



# SUSTAINABILITY

## Shaping the circular economy

Henkel Investor & Analyst Day 2019

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# Consumers are demanding change today



*Conscious Lifestyle*

“**Climate change** is a big concern and it is already impacting us today”

“Our natural **resources** are **limited** and we need to think about future generations”

“Oceans are getting **polluted** by our **waste**”

# Brands owners are striving to change



## Renewables

Increase use of bio-based and renewable materials



## Footprint

Improve operational efficiency and reduce emissions



## Recycling

Design for recyclability and increase use of recycled material



# Focusing on sustainability pays off

“As sustainability leaders, we aim to pioneer new solutions for sustainable development while shaping our business responsibly and increasing our **economic success**.” *[Henkel]*

“Business goals for us also mean **environmental goals**. It’s one and the same.”

*[VP Danone North America]*

“50% of growth in consumer packaged goods from 2013-18 came from **sustainability marketed products**.”

*[Harvard Business Review]*

“50% of consumers in the UK are willing to pay **premium to avoid plastic packaging**.”

*[The Guardian]*

# The dilemma of plastic packaging



**Valuable** & versatile material to keep food fresh and safe



Leading concern for pollution as it ends up as **waste**<sup>1</sup>



<sup>1</sup> In practice, only ~14% of plastic packaging gets recycled



# All stakeholders on board

## Regulatory Bodies



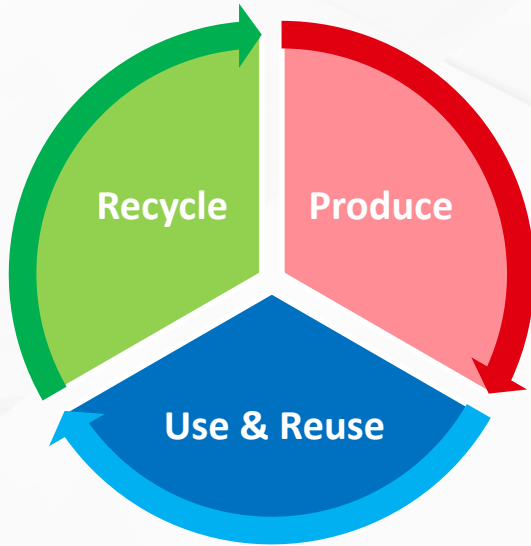
Several countries (incl. Canada, EU, India) set milestones for **single-use plastic bans**

## Industry Alliances



Harmonized industry wide **guidelines and investments** in infrastructure for waste management

# Growing circular economy



- **Design** and produce for recycling
- Promote **reuse**, to leverage maximum value
- Increase **quality** of recycling material

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Turning **waste into value**



We have a unique position



**Global partner of choice**

# We have a unique position



# We have a unique position



***FACTOR 20+***

**High-impact solutions**

# Closing the loop for beverage bottles

>500 billion plastic bottles  
expected to be used globally in 2021

PET bottle recycling is spreading worldwide  
and can become a Circular Economy success story

## Henkel's solution

Certified removable labeling adhesives

- Ensure highest recycled plastic quality

➤ Capturing value through product innovation



# New alternatives to single-use plastic

420 billion plastic straws  
used globally every year

High visibility & sudden bans  
on plastic straws required swift reaction

## Henkel's solution

Enables degradable and recyclable paper straws

- 100% incremental business



**> Building ecosystems to drive growth**

# New designs that increase recyclability

>20 billion mailers

used in eCommerce packaging per year

Bubble wrap mailers not recyclable

demand for all-paper, paper packaging is on the rise

## Henkel's solution

New generation of padded mailer

- Collaboration with e-commerce key players



**amazon**

**> Designing innovative packaging solutions**

# Technology to turn waste into value

€ 150 million post-industrial scrap  
yearly from flexible packaging containing aluminum in Europe

Impossible to recover value  
due to lack of technology to separate different material layers

## Henkel's solution

Unique adhesives enabling separation of layers

- Designed in partnership with recycling startup & key flexible packaging manufacturers



**» Enabling breakthrough solutions**





**By shaping circular economy**

**We capture growth.**

**We create sustainable value.**

**We make the difference.**