

Sustainability report 2020: facts and figures



KARCHER

SUSTAINABILITY REPORT 2020: FACTS & FIGURES

Responsibility for people and the environment has been an integral part of Kärcher's corporate culture from the very beginning – with sustainable corporate development oriented towards people and the environment. Our economic success is based on long-term strategies. This is also the case with sustainability.

In the following pages, we look at the goals we achieved by the end of 2019. The information relates to the Kärcher Group, including its worldwide production and logistics locations. Distributors are not included in the data (with the exception of data relating to employees). The reporting is based on the guidelines of the Global Reporting Initiative (GRI).

Savings in emissions, waste and water

We succeeded in achieving 95 per cent of the sustainability goals we had set ourselves for 2020, two years in advance – in some cases we even exceeded them. This included lowering our CO_2 emissions by 20 per cent as compared to 2012. By 2018, we were able to save 23 per cent. We will continue to pursue this path and, from 2021 onwards, we aim to make our worldwide production sites CO_2 -neutral.

We were able to meet our target of increasing the proportion of organic and recycled plastics we use by a factor of 4 by 2020 for the first time in 2016. In terms of waste management, we recorded a decline in all types of waste, such as metals, wood, paper and plastics. In 2019, our recycling rate was 91 per cent. We also achieved a major improvement in water consumption during this period, for example – by implementing closed water circuits on the production lines.

Implementing standards worldwide and adhering to them

We have our sights firmly set on product energy efficiency. For example, our new WV 6 Window Vac requires 33 per cent less energy than its predecessor models.

In order to further ensure and optimise global standards for our products, we have introduced a new product compliance management system. In 2019, the roll-out was successfully completed across the entire Kärcher Group. As early as 2017, we set up a database for the inclusion and qualification of suppliers. We use this platform to check sustainability-related criteria and requirements from our Code of Conduct.

In terms of sponsoring, we continued our international project work in 2019 and supported charitable projects and institutions. For example, we have made 134 device donations in 8 countries as a part of our work with SOS-Kinderdorf e.V. alone. As part of our cultural sponsorship, we have cleaned 11 monuments and buildings in 6 countries, including the Franconia Fountain in Würzburg, Germany, the Doctors' Memorial in Sofia, Bulgaria, the San Agustin Church in Manila, Philippines, and Noon Gate in Hué, Vietnam.

A changed world needs new solutions

We are looking at both successes and new challenges. A functioning sustainability strategy requires both long-term planning and the flexibility to react to current developments.

The increase in online trade has led to an increase in both the quantity and the demands made of packaging material. As of today, our sales packaging is already 80 per cent recovered paper, 95 per cent paper-based and 100 per cent recyclable. For 2025, we aim to continue pursuing our goal of sustainably optimising our packaging and will once again make significant progress in this area.

The lower number of on-site audits of dealers and suppliers in 2019 is primarily the result of a conscious reduction in business travel. Instead, we are relying more and more on online audits. We have gained good experience on both sides of the process in this area, and in 2020 we were even certified via online audit for our quality, environmental and energy processes according to ISO standards 9001, 14001 and 50001. Ensuring sustainability in the global supply chain and environmentally conscious travel are 2 goals that we will also be pursuing as a part of our new Sustainability Strategy 2025.

SUSTAINABILITY GOALS 2025

Saving resources and using them efficiently are pressing issues of our time. We have set ourselves new goals for even greater sustainability by 2025. The measures we are taking aim to achieve climate-neutral production, recycling of raw materials and the reduction of plastic packaging. Sustainability is firmly anchored in the global supply chain. Preserving our values has been our focus both in the social and corporate sphere. With our sustainability goals, we are able to contribute to the 17 goals for sustainable development set by the United Nations (UN). For us as a company, the Sustainable Development Goals (SDGs) provide a framework with which to align our sustainability goals. We have summarised these goals in 3 initiatives:



Zero Emissions

- From 2021, Kärcher factories around the world will be climate-neutral. (SDGs* 7, 13)
- From 2021, business travel within Germany and from Germany to destinations abroad will be climate-neutral. (SDG* 13)



Reduce, Reuse, Recycle

- By 2025, we will optimise the sustainability of all product packaging. (SDGs* 8, 12, 14)
- By 2025, our pressure washers from the Home & Garden range will have a recycled plastic content of up to 50%. (SDGs* 8, 9, 12, 14)
- From 2020, we will support the reduction and reuse of ocean plastic. (SDGs* 12, 14, 17)
- By 2025, we aim to achieve a zero plastic waste pilot production. (SDG* 15)
- By 2025, sustainability will be an integral part of new business models. (SDGs* 8, 9, 11, 12)

* We support the goals for sustainable development (SDGs) of the United Nations:



Further information can be found at www.kaercher.de/nachhaltigkeitsziele2025



Social Hero

- By 2025, our social commitment will focus on preserving values. (SDGs* 4, 8)
- By 2025, we will establish a proactive supplier risk management system for sustainability. (SDGs* 3, 8, 10)

ENERGY

AIM: -20% BY 2020*



as a percentage of the target value (100 % by 2020 compared to 2012) tonnes of CO₂ per EUR 1 million turnover (target value 2020: 14.6 t)

WASTE

Waste volume



Types of waste



tonnes per EUR 1 million turnover



- * Compared to 2012
- ** In the period 2017-2019
- *** CO₂ emissions per one-way flight from London Heathrow to New York JFK per person: 0.98 tonnes (source: http://klimaohnegrenzen.de)



* In the period 2017-2019 ** www.bgvz.de



PRODUCT ENERGY EFFICIENCY



AIM: +10% BY 2020*



 Compared to 2012
 Unlike the previous reporting, without groundwater consumption
 In the period 2017-2019
 Length: 50 m, width: 25 m, depth: 2 m



 Compared to 2010
 Energy efficiency improvement in per cent weighted by sales share
 In the period 2018-2019

MATERIALS AND PACKAGING



of packaging is paper-based

Petrochemical sales packaging

Aim: -50% by 2020* Weight of sales packaging



The strong increase in online trade is presenting us with new challenges in the packaging sector. We are continuously working on alternative packaging materials and continue to pursue this goal in our Strategy 2025.



Organic or recycled plastic content



We were able to meet our target of increasing the proportion of organic and recycled plastics by a factor of 4 by 2020 for the first time in 2016. We have consistently achieved this goal since 2018.

SUPPLIERS AND WORK PROCESSES



Sustainable supply chain: freight forwarders and **Kärcher Centers**

Aim: 50% of Kärcher Centers and freight forwarders to be audited Number of assessed retailers and carriers in

relation to total number of retailers and carriers:



Sustainability audits of retailers and suppliers





* Introduction of a new tool for reviewing sustainability-related criteria in our Code of Conduct via an online questionnaire ** Cumulative up to 2019 *** Compared to 2012

YEAR OVERVIEW 2019

2.578 billion euro turnover **>> + 2.1%**

13,500 employees WORLDWIDE >> + 500

€







makes a difference

IMPRINT

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THE STORIES BEHIND THE NUMBERS

Visit us at **www.kaercher.de/csr** and learn more about sustainability at Kärcher and the people who are carrying the company into the future with their work and projects.