

GOING GREEN

a henkel newsletter about sustainability

Welcome to Going Green

Introducing the First Edition of the Henkel-National Newsletter

You may be wondering why we are devoting so much attention to sustainability and why the subject seems to be the focus of every major manufacturer these days. If you're a cynic, you might think that marketers have just found another way to make money by jumping on the "going green" bandwagon. While surely there are some that will play up the sustainability message purely for economic gain, that approach will work short term at best. Companies with no substance and commitment behind their sustainability messages will quickly lose credibility – and customers. The reality is that our natural resources are limited, and companies that want to lead and prosper in the future will need to address sustainability issues on multiple levels. They will need to develop new technologies, products and services that significantly reduce society's impact on the environment. And they will need to continue to do so by making sustainability a core part of their business.

If you think sustainability is just hype, here are a few facts to consider:

- Half the world's original forest cover (some three billion hectares) has been destroyed in the last 40 years; only 20% of what remains is undisturbed by human activities.
- In America we use 106,000 aluminum cans every 30 seconds; 2 million plastic bottles every five minutes; and 60 million sheets of office paper every hour.
- On an average day, Americans "retire" 426,000 cell phones.

- We power mow and fertilize our spacious lawns, which combined equal the size of New York State.

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While these statistics may seem overwhelming, making a difference doesn't have to be difficult. On a personal level, it can be as simple as bringing your plastic bottle home to get recycled instead of throwing it in a public trash bin. On an industrial level, sustainability is a more complicated subject, but also involves some simple principles, such as energy efficiency and low-impact technologies. The first and most simple step is to become conscious of the impact our decisions make.

Communicating both the big and small steps we are taking in regards to sustainability is what we intend to do in this newsletter. We hope to inform you about sustainability – what it means, what it requires of us and what Henkel-National is doing to integrate it into our business culture. 🌱



Solar power energy panels.

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Sustainability

at Henkel and National

Last summer, National Adhesives conducted a voice of customer with North American based converters. Interview results showed an increasing concern about sustainability and the Wal-Mart® score card. Customers told us specifically that they “expect something” from their suppliers, that they wanted help and assistance in reaching their sustainability goals. Therefore, it is critical to work together as partners to reach those goals. Cradle to cradle sustainability is about everyone along the entire chain of supply working together to attain this goal.

In response to these expectations from customers, we’ve recently formed a cross-functional team dedicated to sustainability, which has an objective of building a market-based procedure to support customers with their sustainability initiatives. Since there are still no specifically defined standards for “green” adhesives, our team is working on setting these for the rest of the industry. As an active member of the Sustainable Packaging Coalition, we intend to play a leading role in establishing standards for sustainable adhesives. Although adhesives make up a very small part of the total package, they can play a critical role in the sustainability of that package. ●

SUSTAINABILITY CORE TEAM

Alex Symos – Paper Converting

Andy Gold – Packaging

David Joseph – Hygienics

Isabelle Valois – Flexible Packaging

Mike Colucci – PSA

Pete Dolan – Wood & Construction

GOING GREeN would like to thank all of the collaborators who have taken the time to work on and launch this first issue.

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Our mission is to develop an initial vision of what Henkel should be doing with regard to sustainability and industrial adhesives, including the actions and resources required to fulfill this vision. Our goal is to educate colleagues on sustainability, meet customer inquiries in a structured way, develop easily accessible resources and educational materials and coordinate resources within the organization.

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What is Sustainability and What is Henkel-National Doing About It?

Just about every magazine, newspaper and television sitcom has published or aired something recently on sustainability. But what is sustainability, and why is it important at Henkel and National? Very simply defined, sustainability is the practice of meeting the needs of the present without compromising the ability of future generations to meet their needs.* The scope is the environment, resources and society. How sustainability is accomplished, however, can be complicated, difficult and controversial. For Henkel and National, sustainability is critically important to our customers, and as a strategic resource, it is our responsibility to understand how we can help them with this challenge.

For the moment, make sure you have a basic understanding of sustainability and are comfortable asking your customers about their goals. As we go forward meeting our responsibilities to be a strategic resource for our customers, you will find we can answer their more difficult questions and have even more detail on how we can help them achieve their sustainability goals.

While adhesives typically comprise only a small part of our customers' product or package, we have two critical responsibilities. The first is ensuring the product or package stays together as intended and presents the image and quality the company wants to project. The second is ensuring that what the packaging engineer or product designers want to achieve can be done in a safe, efficient and sustainable way. To be a strategic resource,



we must capitalize on this role and demonstrate our expertise in both areas. Since the scope of sustainability encompasses materials, processes and people, we can have a broad impact on how our customers meet their sustainability goals.

Sustainability, while complex, actually simplifies our message. It's a great way to articulate the broad impact we have as a supplier. The benefits we bring our customers in lowering energy use with the EASY-PAC™ Packaging Sealing Solution, improving operator safety with COOL-LOK® hot melt adhesives, or reducing water use with AEROBOND® adhesive foaming system all help customers achieve sustainability goals. Equally, we need to be prepared for reduced adhesive use as labels get smaller or – in the case of super concentrated detergents – fewer bottles are required and so less case seal adhesive is needed. More importantly, if we understand

what a company's sustainability goals are, we can look for opportunities to bring them new technology. Examples include higher performance labeling adhesives

Sustainability is the practice of meeting the needs of the present without compromising the ability of future generations to meet their needs.*

*Brundtland Report of the World Commission on Environment & Development of 1987



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for smaller, lightweight labels; adhesives to bond wax replacement coatings; cold corrugating systems to reduce energy use; or palletizing adhesives to replace stretch film.

Henkel's Packaging Sustainability activities take one of two paths: **Green Technologies** and **Green-Enabling Technologies**. Within our **Green Technologies**, Henkel is committed to providing adhesive and coating solutions which minimize the long-term environmental impact. These products are typically developed using formulations and technologies which are low or no-VOC, recyclable, repulpable, and/or biodegradable. Because these tend to be "next-generation" products, it is essential we select customers to partner with on these cutting-edge technologies. Examples include "Green"

Did you know...?

SUSTAINABLE PACKAGING COALITION

National (and now Henkel) has been an active member of the Sustainable Packaging Coalition since 2007. Founded in 2004, the Coalition has grown from nine founding members to over one hundred members this year. The membership ranges from large global corporations – many of our customers – to small businesses. To view the list of current members go to: www.sustainablepackaging.org and click on the current members tab.



The Sustainable Packaging Coalition is an industry working group inspired by cradle to cradle principles and dedicated to transforming packaging into a system that encourages economic prosperity and a sustainable flow of materials.

VISION: The Sustainable Packaging Coalition envisions a world where all packaging is...

– Sourced responsibly

envelope adhesives and Solvent-free Flexible Packaging products.

Within our **Green-Enabling Technologies**, Henkel provides technologies and products which allow our customers to achieve their Sustainable Packaging initiatives. In most cases, these are current commercial products which can assist in reducing natural resources (energy, paper, oil, and water) consumption in application or disposal. These are technologies which enable customers to use less material, operate at lower temperatures, and/or reduce waste or scrap. Examples include optimization tools like ProControl™, Mirafoil® recyclable foil coatings, Euromelt® labeling adhesives, which enable customers to use thinner PET bottles and Flexpack™, a sustainable packaging option for food. ♣

- Designed to be effective and safe throughout its life cycle
- Meets market criteria for performance and cost
- Made entirely using renewable energy
- Once used, is recycled efficiently to provide a valuable resource for subsequent generations
- In summary: they envision a true cradle to cradle system for all packaging.

MISSION: Their mission is to advocate and communicate a positive, robust environmental vision for packaging and to support innovative, functional packaging materials and systems that promote economic and environmental health through supply chain collaboration.



DOW JONES SUSTAINABILITY INDEX

Both Henkel and National Adhesives (through ICI in the past) have had a strong record as sustainable companies. Both are some of the few chemical companies presently listed on the "Dow Jones Sustainability Index (DJSI)." ♣

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