



Welcome to our world

A large, leafy tree with a thick trunk and many branches, covered in green leaves, stands on the left side of the frame. The tree's branches spread out towards the right. In the background, there is a dense line of trees with various shades of green, suggesting a forest. The foreground is a lush green field with some small white flowers. The sky is bright and slightly hazy.

The world's partner in energy efficient comfort

OVER 80 YEARS OF EXPERIENCE
IN PROVIDING INNOVATIVE THERMIC COMFORT
SOLUTIONS AND SERVICES.

Ariston Thermo's goals and strategy:

- Continue **growing**
- Strive for **Excellence** in everything we do
- **Evolve** our products, systems and services
- **Invest** in our brands
- Put **people** first



Paolo Merloni, Executive Chairman

Striving for Excellence, to keep on growing

2013 has been a significant year for our Group, during which we have built up our strengths and faced important changes, whilst continuing to pursue our strategic vision. Indeed, last year we achieved and exceeded ambitious targets while also continuing to grow on all main measures - not only economic and financial ones - in spite of the still challenging and uncertain economic scenario.

In the first few months of 2013, we decided to make the best possible investment, which is investing in ourselves, by buying back our own shares from investors.

Another important event was the appointment of Leonardo Senni as Chief Executive Officer, taking over from Aldo Bisio. A further proof of our

company's sound governance. These changes mark the beginning of a new chapter, dominated by the goal of continuing to grow in a sector that is expanding and seeing the introduction of new business models. This context encour-

«OUR STRATEGIC VISION HAS ALLOWED US TO ACHIEVE AND EXCEED AMBITIOUS TARGETS ALSO CONTINUING TO GROW».

ages us to evolve by striving for Excellence, not only in our products and systems, but also in the way we market them, as well as in the services we provide to our customers.

In 2014, we will face several new challenges, and "Excellence" is still our watchword as we tackle them.

To do this, we will continue to focus on our brands, investing further in marketing and communication to capture an increasing share of the markets we operate in.

We will also make new investments to strengthen our industrial footprint as well as research and development, so as to make our solutions increasingly efficient and sustainable. We operate in a sector that is on the front line of the fight for protecting the environment and our communities, a responsibility that pushes us to step up our efforts towards energy efficiency.

Therefore, there are important challenges and commitments ahead of us, and we want to successfully address them by putting people, our strength and most valuable asset, first.

Our engagement with the community

The spirit of our origins remains unchanged and serves as inspiration to continue growing and showing **great respect** for the local area and community.



Francesco Merloni, Honorary Chairman

Social responsibility

The reference to our origins has been a constant throughout the history of our Company. It was founded over eighty years ago thanks to the bold and daring choice made by Aristide Merloni to start an industrial business in a place without services and far from major roads.

It was founded out of his bond with his land, and the firm willingness to help it break away from backwardness and marginalisation.

It was founded also out of the affection for the people he was part of and with which he identified, with the intention to create opportunities and

«OUR SOCIAL RESPONSIBILITY DATES BACK TO OVER EIGHTY YEARS AGO—TO THE BOLD AND DARING CHOICE MADE BY ARISTIDE MERLONI TO START AN INDUSTRIAL BUSINESS IN A PLACE WITHOUT SERVICES AND FAR FROM MAJOR ROADS».

prospects capable of putting an end to the historic plague of migration. It was founded with the com-

mitment to reinvest most of the profits in the Company, fostering its development and that of the local community.

All this sparked the great economic and social transformation of our Company's home territory.

All this led to the creation of the company - now global - we are proudly part of.

Those remote events are now history; Ariston Thermo confidently faces the challenges posed by competition, ever-changing markets, technologies, and the new frontiers of energy efficiency and innovative energy sources.

Fabriano, where the company was set up, remains the centre of a worldwide network. The spirit of our origins remains a model and guide for the present and the future.



IDENTITY



ENERGY EFFICIENCY



EXCELLENCE



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**A global identity with
strong local roots**

**OVER 250 MILLION PEOPLE IN THE WORLD USE
AND APPRECIATE OUR PRODUCTS EVERY DAY.**

About Ariston Thermo

A worldwide leader in thermic comfort

Ariston Thermo is a **global group** with strong and deep-seated values, and an **international leader in thermic comfort** for domestic, commercial, and industrial applications. Our world-class manufacturing capacity, together with **excellent pre- and after-sales support**, offers an optimal combination of **comfort, energy efficiency and respect for the environment**.



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2013 highlights

The Group by the numbers

Ariston Thermo is a leader in the hot water and heating sector and strives to improve the quality of comfort by offering high-technology, quality and efficiency products, with a reduced environmental impact.



1.33

BILLION EURO IN SALES

89% of our turnover was generated outside of Italy.



7.2

MILLION PRODUCTS PER YEAR

(+ 34 million components)
Sold in over 150 countries.

6,600
EMPLOYEES

Local resources hold
80% of managerial
positions.

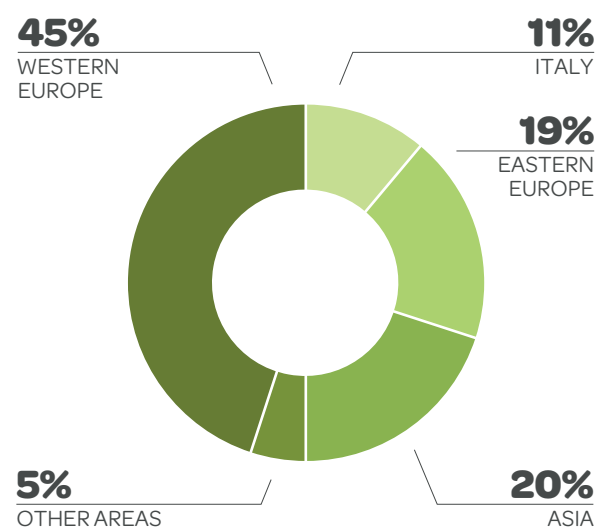


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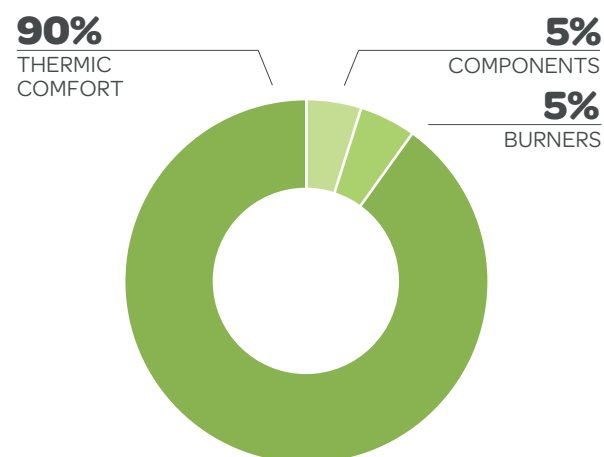
MILLION EUROS IN INVESTMENTS AND R&D

The Group employs over 270 people
in R&D across 16 centres
of competence for product research
and development in 8 Countries.

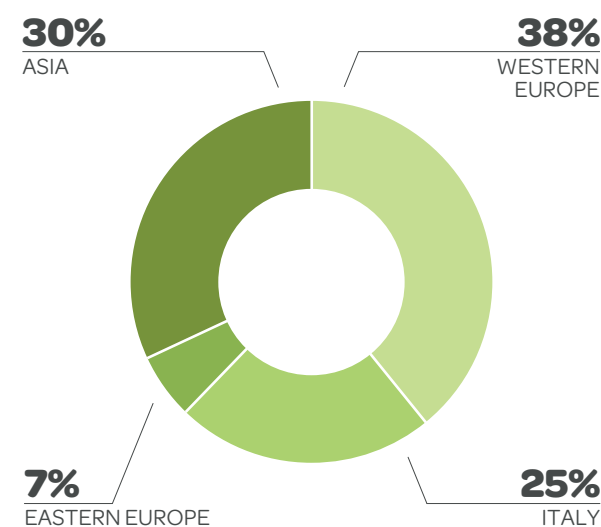
SALES BY REGION



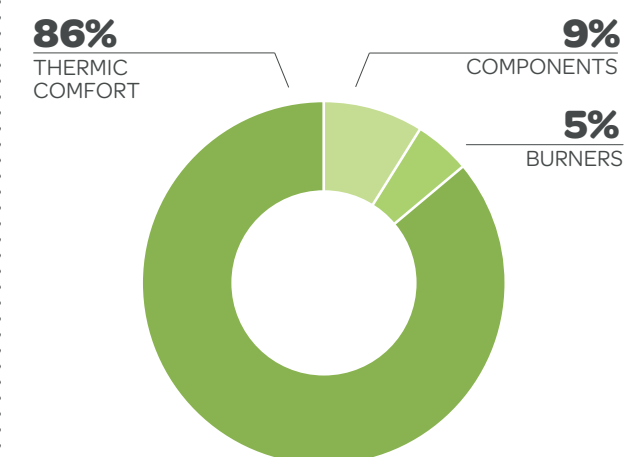
SALES BY BUSINESS AREA



EMPLOYEES BY REGION



EMPLOYEES BY BUSINESS AREA





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Global reach, local knowledge

Ariston Thermo is the world's partner in energy efficient thermic comfort, with a strong and long established presence in Europe and emerging countries over time.

PRODUCTION SITES

Belgium	Namur
China	Wuxi
France	Chartres La Roche Sur Foron Valence
Germany	Pirna
India	Pune
Italy	Arcevia Cerreto Follina Genga Osimo Resana Rovereto Serra de' Conti
Netherlands	Kerkrade
Russia	St Petersburg
Switzerland	Biasca Puidoux
Uzbekistan	Navoi
Vietnam	Hanoi

○ Direct commercial presence
● Industrial presence

COMPANIES AND REPRESENTATIVE OFFICES

Argentina	Buenos Aires	Kazakhstan	Almaty
Austria	Vienna	Morocco	Casablanca
Belgium	Anderlecht	Netherlands	Kerkrade Naarden
Belarus	Minsk	Poland	Krakow
Brazil	São Paulo	Portugal	Sintra
China	Shanghai	Romania	Bucarest
Croatia	Zagreb	Russia	Moscow
Czech Republic	Prague	Singapore	Singapore
Egypt	Cairo	Spain	Barcelona
France	La Roche Sur Foron Paris	Switzerland	Aarburg Biasca Manno Puidoux Vilters
Germany	Frankfurt Hechingen Pirna	Turkey	Istanbul
Hungary	Budapest	Ukraine	Kiev
India	Pune	United Arab Emirates	Dubai
Indonesia	Jakarta	United Kingdom	Basildon High Wycombe
Italy	Arcevia Fabriano Follina Milan Resana	Uzbekistan	Tashkent
		Vietnam	Hanoi

45
COMPANIES AND 7
REPRESENTATIVE OFFICES
IN 31 COUNTRIES

21
PRODUCTION SITES
IN 11 COUNTRIES

16
CENTRES OF COMPETENCE
AND R&D IN 8 COUNTRIES

150
DISTRIBUTION
COUNTRIES



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BRANDS AND PRODUCTS

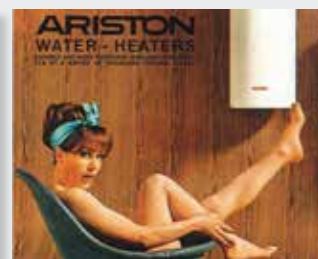
From 1930 to 2013

Our history

Over 80 years of growth driven by passion and competence.

1960s

The production of electric water heaters begins. **Launch of the Ariston brand.**



Founded in Italy in 1930

Aristide Merloni founds the **Industrie Merloni** in the Marche Region of Italy, and starts the production of weighing scales.



1970s

The Company becomes a **leader in the water heater segment** and expands into Western Europe's main markets.

1990s

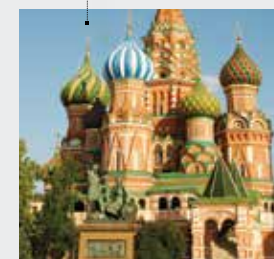
The Company sets up subsidiaries in Eastern Europe and Asia, consolidates its position in water heating, and becomes one of the most important global players in heating. **Acquisition of Racold, India's largest manufacturer and seller of water heaters.** Opening of the first fully owned factory in China.

1980s

Already a market leader in water heating, **the Company enters the heating sector** and starts producing boilers.

2005

Opening of a **new factory in Saint Petersburg, Russia**, and acquisition of **Ecoflam**, an Italian leader in heating systems.



2009

The Company **changes its name to Ariston Thermo** and is one of the world leader in the heating and water heating industry, offering a full range of products, systems and services.



2011

With the acquisition of **Cipag SA** and **Domotec AG**, Ariston Thermo confirms its leadership in Switzerland in the production, distribution and maintenance of water heating systems.

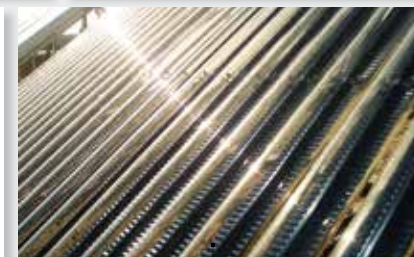


2001

Acquisition of a number of historical companies and brands in the heating and burners industry: **Chaffoteaux, Elco, Cuenod and Rendamax.**

2008

After the acquisition of the Swiss company **Termogamma SA**, specializing in heat pumps, the Company opens the **European Centre for solar thermal energy** in Italy.



2013

Ariston Thermo continues in its growth strategy both in mature and emerging markets, finalising the acquisition of **DhE** - an Italian company producing heating elements for commercial and industrial applications - and entering into a **joint venture** for manufacturing and selling high-efficiency home heating systems in **Uzbekistan**.



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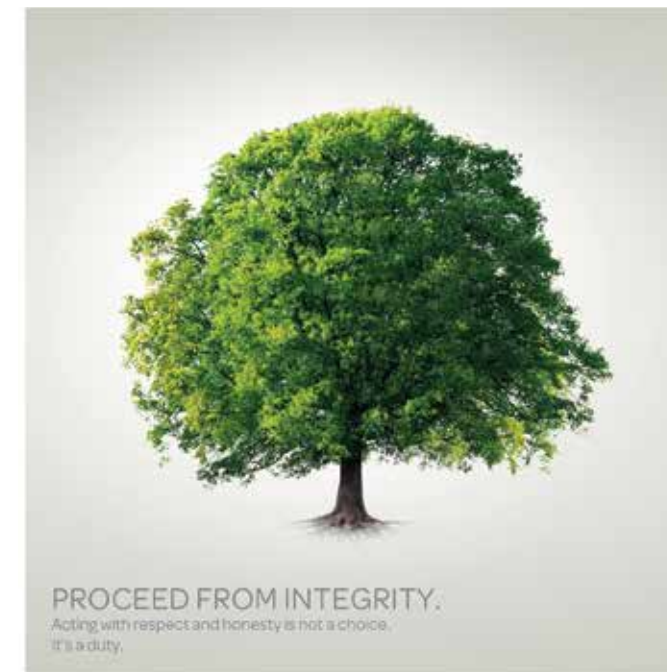
From the origins to now

The values we believe in

Ariston Thermo's history shows that only the respect for people and our home territory allowed us to drive the Group's growth through the value of our work.

The values that continue to characterize our growth have not changed. They are **strong and long-standing values**, with which the whole Group can identify. **Integrity, People, Excellence, Customer and Sustainability** are the cornerstones of **Ariston Thermo's universe**—the principles we believe in, and draw on, every day in our quest for excellence.

The goal is to strengthen and develop the values identified by **Aristide Merloni**, the founder, so that they not only represent the **Group as it is today**, but also and most importantly inspire **its future**.





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BRANDS AND PRODUCTS

A year of successes

2013 highlights

Last year was rich in events and successes for the Group companies, both in Italy and abroad, confirming our continued growth.

April

- The new range of **Next Evo** gas water heaters is presented at the **Shanghai Italian Centre** (the former Italian Pavilion of Expo Shanghai 2010), one of the most prestigious venues in Asia for Italian culture, art and design.
- The **Ariston Museum** is inaugurated in **Hanoi**, illustrating the history and values of the Ariston brand. The exhibition was hosted in "Casa Italia" (Italian House), a diplomatic centre and a venue for the promotion of Italian culture, language and products.



July

- Ariston's **Nuos** heat pump water heater wins the **Trophée de la Maison**, the quality certification granted to home products on the French market, tested directly by consumers in real-life situations.



September

- In **Uzbekistan**, Ariston Thermo enters the market for wall-hung high-efficiency gas boilers through a 51%-owned **joint venture** with Uztransgaz—the Uzbek national company for the transportation and distribution of gas in the country.

- **Ariston Thermo acquires** a majority stake in **DhE**, an Italian leader in the design and production of heating elements for commercial and industrial applications: a specialist know-how complementing the Group's business.



November

- The Group celebrates together with the **Aristide Merloni Foundation 50 years** of commitment to fostering the economic development of the inner Marche Region. Prime Minister **Enrico Letta**, Professor **Romano Prodi** and the President of the Marche Region of Italy, **Gian Mario Spacca**, among others, took part in the conference held in Fabriano.



February

- Ariston Thermo takes part in the construction of the infrastructures for the **Sochi 2014 XXII Olympic Winter Games**, in Russia, installing **Rendamax** high-performance **boilers** and cutting-edge **Ariston** high-efficiency **water heaters**.



March

- Ariston Thermo is in Frankfurt for **ISH** - the world's most important thermic comfort tradeshow - a stand of **over 1,000 square metres** dedicated to the **Ariston, Elco Heating Solutions and Burners brands**, showcasing the most innovative solutions to maximize domestic comfort while minimizing the environmental impact.



May

- **Racold Thermo**, in partnership with the **Green Energy Foundation**, launched "**Switch 2 Green**" in Pune, India. It is the first Energy Efficient Housing Society Contest awarding a prize to the most energy efficient condominiums and raising awareness about the informed use of resources.



June

- Ariston Thermo obtained a **40 million euro loan from the European Investment Bank (EIB)** for the development of new thermic comfort products and technologies, with the aim of increasing the use of renewable energy.



August

- Ariston Vietnam hosts **Uplife**, the most important event in the Company's last 18 years in the country, in **Ho Chi Minh City**, with the participation of several local celebrities such as actors, top models and singers, to present the new **Andris** line of water heaters.



Our commitment to energy efficiency

THE HIGH ENERGY EFFICIENCY OF OUR PRODUCTS
REPRESENTS AN EFFECTIVE SOLUTION TO REDUCE
CONSUMPTION AND SAFEGUARD THE ENVIRONMENT.



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BRANDS AND PRODUCTS

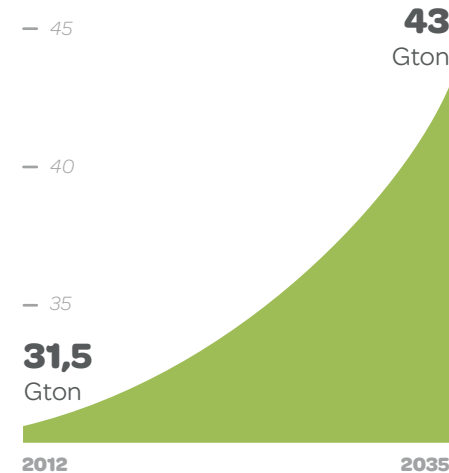
The current scenario

The energy challenge in the industry of thermic comfort

The world's energy consumption is increasing, and with it the CO₂ emissions released into the atmosphere, putting the planet's environmental sustainability at risk.

Every year, both residential and commercial **global consumption of primary energy increases proportionally to the social, economic and industrial development** of emerging countries, and adds to the considerable consumption of Western countries.

EMISSIONS CO₂

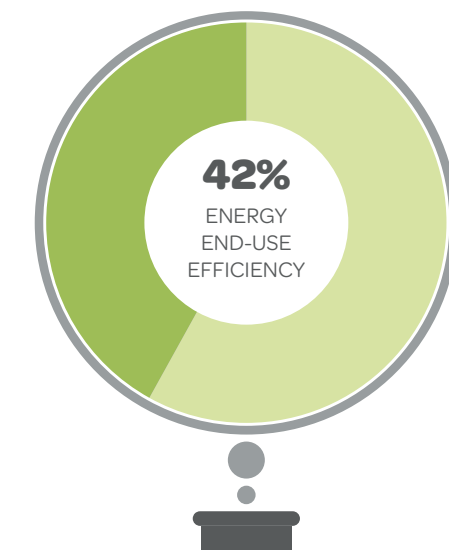


Source: World Energy Outlook, IEA 2013

■ RISING CONSUMPTIONS CAUSES HIGHER CO₂ EMISSIONS

The most recent estimates on the amount of CO₂ emitted into the atmosphere, as a direct consequence of energy consumption, show an increase from 31.5 Gton/year in 2012 to over 43 Gton/year in 2035, absent regulatory interventions. Such an increase would **seriously put environmental sustainability at risk**.

AREAS OF INTERVENTION to curb CO₂



Source: World Energy Outlook, IEA 2013

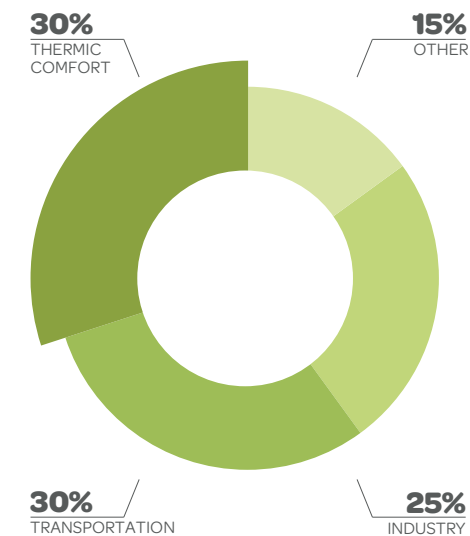
■ ENERGY EFFICIENCY REPRESENTS THE MAIN INTERVENTION TO CURB CO₂

According to the International Energy Agency's 2013 Report, if we consider all the areas we can act on to curb CO₂ emissions, **42% of the total is represented by the energy efficiency of the products used by end users**. Indeed, more efficient products can contribute to substantially reducing the forecast increase in annual emissions.

ENERGY CONSUMPTION IN EUROPE BY SECTOR

■ IN EUROPE, THERMIC COMFORT ACCOUNTS FOR 30% OF TOTAL ENERGY CONSUMPTION

Analysing Europe alone, energy consumption and the related emissions are caused by **three main areas**: 25% is attributable to the industrial sector, 30% to transportation, and 30% to domestic and commercial thermic comfort.



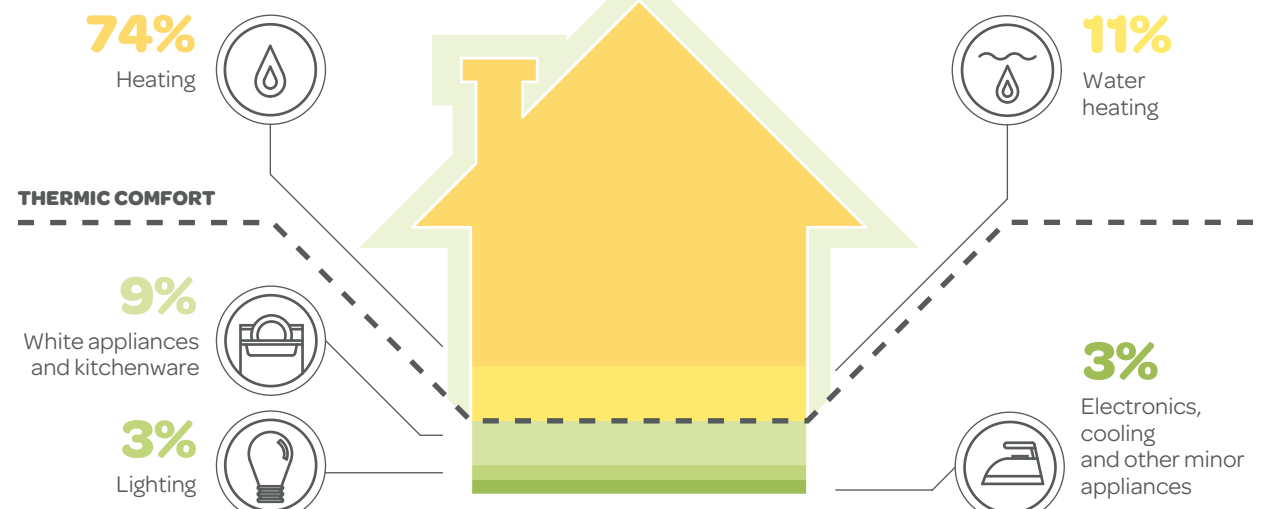
Source: World Energy Outlook, IEA 2013 and internal estimates

■ 85% OF RESIDENTIAL ENERGY CONSUMPTION IS FOR THERMIC COMFORT

Thermic comfort is particularly important in residential energy consumption. On average, final energy consumption for domestic heating represents approximately **74% of total consumption**, and increases **up to 85%** if energy consumption for water heating is considered.

AVERAGE RESIDENTIAL ENERGY CONSUMPTIONS

Western Europe



Source: World Energy Outlook, IEA 2013 and internal estimates



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A significant contribution

Objective: energy efficiency

The highly energy efficient products may contribute decisively to the reduction of energy consumptions without sacrificing comfort. Ariston Thermo, with its own solutions, intends to play a major role in this scenario.

The replacement of existing systems in Europe with new, high-efficiency Ariston Thermo technologies using renewable energy would allow for energy savings of 35%⁽¹⁾ on average without reducing comfort.

THE RESULTING POTENTIAL IMPACT IS AS FOLLOWS:



**WATER
HEATING**

230 million
products

EU
Installed
Base

500 kWh
(approximately)

Yearly energy
savings
per product



HEATING

180 million
products

5.000 kWh
(approximately)

>1.000 TWh SAVINGS EQUAL TO:



**ANNUAL ENERGY
OUTPUT OF 260
THERMAL
POWER PLANTS**

(800 MWp power plant,
operating 5,000 hours per year)



**ANNUAL ENERGY
CONSUMPTION
OF 85 MILLION CARS**

(B-segment car
travelling 15,000 km
per year)



**CO₂ ABSORBED
EVERY YEAR BY 30 MILLION
HECTARS OF TREES,
A SURFACE EQUAL
TO THAT OF ITALY**

(1 ha = 500 trees, 1 tree
absorbs 12 kg of CO₂ per year)

Ariston Thermo has made energy efficiency the pillar of its long-term strategy for sustainable growth, aware of the impact that its own industry cause in terms of energy consumption and the resulting emissions into the atmosphere.

80%
**HIGH EFFICIENCY
RENEWABLES
BY 2020**

By 2020 the Group aims to have 80% of its business coming from high efficiency and renewable solutions. Ariston Thermo's ability to combine energy efficiency with innovation and design is shaping the future of the thermic comfort industry.

In 2013, we reached the 40% target

(1) BASED ON THE PRIMARY ENERGY CONSUMPTION DATA, CONSIDERING THE AVERAGE INSTALLED PARK IN THE EU, MAINLY CONSISTING IN ELECTRIC AND GAS PRODUCTS.

Innovation and performances

Our solutions for energy savings

The Group is developing innovative high-efficiency solutions ensuring high performance and maximum comfort while minimizing consumption.

WATER HEATING

HIGH-EFFICIENCY ELECTRIC AND GAS WATER HEATERS

up to -20% energy consumption compared to traditional water heaters.

■ Ariston **Velis** is an electric water heater designed to heat the ideal amount of water for the first shower and then remember the user's habits, optimizing consumption. Velis, also available in the **Quick Heating** version, stands out for its unique design and limited thickness, among the best of its class.

■ **Andris** is Ariston's range of compact, small capacity water heaters, designed to be already compliant with future energy efficiency regulations.

■ **Next Evo** gas water heaters stand out for their Italian design and for the "Smart Memory" system, which remembers the habits of each user to supply water at the right temperature. The "Ultra Silent" system reduces noise, while the carbon monoxide alarm ensures maximum security.



Wall-hung monoblock heat pump water heater **Nuos Evo 80**

HEAT PUMP WATER HEATERS

up to -75% energy consumption compared to traditional water heaters.

■ Ariston's **Nuos Evo** monoblock heat pump uses air as its primary and renewable energy source. The Nuos

range now includes the **Primo** line, with medium and large capacity models, and offers more affordable products ensuring maximum energy efficiency.

SOLAR THERMAL

up to 70% of hot water needs and up to 20% of heating needs.

■ Ariston's **Kairos Combi** is a system that combines heating with instant water heating. The new flat-plate collector Kairos XP 2.5-1 features a 2.5 m² flat plate, easy to install and maintain, among the top of its class for durability and efficiency.

■ Elco's **Auron DF** is a vacuum tube direct flow collector, heating water and supplementing commercial and industrial heating. The system's assembly ensures installation flexibility and an optimal orientation of the absorber.



Velis
Wall hung electric water heater



Andris
Wall-hung electric water heater



Next Evo
Wall-hung gas water heater



Auron DF
Vacuum solar tube collector



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HEATING



CONDENSING BOILERS

up to -35% energy consumption compared to traditional boilers.

■ As medium- and high-power (up to 1890 kW) floor-standing solutions, Elco proposes the state-of-the-art condensing boilers **R600** and **R3000**, ensuring high performance and low consumption.

■ **Thision L** is Elco's solution for medium- and high-power installations: a wall-hung boiler with a pre-mix system capable of reducing emissions into the atmosphere to the lowest possible level.

■ **Genus Premium Evo** is Ariston's condensing boiler for domestic installations: it minimises energy consumption by limiting operating cycles thanks to its high modulation ratio.

ELECTRIC HEAT PUMPS

up to -55% energy consumption compared to traditional boilers.

■ **Arianext** is Chaffoteaux's new modulating air-to-water electric heat pump, designed to combine performance and affordability for domestic users. Three different configurations for domestic heating and hot water ensure versatility and maximum efficiency.

■ Elco's **Aerotop G** is the air-to-water heat pump for residential applications for outdoor installation. Suitable for heating and hot water production, it is characterized by high efficiency, low noise levels, and reliability under any

climatic condition. It is also available in a modulating version, allowing to use the minimum amount of power required to reach the desired temperature, driving down consumption.

■ Elco has introduced **Aeropur CRX**, the new monoblock air-to-water reversible heat pump for outdoor installation. It comes in four sizes, with thermal capacity ranging from 6 to 15 kW, offers a wide operating range (from -20° in heating mode to 46° in cooling mode), and features a Netcom user interface, allowing for de-humidification (with an external device), quiet night operation and week planning.



R600
Floor-standing condensing boiler



Genus Premium Evo
Wall-hung condensing boiler



Arianext
Heat pump



Aerotop G
Air-to-water heat pump

Versatility and efficiency

Some of the best projects realized in 2013

Ariston Thermo's high-efficiency solutions are used in the most varied circumstances to meet customers' specific needs, contributing to curb energy costs and environmental impact.



TREVISO, ITALY
- 200 tons/year of CO₂
Elco Italia's geothermal division (GEON) was created with the clear intent to develop renewable energies and their applications in the Italian market, and then in the European one. **The first operational results have already been achieved:** distribution throughout Italy, **more than 200 project proposals**, and, above all, the first plants already completed and under construction. Alone, the systems currently being built will allow to **reduce localized emissions by more than 200 tons of CO₂ and 3 kg of particulates every year.**

BODRUM, TURKEY
- 426 tons/year of CO₂
Ariston has developed water heating systems in **71 residential units in the prestigious Swissotel Resort in Bodrum**, a well-known Turkish town along the coast of the Aegean sea. Thanks to 200-litre and 250-litre heat

pumps Nuos, the new installations will **curb electricity consumption by over 70% and CO₂ emissions into the atmosphere by 426 tons per year.**

SOCHI, RUSSIA
- 60% CO₂ emissions
Ariston Thermo took part in the **construction of the infrastructures for the Sochi 2014 XXII Olympic Winter Games**, in Russia, installing 54 Rendamax high-performance boilers and 500 cutting-edge Ariston high-efficiency water heaters. Choosing these solutions **allowed to curb CO₂ emissions by more than 60%.**



CHONGQING, CHINA
- 3,000 tons/year of CO₂
Elco has taken part in the construction of the **new Guo district in Chongqing** by providing Airon 1360 HP integrated systems for cooling, water heating and floor heating. Compared to a traditional system, the installations allow for a reduction of 3 million kWh and 400,000 m³ of gas per year, corresponding to **an annual reduction in CO₂ emissions of 3,000 tons.**

LUOYANG, CHINA
- 830 tons/year of CO₂
At the **Rural Commercial Bank's** offices in Luoyang, extending over 30,000 m², Elco installed three cascading 1.5 MW R607 boilers. Compared to a traditional system of boilers, the installation allows for energy savings of 35% and 100,000 m³ of gas per year, **reducing CO₂ emissions by 830 tons per year.**

RAS AL KHAIMAH, UAE
- 330 tons/year of CO₂
In the newly built **Hilton** hotel and residential complex, consisting of five buildings, Ariston installed a high-efficiency renewable energy system comprising 180 Kairos XP 2.5-1 solar collectors, 48 Kairos Thermo HF natural circulation systems, and 23 Nuos Evo heat pumps. The system offers outstanding energy performance, with electricity **savings of 75%** compared to a traditional system, exceeding 550 MW/year and implying **a 330 tons/year reduction in CO₂ emissions.**

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THE SMART HOUSE

Depending on internal and external conditions and the users' behaviour, the appliances operate automatically to ensure maximum comfort and minimum consumption.

Inter-operability and integration

The plans for the future

Ariston Thermo is committed to teaching the house how to become smart through a number of projects aimed at devising innovative solutions and developing new technologies for household appliances inter-operability.



HOME LAB

This project aims to allow electric and electronic **household appliances**, even from different manufacturers, to inter-operate with the home automation system and IT networks inside or outside the building. The project envisages that the various devices connect in a network and **operate automatically based on the continuous exchange** of status (such as the presence of a person, temperature, external brightness, etc.) and command (such as pressing a button, switching a light on, opening a gate, etc.) **information**. Thus, all systems keep the rooms comfortable, automatically and without waste. Ariston Thermo is one of the promoters of the project, which involves ten partners. In January 2014, a **demo** simulating how the various household appliances will communicate with each other was presented in Milan.



OSTIS

Started in 2012 and promoted by Ariston Thermo in partnership with several companies and the Polytechnic University of the Marche Region of Italy, the Ostis project aims to realize an innovative **electronic platform** to design and develop control boards for a new generation of inter-operating electric and thermal household appliances. Ostis also focuses on the methods and tools in designing the applications present in every single appliance. The project, co-financed through the call for tenders **"New Technologies for Made in Italy"** and promoted by the Italian Ministry of Economic Development, involves the realization of a demo to showcase the interoperability between electric and thermal household appliances. The project will end in 2014.



Performance excellence across all operations

WE WORK CONSTANTLY TO IMPROVE
THE QUALITY OF PRODUCTS AND SERVICES
FOR OUR CUSTOMERS.



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ENERGY EFFICIENCY



EXCELLENCE



PEOPLE AND PLACES



BRANDS AND PRODUCTS

A winning strategy

Quality made of passion

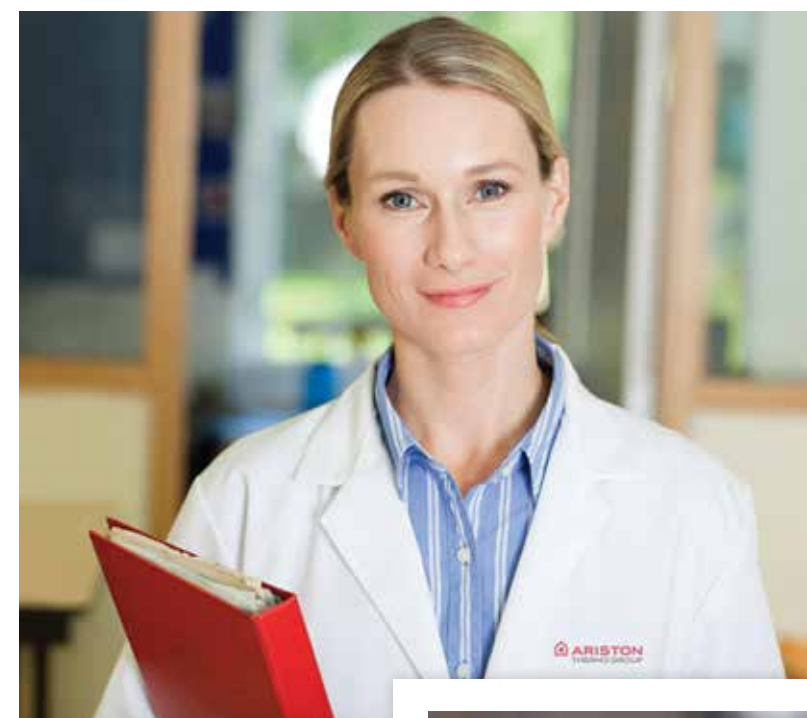
Exceeding our customers' expectations and making them our best promoters.



All efforts and interventions made to improve our business processes are aimed at providing excellent products and sales and after-sales support to our customers. Our goal, supported by the commitment and investments of the last years, is to exceed our customers' expectations, thus creating the conditions to make them our keenest promoters. To face the next steps in this process, we will need to implement a new culture of Quality at all levels of the organization, develop our internal talent, and relentlessly improve our business processes. The goals and the road ahead are clear: our passion will help us on this journey.

We listened to 13,000 consumers
to improve our products and services

Our long-running habit of **listening to our customers** continued in 2013. Ariston Thermo was thus able to assess the strength of its brands and products, its image, and the most effective drivers to enhance it.



Ariston Thermo adopted a “claim” embodying the DNA of its day-to-day operations: “Quality made of passion”.

QUALITY MADE OF PASSION

We imagine perfection for our products and services and we work to bring them to your world.



Processes, products and services

Striving for excellence

The focus on Quality does not stop at the design and manufacturing of products it involves all business processes, from vendor relationship management to support to technical personnel and end customers.

We may identify four specific areas of intervention concerning **Quality** that guide us in making our decisions and contribute to the satisfaction of end customers: product development, vendor selection and relationship management, plant operations, and sales and after-sales services.

The goal is to satisfy customers with high-performance and high-efficiency products that are functional, reliable, durable and that present limited installation and maintenance costs.



1 Quality in product development

■ **Design for Quality:** every new product is designed to prevent potential defects using a set of analytical and evaluation tools. Chief among them is **Failure Modes and Effects Analysis (FMEA)**, an advanced tool that allows to **early identify potential failures** by calculating the probability of failure of products and processes.

■ New products are subjected to **thorough laboratory testing**: today, Ariston Thermo boasts **16 centres of competence in Europe and Asia**, for research, product development and quality control. **Individual products** are tested in Ariston and Chaffoteaux labs, whereas the **most complex and advanced systems** using renewable energy are tested at Elco's labs and Lab-Houses. Quality is monitored through computer **dynamic simulations**

or by **assembling all components** to evaluate their functioning under the most critical situations.

■ For the 2013-2015 three-year period, the Group's has increased **its investments in laboratories** with the aim of enhancing two fundamental characteristics of its products: performance and reliability. As for performance, it invested in testing to **define the energy rating of all products**; as for reliability, the Group stepped up the **Accelerated Lifecycle Test (ALT)**, in order to ensure the product performs consistently from the time of installation to the end of its life.

■ The Group's labs are **certified by independent third-party bodies**, and its products now boast more than **30 Quality certifications**.

MLT (MECHANICAL LOAD TEST) is an innovative tool allowing to test the mechanical resistance of a solar thermal system (collectors, fixings, mounting equipment). Through such tests, it is possible to evaluate and optimize loads under the most extreme operating and weather conditions (snow and wind).



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2 Vendors' quality

■ The criteria to **select vendors** of raw materials and components have been tightened.

■ Cooperation with vendors is key to achieve excellence. **Ariston Thermo involves vendors in training activities** to help them understand the Group's needs and operating procedures, and carries out **Advanced Product Quality Planning (APQP)** to anticipate and plan the **Quality** of finished products.

■ The Group successfully implemented the **Production Part Approval Process (PPAP)**, a structured and effective process for the approval of the components supplied, **to ensure compliance with quality standards**. PPAP requires vendors to undergo a specific quality assurance process for the approval of the finished product.

■ The Group introduced a **vendor rating index** to monitor performance and set targets for continuous improvement.

A **Vendor Rating** system has been implemented for all vendors of the Group's main plants, assigning a monthly rating based on service and quality indices and determining whether a specific company remains on, or is removed from, the Group's list of vendors. This rating index focuses in particular on **"critical to safety" vendors**, i.e. vendors of components crucial for safety, and **"critical to function" vendors**, i.e. vendors of components crucial for the functioning of the finished product.

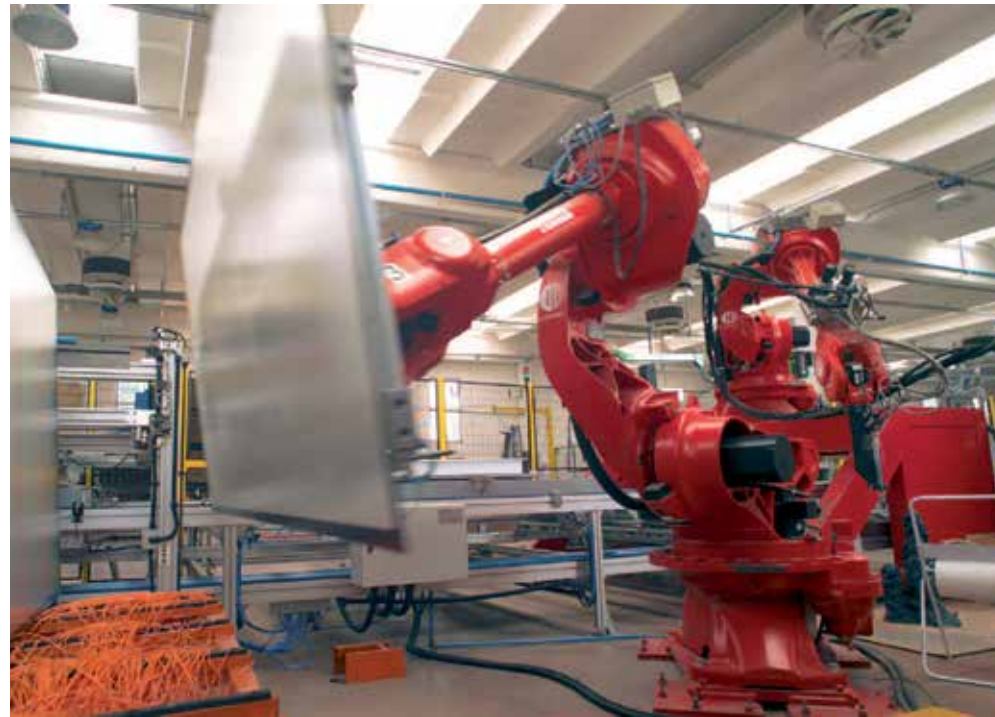


3 Quality in the plant

■ **Excellence in industrial manufacturing** is systematically pursued through constant **updates and improvements**, directly involving the staff at every plant. Every production line undergoes thorough analyses to ensure people are in the right condition to perform best, both in terms of safety and with reference to the definition of efficient and ergonomic procedures. Reviews and the necessary interventions are studied **also with the cooperation of external experts and consultants** on the basis of specific protocols defined at global level, and are **certified by recognized and independent international bodies**.

■ The Group's production plants are constantly **monitored for performance and Quality**, intended not only as flawless production processes, but also as a constant effort towards improving every aspect of the plants' production and maintenance.

■ The **World Class Manufacturing (WCM)** programme continues to be successfully implementing in the Group's plants. The programme consists in the integration of the **Total Productive Maintenance (TPM)** method, **Lean Manufacturing**, and **Total Quality Management (TQM)**, to control and curb production costs in a



systematic manner using verifiable and objective evidence.

■ The Group successfully introduced the **Lean Six Sigma** method, an integrated set of techniques and tools aimed at reducing process variation. The Six Sigma method, applied to lean manufacturing, aims to **prevent defects and waste**. In addition to positively and measurably affect **economic returns**, this has a **direct impact on customers**.

■ The Lean Six Sigma Training identifies **specific professionals**, called Green Belts. The **training** programme for the first group of these professionals is underway and will last **1,300 hours**.

■ Finished products are now completely traceable using the **First In First Out (FIFO)** inventory method.

The Group's **manufacturing plants** are constantly monitored for performance and **Quality**.



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4 Quality in sales and after-sales services

■ **Ariston and Chaffoteaux** offer their partners a **complete professional development programme** to improve not only their knowledge of the products, but also the ways to best use them in cutting-edge installation configurations.

■ **Chaffoteaux** was the first industry player to create a **guide dedicated to planners and builders**, to help them in their work and to comply with **France's recently approved energy-performance standards** for new houses (RT 2012). The guide presents the most energy-efficient solutions available according to installation conditions, climatic area, and type of building or of heating, making the choice between the most adequate systems simpler.

■ **The accurate analysis of the Call Rate** (rate of defective products during the warranty period) allowed to **establish a standardised process for handling repair and maintenance interventions**.

■ The technical support staff participates in a continuing professional development programme. In 2013, **training hours totalled 40,000**.

■ The **Technical Committee**, comprising 20 select technical support centres, continues its work. The Committee meets with Ariston Thermo's technical support team to **examine together the problems identified during product installation and maintenance, and to propose improvements**.

■ **Elco's technical support staff** monitors the most complex installed systems and intervenes regularly to prevent failures or malfunctioning.

■ **Elco** set up a **dedicated website** (planer.elco.de) to share specific information supporting **planners using its own products and systems**.

In Germany, in 94.7% of cases, Elco technical support staff managed to solve the problem in a single intervention (market average: 89%*).





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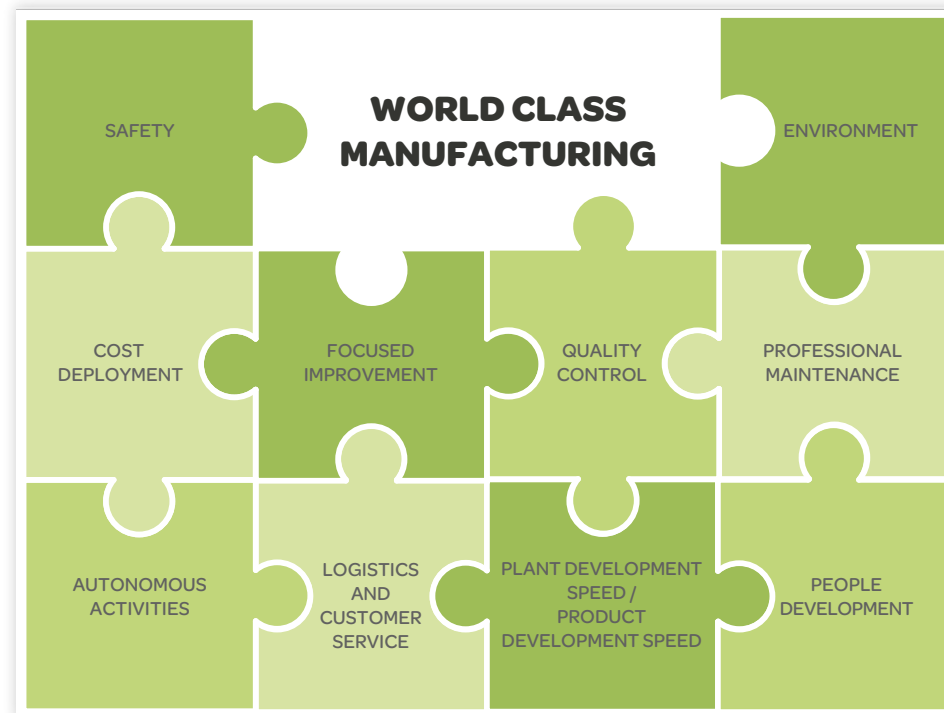


BRANDS AND PRODUCTS

Industrial excellence

The WCM project

Ariston Thermo is implementing the World Class Manufacturing method in its plants to constantly improve manufacturing performance as well as ensure product quality and maximum flexibility in meeting customers' demands.



THE MAIN ADVANTAGES OF WCM IN ARISTON THERMO

- Customers receive a quality product and service, ensuring **immediate feedback**•
- Operators receive **better training** and work in a **more comfortable and safer environment**•
- Plant **energy efficiency** is systematically monitored•
- **Optimised changeover** of inventories, raw materials, and work shifts•
- **More effective** internal **handling** and **efficient** external **transportation**•
- Considerably lower **environmental impact**•

WCM programmes implemented in the plants

■ LINE PERFORMANCE ANALYSIS

To **evaluate the performance of production lines**, the mere examination of failures has been replaced by an in-depth and systematic analysis of manufacturing processes based on more detailed criteria and **aimed at preventing problems**.

■ NEW RESISTANCE WELDING TECHNOLOGY

The continuous revision of manufacturing processes resulted in the introduction of a new welding technology enabling **more accurate and flawless processing**. The new process allows to **curb energy costs**.

■ NEW PERFORMANCE INDICATORS

The focus on the plants' performance compared to the market, correlated to sale functions, has materialized in the introduction of the Sale Orders Compliance Index (Sofix), which calculates the proportion of sale orders executed on time compared to purchase orders.

■ REVISION OF INTERNAL LOGISTICS

To **eliminate the stock of materials** in production areas, internal logistics have been constantly revised: this resulted in the introduction of a **sequential material delivery system** **synched with**



production lines. Production is faster, the quality of products is higher, and operators work better and more safely.

■ THE GOLDEN ZONE: WORKSTATION ERGONOMICS

The new delivery system has also allowed to optimally position the materials necessary to operators, thus enhancing **workstation ergonomics** while increasing **comfort and personnel safety**.

■ THE "PROPOSALS" PROJECT

The Group continues to pursue its project promoting the involvement of people, which rewards the operators who report problems and propose a potential solution. Every week, a **dedicated commission assesses the proposals and determines which one are accepted**, assigning a score to the submitter, which will translate into a personal incentive.

■ TRAINING PROJECTS

The involvement of the whole staff, as recommended by the WCM method, is supported by **intense training**. The courses form part of a systematic framework aimed not only at improving professional skills, but also at ensuring that every position is assigned to the employee that is most suitable for the task.

By the end of 2014, 96% of the Group's products and 100% of the components will be manufactured in plants operating under the **WCM** system.

The history of WCM in Ariston Thermo

2010

Ariston Thermo starts implementing lean manufacturing and joins the World Class Manufacturing Academy.

2011

WCM is implemented in three pilot plants.

2012

The three pilot plants brilliantly pass the first external audit and WCM is implemented in four additional plants, for a total of seven.

2013

WCM is implemented in three additional plants, bringing the total to ten.

2014

WCM will be implemented in three new plants, for a total of thirteen.



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Planning and control

Sustainability programmes

At Ariston Thermo, the environmental impact of manufacturing processes is constantly analysed and monitored. Every phase and process is reviewed with the aim of reducing the environmental impact, also thanks to the implementation of the WCM method.

■ SYSTEMATIC APPROACH TO ENERGY EFFICIENCY

In pursuing the focused improvement of manufacturing processes, the criteria traditionally used for rating efficiency have been integrated with the **systematic evaluation of all the causes of energy consumption**. The analysis also includes the **identification of potential alternatives**, from the replacement of lamps, through the revision of how the most energy-intensive systems operate based on their consumption, to the **definition of internal co-generation projects**.

■ NEW COATING PROCESS

The systematic focus on curbing the environmental impact of

We assess the sustainability of every process to identify the **most efficient and environmentally friendly alternatives**.

manufacturing systems has caused **the liquid coating process** at the Namur plant in Belgium to be **replaced with a powder coating process**, allowing to reduce the environmental impact to zero.

■ MILKRUN AND RETURNABLE PACKAGING

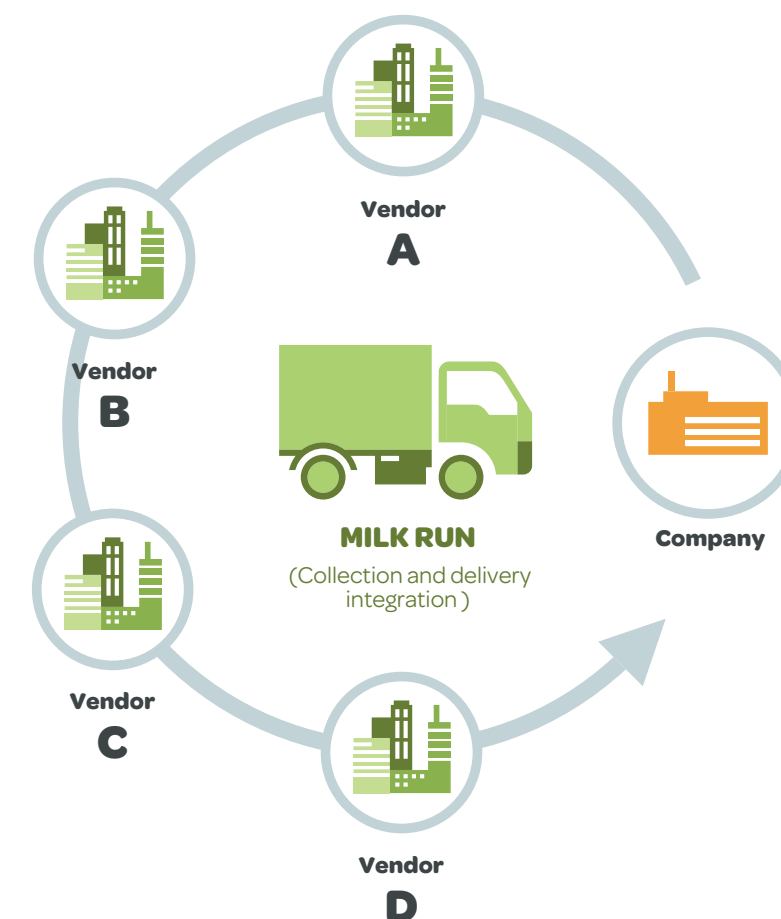
As part of the **reorganization of external logistics**, inventories have been reduced to keep only the materials strictly necessary for the following day. **Materials are handled in such a way to ensure vehicles are always fully loaded**, also by using **returnable packaging made of plastic, rather than cardboard**. Inventory management, internal handling and

MILK RUN FOR LOGISTICS
By integrating collections from and deliveries to the various vendors, without waiting to have a full load for every vendor, it is possible to reduce inventories and reaction times throughout the value chain.

external transport are thus more efficient, reducing costs and the environmental impact.

■ PRODUCTION CLOSER TO MARKET

The rebalancing of manufacturing processes **to bring production closer to market** continues. The **relocation from China to Russia of a water heater production line**, for instance, allowed to reduce the amount of transport (**200 containers and 4,400,000 km less per year**) and the relevant environmental impact (**2,000 tons/year of CO₂**), as well as to meet Russian customers' demands in a more timely manner.





The attention for people and places

WE ARE AWARE OF OUR ROLE AND OF THE
SOCIAL RESPONSIBILITY TOWARDS PEOPLE
AND COMMUNITIES FOR OUR ACTIONS.

Respect and attention

People first

Ariston Thermo's industrial strength relies on the work of motivated and competent people from several countries.

The Company has always emphasized its **commitment towards human resources**, acknowledging they are key to its growth and leveraging their cultural diversity, integrating it with its Italian identity. Over the last three years, in spite of the challenging world economy, Ariston Thermo **managed to grow on the market while keeping almost constant the number of employees**. In 2013, the Group employed 6,600 people, with 80% of them on open-ended contracts and an average age of 42. Our HR policy has also paid special attention to the Company's home territory: **local resources hold 80% of managerial positions**. These are important figures with which the Company engages daily and that deserve considerable efforts, because they both support the Group's current industrial activities and represent the basis for future growth. The attention for people translates into activities designed to promote the continuing professional development of internal staff, constantly refine the recruitment and training of new hires, and ensure the integration of the ethical and cultural values adopted by the Group in compliance with its own Code of Ethics at all levels. As further evidence of the investments made in human resources, **the 3.5% turnover rate shows people's strong loyalty to their Company**.

PROFESSIONAL DEVELOPMENT

At Ariston Thermo, the dialogue between people and their line

managers is crucial for creating the ideal conditions for professional development. Strengths and areas for improvement are identified and examined together through a structured discussion to define the most suitable career path for every resource.

■ **The main processes supporting the management and development of people are evolving** according to the Company's values and leadership model. These include the performance appraisal process, which strengthens the dialogue and relations between people and their line managers and allows to assess thoroughly employee competencies.

■ **The Group continues to invest in its international mobility programme**, designed to give

In 2013, the group employed **6,600** people. Local resources hold **80%** of managerial positions.

the most talented employees the opportunity to live different experiences in the various countries in which it operates, thus acquiring cross-functional skills essential for their professional development.

■ **The Development Committees' work continues:** every year, they assess the performance as well as training and growth potential of over 3,000 employees.

■ **The programmes to realize the full potential of human resource include the introduction of a Banding system** to establish organizational equivalences between the job roles in different geographical contexts. The Banding system will constitute the global reference framework for HR processes: with the introduction of this common "language" people will be part, wherever and with greater awareness, of career development paths more clearly defined within the organization.

■ **The continuing professional development of human resources represents a strategic factor for the Group.** Every year, employees receive approximately **100,000 hours of training**.

HUMAN RESOURCES SELECTION

The recruitment and selection of Human Resources have evolved to be increasingly aligned with business needs and the constant changes inside and outside the Group. Ariston Thermo wants to ensure **it acquires**



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GROWTH AND VALUES

The attention for people translates into activities designed to promote the continuing professional development of internal staff, constantly refine the recruitment and training of new hires, and ensure the integration of the ethical and cultural values adopted by the Group at all levels.

the best talents on the market, including young graduates as well as professionals or managers. The selection process, consistent throughout the whole Group and strongly involving the management in all stages, is based on individual interviews and the use of **assessment tools consistent with the desired professional levels** (i.e. online psychological aptitude testing). The selection process has been further refined with the use of the **Competency Based Interview (CBI)**, a technique which allows to assess the competencies identified as crucial to excel in Ariston Thermo, and thus to identify the candidates that are the best fit for the organization. Finally, a new software product has been introduced in the Corporate structure, and is currently being implemented across the rest of the Group, that facilitates the flow of information between the Company and applicants and also supports the **Employer Branding** process the Company is strongly investing in.

Young graduate training programme: Joining Ariston Thermo

The programme focuses on young graduates who have been working in the Company for less than one year and come from the Group's various European offices. It consists in specific training aimed at promoting the development of resources through the learning of the basic knowledge crucial to succeed in the organization. The participants, about 60 per year, are divided in classes with people of different nationalities and duties, so as to foster international and multicultural exchange.

The programme consists of 3 modules

Business Essentials • Broaden your view
Developing the understanding of the business

Professional Essentials • Make a responsible impact
Providing the skills to act effectively in the organization

Personal Essentials • Invest in your growth
Developing the skills to plan your professional development

Throughout the training process, participants can interact with each other and their teachers through a digital platform allowing to exchange opinions and information as well as view documents stored in the virtual library.



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An example to follow

Between past and future

50 years serving our communities.



50 FONDAZIONE
ARISTIDE MERLONI
per lo sviluppo sociale ed economico
50° Anniversario 1963 - 2013



“There is no value in the economic success of any industrial initiative, unless it is accompanied by a **commitment to social progress**”.

Aristide Merloni, 1967



In 1963, Aristide Merloni, already a successful industrialist, felt the urge to promote the industrialization of the internal Apennines in the Marche Region. The Aristide Merloni foundation was thus established with the institutional purpose of supporting the creation and development of new businesses in the local area.

On November 15th 2013, the **Aristide Merloni Foundation** celebrated its 50th anniversary at the **Gentile Theatre in Fabriano**, with an all-day seminar entitled “**From business clusters to long supply chains. Models for the internationalization of companies and territorial competitiveness**”.

Francesco Merloni, the Foundation’s President and son of Aristide, mentioned his father and how the values which always inspired this great industrialist still resonate with us today: willingness, commitment, courage, vision. The President of the Marche Region, **Gian Mario Spacca**, and Professor **Romano Prodi** attended the event; the latter recalled the Conference organised by the Foundation in Ascoli Piceno in 1974, which defined the “Adriatic way of development” that would later become the central tenet of all research on the dynamics of local economies. The intervention of Italy’s Prime Minister **Enrico Letta**, participating via videoconference from Rome, testified to the

importance of the event.

Set up in 1963, in the first years of its activity the Foundation granted forgivable loans and made equity investments through its endowment fund, directly established by the Merloni family; it also provided technical and organizational consulting aimed at making contact with external companies to promote and attract investments. **In the early 1970s**, considering its original mission completed, **the Foundation gradually turned into a cultural institute**, with the purpose of studying and analysing local economic and social development processes. Due to its increasingly important role, in 1988 the Foundation was recognised as a legal person through an **Italian Presidential Decree**, with the official denomination of **Institute for Social and Economic Development**.

GUESTS OF THE DAY

From the top, **Francesco Merloni** and the intervention of Italy’s Prime Minister **Enrico Letta**.
At the centre Professor **Romano Prodi**.
At the bottom, the President of the Marche Region, **Gian Mario Spacca**.

A necessary condition

Support to our communities

The attention for the needs of local communities in all the countries in which the Group is present is a necessary condition for performing our activities, in compliance with the core Values set out by our founder Aristide Merloni.

Italy DONATION OF AN AMBULANCE FOR EMERGENCY MEDICAL SERVICES

Ariston Thermo donated the Single Regional Health Authority of Fabriano's Territorial Area 6 an **ambulance equipped with a defibrillator**, crucial in the case of heart failure. The donation is part of a programme supporting local communities.



Contest" to award cash prizes to condominiums consisting of over 100 units showing a serious and systematic approach to energy efficiency and saving. The initiative, aimed at **raising awareness about the informed use of energy resources**, was organized in partnership with the Green Energy Foundation, dedicated to the promotion of the principles of sustainability concerning energy, the environment, and people.

Vietnam AID TO THE POPULATION STRICKEN BY NATURAL DISASTERS

Last winter, in Northern Vietnam an exceptionally cold weather severely disrupted the life of local communities. As a contribution to relief efforts, Ariston Vietnam **provided nurseries**

and health facilities in the Lai Chau region with 310 water heaters, while employees volunteered during 7 days to deliver **400 winter jackets**, school stationery and toys to the children living in Muong Te, Sin Ho and Phong Tho, three villages on the region's borders.

Vietnam SUPPORT TO CENTRES FOR DISABLED CHILDREN

Ariston Vietnam committed itself to **supporting two centres for disabled children in Ho Chi Minh City and a hospital in the province of Lam Dong**, to provide them with adequate services. The Group supplied 55 Ariston water heaters.

Russia AID TO ORPHANAGES

Ariston Russia contributed to improve the services in **three orphanages and a rehabilitation centre** in Kurgan, Saint Petersburg, Khabarovsk and Rostov-on-Don, donating eight large capacity electric water heaters. Overall, the facilities assist **50 adults and 232 children**.

Romania A STEP TOWARDS THE FUTURE

Ariston Thermo Romania cooperated with the organization Un Pas Stree Vitor (UPSV, A Step Towards the Future) in setting up **in Brasov a centre for orphans aged from 16 to 26**. The children turned out of orphanages upon reaching the age limit are restructuring their future home, a municipal building. Ariston Thermo contributed with the donation of two hot water and heating systems.

France PARTNERSHIP WITH SCHOOLS AND TRAINING CENTRES

For almost **20 years** now, Chaffoteaux has been partnering with various professional schools and training centres, providing heat pump and solar thermal water heaters and boilers for practicing purposes free of charge. In 2013, thanks to this commitment, the students of **12 educational facilities had the opportunity** to receive first-rate training using state-of-the-art equipment.

India CAMPAIGN FOR THE INFORMED USE OF ENERGY RESOURCES

Racold Thermo has launched "**Switch 2 Green**" in Pune. This was the first "Energy Efficient Housing Society

In 2013,
Ariston Thermo
continues
to invest in social
initiatives,
both in Italy
and abroad.



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Italy

Activities of the Aristide Merloni Foundation



FABRIANO IN THE NETWORK OF CREATIVE CITIES FOR CRAFTS AND FOLK ART

On October 18th 2013 in Paris, **UNESCO officially accepted Fabriano** into the **Creative Cities** international network, specifically in the "craft and folk art" section, as a "paper-manufacturing city". The application was prepared and submitted by the Aristide Merloni Foundation along with the Municipality of Fabriano.

THE HOUSE OF ARTS

The Foundation has taken part in the regional project "**Il luoghi della animazione**" (The places of animation). With "La Casa delle Arti" (The House of Arts), the **Saint Benedict's monastery** in Fabriano, which had been closed for many years, **has literally come back to life**. A series of initiatives have turned the place into a **centre where the arts**, either related to local traditions or not, interacted with each other through **workshops, training and entertainment activities, involving 60 children** from the whole province in training

programmes. Some of them created projects such as the web radio-TV "quadriFoglio" (four-leaf clover) and a photographic workshop.

UNESCO'S CULTURAL AND BUSINESS WORKSHOPS

In October, the Aristide Merloni Foundation signed an Agreement with the Italian National Commission for UNESCO to officially launch "UNESCO's cultural and business workshops in Fabriano", with the aim of promoting the intangible cultural heritage and cultural diversity. This project includes "**The paper system**" **training programme**, funded by the Marche Region through the European Social Fund and structured into two courses: "Doing business with paper" and "Paper as a creative work tool". **43 children**, 12 of whom from all over the world, attended the courses.

SCHOLARSHIPS

The Aristide Merloni Foundation, in keeping with a tradition that dates back to over thirty years ago, granted **25 scholarships** to deserving students of the "**Merloni-Miliani**" **Secondary School** of Fabriano.



Brands and products

OUR BRANDS REPRESENT THE GLOBAL EXCELLENCE
IN THERMIC COMFORT, OFFERING HIGH-PERFORMANCE
AND LOW-CONSUMPTION PRODUCTS.



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BRANDS AND PRODUCTS



Efficient innovations in heating
and water heating for daily comfort.

Ariston combines quality and high-efficiency technologies. Its products stand out for their Italian design and simple, intuitive use. Millions of families throughout the world have trusted the Ariston brand for more than 50 years now.



ITALIAN DESIGN

The hallmark features of Ariston's **design** are Italy's typical **quality** and **aesthetic taste**. Ariston has been cooperating for years with well-known Italian designers, bringing their **ideas and creativity** to life in a functional and pragmatic way: the bond between Ariston and design makes everyday life easier and more comfortable.

Ariston products are designed
to meet the needs of modern life.

A comprehensive offer of smart boilers, water heaters and air conditioners, complemented by an integrated range of solar systems and heat pump water heaters, allowing consumers to use renewable energy.



“There is a perfect
temperature for everything”

Ariston has developed
a global communication campaign telling how
the ideal temperature turns a house into a home.





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PEOPLE AND PLACES



BRANDS AND PRODUCTS



Premium heating solutions with first-class support.

A global pioneer in heating, Elco proposes smart solutions and technologies designed to meet the needs of any domestic and commercial project, ensuring maximum energy saving.

■ Installers, planners, architects, energy industry players and manufacturers of prefabricated buildings and houses: all Elco's customers can rely on **tailored consulting services to find the most energy efficient solution** that fits their needs best.

■ Customers can choose from a **wide range** of condensing units, burners, solar systems, and heat pumps. All **elements are easy to install** and can operate **as part of an integrated system**.
■ Elco provides **the best after-sales**

support in the industry. From initial consulting through maintenance to online monitoring, we provide our customers with **h24, 365 days per year support** to make sure that their heating systems always operate reliably and efficiently.

Elco integrates high-quality consulting, products, systems and services in a comprehensive proposition meeting the exact needs of its customers.

Over 1.7 million
heating systems installed in Europe.



MULTIFAMILY HOUSE, Richterswil, Switzerland
Renovation of the heating and domestic hot water system with the integration of a combined gas-solar system. A cascading system of 372 kW Thision L 100 gas-fired condensing boilers and over 105 m² of Auron DF vacuum-tube collectors, installed on the building's flat roof.



ARCHIVES OF THE TRENTINO ALTO ADIGE REGION, Italy
New 45kW geothermal heat pump heating system for an A-rated building. The Elco Aquatop T43HR heat pump is powered by 7 vertical geothermal probes at a depth of 115 metres. The distribution system is equipped with Elco fan coil units.

A high-quality product range
in a comprehensive proposition meeting consumers' needs.

Aerotop G
air-to-water
heat pumpThision L
gas condensing
boiler
(11-142 kW)Auron DF
vacuum-tube collector
for solar thermal
systemsSolatron S2.5-1
flat-plate
collector for solar
thermal systemsR600
floor-standing
condensing gas boiler
(27-572 kW)



The reference for professionals.

For 100 years Chaffoteaux works alongside professionals to simplify their work and support their growth with a complete range of multi-energy, accessible and eco-performance solutions for heating and domestic hot water production.



The first gas water heater, the Maury-branded "Bayard" model, was brought to market in 1904 and became Chaffoteaux & Maury in 1933. The company manufactured 500 units per month until the late 1930s.



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BRANDS AND PRODUCTS



GAS



SUN



AIR



ELECTRICITY



Up to 70% energy saving

We develop multi-energy solutions to promote the use of renewable energy and reduce the environmental impact of our products.



Arianext is the new range of heat pumps designed for new environmentally-friendly houses. With Arianext, the free energy of air covers up to 70% of heating and domestic hot water needs.



Pharos Opti is the new condensing boiler with an integrated cylinder for solar water heating (150 litres). Optimized to operate with a single solar panel, Pharos Opti covers 40 to 50% of water heating needs, depending on the region.



The **Expert control interface** allows to manage the whole system – boiler, solar system, heat pump, hydraulic module – ensuring maximum comfort and energy saving at all times.



Reborn everyday with hot water.

Racold is Ariston Thermo Group's leading water-heating brand in India, offering a comprehensive range of electric, gas, and solar water heaters.

2013, the year of awards

■ In 2013, Racold high-efficiency electric water heaters won for the fourth year in a row the prestigious National Energy Conservation Award assigned by the Indian government.



Winner of the
"National Energy
Conservation Awards"
for 4 years running



■ In 2012-2013, for the second year running, the Ministry of New and Renewable Energy (MNRE) of the Indian Government has recognized Racold for its outstanding achievement in solar thermal installation and for best service and dealer network.



IDENTITY



ENERGY EFFICIENCY



EXCELLENCE



PEOPLE AND PLACES



BRANDS AND PRODUCTS

Benefits of SPHP technology

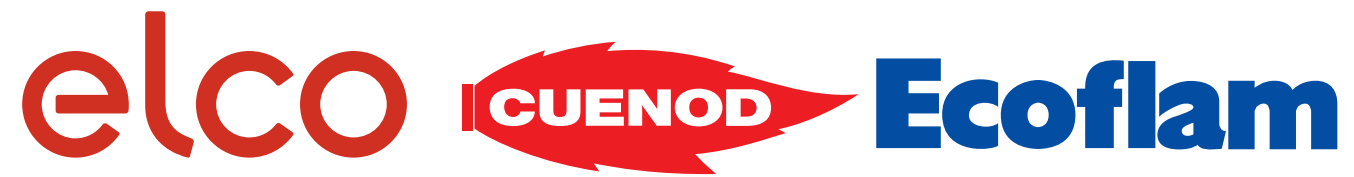
- maximum protection against corrosion
- highest pressure withstanding capacity
- superior heat retention
- ideal for hard water conditions
- lighter weight



Unmatched tank protection
for longer life

With a comprehensive range of electric, gas, and solar water heaters, Racold is the hot water specialist in India and provides water heating solutions for the domestic, commercial and industrial sector.





Energy savings and low emission combustion
technology at the heart of your system.

Elco, Cuenod and Ecoflam products offer quality and
precision during the combustion process.

■ The robust design and the
architecture of the whole range ensure
complete reliability.

■ Advanced power controls, variable
geometry flame, and versatility in the
use of liquid, gas or biomass-derived

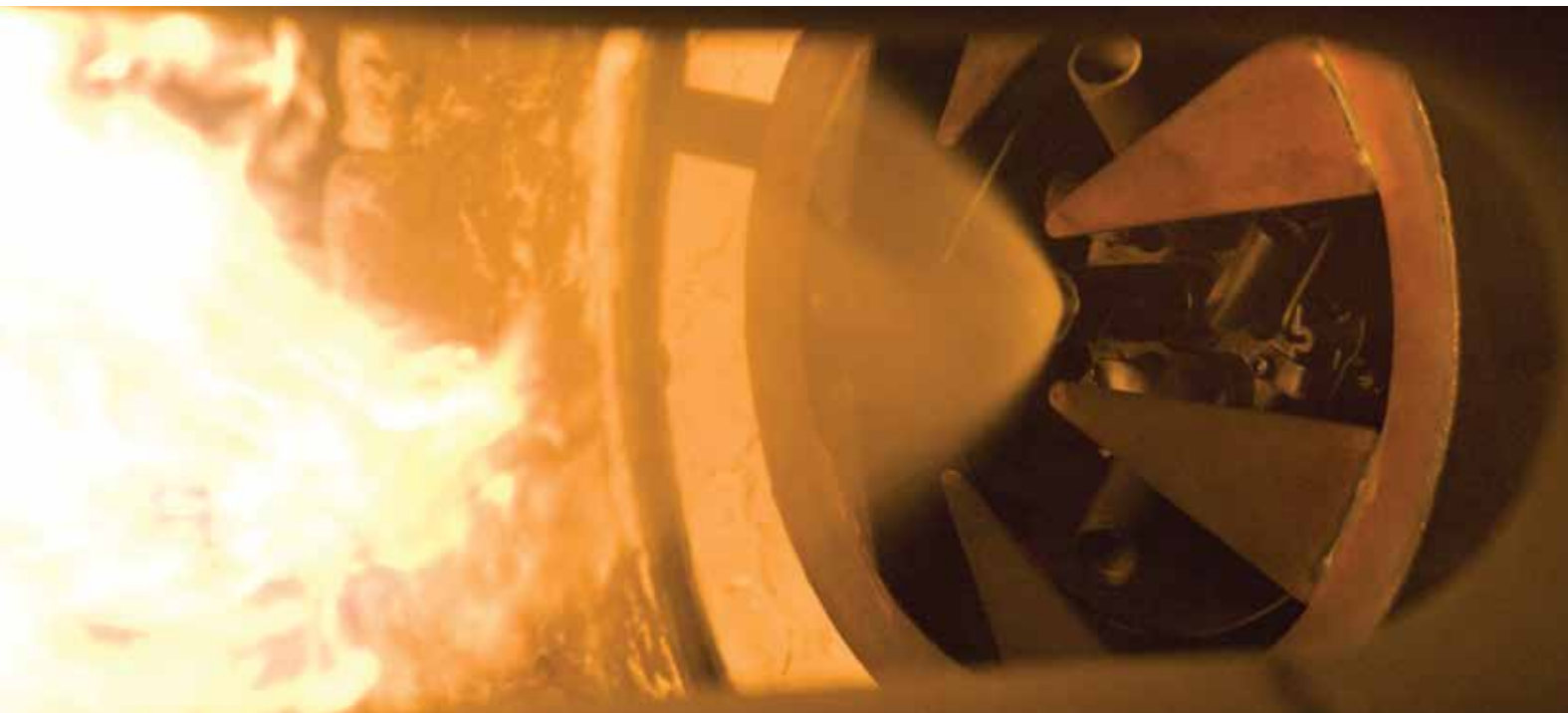
fuels make the burners easy to adapt to
any application.

■ We constantly innovate our products
to reduce energy consumption, NOx
emissions and noise levels.

■ Our sales and support network is

always ready to provide planners,
installers and end users with rapid
and effective pre- and after-sales
support.

■ Original spare parts are available at
short notice anywhere in the world.



Our burners offer a wide range of solutions,
from 11 kW to 45 MW, for industrial processes as well as
domestic and commercial heating.



IDENTITY



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BRANDS AND PRODUCTS

**HEATING PLANT, Russia**

Two 8MW Nextron 7.3600 gas-fired units meet the building's heating
and domestic hot water needs. Thanks to the proprietary and patented
air channel, noise levels are considerably reduced—lower than 74
dB(A), even when running at maximum power.

**POOL PLANT, Germany**

A Blu 1500.1 PR low-NOx burner covers the heating needs of the building
and the indoor swimming pool. NOx emissions are reduced by nearly
30%. Qualified staff from the Burners Division commissioned the
system in a single day without causing any disruption.

Innovative and reliable solutions

For industrial and heating applications.

**PROTRON**

A new range of low/medium-power
burners, up to 500 kW, in single-
stage, two-stage and progressive
versions, specifically designed
and manufactured for several
applications in the process industry
(ovens, dryers, incinerators,
painting booths, etc.). To extend
the scope of applications of this
already extremely versatile range,
the Group made good use of the
know-how and the various technical
solutions developed within the
Burners Division.

**EKEVO**

A new range of high-power burners,
from 2 to 16 MW, which stands out
for its strong industrial character and
the Made in Germany robustness,
combining solidity with modern, flexible
and cutting-edge electronics without
sacrificing design. The result is the
Ek Evo range of burners, born out of
an ambitious project which involving
the various Research & Development
departments of the Burners Division.

**RPD**

The flagship of Elco's dual-block
range. These burners reach 45
MW and operate with a separate
ventilation system, which offers
several advantages during both
planning and installation. They are
flexible, modular, and especially
suitable for those installations
presenting high technical system
integration requirements.

**NEXTRON**

The Nextron range, already
well-known and appreciated all
over the world for years, is now
complete. Today, the models of
this range are available for all fuels
(gas, light-oil and dual-fuel)
up to 10 MW.



IDENTITY



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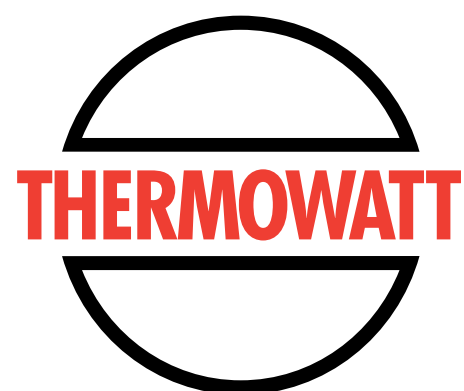
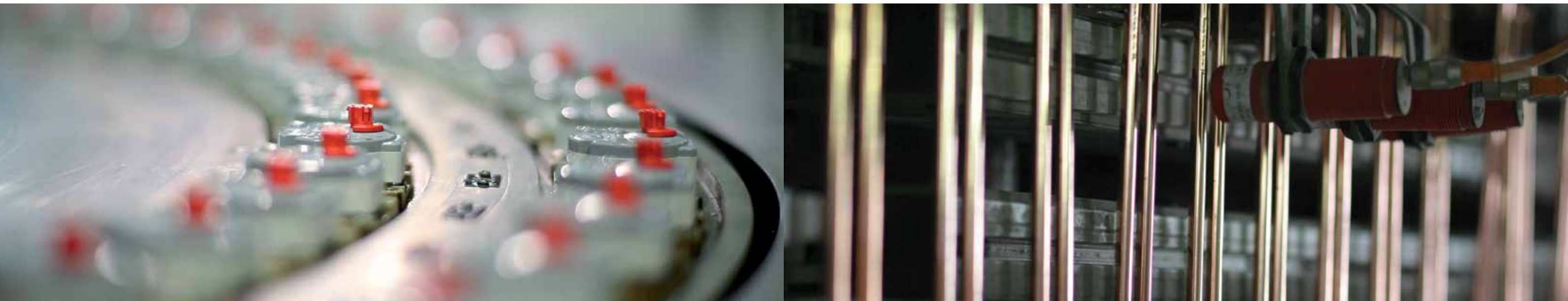
EXCELLENCE



PEOPLE AND PLACES



BRANDS AND PRODUCTS



A leading manufacturer of heating elements and thermostats.

For 50 years now, Thermowatt has been developing, manufacturing and selling throughout the world over 30 million components per year.

■ The world's major electric appliance manufacturers have been using Thermowatt's heating elements and thermostats for decades now. The popularity of the Thermowatt brand and of our products testifies to the high quality of the materials used

and the constant innovation of the technologies implemented.

■ We work alongside technical teams at manufacturing companies throughout the design phase to ensure the final product meets the requirements of both the manufacturer and the

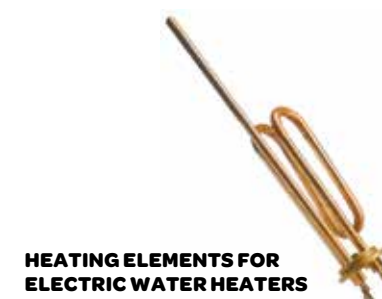
user: performance, safety, service, efficiency and cost-awareness.

■ The quality, innovation and reliability of our products have made us the preferred partner of more than 250 electric appliance manufacturers in over 100 Countries.

More than 250 electric appliance manufacturers in over 100 Countries have chosen Thermowatt's expertise, quality, reliability, and relentless innovation.

Expertise and experience, innovation, 360° support, quality, reliability and safety

With the acquisition of DhE, Thermowatt has completed the range of products for commercial applications and can now offer a wide range of thermostats and heating elements for domestic, commercial and industrial appliances.

HEATING ELEMENTS FOR
ELECTRIC WATER HEATERSHEATING ELEMENTS
FOR MAJOR DOMESTIC APPLIANCESHEATING ELEMENTS
FOR COMMERCIAL
APPLICATIONSSTEM, MECHATRONIC
AND CAPILLARY THERMOSTATS
FOR ELECTRIC WATER HEATERSTHERMOSTATS
FOR MAJOR DOMESTIC APPLIANCESHEATING ELEMENTS
AND CONTROLS FOR INDUSTRIAL
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