

**Dialogue on the Indonesian tropical rain forests:**

## **Henkel in support of WWF initiative**

**Henkel is supporting the World Wide Fund For Nature (WWF) in its campaign for the tropical rain forests in Indonesia. For this purpose, Henkel and WWF Germany are jointly initiating a constructive dialogue with experts on a national and international level.**

Düsseldorf – For decades, Henkel has committed itself to sustainable development and thus to the compatibility of ecological, economic and social goals. This comprehensive approach also involves a sustainable use of raw materials. For this reason, Henkel will be supporting WWF Germany in its initiative to develop compatible solutions for the most complex topic surrounding palm oil and the destruction of rain forests in Indonesia from a sustainability perspective. To this purpose, Henkel will enter into a constructive dialogue with WWF and experts on a bilateral, national and international level.

The majority of natural oils and fats (more than 80 percent) are used for the nutrition of men. In 2002, the world market volume for palm oil and palm kernel oil was about 28 million tons. Most of this volume is consumed in Asia. The Henkel Group, however, uses less than 0.2 percent thereof and, moreover, only indirectly via its raw materials suppliers. Henkel itself does not produce, obtain or process palm oil or palm kernel oil.

For many years, Henkel has been using ingredients based on renewable raw materials, that is, among others, for surfactants, i.e. washing active substances. The surfactants used by Henkel are not based on palm oil, but on palm kernel oil, which is obtained from the pip of the fruits. Alternative raw material bases may include other renewable oils and fats, as well as mineral oil (petroleum). However, Henkel prefers to use renewable raw materials if the ecological, economic and social conditions so allow for.

Henkel recognizes that an uncontrolled expansion of oil tree plantations will burden Indonesia's tropical rain forests deserving protection, as well as their native fauna. Henkel welcomes that there will be a sound discussion of this complex topic within the scope of an international Round Table meeting involving all stakeholders, now planned for the end of August in Kuala Lumpur. Henkel will be participating in this round table discussion.

Henkel is prepared to contribute its expert knowledge to the analysis as well as the search for solutions. This will include its participation in a Round Table conference planned by WWF Germany for September 2003. Henkel will also be meeting representatives of the managing committees of WWF Germany following the summer holidays. The objective of this meeting should be to enable Henkel, WWF and other experts to jointly evaluate the facts on a working group level and to thus further the search for solutions in the light of sustainable development of raw materials. Subsequently, Henkel will introduce suitable measures consistent with sustainable development principles.

On July 29, and in this context, WWF Germany handed over to Henkel postcards and e-mails it collected as part of its initiative to protect the Indonesian rain forest. WWF has selected Henkel only exemplarily for this postcard campaign, so as to motivate other companies to devote attention to this topic.

To the Henkel Group, the protection of both the environment and the nature has been of particular concern for years, even decades. One of the company's key corporate values reads: "We are dedicated to sustainability and corporate social responsibility." Suppliers to Henkel are well aware of Henkel's commitment to sustainability and are asked to show corresponding business practices. This is, last but not least, the reason why Henkel is among the multiply awarded companies – including by WWF.