

KÄRCHER

AN OVERVIEW

Sustainability Report 2021: facts and figures

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SUSTAINABILITY REPORT 2021: FACTS AND FIGURES

The responsibility for people and the environment has been an essential part of the corporate culture at Kärcher from the beginning – with sustainable company development focused on people and the environment. Our economic success is based on long-term strategies. This is also the case when it comes to sustainability.

On the following pages we take a look back at the achievement of our objectives up to the end of 2020. The data relates to the Kärcher Group with its global production and logistics sites. Not considered in the data are the sales companies (with the exception of employees* and social commitment). Reporting follows the guidelines of the Global Reporting Initiative (GRI).

Emissions according to Scopes 1, 2 and 3

We defined our 2020 sustainability strategy and the associated targets in 2012 and have consistently pursued this every year since. We achieved our energy-saving target back in 2018 and since then have further improved the efficiency of our products and factories alike. With efficient systems and buildings, we have been able to significantly improve our energy consumption, especially in Scope 1 as defined by the Greenhouse Gas Protocol – in other words direct emissions. With the photovoltaic systems at our sites and more eco-friendly heating systems, we have also reduced our footprint in Scope 2 – in other words indirect emissions from the generation of purchased energy. Since 2021, we have been increasingly purchasing green energy and have made our factories worldwide climate-neutral. We offset all unavoidable emissions through our partner First Climate and support a project to preserve the rainforest in Brazil.

The further removed processes are from our own business processes, the more difficult it becomes for us to influence them. This is why we see the greatest potential for optimization in Scope 3, in indirect emissions that occur during business travel or along the supply chain. Climate-neutral business travel within and from Germany and the optimisation of transport routes are among the aspects that we are already working on. As part of our future climate and environment policy, we will continue to consider all scopes and continuously reduce the emissions that occur during production.

Targeted optimisation for water and waste

We succeeded in achieving our targets for CO₂ emissions and water consumption before our deadline of 2020. We are also looking at our individual factories and processes to uncover their potential for targeted optimisation. For instance, a relatively high water consumption was discovered in one of our factories. Thanks to a new system, the water used for painting and varnishing can now be recycled and reused on the production line. This saves 8,710,800 litres of water per year.

When it comes to waste, after a reduction in the volume of waste we recorded an increase again in 2020. This is the result of a high proportion of scrap metal which was produced when dismantling a testing department for wash systems. The new site enables more resource-conserving processes in return. With the system there, we can keep the water required for the tests in the cycle and reuse it. The measures that were extended during the coronavirus pandemic have also contributed towards an increased volume of waste compared with the previous year, for example due to single-use items.

Social commitment during the pandemic

2020 was predominantly shaped by the pandemic when it comes to social commitment, too. Through numerous donations of masks, protective gear, cleaning agents, disinfectants and cleaning machines, we have helped organisations around the world in their fight against the pandemic.

In future, we will continue to focus all of our activities on preserving values. As a result, family and community values are at the heart of our cooperation with SOS-Kinderdorf e.V., with a ten-year partnership connecting us to this organisation. The cleaning projects as part of our cultural sponsorship are also about preserving values. In 2020, our cleaning tasks included work on the Berlin Cathedral and the Palace of Fontainebleau, a UNESCO World Heritage Site in France.

* To improve readability, plural pronouns are used here to refer to a singular subject of any gender.

2025 SUSTAINABILITY TARGETS

Our measures aim to achieve climate-neutral production, recycling of raw materials and a reduction in plastic packaging. Sustainability is deeply embedded in the global supply chain. When it comes to social and societal issues, we concentrate on preserving values.

We support the Sustainable Development Goals (SDGs) of the United Nations



With our sustainability targets, we are also playing our part in achieving the 17 Sustainable Development Goals of the United Nations (UN). For us as a company, the Sustainable Development Goals (SDGs) offer a good framework on which to base our sustainability targets. We have brought together these targets in three initiatives.



Zero Emissions

- From 2021, Kärcher factories worldwide will be climate-neutral.
- From 2021, business travel within Germany and from Germany to destinations abroad will be climate-neutral.



Reduce, Reuse, Recycle

- By 2025, we will optimise the sustainability of all product packaging.
- By 2025, select Consumer and Professional machines will achieve a recycled plastic content of up to 50%.
- From 2020, we will support the reduction and reuse of ocean plastic.
- By 2025, we aim to implement pilot production without plastic waste.
- By 2025, sustainability will be an integral part of new business models.



Social Hero

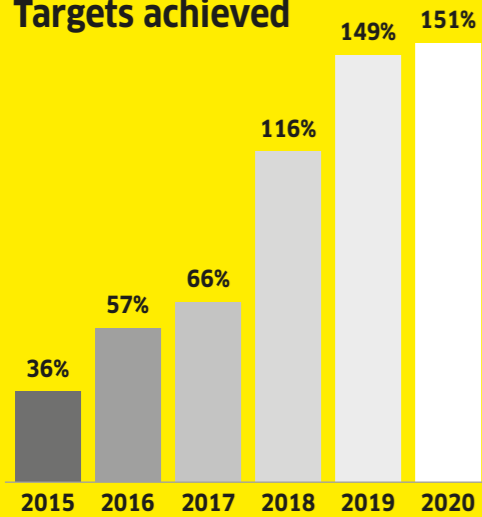
- By 2025, our social commitment will be focused on preserving values.
- By 2025, we will establish a proactive supplier risk management system for sustainability.



ENERGY

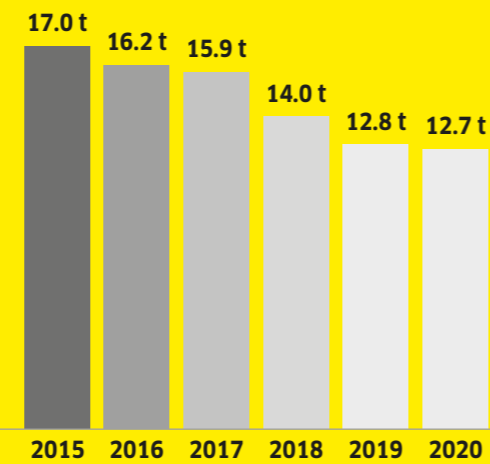
TARGET: -20% BY 2020*

Targets achieved



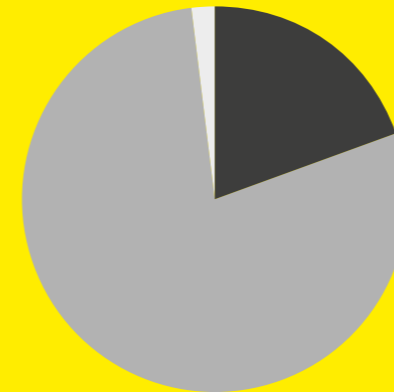
In percent based on the target value (100% by 2020 compared with 2012)

CO₂ emissions



Tonnes of CO₂ per 1 million euros of turnover (target value for 2020: 14.6 t)

CO₂ emissions in 2020

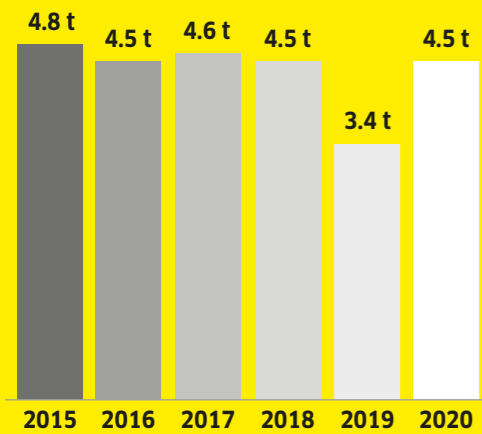


- 19.6%** Direct emissions resulting from combustion in in-house systems - 6,770 tonnes of CO₂
- 78.6%** Emissions resulting from purchased energy (e.g. electricity, district heating) - 27,173 tonnes of CO₂
- 1.8%** Indirect greenhouse gas emissions (resulting from business travel with fleet vehicles) - 618 tonnes of CO₂

* Compared with 2012.

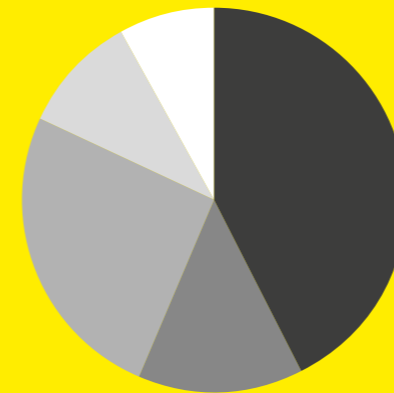
WASTE

Volume of waste



Tonnes per 1 million euros of turnover

Waste types

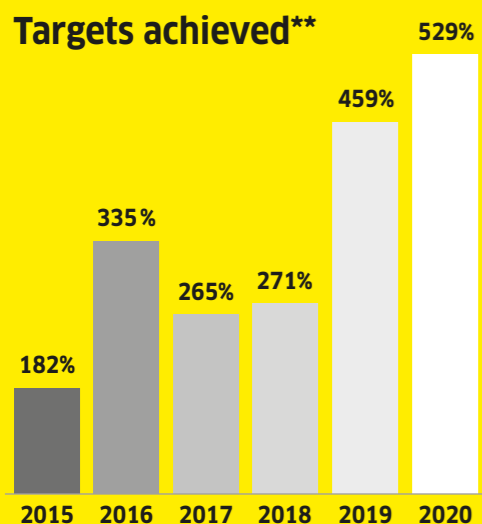


- 43%** metals
- 14%** wood
- 26%** paper, cardboard, cardboard boxes
- 10%** plastic
- 8%** other

WATER

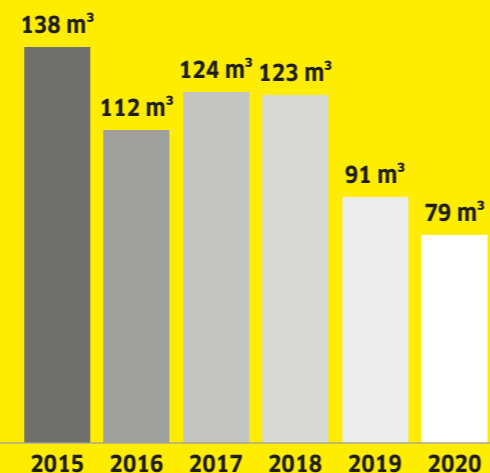
TARGET: -10% BY 2020*

Targets achieved**



In percent based on the target value

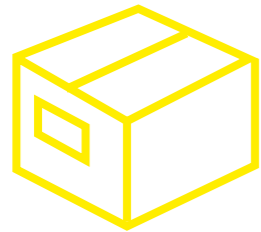
Water consumption



Cubic metres of water per 1 million euros of turnover

* Compared with 2012. ** In contrast to the previous report without groundwater consumption.

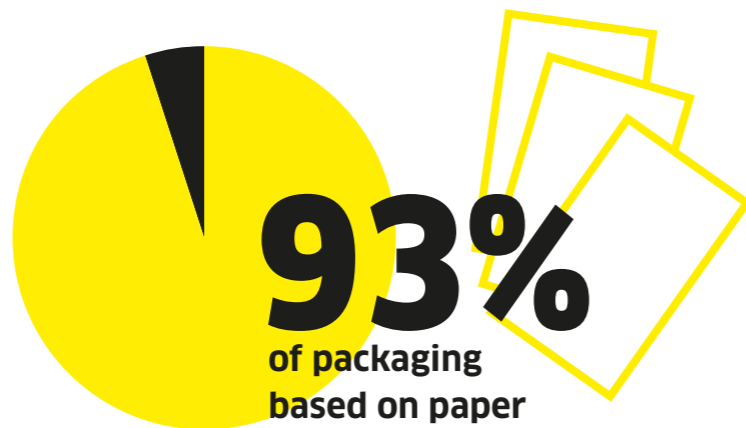
MATERIALS AND PACKAGING



Avg. of

80%

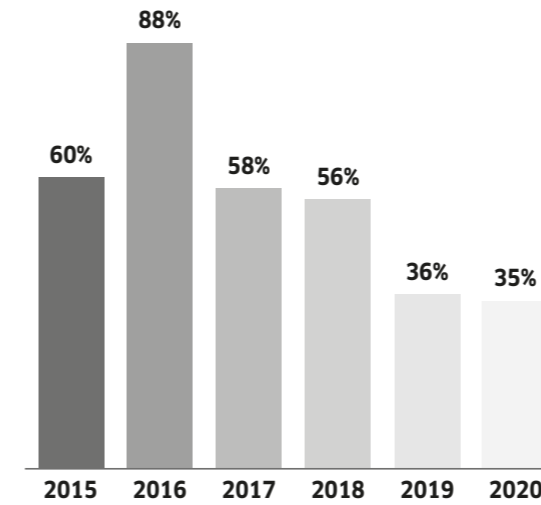
materials share of recycled paper



Petrochemical sales packaging

Target: -50% by 2020*

Weight of sales packaging



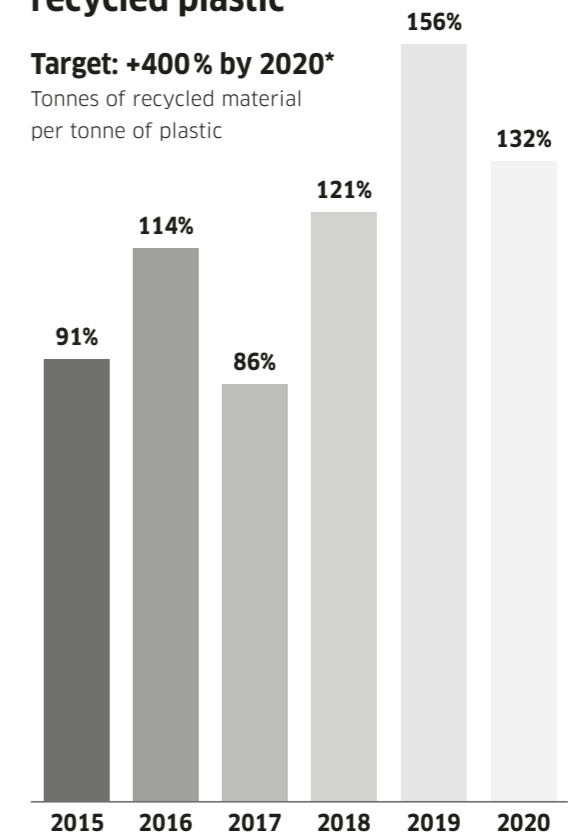
In percent based on the target value

The dramatic rise of online shopping poses new challenges when it comes to packaging. We are constantly working on alternative packaging materials and continue to pursue this objective in the 2025 strategy.

Content of bioplastic and recycled plastic

Target: +400% by 2020*

Tonnes of recycled material per tonne of plastic

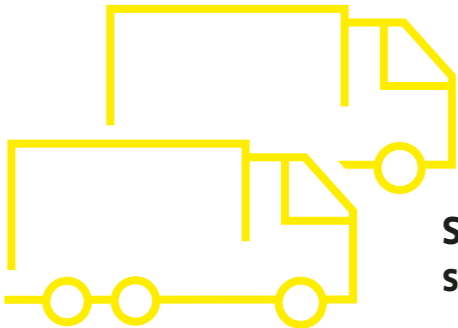


In percent based on the target value

2016 marked the first time we surpassed our target of quadrupling the content of bioplastic and recycled plastic by 2020. Since 2018, we have continuously achieved this target.

* Compared with 2012.

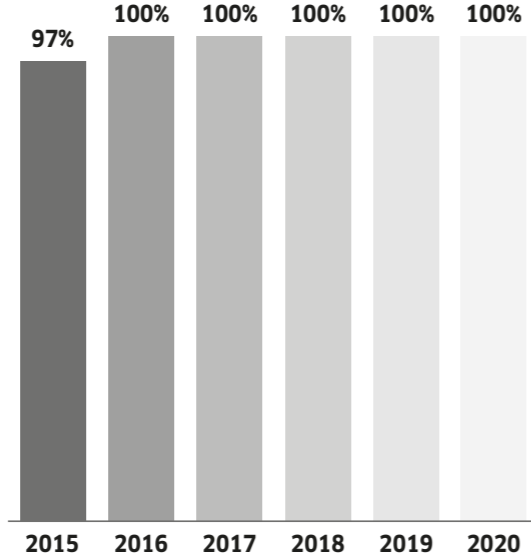
SUPPLIERS AND WORK PROCESSES



Sustainable supply chain: shipping companies and retailers

Target: 50% of retailers and shipping companies are assessed

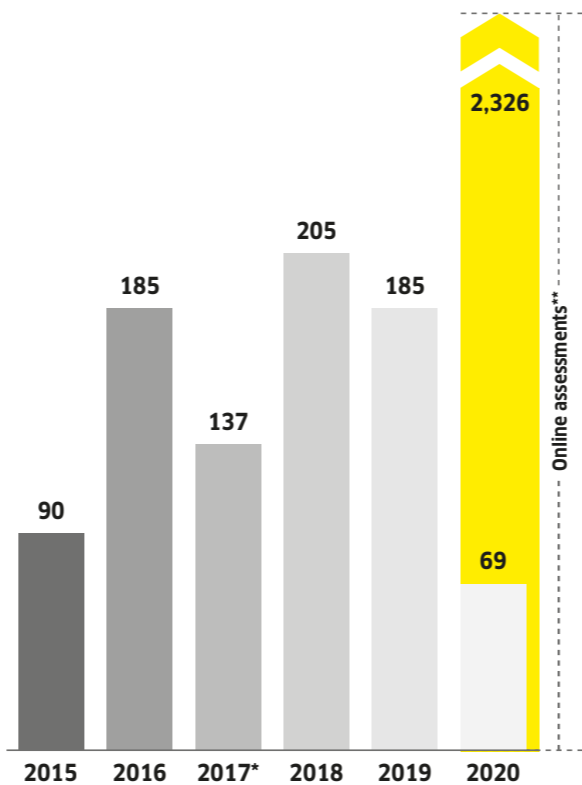
Number of assessed retailers and shipping companies compared with total number of retailers and shipping companies:



In percent based on the target value



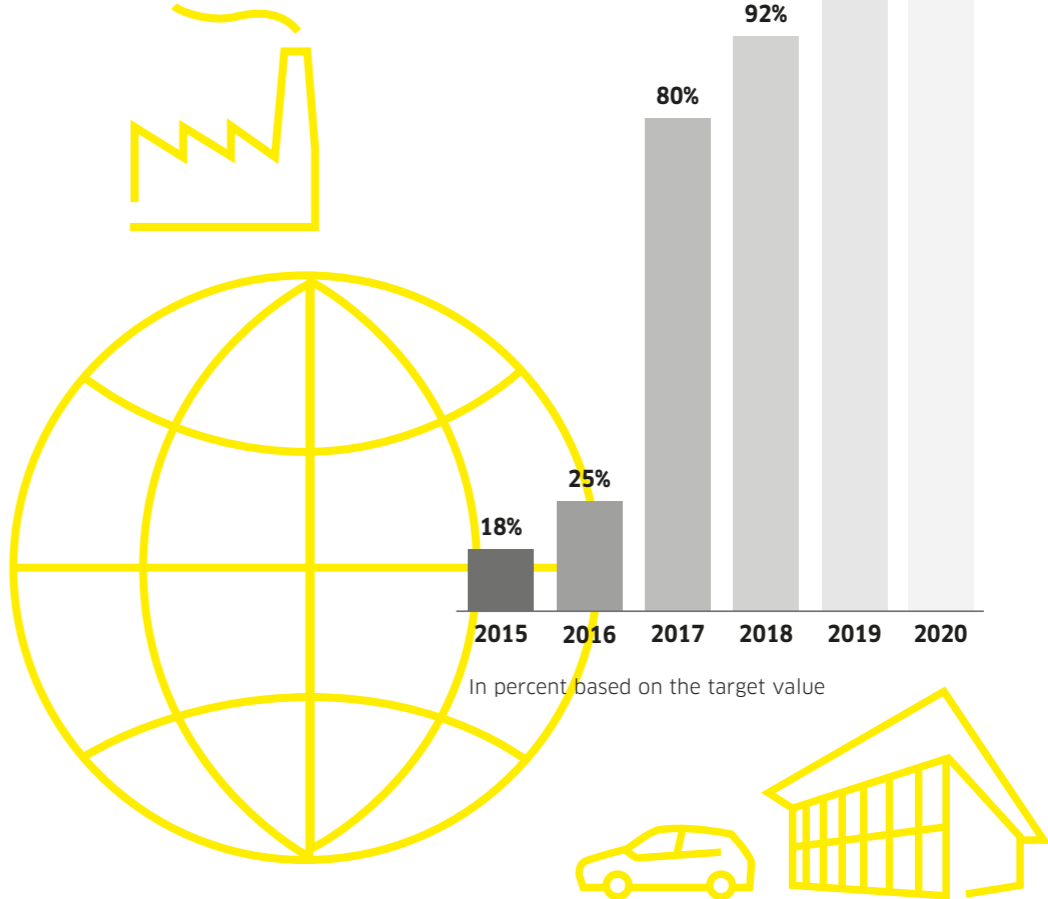
Sustainability audits at retailers and suppliers



Number of audits performed

Compliance management for products

Target: introduction of a product compliance database



In percent based on the target value

* Introduction of a new tool to assess sustainability-related criteria in our code of conduct using online surveys. ** Compared with 2012.

SOCIAL COMMITMENT WORLDWIDE

TARGET

Focus on value preservation
by concentrating on:

- cleaning and hygiene
- environment and resources
- family and society



CORPORATE VOLUNTEERING

Number of voluntary projects in 2020:

19 projects in
12 countries

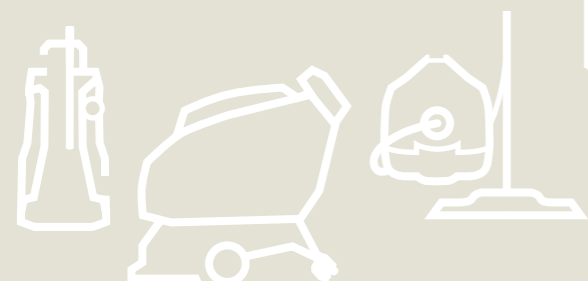
More than
250
participants
in total



DONATIONS AND SPONSORSHIP

Disaster relief and support for non-profit organisations with Kärcher cleaning machines or expertise

445
activities
in 2020



COOPERATION

SOS-Kinderdorf e.V. since 2011

- **Target:** to protect children, preserve family values, simplify everyday work in the Children's Villages through the provision of cleaning equipment
- **Donations of equipment in 2020:** 140
- **Since 2011:** 1,080 machines in 38 countries



Global Nature Fund

- **Target:** to preserve and ensure the availability of water resources through protecting bodies of water and establishing supply and disposal infrastructure, and to improve hygiene conditions in emerging and developing countries
- **Green filter systems built since 2013:** 17 systems in 7 countries
- **Drinking water projects implemented since 2019:** in 6 villages in 3 countries with a total of 6,900 inhabitants



One Earth One Ocean

- **Target:** to protect seas and coasts against litter and waste
- **2020:** implementation of 10 beach cleans, 40 km of coastline cleaned, 1,100 volunteers, 1.5 t of waste collected

CULTURAL SPONSORSHIP

Number of cleaning projects in 2020

6 in **2** countries

A total of
more than
150
cleaning
projects in
44 countries



A LOOK BACK AT 2020



2.721

billion euros in turnover **»» +5.6%**



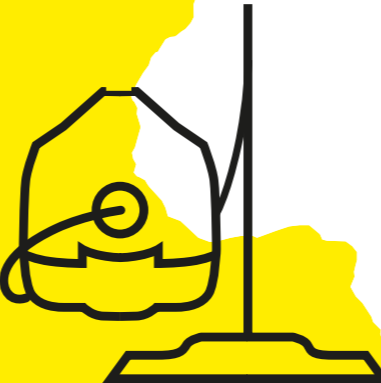
13,500

employees **WORLDWIDE**



HIGH

demand for
steam cleaners, hygiene solutions
and battery-powered
garden tools



KÄRCHER

makes a difference

LEGAL INFORMATION

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THE STORIES BEHIND THE FIGURES



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