

Company profile of:

The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH)

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Company Details

Corporate info:

Company shareholders: Miele family & Zinkann family (51%), Zinkann family (49%)

Turnover: 3.9 billion

Contact details:

Website: <http://www.miele.com/en/com/index.htm>

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Ratings and Criticisms

Ethical Consumer rating summary:

The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) receives an Ethiscore of **43 out of a possible 100** on Ethical Consumer's database.

'Ethiscores' show overall performance against Ethical Consumer's bespoke ethical rating system. Generally, scores from 60 to 100 are considered good, 25-59 average, and 0 to 24 poor. We recommend that a company's score should be considered alongside other information presented in this report.

For more information about Ethical Consumer's rating system, go to the [ratings page on the Ethical Consumer website](#).

Ethical Consumer database records:

Environment

Climate Change (score: -0.5)

Middle Ethical Consumer Rating for Carbon Management and Reporting (25th Feb 2021)

On 25/02/2021 Ethical Consumer viewed the website of The Miele Goup, looking for information on what the company was doing to tackle climate change.

Ethical Consumer was looking for the company to satisfy the following criteria in its public statements and reports:

1.a For the company to discuss its areas of climate impact, and to discuss plausible ways it has cut them in the past, and ways that it will cut them in the future.

1.b For the company to have relevant sector-specific policies in place.

1.c For the company to not be involved in any particularly damaging projects like tar sands, oil or aviation, to not be subject to damning secondary criticism regarding it's climate actions, and to have a

policy to avoid investing in fossil fuels.

2. For the company to report annually on its scope 1&2 greenhouse gas emissions (direct emissions by the company).
3. For the company to go some way towards reporting its scope 3 emissions (emissions from the supply chain, investments and sold products).
4. For the company to have a target to reduce its greenhouse gas emissions in line with international agreements (counted as the equivalent of at least 2.5% cut per year in scope 1&2 emissions), and to not count offsetting towards this target.

1.a

The company discussed: The company stated that it "considers the reduction of CO2 emissions by means of improved energy efficiency as its most ecologically and economically effective contribution to climate protection." The company discussed how it had increased energy efficiency, and how it would continue to do so in future. However, there was not a detailed discussion of what measures were actually taken to improve energy efficiency. The company also discussed the impact of transport and how it aimed to reduce emissions by using better forms of transport, improving the efficiency of its fleet and optimising space in transportation. The company also discussed the long life of its products and how this had positive environmental implications.

This was considered to constitute an adequate discussion of its climate impacts.

1.b The company also had the following sector-specific policies:

It was striving to reduce other greenhouse gases and harmful emissions. It stated, "This applies in particular to chlorofluorocarbons (CFCs). CFC-containing refrigerants are still occasionally used at the Miele plants."

1.c The company was not found to be involved in particularly damaging projects.

2. The company's report was published every two years, with the 2019 report covering 2016/17 and 2017/18. So in effect, the company did report its emissions data on an annual basis.

3. The company did report some scope 3 emissions: outbound transport, distribution in Germany, business trips. It stated that it aimed to report the emissions of product usage in future reports.

4. The company had a target in line with international agreements:

The company's overarching long-term goal was to be carbon neutral by 2050. Miele had committed itself to the ten universal principles of the UN Global Compact, as well as the aim of the Paris Agreement to limit global warming to less than 2 °C.

Overall, The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) received a middle Ethical Consumer Rating for Carbon Management and Reporting.

(ref: 1)

Environmental Reporting (score: -0.5)

Middle Ethical Consumer Rating for Environmental Reporting (25th Feb 2021)

In February 2021 Ethical CoEthical Consumer sent Miele a questionnaire seeking information on how the company reported on its environmental impact. No response was received. On 25/2/21 a search of the company's website found its most recent environmental report, its Sustainability Report 2019, which was used to rate Miele's environmental reporting against key indicators.

An environmental policy was deemed necessary to report on a company's environmental performance and set targets for reducing its impacts in the future. A strong policy would include two future,

quantified environmental targets, demonstration by the company that it had a reasonable understanding of its main environmental impacts, be dated within two years and have its environmental data independently verified.

The report discussed the efficient use of (raw) materials, use of recycled materials, sustainability management with regard to suppliers, waste avoidance and water management, energy and emissions, and logistics and mobility. It was considered to have a reasonable understanding.

The report stated that the Miele had been using science-based targets (SBTs) since 2017 and cooperates with the international Science Based Targets Initiative (SBTi) but the only quantified environmental targets found in the report were:

- 2020/21 emission targets for the company's car fleet, new vehicles, light commercial vehicle fleet and new commercial vehicle fleet
- the company's overarching long-term goal to be carbon neutral by 2050

The report was published in 2019 and covered business years 2016/17 and 2017/18.

The report was not independently verified and it stated that external assurance was not planned in the future.

Miele met all the above criteria, with the exception of external verification. Miele therefore received Ethical Consumer's middle rating for Environmental Reporting and lost a half mark in this category.

(ref: 1)

Habitats & Resources (score: -1)

Worst Ethical Consumer rating for Conflict Minerals (25th Feb 2021)

In February 2021 Ethical Consumer sent Miele a questionnaire asking about its approach to conflict minerals. No response was received. Ethical Consumer also viewed Miele's website www.miele.com for the company's conflict minerals policy. It had not published a conflict minerals policy.

Conflict minerals are minerals mined in conditions of armed conflict and human rights abuses, notably in the eastern provinces of the Democratic Republic of Congo (DRC). The minerals in question are Tantalum, Tin, Tungsten and Gold (3TG for short) and are key components of electronic devices, from mobile phones to televisions.

Ethical Consumer expected all companies manufacturing electronics to have a policy on the sourcing of conflict minerals. Such a policy would articulate the company's commitment to conflict-free sourcing of 3TG minerals and a commitment to continue ensuring due diligence on the issue. The policy should also state that it intended to continue sourcing from the DRC region in order to avoid an embargo and that the company had membership of, or gave financial support to, organisations developing the conflict-free industry in the region.

Due to the fact the company had no policy it received Ethical Consumer's worst rating for its policy on conflict free minerals and lost a whole mark under the Habitats and Resources and Human Rights categories.

(ref: 2)

Pollution & Toxics (score: -1)

Worst Ethical Consumer rating for toxic chemicals policy - electronics (25th Feb 2021)

On 25/2/21 Ethical Consumer searched the Miele website www.miele.com for the company's policy on the use of potentially hazardous chemicals such as PVC, BFR and phthalates. The company's most recent Sustainability Report (2019) had the following in regard to harmful chemicals: "As a matter of

principle, Miele avoids the use of critical substances, wherever possible. Many substances of this nature have therefore never been used or were substituted years ahead of being banned." However, no information regarding specific chemicals could be found.

A toxics policy was deemed necessary for all electronics companies, as these substances were widely used by electronics companies and had a significant negative environmental impact when released after disposal.

A strong policy on toxics would include publicly disclosed data on the use of hazardous chemicals such as PVC, BFR and phthalates; as well as clear, dated targets for ending their use.

As the company had no policies on the use of toxic chemicals in electronics it lost a whole mark under Ethical Consumer's Pollution and Toxics category.

(ref: 3)

New ratings from 2024

Climate

Climate: 100/100 (25th Mar 2024)

On 25 March 2024, Ethical Consumer viewed the website of The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH), looking for information on what the company was doing to tackle climate change. Its 2023 Sustainability Update was viewed.

Ethical Consumer was looking for the company to satisfy the following criteria:

1. A credible, detailed discussion of how it has made emissions cuts in the past and how it will make them in the future.
2. Does full annual public reporting of its emissions – all three scopes.
3. Has a future target for all Scopes that is either approved by the SBTi or at least the equivalent to 3.6% cuts/year in scope one and two emissions, and 2.5% cuts/year in scope 3.
4. Does not work in developing new extraction fossil fuel projects, building new fossil fired power stations or in doing anything with coal.
5. Is not engaging in highly misleading public messaging on climate change.
6. Has not been subject to credible secondary criticism on what it is doing on the climate.

1. The company had credible, detailed discussion of past and future action to cut emissions in its main areas of impact.

It acknowledged that 83% of its emissions occur in the usage phase (Scope 3), and that this was the main focus of its emissions reduction actions.

It appeared to be leading the field amongst large companies on energy efficiency. It stated that it spent 50% of its R&D expenditure on energy and resource conservation. It added:
"Almost all our front-loading washing machines achieve the top 'A' rating for energy efficiency. Appliances from other product groups such as most G 7000 dishwashers also achieve top marks. The outstanding energy efficiency of our products has been repeatedly endorsed by Stiftung Warentest, Germany's leading consumer watchdog."

It also discussed refurbishment programs aimed at improving circularity. It stated that it had been operating a refurbishment pilot in the Netherlands since 2022, but also that it prioritised repair - with each product coming with a 10 year warranty and with spare parts being available for 15 years once products are discontinued.

It discussed use of 'smart' technology in relation to energy savings, alongside increasing the

proportion of recycled plastics that it uses.

Regarding direct emissions, it stated that it exclusively used renewable energy, which appeared to include direct generation and PPA contracts. It invested 16 million euros in photovoltaic and geothermal projects in 2023. It also stated that 46% of its direct emissions were from road transportation, and that it had achieved a 9% reduction in this since 2019, and that it was adding almost 100 new all electric vehicles to its fleet in 2023.

It also discussed purchasing practices in its supply chain, stating that steel accounted for the majority of its purchased goods and services emissions, which were 15% of its total emissions. It stated that it was part of multiple pilot projects on low-CO2 steel.

2. The company reported its annual full scope 1,2&3 emissions in tonnes of CO2e for the year 2022 to be:

Scope 1: 36,884

Scope 2: 5,955

Scope 3: 12.08 Mt

The Scope 2 reporting appeared to be location based and the Scope 3 reporting appeared comprehensive.

(30 points)

3. The company's target was: approved by the SBTi, which stated: "German manufacturer of household and commercial appliances Miele commits to reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2019 base year. Miele also commits to reduce absolute scope 3 GHG emissions covering the use of sold products 15% over the same target period."

(30 points)

4. The company was not found to work in developing new fossil fuel projects or doing anything in coal.

5. The company did not appear to be engaged in prominent misleading messaging.

6. The company did not appear to be subject to significant and reputable third-party criticism related to its climate impacts.

Final scores are capped at either 0 or 100. Overall, The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) scored 100/100 for Climate.

(ref: 4)

Company Ethos

Company Ethos: 10/100 (22nd Apr 2024)

On 22 April 2024 Ethical Consumer viewed the website of The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) in order to assess its company ethos. Ethical Consumer was looking at a number of factors, including: director pay, lobbying, company structure, and whether the company operated in any controversial sectors, such as arms/military. Its website was viewed.

The company was not found to be any of the following: co-op, mutual, not-for-profit, charity, registered social enterprise, employee owned, or a B Corp. (0 points)

The company was not considered to be providing a social or environmental alternative. (0 points)

The company did not appear to have positive approach to pay ratios. (0 points.)

Director remuneration could not be found. The company was marked down for lack of transparency. (-

10 points.)

The company did not appear to be Living Wage certified. (0 points.)

The company was not found to be in any lobby groups. (0 points)

The company was not involved in any sectors considered by Ethical Consumer to be highly controversial: arms/military, fossil fuels, mining, nuclear power/weapons. (20 points)

The company was not found to be subject to a progressive boycott call. (0 points)

Final scores are capped at either 0 or 100. Overall, The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) scored 10/100 for Company Ethos.

(ref: 5)

Conflict Minerals

Conflict Minerals: 10/100 (16th Apr 2024)

On 16 April 2024, Ethical Consumer viewed the The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) website for information on its approach to conflict minerals. The following documents were consulted: Supplier Code of Conduct, 2023 sustainability report, website.

Conflict minerals are minerals mined in conditions of armed conflict and human rights abuses, notably in the eastern provinces of the Democratic Republic of Congo (DRC). The key minerals in question are Tantalum, Tin, Tungsten and Gold (3TG for short) and are key components of electronic devices, from mobile phones to televisions.

Ethical Consumer expected all companies manufacturing electronics to have a policy on the sourcing of conflict minerals. This policy should articulate the company's commitment to conflict-free sourcing of 3TG minerals, from the DRC region, and include details of due diligence on the issue.

Ethical Consumer also looks for:

- Commitment to minimising the environmental impacts of mining and details of due diligence steps on this.
- Action or plans to address other high impact minerals
- That conflict minerals expectations are included in supplier contracts and suppliers are required to only use audited smelters
- That the company publishes a list of smelters and refiners used
- Whether the company is a member of an accepted multi-stakeholder initiative
- Whether the company is increasing use of recycled conflict minerals and has done due diligence on their sources
- Any third-party criticisms of the company in relation to conflict minerals.

The company did not appear to have a commitment to conflict-free sourcing from the DRC region.

The company did not appear to acknowledge the issue of environmental destruction caused by mining or have a commitment to minimising it.

The company already addresses or has immediate plans to address at least one and up to four other high impact minerals. The most common ones are cobalt, copper, lead, nickel, zinc, mica and lithium. In its Supplier Code of Conduct it stated that "Conflict minerals and high-risk commodities include, in particular, ores and concentrates derived from the raw materials tin, tantalum, tungsten, gold and cobalt" However, this was not considered adequate as it did not discuss how it would protect workers and the environment from issues caused by mining cobalt and did not score in this category.

The company did not detail the steps it takes to identify, assess, mitigate and respond to conflict risks within its mineral supply chain.

The company did not detail the steps it takes to identify, assess, mitigate and respond to environmental risks within its mineral supply chain.

The conflict minerals policy was included in supplier contracts, and suppliers were required to adopt an equivalent policy. In its supplier code of conduct it stated that "In the case that a Miele product contains one or more of the conflict minerals or high-risk raw materials listed below, Miele expects its suppliers to integrate appropriate measures with respect to their direct suppliers to comply with applicable national and international conventions, regulations, guidelines and laws." (10 points)

The company was not found to be a member of any of the following multi-stakeholder initiatives supporting the conflict-free minerals trade:

Responsible Mineral AND Public-Private Alliance for Responsible Minerals Trade (PPA)
KEMET "Partnership for Social and Economic Sustainability"
ITRI Tin Supply Chain Initiative (iTSCi)
European Partnership for Responsible Minerals
IRMA
Fair Cobalt Alliance
Fairmined
Responsible Mica Initiative.

The company did not appear to have a commitment that its supply chain would only use 3TG minerals from smelters that have been audited and verified as conflict free by the Responsible Mineral Assurance Process, as they become available.

The company did not appear to publish a list of smelters and refiners (SOR) in its supply chain including the name of each SOR, the SOR's country location (rather than where the minerals originated), the minerals processed by each SOR and its Responsible Mineral Assurance Process compliance status.

The company did not have evidence that it was increasing the use of recycled conflict minerals AND does due diligence on the source of recycled minerals.

Final scores are capped at either 0 or 100. Overall, The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) scored 10/100 for its approach to Conflict Minerals.

(ref: 6)

Energy Efficiency

Energy Efficiency: 100/100 (22nd Apr 2024)

In April 2024 Ethical Consumer viewed the website of The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) to see how easy it made it for customers to find models with better energy ratings, and what energy ratings its models were.

Ethical Consumer looked at fridge freezers, washing machines and dishwashers, and where there was an option, choose freestanding models rather than integrated (built-in) models.

A company would gain points for making energy ratings visible or searchable on its website, as long as it also had models of higher energy ratings: A-C for fridge freezers, and A for washing machines. It could not gain these points if it was still using the old energy labels which should have been replaced in 2021.

If a company did make energy labels visible, further searches were made.

The company could gain additional points if:

- at least 25% of fridge freezer models displayed had energy ratings of A-C
- all washing machines had energy ratings of A
- it had any dishwashers with energy ratings of A or B.

If it displayed more American-style fridges (which are larger than other models and tend to have lower energy ratings) than it displayed A-C rated fridge freezers, it would lose points.

The company was found to make energy ratings of fridge freezers visible or searchable on its website, and had models above the D rating.
(20 points)

The company was found to make energy ratings of washing machines visible or searchable on its website, and it had models with an A rating.
(20 points)

All washing machines displayed had an energy rating of A.
(30 points)

At least 25% of fridge freezer models displayed had energy ratings of A-C.
(30 points)

The company displayed some dishwashers with an A or B rating. (10 points)

Final scores are capped at either 0 or 100. Overall, The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) scored 100/100 for Energy Efficiency.

(ref: 7)

Tax Conduct

Tax Conduct: 0/100 (25th Mar 2024)

On 25 March 2024, Ethical Consumer viewed records for The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH), looking for indications that it might be using tax havens for tax avoidance purposes. Its records on the D&B Hoovers corporate research database were viewed.

Ethical Consumer was looking for the company to satisfy the following criteria:

1. That it had no subsidiaries on our list of tax havens, or had the Fair Tax Mark accreditation;
2. That it had not been subject to credible secondary criticism for tax avoidance.

If it did have subsidiaries in tax havens but did not have the Fair Tax Mark, Ethical Consumer was looking for evidence that these were clearly not for purposes of tax avoidance. Such evidence might include:

1. A clear public tax statement confirming that it is company policy not to engage in tax avoidance activity and a narrative explanation for what each subsidiary located in a tax haven is for, and how it was not being used for purposes of tax minimisation
2. Public country-by-country reporting of sales made and tax paid in each jurisdiction that does not show likely avoidance activities.

The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) was not certified by the Fair Tax accredited.

The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) was found to have more than two subsidiaries based in jurisdictions on Ethical Consumer's tax havens list which were of a type which

are high risk for likely use of tax avoidance strategies. The subsidiaries did not appear to serve the local population, and no public country by country reporting or adequate policy statement and narrative explanation was found.

The subsidiaries included Imanto Consulting AG, an investment company based in Switzerland and Imanto AG, a holding company based in Switzerland.

(0 points)

No third party criticisms for tax avoidance were found.

Final scores are capped at either 0 or 100. Overall, the company scored 0/100 for Tax Conduct.

(ref: 8)

Workers

Workers: 40/100 (25th Mar 2024)

On 25 March 2024, Ethical Consumer viewed the The Miele Group (Miele & Cie. KG & Miele Beteiligungs-GmbH) website for information on the treatment of workers in its supply chain. The following documents were consulted: Supplier Code of Conduct, 2023 Sustainability Update

Ethical Consumer was looking for the company to have a supplier code of conduct that met the following criteria:

- 1) no use of forced labour
- 2) freedom of association
- 3) payment of a living wage (eg 'basic needs and some discretionary income')
- 4) working week limited to 48 hours and 12 hours overtime (ETI exemption 6.5 applies)
- 5) eliminations of child labour (under 15 years old, or under 14 if country has ILO exemption)
- 6) no discrimination by race, sex etc
- 7) a safe and healthy working environment.
- 8) regular employment is offered

The company's supplier code of conduct met 6 out of 8 criteria. 3 and 8 were not met.

(10 points)

The company stated that its supplier code of conduct applied beyond its tier 1 suppliers.

(10 points)

The company was not seen to support worker-driven monitoring in its supply chain.

No evidence was found that the company had a published list of any of its suppliers.

The company did not state that it had chosen to manufacture all its products in a country / countries with more robust labour rights legislation.

The company explicitly stated or showed a preference for long term suppliers relationships.

(10 points)

The company explicitly acknowledged that purchasing practices have an effect on workers' rights in its supply chain.

(10 points)

The company was not seen to have taken adequate steps to address the issue of living wages in its supply chain.

No evidence could be found that the company actively supported and worked with trade unions to uphold workers' rights.

No significant and reputable third-party criticisms (dated in the past 5 years) were found relating to workers' rights.

Final scores are capped at either 0 or 100. Overall, the company scored 40/100 for Workers.

(ref: 4)

People

Arms & Military Supply

US Department of Defense contractor (1st Jan 2007)

The US Department of Defence (DoD) website was viewed by ECRA 17 May 2009 (www.defenselink.mil/dodgc/defense_ethics/resource_library) and a document downloaded listing all DoD contracts over \$25,000 for 2007. The document was found to list Miele Inc.

(ref: 9)

Human Rights (score: -1)

Worst Ethical Consumer rating for Conflict Minerals (25th Feb 2021)

In February 2021 Ethical Consumer sent Miele a questionnaire asking about its approach to conflict minerals. No response was received. Ethical Consumer also viewed Miele's website www.miele.com for the company's conflict minerals policy. It had not published a conflict minerals policy.

Conflict minerals are minerals mined in conditions of armed conflict and human rights abuses, notably in the eastern provinces of the Democratic Republic of Congo (DRC). The minerals in question are Tantalum, Tin, Tungsten and Gold (3TG for short) and are key components of electronic devices, from mobile phones to televisions.

Ethical Consumer expected all companies manufacturing electronics to have a policy on the sourcing of conflict minerals. Such a policy would articulate the company's commitment to conflict-free sourcing of 3TG minerals and a commitment to continue ensuring due diligence on the issue. The policy should also state that it intended to continue sourcing from the DRC region in order to avoid an embargo and that the company had membership of, or gave financial support to, organisations developing the conflict-free industry in the region.

Due to the fact the company had no policy it received Ethical Consumer's worst rating for its policy on conflict free minerals and lost a whole mark under the Habitats and Resources and Human Rights categories.

(ref: 2)

Operations in oppressive regimes (22nd Feb 2021)

In 2021 Ethical Consumer viewed the 'location' page on the Miele website, which stated that the company had operations in the following countries: Russia, Turkey, Mexico, China. At the time of writing Ethical Consumer considered each country listed to be governed by an oppressive regime. The company therefore lost a half mark in the Human Rights category.

(ref: 2)

Supply Chain Management (score: -0)

Best Ethical Consumer rating for Supply Chain Management (25th Feb 2021)

In February 2021 Ethical Consumer sent Miele a questionnaire regarding its supply chain management, however no response was received. Ethical Consumer also viewed Miele's website for the company's supply chain management policy. The most recent and relevant report was the company's 2019 Sustainability Report.

SUPPLY CHAIN POLICY (GOOD)

Miele's Sustainability Report 2019 stated that "All Miele's suppliers worldwide must commit to complying with the following criteria within their own organisation in accordance with SA8000, the internationally recognised social standard, and must also monitor compliance on the part of their own suppliers." The company demanded compliance with SA8000 which included adequate provisions on child labour, forced labour, working hours, living wages, and freedom of association. As a result Miele's supply chain policy was rated as good.

STAKEHOLDER ENGAGEMENT (RUDIMENTARY)

A search of Miele's sustainability report found no evidence that it was a member of a multi-stakeholder process or engaging with NGO's. However, the company discussed the importance of trade unions and stated, "Working conditions for employees in Germany, Austria, the Czech Republic and Romania are therefore all regulated in collective bargaining agreements, equating to a 70.5 percent share of all Miele employees (as at 30 June 2018)."

Regarding complaints, the company stated, "Miele has set up dedicated complaints offices, each of which is staffed by one man and one woman, at every company location in Germany. All complaints are naturally confidential." It said that similar systems were in place at its international sites.

AUDITING AND REPORTING (RUDIMENTARY)

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

Miele was considered to have an auditing plan that was based on risk. It was also considered to have a staged approach to non-compliance, as it stated that business relationships would be terminated if previous non-conformities had not been rectified. However, it did not disclose the results of its audits, nor did it commit to auditing the entire breadth of the supply chain, plus some depth (e.g. some second tier/some suppliers of internal products), nor did it state who paid for the audits.

DIFFICULT ISSUES (REASONABLE)

Miele's sustainability report contained no mention of difficult issues such as audit fraud, outworkers or living wages. Miele did show a preference for long term relationships with its suppliers, stating: "The aim is to establish long-term business relationships that are characterised by fairness, trust and collaboration."

It also mentioned how employees at its location in China would "meet with the HR department on a monthly basis to discuss suggestions and deal with potential areas of conflict." Although this was a positive step to give workers representation in a country where workers' rights are less stringent, it was not clear whether this was a policy or a one-off instance.

The company was considered to have a positive approach towards temporary employees at its plants. It stated: "In the business year 2017/18, the share of the workforce in Germany consisting of temporary employees stood at 3.5 percent; in the business year 2016/17, this figure stood at 6.6 percent. In a company-wide agreement signed in 2007, Miele committed to work only with recruitment agencies that have concluded a collective wage agreement."

The company was considered to have a reasonable approach to difficult issues.

Overall Miele received Ethical Consumer's best rating for Supply Chain Management.

(ref: 1)

Politics

Anti-Social Finance

Fined for anti-competition practices (1st Jul 2013)

In July 2013 the Danish Competition and Consumer Authority, www.fst.dk, reported that on July 18, 2013, Miele A/S, Denmark, had entered into a settlement with the Danish Public Prosecutor for Serious Economic and International Crime for infringing section 6 of the Danish Competition Act and article 101 of the Treaty of the Functioning of the European Union.

The infringements concerned the imposing of resale price maintenance to some of the company's dealers and in at least one instance the prevention of parallel imports.

Miele A/S accepted to pay a fine of DKK 1.2 million (€ 161.000) and two persons from the management each accepted to pay fines of DKK 20.000 (€ 2.700).

For a period of one year, Miele A/S demanded that some of the company's dealers raised their prices, when selling products to consumers. The company was also involved in preventing parallel imports, including by stopping parallel imports from a German dealer.

(ref: 10)

References

- 1 - Sustainability Report 2019 (25 February 2021)
- 2 - www.miele.com (22 February 2021)
- 3 - www.miele.com (10 January 2019)
- 4 - Sustainability Update (25 March 2024)
- 5 - Miele Website (25 March 2024)
- 6 - Supplier Code of Conduct (25 March 2024)
- 7 - Miele models (22 April 2024)
- 8 - Generic Hoovers ref 2024 (2 January 2024)
- 9 - www.defenselink.mil/dodgc/defense_ethics/resource_library (17 May 2009)
- 10 - Miele A/S, Denmark, pays fine in settlement for resale price maintenance and prevention of parallel