



Press Release

Düsseldorf, February 25, 2009

Only the best is good enough for customers

Sustainability as a success factor

Global competition is posing new challenges for all market players. In meeting these challenges, it is becoming increasingly important to combine product performance with responsibility toward people and the environment. Henkel has already been working toward achieving sustainable development for more than 130 years. The company sees its sustainability strategy – which encompasses the entire value chain – as an opportunity to set itself apart from its competitors and offer added value to customers and consumers.

“Our customers are appreciative of the fact that we rank among the pioneers in our sector with respect to sustainability. Today we are presenting our sustainability performance during the past year together with our 2008 Annual Report. This underlines the importance that we attach to sustainability and corporate social responsibility,” explained Henkel CEO Kasper Rorsted at the press conference on fiscal 2008. “This is because we are convinced that our continued focus on sustainability will help grow the long-term value of our company. In challenging economic times, it is more important than ever to understand that sustainable development is an opportunity,” Rorsted added.

For Henkel, sustainability means meeting the needs of people today, through its brands and technologies, and as an employer, without compromising the development opportunities of future generations. All new products from Henkel therefore contribute to sustainable development in at least one of its focal areas:



energy and climate, water and wastewater, materials and waste, health and safety, and social progress. This strategy is proving to be an innovation driver and is already firmly anchored in the company's innovation processes.

Through the combination of first-class performance and highest possible responsibility for people and the environment products from Henkel set new quality standards. Examples include the newly launched Terra Activ brand with five household cleaning products. In this product line, the proportion of ingredients based on renewable raw materials is 85 percent on average. Or the Eco-Smart refill packs for Dial liquid soaps in the U.S. market, which use around 67 percent less plastics than conventional refill bottles. In Tunisia, the adjustment of the formulation of Nadhif Semi-Automatic to the needs of semi-automatic washing machines prevents excessive foaming and enables the foam formed during washing to be rinsed out more easily – with the same powerful cleaning performance. Through their exceptionally fast curing, fourth-generation Liofol laminating adhesives enable an unprecedented standard of safety in flexible packages, particularly for the food industry.

In addition, social engagement plays an important role in the company's corporate culture. It has been a tradition throughout Henkel's history and is firmly anchored in its corporate values and reflected in its daily activities. Henkel Smile provides the umbrella for the company's corporate citizenship activities extending beyond direct business interests.

Ecologically and socially responsible actions also yield economic benefits. Taking fiscal 2008 as a whole, the increases in the prices of energy and raw materials reinforce Henkel's determination to continue to pursue its company-wide sustainability targets for reductions in water consumption, energy consumption, and waste by 2012. The current sustainability performance chart for 2004 to 2008 shows that the company is consistently achieving continuous improvements in its global environmental indicators. Energy consumption decreased by 11 percent, water consumption by 35 percent, waste generation by 30 percent, and carbon dioxide emissions by 6 percent. Over the same period, the number of occupational accidents fell by 63 percent.

Innovative issue leadership

In addition to developing new sustainable brands and technologies, Henkel again took part in various multi-company initiatives in 2008. For example, to exercise its responsibility even at the early stage of raw materials used for ingredients, Henkel is involved in the Round Table for Sustainable Palm Oil (RSPO). This organization promotes the sustainable production of palm and palm kernel oil and is an advocate of a certification and marketing model for palm and palm kernel oil from sustainable cultivation. Henkel was the first company in the world to purchase palm kernel oil certificates, for five products of its new Terra Activ household cleaners brand. It is therefore the first company to help to ensure that palm kernel oil from sustainably cultivated palm trees enters the supply chain for the production of surfactants.

The sustainability strategy also includes appropriate communication: Extensive materials inform customers and consumers how they can help to conserve resources, protect the climate and avoid waste by using Henkel's branded products. With its promise of "Quality & Responsibility" on all of its laundry detergents and household cleaners, Henkel aims to make it easier for consumers to reach a conscientious purchasing decision. Thanks to the added value that the combination of quality and responsibility offers, they can purchase better product performance and greater sustainability at the same time.

In order to measure the contribution of products to climate protection, experiments are being carried out worldwide to measure product carbon footprints. This involves determining all greenhouse gas emissions throughout the entire value chain of a product. Until now there has been no internationally harmonized method for determining the carbon footprint of a product. Henkel is therefore participating in pilot projects on this subject in Germany and the USA.

Education for sustainable development

In 2008, Henkel initiated a large number of projects and campaigns, particularly dealing with the theme of "Education for sustainable development." One example, from Germany, is the Internet portal "Save your Future." It enables young people to

share their ideas on the subject of sustainability and organize joint actions and events.

In collaboration with the universities of Rostock and Oldenburg in Germany, Henkel has developed extensive materials as a resource for teaching chemistry in schools. They include simple and low-cost experiments on the subject of environmental awareness in relation to laundry washing. The materials are freely available on the Internet. They have already been translated into English, and other languages are planned, as is the international dissemination of the materials in cooperation with the United Nations Educational, Scientific and Cultural Organization (UNESCO).

Henkel reports extensively on sustainability and corporate social responsibility as well as all rankings and ratings at www.henkel.com/sustainability.

Photo materials can be found on the Internet at: <http://www.henkel.com/press>.

For more than 130 years, Henkel has been a leader with brands and technologies that make people's lives easier, better and more beautiful. Henkel operates in three business areas – Home Care, Personal Care, and Adhesive Technologies – and is ranked among the Fortune Global 500 companies. More than 60 percent of Henkel's sales are in consumer goods, while the industrial business accounts for almost 40 percent of the company's total sales. In fiscal 2008, Henkel generated sales of 14,131 million euros. Our more than 55,000 employees worldwide are dedicated to fulfilling our corporate claim, "A Brand like a Friend," and ensuring that people in more than 125 countries can trust in brands and technologies from Henkel.

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