Sustainability at a glance 2019

















Contents

- 2 About Henkel
- 3 More value less resources
- 4 Global challenges and opportunities
- 6 Dedicated Sustainability Ambassadors
- 8 High-impact solutions for our customers
- 10 Together, for true beauty and a more beautiful world
- 12 Creating value with sustainable innovations
- 14 Driving responsible sourcing
- 16 Becoming climate-positive
- 18 Enabling a circular economy
- 20 Promoting sustainable consumption
- 22 Creating educational opportunities
- 24 Supporting social engagement
- 26 Overview of our key targets
- 27 Achievements 2019 External assessments

About Henkel

Fritz Henkel founded our company in 1876. With our three business units – Adhesive Technologies, Beauty Care and Laundry & Home Care – we hold leading market positions in both the industrial and consumer goods businesses. The products and technologies marketed under our strong brands – such as Loctite, Schwarzkopf and Persil – are an essential part of daily life for people in more than 100 countries around the world.

Our actions are geared toward creating sustainable value. For our customers, our employees, our shareholders, and for society as a whole.

As pioneers in the field of sustainability, we want to achieve more with less resources. This ambition forms the core of our sustainability strategy, which is supported by our commitment to ensuring the health and quality of life of our employees, customers and consumers, as well as to protecting the environment.

More value – less resources

What are our sustainability aspirations?

We are committed to leadership in sustainability – this is one of our corporate values. As a sustainability leader, we aim to pioneer new solutions while developing our business responsibly and increasing our economic success.

What strategy are we pursuing?

Our ambition is to achieve more with less. This means we create more value for our customers and consumers, for the communities we operate in, and for our company – at a reduced environmental footprint. We focus our activities along the value chain on six focal areas that reflect the relevant challenges and opportunities of sustainable development as they relate to our business.

What targets have we set ourselves?

Our 20-year goal for 2030 is to triple the value we create for the environmental footprint made by our operations, products and services. We call this overarching goal to become three times more efficient Factor 3. To drive progress, we have defined specific goals to be achieved by 2020 and beyond in each of our focal areas.



Social Progress



Performance



Safety and Health

Deliver more value

Reduce footprint



Energy and Climate



Materials and Waste



Water and Wastewater

Global challenges and opportunities

We are facing immense challenges, which also present numerous opportunities. By the year 2050, the world's population is expected to grow to nine billion. The acceleration in global economic activity will lead to rising consumption and resource depletion. With that, the strain on resources will further increase over the next decades. For this reason, we need products and technologies that enhance quality of life while consuming less input materials.

Henkel actively supports the implementation of the 17 Sustainable Development Goals (SDGs) that were adopted by the 193 United Nations member states in 2015. The SDGs represent an important step toward a shared understanding of the challenges that we need to tackle on a global basis to enable sustainable development. These cover the entire range of topics related to sustainability that are relevant to all stakeholders – developed, emerging and developing countries, companies and non-governmental organizations, as well as stakeholders from all industries and sectors along the value chain. Many topics that we work on and make progress toward through our sustainability management are reflected in the SDGs, including sustainable consumption, packaging and plastics, climate protection, human rights, equal opportunities and education.

We are convinced that the goals provide a shared focus that can empower collaborative action and will drive much stronger progress toward sustainability. By continuously reviewing our company goals and initiatives, we want to ensure that they are aligned with the priorities set out by the SDGs that are relevant for us. We are in dialog with stakeholders, and engage in initiatives worldwide together with industry representatives, social enterprises and civil society players, while also participating in political and social discourse.

With our long history of commitment to sustainability, we contribute to the UN targets worldwide. This includes the corporate and social engagement of our three business units through their brands and technologies, as well as contributions from our regional and national companies, and our corporate functions.

The illustration shows some examples of how our commitment to sustainability contributes to the implementation of the SDGs. These examples are presented in more detail in this magazine, and include contributions that we make as part of our business activities, as well as our wider-reaching social commitment.





Our people

Dedicated Sustainability Ambassadors

Our global team of more than 52,000 employees use their commitment, skills and experience to inspire others – and bring our sustainability strategy to life.

When it comes to sustainability, our people make the difference. They make innovations possible, develop successful strategies and make our company unique. That's why we initiated the Sustainability Ambassador program in 2012 – to strengthen and support our employees' engagement.

Since then, almost all of our employees worldwide have qualified as Henkel Sustainability Ambassadors by completing a training course via eLearning or by attending a group session. The program aims to explain our sustainability strategy and give our people a sense of our strong commitment to this topic.

"If we're all willing to change a few little things in our daily lives, we can achieve a lot together."

Margaret Koh, Regional Head, Supplier Quality & Development for Asia-Pacific at Henkel



Around 1,300 Henkel employees around the world have taken part in clean-up activities as part of our global plastic collection initiative Trashfighter and helped to remove waste from riverbanks, parks and cities.

Getting actively involved

Once they've qualified, all of our Ambassadors are encouraged to actively contribute to sustainability by using their new knowledge. Options include visiting a school to share information and help future generations understand how to use resources efficiently at home from an early age. The children also multiply the impact by sharing these insights into sustainability with others around them. By the end of 2019, we had reached over 170,000 schoolchildren in 53 countries.

Using resources responsibly

Ambassadors can also promote healthier lifestyles, raise awareness of water and energy consumption, and help to cut waste across our sites worldwide. For example, we offer initiatives that encourage employees to put sustainability into practice in their day-to-day work through simple actions like turning off the lights or eating healthily. We also provide our sales representatives with additional training in sustainability topics that go beyond the content of the Sustainability Ambassador program. They then apply this knowledge in joint projects with our customers and partners.

Fighting plastic waste

As part of our Sustainability Ambassador program, we launched our global Trashfighter initiative in 2019. It brings together our employees to fight against plastic waste. By the end of this year, around 1,300 employees had teamed up to collect trash in local parks and at beaches and riverbanks around the world – from the USA to Europe and across Asia. In this way, we aim to raise awareness about waste in the environment and encourage progress toward a circular economy, where everything is reused and nothing is wasted.







Our business units: Adhesive Technologies

High-impact solutions for our customers

We enable our customers to drive progress toward sustainability by providing a comprehensive range of resource-efficient solutions for industrial and consumer applications.

As a market leader for adhesives, sealants and functional coatings, we have a responsibility to provide technologies that address environmental and social challenges. We act on this responsibility by working with partners and customers around the world to help them reach or even exceed their sustainability targets. From the automotive, aerospace and general industries through to electronics and food packaging, our market-specific solutions enable customers to cut CO₂ emissions, promote the transition to a circular economy, and protect the health and safety of workers and consumers.

Compared to conventional wheels made of aluminum, carbon fiber wheels can be up to

50%

lighter.

Our solutions are already used to reduce weight and increase safety in more than

1,500

aircraft specifications worldwide.



A new range of adhesives for labeling PET bottles makes it easier to remove the label from the bottle during recycling. In this way, our adhesives accelerate the recycling process and enable a higher quality grade of recyclate.

Exploring renewable and bio-based materials

We believe no single company or organization can solve the world's challenges alone. That's why we engage in partnerships at every stage in the value chain. In line with this approach, our research teams are developing innovative biobased solutions for the electronics industry that aim to enable our customers to replace materials based on oil. Manufacturers of smart phones and other devices are constantly striving to meet changing consumer expectations and stay ahead of new legislation by taking advantage of technologies that offer a reduced environmental footprint – while still delivering high standards of quality and performance.

Opening up innovative design possibilities

We also help our customers to increase sustainability by opening up new design possibilities. For example, we've joined forces with Carbon Revolution, an Australian company that has developed a technology for creating one-piece carbon fiber wheels for the automotive industry. These wheels can be up to 50 percent lighter than conventional wheels made of aluminum. Switching to this new technology can reduce the overall weight of each vehicle – which means they consume less fuel and generate less CO₂ emissions.

Creating circular value chains

Our solutions also play a key role in promoting a circular economy. In particular, we're focusing on making it possible to recycle flexible packaging that combines layers of different materials like plastic, film and aluminum. This strong and versatile packaging keeps food fresh and protects medical supplies against contamination. However, it's also difficult to recycle because the various layers have to be separated in order to return the different materials to their respective streams. That's why we've developed a new range of adhesives that can be used in a closed-loop recycling process for flexible packaging.



Our business units: Beauty Care

Together, for true beauty and a more beautiful world

Sustainably effective: In the formulation of our soaps, shampoos and shower gels, we use natural raw materials – and are committed to the responsible use of resources. In addition, we are actively engaged in social initiatives, for example to support the rights of girls and women.

We always focus on our consumers when developing new products. They demand sustainable products that are environmentally compatible from brands that support this shared fundamental belief. Beauty Care recognizes these concerns and its responsibility for the environment. For the coming years, the business unit has set itself the goal of making its entire product portfolio even more sustainable. One current example of this is the Schauma brand family, which offers a new vegan formula and a product line that has been certified in line with the EU Ecolabel, while the bottles are made of 30 percent recycled plastic.

By the end of 2020, we want to reach a total of

140,000

girls and women with our projects under the umbrella of the Million Chances initiative.

The bottle body of the Schauma Nature Moments product line consists of

30%

recycled plastic.



Solid shampoos from the Nature Box brand contain up to 82 percent nature-based ingredients, including cold-pressed oils from fruit seeds and nuts, and are vegan.

Brand engagement

We want to motivate consumers to contribute to a responsible use of resources through their behavior. With the "BeSmarter." initiative, the Beauty Care business unit encourages consumers to save water and handle waste in a way that supports recycling. Beyond this, we want to contribute to social progress. The goal of our Million Chances initiative is to support girls and women worldwide in building a successful future for themselves. In 2019, we presented the Schwarzkopf Million Chances Award for the second time. It honored four non-profit projects for their outstanding commitment to supporting girls and women in providing health care, educa-

tion, economic emancipation or rights, and integration activities. By the end of 2020, we want to reach a total of 140,000 girls and women with our projects and activities under the umbrella of the Million Chances initiative.

Sustainable innovations

Sustainability is a key consideration in the development of product innovations at Henkel. We pursue a holistic approach that covers the entire value chain: from the purchase of raw materials and packaging materials, through to production and logistics, as well as the application and disposal of the product by the consumer.

The new solid shampoos from the Nature Box brand shampoo include cold-pressed oils. Due to its concentrated formula, the solid shampoo is as economical as two liquid shampoos and has a lower weight and volume. This results in less CO₂ emissions during transport. Nature Box combines high standards of production and quality with a long-term sense of responsibility. For this reason, Nature Box collaborates with the international development organization Solidaridad and supports smallholders in the sustainable farming of palm kernel oil, which is a raw material used to make ingredients found in this product range. The packaging is also made from FSC-certified paper and is fully recyclable.



Our business units: Laundry & Home Care

Creating value with sustainable innovations

Our sustainable innovations help consumers to save energy and water – for example when washing and rinsing with more concentrated product formulations. In addition, we are continuously improving the recyclability of our packaging.

Consumers' expectations mirror our own ambitions: We want our products to satisfy the criteria of quality, environmental compatibility and social responsibility. For this reason, the Laundry & Home Care business unit's research and development strategy brings together innovation and sustainability, and places a strong focus on resource-efficient technologies and products.

Working together to save resources

Our new generation of liquid laundry detergents shows that outstanding washing performance can go hand-in-hand with sustainability. It is the result of several years of research and More than

70%

of the environmental footprint of our products is generated during their use.

All Pril bottles are made of

100%

recycled plastics.



The bottles for the Vernel brand of fabric conditioner consist of 100 percent recycled material. Consumers are asked to separate the bottle from the plastic cover after usage, to enable both parts to be recycled.

development, as well as significant investment in new product formulations, new bottles and new production processes. In 2019, we also launched Persil Discs: with their innovative 4-chamber system, these provide optimal washing performance for stain removal, brightness, fiber care and fresh fragrance in a single product. The gels in the four chambers remain protected until the foil dissolves on contact with water and then release their full power during the washing process – even at washing temperatures as low as 20 degrees Celsius. The water-soluble packaging film is biodegradable. Persil Discs prevent overdosing of the detergent, which contributes to more sustainability.

Recycling together

The key goals of Henkel's packaging developers are to reduce the amount of packaging material and to increase reuse, as well as to increase the use of recycled materials. We also work closely with our retail partners to promote the responsible use and disposal of our packaging at the end of our value chain.

For example, Henkel is a member of the "Rezyklat-Forum" (Recyclate Forum) in Germany. The initiative has two objectives: first, to significantly increase the reuse of packaging materials in order to offer consumers more sustainable

alternatives and reduce the amount of packaging waste. And second, to raise awareness about a closed-loop system – from product development at the manufacturers, through to use by customers, disposal of household waste, and recycling of packaging.

Together with its retail customers, Henkel is also testing other alternatives for promoting a circular economy. This includes refill stations for liquid laundry detergent and dishwashing detergent in drugstores in the Czech Republic. In addition, Henkel has developed new product logos that indicate the recyclability of the packaging.

Driving responsible sourcing

Our supply chain has a significant influence on our impact on the planet. That's why we work together with partners and suppliers to promote environmental and social responsibility worldwide – particularly regarding the sourcing of palm oil and palm kernel oil.

We want to be certain that the materials we buy and use in our products are produced sustainably. When it comes to palm oil and palm kernel oil, our approach focuses on making a positive contribution to the environment and the communities affected by this industry. For example, our goals for 2020 include making sure our sourcing process for palmbased materials does not contribute to deforestation.

We also place a strong focus on the rights of people who work in this industry or live in communities impacted by it. That's why we've also set targets covering certification and traceability, as well as support for projects that help small-holder farmers.

Collaboration with smallholders

Together with the development organization Solidaridad, we're supporting independent farmers through initiatives in Colombia, Ghana, Honduras, Indonesia, Mexico, Nicaragua and Nigeria. Since 2012, these initiatives have reached around 30,000 smallholders across some 300,000 hectares.

Solidaridad celebrated its 50-year anniversary in 2019 – and it has an impressive track record. Together, our partnership now aims to explore new focus areas like cutting greenhouse gas emissions in the palm value chain and supporting small-holders in making their processes more climate-compatible. Protecting and restoring forests can contribute to tackling climate change by absorbing carbon dioxide from the air,



Henkel currently has suppliers and business partners from around 120 countries. More than 77 percent of our purchasing volume comes from countries that belong to the Organization for Economic Cooperation and Development (OECD).

while helping smallholders to increase their incomes can enable them to make their plantations more resilient against potential impacts of climate change.

Partnership and dialog

Collaborating with partners from across industries is at the heart of our approach to responsible sourcing. We're a founding member of Together for Sustainability – The Chemical Initiative for Sustainable Supply Chains (TfS). It aims to harmonize sustainability processes along the value chain and to optimize dialog among business partners worldwide by offering infrastructure and data sharing platforms for third-party sustainability assessments and audits.

"My work as a palm oil farmer helps me to send my five children to school."

Fausto Martínez, Smallholder Palm Oil Farmer

Above all, TfS creates synergies through its core idea: "An audit for one is an audit for all." Participants in this initiative share data from audits and assessments of common suppliers. Performance is assessed in the areas of management, environment, health and safety, labor and human rights, and issues of ethical corporate governance. More than 14,000 suppliers have been assessed and audited by independent experts since TfS was launched in 2011.

www.henkel.com/palmoil



Becoming climate-positive

We want to become a climate-positive company by maximizing our use of renewable energy and minimizing our carbon footprint along the value chain. Henkel is committed to the Paris Agreement on Climate Change

Henkel is committed to the Paris Agreement on Climate Change and sees it as an essential prerequisite if more than nine billion people are to be able to live well within the resource limits of our planet in 2050.

December 2015 was a landmark moment in the global response to climate change. During the COP21 conference, United Nations member states approved the Paris Agreement on Climate Change – a commitment to limiting global warming to well below 2 degrees Celsius and to pursue efforts to limit the increase to 1.5 degrees Celsius.

Achieving this target will only be possible if global CO₂ emissions are cut by between 80 and 90 percent by 2050. This means governments, companies and individuals have to take action. At Henkel, we're pursuing the long-term vision of becoming a climate-positive company by 2040.

Starting with our own production

As a first step, we're focused on reducing the CO₂ footprint of our production by 75 percent by 2030. Our efforts to achieve this include covering 100 percent of our demand for electricity with renewable energy. We also want to replace any remaining fossil fuels with climate-neutral alternatives like biogas or gas generated by converting CO₂.

We will supply any surplus carbon-neutral energy that we don't need for our own production to third parties. In this way, we'll become climate-positive by avoiding emissions in our own activities and enabling other organizations to benefit from renewable energy too.

Innovative products that use less energy

Around two thirds of our company's CO₂ footprint is generated when our products are used. This creates huge potential to reduce emissions because our brands and technologies are used millions of times every day in households and industrial processes worldwide.

We aim to help our customers and consumers save 50 million metric tons of CO₂ by 2020 by providing innovative products that enable them to cut energy consumption.

Our building insulation solutions, for example, reduce the need for heating and air conditioning. Henkel's brands also enable consumers to cut their carbon footprint by reducing "Henkel supports climate protection in many future-facing ways: with innovations, new business models, partnerships and creative forms of consumer education."

Prof. Dr. Uwe Schneidewind, Scientific Managing Director of the Wuppertal Institute for Climate, Environment and Energy

the number of laundry loads that they wash or by switching to haircare products that do not need to be rinsed out and so do not require water to be heated up. And we encourage responsible behavior through campaigns and activities like the "be sustainable – wash cold" logo on packaging for our laundry detergents.

☐ www.henkel.com/spotlight/climate-positive



Promoting a circular economy

Plastics consist of valuable raw materials. That's why we want to keep them in the economic cycle for as long as possible and stop waste from entering the environment or our oceans. We are also working with organizations along the entire value chain to make packaging more sustainable and promote a circular economy.



Initiative with our partner Plastic Bank: The local population of Haiti can return collected plastic waste and exchange it for money, goods, or services. This material is then integrated back into the plastic value chain and recycled to make new packaging.

Sustainable packaging has played an important role for Henkel for several decades: All of our product packaging is designed to meet customer requirements – by using as little material as possible, as well as the most sustainable materials available. In order to drive the development of packaging solutions forward, we are engaged in several initiatives across industries. For example, Henkel is a founding member of the Alliance to End Plastic Waste (AEPW). Close to 30 international companies along the value chain for plastics and consumer goods joined forces in 2019 to tackle the global challenge of a circular economy together.

New sustainable packaging targets for 2025

Our goal is for all of our packaging to be recyclable or reusable by 2025. We also want to reduce the proportion of new plastic material from fossil sources in our consumer goods products by 50 percent. On top of that, we are supporting waste collection and recycling initiatives. The goal: No waste to enter the environment. And we also want to promote sustainable consumer behavior through targeted information on recycling.

Recycling properly

Henkel developed new logos for product packaging in 2019 that give consumers guidance about how to recycle properly. The logos communicate the amount of recycled material

contained in the respective packaging, as well as the recyclability of our products. In this way, they help consumers to recycle products effectively.

Turning waste into opportunity

Henkel is the first global fast-moving consumer goods company to team up with Plastic Bank. The social enterprise aims to reduce ocean plastic and provide opportunities for people in poverty by giving them a chance to earn money or services by removing plastic waste from the environment.

Since the start of the collaboration in 2017, three collection centers have been opened in Haiti – a country with a lack of waste management infrastructure. At dedicated centers, the

"Our partnership with Henkel is a good example of what can be achieved by joining forces."

David Katz, Founder & CEO of Plastic Bank

local population can return collected plastic waste and exchange it for money, goods, or services. This material is then integrated back into the plastic value chain as Social Plastic. In 2019, Henkel extended its collaboration with Plastic Bank for another five years. Henkel intends to support ongoing projects in Haiti, the Philippines and Indonesia, and will also be significantly contributing to the development of more than 400 Plastic Bank collection points in Egypt.

www.henkel.com/plastic



Promoting sustainable consumption

Companies can contribute to sustainability by changing their behavior – and so can every individual. That's why promoting sustainable consumption is an important part of our strategy. With our products, we enable our customers to conserve resources like energy and water in their day-to-day lives.



The rising level of CO_2 in the atmosphere is the main cause of climate change. To counteract this, annual CO_2 emissions per person worldwide must be reduced from the current level of 4.9 metric tons to around 2 metric tons. It's our goal to provide products that support our customers and consumers in achieving this.

Our products and technologies are used in millions of households and industrial processes every day. This is why we concentrate on developing products and technologies that enable the efficient use of resources such as energy and water. In this way, we want to help our customers and consumers to save 50 million metric tons of CO₂ by 2020.

In addition to further developing our products, we want to promote responsible behavior when customers and consumers use our products, by providing targeted information. This is important because a large proportion of the CO₂ footprint of many of our products is generated during the use phase.

Calculating your personal CO2 footprint

The Henkel footprint calculator provides a striking illustration of this: By answering simple questions, it's possible to quickly estimate how much CO_2 consumers generate through their own lifestyle. At the end, they are able to see how their result compares to the German and international averages. Using the calculator helps people to evaluate the climate-impact of their daily behavior, while also supporting the Wuppertal Institute with current research into sustainable lifestyles: Participants can choose to contribute their anonymized results to the data collected for this study and support a better understanding of consumer behavior. We have also established various initiatives to increase consumer awareness about the responsible use of resources.

These include the Beauty Care initiative "BeSmarter.". With this initiative, we want to raise consumer awareness of the need to use water responsibly, while also informing users about recycling and the concept of a circular economy. In addition, we're raising awareness about how to save energy while washing laundry, through the "be sustainable – wash cold" logo on our product packaging.

Working together to save resources

Working hand-in-hand with our retail partners also plays a key role in raising consumer awareness. Retailers are important partners for Henkel on the path to a more sustainable consumption regime. They provide us with a platform to inform consumers about innovative products and environ-

"Our participants are working together to make important contributions that avoid and reduce plastic packaging and increase the use of recycled materials."

Sebastian Bayer, Initiator of the Recyclate Forum

mentally responsible behavior. In Germany, for example, we are a founding member of the "Rezyklat-Forum" (Recyclate Forum). This initiative brings together 32 members from along the entire value chain and from each area of the circular economy, including manufacturers, packaging producers, retailers and waste management companies. It was initiated by the drugstore chain dm and is now implementing specific shared measures to increase the reuse and recycling of packaging.

www.footprintcalculator.henkel.com



Creating educational opportunities

By supporting education and professional training, we aim to promote equality and create opportunities for young people worldwide.

We believe attending school and gaining job-specific skills are the foundation for creating sustainable development. However, many people around the world don't have access to inclusive education. That's why we promote quality education for young people and support progress toward gender equality and women's empowerment.

Partnerships built on shared values

Since 2010, Schwarzkopf Professional has been partnering with the SOS Kinderdorf association to provide disadvantaged young people with training in hairdressing. Through the Shaping Futures project, volunteers from our partner salons share their knowledge for free during five training modules. In this way, young people learn skills that can help

them avoid spending their lives working in low-paid jobs. The project has trained more than 2,500 young adults across 30 countries since it was founded.

Through the Fritz Henkel Stiftung foundation, we provide financial support for the non-profit initiative Teach First in Argentina, Germany, India, Ukraine, the United States and Vietnam. This inclusive partnership helps young adults from disadvantaged communities to achieve a better school-leaving certificate and find a job. As part of this initiative, university graduates act as additional teachers and help students find paths toward reaching their full potential – regardless of their social background.



GemüseAckerdemie is an educational program in Austria, Germany and Switzerland that gives children a chance to plant, look after and harvest vegetables. It aims to help the next generation learn about healthy eating and sustainability by involving them in the process of growing seasonal and regional food.

Exploring the fun of science

Our global Forscherwelt (Researchers' World) initiative is another example of our commitment in action. The program aims to inspire the next generation by encouraging children aged seven to eleven to explore the fun of science through experiments related to everyday topics.

More than 57,000 children have already attended Forscherwelt in Argentina, Chile, Germany, India, Ireland, Italy, Poland, Russia and Turkey. In 2019, we opened our largest Forscherwelt laboratory in Dubai, which underlines our commitment to having a positive impact on communities in the countries that we operate in.

"Forscherwelt helps children develop an interest in the future of science and innovation through exciting research activities that build on their existing knowledge."

Naila Al Mansoori, Head of Children's City Dubai

Volunteering worldwide

Our employees and retirees make a difference to people's lives by volunteering around the world. For example, Henkel employees established "Burundi-Hilfe" (Burundi Aid) in 2007. With support from our volunteers, it runs an orphanage with space for 45 children in Muramvya, Burundi – while also offering training for local people to learn practical and professional skills like cooking, cutting hair or sewing.





Supporting social engagement

We support our employees, retirees, customers and partners in providing help wherever it's needed – and contributing to a better world.



The Special Olympics is the world's biggest sporting movement for people with intellectual disabilities and the multiple handicapped. Henkel has supported the organization since 2014.

In 1998, we became one of the first companies in Germany to launch a program that encourages volunteering by our employees. MIT Volunteering ("Make an Impact on Tomorrow") has now supported more than 15,500 non-profit projects by providing in-kind and cash donations, as well as by giving our employees extra time off work to participate in social projects.

Current Henkel employees and retirees have made a difference to the lives of people across more than 100 countries. They do this by actively participating in projects ranging from building a daycare center for kids in Uganda, through to planting trees in the Philippines and volunteering for neighborhood support in Slovenia.

Long-term commitment to social progress

Corporate citizenship has been a key part of our culture ever since our company was founded by Fritz Henkel in 1876. We underlined our long-term commitment to promoting social progress in 2011, when we created the Fritz Henkel Stiftung foundation with its four pillars: corporate volunteering, social partnerships, brand engagement and emergency aid.

Building for the future

Together with the aid organization Habitat for Humanity, groups of Henkel employees have been building houses for families in need since 2014. Last year, our teams visited projects for example in Brazil, Hungary, and Northern

Macedonia to help build multi-family houses for people in need. The Fritz Henkel Stiftung foundation provides in-kind donations like building materials, and our employees are granted extra days of paid vacation in support of their participation.

Support for sport

Sport can overcome boundaries and build bridges by providing opportunities to connect people from across society. In this spirit, we've been supporting the national Special Olympics since 2014. As volunteers, our employees assist thousands of athletes at this, the world's largest sports movement for people with mental and multiple disabilities.

"I'll never forget the week
I spent building homes for
families in Romania. It
makes me so happy to
know that our work has
contributed to giving these
people a better life."

Andreas Barkholz, Vocational Trainer at Henkel

Hot meals for the homeless

For more than ten years, Henkel employee Duff Michowski has been supporting St. Leo's Soup Kitchen in Detroit, USA. The charitable organization provides hot meals, offers shower facilities and clothing, and hosts a medical and dental clinic for people in need. In 2019, a grant from Henkel's MIT initiative enabled the soup kitchen to purchase a new oven, a steam table, and a refrigerated buffet table.







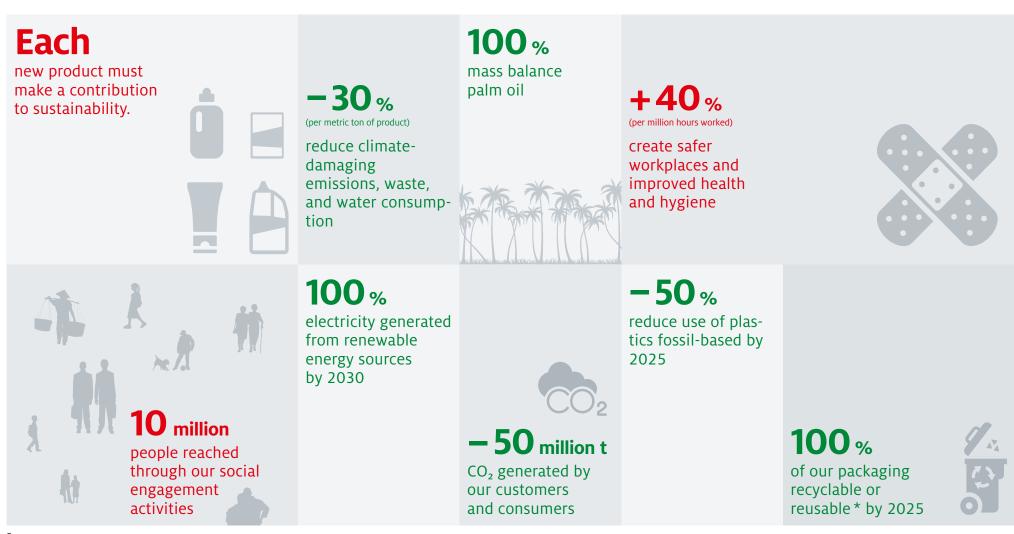






Overview of our key targets

On the road to our long-term goal for 2030, to become three times more efficient, we intend to further improve our performance over the coming years. We have therefore defined our medium-term targets for 2020 and beyond as follows:



Base year: 2010

^{*} Excluding adhesive products where residue may affect recyclability or pollute recycling streams.

Achievements 2019

In 2019, we made significant progress toward achieving these interim targets for 2020 (base year: 2010):





more sales per metric ton of product



+42%

safer per million hours worked



 $-31_{\%}$

less energy / CO₂ emissions per metric ton of product



-40%

less waste per metric ton of product



 $-28_{\%}$

less water per metric ton of product We were able to improve our overall efficiency by 2019



overall efficiency

External assessments

Our assessment and recognition by independent sustainability experts increases market transparency and provides important feedback on how well we are implementing our sustainability strategy.















Contacts

Corporate Communications

Phone: +49 (o) 211 / 797-35 33

Email: corporate.communications@henkel.com

Sustainability Management

Phone: +49 (o) 211 / 797-36 80 Email: sustainability@henkel.com

Credits

Published by

Henkel AG & Co. KGaA 40191 Düsseldorf, Germany Phone: +49 (0) 211-797-0

© 2020 Henkel AG & Co. KGaA

Printed by: Druckpartner, Essen

Design and typesetting:

MPM Corporate Communication Solutions, Mainz, Düsseldorf

English editing:

Matthew Shoesmith, Revelation, Hilden

Pre-print proofing:

Thomas Krause, Krefeld; Paul Knighton, Cambridge

PR No.: 03 20 2,000

Except as otherwise noted, all marks used in this publication are trademarks and / or registered trademarks of the Henkel Group in Germany and elsewhere.



Want to learn more?

Find more information about sustainability at Henkel in our Sustainability Report 2019:

www.sustainabilityreport.henkel.com

Our website offers access to all of the Environment Reports and Sustainability Reports we have published since 1992, as well as further publications like our Corporate Standards.

www.henkel.com/publications

Our positions about topics like climate protection, palm oil or packaging can also be found on our website:

www.henkel.com/sustainability/positions



- in www.linkedin.com/company/henkel
- www.twitter.com/henkel
- www.facebook.com/henkel
- www.instagram.com/henkel
- www.youtube.com/henkel

