



Henkel KGaA
Household Products, Non-Durable

Company	
Country	Germany
Phone	49-211-797-0
Web	www.henkel.de

Share	
Bloomberg	HEN GR
Stock exchange	Frankfurt
Market cap (mio)	9032.79
Currency	EUR

Key Data	2000	2001E
P/E	18.71	16.39
Price to Book	2.75	NA
Price to Cash Flow	11.2	NA

Ratings Longterm	
Rating S&P	AA-
Rating Moody's	A1
Source: Bloomberg	

Sales in	
Alcohol	No
Tobacco	No
Gambling	No
Armaments	No
Firearms	No
Source: IRRRC, SAM Research	

Company Description

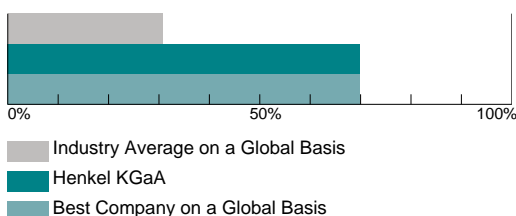
Henkel KGaA (Henkel) is an internationally operating company with a widely diversified product portfolio. The majority of its business is conducted outside Germany. Henkel's business activities are divided into the five product divisions: adhesives, cosmetics and toiletries, laundry/home care, industrial and institutional hygiene and surface technologies, and chemicals products. Henkel's chemical products business is operated by Cognis, a subsidiary established in 1999. The acquisition of the British Multicore Group and Dexter's specialty polymer business have been key strategic steps for the adhesive business through expanding its position as supplier to the microelectronics and aerospace industries. In the year 2000, Henkel's business sectors accounted for revenues as follows: adhesives 23%, chemicals 23%, laundry/home care 22%, cosmetics/toiletries 16%, surface technology products 15% and other 1%.

Sustainability Performance

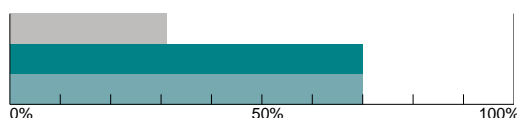
Henkel is positioned among the sustainability leaders of its industry. The company aims at greater customer benefits by bringing together ecological advances. Achieving environmental leadership is therefore a core principle at Henkel. The company is committed to becoming a top performer in all its activities while at the same time achieving a balanced ecological performance. Henkel addresses environmental, health and safety risks at strategic level with its Safety, Health and Environment standards and guidelines. An environmental management system, based on these standards and guidelines, is implemented at units generating about 80 to 90% of total sales. The company covers the entire life-cycle of products and has integrated ecological aspects in product innovation with the goal of achieving competitive advantage. Henkel generates 30% of its sales from products based on renewable resources. In addition, cosmetic consumer products are not tested on animals. A code of conduct and binding business ethics were established in 2000 in order to strengthen the company's focus on sustainability.

Sustainability Scores

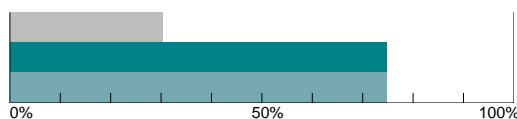
Total Score



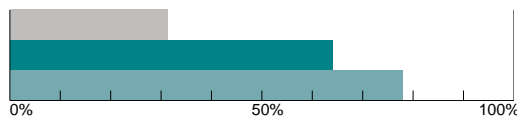
Economic Dimension



Environmental Dimension



Social Dimension



Henkel KGaA
Household Products, Non-Durable

“Corporate Sustainability is a business approach to create long term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments.”

Industry Driving Forces

The household industry is under increased pressure to replace harmful substances and animal testing methods by other alternatives. Increasingly consumers wish to be better informed about product ingredients, health aspects of the products and appropriate use and disposal. This forces the industry to better communication of product characteristics through more transparent labeling. Moreover, legislation forces companies to use environmentally friendly, where appropriate biodegradable, substances and materials and reduce products packaging. Production using genetic engineering methods is likely to be exposed to consumer scrutiny.

Industry Group Overview: Household Products, Non-Durable

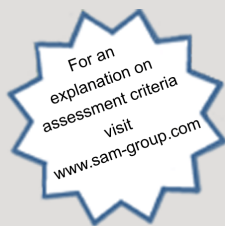
The relative positioning of components within each industry group on a global basis is illustrated below based on cluster scores of the economic, environmental and social dimensions. Companies with identical cluster scores are listed alphabetically, and the sector leader is listed first.

Legend: p=poor a=average b=best

		Economic			Environmental			Social		
		p	a	b	p	a	b	p	a	b
DJSI World	Henkel KGaA									
	Procter & Gamble Co.									

Next company in line for selection in case that a component is deleted from the index:

Kimberly-Clark Corp.										
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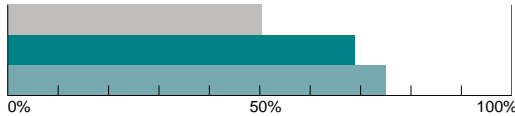


Company Performance vs. Industry Average for Specific Criteria

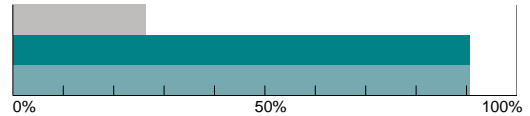
The following bar charts highlight the performance of Henkel KGaA compared to its industry average and best performing company for selected criteria. The criteria selected cover each of the corporate sustainability dimensions: economic, environmental and social.

Economic

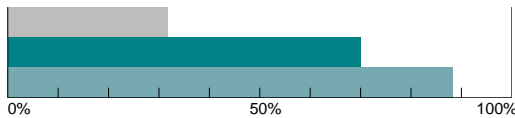
Corporate Governance



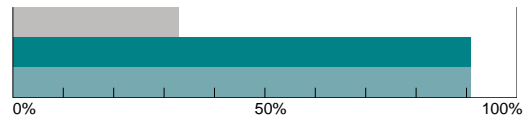
Intellectual Capital Management



Compliance Systems

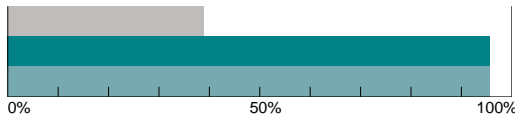


Risk & Crisis Management

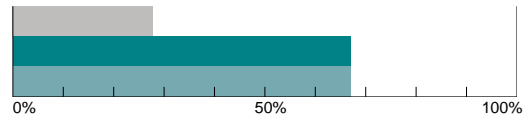


Environmental

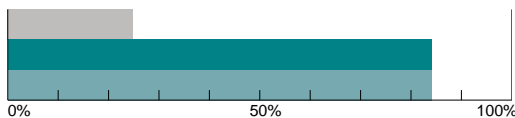
Environmental Policies



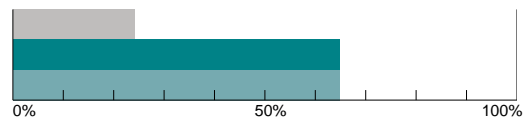
Eco-Efficiency



Environmental Management

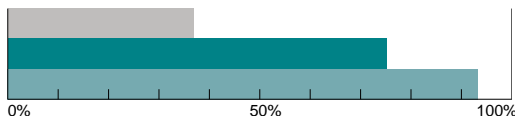


Industry Specific Criteria

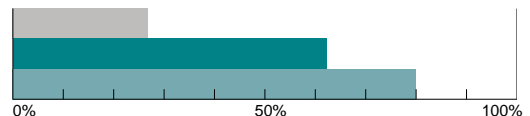


Social

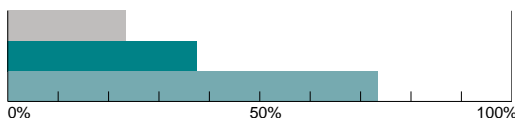
Social Policies



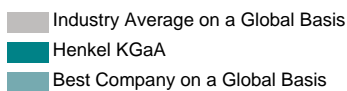
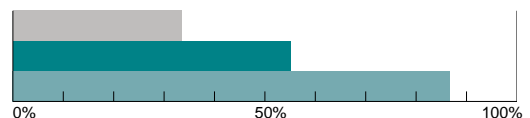
Employee Relations



Stakeholder Involvement



Labor Practices



For an explanation on assessment criteria visit www.sam-group.com