



INDESIT
company

Company Overview

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AT A GLANCE

- **1930** incorporation of Industrie Merloni.
- **1975** incorporation of Merloni Elettrodomestici.
- **1987** listing on the Milan stock exchange.
- **1987** acquisition of Indesit.
- **1997** appointment of its first external CEO.
- **2000** acquisition of Stinol in Russia.
- **2001** acquisition of GDA and the Hotpoint brand in the UK.
- **2002** publication of the first sustainability report in the sector.
- **2004** opening of two new plants, one in Russia and one in Poland.
- **2005** Merloni Elettrodomestici becomes Indesit Company, celebrates its first 30 years and opens the biggest logistics pole in the European white goods industry, in Lipetzk.
- **2007** Indesit Company presents the new Group brand architecture: the Hotpoint and Ariston brands form Hotpoint-Ariston.
- **2008** opening of two new plants in Radomsko for washing machines and dryers and for dishwashers.



THE COMPANY

Formed in 1975 Indesit Company is now Europe's second biggest manufacturer of household appliances by market share. It produces and sells washing machines, dryers, washer-dryers, dishwashers, fridges, freezers, ovens and hob. It leads the market in Italy, the UK, Russia, Portugal, Romania, Bulgaria and the Ukraine and is one of the leaders in France, Poland, Turkey, the Czech Republic, Hungary and Greece. Founded by its current chairman, Vittorio Merloni, the Group posted sales of €2.6 billion in 2009.

Indesit, Hotpoint-Ariston and Scholtès are the Company's main brands.

With 16,000 people, 16 production plants (Italy, Poland, the UK, Russia and Turkey) and 24 commercial branches worldwide, Indesit Company has adopted a model of sustainable development that favours social progress wherever it operates.

- **3** main brands, Indesit, Hotpoint-Ariston and Scholtès.
- Indesit Company is Europe's **second** biggest manufacturer of household appliances by market share.
- **16** production facilities in elsewhere.
- **24** commercial establishments.
- **16,000** employees.
- **2.6 billion euro** in sales.



REGIONS

Thanks to its active relationships with territories and communities and its long-sighted strategy of international expansion, Indesit Company has grown out of an Italian enterprise well established in Europe to become a European organization with an Italian soul.

Indesit Company has always seen internationalization as a development model, one that was created in Italy, became established throughout Europe and is now looking towards increasingly competitive emerging markets.

Italy

Indesit Company has its roots in Fabriano, a town in Le Marche where it has its headquarters, innovation centre and a number of production facilities

Internationalization and unification of European markets hasn't blurred the Italian identity of Indesit Company, which stays loyal to the values that have made it the no. 2 white goods maker in Europe: innovation, respect for the environment, leadership ambition, responsibility towards stakeholders, straightforwardness and genuineness. These are the strengths that have enabled it to successfully replicate its model of an industrial district in other countries. The Company has eight production plants in Italy (in Le Marche, Campania, Piemonte, Veneto and Lombardia) serving local and European markets.

UK and Ireland

With the Hotpoint brand and over three million new customers every year, Indesit Company is the market leader in the UK and Ireland. The Group has also consolidated its leadership in the Service business, with After-Sales Service Centres throughout the region. Through this veritable "Consumer Portal", Indesit Company is able to stay constantly in touch with consumers and promptly satisfy their needs. The service is run from a single unit, in Peterborough, which has a Contact Centre, a spare parts warehouse and a team of specialists guaranteeing after-sales service for a platform of over 24 million products.

In recent years, Indesit Company has won various major awards which have helped consolidate its position even further. In 2008, for example, it was given two important awards at the Motor Transport Awards, in the "Customer Care" and "Network of the Year" categories, in recognition of its logistics organization.

Western Europe

Western Europe is a vast commercial area with mature and highly competitive markets.

Over the years, Indesit Company has succeeded in its policy of maintaining its financial solidity and, thanks to a strong, consolidated commercial network (24 commercial offices worldwide), has continued to strengthen and consolidate its position by exploiting the proximity of major markets like France and Spain.

The Group's approach in these markets is based on strong technological innovation, products that are increasingly advanced and tailored to consumers' needs, re-positioning of the three main brands and a strong focus on quality.

Eastern Europe

Indesit Company has long believed in the capacity for development of central and Eastern European countries and over the years there has been considerable overall growth in the region, thanks also to foreign investment.

The Company can now boast leadership positions in Romania, Bulgaria and Ukraine and a significant industrial presence in Poland and Turkey.

In particular, the Group has concentrated its fridge and cooker production in the Łódź Special Economic Zone. In 2008, it opened two new plants in Radomsko to make washing products, thus completing the range and creating the biggest white goods centre in the country.

High growth rates, competitive production costs and an optimum geographical position have made Turkey too an attractive industrial base. Indesit Company has been there since 1994 in fact, in the Manisa industrial zone 40 km from Izmir, with a plant making top of the range fridges and a logistics centre.



Russia

Indesit Company has been in Russia and the CIS since 1974 and was one of the first European companies to invest in the country's economic development. The Group now has ten commercial offices and over 300 after-sales centres in 150 cities in the region.

Its production capacity in Russia, based on know-how and technology supplied by headquarters in Fabriano, is concentrated in a fast developing industrial area, Lipetzk, some 400 km south of Moscow. The Lipetzk industrial district has two plants (one making fridges, the other washing machines) and, since 2005, the biggest white goods logistics centre in the Russian Federation and the biggest in Europe in the industry. This has enabled Indesit Company to further improve customer service levels and serve the local market with the entire product range.

Overseas

Outside Europe, Indesit Company operates in the Middle East, Far East, South & North America, Africa & Israel through three commercial branches in Dubai, Singapore e Buenos Aires.

For over five years now, Indesit Company has been operating in South America with a trading subsidiary and has recently started operating in the same way in the Arab Emirates.

Indesit Company is also constantly engaged in collaboration projects with retailers in many other countries outside Europe. Its commercial approach here, as elsewhere, is transparent and aimed at establishing long term relationships.



PHILOSOPHY

“There is no value in any industrial enterprise unless there is also commitment to social progress.” (Aristide Merloni, 1967).

This is Indesit Company’s philosophy, the spirit that has guided it in all its decisions and continues to be its inspiration everyday. A deep sense of social and environmental responsibility permeates every aspect of Indesit Company’s industrial policy, translating into a commitment to fostering social well being in all the communities where it works. In practice, this means creating and maintaining conditions that favour socially responsible conduct in every sphere of activity.

BRAND ESSENCE

Indesit Company’s brand essence can be summed up in just two words: Simply Better.

Simply Better is a frame of mind, a way of thinking and working: it means improving everyday in everything, to meet the needs of customers, employees and all other stakeholders and reward their trust.

Profits, growth and the consolidation of our brand positionings are not the only goals: true value is tied to social progress. Our values are reflected in day-to-day life, in business and in sensitivity towards consumers’ needs. They represent not only a business mission but also a sense of social responsibility guiding and uniting everyone in the Company.



VALUES

Indesit Company is determined to improve everyday in everything it does. This ambition is underpinned by five values that together reflect what it means to be part of Indesit Company:

- *Innovative*, because everything Indesit Company does shows the creativity and spirit of initiative of people who strive for and apply innovation in everything they do.
- *Respectful*, because Indesit Company's priority is to be sensitive and responsible towards consumers, employees and the environment.
- *Ambitious*, because Indesit Company's capacity to improve everyday is based on passionate enthusiasm for excellence and leadership.
- *In touch with others*, because constant dialogue with its stakeholders enables Indesit Company to listen to their needs, provide the most effective solutions and achieve the best results.
- *Genuine*, because Indesit Company is open, transparent and genuine and enjoys working with a straightforward, dynamic and flexible attitude.

CORPORATE SOCIAL RESPONSIBILITY

Commitment to Corporate Social Responsibility can be seen in every aspect of Indesit Company's industrial policy and in all its environmental and social initiatives. The Group has always considered sustainability a key factor in growth and competitiveness and has therefore developed, over the years, a model of best practice geared to creating social wellbeing in all the communities it works with.

Indesit Company was one of the very few Italian enterprises to be ranked amongst the listed companies, worldwide, most committed to corporate social responsibility according to a survey by Etica Sgr in 2006.

The initiative that best expresses the spirit and purpose with which Indesit Company promotes and supports a model of sustainable development is the Jonathan-Indesit Company project. Its aim is to help underprivileged and marginalized young people back into society and employment. Having started up in 1998 in the Carinaro and Teverola (Caserta) plants, the project was extended to Melano (Ancona) in 2004 under the auspices of the Employment Ministry. The Jonathan- Indesit Company project is now considered a model for CSR development in Europe. This year it received a token of special recognition, in the form of a plaque, from the President of the Republic. In 2008, the Project celebrated its first ten years with a book entitled "I ragazzi, il lavoro and tutto il resto", by Vincenzo Morgera, Silvia Ricciardi and Anna Marchese, leaders of Associazione Jonathan Onlus. In it, the general public can learn about this successful social responsibility project in the words of the young people the Project helped back into society. In 2007, Indesit Company was given a special mention at the 5th "Sodalitas Social Awards" for the outstanding social value of the Jonathan project. The Awards go to companies, employer associations and industrial districts that are actively engaged on social issues and have developed ethical codes for the day to day application of their declared values. The Campania regional administration approved a "Protocol of Intent" defining a procedure and parameters that other companies wishing to join the initiative will have to follow.

Indesit Company was also acclaimed at the last Sodalitas Social Awards (2008), for having implemented the project with the biggest and most significant social impact: the International Framework Agreement it entered with the trade unions, and under this the Refrontolo Agreement, which had already won other national and international awards.

Indesit Company's active social engagement was also seen, last year, in the support it gave one of its employees throughout his training for the Beijing Paralympics and during the actual events. The Italian cyclist Giorgio Farroni won a bronze medal.

Also in 2008, Join In, the Group's new on-line recruitment and employer branding portal, was given an award by Hallvarsson & Halvarsson, a firm that analyses the on-line financial communication of companies listed on the Milan stock exchange.

The Group has twice received recognition at the Intellectual Capital Value Awards: in 2008 for its proven capacity to manage change, its commitment to developing intellectual capital and for the courage it shows in innovating through the design and production of unique, avant-garde products; and in 2007 for the development of human capital in terms of professional skills, motivation and capabilities and attitudes in general.

In 2007, Neriman Ulsever, head of Indesit Company's HR department, won a "Golden Apple" at the 19th Premio Bellisario for her human resources management policy based on a cross cultural approach and full respect for cultural and political diversity in the local communities where the Company operates.

In 2006, Indesit Company joined the United Nation Global Compact and committed to ten universal principles in the fields of humans rights, labour conditions and the environment. In the same year, it won an "Oscar di Bilancio" in the corporate governance category and the first edition of the Premio Etica & Impresa in recognition of its International Framework Agreement.

Indesit Company's commitment to sustainability is also apparent in its active participation in major employer associations, also on the environmental front. The Group is a founder member of Ecodom (Italian white goods makers waste disposal consortium), which organizes recycling of products at the end of their life cycles, with evident environmental benefits that go well beyond the requirements of law (WEEE - Waste Electrical and Electronic Equipment Directive).

Indesit Company's environmental commitment to developing innovative, ergonomic, silent, intuitive and safe products continues to garner acclaim on the market and appreciation from consumers.

In October this year, Indesit Company won a 2009 Sustainable Development award (organized by Ecomondo-Rimini Fiera under the aegis of the President of the Republic) for its new low consumption, high energy efficiency home appliances, for reduced water consumption and for innovations introduced in its manufacturing process, such as product recyclability indices. The best of Indesit Company's eco-sustainable technology also took pride of place at the "Italian Design for Sustainability" exhibition organized by the Ministry of the Environment and Protection of the Territory and Sea in Trieste in April and in Rimini in October.

At the beginning of the year, Hotpoint-Ariston's new 4-door fridge, the Quadrio, was elected "Product of the Year 2009" at the "Gran Premio Marketing e Innovazione" and also in the UK by Get Connected, a consumer electronics and home technology magazine, which cited its flexibility, eco-efficiency and considerable energy savings*.

Last November, Indesit Company received the prestigious Electrical and Electronic Recycler of the Year award for having worked on an ambitious white goods recycling project in the UK to increase recycling rates and encourage regeneration of used electrical equipment. The project was also shortlisted for the "Best Partnership Project for Recycling" at the National Recycling Awards 2008 at the Telford International Centre. With Hotpoint-Ariston, Indesit Company was the first company in the UK to successfully introduce recycled materials in the manufacturing of home appliances.



In 2007, Indesit Company won an Ecohitech Award (which it also received in 2002 and 2006) for the innovative content and eco-sustainability of the new Hotpoint-Ariston dishwasher (triple A class), reduction of cardboard used in packaging and workplace health and safety management at the Manisa plant in Turkey. Ecohitech Awards, the most prestigious in the field of eco-compatible low energy consumption technologies, are organized by the EcoQual'It consortium under the aegis of the Italian environment ministry and the WWF.

Indesit Company's CSR commitment was crowned in 2003 when it was listed in the Kempen/SNS Europe SRI Index, the first index to measure corporate social responsibility in the euro area. And in 2003, the Company won the Sodalitas Social Award within the framework of the European Social Responsibility Marathon. The principles underpinning Indesit Company's governance can be found in the Charter of Values and the conventions of major international organizations and are enshrined in the Company's own rules and regulations, its Corporate Governance manual and Code of Conduct. Indesit Company has adopted the Listed Companies Code of Conduct to ensure continual improvement in terms of transparency and efficacy.

In 2000, Indesit Company received a Galaxy Energy Award in recognition of its products' outstanding energy efficiency. Its innovation and environmental care were also singled out by the Plus X Award and Home Innovation Award organizations.

* Energy savings of 50% with respect to a normal 2-door combo in normal conditions of use for the amount of consumption attributable to the opening of the doors (test carried out at the industrial engineering department of Perugia University in December 2007).

AWARDS

2010

February – Indesit Company awarded with the prestigious Confindustria Andrea Pininfarina Award for Excellence, in the “Champion of Innovation” category. The Company was ranked second amongst outstanding developers of innovation: with its 16 production facilities and 24 commercial branches, is a company with a strong vocation for innovation, as shown by its extraordinary number of patents (400 families), its massive investment in the research and development of new products, and its ongoing commitment to innovation in pioneer sectors with a high impact on society (domotics).



February – Technological innovation, design and sustainability: these are the winning strengths of Indesit Company which have distinguished the Openspace oven as “Elected Product of the Year” ® 2010. The innovative 70 litre Hotpoint-Ariston oven has received a positive evaluation from 88% of the 8014 customers surveyed.



GPMI© market research on a pre-selection of innovative products available on the Italian large-scale retail sector, carried out between September and October 2009 by TNS Italia on 8014 consumers over 15 years of age. www.prodottodellanno.it

January - With its Quadrio fridge-freezer, Indesit Company has won the 2009 Good Design Award, the prestigious prize established in 1950 by Eero Saarinen, Charles and Ray Eames and Edgar Kaufmann Jr., for the best industrial design concepts as judged by the Chicago Athenaeum-Museum of Architecture and Design together with the European Centre for Architecture and Art Design and Urban Studies.



2009



December – With its new corporate intranet, Insight, Indesit Company has won another European Excellence Award (for 2009), a prestigious international award promoted by the trade magazine "Communication Director".

December - Indesit Company has won a prestigious Ecohitech Award, for 2009, and earned itself “eco-virtuous enterprise” status. It was the entire range of Hotpoint-Ariston’s eco-efficient appliances and their high energy-efficiency standards and consequent reduction of CO² in their use that decided the Ecoqual’It Consortium panel of judges.



November - Indesit Company received a mention at the “Premio all’Innovazione Amica dell’Ambiente 2009” (Environmentally Friendly Innovation Awards 2009) for “policies, strategies and action that reconcile ecological and economic competitiveness”. This acknowledgement by Legambiente refers in particular to Hotpoint-Ariston’s range of products designed specifically to guarantee minimum consumption of resources (electricity, detergent and water) and identified by the Ecotech label.

October - Indesit Company was acclaimed at the 2009 Sustainable Development Awards organized by the Foundation of the same name under the aegis of the President of the Republic’s Office. It won an award in the energy efficiency category for its new home appliances, and above all its low consumption and high energy efficiency washing machines and dishwashers, as well as for reduced consumption of water and various innovations introduced in the manufacturing process, such as indices for measuring product recyclability.



February - Hotpoint was voted one of the strongest brands in the UK and entered the “Superbrands” ranking. Superbrands groups brands that achieve the best reputation in their sector in terms of quality, reliability and personality.



February – In the UK, Hotpoint-Ariston’s 4-door Quadrio fridge was judged “Product of the Year” by Get Connected, a consumer electronics and home technology magazine.

February - For the 9th time running, Hotpoint was elected “Most Trusted Domestic Appliance Brand” in the UK by a Reader’s Digest Survey.



January - The Quadrio, Hotpoint-Ariston’s new 4-door fridge, was voted Product of the Year 2009 in the Large Home Appliances category of the “Gran Premio Marketing e Innovazione”.

January - Multiplo, the innovative “cooking vessel” of Scholtès, received a Good Design Award 2008 from the Chicago Athenaeum - Museum of Architecture and Design, in the “Kitchen” category.



2008



November - Indesit Company took a prize in the TV commercial category with a video entitled "Noise makes confusion" by Giuseppe Carrieri. The prizes were assigned by a panel of experts including Gerry Scotti and director Fausto Brizzi.

November - Hallvarsson & Halvarsson gave Indesit Company the Special Award for its "Join In" jonline recruitment and employer branding portal, "the most original solution seen amongst the websites of 83 major companies listed on the Milan stock exchange".



November - Peterborough City Council's Electrical Appliance Recycling Project (EARP) which is a partnership between Peterborough City Council, Indesit Company and other key organizations was awarded the prestigious Electrical and Electronic Recycler of the Year and was shortlisted for the Best Partnership Project for Recycling at the National Recycling Awards 2008 at the Telford International Centre.

October - Indesit Company won the overall 1st prize at the Intellectual Capital Value Awards, which are given to companies that show outstanding commitment to promoting and developing intellectual capital.



October - The Moon washing machine won the White Goods Product of the Year title at the first ERT Industry Awards in the UK.

July – Indesit Company received two important awards at the 2008 Motor Transport Awards for its logistics organization, for Customer Care and as Network of the Year in Great Britain.



May - Indesit Company obtained worldwide ISO 9001:2000 certification for its Quality Management System from the Swiss certification organization SGS.

May - At the 6th Sodalitas Social Awards, Indesit Company won an award in the “human capital development” category for having implemented the most significant and socially useful project: its International Framework Agreement with the trade unions, and within its scope the Refrontolo Agreement, which involved the Company, the unions and local government.



April – The Indesit Moon’s innovative design continues to gather worldwide acclaim. Appliance Design gave it a gold at the Excellence in Design Awards for its bold and innovative aesthetics and its capacity to offer intelligent solutions for the home.

February - The Chicago Athenaeum - Museum of Architecture and Design gave the Moon a Good Design Award (for 2007) as a new concept, high-performance washing machine with a strong personality, an object of furnishing in its own right.





VITTORIO MERLONI – CHAIRMAN

Vittorio Merloni is chairman of Indesit Company and Fineldo, the family holding company that controls Indesit Company and other group interests.

Vittorio Merloni's entrepreneurial career began in the 1960s in the family business. In 1975 he founded and became chairman of Merloni Elettrodomestici.

From 1980 to 1984 Vittorio Merloni served as President of Confindustria (the Italian Employers' Federation) and is now a member of its executive committee and general council. From July 1984 to June 1988 he was president of Centromarca.

From 1981 to 1994 he served as member of the board of directors of the Associates of Harvard Business School. From July 2001 to June 2005 he served as president of Assonime and is currently a member of its executive committee and general council.

He currently serves on the International Board for the United States and Italy. He served as a member of the Board of Directors of Telecom Italia, Endesa Italia and the Rosselli Foundation.

In 1984 he was made a "Cavaliere del Lavoro".

In 2001, he received an honorary doctorate in management engineering from the Politecnico University of Milan.

In 2002, he received the Ezio Tarantelli Award from the "Club dell'Economia" for the "best economic idea" in 2001.

In April 2003, he was made "Commander of the British Empire" for his strong commitment as an entrepreneur in the UK market following the acquisition of Hotpoint, the biggest white goods manufacturer in that country.

In 2004, he won the Leonardo Award for the global growth and development of Indesit Company and his contribution towards boosting the prestige of Italy throughout the world.

On 6th May, 2005 he received the GEI (Gruppo Esponenti Italiani) Award in New York, in recognition and appreciation of his work in trade and industry, a contribution which has done much to improve Italy's image abroad.

In October 2007, he won the Keynes-Sraffa Award in recognition of Indesit Company's role in boosting reciprocal investments between Italy and the UK.

Born in Fabriano on 30th April 1933, Vittorio Merloni is a graduate in economics and commerce. Married to Franca Carloni, he is the father of four.



MARCO MILANI, CHIEF OPERATING OFFICER

Marco Milani, 56, an engineering graduate, has been CEO at Indesit Company since 27th July 2004.

Having joined the Company in 1980, he held increasingly important posts, both industrial and commercial, in Italy and above all abroad. In 1998 he was given control of the CIS and other Eastern European countries and worked in Moscow till the acquisition of Stinol in 2000.

Back in Italy, he took over as chief operating officer and in March 2002 was appointed CEO at Indesit Company UK, the organization resulting from the GDA-Hotpoint acquisition and which he successfully integrated within the Group.