



Press release
Düsseldorf, April 21, 2008

Sustainable use of water – the blue gold

At Henkel, every drop counts

- **Water is a scarce resource worldwide**
- **Four billion people do not have adequate access to drinking water supplies**
- **Henkel with research teams and advanced technologies for resource-conserving use of water through constantly improved processes and product performance**

Water is becoming scarce – everywhere. Of the current 6.6 billion world population, already today more than 4 billion people do not have adequate access to this increasingly precious resource. World organizations like UNESCO are sounding the alarm. Industrial companies are putting sustainability high on their agendas. Some have already been doing so for decades. Take Henkel, for example. The responsible use of finite resources is an integral aspect of Henkel's corporate principles. For more than 50 years, the Company has built up competence in the fields of water and water protection. International research teams, profound knowledge of local cultural habits, and innovative thinking ensure that the resource-conserving use of water is a top priority in all business sectors, during the production of Henkel products and during their use by customers and consumers.

What does this mean in concrete terms? And how does the Company go about achieving this aim?

For Henkel, generating sales and profits always means acting responsibly along the entire value chain. This is documented by many innovative examples from the Laundry & Home Care, Cosmetics/Toiletries and Adhesives Technologies business sectors, illustrating their focus on the sustainable use of water. In production, these efforts are directed at using as little fresh water as possible, while cleaning and re-using large quantities of process water. In the past ten years alone, Henkel has thus been able to reduce water consumption by 48 percent per metric ton of output. On the basis of this progress achieved Henkel has defined the Company-wide target to reduce water consumption by another 10 percent in the next five years.

Regarding the end products, the aim is to reduce water consumption as far as possible during use and to minimize the burden on wastewater, while constantly improving product performance. All new products launched by Henkel are both to contribute to sustainable development and to excel their predecessors.



Laundry & Home Care business sector: Better performance at reduced water consumption

One of the foremost objectives in the development of new laundry detergent and cleaning products is the continuous improvement of cleaning performance, paired with ever lower dosages and temperatures. The use and consumption of water is a key aspect during the development of products and during their use, particularly in countries where water is especially scarce.

In all parts of the world, local consumer needs and washing habits make widely varying demands on laundry detergents. In North Africa, for example, doing the laundry is still hard work. Laundry is often washed by hand, and many homes have no running water. The scarcity of water necessitates especially careful use of this limited resource. Henkel has therefore developed a fabric softener with special ingredients that enables washing foam to be rinsed out very easily by hand. In 2007, this technology – previously only available in the Latin American markets – was introduced under the Vernel brand in Egypt and Tunisia. The reduction in the number of rinses can save up to ten liters of water per laundry load. Moreover, less effort is required for manual washing.

Another example comes from India: In Karaikal, Henkel produces dishwashing detergents, glass cleaners and laundry detergents. Wastewater from production processes is treated using a new filtration system. Instead of simply discharging it, the reclaimed water is fed back into the production process. The wastewater from sanitation facilities is also treated and re-used. A specially developed treatment plant reduces the organic load in this wastewater, so that it can be used for cooling towers and to water the greenery, thus eliminating the need to use precious well water for this purpose. These treatment systems save at least eight percent water every year.

Economical use of water is also a major aspect in automatic washing and dishwashing. Collaborating closely with washing and dishwashing machine manufacturers, Henkel develops products that produce effective results at ever lower temperatures and using reduced quantities of water. Somat 7, for example, sets new standards of efficiency and energy saving in automatic dishwashing. It offers consumers outstanding cleaning performance, even when used with water- and energy-saving programs. With the help of a low-temperature activator, dishes become sparkling clean at just 40 degrees Celsius.

The laundry detergent Persil, one of the best known Henkel products, has been reformulated to offer even better stain-removing qualities already from 20 degrees Celsius, thus enabling consumers to save both water and energy. When less and less water and energy are being used and, in addition, consumers want to do their laundry in ever shorter time, demand on product performance constantly increases. Here, the innovative capability of companies is demanded also in the future. First-class performance and responsible use of natural resources - this is what Henkel understands by "Quality & Responsibility". As a visible sign of the company's commitment all Henkel laundry and home care products bear this logo.

Adhesives: Reducing the load on wastewater and improving product quality

With Bonderite NT, Henkel has developed a nanoceramic coating process for the metal industry as an alternative to iron phosphating. For decades, iron phosphating has been the standard method of protecting metal used in, for example, refrigerators, office furniture, supermarket shelves, and agricultural machinery against corrosion. Bonderite NT not only offers optimal corrosion protection, but is also qualitatively, ecologically and economically superior to iron phosphating. The new process cuts energy consumption during processing by up to 30 percent. In addition, there are no emissions of heavy metals to wastewater, and the costs of wastewater treatment and disposal are reduced.

Furthermore, Henkel is cooperating closely with partners in the automotive industry to develop an alternative to zinc phosphating for their needs. In this industry, zinc phosphating has been used for decades to protect sheet metal components used in car bodies against corrosion and to provide a good substrate for paint adhesion. In addition to best possible corrosion protection, the new process is being designed so that it will significantly reduce energy consumption and – by drastically reducing heavy metal concentrations – similarly reduce the cost and effort required for wastewater treatment and waste disposal in comparison to zinc phosphating.

Cosmetics and Toiletries: Kind to people and nature

Well tolerated and safe to use – these are the two top priorities for cosmetics and body care products. Care and skin compatibility are important criteria for soaps. People favor formulations that have the same pH as the skin and do not dry it out. Another consumer wish is that soaps should foam. This used to require a considerable amount of water – until Henkel developed a special pump for hand soaps. It generates a mild, creamy foam at the moment the soap leaves the bottle. This pre-foaming offers a number of benefits: It reduces the amount of water and product needed to wash the hands, as no water is required to generate the foam. Moreover, the microfine foam achieves the same cleansing performance as conventional liquid soaps, but with a lower proportion of washing active substances (surfactants). This makes Fa Soft Foam especially mild and skin-compatible. The low-surfactant formulation is also positive from an ecological standpoint.

Corporate social responsibility in action

Economic success and ecological and social responsibility are all vital for corporate success. This view is gaining ground all around the world. One of the factors – and by no means the least – contributing to this trend is heightened awareness on the part of consumers. Gone are the days when price alone determined the value of a product. Customers and consumers now increasingly want to know the conditions under which products are produced, transported and marketed.

Corporate social responsibility (CSR) has become an important yardstick for judging the performance of companies in financial markets and, for major testing institutes, for judging the performance of products.

For Henkel, cooperation with respected international organizations has therefore long been standard practice in various areas. Regarding water, the Company develops computer programs to simulate pollution loads in rivers. The aim is to identify any potential ecological risks of substances before they are used, and so to avoid negative impacts on river water. Chemical analysts from Henkel collaborate with other European companies, universities and research institutes, using computer simulations to determine the path taken by main laundry detergent ingredients from household wastewater through the sewers and sewage treatment plants to surface waters. This is just one of many examples of sustainability and corporate social responsibility in action.

The focus of Henkel's sustainability activities is on five topics: Water and wastewater, energy and climate, materials and waste, health and safety as well as social progress. Further press releases on the other topics to follow soon.

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 Adhesives Technologies - and ranks among the Fortune Global 500 companies. In fiscal 2007, Henkel generated sales of 13,074 million euros and operating profit of 1,344 million euros. Our 58,000 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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