

UNITED NATIONS GLOBAL COMPACT

Communication on Progress 2014

Statement of the CEO on the progress report to the UN Global Compact



Hartmut Jenner
Chief Executive Officer
Chairman of the Management Board

“Sustainability has been an important part of Kärcher’s corporate culture since the earliest days of the company. That is why Kärcher joined the Global Compact in 2011.

Once again we have made great progress, since the most recent Global Compact Report. A worldwide survey has been conducted in order to get to know where we can further improve our efforts in the areas of environment, economy and social responsibility. The results of our research will be implemented in the upcoming year according to our already proven “Sustainability Excellence” strategy and marks the next logical step in the continuing development of our sustainable management and operations.”

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UN Global Compact's ten principles

1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.
7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental responsibility; and
9. encourage the development and diffusion of environmentally friendly technologies.
10. Businesses should work against corruption in all its forms, including extortion and bribery.

Kärcher Code of Conduct

Kärcher Code of Conduct

Principles of social responsibility



Preamble

Kärcher is a family owned company with abiding management as an essential element at the heart of its corporate culture. Kärcher stands by its social responsibility and declares the following principles.

Human rights and compliance with the law

We respect human rights; we also respect the relevant laws, values, standards and social order in all countries.

Discrimination

We do not tolerate any discrimination based on sex, age, race, nationality, disability, social origin or sexual leanings. We advocate equal opportunity.

Child labour

We condemn child labour and comply with the statutory regulations pertaining to the minimum age of employees.

Forced labour and punishment

We condemn forced labour and physical punishment, threat and harassment of employees.

Corruption

We resolutely reject any form of corruption.

Freedom of association

We recognise the right of our employees to the freedom of association. We work together with worker representatives on a basis of trust.

Fair pay and working time

Wages, social benefits and working time correspond at least to the local legal standards.

Occupational health and safety

We protect our employees from dangers in the workplace and support measures to promote the health of our employees.

Environmental protection

Our products, services and processes are designed to be environmentally-friendly. Wherever our company operates, we take account of the environmental requirements and deal with natural resources with all due responsibility.

Winnenden, May 1st 2010

Alfred Kärcher GmbH & Co. KG

Hartmut Jenner
Chief Executive Officer &
Chairman of the Management Board

Rüdiger Bechstein
Vice President
Corporate Human Resources

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Practical actions in the period under review

- Confirmation of compliance with the Kärcher Code of Conduct from new suppliers.
- Conduction of supplier and internal audits to take corrective actions when necessary.
- SA 8000 certification of production sites in risk countries.
- Standardization of environmental management processes according to ISO 14001 worldwide.
- Consideration of environmental regulations in the product development process.
- Continuous improvement of the social and environmental performance of the Kärcher group of companies.

Measurement of outcomes in the period under review

- In the period under review 146 new suppliers have committed compliance with the Kärcher Code of Conduct.
- In the period under review 199 suppliers have been audited worldwide.
- In September 2013 the first SA 8000 certification was approved for our Romania site.
- Rollout of an environmental management software to 5 production sites in the US and in China. The number of sites using the software has increased from 14 in 2013 to 19 in 2014.
- Built up of an international network of legal experts among all R&D sites worldwide to standardize the evaluation of legal product requirements.
- For this purpose 14 sustainability targets have been set worldwide. The targets have been aligned in a global survey with the expectations of our customers and other interested parties.