

HENKEL SUSTAINABILITY AT A GLANCE 2023



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TRANSFORMATION FOR GOOD

Our corporate purpose defines the common ground that unites all of us at Henkel: Pioneers at heart for the good of generations. With our pioneering spirit, our knowledge, our products and technologies, we want to enrich and improve the lives of people every day and shape a viable future for the next generations.

Our 2030+ Sustainability Ambition Framework sets the frame for our global sustainability strategy, with clear ambitions and targets that we want to achieve in this decade.

Looking ahead and sharing the will to make a difference for future generations is what drives us, and what helped us to further embed sustainability into our business in 2023.



“The world around us is not standing still. Our 2030+ Sustainability Ambition Framework continues to provide a strong foundation for the important economic, environmental and social challenges in 2023.”

SYLVIE NICOL

Member of the Management Board
Personnel/Infrastructure/Sustainability



WHO WE ARE TODAY: **HENKEL AT A GLANCE**

TWO
BUSINESS UNITS

**ADHESIVE
TECHNOLOGIES &
CONSUMER BRANDS**

OUR TOP BRANDS

LOCTITE


Schwarzkopf

Persil

SUCCESS
WITH BRANDS
AND
TECHNOLOGIES
FOR

147
YEARS



47,750
employees

124
countries

161
PRODUCTION SITES
AROUND THE WORLD

€21.5 bn
SALES



LONG HERITAGE



1903

FIRST WATER-SOLUBLE POWDER SHAMPOO

The first water-soluble powder shampoo, the “shampoo with the black head” (Schwarzkopf), provides a simple and inexpensive alternative to rough soaps and oils.



1907

FIRST SELF-ACTING LAUNDRY DETERGENT

Persil, the world’s first self-acting laundry detergent, removes the need to scrub laundry by hand.

1940

FIRST HENKEL KINDERGARTEN FOR CHILDREN OF EMPLOYEES

The first Henkel daycare center for children of employees opens in Düsseldorf-Holthausen.



1959

HENKEL STARTS CHECKING RHINE RIVER WATER QUALITY

Henkel has been carrying out regular environmental quality checks for detergents and household cleaners since 1959.

1969

THE WORLD’S FIRST GLUE STICK

Henkel invents the glue stick and uses packaging based on the swivel mechanism usually found in lipsticks.



1992

PUBLICATION OF FIRST ENVIRONMENTAL REPORT

Henkel publishes its first environmental report, which we have consistently developed and refined into today’s Sustainability Report.

CONTRIBUTIONS TO THE SDGs

At Henkel, we are actively supporting the **17 Sustainable Development Goals (SDGs)** of the United Nations. We believe they provide a shared focus that will empower collaboration and accelerate progress toward sustainability. Sustainable consumption, packaging and plastics, combating climate change, water, nature, human rights, equal opportunities and education are important topics for our work.

Here are just a few highlights showing how we contribute to implementing the **SDGs**.



COMMITTED TO PROTECTING THE CLIMATE



In view of the urgent need to reduce CO₂ emissions, it is our ambition to become climate positive in production by 2030 and to make progress in further relevant parts of our value chain. On the way, we plan to achieve a 65-percent reduction in the carbon footprint of our production by 2025. We also want to obtain 100 percent of our electricity from renewable sources by 2030. In addition, we want to leverage our brands and technologies to help our customers, consumers and suppliers save 100 million metric tons of CO₂ in the period from 2016 to 2025.



PROMOTING SUSTAINABLE CONSUMPTION



We support the goal of promoting sustainable and resource-efficient consumption. Our products and technologies are key to this because they are used in millions of households and industrial processes every day. We focus on developing products that lead to resource efficiency in everyday use. We also strive to encourage responsible use of our products through targeted communication. This is important because the environmental footprint of many of our products is determined during the use phase.





RAISING AWARENESS OF WASTE IN THE ENVIRONMENT

As part of our commitment to achieving a sustainable circular economy and preventing plastic waste from entering the environment, we have launched the global employee initiative Trashfighter. Henkel employees take part in waste cleanup events as part of non-profit international environmental protection initiatives. The events focus on riverbanks, as well as other public areas. The aim is to raise awareness of waste in the environment and of the value of recycling.



PROVIDING ACCESS TO GOOD EDUCATION

We aim to promote access to high-quality education and increase the number of young people and adults with relevant abilities and skills. The Schwarzkopf Million Chances initiative supports women and girls in creating the foundations for a successful future. The long-running project Shaping Futures gives young people the opportunity to gain professional training in basic hairdressing techniques. As the main sponsor of Teach First Deutschland, we also support the commitment of university graduates who work in schools in disadvantaged communities and socially deprived areas as additional teachers.



PROMOTING SUSTAINABLE PALM OIL



As part of our responsibility, we aim to support sustainable practices in the palm oil industry along the entire value chain. By supporting sustainable palm (kernel) oil, we contribute to sustainable forest management and prevent deforestation. Collaboration with representatives from across the industry is at the heart of our approach. We aim to increase the availability of sustainable palm oil and palm kernel oil on the market, for example, through collaborative projects that enable smallholder farmers to certify their crops as sustainable, increase productivity and improve their livelihoods.



OUR SUSTAINABILITY STRATEGY WITH CONCRETE TARGETS AND AMBITIONS

With our **2030+ Sustainability Ambition Framework**, we have set ourselves the high aspiration of achieving a “transformational impact for the good of generations”. This approach builds the three dimensions of ESG into our vision for sustainability and defines our key areas of focus: **Regenerative Planet**, **Thriving Communities** and **Trusted Partner**.

Our sustainability strategy reflects our company’s commitment to **“Purposeful Growth”**. We will actively drive the transformation to a sustainable economy and society, help to protect and regenerate the natural environment, contribute to strong communities, and strengthen trust with our stakeholders.

Sustainable business practices have been an integral part of our **company culture** for decades and are a central element of our vision of the future. With this latest step, we will work on measures and projects that deliver practical progress – and achieve a transformational impact for the good of generations.

2030+ SUSTAINABILITY AMBITION FRAMEWORK

OUR PURPOSE

Pioneers at heart for the good of generations.

TRANSFORMATIONAL IMPACT FOR THE GOOD OF GENERATIONS



REGENERATIVE PLANET

We strive to achieve a circular economy, a climate-neutral future and the regeneration of nature.



CLIMATE

Become a climate-neutral business by decarbonizing our operations and raw materials.



CIRCULARITY

Advance circularity through our products, packaging and technologies.



NATURE

Protect and restore biodiversity with a focus on forests, land and water, and ensure responsible resource stewardship.



THRIVING COMMUNITIES

We actively contribute to people being able to lead a better life through our business and brands.



EQUITY

Strengthen diversity, equity and inclusion, respect human rights and enhance the livelihoods of people.



EDUCATION

Support lifelong learning and education, and motivate people to take action for sustainability.



WELLBEING

Foster health and wellbeing, and help drive social progress.



TRUSTED PARTNER

We are committed to product quality and safety while ensuring business success with integrity.



PERFORMANCE

Reliably deliver best-in-class product performance and safety as the foundation of our business success.



TRANSPARENCY

Integrate sustainability into our business governance with transparent reporting, disclosure and engagement.



COLLABORATION

Scale sustainability impact with our partners, leading to responsible business practices in our supply chains.

PRODUCTS

PEOPLE

PARTNERSHIPS

REGENERATIVE *PLANET*

We are on a journey toward an environmental transformation of our business model. To achieve this ambition, we intend to transform our processes, products and use of raw materials in the direction of a resource-efficient, climate-neutral future. We are focusing on climate change mitigation measures, a functional circular economy, and the protection of nature and biodiversity.





CLIMATE

Become a climate-neutral business by decarbonizing our operations and raw materials.



CIRCULARITY

Advance circularity through our products, packaging and technologies.



NATURE

Protect and restore biodiversity with a focus on forests, land and water, and ensure responsible resource stewardship.

TARGETS AND AMBITIONS

-65%

CO₂ EMISSIONS FROM OUR PRODUCTION PER TON OF PRODUCT (VS. 2010)²

100%

of packaging designed for recycling¹ or reusability²

CIRCULAR USE OF PRODUCTION WASTE MATERIAL³



100%

of our electricity sourced from renewable sources³

-35%

WATER CONSUMPTION PER TON OF PRODUCT (VS. 2010)²

CIRCULAR WATER USE AT KEY MANUFACTURING SITES³

-50%

production waste per ton of product (vs. 2010)²

-100 m

tons of CO₂ with customers, consumers and suppliers (2016–2025)



100%

palm and palm kernel oil that has its responsible sourcing certified or externally confirmed²

>30%

share of recycled plastic for all packaging of our consumer goods products²

¹ Excluding products where ingredients or residue may affect recyclability or pollute recycling streams.

² by 2025

³ by 2030

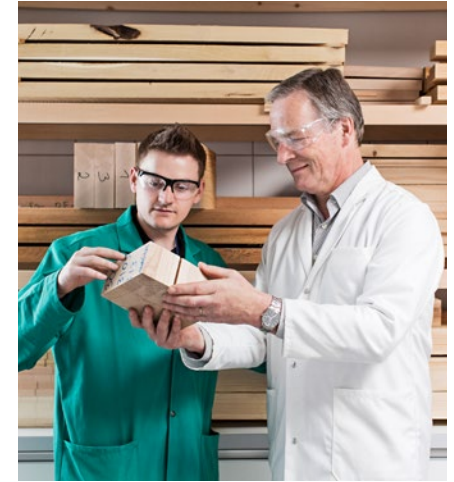
CLIMATE

Climate change is one of the biggest challenges of our time. We are committed to achieving the 1.5-degree target of the Paris Climate Agreement. At Henkel, we are constantly striving to cut the carbon footprint of our production activities, and we develop products and technologies that generate less emissions when they are used.

[More information in our Sustainability Report 2023, page 35](#)

EXPANDING RENEWABLE ENERGIES

We have moved another step closer to our target of achieving climate-positive production by 2030, with the continued expansion of renewable energies. Henkel converted a further 14 sites to CO₂-neutral production processes in 2023. We also increased the share of our purchased electricity sourced from renewable sources to 89 percent.



SMART USE OF MATERIALS

Our adhesive solutions make it easy to sustainably replace emission-intensive materials. For instance, our Loctite brand developed the first bio-based polyurethane adhesives for load-bearing timber construction. The new Loctite HB S ECO and CR 821 ECO help to make the use of solid wood more sustainable. Both cause over 60 percent less CO₂ emissions than their predecessors based on a cradle-to-gate analysis.

CIRCULARITY

Decoupling economic growth from the consumption of finite natural and fossil resources and developing a circular economy are key approaches to sustainable value creation. We support the transition to a circular economy and we intergate circularity into our production sites – while also working with partners along the entire value chain.

[More information in our Sustainability Report 2023, page 48](#)



DIAL BOTTLE IN NORTH AMERICA MADE FROM 100 % RECYCLED PLASTIC

To mark Dial's 75th anniversary, the brand has refreshed its product range with a focus on sustainable packaging. The new bottle design contains 100 percent PCR in the bottle body and 25 percent less virgin plastic in the redesigned cap. It is fully recyclable, and features a How2Recycle label on the packaging to promote responsible disposal.



100 % CIRCULARITY OF PRODUCTION WASTE

The site in Dammam, Saudi Arabia enables a complete circular economy for waste material in the site's production process by establishing a 100 percent closed-loop use of damaged or scrapped rolls. In the new closed-loop system, production waste is carefully shredded and homogenized to ensure the purity, uniformity and quality of the output from the recycling process.



NATURE

Our planet's ecosystems are under increasing pressure caused by population growth and accelerated economic activity. We are committed to protecting and restoring biodiversity – with a particular focus on forests, land and water.

[More information in our Sustainability Report 2023, page 59](#)

It starts with **us.**

“IT STARTS WITH US” - INITIATIVE

Through targeted communication, we strive to encourage responsible-minded behavior while using our products. In our Consumer Brands business unit, we have launched the initiative “It starts with us.” Simple changes to everyday behavior can help consumers to use our products in a more resource-efficient and sustainable way, for example by using the ECO program on their washing machine.

SUSTAINABLE INGREDIENTS

We have set ourselves the goal of replacing fossil raw materials with materials made from biomass. In 2023, we launched the Technomelt DM ECO product range for the manufacture of diapers and sanitary products on the European market. This new solution consists of more than 50 percent bio-based materials.



ACHIEVEMENTS 2023

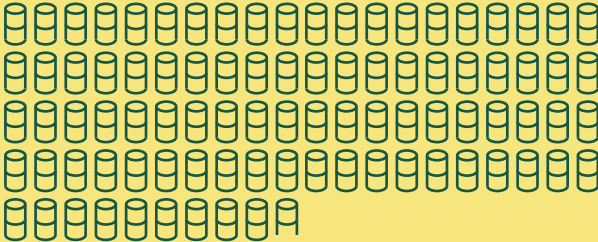


89%

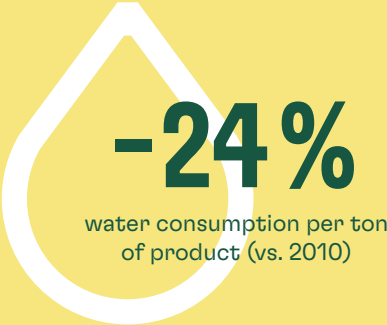
of our electricity sourced from renewable sources

>89 million tons

of CO₂ saved together with our customers, consumers and suppliers (2016–2023)



14 sites converted to CO₂-neutral production processes



-24%

water consumption per ton of product (vs. 2010)

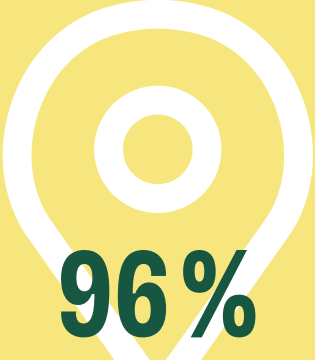
-61%

CO₂ emissions from our production per ton of product (vs. 2010)



19%

share of recycled plastic



96%

palm (kernel) oil that has its responsible sourcing certified or externally confirmed

87%



of packaging is designed for recycling or reusability

82%

of production sites do not send any production waste to landfill

THRIVING COMMUNITIES

We do everything we can to help people live better lives. Our social responsibility is to promote equity, strengthen diversity and respect human rights. We offer our employees lifelong learning opportunities, and an attractive and healthy working environment. We advocate for social progress and access to education worldwide, and we provide assistance in emergency situations.





EQUITY

Strengthen diversity, equity and inclusion, respect human rights and enhance the livelihoods of people.



EDUCATION

Support lifelong learning and education, and motivate people to take action for sustainability.



WELLBEING

Foster health and wellbeing, and help drive social progress.

TARGETS AND AMBITIONS

Shape the

FUTURE OF WORK

for our company and employees

+60%

safer per million hours worked (vs. 2010)¹



IMPROVE LIVELIHOODS

of smallholder farmers and protection of nature



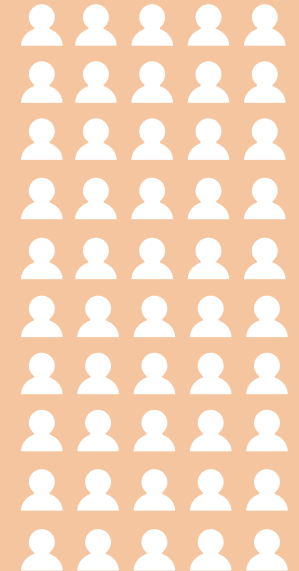
GENDER PARITY

across all management levels¹



EDUCATION PROGRAMS

Expand our community and volunteering



ENGAGE AND EMPOWER

all employees to take action on sustainability

¹ by 2025

EQUALITY

We believe there is great strength in diversity, and that everybody deserves to feel valued. We are committed to respecting human rights in our entire value chain. This begins with transforming our company culture and mindset.

[More information in our Sustainability Report 2023, page 72](#)



ACCELERATE CULTURAL TRANSFORMATION (ACT) - INITIATIVE

We are taking our culture to the next level with this global initiative. We reached more than 11,000 employees at eight regional townhalls in June 2023. The initiative enabled our teams to have individual “team moments” to reflect on our corporate purpose and our Leadership Commitments. ACT encourages dialogue between teams and accelerates our cultural transformation.

PAID PARENTAL LEAVE FOR EVERYONE

In 2023, Henkel issued global guidelines on paid parental leave – irrespective of gender – which are set to come into force in 2024. This means that both parents will have the flexibility to take paid parental leave. With this new policy, Henkel is living up to its commitment to diversity by supporting consistent and equal access to offers such as parental leave and childcare services worldwide.



Education is one of the most powerful tools when it comes to enabling positive change. We focus on innovative programs that take a holistic, engaged approach to learning and that place a strong focus on knowledge, skills and mindset. This approach to learning starts with our employees, and also extends to reach our customers and the communities we operate in.

[More information in our Sustainability Report 2023, page 84](#)

SOCIAL ENGAGEMENT

In 2023, we celebrated the 25th anniversary of our MIT volunteering initiative, which has been supporting our employees in voluntary social engagement since 1998. One highlight was the launch of our Volunteers at Heart programme, which gave five employees the opportunity to support an organisation for a month based on their individual skills.



TRAINING ACTIVITIES

In 2023, we successfully expanded our Sustainability at Heart program for the further training of our employees in the area of sustainability. More than 10,000 employees have participated in the Sustainability Pioneer training, which is available in six languages and has also been further developed into a training format for our employees in production. Moreover, we have introduced new training programs such as the Sustainability Incubator Lab.

WELLBEING

Global events like the COVID-19 pandemic have underscored the need to rethink well-being, including in the workplace. Wellbeing is increasingly viewed from a holistic perspective that sees the physical, mental and social aspects as inextricably linked. That is also how we understand it at Henkel.

[More information in our Sustainability Report 2023, page 92](#)

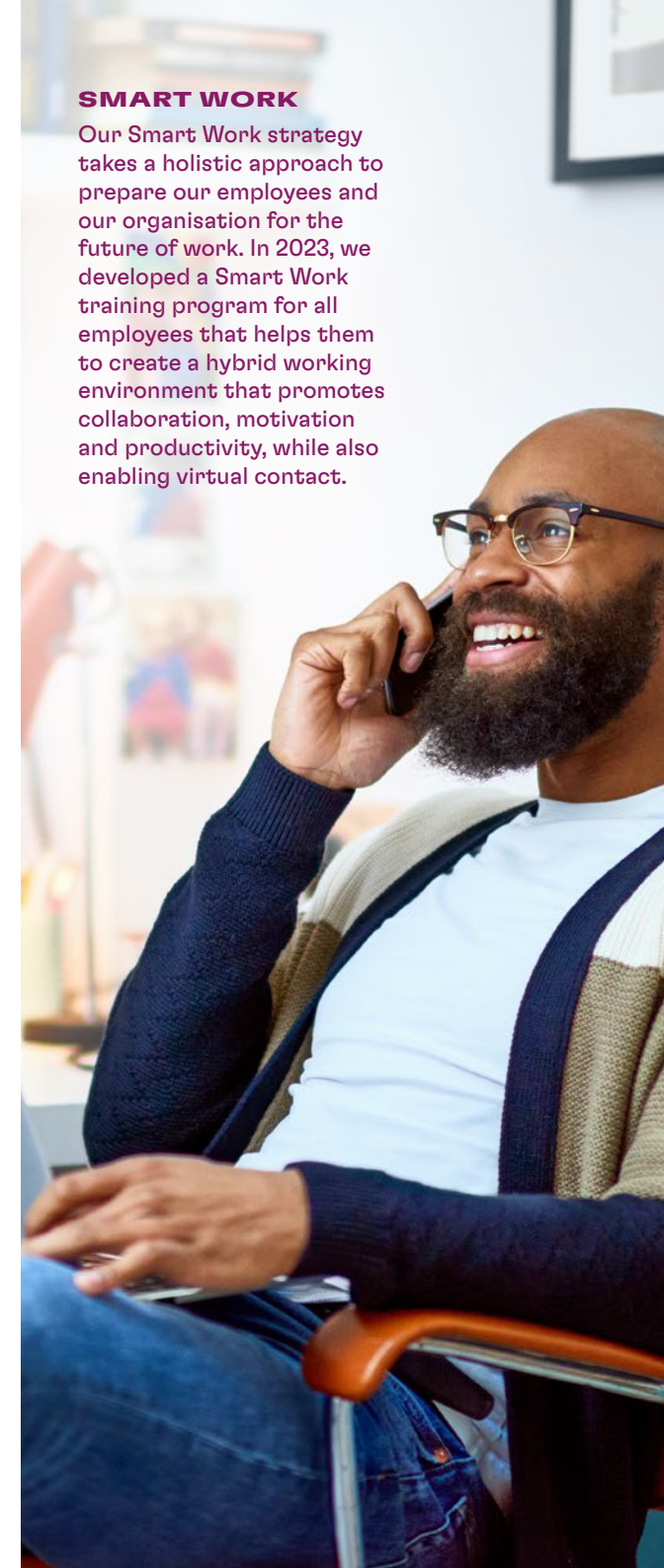
HEALTH SCOUTS

Every year, we train employees as Health Scouts to become ambassadors for health and wellbeing by integrating a new health topic each year. In 2023, 3,000 employees completed the Nutri-Scout trainings. Our 2023 “Eat Smart-Take Part” campaign focused on healthy eating. It reached 94 percent of Henkel employees.



SMART WORK

Our Smart Work strategy takes a holistic approach to prepare our employees and our organisation for the future of work. In 2023, we developed a Smart Work training program for all employees that helps them to create a hybrid working environment that promotes collaboration, motivation and productivity, while also enabling virtual contact.



ACHIEVEMENTS 2023



**“Safety is
in our DNA”**

was our slogan for
World Safety Day

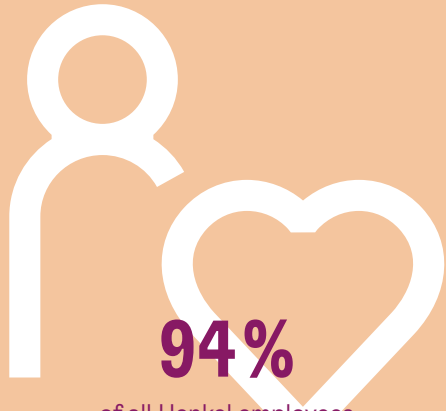
**>500 days of
“time off from work”**

were granted worldwide
for volunteer activities



>10,000

employees participated in the
Sustainability Pioneer training



94%

of all Henkel employees
worldwide reached by health
campaigns



39.5%
ratio of women in
management

>2,000

projects supported as part of
our social commitment

>10,000

Health Scout training
courses completed in
ergonomics, mental health
and nutrition

**Henkel has been
recognized as a
Diversity
Leader 2024
by Statista and the
Financial
Times**

**Accelerate
Cultural
Transformation**

(ACT) introduced as a global initiative

TRUSTED *PARTNER*

We draw on our value-oriented corporate culture and our scientific and technological expertise to strengthen our performance while maintaining our integrity. We deliver safe and best-in-class product and technology solutions to our customers and consumers. We integrate sustainability into our portfolio and our business processes, and provide transparent reporting about this to our stakeholders.





PERFORMANCE

Reliably deliver best-in-class product performance and safety as the foundation of our business success.



TRANSPARENCY

Integrate sustainability into our business governance with transparent reporting, disclosure and engagement.



COLLABORATION

Scale sustainability impact with our partners, leading to responsible business practices in our supply chains.

TARGETS AND AMBITIONS

100%

transparency and traceability for palm and palm kernel oil¹



100%

responsible sourcing together with our partners



Provide our customers and consumers with a **COMPREHENSIVE SUSTAINABILITY PROFILE OF OUR PRODUCTS¹**



EACH NEW PRODUCT

contributes to sustainability

3x

MORE EFFICIENT²
(vs. 2010)

¹ by 2025
² by 2030

PERFORMANCE

Our long history of success has been made possible by best-in-class products that are safe to use. That's how we've earned the trust of our customers and consumers – and we constantly re-earn that trust by creating safe and sustainable innovations.

[More information in our Sustainability Report 2023, page 100](#)



INNOVATIVE PRODUCTS

Henkel and CCL, an international manufacturer of specialty packaging, were presented with the AWA Sleeve Label Award in 2023 for the sustainable design of fabric softener bottles for brands such as Vernel. To improve the recyclability of the PET bottle bodies used for its fabric softeners in Europe, Henkel uses the innovative EcoFloat® sleeve technology, which is based on a floatable polyolefin material.

THE HIGHEST SAFETY STANDARDS

We make sure customers and consumers can rely on the safety of our portfolio. We conduct numerous tests and constantly review the latest scientific findings to ensure the highest standards of safety for people and the environment. We also support health and safety along the value chain. The high temperature resistant, long-lasting instant adhesive Loctite® 402 is suitable for use with a wide range of substrates and offers greater occupational health and safety thanks to a new, patented formulation.

TRANSPARENCY

Open and honest communication is the key to trust-based relationships. At Henkel, we are committed to transparent reporting and constructive dialogue with our stakeholders to provide clarity about how we integrate sustainability into our business.

[More information in our Sustainability Report 2023, page 108](#)



TRANSPARENCY OF OUR SUPPLY CHAIN

In 2023, we were able to maintain the traceability rate for palm-based ingredients up to the mill of 89 percent and we increased the traceability rate up to the plantation to 52 percent through a transparency survey with the support of a sustainability consultancy.¹ We are also joining forces with pioneering partners to improve traceability and transparency in the palm oil industry.

¹ This survey was conducted in 2023 and is based on the supplier data for 2022.

SUSTAINABILITY ASSESSMENT IN OUR BUSINESS UNITS

Our aim is to measure the sustainable transformation of our product portfolio. Our business unit Adhesives Technologies published audited results of the sustainability assessment of its product portfolio 2023. Our Consumer Brands business unit is working on a similar sustainability assessment process for its consumer goods portfolio.



COLLABORATION

We join forces with partners from along the value chain to maximize the impact of our sustainability activities. For many years, we have engaged in open dialogue on subjects including resource-efficient innovations, responsible supply chains and the sustainable transformation.

[More information in our Sustainability Report 2023, page 121](#)

SUSTAINABILITY WITHIN THE SUPPLY CHAIN

As a founding member of the industry initiative Together for Sustainability (TfS), Henkel has contributed to the development of a Product Carbon Footprint (PCF) guideline that enables suppliers and companies to jointly calculate their carbon footprint. This supports their efforts to contribute to the decarbonization of the chemical industry. In 2023, TfS piloted an IT platform that allows companies and suppliers to share upstream PCFs.

Another example of cooperation within the value chain is the collaboration with the international development organization Solidaridad to improve the livelihoods of small farmers in Ghana, Honduras, Indonesia, Colombia, Mexico, Nicaragua and Nigeria. This partnership celebrated its 10th anniversary in 2023.



Solidaridad



BEYOND THE VALUE CHAIN

Further partnerships beyond the value chain were concluded with Circular Valley Foundation to promote the circular economy in Germany, as well as MedTech Europe for sustainable innovations in medical technology. We also partnered with the International Aerospace Environmental Group (IAEG), a platform for innovative solutions in the aerospace industry.

ACHIEVEMENTS 2023

580

million euros for research and development

Around

2,750

employees in research and development



Around

97%

of our purchasing volume¹ covered by our Responsible Sourcing Process



We achieved excellent ESG rating results again in 2023, including *Sustainalytics* as well as *EcoVadis* rating, in which Henkel is placed in the **TOP 1** percent of the companies assessed.



89%

TRACEABILITY OF PALM (KERNEL) OIL BACK TO THE MILL²



Around

17,900

TfS assessments and audits

¹ In the areas of packaging, raw materials, and contract manufacturing.

² The survey was conducted in 2023 based on the supplier data for 2022.

MORE ABOUT HENKEL

Our website:

www.henkel.com

Our financial publications:

www.henkel.com/reports

Our sustainability publications:

www.henkel.com/sustainability/reports

SOCIAL MEDIA



www.linkedin.com/company/henkel

www.instagram.com/henkel

www.facebook.com/henkel

www.twitter.com/henkel

www.youtube.com/henkel

SPOTLIGHT MAGAZINE

More stories, expert interviews, extensive features and guest articles are available in our digital magazine, Spotlight:

www.henkel.com/spotlight



“Fritz for Future” is Henkel’s sustainability podcast, where we meet experts who show us what doing business, creating and thinking sustainably could look like.

www.henkel.de/spotlight/fritz-for-future

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The careers section on our website provides all the information you need about what it means to work for Henkel, the exciting jobs we offer, and how to apply for them.

Find more information:

www.henkel.com/careers

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