

TECHNICAL APPENDIX - Sustainability Report 2018

About this Appendix

This Technical Appendix is produced to supplement the Ariston Thermo Group Sustainability Report 2018.

It provides details of the methods used in the research and makes more data publicly available.

The Sustainability Report is available to download from www.aristonthermo.com

For any clarification or deepening use the following e-mail address: public.relations@aristonthermo.com

SUSTAINABILITY REPORT – BRING OUR VALUES TO LIFE

List of key stakeholders, key topics and concerns raised and approach to stakeholder management

Stakeholders	Key topics and concerns raised	Approach to stakeholder management
Banks and financial institutions	Economic-financial long term sustainability Profitability Global growth	Press release Website Dedicated meetings Reporting
Customers (Installers, Distributors, Importers, Centre of Technical Assistance, Consumers)	Product development and improvement Innovation and introduction of cutting-edge technology Service effectiveness Better comfort and decrease in consumption	Satisfaction analysis of NPS customers Customer center and complaints handling Website and social network Engagement activities of B2B customers (training, events, dedicated meetings) Initiatives of customers' listening (dedicated meetings, survey, market research)
Local communities	Value creation for the local area Respect for the environment Employment Respect for the local culture	Website Social network Initiatives to support the community Reporting
Local, national and supernational institutions	Legislative compliance Value creation for the local area	Dedicated meetings Publications Website
Media	Clear and prompt communication Transparency to provide information on business issues	Website Social network Press releases Dedicated meetings and events
Our people	Training and professional growth Respect for cultural diversity Equal opportunities and meritocracy Listening and engagement within corporate processes	Intranet and other IT tools Training meetings Trade Union involvement Dedicated meetings and events Performance evaluation Reporting
Shareholders	Value creation Global growth Social responsibility Economic-financial sustainability	Reporting Dedicated meetings
Suppliers	Reliable partnerships Support during the components design phase	Dedicated meetings Process of qualification
Trade Unions and Trade Associations	Respect of health and safety standards Respect of workers' rights Respect of labour contracts	Dedicated meetings Website

University and Research Centres	Research and development on energy efficiency Talent enhancement	New Ariston Thermo Innovatives Technologies Center Partnership with Universities and Business Schools worldwide Partnership with Research Centres
Young talents	International development paths Listening skills Appropriate training for the development of competences	International Career Program Dedicated training University meetings Internship

GRI Standards: 102-40, 102-43, 102-44

102-40: A list of stakeholder groups engaged by the organisation.

102-43: The organisation's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.

102-44: Key topics and concerns that have been raised through stakeholder engagement, including:

- I. how the organisation has responded to those key topics and concerns, including through its reporting;
- II. the stakeholder groups that raised each of the key topics and concerns.

SUSTAINABILITY REPORT - INSPIRE THROUGH EXCELLENCE

Direct economic value generated and distributed

(Billion €uro)	2016	2017	2018
Direct economic value generated	1.465	1.602	1.667
Direct economic value distributed	1.355	1.485	1.550
Operational costs	912	1.019	1.078
Value distributed to employees	351	371	371
Value distributed to capital providers	18	27	29
Value distributed to Public Administration	33	38	42
Value distributed to shareholders	40	28	28
Value distributed to community	1	1	1
Held economic value	110	116	117

The measure of the direct economic value generated and distributed by the Group is reported in accordance with the GRI Reporting Standard **and ante IFRS15&IFRS16 (2018 data unaudited)**. Budget figures have been reclassified as follows:

- direct economic value generated: revenues
- direct economic value distributed: operational costs, wages and employees' benefits, payments to capital providers, payments to the public administration and investments to local community, value distributed to shareholders
- held economic value: difference between "economic value generated" and "economic value distributed"

GRI Standards: 201-1

Direct economic value generated and distributed

SUSTAINABILITY REPORT - INSPIRE THROUGH EXCELLENCE

Percentage of turnover from innovative products younger than 5 years

WHAT'S BEHIND THE NUMBERS?

We define as "innovative products" all products from the Business Lines Heating and Water Heating, excluding accessories, that:

- introduced a benefit for their final users, considering functions, usability or price (e.g. installers, distributors or consumers)
- have been produced in the last five years

The indicator, reported at pag. 12 and 16 of the Sustainability Report, considers the total turnover generated in 2018 by the Company from products launched to the market within the last five years (2014-2018).

The acquisitions have been considered equally to other companies of the Group, thus including the products launched by acquired companies during the reference period.

SUSTAINABILITY REPORT - BELIEVE IN SUSTAINABILITY

CO₂ reductions and savings - product

WHAT'S BEHIND THE NUMBERS?

	2018	2019E	2020E	2021E	2022E	Total
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Total energy saved through Ariston Thermo Group's Technologies [TWh]	1,13	2,33	3,57	4,65	5,77	17,45
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The Ariston Thermo Group's high-efficiency technologies allow to calculate the annual average energy saving for each household (average range of total heating per household: 17.000 kWh/year EU and extra-EU; water heating: 1.300 kWh/year for "mid" profiles and 2.500 kWh/year for "large" profiles, source: Eurostat) considering the average energy consumption (for extra-european countries the average efficiency was lowered by 15%. Source: Eurostat). The estimation to 2022 is based on sales volumes forecasts made by Marketing Intelligence.

Tons of CO₂ emissions saved through Ariston Thermo Group's Technologies [tons of CO ₂ eq.]	220.142	452.132	691.145	902.893	1.122.156	3.388.467
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It is possible to convert the energy savings to corresponding tons of CO₂ emissions. In order to determine the saving, the following conversion rates were applied:

- primary energy: 1 (USA); 2,5 (EU and EXTRA-EU);
- carbon intensity: gas: kgCO₂/kWh 0,1 ; electricity: kgCO₂/kWh 0,3 (EU) and 0,6 (extra-EU).

Trees that would have to be planted to absorb the same amount of CO₂ [unit]	18.345.144	37.677.629	57.595.408	75.241.107	93.512.990	282.372.279
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Without Ariston Thermo Group's Technologies the CO₂ that would have been emitted would require more than 282 millions of trees to be fully absorbed. A tree is able to absorb on average about 12 kg CO₂ a year.

Hectares of trees	18.345	37.678	57.595	75.241	93.513	282.372
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It is possible to convert the number of trees to corresponding hectares of land, considering that 1 hectare of land can host about 1000 trees.

Equivalent yearly automobiles [unit]	52.415	107.650	164.558	214.975	267.180	806.778
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The savings realised through Ariston Thermo Group's Technologies correspond to the elimination from the atmosphere of the emissions produced in one year by nerly 807 medium-sized cars (eg. Fiat Punto) that travelled about 30.000 km.

SUSTAINABILITY REPORT - BELIEVE IN SUSTAINABILITY

CO₂ reductions and savings – process

WHAT'S BEHIND THE NUMBERS?

	2018	2019E	2020E	2021E	2022E	Total
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Total electricity saved through high efficiency in operations and buildings [TWh]

	0,004	0,003	0,003	0,003	0,003	0,017
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The Ariston Thermo Group savings in operations and building efficiency allow to estimate a total energy consumption reduction of electricity of 15% in the period from 2018 to 2022. The estimate is based on the current available technology and considers the reductions achieved to date.

Tons of CO₂ emissions saved through Ariston Thermo Group high efficiency in operations and buildings [tons of CO₂ eq.]

	1.933,98	1.524,34	1.463,37	1.404,83	1.348,64	7.675,16
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This estimate has been realized using a standard emission factor to determine the greenhouse gas emissions as the mean between EU and extra EU conversion rates (kgCO₂/kWh 0,45).

Trees that would have to be planted to absorb the same amount of CO₂ [unit]

	161.164,98	127.028,34	121.947,21	117.069,32	112.386,55	639.596,39
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Without Ariston Thermo Group's ability to reach savings in operations and increased building efficiency, the CO₂ that would have been emitted would require about 639 thousand trees to be fully absorbed. A tree is able to absorb on average about 12 kg CO₂ a year.

Hectares of trees	161,2	127,0	121,9	117,1	112,4	639,6
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It is possible to convert the number of trees to corresponding hectares of land, considering that 1 hectare of land can host about 1000 trees.

Equivalent yearly automobiles [unit]

	460,47	362,94	348,42	334,48	321,10	1.827,42
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The savings realised through high efficiency processes correspond to the elimination from the atmosphere of the emissions produced in one year by 1.827 medium-sized cars (eg. Fiat Punto) that travelled about 30.000 km.

Total gas saved through high efficiency in operations and buildings [Nm³]

	1.918.981	564.669	542.082	520.399	499.583	4.045.713
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The Ariston Thermo Group savings in operations and increased building efficiency allow to estimate a total energy consumption reduction of gas of 15% in the period from 2018 to 2022. The estimate is based on the current available technology and considers the reductions achieved to date.

Tons of CO₂ emissions saved through Ariston Thermo Group high efficiency in operations and buildings [tons of CO₂ eq.]

	2.024,52	595,73	571,90	549,02	527,06	4.268,23
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This estimate has been realized using a standard emission factor to determine the greenhouse gas emissions (kgCO₂/kwh 0,1).

	2018	2019E	2020E	2021E	2022E	Total
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Trees that would have to be planted to absorb the same amount of CO₂ [unit]

	168.710,40	49.643,80	47.658,05	45.751,72	43.921,66	355.685,63
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Without Ariston Thermo Group's ability to reach savings in operations and increased building efficiency, the CO₂ that would have been emitted would require about 355 thousand trees to be fully absorbed. A tree is able to absorb on average about 12 kg CO₂ a year.

Hectares of trees	168,7	49,6	47,7	45,8	43,9	355,7
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It is possible to convert the number of trees to corresponding hectares of land, considering that 1 hectare of land can host about 1000 trees.

Equivalent yearly automobiles [unit]

	482,03	141,84	136,17	130,72	125,49	1.016,24
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The savings realised through high efficiency processes correspond to the elimination from the atmosphere of the emissions produced in one year by more than 1.000 medium-sized cars (eg. Fiat Punto) that travelled about 30.000 km.

SUSTAINABILITY REPORT - PEOPLE COME FIRST

Information on employees and other workers and diversity of employees

WHAT'S BEHIND THE NUMBERS?

- Data refers to fiscal year ending on 31.12.2018.
- The following companies have been excluded: ATAG, NTI, HTP, ATMOR, B.C.E.
- The regions involved in the collection of data include the following countries:

AFRICA:

Egypt, Morocco, Nigeria, South Africa, Tunisia.

AMERICA:

Argentina, Brazil.

ASIA:

Bahrain, China, India, Indonesia, Kazakhstan, Russian Fed., Singapore, Turkey, UAE, Vietnam.

EUROPE:

Austria, Belgium, Croatia, Czech Republic, Denmark, France, Germany, Hungary, Italy, Netherlands, Poland, Portugal, Romania, Spain, Switzerland, Ukraine, United Kingdom.

- The document "Our Group" presents, at page 15, a different classification of employees as follows: Western Europe, Eastern Europe, Asia, Americas, Italy, Other.
- Employee turnover is calculated as the ratio between the total employee turnover and the average number of employees.
- Employees within the organisation are not affected by seasonal variations. All the significant portions of the organisation's activities are performed by employees. Indicators of diversity such as minorities or vulnerable groups are not considered relevant.
- People having a job role within the first five managerial lines of the organisation in all the operating companies are referred to as "senior managers". "Local" is considered as the equivalent of "national".

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (PERMANENT AND TEMPORARY), BY GENDER

GENDER	2016 DECEMBER		2017 DECEMBER		2018 DECEMBER	
	PERMANENT	TEMPORARY	PERMANENT	TEMPORARY	PERMANENT	TEMPORARY
F	927	278	941	249	975	220
M	4.619	774	4.571	617	4.427	530
Grand Total	5.547	1.052	5.512	866	5.403	750

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (PERMANENT AND TEMPORARY), BY REGION

REGION	2016 DECEMBER		2017 DECEMBER		2018 DECEMBER	
	PERMANENT	TEMPORARY	PERMANENT	TEMPORARY	PERMANENT	TEMPORARY
AFRICA	179		181	8	179	20
AMERICA	6		6		6	
ASIA	1.234	890	1.254	714	1.187	621
EUROPE	4.128	162	4.071	144	4.031	109
Grand Total	5.547	1.052	5.512	866	5.403	750

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE (FULL-TIME AND PART-TIME), BY GENDER

GENDER	2016 DECEMBER		2017 DECEMBER		2018 DECEMBER	
	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME	FULL-TIME	PART-TIME
F	1.093	112	1.079	111	1.080	115
M	5.349	45	5.140	48	4.895	63
Grand Total	6.442	156	6.219	159	5.975	177

PERCENTAGE OF SENIOR MANAGEMENT AT SIGNIFICANT LOCATIONS OF OPERATION THAT ARE HIRED FROM THE LOCAL COMMUNITY

	2018
SENIOR MANAGER	100%
LOCAL SENIOR MANAGER	82%
ITALIAN LOCAL SENIOR MANAGER	51%

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES, BY AGE GROUP

Total number of new employee hires				Rate of new employee hires			
Age Range	2016	2017	2018	Age Range	2016	2017	2018
<30	757	587	461	<30	65%	56%	47%
30-50	467	457	430	30-50	12%	12%	11%
>50	59	37	55	>50	4%	3%	4%
Grand Total	1.282	1.082	946	Grand Total	20%	17%	15%

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES, BY GENDER

Total number of new employee hires				Rate of new employee hires			
Gender	2016	2017	2018	Gender	2016	2017	2018
F	286	259	251	F	24%	22%	21%
M	996	823	695	M	19%	16%	14%
Grand Total	1.282	1.082	946	Grand Total	20%	17%	15%

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES, BY REGION

Total number of new employee hires				Rate of new employee hires			
Region	2016	2017	2018	Region	2016	2017	2018
AFRICA	16	25	46	AFRICA	8%	14%	23%
AMERICA	-	-	1	AMERICA	0%	0%	17%
ASIA	727	552	451	ASIA	35%	28%	23%
EUROPE	539	505	448	EUROPE	13%	12%	11%
Grand Total	1.282	1.082	946	Grand Total	20%	17%	15%

TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER, BY AGE GROUP

Total number of employee turnover				Employee turnover (%)			
Age Range	2016	2017	2018	Age Range	2016	2017	2018
<30	476	440	359	<30	41%	42%	37%
30-50	410	483	477	30-50	10%	12%	12%
>50	146	167	200	>50	10%	11%	13%
Grand Total	1.031	1.089	1.036	Grand Total	16%	17%	16%

TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER, BY GENDER

Total number of employee turnover				Employee turnover (%)			
Gender	2016	2017	2018	Gender	2016	2017	2018
F	219	237	258	F	19%	20%	22%
M	813	852	778	M	15%	16%	15%
Grand Total	1.031	1.089	1.036	Grand Total	16%	17%	16%

TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER, BY REGION

Total number of employee turnover				Employee turnover (%)			
Region	2016	2017	2018	Region	2016	2017	2018
AFRICA	7	18	26	AFRICA	4%	10%	13%
AMERICA	-	-	1	AMERICA	0%	0%	17%
ASIA	525	563	470	ASIA	25%	28%	24%
EUROPE	499	508	539	EUROPE	12%	12%	13%
Grand Total	1.031	1.089	1.036	Grand Total	16%	17%	16%

PERCENTAGE OF EMPLOYEES PER EMPLOYEE CATEGORY (WHITE COLLAR AND BLUE COLLAR), BY GENDER

GENDER	2016 DECEMBER		2017 DECEMBER		2018 DECEMBER	
	BC	WC	BC	WC	BC	WC
F	7%	30%	7%	30%	8%	30%
M	93%	70%	93%	70%	92%	70%
Grand Total	100%	100%	100%	100%	100%	100%

PERCENTAGE OF EMPLOYEES PER EMPLOYEE CATEGORY (WHITE COLLAR AND BLUE COLLAR), BY AGE GROUP

AGE RANGE	2016 DECEMBER		2017 DECEMBER		2018 DECEMBER	
	BC	WC	BC	WC	BC	WC
<30	17%	15%	14%	15%	14%	15%
30-50	61%	65%	61%	65%	60%	65%
>50	22%	20%	25%	20%	26%	20%
Grand Total	100%	100%	100%	100%	100%	100%

GRI Standard 102-8, 202-2, 401-1, 405-1

102-8: The reporting organisation shall report the following information:

- Total number of employees by employment contract (permanent and temporary), by gender.
- Total number of employees by employment contract (permanent and temporary), by region.
- Total number of employees by employment type (full-time and part-time), by gender.
- Whether a significant portion of the organisation's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees.

202-2: The reporting organisation shall report the following information:

- Percentage of senior management at significant locations of operation that are hired from the local community.
- The definition used for 'senior management'.
- The organisation's geographical definition of 'local'.
- The definition used for 'significant locations of operation'.

401-1: The reporting organisation shall report the following information:

- Total number and rate of new employee hires during the reporting period, by age group, gender and region.
- Total number and rate of employee turnover during the reporting period, by age group, gender and region.

405-1: The reporting organisation shall report the following information:

- Percentage of employees per employee category in each of the following diversity categories:
 - Gender;
 - Age group: under 30 years old, 30-50 years old, over 50 years old;
 - Other indicators of diversity where relevant (such as minority or vulnerable groups).

SUSTAINABILITY REPORT - PROCEED FROM INTEGRITY

Diversity of Governance Bodies

- Data refers to fiscal year ending on 31.12.2018
- 50 years old have been included in the range 30-50
- Indicators of diversity such as minorities or vulnerable groups are not considered relevant

PERCENTAGE OF INDIVIDUALS WITHIN THE BOARD OF DIRECTORS, BY GENDER AND AGE GROUP

Board of Directors		Board of Directors	
Gender	Percentage	Age range	Percentage
M	73%	<30	0%
F	27%	30-50	36%
		>50	64%

PERCENTAGE OF INDIVIDUALS WITHIN THE BOARD OF STATUTORY AUDITORS, BY GENDER AND AGE GROUP

Board of Statutory Auditors		Board of Statutory Auditors	
Gender	Percentage	Age range	Percentage
M	67%	<30	0%
F	33%	30-50	33%
		>50	67%

PERCENTAGE OF INDIVIDUALS WITHIN THE STRATEGIC COMMITTEE, BY GENDER AND AGE GROUP

Strategic Committee		Strategic Committee	
Gender	Percentage	Age range	Percentage
M	100%	<30	0%
F	0%	30-50	50%
		>50	50%

PERCENTAGE OF INDIVIDUALS WITHIN THE HUMAN RESOURCES AND REMUNERATION COMMITTEE, BY GENDER AND AGE GROUP

Human Resources and Remuneration Committee		Human Resources and Remuneration Committee	
Gender	Percentage	Age range	Percentage
M	67%	<30	0%
F	33%	30-50	33%
		>50	67%

PERCENTAGE OF INDIVIDUALS WITHIN THE SUPERVISORY BODY, BY GENDER AND AGE GROUP

Supervisory Body		Supervisory Body	
Gender	Percentage	Age range	Percentage
M	33%	<30	0%
F	67%	30-50	33%
		>50	67%

GRI Standard 405-1

The reporting organisation shall report the following information:

- Percentage of individuals within the organisation's governance bodies in each of the following diversity categories:
 - Gender;
 - Age group: under 30 years old, 30-50 years old, over 50 years old;
 - Other indicators of diversity where relevant (such as minority or vulnerable groups).

SUSTAINABILITY REPORT - HOW THIS DOCUMENT IS MADE

GRI CONTENT INDEX - Option "in accordance - core"

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Pages, references, notes and any omissions	Description General Standard Disclosures	Status
ORGANISATIONAL PROFILE			
102-1	Ariston Thermo SpA	Name of the organisation	Fully reported
102-2	Our Group, p.13,19-35	Activities, brands, products, and services	Fully reported
102-3	Via Broletto, 44 - 20121 Milano (MI)	Location of headquarters	Fully reported
102-4	Our Group, p.16-17	Location of operations	Fully reported
102-5	Sustainability Report, p. 40-43	Ownership and legal form	Fully reported
102-6	Our Group, p.16-17	Markets served	Fully reported
102-7	Our Group, p.14-15	Scale of the organisation	Partially reported
102-8	Technical Appendix, People come first	Information on employees and other workers	Fully reported
102-9	All the companies of the Group define partnerships with their suppliers in accordance with the current legislation and with the principles expressed within this Report, considering the highest professional standards, the best practices involving ethics, health and safety, free competition and environmental protection. Selection procedures of suppliers for the companies of the Group - based on objective and verifiable criteria - consider, among the other elements, economic convenience, technical capability, reliability, quality of materials, compliance with quality requirements as well as credentials. The Group's Procurement & Quality is responsible for assessing more projects from different suppliers, evaluating them with equity.	Supply chain	Partially reported
102-10	This document is the first Ariston Thermo Group Sustainability Report	Significant changes to the organisation and its supply chain	Partially reported
102-11	Sustainability Report, p. 40-43	Precautionary Principle or approach	Partially reported
102-12	hiip://www.aristonthermo.com	External initiatives	Fully reported
102-13	Main memberships of associations include: Italy: Assotermica, Ceced Italia, Comitato Termotecnico Italiano, Kyoto Club, Confindustria, Ecodom. EU: European Heating Industry (EHI), Ceced Asbl European Heat Pump Association (EHPA) Extra-EU: Agoria, CECED CZ, CECED Polska, AGEFE, CECED Romania, FEA	Membership of associations	Partially reported
STRATEGY			
102-14	Our Group, p.5	Statement from senior decision-maker	Partially reported
102-15	Technical Appendix, Bring our values to life Sustainability Report, p. 6-9	Key impacts, risks, and opportunities	Fully reported

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Pages, references, notes and any omissions	Description General Standard Disclosures	Status
ETHICS AND INTEGRITY			
102-16	Sustainability Report, p. 10	Values, principles, standards, and norms of behavior	Fully reported
102-17	Sustainability Report, p. 40-43	Mechanisms for advice and concerns about ethics	Fully reported
GOVERNANCE			
102-18	Sustainability Report, p. 40-43	Governance structure	Fully reported
102-22	Sustainability Report, p. 40-43	Composition of the highest governance body and its committees	Fully reported
102-23	Sustainability Report, p. 40-43	Chair of the highest governance body	Fully reported
102-24	Sustainability Report, p. 40-43	Nominating and selecting the highest governance body	Partially reported
STAKEHOLDER ENGAGEMENT			
102-40	Technical Appendix, Bring our values to life	List of stakeholder groups	Fully reported
102-41	Business integration contracts (Italy)	Collective bargaining agreements	Partially reported
102-42	Sustainability Report, p. 11	Identifying and selecting stakeholders	Fully reported
102-43	Technical Appendix, Bring our values to life	Approach to stakeholder engagement	Fully reported
102-44	Technical Appendix, Bring our values to life	Key topics and concerns raised	Fully reported
REPORTING			
102-45	The entities included within the Sustainability Report are the same of the consolidated financial statements, if not specified otherwise, and include the economic, social and environmental results of all the companies of Ariston Thermo Group operating worldwide	Entities included in the consolidated financial statements	Fully reported
102-46	Sustainability Report, p. 11	Defining report content and topic Boundaries	Partially reported
102-47	Sustainability Report, p.11	List of material topics	Fully reported
102-48	This document is the first Ariston Thermo Group Sustainability Report	Restatements of information	Fully reported
102-49	This document is the first Ariston Thermo Group Sustainability Report	Changes in reporting	Fully reported
102-50	Data refers to fiscal year ending on 31.12.2018	Reporting period	Fully reported
102-51	This document is the first Ariston Thermo Group Sustainability Report	Date of most recent report	Fully reported
102-52	This document is the first Ariston Thermo Group Sustainability Report	Reporting cycle	Fully reported
102-53	For any clarification or deepening use the following e-mail address: public.relations@aristonthermo.com	Contact point for questions regarding the report	Fully reported
102-54	Sustainability Report, p.44	Claims of reporting in accordance with the GRI Standards	Fully reported
102-55	Technical Appendix, How this document is made	GRI Content Index	Fully reported
102-56	The Sustainability Report 2018 hasn't been externally assured	External assurance	Fully reported

SPECIFIC STANDARD DISCLOSURES

DMA and indicators	Pages, references, notes and any omissions	DMA description and indicators	Status
CATEGORY: ECONOMIC STANDARDS			
Topic: High Corporate Governance standards			
DMA	Sustainability Report, p. 40-43	Management approach	Fully reported
205-3	2016:0; 2017:0; 2018:0	Confirmed incidents of corruption and actions taken	Fully reported
419-1	2016:0; 2017:0; 2018:0	Non-compliance with laws and regulations in the social and economic area	Fully reported
Topic: Home Hack & Cyber security			
DMA	Sustainability Report, p. 17 and 43	Management approach	Partially reported
CATEGORY: SOCIAL-ENVIRONMENTAL STANDARDS			
Topic: Energy efficiency			
DMA	Sustainability Report, p. 6-9	Management approach	Fully reported
302-5	Sustainability Report, p. 6-9	Reductions in energy requirements of products and services	Fully reported
Topic: Wellbeing of the community			
DMA	Sustainability Report, p.24-25	Management approach	Partially reported
Topic: Diversity and inclusion			
DMA	Sustainability Report, p.34-37	Management approach	Partially reported
102-8	Technical Appendix, People come first	Information on employees and other workers	Fully reported
202-2	Technical Appendix, People come first	Proportion of senior management hired from the local community	Fully reported
405-1	Technical Appendix, Proceed from integrity	Diversity of governance bodies and employees	Fully reported
Topic: International employer branding			
DMA	Sustainability Report, p. 36	Management approach	Fully reported
401-1	Technical Appendix, People come first	New employee hires and employee turnover	Fully reported
404-1	Sustainability Report, p. 34-37	Average hours of training per year per employee	Partially reported
404-2	Sustainability Report, p. 34-37	Programs for upgrading employee skills and transition assistance programs	Partially reported
404-3	Sustainability Report, p. 35-36	Percentage of employees receiving regular performance and career development reviews	Partially reported
Topic: Health&Safety at workplace			
DMA	Sustainability Report, p. 37	Management approach	Fully reported
403-2	Sustainability Report, p. 37	Hazard identification, risk assessment, and incident investigation	Partially reported
Topic: Global growth			
DMA	Our Group, p. 12-13, 16-17	Management approach	Partially reported
Ariston Thermo indicators	Our Group, p. 14-15	Sales by area, employees by area	Fully reported
201-1	Technical Appendix, Inspire through excellence	Direct economic value generated and distributed	Fully reported
Topic: Connectivity and home automation			
DMA	Sustainability Report, p. 16-19	Management approach	Fully reported
Ariston Thermo indicators	Sustainability Report, p. 16	Number of products ready to be connected by 2020	Fully reported

SPECIFIC STANDARD DISCLOSURES

DMA and indicators	Pages, references, notes and any omissions	DMA description and indicators	Status
CATEGORY: SOCIAL-ENVIRONMENTAL STANDARDS			
Topic: Customer orientation			
DMA	Sustainability Report, p. 28	Management approach	Fully reported
Ariston Thermo indicators	Sustainability Report, p. 28	Number of customers listened	Fully reported
Topic: High product safety			
DMA	Product safety is imperative for Ariston Thermo Group's strategies. The Group's presence in countries that haven't optimal infrastructural facilities, makes it necessary to seek and implement innovative and reliable solutions to guarantee the absolute safety of our products. Each new product is designed to prevent any manufacturing defect. Products are tested thanks to a set of analysis and evaluation tools, including the Failure Modes and Effects Analysis (FMEA), an advanced tool that enables the preventive detection of breakdowns by conducting an analysis based on the possibility of failure. Rigorous testing. Accurate laboratory tests are conducted on innovative products: Ariston Thermo Group can claim 23 research competence centres in Europe and Asia, for product development, quality control and research. Single products are tested in the Ariston and Chaffoteaux laboratories, while more advanced and complex systems, which also rely on renewable energy sources, are tested in laboratory and Lab-House. In addition, complete traceability of single components and final products has been realised, on the basis of the First In First Out (FIFO) management of warehouses.	Management approach	Fully reported
416-2	Sustainability Report, p. 28-29	Incidents of non-compliance concerning the health and safety impacts of products and services	Partially reported
Topic: Service effectiveness			
DMA	Sustainability Report, p. 28-31	Management approach	Fully reported