

Sika AG ESG Evaluation Unchanged At 74; Preparedness Remains Strong

April 28, 2022

LONDON (S&P Global Ratings) April 28, 2022--S&P Global Ratings today said its ESG Evaluation of 74 for Switzerland-based Sika AG remains unchanged. Our ESG Evaluation on the company is the result of an ESG profile of 66 combined with +8 preparedness. Higher numbers indicate stronger sustainability in our evaluations. [The report is available here.](#)

The ESG Evaluation of 74 reflects our view that Sika embeds sustainability into its products, delivering environmental benefits to customers who are often in hard-to-abate sectors, such as concrete and roofing.

We revised the governance starting point to reflect Sika's diverse operational mix. This change is not a reflection of the company's performance, but of its exposure to lower governance standards in its countries of operations (such as China and the U.S.) compared with national legislation in the country of its headquarter, Switzerland. However, the overall governance score remained stable because Sika improved its performance in line with its well-established good governance practices, common to Swiss companies. In 2022, Sika elected two female board members, improving the board's diversity in terms of gender and nationality. Also, it recently established a sustainability committee, in line with its increasing portfolio of sustainable products.

Sika continues to foster collaborations with clients, which helps it stay relevant to the need for sustainability in the construction and auto sectors. In addition, we believe the company is on track to improve its occupational safety metrics.

Sika AG is a specialty chemicals company that manufactures additives, adhesives, sealants, and other bespoke products for the construction and auto sectors. Operating more than 300 production facilities across 101 countries, Sika has seen above-market expansion in recent years. Sika's 2021 sales increased 17.5% to Swiss franc (CHF) 9.25 billion from CHF7.9 billion in 2020. This growth has been both organic and through acquisitions, with MBCC in 2022 being the most notable to date.

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