

Henkel AG & Co KGaA

HOU Household Products

Member of DJSI World, DJSI Europe

Company Information

Country	Germany
Market cap (USD million)*	12,710

*Source: S&P Global BMI, 31 July 2017

Company Description

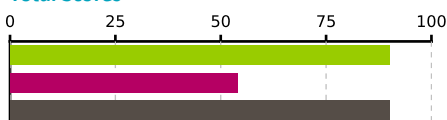
Henkel AG & Company is headquartered in Düsseldorf and listed in the German stock index DAX. The company employs over 50,000 people worldwide and is organized into three globally operating business units generating EUR 18.6 billion in revenues in 2016: laundry and home care, beauty care, and adhesive technologies. The laundry and home care product portfolio encompasses laundry detergents, laundry additives, dishwashing, hard surface cleaners, toilet care, air care and insect control products. The beauty care business unit is active in the branded consumer goods business with hair cosmetics, body care, skin care and oral care, as well as the professional hair salon business. The adhesive technologies business unit is a solution provider for adhesives, sealants and functional coatings worldwide.

Industry Drivers

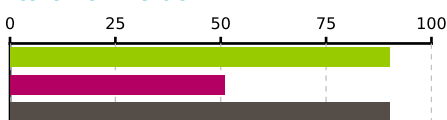
Household products companies operate in a highly competitive, multi-brand environment. Brand management and product quality issues are key focus areas following closely with the need to continuously innovate to retain market positioning and gain market share. Given their ubiquitous presence and sheer volume of use in every day life, the waste from these products are prone to have a higher impact on the natural environment. As a result, companies should be engaged in rigorous product stewardship management and address recurring concerns over product safety and environmental impact. This, combined with a changing regulatory environment surrounding the use of ingredients & chemicals, is driving innovation and ultimately setting higher quality and safety standards. Avoidance of toxins and a greater emphasis on more natural and sustainable products are also key themes. Such factors, as well as restrictions on emissions, energy consumption and water use, have an impact on production and operating costs. Moreover, emerging markets continue to offer growth opportunities. Successful companies are establishing R&D centers in those regions, adapting and developing new products to local needs and tastes, and establishing flexible, market-specific pricing strategies.

Sustainability Scores

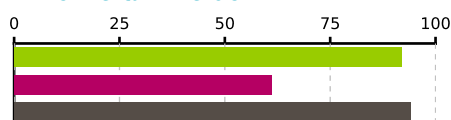
Total Scores



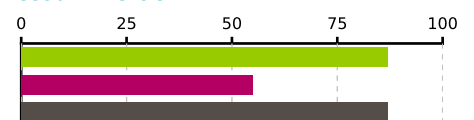
Economic Dimension



Environmental Dimension



Social Dimension

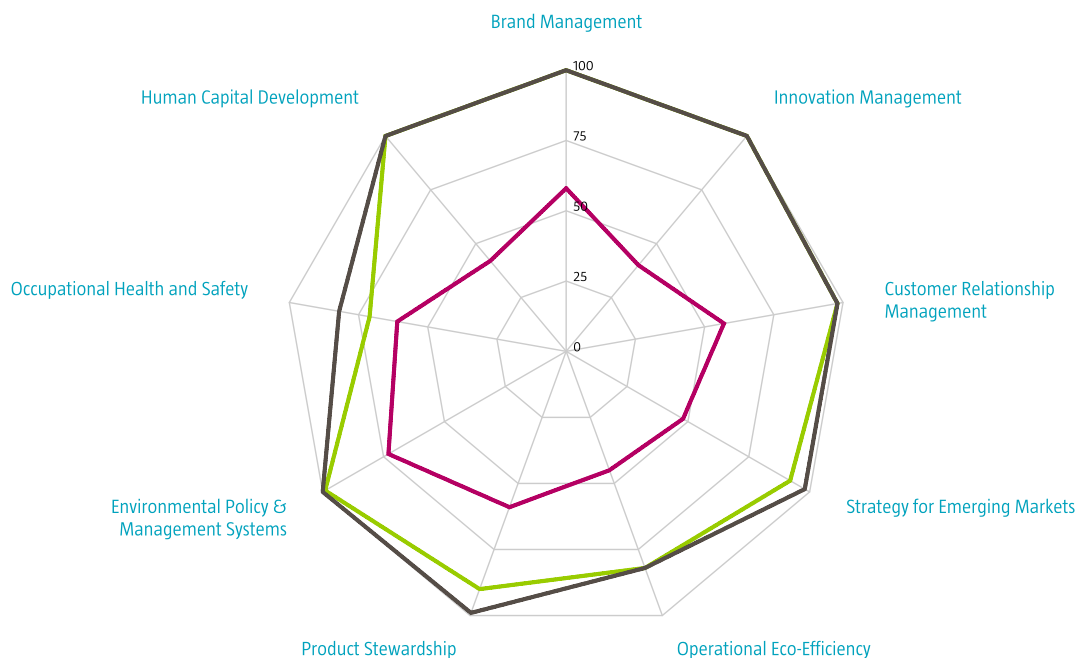


■ Industry best score ■ Industry average score ■ Henkel AG & Co KGaA

Sustainability Performance

Henkel has positioned itself as a leader in the Household & Personal Products sector. In line with the corporate strategic vision to be ‘a global leader in brands and technologies’ Henkel has achieved outstanding results in brand management and innovation management. The company has shown external and internal clarity about what the brand represents and a strong alignment between the brand strategy and sustainability strategy. Henkel’s internal product innovation has been effectively reinforced by an open innovation strategy across many of the company’s projects, encompassing partnerships with universities, research institutes, suppliers and start-ups. Product innovation is supported by a strong focus on process innovation. The Henkel Production System (HPS), a group-wide optimization program, was introduced in 2015 to systematically identify and eliminate inefficiencies along the value chain. This optimization process, paired with a comprehensive environmental management policy has contributed to overall improvement in the company’s operational eco-efficiency.

Company Performance for Selected Criteria



■ Industry best score ■ Industry average score ■ Henkel AG & Co KGaA
For more information on assessment criteria, please visit www.robecosam.com/csa

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