







2012 Sustainability Report

#### INTRODUCTION

Whirlpool Corporation is the global leader in the home appliance industry, with \$18 billion in revenue in 2012. Our winning portfolio includes some of the most preferred appliance brands in the world, and we sell more than 52 million appliances a year in more than 170 countries.

As impressive as those numbers might be, for us it has never been a matter of wanting to be simply the biggest or the largest. We want to be the best – the best at improving home life for mothers, fathers and children worldwide. One way we do that is by combining the power of innovation with our commitment to the environment to create solutions that delight consumers.



JEFF M. FETTIG Chairman of the board and chief executive officer

For 102 years, we have been doing well by doing good. In 1911, when our company began on the shores of Lake Michigan, household chores took most of a family's day. Now, because of our home appliance innovation, millions of families around the globe enjoy more free time with their family and friends.

And our legacy continues. In 2012, we announced that we not only reached, but significantly exceeded, our commitment to reduce our absolute greenhouse gas emissions by 6.6 percent for the period from 2003 to 2012. We were the first appliance manufacturer to announce such a greenhouse gas reduction target and the first to reach our goals.

Our line of smart appliances with  $6^{th}$  Sense Live<sup>TM</sup> technology from the company's flagship Whirlpool brand makes smart home management a reality. The four new connected appliances, including a smart

refrigerator, smart dishwasher and smart washer and dryer each have the ability to be controlled using an app and communicate with the emerging Smart Grid — the next generation electrical grid.

With more than 860 million appliances in the U.S., we recognize that this is a huge industry with a huge impact. That is why Whirlpool incorporates energy efficiency into everything we do. Every appliance we make is more energy efficient than the appliances we made a year ago, five years ago and 10 years ago.

#### For instance:

- A new washer today is 77 percent more efficient than one from the year 2000 and only costs about \$66 a year to run, on average. Consumers who replace older models would save \$117 a year.
- Modern refrigerators are bigger and have better features, yet they cost less to buy and operate. They are also more efficient, using less energy than a 60-watt light bulb.

This is just a snapshot of how we are leading the industry in developing high-performance appliances that help conserve the earth's resources. In the pages that follow, you will read more about how we are providing the best products and services that meet consumer needs, managing our global operating platform in the best way possible, and partnering in our communities to improve the quality of life.

For example, we are involved in philanthropic activities in every region in which we operate. Our social responsibility strategy is to nurture a positive, sustaining and thriving community where employees want to work and live. Our people give back by donating their time and treasure. As a company we encourage volunteerism and in turn we support many local worthwhile organizations in the communities in which we operate while supporting such impact charities as United Way®, Boys & Girls Clubs of America®, Cook for the Cure® and Instituto Consulado da Mulher®. Through our North America partnership with Habitat for Humanity®, we donate a range and energy efficient refrigerator in every Habitat home built in the United States and Canada.

At Whirlpool Corporation, we have never been satisfied with the status quo. We have made significant progress in the last century, but we are constantly challenging ourselves to broaden our impact and achieve stronger results. The area of resource efficiency is no different. We look forward to bringing more consumer-relevant, innovative, resource-efficient appliances to every home, every family and every consumer around the world.

Jeff M. Fally

Jeff M. Fettig Chairman of the board and chief executive officer

PERFORMANCE SCORECARD

Economic (\$ millions)

2010	2011	2012	
\$18,366	\$18,666	\$18,143	Net sales
\$586	(\$28)	\$558	Net earnings before taxes and other
\$1.72	\$1.93	\$2.00	Dividends paid
70,800	68,000	68,000	Number of employees
(\$593)	(\$608)	(\$476)	Capital expenditures
\$516	\$578	\$553	Research and development

















## Environmental

(Consumed during manufacturing per major appliance produced)

2010	2011	2012	
203.2	215.7	208.93	Energy intensity (megajoules)
0.177	0.164	0.152	Water intensity (cubic meters)
0.018	0.020	0.020	Greenhouse gas emissions intensity—Scope 1 and 2 (metric tons)
9.64	8.68	9.34	Waste intensity (kilograms)



Whirlpool brand GREENKITCHEN

PERFORMANCE SCORECARD	2012		
	49%	Employee volunteerism (% of salaried population)	
Community Relations	423,729	Employee volunteerism (hours volunteered by salaried population)	
(including Whirlpool Foundation)	300+	Nonprofit organizations impacted globally through volunteerism and donations	
-	38	Whirlpool Sons & Daughters Scholarships, honor and incentive awards given	
_	100+	Whirlpool Sons & Daughters Scholarship and award recipients currently attending colleges and universities across the U.S.	
Signature Charities	United Way®		
S	\$3.4 million	Employee and retiree United Way® campaign totals in the United States and Canada (including dollar-for-dollar match by Whirlpool Foundation)	
	Habitat for Humanity®		
-	76,000	Families helped across the globe since 1999	
_	40	Number of countries in which Whirlpool Corporation employees have helped provide affordable housing	
	150,000	Number of donated ranges and ENERGY STAR® qualified refrigerators	
	Cook for the Cure		
-	15	Years of direct program support through the KitchenAid brand	

The Maytag
Dependable
Club Awards
recognize
Boys & Girls
Clubs' exemplary
efforts and
dependability
in helping
youth achieve
great futures.



## Boys & Girls Clubs of America®

27,300	Number of Club youth served through the <i>Maytag</i> Dependable Club Awards 2010-2012
28	Total Maytag Dependable Awards given 2010-2012

#### Instituto Consulado da Mulher®

1,851	Number of people advised on small business management in 2012
86%	People in the program who are generating income through small businesses
8,522	People who, directly and indirectly, benefit by income generated through the program
160	Small businesses being advised by Consulado da Mulher
20	States in Brazil where small businesses are being advised by the program

#### **TIMELINE**

## Part of Our Corporate DNA

We were focused on sustainability long before it became the norm. From the 1970 establishment of our Corporate Office for Environmental Control to today, Whirlpool Corporation is known for being a thought leader in resource management and for building bridges among diverse groups to achieve common goals.

In 1975, we partnered with U.S. governmental agencies to help craft the Energy Policy and Conservation Act. Four years later, we contributed considerably to the drafting of the U.S. Federal Trade Commission Energy Labeling Rules. These efforts created national standards for appliance efficiency and test procedures that would that would benefit consumers and the planet for decades to follow.

Whirlpool Corporation continues to set the standard in sustainability leadership ... and raise the bar. We recently played a key role in helping to develop the appliance industry's first ever sustainability standards.

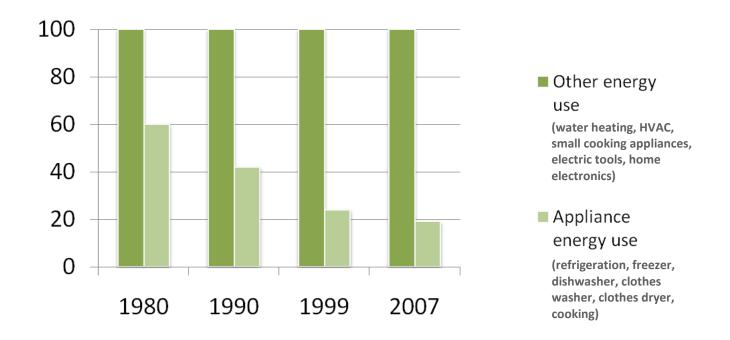
The new standards for refrigerators, announced in June 2012 by the Association for Home Appliance Manufacturers (AHAM), are the result of cooperative work by UL Environment, CSA Group and the AHAM taskforce consisting of industry experts from Whirl-pool Corporation and other manufacturers. Encompassing a very broad view of an appliance's environmental impact, the new sustainability standards take into account not only the energy a refrigerator consumes while in use, but also the environmental impact of the product manufacturing process, materials used and how recyclable the product is.

Constant improvement is not an option; it's our imperative. From reducing our water and energy use, to cutting our emissions and waste, to crafting highly efficient products, our perspective is holistic.

## Doing more with less

Whirlpool Corporation and the home appliance industry have a successful history of improving energy efficiency. In the early 1980s, our large home appliances (excluding water heating) represented nearly 60 percent of the energy consumption in an average home. By 2007 these appliances only consumed about 15 percent of the energy in a home, and today that number is even lower. Similar improvements have been made in appliance water usage in clothes

washers and dishwashers during the last 20 years. Our goals are to continue to reduce the amount of energy and water that each appliance consumes during its lifetime while maintaining its performance, e.g., cleaning clothes or dishes, or preserving food. As a corporation, we also aim to consume no more energy or water, in absolute terms, even as production volumes increase, and in some areas to push to further reduce absolute consumption of resources.



# Key sustainability events

2012	<ul> <li>January 9 — Whirlpool brand announces it will bring connected appliances to the marketplace yet another step closer to making many of its appliances "smart" by the end of 2015</li> <li>April 10 — Whirlpool Corporation officially opens the Cleveland, Tenn., manufacturing facility that includes some of the most energy-efficient and technologically advanced manufacturing processes</li> <li>June 6 — Whirlpool Canada is named 2012 ENERGY STAR® Manufacturer of the Year for fourth consecutive year</li> <li>June 7 — AHAM announces new sustainability standards for refrigerators, which experts from Whirlpool Corporation played a key role in helping develop</li> <li>August 15 — Whirlpool Corporation and Honeywell introduce the most environmentally responsible and energy-efficient insulation available into U.Smade refrigerators</li> </ul>
2011	Began partnering with AHAM, UL and CSA to develop the first industry sustainability standards for appliances
2007	Announced a revised greenhouse gas reduction target of 6.6 percent by 2012
2006	Reached goal where Whirlpool operations' release of toxic chemicals in the U.S. was nearly 90 percent less than the releases compared to the 1987 baseline year, while at the same time production increased approximately 80 percent

2003	Became the world's first appliance manufacturer to announce a global greenhouse gas reduction target; goal was a 3 percent reduction from 1998 levels by 2008
2001	First high-efficiency front-load washing machine
2000	First high-efficiency top-load washing machine
1998	Collaborated with European authorities to draft the Waste Electrical and Electronic Equipment (WEEE) Directive, which requires the proper recycling of appliances according to European and national requirements. Whirlpool products already widely meet the 2008 recycling and recovery targets required by the WEEE Directive
1996	Honored as a founding member of the Business Environment Leadership Council, an advisory group to the Pew Center on Global Climate Change; helped develop the Green Lights Program, a U.S. Environmental Protection Agency (EPA) precursor to the ENERGY STAR® program
1979	Helped craft U.S. Federal Trade Commission Energy Labeling Rules and every appliance efficiency standard and test procedure in the U.S. since the late 1970s
1975	Led efforts to craft the Energy Policy and Conservation Act and every subsequent appliance energy efficiency legislation
1970	Established the corporate Office for Environmental Control

## Looking forward

For more than 100 years, Whirlpool Corporation has been committed to delivering on our financial commitments while being environmentally responsible. We have championed voluntary industry standards to promote resource conservation while offering products and services that exceed our consumers' expectations of value and performance.

As the human population continues to grow and consume an ever increasing amount of natural resources, it becomes even more necessary to monitor, control and reduce our impact on the environment. This includes energy and water consumption, waste and recycling.

To that end, we have set vigorous goals for today and the future. We are targeting zero manufacturing land-fill waste by 2022. And we will continue our efforts to reduce or eliminate waste of all types as well as reinforce our recycling efforts – particularly for appliances at the end of their useful life.

Our greatest opportunity, however, to protect the environment is to educate consumers on the value of

replacing their old appliances and for new consumers around the globe to adopt the latest resource efficient products. As just one example, a 13-year-old refrigerator consumes 55 percent more power than a new one. The potential impact of removing those old appliances from the electrical grid that carries energy to consumers' homes and replacing them with appliances that optimize energy usage is staggering.

Another alternative in next-generation efficiency is through appliances that can "talk" to the electrical grid. Our January announcement that we will bring these types of smart appliances to the marketplace is yet another example of our commitment to providing consumers technology with purpose.

The result from either of these paths would be a more efficient and reliable grid, fewer brown-outs and less demand for power stations ... and bring products into consumers' homes today that meet the needs of tomorrow.

Driving value beyond the expected, we will continue to set the standard for sustainability while leading responsibly.

#### **STRATEGY**

#### Overview

# Mission and areas of focus

Our strategy is to drive value beyond regulatory compliance, push to do more with less while leading responsibly as the global industry leader.

Energy efficiency, water efficiency, end-of-life solutions that min recycling, materials and waste management, and air quality – each is important in its own right, and all and communities.

are interconnected in our longstanding commitment to the environment. We successfully optimize these elements, as the examples throughout this report highlight, and translate them into innovative solutions that minimize the effect on the environment while transforming the lives of our consumers and communities.

Our purpose is to improve lives, one home, one family at a time through innovative, world-class products and services. Our sustainability mission is to satisfy our consumers, protect the environment, nurture our communities and embed sustainability into our products and processes while driving extraordinary value and enhancing our reputation. Our areas of focus are:

#### Value beyond compliance

- 1. Deliver solutions with consumer-relevant performance while meeting expectations on energy efficiency
- 2. Reduce the total amount of water we consume (entire lifecycle) as the business grows
- 3. Facilitate the responsible recycling of appliances at the end of life around the globe
- 4. Deploy data management systems to support sustainability metrics in our business operations

#### Do more with less

- 1. Use materials that minimize total lifecycle costs
- 2. By 2022, send no manufacturing or packaging waste to landfill
- 3. Avoid hazardous substances
- 4. Continue to reduce carbon greenhouse gas intensity based on business value

#### **Lead responsibly**

- 1. Nurture communities through social responsibility and collective impact
- 2. Ensure transparent communication on key metrics
- 3. Demand a level playing field across the industry for all standards and verification programs

#### **AWARDS**

## Corporate Recognition

A perfect 100	Whirlpool Corporation received a perfect score from the Human Rights Campaign on the 2013 U.S. Corporate Equality Index. This is the ninth consecutive year that we attained a perfect score on the index, the first and only appliance company to do so.
22 awards	Whirlpool Corporation has won 24 overall ENERGY STAR® awards, more than any other appliance manufacturer. In 2012, we won our seventh consecutive Sustained Excellence award for a total of 13 Sustained Excellence awards. Whirlpool Canada also won the Manufacturer of the Year award in Canada for the fourth year in a row.
Top 20	Whirlpool Latin America was named one of the 20 model companies in sustainability in the Guia Exame de Sustentabilidade, by <i>Exame</i> magazine.
17 top finishes	Whirlpool Corporation has led or tied for first place among all major appliance companies for customer satisfaction in the annual American Customer Satisfaction Index (ACSI). We placed first in the 2012 survey.
12 straight	We have been recognized in the FTSE4Good Index Series since 2001. FTSE4Good recognizes companies around the world for distinction in their environmental, social and governance practices.

10 consecutive	We were named one of <i>Corporate Responsibility</i> magazine's 100 Best Corporate Citizens for the 10th consecutive year. Whirlpool Corporation ranked 69 <sup>th</sup> on the magazine's 13 <sup>th</sup> annual list, which is regarded as the top corporate responsibility ranking based on publicly available information.
7 successive	Whirlpool Corporation has been named to Ocean Tomo 300 Patent Index for seven successive years. The equity index is the first based on the value of corporate intellectual property.
5 in a row	From 2008 to 2012, we have been named one of the Most Respected U.S. Companies by <i>Forbes</i> magazine and the Reputation Institute. Whirlpool Corporation placed 37 <sup>th</sup> on the list of the largest 150 U.Sheadquartered companies based on revenue.
#1 back-to-back	For the second year in a row, Whirlpool Corporation has finished first in the Home Equipment, Furnishings industry sector of <i>Fortune</i> magazine's World's Most Admired Companies. Our highest scores came in the innovation, people management, social responsibility, quality of management and long-term investment categories.

#### **ENERGY EFFICIENCY**

## Our Commitment

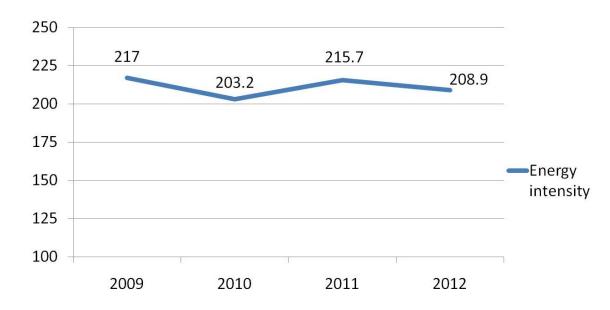
We will deliver solutions with consumer-relevant performance while meeting expectations on energy efficiency.

## Total Energy Consumption in Manufacturing (gigajoules)

2009	2010	2011	2012
9,072,454	9,279,283	9,173,683	8,733,477

## **Energy Intensity**

Energy — electricity, natural gas, propane, steam, diesel, etc. — consumed in the manufacturing process per major appliance produced (megajoules)



## **Our Products**

#### **ENERGY STAR® Awards**

In 2012, Whirlpool Corporation was recognized with its seventh consecutive ENERGY STAR® award for Sustained Excellence, the company's 13<sup>th</sup> top ENERGY STAR® award. The company has been honored with 22 ENERGY STAR® awards overall, more than any other appliance manufacturer, including Whirlpool Canada's ENERGY STAR® Manufacturer of the Year for the past four years. Whirlpool continues to be the leader in designing and manufacturing energy and water efficient appliances with more than 470 ENERGY STAR® qualified models, more than any other appliance manufacturer.

#### Amana brand

Amana brand is beginning a journey to reduce its carbon footprint little by little. From adding energy and resource-efficient models, to exploring more environmentally-friendly manufacturing practices, the brand is looking toward the future by creating appliances whose values stretch beyond saving money. In 2013, for every major appliance it sells in the U.S., the brand plans to donate the cost of planting a new tree through Trees for the Future – a non-profit organization that helps communities across the globe plant trees.

#### Around the world

Whirlpool Asia – In March 2012, Whirlpool India introduced the Whirlpool Neo iChill range of frost free refrigerators offering Deep Freeze Technology. This innovative feature traps cold air and retains cooling for a longer period of time to reduce energy loss when the door is opened, even during hot summer days. The deep freezer with chilling gel collects and locks cold air to retain cooling during a power outage – a common problem for Indian consumers. After this product successfully launched, Whirlpool India extended the refrigerator line later in the year to include a number of lower-capacity Whirlpool Neo iChill refrigerators, saving more energy – and space – while meeting the unique needs of Indian consumers.

# Our Products (continued)

Whirlpool Europe, Middle East and Africa – The *Bauknecht EcoStyle* washing machine set the standard by becoming the only appliance with a TÜV certification (German Association for Technical Inspection) for its high quality, durability and reliability. The class A +++ washer features an EcoMonitor that provides immediate feedback on energy consumption and an intelligent washing system, where water is sprayed during the wash phase via a hydraulic high pressure system directly into the washing drum, using up to 20 percent less water and saving 2,000 gallons of water per year. The washer also offers a ProSilent motor high efficiency with 30 percent less power consumption vs. a conventional class A washer. Whirlpool Europe introduced a new way to think about re-using energy with the *Whirlpool* brand 6<sup>th</sup> Sense PowerClean dishwasher and *Whirlpool* brand 6<sup>th</sup> Sense Fresh Control Combi refrigerator, as part of its super-efficient GREENKITCHEN suite. The products work on a connected system that uses wasted heat generated by the refrigerator to warm water for the dishwasher washing cycle.

Whirlpool Latin America – Whirlpool Latin America launched the *Brastemp* brand *Ative!* washing machines to consumers in Brazil, which boost washing performance with five different systems – including a Smart & Fast system that washes clothes quickly – in addition to smart sensors that calculate water, detergent and fabric softener for an accurate wash every time, with less waste. The new *Ative! Inverse Maxi*, an innovative refrigerator from *Brastemp* brand, features a Smart Door – a small, easily accessible door within the front door for a fast and convenient way to get the products that are used most often. The refrigerator also utilizes LED lighting for even greater energy savings.

Whirlpool North America – *Maytag* brand has revolutionized the way consumers clean their ovens with the new AquaLift self-clean technology. The first innovation in self-cleaning in nearly fifty years, AquaLift is a quick, no odor alternative to traditional 800°F self-cleaning ranges that utilizes an exclusive enamel coating on the interior of the oven, low heat and water to release baked-on spills in less than one hour. Whirlpool Corporation's North America region realized another first with the new *Amana* brand ENERGY STAR® qualified high-efficiency top-load washer, which uses up to 73 percent less water and 84 percent less energy compared to pre-2004 traditional top-load washers using the normal cycle. New *Jenn-Air* brand ENERGY STAR® qualified dishwashers combine alternating wash action, three-stage filtration, a variable-speed motor and pressurized wash arms for powerful, quiet and energy efficient washing.

## Our Operations

#### **LEED Certification**

In 2012, Whirlpool North America opened three new facilities – an office building for North America operations in Benton Harbor, Michigan; a state-of-the-art premium cooking products and manufacturing plant in Cleveland, Tennessee; and a distribution center in Wilmer, Texas. Both the manufacturing plant and distribution center – 1,000,000 square feet each – are on track to receive LEED Gold certification in recognition of the facilities' energy efficient and technologically advanced processes. The new office in Benton Harbor is expected to receive LEED's highest rank, Platinum Certified, delivering on the company's goals of improvements in productivity, operations, energy efficiency and overall employee experience, all in an eco-friendly manner.

#### Metering

In an effort to operate facilities in a more sustainable manner as a whole, our Ohio and Iowa manufacturing plants are hosting a program to evaluate facilities with real-time metering. Metering will show comparisons in energy and water usage to determine and gain energy efficiencies. The objectives of the metering program are to complete site assessments to identify ways to provide real-time data collection and to compile energy and sustainability options and applicable incentive programs. The goal is to reduce energy consumption through simple changes, such as adding light sensors and programmable thermostats or recapturing process heat. Eventually, all facilities will be metered to create global benefits and cross-functional opportunities from facility to facility and region to region.

#### **Alternative Energy**

An astounding example of how Whirlpool Corporation works with electrical utilities and other partners is the solar roof installation at our distribution center in Perris, California. At almost 1.7 million square feet (about 30 football fields) it is the largest in the United States. It provides enough electricity to power 7,500 residential homes annually. The newly-opened office building for Whirlpool Corporation's North America operations in Benton Harbor, Michigan, will save more than 16,000 million BTUs of energy annually with an open design that allows for maximum optimization of natural day light and access to views not only of the campus outside but also a nearby river. Additionally, the campus was designed to encourage use of alternative transportation methods, and ten low-emitting and/or fuel efficient vehicles can be charged at electric charging stations onsite.

#### WATER EFFICIENCY

## **Our Commitment**

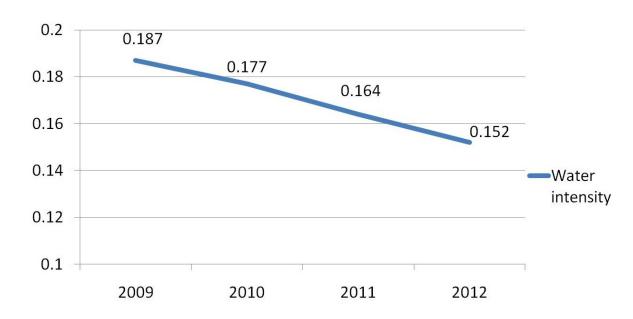
We will reduce the total amount of water we consume (entire lifecycle) as the business grows.

## Total Water Use (million cubic meters)

2009	2010	2011	2012
7.804	8.066	6.961	6.355

## Water Intensity

Water consumed in the manufacturing process per major appliance (cubic meters)



## **Our Products**

#### Around the world

**Whirlpool Asia** – *Whirlpool* brand's *WhiteMagic 1-2-3* washers are powered with new and advanced *6th Sense* technology, and built-in heaters provide superior and efficient cleaning performance for Indian consumers. The SplitWash model includes a small basket inside the washer drum to allow gentle cleaning of delicates in the main wash cycle.

Whirlpool Europe, Middle East and Africa – Pre-rinsing dishes wastes a lot of time – and a ton of water. The *Bauknecht* brand's PowerClean+ technology eliminates the hassle of pre-treating heavily soiled pots and pans before placing them in the dishwasher. The new *Bauknecht* dishwasher's GreenIntelligence sensors automatically detect how dirty the dishes are and the PowerClean+ jets adjust their pressure accordingly, resulting in perfectly clean dishes using only seven liters of water.

Whirlpool Latin America – *Brastemp* brand's water purifier features a filtration system that ensures 100 percent pure water, free of chlorine and fluorine while retaining minerals essential for health. The purifier also helps reduce the number of plastic bottles in landfills.

Whirlpool North America – In the United States, the first *Amana* brand ENERGY STAR® qualified high-efficiency top-load washing machine uses up to 73 percent less water and 84 percent less energy compared to pre-2004 traditional top-load washers using the normal cycle. Two new *Whirlpool* brand ENERGY STAR® qualified dishwasher models feature a Sensor Cycle that automatically selects the right wash and dry settings for each load, cleaning tough soils 35 percent better than previous wash systems while using just the right amount of time, energy and water.

## Our Operations

Initiatives to cut back on water consumption in facilities across Latin America have enabled a savings of more than 800,500 cubic meters in 2012. Several projects were implemented at the Latin America Region locations, with an emphasis on the capture and use of rainwater and reuse of treated water. All the plants exceeded their goals in this area, including the Washing Technology Center at the Rio Claro plant, which has more than 300 testing stations for washing products. The plant installed a Wastewater Treatment Station that saved 2.6 million liters of water each month in 2012 by reducing the volume of water used and reusing treated water for lab testing and other activities such as building maintenance.



The new office complex in Benton Harbor, Mich., is LEED Platinum Certified, delivering a positive, ecofriendly work environment.

#### **AIR QUALITY**

## Our Commitment

We are committed to continue to reduce carbon intensity (greenhouse gases).

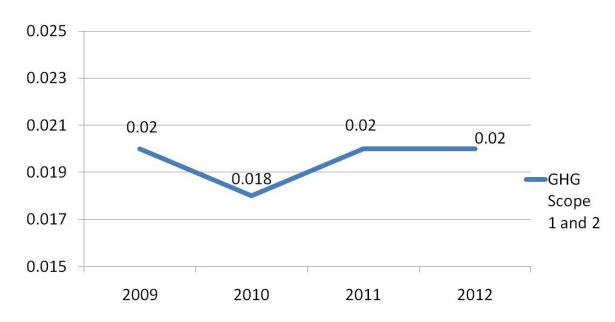
# Emissions Generated (metric tons)

2009	2010	2011	2012	
223,199	233,300	224,684	344,805	Scope 1
596,455	592,461	541,314	518,107	Scope 2

## Greenhouse Gas Emissions Intensity

Metric tons of carbon dioxide emissions in the manufacturing process (Scope 1 and Scope 2) per major appliance produced

Scope 1 (direct) emissions are produced as a result of onsite combustion of fossil fuels, such as natural gas, propane, fuel, oil, etc. Scope 2 (indirect) emissions are produced as a result of energy generated offsite but consumed onsite by Whirlpool facilities, such as electricity produced from the burning of coal by a private firm that is then transmitted to Whirlpool.



## **Our Products**

#### **AHAM**

Whirlpool Corporation partnered with the Association of Home Appliance Manufacturers (AHAM) and other industry players to define the new 2014 and 2015 appliance energy standards. When the new refrigerator standards come into effect, our products will save more than 115 million metric tons of carbon dioxide during a 30-year period – which is equivalent to the annual release from 20 million cars or the annual release from more than 24 coal power plants. In addition, those products will save electricity equivalent to the annual electrical use in 1 million homes.

#### Around the world

Whirlpool Latin America – Consul brand's Split Inverter offers Brazilian consumers a combination of three filters that eliminate 99.9 percent of bacteria, mold and dust. Delivering up to 40 percent savings in energy consumption, the air purifier also uses R410-A gas, which contains only fluorine and does not harm the ozone layer. The appliance's technology from Consul provides more comfort, with less energy expenditure.

Whirlpool North America – Once again leading the way with the most advanced materials that offer the greatest benefits to consumers, Whirlpool Corporation has partnered with Honeywell as the first refrigerator manufacturer in the U.S. to begin using the most environmentally responsible blowing agent available in all U.S.-made refrigerators. Honeywell's Solstice™ Liquid Blowing Agent (LBA) outperforms commonly used hydrocarbons such as C-Pentane, providing better low-temperature insulation performance and higher energy savings. Honeywell Solstice LBA offers an 8 percent to 10 percent improvement in efficiency over refrigerator platforms tested with hydrocarbon blown foam insulation, and a 2 percent improvement over 245fa − currently the most widely-used foam blowing agent in the U.S. It also has a 100-year global warming potential between 4.7 and 7, a staggering 99 percent improvement over 245a. Refrigerator production with the new LBA will begin in late 2013, including future product lineups from Whirlpool, Maytag, Amana, Jenn-Air and KitchenAid brands.

## Our Operations

#### **Intermodal transportation**

SmartWay Transport is the U.S. Environmental Protection Agency's (EPA) program for improving fuel efficiency and reducing greenhouse gases and air pollution from the transportation supply chain industry. Whirlpool Corporation's partnership with EPA and SmartWay Transport is part of a collaboration among the shipping community to voluntarily achieve improved fuel efficiency and reduce environmental impacts from freight transport. Participants use performance based qualifications and reporting tools that benchmark and inform the industry and the market place on freight operations, energy and environmental efficiency.

Over the past six years Whirlpool Corporation increased the use of railcars, which are more fuel efficient than trucks, and converted to more intermodal transportation, which uses shipping containers that transfer smoothly from railcar to truck. By doing so, Whirlpool North America has saved more than 7.5 million gallons of diesel fuel and reduced CO2 emissions by more than 78,000 metric tons through these changes.



#### END-OF-LIFE RECYCLING

## Our Commitment

We are committed to facilitate the responsible recycling of appliances at the end of life across the globe.

## **Our Products**

Whirlpool Latin America – The *Brastemp* Viva! Program, a Whirlpool initiative that collects packaging from products sold in the greater São Paulo Metro and Baixada Santista (SP) regions, collected over 254 tons of waste, such as Styrofoam, cardboard and plastic, in 2012. This represents an 89 percent return of the materials that package products sold through direct sales in the region during the year – 15 percent more than in 2011.

Whirlpool North America – Whirlpool Canada is a member of British Columbia's Canadian Electrical Stewardship Association (CESA), which operates a small appliance recycling stewardship program. We also participate in the Major Appliance Recycling Roundtable (MARR), which oversees the market recovery systems for major appliances in British Columbia. In the United States, there are a large number of utilities that continue to incentivize the purchase of new energy efficient appliances, such as Washington state's oldest local energy company – Puget Sound Energy. As part of a collaboration project with the utility company, Whirlpool offered Puget Sound Energy's customers appliance rebates on the energy-efficient *Gladiator* brand *Chillerator* garage refrigerator – the only refrigerator designed specifically for the garage and uses less energy than a 40 watt light bulb. Customers could also receive free recycling for old appliances, in addition to rebates for qualifying high-efficiency *Whirlpool*, *KitchenAid*, *Maytag* and other *Gladiator* refrigerators.

## Our Operations

Whirlpool Canada is actively diverting packaging materials at its warehouse operations, launching a parts and water filter recovery and recycling program with select parts distributors. It has also operated two voluntary collection programs for small appliances in the greater Toronto region.

#### **MATERIALS AND WASTE**

## **Our Commitment**

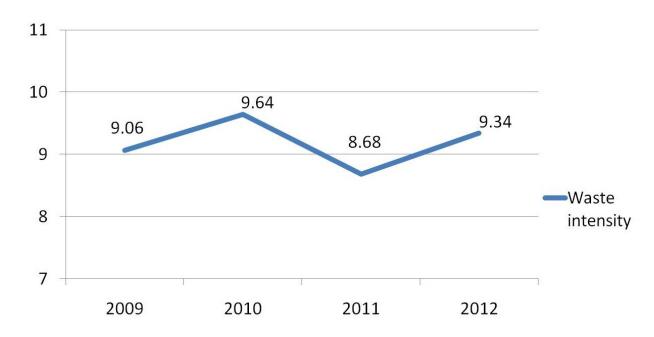
By 2022, we will minimize or eliminate all waste across our business and send no manufacturing or packaging waste to landfill.

# Total Waste Generated (metric tons)

2009	2010	2011	2012
378,629	440,375	369,256	390,311

## Waste Intensity

Total waste generated — hazardous, non-hazardous and general refuse — in the manufacturing process per major appliance produced



Whirlpool Latin America implemented the Design for Environment process, which looks at materials used in projects, not only considering quality, cost and efficiency, but also the product's environmental performance. The impact on environment is considered from raw materials used, production and useful life.

## **Our Products**

## **Our Operations**

#### Around the world

Whirlpool Latin America – While Whirlpool Corporation has set its zero waste goals, Whirlpool Latin America has committed to zero waste to landfills for industrial waste by 2014. This challenge was achieved over two years ahead of time at two out of three Whirlpool factories – Ma-naus and Rio Claro, in April and July 2012, respectively. In the case of the Manaus plant, early achievement of the goal, set to be met in December 2016, also included waste sent to landfills. In Joinville, at the company's largest factory, industrial waste sent to landfills fell by 13 percent during the year. There was an 18 percent drop at the São Paulo unit. With all of these advancements, the company spared landfills from 227 tons of waste in 2012. Additionally, Whirlpool Latin America committed to zero waste for waste unrelated to the production process by 2016. This is being accomplished by first adapting existing infrastructure to waste segregation and by raising employees' awareness of the issue. And second, manufacturing processes are being changed, improvement actions are being conducted with suppliers, recyclers are developing new technologies and helping other industries to incorporate scrap into their production processes.

Whirlpool North America – Whirlpool North America recently opened the first building of its LEED GOLD certified Riverview Campus in Benton Harbor, Michigan. In keeping with the company's commitment to reducing waste, we crushed 11,000 tons of concrete from the existing buildings to be re-used on site as pavement base beneath the parking lots. As a result, over 600 truckloads of material were not hauled away, keeping trucks off the roads and saving fuel and avoiding landfill. Whirlpool Canada is a steward in four Canadian provinces – British Columbia, Manitoba, Ontario and Quebec – for packaging and abides by the provinces' appliance recycling requirements. In 2012, Whirlpool helped divert nearly 3,400 metric tons of packaging material from landfills in these provinces.

#### **COMMUNITY RELATIONS**

## Our Commitment

Through partnership with community organizations, our employees and brands, we will support good causes that will create collective community impact where our employees and consumers live.

Whirlpool Corporation drives economic growth by investing in people who design, engineer and assemble our products, and these same people help build up our communities. We have built a culture of responsibility that is good for our business, the environment and society overall.

Our culture of doing the right things, quietly working behind the scenes to strengthen the economic and social fabric of the communities in which we operate, has enabled our consumers to trust us and team up with us. By joining together with others, we nurture positive, sustaining and thriving communities. This allows us to focus our investments back into the very communities that drive our success, creating a culture of collective impact.

People matter. It is for this reason that we maintain strong connections to the communities where our employees live and work. We hold a fundamental belief that there is more we can accomplish by further focusing our talent and resources to help meet community needs. Through our signature charities, volunteerism and Whirlpool Foundation strategic initiatives, we are finding new, creative ways to make lasting community investments.

In 2012, Whirlpool Foundation donated to more than 300 nonprofit and community organizations. The Foundation, which focuses on supporting outstanding programs that are centered on quality family life, cultural diversity and lifelong learning, has provided more than \$195 million to thousands of non-profit organizations since its founding in 1951.

## Volunteerism

In 2012, nearly 50 percent of Whirlpool Corporation salaried employees worldwide donated 423,729 hours of volunteer work. We also launched the Whirlpool Ambassador program – a way to connect employees with Habitat for Humanity volunteer opportunities beyond just swinging a hammer. Throughout 2012, Whirlpool recruited nearly 40 employees across the U.S. to become an Ambassador to represent the company at home dedications, conferences such as Habitat on the Hill and the Jimmy and Roselyn Carter Work Project in Haiti. In 2013, Whirlpool will expand its Ambassador program to connect Whirlpool employees throughout all of its Signature Charities at a local level, including Habitat for Humanity®, Boys & Girls Clubs of America, Trees for the Future, Cook for the Cure® and United Way®.

Through our partnership with Habitat for Humanity® International, Whirlpool served more than 24,500 in Europe, including those who earned homes during the 2012 build in Romania.



## Signature Charities

#### **United Way®**

In 2012, more than 6,500 Whirlpool Corporation employees and retirees at 15 sites across the United States and Canada gave to United Way. The Whirlpool Foundation matched these donations, providing a total of \$3.4 million to support United Way. Whirlpool is a member of the United Way Global Corporate Leadership program, which provides expert advice and resources to support corporate involvement and increase companies' capacity to improve lives and strengthen communities around the world. Whirlpool Corporation's employees and retirees in the United States and Canada participate in annual fundraisers for local United Way campaigns in their respective locations. In turn, United Way funds hundreds of organizations and causes within Whirlpool communities that focus on education, income, health, and basic needs.

#### **Habitat for Humanity®**

In more than 13 years of partnership with Habitat for Humanity, Whirlpool Corporation has developed active partnerships in over 45 countries with a commitment nearing \$78 million. In partnership with our *Whirlpool* brand in North America, more than 150,000 ranges and ENERGY STAR® qualified refrigerators have been donated to new Habitat homes throughout the U.S. and Canada, serving 76,000 Habitat families. Additionally, Whirlpool has donated more than 30,000 products to Habitat ReStore retail outlets, helping raise more than \$78 million. Whirlpool has engaged more than 10,000 employee volunteers and served more than 75,766 families in Europe. Whirlpool supports the work of Habitat around the world through product donations, financial contribution and/or volunteerism.

#### **Cook for the Cure®**

Launched in 2001, *KitchenAid* brand created Cook for the Cure to give those with a passion for cooking a way to support the breast cancer movement. In the U.S., Cook for the Cure raises funds for Susan G. Komen for the cure through donations, special fundraising events and auctions, and grassroots programs

# Signature Charities (continued)

#### Boys & Girls Clubs of America®

Whirlpool Corporation is a longtime corporate supporter of the Boys and Girls Club of America (BGCA) locally and regionally. In 2010 *Maytag* brand partnered with BGCA to recognize exemplary Clubs from across the U.S. with the Maytag Dependable Club Award. In 2012, *Maytag* brand and BGCA jointly selected 11 Clubs to be awarded the honor and a related grant for their demonstrated commitment to dependability and dedication to keeping youth on a path to achieve great futures. These Clubs join 27 other Boys & Girls Clubs selected in 2010 and 2011 with the distinction of being a Maytag Dependable Club. The Clubs were evaluated during a rigorous judging process and selected to receive this distinctive award and one-time grant from *Maytag* brand to help deepen their impact in the communities they serve.

#### Instituto Consulado da Mulher®

Since 2002, Whirlpool Latin America's *Consul* brand has supported the Instituto Consulado da Mulher (ICM) program in Brazil, dedicated to developing opportunities for income for low-income women with entrepreneur potential. Consulado da Mulher promotes the development and social inclusion of families and communities almost throughout the entire country. Since inception, ICM has positively impacted the lives of nearly 30,000 women through workshops, classes and other education and support activities. In 2012, ICM directly helped over 1,800 people and indirectly helped over 8,500 people, including the family members of those directly assisted.

## Senior PGA Championship

Whirlpool Corporation has teamed up with nonprofit organizations and foundations in our headquarters community of Benton Harbor, Mich., to develop a common strategy for community improvement. The Harbor Shores development — which includes a Jack Nicklaus Signature golf course — is one of many local community projects resulting from that work. The golf course operates as a nonprofit, with all profits being reinvested in the Benton Harbor community. In May, the PGA® of America joined with Whirlpool Corporation's *KitchenAid* brand to bring the top senior professional golfers, international media and golf fans to Southwest Michigan for the 73rd Senior PGA Championship Presented by *KitchenAid*, hosted at The Golf Club at Harbor Shores. In conjunction with the Senior PGA Championship, the PGA® of America pledged \$300,000 to the Boys & Girls Club® of Benton Harbor.

#### **EMPLOYEES**

The best possible performance requires the best possible talent. In every corner of the company, our 68,000 employees are empowered to be both bold and innovative in a performance-driven environment that rewards results. We bring our different experiences and backgrounds together to unlock new, relevant consumer solutions.

Our leadership and diversity are recognized by others. For example, the company has attained a perfect score of 100 from the Human Rights Campaign's U.S. Corporate Equality Index for nine consecutive years. We are the first and only appliance company to do so. The perfect score on the Index is a result of our dedication to workplace equality. In 2002, we instituted domestic partner benefits, and we recently introduced benefits to support transgender employees. We created our own "It Gets Better" video in honor of National Coming Out Day, and we were the first appliance

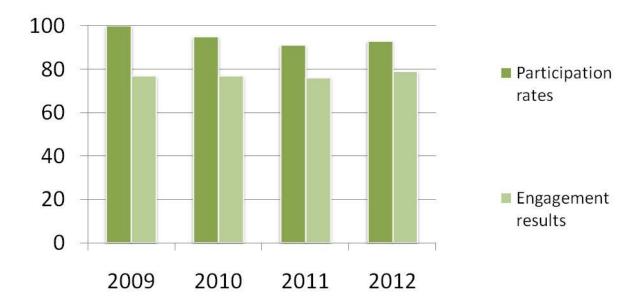
brand to feature same-sex couple families in national appliance ads. Through our Office of Diversity and PRIDE Network, we have also brought lesbian, gay, bisexual and transgender (LGBT) equality diversity training to employees at several locations.

Together, our employees create the strongest and most innovative brands around the world. We have deep-seated ethical standards – our values of Integrity, Respect, Diversity and Inclusion, Teamwork and the Spirit of Winning are the core who we are and how we work. That's Whirlpool.

## Engagement

Engagement at Whirlpool Corporation climbed three points in 2012 to a score of 79 – an all-time high for the 10 years the company has surveyed employees. Scores in all six regions were either equal to or higher than those from 2011.

More than 16,000 employees – 93 percent of those who received an email invitation to complete the survey – provided their feedback in the categories of Strategy, Leadership, Extraordinary Performance & Results, Social Responsibility, Respect & Recognition, Development, Quality of Work and Managerial Effectiveness. The top category increases were in the areas of Strategy and Leadership.



## Management

Whirlpool Corporation's Management Skills Survey (MSS) is conducted annually and is administered globally to all people leaders with three or more direct reports. It provides an opportunity for direct report to provide anonymous and relevant feedback to their managers.

The survey, which has been conducted since 2005, enables us to increase our individual and organizational standards for managerial performance and development.



## Development

Whirlpool University, our training framework, is unique among corporate universities. Working with our executive committee and senior leaders, we ensure that all organizational and learning products are aligned to Whirlpool Corporation's strategy. This aligned approach, supported by systems, allows us to sustain strategic focus and scale individual competency in strategically relevant areas. There are 497 courses offered within Whirlpool University. In 2012, there were 8,892 employees formally trained on 28,973 courses.

#### **Global Operational Competencies**

Whirlpool Corporation's global operational competencies are used to execute the company's business strategy. Whirlpool University provides training related to these competencies to ensure employees have the knowledge and skills to achieve our company's objectives.

#### **Foundations of Whirlpool**

The Foundations of Whirlpool curriculum is a CEO-led initiative that was designed to create an all-inclusive set of courses that could be accessed by employees around the world to better generate a greater understanding of the company's foundation, strategy, leadership philosophy and values. There are 13 online courses are offered. Since the series launched in 2010, more than 11,000 salaried employees from around the world have completed a Whirlpool Foundation course.

#### **Functional Skills**

Whirlpool University offers a wide range of functional skills training to ensure employees have the skills required to meet our basic objectives. Programs help build basic, proficient and mastery skills within specific functions, including finance, freight and warehousing, human resources, information systems, manufacturing, marketing, procurement, product development and sales.

#### **Leadership Development**

Our leadership development strategy is to grow our next generation of leaders through a variety of programs and initiatives. Whirlpool offers more than 10 leadership development courses within our four leadership categories for employees at different levels within the organization – Leading Myself, Leading others, Leading Platforms and Businesses, and leading the Whirlpool Enterprise. Leading Myself is a training program for individual contributors and people new to leading others. Leading Others is designed for those who lead others and project teams. Leading Platforms and Businesses was created for leaders with profit loss accountability or other significant Whirlpool Corporation assets. Leading the Whirlpool Enterprise is for senior leaders who are responsible for enterprise-wide decisions.

# Reward and Recognition

Whirlpool Corporation is a high-performing company that succeeds through our talented and engaged workforce. To support our business strategy, we employ progressive compensation, benefits and rewards practices designed to attract, motivate and retain top performers.

Our compensation structure is designed to include competitive base pay and performance-based incentive pay, with the goal of providing more opportunities for above-average market compensation and career development to employees who consistently deliver very strong or extraordinary results.

The six programs of our recognition framework can be used to recognize employees throughout the year in different ways, such as informal day-to-day, career achievement, above and beyond performance, spot awards and Chairman's W Awards. Each program is designed to encourage and reward behaviors, contributions and achievements that support our core values and business objectives.

The Chairman's W Award is the company's highest employee honor. It annually recognizes employees and teams for excellence in areas such as customer quality, innovation, leadership, social responsibility and value creation.



## Health and Safety

At Whirlpool Corporation, the health of our employees and their families is crucial to our success. Our mission is to engage employees and their family members in their own health, wealth and well-being; to keep employees healthy; and, in the event they become injured or ill, return them to good health.

Based on our global population, we offer a range of competitive benefit programs unique to the countries in which we operate that are aligned with all state and local regulations. Some examples include:

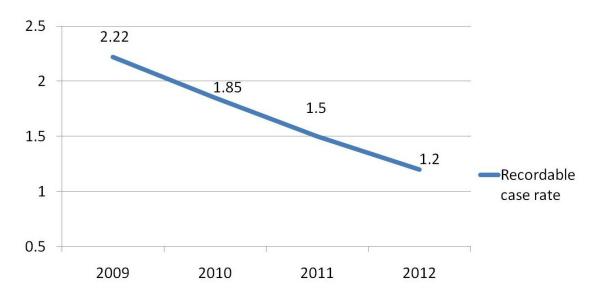
 Onsite health coaches, pharmacists and counselors to meet one-on-one with employees to help

- them meet their health goals
- Worksite wellness initiatives (e.g., onsite biometric screenings, flu shots, walking programs, cooking demonstrations and workshops on health topics)
- Annual health assessment
- Lifestyle and disease management programs
- · Fitness incentives
- Financial security benefits, including a 401(k) plan with company match for U.S. employees
- Flexible working arrangements
- Paid personal days, vacation days and holidays



## Recordable Case Rate

Recordable incidents (U.S. Occupational Safety and Health Administration) x 200,000 hours/total hours worked



## Lost-Time Incident Rate

Lost-time incidents (U.S. Occupational Safety and Health Administration) x 200,000 hours/total hours worked

