

Sustainability Report



The European Taxonomy

THE GROUP'S CONTRIBUTION TO THE CLIMATE OBJECTIVES

On 18 June 2020, the European Parliament adopted EU Regulation 2020/852, or **Taxonomy Regulation**, which represents a European response to the current climate and environmental challenges. It contributes to the objectives of the European Green Deal by establishing a **first classification system for sustainable economic activities** thus aiming to increase transparency and consistency in the classification of such activities and limiting the risk of greenwashing and fragmentation in relevant markets.

The Regulation sets out the criteria for determining whether an economic activity can be considered environmentally sustainable and establishes **six environmental objectives**: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, the protection and restoration of biodiversity and ecosystems.

The Delegated Act identifies the economic activities that are **eligible** for an environmental objective and the performance criteria to be verified so that each economic activity makes a substantial contribution and does not significantly harm any of other environmental objectives. Currently the Commission has adopted the delegated acts relating to the objectives of climate change mitigation and climate change adaptation.

In compliance with Article 8 of the Delegated Act released on the 4th of June 2021, for this second year of application, companies are required to check whether their economic activities could be considered **aligned** to the European Taxonomy or not.

Ariston Group, as a leader in the global thermal comfort market for domestic, commercial and industrial spaces, offers an extensive range of products and services. Along with its products, the Group offers specific services for the installation and maintenance of heating and cooling systems. Its activities can be broken down into three main sectors:

- **Burners**
- **Components**
- **Thermal comfort**, which can be classified into water heating products (i.e. heat pumps, solar, electric storage & electric instant water heaters, gas storage & gas instant water heaters, cylinders, etc.) and space heating products (i.e. boilers, heat pumps, hybrid systems, air conditioning, thermostats, direct services & parts).

Only the activities related to Thermal comfort sector were classified as "Taxonomy-eligible" or "eligible", whereas Burners and Components have been considered as "Taxonomy non-eligible", based on the fact that no perfect fit was identified with Annexes I and II of the Climate Delegated Act.

To identify potential "Taxonomy-Eligible" activities, the Group has evaluated the criteria outlined in the Climate Delegated Act for both the objectives (CCM and CCA). The eligible activities of the Group are associated with the **manufacturing of energy efficiency equipment for buildings (3.5)**, the **installation, repair and maintenance of energy efficiency equipment (7.3)**, **devices for measuring, regulating and controlling energy performance of buildings (7.5)** and **renewable energy technologies (7.6)** as summarized in the table below:

Activity's number	Activity	Description of activity	Climate change mitigation
3.5	Manufacture of energy efficiency equipment for buildings	Manufacturing of: • Water heaters • Boilers • Heat pumps • Air conditioners • Solar thermal • Thermostats • Connectivity	Enabling
7.3	Installation, maintenance and repair of energy efficiency equipment	Individual renovation measures consisting in installation, maintenance or repair of air conditioners, boilers, water heaters	Enabling
7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Installation, maintenance and repair of thermostats and connectivity for measuring, regulation and controlling energy performance of buildings	Enabling
7.6	Installation, maintenance and repair of renewable energy technologies	Installation, maintenance and repair of heat pumps and relevant "after-services" activities	Enabling

Compared to last year, following a clarification that took place through European Commission's Q&A in December 2022 and an in-depth study of TSC requirements, the Group considered the activity 7.6 ("*Installation, maintenance and repair of renewable energy technologies*") to be more applicable to Ariston Group business model rather than the activity 4.16 ("*Installation and operation of electric heat pumps*"). Indeed, the activity 4.16 covers the installation and operation of types of electric heat pumps which are not installed on site as technical building systems (e.g. industrial heat pumps) and therefore is not representative for Ariston Group's operations. Therefore, the KPIs have been calculated only for the activity 7.6.

All the economic activities identified are eligible for both objectives. However, in the calculation

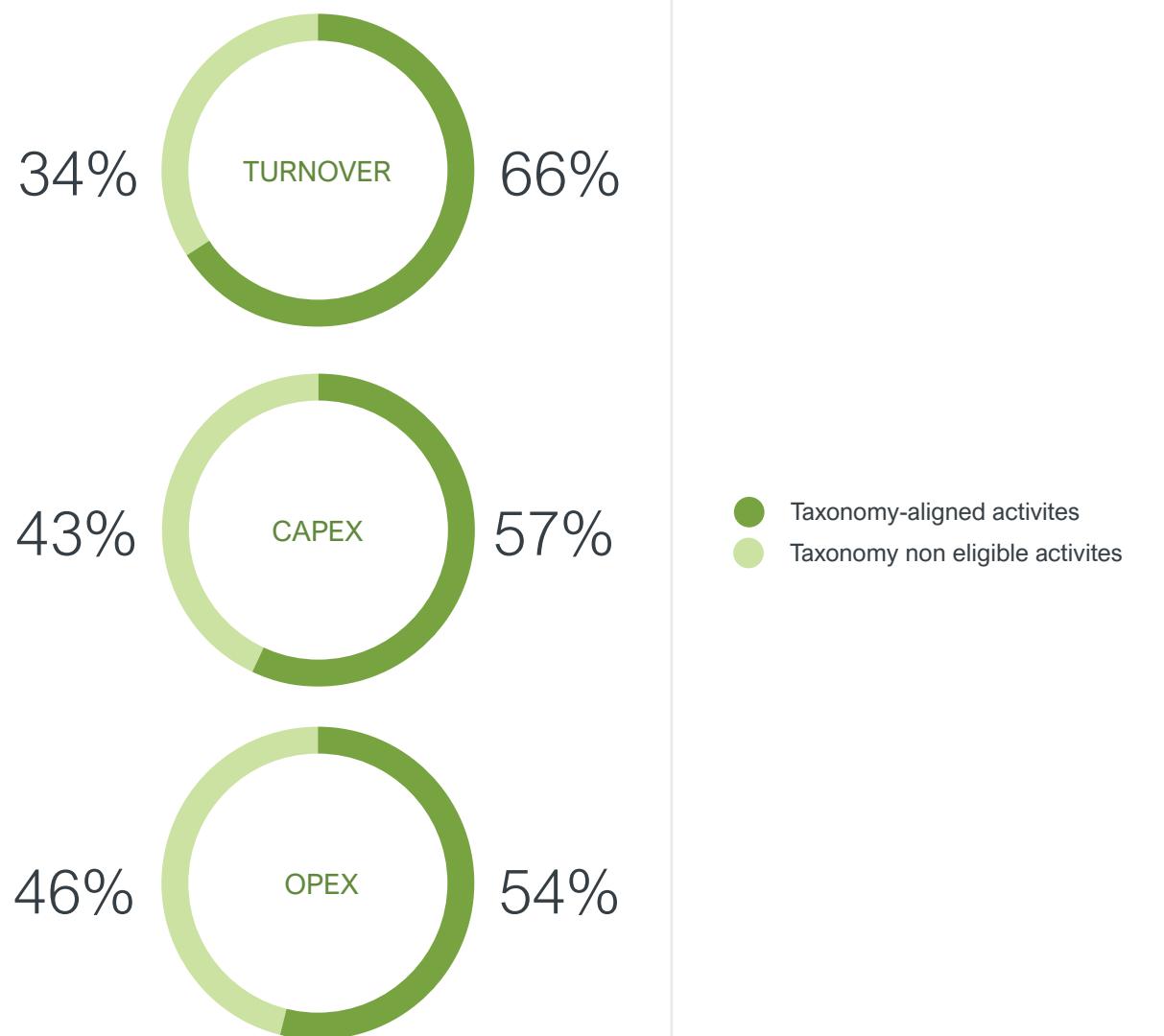
methodology, to avoid double counting, key figures refer only to the Climate Mitigation objective (CCM). In terms of contribution to the climate mitigation objective, all eligible activities are classified as possible enablers¹ for other activities to become low-carbon or to lead to greenhouse gas reductions according to Article 10(1), point (i), of Regulation (EU) 2020/852.

As per last year, to identify how and to what extent the activities of the Company are associated with economic activities qualified as environmentally sustainable or "EU Taxonomy-aligned", Ariston Group has analysed all the applicable technical screening criteria (TSC). The approach used by the Group, since the first reporting year, turned out to be in line with the clarification that took place through European Commission's Q&A in December 2022; below are represented the steps of the analysis undertaken:

LETTER TO STAKEHOLDERS	HOW TO READ THE DOCUMENT	OUR GROUP	SUSTAINABILITY REPORT	NOTE ON METHODOLOGY	TECHNICAL APPENDIX	GRI CONTENT INDEX	NOTES		
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<p>Substantial Contribution Criteria</p> <ul style="list-style-type: none"> Household appliances, space heating, domestic hot water, cooling and ventilation systems rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 of the European Parliament and of the Council and delegated acts adopted under that Regulation² Heat pumps compliant with the following criteria in accordance with Directive (EU) 2018/2001: Only heat pumps for which the estimated average seasonal performance factor (SPF) $> 1,15 * 1/\eta$ shall be taken into account. <p>The first criterion applies to all Ariston Group's products identified as Taxonomy-eligible and included in the activity 3.5, namely water heaters, boilers, heat pumps, air conditioners and solar thermal. This criterion is actually extended to the other Taxonomy-eligible activities identified with the codes 7.3 and 7.6 that are related to the service of installation and maintenance of individual components and systems.</p> <p>The second criterion applies only to heating heat pumps and to the activity of installation and related operations (activity 7.6).</p>		<p>DNSH Criteria</p> <p>The Group has verified the compliance of its eligible activities to the DNSH requirements related to both the objectives (CCM and CCA) outlined in the Climate Delegated Act.</p> <ul style="list-style-type: none"> Adaptation to climate change. Ariston Group has performed an Assessment of Natural Hazard Exposure to identify top-priority sites deserving of deeper investigations regarding their exposure to natural hazards. The Group is evaluating the possibility to further extend the scope of the analysis to other applicable risks (if any) taking into consideration different climate-scenarios (e.g. scenarios published periodically by the Intergovernmental Panel on Climate Change (IPCC)). Sustainable use and protection of water and marine resources. Ariston Group is monitoring its environmental impacts through specific internal tools and processes that cover many different environmental aspects (e.g. energy consumption and air emissions, waste, noise, etc.) including water management. 	<ul style="list-style-type: none"> Transition to a circular economy. Ariston Group makes use of cutting-edge technologies to offer energy-efficient products, reduce packaging and provide renewable solutions, considering a priority to innovate for minimizing environmental impacts. The Company, indeed, is currently working on the implementation of a circular system, based on a strategy that prioritizes recycling over disposal and reuse of various materials in the manufacturing processes, starting from the procurement of recycled and recyclable raw materials to a logistics system that reduces and optimizes consumption. <p>Besides, in France, Ariston Group has already dealt with regulations on materials traceability, developing during 2022 a project to be compliant with the French law n° 2020-105 of February 10, 2020, relating to the fight against waste and the promotion of a circular economy (Agec Law)³, a great boost to the ecological transition that comes into force for the Company from 1 January 2023. The law requires the publication of information on the environmental qualities and characteristics of waste generating products (used recycled material, recyclability, presence of rare earth, precious metals and dangerous substances).</p> <p>For further discussion on the topic, please refer to the chapter "The Group's Environmental Commitment" of the Non-Financial Disclosure Report, part of the Group Annual Report.</p> <ul style="list-style-type: none"> Pollution prevention and control. As regard to harmful substances used in the processes, Ariston Group verified the presence of the listed substances of the Regulation mentioned⁴ and it is compliant with the REACH, ROHS and POPs directives. For further information, please refer to the chapter "The Group's Environmental Commitment" of the Non-Financial Disclosure Report. As for now, the pollution criteria proposed by this DNSH are met by Ariston Group's eligible activities, however the Company is looking forward to receiving 	<p>in 2023 further guidelines from the European Union about how to conduct an assessment to define criteria for essential uses of substances of critical concerns.</p> <ul style="list-style-type: none"> Protection and restoration of biodiversity and ecosystems. As regard with the objective and the main actions pursued aimed at preserving biodiversity and ecosystems, Ariston Group is ISO14001 certified and developed a standard to assess environmental aspects and impacts, including impact on biodiversity. The assessment has been performed on the following risks impacting biodiversity: air emission (VOC, NOx, dust and non-listed substances), water discharge, releases to soil, noise, light and electromagnetic emissions. According to this assessment and the geographic location of its facilities out of any protected area according to IUCN Protected Area Management categories, Ariston Group is considered as not impacting biodiversity. 					
							Minimum Safeguards		
							Ariston Group is committed to respect the fundamental human rights of all its stakeholders across the value chain: in its operations, across the supply chain and in the communities where the Company operates in. Ariston Group's commitment refers to the internationally recognized human rights defined in the International Bill of Human Rights, the ILO's Declaration on the Fundamental Principles and Rights at Work and the Convention on the Rights of the Child. Ariston Group's commitment to Human Rights has been consolidated in a due diligence process - aligned with the UN Guiding Principles on Business and human rights - aimed at identifying and assessing potential risks and impacts related to human rights. This process allowed Ariston Group to identify its <i>salient</i> human rights, meaning those human rights that are at risk of the most severe negative impacts through the Company's activities or business relationships. The principles guiding the Group's operations are fully aligned with those found in the OECD Guidelines for Multinational Enterprises.		

KPI AND CALCULATION METHODOLOGY

For 2022, Ariston Group has performed an analysis to determine the percentage of alignment of each eligible economic activity's Turnover, CapEx and OpEx to keep up with the steps of the Regulation throughout the years. The calculation methodology of the three KPIs was developed and carried out separately for the activities related to the products families and for the ones related to the services, as the two calculation methodologies differ from each other. The values provided reflect a conservative approach to the interpretation of the new Regulation and were elaborated also taking into consideration the available information and requirements set out for the two objectives previously mentioned.



Road to 100



2030 Ariston Group
ESG Plan



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<h1>The path towards Road to 100</h1>													
THE EVOLUTION OF THE GROUP'S SUSTAINABILITY STRATEGY	For over 15 years, the Group' Vision has been: "Sustainable Comfort for Everyone". In 2017-18, the Group designed and committed to a sustainability strategy, the "Road to 2022", with the engagement of the Group Global Executives. Road to 2022 was framed along the 5 Company values and included a set of specific targets.			<p>Our values</p> <p>Believe in Sustainability "Think ahead. Energy efficiency and comfort are possible and necessary. It's worth it."</p> <p>Inspire through Excellence "Create opportunities and commit to making them happen. Explore, learn, improve."</p> <p>Start from Customers "Listen, stay tuned and care. Deliver solutions that exceed expectations."</p> <p>People come First "Strength lies in diversity. Give people a chance. Pave the way to make them successful."</p> <p>Act with Integrity "Operating with respect and honesty is not a choice. It's a duty."</p> <p>Our 2022 targets</p> <p>>80% of revenues generated from highly efficient and renewable solutions</p> <p>>3 million tons of CO₂ equivalent avoided thanks to our most evolved technologies</p> <p>Bringing Comfort where it's hard or impossible to find</p> <p>Double-digit growth of profitable revenues</p> <p>80% of turnover from innovative products (younger than 5 years)</p> <p>Up to 800,000 connectivity-ready products</p> <p>>95% of products require no technical interventions in their first 5 years of service</p> <p>Excellence Class Service in NPS at Group level and in all countries</p> <p>Local resources holding more than 80% of managerial positions</p> <p>>60% of managers coming from internal career paths</p> <p>0 injuries in our production sites</p> <p>Defining a structured model of sustainability governance (starting from 2018)</p> <p>Training 100% of our people on Ariston Group ethics and integrity culture (starting from 2018)</p> <p>Our 2022 achievements</p> <p>77% of revenues generated from highly efficient and renewable solutions</p> <p>3.2 million tons of CO₂ avoided thanks to our most evolved technologies (2018 baseline)</p> <p>Towards a global coordinated corporate social responsibility effort</p> <p>+19% organic profitability growth compared to 2021</p> <p>49% of turnover from innovative products (younger than 5 years)</p> <p>~950,000 connectivity-ready products</p> <p>>95% of products require no technical interventions in their first 5 years of service</p> <p>After a careful analysis, a Quality Roadmap was created with KPIs that are specific and respond to precise needs</p> <p>88% of managerial positions held by local resources</p> <p>60% of managers come from internal career paths</p> <p>Injury frequency rate reduced by 3% compared to 2021</p> <p>A defined procedural model of sustainability governance with an ESG Committee, Council and Director</p> <p>100% of employees trained on the Group's Code of Ethics</p>									

Road to 100

How did we get here?

2022 marks the end of the first phase of Ariston Group's sustainable journey. A **new vision** has therefore been developed with the key purpose of leading the Company towards **2030** through a clear roadmap, pivotal in supporting the Group in the achievement of strategic ESG objectives. As a leading actor of sustainable development, the Company is aware that sustainability means a long-term vision and objectives, which can be achieved only through a solid path of actions and initiatives. With this purpose in mind, the Group's 2030 ESG roadmap sets out a detailed and structured plan built on short- and medium-term targets, which will eventually lead the Company to the achievement of its ultimate 2030 targets. Yet, an important question arises: **how did we get here?**

This vision was made possible through an **engagement process operating on three different levels**. First, the Group's **key stakeholders** were engaged to help renew the Company's materiality analysis, a process underway since 2017. From the identification of potentially relevant topics, following a thorough context analysis, a **shortlist of 9 material topics** most relevant to the business and its stakeholders was defined, carefully assessed based on their **economic, environmental and social impacts**.

Next, on the basis of the material topics, the definition of a **forward-looking and strategic ESG plan** started to take shape. The process began with an in-depth market benchmarking and analysis of ESG pressures arising from relevant policies and trends, which enabled the identification of key challenges and opportunities on each material topic. Once these were outlined, the Group's **top management**, who serves on the ESG Council, embarked upon an **envisioning** phase to draw out the key engagement areas that the Company could focus its business strategy on. These engagements eventually mirrored the **key challenges** the Company intended to tackle in the near and longer-term. As a result, **5 engagement areas** were defined. Finally, managers were subsequently engaged to help define – through **SWOT analyses and a path of progressive convergence** – clear-cut objectives and supporting initiatives corresponding to the 9 material topics. The process involved **all Corporate, as well as several local business functions**, giving voice to more than 50 individuals. The Group's ESG plan thus came into existence thanks to a **360-degree engagement of internal and external stakeholders**, making it possible to align the business' goals and ambitions to the specific contextual challenges.



The 5 engagement areas that define the key pillars on which Ariston Group has set its ESG strategical direction include **solutions, operations, customers, people & communities** and **sustainable governance**. These areas are, in turn, divided into the **9 material topics**.

Road to 100

Main 2030 objectives

1. Solutions

Sustainable energy solutions

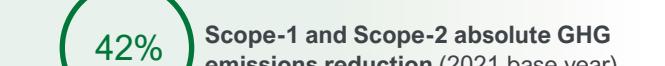
Enable the energy transition with renewable, efficient and smart solutions



Smart homes for sustainable living

Resources productivity and circularity

Turn Ariston Group into a climate neutral industrial ecosystem



Responsible supply chain

Leading the sustainable transformation in the value chain



Main 2030 objectives

Solutions

Operations

People & Communities

Customers

Governance

3. People & Communities

Excellent employee experience and engagement

Education for the future

Towards a world-class employer

Drive innovation through inclusive education projects

Be a certified world class employer that builds a sustainable working environment

100% Countries engaged in projects that foster awareness on sustainable thermal comfort as an enabler for social development

4. Customers

Beyond customer proximity

Trustworthy quality excellence

Be on our customers' side along their full journey through thermal comfort

Excellence services & support along the whole product life cycle

Deliver excellent, tailored solutions and services to B2B and B2C customers and increase the loyalty of professionals

>85 Quality score per year in the cumulative Group Quality Excellence index (GQE index)

5. Governance

Long-sighted sustainable governance

Continuously enhance a responsible ESG approach in everything we do

Ongoing yearly commitment to meet high governance standards on sustainability

1. Solutions



*Smart sustainable comfort
for a better future*

7 AFFORDABLE AND CLEAN ENERGY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



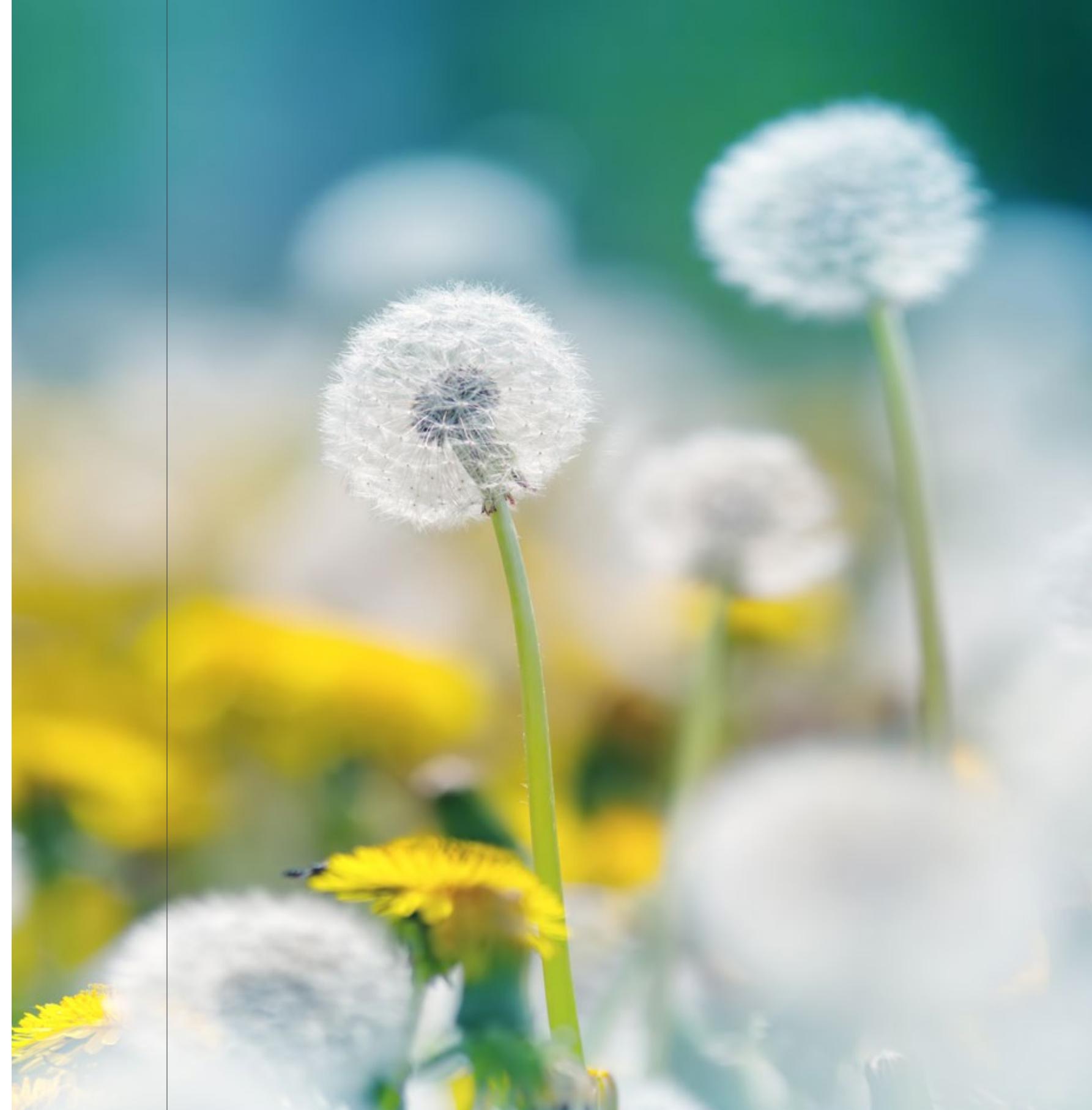
11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



Key challenges



Contributing to the **decarbonisation of the thermal comfort sector** in light of **carbon neutrality and energy efficiency goals** set both at the international and at the national level.



Focusing on **heat pump** technologies **with natural refrigerants**, while adopting a **multi-technological approach** leveraging on solutions such as **hydrogen**, as well as **biofuels** to support the energy transition, anticipating regulatory changes including the requirements of the European Taxonomy.



Harnessing **Connected Home Services** as a lever to guarantee **easy control, energy efficiency, prompt assistance** and establish an **ongoing dialogue with professionals and end-users**, in order to provide continuous support for a sustainable installation, maintenance and use of products.

Sustainable energy solutions



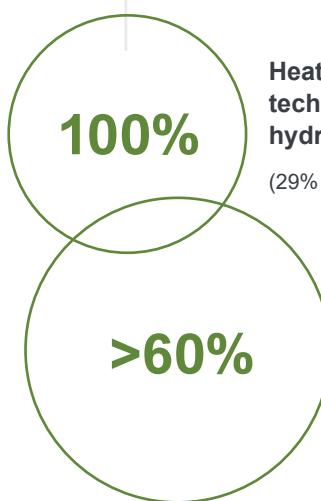
2030 TARGET
AND AMBITION

100 million tons of CO₂e emissions avoided thanks to the renewable and high efficiency products we sell in the regions we operate⁵

19 million tons of CO₂e avoided in 2022 (2020 base year)

In the context of decarbonisation, we are moving fast towards **anticipating structural changes** driven by regulations and the market. Our goal is to continue **designing and offering highly energy efficient solutions**, which increasingly rely on renewable sources of energy, while **improving the efficiency of the installed park**. To achieve this across all our product lines, we are channelling investments in R&D, production capacity and the necessary skills and resources needed to contribute to the transition, which will lead to a significant avoidance of CO₂ emissions. The Group effort in boosting highly efficient products and solutions that rely on renewable technology will also contribute to the **reduction of Scope 3 emissions**, whose greatest impact is generated by the use of sold products.

Supporting initiatives to be achieved by 2025



Heating gas condensing technologies' revenues from hydrogen-ready* solutions in Europe⁶
(29% in 2022)

Revenues in Europe generated by **renewable technologies** vs <40% from **fossil fuel products**⁷
(44% full year 2022)



*Certified to be 20% H₂ ready



OUR PROGRESS
IN 2022

HEAT PUMP TECHNOLOGIES¹⁰ AS A KEY LEVER IN THE ENERGY TRANSITION

ARISTON'S NIMBUS S NET R32

Ariston's Nimbus S NET R32 heat pump system uses **R32 refrigerant¹¹**, a sustainable, economic and efficient choice. R32 is a high-performance gas with a low Global Warming Potential (**675 vs. 2,088 of the previous model**) and a **zero-ozone depleting potential**. It is also F-Gas phasedown¹² compliant and requires less refrigerant volume per cooling power, making it an affordable and readily available choice for the next generation of equipment. Nimbus S NET R32 is endowed with brand new internal units which combine a revised and modern design with improved and new technical features; other innovations include the **New Energy Manager 2.0** with improved logic and algorithms, as well as new input/output points, and the new Sensys HD system, a modular thermostat that allows for maximum comfort control, with an intuitive experience and seamless design. The improvement introduced with the Nimbus series will also be available for the **Chaffoteaux, Elco and ATAG mainstream heat pumps**.



ELCO'S AEROTOP SX

Launched in 2022 by Elco, the AEROTOP SX heat pump is one of the most efficient available on the market for residential applications in terms of **low noise impact**, thanks to three fundamental elements – evaporator, fan and damping – exactly designed with this purpose. It belongs to the **highest A+++ energy efficiency class** and can be run with electricity generated by a **photovoltaic (PV) system**, enabling year-round zero-emissions heating and cooling. The launch of such products follows the significant increase of investments in research and development for heat pump solutions, given their crucial role in the **decarbonisation journey**. This will foster innovation and improve the performance and reliability of heat pump systems, as well as reduce the cost and environmental impact of homes and buildings.

LEVERAGING MORE EFFICIENT REFRIGERANTS FOR OUR HEAT PUMPS

Ariston Group, in consistency with the direction of the whole industry, is looking into alternative refrigerants with ultra-low GWP such as propane (**R290**) and **R513A** as potential driver for innovation to deliver products that meet European emission reduction targets. On heating, the energy transition will be complemented by the continuous investment in heat pumps, for which, for example, **R32**, a low GWP gas which complies with the technical screening criteria set forth in the European Taxonomy, is being evaluated. On water heating, the conversion of **Nuos** range to Low GWP gases already started with R513A and will soon include R290. Nous range is a full-fledged heat pump offer dedicated to hot water production equipped with best-in-class technologies in terms of **energy efficiency, heating time and connectivity**.

GLOBAL BRAND ELCO WINS THE RED DOT DESIGN AWARD AND iF DESIGN AWARD 2022



On June 20, Ariston Group's global brand Elco was acknowledged in the **Heating Product categories** of the 2022 edition of the Red Dot Design Award. The Award is an internationally renowned recognition and one of the largest design competitions in the world, with its distinctive "**Red Dot**" **design marker** that has been an indicator of outstanding design around the world for over 60 years. At the same time, the Elco brand was recognised in the **Building Technologies Product categories** of the renowned **iF Design Award 2022**. Elco was awarded with the Red Dot Product Design 2022 and the iF Design Award 2022 for two of its products: **AEROTOP SG**, an electric heating heat pump, and **THALION S**, a thermally-driven heat pump¹³, which was also recognised in the **Product Innovation 2022 category**. With a Bauhaus-inspired design, the **AEROTOP SG** is an outdoor electric heat pump designed to be very quiet and compact, with a circular evaporator installed instead of the traditional flat evaporator. **THALION S** is a thermally-driven heat pump, an innovative technology that combines the advantages of using renewable energy, with a solution suitable for high temperature applications in the retrofit market. It reduces **operating costs and gas consumption by more than 30%** compared with high efficiency condensing boilers. Ariston Group is proud to have won these important awards, which underline the Group's leadership in the design and innovation of heating technology solutions.

HYDROGEN¹⁴, BIOFUELS¹⁵ AND LOW NOx¹⁶ TO REDUCE THE ENVIRONMENTAL IMPACT



ARISTON'S ONE+ NET WI-FI CONDENSING BOILERS RANGE

The One+ NET Wi-Fi boilers offer a range of advanced features that ensure comfort, efficiency and full heat management through connectivity. Being **certified for 20% hydrogen** and tested for a blend that goes up to 30%, these boilers allow for a lower environmental impact. In fact, emissions have also been reduced, as **NOx levels have been brought down to 25 mg/kWh**.

The boilers achieved an **A+ Energy Class rating**, thanks to the adoption of advanced thermo-regulation accessories and the ability to receive outdoor temperature data from the Internet. They also allow for easier troubleshooting both on site and remotely thanks to built-in connectivity, the new Flow Control System+ and the new Ignition Control System+. The brand-new **Ignition Control System+** auto-detects gas characteristics to ensure quick and easy installation in case of gas variations, while the **Flow Control System+** provides step-by-step on-screen instructions for hydraulic system optimisation, while minimising the time and effort needed for flow rate balancing. All products in the One+ NET range can be **controlled remotely** via the Ariston Net App, and the addition of AI capabilities enables two new features: **smart scheduling and optimum start**, which allow for even better comfort management and energy savings.

ATAG'S COMPACT BOILERS RANGE (CBR)

The new CBR includes two different series: the **i-series** and the **P-series** boilers. Both innovative solutions are endowed with a tri-zone iCon Heat Exchanger, economiser technology and are H₂ ready. The new **Tri-Zone iCon heat exchanger** is characterised by the presence of three different parts that cooperate to lower emissions and provide the highest efficiency. This new technology includes a zone for the **reduction of temperature** to minimise the amount of NOx being generated and therefore, producing a reduced amount of NOx emissions; a zone that enables CO to combust to CO₂, **reducing CO emissions**; a third zone to make sure that all the

moisture in the flue gas can condense into water. Due to its low NOx emissions, the Tri-Zone heat exchanger received approval for obtaining **subsidies by the Dutch government**. The development of **economiser technology** allows to pre-heat the cold-water inlet by using the remaining energy in the flue gases. Utilising the latent energy that is still present in the flue gases, results in a **10% improvement in efficiency**, which has a knock-on effect on household hot water performance. Finally, both i and P-series are **H₂ ready**, meaning that they are designed to be fuelled by a mixture of natural gas containing 30% hydrogen.



MANUFACTURING LOW NOx COMBUSTION AND H₂ READY INDUSTRIAL APPLICATIONS

Convinced that hydrogen is one of the levers to achieve decarbonisation, the Group is already investing in this field, anticipating regulatory changes through its increasing deployment in the current energy mix. Elco Burners have a long history of developing technologies that enable to lower NOx emissions, delivering excellent results in terms of emission levels, flame stability and energy efficiency. These technologies along with incorporation of the FGR (Flue Gas Recirculation) enabled the development of a series of low NOx and ultra-low NOx burners that range in size from 11 kW to 80 MW. The technology makes it possible to guarantee emissions of **less than 30 mg/kWh**, a value which is hard to obtain with conventional combustion systems, as well as to offer cutting edge products that satisfy the requirements of current regulations in force. In parallel, the Group's research and development departments have been working on solutions leveraging blended fuels including hydrogen, since the 1990s. 2022 saw 6 tailored industrial applications being commissioned and delivered, deploying up to 100% hydrogen.

*Ariston Group's **research and development departments** have been working on solutions leveraging **blended fuels including hydrogen**, since the **1990s**.*

RIDING THE F30 BIOFUEL WAVE IN FRANCE

As part of the new French energy policy on the reduction of CO₂, as of July 1, 2022, new oil boilers installed in the French market must operate with **biofuel "F30"**. Biofuel is a new form of energy made up of domestic light oil blended with a 30% of a renewable fuel in the form of fatty acid methyl ester (FAME) obtained from rapeseed. This fuel reduces the carbon footprint of domestic heating and is directly linked to the local territory: since the cultivation of rapeseed is widespread in France, in addition to having a positive impact on the environment, biofuel creates positive impacts for all the players in the sector, also **offering new opportunities for farmers**. In March 2022, Cuenod, part of the Burner Division, designed a **new series of F30 biofuel burners** that are capable not only of operating with this new alternative fuel, but also of delivering **low levels of NOx emissions** well below the limits set by current regulations. In Germany, the UK and the Scandinavian region, biofuel derived from hydrotreated vegetable oils (HVO) is already used for burners and represents one of the solutions to achieve the reduction of CO₂ in the environment.

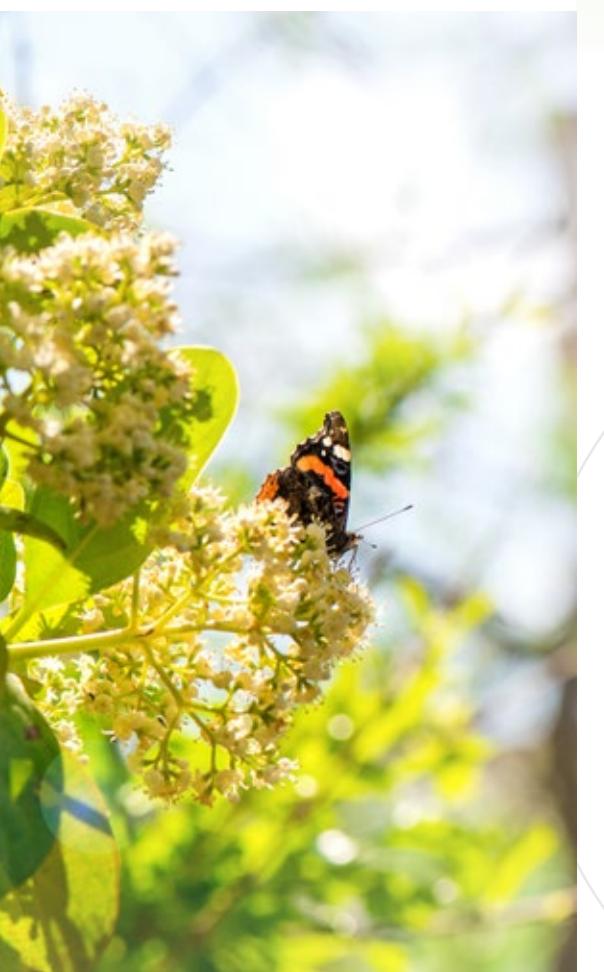
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TOWARDS DECARBONISATION AND HOME ENERGY MANAGEMENT: PROVIDING COMFORT AND HIGHLY EFFICIENT SOLUTIONS									
ARISTON'S PRO1 POWERFLEX									
Decarbonisation and electrification are global undisputable trends. Ariston has one of the largest offers world-wide in terms of hot water solutions, from electric storage water heaters and electric instant water heaters to heat pump water heaters. Ariston confirms the investment to constantly update and enrich its offer in the segment to better adapt to evolving trends and needs in the markets. Among these new products, in 2022, Ariston PRO1 Powerflex was launched. Ariston's Powerflex is an innovative electric storage water heater (ESWH) that uses the T-Flex 2.0 patented technology to communicate with a smart meter. Launched in the Italian market in May 2022, this solution enables network stabilisation during power peaks and automatically adjusts its power on the basis of the total energy consumption of household appliances, preventing blackouts and maximising energy savings and heating times . Thanks to its PLC communication protocol , PRO1 Powerflex works without any additional wiring or physical connections. PRO1 Powerflex is just the first of a new electric product generation designed to steer the global electrification transition .			EXPANDING THE GROUP'S SUSTAINABLE PRODUCT PORTFOLIO THROUGH ACQUISITIONS	The Group's commitment to adopt low carbon technologies and contribute to the decarbonisation targets is also demonstrated through its latest acquisitions. While January 2022 saw the finalisation of Chromagen's acquisition , an Israeli leader in the provision of renewable hot water solutions, the Company announced this year the acquisition of 100% of the share capital of CENTROTEC Climate Systems , a leading provider of heating, ventilation, air treatment and cogeneration solutions, with a strong presence in Germany and the Netherlands, as well as in other European markets. This acquisition will enrich Ariston Group's sustainable heating product portfolio and is an important step to further meet the Company's environmental, social and governance (ESG) goals, through the integration of the Wolf, Brink, Pro-Klima and Ned Air brands . More specifically, Wolf is a pioneer in the development of the new generation of heat pumps in Germany, with natural refrigerant (R290), high efficiency and low noise performance. Brink is a leading European player in heat recovery domestic ventilation, the enabling technology for a healthy living environment and especially for nearly Zero-Emission Building (nZEB), a pillar of the European strategy towards energy efficiency and decarbonisation. Wolf (along with the Pro-Klima and Ned Air brands) also operates an air-handling-unit business, offering high-efficiency airflow control systems supplying fresh conditioned air for spaces in commercial buildings.	ARISTON GROUP IN EUROPEAN AND INTERNATIONAL DISCUSSIONS	The Group continues to play an active role in European and international discussions on energy efficiency and the pathway to net-zero . Overall, it is involved in 3 European, 26 national and 3 non-European associations (in Switzerland and the United Kingdom). Ariston Group plays an active and decision-making role in the following European associations: EHI (European Heating Industry), EHPA (European Heat Pump Association) and APPLiA Europe's Home Comfort Division (HCD) , which covers electric water heaters (resistance and heat pumps) and smart energy appliances. Through these, the Group contributes to shaping the debate in a context that includes all players active in the industry, also directly engaging with European institutions. The Company also maintains close relations with EURELECTRIC , the association of European electricity utilities and SmartEn , the association of demand-side flexibility operators, and European Environmental Bureau (EEB) , the largest network of environmental citizens' organisations in Europe in order to play an active role in issues related to demand flexibility and the development of connected devices that can communicate with the electricity grid, as well as to contribute to the adoption of renewable energy. The Group's key activities within these associations include sponsoring and participating in the development of various documents and studies . Indeed, the Group was designated as a peer reviewer in the most recent reports written by IEA (International Energy Agency) "The Future of Heat Pumps" and "Energy Technology Perspectives 2023", offering information related to the challenges and opportunities of the heat pumps sector. The Company has also contributed to the development of a joint study between EHI and EHPA on thermally-driven heat pumps. Finally, it was engaged in drafting two reports together with the EHI, namely:	<ul style="list-style-type: none"> • "Decarbonisation pathways: For the European building sector", aimed at exploring new paths and opportunities to decarbonise buildings. • "Heating systems installers: Expanding and upskilling the workforce to deliver the energy transitions", which highlights the crucial role that installers play in the decarbonisation of buildings and the importance of expanding and upskilling the workforce to accelerate the energy transition. 		

Smart homes for sustainable living



Over 5 million connectable products sold

"A more sustainable future begins in our homes." We strongly believe that sustainable living can be enabled through smart homes. **Connected Home Services represent a key instrument** to better comprehend our customers' needs and offer increasingly better tailored solutions, becoming a means to support users, reducing and monitoring their energy consumption easily and remotely. We therefore **strive towards a continuous improvement** of our Connected Home Services, also made possible by our Ariston Net app, Ariston Net PRO remote assistance platform and Ariston Net OPEN interoperability service to engage our key stakeholders.



Supporting initiative
to be achieved by 2025

>2 mln

of connectable
products sold
(~950.000 in 2022)



THE HOME OF SUSTAINABLE COMFORT

Ariston Group's goal to simplify users' lives through a portfolio of increasingly **more connectable products** continues to be at the forefront of its business strategy, through the integration of **new features to its smartphone applications**, **Ariston Net** (for end-users) and **Ariston Net PRO** (for professionals). Connectivity and the related functionalities, which leverage the power of data, enable closer proximity to customers by offering efficient and tailored solutions, providing them with the opportunity to **save energy and costs** while making **more sustainable choices**.

ARISTON NET APP

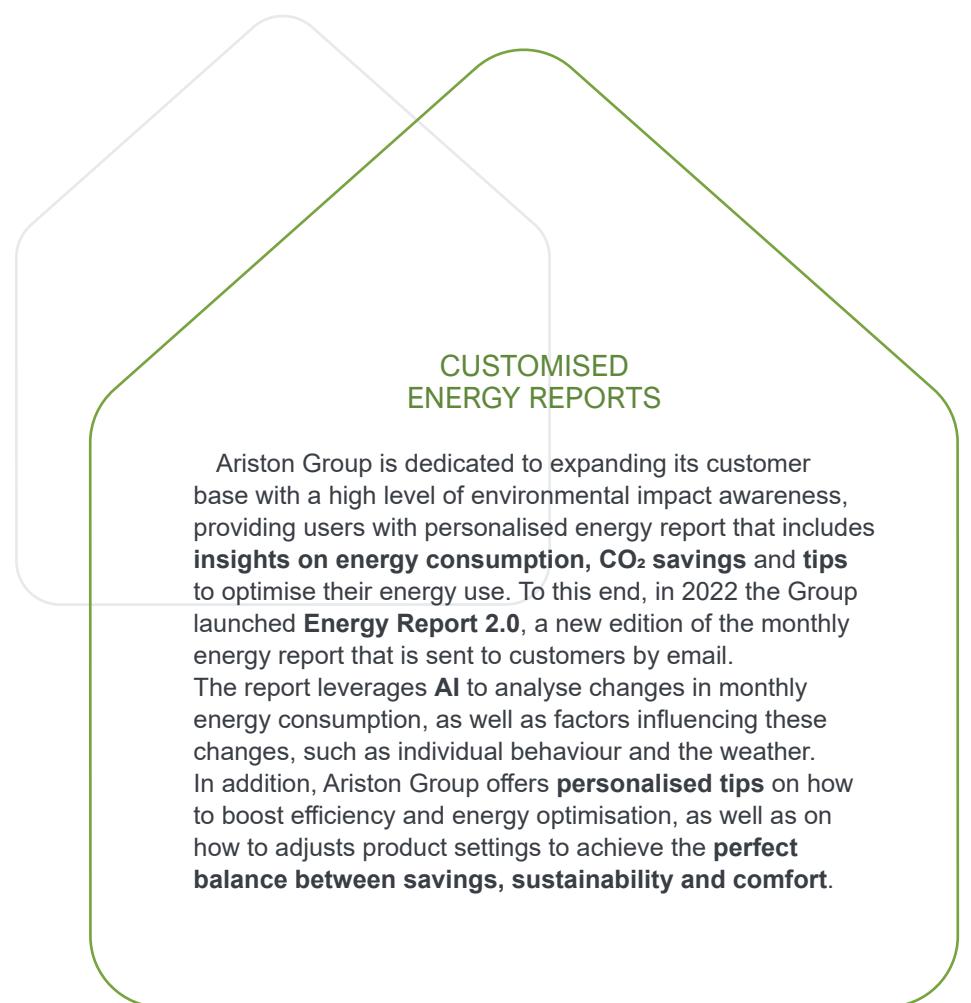
The app enables end-users to **remotely control space and water heating solutions** in order to manage comfort, optimise energy consumption and receive prompt assistance. In parallel, it makes it possible to **increase customers' awareness on their consumption levels** through energy usage reporting. The Ariston Net App offers **usability features** to meet the needs of both basic and advanced users, including:



- **Save energy:** the app serves as an energy consultant through **custom reports**, allowing users to monitor energy consumption, from daily to annual, increasing awareness on their consumption habits and supporting them to save up to 25%.

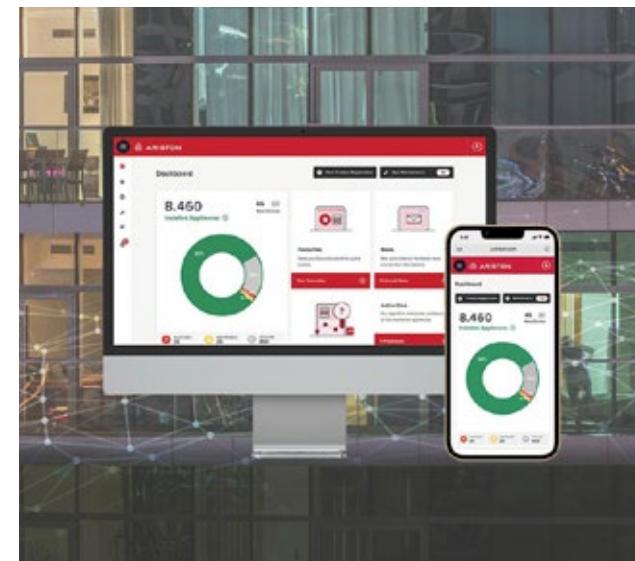
- **Prompt assistance:** in case of system failures, homeowners receive a **real-time notification** signalling the error number and the corresponding description to **facilitate remote technical assistance**. In addition, the **Active Care** AI-enabled feature predicts pressure drops and notifies it to users to prevent blocks and avoid comfort interruption.

- **Easy control:** remotely control and manage domestic comfort through the app but not only that: with the new AI-powered functions, the benefits of smart comfort now are even greater. Through the **Smart Scheduling** feature, AI can be used to learn from users' habits and **provide tailor-made weekly schedules** that self-adjust constantly, meeting changing needs. Also, **geo-fencing** makes it possible to **adjust temperature** based on the users' location, while the **Optimum Start** feature, powered by data science, was added to **recognise a home's thermal characteristics** to preheat it accordingly, while optimising energy consumption.

[The European Taxonomy](#)[Road to 100](#)[The path towards Road to 100](#)[How did we get here?](#)[Main 2030 objectives](#)[Solutions](#)[Operations](#)[People & Communities](#)[Customers](#)[Governance](#)

ARISTON NET PRO

This app allows professionals to provide customers with best-in-class service, as well as effective and timely support. The platform **boosts operational efficiency** through the remote monitoring of the installed systems, enabling the identification and immediate resolution of problems. It also uses AI to predict potential faults, allowing service centres to proactively optimise their workload and bring additional peace of mind to their customers. Some of the main advantages of Ariston NET PRO include the **ability to monitor and control systems and adjust products settings remotely, receive real-time notifications about potential issues, easily identify necessary spare parts in advance, as well as improve the scheduling of maintenance activities**.



DEVELOPING INTEROPERABILITY EVEN FURTHER THROUGH ARISTON NET OPEN

Interoperability, or the integration of connected products and services into domestic ecosystems with unified management interfaces or third-party asset or service management software platforms, is a key feature of a smart home. Such interaction is made possible with the **Ariston Net OPEN** service, which leverages **API programme (Ariston Application Programming Interface)** to address the needs of anyone striving to build new use cases based on mutual integration and/or exchange of data. As such, **Ariston Group has partners operating in different sectors**, such as social housing, maintenance companies, utilities, facility management and insurance. Our connectivity products are compatible with all major IoT platforms and with the aim of delivering to end users competitive solutions that can communicate with third-party services, a few years ago the Group established partnerships with **Amazon Alexa, Apple HomeKit and Google Assistant** and in 2022 has further developed these collaborations.



2. Operations



*A decarbonised business
with a circular approach*

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



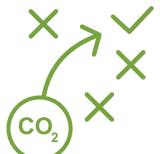
12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



Key challenges



Defining a decarbonisation strategy and a monitoring system to reduce direct and indirect emissions (Scope 1, 2 and 3).



Integrating circular processes within the business and along the supply chain and defining a monitoring system as a supporting tool for ongoing improvement.



Increasing suppliers' engagement and transparency and defining ESG standards for supply chain business partners alongside due diligence processes, in response to the latest applicable regulatory developments.

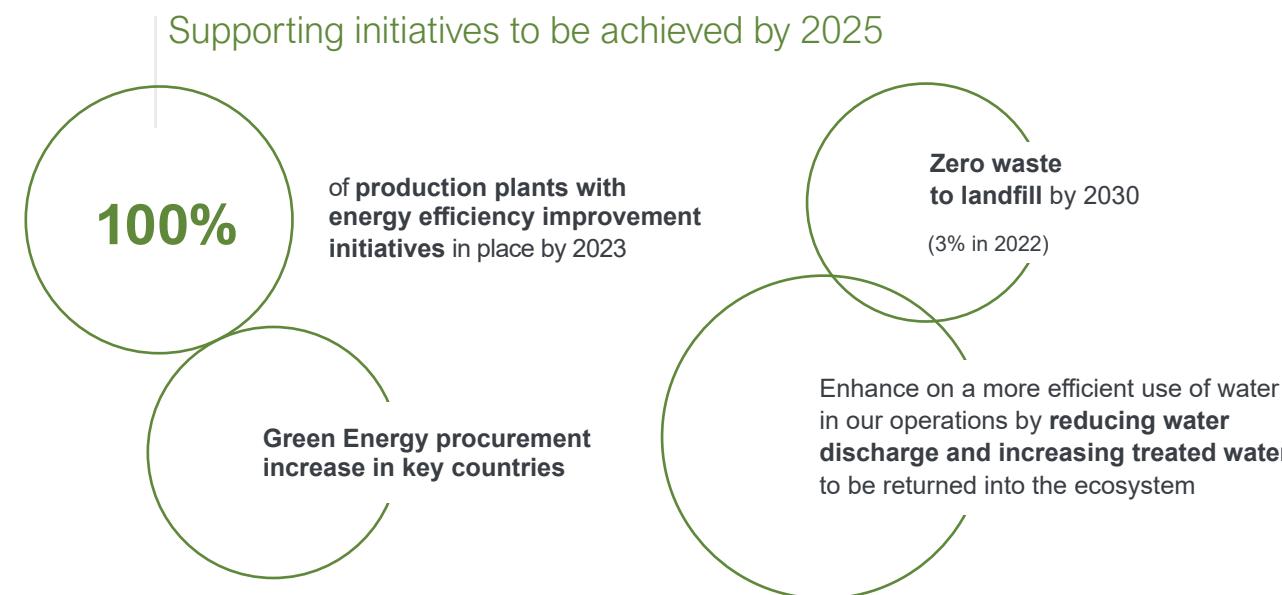
Resources Productivity and Circularity



42% Scope 1 and Scope 2 absolute GHG emissions reduction (2021 base year)

>50% Scope 3 GHG emissions reduction per million euro value added (2021 base year)¹⁷

In light of global decarbonisation targets, we are all called upon to **drive change and mitigate our CO₂ emissions**. This does not only mean setting targets within our direct reach (Scope 1 and Scope 2), but also engaging on those factors that are particularly impactful across our value chain (Scope 3). We firmly believe that **mitigation efforts are truly possible** by setting specific, measurable and science-based targets that can guide our emission reduction strategy while monitoring our improvement journey, year after year.





OUR PROGRESS
IN 2022

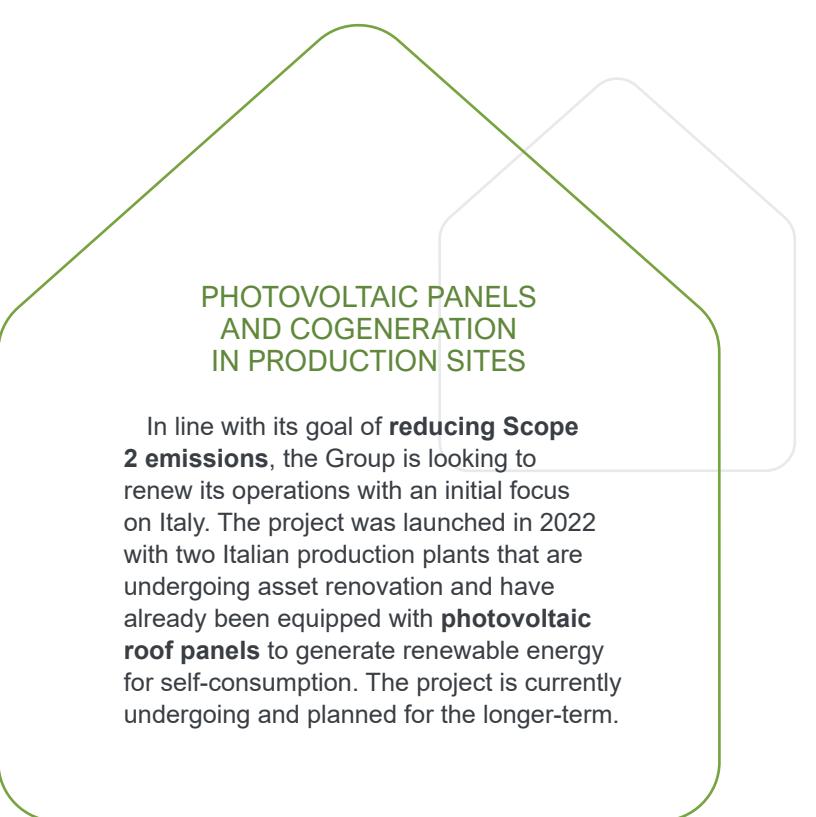
A 360 DEGREES DECARBONISATION STRATEGY

Ariston Group acknowledges the urgent need to address climate change and reach a decarbonised economy by 2050. As a player operating in a sector that bears a significant impact on GHG emissions, the Group has undertaken bold commitments with the introduction of its **carbon reduction programme** in 2022.

The journey follows a clear methodological approach and involves three key phases. The first step involved defining a **baseline** to determine the carbon footprint of the Group's Scope 1, 2 and 3 emissions. The baseline made it possible to **define objectives**, achievable through specific decarbonisation targets and based on careful benchmarking and current climate science. The baseline was set for 2021 and calculated with reference to well-known **Greenhouse Gas Protocol**. During the second step, **decarbonisation levers and respective impacts** were mapped out. These include energy efficiency measures, renewable energy procurement, off-setting activities and credits issuing and, finally, a **co-creation process** was envisaged in order to define a forward-looking **decarbonisation strategy**, based on the close engagement of internal stakeholders.

Taking a closer look, **Scope 1** encompasses fuel consumption, refrigerant leakages and fugitive emissions stemming from the Group's production plants and other facilities. **Scope 2**, instead, entails electricity consumption in plants and other non-production facilities. Finally, **Scope 3** accounts for indirect upstream and downstream emissions ranging from purchased goods and services, transport and distribution, waste, business travel and use of the sold products.



LETTER TO STAKEHOLDERS	HOW TO READ THE DOCUMENT	OUR GROUP	SUSTAINABILITY REPORT	NOTE ON METHODOLOGY	TECHNICAL APPENDIX	GRI CONTENT INDEX	NOTES		
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<p>Ariston Group is committed to reducing its Scope 1 and Scope 2 emissions of 42% by 2030 with respect to 2021. A key lever is the optimisation of energy use within operations processes. Indeed, all the Group's production facilities are developing and deploying energy efficiency measures through various initiatives: the implementation of interventions on compressed air (replacement, revamping or management improvement), buildings (insulation), heat recovery and heat volume reduction, temperature management, installation of inverters, locating air leakages and definition of a plan to resolve them, lights (both replacement and management), as well as installation of meters and data collection system. Other actions to further enhance the Group's decarbonisation journey include the integration of new installations and machineries, the enhancement of renewable energy systems for onsite energy generation, the implementation of electricity shut down power saving applications and the gradual electrification of main processes and the corporate fleet.</p>  <p>PHOTOVOLTAIC PANELS AND COGENERATION IN PRODUCTION SITES</p> <p>In line with its goal of reducing Scope 2 emissions, the Group is looking to renew its operations with an initial focus on Italy. The project was launched in 2022 with two Italian production plants that are undergoing asset renovation and have already been equipped with photovoltaic roof panels to generate renewable energy for self-consumption. The project is currently undergoing and planned for the longer-term.</p>	<p>Moreover, a switch to renewable sources through on-site photovoltaic panels extension, Power Purchase Agreements (PPAs) and certified green energy procurement will also be required. As to residual emissions, offsetting activities will be carried out and corresponding credits will be issued.</p> <p>In terms of Scope 3 emissions, evidence indicates that most of the Group's emissions stem from downstream use of the products, with a minor part from purchased goods and services. Ariston Group is committed to addressing use of sold product emissions by leveraging on renewable technology solutions, products durability and a more circular use of resources, as well as the reliance on refrigerants with lower environmental impact and global warming potential, hydrogen, biofuels and connectivity as a means to improve product efficiency. Emissions arising from purchased goods and services, instead, will be tackled through a renewed supplier relationship management model based on an ESG approach.</p>	 <h3>EXPANDING WORLD CLASS METHODOLOGY</h3> <p>Already back in 2011, Ariston Group adopted the World Class Manufacturing (WCM) methodology as a tool to create a structured and replicable production system to attain its business targets through the monitoring and prevention of waste and losses, with the goal of improving the quality, safety, cost and environmental performance of the production system. Today, the WCM constitutes a common language that allows processes to be standardised across the Group's production plants at a global level, to eliminate waste and improve quality, safety, costs and environmental performance. The methodology is now operational in 13 production plants and with the Osimo, Cerreto d'Esi and Arcevia facilities the Group has so far won three bronze awards.</p> <p>Moreover, in 2018, the Ariston Group adopted the World Class Logistics (WCL) methodology. In line with the WCM concepts, the WCL methodology constitutes a shared approach that allows processes to be standardised across the Group's warehouses at a global level, creating a replicable logistics system throughout finished goods and distributions warehouses. This methodology is now operational in two finished goods warehouses and is based on the goal of improving customer service levels, safety, cost and environmental performance, also thanks to a monitoring and waste and losses prevention procedure.</p>	<p>FROM TAKE-MAKE-WASTE, TO CLOSING THE LOOP</p> <p>In Europe, each type of waste is characterised to determine the accurate European Waste Code and its treatment. In addition to being compliant to the latest European regulations, the Group is ISO 14001 certified and its European production plants have adopted a standard to assess the environmental impact of waste. The latter is measured on the basis of volume trends, the environmental sensitivity according to the percentage of waste disposed, the legal requirement in light of plant authorisation categories, the involvement of stakeholders (always taking into account the interests of the communities in which the Group operates), the extension of the interested area and the reversibility of the impacts. According to this detailed assessment, Ariston Group's production plants have low waste-related impacts, with a generation of less than 5% hazardous waste and a revalorisation of 96% of the total waste in Europe.</p> <p>With circularity already active through recycling practices, the Group is progressively identifying circular opportunities and implementing circularity initiatives with a particular focus on its waste management approach, in order to continue reducing its strain on finite resources.</p> <p>Focusing on the production process, waste can be divided in two categories:</p> <ul style="list-style-type: none"> • Packaging of the raw materials such as cartons, plastics bags, wooden pallets, etc. • Manufacturing scraps resulting from the manufacturing process, such as metal cutting scraps, non-conforming work in progress, or finished goods. 						
76	77						2022 COMPANY REPORT		

According to the **5R methodology**, waste reduction projects are prioritised by:

- **Rejecting** unnecessary packaging, evaluating the environmental impact of any change through a pre-project risk assessment

- **Reducing** waste production by considering some waste resulting from our production processes as by-products (e.g. magnesium oxide is not classified as waste when further use is certain directly in other industrial processes without any further processing), designing high-quality products to extend their lives and designing efficient packaging to reduce waste

- **Recycling** metal, plastics, cartons, electrical components, etc.

- **Reusing** component packaging in partnership with suppliers, reworking non-conforming products to reuse tank and other metal components saving 0.4% of the production, selling wooden pallets for repair and reuse

- **Revalorising** by prioritising incineration with energy recovery when it comes to disposal operations and assessing available technology to treat non-recyclable materials such as polyurethane foam to maintain the energy efficiency of the Group's solutions

An annual corporate objective of **-2% of IRT** (waste volume/production pieces) for waste reduction is defined, based on the Group's strategy to meet ISO 14001 requirements. In the upcoming years, the Group will increase the circularity level of its waste management model, from the use of raw materials to the disposal of the finished product.



GOLD MEDAL FOR THE GROUP'S VIEUX THANN BURNERS PLANT IN FRANCE



This year, Ariston Group's **SPM Innovation Vieux Thann production plant**, which operates in the burners division, received a positive sustainability rating from **Ecovadis**, confirming its positioning in terms of **operational sustainability**. The plant was evaluated on a range of criteria varying from environmental to social and the medal enabled the plant to move from a score of 58/100 received in 2020 (silver medal) to 72/100 in 2022, **achieving a gold medal scoring**. In terms of benchmarking, SPM Innovation reached the 97th position, meaning that only 3% of the suppliers evaluated by Ecovadis achieved a better score, making it a true example in terms of **best-in-class HSE management systems**.

OPERATING WITH RESPECT FOR WATER RESOURCES

ISO 14001, the **Group HSE Policy** and the **WCM methodology for environmental performances** are the guidelines followed by Ariston Group throughout its operations in **managing water**, which is withdrawn from the municipality and wells and is used for **cooling, surface treatment** in steel manufacturing plants, **finished goods testing** and for **civil use**. The water is subsequently released into sewers or directly into the environment, depending on its use and treatment necessities. The Arcevia, Cerreto, Chartres, Genga, Saint Petersburg and Wuxi production sites, in fact, are equipped with internal **chemical and physical filtration processes** that prepare the water for release into rivers, in accordance with the applicable environmental requirements.

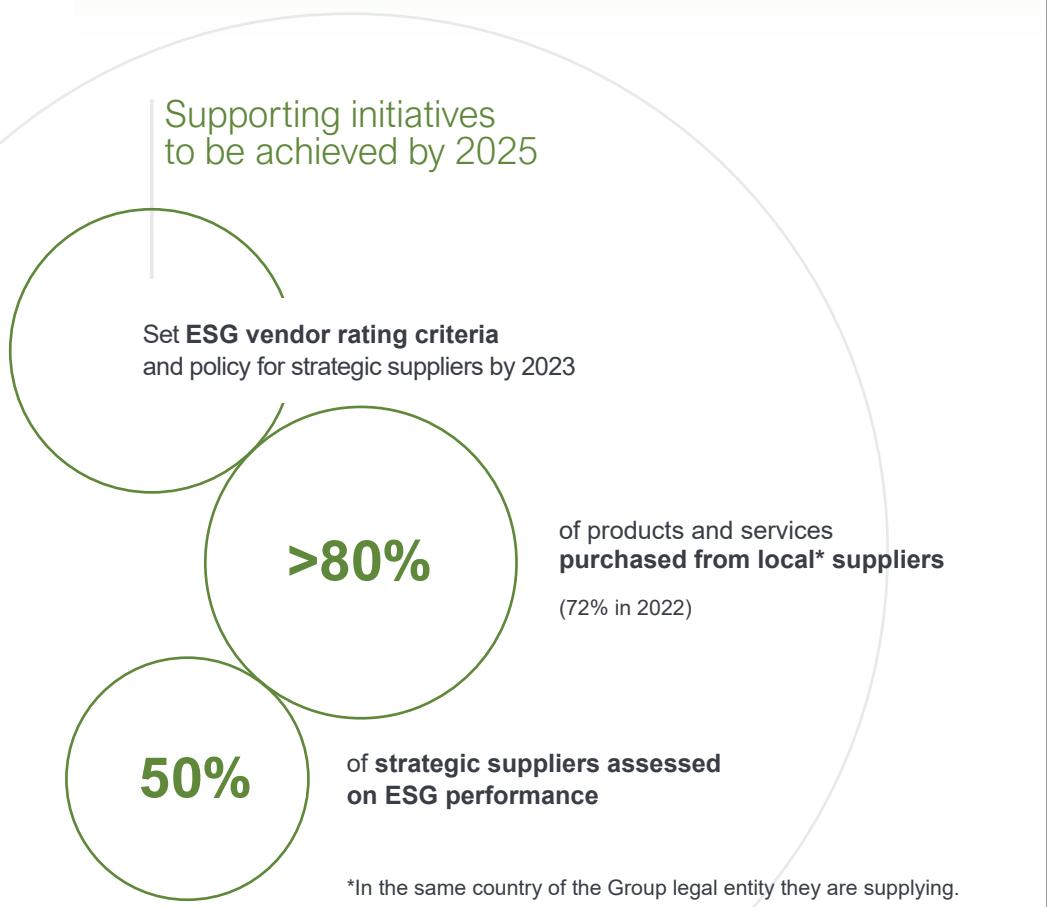
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<p>To reduce water consumption, the Group focuses on decreasing the use of water in production process, improving its water reuse practices and on reducing the use of tap water through the withdrawal from wells. In fact, 83% of the water withdrawal of the Company's ISO14001 certified plants is directly pumped from ground water that is not drinkable. Moreover, all of Ariston Group's production plants strictly abide by local regulations to govern the quality of water discharged through specific periodic controls. Any deviations are noted down in the internal audit/controlled HSE action tracker. Additionally, in accordance with Ariston Group's incident management policy, any legal non-conformity or water pollution must be treated as a major environmental issue and immediately notified to top management for impact mitigation.</p> 	<p>AN INCREASINGLY MORE CIRCULAR APPROACH FOR OUR SOLUTIONS</p> <p>FOSTERING TRANSPARENCY AND TRACEABILITY WITH A FOCUS ON FRANCE</p> <p>In response to the publication of the Agec Law in France in 2022 (Anti-Waste for a Circular Economy Law), Ariston Group has started taking action to communicate the environmental qualities and characteristics of its waste-generating products. As a producer, importer and distributor of water and space heating solutions on the French market, the Group is in fact required to disclose the levels of recyclability and recycled materials, the presence of rare earth elements (e.g. scandium, lanthanum, cerium, neodymium etc.), precious metals (gold, silver, platinum, palladium), dangerous substances. Indication must be provided as to whether the presence of these materials is above or below a certain threshold. The data collected must be published and made available to customers. So far, the disclosure has been carried out for the most representative categories of French products, ranging from electric storage water heaters, heat pumps water heaters, heating heat pumps and boilers.</p> <p>The data collection carried out is the first step for the deployment of circularity practices, as it guarantees the identification of circular opportunities and raises awareness in terms of resource consumption from a social and environmental perspective, with a potential to be further implemented into different areas of the business. This analysis also helps improve the transparency and traceability of raw materials in the supply chain, supporting the Company in seizing the adequate circular opportunities and contributing to a stronger collaboration with suppliers around ESG topics.</p>	<p>A 360 DEGREES APPROACH ON PRODUCTS DATA: THE GROUP'S PRODUCT LIFECYCLE MANAGEMENT (PLM)</p> <p>In 2020, the Group developed a product lifecycle management (PLM) strategy to address the need to guarantee best practices throughout the whole product life cycle. PLM is the strategic process of managing a product's entire journey, from initial ideation and development to service and disposal. The strategy will improve the time-to-market, as well as the product cost and effectiveness, ensuring more fluent data management which, in turn, will help monitor environmental impacts and set circularity targets. In addition to integrating functions, data, processes and business systems, PLM software solutions are a crucial component in the digital transformation journey of the business. These, in fact, provide a variety of tools based on a complex and state-of-art IT infrastructure, aimed at enhancing the customer experience, speeding up innovation, increasing efficiency and cutting costs.</p>									
							<p>LIFE CYCLE ASSESSMENT (LCA) AND ENVIRONMENTAL PRODUCT DECLARATION: THE PEP ECOPASSPORT</p> <p>An Environmental Product Declaration (EPD) is an internationally harmonised communication format that describes the environmental footprint of a product throughout its life cycle. The PEP (Product Environmental Profile) registered under the PEP ecopassport® Programme is a type III environmental declaration that meets the ISO 14025 Standard and is based on the LCA methodology. As early as 2017, Ariston Group began working towards the PEP ecopassport and, in 2022, Ariston's Nevis Evo R32 25 MUD0, an air-to-air heat pump providing heating for individual housing, obtained the ecopassport certification, the 10th assigned to products developed by the Ariston Group's brands. LCA is again an essential analysis that supports the Group in the effective implementation of circularity aspects, giving a complete overview of the environmental impacts, from cradle to grave.</p>				

Responsible supply chain



Align 100% of our strategic suppliers with our ESG journey

In line with our ambitions and the rapid regulatory evolution, we are committed to focusing on and engaging our supplier base on ESG-related aspects. We are aware that as part of our ESG efforts, we must take into consideration the environmental and social performance of our supply chain. For this reason, we are developing multiple tools and plans to foster a relationship management driven by sustainability. These include assessments, improvement and monitoring plans aimed at engaging and supporting our suppliers' base in our ESG journey.



OUR PROGRESS IN 2022

ORIENTING OUR SUPPLIERS' EVALUATION TOWARDS ESG ISSUES

With the aim to continue improving its purchasing practices, the Group has adopted a process to select direct suppliers, which not only assesses product specifications, packaging and delivery, but also the integrity and reputation of the latter. The prequalification procedure involves fulfilment of applicable ISO certifications (i.e. ISO 45001, ISO 14001, ISO 9001, ISO 50001), state accreditation for vendors and answers to more than 50 questions on different topics, such as health, safety, environmental and quality aspects. The contract clearly outlines the legal compliance of the entire process in accordance with national and international laws, as well as accreditation. The document must also include the ethical declaration on protecting health and safety in the workplace, respecting human rights and a commitment to the HSE policy, which mandates operating in a responsible manner towards people and the environment. This process has been implemented thanks to the Group's e-vendor portal, a dedicated platform that facilitates the collection of supplier documentation required to evaluate their compliance with the applicable requirements.

ESG SUPPLY CHAIN DUE DILIGENCE

During 2022, the Group has worked hard to set the basis for conducting a structured ESG assessment of its supplier base. The Company is aware of the importance of assessing the risks that can arise from the business relations with third parties and is therefore defining a strategy to minimise impacts derived from its value chain and to improve synergy in delivering environmental and social high-impact outcomes. The project will be launched in 2023 with an initial identification of further criteria suppliers are required to align with. Moreover, the project will involve an assessment which will make it possible to rate ESG performance for each supplier. The definition of a strategic approach and the evaluation of supplier ESG performance will, in turn, lead to the definition of clear-cut improvement and monitoring plans. Ariston Group has started implementing a human rights due diligence process, initially mapping impacts brought about by the business itself, in order to identify the most critical areas and countries. The due diligence process will be applied to the rest of the supply chain over the coming years.

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	STREAMLINING REQUIREMENTS FOR MATERIALS AND COMPONENTS	When it comes to raw materials and components, both sourced from within and outside Europe, Ariston Group requires its suppliers to adhere to certain safety and environmental performance requirements. They are defined taking into account applicable regulations, laws, directives, norms, voluntary standards and the Group's protocols, and range from packaging to safe drinking prerequisites, along with hazardous substances and pollutants. In particular, the RoHS Directive (Restriction of Hazardous Substances) applies to a wide range of electrical and electronic equipment, including household appliances, and covers several hazardous substances with the aim to prevent the risks posed to human health and the environment. The POPs Regulation (Persistent Organic Pollutants) also aims to reduce the environmental impact of certain persistent organic pollutants, which are resistant to environmental degradation and accumulate in the environment, causing a negative impact on human health and the environment. Finally, the Group is subject to the REACH Regulation (Registration, Evaluation, Authorisation, and Restriction of Chemicals), which covers virtually all substances (hazardous and non-hazardous) manufactured, imported and used within the EU and comprises the registration, evaluation, authorisation and restriction of chemicals. For all these requirements, the Group requires its suppliers to submit the related statement on a yearly basis , in which they are asked to declare the compliance of their components and update in terms of material composition or due to regulatory changes. These statements are then checked by the Group's Certification Division to ensure the compliance of suppliers with applicable requirements. The overall process ensures a clear mapping of materials and their composition , providing the Group with an overview of the current status and updates.	<i>Ariston Group has launched its digital supply chain (DSC) project for a comprehensive review of supply chain processes, organization and technological platforms.</i>	SUPPLY CHAIN DIGITALISATION	<i>Ariston Group has launched its digital supply chain (DSC) project for a comprehensive review of supply chain processes, organization and technological platforms. The strategic scope of this project includes improving the reliability and consistency of the supply chain, enhancing the Company's reputation with customers by increasing the value of its products and services and taking advantage of business opportunities through better management of inventory levels and dedicated flows for key customers. The project also aims to increase the efficiency of supply chain management through correlated processes like demand planning, Sales & Operations (S&OP) and master planning, supported by new tools, as well as to provide decision-making support through simulation tools. Demand planning involves forecasting market demand, while S&OP involves top management in strategic decision-making relating to sales demand and operation planning. Master planning, on the other hand, involves creating production schedules for finished goods and accessories and deploying them through the network, while order management involves managing and prioritising customer orders through appropriate engagement rules. The project also aims to consistently measure and report on the Company's growth and to take appropriate action to sustain it.</i>	<i>Finally, Ariston Group has launched other transformation projects to improve its sourcing and procurement (S&P) model. To manage its suppliers more effectively, the Company plans to implement initiatives such as paperless processes, increased transparency, centralised data, improved reporting, enhanced user experience and supplier integration.</i>			

3. People & Communities



*Empowering people
to achieve more*



Key challenges



Building a **One Team company culture** based on the integration of diversity and inclusion and on a clear understanding of roles and responsibilities, in order to continue attracting and retaining resources.



Contributing to **upskilling and reskilling of workers** in view of the rapid evolution of the Industry 4.0 technologies and the increasing lack of necessary skills in such a technical and connectivity-oriented realm.



Maintaining a **strong link between the company and the communities** across its operations, to foster awareness on the importance of sustainable thermal comfort.

Excellent employee experience and engagement



*To be a **certified world class employer** that **builds a sustainable working environment***

For us at Ariston Group, “**people come first**”. Our goal is, first and foremost, that of developing a meaningful and comprehensive people experience, in order to foster a sense of belonging to the Group and **increase the engagement of our people as one team**. We want our employees to feel they are valued and cared for. That is precisely why we are working towards a set of initiatives that will lead us to become a certified world class employer, where our employees can thrive.

Supporting initiatives to be achieved by 2025





weARE: A MILESTONE FOR INTERNAL COMMUNICATION

In the framework of Ariston Group's commitment towards the full realization of being **one team**, the Company launched its first global Intranet, **weARE**, at the end of 2022.

The unveiling of **weARE** marked an important step, bringing Ariston Group's **global internal community closer together**. The introduction of the corporate Intranet represents a building block to **define and disseminate a shared culture**, based on **core values and historic achievements**. Indeed, this need became even more urgent as a consequence of the significant growth of the Group, which has been further accelerated by the CENTROTEC Climate Systems acquisition.

The platform aims not only at spreading messages that are **key for the business** and its different functions, but also at **engaging all the employees worldwide, giving them voice** and involving them



in inspiring dialogues with the Company. **weARE** is continuously progressing, leveraging Ariston Group's **heritage and strengths**, while drawing its evolution according to future dynamics.

Concerning **sustainability**, **weARE** provides the employees with specific content, namely:

- **Ariston Group for ESG:** it provides readers with information on the Group's ESG strategy and vision, main objectives, projects, action plans and achievements, always oriented towards a sustainable growth
- **ESG Around the world:** it gives voice to timely updates concerning international and national legislative frameworks and projects related to the ESG trends
- **ESG Awareness:** it sheds light on key reports results, aimed at increasing the understanding of main ESG topics, international days that celebrate and promote ESG awareness and interesting ESG insights considered worth spreading

EXTENDING THE GLOBAL LEADERSHIP PROGRAM (GLP)

The Global Leadership Program is a learning and development initiative aimed at activating, supporting and strengthening practices associated with the competences of Ariston Group Leadership Model: **LEAD CHANGE, LEAD BUSINESS** and, most importantly, **LEAD PEOPLE**. The feedback culture and the interpretation of the Leader's role as Coach are the thread that run across the different journeys, customized by type of population (Executive, Senior Managers, Managers, Individual contributors and Blue Collars) from 25 countries, wishing to address them through behavioural changes that have an impact on daily actions and results.

Launched in 2021, the fully digital GLP program was initially addressed to **Executives** and **Senior Managers**, so that they could lead by example and bring about a cultural change through a consistent managerial style. In 2022, the Group extended the Global Leadership Program to the **Mid Management**, covering **25 countries** and, in 2023, it will also be applied to **Individual Contributors**, with **follow-ups** planned for Executives and Senior Managers in order to strengthen the leadership style while enriching diversity through different contributors. **Key methodologies** include tailored training sessions, individual business coaching journeys, team learning sessions, webinars and online content.



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REVISITING THE GROUP'S PERFORMANCE MANAGEMENT PROCESS									
<p>The strong focus on feedback and a more “employee centric” approach in managing all the HR processes brought the Group to review its Performance Management Process, ensuring accountability and recognition of the work performed by employees, on one hand, and identifying professional development needs on the other. In the co-responsible relationship between managers and employees, where personal and professional growth occurs through objectives and the sharing of training needs, the goal of Ariston Group is to ensure that all employees have a clear understanding of the work they are required to complete and of the organisation's expectations. The Company strongly believes that if people are provided with adequate direction and support in their work, they will be able to perform tasks to the best of their abilities.</p> <p>To this extent, the Group introduced several improvements along the Performance process:</p> <ul style="list-style-type: none"> Shift from a top-down to a bottom-up approach, where employees are proactive in self-assigning their own goals for the year and co-responsible for the process contents Focus on employees' development, offering them the opportunity to express and track both training and development needs and personal growth ambitions, to reduce possible biases in evaluation process Setting of clear steps with fixed deadlines defined at Group level, leveraging on a group-wide shared tool to provide a constant overview of the process progression and track both employees historical data and development actions 	<ul style="list-style-type: none"> Effective user experience, leveraging on digital tools and an improved mobile user experience and application look & feel <p>Performance management does not stand alone: rather, it is deeply integrated and strictly linked to other processes. It supports job rotation processes through the sharing of personal aspiration; it facilitates career management by offering career development opportunities aligned with personal strengths; it contributes to the development of specific customized training paths that take into consideration inputs and needs; finally, it supports salary reviews and HR mapping processes.</p> <p>SUPPORTING EMPLOYEES IN THEIR FURTHER DEVELOPMENT</p> <p>In 2022, the Group continued to carry on its HR Mapping process, addressed to all white-collar workers, which consists in assessing the performance and potential of the employees, to define tailored development plans based on specific learning needs and career paths. HR Mapping process supports in identifying multiple talent management activities, ranging from job rotations and 360-degrees feedback evaluation processes to coaching activities and training programmes. Along the process are evaluated continuous individual or in-class trainings aimed at building soft and technical skills, accompanying employees along their growth path inside and across the business. One of the key tools to achieve this goal is the Learning Management System (LMS), which consists of a user-friendly and easy-to-access online hub that embeds all corporate learning materials provided through physical and digital courses.</p> <p>The employees can easily access the LMS platform having the opportunity to build their self-learning path or can join one the corporate trainings offered each year. In 2022, a total of 39 hours of training were provided to employees split across white and blue collars (30 vs 9 respectively).</p>	<p><i>Upskilling programs for white collars</i></p> <p>Global Leadership Program</p> <p>My Ariston Group</p> <p>Presentation effectiveness</p> <p>Leading people for growth</p> <p>Leading The Effective Sales Force</p> <p>Brand Management</p> <p>Sales Planning & Control</p> <p>Advanced Management Program</p> <p>Strategic Learning & Development</p> <p>Finance Group Coaching Journey</p> <p>Consumer Insight</p>	<ul style="list-style-type: none"> Objectives <p>To activate, support and strengthen practices associated with the competences of Ariston Group Leadership Model: LEAD CHANGE, LEAD BUSINESS and, most importantly, LEAD PEOPLE</p> <p>To support the induction of new employees with 6-12 months experience transferring business competences and Ariston key processes</p> <p>To refine and improve the style, structure, content and delivery of presentations, through the application of effective techniques, practice and live feedbacks</p> <p>To support recently assigned managers on leading teams the achievement of the results through effective people management skills</p> <p>To help optimise the performance of the sales force and raise sales</p> <p>To identify opportunities and threats that affect brand's market position and determine potential strategies to capitalize on opportunities to strengthen the brand's position</p> <p>To provide for a common language to the management control functions and Sales and the tools to enhance the company's ability to predict, govern and measure commercial performance</p> <p>Designed for top-tier executives who want to boost their ability to navigate complex markets and identify new sources of competitive advantage</p> <p>To provide the new digital skills that the market requires with a strategic view, more and more connected to the business aiming to transform the training in Learning Organisation</p> <p>Designed for the Finance team to leverage on strengths and defining new rules for the team to better work together</p> <p>Training dedicated to the new professional roles of RPD (Region Product Directors) covered by employees already in the company and to Product Managers in order to support them in acquiring new knowledge and skills to work in synergies with markets</p>	<p>Hours (per edition)</p> <p>11</p> <p>40 (on average)</p> <p>16</p> <p>20</p> <p>40</p> <p>60</p> <p>36</p> <p>160</p> <p>30</p> <p>24</p> <p>6</p>					

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<p>A COACHING PROGRAM, SPECIFICALLY DESIGNED FOR THE FINANCE TEAM</p> <p>In 2022, the Finance Team underwent a significant organizational change, which showed the importance of acting quickly in order to bring the team together to define common priorities and build a sense of mutual trust. As a result, a tailored Coaching Training initiative was put in place through the integration of two different methodologies: 1) 1:1 training sessions focused personal development and growth; 2) group meetings aimed at building effective relationship. More specifically, training activities were divided into three phases:</p> <ul style="list-style-type: none"> Discovery: to outline strengths and improvement areas, individual perceptions and team dynamics. Alignment: to detect team operating principles and identify tools to work effectively as a team leveraging on strengths. Execution: to set out new rules for team-working, closing gaps and evaluating learning and achievements. <p>DEVELOPING TECHNICAL COMPETENCES: THE LATEST EDITION OF THE THERMOWATT ACADEMY</p> <p>The Thermowatt Academy was launched in 2020 to develop professional paths specifically for the manufacturing world, transferring technical know-how from the Thermowatt sites – Ariston Group's premier component brand – to young talents from Italian technical schools. The 1-month 2021 edition involved 12 students coming from 4 local schools and was focused on Operations. Through a combination of in-class and on-the-field training, the</p> <p>students had the opportunity to learn more about the Company's products and technologies. Currently, 9 out of 12 students have been confirmed and are continuing training. For the 2022 edition, the Academy might become the systematic way of onboarding young professionals from both technical schools (ITS) and undergraduate/pre-graduate programs. The Academy will be expanded to include the other Group's brand as well.</p>	<p>HEALTH AND SAFETY MANAGEMENT</p> <p>Ariston Group has implemented an Occupational Health and Safety Management System which is certified by the British Standards Institution, in accordance to the international standard ISO 45001:2015. The Management System is integrated with the Environmental and Quality Management systems, both of which follow the ISO 14001:2015 and ISO 9001:2015, respectively. The Integrated System is outlined in the HSE Management Manual structured according to a cyclical sequence of planning, implementation, monitoring and review phases, providing harmonised procedures and guidelines to all the levels of the organisation.</p> <p>STRENGTHENING THE “ONE TEAM” PROGRAM TO ENCOMPASS HR, FINANCE, SUPPLY CHAIN & LOGISTICS FUNCTIONS</p> <p>The “One Team” Program was launched in 2020 to help clarify accountabilities, roles and decision-making processes for streamlining procedures, review local as well as global structures and evolve to a more cross-functional approach. Following a process of alignment of the Product Development and Marketing business functions, 2022 focused on engaging HR, Finance and Supply Chain and Logistics, to create effective internal business partners and set a “One Team” approach. With regards to the HR team, work on the overall strategy and organisational model was carried out to clarify roles and responsibilities across geographical areas, distinguishing between administrative/HR services activities and business activities. In parallel, work was carried out to help develop a cohesive communication strategy through the launch of the new Intranet. The Supply Chain and Logistics team was involved in identifying and addressing key pain points, leading to a clarification of decision-making processes and new organisational design at the Group and country level. Similar approach adopted for the Finance project leading to a redefinition of roles and structural changes at all levels, in parallel with the completion of the New Finance Model, which reviewed the Group's Finance systems as well as processes and flows behind.</p>								

Education for the future

100% Countries* engaged in projects that foster awareness on **sustainable thermal comfort** as an enabler for **social development**

*Countries Ariston Group operates in

2030 TARGET AND AMBITION

The **bond with local communities** constitutes one of our founding values. Contributing to the social development of the communities we operate in is part of founder Aristide Merloni's industrial culture and rooted in our vision "sustainable comfort for everyone". In parallel to **providing energy efficient solution where it is needed the most**, educational activities to **foster awareness on sustainable comfort** are at the center of our conferences and partnerships, along with sustainability contents accessible to everyone thanks to the digital platforms we rely on.

OUR PROGRESS IN 2022

THE ARISTIDE MERLONI FOUNDATION AS A PROMOTER OF CONFERENCES, REPORTS AND CONVENTIONS

On the January 20, the "**Business Mergers and Acquisitions in Italy and the Marche Region - Trends, Opportunities and Open Issues**" conference was held at the Contamination Lab of the Marche Polytechnic University of in Ancona, to discuss and address the regional and national mergers and acquisitions of companies. In 2022, the 7th edition of the **Scientific Committee of the Aristide Merloni Foundation**, led by former Italian Prime Minister Enrico Letta, took place. Here, conversations about markets, deglobalisation and reshoring were hosted: pivotal topics for the future of the Marche region and for Italy as a whole. More specifically, the talk was

led by Arancha González Laya, former World Trade Organisation Director General and Spanish Foreign Minister, with speeches given by journalist Ferruccio De Bortoli, Former Prime Ministers Enrico Letta and Romano Prodi as well as European Parliament Committee Member Irene Tinagli, amongst other prominent figures. Always in 2022, the theme of globalisation and deglobalisation has been discussed also at the Faculty of Economics of Ancona with Professor Innocenzo Cipolletta, who held the **Marche Economics Lesson** during the annual Graduation Award, which is part of the initiatives of *Economia Marche*, the historic economic magazine edited by the



Aristide Merloni Foundation. On October 20, in L'Aquila, the **Energy for Central Italy conference** was held by HAMU, the Abruzzo Marche Umbria hub, of which the Aristide Merloni Foundation is one of the founding members. The Abruzzo, Marche and Umbria regions are involved in the **European strategy aimed at supporting the development of the Adriatic-Ionian regions**, and key themes such as **energy** and the **innovation ecosystem** for central Italy were at the centre of the discussions. On November 26, the conference presenting the "**Alliance School-Work - it is never too late**" exhibition took place. The initiative resulted from the Foundation's collaboration with the **Building the Future Foundation** and focused on the relationship between schools and the professional world. Finally, the 9th edition of the "**Report on entrepreneurship in the Marche region**" stressed the differences in entrepreneurial propensity between inland and urban areas, also offering an analysis of the impacts of earthquakes on entrepreneurial activities.

FOSTERING EDUCATION IN THE COMMUNITY THROUGH PARTNERSHIPS

Future Campus Fabriano, an innovative training course addressed to young people, was held in collaboration with Confindustria Fabriano to **introduce the young generations to the surrounding context**, to help make them aware of the area and its businesses and professionals, **supporting them in designing their future**. In 2022, another scholarship was provided to a high-performing student of the "**Merloni-Miliani**" State Industrial Institute in Fabriano. The second edition of the "**Digital Support Sales Edition - Energies for Small Business**" course was held in collaboration with the Department of Management of the Marche Polytechnic University. A total of **40 graduates and sales workers** were admitted, with a focus on learning the strategic aspects and impacts of digitalisation.

The close collaboration between the **ITS Fabriano** Business School and the Aristide Merloni Foundation led to the inauguration of a **new Automation Laboratory**, aimed at enabling technicians to develop their skills in **programming, operation and maintenance** of machines and systems and respond to the increased demand for specialized technicians by local businesses. Entirely based on 4.0 technology, the Laboratory includes a **robotics section** and **24 stations** for learning programmable logic controller (**PLC**) and human machine interface (**HMI**) programming, as well as asynchronous drive modules and various types of sensors. Additionally, ITS Fabriano's vast experience in graduating specialised technicians for over 10 years, combined with the solid vision of the President of the Aristide Merloni Foundation, resulted in the development of **two training courses focused on the industry 4.0 technologies**.

THE SOLIDARITY INITIATIVES OF ARISTON GROUP ACROSS ITS GLOBAL OPERATIONS

EDUCATIONAL AND AWARENESS FOCUSED ACTIVITIES

Italy: in 2022, the **AMPLification** project was launched in Italy by the Worldrise non-profit organisation, with the support of Ariston Group, to help raise awareness on the importance of **Italy's Marine Protected Areas** and their biodiversity. A public discussion and other free activities were organised in October to engage citizens on these issues. This included a **bio-walk** along the coast of the Rena Bianca beach, led by Worldrise marine biologist, Stefano Pedone, to help illustrate the varied biodiversity that populates the Sardinian coastline. The initiative was followed by a **beach clean-up activity** involving the community of Santa Teresa di Gallura, united to achieve a single goal: cleaning the coastline to ensure a greener and more sustainable future for the next generations.

Mexico: in view of **Breast Cancer Awareness Month** in October, Ariston Group staff members and their families were invited to donate their hair to "Casa Rosa", an organisation that supports women fighting cancer and that creates natural fibre wigs for breast cancer patients. Moreover, this year, the local Company established the **Energy Saving Committee**, aimed at developing and **recommending strategies for the efficient use of energy**.

SUPPORTING NON-PROFIT ORGANISATIONS AND BRINGING COMFORT TO PEOPLE IN NEED

France: Ariston Group has been supporting the **Les Rayonnantes project**, organising training initiatives to improve the inclusion of women in the **maintenance and installation of the thermal comfort industry**. Les Rayonnantes provides disadvantaged people the opportunity to find employment, through a **6-month course**. The first group of trainees will start training in Saint-Priest in February 2023.

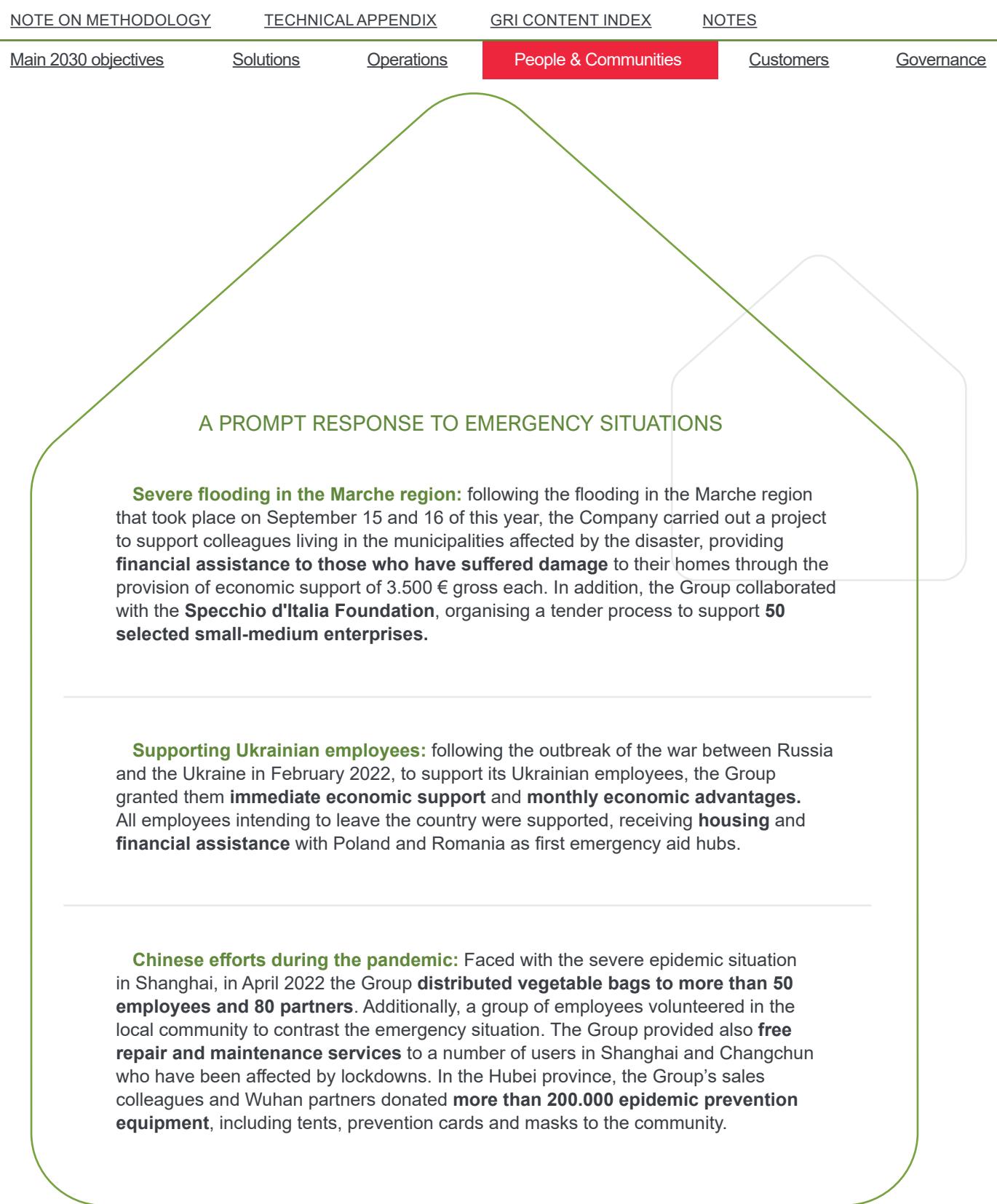
Hungary: Ariston Group **donated condensing boilers** to kindergarten and primary school students in the village of **Ujléta**, to the **National Ambulance Service** and to a structure that assists infants requiring neuro-hydrotherapy in **Győr**.

Indonesia: the **Indonesian Deli Serdang Hospital** and Ariston Group collaborated to deliver comfort in the health sector through **the provision of Heat Pumps**, meeting the warm water needs of the hydrotherapy pool, used to treat a variety of diseases, including arthritis.

Morocco: in 2022, the Group collaborated with the **El Baraka Angels Association**, offering ultra-high-efficiency solar collectors for water heating to a girls' student house in a rural area.

South Africa: in 2022, the Group supported organisations with donations to **Impilo Women's Shelter**, an organisation that offers protection to women subject to domestic violence, and to **Ironman 4 the Kidz Charity Trust**, an organisation that organises sport events to raise funds for children in need. The Company also provided a scholarship to the **University of Pretoria**, including both tuition and accommodation fees, and food donations to the **Attridgeville Orphanage Home**, where most of the Company's employees stay. During the National Women Day, the Group donated 2000 sanitary pads to a **local primary school**.

Romania: Ariston Romania, in partnership with the Red Cross, donated almost 3,000 products to 290.000 beneficiaries between 2018 and 2022, with 1.484 institutions benefitting from the Group's products (mainly schools). The company also facilitated **access to hot water** to over 290.000 children and elderly people during the humanitarian campaign Comfort Challenge. The Group, always in partnership with the Red Cross, in 2022, managed to donate **533 products to 50.877 beneficiaries** (children, elderly and volunteers).



4. Customers



*Exceeding expectations through
excellent customer experience*

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



11 SUSTAINABLE CITIES
AND COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



Key challenges



Continuously strengthening the relevance of Ariston Group's brands by responding to our B2B and B2C customers' evolving needs thanks to active listening and proximity actions.



Providing an increasingly more effective and efficient customer service through tailored solutions and the most advanced technologies and innovations.



Guaranteeing high quality standards in an increasingly more connected and competitive world, through the continuous digitalisation of services.

Beyond customer proximity



Deliver excellent, tailored solutions and services to B2B and B2C customers and increase the loyalty of professionals.

"Listen, stay tuned and care. Deliver solutions that exceed expectations." In line with our core values, seeking to meet our customers' needs will continue to be pivotal in the years ahead. Alongside with creating value by offering products of top-notch quality and guaranteeing an excellent service, we strive towards further proximity to our customer base. Proximity, however, builds upon dialogue and it is precisely this driver that pushes us towards an active listening of our end-customers and professional intermediaries, enabling us to provide even better tailored services. Whilst consumers are a crucial stakeholder, so are the professionals who ultimately deliver services to end-users, acting as the final touchpoint.

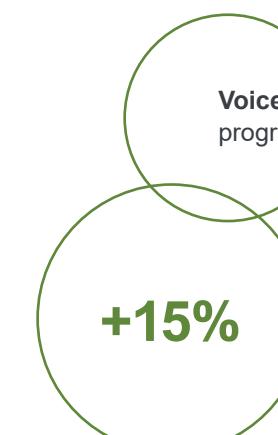
Supporting initiatives to be achieved by 2025



Quantitative B2C Ariston Brand
Equity assessment



key countries with active
"OneTeam Professional"
portal
(3 in 2022)



Voice of Our Professionals
programme launch in 2023

Ariston website
organic click
performance per year

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OUR PROGRESS IN 2022	CONTINUOUSLY STRENGTHENING THE POWER OF ARISTON GROUP'S BRANDS THROUGH LISTENING AND ENGAGEMENT	The Group is focused on improving the relationship with its end-users through active listening and engagement practices by analysing the B2C perception of the Group's brands . Based on past Brand Health assessments carried out in 2019, in 2022 the Group relaunched the surveys with a focus on monitoring the evolution of important KPIs to measure and highlight brand health across several countries . The "health" of a brand is measured in terms of how powerful the brand is perceived by customers in terms of meaningfulness , which determines the emotional affinity to the brand, salience , which tests how quickly a brand comes to mind in a purchase situation and, finally, difference , which looks at the brand's differentiation with respect to other brands. These tools make it possible to have a snapshot into the areas that require prompt intervention and offer comparative insights in relation to where other competing brands stand. In Italy and Spain, the assessments were carried out on a total sample of 600 end-users per country. The objective is to boost the initiative, expanding the assessments to additional markets to monitor their trends.	TECHNICAL COMMITTEES AS JOINT EFFORTS FOR CONSTANT SERVICE IMPROVEMENT	Technical Committees represent fundamental opportunities for listening and meeting with service partners and provide organised forms of discussion aimed at sharing potential products issues, verifying the perception of product quality amongst customers and identifying potential improvements of the brands' product lines, as well as new business opportunities. The Group defines a centralised annual plan to collect feedback and opinions from B2B customers who provide installation and support services, known as the " Voice of the Customer ". This survey helps to connect regional partners with the corporate offices responsible for R&D, Product Marketing, and Quality and Operations. In 2022, 19 technical support sessions to a total of almost 300 participants were provided across France, Italy, Poland, Romania, Spain, Netherland and Germany.	OneTeam AS A ONE STOP FOR PROFESSIONALS	The network of professionals that the Group relies on ranges from installers and service centres to planners . To support their work with customised educational content and tools that facilitate their daily operations, the Group has developed an all-encompassing digital infrastructure that can be used by professionals as a reference point. Launched in 2022, the platform envisaged further development with the addition of new digital services, training programmes and up-to-date information on products , with the aim to ultimately create a one stop for more markets.	

CREATING VALUE THROUGH AN IMPROVED CUSTOMER RELATIONS MANAGEMENT

From 2019, the **Customer Relation Management (CRM)** tool was implemented in **16 countries**, in order to enable the Group's sales professionals to **manage customers interactions even more closely**. This year, the focus has been on enhancing the effective adoption of the tool and defining adequate KPIs to measure its added value and lay the foundation for further improvements.

The first phase has set the basis for understanding which data could be considered as useful information in order to provide the Company with a **system of dashboards** that makes it possible to obtain quick **snapshots into the specific characteristics of a market**, which will be key to help define more ambitious **sales strategies**, strengthening their governance and reporting to the Group's top management.

CODIFYING COMMON BUSINESS DEVELOPMENT MODELS THROUGH THE SALES ACADEMY

Launched in March 2021, the **Sales Academy** was created to ensure **excellent sales execution**, codifying the Company's sales processes by business model and transferring the **necessary skills to our commercial structures**, in order to allow them to execute sales processes as effectively as possible. The project, which involves over **15 countries** across America, Asia, Africa, and Europe, aims to create a pool of best practices across these regions with targeted training. The first step of the initiative was to codify a **common business development model**, outlining the specific roles and responsibilities for people from different backgrounds as they move through the sales funnel. A pilot training was delivered to around 40 individuals globally, with a view to expanding the model to the remaining countries in which the Group operates. The pilot set the foundations for a **Global Academy** and enabled the definition of a **common set of sales skills** and the implementation of an international program to **train sales personnel**. The bottom-up collaboration model adopted by the Sales Academy received positive feedback from participants and led to productive dialogue on best practices and knowledge sharing. In 2023, the Sales Academy will scale up to include **additional operational and strategic topics related to sales and marketing**, such as **pricing and commercial policies, e-commerce and trade marketing**.



DENMARK AND SWITZERLAND REMOTE ASSISTANCE

In Denmark, an Elco technical support unit assists remotely clients with heating system issues rather than sending a professional to the customer's location, reducing travel-related emissions. About **5,000 connected Heat Pumps and Gas Boilers** are monitored, with technicians being able to operate and **fix technical issues remotely**. The same approach is implemented in German-speaking Switzerland, where another **5,000 connected Heat Pumps and Gas Boilers** can be managed remotely.

THE ELCO PORTAL

The goal of this project is to create a **disruptive and scalable Elco website** that serves as a brand outlook for its products and attracts customers through an **advanced responsiveness and user experience**. This included creating a consistent customer journey to promote Elco products and services to both B2B and B2C audiences, **redesigning the public as well as the private areas of the portal** to ensure site responsiveness, security and speed, whilst implementing the new infrastructure with state-of-the-art technology and data architecture management.

OFFERING BEST-IN-CLASS SERVICES: INNOVATIONS IN ELCO SERVICE SOLUTIONS

This year, Ariston Group worked on several initiatives to further improve assistance, including by means of continuous investments in innovative technologies, with Elco being a perfect example of this.

ELCO NEW FIELD SERVICE SOLUTIONS

All Elco service technicians across all markets are now using a modern, state-of-the-art, integrated support system, which allows them to work better and more efficiently and that paves the way for further optimisation. The **replacement project** comprised also a massive training program to provide Elco Service Technicians with the skills and knowledge to make best use of the new system. In addition, in Germany and Switzerland only, Elco Service Technicians received a total of **7,000 hours of training** to improve their skills on servicing **Renewable Energy products**.

THE GROUP'S DIGITAL TRANSFORMATION JOURNEY TO BE CLOSER TO CUSTOMERS

Ariston Group's digital team is constantly **seeking new opportunities** to further digitalise operations and support all the different business functions. 2022, in fact, saw the development of the **Digital Route To Market** which aims to digitalise service-related processes for end customers, as well as sales and technical partners, namely:

- The **new Thermowatt portal**, a website designed to support the growth efforts of the Thermowatt Professional division. The aim is to improve visibility to potential users, increase active users on the website (targeting around 40-50,000 per year), strengthen relationships with current clients and improving search engine ranking. The new portal is expected to lead to **increased visibility in new markets and product lines**, as well as greater autonomy in managing website content.
- **New digital services were launched** to bridge the gap between Ariston and end-users by **establishing direct contact and offering comprehensive heating solutions** that include products and accessories. This approach involves working with Ariston's ecosystem of installers and distributors to create a mutually beneficial model.



Trustworthy quality excellence



>85 Quality score per year
*in the cumulative **Group Quality Excellence Index¹⁸** (GQE).*

"**We care about customers** over time as our utmost priority, providing products and systems designed to **fulfil their expectations of comfort and efficiency** with best-in-class services". In line with our internal ambition, our quality mission is driven by our vision of **gaining customers' loyalty** and enable them to **become our best promoters**.

Supporting initiatives to be achieved by 2025

Establish and roll out a **Quality Roadmap Program** to **operatively execute the necessary initiatives** of improvement according to Quality Strategy

Quality Mission
to be declined in
a **Quality Strategy**

OUR PROGRESS
IN 2022

QUALITY AS THE GROUP'S OUTMOST PRIORITY

2022 saw the definition of **Ariston Group's Quality Strategy**, whose vision and mission have been defined according with the Group's vision and mission. Whilst the Group's Quality vision states that "We want our customers being our best promoters", the Quality mission recites that "We care about customers over time as our outmost priority, providing products and systems designed to fulfil their expectations of comfort and efficiency with best-in-class services". To pursue this mission, the Company defined a forward-looking strategy on:

- **Products and systems:** in order to be close to markets and customers with a comprehensive portfolio that meets end-users' needs, the development of a specific approach to define accurate solution specifications from the very beginning is key, as well as the deployment of dedicated practices for new technologies. With this in mind, in 2022 **test protocols** coverage, by also – but not only – new testing facilities implementation and a **further harmonisation of the core production processes** were launched.
- **Services:** service excellence is guaranteed over time through constant support to customers, ensuring technical expertise on the product and its life cycle. Collaboration between back and front-end is fundamental to ensure more responsiveness with a customer-centric mindset. 2022 saw the definition of a new governance between key central and local business functions, to enhance the **end-to-end technical escalation flow**.
- **Customer care:** the ambition is based on Ariston Group's goal of ensuring customer satisfaction over time, along the whole journey, through a top service level and product mix whilst preserving the **installed base**. In 2022, customer satisfaction collection and **structured technical committees** have been deployed to guarantee the integration of Ariston Group's stakeholder voice in current and future actions.
- **Mindset and awareness:** quality has always been in the Company's DNA, but it is key to continuously improve, enhancing the awareness, the sense of urgency and attention this topic necessitates and leverage internal competencies. In 2022, the Group focused its efforts on strengthening the Company's quality culture, **cascading it to all business levels**. To achieve this, a specific path has been undertaken, jointly led by Quality and HR-Internal Communication in order to further drive the quality awareness within the organisation.
- **Drive by data:** obtaining a high-quality standard relies on a robust data and IT systems architecture driving the decisions. In 2022, the Group expanded its **quality-KPI system**, leveraging on an increasing number of connected products, platforms and tools that guarantees better access to measurements and data science.



Above mentioned 2022 activities are core part of the Quality Roadmap Program whose roll out is systematically measured along the year.

Quality is and has always been in the Company's DNA through a perfect mix of managerial attention and employee empowerment to consider quality as a driving value, yet without any compromise in terms of safety and compliance. The strong role of the Group's management team, putting Quality as a driver at all levels of the organisation, represents the main driver for continuous improvement. In this context, the Company will continue to **monitor and renew its tools to maintain excellent levels of quality** in products and services.

5.Governance



Creating value responsibly

5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



Key challenges



Guaranteeing transparency and accountability through **a structured sustainability corporate governance framework** which relies on independent and diverse ESG boards, codes of business conduct and due diligence processes.



Measuring and managing actual and potential impacts that are caused or suffered by Ariston Group through the adoption of an ESG risk management framework.



Ensuring an effective cybersecurity approach through policies and procedures to prevent threats and resiliency plans to protect business continuity, in response to regulatory requirements.

Long-sighted sustainable governance



2030 TARGET
AND AMBITION

*Ongoing **yearly commitments** developed to meet **high governance standards** on sustainability*

The Group's approach of strengthening its environmental, social and governance responsibilities follows the line of **continuous improvement towards an increasingly structured and solid sustainable governance**. While long-term attention will be directed to **consolidating an external stakeholder engagement strategy** and broadening its sphere of public policy influence, in the short-term, Ariston Group is committed to continuing to **develop policies, strategies and tools** related to diversity, remuneration, risk management, tax strategy and business conduct.

Supporting initiatives to be achieved by 2025



female among the **Group Board of Directors** members
(18% in 2022)

Risk and Crisis Management enhancement



Codes of Business Conduct continuous improvement: Code of Ethics, corruption and bribery, human rights

Tax Strategy strengthening

OUR PROGRESS
IN 2022

STRENGTHENING THE GROUP'S SUSTAINABILITY GOVERNANCE MODEL

On November 26, 2021, Ariston Holding N.V completed its **public offering**, by listing and trading its ordinary shares on **Euronext Milan**, the regulated market managed by Borsa Italiana S.p.A. Since then, the Group's Internal Control System has been gradually expanded, drawing inspiration from, among other sources, the principles laid down in Article 7 of the Corporate Governance Code for Listed Companies, promoted by Borsa Italiana, and the Dutch Corporate Governance Code (DCGC). The Control System is structured as follows:

- **Shareholder's Meeting:** decides on the matters reserved for it under the law and the articles of association. The Ordinary and Extraordinary Shareholders' Meetings are convened to take the decisions reserved for it and is chaired by the Chair of the Board of Directors.

- **Board of Directors:** comprised of **executive and non-executive Directors**, it manages the Group, is responsible for business continuity and compliance with all relevant laws and regulations. It focuses on **long-term value creation** and takes **stakeholders interests** into account. These responsibilities are vested collectively¹⁹. **Paolo Merloni** is the Executive Chairman of the Company, while **Marinella Soldi** is the Lead Non Executive Director of the Board. Directors are **appointed by the general meeting** following a binding nomination by the Board. The general meeting may at all times overrule the binding nature of such a nomination by a resolution adopted by a majority of at least half of the votes cast in the general meeting, provided that such majority represents more than half of the issued share capital of the Company. **Independence** and **diversity** represent two criteria adopted for the selection and nomination of the highest governance body.

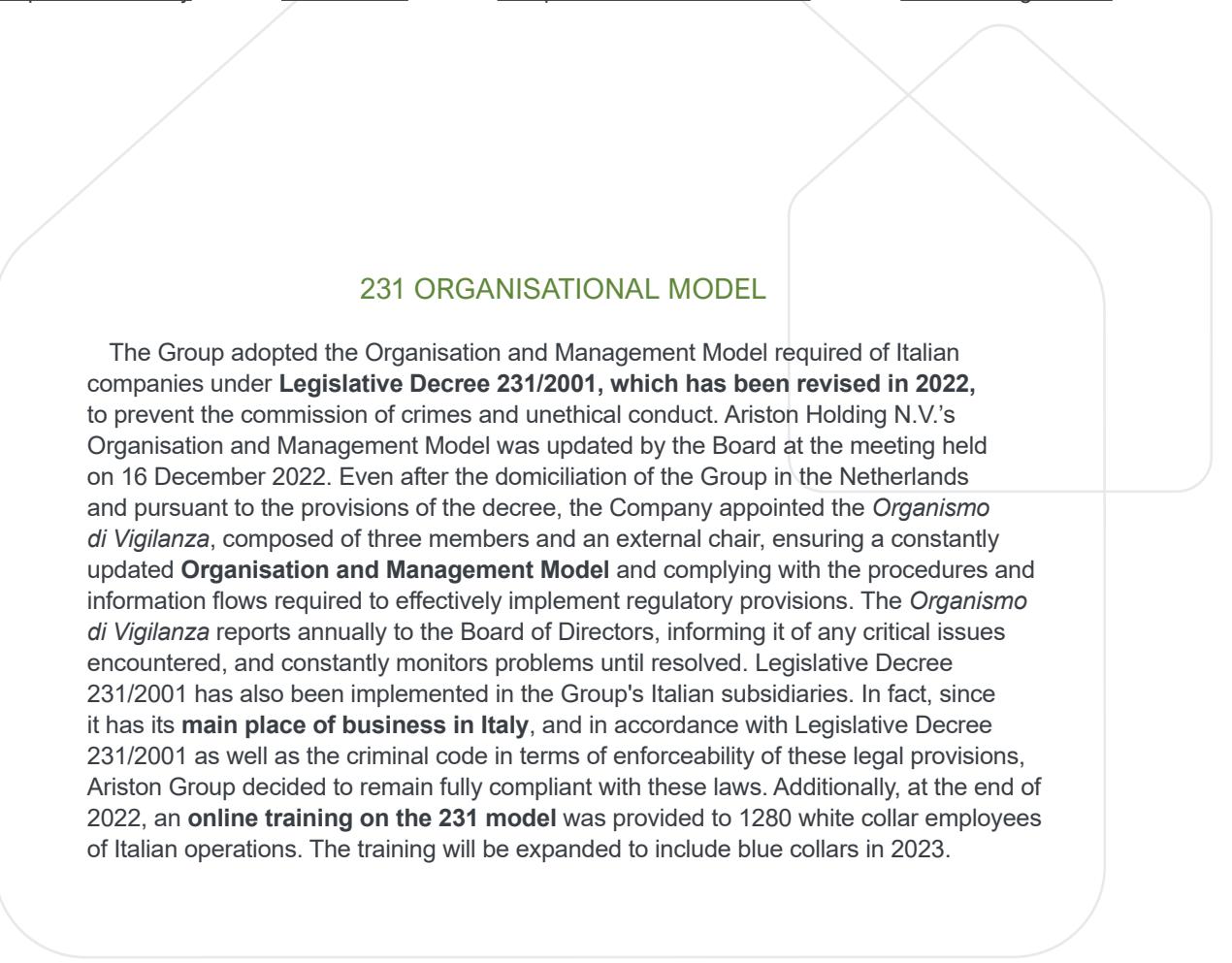


GUARANTEEING A DIVERSELY COMPOSED BOARD

On 1 January 2022, a new Dutch law entered into force which provides that certain large companies, such as the Company, have to set appropriate and ambitious goals in the form of a **target to achieve a more balanced ratio between the number of men and women** on the Board as well as for a certain category of employees in management positions to be determined by the Company. The Board has to set measurable objectives for achieving these diversity targets. In fact, on 3 November 2022, the Board resolved to adopt a **diversity policy** which defines the guidelines by which the Company will maintain an adequate level of diversity and addresses a concrete target related to diversity in the Board: **at least 33% female by the end of 2025**.

LETTER TO STAKEHOLDERS	HOW TO READ THE DOCUMENT	OUR GROUP	SUSTAINABILITY REPORT	NOTE ON METHODOLOGY	TECHNICAL APPENDIX	GRI CONTENT INDEX	NOTES											
The European Taxonomy	Road to 100	The path towards Road to 100	How did we get here?	Main 2030 objectives	Solutions	Operations	People & Communities	Customers	Governance									
As of 31 December 2022, the Board comprised the following directors:																		
Name	Year of birth	Nationality	Gender	Position	Committees	First appointment	End of term											
Paolo Merloni	1968	Italian	M	Executive director (Executive Chairman)	A*, D	10 June 2021	2024											
Laurent Jacquemin	1969	Belgian	M	Executive director (Chief Executive Officer)		10 June 2021	2024											
Marinella Soldi	1966	Italian	F	Non-executive director (Lead Non-Executive Director) <i>(independent)</i>	B, D	10 June 2021	2024											
Roberto Guidetti	1963	Italian	M	Non-executive director <i>(independent)</i>	B*, D	10 June 2021	2024											
Francesco Merloni	1925	Italian	M	Non-executive director		10 June 2021	2024											
Maria Francesca Merloni	1963	Italian	F	Non-executive director		10 June 2021	2024											
Lorenzo Pozza	1966	Italian	M	Non-executive director <i>(independent)</i>	C*	17 June 2021	2024											
Andrea Silvestri**	1968	Italian	M	Non-executive director	C	15 June 2021	2024											
Paolo Tanoni**	1957	Italian	M	Non-executive director		10 June 2021	2024											
Ignazio Rocco di Torrepadula	1962	Italian	M	Non-executive director <i>(independent)</i>	B, C	10 June 2021	2024											
Enrico Vita	1969	Italian	M	Non-executive director <i>(independent)</i>	A	10 June 2021	2024											
* Committee Chair																		
**Andrea Silvestri and Paolo Tanoni resigned with effective date 2 January 2023 and Antonia Di Bella and Guido Krass were appointed with effective date 2 January 2023.																		
A = Strategic Committee																		
B = Compensation and Talent Development Committee																		
C = Audit Committee																		
D = ESG Committee																		
In 2022, Sabrina Baggioni resigned, with effective date 3 November 2022, to take on the role of Chief Digital and Marketing Officer for the Group. In addition, on 19 December 2022 the General Meeting approved the appointments of Mr. Guido Krass and Ms. Antonia Di Bella under the condition precedent of the closing of the acquisition of all the share capital of CENTROTEC Climate Systems GmbH. Mr. Andrea Silvestri and Mr. Paolo Tanoni resigned from the Board under the same condition precedent. Closing of the acquisition took place on 2 January 2023.																		
The corporate organisation is further composed by four committees that are part of and support the Board of Directors of Ariston Holding N.V. ²⁰ :																		
Main courses at Group level	Objectives																	
Strategic Committee	Advises the Board of Directors on strategic business decisions, business models, operational approaches and growth opportunities																	
Compensation and Talent Development Committee	Defines selection and assessment criteria, proposes remuneration policies and draws succession plans for the senior management and Board Member																	
Audit Committee	Supervises financial reporting, the risk management approach, and the Control System. In addition, it supports matters related to internal and external audit, financial resources, IT and cybersecurity and tax policy																	
Environmental, Social and Governance (ESG) Committee	Defines the ESG vision and strategic plans, monitors its implementation, supervises communication activities and sets the Group's ESG culture																	

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ENTERPRISE RISK MANAGEMENT (ERM)	<p>Effective risk management, integrated into the corporate governance system, is a crucial factor in safeguarding the value of the Group over time. The Group's Internal Control System has therefore been developed in compliance with the Dutch Corporate Governance Code (DCGC) and Italian laws applicable to listed companies with legal seat in a foreign country. The Group has adopted a Risk Management model that designs and includes suitable tools for identifying, measuring, managing and monitoring risks that could affect the achievement of strategic objectives. The tool to identify, assess and monitor corporate risks is based on the Self Risk Assessment approach. Risks are analysed, determining the likelihood of their occurrence and their impact, in order to establish their priority and how they should be managed.</p> <p>Business risks are monitored with at least monthly frequency through management meetings during which results, opportunities, risks and respective measures are analysed for all business segments and geographical areas in which the Group operates. The Internal Audit function systematically verifies the effectiveness of risk management and the Internal Control System as a whole, reporting the results of its activities to the Board of Directors, the Audit Committee, and the Supervisory Board of Ariston Holding N.V. for specific risks related to compliance with Legislative Decree no. 231/2001. This process led to the identification of four main risk categories:</p> <ul style="list-style-type: none"> Strategic: risks which may derive from the pursuit of the business plan, from strategic changes in the business environment, and/or from adverse strategic business decisions that could affect the Group's long-term positioning and performance. Operational: risks which may affect internal processes, people, systems, and/or external resources that affect the Group's ability to pursue its strategy. 	<ul style="list-style-type: none"> Compliance: risks of non-compliance with laws, regulations, local standards, the Code of Ethics, internal policies and procedures. Financial: risks relating to uncertainty over returns and the potential for losses due to financial performance, together with the reliability of the financial information provided in reports. <p>During 2022, the Group adopted a new ERM (Enterprise Risk Management) process. In this first step, the focus has been on five risks considered high priorities for 2022. Further on, the risk mitigation methodology will be consistently extended to manage all other identified risks. The five high-priority risks the Group has identified are:</p> <ul style="list-style-type: none"> Ability to expand its range of products, delivering innovative solutions to meet customer needs and preferences, and compliant with regulatory requirements. The Group's future success will depend on its ability to consistently address changes in end-user demands and in compliance with the latest regulatory requirements. The Group exploits its in-depth knowledge of the markets to adapt its proposals to the latest technologies and needs by accelerating the heat-pump range and the development of all technological and product roadmaps. Dependence on/Scarcity of raw materials, components and heightened tensions on energy prices utilities. The Group must manage and mitigate the supply chain pressures alongside the risks of disruption in the European gas imports and inflationary trends related to the availability, quality and cost of raw materials, utilities, component parts, and specific finished products. The ongoing Russia-Ukraine conflict and related escalating geopolitical tensions continue to generate further volatility and local market uncertainty. 	<ul style="list-style-type: none"> Employees' health and safety. The Group strives to manage at best its employee health and safety, rigorously complying with applicable laws. Cyber-attacks. The Group, like many other multinational companies, depends on the efficient and uninterrupted operation of its information and communication technology and its ability to successfully manage increasing cybersecurity risks. 	<p>for the continuous improvement of environmental and prevention policies for the systematic control of risks. The System, described in the HSE Management Manual, is structured according to a cyclical sequence of planning, implementation, monitoring and review phases and provides harmonised tools and guidelines to pursue the objectives expressed in the Group's HSE Policy, ensuring legal compliance. Management Systems Reviews are carried out by the Top Management and consequent outputs are then translated into defined goals and improvement actions.</p>					
BUSINESS CONTINUITY PLAN (BCP)									
<p>In line with the Dutch Corporate Governance Code, that requires a company's management to be responsible for the operational continuity of its business, in 2022 the Group implemented action plans to further enhance its risk management and control systems. The Board of Directors is responsible for identifying and managing strategic and business risks and, as part of this responsibility, the Board has developed a Business Continuity Plan (BCP) to annually identify, measure, monitor and verify the risks to the Company's operational continuity, including those related to extreme natural events, raw material shortages and cyberattacks. The BCP will enable the Group to better prepare for interruptions of any kind, from large-scale natural disasters to technology-related incidents, outlining procedures to follow when responding to, recovering from and restoring activities to pre-defined levels following interruptions, defining the resources, services and activities required to ensure the continuity of critical organisational functions. Currently, each plant is responsible for restoring its own site in case of an emergency and has its own operational continuity plan (OCP). Each site has assessed the risk of interruption in the supply of critical products and raw materials and has set out emergency plans to ensure the continuity of supply. Alternative solutions are identified where applicable and documented accordingly in the BCP for each plant. With key Italian plants already assessed, Ariston Group is currently in the process of coordinating the implementation of the BCP to all of its key plants globally, in order to outline specific risks and identify tailored remediation plans.</p>									

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 <p>231 ORGANISATIONAL MODEL</p> <p>The Group adopted the Organisation and Management Model required of Italian companies under Legislative Decree 231/2001, which has been revised in 2022, to prevent the commission of crimes and unethical conduct. Ariston Holding N.V.'s Organisation and Management Model was updated by the Board at the meeting held on 16 December 2022. Even after the domiciliation of the Group in the Netherlands and pursuant to the provisions of the decree, the Company appointed the <i>Organismo di Vigilanza</i>, composed of three members and an external chair, ensuring a constantly updated Organisation and Management Model and complying with the procedures and information flows required to effectively implement regulatory provisions. The <i>Organismo di Vigilanza</i> reports annually to the Board of Directors, informing it of any critical issues encountered, and constantly monitors problems until resolved. Legislative Decree 231/2001 has also been implemented in the Group's Italian subsidiaries. In fact, since it has its main place of business in Italy, and in accordance with Legislative Decree 231/2001 as well as the criminal code in terms of enforceability of these legal provisions, Ariston Group decided to remain fully compliant with these laws. Additionally, at the end of 2022, an online training on the 231 model was provided to 1280 white collar employees of Italian operations. The training will be expanded to include blue collars in 2023.</p>	<p>ANTI-MONEY LAUNDERING AND TRADE COMPLIANCE</p> <p>In 2019, the Company adopted an organisational model that allows to ensure the Group's compliance with Anti Money Laundering (AML) and International Trade Compliance regulations at national, European and international level. Noteworthy among them are the so-called Office of Foreign Assets Control (OFAC) Regulations of the US and the specific Regulations adopted by the EU with respect to sanctions and restrictions against certain countries and entities as well as to dual use, including Regulation 428/2009. The main tool adopted by the Company to this end is the Trade Compliance Manual, which lists the various measures in place to prevent conduct contrary to Trade Compliance regulations. These consist of specific conduct procedures that involve several checks and reviews throughout the performance of sensitive business operations. In 2021, Ariston Group decided to purchase a new organisational tool for Trade Compliance: software dedicated to running individual and collective checks on employees, customers, and suppliers as well as conducting specific investigations where required. All such measures are referenced in the Code of Ethics, of which they form an integral part. Twice a year, the Group, through a tool managed by an external supplier, conducts a general review of 10,000 counterparties (including suppliers, customers, and employees), with respect to the ones located in the so-called Sensitive Countries, to identify any entities sanctioned under OFAC, UN, and EU Sanctions Lists. The Group analyses the findings and, if necessary, asks an external advisor to perform additional Due Diligence, halting transactions where required. This process is repeated also before beginning a new business relationship in a sensitive region. Moreover, in 2022 the Group conducted an overall review of the Trade Compliance Manual and is going to publish an updated version, with a more accurate chapter about sanctioned countries and internal processes on commercial relationships with customers from listed countries.</p>	<p>ANTITRUST REGULATION</p> <p>Ariston Group runs its business while respecting competition rules and their foundational principles of merit, fairness and loyalty. The Group requires employees globally to maintain a conduct that is fully consistent with the provisions of national and international antitrust laws and regulations, the Code of Conduct and the Code of Ethics. The Group's organisation model allows to promptly verify compliance with the relevant EU regulations. Since 2018, the Company has been performing a thorough assessment and refreshing its antitrust programme, including a dedicated manual and guidelines, and is offering online training to all employees developed to raise awareness about applicable laws and the relevant principles. A new and updated training online tool to be implemented starting from beginning of 2023 to ensure acknowledgement of rules and legal provisions and awareness of correct behaviour, compliant with competitive rules, available to all Group employees.</p>							
<p>WHISTLEBLOWING SYSTEM</p> <p>In 2018, Ariston Group implemented its whistleblowing procedure, part of the Group's Code of Ethics, to enable employees and third parties to raise concerns and disclose information related to malpractice, alleged violations of business ethics, financial and accounting fraud, harassment, intimidation or discriminatory behaviour towards such employees or third parties. Relevant concerns may include abuse of authority, breach of contract, dangers to health, safety and environment, manipulation of company data/records, criminal offence or activity and so on. The Group appointed a Whistleblowing Internal Committee composed by Internal Audit Committee's Members and the Group Legal and Corporate Affairs Manager. The Committee was designed to define and close investigations, validate the results through ad hoc reports, evaluate the necessity to extend the investigations and, finally, take actions and sanctions/penalties. To streamline the system and further its reach, the Group developed a dedicated section on its website, allowing to file reports anonymously, a secure channel which is meant to protect whistle-blowers' privacy. 2022 saw 12 claims being made, against the 14 addressed in 2021.</p>	<p>ANTI-BRIBERY</p> <p>As per the Code of Ethics, Ariston Group has a zero-tolerance policy towards any acts of active or passive corruption involving any public or private entity or individual. The Group and its subsidiaries undertake to comply with and enforce applicable anti-bribery legislation. Moreover, the Code explicitly forbids taking advantage or boasting of existing or alleged relationships with Public Administration officials to give or promise money or other utilities to oneself or others as the price for illicit mediation with the public official, or to compensate him or her with respect to the performance of his/her functions or powers.</p>								

2022 Company Report

Our Group — Sustainability Report — Methodology

