

Press Release

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Commitment to meet the UN Paris Agreement 10 years early

Henkel joins The Climate Pledge by Amazon and Global **Optimism**

Düsseldorf – Henkel reinforces its commitment to climate protection and joins The Climate Pledge, an international cross-industry commitment co-founded by Amazon and Global Optimism. As a signatory, Henkel commits to achieve net-zero annual carbon emissions ten years ahead of the 2050 target set by the UN Paris Agreement – an ambition in line with the company's long-term target to become a climate-positive company by 2040.

"Climate change is a global challenge, which requires our collective action. At Henkel, we want to make a positive contribution to protecting the climate. Based on our achievements to date and in line with our ambitions for the coming years, we are very pleased to join and support the Climate Pledge," said Henkel CEO Carsten Knobel. "Together with Amazon, Global Optimism and the other signatories, we are fully committed to drive tangible progress and jointly take action to limit global warming."

To drive progress in sustainability, Henkel focuses on close collaboration along the value chain. Henkel has been working closely together with Amazon to promote sustainable innovation – for example, to enhance customer experience through new and sustainable packaging.

"By signing The Climate Pledge, companies around the world are taking collective action to protect our planet from the catastrophic impacts of climate change," said Jeff Bezos, Amazon founder and CEO. "We welcome Henkel as they join us in our commitment to be net-zero carbon by 2040, a decade ahead of the Paris Agreement. The companies are demonstrating important leadership as they help us accelerate the transition to a low-carbon economy and protect the planet for future generations."











Strong commitment and collaboration

The Climate Pledge was launched in 2019 and aims to unite leading global businesses in a forward-thinking and ambitious commitment to climate change. Henkel is the twelfth company to join the pledge. As a signatory to The Climate Pledge, Henkel agrees to:

- Measure and report greenhouse gas emissions on a regular basis
- Implement decarbonization strategies in line with the Paris Agreement through real business changes and innovations, including efficiency improvements, renewable energy, materials reductions, and other carbon emission elimination strategies
- Neutralize any remaining emissions with additional, quantifiable, real, permanent, and socially-beneficial offsets to achieve net-zero annual carbon emissions by 2040

"Scientists tell us that we have a limited window to make unprecedented headway towards addressing the biggest crisis of our time, the climate crisis. The Climate Pledge offers companies the opportunity to take collective action to protect our planet from the disruptive risks associated with climate change," said Kara Hurst, Vice President of Worldwide Sustainability, Amazon. "We welcome Henkel to join us in the fight of our lives as we tackle climate change and build a better future for all. We are also excited for Signify, which achieved carbon neutrality earlier this year, to join The Climate Pledge with the goal of collaborating with other signatories and sharing best practices."

"The Paris Agreement set out a unifying roadmap for all countries, all companies, and all people to address the climate crisis by taking actions to ensure we do not exceed 1.5C in global warming," said Christiana Figueres, the UN's former climate change chief, now founding partner of Global Optimism. "By joining The Climate Pledge, these companies are demonstrating both their ambitions for the future and for recovery now. Their actions and investments are creating sorely needed jobs, spurring innovation, regenerating the natural environment and helping their consumers to buy more sustainable products. The growing collective of companies joining The Climate Pledge, acting in accordance with science, is cause for optimism."

Henkel's progress toward becoming climate-positive by 2040

The Climate Pledge commitment is in line with Henkel's long-term goal to become climate-positive by 2040. As intermediate steps, Henkel plans to reduce the carbon footprint of its production by 65 percent by 2025 and 75 percent by 2030 from a 2010 base year. The company intends to achieve this by continuously improving its energy efficiency and using electricity from renewable sources. By 2030, 100 percent of electricity shall come from renewable sources.

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By 2040, Henkel aims to have converted all remaining fossil fuels used in production to climateneutral alternatives and supply surplus carbon-neutral energy to third parties. In addition, Henkel wants to leverage its brands and technologies to help customers, consumers and suppliers save 100 million tons of CO2 in a ten-year period from 2016 to 2025.

Joining the Climate Pledge is yet another step in Henkel's commitment to take action and reduce its environmental footprint. Recently, the company signed a <u>large-scale virtual power purchase agreement (VPPA)</u> relating to a new wind farm in Texas. The agreed capacity equals 100 percent of the electricity demand of Henkel's operations in the US.

Earlier this year, <u>Henkel's science-based emission reduction targets were approved by the Science Based Targets initiative (SBTi)</u> as consistent with levels required to meet the goals of the Paris Agreement. The Science Based Targets initiative by CDP, the UN Global Compact, World Resources Institute and the World Wide Fund for Nature (WWF) defines and promotes best practice in science-based target setting and independently assesses companies' targets.

For more information on Henkel's sustainability strategy, performance and progress, visit www.henkel.com/sustainability.

About The Climate Pledge

Last year, Amazon and Global Optimism co-founded The Climate Pledge, a commitment to reach the Paris Agreement 10 years early and be net-zero carbon by 2040. Amazon was the first signatory and thirteen organizations have now signed The Climate Pledge including: Amazon, Best Buy, Henkel, Infosys, McKinstry, Mercedes-Benz, Oak View Group, Real Betis, Reckitt Benckiser, Schneider Electric, Siemens, Signify, and Verizon—sending an important signal that there will be rapid growth in demand for products and services that help reduce carbon emissions. For more information visit www.theclimatepledge.com

About Henkel

Henkel operates globally with a well-balanced and diversified portfolio. The company holds leading positions with its three business units in both industrial and consumer businesses thanks to strong brands, innovations and technologies. Henkel Adhesive Technologies is the global leader in the adhesives market – across all industry segments worldwide. In its Laundry & Home Care and Beauty Care businesses, Henkel holds leading positions in many markets and categories around the world. Founded in 1876, Henkel looks back on more than 140 years of success. In 2019, Henkel reported sales of more than 20 billion euros and adjusted operating profit of more than 3.2 billion euros. Henkel employs more than 52,000 people globally – a passionate and highly diverse team, united by a strong company culture, a common purpose to create sustainable value, and shared values. As a recognized leader in sustainability, Henkel holds top positions in many international indices and rankings. Henkel's preferred shares are listed in the German stock index DAX. For more information, please visit www.henkel.com.

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

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