

HENKEL + SOLIDARIDAD

= **10 YEARS** OF SUSTAINABLE PROGRESS

Supporting smallholder palm oil farmers



Solidaridad

OUR PARTNERSHIP'S COMMITMENT

For a decade, at Henkel and Solidaridad, we have been working together to support palm oil smallholder farmers.

Our joint mission is to improve the livelihood and resilience of smallholder farmers, while simultaneously making a positive contribution to the protection of nature and climate.

Palm (kernel) oil and their derivatives are the basis for ingredients that we, at Henkel, use to manufacture our detergents, cleaners as well as hair and body care products. Its wide use in the consumer goods industry is due to its high versatility, stability, and relative crop yield efficiency. However, when done unsustainably, palm oil cultivation is often associated with large-scale deforestation and social issues.

Today, more than 7 million smallholders around the world make a living from palm (kernel) oil. Around 3.3 million are located in Indonesia and Malaysia, where their holdings represent approximately

40%
of the total area for palm oil production.

Smallholders are a crucial part of the palm (kernel) oil global value chain and key for managing the risks and opportunities of palm oil.

For this reason, we began partnering with Solidaridad in 2013.

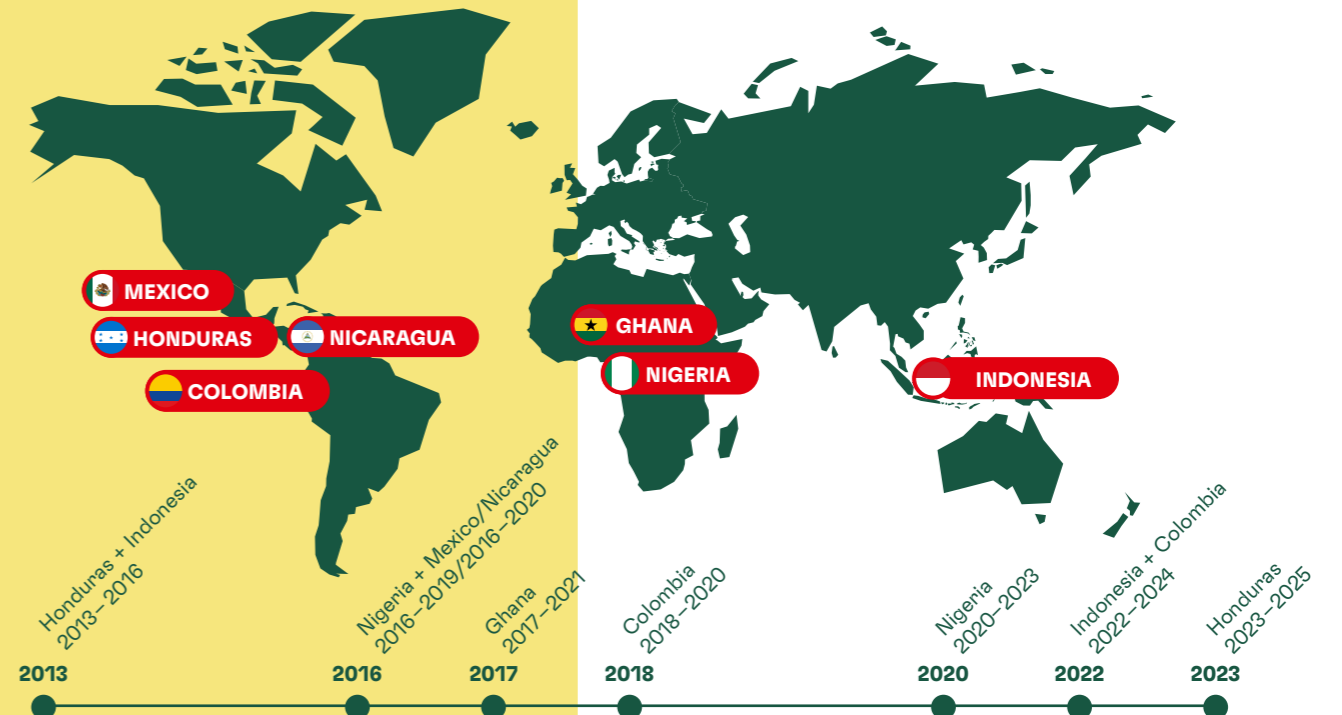
Our partnership envisioned a future in which palm oil production is in alignment with nature, provides fair incomes, and protects land rights.

We contribute to this vision by providing trainings in sustainable agriculture practices, building supportive networks, and advocating for an enabling policy environment. In our projects we have supported the smallholder farmers' journey to a sustainability certification. Also, we are pioneering digital solutions for smallholder farmers to bring transparency to their palm oil cultivation.

CORE OBJECTIVES:

1. Improve Smallholder Livelihoods
2. Protect Nature and Climate
3. Empower through Digital Innovation

In our first project together, we worked on establishing a Sustainable Palm Oil Consortium (PASH) in Honduras, which includes key stakeholders of the national palm oil industry. This increased the adoption of Best Management Practices and paved the way to responsible sourcing certification. Since then, we have collaborated in 11 projects across 7 countries and many smallholder palm oil farmers have benefited from our alliance.



OUR FOCUS AREAS

Henkel and Solidaridad's alliance has amplified the prosperity of palm oil smallholders by working on the ground on projects covering the following three strategic pillars:



PROTECTING NATURE AND CLIMATE: SUSTAINABLE AGRICULTURE REALIZED

The environment is at the heart of our shared vision. Our initiatives span a broad spectrum, from farmer training in **Good Agriculture Practices (GAP)** to implementing **Climate-Smart Agriculture (CSA)**. Programs like **National Initiatives for Sustainable & Climate Smart Oil Palm Smallholders (NISCOPS)** in Nigeria and Indonesia focus on innovative replanting, waste reduction, mitigating greenhouse emissions, and ensuring sustainable practices.



IMPROVING SMALLHOLDERS LIVELIHOODS: ENABLING PATHWAYS TO PROSPERITY

For many smallholders, palm (kernel) oil is their lifeline. We collaborate with them to enhance the crop quality which optimizes their palm (kernel) oil yield. This supports their journey to a more sustainable livelihood. Going beyond cultivation, we have supported further initiatives such as trainings in financial literacy in Indonesia and the establishment of four Rural Service Centers in Ghana, where farmers have access to trainings, labor services and affordable farming tools and resources.



EMPOWERING THROUGH DIGITAL INNOVATION

In the 21st century, data is more than just numbers – it is the backbone of informed decisions. Together, we are pioneering a digital vision to empower farmers. Our Extension Solution digital tool in Colombia is a beacon of this vision, giving farmers a robust platform for actionable **insights**. Furthermore, the Farm2Bar initiative boosts the adoption of responsible palm oil transparency in the last mile of the supply chain, interlinking Henkel's revered Dial brand with certified palm (kernel) oil sourced directly from **smallholder farmers**.

THE ROAD AHEAD

Together, Henkel and Solidaridad aim to amplify sustainable palm oil practices with on-going projects in Colombia, Indonesia and Nigeria. We are also excited to implement a new project in Honduras that will build on the partnership's previous initiatives that helped to establish a nationwide sustainable palm oil platform.

The focus will be on the challenges smallholders face such as their inclusion in certification and sustainability initiatives. Emphasis will be placed on recognizing the pivotal role female farmers play in the industry by completing an extensive analysis of female farmers' contributions. Also, the project will contribute to Honduras' zero-deforestation palm oil agreement. These initiatives will form the foundation for future strategies, ensuring deforestation-free and socially inclusive palm oil production.

VOICES OF OUR PARTNERSHIP



DIAL BRAND

"We are proud to support projects which illustrate that economic growth and environmental protection can be achieved simultaneously. Solidaridad's sustainable farming methods preserve biodiversity, improve the yield and contribute to the success of palm oil smallholders. This alliance shows our commitment to bringing value to the consumer and conserving the environment."



Rafael Smallholders Palm Oil Farmer, Indonesia

"As smallholder farmers, we were glad when Henkel and Solidaridad started the project in our area as, through that project, we gained a vast knowledge which is beneficial for us. Especially, since we are aiming to be certified."



Kenechukwu Onukwube Palm Oil Program Manager, West Africa/Nigeria

"Henkel's support has been key to equip Nigerian smallholder farmers with skills fostering entrepreneurship in palm oil production, and Good Agricultural Practices. Through this, more women and youths are now able to boost yields and household income through palm oil agri-businesses."

IMPACT HIGHLIGHTS

 + 38,000 SMALLHOLDER PALM OIL FARMERS IMPACTED	 + 340,000 HA OF LAND ENGAGED IN SUSTAINABLE PRACTICE	 13% YIELD INCREASE IN INDONESIA	 3.5x MORE YIELD/HA IN GHANA AND COLOMBIA
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OUR CO-PARTNERS



TO LEARN MORE ABOUT ONGOING PROJECTS, PLEASE VISIT:

-  Colombia | Dial
-  Honduras
-  Indonesia
-  Nigeria