

Press release

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Investment in Industry 4.0

Henkel opens new automated logistics center for Southern Europe

Barcelona, Spain – Henkel has opened a state-of-the-art, fully automated Laundry & Home Care warehouse at its production facility in Montornès del Vallès, Spain (Barcelona). The company has enabled an investment of 22 million euros in the 24,000 square meter warehouse, which will serve as a major logistics hub for Southern Europe.

The Montornès del Vallès site is one of the most important European Henkel sites. It produces more than 200,000 tons of powder detergents, liquid detergents, and adhesives per year, exporting to 60 countries. It employs about 500 people. The investment in the new warehouse is an expansion of the current logistic center, which was built in 1994 as one of the first automated warehouses in Spain. It is the response to an increase of the domestic production, which has surged after introducing new making and filling capacities, and a rising demand for exports to other European countries.

"This warehouse is another strategic investment to further strengthen Henkel Laundry & Home Care's strong position in Southern Europe. It also underlines our digitalization agenda and demonstrates how Industry 4.0 concepts can be concretely applied to the benefit of the environment and our business," says Dr. Dirk Holbach, Chief Supply Chain Officer Laundry & Home Care.

The 24,000 square meter logistics center has a capacity to move more than 1 million pallets per year. The building is comprised in three different areas: The fully automated area has a capacity to store 21,000 pallets, while the conventional area can store up to 14,000 pallets. The warehouse's third area is intended for largely automated picking and co-packing tasks to meet the growing trend of increasingly personalized solutions to customers. It has a capacity to move more than 7 million product units per year.

Investing in Industry 4.0

The new logistics center is a further example of Henkel's strategy to leverage Industry 4.0 and smart factory concepts. The facility will run based on digitization, robotization and the implementation of cutting-edge technology in logistics. With this, the company is improving its supply chain resource efficiency, the time-to-market and streamlining processes.

The automated area is divided into five blocks. Each block provides a special stacker crane with 38 double cycles per hour and two high-tech conveyors serve to unload and load shuttles from the production site automatically. Also, the loading and unloading of pallets from trucks can be done automatically through a new automatic launcher transport system due to newest technologies and digitized supply chain processes. Through the implementation of a new innovative management software, the warehouse's energy consumption can be reduced through eliminating inefficiencies while at the same time increasing the storage capacities. The safety of equipment is guaranteed by a modern fire protection system and the highest work protection standards.

Highest standards of Sustainability and Efficiency

Furthermore, the new logistics center sets high standards of sustainability, through improving the warehouse's network and expanding the intermodal transport from trucks to rail. "Henkel aims to become a climate-positive company by 2040. To achieve this, we are putting a strong focus on our own production sites. With the new automated warehouse, we have reduced our carbon footprint by 90 percent," says Carlos Ribas, Head of Supply Operations Cluster in Western Europe. "With the new centralized logistic concept, we can significantly save transport routes. Additionally, we have installed solar panels on the roof that supply the warehouse with electricity from renewable sources."

The new warehouse is another important investment in the Montornès del Vallès site, after Henkel has implemented additional capacities for liquid detergents two years ago and opened a new highperforming Adhesive Technologies production facility for aerospace applications last year.

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 <u>www.henkel.com</u>.

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

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