviewed to ensure that the company develops in a sustainable and future-oriented way. This approach also ensures that Miele recognises and incorporates important social developments at an early stage.

ACROSS-THE-BOARD SUSTAINABILITY PROGRAMMES

In order to implement the sustainability strategy in an effective and targeted manner,

it is necessary to involve the plants as well as the relevant central departments such as Purchasing and Logistics. Starting in the business year 2016/17, these departments have had their own sustainability programmes that contribute to the overarching objectives. In the programmes, the plants and departments specify their own priorities for implementing the sustainability strategy. They also define specific measures and key performance indicators for measuring their progress. These sustainability programmes are constantly updated and are an integral part of the respective plant strategy. All plants took part in a discussion at the company headquarters in September 2018. At this meeting, the participants presented their programmes and discussed challenges and best practices from the previous business year, as well as new strategies.

STRATEGIC HOUSE
Visual depiction of the Miele sustainability strategy



PROGRESS IN THE REPORTING PERIOD

The development over the past two business years indicates that Miele will be able to achieve its stated objectives for the sustainability strategy by 2025. The specific energy consumption in the area of production (energy consumption/item) has decreased by 4 percent, for example. By contrast, total > energy consumption within the company has increased in the past two business years due to growth and increases in production. This figure also reflects, for the first time, the natural gas consumption of the new > cogeneration units. It was possible to further improve the energy efficiency of these devices across all product categories. The dishwashers in the G 6000 EcoFlex series are one example of a positive contribution: Their innovative EcoTech heat storage reservoir combines a top energy efficiency rating of A+++ minus 20 percent with very short programme durations. For these dishwashers, Miele was awarded the Ecodesign prize from the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, the German Environment Agency and the International Design Center Berlin.

An additional strategic objective, alongside sustainable behaviour, involves making sustainability an integral part of the brand identity. Miele was also successful in this area, achieving first place in the > Sustainability Image Score in 2017 – an online survey created by the Serviceplan Group to investigate the sustainability image of various companies and industries in the eyes of consumers.

STAGES OF THE IMPACT-BASED MATERIALITY ANALYSIS



MATERIALITY PROCESS 2018

[GRI 102-46, 102-40, 102-43] Miele pursues a comprehensive materiality process to determine its reporting topics and to give shape to the sustainability strategy. This process was once again developed further in the reporting period. The question of the company's own impact lay at the heart of the 2018 analysis. How the results of the materiality process could be better utilised within the company, for example in > risk management, was also investigated.

STAGE 1

IDENTIFY TOPICS

At the start of the process, the topics for the analysis were identified. Global frames of reference, such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) or the CDP (formerly the Carbon Disclosure Project) were utilised for this purpose. On this basis, Miele examined the degree to which the previous year's material topics were still current and relevant, and adapted them as required. In addition, the topics identified at this stage were classified according to the sub-categories of the Sustainable Development Goals (SDG). This made clear which topics contribute to the SDGs and what contribution Miele is making towards achieving the goals (see > graphic). When it made sense or was necessary, topics were shortened or summarised compared to the previous materiality process.

[Back](#)[Strategic approach](#)[Sustainability strategy](#)[Sustainability management](#)[Stakeholder engagement](#)**STAGE 2****IDENTIFY EXTERNAL EXPECTATIONS**

The list of topics formed the basis for identifying the expectations of external stakeholders with the help of a review of documents: What regulations and political incentives exist in relation to sustainability topics? What expectations do non-governmental organisations have concerning the industry? How do competitors approach the issue?



50%

percent of research and development spending flowed into energy and resource topics in 2017/18.

STAGE 3**IDENTIFY THE COMPANY'S IMPACT**

Miele then conducted an impact analysis of its business activities on sustainable development. What stages in the value chain are affected? At how many sites is the respective theme relevant? What potential impact does the industry have as a whole? To this end, Miele also took information from rating agencies such as oekom research or the German Electrical and Electronic Manufacturers' Association into consideration.

light risks and opportunities for the company. This knowledge allows Miele to continue optimising the management of its sustainability measures. Fact sheets on individual topics with compact analysis results make it easier for the company to manage its approach.

STAGE 4**COMPARING MIELE'S OWN PERFORMANCE**

In an additional step, Miele compared its own performance with reference values that were identified in advance. These include, for example, EU climate protection targets and energy efficiency targets, or national quotas for women. Deviations from such reference values indicate a need to act and also high-

STAGE 5**ENGAGE EXPERTS TO REVIEW THE RESULTS**

The results and the materiality matrix were then verified in a workshop with the > Sustainability Action Team. Expert interviews are also planned for the business year 2018/2019. They serve to compare the results of the materiality

analysis with the views of external stakeholders and are designed to promote an exchange of ideas concerning the key sustainability topics.

RESULTS OF THE MATERIALITY ANALYSIS

[GRI 102-44, 102-47, 102-48, 102-49] The results of the analysis were summarised in a > materiality matrix, in accordance with the requirements of the GRI. The horizontal axis shows the influence of external factors on the respective topic for Miele (outside-in), while the vertical axis shows Miele's impact on the respective topic (inside-out). As a third aspect, the size of a circle shows to what degree the respective topic relates to the SDGs.

In the sub-chapters of this report, Miele describes how the material topics are managed and what progress the company has made in the reporting period. At the beginning of each chapter, Miele also states what opportunities and risks are associated with the respective topics, based on the materiality analysis.

FOCUS ON CLIMATE PROTECTION

[GRI 102-15] The materiality analysis identifies climate protection as an important topic for both Miele and external stakeholders. However, climate protection cannot be regarded independently of other topics. This point was also made clear in the workshop that took place with the Sustainability Action Team as part of the materiality analysis: The members determined that climate protection cannot be assigned to just one field of activity in Miele's sustainability strategy. The approaches and solutions with which Miele

wants to meet its corporate responsibility in the area of climate protection can be found in all fields of activity apart from "Employees & Society". The company would like to achieve competitive advantages and minimise > business risks via its climate protection measures. Miele supports the United Nations' two-degree goal and is constantly striving to reduce its greenhouse gas emissions.

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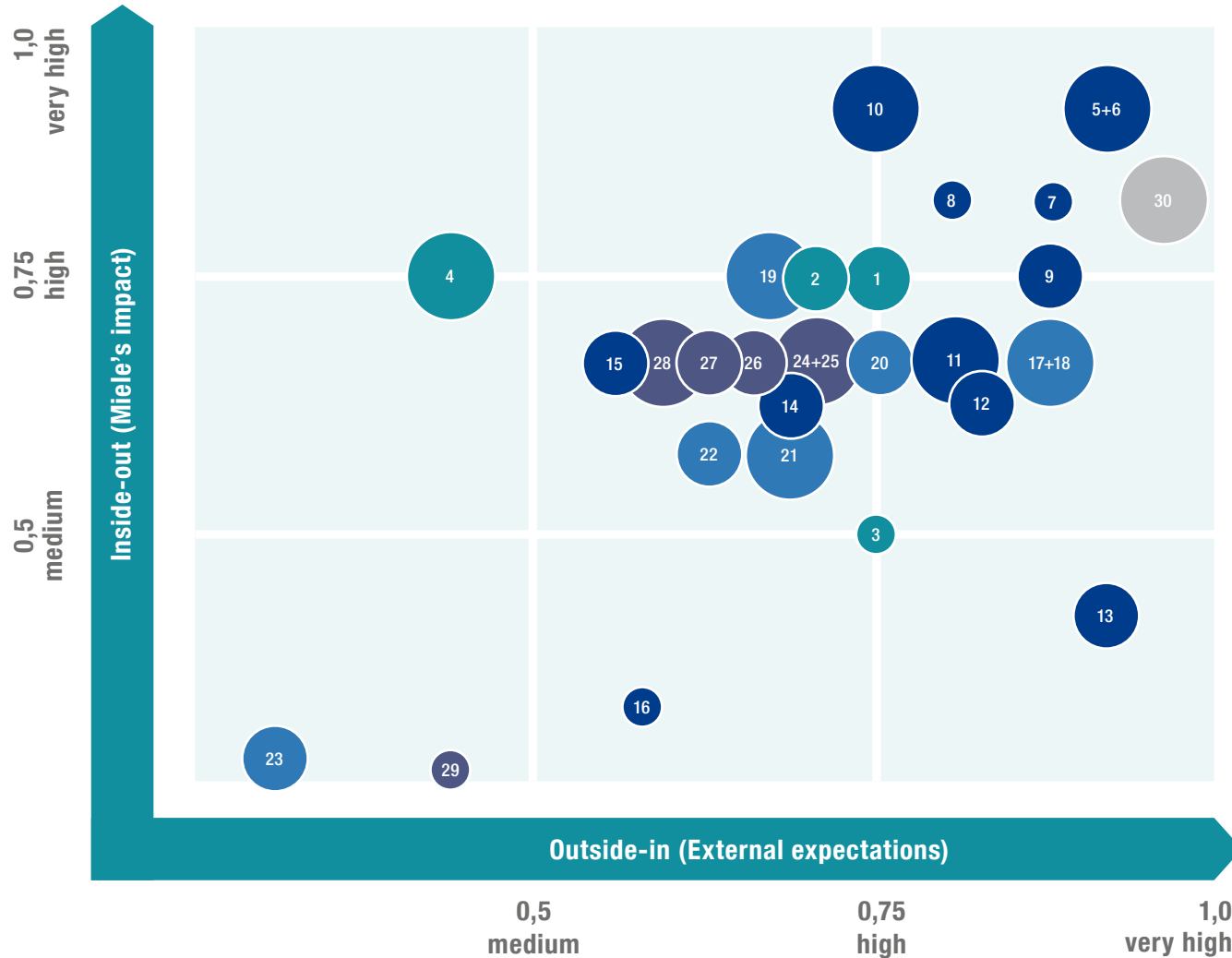
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MATERIALITY MATRIX



Management & Processes

- 1 Compliance
- 2 Sustainability management
- 3 Corporate digital responsibility
- 4 Dialogue and communication

Products & Services

- 5 Resource-efficient products
- 6 Consumption-optimised products
- 7 Product conformity
- 8 Digital products and services
- 9 Recyclability of products
- 10 Durability of products
- 11 Resource-efficient packaging
- 12 Use of recyclates
- 13 Handling old appliances
- 14 Repairability
- 15 Sustainable innovations
- 16 Sharing models

Supply & Production

- 17 Energy efficiency at sites
- 18 Renewable energies
- 19 Origin of resources and supply security
- 20 Supplier management
- 21 Resource efficiency at the sites
- 22 Logistics and mobility
- 23 Biodiversity

Employees & Society

- 24 Diversity and equal opportunity
- 25 Occupational safety
- 26 Work-life balance
- 27 Health management
- 28 Training and education
- 29 Social engagement

- 30 Climate protection

SDG-relevance



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Sustainability management

A focus on people and the environment

[GRI 102-11, 103-2] Sustainability management at Miele is based on the precautionary principle: the company thoroughly reviews the potential negative effects that its business activities might have on people and the environment at an early stage, and takes measures to prevent or reduce these effects. This applies equally to the production of Miele appliances and to their use and disposal, and also includes the company's supply chain. In future, another focal point of sustainability management activities will be the impacts of digital products and services. Miele manages issues such as the conservation of resources, occupational safety and climate protection through an effective organisational structure using certified management systems. Compliance management ensures that applicable laws and Miele's own guidelines are always observed.

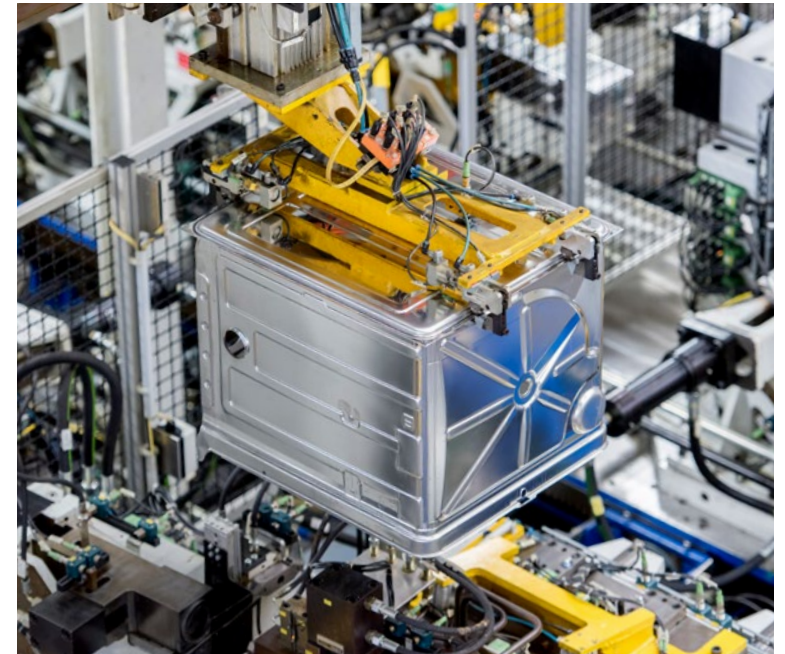
SYSTEMATIC SUSTAINABILITY MANAGEMENT

[GRI 102-18, 102-20, 103-2] Sustainability is ultimately the responsibility of the five-member Executive Board. The Board specifies the strategic direction, adopts objectives and defines indicators for measuring progress. The Technical Product Management and Environmental Office (TPE) is responsible for working out the details of the sustainability strategy and it coordinates its activities closely with

the Executive Board. Along with other specialist departments, TPE is also responsible for implementing and monitoring the sustainability strategy. The department heads at the company's headquarters, plant managers, heads of the sales regions and the heads of the sales subsidiaries are responsible for ensuring that the objectives are achieved. Miele performs a systematic comparison of the objectives and key figures on sustainability performance on an annual basis.



All 12
production
sites certified
according to
international
standards



From the plants

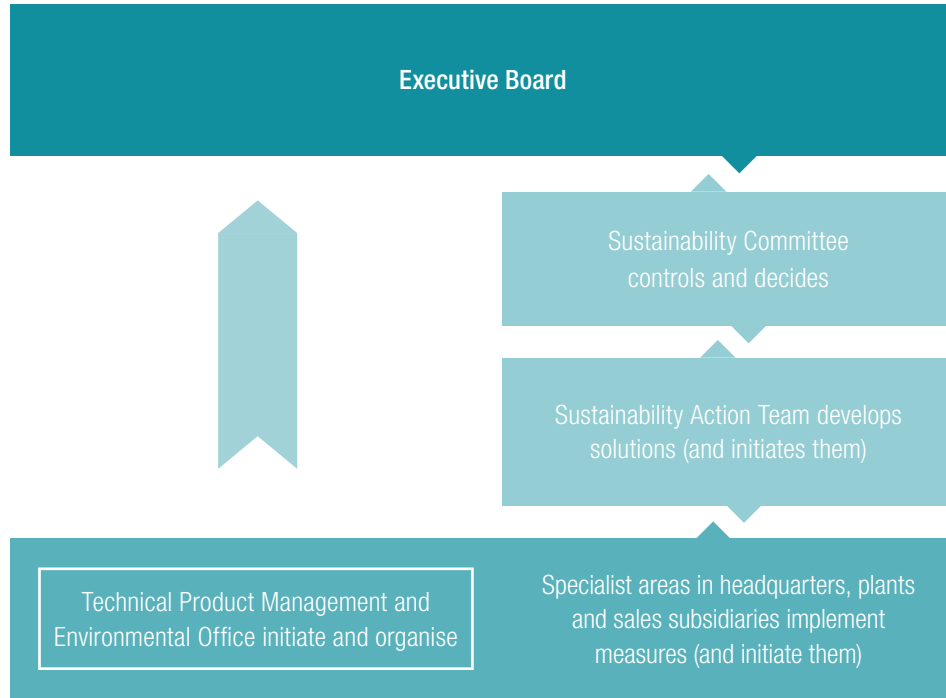
PERFORMANCE REVIEW

The second largest Miele plant in Bielefeld, a centre of expertise for vacuum cleaners and dishwashers, publishes a biannual internal report on the status of the company's sustainability goals in order to continuously raise awareness on the topic. All target definitions are regularly checked and adjusted and members of senior management are appointed for each objective. Every year, an evaluation figure is calculated from all the objective achievement rates, showing how well the plant implements the "Forever Better" philosophy.

> More information available online
at miele.com/strategy

SUSTAINABILITY ORGANISATION

Central sustainability management committees



SUSTAINABILITY COMMITTEE AS KEY BODY

[GRI 102-18, 102-20, 103-2] The Sustainability Committee, which is directly tied to the Executive Board, is the key sustainability management governing body at Miele. The Sustainability Committee acts as the decision-making body for all important operational and product-related sustainability issues.

It meets at regular intervals, and met seven times during the reporting period. Executive Director for Technology Dr Stefan Breit and Executive Director chair the committee. The committee includes representatives from the following areas: occupational safety, operative environmental protection, works council, purchasing, energy management, product engineering/development, press and public relations, quality management, plant management, as well as Technical Product Management and Environmental Office (TPE). This means there are at least 11 members, with a capacity for more depending on the topic at hand. The Committee serves as a critical information platform which helps to elevate communication beyond the limits of the individual departments. With its interdisciplinary technical expertise, it helps to develop integral standpoints, strategies and recommendations. During the reporting period, the committee dealt with current regulatory developments and discussed the resulting requirements for Miele. Some examples of this include the EU regulation on energy consumption labelling, the Waste Framework Directive, the German Electrical and Electronic Equipment Act and the German Packaging Law. The committee carried out comprehensive analysis

on > mobility management and > energy during the reporting period. It also supervises the process of implementing the sustainability strategy at plant level: At the committee meetings, each location's > sustainability programme was presented and then adopted.

ACTION TEAM CREATES CONNECTIVITY

In addition, the 20-person Sustainability Action Team was founded in 2015, and it includes representatives from other areas such as marketing, sales, smart home and human resources. The team is chaired and organised by the TPE. The Action Team develops initiatives and measures for implementing the sustainability strategy as well as solutions to strategic issues. In addition, the Action Team strengthens dialogue and networking between the headquarters in Gütersloh and the locations. There are also similar working groups abroad, such as the six-strong Green Team formed in Canada in March 2018. The team addresses ideas and suggestions for implementing the sustainability strategy in its monthly meetings. This working group is supported by its partner organisation ClimateWise, which advises companies on the issue of ecological sustainability.

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Strategic approach
























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INTEGRATED MANAGEMENT SYSTEM

Overview

LOCATIONS	Production	Tools and standards
Gütersloh	Washing machines, washer dryers, electronic components, foundry	 
Arnsberg	Cooker hoods	 
Bielefeld	Dishwashers for domestic and commercial purposes, washer-disinfectors, vacuum cleaners	 
Bünde	Steam ovens, hob units, warming drawers	 
Euskirchen	Electric motors, cable feels, fans	 
Lehrte	Laundry machines, rotary ironers	 
Oelde	Cookers, ovens, Dialog oven	 
Warendorf	Plastic parts	 
Bürmoos, Austria	Metal components	 
Braşov, Romania	Electronic components	 
Dongguan, China	Vacuum cleaners	
Uničov, Czech Republic	Washing machines, tumble dryers, dishwashers	 



ISO 9001 (Quality),
ISO 14001 (Environment),
OHSAS 18001 (Occupational safety), SA8000 (Social standard))



ISO 50001 (Energy)

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INTERNAL AND EXTERNAL GUIDELINES AND STANDARDS

[GRI 102-12, 102-16, 103-2] Sustainability management at Miele is based on a number of principles and international guidelines to which the company is committed:

- **Corporate philosophy:** prescribed principles, for example from the areas of quality and product safety, environmental protection, energy management, employee and customer orientation, or regarding specific sustainability aspects. These principles apply to all employees.
- **Ethical guidelines for purchasing:** These are applicable to all employees who work in procurement. Fair, transparent and partnership-based cooperation with suppliers is always paramount.
- **Code of conduct for all employees:** 11 mandatory rules for all employees, including issues such as human rights, anti-corruption, adherence to competition and antitrust law, and compliance
- **Ten > principles of the United Nations (UN) Global Compact** on human rights, labour standards, environmental protection and anti-corruption
- **Ten > SA8000 standard for fair working conditions and the recognition of labour rights:** based on the conventions of the International Labour Organization, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child.

- **Code of conduct of the German Electrical and Electronic Manufacturers' Association for socially responsible corporate management**
- **Code of conduct of the European Committee of Domestic Equipment Manufacturers > APPLiA for corporate social responsibility**
- **Code of conduct as part of the Association for Supply Chain Management, Procurement and Logistics (BME) > compliance initiative to reduce compliance risks in the supply chain**
- **> Diversity Charter: corporate initiative to promote diversity in companies**

INTEGRATED MANAGEMENT SYSTEM TO ENSURE A UNIFIED STRUCTURE

[GRI 103-2] In order to continually improve its sustainability management, Miele uses an integrated management system for quality, environmental protection, energy, occupational safety and social protection. It combines all the tools and standards that Miele uses to adhere to various sustainability requirements (see > table). The integrated management system is regularly reviewed in internal and external audits. The current certification was issued on 15 December 2017 and is valid until 14 December 2020. The employees who are responsible for the individual areas of the management system report regularly on their progress to the Executive Board.

In addition, the relevant departments at the locations in Gütersloh, Bielefeld and Bürmoos were also certified according to

the ISO 13485 standard for quality management of medical products.

THE MIELE SUCCESS SYSTEM

[GRI 103-2] The integrated management system is interconnected with the Miele Success System (MES) in many places. The MES standardises and optimises processes. It consists of three pillars: the product development system (IMNU 2.0), the Miele Value Creation System (MWS) and the overarching quality management system.

AUDITING BY AN EXTERNAL PARTNER

[GRI 103-2/3, 412-1] The central quality management department at the company headquarters in Gütersloh plans and manages all external auditing and certification procedures at all locations. The only exception is the management system for medical products in Bielefeld and Bürmoos, where the auditing and certification process is independently organised by the plants themselves. The certification of the European company locations involves a matrix certification procedure. The Dongguan location plans and organises its certification independently, but remains closely interlinked with the Miele management system and the Miele Success System. In all cases, external auditors check the processes that are relevant to the certification.

In the business year 2017/18 > 42 external audits took place. Four audits recorded non-conformities. The non-conformities

recorded in 2017/18 concerned the areas of occupational health and safety, supplier management and social standards, complaints management and human resources. In response to the non-conformities, Miele instigated both immediate and long-term measures. These include improved risk management, changes to operational processes, more intensive involvement of suppliers with regard to outsourced processes and more accurate monitoring of working hours by the human resources division. In addition, further inspections and risk assessments will take place as preventive measures along with workshops on specific issues and notifications of near misses.



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internal and external audits were conducted as part of quality management in 2017/18.

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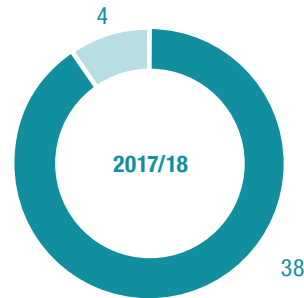
Sustainability strategy

Sustainability management

Stakeholder engagement

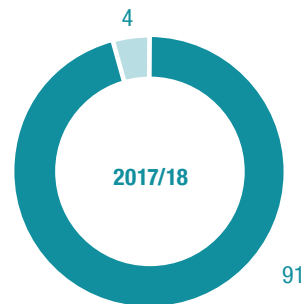
INTERNAL PROGRESS REVIEW

[GRI 103-3, 412-1, 412-2] In addition to external auditing, Miele operates an internal auditing process. As a self-monitoring system, it allows Miele to detect non-conformities at an early stage and take corrective action. Miele auditors review the Miele management system, including the areas of quality management (including for medical products), environmental management, energy management, occupational health and safety and the SA8000 social standard. They work through specific questions about the various processes and standards, and also examine the extent to which the legal and certification requirements, as well as those of Miele customers, are fulfilled. During the process, they note positive aspects, areas for improvement, observations and non-conformities. In addition, the internal auditors arrange for improvement measures and monitor them during the following audit. Auditors with qualifications and experience that are relevant to the task guarantee that the audit is carried out appropriately. In the business year 2017/18, 95 internal audits took place.



EXTERNAL AUDITS
of the integrated management system

- No significant non-conformities found
- Significant non-conformities found



INTERNAL AUDITS
of the integrated management system

- No significant non-conformities found
- Significant non-conformities found

SUCCESSFUL RISK MANAGEMENT

[GRI 102-11, 102-15, 103-2] As a global company, Miele is exposed to a wide range of different risks. In order to identify, assess and eliminate these risks at an early stage, Miele has established a comprehensive risk management system, which is composed of central representatives for risk management and decentralised managers at the company locations. Central risk management forms part of the controlling division:

it identifies and assesses risks to the company and monitors the risk management measures. Risk management is actually implemented at a local level and applies equally to all locations worldwide. All German locations, the highest-grossing international sales subsidiaries and the plants in Austria, the Czech Republic and Romania are directly connected by a computerised system.

The risks are assessed annually according to the “potential loss” and “probability of occurrence” criteria. Based on this evaluation, specific countermeasures are developed for the risks identified. With regard to sustainability, the company’s current focus is mainly on > resource scarcity and issues related to procurement. Miele addresses market and production risks by providing innovative, high-quality products geared towards customer requirements. In addition, Miele is continuously improving productivity and cost-efficiency. Procurement risks are limited through close observation of international markets, regular > supplier audits, careful checking of the quality of the delivered products and the agreement of legally sound supply contracts. Adequate insurance cover is in place for risks arising from possible interruptions to production.

AN OVERVIEW OF GLOBAL SUSTAINABILITY RISKS: CLIMATE CHANGE

[GRI 102-11, 102-15, 201-2] In its > materiality process, Miele relates its own performance to global objectives and sustainability challenges. That includes the goal set by international climate policy of limiting warming to less than

2° C above pre-industrial temperatures. Scientists expect global average temperatures to rise by between 3.7° C and 4.8° C compared to pre-industrial levels if greenhouse gas emissions are not drastically curbed. This poses many risks: from storm damage, water shortages and food insecurity to rising sea levels, loss of prosperity and other climate-induced risks. These phenomena could also have effects on Miele. Miele is committed to the objective of limiting the rise in global warming to two degrees, and is playing its part in achieving it. The company focuses on longevity along with energy and resource efficiency. It also takes the utilisation phase of its appliances into account, as this is an area where the environmental impact is particularly significant. Miele plans to carry out a climate impact assessment in the future. This assessment will consider the effects of climate change on the company’s business activities and the economic consequences that it will entail.

SCIENCE-BASED TARGETS

In this regard, Miele has been using science-based targets (SBTs) since 2017 and cooperates with the international > Science Based Targets Initiative (SBTi). The initiative has developed a method for defining science-based goals for reducing greenhouse gas emissions in companies. More and more companies are developing their climate strategy on the basis of this scientific knowledge. Miele faces a particular challenge in taking a differentiated view of emissions in different phases of the life cycle. Products that are highly efficient when in use can, in certain circumstances, have a less positive environmental

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balance during their manufacturing and/or disposal phase. Overall, higher levels of emissions during the manufacturing phase can usually be more than compensated for by positive environmental performance during the usage phase. In assessing whether a company's climate targets support the global goal of keeping emissions below 2° C above pre-industrial levels, the SBTi primarily considers the manufacturing phase. The company believes that the usage phase is the key to reducing emissions, not least because of Miele products' above-average service life. The company uses a range of measures to continuously improve its carbon footprint. As a basis for developing a climate strategy, Miele carried out a comprehensive analysis of the > emissions in the usage phase (Scope 3) in the business year 2017/18. The analysis revealed that this phase accounted for the largest share of the company's total emissions. That is why it is also a focal point of the climate strategy.

EFFECTIVE COMPLIANCE MANAGEMENT

[GRI 102-16, 102-17, 103-2/3, 206-1] The corporate culture at Miele involves fair and cooperative conduct vis-à-vis customers, colleagues and business partners. All employees worldwide are obliged to abide by the law at all times, and to comply with internal guidelines as well as self-imposed social and ethical standards. That is why the Miele Code of Conduct was introduced in 2008. The last review and update of the code took place in 2018. The Code, which is available on the Miele intranet, contains provisions on how to prevent bribery and corruption, as well as policies on proper conduct in relation to conflicts of



interest, donations and sponsoring. It also requires strict adherence to competition and antitrust legislation. In the reporting period, as in the preceding years, there were no antitrust proceedings against Miele. > The Code of Conduct is based on the corporate philosophy, the ethical guidelines for procurement, the principles of the UN Global Compact, the social standard SA8000 and the APPLiA Code of Conduct (formerly CECED). Since 2011, Miele has been a member of the > BME compliance initiative and has committed itself to the association's code of conduct.

Compliance with individual aspects of the Code of Conduct, such as receiving and offering gifts, or how to deal with conflicts of interest, are reviewed in internal audits. In the event of violations, the company will agree on corrective measures. As a rule, however, it is the responsibility of the functional managers to put appropriate guide-

lines in place to ensure that their employees' tasks are always carried out in compliance with applicable laws, internal rules and the self-imposed ethical and social standards.

RAISING EMPLOYEES' AWARENESS OF COMPLIANCE

[GRI 102-17, 103-2, 205-2, 412-2] It is mandatory for relevant groups of employees to participate in an online compliance training programme on the Miele Code of Conduct. This includes managers as well as employees for whom the contents of the Miele Code of Conduct and the issue of compliance are particularly significant. They work primarily in the purchasing, internal audit, sales/field sales and specialist sales departments or are customer service inspectors. Furthermore, the programme is also open to all other interested employees. New employees are automatically informed that they have to complete the programme. To date, 3,514 people worldwide have completed the software-based training programme on the Code of Conduct, 812 of whom completed it during the reporting period.

Since the end of 2016, employees at all locations involved in issues relating to competition and antitrust law are obliged to use this self-learning software on the subject of competition and antitrust legislation. The programme ends with a test. Records are kept on whether tests were passed. There is also a legal management system for the areas of environmental protection, energy and occupational health and safety, and an information management software system addressing product-related regulation worldwide.

OMBUDSPERSON AS CONTACT POINT IF SUSPICIONS ARISE

[GRI 102-17, 103-3, 205-3, 419-1] Since 2010, an external ombudsperson can be contacted if there is a suspicion of corruption, fraud or theft within Miele's sphere of influence. Employees, suppliers and third parties all over the world are able to contact the ombudsperson. All employees throughout the world, and all suppliers in Germany, are informed about the existence of the ombudsperson upon starting work or entering into a relationship with the company. No notifications were made to the ombudsperson during the reporting period. There were also no instances of contracts with business partners being terminated or failing to be extended due to corruption-related violations.

Stakeholder engagement

Dialogue on an equal footing

[GRI 102-40, 102-42] Miele's products and production processes have different impacts on people and the environment. At the same time, the success and reputation of the company is also strongly influenced by the perceptions, expectations, needs and decisions of its stakeholders. That is why Miele participates in > ongoing dialogue with all relevant stakeholder groups. This includes employees, customers and business partners as well as associations and interest groups, scientists and researchers, the general public, policymakers and legislators. Continuous stakeholder dialogue helps the company to identify important trends and new developments, as well as risks and opportunities, at an early stage, and also to achieve common sustainability objectives.

STAKEHOLDER MANAGEMENT

[GRI 102-42, 102-43] Many different areas engage in Miele's stakeholder dialogue. The Technical Product Management and Environmental Office (TPE) has numerous contacts with experts and other stakeholders and is active in associations, conferences and dialogue forums at EU level, which enables it to help shape policy dialogue. Corporate communications speaks to media representatives and the public while customer service and marketing are in contact with customers

and business partners. Experts from the specialist departments, such as energy management or purchasing, as well as members of the > Executive Board take part in conferences, working groups and other dialogue forums. They also hold discussions on a range of topics with visitors to the Miele locations. At international locations, the dialogue is generally the responsibility of the sales subsidiaries, in consultation with the appropriate specialist departments at the company headquarters if necessary.

VALUABLE FEEDBACK FROM CUSTOMERS

[GRI 102-43] Miele also conducts brand positioning surveys several times per year. In these surveys, customers are asked, among other things, whether they believe Miele fulfils its ecological requirements and is committed to sustainability. In 2016 and 2017, a total of 19 surveys were evaluated. The average result for Miele's sustainability performance was 3.4 out of a maximum of 4 (= full agreement). In the survey, customers were also asked to compare Miele's sustainability work with that of competitors. In this regard, Miele achieved first or second place in 15 countries. These results confirm that Miele's sustainability performance is > perceived positively on a global scale.

In the business year 2017/18, Miele began reconceptualising the surveys with the aim of requesting even more details on the company's market positioning in future. After the 2018 > materiality process was complete, the company decided to hold stakeholder interviews in the business year 2018/19. These are intended to further intensify six focus topics.

COMMITTEE AND ASSOCIATION ACTIVITIES

[GRI 102-13, 103-2] As a domestic appliance manufacturer, Miele is influenced by political decisions and legal requirements. Last year, relevant guidelines were drawn up on issues such as hazardous substances and the circular economy, primarily at a European level, and are now increasingly being implemented in the member states. Miele has been registered in the public transparency register for interest groups in Brussels since the end of 2015. This is intended to provide an insight into which representatives of the EU commissions, the European Parliament and the European Council are in direct contact with Miele.

Corporate representatives contribute their expertise to > national and international committees, commissions and associations. One of the executive directors, Dr Markus Miele or Dr Reinhard Zinkann, is also represented

on each of the boards of the German Central Association of the Electrical and Electronics Industry (ZVEI), the German Brands Association, the Stifterverband für die Deutsche Wissenschaft (Donors' association for the promotion of humanities and sciences) and – at a regional level – the Chamber of Commerce and Industry and the trade association.



Over 20 sustainability memberships

Details online at:

> miele.com/sustainability

STAKEHOLDER ENGAGEMENT

Overview

FORM OF DIALOGUE		Subjects (selection) and measures
Employees	Regular <ul style="list-style-type: none"> • Works council • Employee reviews • Corporate suggestion scheme • Employee survey • Complaints office 	<ul style="list-style-type: none"> • All employee needs > Employees & society
Customers	Continuous <ul style="list-style-type: none"> • Miele Customer Service and sales talks • Customer hotline • Usability tests for various product groups in the test studio • Brand positioning surveys 	<ul style="list-style-type: none"> • All customer needs, e.g. regarding appliances in use and on sustainability criteria > Products & services > Employees & society > Supply chain & production
Dealers	Continuous <ul style="list-style-type: none"> • Dialogue with dealers and project partners in the area of domestic appliances and commercial equipment, particularly concerning customer requirements 	<ul style="list-style-type: none"> • Product quality and durability • Consumption efficiency • Dealing with own employees as well as work practices > Products & services > Employees & society > Supply chain & production
Suppliers and service providers	Several times a year <ul style="list-style-type: none"> • Common working groups • Discussions with Miele's purchasing department • Dialogue in the context of audits and training • Product innovation workshops 	<ul style="list-style-type: none"> • Implementing environmental and social standards in the supply chain • Environmental protection throughout the product life cycle, in particular for energy efficiency • Common solutions for the implementation of directives, e.g. threshold value requirements > Products & services > Supply chain & production
Associations and interest groups	Regular <ul style="list-style-type: none"> • Membership and active participation in national and international associations and interest groups, such as the > ZVEI or APPLiA • Conference participation • Participation in EU public consultations 	<ul style="list-style-type: none"> • Sector-specific regulations in the fields of energy, safety, substances and materials, the circular economy, resource and material efficiency, disposal, digital products and services > Products & services

FORM OF DIALOGUE		Subjects (selection) and measures
Non-governmental organisations	As required <ul style="list-style-type: none"> • Dialogue with non-governmental organisations (NGOs) on relevant topics in the sector 	<ul style="list-style-type: none"> • Energy and water consumption of the appliances, waste water contamination, disposal of refrigerators • Compliance with labour and human rights > Supply chain & production > Products & services
Science and research	<ul style="list-style-type: none"> • Collaboration with scientific institutions such as the universities in Bielefeld, Paderborn and Munich, as well as the Fraunhofer-Gesellschaft on issues such as product development and • Commissioning of studies on specialist topics • Exchange with the Oeko-Institut 	<ul style="list-style-type: none"> • Investigating ways to make washing machines and tumble dryers more energy-efficient • Life cycle assessments/studies > Products & services
Policymakers and legislators	Continuous <ul style="list-style-type: none"> • Dialogue at national and European level by participating in committees, working groups and conferences • International dialogue with the sales subsidiaries, which in turn are represented in working groups and committees • Personal exchange at a regional level 	<ul style="list-style-type: none"> • Energy efficiency and resource conservation • Occupational safety and product safety • Corporate digital responsibility • Compliance • Digitalisation and industry 4.0 > Management & processes
Society/public/media	<ul style="list-style-type: none"> • Answering questions on sustainability topics • Sustainability communication and report 	<ul style="list-style-type: none"> • All topics
Local communities	As required <ul style="list-style-type: none"> • Exchange with the citizens at the locations in direct contact and at events • Social engagement at the locations 	<ul style="list-style-type: none"> • Maintaining local jobs • Cultural engagement > Employees & society

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IN DIALOGUE WITH POLICYMAKERS

[GRI 103-2] Miele maintains a continuous dialogue with political representatives and regularly welcomes regional, national, or European politicians. In the business year 2016/17, international dialogue was supported by events such as a visit from the French ambassador and a Korean consul general.

At the Trade Show for Consumer Electronics & Home Appliances (IFA) in Berlin, Miele took particular advantage of the IFA tour organised by the ZVEI to seek dialogue with ministries and authorities: in 2017 and 2018, the discussions focussed on the planned EU energy label for dishwashers and washing machines. Miele clarified how regulation of this nature can influence the market. The minimum efficiency threshold for appliances listed in the draft legislation is so ambitious that the A+ appliances that are currently affordable could not meet them and would disappear from the market. A modern dishwasher is generally significantly more efficient than washing dishes by hand – it can lower energy consumption for washing up by around 63 percent (source: > APPLiA). This means that the more households have a dishwasher, the more CO₂ emissions can be avoided. If legislators ban the affordable appliances on the market, the population groups that currently still do not possess a dishwasher will not be able to afford one in future.

Miele also presented the sustainability characteristics of a range of new products at the IFA and raised the issue of corporate digital responsibility. The company illustrated how it protects customers' data, with the use of > Alexa voice control serving as an example.



In May 2018, the German Federal Ministry of Justice and Consumer Protection launched the > Corporate Digital Responsibility Initiative. It serves as a platform for determining principles and cornerstones of corporate responsibility together with the participating companies. In April 2018, the ministry invited Miele and five other companies to discuss examples of best practice on this issue and to work together on a guideline for responsible navigation of the digital transformation.

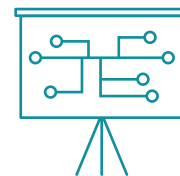
FOCAL POINTS OF DIALOGUE IN THE REPORTING PERIOD

[GRI 102-13, 102-44, 103-2]

- Disposal of old appliances: Miele has been in a continuous dialogue with Environmental Action Germany (Deutsche Umwelthilfe) for several years. During the reporting period, a

face-to-face meeting took place in Gütersloh in which both sides explained their positions on the topic of the disposal of old appliances in a technical discussion.

- Digitalisation: In 2017, the Competitiveness Symposium focussed entirely on digitalisation. Around 200 specialists and managers from Miele plants took part in lectures on the subjects of digital products and customer-centric business models, industry 4.0 and smart collaboration. The 13th symposium, which took place in 2018, dealt with the topic of > “strategic ambidexterity”.
- Consumer rights and environmental protection: A wide range of topics were discussed in the national and international committees and associations during the reporting period. These include digital products and services as well as accompanying questions related to consumer protection and corporate responsibility. Discussions also touched on matters such as national material restrictions, the circular economy, resource and material efficiency and the EU energy label.



200

specialists and managers exchanged ideas at the Miele Symposium on Digitisation.

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Products & services

- > Strategic approach
- > Development and innovation
- > Product portfolio and quality
- > Customer orientation and information
- > Disposal and recycling



Strategic approach

Miele adopts a holistic approach when developing its products. All devices are designed with durability and efficiency in mind, while also offering top performance and ease of use. They attain the best energy label grades and have proven to be environmentally friendly during everyday use.

OBJECTIVES



Miele is the industry leader in terms of product innovations and business models with a focus on sustainability.

Miele offers ever more system solutions that contribute to an efficient use of resources. The company also supports innovative start-ups and is testing “pay per use” solutions. > Development and innovation



Trust in Miele is assured, even in an interconnected world.

With its new Smart Home division, Miele is a driving force in the connectivity of domestic appliances, while also fulfilling the expectations of its stakeholders, for example by continuing to effectively protect its customer data in the digital world. > Development and innovation



Miele appliances are the benchmark for sustainable product design and holistic efficiency.

Miele is working on further improving the energy efficiency of its products when it comes to actual use. Highly efficient technologies are also increasingly offered for entry-level models.

> Product portfolio and quality

In order to optimise resource and climate protection, Miele considers the entire life cycle of an appliance and constantly explores new ways of closing material cycles. > Disposal and recycling

RISKS AND OPPORTUNITIES

- ⊖ Insufficient regulation can result in incentives that have a negative effect on sustainable business models. Rising production and product costs that cannot be measured against the market may also represent a risk.
- ⊕ Sustainable consumption represents an opportunity for social change. Miele supports this development with its products and helps to make an environmentally-friendly lifestyle possible. The connectivity of appliances is also the basis for new, sustainable business models.

SUSTAINABLE DEVELOPMENT GOALS



Development and innovation

Fulfilling the highest standards

[GRI 103-2] Miele develops durable and consumption-efficient products. It aims to provide great benefit to customers and have as little impact as possible on the environment. Regulatory developments such as > EU energy consumption labelling and internal sustainability criteria such as > recyclability, energy efficiency and resource efficiency provide the framework and are taken into consideration from an early development stage. Miele appliances also stand out from the crowd thanks to their modern yet timeless design and aim to be user-friendly and as accessible as possible (> universal design). The aim is to offer the best appliance on the market in every sense and develop innovative business models that take sustainability into account.

NEW BUSINESS MODELS AND STRATEGIC PARTNERSHIPS

[GRI 203-2] Miele Venture Capital was established in 2017. It promotes projects with promising start-up companies in areas such as the smart home, digital marketing and industry 4.0. The forms of cooperation range from joint development projects and management support to direct capital investment. In the reporting period, Miele invested in start-ups such as Plant Jammer, KptnCook and MChef. These companies show

what the future of cooking is going to look like: transparent, convenient and using minimum resources. The Danish start-up Plant Jammer, for example, generates recipe ideas using leftover food. KptnCook, an app for recipe-based shopping, allows amateur cooks to see which nearby supermarkets stock certain ingredients. In 2018, Miele also intensified its strategic partnership with Yujin Robot and made a significant additional investment in the Korean company. The aim is to further develop the > robotic vacuum cleaner product category together and research automation options related to production.

LEASING INSTEAD OF BUYING

[GRI 103-2, 203-2] In the pay-per-use model, customers only pay for individual units of output rather than buying an appliance. In the case of a washing machine, for example, one wash cycle would constitute one unit of output. Studies show that a pay-per-use approach could promote sustainable consumption. The reason for this is that users become more conscious of their own consumption behaviour, as people who pay per wash cycle tend to wait until they have enough laundry for a full cycle rather than washing clothes with the drum only half-full. That is more efficient.



6%

of total turnover is invested in research and development.

Since 2016, Miele has been offering a leasing service for washing machines in the Netherlands, where users are billed on the basis of their actual use. Low-cost leasing enables household arrangements such as people sharing apartments, who could not otherwise afford high-quality and efficient appliances, to save resources. Miele cooperates with a start-up called Bundles in this regard. When users terminate the leasing contract, the appliance is returned to Bundles and prepared for the next user.

Miele also introduced a rental model for washing machines in Germany under the name BlueHorizon. For the pilot project, Miele set up its own online portal where customers can get an accurate overview of their costs. The users' individual needs determine the pricing structure. There is a rate for people with less laundry to wash, where users pay per wash cycle. There is another rate where a basic fee cuts the price of each wash cycle. And Miele also offers a flat rate (up to a maximum of 250 wash cycles per year) for households with high laundry needs.

In 2018, Miele carried out the "Shared Laundry Room" project in the Netherlands to investigate and document the advantages of the pay-per-use model.

The project analysed usage data from three apartment complexes with just under 600 residents over a period of several months. The result: the number of wash cycles carried out – and with it the amount of water and energy consumed – in a shared laundry room was 47 percent lower than when residents had their own appliances.

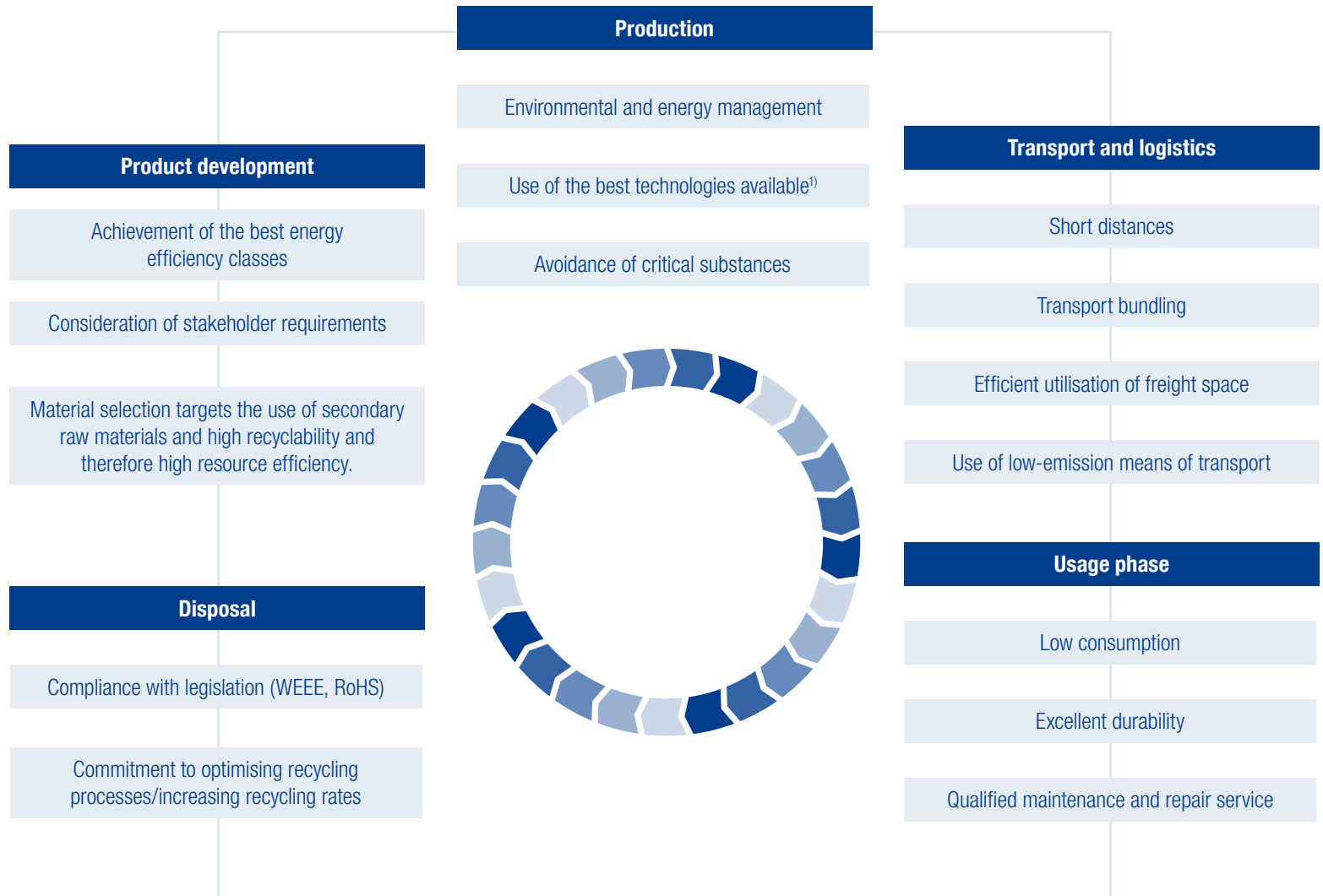
EFFICIENT SYSTEM SOLUTIONS

Miele offers its customers more than simply domestic and commercial appliances – it is also increasingly offering complete system solutions. These includes the appliance concerned, additional accessories, suitable cleaning chemicals and tailored services. All elements are coordinated with one another, thereby enabling the best results with the most efficient use of resources possible. Washing detergent and dish detergent play an important role, particularly when used in conjunction with automated dosage systems such as > TwinDos for washing machines (used with UltraPhase 1 and 2 washing detergents) and > AutoDos for dishwashers (with integrated Power-Disk). The combination of cleaning agents and dosage is also available for industrial appliances under the ProCare name.

Miele also offers a system solution for coffee preparation that promises customers additional convenience. By the end of 2017, Miele had introduced its own coffee blends in all countries where Miele sells its products. The coffee is Fairtrade certified, and Miele & Cie. KG is certified organic for its storage and sale.

MEASURES TO REDUCE ENVIRONMENTAL IMPACT

in each phase of the product life cycle



1) Taking into account all circumstances and giving due consideration to quality and commercial aspects.

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CONNECTING HOME APPLIANCES TO NETWORKS

[GRI 103-2] When it comes to networking domestic appliances with other building technology components and the Internet, Miele is an industry pioneer. Under the umbrella term, Miele@home, the company has around 500 network-enabled domestic appliances in its programme worldwide. They are revolutionising how these appliances operate and giving customers more flexibility, convenience, quality of life and > security. To ensure that it continues down this innovative and pioneering path, Miele established the Smart Home business area and the subsidiary Miele Venture Capital.

Connectivity is increasingly creating new application scenarios that lead to sustainability advantages: Washing assistants integrated into the Miele@mobile app provide information on particularly energy-efficient settings, for example. A further example are technical aids which make it easier for older people to live independently in their own homes. People with hearing impairments often have difficulty perceiving the sound signals that modern appliances use. Miele carried out a project study together with hearing aid manufacturer ReSound in 2017 to demonstrate how appliance signals can be converted into language and transmitted to hearing aids. In addition to status signals, this system can transmit warnings such as “Freezer door is open”.

Amazon’s voice-activated assistant, Alexa, enables customers to get information about their appliances’ operating status and control them using voice commands. The Alexa



500

Miele domestic appliances were network-enabled in 2017/18.

service has been continuously expanded to include new appliances, languages and knowledge about Miele appliances since 2017. The Scout RX2 (2017) robotic vacuum cleaner is also connected to the internet. It transmits live footage of the home to the smartphone. The data is > reliably protected, as all images are transmitted using encrypted means and only decrypted when it reaches the recipient (end-to-end encryption). Industrial customers can also access appliances using mobile devices through the MielePro@ mobile app. Since 2018, it has been possible for them to control several machines using the app and to order detergents.

A PUSH FOR INNOVATION THROUGH THE DIALOG OVEN

With the introduction of the Dialog oven in the reporting period, Miele has once again strengthened its claim to be an innovation leader in the sector. The appliance combines conventional cooking processes with electromagnetic waves. This makes it possible to cook very different types of food with different cooking requirements together – all with perfect accuracy and up to 70 percent faster than with conventional ovens. Miele believes that the Dialog oven has what it takes to revolutionise cooking.

DESIGN

[GRI 102-11, 103-2] In addition to elegance and aesthetic appeal, the company’s understanding of design comprises intuitive, self-explanatory and accessible use geared towards customers’ needs. Accordingly, demographic change

in industrialised nations has already been a key focus for Miele product development for some time. As a result, even as early as during the development process attention is paid to ensuring that they are easy to use – regardless of the age or the physical capabilities of the user. The aim is to reduce the complexity which people face in everyday life and to ensure that no one is excluded, which is achieved by applying a consistent design to all appliances in one product group and using a universal operating logic. The technical term for this is “universal design” or “design for all”.

UNIVERSAL DESIGN

[GRI 103-2, 203-2] The rules of universal design ensure that the following performance characteristics are incorporated: broad usability, flexibility, simple and intuitive use, sensory perception of information, fault tolerance, minimum physical effort, convenience and accessibility. The company’s own guidelines, such as the Miele Ergonomic Index and the Haptics Guideline, form the basis of ergonomic and haptically optimised product design at Miele.

It should also be possible for visually impaired users, for example, to operate Miele domestic appliances. The GuideLine washing machine, based on the W1 Classic series, has been part of Miele’s product portfolio since the beginning of the business year 2017/18. It supports people who are blind or visually impaired through a combination of haptic elements and sound signals. Spoken audio instructions also make the machines easier to use. In terms of its external appearance, the GuideLine differs from other models only

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in that it features a tactile line and raised dots on the control panel. The Miele Design Center developed the washing machine in cooperation with the German Federation of the Blind and Partially Sighted. The washing machine was awarded the Universal Design Consumer Award and the Universal Design Expert Award in 2017.

Miele is also the standard supplier to Denmark's first "Green City". Timeless design, sustainability and carbon neutrality play a key role here. By 2024, the Carlsberg district of Copenhagen will have sustainable residential, working and living spaces. Miele will supply around 15,000 domestic appliances for the project by 2024.

AN ENVIRONMENTAL CHECKLIST FOR PRODUCT DEVELOPMENT

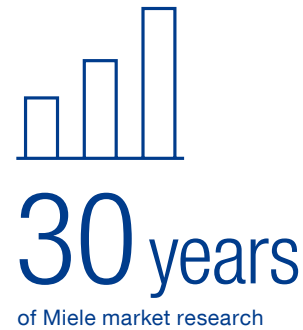
[GRI 103-2] In order to keep all the key aspects in mind from pre-development to series maturity, Miele works with its IMNU 2.0 product development system. The "environmental checklist" is part of this system and was optimised during the reporting period. It includes Miele-specific requirements: materials specifications that go beyond statutory requirements, including specifications relating to the use of PAHs (polycyclic aromatic hydrocarbons) or plasticisers, as well as requirements regarding environmentally friendly design and ease of repair. The digital rights registry was introduced in the business year 2017/18. It provides information on international legal requirements for appliance development and makes it possible to take these requirements into considera-

tion at a country and product-specific level. In addition, Miele incorporates scenario planning into the individual product groups. This ensures that trends and likely developments, including those in a sustainability context, are systematically analysed and regularly checked. In order to integrate sustainability aspects into the product development process right from the start, Miele also produces corresponding life cycle assessments for relevant technological modifications.

DIALOGUE FOR SUSTAINABLE IDEAS

[GRI 102-43, 103-2] A range of Miele departments and external partners work hand in hand on product development: the Design Center, marketing and market research convey the > customer requirements, analyse potential for improvement for existing appliances and evaluate opportunities for new products. Designers and developers devote themselves to ideas and concepts. Close cooperation flourishes with suppliers and the toolshop, prefabrication and assembly areas even in the early phases of development.

Employees also play their part when it comes to proposing sustainable improvements: for example, at the Gütersloh production plant, product ideas can be submitted via the database-based "GO IDEA" ideas platform as well as through the company suggestion scheme. The platform was launched in 2015 for the domestic laundry care area and has also been incorporated into the Bielefeld, Bünde and Lehrte plants. An "ideas scout" is responsible for each of the various product groups. He or she is in charge



of the ideas and supervises decision-making through a committee. In addition, the ideas scouts regularly keep employees up to date regarding new ideas and campaigns.

Thanks to regular dialogue with interest groups and expert partners, such as the Oeko-Institut Freiburg, external requirements are incorporated into the product creation process from a very early stage. Supplier expertise is also highly sought after in the development process, especially when new materials or the challenging field of electromechanics is involved. Regular product innovation workshops held jointly with suppliers help to identify potential issues that are essential to product quality early on.

CUSTOMER NEEDS AND FUTURE SCENARIOS

[GRI 102-43, 102-44] Miele market research has been conducting customer surveys in Germany and many other countries for over 30 years. As a result, it receives more than 25,000 consumer opinions every year from across the globe. This allows Miele to obtain informative findings on market perception, purchasing decisions and user behaviour. During the reporting period, one of the focal points was the scenario project "Cooking in 2025", in which customers in several European countries, China and the US were surveyed. The feedback was convened in the form of interviews at home, workshops, and an international online community. All told, more than 100 people took part in the qualitative study. The study results were used in workshops as foundational information for

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From the plants

WARENDORF TECHNICAL CENTRE

This place is all about plastics: the aim of the new technical centre in Warendorf (opening autumn 2019) is to further develop technologies and manufacturing processes, optimise materials and analyse markets. Miele produces most of the plastic parts for its household appliances at the Warendorf location, from vacuum cleaner housings to complex assembly parts such as washing machine doors. The new technical centre – covering an area of 1,000 square metres – is set to push innovation in plastics processing. Miele is investing around three million euros in this project to that end.

> More information available online at miele.com/quality

the development of a range of future scenarios in the cooking area. The first ideas for the future have already been discussed with consumers and their acceptance at the present time has been tested. The international exchange revealed many findings regarding local differences and needs.

An integral part of the work that Miele's designers do is the direct contact they have with consumers as well as with organisations such as the German Federation of the Blind and Partially Sighted. With the aid of trend analyses, user models, the latest UX (user experience) methods, as well as observations and surveys, they develop future scenarios to enable them to identify the needs of tomorrow's households today.

At the Gütersloh site, Miele has its own test studio which is used to perform usability tests. Here, a representative selection of consumers is given the opportunity to extensively test new domestic appliances. Miele also works in cooperation with national and international market research institutes such as GfK.

NEW DEMANDS PLACED ON PRODUCT ENGINEERS

In recent times, levels of awareness relating to global pollution caused by plastic waste have risen sharply. The focus in this public debate is on so-called micro plastics. These are particles and fibres with a diameter of less than 5 mm which are removed from fabrics and cosmetics during washing and find their way into the sewage system.

Miele has been investigating ways to prevent this or at least minimise the effect for some time now. Miele washing machines themselves make a significant contribution. Miele's honeycomb drum and adjusted wash cycles treat laundry so gently that abrasion is kept to a minimum.

Pre-treatment of fabrics and fibres during production offers great potential in reducing levels of micro plastics. Another promising approach is the use of filtration technology in washing machines. Miele has viewed this latter technology as it stands today with some scepticism: Saturated filters would have to be replaced at regular intervals, which in itself poses new challenges relating to their treatment and disposal. In order to work on solutions together with the textile industry, Miele is participating in the TextileMission initiative, a joint project instigated by the German Ministry for Education and Research.



25,000

consumer opinions are collected and evaluated annually.

Product portfolio and quality

Long service life, low consumption

[GRI 103-2] From day one, the core of the Miele product philosophy has been to provide its customers with products of exceptionally high quality and with a particularly long service life. As a company focused on sustainability, Miele also pays great attention to energy efficiency: more than three quarters of the energy that domestic and commercial appliances need from development to disposal is consumed during the > usage phase. Miele adopts a holistic approach here too: in addition to energy demand, water consumption and the use of chemicals such as detergents also play a major role.

All Miele appliances are designed with maximum efficiency in mind under real conditions. For example, they have a range of > consumption-reducing functions. Additional potential for saving resources is opened up by > networking and incorporation into smart home concepts. In this process, Miele makes sure that low consumption does not come at the expense of practical benefit – for example with respect to programme duration, > noise levels and the results achieved when cooking, cleaning, washing and vacuuming.

DEVELOPING THE PRODUCT PORTFOLIO

[GRI 302-5] In the reporting period, Miele worked on the requirements relating to product

development and production which were brought about by the optimisation of energy labelling following the update to the EU framework directive. The scale used in energy consumption labelling will initially affect the product groups washing machines, dishwashers, refrigerators/freezers and tumble dryers. The aim of this is to increase transparency for consumers and provide manufacturers of high-efficiency appliances with the opportunity to set themselves apart from the competition in a more effective manner than before. Both of these promise to generate positive effects in terms of resource conservation and climate protection, areas in which Miele intends to actively participate in the future.

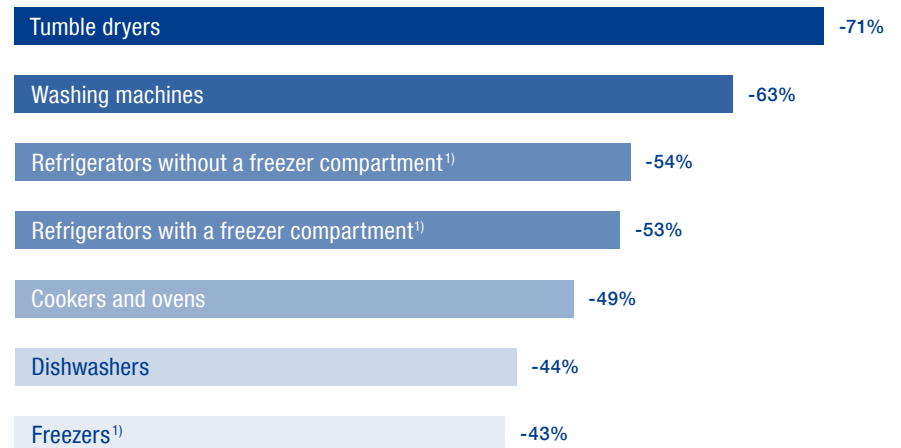
Thanks to new and optimised technologies, Miele has been able to make further improvements regarding results and efficiency, primarily with washing machines, tumble dryers, dishwashers, refrigerators, electric cookers and ovens. For Miele to verify its position as the most sustainable > company in the industry, this progress is crucial.

WASHING MACHINES

[GRI 302-5] During the business year 2017/18, 99 percent of all washing machines subject to EU energy labelling fell into the top A+++ category,

REDUCTION IN ENERGY CONSUMPTION

of domestic appliances since 2000 in the business year 2017/18



The most energy-efficient Miele appliances available on the market in the 2017/18 financial year are compared with the most energy-efficient Miele appliances from the year 2000.

1) Including 150 l of usable capacity.

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undercutting the borderline value by up to 50 percent (depending on model). In the business year 2015/16, 93 percent of all Miele washing machines sold in EU member states had the highest A+++ energy efficiency rating.

Miele systematically develops its domestic and commercial appliances further by giving consideration to the entire product life cycle. As the scope for achieving further improvements in efficiency is getting smaller and smaller, smart solutions are required. For this reason, Miele introduced the SingleWash programme in 2018 (W1 with PowerWash 2.0.). This programme improves the environmental performance of the washing machines when a very light load is used. Light loads are becoming more and more frequent in daily life, and this places high energy demands on conventional technology. By using this programme, the washing machine uses 60 percent less energy and 51 percent less water compared with conventional automatic load detection. In addition, the cycle is also reduced by 59 percent. Some models even offer an additional connection for warm, rain or well water. If, for example, solar-heated hot water is used, electricity consumption is reduced by a further 35 percent. The > M Touch user interface is as intuitive, easy and quick to use as a smartphone. White text on a black background is also particularly > easy to read.

In the commercial equipment division, Miele introduced the "Performance Plus" series in the reporting period. These washing machines consume around 20 percent less water and 30 percent less energy than their predecessors. The newly developed honeycomb

drum design ("Schontrommel 2.0") and the specially formed suds containers (both patented), as well as the new EcoSpeed wash setting that works at different speeds, all contribute to the reduction in consumption. The three machines in the new series offer more than 90 basic and special programmes, for example for disinfection, cushions or kitchen linen, and storage space for over 100 individually set programmes. In 2017, the Miele appliances were awarded first place in the "Trendsetter Product – Technology & equipment" category of the Internorga Future Award.

TUMBLE DRYERS

[GRI 302-5] In the case of tumble dryers, the percentage of appliances with the best energy efficiency rating A+++ rose significantly: from 8 percent in the business year 2015/16 to 44 percent in 2017/18. The fact that the particularly efficient heat pump technology has been introduced onto the market played a crucial role in this. Thanks to further technological developments, the new top model "T1 Passion" surpassed the limit value of A+++ by 10 percent. The EcoDry technology with particularly effective filter system and maintenance-free heat exchanger ensures low energy consumption and short drying times on a long-term basis.

In 2018, the Miele heat pump tumble dryer TWF 500 WP was the exclusive test winner of the Stiftung Warentest (StiWa) (tested 09/2018). It was the only appliance to obtain an "excellent" mark in the "Sicherheit und Verarbeitung" [safety and processing] test point. The Miele appliance also scored well in the areas of "Gleichmäßigkeit

der Trocknung" [uniformity of drying], "Be- und Entladen" [loading and unloading] and "Entleeren des Kondensatbehälters" [condensate drainage]. At the same time as the test, StiWa carried out an online survey among > consumers in December 2017, asking them about any problems they had with their tumble dryers. It received a total of 6,100 responses. The responses from owners of Miele appliances showed that they have the fewest issues.

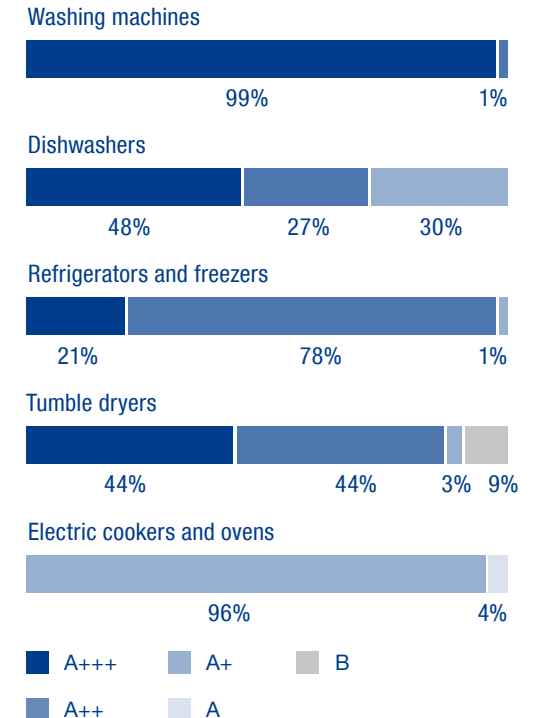
DISHWASHERS

[GRI 302-5] The dishwashers in the G 6000 EcoFlex series, which have been on the market since 2016, surpass the limit value for the best A+++ energy efficiency rating by between 10 and 20 percent. Miele received the renowned German Federal Ecodesign Award for these appliances at the end of 2017. This award is supported by the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, the German Environment Agency and the International Design Center Berlin. The dishwashers received the award for their high level of energy efficiency, which is achieved with the EcoTech heat reservoir. This system uses the heat from the rinsing water from the previous phase to heat the water for the next cleaning process, which reduces energy consumption considerably. With its cleaning and drying results, models of the series were able to perform well again during the Stiftung Warentest (tested 07/2017): for the third time in four years, Miele dishwashers were test winners.

In September 2018, outside the reporting period, Miele introduced the G 7000 series.

ENERGY EFFICIENCY CATEGORY FOR EACH PRODUCT GROUP

2017/18, as a percentage



Its innovative AutoDos system with integrated PowerDisk dispenses the detergent according to the programme selected or – in automatic mode – according to the level of dirt. This makes cleaning particularly efficient as overdosing of detergent is prevented. The mobile > control via an app has been improved further and designed to be more user friendly.

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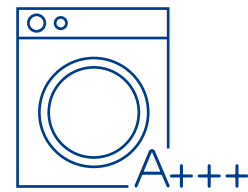
In some countries, Amazon's virtual assistant > Alexa can be used for this. This means that customers can, for example, start and stop their dishwasher from anywhere, check fill levels or order detergent online.

[GRI 203-2] In all, the percentage of dishwashers with the best energy efficiency rating rose from 39 to 43 percent in the reporting period (2017/18). The aim is to offer more high-efficiency technologies, also for entry-level appliances. The Uničov plant (Czech Republic) is to be involved in this to help with the efficient implementation. In the reporting period, work started on the expansion of the buildings and production facilities necessary for this and these measures are expected to be completed in 2019.

In the commercial division, a new generation of ProfiLine dishwashers was introduced in the reporting period. These appliances consume 11 percent less energy and 19 percent less water than their predecessors. In 2017, Miele's commercial dishwashers were the overall winners of the "BestMarke 2017/18" industry survey carried out by the Allgemeinen Hotel- und Gastronomie-Zeitung publication. Among the shoppers surveyed, Miele products were front runners when it came to quality, image, product performance, sustainability and > customer service.

VACUUM CLEANERS

[GRI 302-5] Since September 2017, the Eco-design Directive has restricted the power of vacuum cleaners to a maximum of 900 watts and placed higher demands on dust suc-



99%

of all Miele washing machines sold achieve the highest efficiency category available on the market.

tion and noise reduction. At the heart of this vacuum cleaner is a highly efficient fan with up to 25 percent better effectiveness than its predecessor. Together with various > appliance optimisations and appropriate accessories, such as the fine dust Miele HyClean 3D Efficiency dustbag, this fan ensures the cleaning performance is constantly high with significantly lower energy consumption. One model from the EcoLine series was the Stiftung Warentest winner with the best result of 1.9 in 2018 (tested 06/2018).

DURABILITY: ENVIRONMENTALLY BENEFICIAL PRODUCT SERVICE LIFE

[GRI 103-2] Miele is the only manufacturer in the industry that tests its products to last up to 20 years. The requirements that Miele appliances must satisfy in these tests are defined in a separate plant standard. For a washing machine, Miele assumes five programme cycles are performed each week. Over 20 years, this results in 5,000 washing cycles, which corresponds to roughly 10,000 operating hours in testing. 5,000 cycles are also applied for tumble dryers, which – due to shorter programme durations – results in a test period of 7,500 operating hours.

This exceptional durability of Miele products is the result of sturdy construction, the use of high-quality materials and demanding load and endurance tests. Various surveys and research confirm that this is also worthwhile from an ecological perspective (> UBA 2016; > Öko-Institut 2015, > Öko-Institut 2018). The Öko-Institut survey of 2015 revealed that the long-term use in particular of washing machines and dishwashers and generally of tumble dryers as well as refrigerators and freezers is beneficial. Only in the case of very old tumble dryers and refrigerators/freezers may it be worthwhile to replace the appliances, as huge increases in efficiency have been achieved in these product groups as a result of technological advances in recent years. If we look to the future from today's standpoint, according to one conclusion, long-term use is something that can be aspired to more than ever before, as further increases in efficiency within the appliance are expected to be on a smaller scale than those seen recently. The circular economy approach

initially envisages as long a service life as possible; it is only at the end of this that product components are introduced to new products.

MIELE APPLIANCES REMAIN A PART OF THE HOME FOR LONGER

In order to benefit from the ecological advantages of durability, however, the appliances must be used by consumers for long enough. In fact, Miele domestic appliances are used in the home for longer than appliances from other manufacturers before they are either sold on or replaced due to a defect. This has been repeatedly confirmed in several studies in the past. This is also what the Stiftung Warentest discovered during a survey: users of Miele tumble dryers mentioned relatively few issues and faults compared with competitor products, even with appliances as old as 20 years or more (tested 09/2018).

Customer satisfaction is a factor that is not to be underestimated when it comes to ensuring that domestic appliances are used for as long as possible. If a domestic appliance does its job reliably and delivers the results, user convenience, energy efficiency and design that customers ask for, a functioning appliance will very rarely be replaced early. Key focal points for product development at Miele are therefore > timeless design, ease of repair and the option to subsequently update control software. The current brand loyalty confirms the success of this strategy: according to Stiftung Warentest, more than 70 percent of people who use a Miele washing machine or tumble dryer would opt for a Miele appliance again. More than 77 percent would "definitely" recommend Miele tumble dryers (> test 04/2018).

MORE POTENTIAL FOR SAVINGS THANKS TO ECO FUNCTIONS

[GRI 302-5] Across all products, Miele appliances are equipped with a range of eco functions, which enable the user to tap into further potential for savings.

ECO FUNCTIONS

excerpt

ECO FUNCTION	How it works	Development in the reporting period
EcoFeedback (dishwashers)	With the EcoFeedback function, users have the current consumption values of their dishwasher under control. Even before the cycle starts, they receive a forecast on the water and electricity consumption for the selected programme. They can therefore find out at a glance, for example, that a programme operating at a longer cycle time or lower temperature will require less energy. At the end of the programme, the appliance displays the actual consumption in kilowatt-hours and litres.	Proportion of dishwashers sold with EcoFeedback function as a percentage of total sales: Business year 2017/18: 20%
FlexiTimer with EcoStart/SmartStart (dishwashers)	Start selection for times at which the electricity tariff is the lowest	Proportion of dishwashers sold with FlexiTimer as a percentage of total sales: Business year 2017/18: 20%

ECO FUNCTION	How it works	Development in the reporting period
SolarSave (dishwashers)	Wash programme where warm water already available in the household (solar thermal system, heat reservoir, or gas/oil heating) is used. The programme uses only the heat provided by the incoming water supply. The electricity consumption is reduced to 0.05 kWh per cycle.	Proportion of dishwashers sold with SolarSave as a percentage of total sales: Business year 2017/18: 20%
EcoTech heat reservoir (dishwashers)	Thanks to the EcoTech heat reservoir, the dishwashers in the G 6000 EcoFlex series surpass the limit value for the best A+++ energy efficiency rating by between 10 and 20 percent (see section > Dishwashers).	Worldwide launch April 2016
Residual heat utilisation (ovens and steam ovens)	Five minutes before the end of the cooking time, only existing heat is used.	Expansion in product range Percentage of cookers/ovens with residual heat utilisation in the business year 2017/18: 25%
Induction (hobs and CombiSets)	30% less energy used to heat up compared with conventional systems.	Percentage of induction areas on all hobs/stovetops in the business year 2017/18: 53%
LED spotlights (cooker hoods)	Almost all halogen spot lights in earlier models have now been replaced with electricity-saving and long-lasting LED bulbs.	Percentage of cooker hoods with LED bulbs in the business year 2017/18: 94%

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ECO FUNCTION	How it works	Development in the reporting period
Eco motor (cooker hoods)	The new direct current motor provides 70% saving compared with conventional motors.	Percentage of cooker hoods with eco motor in the business year 2017/18: over 50%
Con@ctivity (cooker hoods)	The automatic function Con@ctivity 2.0 gathers information selected at the hob and transmits it to the controls of the cooker hood.	60% of all hobs and hoods are networked wirelessly.
Eco mode (coffee machines)	Heat-up only directly before the first drink is dispensed	All models have the feature.
EcoFeedback (washing machines)	See Dishwashers	Proportion of washing machines sold with EcoFeedback: Business year 2017/18: 34%
TwinDos (washing machines)	Integrated, automatic detergent dosing system: the two Miele detergents UltraPhase 1 (acting against fats and proteins) and UltraPhase 2 (acting against stubborn stains) are dosed via TwinDos in consecutive programme stages. TwinDos saves up to 30% on detergent; confirmed in 2013 by the independent Öko-Institut.	The portfolio has been enhanced further. In the business year 2016/17, 19% of the washing machines sold had TwinDos; 23% in the business year 2017/18.

ECO FUNCTION	How it works	Development in the reporting period
AllWater (washing machines)	Miele AllWater washing machines can be used with service water or hot water. The appliances are equipped with two water connections for this purpose. The use of an existing hot water supply can result in energy savings of up to 35%.	Integration in one model
EcoFeedback (tumble dryers)	See Dishwashers	Proportion of tumble dryers sold with EcoFeedback: Business year 2017/18: 20%
Heat pump (tumble dryers)	See Tumble dryers	Percentage of models with heat pump in the business year 2017/18: 83% (all models with A++/A+++)
EcoTeQ floorhead (vacuum cleaners)	Efficient floorheads which achieve perfect cleaning results even with the lowest power setting	Percentage of vacuum cleaners with EcoTeQ floorhead sold in the EU: Business year 2017/18: 20%

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15,000

operating hours is what a Miele dishwasher must deliver during testing.

NEW SOFTWARE FOR OLDER APPLIANCES

The increasing importance of software in domestic appliances offers the opportunity to improve functions over the long utilisation phase of Miele appliances or to adapt them to new requirements. Standardised Miele diagnostic support offers approximately 2,200 updates for more than 1,300 different electronics components. It is used by Service technicians worldwide and therefore contributes to the continual improvement of Miele appliances.

EASE OF REPAIR

[GRI 103-2] Miele domestic appliances are renowned for their reliability. Nevertheless, over the course of a long appliance life, faults may occur that require the assistance of the service team. In order to keep costs low in such cases, the appliances are designed to be “repair-friendly”. This means that as little effort as possible should be required to repair

or replace a component. As Miele assumes a service life of up to 20 years for its products, its supply of spare parts is organised with this in mind. Around 63,000 different original Miele spare parts are therefore permanently held in stock in the central warehouse in Gütersloh. From there, the parts are dispatched as required to locations all over the world and are available for many years after production of the particular appliance has ceased.

GENTLE TREATMENT OF TEXTILES AND CROCKERY

[GRI 103-2] Durability in the broader sense of the word also includes the gentle treatment of textiles and the care of valuable cutlery and crockery in the dishwasher. In the case of washing machines, shorter programme durations, for example, protect the laundry and extend the life of the garments. In Miele washing machines, the duration of the energy label programme is limited to three hours, although up to five and a half hours is common practice. In the reporting period, for example, Miele launched “ProCare Shine” cleaning chemicals onto the market for its commercial dishwashers. They are particularly gentle on glass. In addition, these detergents and rinse aids are marked with the “Euroblume” EU Ecolabel. This label is given to products and services that verifiably contribute to reducing environmental pollution. Miele also offers a mildly alkaline powder cleaning agent for the Professional division, and it is particularly effective at removing coffee and tea residues. Due to its decor-protecting properties, the cleaning agent can be used for any item, including aluminium and silver.



From the plants

APPS HELP OUT WITH COOKING

Choosing a recipe, writing long shopping lists, running around to different stores only to realise an important ingredient is missing when you're at home in front of the cooker – that's the day before yesterday's news. Cooking is a whole other world nowadays. Cooking apps like Plant Jammer and KptnCook (photo) help save time and food. Miele supports these and other start-ups through participations or joint projects. Miele Venture Capital, a subsidiary founded specifically for this purpose, always has an eye out for new business models, disruptive ideas and innovative technologies. This doesn't just apply to cooking, but also covers laundry. The Bloomest launderette chain and WaschMal pick-up service both have a competent partner on board in Miele.

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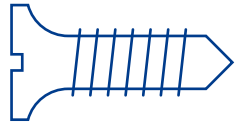
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PRODUCT SAFETY: EXTENSIVE TESTING

[GRI 103-2/3, 416-1] As a general rule, all Miele products are extensively tested with respect to health and safety risks to the consumer. Compliance with product safety aspects is tested by independent bodies such as VDE, DEKRA or TÜV, and the products certified accordingly. In addition to laws and standards, in-house Miele standards apply in all areas, and in some cases have even higher requirements with respect to product safety. Extensive tests and service life inspections also contribute to product safety as do findings from customer service callouts.

In an industry comparison, Miele has a very high level of vertical integration – up to 50 per cent depending on the product. This helps the company to differentiate the core components from the competition, strongly influencing the quality of these components, and therefore also enhancing product safety. Ensuring product safety is also a process that involves several areas, as the Technical Product Management and Environmental Office, design/development departments and Quality Management all work in close cooperation with each other. Certain sources of faults are carefully identified and assessed using targeted, global market monitoring, customer service feedback, product recalls, or spare parts sales (field monitoring). Influences from modified user behaviour can also be identified in this way. An additional factor is preventive quality work, which accompanies new products as early as the product development phase with the aid of series of tests, and which can therefore have an influence at an early stage.



63,000

spare parts are held in stock up to 15 years after production of the particular appliance series.

MEETING HIGH HYGIENE STANDARDS

[GRI 103-2, 102-11] Miele's commercial appliances offer special programmes to suit the particular hygiene requirements of establishments such as retirement homes, hospitals or hotels. Similar considerations are also made for commercial dishwashers. These appliances meet significantly higher hygiene standards than models with a tank system, as fresh water is used for each rinse cycle. They also offer special programmes with high final rinse temperatures (up to over 83 °C) and long temperature holding times. This combination of high temperatures and long holding times produces particularly hygienic cleaning results. The hygiene requirements in the medical technology sector are even higher. As

a certified medical product manufacturer, Miele meets all statutory hygiene standards of the countries where the products are distributed. For example, this also includes the full and reproducible documentation of each individual batch of sterile products. In the first quarter of 2019, Miele launched new large-capacity washer-disinfectors onto the market. These make it possible to make sure the instruments for minimally invasive surgery are ready for the next operation in the shortest time. Previously, such instruments had been considered difficult to clean. These appliances use the PowerPulseCleaning process, which cleans the instruments from the inside using special water and air pulses.

STRICT STANDARDS FOR POLLUTANT-FREE PRODUCTS

[GRI 103-2/3, 102-11] As a matter of principle, Miele avoids the use of critical substances, wherever possible. Many substances of this nature have therefore never been used or were substituted years ahead of being banned. Before any substances are used, Miele establishes whether they are considered critical by experts, and whether avoiding their use could benefit the environment and/or human health. With this in mind, critical substances are defined in specifications that apply across the entire company, such as internal Miele plant standards. Compliance with relevant legal standards is second nature to Miele. This includes, for example, the EU chemicals regulation (REACH) and the EU directive on the restriction of the use of certain hazardous substances (RoHS). Compliance is monitored through continuous analysis of products and components.

EMISSIONS AND INDOOR CLIMATE

[GRI 103-2, 102-11] Miele appliances are optimised in every conceivable way so that emissions like noise, odours and moisture are also kept to a minimum. For example, Miele dishwashers and cooker hoods are among the quietest products on the market. Even in open-plan kitchens, the operating noises are not regarded as a nuisance. The advantage of this is that the appliances can be operated outside of electricity peaks and at off-peak tariffs, where applicable.

Miele tumble dryers operate highly efficiently and produce the lowest condensate losses compared with competitor products. This means that they release a particularly low amount of moisture into the ambient air. This is advantageous both in terms of energy efficiency and for health reasons, because high air humidity can lead to mould formation in rooms without sufficient ventilation. Miele cooker hoods and ovens are equipped with filters or catalysers (depending on the model for ovens) to minimise odours and prevent greasy vapours from entering the ambient air.

Customer orientation and information

Ensuring maximum customer satisfaction

[GRI 103-2] For Miele, meeting the expectations of its customers when it comes to products and services – and even exceeding them where possible – is of the utmost importance. The key to this includes long-term partnerships with dealers. Miele appliances are sold in Germany, Europe and abroad through authorised dealers and by Miele itself. The company uses this approach to ensure high quality also when it comes to marketing. In the business year 2017/18, Miele supplied around 13,000 dealers in the domestic appliances sector in Germany. These dealers adopt the same high demands for quality in terms of presentation, range of products and services, consultation skills and customer services. The same applies for the authorised partners in online business.

INNOVATIVE PRODUCT PRESENTATION THANKS TO VIRTUAL REALITY

When it comes to selling Miele solutions for the medical sector, it is not just a case of conveying information about the products; providing training to users also plays a key role. In the past, presenting the system solutions for instrument reprocessing in hospitals and training personnel accordingly required a lot of resources and time. Customers previously learnt which cleaning, disinfection

and sterilisation techniques were required at Miele production sites or reference customers – at locations where large-scale appliances and equipment have been installed. However, it is much simpler to learn about the products and their features with the aid of virtual reality. Miele has already trialed this form of demonstration at trade fairs. Virtual reality is also becoming increasingly important in the visualisation of kitchen designs at kitchen and furniture stores. It allows customers to see what “their” kitchen would look like in advance. Solutions like this one are mainly offered and promoted by kitchen design software manufacturers.

AFTER-SALES CUSTOMER SERVICE

[GRI 103-3] Miele employs approximately 2,500 Service technicians who regularly undergo rigorous training, and they complete their service calls with the help of extensively equipped service vans. The “first-call completion rate” (percentage of service requests completed after the first service call) for Miele Service is above the industry average. In Germany, a rate of 90 percent has already been achieved. Various awards repeatedly confirm the reliability of Miele’s appliances and customer service. These include the following from the reporting period:

- In the United Kingdom, Miele received the “Domestic & General Total Excellence and Quality Award” for the ninth time in 2016/17. Miele achieved a result of 93 percent in this, which is one of the highest results in the 20-year history of the award.
- In 2018, Miele received the “KVA Service Award” from the Austrian Association for Customer Service.
- In Austria, Miele was also named the “Kunden-Champion 2018” [Customer Champion 2018]. This status was confirmed when Miele received the “Branchenmonitor 2018” [Industry Monitor 2018] award, the highest Austrian ranking in the field of customer satisfaction. According to the ranking, Miele is also the “Branchen-Champion 2018” [Industry Champion 2018] in the washing machine manufacturer (after-sales support) category.
- In > „Kundenmonitor Deutschland 2018“ [Customer Monitor Germany 2018], Miele customer services has occupied the number-one spot in domestic appliances for the last 25 years.
- In two of the customer satisfaction rankings awarded by WirtschaftsWoche, “Beste Kundenservices” [Best customer services] (07/2017) and “Beste Verbraucherservices” [Best consumer services] (07/2018), Miele came first in the “Elektrogroßgeräte” [Large electrical appliances] category.
- In 2018, the Deutsche Institut für Service-Qualität rated the quality of Miele’s customer service as “good” in a survey of major electrical manufacturers. Miele therefore won the comprehensive survey test.
- In the 2017 reliability survey by the Australian publication CHOICE, Miele earned highly positive reviews in the product categories vacuum cleaners, washing machines and tumble dryers. More than 9,000 Australian consumers were surveyed.

LONG-LASTING WARRANTY

For continued peace of mind, customers have had the chance to extend the two-year manufacturer warranty from Miele to five or ten years within that period of two years. In early 2018, Miele extended its warranty service with an insurance partner. This service now comprises comprehensive protection for appliances that are ten years old or more. Be it a material, production or operator defect, force majeure or wear: the repair remains free of charge for customers. The “Miele Service Zertifikat Plus” package entails a monthly fee. With its new warranty service, Miele is also doing its part to extend the period of application of its appliances and thereby conserve resources.

DETAILED CONTINGENCY PLANS FOR RECALL CAMPAIGNS

[GRI 103-2, 416-2] Despite the high standard of quality at Miele, there are rare occasions when a product recall is necessary. Detailed contingency plans are in place for this, with the names of the persons responsible for taking prompt action. Experiences from such recalls are thoroughly analysed and considered for future developments. In the reporting period, there was one global product recall in the medical product division. The reason for this was a security vulnerability in the connectivity of the appliance, which was discovered during testing carried out by an external computer security expert. Miele contacted the 5,500 customers who were affected. The vulnerability was fixed by an appliance update. There were no incidents concerning the appliances.

INFORMING CUSTOMERS ABOUT SUSTAINABILITY

[GRI 103-2, 417-1] In many countries, Miele is registering a growing interest in sustainability among customers, especially with respect to consumption. Feedback from dealers and customer surveys make it clear that efficiency values for electricity, water and gas have become a key argument when it comes to making the decision to purchase. Miele uses various channels of communication to inform its customers about sustainability: this includes information provided on the product (➤ EU energy consumption labelling), operating instructions, product brochures, consultations with dealers and in showrooms around the world, as well as international trade fairs.

CURRENT EU ENERGY CONSUMPTION LABELLING

on the product

Appliance	Energy label added	ENERGY LABEL
Ovens and steam cookers	2015 updated	A+++ to D
Cooker hoods	2015	A+ to F from 01 January 2018 A++ to E from 01 January 2020 A+++ to D
Dishwashers	2011 updated	A+++ to D
Refrigerators and freezers	2011 updated	A+++ to D
Vacuum cleaners	2014/Placed 18 January 2019	A+++ to D
Tumble dryers	2013 updated	A+++ to D
Washing machines	2011 updated	A+++ to D
Wine units	2011	A+++ to G



13,000

dealers for Miele domestic appliances

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Strategic approach

Development and innovation

Product portfolio and quality

Customer orientation and information

Disposal and recycling

Corporate communications and the company website also contain information on sustainability aspects. Information on > proper disposal and > safe operation of appliances is placed prominently at various locations. Incorrect or inadequate information on this subject could have negative consequences for people and the environment. Miele uses the Sustainability Report, for example, to report on matters such as where the components of its products come from and whether recycled materials are used. Communication about sustainability reaches customers, together with information about the good reputation of the Miele brand. Representative surveys by Miele market research reveal that in Germany, Italy and Australia, for example, the majority of 1,600 people surveyed confirmed that Miele supports a sustainable lifestyle. In comparison with other industries, Miele is viewed as the most sustainable brand in these and other countries.

[GRI 302-5] There were no relevant incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling during the reporting period.

SENSITIVE HANDLING OF CUSTOMER DATA

[GRI 103-2, 418-1] For Miele, the protection of the > Miele@home-infrastructure and the secure handling of customer data are of the utmost importance. Trust must also be secured, even in an interconnected world. With this in mind, the company takes a whole host of precautions and works tirelessly in conjunction with external experts to make further improvements to the security architecture. This is based on the same technology

that is also applied in online banking. In 2018, Miele adopted the Miele Privacy Policy. The aim of this is to support the EU General Data Protection Regulation and clearly regulate the handling of digital data, in particular customer data. For example, this regulation stipulates that Miele must follow the route of data economy and ensure that its communications concerning the storage and forwarding of data are always transparent. Data is only used for the authorised purpose and not forwarded to third parties without the customer’s consent. There were no substantiated complaints regarding data protection or privacy infringements among customers in the reporting period. There were also no cases of data theft or loss of customer data. The collection, storage, processing and use of all personal customer data are performed according to data protection rules.



59%

of all those surveyed in Italy are of the opinion that Miele supports a sustainable lifestyle: “Miele helps me to have a sustainable way of living”.



From the plants

CREATING ADDED VALUE

Miele appliances are designed to offer customers genuine added value – whether in terms of handling, benefits or design. This added value is already present during the production stage: By aligning their work with the highest possible quality standards, the plants lay the foundation for ensuring long product life and high customer satisfaction. In order to achieve an above-average service life, Miele relies on rigorous testing, timeless design and ease of repair.

Disposal and recycling

Environmentally responsible treatment of old appliances

[GRI 103-1/2] After the appliances have been used for a long period of time, as is typical for Miele products, they are to be introduced into return systems and primarily sent for recycling and other disposal methods at the end of their lives. Here, the challenges predominantly relate to logistics and environmental protection. Miele is actively working on continuously improving the return systems.

FURTHER IMPROVING RECYCLABILITY

[GRI 103-2] Recyclability is already an important aspect at the start of > product development. The result: Both domestic and commercial appliances from Miele are characterised by a very high level of recyclability when compared to the rest of the industry. The most prominent feature in this regard is the high metal content of Miele appliances, in particular washing machines. The metals used are virtually 100 percent recyclable. The other materials and bonding techniques used also influence the recyclability of the products. With this in mind, Miele takes care to use plastics of the same type, wherever possible, in order to make the products recyclable or to make recycling easier. Composite materials, i.e. non-separable materials that cannot be recycled together, are avoided where possible. For this reason, the total proportion of

recyclable materials used in the appliances is far higher than the proportion of metal in the appliances. To facilitate disassembly and separation of the materials, Miele keeps the number of materials and screw varieties to a minimum.

Wherever it may be possible and practical without affecting quality, Miele investigates whether recycled materials (recyclates) or alternative, more recyclable materials can be used. When new products are launched,

Miele consults with waste management companies to examine in advance what effects the products may have in terms of disposal or recycling, and challenges the products may pose to the operators of treatment facilities.

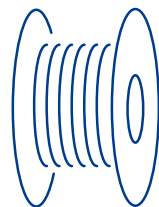
The recyclability of packaging is also taken into consideration, as it is for all materials, right from the outset. Miele primarily uses cardboard, wood and EPS foam as well as polyethylene films. Thanks to a new > packaging procedure, the company was able to significantly reduce the use of foamed material and what is known as two-component foam (PU foam) in the reporting period.

CLOSING THE LOOP

[GRI 103-2, 301-2] In May 2018, the European Council adopted a circular economy package, which will require Miele to make a large number of modifications over the coming years. The package of measures involves changes to several directives relating specifically to waste, including for packaging. It aims to enable further steps towards achieving a fully circular economy. Miele supports these ideas and undertakes various steps to reuse components from old Miele appliances, e.g. cast iron at Gütersloh, and to use regrind for plastic products, as described in Uničov.

GENERAL CONDITIONS FOR RETURNS AND DISPOSAL

[GRI 103-2, 301-3] In the EU, the return and recycling of waste electrical and electronic equipment is regulated by the WEEE Directive (Waste Electrical and Electronic Equipment Directive). In Germany, the Electrical and Electronic Equipment Act (ElektroG) transposes the WEEE Directive into German law. The body in charge of its implementation is the German national register for waste electric equipment (known as the stiftung ear). Among other things, it is responsible for registering manufacturers, coordinating the provision of collection containers and arranging to pick up old appliances. Miele partners with waste management companies to pick up and properly dispose of the quantities of waste equipment that stiftung ear has assigned to the company. A particular focus is placed on the environmentally friendly disposal of > refrigeration equipment. In other EU countries, Miele uses similar – and in some cases state-run – return and recycling systems, such as Recupel in Belgium, Eco-systèmes in France and UFH in Austria. Outside the EU, Miele makes use of the established disposal systems already in place. Throughout the world, Miele strives to ensure that its materials are recycled in an environmentally friendly manner along the entire waste management

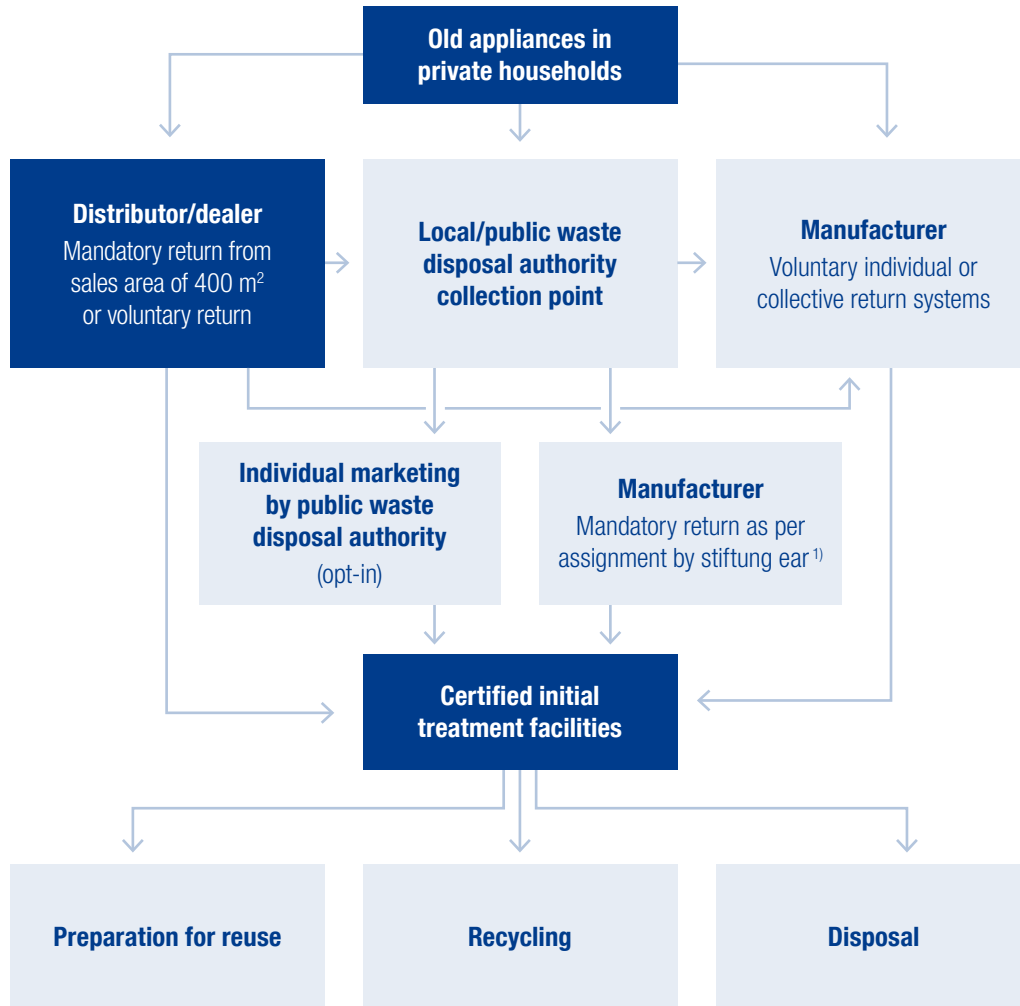


90%

Up to 90% metal content in commercial appliances ensures high recyclability.

THE JOURNEY OF OLD APPLIANCES

The return and disposal of old appliances in private households in Germany



1) The German national register for waste electric equipment (stiftung ear) is the "clearing house for manufacturers", which also performs the sovereign duties entrusted to it by the German Environment Agency.

chain and support the fight against illegal trade involving waste electrical appliances.

Miele commits to the further development and harmonisation of disposal standards – with the aim of upholding high quality requirements and creating uniform competitive conditions for all parties involved. An essential element of this is to have a compulsory framework for everyone involved.

GERMANY: RETURN TO MANUFACTURER

[GRI 301-3] Under ElektroG, manufacturers, local authorities, brick-and-mortar dealers and online distributors with a sales area or storage/dispatch area of 400 square metres or more are now obligated to accept the return of old appliances. Miele's Gütersloh and Munich sites are registered as return points by stiftung ear.

The quantities that have been taken back and disposed of by manufacturers via stiftung ear have risen sharply again over the last few years: from just under 50,000 pickups in 2015 to over 77,000 in 2017. The total return requirement in the appliance categories/collection groups is calculated based on the quantities brought into circulation. In the 2017 calendar year, the quantity of Miele waste equipment returned via stiftung ear in the appliance categories concerned amounted to more than 11,300 tonnes across Germany.

GERMANY: RECLAIMED PACKAGING

[GRI 301-3] In order to ensure proper disposal, Miele collaborates with other manufacturers within an industry solution for domestic



appliances, kitchen fittings and accessories across Germany. In the scope of this collaboration, the company complies with the legal obligation to also take back transport packaging materials via a service provider. The sales packaging is collected via the dual system for packaging recycling. The annual disposal of transport packaging caused waste management companies to emit greenhouse gases of 511 tonnes of CO₂ equivalent in 2016. The disposal of sales packaging amounted to 185 tonnes of CO₂ equivalent. Miele set off these emissions in 2017 by supporting a climate protection project in Nepal. There, energy-efficient cooking stoves were used to replace the simple stoves of the village communities and thereby help reduce the consumption of wood and improve the indoor ambient air.

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POLLUTANTS DURING DISPOSAL

[GRI 103-2, 416-1] The aim of proper disposal is to make the contents, which carry health risks or are harmful to the environment, as innocuous as possible. One example of this type of pollutant involves refrigerants and insulants such as chlorofluorocarbons (CFCs). CFCs are multiple times [▶](#) more harmful to the environment than CO₂. They deplete the ozone layer and can contaminate drinking water if they end up in the ground.

Older refrigerators often still contain CFCs, which must, by law, be recovered to the greatest extent possible at the disposal stage by manufacturers. Miele meets these obligations as part of a manufacturing consortium, which includes its specialised service providers. In Germany, the operators, procedures and treatment facilities involved are subject to strict controls and approvals by state regulatory authorities. Miele also participates in external manufacturer audits with other manufacturers. The manufacturer consortium places an obligation on its waste management service providers to also have their refrigeration treatment facilities audited by an accredited research institute, which is an approved testing centre. The “dual audit” applied by the consortium is the only one of its kind in the industry. Compliance with standard DIN EN 50574 and the EN 50625 series of standards is explicitly covered by the contract with the waste management company and also includes participating subcontractors. Owing to the dual audit system, the treatment facilities were audited four times on average per facility in the 2017 calendar year. If non-compliance is

identified, the process includes various escalation levels. Immediate measures can often remedy any problems. Critical instances of non-compliance result in the deliveries being stopped at the facility until a follow-up audit has been performed and the necessary measures have been accepted by the auditor. Regular tightness tests (100 appliance test as per the German Technical Instructions on Air Quality Control (TA Luft)), 1,000 appliance performance tests and self-checks carried out by the operators of the facilities complement the quality endeavours to ensure environmentally friendly treatment and disposal.

[GRI 417-1] Time and again, electrical waste is found to be illegally collected and resold in the streets. This undermines the proper disposal of hazardous substances and has negative consequences for the environment. The consumer is also responsible for making it difficult to illegally collect waste. Miele customers are therefore informed about the disposal of transport packaging and old appliances in the appliance operating instructions and on the [▶ Miele website](#). Authorised [▶ Miele dealers](#) are important partners in this matter. They collect the old appliances when they install new appliances, and they carry out proper recycling. Informed education also plays a crucial role in the international markets. The sales subsidiary in India launched an “E-Waste Initiative” with a service provider in 2017 and distributed it via printed promotional material.

CLIMATE-FRIENDLY REFRIGERANTS

As part of the EU regulation to reduce fluorinated greenhouse gases (F-gas Regulation),

the use of hydrofluorocarbons is [▶](#) gradually being restricted by 2030. When deciding which refrigerant to choose to replace R134a, the technical conditions such as pressure, density, thermodynamics and safety requirements of the product are taken into consideration. It is also crucial that the refrigerant has as little greenhouse gas potential as possible.

CHALLENGES DURING DISPOSAL OF NEW MATERIALS

[GRI 417-1] New products, too, are tested with a view to their future disposal. Particular consideration is given here to innovative insulating materials, which are required in order to achieve energy efficiency ratings A++ and specifically A+++ in domestic refrigerators. For example, the shredding of what are known as vacuum insulation panels (VIP) can lead to the development of fine dust particles in the recycling plants, which could cause problems in the treatment facilities if disposal is not carried out properly and the waste system is not designed correctly. Research carried out by the European home appliance trade association APPLiA (previously known as CECED) showed that if the plants are adequately impermeable and the filter systems are appropriate, then operations should run without any notable problems.

TRANSPARENT LABELLING

[GRI 417-1] [▶](#) APPLiA committees have been working on two codes of conduct over the last few years, concerning end-of-life labelling of appliances containing VIP or F-gases. Miele actively participated in these committees. These codes of conduct entered

into force at the end of 2018 for signatory companies. The standardised label on the backs of appliances will make the sorting of appliances at collection points easier and disposal more environmentally sound.

In spring 2018, APPLiA and DIGITALEUROPE also launched the [▶](#) online information platform I4R (Information for Recyclers). This website provides waste management companies and other interested parties with recycling information for various types of appliance directly from the manufacturer. This includes, for example, information about hazardous substances and components. Miele employees were involved in providing information on the product group of tumble dryers for this website.

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Supply chain & production

- > Strategic approach
- > Natural resources and materials
- > Supplier management
- > Environmental management
- > Resource efficiency
- > Energy and emissions
- > Logistics and mobility



Strategic approach

In order to guarantee the high quality of its products, Miele cultivates cooperative relationships with suppliers. Miele is committed to preventive measures for environmental protection and compliance with human rights along the entire value chain.

OBJECTIVES



Miele is the industry leader for environmental performance, in particular with regard to CO₂ emissions, energy efficiency and resource efficiency.

Miele uses a certified environmental management system to further reduce its impact on the environment at all locations. > Environmental management

Miele wishes to use resources as efficiently as possible. The company therefore implements various measures to reduce waste. > Resource efficiency

Miele is pursuing its long-term goal of operating in a climate-neutral manner. To achieve this, Miele is working on further increasing energy efficiency in production and reducing energy consumption. > Energy and emissions

With regard to the transport of goods and its fleet, Miele is striving to further reduce CO₂ emissions. > Logistics and mobility



Minimising supply risks and full compliance with environmental and social standards.

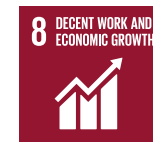
Miele is committed to continuously increasing transparency concerning the origins of its natural resources and materials. Thanks to early-warning indicators, the company can react to risks when procuring natural resources. > Natural resources and materials

Miele places great emphasis on social and ecological factors when it comes to selecting new suppliers. The company carries out regular audits to confirm compliance with sustainability criteria. > Supplier management

RISKS AND OPPORTUNITIES

- ⊖ Climate change is a global challenge with potentially serious consequences. For Miele, it poses a risk to the smooth operation of its plants, the stability of local sales markets and security of supply.
- ⊕ Increased energy and resource efficiency in production saves costs.
- ⊕ Cooperative relationships with suppliers help to ensure supply security.

SUSTAINABLE DEVELOPMENT GOALS



Natural resources and materials

Efficient use of resources

[GRI 103-1] It takes many thousands of natural resources, materials and components to produce Miele appliances: for example, stainless steel for washing machines, plastic granulate for vacuum cleaners or glass ceramics for hobs. By the time these items arrive at the Miele locations, they have already undergone a multitude of process steps. Different sustainability considerations apply to these upstream value creation stages depending on the material. The extraction of raw materials uses up natural resources and energy is required for the further processing of components. The consumption of resources is of central concern to Miele: as global demand is growing and resources are becoming scarcer, long-term availability and supply security are becoming increasingly important.

[GRI 103-2] Miele carries out regular checks to ensure that its direct suppliers are complying with > environmental and social standards and determines the origin of individual raw materials such as stainless steel and plastic when necessary. Despite Miele's efforts in this regard, it is currently not possible for the company to ensure complete traceability of all materials, given the globalised procurement markets and complex supply chains. Miele does, however, ask its direct suppliers

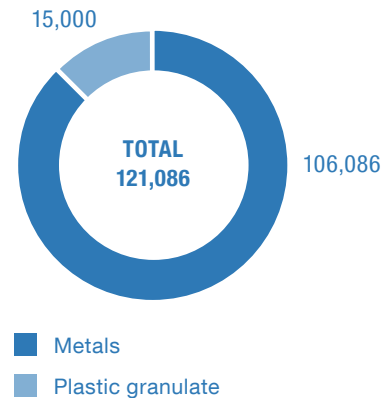
to confirm that their upstream suppliers are obliged to comply with the specifications.

USE OF RESOURCES AND MATERIALS

[GRI 102-9, 301-1] Miele obtains both raw materials such as stainless steel or plastic granulate and components such as hoses and ball bearings from its suppliers in order to produce its products. Entire products such as refrigerators, automatic coffee machines or microwave ovens are also supplied by > external manufacturing partners in accordance with Miele's specifications. In the business year 2017/18, Miele obtained materials, components and domestic appliances with a value of around EUR 1.85 billion (previous year: EUR 1.7 billion) from other companies, including manufacturing materials with a value of around EUR 1.1 billion.

In the business year 2017/18, Miele used a total of 121,086 tonnes of raw materials (business year 2016/ 17: 119,680 tonnes). The majority of these were metals (88 percent) in the form of iron and non-ferrous metals, steel and its alloys. Apart from metals, Miele's other main raw material is plastic granulate (12 percent). The company also uses auxiliary and operating materials such as paints and oils as well as electronic components.

RAW MATERIALS USED in tonnes 2017/18

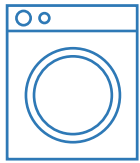


The packaging of Miele domestic appliances must be stable enough to withstand the high weight of the products during transportation. The packaging is primarily made of solid wood and cardboard, but plastic moulded parts made from EPS foam and polyethylene films are also used. In the business year 2017/18, the proportion of packaging weight in relation to all appliances produced by Miele was 9.6 percent (2016/17: 9.4 percent). Miele is continuing to expand its range of > system solutions. As a result, other kinds of packaging, such as for detergents, are also growing in importance.

PLASTICS UNAVOIDABLE IN PRODUCT PACKAGING

As the only appliance manufacturer, Miele offers a broad range of care and cleaning products which are perfectly aligned with machines and programme cycles. These ensure top-class results and support economic dispensing to suit the degree of soiling.

Demands on product packaging are high, for example with respect to stacking, temperature resistance, protection against light and product safety. For this reason, the product packaging used on virtually all products is polypropylene, a material which perfectly matches these requirements. But there is another reason for this choice: This material



201,800 t

appliances produced
in tons weight 2017/18

has relatively good environmental credentials as it can be recycled in its entirety. This is an aspect to which Miele attaches great importance. Besides this, cleaning products are highly concentrated in order to limit the volume of packaging required. Nevertheless, Miele consistently reviews its packaging and strives, together with manufacturers and suppliers, to increase their environmental compatibility.

ENSURING SUPPLY SECURITY

Miele is dependent on the provision of the necessary resources, materials and components to all manufacturing sites at the right time, in the right quantity and in compliance with Miele's high quality requirements. To ensure that this is the case, Miele has integrated early warning indicators for supply security into its > supplier management system. The indicators

have been used since 2016 with around 1,500 suppliers, who together account for more than 80 percent of the total purchasing volume.

These indicators make it possible to identify potential risks which might jeopardise supply security at an early stage. A software solution is used to record various hazards such as forces of nature (for example earthquakes, floods) or political risks, and these hazards are then weighted on the basis of indicators. This process takes into account both country-specific and geographical risks as well as supplier-related risks such as credit-worthiness.

As soon as a possible gap in supplies becomes apparent, appropriate measures are taken – for example, raw materials are put into storage at the supplier's premises. The increasing use of > recycled materials is also helping to ensure the supply of necessary raw materials in the long term.

A current example is the availability of fluorinated greenhouse gases, which are used as refrigerants in cooling plants and in air conditioning. Miele also uses refrigerants in refrigerators and freezers and in production. Fluorinated greenhouse gases contribute to harmful climate change when released into the atmosphere. For this reason, the EU regulation on fluorinated greenhouse gases (F-Gas Regulation 517/2014) aims at a steady and significant reduction in the use of partially fluorinated hydrocarbons by 2030. The reduced amounts led to a price increase at the start of 2018. Miele's Development, Quality Management and Purchasing departments are therefore

jointly discussing possible alternatives to fluorinated greenhouse gases. Miele hopes to switch to an alternative refrigerant with lower global warming potential in the course of 2019.

EFFICIENT USE OF MATERIALS

[GRI 301-2] More efficient use of materials protects the environment, reduces costs and helps to ensure that raw materials which are important for production remain available in the long term. Miele therefore uses a high proportion of recyclable materials and secondary raw materials in production – i.e. raw materials which have already undergone a recycling process.

However, conflicting objectives with regard to the use of materials also have to be reconciled. Using composite materials, for example, can save material but can also result in disadvantages for the recycling process in some circumstances. On the other hand, not every material that can be easily recycled satisfies Miele's requirements in relation to quality, durability and performance. Miele constantly and carefully weighs up the advantages and disadvantages in order to maximise resource efficiency without compromising on quality.

HIGH PROPORTION OF RECYCLED METAL

[GRI 301-2] The use of recycled materials minimises both the consumption of primary raw materials and the associated environmental impact of processes such as the extraction of raw materials. The majority of stainless steel, for example – a particularly important material for Miele – can be recycled. Miele

therefore explicitly welcomes efforts from its suppliers to process the highest possible proportion of recycled steel whilst always complying with quality requirements. The proportion of secondary raw materials used in commercial washing machines can be up to 50 percent.

POTENTIAL OF RECYCLED PLASTICS

[GRI 301-2] Plastics are also an important component in domestic appliances, for example in vacuum cleaner casings, the panels of washing machines, tumble dryers and dishwashers or detergent drawers. Miele is looking for solutions for the use of recycled materials so as to reduce the consumption of primary raw materials in this area too.

To date, however, the proportion of plastic recyclates in Miele appliances has been comparatively low. Integrating > recycled plastics in production is a time-consuming and complex process. For example, the plastic has to suit the design of the respective appliance, pass durability tests and have certain certificates, depending on the market. It is very difficult to implement such a process in a pre-existing appliance series.

In the long term, however, the aim is to expand the use of recycled materials wherever product characteristics allow for it and as long as it does not compromise quality. Miele already uses plastic recyclates in the cable rewind in Miele vacuum cleaners.

Supplier management

Fair partnership with high standards

[GRI 103-2] Miele demands a lot from its suppliers in terms of quality and performance, while also expecting them to comply with social and ecological standards. At the same time, Miele also understands that these requirements must be economically viable for the suppliers. The aim is to establish long-term business relationships that are characterised by fairness, trust and collaboration. This collaboration often begins in the area of > product development. Miele constantly develops its supplier management system and adapts it to changes in conditions. This ensures consistently high product quality and long-term > supply security, as well as ensuring compliance with sustainability requirements.

PROCUREMENT CONCEPT WITH A LOCAL FOCUS

[GRI 204-1] Miele products are mainly produced in Germany and Europe, and 85 percent of deliveries to Miele plants – based on the purchasing volume – come from Europe. In conjunction with > optimised transport logistics and the bundling of goods flows, this saves on transport costs and reduces transport-related CO₂ emissions.

Due to their distance from the other manufacturing locations, local procurement is particularly important for the plants in China and the Czech Republic. For example, in order to keep transport routes as short as possible, packaging materials for the Czech plant in Uničov originate exclusively in the region. The same applies when it comes to materials in Dongguan in China: based on the purchasing volume, Chinese suppliers accounted for 52 percent of materials there in the business year 2017/18, just as they had in the prior year. Asian suppliers as a whole made up 67 percent, compared to 70 percent in 2016/17.

SUPPLIER MANAGEMENT: CHECKING SUSTAINABILITY CRITERIA

[GRI 103-2, 308-2, 414-2] Miele manages the selection of new suppliers and monitors existing suppliers with the aid of a comprehensive supplier management system. The focus is not just on aspects such as supply availability, quality and price, but also on compliance with Miele's sustainability criteria. In this process, Miele differentiates between suppliers for manufacturing materials (all materials required for production) and suppliers for



85%

of deliveries to Miele plants – based on the purchasing volume – come from Europe.

non-manufacturing materials (including services or operating materials, for example). Compliance with > environmental, > social and economic > sustainability criteria is monitored and verified several times over the course of a business relationship. At the beginning of the > selection process, prospective suppliers must submit a self-declaration. Manufacturing suppliers are asked > to update their information every year. Furthermore, > audits are carried out on a regular basis.

SUSTAINABLE SUPPLIER MANAGEMENT

Miele's supplier management consists of six systematically inter-connected elements (see > diagram). It contains essential sustainability criteria and is adjusted to changing circumstances on an on-going basis. Miele helps its purchasers and plants to assess new suppliers by providing local support through its International Purchasing Offices (IPO) in Eastern Europe and Asia.

Miele constantly strives to further optimise compliance with ecological and social standards in the value chain. For example, a pilot project was launched in the reporting period that involves the

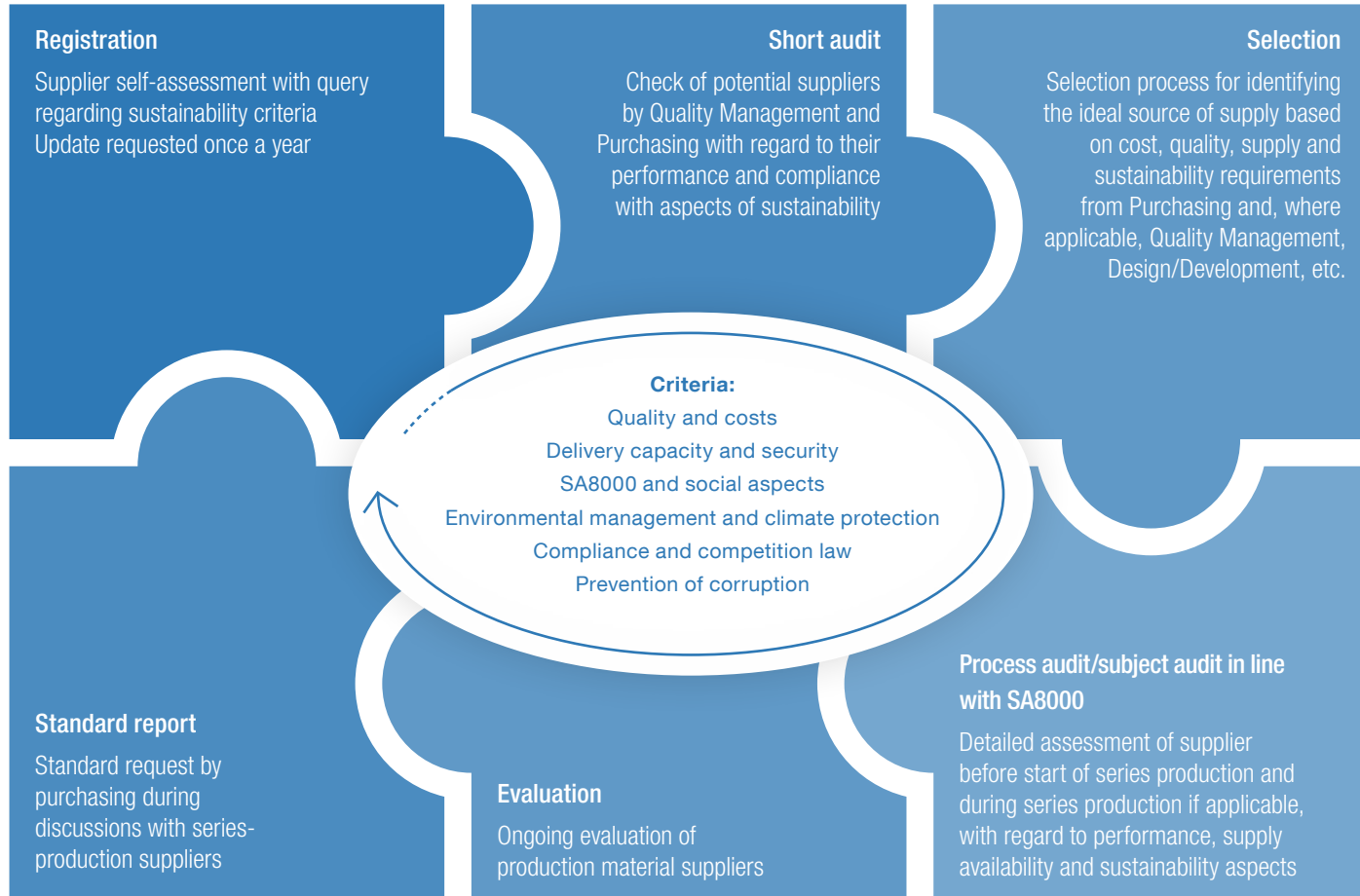
use of a system that conducts a targeted global search of social media for critical posts about suppliers. Around 700 million social media messages are analysed each day in order to recognise possible compliance risks at an early stage.

SELECTING NEW SUPPLIERS

[GRI 308-1, 414-1] A supplier's performance and supply availability are crucial factors when it comes to awarding a contract. Alongside criteria such as technical equipment and standardised, stable processes, Miele's Purchasing department checks whether potential suppliers meet the social standards and environmental requirements defined by Miele. All suppliers, irrespective of location, are required to submit a self-declaration regarding compliance with standardised sustainability requirements. This encompasses areas including certification, SA8000 and additional employee-related issues such as compliance, prevention of corruption, environmental management and climate protection. The material group managers in Purchasing check whether the self-declarations are complete and plausible. In the event of non-compliance, the potential supplier is given the opportunity to implement the necessary corrective measures within a reasonable amount of time in order to meet the requirements. If this does not happen, Miele will not consider entering into a business relationship.

SUSTAINABLE SUPPLIER MANAGEMENT

Multi-stage process



Before taking on a new manufacturing material supplier, a brief audit is carried out on site in order to assess compliance with process quality and sustainability standards. If Miele identifies non-conformities but feels that the supplier would otherwise be a useful partner, it works together with the supplier to find solutions. If there is no improvement, Miele blocks the applicant.



139

trained and active
process auditors

REGULAR MONITORING AND PROCESS AUDITS OF ACTIVE SUPPLIERS

Once a supplier relationship exists, the supplier's compliance with sustainability standards is regularly monitored. A key tool in this process is a supplier portal which prompts the registered suppliers to update their self-declaration online every year.

Process audits are carried out for all suppliers who provide materials for a product series to ensure their performance and supply availability. These audits take place before production starts and while it is ongoing. Sustainability criteria are also monitored as part of these process audits. As of 30 June 2018, Miele had over 139 trained and active process auditors.

COMPLIANCE WITH SA8000 CRITERIA

[GRI 407-1, 408-1, 409-1] Miele also places great emphasis on social requirements. All Miele's suppliers worldwide must commit to complying with the following criteria within their own organisation in accordance with

SA8000, the internationally recognised social standard, and must also monitor compliance on the part of their own suppliers:

- Ban on child labour
- Ban on forced or compulsory labour
- Health and safety in the workplace
- The right to freedom of association and collective bargaining
- Ban on discrimination
- Ban on disciplinary measures (in the sense of physical punishment, mental or physical coercion or verbal abuse as well as severe or inhumane punishment)
- Adherence to legislation and industry standards on working hours
- Adherence to payment legislation

The staff in the Purchasing department carries out a general risk classification for all suppliers on the basis of the SA8000 criteria. Depending on the country and industrial sector, the supplier is classified as low-, medium- or high-risk. Only a small number of Miele suppliers are classified as high-risk. These suppliers are monitored continually and assessed once a year by Purchasing staff with measures including audits based on SA8000. If this assessment produces negative results – for example, with regard to previous non-conformities which have not been sufficiently

rectified – the business relationship is terminated. This did not happen to any suppliers during the reporting period. The risk classification was revised and presented outside the reporting period in the SA8000 audit in November 2018. The objective is to enable external validation of the risk matrix.

In addition to the criteria based on SA8000, Miele requires its suppliers to provide information about which forms of employee participation the company has implemented and whether it has taken measures to ensure occupational health and safety and provide employees with additional training and support.

ASSESSMENT OF ECOLOGICAL STANDARDS

In order to ensure that ecological standards are maintained, Miele assesses its suppliers on the basis of whether an environmental management system has been implemented; for example, in accordance with ISO 14001. The central supplier assessment system also includes information on whether the supplier uses resources in a sustainable manner and complies with local environment and climate protection laws. Environmental requirements for materials and components are continually adjusted to comply with legislation (such as the German Hazardous Materials Ordinance) and Miele's internal regulations. To this end, Miele has its own company standard, which limits the use of certain substances in materials and components. Manufacturing material suppliers will only be awarded contracts if they can confirm compliance with this company standard.

CORRUPTION PREVENTION AND COMPLIANCE

Miele's economic sustainability criteria include corruption prevention and compliance. The criteria are based on the principles of the Global Compact of the United Nations (UN) and other international guidelines. The suppliers must state whether their company participates in inter-

national or industry-related compliance initiatives and whether they take measures to prevent corruption – for example, by providing an ombudsperson for employees or considering the Corruption Perceptions Index (CPI) of Transparency International when selecting their upstream suppliers.

ESCALATION PROCESS IN CASE OF SUSPECTED VIOLATIONS

[GRI 407-1, 408-1, 409-1] If it is suspected or there is evidence that a supplier is violating SA8000 criteria or environmental standards, a multi-stage escalation process is initiated. This can culminate in the supplier being struck off the list and blocked for the future. Serious violations will generally lead to absolute and immediate termination of the contract. During the reporting period, one supplier was inspected according to the escalation plan. The inspections showed no abnormalities; the supplier was not blocked.

A supplier whose inspection reveals abnormalities may be able to continue working with Miele, depending on the supplier's subsequent development and improvement. The supplier in question must draw up an action plan in collaboration with Miele's Purchasing and Quality Management departments and rectify the non-conformities in full within the specified period.

Environmental management

Preventive approach

[GRI 102-11, 103-1/2] Miele's environmental management includes its operational environmental protection and its energy management system. The company is working to continuously reduce the environmental impact caused by waste water, waste and emissions as well as energy-intensive processes and logistics at its sites. It produces all of its products in a resource-friendly manner, using as little energy as possible. In this regard, Miele follows a precautionary principle and takes environmental protection into account right from the beginning when designing plants and processes. Thanks to its exceptionally high level of in-house production compared to others in the sector – depending on the product, the company manufactures up to 50 percent of all components itself – Miele is also able to influence the environmental impact of these production steps.

CERTIFIED MANAGEMENT SYSTEMS

[GRI 103-2/3] Miele uses an integrated management system to monitor environmental protection in its operations across the group. An important component of this management system is the environmental management system, which is certified according to ISO 14001 at all Miele production locations worldwide. It includes guidelines for dealing

with materials, water and waste as well as emissions. Miele manages and monitors its environmental performance with the help of environmental performance indicators. The management system is reviewed at the beginning of each business year and progress is measured based on the results of individual reviews conducted at the various Miele plants. The responsible officers set new objectives based on these results. The internal reviews are supplemented by external monitoring audits.

A further component of the integrated management system is an energy management system, which is certified according to ISO 50001 at all European production locations. Recertification is required once every three years. The energy management system at the Dongguan location in China is based on ISO 50001. The system helps the locations to identify potential for further energy savings and to implement appropriate measures. The officers regularly exchange best practice information on a cross-plant basis. Miele reviews its energy management system on a yearly basis by means of internal audits which are carried out by five specially trained employees. The audits performed in the business years 2016/17 and 2017/18 did not find any non-conformities and merely recommended optimizing a number of process descriptions. The responsible



11.3 %

increase in investments for environmental protection at manufacturing plants during the reporting period (compared to previous reporting period)

officers have begun to implement appropriate improvement measures. With the audits, Miele also complies with the national implementation of the 2015 EU's Energy Efficiency Directive (EED), which requires companies to carry out an energy audit every four years. In the sales subsidiaries, some of which are also affected by this directive, the energy audit is carried out in accordance with DIN EN 16247-1.

COOPERATION BETWEEN ENVIRONMENTAL PROTECTION AND ENERGY MANAGEMENT

[GRI 103-2/3] The organisation of Miele's environmental management is divided into operational environmental protection and energy management in accordance with the requirements of the ISO 14001 and ISO 50001 standards. Each area has its own responsible officers at the Miele headquarters and in the individual plants. All of the plant officers report to the headquarters in Gütersloh. There is a continuous exchange of information across all plants: the teams for operational environmental protection and energy management meet twice a year at one of the German locations. These meetings are used to discuss individual efficiency projects, to provide information about changes in the legal framework, and for further training. Delegates from other European plants (since 2011) and from



From the plants

NATURE CONSERVATION AT MIELE LOCATIONS

They are small, fast, sociable and multi-talented: bees have always fascinated people. Without them we would have considerably less fruit and vegetables on our plates – and of course no honey. These industrious little aviators need a variety of plants to get their work done. Various Miele locations help bees and other insects by planting wild flower meadows, with numerous Miele employees using their free time to practice beekeeping. The hobby brings together people from very different professional groups, all of whom share a commitment to environmental protection.

> More information available online at miele.com/resources

Dongguan in China (since 2015) also regularly take part in the workshops in Germany. The energy management team is also organised as an > internal efficiency network.

[GRI 307-1] Since 2015, Miele has been running a standardised legal management system for operational environmental protection, energy management and occupational health and safety at all of its German plants. This monitors whether the company complies with requirements and laws. The system proved its worth during the reporting period. It guarantees systematic and straightforward compliance monitoring and makes it possible to record additional legal requirements and permits. Implementing operational environmental protection remains the responsibility of the individual plants. There were no recorded infringements of environmental regulations in the reporting period.

PROFESSIONAL COMPLAINTS MANAGEMENT

[GRI 103-2, 413-1/2] If an employee, local resident, business partner or other individual has reason to believe that environmental protection policies are being breached, he or she can submit a complaint to Miele at any time by e-mail or letter. The headquarters or the plants are the main contacts for this purpose. The responsible department or the plant management will examine the situation and clarify or eliminate the causes. In the event of a serious complaint, the company management will be involved at an early stage. No significant complaints concerning environmental emissions were received in the reporting period. Two minor complaints

about noise due to loading activities and in relation to parking at the Bielefeld site were dealt with immediately, and their causes have been remedied. There were small incidents at the plant sites where fluids like oil were discharged. Employees and members of the plant and company fire departments at the locations contained the fluids or soaked them up using thickening agents. This prevented the fluids from entering the public water network through the rainwater drainage system.



7.09
million €

current expenses for
environmental protection at
manufacturing plants 2017/18

Resource efficiency

Waste avoidance and water management

[GRI 103-2] The responsible use of natural resources is a key objective and an established practice at Miele. This not only protects the environment, but also helps to secure a long-term supply of important raw materials and to reduce costs. To this end, Miele is committed to efficient material use, avoiding waste and minimising its water consumption. Miele pursues a defined strategy of avoiding waste as far as possible. The company therefore seeks to continuously improve its production

processes. Materials are preferably reused or – if reuse is not possible – recycled. In order to close material cycles, Miele uses not only recyclable materials, but also secondary raw materials from recycled material.

WASTE AVOIDANCE AND EXTENSIVE USE OF RECYCLING

[GRI 103-2, 306-2/4] As a general rule, unavoidable waste is carefully separated and recycled as much as possible. Qualified service companies are appointed to dispose of the waste. Miele assesses these companies, sometimes together with other manufacturers, during what are known as > waste audits. Over the past 17 years, the Miele standard for auditing waste disposal companies in Germany has continuously developed. All of the Miele plants follow this standard. The necessary recording of output flows from the plant locations is carried out by the disposal company responsible. Only specialised companies are entrusted with the transport of hazardous waste – both within Germany and at locations abroad. Miele itself does not export any waste.

The amount of waste produced by the plants in the business year 2017/18 was 40,792 tonnes. This is roughly 5 percent more than in the previous year (38,778 tonnes). The main

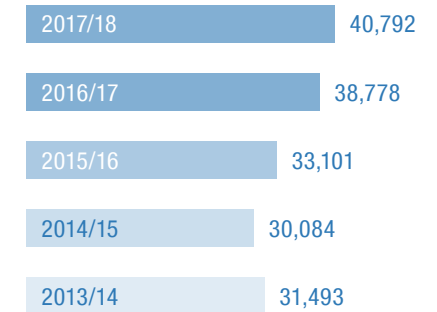
reason for the increase is the large amount of rubble that arose during the dismantling of buildings at the plant locations. The construction of a warehouse and the renovation of the courtyard at the Arnsberg plant location account for a particularly large proportion. In 2017/18, production waste per tonne of product increased only very slightly, by 2 kilogrammes, compared to the previous year. As Miele is currently building a second washing machine plant in Poland, the company anticipates an increase in the amount of waste produced in the next few years.

More than 96 percent of all waste produced at Miele plants worldwide was recycled in the business years 2016/17 and 2017/18. The amount of hazardous waste for both recycling and disposal increased to 3,481 tonnes in the reporting period – almost 25 percent more than in the previous year (2,799 tonnes). This is partly due to the test run of a new process for treating aqueous rinsing fluids at the Bielefeld location. Another reason for the increase in hazardous waste is the disposal of harmful building materials that resulted from renovation work.

The involvement of employees is also decisive in preventing waste and disposing of waste in a way that minimises harm to the

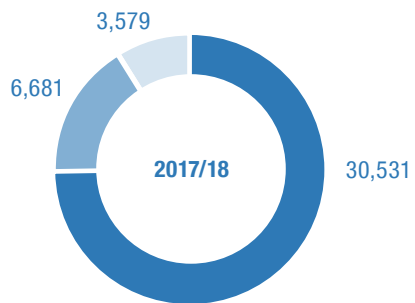
TOTAL WASTE PRODUCED

in tonnes



SOURCE OF TOTAL WASTE

in tonnes



- Waste from production, product parts
- Waste from buildings, grounds
- Waste from operational plants, administration and development areas

environment, Miele uses various measures to raise awareness of this topic among its staff. In the sales subsidiary in Sweden, for example, all plastic bottles used at the headquarters are collected and returned to the drinks supplier for recycling. An exemplary undertaking for Sweden, where, in contrast to Germany, it is not yet standard practice for suppliers to take back empty bottles.

ENVIRONMENTALLY-CONSCIOUS USE OF PAPER

Since 2015, Miele has exclusively used recycled paper with the Blue Angel for its printers at all locations in Germany. This measure saves around 45 tonnes of fresh fibre paper every year. The sales subsidiaries outside of Germany also continuously work on reducing their consumption of paper. During the reporting period, the sales subsidiary in Russia switched from paper to electronic transfer for data exchange with suppliers. Furthermore, as part of the “ECO Office” project, the subsidiary has been developing measures since 2017 to raise awareness of environmental issues among its employees. As part of the initiative, recycled paper was introduced and a new waste management system was set up.

SAVINGS ON PACKAGING

Spare parts for Miele products have various shapes and sizes, and custom-fit packaging does not exist for every spare part. Previously, empty spaces in the packaging had to be padded out with material to prevent damage during transport. In recent years, Miele has switched to tray packaging for fragile spare parts. This involves securing the relevant part on corrugated cardboard with extremely thin foil and then placing it in a folding box or carton. The foil only accounts for a very small part of the total packaging and can be efficiently transferred to the recycling process. This new method made it possible to reduce the use of polyurethane foam and foam material by around 75 percent and 60 percent respectively.

CONSISTENT WATER MANAGEMENT

[GRI 103-1/2, 303-1/2] Miele strives to consistently reduce its water consumption through systematic water management. All of the water-saving measures are implemented in such a way that drinking water hygiene is ensured at all times. Miele does not have any production locations in regions which experience water shortages.

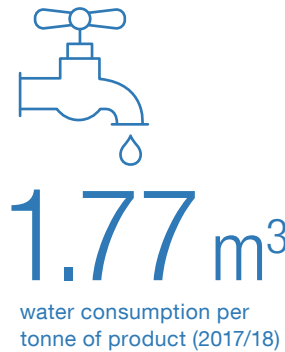
Water consumption per tonne of product fell from 1.94 cubic metres in 2015/16 to 1.77 cubic metres per tonne of product in the business year 2017/18. The absolute water demand also fell in the business year 2017/18 from 361,822 cubic metres to 357,868 cubic metres.

This is due to process improvements at various locations. In Oelde, for example, cleaning of a coating plant was optimised, which led to a significant reduction in water consumption. New cleaning equipment at the Gütersloh location is expected to reduce technical waste water by 10 to 15 percent.

The plants outside of Germany have also set up a water management system. Appropriate measures for reducing consumption are being implemented. The Chinese plant in Dongguan, for example, installed new water meters and set target values for consumption. The values are monitored continuously, and measures are taken if they exceed the average value.

WASTE WATER: REGULAR MEASUREMENTS

[GRI 103-2, 306-1] The plants in Gütersloh, Oelde, Lehrte and Bürmoos are able to



discharge their waste water into the public sewer system due to its high quality. These indirect discharges are subject to the waste water regulations of the respective municipalities. The waste water is treated prior to discharge: heavy metals are precipitated by means of lime milk so that they can be filtered out of the waste water. Precipitation is a chemical process for isolating a dissolved substance from a solution. The heavy metals are reformed as a solid substance and can therefore be filtered out of the waste water as it is discharged. In addition, the waste water is also neutralised. This ensures that Miele complies with the limit values stipulated in the municipal waste water regulations. Waste water measurements are performed and documented on a regular basis. In the reporting period, there were no notable or significant cases where the municipal limit values were exceeded.

At the Braşov plant, the domestic waste water is treated in the plant's own biological treatment plant and is then discharged into the Bârsa stream. As at all other Miele plant locations, regular samples are taken to ensure that the water quality is perfect. In the future, the waste water from the Braşov plant will also be discharged into the public sewer system. Construction work on the sewer system began in the reporting period.

The total amount of waste water from all Miele plants fell by 1.9 percent to 326,492 cubic metres in the business year 2017/2018 (business year 2016/17: 332,838 cubic metres). This was achieved by process improvements at various plants.

WASTE WATER

in cubic metres

2017/18	326,492
2016/17	332,838
2015/16	336,094
2014/15	316,084
2013/14	336,474

Energy and emissions

Measures for climate protection

[GRI 103-2] Miele considers the reduction of CO₂ emissions by means of improved energy efficiency as its most ecologically and economically effective contribution to climate protection. This is why the company is also implementing various efficiency measures in the production phase and these are gradually being introduced at the locations. In addition to optimising the production processes with regard to energy usage, the measures are mainly aimed at creating building and infrastructure designs

that are as energy-efficient as possible. The overarching long-term goal is for the company to be carbon neutral by 2050.

NETWORK FOR INCREASED ENERGY EFFICIENCY

[GRI 103-2] Miele operates its own group-wide energy efficiency network, which aims to continue to promote the exchange of knowledge and experiences between the different Miele plants and create greater synergy effects at the international level. In specialist groups experts focus on topics such as compressed air and cooling plants. The network meets up to three times a year, while the specialist groups meet as required. The business year 2017/18 focused on revising the energy management standard ISO 50001. In the previous year (2016/17), the network reviewed the development of > combined heat and power (CHP) at the sites. This determined the extent to which it was possible to combine the sectors electricity, heat supply and refrigeration.

CURRENT ENERGY CONSUMPTION

[GRI 302-1/3/4/5] The total energy consumption in the business year 2017/18

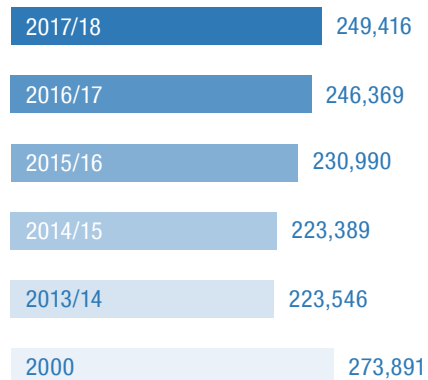
was 249,416 MWh – slightly more than in the business year 2016/17 (246,369 MWh). This increase is primarily due to the higher consumption of natural gas by the > cogeneration plant (CHP) in Bielefeld. Total energy consumption is made up of direct energy consumption (heating oil, natural gas) and indirect consumption (district heating and electrical energy); see diagram below. The > Key figures section includes a detailed breakdown and explanation. Energy consumption per appliance was reduced further in the reporting period.

ENERGY EFFICIENCY MEASURES AT THE LOCATIONS

[GRI 302-4/5, 305-5] To further improve the energy efficiency of its production operations, Miele is > investing in numerous energy-saving measures. In this way, 3,391 MWh was saved each year in the business years 2016/17 and 2017/18. This was achieved by exchanging pumps, switching to LED lighting and other infrastructure improvements, e.g. to ventilation and cooling systems. The energy refurbishments at the Lehrte plant were completed. Following the advice of the energy efficiency network, a new CHP was activated in Bielefeld in the second half of 2017. The waste heat here will also be used to generate

ENERGY CONSUMPTION

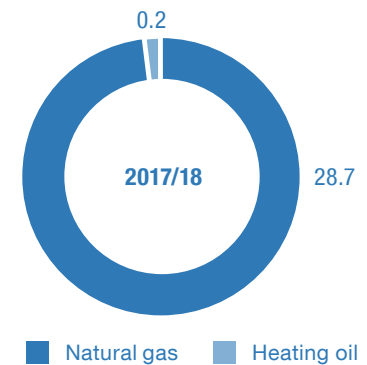
in MWh



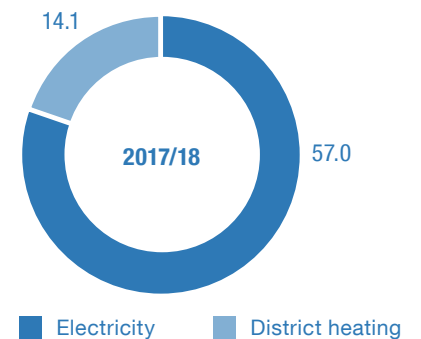
DISTRIBUTION OF ENERGY CONSUMPTION

as a percentage

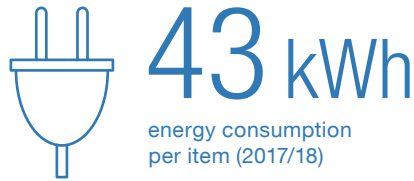
Direct energy consumption



Indirect energy consumption



cold so that the electricity-driven chillers can be used less. This made the overall cooling process significantly more efficient. Energy efficiency also plays a role at international level. In Sydney, the Australian sales subsidiary built a new warehouse in the reporting period. This boasts the latest technology and meets the latest energy efficiency and environment protection standards. The new warehouse includes, for example, improved ventilation compared with the previous one. Water consumption is also vastly reduced.



ALTERNATIVE ENERGY GENERATION CONCEPTS

[GRI 302-1, 305-5] The new CHP in Bielefeld is modelled on a similar facility at the Bünde plant, which has been working with a system of combined heat, power and cooling since 2012. This plant uses the generated heat to heat or cool buildings and production facilities. The latter is possible with the help of adsorption chillers, which convert the waste heat of the CHP into cold. Concepts such as this one are, however, not always easy or quick to implement, meaning that the increase in energy requirement has not yet been offset by the use of the CHP. Throughout the group, 8,352 MWh of energy has been generated in the form of electricity a year, which corresponds to around 5.6 percent of the total energy requirement. 592 MWh/year has been fed into the public grid.

Since 2014, the Dutch sales subsidiary has been using an aquifer thermal energy storage system (ATES). Pumps are used to extract ground water and the heat con-

tained therein is then removed via a heat pump. The energy obtained can then be used to heat or cool buildings. In June 2018, the sales subsidiary also started testing a new heating system at its main building. Thanks to innovative electrical engineering, the new system consumes less gas and thereby helps to save around 22,860 kg CO₂ a year.

RAISING EMPLOYEE AWARENESS

[GRI 103-2] In order to motivate employees to save energy, Miele provides annual training, some of which is conducted as part of the mandatory occupational safety training. In addition, Miele offers an e-learning module on this topic. Employees can also find comprehensive information on how to save energy in

their day-to-day work on the company Intranet. Furthermore, the plant employees are encouraged to save energy by means of flyers and posters which, in addition to specific tips, also contain the CO₂ reduction objectives.

DEVELOPING ABSOLUTE CO₂ EMISSIONS: THE CARBON FOOTPRINT

Miele's > carbon footprint is determined based on the international standard of the Greenhouse Gas Protocol (GHG), applying the > market-based approach. This approach uses the specific emission factors of the company for the calculation. The emissions consist of direct emissions from oil and gas consumption as well as Miele's fleet of vehicles (scope 1), indirect emissions from electricity and district heating (scope 2) and indirect emissions from transport and logistics (scope 3). At the end of the reporting period, total emissions were 2.5 percent lower than in the business year 2015/16. Miele calculated the CO₂ emissions, which exist in the > usage phase of the appliances, for the first time in the business year 2017/18.

In the reporting period, the direct CO₂ emissions in Scope 1 (natural gas, heating oil, fleet) increased by 30 percent; and Scope 2 emissions by 1.3 percent. There were many reasons for this, but it was mainly due to the rise in natural gas consumption, see > carbon footprint figures. The indirect Scope 3 emissions from logistics and business trips were reduced in the reporting period by 17 percent overall (see > carbon footprint figures). This was due to savings in the > transport logistics.

ENERGY SAVINGS (ELECTRICITY AND HEAT)

to discipline, in MWh/a¹⁾

	2016/17 and 2017/18
Drive technology	241
Lighting	1,067
Compressed air technology	126
Building refurbishment ²⁾	66
Building technology	724
Refrigeration technology	282
Process technology	767
Supply engineering	120
Total	3,391³⁾

1) These are project-related details, which were achieved through measures taken by the production sites.
 2) The building refurbishments involved only thermal energy. The other items are electricity savings.
 3) Deviations as a result of rounding the figures.

CO₂ EMISSIONS IN THE USAGE PHASE

In the 2017/18 business year, Miele commissioned an appraisal of emissions during the use of Miele appliances in the form of direct electricity consumption as part of a bachelor dissertation. This data will in future feed into Scope 3 emission calculations and hence be reflected in the company's climate balance.

The aim was to identify the impact of these emissions on climate goals. Results show that emissions from Scope 1 and 2 are much lower than in Scope 3. The use of domestic appliances sold during the 2016/17 business

year generated total emissions in the order of 11 m tonnes of CO₂ over their entire life cycle. Scope 3 emissions therefore represent the greatest leverage for Miele to contribute towards reducing the burden on climate.

In the next stage, greenhouse gas emissions resulting from outsourced goods and services will be subjected to a more detailed analysis and included in the CO₂ balance. In the light of findings from life cycle analyses, these account for the second-largest share of total emissions during the use phase.

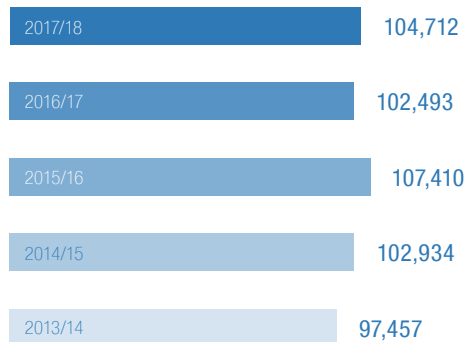
HOW TO DEAL WITH ADDITIONAL GREENHOUSE GASES AND OTHER EMISSIONS

[GRI 305-7] In addition to CO₂ emissions, Miele strives to reduce other greenhouse gases and harmful emissions. This applies in particular to chlorofluorocarbons (CFCs). CFC-containing refrigerants are still occasionally used at the Miele plants: for example for air-conditioning technology, compressed air dryers and small-scale systems such as climate-controlled chests. These refrigerants are gradually being replaced by more climate-friendly alternatives. At Gütersloh, for example, Miele replaced the last major building technology plant that uses CFC-containing refrigerants in the reporting period. R134a is used in most cases.

Motor production at the Euskirchen site does produce volatile organic compounds (VOCs), but these pollutants are eliminated by a post-combustion process and the amount therefore falls below the legal limit values.

CO₂ EMISSIONS

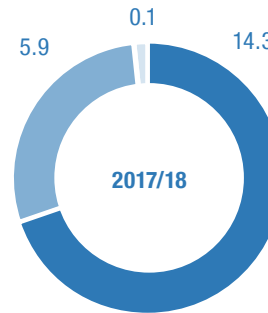
in tonnes



CARBON FOOTPRINT SCOPE 1, 2 AND 3

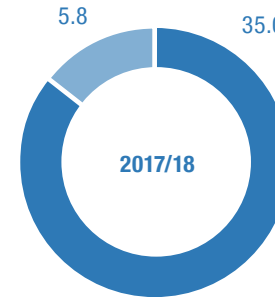
as a percentage¹⁾

Scope 1 – Direct CO₂ emissions



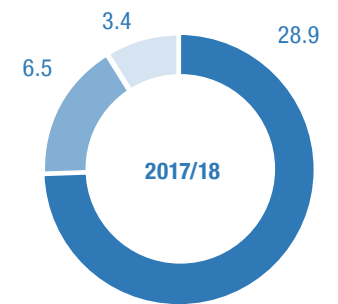
- Natural gas
- Fleet
- Heating oil

Scope 2 – Indirect CO₂ emissions



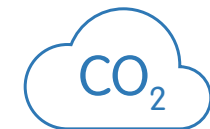
- Electricity
- District heating

Scope 3 – Indirect CO₂ emissions



- Outbound
- Distribution in Germany
- Business trips

¹⁾ Rounding differences.



11%

CO₂ emissions per item improved by 11 percent in the reporting period (business year 2015/16 to business year 2017/18)

Logistics and mobility

Efficiently transporting goods, sustainably moving forward

[GRI 103-2] Miele appliances, production materials and replacement parts are regularly transported throughout almost 100 different countries worldwide. The task of the logistics department is to ensure the availability of Miele products, and to ensure that customers and sales subsidiaries receive their deliveries on time. Miele has set itself the objective of minimising the impact of this level of traffic on the environment and the climate as much as possible, as well as optimising the necessary shipments. This is achieved using state-of-the-art logistics processes from the central Miele logistics centre in Gütersloh.

Most delivery routes are relatively short: eight out of twelve production sites are located in Germany, with the furthest situated 215 kilometres away from Gütersloh. Europe continues to be the key market for Miele products, as over 80 percent of sales are generated there – one third of them in Germany alone. The shipments required are managed efficiently. In addition, Miele pursues the goal of utilising modes of transport that generate the lowest possible level of emissions. Carbon emissions are a significant selection criterion for Miele when it comes to awarding contracts to transport service providers. The company avoids the use of air freight as far as possible and monitors it closely.

SHIP AND RAIL AS KEY MODES OF TRANSPORT

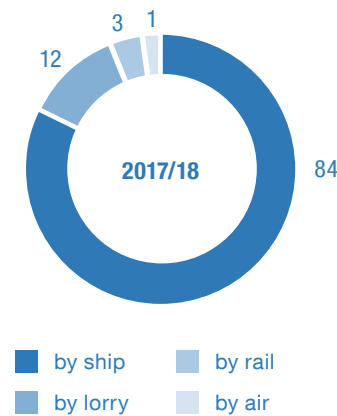
In the 2017/18 business year, transport volumes rose by 16 percent to 862 million tonne-kilometres compared to the 2015/16 business year. This includes distribution in Germany as well as delivery to the Miele sales subsidiaries from the central warehouse in Gütersloh or from the plants (outbound). The increase is mainly due to the positive sales development in the overseas sales subsidiaries. At the same time, Miele was able to further increase the already high proportion of distribution carried out via ship and rail transport. Miele's objective of transporting 80 percent of its transport volume by ship and rail was actually exceeded with a total amount of 86.9 percent. The objective of transporting less than 1.5 percent of goods by air was also surpassed with a figure of 0.9 percent.

CALCULATING THE CARBON FOOTPRINT AND OTHER EMISSIONS

[GRI 305-3] Miele determines the environmental impact of its transport logistics using a piece of software which calculates the transport volume and greenhouse gas emissions based on the EN 16258 CEN

OUTBOUND TRANSPORT VOLUME

in shares (related to tonne-kilometres)



standard. In the business year 2017/18, transport-related CO₂ emissions fell by 19 percent compared to 2015/16. One reason for this was the significant reduction in airfreight. In addition, the calculation software was updated and now also takes into account the most state-of-the-art, environmentally friendly modes of transport.

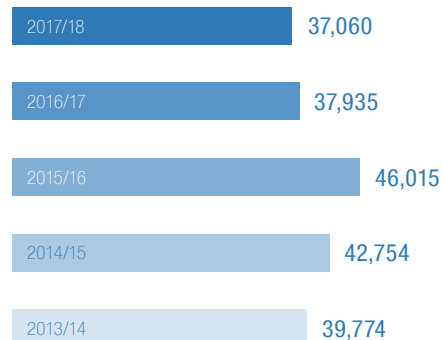
Noise also forms part of transport-related emissions. Noise emissions are legally regulated in Germany and in many other countries. To protect the public and the areas around the plants from harmful noise-related environmental effects, certain noise thresholds must not be exceeded, especially at night. This is monitored on the basis of a noise register containing all noise sources. Miele adhered to > all requirements during the reporting period.

OPTIMAL USE OF TRANSPORT VEHICLE CAPACITIES

A key way of reducing the environmental impact of transport is the optimal utilisation of the means of transport in procurement and distribution logistics. In terms of procurement logistics, around 300 suppliers are integrated into Miele's regional forwarding network to guarantee the highest

CO₂ EMISSIONS FROM DISTRIBUTION LOGISTICS

in tonnes



supplied using fully loaded containers or vehicles. In the case of customer deliveries, Miele continuously analyses requirements and capacities and makes last-minute adjustments if necessary. The European plants usually deliver their products to the central warehouse in Gütersloh, where they are consolidated for transport to the destination regions. A different system is used at the Dongguan plant in China: because of the considerable distance to Gütersloh, deliveries from Dongguan are shipped directly to their destination regions with transport capacities being fully utilised.

SAVING SPACE IN GOODS STORAGE

Miele also wants to use its spatial resources as efficiently as possible and, in doing so, help preserve natural habitats. That is why Miele uses space-saving high-rack storage techniques at the Gütersloh site. To expand the distribution center the existing building was enlarged, meaning that no additional impermeable surfaces were needed. The new spare parts centre, which was completed in 2017, covers an area of only 12,800 square metres yet boasts over 70,000 storage spaces.

MIELE FLEET

[GRI 305-1] The Miele fleet includes company cars, vans for customer service, and a small number of lorries. In the course of new purchases, these vehicles are gradually being replaced by low-carbon models. Furthermore, Miele is continuously monitoring the range of electric vehicles available

on the market. So far, however, the models tested in practical operation have not been sufficiently convincing. Clear thresholds for the average carbon emissions of cars and light commercial vehicles have been defined up to the business year 2020/21 in accordance with the EU regulations (see table). The interim goals for reducing carbon emissions in the existing fleet were achieved in the business years 2016/17 and 2017/18. They key figures for new vehicles have risen significantly on account of the amended measurement method and can no longer

be directly compared to past figures and defined target values. Miele will keep a critical eye on this development in future and adapt its target values accordingly.

The international fleets are also continuously being renewed. The Swedish sales subsidiary succeeded in cutting the carbon emissions of its vehicle fleet by 1 percent, even though the fleet increased by 8 percent. This was achieved through the use of more efficient vehicles and plug-in hybrid vehicles.

possible level of efficiency in handling incoming goods. The mega trailers used for this purpose (lorries with a higher cargo volume) are efficiently utilised with a rate of 90 percent on average.

Conditions on the transport market are difficult due primarily to the Europe-wide shortage of drivers and the resulting capacity shortage. In spite of this, transport capacity utilisation in distribution amounted to 87 percent at the end of the reporting period. In general, the sales subsidiaries are only

CO₂ EMISSIONS FROM THE MIELE FLEET

in grams per kilometre, 2017/18 and target values 2020/21

	2017/18	2020/21
Cars		
Entire fleet	115	110
New vehicles	115	95
Light commercial vehicles		
Entire fleet	168	165
New vehicles	156	147

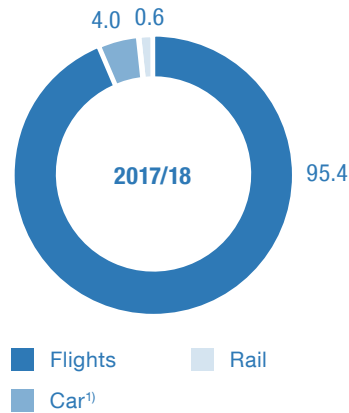
CO₂-FREE RAIL JOURNEYS AND PUBLIC TRANSPORT OFFERS FOR EMPLOYEES

[GRI 305-3] Miele urges its employees to use public transport for business travel wherever possible. They should use rail connections on longer business trips and avoid air travel unless it is strictly necessary due to time constraints or for scheduling reasons. Long-distance journeys with Deutsche Bahn as part of the “bahn.corporate” corporate customer programme are CO₂-free. For several years now, Miele has also been offering eco-driving training at irregular intervals and alternating with other focus points in the context of the > Open Training Programme. However, these training courses were not a focus during the reporting period.

Furthermore, Miele encourages its employees to use public transport to commute to work through initiatives such as cheaper employee tickets at the Gütersloh, Bünde and Bielefeld locations. In both 2016/17 and 2017/18, over 950 employees used this ticket to get to work. Subsidised public transport tickets are also available to employees in Austria, China and at the Danish sales subsidiary. In Bürmoos, Braşov and Dongguan, Miele provides a dedicated bus service for its employees. Furthermore, all trainees in Bürmoos are given a ticket that entitles them to free public transport throughout the state of Salzburg – both for commuting and for personal use. Like many sales subsidiaries, the sales subsidiary in the United states cuts its carbon emissions by using video conferencing and remote working.

SHARE OF CO₂ EMISSIONS GENERATED BY BUSINESS TRIPS USING EXTERNAL TRANSPORT SERVICES

in percentages



1) The car percentage refers to journeys in hire cars. Business trips taken using company cars are included in the CO₂ emissions of the Miele fleet; taxi journeys and business trips in employees' own cars are not.



From the plants
SUPPORTING E-MOBILITY

Miele set up eight charging stations for electric cars and charging facilities for 60 e-bikes at the Gütersloh site in collaboration with the local municipal works. Employees can use these to charge their vehicles during their working hours. Miele invested 43,000 euros during the reporting period in order to support electromobility in this way. Supporting electromobility is also playing an increasing role for Miele at an international level. For example, the sales subsidiary in Sweden has installed several charging stations for electric vehicles. New e-bike charging stations are also facilitating low-carbon commuting in Austria.

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Employees & Society

- > Strategic approach
- > HR management
- > Occupational health and safety
- > Training and education
- > Diversity and equal opportunities
- > Social engagement



Strategic approach

More than 20,000 people work at Miele. The owner families and the company management are acutely aware of the responsibility they bear towards the employees. Miele has always been characterised by an appreciative company culture and comprehensive social benefits.

OBJECTIVES



Miele is considered a role model when it comes to balancing work life and family.

Flexible working hours and support in the area of childcare help parents and carers to find a balance between their professional and private lives. These are key elements in making Miele an attractive employer. > Human resources management



Miele ensures the recruitment of young talent and the opportunity for qualifications at all locations.

The company ensures its managers are aware of the impact of demographic change and adapts the education and training it offers accordingly. Miele has also established itself as a strong employer brand. > Training and education



Miele helps to maintain a sound, attractive environment at all locations.

The company, together with the Miele Foundation, promotes education, learning, art and culture. One focal point is to improve the opportunities for disadvantaged children and young people. > Social engagement



Miele sets an example for health management and occupational health and safety.

Miele continuously adapts its health management to the needs of its employees. One important goal is to continue reducing the frequency of injuries. > Occupational health and safety



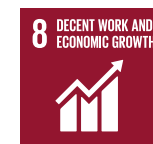
Diversity is made possible through respect and equal opportunities.

One of Miele's top priorities in the area of human resources is to increase the proportion of women in management positions. The company supports talented young women with qualification programmes, for example. > Diversity and equal opportunities

RISKS AND OPPORTUNITIES

- ⊖ In light of demographic change and the lack of skilled workers, Miele has to invest more heavily in training and education and attract new talent. An additional task is to meet the challenges of digitalisation.
- ⊕ Promoting diversity represents a significant opportunity, as studies show that diverse teams are more successful. Employee satisfaction can also increase the company's likelihood of success.

SUSTAINABLE DEVELOPMENT GOALS



Human resources management

Partnership and appreciation

[GRI 103-1/2] Miele offers its employees a working environment inspired by partnership and respect. A consistent orientation towards employees, along with high social and ethical standards, has been an integral part of the family-owned company since its founding, making Miele an attractive employer. Traditionally, Miele has been known for a high rate of staff retention and low levels of staff turnover.

In industrialised countries, demographic change is intensifying the competition for well-trained specialists. Global markets and increasing digital connectivity are also changing the demands employees face. Strategic human resources management constantly aims to attract a sufficient number of qualified, creative and enthusiastic minds to the company and to ensure their long-term loyalty, even under the present conditions. Only by doing so will Miele be able to secure its position as a leading innovator within the industry moving forward. The focus is on the short-, medium- and long-term need for employees in all areas of the company.

EMPLOYMENT AT MIELE IN FIGURES

[GRI 102-7, 102-8, 103-2] As at 30 June 2018, 20,098 employees worked for Miele worldwide, including the 560 employees of the new med-

ical technology subsidiary > Steelco Group. This equates to a year-on-year increase of 633 employees, or 3.3 percent (previous year: 19,465 employees). As at the reference date, Miele employed 11,225 people in Germany, an increase of 337 people, or 3.1 percent.

CLEAR STRUCTURES

[GRI 102-8, 103-1/2] The Gütersloh-based central Human resources (HR) department performs the tasks associated with HR management on a Group-wide basis. The department is in charge of training, qualification

and talent management, as well as HR administration. In Germany, it is responsible for identifying and hiring suitable applicants. The sales subsidiaries have their own HR managers and/or departments. The central HR department coordinates its activities regularly with the individual departments, the plants' HR managers, the management of the sales subsidiaries and the works council.

The head of the central HR department reports directly to the Executive Director Finance and Central Administration. The department has the authority to set guidelines for HR departments at locations in Germany and at the plants and sales subsidiaries outside of Germany. It does so in close coordination with the local employees in charge of HR, who are responsible for local personnel planning and recruiting. However, the heads of the subsidiaries and plants are hired directly by the central HR department.

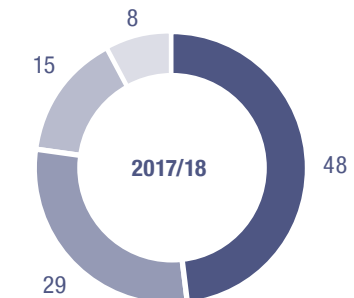
[GRI 103-3, 404-3] The head of the central HR department and the Executive Board identify new measures and set targets during meetings dedicated to the annual objectives. Agreeing on these objectives helps Miele to track the success of strategic human resources planning and to continuously improve the company's work.

ATTRACTING HIGHLY QUALIFIED YOUNG TALENT

[GRI 103-1/2] In 2018, Miele defined its own employer brand to give potential new employees an authentic impression of what it is like to work for Miele and spark their interest in a career at the company. This goal plays a pivotal role in the HR strategy.

DISTRIBUTION OF EMPLOYEES

as a percentage



- Production sites in Germany
- Sales subsidiaries outside of Germany
- Production sites outside of Germany
- Sales subsidiary Germany



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Strategic approach

HR management

Occupational health and safety

Training and education

Diversity and equal opportunities

Social engagement

The Miele employer brand is a central element of the HR strategy and helps make Miele even more appealing to highly qualified young professionals, especially those with a technical background. Beyond that, it also makes a promise to everyone who already works at Miele and provides them with orientation. At the heart of the employer brand are three word pairs that define Miele: safety and reliability, challenge and ambition, appreciation and respect. The word pairs have inspired the “Make it better. Be better.” campaign, which Miele uses internationally online, in advertisements and at career and trade fairs to attract specialists. The company systematically leverages the potential of social media and other career platforms, which play a central role for applicants today.



1st place in the Great Place to Work survey

STRONG IDENTIFICATION WITH MIELE

[GRI 103-1/2] Since 2012, Miele has carried out local employee surveys to measure how satisfied employees are with their jobs and how strongly they identify with the company. Miele focuses on different issues and metrics depending on the location. Most recently, employees at the plant in Bielefeld were surveyed in the business year 2017/18. The findings indicated significant improvement in the transparency of decisions, employees’ opinions of their direct supervisors and general aspects of corporate culture. International sales subsidiaries were surveyed once again in the second half of 2018, with the plants in Braşov, Dongguan and Uničov joining the process for the first time. The next survey in Germany is scheduled for 2019. In order to further improve coop-

eration or processes at the location, each manager is encouraged to derive specific measures from the results as necessary.

In March 2018, Miele was named the best employer among companies with more than 5,000 employees in the Great Place to Work ranking. The survey looked at 740 employers from throughout Germany and asked 1,200 randomly selected Miele employees for their opinion. Of those surveyed, 87 per cent said that Miele is a very good employer.

EMPLOYEE IDEAS PAY OFF

Miele’s corporate culture is characterised by flat hierarchies and efficient decision-making processes. The corporate suggestion scheme, or idea management, is one of the ways employees can help shape the company. This approach has a long tradition at the company, with employees first being called upon to submit their ideas for improvements back in 1951.

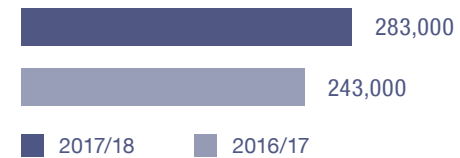
We are using the potential of employee ideas, both nationally and internationally. The suggestions for improvement are collated, selected and rewarded in accordance with country-specific rules. The employees of Miele & Cie. KG at all sites throughout Germany submitted a total of 2,667 suggestions for improvement in the business year 2017/18, corresponding to an increase of more than 32 percent year on year. Of the ideas submitted, 34 percent were implemented in the reporting period, helping save over 1.7 million euros. A total of 283,000 euros were paid out as bonuses in the business year 2017/18 (2016/17: 243,000 euros).

CORPORATE SUGGESTION SCHEME AT MIELE & CIE. KG (GERMANY)

Number of suggestions submitted



Profit sharing (in euros)



STAFF RETENTION: LOW TURNOVER RATES, LOTS OF ANNIVERSARIES

[GRI 401-1] Miele has traditionally been characterised by a high rate of staff retention. Most employees stay with Miele for many years. The staff turnover rate at the German locations stood at 1.4 percent in the business year 2017/18 (2016/17: 1.1 percent).

Numerous anniversaries were celebrated in the reporting period. In the business year 2017/18, 393 employees worldwide celebrated 25, 40 and even 50 years with the company (2016/17: 722 employees with



393

anniversaries were celebrated in 2017/18.

anniversaries). A central anniversary celebration is held in Gütersloh twice a year. The event is a highlight for all involved and illustrates the level of appreciation the company has for its long-serving employees.

EMPLOYEE PARTICIPATION: A VALUABLE PARTNERSHIP

[GRI 103-2, 102-41, 103-2, 402-1] For decades, Miele has maintained a close and trusting relationship with the company's employee representatives. The Executive Board promptly provides employee representatives with extensive information concerning all relevant decisions, developments and processes. Even difficult topics are discussed constructively and with a focus on solutions.

In Germany, Miele is subject to the collective wage agreements of the IG Metall union. PRO-GE is the responsible trade union in Austria, with KOVO acting as our labour partner in the Czech Republic. The plant in Braşov, Romania, is subject to a collective labour agreement that governs the fundamental demands, as well as the organisation and structure of employment relationships. Working conditions for employees in Germany, Austria, the Czech Republic and Romania are therefore all regulated in collective bargaining agreements, equating to a 70.5 percent share of all Miele employees (as at 30 June 2018). The employment relationship between Miele and the temporary agency workers employed at Miele's German locations is governed by the collective wage agreements concluded by the agencies themselves.

Works councils look after the interests of employees in Germany and at our Czech plant, as well as at some of our sales subsidiaries, such as in France, Italy, the Netherlands and Spain. Employees at our plant in Dongguan, China, for example, have enjoyed representation since 2009. Such representation is not mandatory under local law. The employee representatives there meet with the HR department on a monthly basis to discuss suggestions and deal with potential areas of conflict. The interests of the employees at the plant in Uničov, Czech Republic, are represented through the KOVO union and in regular meetings between internal employee representatives and plant management. At smaller sales subsidiaries, such as those in Poland or Ireland, the dialogue between employees and management is a direct and ongoing process, but has not been formally defined.

SOCIAL AND ETHICAL STANDARDS

[GRI 407-1, 408-1, 409-1, 412-1, 412-2] Miele treats its employees with respect and works with them in a responsible manner. The company underscored its commitment back in 2004 when it pledged to meet the internationally recognised social accountability standard SA8000. The standard includes the requirement to guarantee decent working conditions, freedom of association and the prohibition of child labour and discrimination. An external service provider checks compliance with the standard every six months in a surveillance audit. In addition, recertification is undertaken once every three years. All locations are SA8000- > certified and were recertified as scheduled in 2017.



From the plants

STAYING STRONG

Employee turnover at Miele is traditionally very low. Nevertheless, HR management in Bünde has still chosen this key figure as a benchmark in keeping with the promise of "Forever better". The aim is to push the rate to below 1 percent. Various measures were implemented to achieve this goal: the range of further training options was expanded, a comprehensive company fitness programme was offered, opportunities for better reconciling family and career were promoted, and a plant newspaper with location-specific topics was launched. And it paid off: the fitness facilities are being used intensively, with the employee turnover rate standing at 0.3 percent in 2018. Other plants are also making use of fitness offers. The Oelde plant has in-house fitness rooms available for the employees (image).

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HR management

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Training and education

Diversity and equal opportunities

Social engagement

Miele naturally respects human rights in all its business activities. Miele conveys this pledge to employees as part of the company philosophy when they join the company. In the reporting period, 78 managers and employees from HR received online training on the > German General Act on Equal Treatment (Allgemeines Gleichbehandlungsgesetz, or AGG). Since the programme was introduced, a total of 1,380 employees have completed the training. Software-based training is also held on the company's code of conduct. So far, 3,514 have received training worldwide, 812 of them during the reporting period. Miele also requires > compliance with social criteria from its suppliers. Miele employees in Purchasing receive regular updates on this topic. Efforts undertaken to provide information during the reporting period included regular SA8000 management representative meetings, social performance team meetings and the SA8000 information portal available throughout Miele.

TRANSPARENT COMPLAINTS PROCESS

[GRI 103-2, 406-1] Every employee in Germany has the right to turn to a complaints office, which offers help as the first point of call in case of suspected discrimination. In accordance with the AGG, the works council is involved in handling and evaluating incoming complaints. Miele has set up dedicated complaints offices, each of which is staffed by one man and one woman, at every company location in Germany. All complaints are naturally confidential. The complaints office works closely with the aggrieved person to review the circumstances surrounding the complaint. Wherever possible, the results of the review are communicated within one month.

In the reporting period, the complaints offices received a total of three AGG complaints related to gender and ethnic background. In each case, remedial measures were taken and the employees were offered further support. Similar systems are in place at the international sites.

FAIR PAY – NATURALLY

[GRI 202-1] Miele believes in paying all employees an appropriate wage or salary based on collective and corporate agreements that also includes a variety of voluntary benefits. In keeping with the founders' philosophy, such benefits are paid regardless of the current economic climate or business performance. The company stands by its pledge to be an attractive employer, even – and especially – in tough economic times.

Several years ago, Miele commissioned a study of the minimum wage and the local cost of living at its site in Dongguan, China. As a result of the findings, employee pay was raised above the minimum wage to an appropriate living wage that covers the actual cost of living, unlike the minimum wage. Employee pay in the Czech Republic is also based on the local cost of living. In Romania, Miele complies with national guidelines and also provides additional company benefits.

A LONG TRADITION OF COMPREHENSIVE BENEFITS

[GRI 201-3, 401-2] Miele has offered its employees a company pension scheme since 1929. Today, Miele supports its employees in Germany in saving for retire-



A company pension scheme is introduced.

ment through a variety of models, such as private pension schemes (known as "altersvorsorgewirksame Leistungen") or deferred compensation. Depending on the company agreement and collective wage agreement, employees in Germany can pay up to 4 percent of the contribution assessment ceiling for pension insurance (Western states) into a tax-privileged pension insurance fund.

Miele grants special one-off payments and allowances for health treatments and dental prostheses that go beyond the statutory requirements and the provisions of the collec-

tive wage agreements, as well as payments in the event of births, marriages, deaths, major birthdays and work anniversaries. In addition, employees receive benefits and individually negotiated perks such as meal subsidies and coverage of travel expenses. The company provides its former and active employees with modern health insurance coverage through its company insurance provider (Betriebskrankenkasse, or BKK). Some sales subsidiaries also have separate health insurance programmes for their employees. They also provide their employees with the option of discounted supplemental insurance policies, such as denture insurance. In some cases, employees can also take advantage of pension, health, invalidity and survivors insurance.

Both in Germany and internationally, benefits are granted regardless of whether employees have full-time, part-time, temporary or permanent contracts. Only the few staff members in what is known as "marginal employment" or "limited part-time employment" (referred to in Germany as "geringfügige Beschäftigungsverhältnisse" or "450-Euro-Jobs") are not covered by the Miele pension scheme and are not entitled to these benefits.

GOOD INTEGRATION OF TEMPORARY EMPLOYEES

[GRI 102-8] In the business year 2017/18, the share of the workforce in Germany consisting of temporary employees stood at 3.5 percent; in the business year 2016/17, this figure stood at 6.6 percent. In a company-wide agreement signed in 2007, Miele committed to work only with recruitment agencies that have concluded a collective wage agreement.

This regulates pay and the industry supplement, which is between 15 and 30 percent of the base pay under the collective agreement for the metal industry. In the company-wide agreement, Miele also agreed to increase the pay of temporary agency employees by an additional 6 to 8 percent (scaled according to duration of the employment period).

AWARDS: RECOGNITION FOR HR POLICIES

[GRI 103-3] Miele has received several awards for its exemplary HR work. In the reporting period, it received the following awards:

- Austrian Federal Ministry of Labour, Social Affairs and Consumer Protection – seal of approval for health promotion in the workplace for 2016 to 2018 (plant in Bürmoos, Austria)
- Initiative > Fair Company 2017 und 2018
- Great Place to Work > Germany's Best Employers 2018
- Award > Total E-Quality Diversity 2017
- Trendence > Graduate Barometer 2017 und 2018
- Survey > Universum Top 100
- Award > MINT Minded Company 2017 und 2018
- Employer of the region 2017 and 2018 (plant in Uničov, Czech Republic)

ENHANCING THE COMPATIBILITY OF WORK AND FAMILY LIFE

[GRI 401-3] Miele offers employment models with flexible working hours so as to make it easier for its employees to maintain a healthy work-life balance. The models provide various part-time or full-time employment arrangements. In the business years 2016/17 and 2017/18, the percentage of part-time employees in Germany stood at 7.2 percent. Some 850 people are currently employed part-time in a variety of different working hour models that have been adapted to their personal needs to the greatest extent possible. Flexible shift systems and the option of semi-retirement for older employees are also available. Miele's plants outside Germany also provide flexible working hour models.

Employees in Germany may take advantage of flexitime, provided there are no production-related reasons or other urgent considerations to the contrary. In the business year 2017/18, the percentage of employees with flexitime stood at 59 percent. The share of employees in semi-retirement stood at 4 percent in the business year 2016/17 and at 3.6 percent in 2017/18. During the entire reporting period, 460 Miele employees in Germany took parental leave, 307 of whom were men and 153 of whom were women. Men, however, tended to take off shorter periods of time. On 30 June 2018, 104 employees continued to take parental leave; 89 women and 267 men continued to work at Miele following their parental leave; four women and six men left the company.

NEW MIELE NURSERY IN GÜTERSLOH AND MIELE FAMILY SERVICE

Miele opened its own nursery in Gütersloh, its headquarters and home to its largest site, in March 2018. The close proximity to the plant and the extended opening hours from 7.00 am to 6.00 pm help further improve the compatibility of work and family life. The day-care centre looks after 80 children, from infants to children just about to enter school. The nursery's name, IdeenReich ("land of ideas" or "full of ideas"), was inspired by the education concept that uses play to teach children about science and technology.

The centre is managed by pme Familien-service, the same service provider behind the Miele Family Service, which advises staff and helps employees arrange care for their children and other family members in need of assistance. For example, the Miele Family Service again organised two weeks' of care for 60 children of employees on a farm in the Gütersloh area during the 2017 and 2018 school summer holidays.

Occupational health and safety

A focus on prevention

[GRI 103-1/2] It goes without saying that we at Miele take the health of our employees very seriously. A healthy workforce also lays the foundation for a company's long-term success. That is why supporting and maintaining employees' physical and mental capabilities is a top priority. A well-conceived, prevention-based health management system and safe, ergonomically designed workstations are key in this regard. These workstations should increasingly be both age-appropriate and should also respect the ageing process – in other words, they should be adapted to the capabilities of older employees but also to the respective employee's stage in life. For Miele, this means developing suitable conditions for different age groups.

REDUCING RISKS

[GRI 103-1/2, 403-2/3] At Miele, the areas of occupational health and safety are governed by the > Miele management system. This ensures a continuous improvement process and helps with the ongoing analysis of accident data, for example. As Miele is a manufacturing company with a high level of in-house production, some of the workplaces at the company carry health risks or are particularly hazardous, such as those involved in the surface treatment of materials and in metalworking.

A number of measures are taken to prevent risks or minimise them as much as possible: the spectrum ranges from implementing job hazard and strain assessments (some of which are legally mandated) to protective clothing and accident-prevention training session. At 11.1 (previous year: 9.3), the number of workplace accidents per one million working hours in the business year 2017/18 was below the industry average of 14.4 (2017) as reported by German professional associations.

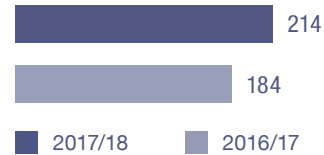
A CLEARLY ORGANISED OCCUPATIONAL HEALTH AND SAFETY SYSTEM

[GRI 103-2, 403-1/4] As an employer, Miele is responsible for its employees' safety. To ensure this, all Miele plants worldwide are certified in accordance with the internationally recognised OHSAS 18001 > occupational health and safety management system; recertification of Miele locations took place in 2017.

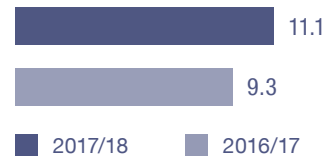
At Miele, 23 dedicated specialists are employed solely for the purpose of ensuring occupational safety in the plants (in the business year 2017/18). In addition, we also have 253 safety officers who perform these tasks alongside their regular company duties. They provide advice on a range of areas, such as during the planning and implementa-

WORKPLACE ACCIDENTS

Reportable workplace accidents



Workplace accidents per one million working hours



tion of plant systems or when workstations are being designed. The safety officers receive regular training and attend sessions four times per year on various safety topics ranging from hazardous substances to noise. Furthermore, regular instruction takes place at all locations. Extensive checklists are available for daily work activities.

Regular safety meetings are held at all plants and all departments are frequently inspected. This ensures that necessary measures are taken diligently. Approximately 20 to 25 inspections per year take place in Gütersloh alone. Around 950 external training courses and specialised instruction sessions are held in almost all departments each year with the aim of increasing all employees' workplace safety awareness and regularly updating knowledge. In the business year 2016/17, a total of 1,119 training courses were held. During the reporting period, an online quiz was implemented in Russia for the first time in order to promote a playful engagement with the topics of occupational health and safety and fire safety.

In addition, a committee for occupational safety at each plant meets four times a year. Approximately 4 percent of the entire company workforce at Miele is directly involved with

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this committee. In Germany, the Works Constitution Act governs how the works councils of the plants should be involved in matters of occupational health and safety. On the international front, there are also corresponding regulations that govern employee involvement and that of their representatives.

AGE-APPROPRIATE WORKSTATION DESIGN

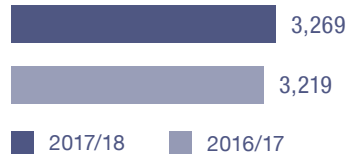
In the business years 2016/17 and 2017/18, around 43 percent of employees in Germany were aged 50 or over – the average age was 45. Age-appropriateness is an increasingly important factor in workstation design for Miele. As an example of how this is being realised, workflows in assembly were assessed during the reporting period. The assessment was carried out using an analysis tool that was specially developed for examining the ergonomic design of workstations in the mass production sector. Some workflows were redesigned based on the results of the assessment. A range of aids to help employees work more ergonomically were installed at the new central spare parts warehouse in Gütersloh, such as lifting aids for heavy packages.

CORPORATE HEALTH MANAGEMENT

In recent years, corporate health management (BGM) has been established at the German locations to systematically manage all operational processes that affect employee health. This is coordinated by the > central HR department in Gütersloh. Since then, organisational structures for BGM have been created and projects have begun at all German Miele plants.

WORKPLACE ACCIDENTS

Lost days due to a workplace accident



At the Bielefeld, Euskirchen, Gütersloh, Oelde and Warendorf locations, Miele operates fitness rooms where it offers a range of exercise and sports courses. There are currently over 40 courses available. In addition, health weeks were held at several locations during the reporting period. These were based on the central themes of “back pain and tension” and “nutrition and exercise”. Other initiatives in Germany include “active breaks” or complementary exercises with exercise cards and videos. In the business year 2017/18, Miele recorded over 3,500 instances of employee participation in events held by corporate health management across all the locations in Germany. In 2019, a new > employee survey will be conducted to investigate the influence of aspects such as management, team, culture and work situation on individual employee health.

Miele also operates a Company Integration Management system (BEM), which is closely associated with BGM, at all German sites (plants, Sales and Service Centres). It is intended to make it easier for employees who have been ill for a long period of time to return to their jobs.

“HEALTHY MANAGEMENT” QUALIFICATION PROGRAMMES

Miele’s managers are integrated into corporate health management through targeted measures. Specialised qualification programmes are mandatory for every manager in Germany. The aim is to raise managers’ awareness of the health and well-being issues of their employees. Since the programme

commenced in 2015, 700 managers have received training. All managers are expected to have completed the qualification by mid-2019.

LIFE COACHING AND ADDICTION COUNSELLING

Since the beginning of 2014, employees of German Miele plants have been able to take advantage of life coaching and addiction counselling services by turning to the trained contacts who are available at their location for this purpose. In addition, a 24-hour counselling hotline is also available through a service provider to handle crisis situations. The two counsellors in Gütersloh alone recorded 355 enquiries in the reporting period and carried out 861 counselling sessions. These frequently focussed on workplace incidents, psychological strain or family issues. In addition, services to help employees quit smoking were provided.



3,500

visits were made to company health management measures in 2017/18.

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4%

of the total workforce is involved in committees for occupational safety.

FIRST AID IN EMERGENCIES AND ACUTE CASES

A plant medical service has been in place since 1973 in Gütersloh, Miele's largest location. Along with the legal duties which result from the Occupational Safety Act, the plant medical service also takes care of first aid in the event of emergencies and acute illnesses. They work together with the Miele company insurance provider (BKK) to provide and actively promote the annual flu vaccine. At all other sites, insurance-credited physicians and medical personnel ensure that employees receive proper care.

INTERCULTURAL HEALTH PROMOTION

BKK Miele and other cooperation partners are also supporting the "With migrants for migrants – Intercultural Health in Germany" project until the end of 2020. In this project, qualified individuals are trained as intercultural health guides for people who share their background.

SPECIAL PROGRAMME FOR APPRENTICES

Promoting a healthy lifestyle is also an integral part of apprenticeship training at Miele: Every apprentice attends five mandatory events as part of the "Azubi fit" ("Fit appren-

tices") programme organised by the company insurance provider. These include an introduction to occupational health and a seminar on maintaining a healthy back. Technical apprentices also attend training sessions offered by the professional association.

A DIVERSE RANGE OF INTERNATIONAL OPPORTUNITIES

The international plant locations also pursue a health management strategy that is focused on prevention. The Austrian plant in Bürmoos has been awarded the "Betriebliche Gesundheitsförderung" seal of approval for excellent promotion of health in the workplace for the period 2016 to 2018. The introduction of corporate health management was completed during the reporting period. Corporate health management at the Austrian plant is now regularly evaluated. This includes conducting employee surveys every three years.

The sales subsidiaries employ a wide range of measures to promote employee health. For example, the Swiss subsidiary offers its workforce at the Crissier showroom membership of a fitness studio. The Miele locations in Sweden, the Baltic States, the Netherlands and China also support the sports activities and health of their employees. The location in Russia provides monthly seminars on enhancing work-life balance, touching on topics such as combating stress and healthy nutrition. Miele employees in Australia can take advantage of a comprehensive range of digital information and activities.



From the plants

MORE SAFETY AT WORK

A whole year dedicated to safety. The Uničov plant used 2018 to lay greater emphasis on occupational safety and fire protection. April constituted the high point, with a number of campaigns and a competition for the brightest minds in the field of occupational safety. The third quarter of the year offered them another opportunity to get involved when suggestions for improvements in occupational safety and fire protection received special recognition. Over the course of the year, hazardous areas in production were neutralised, workstations were checked for ergonomics and potential sources of physical strain, and new work clothing was tested. In addition, a new EHS department with three recognised specialists was formed.

> More information available online at miele.com/employees

Vocational training and development

Attracting and promoting talent

[GRI 103-1/2] Working at Miele is a fascinating experience that provides its employees with a wide range of challenges and opportunities. All areas of the company require skilled professionals, from experienced specialists to young talents. Miele is looking to attract talented people and to identify and encourage their abilities and aptitudes. As one of our important objectives is to be an attractive employer for young professionals, Miele offers extensive entry-level and career advancement opportunities.

All employees benefit from a wide range of training and qualification options. In Germany, the company invested 20.6 million euros in vocational training and further development in the business year 2017/18 (business year 2016/17: 18.6 million). Against the backdrop of an ageing population, the company's focus lies increasingly on measures aimed at ensuring performance and employability in the long term.

GROWING INTERNATIONAL FOCUS

[GRI 103-2] A variety of training programmes make a pivotal contribution to continuing to ensure the company's success in the future. The responsibility for these programmes lies with the training division. Miele is involved in

various different initiatives to get prospective young professionals interested in the company at an early stage. Its international trainee programme is one way Miele is putting its international focus into practice. The trainee and entry-level programmes are the responsibility of the HR development team in Gütersloh.

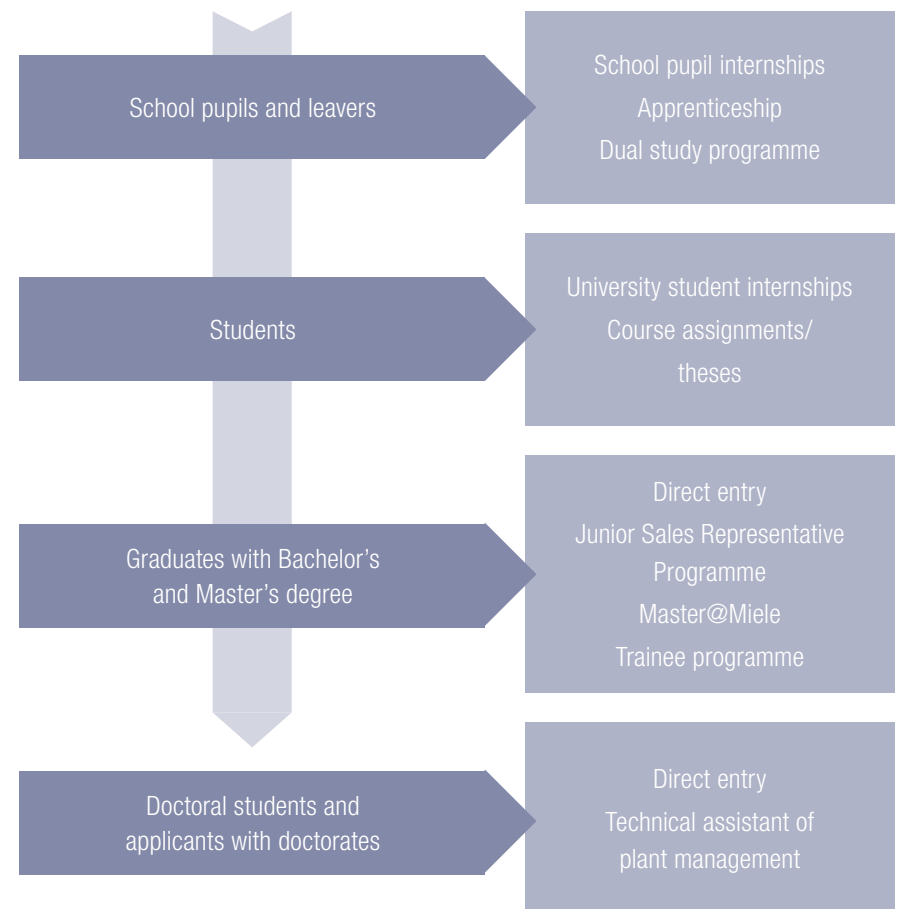
Part-time further training is of particular strategic significance to the company. Supporting and encouraging the development of its employees in a targeted manner is essential to Miele's goal of remaining a technology



20.6 million €

were invested by Miele in vocational training and further development in 2017/18.

ENTRY OPPORTUNITIES AT MIELE



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leader in the industry in the future. These training offerings are the responsibility of the HR development division. Miele reviews its HR development measures on an ongoing basis and adapts them as necessary. To this end, the director of HR development meets with the Executive Board to discuss and agree on the budget for further training initiatives and key qualifications.

HR development at Miele has an international focus. Succession management, for example, follows a uniform, IT-supported process, which allows an overall view of all management positions and makes it possible to come up with the best succession solutions for certain people or positions early on. In light of the company's global reach, Miele also provides further training options designed for an international perspective, such as foreign languages. Key development programmes for talented professionals and for managerial training are also being expanded internationally.

EXTENSIVE ENTRY-LEVEL OPPORTUNITIES FOR YOUNG PROFESSIONAL TALENTS

[GRI 103-2] Miele offers talented young professionals a wide range of opportunities to join the company. The options range from trial internships for school pupils to programmes for PhD students. Miele takes a variety of steps to make prospective young professionals aware of the wide range of attractive careers at the company even before they enter a vocational training programme or begin their studies. To this end, Miele partners with schools and universities in the vicinity of its locations.



496

apprentices in
Germany in 2017/18

Miele offers its apprentices a systematic and well-rounded basic education in more than 30 vocational trades and dual study (cooperative education) programmes. The number of apprenticeships and positions for students in dual study programmes at Miele is determined by the company's requirements in consultation with the departments as part of the strategic human resources planning process. Once they have completed their training, Miele offers all apprentices an employment contract for a minimum of one year or even a permanent contract. In Switzerland, the training programme was expanded during the reporting period so as to specifically meet the need for specialists in technical fields. Four technical apprentices joined the company in Switzerland for the first time on 1 August 2018.

INTERNATIONAL OPPORTUNITIES FOR APPRENTICES AND STUDENTS

Gathering international experience plays an ever greater role in training at Miele as well, which is why more assignments abroad will continue to be made available to apprentices in the future. A wide range of hands-on opportunities for technical apprentices have been created at the sales subsidiaries in Ireland and Italy and at the plant in Bürmoos, Austria. Two technical apprentices from Germany also had a chance to gather experience at the plant in Braşov, Romania, in the reporting period.

AWARDS FOR GRADUATES AND NEW PATHS TO VOCATIONAL TRAINING

The high quality of training at Miele is regularly confirmed by external experts. In the

business years 2016/17 and 2017/18, a total of 37 apprentices in Germany passed their final exams with flying colours, earning the best possible marks. Thirty of them were also named "best in chamber" (Kammerbeste) by the German Chambers of Commerce and Industry. An electrical systems installer and a technical product designer were even awarded the title of "best in state" (Landesbester).

As part of the "Collective Labour Agreement for the Promotion of Apprenticeship Proficiency" (Tarifvertrag zur Förderung der Ausbildungsfähigkeit), Miele offers internships to disadvantaged young people and those with lower academic performance. The objective is to open up a path for them into vocational training. Since 2009, this programme has successfully helped prepare 17 young people for an apprenticeship at Miele. In the business year 2016/17, three young men successfully completed the programme and have been training to become electrical systems installers and industrial mechanics since September 2017 (business year 2017/18: three). In January 2016, the project was used for the first time to help former refugees prepare for entry into the dual education system. Two young people started a technical apprenticeship in the reporting period.

DUAL STUDY PROGRAMMES AT MIELE

Since 1995, Miele has been offering school graduates the opportunity to complete various commercial and technical dual study programmes in fields such as mechanical engineering, electrical engineering or business informatics. In the reporting

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period, 52 graduates successfully completed their dual study programmes.

PROGRAMMES FOR UNIVERSITY GRADUATES

Miele offers attractive entry-level opportunities for specialists and managers with an academic background. By the business year 2017/18, a total of 128 graduates with Diplom or master's degrees had completed a trainee programme at Miele. Miele usually offers trainees further employment once they have successfully completed their studies. Of the 128 former trainees, 74 are still employed by the company, 41 of whom now hold managerial positions.

Along with direct entry, two further entry-level programmes are available to graduates with bachelor's degrees. The Master@Miele programme is a part-time master's degree programme, usually with a technical focus. Five bachelor-level graduates began the two-year programme in the reporting period. The Junior Sales Representative Programme for entry into sales at Miele is also open to recruits who have not followed a traditional career path. Within a year, they are trained to become junior sales representatives. In the business year 2016/17, four people took part in the Junior Sales Representative Programme. That figure stood at seven in 2017/18.

Miele offers an 18-month international trainee programme for graduates with a master's degree. By working in four different company divisions, the trainees become familiar with at least three countries and two aspects of the company (central/local). The career website Absolvanta again named the pro-

gramme an excellent career advancement opportunity and fair. Three trainees joined the programme at Miele in the reporting period.

For applicants with a doctorate and a degree in a technical field, Miele offers direct entry to technical assistance positions within plant management or the Executive Board. Since the programme began in 2007, 24 assistants have used this entry opportunity launch their individual careers. Twenty-two are still with the company, three of them as plant managers.

Miele offers similar entry programmes at its international sites, such as the plant in Braşov and the sales subsidiaries in the Netherlands and Switzerland.

INTERNSHIPS, SCHOLARSHIPS AND UNIVERSITY PARTNERSHIPS

In the reporting period, Miele entered into some 260 agreements a year with students from various faculties for an internship or a final thesis. Miele stays in close contact with selected technical and business-oriented universities around the world with the aim of contacting future applicants at an early stage and in a targeted manner. For example, the company assigns practical projects to students, organises application and assessment centre training and offers excursions. In the reporting period, Miele was again represented at various trade fairs for students, graduates and young professionals.

The plant in Dongguan, China, annually awards four scholarships to students from the Dongguan Technology College who have distinguished themselves as a result

of their outstanding performance. Priority is given to students from less privileged backgrounds who perform at the same level. In Italy, the company organised the Innovation Olympics in cooperation with the University of Trento in the business year 2016/17. The event brought together 25 students to work on innovative solutions to real-life problems. The partnership is set to continue. In the US, Miele set up a five-week programme in 2015 to provide further training to students at a technical college and recruit them for a career at Miele once they complete their education. Fifteen graduates have already been hired since the programme was launched.

WIDE RANGE OF DEVELOPMENT OPTIONS

[GRI 103-2, 404-1/2] Both training and continually supporting the development of the company's employees are essential to our efforts to remain fit for the future.

HR development and further training at Miele covers a broad range of topics and is extremely targeted and focused. In the process, Miele does not focus solely on specific on-the-job requirements, but also takes employees' individual skills and aptitudes into account. The key points of the HR development strategy at Miele include:

- Systematic further training and advancement of skilled personnel and managers from within the company
- Continuous development and expansion of an international talent management process
- Goal-oriented HR development measures for specific target groups
- Ensuring internal knowledge management and employee networking
- Standardisation of learning processes across all locations

Further development at Miele is a standardised process and is supported by the Learning Management System (LMS) software solution that is increasingly being used internationally as well. The LMS is used to plan and document further training measures, giving managers an overview of the progress that employees are making with their further development. Learning plans document the qualification measures planned for employees as well as the ones they have already completed. Online evaluation of further development measures was also introduced in the business year 2016/17. The annual employee review, which



were spent by Miele employees on development on average in 2017/18.

PERSONNEL DEVELOPMENT CYCLE



brings together managers and employees to discuss performance, is another tool for managing the need for professional development based on specific job and skill requirements.

TEACHING LEADERSHIP SKILLS AND TECHNICAL EXPERTISE – AND ENCOURAGING EMPLOYEES TO TAKE THE INITIATIVE

[GRI 404-2] As part of its internal further training programmes, Miele provides qualification opportunities in various fields such as management, project management and IT applications. Miele bases various overarching, central qualification topics and specific qualification measures on its Miele competency model, which describes the skills, knowledge and attitudes necessary to be successful at the company. Through job descriptions, the model provides career planning assistance, for example. Miele also offers employees the opportunity to advance their management skills internationally. At the sales subsidiary in Italy, for example, ten selected talents received training on subjects such as human resources management and problem-solving as part of a 15-month part-time programme.

Miele also enters into partnerships with research institutes and academic institutions to provide managers with further training. In the business year 2017/18, for example, the company partnered with the distance education university FernUniversität in Hagen to create two new programmes to help electrical engineering specialists and electrical engineering production specialists gain their certification. The ten-month project sponsored by the German Federal Ministry of

Education closes the gap in qualifications between skilled worker and foreman through digital, self-organised, on-the-job learning.

In addition, employees may further their education by attending external training events in their areas of expertise. Miele also expressly supports any employees who wish to take part in part-time further training on their own initiative. The company provides financial support for accredited, part-time further training courses or degree programmes. In the business years 2016/17 and 2017/18, 56 employees took advantage of this opportunity.

WIDE RANGE OF OPEN TRAINING OPPORTUNITIES

[GRI 404-2] The Open Training Programme is another pillar of the company's further training offerings. Unlike the internal and external training options, these sessions are held during employees' free time. Miele covers the cost of these sessions. The Open Training Programme in the business year 2016/17 focused on digitalisation at Miele. In 2017/18, it looked at Industry 4.0 and smart homes. The programme has been very well received. In the business year 2017/18, 3,270 employees took part. That number stood at 2,981 in 2016/17.

COMPREHENSIVE MANAGEMENT QUALIFICATION

Filling at least three out of four open managerial positions from within the company is one of Miele's stated goals. Particular attention is therefore paid to promoting the development of managers. Employees who take on a managerial position for the first time are prepared extensively for their new role

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with the help of a binding qualification programme. Further opportunities for learning and gaining experience that focus on transferring practical experience and feedback are available to experienced managers.

The Miele Business Academy plays a key role in the company's efforts to train and educate its managerial staff. Seminars are held in English, and participants come from all corners of the Miele world. The Miele Business Academy currently offers 13 different training and learning options for different management levels. The options range from e-learning to classroom instruction and cover key management subjects and skills. In the business years 2016/17 and 2017/18, a total of 84 participants took part in eleven training sessions, equivalent to 652 participant days.

The training series "Local leadership – effective communication and staff management" is a systematic approach to qualification for newly appointed team leaders in production. One example of a division-specific management qualification offering for all management levels is the course "Managers as coaches". The course is made up of three modules and is geared towards all managers at the sales subsidiary in Germany.

MENTORING PROGRAMME AND SHARING KNOWLEDGE ACROSS BORDERS

Miele also relies on experienced employees to share their knowledge and expertise. As part of the Miele Mentoring Programme, experienced employees are matched with junior managers to provide them with career guidance by

offering advice, establishing contacts, assisting with project development and giving feedback. The annual Competitiveness Symposium has also established itself as a successful network for sharing information across plants and borders. Since 2006, the symposium has brought together some 200 specialists and managers in Gütersloh. In July 2018, they met once again to address the topic of strategic ambidexterity. The term refers to the ability to efficiently manage core areas of business while also rapidly and flexibly driving the advancement of renewal and innovation processes.



From the plants

VIRTUAL MARATHON

Strengthening competencies such as teamwork, communication skills and the promotion of cohesion – these were the goals of the leadership marathon at the Romanian plant in Braşov. Within the scope of the competition, the 15 participating employees had to complete various individual and team tasks over a period of several months, including organising a team breakfast and taking a quiz on corporate culture. In addition to a monetary reward, the participants had another incentive to keep pushing: "burned calories". Each task corresponded to a virtual number of kilometres stored on a digital platform. The platform also enabled the participants to learn about the topics of leadership and cooperation through videos and articles and exchange ideas with each other.

Diversity and equal opportunities

Remit and the competitive factor

[GRI 103-1/2] All Miele employees and applicants are valued and supported in equal measure. They should all have equal opportunities, regardless of nationality, skin colour, gender, religion, sexual orientation or physical disabilities. An international and diverse workforce enriches Miele on both a human and a professional level. And, no less relevant, diversity is also an important competitive factor, particularly in a global company such as Miele.

MANAGEMENT: PROMOTING DIVERSITY, PREVENTING DISCRIMINATION

[GRI 103-2, 405-1] Miele would like to raise awareness throughout the company about the potential for diverse life and work experiences, perspectives and values. Miele's corporate philosophy, its Code of Conduct and the Company-Wide Collective Agreement on the German General Act on Equal Treatment represent company-wide guidelines for promoting diversity and equality of opportunity as well as ensuring an effective anti-discrimination policy. The company demonstrated its adherence to this idea by obtaining > SA8000 certification and signing the Diversity Charter in 2012.

In the business year 2017/18, 5.9 percent (5.7 percent in 2016/17) of Miele

employees in Germany were citizens of a country other than Germany. Citizens of Turkey, Greece, Italy and Poland accounted for the largest share. Employees with disabilities made up around 6 percent of all Miele workers in Germany (in the business years 2016/17 and 2017/18).

Miele also wants to create an equal playing field in advance of possible employment, which is why, via the Collective Labour Agreement for the Promotion of Apprenticeship Efficiency, the company supports > apprenticeship opportunities for refugees. As is the case every year, Miele participated in Germany's Diversity Day in 2018. In addition, all Miele managers once again attended a one-day diversity training event, while new managers attended a two-day training course known as "Diversity – Vielfalt führen", in which they learned how to manage a diverse workforce.

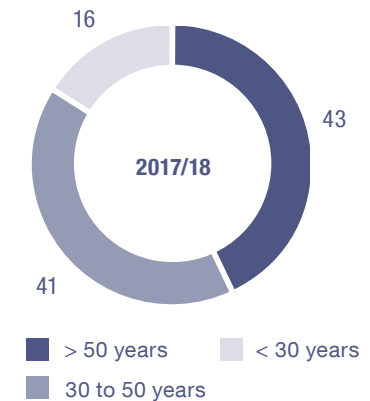
INITIATIVES FOR THE ADVANCEMENT OF WOMEN REWARDED

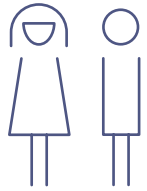
The advancement of women has been a core component of Miele's corporate strategy since 2016, and thus forms a particular focal point when it comes to diversity measures. For several years now, Miele has been

promoting the careers of women via various concepts such as the Germany-wide project "Diversity: Fokus Frauen" ("Diversity: Focus on Women"). And it has been a success: For its efforts to offer all employees equal opportunities for professional success and in particular to advance the careers of women in its organisation, Miele was awarded the "Total E-Quality" rating in 2017. This award is given every three years to honour corporate commitment to equal opportunities for women and men as well as diversity in the workplace.

Following a survey of over 100 female experts and managers at Miele within the context of the "Diversity: Fokus Frauen" project, Miele adopted new measures in the reporting period. These include a regular series of events on the topic of diversity as part of the Open Training Programme and targeted promotion of internal women's networks at Miele. The company also initiated momentum towards an internal cultural transformation with its first Women's Conference in Gütersloh in September 2017. This is a requirement for having more women in management. At the event, around 130 female participants engaged in intensive discussion about the potential of digitalisation for creating greater diversity.

PERCENTAGE OF EMPLOYEES ACCORDING TO AGE GROUP GERMANY
as a percentage





22.3 %

of the total Miele workforce in 2017/18 were women.

WOMEN IN MANAGEMENT: A TARGETED ADDRESS TO YOUNG TALENT

[GRI 405-1] In the business year 2016/2017, women made up 22.1 percent of the entire Miele workforce in Germany; the figure went up to 22.3 percent in the following year. In the business year 2017/18, women held 10.4 percent of the management positions in Germany and 23.3 percent worldwide.

Increasing the number of women in management positions is a stated goal of Miele's HR policy. Female candidates displaying high potential are specifically supported and encouraged to set ambitious professional goals, as well as to keep pursuing these goals after having children, if they choose to do so. Miele helps to accommodate this with its family-friendly working conditions. The company also participates in the "Frauen-Karriere-Index" ("Women's Career Index"), a project funded by the German Federal Ministry of Family Affairs,

Senior Citizens, Women and Youth. The project aims to create more transparency on the issue of career advancement opportunities for women. Miele also places great emphasis on the goal of having more women in management positions internationally. Various measures were implemented to increase the number of women in management positions in the United Arab Emirates from four to nine, meaning that women currently occupy 44 percent of management positions there.

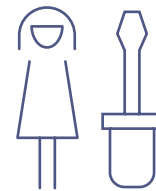
Miele does not consider it appropriate to define a fixed quota for increasing the proportion of women in management positions. To officially ensure equality of opportunity in every respect, Miele instead remains committed to recruiting the most qualified candidate for each management position that needs to be filled, regardless of gender.

REMUNERATION: NO DIFFERENCE IN THE SALARIES RECEIVED BY MEN AND WOMEN

[GRI 405-2] Employees at the Miele sites in Germany are paid based on the valuation of their work tasks in accordance with the framework agreement on pay and collective wage agreement in the metalworking and electronics industries. Therefore, there are no differences in the remuneration of women and men at Miele. Performance bonus is categorised and calculated strictly based on the specific task and actual performance and does not take irrelevant criteria into account. Measures to ensure that employee pay does not differ based on gender are also in place at the company's international production sites.



Employee loyalty is strong. All employees have the opportunity to develop their education in a specific field further.



12 %

of participants in the technical apprenticeship scheme and 53% of participants in the commercial apprenticeship scheme in Germany in 2017/18 are women.

Social engagement

Promoting regional appeal

[GRI 103-1/2, 413-1, 413-2] As one of the largest employers in the region, Miele is traditionally closely associated with the city of Gütersloh and Ostwestfalen-Lippe – the region which it calls home. From the very beginning, the founders of the company saw themselves as responsible for the well-being of their employees and their employees' families. Underpinned by this attitude, a wide-ranging social engagement initiative has developed over the decades. Activities are largely focused on the regions surrounding the company locations. In this way, Miele contributes to a cohesive and attractive environment, as envisioned in the Miele sustainability strategy.

ENGAGEMENT BY THE COMPANY AND THE MIELE FOUNDATION

[GRI 103-2] Miele's social engagement extends over three main areas: young people and family, education and culture. This not only applies to Miele as a company, but also to the foundation of the same name, which was established in 1974. While the explicit development goal of the Miele Foundation's charter is the promotion of public welfare in the German city of Gütersloh, the company itself addresses a broader range of needs and also pursues active social engagement at other plant sites.

The international sales subsidiaries also engage in diverse initiatives. The guidelines for the social engagement of the sales subsidiaries determine the basic approach. Donations may only be made to charitable organisations, for example. The responsible parties at the sales subsidiaries identify suitable projects themselves. Miele is in close communication with local people at all its locations and therefore has a good understanding of their needs. Miele wishes to be a reliable partner for the local authorities, associations and initiatives. With this in mind, it aims to support projects on a long-term basis, wherever possible. In special cases, this engagement – which is focused on continuity – is supplemented by flexible, short-term support. In the Italian sales subsidiary, for example, Miele collaborated with the Red Cross in February 2017 to donate Miele products to the victims of the earthquake in Umbria. In the USA, Miele collects items such as school bags for donation to underprivileged families. In addition, employees there are permitted to take one day per year away from the workplace to offer support as volunteers in projects of their choice.

DONATIONS DURING THE REPORTING PERIOD

[GRI 201-1, 415-1] Traditionally, Miele supports a series of regional charities with an annual donation of money or items. The



In 1976, the Miele Foundation supported the Gütersloh Holiday Games for the first time.

YOUNG PEOPLE AND FAMILY: PROVIDING RELIEF FOR PARENTS

Supporting and improving the opportunities of young people from the areas surrounding the Miele locations has always been a key aspect of Miele's social engagement.

Since 1976, the Miele Foundation has offered significant financial support to initiatives such as the Gütersloh Holiday Games [Ferienspiele] for children between the ages of 5 and 17. Every year, this opportunity includes many different and varied activities for children during school holidays. More than 100 activities were offered in the 2017 summer holidays.

The Miele Foundation also supports the "Jugendintegration durch Sport" ("Integrating young people through sport") project with an annual donation. This project has been run by the Department for Child and Youth Development in the city of Gütersloh since 2009. The project aims to promote social skills in young people that are rarely gained from the sporting activities on offer. Activities include hip-hop courses for girls or mixed indoor football, for example.

Since 2014, the company has supported the Gütersloh Association for the Prevention of

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Cruelty to Children [Kinderschutzbund] with its “Hand in Hand” family mentors project. In this project, voluntary female family mentors visit families for a few hours each week to support the children and parents in difficult times. In 2017 alone, support was able to be provided to 14 families including 27 children aged between 2 and 14.

Miele also promotes social engagement for young people and families on an international level. In the Greek sales subsidiary, Miele supported the “Make-A-Wish Foundation” in the business year 2017/18. This initiative made it possible to fulfil the wishes of four seriously and terminally ill children. Miele customers were also able to support the project by purchasing a limited edition vacuum cleaner. During the reporting period, the Russian sales subsidiary donated five dialysis machines for sick children who are waiting for a kidney transplant. The Canadian sales subsidiary donated large sums to hospitals in Toronto, while the American subsidiary supported an organisation that offers therapies and educational initiatives to people with autism.

EDUCATION: AWAKENING ENTHUSIASM FOR TECHNOLOGY

A significant objective of Miele’s involvement in education is to inspire children and young people to get involved in technology and to introduce young adults to technical professional fields. Miele supports students of engineering subjects with the Deutschlandstipendium scholarship, which was initiated by the German Federal Ministry of Education and Research. A total of 26 students are

currently being supported. To be awarded the scholarship, the six young women and 20 young men not only had to prove extraordinary capabilities and aptitudes, but also that they were engaged in social activities.

CULTURE: MUSIC AND THEATRE FOR THE REGION

Diverse cultural opportunities contribute significantly to making a region attractive and increasing the local quality of life. Therefore, an important element of Miele’s engagement has traditionally been to promote culture. This is why Miele has supported the Westfälische Kammerphilharmonie (the Westphalian Chamber Philharmonic Orchestra) since 2001. The orchestra consists of members from renowned German orchestras, self-employed musicians and highly qualified students. It has therefore made a name for itself in the world of German orchestras. The Miele Foundation has supported the boys’ choir in Gütersloh since it was founded in 2007. The choir currently consists of around 60 boys between the ages of 6 and 13 and of a group of 20 young male voices.

The Miele Foundation also supports the annual children’s cultural festival in Gütersloh, which is known as “Donnerlüttken”. It is aimed at children aged between 4 and 12. The festival is held on the first Sunday following the summer holidays, both inside and in front of the theatre in Gütersloh, and therefore acts as a prelude to the new theatre season.



From the plants

SOCIALLY COMMITTED

Miele plants and sales subsidiaries are committed to a wide range of social activities, with the focus usually being on children and adolescents, often in connection with educational initiatives. For example, the Czech location supports a children’s home, several schools and university projects both financially and through volunteer work. Whether it’s a robotics competition, excursions or camping trips – there are also regular activities for the children of employees. Besides all these undertakings, the employees at the various locations are always involved in various activities, for example a fundraising campaign to support an institution for people with disabilities.

> More information available online at miele.com/engagement

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Key figures

Profile

The Steelco Group was included in the consolidated financial statements for the first time in the business year 2017/18. This is explicitly referenced in the sustainability indicators.

TOTAL MIELE TURNOVER INCL. STEELCO IN BILLION EUROS [GRI 102-7, 201-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
Total	3.22	3.49	3.71	3.93	4.10
Germany ¹⁾	1.01	1.05	1.12	1.18	1.21
Abroad	2.21	2.44	2.59	2.75	2.89
Foreign share (%)	69	70	70	70	71

Miele generated turnover of 4.1 billion euros in the business year 2017/18, a year-on-year increase of 4.3 percent. Of this increase, 91 million euros is attributable to the Italian medical technology subsidiary Steelco Group. In Germany, Miele saw its sales increase by 2.4 percent from an already high level and further expanded its market-leading position in the specialist trade sector.

1) Including other sources of turnover, including revenue generated by the German plants, such as from sales of enclosures, scrap, electronics, licenses, advertising material, plastic parts, and seminar fees.

TURNOVER BY REGION¹⁾ AS A PERCENTAGE [GRI 102-6, 102-7]

	2013/14	2014/15	2015/16	2016/17	2017/18
Germany ²⁾	31	30	30	30	30
Southern, Eastern, and Central Europe	21	21	20	20	20
Northwest Europe	27	26	25	24	24
North and South America, Australia, New Zealand, and South Africa	16	18	19	20	19
Asia	5	5	6	6	6

In international terms, Miele achieved the largest amount of growth in China, but was also able to record disproportionately high growth in Canada, Austria, and Russia. In Southern Europe, in particular in Spain and Greece, Miele continued on its recovery course.

1) Deviations as a result of rounding the figures.

2) Encompasses other sources of turnover (see total Miele turnover).

[← Back](#)[Key figures](#)[GRI content index](#)**TURNOVER BY BUSINESS AREAS¹⁾ AS A PERCENTAGE [GRI 102-7]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Laundry care	26	25	24	24	23
Cooking ²⁾	20	21	21	21	22
Dishwashers	13	13	14	14	14
Floor care	9	9	9	9	9
Refrigerators and freezers	8	8	8	8	8
Drinks preparation	2	2	2	2	2
Domestic appliances total	77	77	77	78	78
Professional³⁾	13	13	13	13	13
Customer service	7	7	6	5	5
Care products and accessories	3	4	4	4	4

1) Deviations as a result of rounding the figures.

2) Includes cookers/ovens, steam cookers, hobs/cooking zones, cooker hoods.

3) Commercial machines, service, and spare parts

SALES IN THOUSANDS [GRI 102-7]

	2013/14	2014/15	2015/16	2016/17	2017/18
Dishwashers	607	652	770	839	863
Cookers/ovens	290	296	311	341	370
Refrigerators and freezers	302	289	303	329	333
Vacuum cleaners	2,151	2,204	2,319	2,549	2,349
Washing machines	782	835	860	881	880
Tumble dryers	338	362	388	423	437
Others ¹⁾	633	635	645	694	756
Domestic appliances total	5,103	5,273	5,596	6,056	5,988
Commercial machines	87	91	96	92	92
Domestic appliances and commercial machines	5,190	5,364	5,692	6,148	6,080

Miele was able to increase sales significantly in the product groups dishwashers, hob units, cookers/ovens, and coffee machines in the business year 2017/18 compared to the previous year. This was due to the success of new model series.

1) Hobs/cooking zones, cooker hoods, microwaves ovens, steam cookers, coffee machines, rotary ironers.

[← Back](#)[Key figures](#)[GRI content index](#)**INVESTMENTS¹⁾ IN MILLIONS OF EUROS [GRI 201-1]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Germany	142	110	140	167	178
Europe	35	27	25	41	76
Overseas	10	14	19	18	18
Total investments	188	150	184	225	272

Miele invested a total of 272 million euros in the past business year. This amount is 47 million euros, or 20 percent, higher than in the previous year, which itself was a record investment amount. Around two-thirds of the total amount was invested in product development and in the expansion, conversion, and modernization of the international Miele Group production network. Investment at Miele's Gütersloh headquarters focused on additional office and laboratory areas for the new Smart Home business area, the factory fire station, and the children's nursery. Miele also opened new flagship stores (Miele Experience Centers) at its sites in Brisbane, Calgary, Dubai, Istanbul, and, most-recently, Astana (Kazakhstan).

1) Deviations as a result of rounding the figures.

PERSONNEL COSTS IN MILLIONS OF EUROS AND PERCENTAGES [GRI 201-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
in millions of euros	971	1,026	1,079	1,135	1,193
in relation to the total turnover (%)	30	29	29	29	29

The rise in personnel costs was due to the persistent growth in workforce numbers. However, the ratio between total turnover and personnel costs remained constant.

PENSION PROVISIONS IN MILLIONS OF EUROS [GRI 201-3]

	2013/14	2014/15	2015/16	2016/17	2017/18
Provisions	376	396	446	405	431

The decline in the business year 2016/17 was due to the fact that pension obligations were divested into a pension fund for the first time. The rise recorded in the business year 2017/18 was primarily due to the further decrease in the discounting interest rate under commercial law.

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Products & services

Development and innovation

EXPENDITURES FOR RESEARCH AND DEVELOPMENT AS A PERCENTAGE

	2013/14	2014/15	2015/16	2016/17	2017/18
Share of total turnover	5.4	5.4	5.5	5.5	5.8

Product portfolio: Energy consumption labelling [GRI 302-5, 417-1]

The values refer to devices sold in EU countries in which the energy label is mandatory, as well as in Croatia, Norway, and Switzerland. All other key figures are reported on an annual basis, however this section is subject to a two-year reporting interval. Only the figures for every other business year are reported.

ENERGY LABEL: COOKERS AND OVENS AS A PERCENTAGE

	2011/12	2013/14 ¹⁾	2015/16	2017/18
A+	-	-	89	96
A	99	99	11	4
B	1	1	-	-

1) The energy label for ovens and steam cookers was updated following the end of the business year 2013/14. The values therefore cannot be directly compared with one another.

ENERGY LABEL: WASHING MACHINES AS A PERCENTAGE

	2011/12	2013/14	2015/16	2017/18
A+++ -40				13
A+++ -30	-	-	-	4
A+++ -20	-	-	-	11
A+++ -10	-	-	-	22
A+++	54	63	93	49
A++	17	27	7	1
A+	29	10	-	-

99 percent of the washing machines sold in the business year 2017/18 are classified as A+++, which is the best energy efficiency rating of the energy label. 50 percent fall short of the threshold value for A+++ rating by at least 10 percent. The washing machines achieved the best values with PowerWash 2.0 technology.

[← Back](#)[Key figures](#)[GRI content index](#)**ENERGY LABEL: TUMBLE DRYERS AS A PERCENTAGE¹⁾**

	2011/12 ²⁾	2013/14	2015/16	2017/18
A+++		1	8	44
A++	-	3	65	44
A+	-	70	7	3
A	58	4	-	-
B	33	18	16	9
C	10	5	4	-

The percentage of washing machines with the best energy efficiency rating of A+++ rose by 36 percentage points in the business year 2017/18 compared to 2015/16.

1) Deviations as a result of rounding the figures.

2) The energy label for tumble dryers was updated in 2013. The values for 2011/12 and 2013/14 therefore cannot be directly compared with one another.

ENERGY LABEL: DISHWASHERS AS A PERCENTAGE

	2011/12	2013/14	2015/16	2017/18
A+++ -20				10
A+++ -10	-	-	-	18
A+++	22	30	39	15
A++	30	30	33	27
A+	42	39	28	30
A	6	1	-	-

In the business year 2017/18, 28 percent of dishwashers sold fell short of the threshold value for A+++ rating by 10 percent or more.

ENERGY LABEL: REFRIGERATORS AND FREEZERS AS A PERCENTAGE

	2011/12	2013/14	2015/16	2017/18
A+++	3	8	13	21
A++	35	59	70	78
A+	58	33	17	1
A	4	-	-	-

Following the introduction of the new freestanding appliances of the K 20.000 series, Miele launched numerous new A+++ devices in 2016. In the business year 2017/18, 21 percent of sold refrigerators and freezers met the best energy efficiency class A+++.

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Product portfolio: Consumption efficiency [GRI 302-5]

The values show the Miele appliance with the highest energy and water savings that was available in the market for a particular year.

POWER CONSUMPTION ENERGY LABEL IN KWH

	2000	2011/12	2013/14	2015/16	2017/18
Refrigerators with up to and including 150 l of usable capacity and a freezer compartment Power consumption in kWh/100 l over 24 hours	0.40	0.21	0.21	0.19	0.19
Refrigerators with up to and including 150 l of usable capacity without a freezer compartment Power consumption in kWh/100 l over 24 hours	0.26	0.18	0.12	0.12	0.12
Refrigerators with 151 l to 300 l of usable capacity with a freezer compartment Power consumption in kWh/100 l over 24 hours	0.29	0.16	0.14	0.14	0.14
Refrigerators with 151 l to 300 l of usable capacity without a freezer compartment Power consumption in kWh/100 l over 24 hours	0.18	0.09	0.09	0.09	0.08
Freezers with up to and including 150 l of usable capacity Power consumption in kWh/100 l over 24 hours	0.47	0.27	0.27	0.27	0.27
Freezers with 151 l to 300 l of usable capacity Power consumption in kWh/100 l over 24 hours	0.23	0.14	0.14	0.13	0.13

POWER CONSUMPTION ENERGY LABEL IN KWH

	2000	2011/12	2013/14	2015/16	2017/18
Washing machines ¹⁾ Power consumption in kWh/kg of laundry	0.19	0.11	0.10	0.09	0.07
Dishwashers Power consumption in kWh/place setting	0.09	0.06	0.06	0.05	0.05
Cookers and ovens Power consumption in kWh	1.20	0.67	0.67	0.61	0.61
Tumble dryers ²⁾ Power consumption in kWh/kg of laundry	0.59	0.26	0.18	0.17	0.17

1) Cottons 60 °C, full load.

2) Cottons Normal Dry, full load.

WATER CONSUMPTION ENERGY LABEL IN LITRES

	2000	2011/12	2013/14	2015/16	2017/18
Washing machines ¹⁾ Water consumption in l/kg of laundry	9.80	6.88	6.11	6.00	6.00
Dishwashers Water consumption in l/place setting	1.08	0.71	0.71	0.69	0.69

1) Cottons 60 °C, full load.

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Supply chain & production

Natural resources and materials

PRODUCTION MATERIALS USED IN TONNES [GRI 301-1]

	2013/14	2014/15	2015/16	2016/17	2017/18 ²⁾
Raw materials	106,123	99,251	98,778	119,680	121,086
Metals	95,123	88,251	86,778	105,680	106,086
Plastic granulate	11,000	11,000	12,000	14,000	15,000
Processing materials	6,979	7,233	8,736	9,084	9,658
Paints, varnishes, enamels	1,118	1,254	1,368	1,462	1,480
Oils, greases, lubricants	232	206	201	193	177
Acids, lye, solvents	220	215	172	172	189
Others ¹⁾	5,409	5,558	6,995	7,257	7,811
Electronics	2,123	2,026	2,143	2,622	2,624

The total of all production materials used was primarily due to production growth and adjustments to production plans in the business years 2016/17 and 2017/18.

1) The majority of other processing materials are casting materials for the manufacture of mass-balancing weights.

2) Deviations as a result of rounding the figures.

DEVICES PRODUCED IN TONNES [GRI 301-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
	175,297	177,263	188,133	207,459	201,800

The primary reason for the increase in weight of all appliances produced was production growth in the business years 2016/17 and 2017/18. Changes to the product mix also played a key role in this respect.

PACKAGING MATERIALS USED IN TONNES [GRI 301-1]

	2013/14	2014/15	2015/16 ¹⁾	2016/17	2017/18
Total	15,708	15,880	17,464	19,481	19,394
Solid wood	9,056	9,075	10,134	11,005	11,014
Cardboard/corrugated paper	4,595	4,707	5,140	6,079	5,925
Moulded plastic parts (EPS)	1,749	1,788	1,851	2,037	2,110
PE film/strapping (PP/steel)	306	308	339	359	344
Encased PU foam/PE film	2	2	1	1	1

The increase in packaging material was partially due to the increased production volume.

1) Deviations as a result of rounding the figures.

[← Back](#)[Key figures](#)[GRI content index](#)**PACKAGING PER KILOGRAMME OF PRODUCT IN GRAMM [GRI 301-1]**

2013/14	2014/15	2015/16	2016/17	2017/18
90	90	93	94	96

The product mix plays a particular role here as the key figure of packaging per kilogramme of product is calculated as an average across all product categories. The increase in the sale of products with higher packaging weight led to a rise in this key figure in the business year 2017/18. Sales of products with comparatively simple and light packaging increased by a disproportionately smaller margin. Generally speaking, packaging in the business year 2017/18 did not become more complex and therefore heavier.

Supplier management**PURCHASING VOLUME¹⁾ AS A PERCENTAGE [GRI 102-9, 204-1]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Germany	56.9	54.4	54.2	53.8	54.6
Europe	30.5	31.5	30.8	31.1	30.3
Overseas	12.6	14.1	15.0	15.1	15.0

1) Payments to suppliers.

SUPPLIERS OF PRODUCTION MATERIALS NUMBER [GRI 102-9]

2013/14	2014/15	2015/16	2016/17	2017/18
2,328	2,277	2,443 ¹⁾	2,422	2,288

In the reporting period, Miele continued to focus on reducing its number of suppliers and intensifying its cooperation with existing suppliers.

1) Suppliers from Spares Logistics were included in the calculation for the first time in the business year 2015/16.

**PAYMENTS TO SUPPLIERS FOR PRODUCTION MATERIALS¹⁾
IN MILLIONS OF EUROS [GRI 102-9]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Germany	507	490	543	581	624
Europe	272	284	308	336	346
Overseas	112	127	150	163	172
Total payments to suppliers	892	902	1,001	1,079	1,143

The payments to suppliers rose by 142 million euros in the reporting period. This was due to the increased demand for production materials, which itself was due to the increased production volume. Rising prices also contributed to this increase.

1) Deviations as a result of rounding the figures.

**SELF-ASSESSMENT ON COMPLIANCE WITH SOCIAL
STANDARDS BY SUPPLIERS NUMBER [GRI 414-1]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Compliance confirmed	555	968	475	735	799
Compliance not confirmed ¹⁾	15	6	9	8	7
Total	570	974	484	743	806

The fluctuations were the result of the declining number of supplier applications.

1) Procedure in the case of non-compliance, see Supplier management: Selecting new > suppliers.

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Environment management

INVESTMENTS IN ENVIRONMENTAL PROTECTION AT THE PRODUCTION PLANTS¹⁾ IN THOUSANDS OF EUROS [GRI 302-4]

	2013/14	2014/15	2015/16	2016/17	2017/18
Total	1,602	2,032	904	1,060	2,208
Waste management	13	20	72	50	6
Water pollution control	388	150	113	74	289
Climate protection/ energy efficiency	740	1,638	605	695	1,616
Noise control	22	-	23	5	88
Air pollution control	392	219	87	228	192
Nature conservation and landscape maintenance	48	5	5	8	17

Investments in environmental protection are subject to significant annual fluctuation as they include one-off expenses for new plants and equipment based on current requirements. Miele invested 1.3 million euros more in the past business year compared to the business year 2015/16. Most of this investment was in the construction and commissioning of a cogeneration plant in Bielefeld. In addition, a new waste air purification plant was commissioned in Oelde. Other investments were also made in modernisation of air conditioning and ventilation systems or heat exchangers.

1) Deviations as a result of rounding the figures.

ONGOING ENVIRONMENTAL EXPENDITURES AT THE PRODUCTION PLANTS¹⁾ IN THOUSANDS OF EUROS

	2013/14	2014/15	2015/16	2016/17	2017/18
Total	7,365	6,841	6,711	6,704	7,092
Waste management	2,955	2,621	2,592	2,712	2,406
Soil remediation	123	99	132	116	86
Water pollution control	2,446	2,277	2,272	2,070	2,277
Noise control	74	62	61	69	57
Air pollution control	1,763	1,746	1,621	1,727	2,253
Nature conservation and landscape maintenance	4	36	33	11	13

1) Deviations as a result of rounding the figures.

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Resource efficiency

WASTE FOR RECYCLING AND DISPOSAL BY TYPE¹⁾ IN TONNES [GRI 306-2, 306-4]

	2013/14	2014/15	2015/16	2016/17	2017/18
Total waste produced	31,493	30,084	33,101	38,778	40,792
Scrap metal	18,533	17,566	18,885	20,507	19,570
Waste for recycling	29,310	28,655	31,619	37,737	39,478
Hazardous waste	1,167	1,363	1,347	2,246	2,622
Waste for disposal	2,183	1,430	1,482	1,041	1,314
Hazardous waste	1,653	920	762	553	859

The increase in total waste produced was the result of the rise in production, the larger workforce, and increased construction activity. Miele constructed a new warehouse in Arnsberg and refurbished the courtyard, which accounted for the majority of total waste produced. Please refer to the explanations of the following key figures.

1) The waste disposal method was determined on the basis of information provided by the waste disposal provider.

WASTE FOR RECYCLING AND DISPOSAL BY TYPE (SOLID/LIQUID) IN TONNES [GRI 306-2]

	2013/14	2014/15	2015/16	2016/17	2017/18
Solid waste for recycling	28,490	27,661	30,655	35,882	37,171
Liquid waste for recycling	819	994	964	1,855	2,307
Solid waste for disposal	840	754	1,165	687	902
Liquid waste for disposal	1,342	676	317	354	412

In total, approx. 97 percent of the waste produced at Miele can be recycled. The volume of liquid waste for disposal rose relatively sharply in the reporting year. This was due to the trial of a new method to process rinsing fluids at the Bielefeld location.

SOURCE AREAS OF TOTAL WASTE IN TONNES [GRI 306-2]

	2013/14	2014/15	2015/16	2016/17	2017/18
Waste from production, product parts ¹⁾	27,502	26,039	27,872	30,828	30,531
Waste from operational plants, administration, and development areas ²⁾	3,283	3,306	3,292	3,664	3,579
Waste from buildings, ground ³⁾	718	739	1,937	4,285	6,681

For causes of the increase in the amount of waste, see [Waste for recycling and disposal by type](#).

- 1) A waste type is allocated to a source area if at least 80 percent of the waste type comes from the area concerned. Waste from production: product and production parts such as scrap metal, foundry waste, acids, waste from the treatment of technical waste water, and plastic parts.
- 2) Examples of waste from operational plants, administration and development areas: scrap disposal of outdated production facilities, cable remains, spent oils, cardboard and paper, wood, pallets, and general waste.
- 3) Waste from buildings and grounds includes, for example, building rubble, excavated soil, stones, neon tubes, flooring, waste from green areas and sewer cleaning, rubbish.

[← Back](#)[Key figures](#)[GRI content index](#)**PRODUCTION WASTE PER TONNE OF PRODUCT¹⁾ IN KILOGRAMMES [GRI 306-2]**

2013/14	2014/15	2015/16	2016/17	2017/18
157	147	148	149	151

1) Waste that is directly related to production activities, such as scrap metal, foundry waste and acids, is expressed in relation to tonnes of product. The amounts of waste from "Buildings/grounds" and "Operations facilities, administration and development areas" are not included here (see source areas of total waste).

DESTINATION OF TOTAL WASTE IN TONNES [GRI 306-2]

	2013/14	2014/15	2015/16	2016/17	2017/18
Materials recycling, processing ¹⁾	26,789	26,305	29,200	31,532	32,357
Energy recovery, incineration ²⁾	2,115	1,774	1,976	2,235	2,208
Physicochemical treatment ³⁾	2,122	1,615	1,149	2,003	2,536
Dumping ⁴⁾	476	390	775	3,007	3,692

The share of dumped waste climbed in the reporting year due to the disposal of harmful building materials resulting from construction work. The waste disposal service provider ensures that the harmful materials are properly separated.

1) Recovery, conditioning methods, processing of sludge into building materials.

2) Thermal recovery of highly calorific waste with a gross calorific value of > 11,000 kJ and special waste incineration.

3) Treatment of waste from surface and waste water treatment, sewer-cleaning activities, and emulsion drilling.

4) Rubble and soil from construction work are normally disposed of at dumpsites.

WATER CONSUMPTION¹⁾ IN CUBIC METRES [GRI 303-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
Total	370,085	340,631	365,221	361,822	357,868
Water from the public system	210,963	205,160	224,470	206,055	212,453
Water from own supply	159,122	135,471	140,751	155,767	145,415
Surface water ²⁾	-	-	-	-	-

In absolute terms, water consumption declined by 3,954 cubic metres year on year in the business year 2017/18. This was due to process improvements at various locations. In Oelde, for instance, cleaning activities in a coating plant were optimised.

1) Water consumption is measured using water meters and taken from the energy reports from the energy management system.

2) Rainwater which is stored in cisterns or other similar containers and fed into a separate water system.

[← Back](#)[Key figures](#)[GRI content index](#)**WATER CONSUMPTION PER TONNE OF PRODUCT IN CUBIC METRES [GRI 303-1]**

2013/14	2014/15	2015/16	2016/17	2017/18
2.11	1.92	1.94	1.74	1.77

The specific water consumption per tonne of product was able to be lowered by just under 10 percent in the reporting period. This was achieved by retaining cooling water in the system by means of heat exchangers. In addition, processes to use surface water were also improved in the Oelde factory.

WASTE WATER IN CUBIC METRES [GRI 306-1]

	2013/14	2014/15	2015/16	2016/17	2017/18 ³⁾
Total	336,474	316,084	336,094	332,838	326,492
Technical waste water ¹⁾	46,866	45,261	53,393	52,625	51,438
Other waste water ²⁾	289,608	270,823	282,701	280,213	275,053

Waste water quantities are not identical to the quantities of water withdrawn, since water evaporates in some technical processes. Waste water quantities were lowered thanks to process improvements at various locations.

1) Technical waste water is treated mechanically, chemically or biologically before being discharged into the public sewer system.

2) Standard household dirty water as an indirect discharge into the local sewer for local waste water treatment (the > Braşov plant remains an exception).

3) Deviations as a result of rounding the figures.

WASTE WATER PER TONNE OF PRODUCT IN CUBIC METRES [GRI 306-1]

2013/14	2014/15	2015/16	2016/17	2017/18
1.92	1.78	1.79	1.60	1.62

Energy and emissions**ENERGY CONSUMPTION IN MWH [GRI 302-1, 302-4]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Direct energy consumption	51,390	50,723	51,647	56,798	72,047
Heating oil	653	569	382	250	535
Natural gas	50,737	50,154	51,265	56,548	71,512
Indirect energy consumption	172,156	172,666	179,343	189,571	177,369
District heating	33,429	34,643	34,093	37,138	35,143
Electricity	138,727	138,023	145,250	152,433	142,226
Total energy consumption	223,546	223,389	230,990	246,369	249,416

In absolute terms, direct energy consumption increased by just under 40 percent in the reporting period to 72,047 megawatt-hours. The main reason for this was the increased consumption of natural gas at the Bielefeld location, which rose significantly in the business year 2017/18 due to the commissioning of a new cogeneration plant. Natural gas consumption also increased at the Gütersloh and Uničov plants in the reporting period due to weather conditions. Another factor is the expansion of the building at the Uničov location. Natural gas is only used in processes at the Gütersloh location. There are many different reasons for the changes to electricity purchasing. Production rose sharply in the business year 2016/17, for example. Demand for electricity rose particularly at the Uničov and Dongguan locations.

ENERGY CONSUMPTION PER TONNE OF PRODUCT IN KWH [GRI 302-3]

2013/14	2014/15	2015/16	2016/17	2017/18
1,275	1,260	1,228	1,188	1,236

[← Back](#)**Key figures**[GRI content index](#)**ENERGY CONSUMPTION PER PRODUCT IN KWH [GRI 302-3]**

2013/14	2014/15	2015/16	2016/17	2017/18
47	45	44	42	43

Energy consumption per product was able to be cut further in the business year 2017/18 compared to the business year 2015/16, in spite of the rise in energy consumption in absolute terms.

ENERGY MIX¹⁾ OF ELECTRICITY PURCHASED WORLDWIDE²⁾ AS A PERCENTAGE [GRI 302-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
Renewable energy	36	28	28	29	29
Energy from fossil fuels	26	28	29	28	33
Nuclear energy	36	41	40	41	37
Other	3	3	3	2	1

1) The energy mix illustrated here represents the mix of all electricity purchased by Miele. The individual energy mixes of local electricity providers were included in proportion to the providers' respective shares of the total Miele electricity supply.

2) Deviations as a result of rounding the figures.

ENERGY-RELATED CO₂ EMISSIONS IN TONNES [GRI 305-1, 305-2]

	2013/14	2014/15	2015/16	2016/17	2017/18
Heating oil and natural gas	10,625	10,558	10,309	11,722	15,091
Electricity and district heating	38,100	40,817	42,189	43,811	42,739
Total	48,725	51,375	52,498	55,533	57,830

The primary cause of the increase in energy-related emissions was increased natural gas consumption in the business year 2017/18, see [> energy consumption](#).

ENERGY-RELATED CO₂ EMISSIONS PER TONNE OF PRODUCT IN KILOGRAMMES [GRI 305-5]

	2013/14	2014/15	2015/16	2016/17	2017/18
Heating oil and natural gas	61	60	55	57	75
Electricity and district heating	217	230	224	211	212
Total	278	290	279	268	287

[← Back](#)[Key figures](#)[GRI content index](#)**THE CORPORATE CARBON FOOTPRINT¹⁾ IN TONNES OF CO₂ [305-1, 305-2, 305-3, 305-5]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Scope 1 – Direct CO ₂ emissions	16,912	16,812 ²⁾	16,395	17,561	21,307
Natural gas	10,457	10,381	10,207	11,655	14,948
Heating oil	168	177	102	67	143
Fleet	6,287	6,254	6,086	5,839	6,216
Scope 2 – Indirect CO ₂ emissions	38,100	40,817	42,189	43,810	42,739
Electricity	32,860	35,430	36,926	37,780	36,640
District heating	5,240	5,387	5,263	6,030	6,099
Scope 3 – Indirect CO ₂ - emissions	42,446	45,305	48,826	41,121	40,666
Logistics	39,774	42,754	46,015	37,935	37,060
Outbound transport ¹⁾	35,531	38,456	41,303	30,857	30,223
Distribution in Germany	4,243	4,298	4,712	7,078	6,837
Business trips	2,672	2,551	2,811	3,186	3,606
Total CO₂ emissions	97,457	102,934²⁾	107,410	102,493	104,712

1) Deviations as a result of rounding the figures.

2) The 2017 Sustainability Report contained a calculation error in relation to direct CO₂ emissions in the business year 2014/15. Direct scope 1 CO₂ emissions in the business year 2014/15 stood at 16,812 tonnes and not 16,635 tonnes, and so total CO₂ emissions came to 102,934 tonnes and not 102,757 tonnes.**THE CORPORATE CARBON FOOTPRINT¹⁾ IN TONNES OF CO₂ [305-1, 305-2, 305-3, 305-5]**

	2013/14	2014/15	2015/16	2016/17	2017/18
CO ₂ emissions/employee	5.52	5.79	5.85	5.27	5.36
CO ₂ emissions/million euros of turnover	30.26	29.44	28.94	26.08	25.54
CO ₂ emissions/ tonne of product	0.56	0.58	0.57	0.49	0.52
Total CO ₂ emissions/item	0.020	0.021	0.021	0.017	0.018

1) Deviations as a result of rounding the figures.

Total emissions increased by 2.2 percent in 2017/18 compared to 2016/17. However, compared to 2015/16, emissions were 2.5 percent lower at the end of the reporting period. This was able to be achieved even though scope 1 emissions increased by 30 percent in the reporting period. The rise in direct emissions was due to the increase in direct > energy consumption.

Scope 2 CO₂ emissions declined by 2.4 percent year on year in the business year 2017/18. However, over the reporting period as a whole, they rose by 1.3 percent. This was due to the increased electricity consumption at the Uničov and Dongguan locations, where the CO₂ emissions factor for electricity is significantly higher than it is in Germany: 489 g/kWh in Uničov and 997 g/kWh in Dongguan. The CO₂ emissions factor at sites in Germany amounts to 205 g/kWh and is therefore significantly lower than the > Germany mix. Miele achieved this CO₂ emissions factor at its German production plants by purchasing emissions certificates. CO₂ emissions caused by district heating rose sharply in the business year 2016/17 and by a small margin in the business year 2017/18. District heating is provided at three locations: Warendorf, Bielefeld, and Gütersloh.

Indirect scope 3 emissions from logistics and business trips were lowered by a total of 17 percent in the reporting period. The significant decline in CO₂ emissions in transport logistics was due to the full revision of all data and calculation factors in the business year 2016/17 (see > Transport volume und > Transport-related CO₂ emissions).

Specific CO₂ emissions were able to be lowered further in the reporting period by just under 9 percent per tonne of product and by approximately 12 percent per million euros of turnover.

Method: The carbon footprint was compiled according to the standards of the Greenhouse Gas (GHG) protocol. Miele applied a market-based approach to the calculation of CO₂ emissions. This approach is based on the specific emission factors of the company. The alternative method is location-based, where average emissions factors are calculated for a particular geographic region. There are significant differences in the calculated emissions volume depending on the applied method. The CO₂ emissions factor at Miele production plants in Germany is significantly better than the figure for the electricity mix in Germany (see scope 2).

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Logistics and mobility

TRANSPORT VOLUME IN MILLION TONNE-KILOMETRES AND PERCENTAGES

	2013/14	2014/15 ²⁾	2015/16	2016/17	2017/18 ²⁾
Total	665.3	694.4	744.2	849.4	861.8
Outbound ¹⁾	618.7	646.8	692.7	794.0	807.0
By ship (%)	81.5	81.3	81.7	83.2	84.2
By lorry (%)	14.1	14.1	14.2	13.1	12.3
By rail (%)	3.4	3.3	3.0	2.7	2.7
By air (%)	1.0	1.3	1.1	1.0	0.9
Distribution in Germany	46.6	47.5	51.5	55.4	54.8

Transport volume increased further, particularly via ship. This was due to the positive sales development overseas, particularly in Asia. Miele also generated sales growth in Germany in the reporting period, which was directly reflected in distribution.

1) Supply of subsidiaries or direct supply of international customers with finished products and spare parts from the central warehouse or directly ex works

2) Deviations as a result of rounding the figures.

TRANSPORT-RELATED CO₂ EMISSIONS TTW^{1),2)} IN TONNES AND PERCENTAGES [GRI 305-3]

	2013/14	2014/15	2015/16	2016/17	2017/18
Total	39,774	42,754	46,015	37,935	37,060
Outbound	35,531	38,456	41,303	30,857	30,223
By ship (%)	65.1	62.5	64.3	48.1	50.4
By lorry (%)	24.1	23.4	24.2	36.2	35.3
By air (%)	10.5	13.8	11.2	14.1	12.8
By rail (%)	0.3	0.3	0.4	1.5	1.6
Distribution in Germany	4,243	4,298	4,712	7,078	6,837

The data in this category was completely revised in the business year 2016/17. Now the latest environmentally friendly forms of transport are also taken into consideration. CO₂ emissions were able to be cut particularly in the area of shipping. This was due to the larger units and more-significant speed reductions. Efficient technology and increased plane capacity in air freight also helped to reduce emissions factors in this area. This resulted in a significant improvement in emissions in absolute terms.

1) Deviations as a result of rounding the figures.

2) Tank-to-wheel representation.

[← Back](#)[Key figures](#)[GRI content index](#)**CO₂ EMISSIONS OF THE MIELE FLEET TTW^{1,2} IN TONNES AND PERCENTAGES [GRI 305-1]**

	2013/14	2014/15	2015/16	2016/17	2017/18
CO ₂ emissions	6,287	6,254	6,086	5,839	6,216
By car (%)	37.6	36.2	36.6	36.1	36.2
By LCV ³ (customer service) (%)	60.3	61.9	61.3	61.7	61.9
By lorry (%)	2.1	1.9	2.1	2.1	1.9

CO₂ emissions of cars and light commercial vehicles (LCV) increased by 6.5 percent in 2017/18 compared to 2016/17. This was due to an increase in the number of sales-related and customer service journeys (+6.5 percent).

1) Deviations as a result of rounding the figures.

2) Tank-to-wheel representation.

3) Light commercial vehicles.

RELATIVE CO₂ EMISSIONS IN GRAMMES PER KILOMETRE [GRI 305-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
Cars	128	124	120	116	115
LCV ¹ (customer service)	194	190	183	174	168

Specific CO₂ emissions per car and LCV were able to be lowered further to 115 g/km and 168 g/km respectively.

1) Light commercial vehicles.

CO₂ EMISSIONS WITH EXTERNALLY PURCHASED TRANSPORT SERVICES¹ IN TONNES [GRI 305-3]

	2013/14	2014/15	2015/16	2016/17	2017/18
Total	2,671	2,551	2,811	3,186	3,606
Car	117	124	131	134	145
Rail ²	-	-	16	23	21
Flights	2,554	2,427	2,664	3,029	3,440

CO₂ emissions from business trips rose further, both in the business year 2016/17 and in the business year 2017/18. Increased air travel due to international projects contributed to this trend. In 2017, Miele employees travelled a total of 2,335,683 passenger-kilometres in long-distance trains. These passenger-kilometres are completely CO₂-free. CO₂ emissions caused by rail travel are attributable to passenger-kilometres in short-distance journeys.

1) CO₂ emissions resulting from business trips with vehicles from the [Miele fleet](#) recorded separately.

2) In recent years, long-distance journeys by rail were CO₂-free as part of the "bahn.corporate" programme. Emissions arising from short-distance journeys were not recorded separately prior to 2016 and cannot be calculated in retrospect.

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USING THE JOB TICKET FOR PUBLIC TRANSPORT FOR THE GÜTERSLOH AND BIELEFELD PLANTS NUMBER

2013/14	2014/15	2015/16	2016/17	2017/18
957	940	915	957	958

AREA COVERED AND NOT COVERED BY STRUCTURES IN SQUARE METRES

	2014	2015	2016	2017	2018
Total	1,714,024	1,733,214	1,733,214	1,818,822	2,038,037
Area covered by structures	530,918	534,550	547,473	555,526	591,070
Area not covered by structures	1,183,106	1,198,664	1,185,741	1,263,296	1,446,967
Green areas	769,596	773,589	750,108	809,795	965,858
Surfaced area	413,510	425,075	435,633	453,501	481,109

New areas are always measured once a construction project is completed. The respective areas therefore only change on completion of construction activities. The increase in areas covered by structures in the 2017 calendar year was predominantly due to the construction of the new fire station and car park at the Gütersloh site. In 2018, the increase is the result of the inclusion of the new plant location in Ksawerow (Poland).

Employees & society

[GRI 102-8] All figures relating to employees refer to the number of persons and not full-time equivalents.

Human resources management

EMPLOYEES INCL. THE STEELCO GROUP NUMBER [GRI 401-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
Total	17,660	17,741	18,370	19,465	20,098
in Germany	10,411	10,346	10,326	10,888	11,225
Outside of Germany	7,249	7,395	8,044	8,577	8,873

As of 30 June 2018, the Miele Group employed a total of 20,098 people, including the 560 employees of the Steelco Group. This represents an increase of 9.4 percent over the business year 2015/16. In addition, Miele has employed additional personnel at the sales subsidiary in Germany and at the headquarters in Gütersloh. In total, 11,225 people work for Miele in Germany, an increase of 337 people or 3.1 percent.

DISTRIBUTION OF EMPLOYEES AS A PERCENTAGE [GRI 102-2]

	2017/18
Sales subsidiary Germany	8
Production sites in Germany ¹⁾	48
Sales subsidiaries outside of Germany	29
Production sites outside of Germany	15

1) This also includes employees of central administration at the Gütersloh site.

[← Back](#)[Key figures](#)[GRI content index](#)**CONTRACT EMPLOYEES IN GERMANY NUMBER AND PERCENTAGE [GRI 102-8]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Number	332	453	498	722	394
Proportion of the entire workforce (%)	3.2	4.4	4.8 ¹⁾	6.6 ¹⁾	3.5

The increase in the business year 2016/17 was due to the growth in production.

1) The Company-Wide Collective Agreement specifies the conditions under which the rate of 4.5 percent (also determined in the Agreement) can be deviated from. These deviations are agreed with the works council in special regulations and employer/works council agreements.

EMPLOYEE TURNOVER IN GERMANY¹⁾ [GRI 401-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
Number of resignations	93	99	229	116	151
Rate of turnover (%)	0.89	0.96	2.22	1.07	1.37

1) Temporary employment contracts are not included. Terminations issued by the company are included in the calculation.

PROPOSED IMPROVEMENTS SUBMITTED AS PART OF THE IDEAS MANAGEMENT SCHEME IN GERMANY¹⁾ NUMBER

	2013/14	2014/15	2015/16	2016/17	2017/18
	2,083	2,129	2,007	2,009	2,667

The number of proposed improvements increased by approximately 30 percent to 2,667 in the business year 2017/18. Miele's campaigns were aimed at familiarising Miele employees with the area of ideas management and inviting them to contribute ideas of their own.

1) These figures refer to all German plants and distribution and service centres, excluding the Bünde and Arnsberg locations of imperial-Werke, a Miele affiliate.

TOTAL SAVINGS FROM IMPLEMENTED EMPLOYEE PROPOSALS FOR IMPROVEMENT IN GERMANY¹⁾ IN THOUSANDS OF EUROS

	2013/14	2014/15	2015/16	2016/17	2017/18
	3,302	2,256	2,159	1,522	1,664

The economic impact of proposals for improvement totalled 1.7 million euros in the business year 2017/18. This reflects effects from both preceding business years, as the benefit of proposals for improvement can only be accurately calculated once the proposals have been implemented. In addition, many proposals were only able to be implemented a significant period of time after their submission. The benefits of such measures can therefore only be determined at a later date.

1) These figures refer to all German plants and distribution and service centres, excluding the Bünde and Arnsberg locations of imperial-Werke, a Miele affiliate.

Occupational health and safety

The figures on occupational health and safety refer to all production sites, the sales subsidiary in Germany and the five German distribution and service centres, four of which closed in the third quarter of 2015/16 and distribution was centralised in Gütersloh.

REPORTABLE WORKPLACE¹⁾ AND COMMUTING ACCIDENTS NUMBER [GRI 403-2]

	2013/14	2014/15	2015/16	2016/17	2017/18
Workplace accidents	236	177	174	184	214
Commuting accidents	48	44	46	49	53
Total	284	221	220	233	267

There were no fatal accidents in either business year 2016/17 or business year 2017/18.

1) All accidents resulting in an absence of three or more workdays must be disclosed in detail to the insurer. Incidents involving an absence of less than three days are covered by accident notifications.

[← Back](#)[Key figures](#)[GRI content index](#)

REPORTABLE WORKPLACE¹⁾ AND COMMUTING ACCIDENTS²⁾ NUMBER PER 1 MILLION WORK HOURS (INJURY FREQUENCY) [GRI 403-2]

	2013/14	2014/15	2015/16	2016/17	2017/18
Workplace accidents	13.6	10.2	9.5	9.3	11.1
Commuting accidents	2.8	2.5	2.5	2.5	2.8
Total	16.3	12.7	12.1	11.8	13.9

1) All accidents resulting in an absence of three or more workdays must be disclosed in detail to the insurer. Incidents involving an absence of less than three days are covered by accident notifications.

2) Deviations as a result of rounding the figures.

REPORTABLE WORKPLACE¹⁾ AND COMMUTING ACCIDENTS NUMBER PER 1000 EMPLOYEES ("THOUSAND-MAN RATE") [GRI 403-2]

	2013/14	2014/15	2015/16	2016/17	2017/18
Workplace accidents	19.2	14.5	13.9	13.7	15.7
Commuting accidents	3.9	3.6	3.7	3.7	3.9
Total	23.1	18.1	17.6	17.4	19.6

1) All accidents resulting in an absence of three or more workdays must be disclosed in detail to the insurer. Incidents involving an absence of less than three days are covered by accident notifications.

LOST DAYS¹⁾ DUE TO A WORKPLACE OR COMMUTING ACCIDENT NUMBER [GRI 403-2]

	2013/14	2014/15	2015/16	2016/17	2017/18
Lost days due to a workplace accident	3,811	2,637	2,911	3,219	3,269
Lost days due to a commuting accident	1,331	1,125	995	842	1,053
Total	5,142	3,762	3,906	4,061	4,322

1) "Lost days" denotes the number of scheduled workdays lost starting from the time of the accident.

TRAINING SESSIONS ON OCCUPATIONAL SAFETY NUMBER OF PARTICIPANTS

	2013/14	2014/15	2015/16	2016/17	2017/18
	896	1,725	1,215	1,119	956

Vocational training and development

COST OF VOCATIONAL TRAINING AND DEVELOPMENT IN GERMANY IN MILLIONS OF EUROS [GRI 404-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
	16.5	16.8	17.6	18.6	20.6

The commercial and technical apprenticeship scheme, along with internal and external advanced training programmes, accounted for the largest portion of the expenses in the business year 2017/18 (on-site training). Additional expenses were incurred, for example, for initial training programmes and advanced customer service training.

[← Back](#)[Key figures](#)[GRI content index](#)**ADVANCED TRAINING TIME FRAMES NUMBER OF HOURS PER EMPLOYEE [GRI 404-1]**

2013/14	2014/15	2015/16	2016/17	2017/18
6.2	7.1	7.1	7.1	8.1

The number of advanced training hours per employee increased from six hours in 2013/14 to eight in the business year 2017/18. This was due to the increased number of on-site, project-specific training courses, training for prospective managers, and qualifications for newly recruited customer service employees.

APPRENTICES IN GERMANY¹⁾ NUMBER AND PERCENTAGE [GRI 102-8]

	2013/14	2014/15	2015/16	2016/17	2017/18
Number	483	481	472	472	496
Proportion (%)	4.6	4.7	4.6	4.3	4.4

1) The reference date for each year is 1 September, as this date provides a better representation of actual apprentices figures than does the previous date of 30 June (business year end). The reason for this is that many apprentices have already completed their exams by the end of the business year and are therefore not formally considered apprentices, although they are still employed by the company and the new apprentices have not yet begun their programme.

WOMEN AND MEN IN THE TECHNICAL AND COMMERCIAL APPRENTICESHIP SCHEME IN GERMANY AS A PERCENTAGE [GRI 102-8]

	2013/14	2014/15	2015/16	2016/17	2017/18
Technical apprenticeship					
Women	12	12	9	11	12
Men	88	88	91	89	88
Commercial apprenticeship					
Women	55	55	50	47	53
Men	45	45	50	53	47

Diversity and equal opportunity**EMPLOYEES ACCORDING TO AGE GROUP IN GERMANY AS A PERCENTAGE [GRI 405-1]**

	2017/18
< 30 years	16
30 to 50 years	41
> 50 years	43

The average age of employees in Germany remained 45 years in the business year 2017/18.

[← Back](#)[Key figures](#)[GRI content index](#)**WOMEN AND MEN IN THE MIELE WORKFORCE IN GERMANY NUMBER [GRI 405-1]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Women	2,404	2,399	2,289	2,406	2,500
Men	8,008	7,947	8,037	8,482	8,725

WOMEN AND MEN IN THE MIELE WORKFORCE IN GERMANY AS A PERCENTAGE [GRI 405-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
Women	23	23	22	22	22
Men	77	77	78	78	78

WOMEN AND MEN IN MANAGEMENT POSITIONS AS A PERCENTAGE [GRI 405-1]

	2013/14	2014/15	2015/16 ¹⁾	2016/17	2017/18
Women	10	12	22	22	23
Men	90	88	78	78	77

1) From the business year 2015/16, the term "manager" applies to all six management levels globally. Previously, the term covered the Executive Board, company officials with power of attorney and authorised agents.

EMPLOYEES WITH DISABILITIES ACCORDING TO AGE GROUP IN GERMANY¹⁾ [GRI 405-1]

	2013/14	2014/15	2015/16	2016/17	2017/18
Number of employees with disabilities	480	582	578	584	609
Proportion of employees with disabilities (%)	5	6	6	6	6

1) The definition of "employees with disabilities" follows the legal definition of disability in social legislation - Article 2 of the Social Code (SGB) IX.t

FULL AND PART-TIME EMPLOYMENT IN GERMANY [GRI 102-8]

	2013/14	2014/15	2015/16	2016/17	2017/18
Number of full-time workers	9,677	9,559	9,585	10,100	10,414
Proportion of full-time workers (%)	92.9	92.4	92.8	92.8	92.8
Number of part-time workers	735	787	741	782	811
Proportion of part-time workers (%)	7.1	7.6	7.2	7.2	7.2

EMPLOYEES WITH AND WITHOUT FLEXTIME IN GERMANY AS A PERCENTAGE

	2013/14	2014/15	2015/16	2016/17	2017/18
With flexitime	48	50	55	56	59
Without flexitime	52	50	45	44	41

[← Back](#)[Key figures](#)[GRI content index](#)**FOREIGN EMPLOYEES IN GERMANY¹⁾ [GRI 405-1]**

	2013/14	2014/15	2015/16	2016/17	2017/18
Number	526	530	550	618	659
Proportion as a percentage	5.1	5.1	5.3	5.7	5.9

1) "Foreign employees" denotes all employees who do not have German citizenship.

Social engagement**AMOUNT OF FINANCIAL DONATIONS TO CHARITABLE PROJECTS MADE BY MIELE & CIE. KG IN THOUSANDS OF EUROS [GRI 201-1]**

2013/14	2014/15	2015/16	2016/17	2017/18
277	215	181	207	196

AMOUNT OF FINANCIAL DONATIONS TO CHARITABLE PROJECTS MADE BY THE MIELE FOUNDATION¹⁾ IN THOUSANDS OF EUROS [GRI 201-1]

2013	2014	2015	2016	2017	2018
97	81	81	94	89	89

The Foundation only invests its interest profit. The basic amount is 2.5 million euros.

1) Data for the Miele Foundation refers to calendar years.

GRI content index

[GRI 102-55] The 2019 Miele Sustainability Report was prepared according to the standards of the Global Reporting Initiative (GRI): “Core” option. Beyond the core requirements, further indicators are shown. The information on the fulfilment of the indicators can be found on the report pages, which are linked here. Where an indicator is not completely covered by these disclosures, additional information is included directly in the index.

GRI 102: GENERAL INFORMATION 2016

GRI standards and information	Links, additions and omissions
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ORGANISATIONAL PROFILE

102-1	Name of the organisation	Company profile > What Miele stands for
102-2	Activities, brands, products and services	Company profile > What Miele stands for Company profile > The products Key figures > Profile Miele's products and services are approved for use in all markets where Miele is active. Full documentation of whether the products on offer are questioned by stakeholders is not carried out.
102-3	Location of headquarters	Company profile > What Miele stands for
102-4	Location of operations	Company profile > What Miele stands for Company profile > Miele worldwide
102-5	Ownership and legal form	Company profile > What Miele stands for
102-6	Markets served	Company profile > Miele worldwide Company profile > The products

GRI standards and information

Links, additions and omissions

102-7	Scale of the organisation	Company profile > What Miele stands for Company profile > Miele worldwide Company profile > The products Key figures > Profile As a family-owned company with the legal form of a “Kommanditgesellschaft” (private limited partnership), Miele does not publish any information regarding total capitalisation.
102-8	Information on employees and other workers	Employees & society > HR management > Employment at Miele in figures Employees & society > HR management > Good integration of temporary employees Employees & society > HR management > Clear structures Key figures > HR management Key figures > Diversity and equal opportunity The detailed breakdown of workforce figures required for full compliance with this indicator is not currently used for central management purposes in HR management. Staff levels do not fluctuate seasonally.
102-9	Supply chain	Company profile > The value chain Supply chain & production > Supplier management Key figures > Supplier management
102-10	Significant changes to the organisation and its supply chain	Report profile > About this report Supply chain & production > Supplier management > Selecting new suppliers
102-11	Precautionary principle or approach	Management & processes > Sustainability management > Introduction
102-12	External initiatives	Management & processes > Sustainability management > Internal and external guidelines and standards
102-13	Memberships of associations	Management & processes > Stakeholder engagement > Committee and association activities > miele.com/sustainability

[< Back](#)[Key figures](#)[GRI content index](#)**GRI standards and information****Links, additions and omissions****STRATEGY****102-14** Statement from senior decision-maker[> Foreword](#)**102-15** Key impacts, risks and opportunities[Management & processes > Sustainability strategy](#)[Management & processes > Sustainability strategy](#)[> Results of the materiality analysis](#)[Strategic introductory pages per chapter](#)[Miele assesses economic, environmental and social risks and opportunities, and their effects, in the scope of risk management and materiality analysis](#)
[The level of detail required by the indicator is not fully recorded.](#)**ETHICS AND INTEGRITY****102-16** Values, principles, standards and norms of behavior[Management & processes > Sustainability management](#)**102-17** Mechanisms for advice and concerns about ethics[Management & processes > Sustainability management > Compliance management](#)**GOVERNANCE****102-18** Governance structure[Management & processes > Sustainability management > Systematic sustainability management](#)**102-19** Delegating authority[Management & processes > Sustainability management > Sustainability committee as key body](#)**102-20** Executive-level responsibility for economic, environmental and social topics[Management & processes > Sustainability management > Systematic sustainability management](#)**GRI standards and information****Links, additions and omissions****STAKEHOLDER ENGAGEMENT****102-40** List of stakeholder groups[Management & processes > Stakeholder engagement > Overview of stakeholder engagement](#)**102-41** Collective bargaining agreements[Employees & society > HR management > Employee participation](#)**102-42** Identifying and selecting stakeholders[Management & processes > Stakeholder engagement > Stakeholder management](#)**102-43** Approach to stakeholder engagement[Management & processes > Stakeholder engagement > Overview of stakeholder engagement](#)[Production & services > Development and innovation > Dialogue for sustainable ideas](#)**102-44** Key topics and concerns raised[Management & processes > Stakeholder engagement > Overview of stakeholder engagement](#)[Production & services > Development and innovation > Dialogue for sustainable ideas](#)**REPORTING PRACTICE****102-45** Entities included in the consolidated financial statements[Report profile > About this report](#)[The entities included in the sustainability report deviate from those in the consolidated financial statements and annual financial statements, particularly the information on foreign subsidiaries provided as an example \(see consolidated financial statements and annual financial statements in the Federal Gazette\).](#)**102-46** Defining report content and topic boundaries[Management & processes > Sustainability management > Materiality process 2018](#)**102-47** List of all material topics[Report profile > About this report](#)[Management & processes > Sustainability strategy > Results of the materiality analysis](#)

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102-48	Restatements of information	Report profile > About this report Management & processes > Sustainability strategy > Results of the materiality analysis In cases where the presentation format has been modified, it is specified in the text.
102-49	Changes in reporting	Report profile > About this report Management & processes > Sustainability strategy > Results of the materiality analysis If the report boundaries or reporting periods have changed, it is noted accordingly in the text.
102-50	Reporting period	Report profile > About this report
102-51	Date of most recent report	Report profile > About this report
102-52	Reporting cycle	Report profile > About this report
102-53	Contact point for questions regarding the report	> Imprint
102-54	Claims of reporting in accordance with the GRI Standards	Report profile > About this report
102-55	GRI content index	> GRI content index
102-56	External assurance	External assurance for the report has not been sought and is not planned in the future.

GRI standards and information**Links, additions and omissions****MATERIAL TOPICS: GRI 200 ECONOMIC, GRI 300 ENVIRONMENTAL, GRI 400 SOCIAL****GRI 201: ECONOMIC PERFORMANCE 2016**

103-1/2/3	Management approach	Company profile > What Miele stands for Company profile > Miele worldwide Management and processes > Strategic approach
201-1	Direct economic value generated and distributed	Employees & society > HR management > Fair pay – naturally Key figures > Profile Employees & society > Social engagement > Donations during the reporting period A detailed breakdown is not reported by Miele. As a family-owned company with the legal form of a “Kommanditgesellschaft” (private limited partnership), Miele does not issue any information regarding the required details.
201-2	Financial implications and other risks and opportunities due to climate change	Management & processes > Sustainability management > An overview of global sustainability risks Focus page per chapter In the medium term, Miele plans to carry out a climate impact assessment that also takes risks and opportunities into account
201-3	Defined benefit plan obligations and other retirement plans	Employees & society > HR management Key figures > Pension provisions Miele reports the pension provisions it creates. No further breakdown is carried out.

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- 201-4** Financial assistance received from government
- Miele applies for the proportional reimbursement of power and energy tax for the production industry. For certain processes and methods (including generating own power in combined heat and power units), Miele applies for full tax relief on power and energy. This is based on the period of purchase/consumption. The company received tax relief of Euro 1,104,000 in 2016. Tax relief amounted to Euro 1,192,000 in 2017.
- Miele also received investment grants relating to cooling plants. A subsidy of Euro 100,000 relating to a cooling plant at the Bünde plant was paid out in August 2016. The eligible net investment amounted to Euro 427,000.

GRI 202: MARKET PRESENCE 2016

- 103-1/2/3** Management approach
- Employees & society > HR management
Employees & society > Strategic approach
- 202-1** Ratios of standard entry level wage by gender compared to local minimum wage
- Employees & society > HR management
Key figures > HR management
- As a party to collective wage agreements, Miele is obliged to pay the agreed wages. In Germany, this concerns 90 percent of the workforce in all plants and in the central office. A total of 10 percent of the workforce is paid wages outside the scope of collective wage agreements – meaning they receive higher pay. The German plants employ 11,225 people and are therefore classed as important.

GRI 203: INDIRECT ECONOMIC IMPACTS 2016

- 103-1/2/3** Management approach
- Management & processes > Stakeholder engagement
Production & services > Development and innovation > Leasing instead of buying
Management and processes > Strategic approach
- Miele is able to observe the indirect consequences of the company's business activity in regular dialogue with community stakeholders, policy-makers and unions. Comprehensive, systematic analysis has not been conducted by Miele. For more information see Economic performance, Management approach.
- 203-2** Significant indirect economic impacts
- Production & services > Development and innovation > New business models and strategic partnerships
See GRI 103-1/2/3 regarding indirect economic impacts

GRI standards and information**Links, additions and omissions****GRI 204: PROCUREMENT PRACTICES 2016**

- 103-1/2/3** Management approach
- Supply chain & production > Supplier management
Supply chain & production > Natural resources and materials > Efficient use of resources
Supply chain & production > Strategic approach
- 204-1** Proportion of spending on local suppliers
- Supply chain & production > Supplier management > Procurement concept with local focus
Key figures > Supplier management
- Miele reports company-wide purchasing volumes by region.

GRI 205: ANTI-CORRUPTION 2016

- 103-1/2/3** Management approach
- Management & processes > Sustainability management > Raising employees' awareness of compliance
Management & processes > Sustainability management > Ombudsperson as a contact person if suspicions arise
Management & processes > Strategic approach
- 205-1** Operations assessed for risks related to corruption
- Management & processes > Sustainability management > Raising employees' awareness of compliance
- Potential cases of corruption are checked as part of the global audits. Potential risks arise from the violation of tendering regulations.
- 205-2** Communication and training about anti-corruption policies and procedures
- Management & processes > Sustainability management > Raising employees' awareness of compliance
- Miele records the total number of employees who receive training on the code of conduct. A breakdown by region and employee category, and the total number and percentage of informed business partners, are not recorded by Miele.
- 205-3** Confirmed incidents of corruption and actions taken
- Management & processes > Sustainability management > Ombudsperson as a contact person if suspicions arise

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103-1/2/3	Management approach	Management & processes > Sustainability management > Effective compliance management Management & processes > Strategic approach
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Management & processes > Sustainability management No complaints about anti-competitive behaviour, anti-trust, and monopoly practices at Miele were recorded in the reporting period.

GRI 301: MATERIALS 2016

103-1/2/3	Management approach	Supply chain & production > Natural resources and materials Supply chain & production > Environmental management Production & services > Product portfolio and quality Production & services > Disposal and recycling Supply chain & production > Strategic approach
301-1	Materials used by weight or volume	Key figures > Resources and materials Miele reports the production materials used by raw materials, other processing materials and electronics. They are not divided into renewable and non-renewable materials.
301-2	Recycled input materials used	Supply chain & production > Natural resources and materials > Efficient use of materials Products & services > Recycling and disposal > Closing material cycles The percentage of recycled input materials can only be measured for certain materials. This information is not available for all materials used.
301-3	Reclaimed products and their packaging materials	Products & services > Recycling and disposal > Return to manufacturer In terms of products, Miele focuses on its main sales market, Germany. For this sales market, the percentage of packaging reclaimed does not have to be recorded for the specific manufacturer, as returns are organised collectively with other manufacturers. The company is unable to make reliable statements regarding international returns based on the available information.

GRI standards and information**Links, additions and omissions****GRI 302: ENERGY 2016**

103-1/2/3	Management approach	Supply chain & production > Environmental management Supply chain & production > Energy and emissions > Group-wide network for increased energy efficiency Products & services > Product portfolio and quality Supply chain & production > Strategic approach
302-1	Energy consumption within the organisation	Supply chain & production > Energy and emissions > Current energy consumption Key figures > Energy and emissions Miele records energy consumption in megawatt hours (MWh). One MWh is equivalent to 3.6 gigajoules (GJ).
302-2	Energy consumption outside of the organisation	A key factor in energy consumption is the products' usage phase (see 302-5). Miele also calculates CO ₂ emissions from energy consumption (see 305-2), transports (see 305-3) and business travel (302-5). Miele has yet to record any further energy consumption outside the organisation.
302-3	Energy intensity	Supply chain & production > Energy and emissions > Current energy consumption Key figures > Energy and emissions
302-4	Reduction of energy consumption	Supply chain & production > Energy and emissions > Energy efficiency measures at the locations Key figures > Energy and emissions
302-5	Reductions in energy requirements of products and services	Key figures > Energy consumption labelling Production & services > Product portfolio and quality > Appliances

GRI 303: WATER 2016

103-1/2/3	Management approach	Supply chain & production > Environmental management > Certified management systems Supply chain & production > Resource efficiency > Consistent water management Supply chain & production > Strategic approach
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303-1 Water withdrawal by source
Supply chain & production > Resource efficiency > Consistent water management
Key figures > Water consumption in cubic metres

303-2 Water sources significantly affected by withdrawal of water
Supply chain & production > Resource efficiency > Consistent water management
The water sources used by Miele are not significantly affected by the withdrawal of water.
Water sources are monitored by the authorities. The quantities withdrawn from own wells were halved over recent years. There were no abnormalities in water samples in the reporting period. Quality is not affected by the withdrawal of water.

GRI 305: EMISSIONS 2016

103-1/2/3 Management approach
Supply chain & production > Environmental management
Supply chain & production > Energy and emissions
Supply chain & production > Transport and logistics
Supply chain & production > Strategic approach
Miele's primary contribution to environmental protection consists of improvements in energy efficiency. GHG emissions are offset in individual cases, e.g. emissions generated by the disposal of Miele sales and transport packaging or business trips on the Deutsche Bahn rail network.

305-1 Direct GHG emissions (Scope 1)
Key figures > Energy and emissions
Supply chain & production > Energy and emissions
> Developing absolute CO₂ emissions
Supply chain & production > Transport and logistics > Miele fleet
The carbon footprint only takes CO₂ emissions into account. Further GHG emissions and volatile CO₂ emissions have yet to be recorded. Biogenic CO₂ emissions are not relevant for Miele as no biogenic fuels are used.

305-2 Energy indirect GHG emissions (Scope 2)
Key figures > Energy and emissions
Supply chain & production > Energy and emissions
> Developing absolute CO₂ emissions
See GRI 305-1 for further information. Direct GHG emissions. Recording is carried out using a market-based approach.

GRI standards and information**Links, additions and omissions**

305-3 Other indirect GHG emissions (Scope 3)
Supply chain & production > Energy and emissions
> CO₂ emissions in the usage phase

Supply chain & production > Transport and logistics
> Calculation of the carbon footprint and other emissions
Key figures > Energy and emissions
See GRI 305-1 for further information. Direct GHG emissions

305-4 GHG emissions intensity
Key figures > Energy and emissions
See GRI 305-1 for further information. Direct GHG emissions

305-5 Reduction of GHG emissions
Supply chain & production > Energy and emissions
> Energy efficiency measures at the locations

Miele's primary contribution to environmental protection consists of improvements in energy efficiency.

305-6 Emissions of ozone-depleting substances (ODS)
Supply chain & production > Energy and emissions
Products and services > Recycling and disposal > Pollutants during disposal
Miele does not manufacture, import or export ozone-depleting substances.

305-7 Nitrogen oxides (NO_x), sulphur oxides (SO_x), and other significant air emissions
Supply chain & production > Energy and emissions
> Approach to greenhouse gases

Supply chain & production > Natural resources and materials > Ensuring supply security
Products and services > Recycling and disposal > Pollutants during disposal
The foundry and surface treatment plants in Gütersloh are subject to the reporting requirements of the German Pollutant Release and Transfer Register (PRTR). Dust emissions from the foundry are 70 percent lower than the prescribed limit (10 mg/cbm air emissions).

[< Back](#)[Key figures](#)[GRI content index](#)**GRI standards and information****Links, additions and omissions****GRI 306: EFFLUENTS AND WASTE 2016****103-1/2/3** Management approachSupply chain & production > Environmental management
> Certified management systemsSupply chain & production > Resource efficiency
> Waste avoidance and extensive recyclingProducts and services > Recycling and disposal
> Further improvement in recyclability

Supply chain & production > Strategic approach

306-1 Water discharge by quality and destinationSupply chain & production > Resource efficiency > Waste water
Key figures > Waste water

All plants have at least two waste water systems: dirty water and rain water. Rain water is directed into receiving waters. Dirty water is cleaned by municipal water treatment plants.

Dirty water limits are prescribed for municipal water treatment plants and Miele must comply with the resulting municipal requirements.

Depending on the location, that is ensured by self monitoring. The respective municipalities also carry out checks of the monitoring points at irregular intervals.

The Gütersloh, Oelde and Lehrte plants also produce technical waste water from surface treatment systems. That waste water is directed into the municipal water treatment plants via the sewer system.

Technical waste water is also subject to the handling requirements of the respective municipality. Self-monitoring measures have also been agreed in this area.

No detailed breakdown by destination, water quality and further use of the water by other organisations is carried out.

306-2 Waste by type and disposal methodSupply chain & production > Resource efficiency
> Waste avoidance and extensive recycling

Key figures > Resource efficiency

306-3 Significant spills

No significant spills took place at any of the production sites during the reporting period.

GRI standards and information**Links, additions and omissions****306-4** Transport of hazardous wasteSupply chain & production > Resource efficiency
> Waste avoidance and extensive recycling

Key figures > Resource efficiency

Miele does not import or export hazardous waste.

GRI 307: ENVIRONMENTAL COMPLIANCE 2016**103-1/2/3** Management approachSupply chain & production > Environmental management
> Certified management systems

Supply chain & production > Strategic approach

307-1 Non-compliance with environmental laws and regulationsSupply chain & production > Environmental management
> Cooperation between environmental protection and energy management

There were no infringements of environmental regulations by the company in the reporting period.

GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016**103-1/2/3** Management approach

Supply chain & production > Natural resources and materials > Efficient use of resources

Supply chain & production > Supplier management > Supplier management

Supply chain & production > Strategic approach

Potential environmental impacts and actual effects beyond direct suppliers have not been systematically recorded to date.

308-1 New suppliers that were screened using environmental criteria

Supply chain & production > Supplier management > Selection of new suppliers

Supply chain & production > Supplier management
> Assessment of environmental standards

All potential suppliers are required to complete a self-assessment, which includes criteria relating to environment management and climate protection. All production material suppliers considered for a business relationship are also subjected to a short on-site audit.

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308-2 Negative environmental impacts in the supply chain and actions taken

Supply chain & production > Supplier management > Supplier management

Miele checks compliance with environmental criteria during supplier assessment. Miele does not publish the detailed results. An environmental compatibility inspection does not form part of this check.

GRI 401: EMPLOYMENT 2016

103-1/2/3 Management approach

Employees & society > HR management > Partnership and appreciation

Employees & society > Strategic approach

401-1 New employee hires and employee turnover

Employees & society > HR management > Staff retention

Key figures > Employees incl. the Steelco Group

Key figures > Employee Turnover Germany

The evaluation and publication of information on employee turnover and new employees in Germany by age, gender and region is not relevant to governance at Miele, so these figures are not recorded. The same applies to turnover at the international locations.

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Employees & society > HR management > Traditionally comprehensive benefits

401-3 Parental leave

Employees & society > HR management

> Enhancing the compatibility of work and family life

The number of employees with a general right to parental leave is not considered relevant and is, therefore, not documented.

GRI 402: LABOUR/MANAGEMENT RELATIONS 2016

103-1/2/3 Management approach

Employees & society > HR management > Clear structures

Employees & society > Strategic approach

402-1 Minimum notice periods regarding operational changes

Employees & society > HR management

At German company locations, the minimum notice periods for informing the works council of measures affecting the workforce are regulated by the Works Constitution Act. Miele's Executive Board generally goes beyond the statutory requirements, working closely with the works councils and providing comprehensive information concerning all relevant decisions, developments and processes.

GRI standards and information**Links, additions and omissions****GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016**

103-1/2/3 Management approach

Employees & society > Occupational health and safety > Reducing risks

Employees & society > HR management

Employees & society > Strategic approach

403-1 Workers representation in formal joint management-worker health and safety committees

Employees & society > Occupational health and safety

> Clear organisation of occupational safety

403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

Employees & society > Occupational health and safety

> Clear organisation of occupational safety

Key figures > Occupational health and safety

The figures on injuries, occupational diseases, lost days and absenteeism have never been broken down by gender or region as they are not used for central management purposes. Accident statistics are based on the regulations issued by the German Social Accident Insurance (DGUV).

403-3 Workers with high incidence or high risk of diseases related to their occupation

Employees & society > Occupational health and safety > Reducing risks

403-4 Health and safety topics covered in formal agreements with trade unions

Employees & society > Occupational health and safety

> Clear organisation of occupational safety

Employees & society > HR management > Employee participation

Agreements with trade unions in Germany, Austria and the Czech Republic also cover occupational safety. That means the selection of protective equipment is decided with the involvement of the purchasing department and the works council. There is a general works agreement on VDU work and a company agreement on protective clothing/work clothing. Safety inspections and management system audits are also conducted. The occupational safety committee meets with the employee representatives four times a year. The chairperson of the employee representative occupational safety committee is informed of every accident that is subject to reporting. Employee representatives participate in the quarterly further training for safety officers.

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103-1/2/3 Management approach Employees & society > Training and education > Attracting and promoting talent
Employees & society > Strategic approach

404-1 Average hours of training per year per employee Employees & society > Training and education
> Broad range of topics for further training
Key figures > Training and education
The breakdown of training hours by employee category and gender required for full compliance with this indicator is not currently used for central management purposes. For this reason, these figures are not recorded.

404-2 Programs for upgrading employee skills and transition assistance programs Employees & society > HR management > Traditionally comprehensive benefits
Employees & society > HR management
> Enhancing the compatibility of work and family life
Employees & society > Training and education
> Broad range of topics for further training
Employees & society > Occupational health and safety
> Age-appropriate workstation design
Employees & society > Occupational health and safety
> Life coaching and addiction counselling

404-3 Percentage of employees receiving regular performance and career development reviews Employees & society > HR management > Clear structures
All employees are entitled to an annual employee review. The number of employee reviews actually performed is not recorded. The company agreement on talent management also regulates the company's approach to the identification and assessment of talents and potential successors.

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016

103-1/2/3 Management approach Employees & society > Diversity and equal opportunity
> Commitment and competitive factor
Key figures > Diversity and equal opportunity
Employees & society > Strategic approach
The approach is monitored and enhanced on an ongoing basis. Systematic evaluation is not yet carried out in all the areas required under the GRI.

GRI standards and information**Links, additions and omissions**

405-1 Diversity of governance bodies and employees Key figures > Diversity and equal opportunity
Employees & society > Diversity and equal opportunity
> Women in management positions

The breakdown of employees by minority status and other diversity indicators required for full compliance with this indicator is not currently used for central management purposes, and is therefore not recorded.
During the reporting period, the Executive Board was made up of five members, none of whom were women. Two of the members were aged between 30 and 50 and three were over the age of 50.

405-2 Ratio of basic salary and remuneration of women to men Employees & society > Diversity and equal opportunity > Remuneration
The bonus agreements reached during meetings with top and middle managers in Germany regarding annual objectives are based on a uniform system, taking into account the performance of the respective manager. There are no differences between men and women. Similar individual approaches apply in the case of managers at the foreign sales subsidiaries.

GRI 406: NON-DISCRIMINATION 2016

103-1/2/3 Management approach Employees & society > HR management > Transparent complaints process
Employees & society > Diversity and equal opportunity > Management
Employees & society > Strategic approach

The complaints office's main purpose is to record complaints about discrimination related to the company, but not activities concerning its direct suppliers. The approach is monitored and enhanced on an ongoing basis. Systematic evaluation involving stakeholders has yet to take place.

406-1 Incidents of discrimination and corrective actions taken Employees & society > HR management > Transparent complaints process
Miele assesses the necessary measures individually on a case-by-case basis. The measures implemented and their results are confidential.

GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016

103-1/2/3 Management approach Employees & society > Diversity and equal opportunity > Management
Supply chain & production > Supplier management > Supplier management
Employees & society > Strategic approach

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407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk

Supply chain & production > Supplier management
 > Compliance with SA8000 criteria

Employees & society > HR management > Social and ethical standards

No operations or suppliers that could significantly affect the freedom of association and the right to collective bargaining have been identified to date.

GRI 408: CHILD LABOUR 2016

103-1/2/3 Management approach

Supply chain & production > Supplier management > Supplier management

Management & processes > Strategic approach

The management approach is based on the SA8000 standard. Miele does not conduct a weighting of the criteria. No holistic assessment is carried out.

408-1 Operations and suppliers at significant risk for incidents of child labour

Supply chain & production > Supplier management
 > Compliance with SA8000 criteria

Employees & society > HR management > Social and ethical standards

Management & processes > Sustainability management
 > Internal and external guidelines and standards

No operations or suppliers at significant risk of child labour or the employment of young persons under dangerous conditions have been identified to date.

GRI 409: FORCED OR COMPULSORY LABOUR 2016

103-1/2/3 Management approach

Management & processes > Sustainability management
 > Auditing by an external partner

Supply chain & production > Supplier management > Supplier management

Management & processes > Strategic approach

See also GRI 103-1/2/3 Child labour

GRI standards and information**Links, additions and omissions**

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour

Supply chain & production > Supplier management
 > Compliance with SA8000 criteria

Employees & society > HR management > Social and ethical standards

Management & processes > Sustainability management
 > Internal and external guidelines and standards

No operations or suppliers at significant risk of forced or compulsory labour have been identified to date.

GRI 412: HUMAN RIGHTS ASSESSMENT 2016

103-1/2/3 Management approach

Management & processes > Sustainability management
 > Auditing by an external partner

Management & processes > Strategic approach

See also GRI 103-1/2/3 Child labour

412-1 Operations that have been subject to human rights reviews or impact assessments

Employees & society > HR management > Social and ethical standards

Management & processes > Sustainability management
 > Auditing by an external partner

Supply chain & production > Supplier management
 > Checking sustainability criteria

Miele does not conduct any separate reviews on human rights. Aspects related to human rights are checked at all production locations and the sales subsidiary in Germany as part of evaluations for the SA8000 social standard.

412-2 Employee training on human rights policies or procedures

Employees & society > HR management > Social and ethical standards

Management & processes > Sustainability management
 > Internal progress review

Miele reports on the number of employees who received training during the period under review. The number of training hours and the percentage of employees who received training are not used centrally for management purposes. For this reason, these figures are not recorded or calculated.

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103-1/2/3	Management approach	<p>Employees & society > Social engagement > Promoting regional appeal</p> <p>Employees & society > Strategic approach</p> <p>So far, no programmes or systematic procedures have been introduced to evaluate the impact of the business activities on the community. However, beyond existing laws and regulations, Miele is committed to protecting the health and safety of its employees and of local communities. The company's business activities also provide a strong stimulus for growth in purchasing power and tax income at its locations. By maintaining intensive dialogue with local communities, Miele receives regular feedback on the impact of its business activities.</p>
413-1	Operations with local community engagement, impact assessment, and development programs	<p>Employees & society > Social engagement</p> <p>Management & processes > Stakeholder engagement > Overview of stakeholder engagement</p> <p>Measures for local community engagement are conducted individually at the company's locations, and are not systematically steered and analysed. The percentage of sites that implement such measures is not recorded by Miele.</p>
413-2	Operations with significant actual and potential negative impacts on local communities	<p>Employees & society > Social engagement > Promoting regional appeal</p> <p>See GRI 103-1/2/3 Local communities</p>

GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016

103-1/2/3	Management approach	<p>Supply chain & production > Natural resources and materials</p> <p>Supply chain & production > Efficient use of resources</p> <p>Supply chain & production > Supplier management > Fair partnership with high standards</p> <p>Supply chain & production > Strategic approach</p> <p>See also GRI 103-1/2/3 Supplier environmental assessment</p> <p>Potential social impacts and actual effects beyond direct suppliers have not been systematically recorded to date.</p>
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GRI standards and information**Links, additions and omissions**

414-1	New suppliers that were screened using social criteria	<p>Supply chain & production > Supplier management > Selection of new suppliers</p> <p>Key figures > Self-assessment on compliance with social standards by potential suppliers</p> <p>Approach as for GRI 308-1</p> <p>All potential suppliers must complete a self-assessment, which also covers social criteria. All suppliers of production materials that are considered for a business relationship are also subject to a short on-site audit.</p>
414-2	Negative social impacts in the supply chain and actions taken	<p>Supply chain & production > Supplier management > Checking sustainability criteria</p> <p>Approach as for GRI 308-2</p> <p>Miele checks compliance with social criteria during supplier assessment. Miele does not publish the detailed results.</p>
GRI 415: PUBLIC POLICY 2016		
103-1/2/3	Management approach	<p>Management & processes > Stakeholder engagement > In dialogue with policymakers</p> <p>Management & processes > Strategic approach</p>
415-1	Political contributions	<p>Employees & society > Social engagement > Donations in the reporting period</p> <p>In the business years 2016/17 and 2017/18, Miele & Cie KG donated a total of Euro 30,000 to political parties in Germany. Miele treats information concerning the recipients of such donations as confidential. Political contributions are only recorded centrally for Germany, and not internationally.</p>

GRI 416: CUSTOMER HEALTH AND SAFETY 2016

103-1/2/3	Management approach	<p>Products & services > Product portfolio and quality > Product safety</p> <p>Products & services > Customer focus and information > Detailed contingency plans for recalls</p> <p>Products & services > Strategic approach</p>
416-1	Assessment of the health and safety impacts of product and service categories	<p>Products & services > Product portfolio and quality > Product safety</p> <p>The effects of all products on health and safety are assessed to identify potential improvements.</p>

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416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

Products & services > Customer focus and information
 > Detailed contingency plans for recalls

GRI 417: MARKETING AND LABELLING 2016

103-1/2/3 Management approach

Products & services > Product portfolio and quality
 > Strict standards for pollutant-free products

Products & services > Customer focus and information
 > Informing customers about sustainability

Products & services > Strategic approach

417-1 Requirements for product and service information and labelling

Products & services > Customer focus and information
 > Informing customers about sustainability

Products & services > Recycling and disposal > Transparent labelling

Key figures > Energy consumption labelling

All product categories are subject to the legally mandated product information and labelling process.

417-2 Incidents of non-compliance concerning product and service information and labelling

Products & services > Customer focus and information
 > Informing customers about sustainability

There were no relevant incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling during the reporting period.

GRI 418: CUSTOMER PRIVACY 2016

103-1/2/3 Management approach

Products & services > Customer focus and information
 > Sensitive handling of customer data

Products & services > Strategic approach

418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data

Products & services > Customer focus and information
 > Sensitive handling of customer data

GRI standards and information**Links, additions and omissions****GRI 419: SOCIOECONOMIC COMPLIANCE 2016**

103-1/2/3 Management approach

Management & processes > Sustainability management
 > Effective compliance management

Management & processes > Strategic approach

419-1 Non-compliance with laws and regulations in the social and economic area

Management & processes > Sustainability management
 > Ombudsperson as a contact person if suspicions arise

No sanctions or significant fines due to breaches of international conventions, contracts or national law were imposed on Miele in the reporting period.

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About this report

Miele has been publishing sustainability reports since 2002. This report, the ninth of its kind, documents the company's progress in line with Miele's sustainability strategy and the guiding principle "Forever Better". The objective of the 2019 report is to make the performance of the company in sustainability-related issues transparent to > stakeholders such as sustainability experts, customers, employees and business partners. The content reflects the main sustainability issues affecting the company. These issues were identified in the course of a > materiality analysis and were weighted according to their relevance for Miele.

[GRI 102-54] The 2019 Miele Sustainability Report was created in accordance with the new Global Reporting Initiative (GRI) Standards: "Core" option. Where possible, further information is provided in addition to the "Core" requirements in order to best meet shareholders' needs. References to the respective GRI indicators are assigned to the figures and corresponding passages in the text. The > GRI content index can be found at the end of this report.

The structure of the report is oriented even more closely than the 2017 Sustainability Report toward the Miele sustainability strategy, with the four chapters – Management & Processes, Products & Services, Supply chain & Production, and Employees & Society – reflecting the strategy's fields of action and focal points. This allows the reader to more quickly determine how the measures described in the sub-chapters contribute to the strategic targets.

[GRI 102-45, 102-50] The reporting period covers the 2016/17 and 2017/18 business years ending on 30 June of the respective year. The editorial deadline was in February 2019. Unless otherwise stated, all information provided in this Sustainability Report, including key figures, refers to Miele & Cie. KG and its imperial-Werke oHG subsidiary. This includes all German production and administration locations as well as sales and service in Germany. Also included are the production sites of Braşov (Romania), Bürmoos (Austria), Dongguan (China) and Uničov (Czech Republic), under the management of Miele Beteiligungs-GmbH. International sales subsidiaries are cited as examples.

[GRI 102-10, 102-48, 102-49] Significant changes were made regarding the size and structure of the Group during the reporting period. The construction of a second washing machine plant near Lodz, Poland, began in 2018; production is set to commence at the start of 2020. In addition, the relocation of part of production from the Bürmoos plant (sterilisation devices and container and trolley washers) to the Steelco Group in Italy began in 2018. This process is set to be completed by 2020.

The Steelco Group has been part of the Miele Group since July 2017 after Miele acquired a majority stake. The subsidiary Miele Venture Capital GmbH was set up in the business year to support start-ups. Steelco and Miele Venture Capital are not yet given extensive consideration in the report – other than a separate listing in the > company profile and in the key figures for the overall development of turnover and numbers of employees.

The strategic cooperation with Yujin Robot was significantly intensified in 2017. Miele is now also the Korean company's largest shareholder. Yujin specialises in robotic products and components and produces the robotic vacuum cleaner for Miele.

The Miele Sustainability Report is available > online as a PDF file. A comprehensive listing of the key figures can be found in the "Facts & figures" section at the end of the report. The online material concerning sustainability also offers customers and other interested parties an overview of Miele's philosophy when it comes to sustainability and how it implements it. It is available at > www.miele.com/sustainability and via miele.com.

The consistent use of the legal form "Miele & Cie. KG" has been avoided for the sake of greater readability. As in the previous report, we have used gender-specific designations, apart from in lists or in the case of linguistically justified exceptions. This is intended to boost awareness of gender equality.

[GRI 102-51, 102-52] This report replaces the 2017 Miele Sustainability Report. Given the two-year reporting cycle, the next Sustainability Report is due to appear in 2021.

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The current report is also available
in German. In case of deviations,
the German version is valid.

Miele would like to thank all employees
and all other personnel involved in the
creation of this report.