

# **Press Release**

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First carbon neutral manufacturing sites sourcing 100% renewable energy

# Henkel Adhesive Technologies is driving progress towards climate-positive operations

Düsseldorf – Henkel has a longstanding track-record as a leader in sustainability for decades and constantly drives transformational change to create value for its stakeholders. Last year, the company accelerated its efforts as part of its 2030+ Sustainability Ambition Framework including the ambition to achieve climate positive operations by 2030. The Adhesive Technologies business unit has translated this framework into its specific <u>Sustainability Ambition 2030</u> and aims to lead by example as well as through technologies.

Adhesive Technologies is operating 124 sites around the globe, the vast majority of Henkel's facilities. To execute towards its ambition the business unit is investing into a broad variety of sustainability projects in operations. The focus is on increasing the use of electricity generated from renewable sources, implementing state-of-the-art technologies to generate thermal energy without fossil fuels and increasing the circularity of water and production material usage.

"Climate change is one of the biggest challenges of our time and with the ambition of becoming climate positive in operations by 2030 Henkel is leading in the industry for adhesives, sealants and functional coatings," said Dimitri Kozak, Head of Sustainability and Environmental Performance in Operations at Henkel Adhesive Technologies. "Thus, we are taking holistic actions in all our manufacturing sites around the globe. As a first milestone we want to become carbon neutral in production. We have achieved carbon neutrality in our aerospace manufacturing plant in the Montornès del Valles (Montornès) plant in Spain. This year, we have already turned three further adhesive production sites to carbon neutrality with much more to come in the near future."



#### **Carbon neutral production**

To achieve carbon neutral production Adhesive Technologies constantly invests into technologies enabling the local use of 100% electric and thermal energy. Once installed, manufacturing sites start changing the supply of sources to renewable alternatives such as biomass or biogas. By combining on-site renewable energy and green energy procurement the aerospace manufacturing plant in Montornès already has become a lighthouse project for Adhesive Technologies. This year, the adhesives manufacturing sites in Chennai, India, Tuzla, Turkey, and Bileca, Bosnia and Herzegovina, have become carbon neutral as well. The three plants have reached this goal by drawing electricity from on- and offsite renewable energy sources, along with the deployment of energy efficient solutions such as LED lighting, smart motion sensors and natural lighting. All fossil fuel users such as hot water boilers and heating have been replaced by electrical systems.

### **Electricity generated from renewable sources**

By end of 2022, about 60% of all sites operated by Adhesive Technologies already used electricity generated from renewable sources. In Mexico, for example, all manufacturing facilities have been equipped with technologies that enable 100% usage of electricity from renewable sources. In Australia, the business unit has invested into its plants in Seven Hills, New South Wales, and Kilsyth, Victoria. With this, all adhesive manufacturing sites in the country are powered by 100% renewable electricity. When building new sites Henkel implements sustainability already into the design phase. For example, the <u>Songdo plant</u> in Korea, opened in 2022, incorporates a broad range of sustainability features, including solar panels, a rainwater recycling system and energy-efficient equipment.

### Continuous efforts to increase energy efficiency

Investments into technologies that help replacing fossil fuels for the generation of thermal energy is another important building block to significantly reduce the CO<sub>2</sub>-footprint in productions. In its Cannon Falls plant in Minnesota, US, Adhesive Technologies has implemented a regenerative thermal oxidizer technology which provides higher efficiency and reduces gas consumption. The process thermally treats volatile organic compounds instead of releasing them into the atmosphere. As a result, the site reduces direct emissions and in average can save more than 11,000MWh of gas annually.

## Increasing circularity

The use of circular water as well as the circular use of production waste material is another key priority of Adhesive Technologies. By optimizing the hot water cleaning process in one of its adhesive production facilities in Düsseldorf, Germany, the business unit will be able to save up to 50% freshwater for each cleaning and disinfection cycle and 50% of energy. The Cannon

Falls site has implemented a facility chiller estimated to save 18,000 m<sup>3</sup> of water annually. The new chiller system replaced individual units which require city water with a centralized, continuous circulating system of water and glycol mixture. The Warren facility in Michigan, US, has introduced a reverse osmosis system that increases the water reuse and reduces water consumption by 40% annually.

In addition, Adhesive Technologies is constantly improving its disposal methods of its waste streams. 85% of all adhesive manufacturing sites have achieved zero waste to landfill status (ZWTL). The Chivilcoy plant in Argentina has implemented a novel biological waste treatment process with earthworms that transform materials into organic matter. This process allows the annual re-use of around 2,500m³ of wastewater and the generation of 50m³ of compost that donated to local agricultural producers and for environmental awareness events.

With all these initiatives and projects Henkel Adhesive Technologies is constantly driving progress towards its sustainability ambitions in production.

#### **About Henkel**

With its brands, innovations and technologies, Henkel holds leading market positions worldwide in the industrial and consumer businesses. The Adhesive Technologies business unit is the global leader in the market for adhesives, sealants and functional coatings. With Consumer Brands, the company holds leading positions especially in hair care and laundry & home care in many markets and categories around the world. The company's three strongest brands are Loctite, Persil and Schwarzkopf. In fiscal 2022, Henkel reported sales of more than 22 billion euros and adjusted operating profit of around 2.3 billion euros. Henkel's preferred shares are listed in the German stock index DAX. Sustainability has a long tradition at Henkel, and the company has a clear sustainability strategy with specific targets. Henkel was founded in 1876 and today employs a diverse team of more than 50,000 people worldwide – united by a strong corporate culture, shared values and a common purpose: "Pioneers at heart for the good of generations." More information at <a href="https://www.henkel.com">www.henkel.com</a>

#### Photo material is available at www.henkel.com/press

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Henkel Adhesive Technologies has achieved carbon neutrality in production of its first manufacturing sites by sourcing 100% renewable energy.



The aerospace manufacturing plant in Montornès, Spain, has been a lighthouse project for Adhesive Technologies.



The sites in Chennai (picture), India, Tuzla, Turkey, and Bileca, Bosnia and Herzegovina have become carbon neutral in production in 2023.



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