

## Press release

2023-04-24

### **E.G.O. prepares for the future**

**After seeing slight growth, E.G.O. is focusing its energies – the business group continues to orient itself toward growth – E.G.O. demonstrates innovative strength and progress in sustainability**

Oberderdingen – The E.G.O.-Group (E.G.O.) achieved turnover of EUR 805 million in 2022. During the pandemic, the business group benefited from the cocooning trend and correspondingly high demand for household appliances. However, the past year has been marked by numerous economic challenges, and the increasing costs are reflected in the business group result. The framework conditions for E.G.O. will continue to be difficult in the current fiscal year: Turnover in the Mechatronics and Gas divisions is declining. Business with induction heating, on the other hand, is doing well. During the press conference at the end of the financial year, Dr. Karlheinz Hörsting, CEO of the E.G.O.-Group since August 2022, explained how E.G.O. is positioned for the future and is continuing to orient itself toward growth.

#### **Focusing energies**

“E.G.O. responded to the market environment early and took various measures,” emphasized Dr. Hörsting. For example, the business group postponed or suspended some projects and aligned the budget for 2023 with the significantly lower requirements. At the same time, several optimization projects were started in order to analyze and improve the processes in indirect and administrative divisions, for example, and to eliminate inefficiencies at the production sites. The aim is also to improve our harnessing of synergies and to successfully roll out best practices internationally. E.G.O. is investing extensively in the digitalization of the business group. Among other things, a new ERP system (software solution for resource planning) should create a future-proof and leaner IT structure.

#### **Management board with a focus on market and technological expertise**

Since the beginning of the year, Dr. Clemens Philippson has rounded off the management board of the E.G.O.-Group as Chief Sales and Technology Officers (CSTO). The mechanical engineer holds a PhD brings an external perspective to the company and has over 20 years of experience in the

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household appliance industry. This makes him the ideal complement to Dr. Hörsting, who has been closely supporting the company in various management positions since 2009. With the new management board, E.G.O. is well positioned for the challenges of the future and is emphasizing the importance of innovation and sales for global company performance.

### **Exploiting growth opportunities**

“The strategic orientation of the E.G.O.-Group continues to be geared towards growth,” explained Dr. Hörsting. Especially in America and Asia, in the AMERICAS and APAC economic regions, the company will reinforce its market position by establishing regional hubs with sales, production management, and development functions. One specific objective is the successful market launch of the motor heating pump for dishwashers in both regions. Further products are to be developed and adapted to the local markets. The business group is using this approach to remain true to its local-for-local strategy and use local production for regional markets. Now, however, it also wants to increase development.

### **Putting an end to tangled cables**

As a leading supplier to manufacturers of household appliances, E.G.O. shapes technology in kitchens. Innovations from Oberderdingen are successfully used in the world. One trend is the cordless operation of small kitchen appliances with the new Ki technology standard. The E.G.O.-Group is highly involved in the definition and design of this technology. In the near future, cordless Ki technology will be available in small kitchen appliances as well as induction hobs and under any non-metallic surface in kitchens and living areas. E.G.O. has already solved the technological challenges for integrating Ki into induction hobs, now making cooking and operation of small cordless appliances on the same cooking zone possible. The household appliance industry is very interested in this technology, which is why E.G.O. is planning the first concrete product developments this year.

### **Everyday oven helper**

“More and more functions in compact and versatile appliances – that’s the trend in baking ovens,” said Dr. Hörsting. “E.G.O. primarily focuses on the user in the single household. We want to make everyday life easier.” That’s why the company has developed special functions that support cooking in the baking oven. You can easily cook a fully balanced meal with several sides

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made of fresh ingredients in the baking oven at the same time. To do this, the user first selects a main ingredient (fish, meat or main vegetarian component) and then receives corresponding recipe suggestions. All components (with corresponding side dishes) can then be simultaneously cooked side by side in the oven with different cooking times in just a few minutes. This control unit with cooking function can also be fitted in standard baking ovens without changing the housing.

### Focus on washing

E.G.O. has also developed a modular concept that aims to make washing machines more user-friendly, more sustainable, and more durable. The core of the approach is to reduce the number of components required to date, to save water and to facilitate maintenance of the machine. For this purpose, important modules are to be installed in an easily accessible “drawer.” “In the next step, E.G.O. is looking for household appliance partners who can help implement the concept,” said Dr. Hörsting.

### Reducing emissions

The E.G.O.-Group has made significant progress in its objective of reducing its own greenhouse gas emissions. Scope 1 and Scope 2 emissions were reduced by 32 percent compared to 2019. “This is mainly due to the increased use of renewable energies and energy efficiency improvements,” explained Dr Hörsting. For example, a photovoltaic plant was installed on the roof of the E.G.O. Components (China) CO. Ltd., Taicang plant, which saves 780 tons of CO<sub>2</sub> per year. New compressors at the E.G.O. Elektro-komponente d.o.o. plant in Zagreb (Croatia) can more efficiently produce the compressed air required there, thus saving 214 tons of CO<sub>2</sub> per year. The optimized annealing furnaces in the E.G.O. Elektrikli Aletler Sanayi A.S. plant in Ergene (Turkey) also reduce CO<sub>2</sub> emissions by 191 tons. The Carbon Disclosure Project (DCP) recognized the progress. The E.G.O.-Group is improving its climate change score.

### Creating sustainable products

E.G.O. has also investigated the environmental impact across the entire life cycle of various products with life cycle assessments (LCA). As an example, for the radiant heating element product, the company has developed options for transforming the entire product into a circular economy. The objective is that the material used should be reused for as long as possible. The project

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demonstrated that the insulation materials used are particularly well-suited for reuse – without having to compromise on the high quality requirements for E.G.O. products. Most recently, E.G.O. sampled radiant heating elements with different proportions of used insulating material in order to determine the maximum amount of recyclable material that can be added.

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**Caption: Dr. Karlheinz Hörsting, CEO of the E.G.O.-Group and Member of the Management Board of the BLANC & FISCHER Family Holding  
Photo: E.G.O.**



**Caption, from left to right: Dr. Clemens Philippson and Dr. Karlheinz Hörsting, CSTO and CEO of the E.G.O.-Group  
Photo: E.G.O.**

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**Caption: Cordless energy transmission in small household appliances – an important project in the E.G.O.-Group, led by Konrad Schönemann  
Photo: E.G.O.**



**Caption: An interesting new approach to washing for the future.  
The E.G.O. project is led by Mirja Vogt and Uwe Schaumann  
Photo: E.G.O.**



**Caption: Perfectly cook several dishes at once in the oven –  
a new approach of the E.G.O.-Group, led by Marcus Frank  
Photo: E.G.O.**

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### About the E.G.O.-Group

The E.G.O.-Group (E.G.O.), with its headquarters in Oberderdingen, Baden-Wuerttemberg, is considered one of the world's leading suppliers to manufacturers of household appliances. It all began more than 95 years ago when company founder Karl Fischer developed the first electric hotplate suitable for series production. The core values summed up in the words "made by E.G.O." are found not only in your stove but also in washing machines, dryers, refrigerators, and many other household appliances and commercial machines. The supplier covers four different business areas with its technologies and products: Heating, controlling, converting, and connecting. The E.G.O.-Group has around 6,000 employees worldwide, working in 23 sales and production companies in 19 countries. Their drive: Innovations that make people's everyday lives easier, create benefits, and conserve natural resources. In 2022, the group generated a turnover of EUR 805 million. More information is available on the website [www.egoproducts.com](http://www.egoproducts.com)

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