

MORE VALUE LESS IMPACT

SIKA SUSTAINABILITY



COMMITMENT

CUSTOMER-FIRST APPROACH
OVER 17,000 DEDICATED EMPLOYEES
FOCUS ON LEADERSHIP SINCE 1910

SOLUTIONS

LIFE-CYCLE CONCEPT PROVIDES
ADDITIONAL VALUE AND ENHANCED
PERFORMANCE

EFFICIENCY

COMPETITIVE-ADVANTAGE
THROUGHOUT THE VALUE CHAIN

RESPONSIBILITY

SOCIAL INITIATIVES SUPPORTED
WORLDWIDE

WWW.SIKA.COM/SUSTAINABILITY

BUILDING TRUST



ECONOMIC PERFORMANCE

12-14%

EBIT of net sales

SUSTAINABLE SOLUTIONS

ALL

New projects assessed and roadmaps implemented

ENERGY

-3%

Energy consumption per ton & year

WATER/WASTE

-3%

Water consumption per ton & year

LOCAL COMMUNITIES/SOCIETY

5%

More projects per year

OCCUPATIONAL SAFETY

-5%

Accidents per year

Sika has been successful as a technology company for more than 100 years. From the outset, sustainability has been a core element of the company's strategy, business, and culture. For the latest GRI report, please refer to [sika.com/sustainability](https://www.sika.com/sustainability).



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PORTRAIT

Sika is a specialty chemicals company with a leading position in developing and manufacturing products, systems, and solutions for bonding, sealing, damping, reinforcing, and protecting in the building sector and the motor vehicle industry. Sika has subsidiaries in 93 countries around the world and manufactures in over 170 factories. Its more than 17,000 employees generate annual sales of CHF 5.5 billion.



SUSTAINABILITY – FOR THE GENERATIONS TO COME

Dear Friends of Sika,

As a company with a world-wide leading position in the development and production of systems and products for bonding, sealing, damping, reinforcing and protecting in the building sector and motor vehicle industry, Sika is committed to sustainable development. The company honors its responsibilities by offering sustainable solutions for its customers. It also implements numerous projects and measures aimed at boosting the Group's business, social, and environmental sustainability.

Sika regards sustainability as a business enabler and business driver, with growing relevance in our construction and industrial target markets, and with special relevance for the automotive industry. With the aim of "enhancing utility and reducing impacts," the company continued to pursue its six strategic target areas, focusing on economic performance, sustainable solutions, local communities/society, energy, waste/water, and occupational safety. Through its products, systems, and solutions, Sika strives to create long-term benefits and added value for all its stakeholders, and to significantly reduce resource consumption and the impacts associated with production processes.

As part of its "More Value – Less Impact" sustainability strategy, Sika has been measuring six parameters for the last four years. In 2017, the targets regarding economic performance, sustainable solutions, local communities and occupational safety were met. Overall energy consumption was reduced by 17% (target 12%) from 2013 to 2017. The water consumption was significantly reduced by 52% between 2013 and 2017 (target 12%). With an

increased production volume and newly enforced regulations in the USA in regard to the discharge of sewage water, the overall waste amount was increased. Waste reduction throughout the production process is a priority for all our production sites.

The Sika Growth Model with the five strategic pillars market penetration, innovation, emerging markets, acquisitions, and value, together with the dedication of all employees are the cornerstones of Sika's success. The Sika journey to global leadership is founded on the company's entrepreneurial philosophy and the Sika Spirit, which is a synonym for the strong set of five values and principles that make up the DNA and culture of the company: customer first, courage for innovation, sustainability & integrity, empowerment & respect, and manage for results.

Sustainability and long term thinking have been in the center of our identity, and continue to be a core element with a wider meaning for the years ahead. We are committed to measuring, improving, reporting, and communicating sustainable value creation.

Kind regards,


PAUL SCHULER
 CEO



"The future of our business will not only be about the quality and the price of our products alone but also about the environmental conditions in which our products are manufactured."

CHRISTOPH GANZ
 REGIONAL MANAGER AMERICAS AND
 MEMBER OF GROUP MANAGEMENT



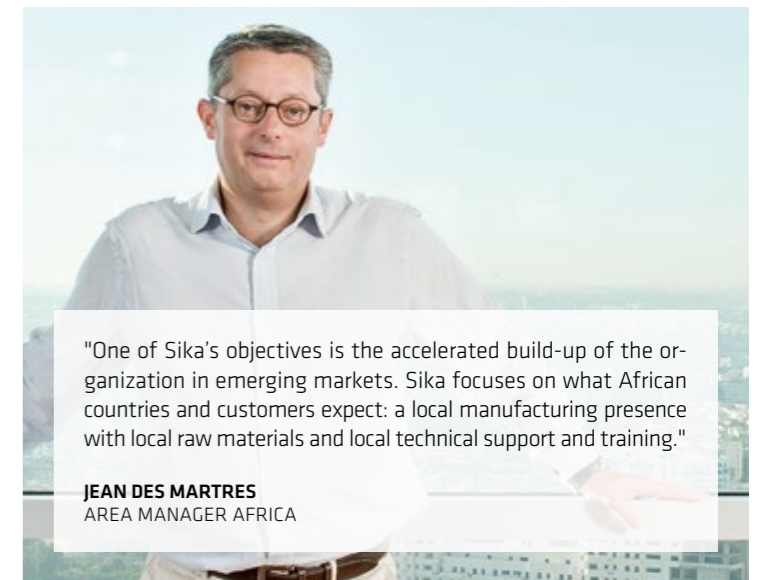
"The application of quality and safety practices has expanded from its manufacturing roots to the whole value chain. The globalization of the marketplace and changing technologies only accelerate the opportunities for our company."

WANSHENG DU (LEFT)
 HEAD REGIONAL QUALITY & EHS ASIA PACIFIC



"Social responsibility is the necessary component of success. Mindful of its obligations, Sika actively engages in sustainable and humanitarian development projects, either as a member of international organizations or directly on the spot."

BOONPRASITH SUTHINEE
 HEAD OF MARKETING SIKA THAILAND



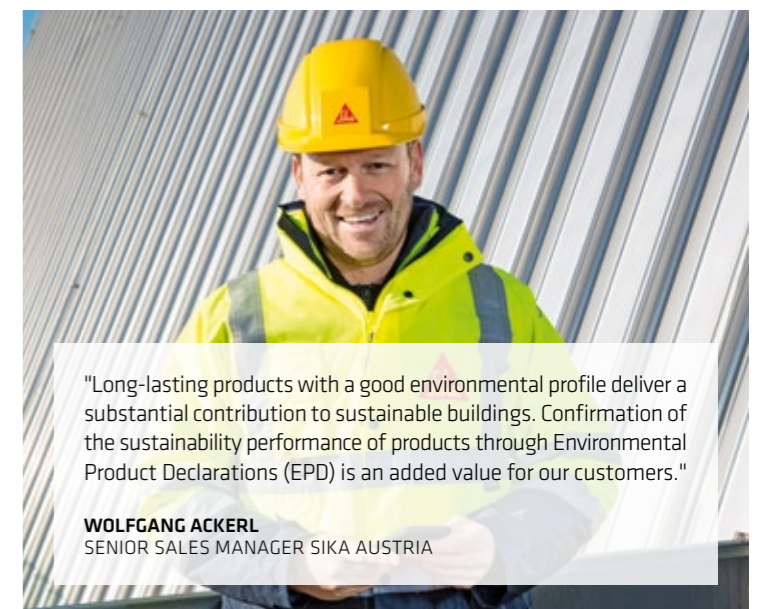
"One of Sika's objectives is the accelerated build-up of the organization in emerging markets. Sika focuses on what African countries and customers expect: a local manufacturing presence with local raw materials and local technical support and training."

JEAN DES MARTRES
 AREA MANAGER AFRICA



"Sustainability is a key element to drive innovation in our company. The overall objective is to increase the value for our customers and the markets, while reducing the impacts on the environment and communities."

ANGEL GONZALEZ LUCAS
 HEAD OF EUROPE SOUTH



"Long-lasting products with a good environmental profile deliver a substantial contribution to sustainable buildings. Confirmation of the sustainability performance of products through Environmental Product Declarations (EPD) is an added value for our customers."

WOLFGANG ACKERL
 SENIOR SALES MANAGER SIKA AUSTRIA

THE SIKA GROWTH STRATEGY

Sika has been pursuing its Strategy 2018 with passion and persistence since 2014. This Sika growth model ensures long-term success and profitable growth. Sika is successfully growing by focusing on market penetration, innovation, emerging markets, acquisitions, and the company's values – sustainability being one of them.

COMMITTED EMPLOYEES

Entrepreneurial thinking and strong employee loyalty are cornerstones of Sika's corporate culture. Sika invests in the development of its employees, as their expertise and experience offer the greatest potential and the most solid foundation to build on. Sika's path to becoming the global number one follows its corporate philosophy and the inherent Sika Spirit, which manifests strong values and principles that make up the company's DNA. It is the Sika Spirit that lays the foundation for a strong, shared future for all.

INVESTMENTS ENABLE GROWTH

Acquisitions are an important element of Sika's growth strategy, enabling the company to strengthen its core business with related technologies, to improve access to specific markets, and to achieve effects of scale. Through focused investments, the Group safeguards its global growth and innovation potential.

Market Penetration

Innovation

Emerging Markets

Acquisitions

Values

THE SIKA LIFE-CYCLE CONCEPT

The company provides the best technologies and support throughout the service life of residential buildings, commercial properties, and infrastructure facilities, from initial construction through decades of use up to refurbishment, renovation, alteration, extension, or modification. Innovative products respond to new requirements, especially in the domains of sustainable construction and energy-efficient, lightweight vehicles.

6-8% Growth per year

6-8 New plants per year

100 National subsidiaries by 2018

12-14% Operating profit per year

>8% Operating free cash flow per year

25% ROCE by 2018

ENDURING QUALITY

By investing in 20 technology and support centers and laboratories across the globe, Sika benefits from a worldwide network of scientists, partners, and suppliers, while fulfilling its promise to be close to customers everywhere. Enduring quality, convincing properties, and durability that pays are benefits that truly delight Sika's customers. These features underscore Sika's credentials as a responsibly minded, forward-looking global leader.

LOCALLY ADAPTED STRATEGY

The decentralized organizational structure is one of Sika's advantages. Local managers have the flexibility to translate the global strategy into their own localized approach. Sika is close to the market and works hand in hand with the customers. This is the best way to find out exactly what customers want and what solutions best meet their needs. The extension of its supply chain footprint in the countries where it operates is a major factor for Sika to demonstrate good corporate citizenship.

WHY WE DO WHAT WE DO

Sika is dedicated to sustainable development, assuming responsibility to provide sustainable solutions in order to improve material, water, and energy efficiency in construction and transportation. Sika strives to create value for all its stakeholders with its products, systems, and solutions along the whole supply chain and throughout the life span of its products.

SHARED VALUE

Sika strives to conduct business sustainably without impairing the economic, social, and environmental opportunities of future generations. As a member of international, national, and local organizations, the company promotes sustainable development wherever it operates. Sika acts as a good corporate citizen engaging in the local communities. Sika's strategy fully integrates sustainability into all its business processes in order to maintain its competitive advantage. Internally, the company promotes sustainability through its efficiency and safety programs. Creating and increasing value while reducing impacts – that's the goal.

MATERIALITY ANALYSIS

The goal of sustainable development requires the involvement of every participant along the entire value chain and the identification of shared topic areas of significance to all those involved. Therefore, Sika repeats biennially the materiality analysis originally carried out during the development of the sustainability strategy. The most important internal and external stakeholder groups are contacted to determine which sustainability issues they consider most important and to review whether relevant changes have taken place. A recent survey in 2015 shows that the points of emphasis are still the right ones and Sika's system of targets remains valid.

THE PILLARS OF SUSTAINABILITY

RELEVANCE

Sustainability is a business enabler, business driver, and brand message with high relevance to construction and transportation target markets, driven by global megatrends.

INCREASE VALUE

Sika is an industry leader by pioneering a portfolio of sustainable products, systems, and services. Products and systems are designed for energy, material, and water efficiency, for durability, and safe use, driven by Sika's product innovation process, sustainability roadmaps, and technology teams.

REDUCE FOOTPRINT

Sika improves its environmental and safety footprint, reducing energy, water, and material demand per product unit, and works without injuries. The company sets targets for safety and efficiency, holding line management responsible for achievement.

COMPLIANCE

Legal and regulatory compliance, anticorruption, and respect for human rights along the supply chain are the foundations of Sika's business behavior wherever the company operates.

SOCIAL PROGRESS AND INTEGRATION

Sika builds trust and creates value for customers, communities, and society. Sika believes that embedding in the social fabric of society and communities will promote its business to the benefit of all.

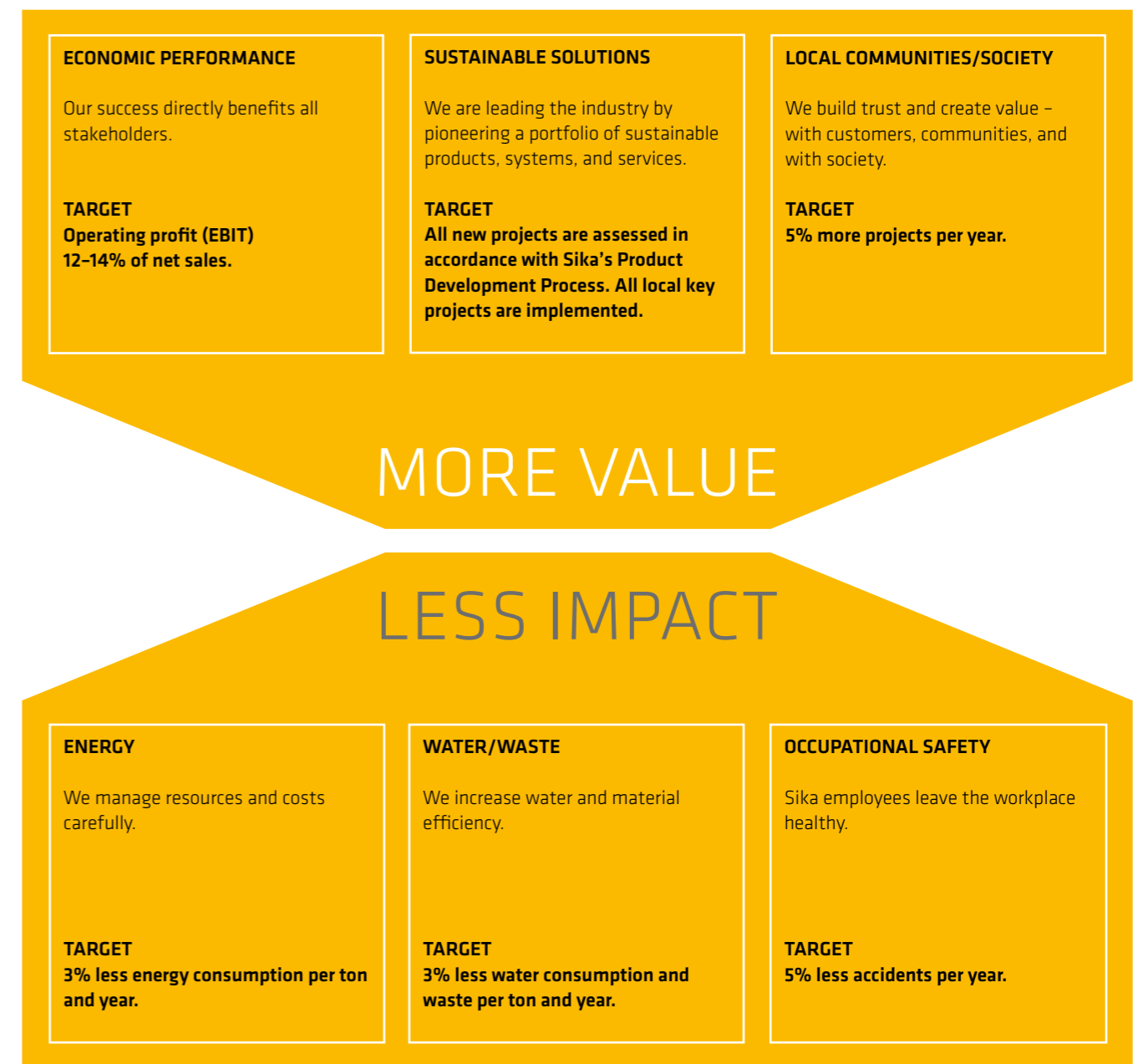
PUBLIC COMMITMENTS

Sika is a signatory of the UN Global Compact and a member of the World Business Council for Sustainable Development (WBCSD). Donations to sustainable projects underpin the company's commitment.

Based on these aspects, Sika developed a target setting and reporting scheme in line with the G4 Guidelines of the Global Reporting Initiative (GRI G4) to focus its activities and resources until 2018.

SIX SUSTAINABILITY TARGETS

Sika defines six target indicators with the largest potential effect. They cover the economic, environmental, and social dimensions of Sika's business.



SHARED SUCCESS AND STRONG PARTNERSHIPS

PARTNER FOR ALL STAKEHOLDERS

Sika is a reliable and long-term partner for all its stakeholders. Financially sound, Sika is able to create value. The company aims to be a respected employer, a provider of high-performing and durable products, an attractive long-term investment opportunity, a responsible tax payer, and a good corporate citizen helping communities to flourish. Sika focuses on global technology leadership and market penetration, from new-build construction to refurbishment.

SEVEN TARGET MARKETS, PLENTY OF OPPORTUNITIES

Sustainability in construction relates to both new-build and refurbishment projects. As a global market leader in the construction chemicals industry, Sika continuously leverages its growth potential in all target markets through innovation, quality, and service. Sika's seven target markets are Concrete, Waterproofing, Roofing, Flooring, Sealing & Bonding, Refurbishment, and Industry.

FROM PRODUCT TO SOLUTION PROVIDER

Sika provides its customers with innovative solutions that boost the efficiency, durability, and aesthetic appeal of buildings, infrastructure facilities, installations, and vehicles throughout construction and use. The integrated concepts and solutions address the entire life cycle of a facility, from initial construction to repair, refurbishment, and deconstruction. The extension of a facility's life span through appropriate maintenance and modernization creates economic and environmental value.



HIGHLIGHTS OF STRATEGY 2018

MORTAR BUSINESS

22 new factories and 9 acquisitions since 2012

TECHNOLOGY LEADER

20 Global Technology Centers

17 ACQUISITIONS

In 4 years

37% OF SALES

In Emerging Markets

100% COMMITMENT

Strong Company Values

MORE VALUE

ECONOMIC PERFORMANCE

GOAL

Our success directly benefits all stakeholders.

5-YEAR TARGET

Operating profit (EBIT) 12-14% of net sales.

GLOBAL INNOVATION LEADERSHIP

20 GLOBAL TECHNOLOGY CENTERS AND 317 INVENTION DISCLOSURES SINCE 2012

Some 1,400 employees in Research and Development (R&D), Quality Assurance (QA), and Technology Support (TS) drive Sika's innovation, many of them working on basic research and the development of new products in the 20 Global Technology Centers. Since 2012, Sika has filed 297 patent applications and launched a large number of new products in all target markets.



ACQUISITIONS TO IMPROVE MARKET ACCESS, TECHNOLOGY, ECONOMIES OF SCALE

17 ACQUISITIONS WITHIN 4 YEARS

Organic growth – expansion through its own resources – is at the core of Sika's strategy. It is complemented by carefully targeted acquisitions. This external growth allows to close gaps in access to the target markets and to consolidate fragmented markets. Particularly in Africa, Asia, and Latin America, Sika pursues this policy as a means of steadily improving its market position.



WORLDWIDE MARKET PENETRATION

MORTAR IS A FAST-GROWING BUSINESS

The high-margin mortar business – a core component of Sika's Strategy 2018 – has been delivering above-average performance over the last few years. Sika has further expanded its fast-growing mortar business continuously by opening 22 new factories and completing 9 acquisitions since 2012. In total, 85 production plants all over the globe are dedicated to serve customers in the mortar business.

ACCELERATED BUILDUP OF EMERGING MARKETS' POSITION

37% OF SALES IN EMERGING MARKETS

Today, more than 37% of sales are generated in emerging markets showing strong structural growth. The buildup of supply chains and technical competence are crucial for market success. Sika's accelerated growth in emerging markets continued to generate compelling results, with sales rising by 7.9% in 2015.

STRONG COMPANY VALUES

STRENGTHENING OF COMPLIANCE CULTURE

The Sika Corporate Compliance Officer and four Regional Compliance Officers (RCO) help to preserve Sika's strong compliance culture. To ensure that the Code of Conduct's principles are understood and adhered to by all employees, Sika has developed an animated e-learning program. This training program and the Sika TrustLine, a web-based reporting platform, are part of an awareness-raising campaign on compliance. A defined reporting procedure and an effective organization-wide communication campaign on the use of the Sika TrustLine help to preserve and foster Sika's strong culture of transparency, integrity, and trust.

Find out more about Economic Performance www.sika.com/sustainability

PIONEERING THE POSSIBILITIES

COST SAVINGS AND CARBON EMISSIONS REDUCTION, GERMANY BRIDGE REFURBISHMENT

Using Sika's innovative fast-curing Sika HANV bridge repair waterproofing system, which guarantees a very fast application, the bridge could be refurbished within a weekend instead of three weeks required by traditional systems. This reduced the length of traffic diversions, thus saving significant costs and avoiding traffic jams, noise, and 615 tons of CO₂ emissions. Another benefit of the applied system is the reduced long-term maintenance need due to increased bond.



INNOVATION DRIVES GROWTH AND SUSTAINABILITY

Since the early days of Sika, continuous innovation has been the key driver of the company's successful growth strategy. Sika innovates to reduce the environmental footprint, to increase the efficiency of products and solutions along the entire value chain, and thus responds to the market demand for sustainable solutions. Implementing life-cycle thinking into practice from product development to application at customer's site marks Sika's aim to move away from being a mere product supplier to a provider of innovative solutions which enhance the efficiency, durability, and aesthetic appeal of buildings, infrastructure, and installations. The integrated concepts and solutions address the entire life cycle of a built structure, from initial construction and maintenance through refurbishment or expansion to deconstruction. Sika's sustainable solutions include a product portfolio which is supplemented by services, tools, and reference projects to quantify the sustainability performance. Quantifiable data on solutions provide evidence about the promised value.

INCREASING CUSTOMER BENEFIT AND REDUCING ENVIRONMENTAL IMPACT

The contribution of Sika's solutions with regard to sustainability megatrends is evaluated from a life-cycle perspective along the value chain. Sika designs, improves, promotes, and sells products, systems, and project-specific solutions by taking systematically into account aspects of sustainable construction and transportation, e.g. energy, resource, and material efficiency. The sustainability profile of products, systems, and services is closely linked to their excellent performance. Sika stands for products which are technically superior, user-friendly, and sustainable during their life span from application to deconstruction. Sika's products are designed for long-term use, providing more value and causing less impact than comparable alternative products over their life cycle.

MORE VALUE

SUSTAINABLE SOLUTIONS

GOAL

We are leading the industry by pioneering a portfolio of sustainable products, systems, and services.

5-YEAR TARGET

All new product developments assessed. All roadmap projects implemented.

PROJECT HIGHLIGHTS

615 TONS OF CO₂

Saved with Sika bridge repair waterproofing system

ÖGNI GOLD TARGETED

Product portfolio with proven environmental profile

15% REDUCED CARBON FOOTPRINT

Sustainable mortars for Singapore's buildings

160 TONS OF WASTE

Saved with customized packaging



ÖGNI GOLD PROJECT, AUSTRIA

SIKA ROOF SOLUTION FOR SMART CAMPUS IN VIENNA

The Austrian energy distributor Wiener Netze in Vienna supports customers saving energy and pursues itself ambitious energy and resource-efficiency targets for its new headquarters which has been ÖGNI Gold pre-certified. The owner was striving for a high-quality and long-lasting roofing solution with a good environmental profile which is confirmed by Environmental Product Declarations (EPD), helping to achieve the desired green building certificate.



DESIGNED FOR IMPROVED RESOURCE EFFICIENCY, SINGAPORE

SUSTAINABLE MORTARS BY LCS OPTIROC SINGAPORE

Singapore has been at the forefront to focus on sustainable construction, strongly encouraging developers, architects, and builders to use resource-efficient products. Reducing Portland cement content in mortars by alternative hydraulic binders is proven to increase resource-efficiency. The LCS sustainable mortar line includes a range of cementitious plaster, tile adhesives, and floor screeds which contain 20% less cement compared to products with a similar performance and reduce the Carbon Footprint by at least 15%. As a result, the LCS sustainable mortar line meets the Singapore Green Label requirements and supports Singapore's builders in achieving their targets.



REDUCING PACKAGING WASTE AT BELRON, USA

UNIPACKS FOR U.S. AUTOMOTIVE AFTERMARKET

The replacement of aluminum cartridges with customized unipacks for car windshield adhesives will reduce Belron's annual consumption of packaging material and polyurethane adhesives by 164 and 170 tons, respectively, thus helping to fulfill the sustainability targets and saving disposal costs. A new packaging line was installed at Sika's US Lyndhurst site to cope with the increased volume of unipacks. The unipack is designed to fit 97% of all automotive glass replacement jobs. The new solution was delivered along with a complete support package including videos and training materials to facilitate the transition for customers.

Find out more about Sustainable Solutions www.sika.com/sustainability

GOOD NEIGHBORS TAKE ON RESPONSIBILITY



MORE VALUE

LOCAL COMMUNITIES/SOCIETY

GOAL

We build trust and create value – with customers, communities, and with society.

5-YEAR TARGET

5% more projects per year.

LOCAL COMMITMENT

Sika cares for the quality of life of its employees and the communities where it operates. The company aims to be a good corporate citizen and to support and engage in projects and initiatives that foster the sustainable development of the local communities. In addition to financial contributions, Sika supports them through knowledge transfer and donations in kind.

PROMOTING ON-THE-GROUND SELF-HELP

On a global level, Sika focuses its sponsoring activities on social, environmental, educational, cultural, and sport-related projects. In order to safeguard a lasting impact of the projects, Sika strongly builds on the principle of on-the-ground self-help.

PROJECT HIGHLIGHTS

CHF 7 MILLION

Professorship for sustainable construction

3,600 HOURS

Sika employees engage in Operation Smile volunteering work in Thailand and Vietnam

100 PARTNERS

Drinking water conservation across the globe

MORE THAN 100 CHILDREN

Benefit from intensive therapy activities and from the Sika ComfortFloor® Pro system

OPERATION SMILE, THAILAND AND VIETNAM SURGERY TO 2,000 CHILDREN BORN WITH CLEFT LIP AND PALATE

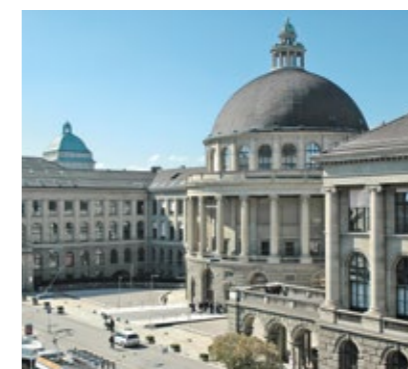
Operation Smile International is dedicated to providing free treatment to children and adults suffering from cleft lips and cleft palates. Sika Vietnam and Sika Thailand have joined into a strategic partnership with the local branches of the NGO to heal children's smiles and bring them new lives and a new future. Thanks to Sika's annual support of USD 160,000, Operation Smile Vietnam and Operation Smile Thailand were able to organize local missions since 2010 which offered surgery to 2,000 children born with cleft lip and palate. Sika employees spent 3,600 hours of volunteering work in the period 2010 to 2015.

GLOBAL NATURE FUND, WORLDWIDE MODEL PROJECTS IN COLOMBIA, IVORY COAST, KENYA, MEXICO, AND SOUTH AFRICA

The network of the Global Nature Fund, now with more than 100 partner organizations for water conservation from 45 lake regions, advocates sustainable development and protection of potable water, lakes, and wetlands. The main purpose of this international initiative is the conservation and protection of natural resources, chiefly the drinking water reservoirs of the earth. UN investigations say that today about 1.4 billion people suffer from water shortages or bad water quality.

UNIVERSITY ETH ZURICH, SWITZERLAND ALLOCATION OF CHF 7 MILLION TO SUPPORT THE PROFESSORSHIP "SOFT MATERIALS"

Sika sponsors scientific projects and a professorship for sustainable construction at the ETH Zurich. Furthermore, the Sika Master Award is dedicated to the author of an outstanding master thesis in the field of applied chemistry, based on recommendations of the ETH's Department of Chemistry and Applied Biosciences.



LEGACY RAINBOW HOUSE, UNITED KINGDOM COLORFUL FLOORING SYSTEM FOR CONDUCTIVE EDUCATION FACILITY

The Legacy Rainbow House is a facility in Mawdesley, south of Preston in the UK, offering a complex program called Conductive Education for children, young people, and adults with neurological conditions, multiple disabilities, and complex care needs. Among other contributions, Sika has donated its ComfortFloor® Pro system to support the charity. The system's buildup and slip resistance offer the perfect surface for the intensive therapy activities taking place at Rainbow House and make the floor comfortable for over 100 children and their families.

Find out more about Local Communities/Society www.sika.com/sustainability

ENVIRONMENTAL AND ECONOMIC GOALS GO HAND IN HAND

ENERGY MUST BE MANAGED EFFECTIVELY

Global trends, such as long-term energy and raw materials scarcity, increasing urbanization, and population growth confront companies and communities with major economic, social, and ecological challenges. Efficient use of energy and resources is crucial for sustainable development. Sika's production and distribution activities are less energy intensive than its supplier industries, specifically the chemical industry, but base to a large extent on nonrenewable energy sources. This exposes Sika to price volatilities, supply uncertainties, and increasing regulatory action related to energy consumption like the taxation of CO₂ emissions. Therefore, Sika believes that energy efficiency and mitigation of emissions are key success factors of its overall efficiency efforts.

EFFICIENT USE OF ENERGY

Apart from raw materials, energy is the main resource input for Sika's operations and thus a relevant cost factor. Therefore, the efficient use of energy is highly important for the company. CO₂ emissions are a consequence of fossil fuel consumption, which can be limited by increasing energy efficiency. The CO₂ footprint of purchased electricity depends on the power production in each country and cannot be influenced easily. For self-produced electricity, Sika seeks to use low-CO₂ energy sources where possible, for example natural gas instead of oil. Sika is committed to reducing the use of nonrenewable energy, thus minimizing negative impacts on climate change, reducing costs, and increasing competitiveness.



FACTORY AND WAREHOUSE RELAMPING, SIKA EMEA
MULTIPLE SITES ACROSS EUROPE



NEW VISCOCRETE POLYMERS WITH HIGH SOLID CONTENT, SIKA BELGIUM
PLANT ZWIJNDRECHT, BELGIUM



ENERGY SAVING PROGRAM AND SOLAR ENERGY SOURCING, SIKA CORPORATION
PLANT CANTON, USA

Traditional lighting of warehouses and production areas in Sika's mortar and admixture operations requires a considerable amount of energy. The lighting at different sites like Kirchberg (Switzerland), Rosendahl (Germany), Bludenz (Austria), Bratislava (Slovakia), and Gournay (France) was replaced by the latest LED technology. The long-life, instant-start, and fast-switching lamps lead to substantial energy and cost savings. In Rosendahl, the installation will save approximately 60% of total lighting electricity consumption.

Sika ViscoCrete concrete polymers are one of Sika's proprietary technologies used in formulating a range of admixtures which dramatically enhance concrete flowability, workability, and durability. Intensive research led to a high-concentration formula which reduces energy consumption in production and renders unnecessary 12% of the annual bulk truck deliveries (80 shipments) from Sika's main ViscoCrete plant in Zwijndrecht to European Sika concrete admixture factories.

The production lines for polymeric roofing membranes at Sika's Canton plant use large amounts of cooling water. A central control system taking command of the chillers, cooling towers, pumps, valves, and the plate and frame heat exchanger allows for taking advantage of low outside temperatures during colder months of the year, reducing the annual electrical consumption by almost 6%. Additionally, one third of the electricity needed to run the distribution and office facility comes from rooftop solar.

LESS IMPACT

ENERGY

GOAL

We manage resources and costs carefully.

5-YEAR TARGET

3% less energy consumption per ton and year.

PROJECT HIGHLIGHTS

60% OF LIGHTING ENERGY SAVED

Relamping of factory and warehouse

12% OF BULK TRUCK DELIVERIES SAVED

Highly concentrated ViscoCrete® concrete polymers reduce deliveries

6% LESS ELECTRICITY

Use low outside temperature for cooling processes

390,000 KWH

Natural gas saved with waste heat recovery



RECOVERING WASTE HEAT, SIKA MANUFACTURING
PLANT DUEDINGEN, SWITZERLAND

Ensuring adequate temperatures inside the production plant is important. About 80% of the energy consumed by an air compressor is obtained as waste heat. In order to profit from waste heat of the air compressor, a recovery system including heat exchanger and circulation pump was installed in Duedingen. Waste heat is now fed into the heating system of the adhesive plant, saving around 390 MWh natural gas per year.

Find out more about Energy
www.sika.com/sustainability

BALANCING RESOURCES FOR OUR FUTURE

LESS IMPACT

WATER/WASTE

GOAL

We increase water and material efficiency.

5-YEAR TARGET

3% less water consumption and waste per ton and year.

PROJECT HIGHLIGHTS

31 TONS COLLECTED

Producing with rainwater in an area with insufficient public water supply

500,000 M³ WATER

Saved with closed-loop cooling water circle

150 TONS MATERIALS REUSED

Dust separation and recycling into new products

36 TONS ORGANIC WASTE TREATED

Compost and humus being used for gardening activities at the plants and by Sika employees

WATER - AN UNDERVALUED RESOURCE

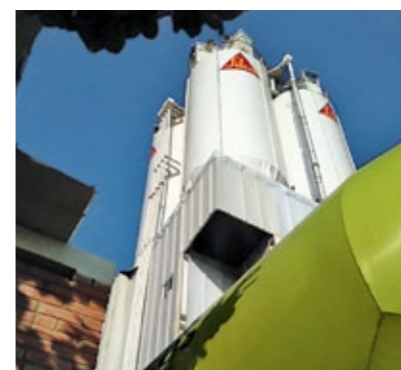
Sika takes measures to use water economically by reducing consumption, treating water, and using lower-grade water qualities especially in geographies with water scarcity.

Efficient production projects have been implemented using closed-loop cooling, cooling towers, and switching from public to groundwater in order to reduce the amount of processed drinking water used in production. With these measures, the reuse of treated wastewater, and the collection of rainwater at various production sites, Sika reduced its water consumption on a large scale over the past years.

WASTE - RAW MATERIALS WASTED

Efficient use of input materials is highly important for all Sika companies. Sika's production processes are material intensive, using high volumes of nonrenewable resources like sand, cement, fillers, organic raw materials, and packaging and transportation materials.

The major commercial impact of input materials makes their efficient use and reuse a mandatory element at Sika. Efficient production means reducing and reusing production scrap and packaging materials as well as improving packaging design, resulting in higher productivity and lower material use.



RAINWATER BASED PRODUCTION, SIKA COLOMBIA
PLANT BARRANQUILLA, COLOMBIA

In Barranquilla, water supply would not be enough for the production processes. Therefore, rainwater is collected, filtered, and treated to be used in the industrial processes. Around 31,000 liters of rainwater is collected, corresponding to 11 % of total water used. Outside an EL Niño year, this amount would triple. Additionally, a state-of-the-art wastewater treatment process makes it possible to discharge treated water into the municipal wastewater system.



CLOSED-LOOP COOLING WATER, SIKA CORPORATION
PLANT LYNDHURST, USA

Sika's facility in Lyndhurst, NJ, used large amounts of noncontact cooling water from its own groundwater wells in the production process of sealants and adhesives. In 2014, the plant invested in a closed-loop cooling system to reduce water consumption and improve cooling capacity. This leads to water savings of more than 80% and brings down the annual water consumption from 600,000 m³ to 100,000 m³.



REUSE OF FILTER DUST IN PRODUCTION, SIKA GERMANY
PLANT ROSENDAHL, GERMANY

At its Rosendahl facility, Sika manufactures mortars for interior finishing which are sold mainly in bags. Dust at the bagging station used to be exhausted and scrapped as waste. Today, dust is recycled into similar products, summing up to 150 tons of previous waste reused per year.



WASTE THAT PAYS, SIKA COLOMBIA
PLANTS RIONEGRO AND TOCANCIPA, COLOMBIA

Treating organic waste from the plant (restaurant, gardening), the admixture sludge reactor, and silo cleaning eliminates disposal costs, reduces environmental impacts, and generates profits. So far, 36 tons of waste have been treated per year. Compost and humus are being used for gardening activities in the plants and by Sika employees.

Find out more about **Water/Waste**
www.sika.com/sustainability

IF WE CANNOT DO IT SAFELY, WE WILL NOT DO IT AT ALL

LESS IMPACT

OCCUPATIONAL SAFETY

GOAL

Sika employees leave the workplace healthy.

5-YEAR TARGET

5% less accidents per year.



ZERO ACCIDENT PROJECT, SIKA ITALY PLANT CERANO, ITALY

Zero tolerance, strong efforts for training on the job, high surveillance level, and clear and defined responsibilities were established with the aim to reduce the number of injuries in the plant. The change in mentality, the establishment of a safety culture empowering employees, and the OHSAS certification led to a significant improvement of the safety performance. Occupational accidents and days lost from accidents came down to zero in 2015.

PROJECT HIGHLIGHTS

ZERO ACCIDENTS

Improved safety performance due to safety awareness program

ZERO DAYS LOST FROM ACCIDENTS

Nationwide Safety Comes First Culture put in place

RISK ELIMINATION

Increased safety by installing a revolving gate for working platform

100% ENGAGEMENT

Employees engage in Sika Safe Program

SAFE AND EFFECTIVE EQUIPMENT, ORGANIZATION, AND WORK PROCEDURES

Health, safety, and well-being of all employees and partners are essential for the success of Sika's business and are core concerns throughout the organization. This requires focus and a systematic approach: Management commitment, risk analysis, health and safety standards, employee involvement, and training and education are key components of Sika's health and safety framework.

HEALTH AND SAFETY CULTURE

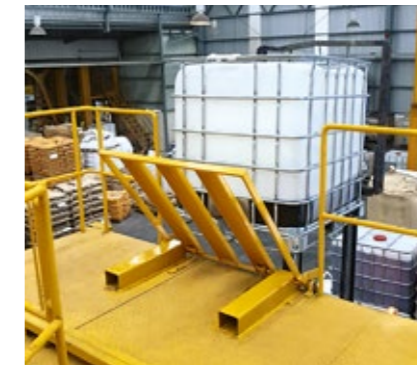
Sika strives to live up to its commitment "nothing we do is worth getting hurt for." The company has implemented environmental and health and safety management systems according to ISO 14001 and OHSAS 18001 at all major sites. A strong safety culture is nurtured in the organization, supported by local initiatives like employee-driven safety programs, safety signs, high-visibility vests, safety days, and more.

Find out more about Occupational Safety
www.sika.com/sustainability



SAFETY COMES FIRST, SIKA AUSTRALIA ALL PRODUCTION PLANTS IN AUSTRALIA

Safety is taken very seriously, with a policy of zero tolerance for unsafe practices, full commitment from management, and no budget restrictions for safety initiatives and projects. The ongoing activities and measures at Sika Australia include awareness, safety education, monitoring and alerts, site audits and inspections, root cause analysis and fix of all incidents, safety week activities, bulletins, and notice boards. There were no direct occupational accidents and no days lost from accidents in 2015.



AUTOMATIC SAFETY LOADING GATE FOR WORKING PLATFORM, SIKA INDONESIA PLANT SURABAYA, INDONESIA

At many Sika facilities, mixing operations are carried out in vessels on mezzanine levels. Solid or liquid materials have to be loaded onto the platform which means that mezzanine rails have to be opened. Sika Indonesia, like many other production facilities, increased safety by installing a revolving gate. This solution eliminates a major hazard on platforms: falling from heights.



SIKA SAFE PROJECT, SIKA CORPORATION ALL PRODUCTION PLANTS IN THE USA

Sika was not satisfied with the safety and accident records at its US plants. In order to change the basic paradigm, it was decided to engage all employees in the safety program. The Sika Safe project was created where employee-led committees are empowered to attack all pain points in safety, such as ergonomics, chemical handling, workplace inspections, and proper use of tools and machines. Today, an overwhelming participation in employee committees signifies that safety is the responsibility of every employee.

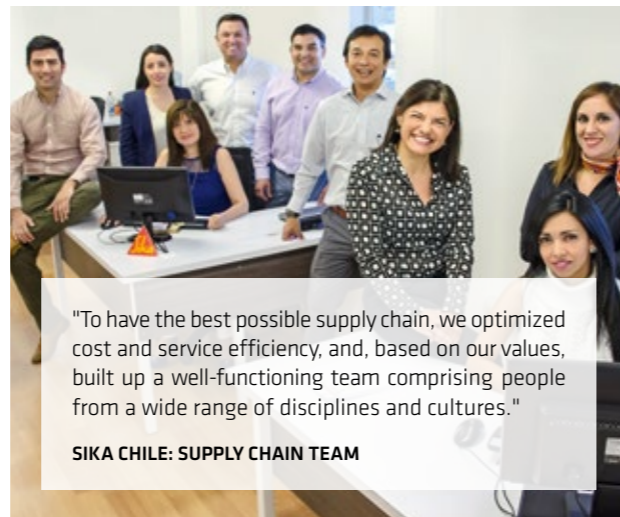
OUR CULTURE DRIVES SUCCESS

Sika's success not only depends on pursuing the right strategy, but just as much on the trust and dedication of all employees. The Sika journey to global leadership is based on the company's entrepreneurial philosophy and the Sika Spirit, a strong set of values and principles which makes up the DNA of the company. Five management principles express the corporate culture and are the foundation of current and future success.



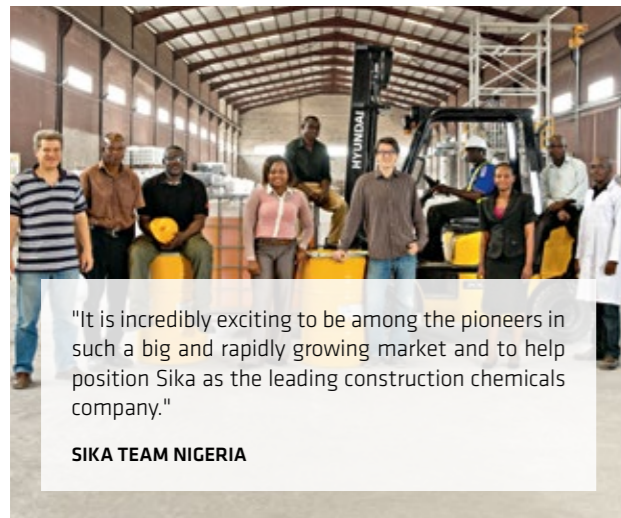
"Sustainability permeates the whole organization. That's also a reason why our new Sikalastic®-641 Lo-VOC liquid-applied membrane meets California's tough air emission standards for roof coatings."

SIKA USA: RESINS R&D TEAM



"To have the best possible supply chain, we optimized cost and service efficiency, and, based on our values, built up a well-functioning team comprising people from a wide range of disciplines and cultures."

SIKA CHILE: SUPPLY CHAIN TEAM



"It is incredibly exciting to be among the pioneers in such a big and rapidly growing market and to help position Sika as the leading construction chemicals company."

SIKA TEAM NIGERIA



"We drive forward the construction of a second, state-of-the-art concrete admixtures production plant. The new factory will mark the continuation of our dedicated and successful expansion strategy."

SIKA THAILAND: NEW-BUILD FACTORY PROJECT TEAM

Find out more about Values & Principles www.sika.com

CUSTOMERS FIRST

Sika is dedicated to provide and maintain highest quality standards with its products and services. The commitment to innovation enables Sika to not only satisfy current demands, but also anticipate future expectations. Sika solutions are designed with the customers' success in mind and to build long-lasting and mutually beneficial relationships rather than focus on short-term business. This attitude is emphasized by the corporate claim: Building Trust.

COURAGE FOR INNOVATION

Sika's success and reputation is based on its long-lasting tradition of innovation. Accordingly, the core of the business is innovation management and focus on developing quality products and the best solutions for customers. By investing in Sika's established technology centers and laboratories across the globe, the company profits from a worldwide network of partners, suppliers, and scientists, while fulfilling its promise to be close to the customers everywhere.

MANAGE FOR RESULTS

Sika takes pride in continuously achieving outstanding results and outperforming its markets. The company pursues targets with persistence and a long-term view. Sika believes in individual responsibility with functions and projects clearly assigned. Transparent benchmarks for financial performance follow a defined strategy. Performance evaluation is based on market share, sales growth, profitability, and capital efficiency.

SUSTAINABILITY & INTEGRITY

Sika takes a long-term perspective on the development of the business and acts with respect and responsibility towards its customers, stakeholders, and employees. Sika operates with a strong focus on safety, quality, environment, fair treatment, social involvement, responsible growth, and value creation. In short: Sustainability is a key component of the company's innovation drive. Sika reports progress based on the criteria of the Global Reporting Initiative (GRI).

EMPOWERMENT & RESPECT

Sika believes in the competence and the entrepreneurial spirit of its employees. The company fosters trustful and respectful working relations and doesn't exercise authority in purely formal ways. The working climate is one of aspiration and inspiration. Sika empowers its people to develop and propose new ideas and delegates decisions and responsibilities to the level of competence. Training and development of employees is given high priority.

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