



News Release

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Henkel publishes Sustainability Report 2023

Strong progress on Henkel's sustainability goals

- **Climate action:**
 - reduction of CO₂ emissions in production by 61 percent
 - share of purchased electricity from renewable sources increased to 89 percent
- **Circular economy: share of recycled plastic increased to 19 percent worldwide**
- **Natural Resources: 10th anniversary of collaboration with Solidaridad for sustainable palm (kernel) oil**
- **Gender parity ambition: gender-neutral parental leave guideline introduced**
- **Sustainable solutions: product portfolio further developed**
- **Employee engagement: "Sustainability at Heart" program extended**

Bangkok – Henkel published its sustainability report for the fiscal year 2023 today, reporting on progress in the implementation of its global sustainability strategy, particularly in the use of renewable energies and the promotion of the circular economy. Additionally, the company has continued to work systematically on a more sustainable product portfolio and further expanded its employee engagement program.

"Sustainability is a central pillar of our Purposeful Growth Agenda," said Carsten Knobel, CEO of Henkel. "Especially in challenging times like these, sustainable action is more important than ever. We are therefore working continuously on the implementation of our sustainability goals, and I am proud that we made very good progress again in the course of 2023. Our excellent results in leading external ESG ratings, for example the repeated EcoVadis Platinum achievement, show that we are on the right track and that our progress is recognized."

"Last year, we focused on advancing our environment and social impact commitments," added Sylvie Nicol, member of the Henkel Management Board, responsible for Human Resources,

LOCTITE

TECHNOMELT

BONDERITE


Schwarzkopf

SHISEIDO
PROFESSIONAL

FRESHLIGHT

Infrastructure and Sustainability. "I want to highlight the significant progress on the sustainable sourcing of key commodities, for example palm and palm kernel oil certification. We have also made great efforts in contributing to a circular economy in both our business units. Moreover, we have continued to promote social equity, and I would like to emphasize the introduction of gender-neutral parental leave for all employees worldwide."

Significantly improved sustainability performance

The "2030+ Sustainability Ambition Framework" defines clear ambitions and targets for Henkel's global sustainability pathway on environment, social and governance issues. The company made significant improvements in the area of climate last year and reduced its overall **CO₂ emissions in production by 61 percent** per metric ton of product (compared to the base year 2010), while it increased the **proportion of electricity purchased from renewable sources to 89 percent**. In total, **14 further sites have been converted to carbon-neutral production** in 2023. Building on its progress in **reducing CO₂ emissions from raw materials and packaging by 17 percent** (per ton of product, compared to the base year 2017), Henkel has also developed its net-zero pathway across all emission categories.

An important goal of Henkel is to promote a circular economy. Overall, Henkel has **increased the share of recycled plastic in its consumer goods packaging to 19 percent worldwide**. A prominent example is doubling the **recycled content level to 50 percent** for the entire **universal liquid detergents portfolio in Europe**, such as **Persil**.

Henkel has also continued its efforts to protect natural resources. This includes the responsible use of raw materials such as palm oil and palm kernel oil. At the end of 2023, the company was able to **cover 96 percent of its global demand with sustainably certified palm (kernel) oil** and **reached a traceability rate up to the mill of 89 percent**. With a particular focus on supporting smallholder farmers in the palm oil production, Henkel has celebrated **10 years of cooperation with the development organization Solidaridad**. **Over 39,000 smallholder farmers have already benefited from the joint initiatives**. The partnership will be further expanded through specific projects in the coming years, including in Colombia and Indonesia.

In the area of diversity, equity and inclusion, Henkel has the ambition to achieve gender parity across all management levels by 2025, among others. Last year, the **proportion of women in management positions increased to 39.5 percent**. As part of its commitment to greater equity and family friendliness, Henkel has **introduced a gender-neutral parental leave program**. The new policy guarantees **100 percent paid parental leave of eight weeks** for all employees worldwide, based solely on the role of the caregiver.

More sustainable product portfolio further developed

In the past year, Henkel has continued to work on transforming its product portfolio sustainably. One example of this is a project from the **Adhesive Technologies business unit. The unit has further developed its internal assessment methodology to create greater transparency regarding the sustainability performance of its product portfolio.** The results of the assessment are part of portfolio management and support the shift towards new solutions that enable emissions reduction and a circular economy.

In the **Consumer Brands** business unit, Henkel launched the **“It starts with us” initiative** in 2023. The aim is to **support consumers in using products in a more resource-efficient way through simple behavioral tips in everyday life**, for example by using the ECO program of their washing machine.

External recognition for performance and progress in sustainability

As in previous years, Henkel’s sustainability performance in 2023 has been recognized by several rating agencies, among others by **EcoVadis**, placing Henkel in the top 1 percent of the companies assessed, and **Sustainalytics**.

Global engagement program expanded

As part of its “Sustainability at Heart” program, which was rolled out globally in 2022, Henkel aims to further promote its employees' commitment to sustainability and has **expanded its training offerings** in 2023. **More than 10,000 employees have already taken part in a basic training**, which is available as e-learning in many languages and as a newly developed format for production workers. There are also in-depth training courses as well as a new **Sustainability Incubator Lab** – a format that gives employees the opportunity to work on their own sustainability ideas.

About Henkel

With its brands, innovations and technologies, Henkel holds leading market positions worldwide in the industrial and consumer businesses. The business unit Adhesive Technologies is the global leader in the market for adhesives, sealants and functional coatings. With Consumer Brands, the company holds leading positions especially in laundry & home care and hair in many markets and categories around the world. The company's three strongest brands are Loctite, Persil and Schwarzkopf. In fiscal 2023, Henkel reported sales of more than 21.5 billion euros and adjusted operating profit of around 2.6 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 about 48,000 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 www.henkel.com

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

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