

SUSTAINABILITY
AT A GLANCE
2021

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TRANSFORMATION FOR GOOD

Henkel has a long history of leadership for sustainability. And we're proud of the bold action we took for the environment and society in 2021 as the latest steps in that commitment.

Those actions included reinvigorating our culture by defining a new company purpose: **Pioneers at heart for the good of generations**. It's built from our roots and carries our legacy of innovation, responsibility and sustainability into the future.

We also explored ways to be faster, bolder, and go further for sustainability. Based on this, we developed our 2030+ Sustainability Ambition Framework, with new targets and ambitions for 2030 and beyond.

“Sustainability is deeply anchored in our business strategy and alive in our purpose. With that foundation, we want to drive the sustainability transformation towards a regenerative planet and thriving communities, acting as a trusted partner to our stakeholders.”



SYLVIE NICOL
Member of the Management Board
HR/Infrastructure Services

WHO WE ARE TODAY

HENKEL AT A GLANCE

SUCCESS WITH BRANDS
AND TECHNOLOGIES FOR

145 YEARS

THREE BUSINESS UNITS



**ADHESIVE
TECHNOLOGIES**



BEAUTY CARE



**LAUNDRY &
HOME CARE**

LEADING BRANDS

LOCTITE


Schwarzkopf

Persil

52,450

EMPLOYEES FROM

124

COUNTRIES

€ **20.1** BN

SALES IN 2021

174

PRODUCTION SITES
AROUND THE WORLD

HEADQUARTERED IN

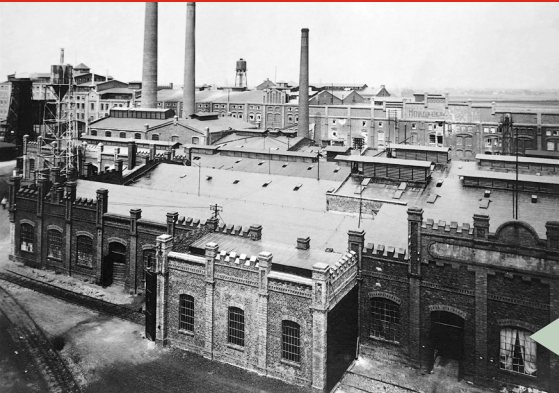
DÜSSELDORF

GERMANY

79

NUMBER OF COUNTRIES IN
WHICH WE OPERATE

LONG **HERITAGE**



1899

FIRST PRODUCTION SITE IN DÜSSELDORF-HOLTHAUSEN

Henkel lays the foundations for its headquarters and uses its own electricity supply.



1903

FIRST WATER-SOLUBLE POWDER SHAMPOO

The first water-soluble powder shampoo, the “shampoo with the black head” (Schwarzkopf), provides a simple and inexpensive alternative to rough soaps and oils.

1907

FIRST SELF-ACTING LAUNDRY DETERGENT

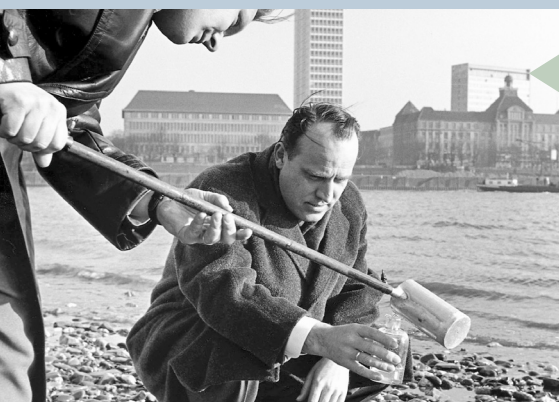
Persil, the world's first self-acting laundry detergent, removes the need to scrub laundry by hand.



1940

FIRST HENKEL KINDERGARTEN FOR CHILDREN OF EMPLOYEES

The first Henkel daycare center for children of employees opens in Düsseldorf-Holthausen.



1959

HENKEL STARTS CHECKING RHINE RIVER WATER QUALITY

Henkel has been carrying out regular environmental quality checks for detergents and household cleaners since 1959.



1969

THE WORLD'S FIRST GLUE STICK

Henkel invents the glue stick, and uses packaging based on the swivel mechanism usually found in lipsticks.

CONTRIBUTIONS TO THE SDGs

At Henkel, we support the **17 Sustainable Development Goals (SDGs)** of the United Nations. We believe they provide a shared focus that will empower collaboration and accelerate progress toward sustainability. Sustainable consumption, packaging and plastics, combating climate change, water, nature, human rights, equal opportunities and education are important topics for our work.

Here are just a few highlights showing how we contribute to implementing the **SDGs**.



COMMITTED TO PROTECTING THE CLIMATE



There is an urgent need to reduce CO₂ emissions. We aim for climate-positive operations by 2030 and we will set a net-zero pathway for our emissions along the value chain. We plan to cut the carbon footprint of our production by 65 percent by 2025. We also want to source 100 percent of our electricity from renewable sources by 2030. And we want to leverage our brands and technologies to help our customers, consumers and suppliers save 100 million metric tons of CO₂ from 2016 to 2025.



PROMOTING SUSTAINABLE CONSUMPTION



Everybody can contribute to sustainability by making small changes to their lifestyle. Our products and technologies have massive potential in this context because they are used in millions of households and industrial processes every day. We develop products that enable resource efficiency in everyday use. And we encourage responsible use of our products through targeted communications. This is important because the use phase accounts for a big share of the environmental footprint of many of our products.





PROMOTING SUSTAINABLE PALM OIL

We support sustainable practices in the palm oil industry along the entire value chain. Collaboration is at the heart of our approach: We aim to increase the availability of sustainable palm oil and palm kernel oil, for example, through projects that enable smallholder farmers to certify their crops as sustainable, increase productivity and improve their livelihoods. By supporting sustainable palm (kernel) oil, we promote sustainable forest management and prevent deforestation.



TURNING WASTE INTO OPPORTUNITIES

We are constantly striving to reduce plastic waste in nature and stop the flow of waste into oceans. In 2017, Henkel became the first major global consumer goods company to work with the social enterprise Plastic Bank. In 2019, we extended this partnership for another five years. Together, we aim to collect and recycle plastic waste while providing opportunities for people in poverty – especially in countries with insufficient infrastructure for waste disposal and recycling.



PROVIDING ACCESS TO GOOD EDUCATION

We promote high-quality education, and help young people and adults to learn new skills. The Schwarzkopf Million Chances initiative supports women and girls in building a successful future for themselves. Our Shaping Futures project gives young people professional training in basic hairdressing techniques. Henkel is also the main sponsor of the Teach First Deutschland initiative, which supports education for children in socially disadvantaged communities.

OUR **SUSTAINABILITY STRATEGY** WITH *TARGETS AND AMBITIONS*

In 2021, we developed our 2030+ Sustainability Ambition Framework. It defines how we are going to drive progress in three dimensions: **Regenerative Planet**, **Thriving Communities** and **Trusted Partner**.

This new strategy reflects our company's commitment to **“Purposeful Growth”**. We will actively drive the transformation to a sustainable economy and society, help to protect and regenerate the natural environment, contribute to strong communities, and strengthen trust with our stakeholders.

Sustainable business practices have been an integral part of our **company culture** for decades and are a central element of our vision of the future. With this latest step, we will work on measures and projects that deliver practical progress – and achieve a transformational impact for the good of generations.

[!\[\]\(339a16584d5da0f0a3ca4e9ec17bf6a1_img.jpg\) More information in our Sustainability Report 2021, page 9.](#)

2030+ SUSTAINABILITY AMBITION FRAMEWORK

OUR PURPOSE

Pioneers at heart for the good of generations.

TRANSFORMATIONAL IMPACT FOR THE GOOD OF GENERATIONS



REGENERATIVE PLANET

We will enable a circular and net-zero carbon future by transforming our business, products and raw materials underpinned by science and innovation.



CLIMATE

Decarbonize our operations and raw materials on the way to a carbon-neutral business.



CIRCULARITY

Embed circular practices in our operations, products and packaging, and enable circularity through our industrial solutions.



NATURE

Protect and restore biodiversity, with focus on forests, land and water, through more regenerative ingredients and resource stewardship.



THRIVING COMMUNITIES

We will help people lead a better life through the collective strength of our business and brands by supporting equity, education and wellbeing.



EQUITY

Strengthen Diversity & Inclusion, respect human rights and enhance the livelihoods of people.



EDUCATION

Support lifelong learning and education of employees and communities, and enable consumers to take action for sustainability.



WELLBEING

Foster Health & Wellbeing of employees, partners and consumers, and help drive social progress through our brands.



TRUSTED PARTNER

We will drive performance and systems change with integrity through our values-based culture, deep rooting in science and our passion for technology.



PERFORMANCE

Deliver best-in-class product performance and chemical safety for our customers and consumers, as foundations of our business success.



TRANSPARENCY

Integrate sustainability in our business governance, processes and policies with transparent reporting, disclosure and engagement.



COLLABORATION

Scale sustainability impact with our partners, leading to responsible business practices in our supply chains.

PRODUCTS

PEOPLE

PARTNERSHIPS

REGENERATIVE ***PLANET***

We are on a journey toward an environmental transformation of our business model. To achieve this ambition, we intend to transform our processes, products and use of raw materials in the direction of a resource-efficient, carbon-neutral future. We are focusing on climate change mitigation measures, a functional circular economy, and the protection of nature and biodiversity.



**CLIMATE**

Decarbonize our operations and raw materials on the way to a carbon-neutral business.

**CIRCULARITY**

Embed circular practices in our operations, products and packaging, and enable circularity through our industrial solutions.

**NATURE**

Protect and restore biodiversity, with focus on forests, land and water, through more regenerative ingredients and resource stewardship.

TARGETS AND AMBITIONS

CO₂
CLIMATE-POSITIVE OPERATIONS
2030

-30%

CO₂ from raw materials and packaging per ton of product (vs. 2017)²

-100_M

tons of CO₂ with partners along the value chain (since 2016)¹

100%

of packaging designed for recyclability/reusability¹

-50% / >30%

fossil-based virgin plastics¹ / recycled plastics¹
for consumer packaging



AIM FOR CIRCULAR WATER USE AT KEY MANUFACTURING SITES²

-35%

water consumption per ton of product (vs. 2010)¹

100%

responsibly sourced and externally assured palm (kernel) oil¹



AIM FOR CIRCULAR USE OF PRODUCTION WASTE MATERIAL²

FURTHER ASPIRATIONS FOR 2030 AND BEYOND

Accelerating progress on climate action across the value chain | zero deforestation | using more bio-based and responsibly sourced ingredients

¹ by 2025

² by 2030

CLIMATE

Climate change is one of the biggest challenges of our time. At Henkel, we are constantly striving to cut the carbon footprint of our production activities, and we develop products and technologies that generate less emissions when they are used.

Switching from solvent-based to **water-based adhesives**, for example, can significantly reduce CO₂ emissions. Our innovative water-based adhesives, used for manufacturing products such as sports shoes, enable a much smaller CO₂ footprint in the bonding process than solvent-based alternatives.

New product designs also save emissions. Solid shower care products from our **Nature Box** brand have a concentrated formula that reduces weight – so less fuel is required during transport. The compact shape of our **Persil Eco Power Bars** also saves CO₂ because detergent for more wash loads can fit on each truck.

🔗 More information in our Sustainability Report 2021, page 60.



CIRCULARITY

We support the transition to a closed-loop system where resources stay in the economic cycle for longer and waste is minimized. We build circularity into our factories – and work with partners along the entire value chain.

Our Technomelt adhesives can be recycled together with paper without affecting the quality of the recycled material. This technology has been used to develop the award-winning **KeelClip™** for the outer packaging for beverage cans, which replaces plastic with recycled and recyclable cardboard.

Alongside recycling, we also offer refillable packaging and refill stations. Laundry and dish-washing detergents from the **Love Nature** brand can be refilled at almost 50 stores in Germany. Selected shampoos and shower gels from our **Nature Box** brand have also been available in refill packs since 2021.

🔗 More information in our Sustainability Report 2021, page 72.



NATURE

Our planet's ecosystems are under increasing pressure caused by population growth and accelerated economic activity. We are committed to protecting and restoring biodiversity – with a particular focus on forests, land and water.

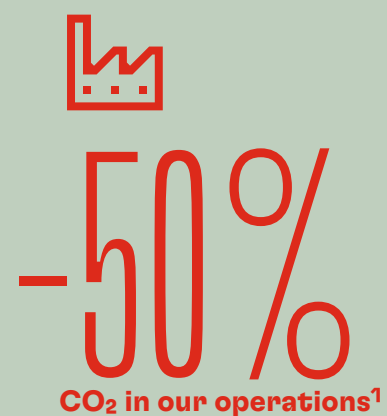
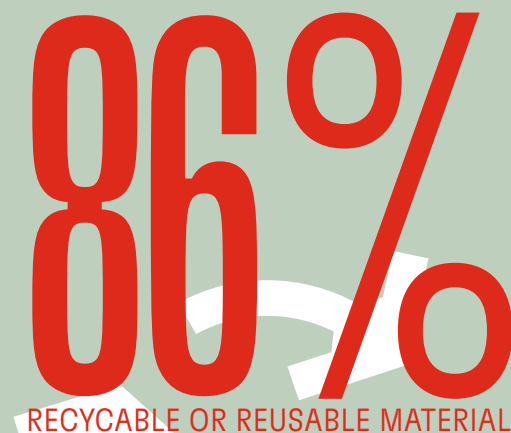
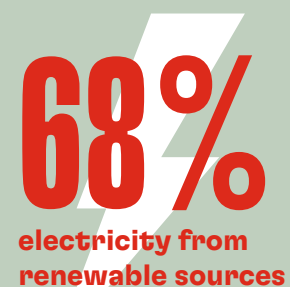
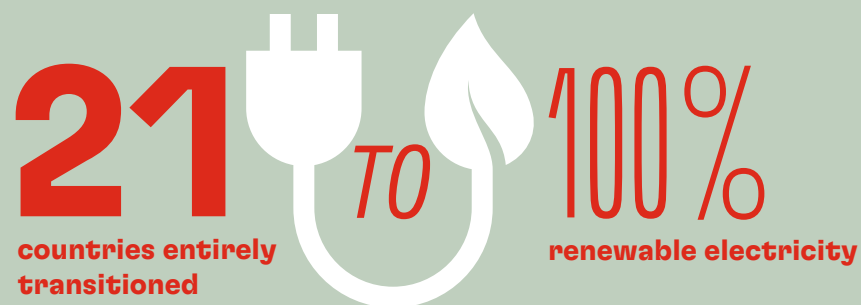
We use ingredients based on renewable sources whenever this is compatible with environmental, economic and social considerations. **Renewable raw materials** are already key components in many of our products, including detergents, soaps, shampoos, glue sticks and wallpaper adhesives.

We also encourage the responsible use of our products to reduce water and energy consumption. Through our **“Be smarter.” initiative**, we provide information about how consumers can conserve resources. We also offer leave-in conditioners and dry shampoos that do not require water for rinsing.

[🔗](#) More information in our Sustainability Report 2021, page 83.



ACHIEVEMENTS **2021**



¹ per ton of product (base year 2010)

THRIVING COMMUNITIES

We want to help people live better lives. Our social responsibility is to promote equal opportunity, strengthen diversity and respect human rights. We offer our employees lifelong learning opportunities, and an attractive and healthy working environment. We advocate for social progress and access to education worldwide, and we provide assistance in emergency situations.





EQUITY

Strengthen Diversity & Inclusion, respect human rights and enhance the livelihoods of people.



EDUCATION

Support lifelong learning and education of employees and communities, and enable consumers to take action for sustainability.



WELLBEING

Foster health and wellbeing of employees, partners and consumers, and help drive social progress through our brands.

TARGETS AND AMBITIONS



**GENDER PARITY
ACROSS ALL
MANAGEMENT LEVELS¹**



**IMPROVE LIVELIHOODS
OF SMALLHOLDERS
AND PROTECTION
OF NATURE**

Engage and empower

50,000+

employees to take action
on sustainability



+60%
safer per million
hours worked (vs. 2010)¹



EXPAND OUR **COMMUNITY
EDUCATION PROGRAMS**
AND VOLUNTEERING



SHAPE THE **FUTURE OF
WORK** FOR OUR COMPANY
AND EMPLOYEES

FURTHER ASPIRATIONS FOR 2030 AND BEYOND

Advancing diversity, equity and inclusion |
Promoting consumer awareness of the importance of sustainable consumption

¹ by 2025

EQUALITY

We believe there is great strength in diversity, and that everybody deserves to feel valued. In our teams, we strive to create an inclusive working environment. We are committed to respecting **human rights** in our entire value chain. And we make a lasting contribution to society worldwide through our **corporate citizenship** activities.

Our goal is to keep increasing the ratio of women at all levels in our company, and we strive to achieve **gender parity** across all management levels by 2025. To move toward these milestones, we are making it easier than ever for women and men to combine their careers with their personal plans.

The **Schwarzkopf Million Chances initiative** has been supporting girls and women in building a successful future for themselves since 2016. It supports aid projects worldwide, often in cooperation with independent organizations such as Plan International Deutschland e.V.

[🔗](#) More information in our Sustainability Report 2021, page 102.



EDUCATION

At Henkel, we want to help people achieve their full potential. This includes lifelong training and development of our own employees, as well as community education programs around the globe.

Our people are the key to our sustainability strategy. That's why we are expanding our existing training offer to include a new, holistic engagement program that will help them to embrace the knowledge, skills and mindset that are central to Henkel's role as a leader in sustainability.

Beyond our own team, we teach children about science and sustainability through our international education initiative **"Forscherwelt"** (Researchers' World). We also promote training in climate-friendly agriculture for **smallholder farmers** in the palm oil industry.

[🔗](#) More information in our Sustainability Report 2021, page 94.



WELLBEING

Physical and mental health play a central role in shaping quality of life. We offer a range of services and activities at Henkel to foster the health and wellbeing of our employees. And we are shaping the **future of work** at our company by developing and expanding our “Smart Work” program.

To support physical and mental wellbeing, Henkel provides employees with access to care programs. We also carry out a major health campaign across all Henkel sites each year. In addition, we promote social progress through our brands worldwide.

During the COVID-19 pandemic, we have taken decisive action to ensure the safety of our employees. This includes offering the possibility of remote working, as well as social distancing rules, protective equipment, tests and disinfectants, and vaccinations.

[🔗](#) More information in our Sustainability Report 2021, page 105.



ACHIEVEMENTS **2021**



36,400

smallholders reached¹



Employees from

124

nationalities

42% + > 90%

safer per million hours
worked²

employees reached with
health campaigns

38.1%

ratio of women in management positions

25

vocational training and five
dual-study programs

>26 million

lives improved²



>2,000

social projects promoted

¹ since 2013

² base year 2010

TRUSTED ***PARTNER***

We draw on our value-oriented corporate culture and our scientific and technological expertise to strengthen our performance while maintaining our integrity. We deliver safe and best-in-class product and technology solutions to our customers and consumers. We integrate sustainability in our portfolio and in our business processes, and provide transparent reporting on this to our stakeholders.





PERFORMANCE

Deliver best-in-class product performance and chemical safety for our customers and consumers, as foundations of our business success.



TRANSPARENCY

Integrate sustainability in our business governance, processes and policies with transparent reporting, disclosure and engagement.



COLLABORATION

Scale sustainability impact with our partners, leading to responsible business practices in our supply chains.

TARGETS AND AMBITIONS

EACH NEW PRODUCT CONTRIBUTES TO SUSTAINABILITY

PROVIDE OUR CUSTOMERS AND CONSUMERS
WITH A **COMPREHENSIVE SUSTAINABILITY
PROFILE OF OUR PRODUCTS**¹

**BECOME
THREE TIMES
MORE
EFFICIENT**²
(VS. 2010)



FURTHER ASPIRATIONS FOR 2030 AND BEYOND

Strengthening full traceability of key commodities | ESG reporting and governance

¹ by 2025

² by 2030

PERFORMANCE

Our long history of success has been made possible by best-in-class products that are safe to use. That's how we've earned the trust of our customers and consumers – and we constantly re-earn that trust by creating new safe and sustainable innovations.

In 2021, we conducted a **stakeholder survey** as part of the development of our sustainability strategy. 87 percent of respondents perceive our company as a reliable partner due to our high standards, our reliability and competence, and our strong global team.

Henkel implemented **sustainable finance** solutions at an early stage. These financing approaches are directly linked to the achievement of our sustainability targets, which creates a strong connection between our business performance and our sustainability strategy.

[🔗](#) More information in our Sustainability Report 2021, page 24.



TRANSPARENCY

Open and honest communication are the key to trust-based relationships. At Henkel, we are committed to transparent reporting and constructive dialog with our stakeholders to provide clarity about how we integrate sustainability into our business.

For our products, this involves making sure customers and consumers can rely on the **safety of our portfolio**. We conduct numerous tests and constantly review the latest scientific findings to ensure the highest standards of safety for people and the environment.

For our processes, we value **external assessments** from independent experts. In 2021, we were included in several sustainability indices, and received excellent results in ratings and rankings. This provides important feedback about how we are implementing our sustainability strategy.

[🔗](#) More information in our Sustainability Report 2021, page 41.



COLLABORATION

We join forces with partners from along the value chain to maximize the impact of our sustainability activities. For many years, we have engaged in open dialog on subjects including resource-efficient innovations, responsible supply chains and the sustainable transformation.

Henkel and five other companies in the chemical industry established the **Together for Sustainability (TfS)** initiative in 2011. Today, it brings together 34 companies with the aim of harmonizing supply chain management processes and optimizing dialog among global business partners.

Our collaborative activities cover every step in the value chain – from the raw materials we buy through to waste disposal and recycling. We also share our knowledge at events like our **“Sustainability Days 2021”**, which brought together key stakeholders from the packaging and consumer goods industry.

🔗 More information in our Sustainability Report 2021, page 35.



ACHIEVEMENTS **2021**



504

million euros in research
and development



84%

traceability of palm (kernel)
oil back to the mill

BUSINESS PARTNERS FROM

119

countries

OVER

99%

of annual sales is covered through life cycle appraisals

87%

of our stakeholders consider us to be a reliable partner



18,000

TfS assessments and audits (since 2011)

34

member companies of the TfS initiative

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Discover stories, expert interviews, extensive features and guest articles in our digital magazine, Spotlight:

www.henkel.com/spotlight



You can also listen in to our German “Fritz for Future” podcast, where we meet people who show us what it means to be sustainable, ethical and creative in business.

www.henkel.de/spotlight/fritz-for-future

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The careers section on our website provides all the information you need about what it means to work for Henkel, the exciting jobs we offer, and how to apply for them.

Find more information:

www.henkel.com/careers

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