

Speech transcript

IFA 2023: Liebherr Press conference

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Speaker:

- Steffen Nagel, Managing Director Sales & Marketing
- Viola Linke, Head of Global Communication & Brand Management
- Johannes Ruf, Head of Global Product Management & eBusiness

Steffen Nagel: Introduction and business update

Good morning, ladies and gentlemen,

Welcome to our press conference at the IFA in Berlin! I hope you had a good journey, and we appreciate you taking the time to visit us here at Liebherr.

Within the next few minutes, we would like to present our innovations for the year 2024 and give you exciting insights into what is currently keeping us busy as a company.

Next to me are Viola Linke, Head of Global Communication & Brand Management and Johannes Ruf, Head of Global Product Management & eBusiness.

Let's begin and start with the Liebherr Group. In the 2022 business year, the family-run company Liebherr generated revenue of over €12.5 billion and employed over 51,000 people worldwide.

We, as the Domestic Appliances Division, make a significant contribution to the growth and corporate success of the Group. In 2022, we posted a turnover of 1.15 billion euros in the refrigerator and freezer division. That amounts to an increase of 9.6 percent compared to the previous year. This allowed us to invest 55 million euros last year.

As specialists in refrigeration and freezing, we allocate these investments responsibly. Our customers should benefit from them as directly as possible.

However, we are also aware of our responsibility towards people and the environment, which is enshrined in the core values of our company. Research and development of ecological products have been part of our tradition for decades. We have impressively proved this in our almost 70-year history. A long-term orientation, responsibility and solid business management, focused customer centricity and an enormous technological competence will continue to be important success factors for us in the future.

Steffen Nagel: Corporate Responsibility and BluRoX

Our aim as specialised premium suppliers is clear: We want to become leaders in the development of sustainable refrigeration. And, yes, we are happy to take over this responsibility!

We want to reduce the environmental impact of our premium Liebherr products along their life cycle as much as possible. In this regard, we have concentrated on four fields of action: materials, production, use phase and finally recycling.

I will illustrate what this means by looking at the example of our pioneering BluRoX technology. A milestone in the development of refrigeration and freezing! BluRoX insulates using a vacuum in combination with finely ground lava stone, known as perlite, instead of conventional PU foam.

We have established that this unique insulation technology is ready for the market and have launched the FNb 5056 freezer with BluRoX in the door as a hybrid solution for the German market. We have continued working on our designs for a full-vacuum appliance; refining them and focusing on a more ecologically sound product design.

So let's take a look at our fields of action:

As for the materials that we use, we want to reduce the impact of their use on the environment and prepare our products for a circular economy. In other words, we want to use more renewable and recycled materials in our products and reduce the variety of materials used.

- In BluRoX, for example, the perlite used is a raw material that nature provides us with in almost unlimited quantities.

- Compared to the production of conventional insulating materials from petroleum-based polyurethane, the entire process – from the extraction of the lava stone to its use as an insulating material – takes up fewer resources.
- The material is completely safe in relation to human health. For instance, it is also used in a similar form in the beverage industry for filtering apple juice.

The second field of action is the environmentally conscious manufacturing of our appliances.

We want to reduce energy consumption at our factories and make greater use of renewable energy sources. Apart from CO₂ emissions, we are reducing our environmental impact by using water responsibly and avoiding waste.

We were awarded the EcoVadis gold medal in 2022 for what we have achieved so far. By achieving a total score of 73 points, our global production sites are among the top 3 percent of all companies evaluated by EcoVadis worldwide.

- This includes the plant in Ochsenhausen, where the BluRoX appliances are manufactured. We are currently working on the further industrialisation of BluRoX technology at this production plant and are adapting it to the new process. The completely new design of the product and the innovative technology require an entirely new approach – not only in terms of the production processes themselves, but also for the procedures for measuring quality or similar methods that still need to be developed.
- After having spent more than ten years developing the technology, we will certainly be taking great consideration in increasing the capacities step by step.

What factors can we influence to make the use phase of refrigerators and freezers as resource-efficient as possible?

Energy consumption is one of the factors that have the greatest impact on the environment – after all, our appliances are in use 24 hours a day, 7 days a week!

Consequently, our efforts to improve the energy efficiency of our existing high-end products are ongoing and unrelenting. We pay attention to maximum service life and easy repairability – supported by fast and effective customer service.

We also offer our customers solutions that help them reduce food waste. Johannes Ruf will be telling you more about this in a moment.

First, I would like to return the patented BluRoX technology.

- In terms of energy efficiency, a vacuum offers the best possible insulation. Due to its crystalline microstructure, perlite has very low thermal conductivity. This combination creates an outstandingly energy-efficient yet compact solution for cold insulation.
- To facilitate easy reparability, the technical element of a future full-vacuum appliance will be compact and modularly installed in the base – in a replaceable module. If, after many years of use, a BluRoX appliance is no longer performing at its best, or in the event that a problem arises, the housing can still be used and the technical module can be replaced quickly – without downtime.

Our long-term aim is to achieve a circular economy at the end of an appliance's long service life. The goal is to design our products in such a way that used materials can be reused.

Once again, BluRoX leads the way:

- Once a BluRoX refrigerator or freezer has reached the end of its service life, the perlite can be removed and reused without significant reprocessing.
- Moreover, because the BluRoX insulation is not bonded to the surrounding components, the outer shell and inner container can also be easily reprocessed and reused. This homogeneous separation of materials is what we are trying to achieve.
- In this regard, we work with EPEA, a research and consulting company, which provides us with an objective set of criteria and a corresponding evaluation by means of what is known as a Circularity Passport.

Dear guests,

We have clearly set our objectives: Reducing the environmental impact of our premium Liebherr products as much as possible, along their complete life cycle. This sustainable theme is common to Liebherr's innovations and freshness solutions here at the IFA.

The circular economy in particular – also referred to as circularity – brings us to the motto of our IFA presentation.

Viola will now tell us more about this and take the floor.

Thank you for your time, and for your attention.

Viola Linke: Liebherr at IFA 2023

Thank you, Steffen!

That is right, the sustainable circle, as you have just observed, is what we would like to focus on this year.

“Enter the circle of freshness” is accordingly our motto for this year’s IFA. It contains everything we would like to convey to visitors to our Liebherr stand at the exhibition:

“Enter” extends a warm invitation to all guests to explore and discover our Liebherr stand during the exciting IFA trade show. We are delighted that so many of you have already accepted the invitation.

The word “circle” is in the middle, and it is central to our presence at this year’s trade show in every sense.

On the one hand, the word reflects the close ties we have with our “circle” of business partners, with whom we maintain good relations. We are pleased to be able to come to the IFA to exchange ideas with our customers and with you at this trade meeting. The trade show is an outstanding opportunity to gain feedback and inspiration.

On the other hand, “circle” is a reference to “circularity” – to the circular economy, as our development objective. Hence, the circle has been given centre stage at the Liebherr stand. This is where we provide information about our understanding of product responsibility, as Steffen Nagel has just explained, illustrated by the example of our BluRoX technology.

Why do we do this? Because it is important to Liebherr customers!

We know from our market research that sustainability plays a major role in most of their lives. Three out of four respondents describe their consumer behaviour as sustainable. In

relation to refrigeration and freezing, they consider power consumption, longer shelf life of food and recyclability to be the most important issues.

Our solutions and technologies are able to provide an answer to this demand. We pay attention to circularity, power consumption, a long service life and freshness, which allows food to be stored for longer.

But that's not all. The Liebherr brand is not only associated with an outstanding drive for innovation and strict functional quality standards. Since everything revolves around our customers, an emotional appeal is also important to us.

And by this, I do not just mean the timeless and elegant design that sets our products apart from the rest. Johannes will have some news about this in a moment. What we mean is the solutions of the Liebherr brand are directly linked to the enjoyment and pleasure of fresh food. This is what the last component of our IFA motto signifies – “freshness”.

Liebherr users look forward to the moment they can enjoy freshness every time they open the fridge.

You will experience and feel the pleasure of freshness as you go through our stand, from our HydroBreeze mist on the wall, the emotive pictures in the restaurant or the many other details – all the way through to the products, of course. You will discover that we offer sophisticated and diverse features that keep food fresh for as long as possible, thereby creating an experience of freshness and enjoyment time and time again.

You may also have noticed a change in our brand presence over time. In recent years, we have consistently developed our brand and refined its positioning.

It encounters people in the midst of their lives, it conveys the joy of enjoying fresh, tasty food, and, at the same time, it stands for the most diverse functional advantages that a specialist in refrigeration and freezing is able to create – wrapped in a stylish design.

Johannes, this is your area: Did you want to ahead and take our guests into the “circle of freshness” and give them an overview of our product highlights?

Johannes Ruf: Innovations and energy efficiency

Correct, thank you Viola!

Let us get to the specifics: What new products have we brought to the IFA?

Today, you have already heard a lot about BluRoX, a trend-setting technology for us and for the industry. However, we also know that in future we will continue relying on a combination of BluRoX and conventional insulation technologies. That is why we are also continuously developing our products with conventional foam insulation.

The decision to buy a Liebherr, regardless of the technology, should always be a decision for the sensible use of resources and a more sustainable way of life.

With the current electricity mix, the largest contribution is currently being made by energy efficiency. Various studies have shown that a sustainable lifestyle is becoming more and more important. 70 percent of all consumers want to save energy.¹

With their low power consumption, our refrigeration appliances are helping to save valuable energy and are setting the standards in the process. Our top values in terms of energy efficiency are achieved by using the most innovative refrigeration technology in combination with high-quality vacuum insulation panels.

Unlike conventional alternatives, the panels Liebherr uses help keep energy consumption low even after years of use. In this way, do not just pay attention to labels that are effective in generating sales, but to the actual energy consumption of our customers.

What have we achieved?

On the stand, you will see a combined fridge-freezer that is another 10 percent more efficient than appliances in the highest energy efficiency class A, and our full-space BioFresh appliance even achieves A -30 percent. These are new standards even for us.

In addition to this highlight, there are many more products here on the stand – and even more in our overall portfolio – that provide top efficiency in their segment.

¹ Source: GfK Global Green Gauge®2011, 2021, 2022 (global = 18 countries); <https://news.un.org/en/story/2021/09/109866>
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- For example, we have launched the first freezers in energy efficiency class B on the market: the FNb 5056 with BluRoX in the door and the FNb 4655.
- The CBNsdb 775i fridge-freezer combination is also outstanding in its segment: Not only because its 75 cm width will complement our range next year. It also has the lowest power consumption of 75 cm-wide appliances in energy efficiency class B.
- For the individualists among us, energy efficiency class A is now also available in the MyStyle fridge configurator – for you to design for yourself – inside as well as outside.
- We are able to fit energy efficiency into even the smallest corner. As demonstrated by our completely new and still unrivalled wide portfolio of table top appliances – 29 models in three widths. The highlight: the world's most efficient table top refrigerator in energy efficiency class C at around only 60 kWh/year. This is how much an electric car needs for 300 km. And whereas in the previous generation only three percent of table top appliances were in class C, in the new generation it is almost 30 percent of all models.

The list of our advances goes on. There are more examples on the stand.

In summary, I can say that we are making tremendous progress with the ongoing improvements to our 2024 range of appliances: Instead of the current 10 percent, we will be offering almost 50 percent of the available models in the C, B and A classes.

Viola Linke:

These are remarkable achievements! However, Johannes, I think we can emphasise once again that for us, setting standards does not just mean looking at the energy label.

Johannes Ruf: Quality and design

That's correct. Reliability and durability are equally important. That's because the longer an appliance carries on working efficiently, the more we get out of the resources we put into producing it.

Just as we pay attention to long-lasting energy efficiency, even the smallest details are subject to our stringent quality standards.

The technical durability is also visually underlined by the timeless classic design. You are not only pleased by the external appearance of a Liebherr, but also when you open the door.

This applies more than ever to another new product at the IFA: our BlackSteel interior.

We have been the first ones to develop BlackSteel together with our suppliers and launched it to the market. Now, we transfer this success story to the interior of our appliances. We have also taken homeware trends for dark furniture fronts into account and created a convincing design liaison between furniture and appliance.

When it comes to modern living concepts, in which the kitchen and living space are increasingly merging, another innovation is also important: Exceptionally quiet refrigeration appliances.

The Liebherr product programme already offers a wide range of extremely quiet appliances, those that are marked as “UltraSilent”. We have now set a new record: The quietest Liebherr fridges of all time are five fully integrated appliances at just 27 dB(A).

Just perfect to enjoy the sound of silence!

Johannes Ruf: Vinidor wine tempering cabinets

Last year, we presented the new GrandCru wine storage fridges to you. This year, it's all about temperature control – our design highlights for every living environment.

Regardless of the type of wine, it only comes into its own at the correct drinking temperature. Since this is different for every type of wine, Vinidor wine tempering fridges have up to three temperature zones, individually and precisely adjustable from +5 °C to +20 °C.

The wine fridges also offer many convenient features:

- The wooden shelves in the Vinidor Selection can be adapted to a wide variety of

bottle shapes and sizes.

- We have designed the SommelierBoard especially for the elegant presentation and handling of wine: a pull-out shelf complete with glass holders, decanting zone and utensil tray.
- LED light columns from top to bottom on both sides evenly illuminate the interior.
- And an electronic lock protects the valuable contents from unwanted access.

I could go on and on about this. But, I suggest that you simply have a look at the new wine tempering fridges for yourself later!

Thank you very much for your attention!