



Sustainability#Master [®]

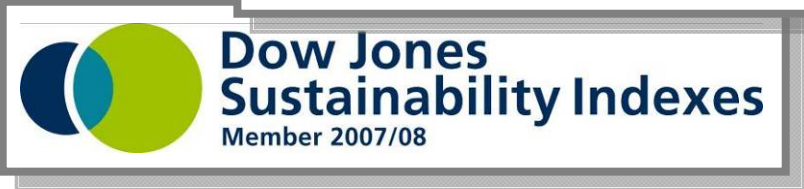
LCA Sustainable Product Design Europe

London Business Conference

14 December, 2010

Dr. Frank Roland Schroeder

Leading position in Ratings & Rankings



Best Brands
“Best Sustainability Brand”



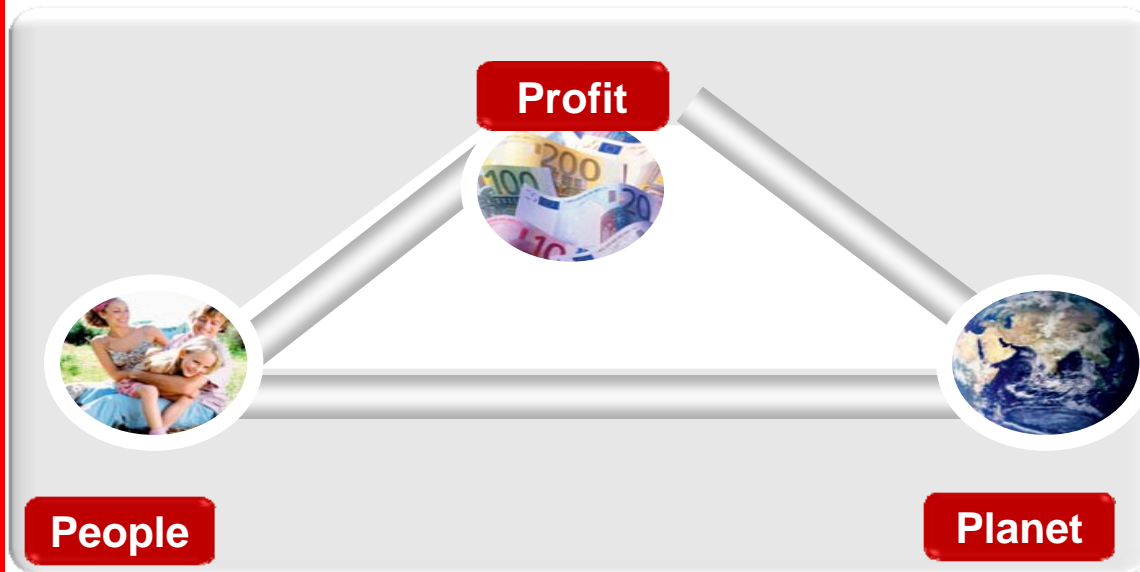
Walmart
 Sustainability Award



Frost & Sullivan
“Green Excellence of the Year Award”



Henkel Sustainability Strategy



People, Planet,
Profit

→ Triple Bottom Line

+

Sustainability
along the Value
Chain



→ Holistic
approach

Sustainability Matrix



ACHIEVEMENT

Product performance						
Social Progress						
Ecosystem Benefits						
Convenience						



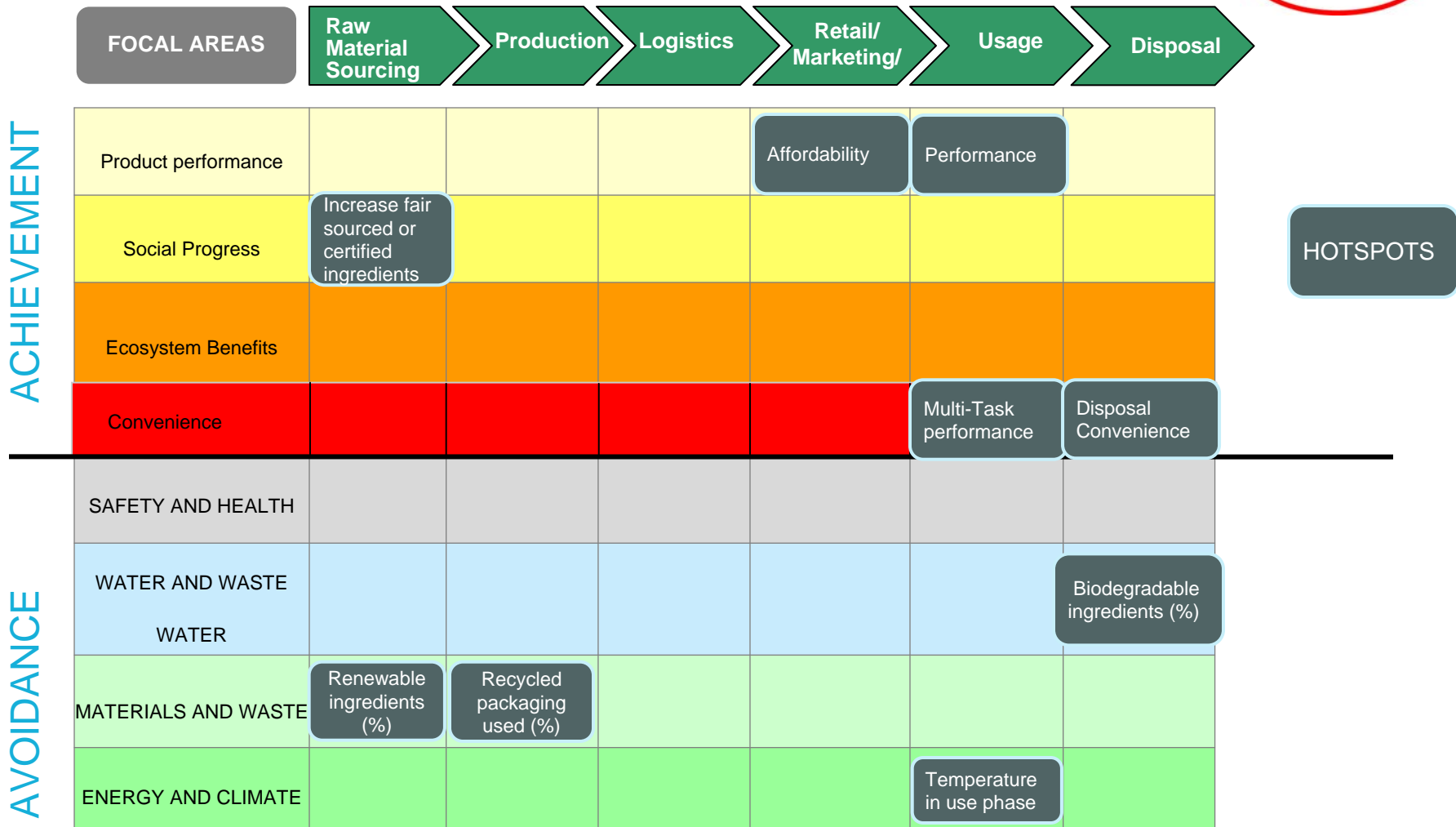
AVOIDANCE

SAFETY AND HEALTH						
WATER AND WASTE WATER						
MATERIALS AND WASTE						
ENERGY AND CLIMATE						



Matrix defined by value chain and elements of sustainability !

Individual Hotspots per Product Category



HOTSPOTS

Henkel Sustainability#Master [®]



Example:
Iron cow



Focal areas	Target groups	-2	-1	0	+1	+2	Comment
Energy	Henkel		x				Higher complexity in filling lines
	Customer		x				Energy for filling station
	Consumer		x				Bottle cleaning
Waste	Henkel			x			
	Customer				x		Less waste
	Consumer				x		Less waste
Water	Henkel		x				Cleaning tanks for refill station
	Customer		x				Cleaning machine
	Consumer		x				Cleaning bottles
Packaging	Henkel			x			
	Customer		x				Weight of canister
	Consumer	x					Decontamination
Safety	Henkel		x				Higher complexity, less listings
	Customer		x				Maintenance cost
	Consumer		x				Less choice
Total			x				negative

= SQC

- Sustainability#Master Quick Check (SQC) → Tick box approach

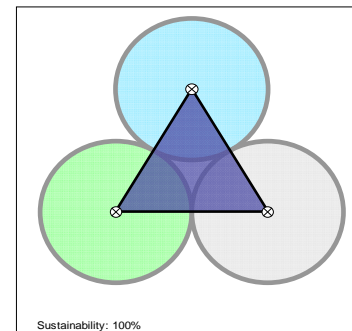
FOCAL AREAS	Raw Material Sourcing	Production	Logistics	Retail/ Marketing/	Usage	Disposal
ACHIEVEMENT	Product performance			Affordability	Performance	
	Social Progress	Increase fair sourced or certified ingredients				
	Ecosystem Benefits					
AVOIDANCE	Convenience				Multi-Task performance	Disposal Convenience
	SAFETY AND HEALTH					
	WATER AND WASTE					Biodegradable ingredients (%)
	WATER					
MATERIALS AND WASTE	Renewable ingredients (%)	Recycled packaging used (%)				
ENERGY AND CLIMATE					Temperature in use phase	

Increased Quality (products/ services)

Reduced Impacts

= HSCI

- Matrix entries are based on LCA results
- Results of the Henkel Sustainability Matrix can be transformed to:
 - ♦ Sustainable-Triangle-Model (STM)
 - ♦ Sustainable Consumption Index (HSCI)



= STM

Henkel Sustainability#Master[®] Quick check

Pre-evaluation



Example: Iron cow



ASDA High Wycombe Logic ISDS

- This In Store Dispense System machine has been installed and tested at the ASDA retail centre in High Wycombe.
- It's used for dispensing fabric conditioner in reusable and reusable plastic bottles.
- For more information please contact info@henkel.com



Focal areas	Target groups	- 2	-1	0	+1	+2	Comment
	Henkel		x				Higher complexity in filling lines
	Customer		x				Energy for filling station
	Consumer		x				Bottle cleaning
	Henkel			x			
	Customer				x		Less waste
	Consumer				x		Less waste
	Henkel		x				Cleaning tanks for refill station
	Customer		x				Cleaning mashine
	Consumer		x				Cleaning bottles
	Henkel			x			
	Customer		x				Weight of canister
	Consumer	x					Decontamination
	Henkel		x				Higher complexity; less listings
	Customer		x				Maintanace cost
	Consumer		x				Less choice
	Total		x				negative

Henkel Sustainability#Master[®]: Sustainable Triangle Model



Example:

LSP-L compactation

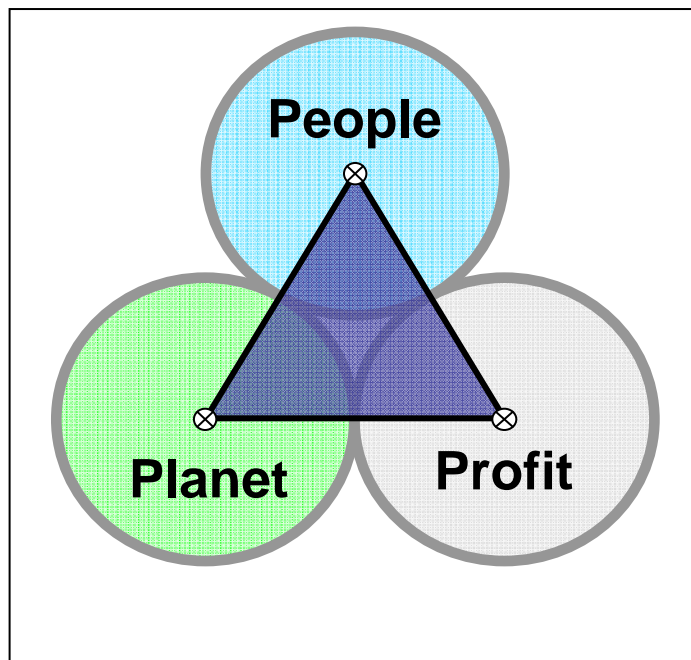


2,7l

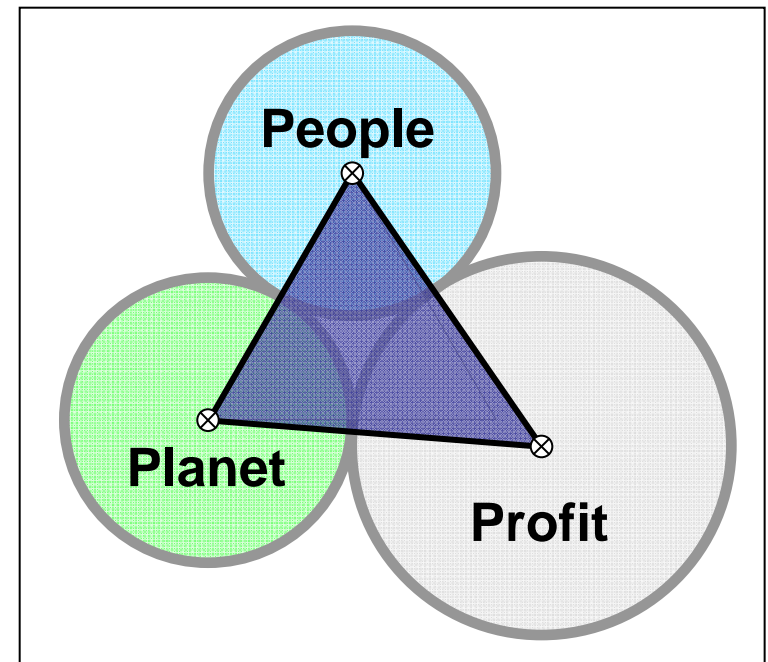
- 7.4%



2,5l

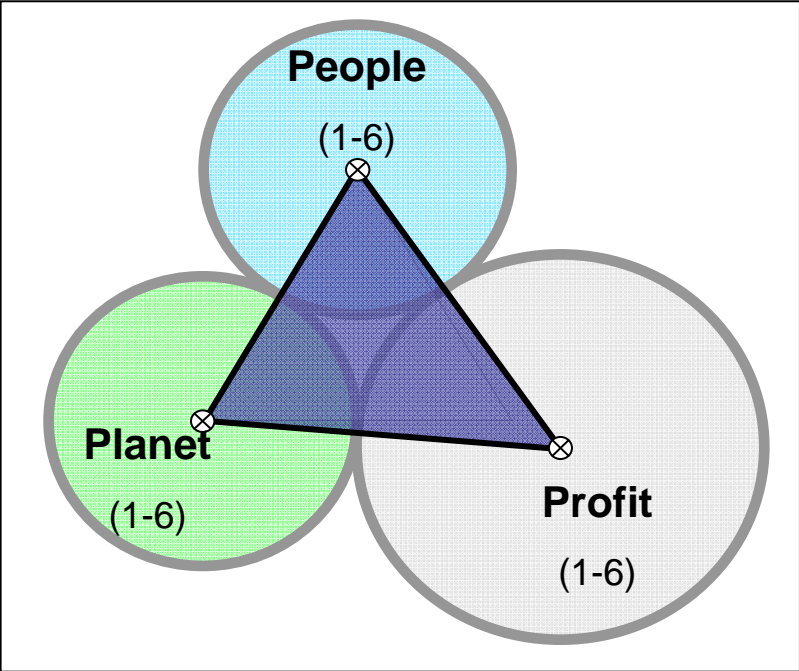


Sustainability: 100%

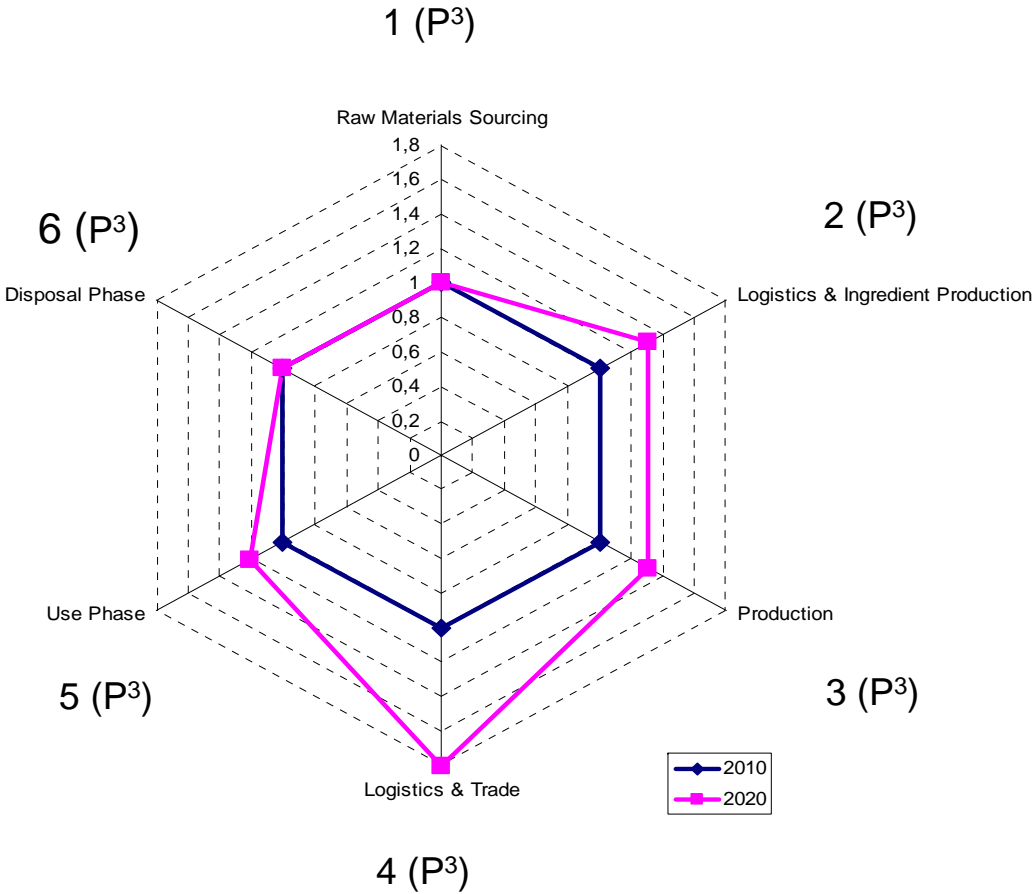


Sustainability: 121.2%

Henkel Sustainability#Master [®]: Alternative Visualization Tool



Sustainability: 121,2%



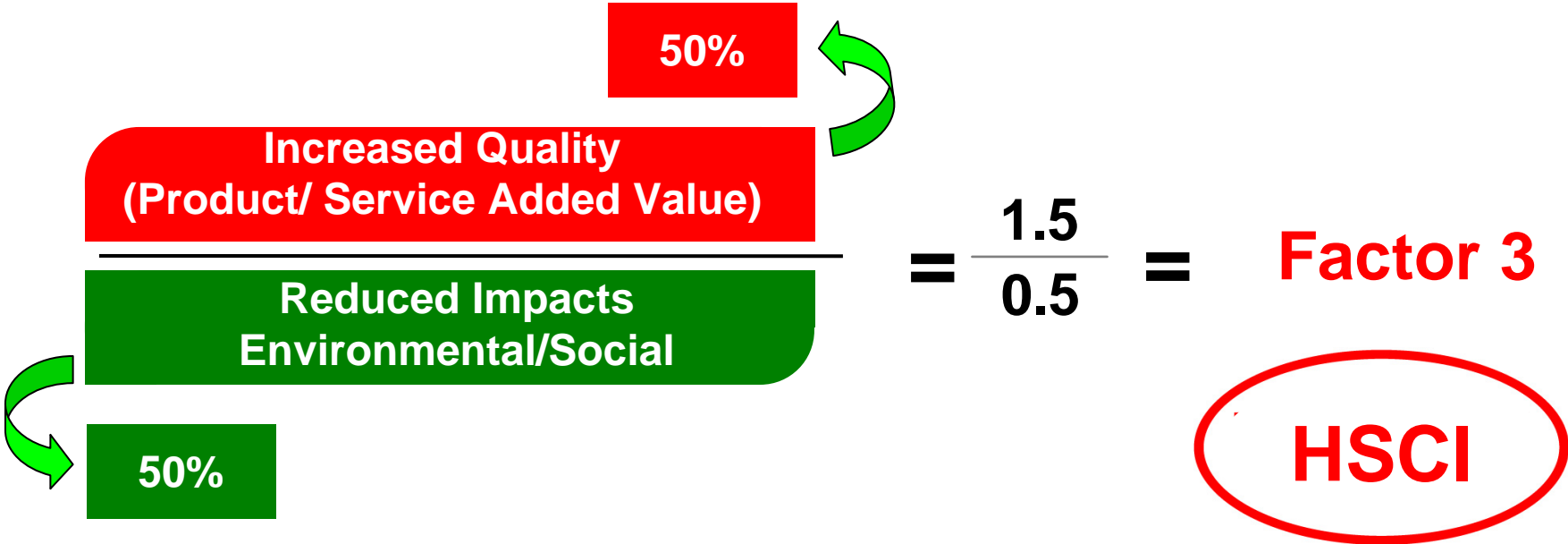
P³ (People-Planet-Profit) in spider web

Henkel Sustainability#Master[®]: The Henkel Sustainable Consumption Index



What should the HSCI deliver? Index recognises both:

- value the company adds
- its success in reducing resource use and impacts



Summary



- **It is the aim of the Henkel Sustainability#Master[®] to evaluate progress with respect to sustainability**
- **The Henkel Sustainability#Master[®] can be used to compare products as well as processes**
- **The Henkel Sustainability#Master[®] is based on a step wise approach:**
 - ♦ **At the beginning the business case needs to be defined**
 - ♦ **The Quick Master is an easy to use tool for a qualitative check of the sustainability profile (tick box approach)**
 - ♦ **The Sustainability Triangle Model [STM] is a two-dimensional model to quantify the change and indicate the change of the sustainability profile**
 - ♦ **The Henkel Sustainability Consumption Index [HSCI] is a number that can be used as a descriptor for the progress with respect to sustainability**