

Press Release

June 20, 2018

Joint development project

Henkel, APK, Borealis and Mondi are driving the circular economy of sustainable, flexible multi-layer packaging

Düsseldorf/Merseburg, Germany - As part of its sustainability strategy, consumer goods company Henkel is working to further improve the recyclability of its product packaging and to increase its use of recycled materials. A joint development project between Henkel, packaging manufacturer Mondi, plastics manufacturer Borealis and the recycling technology company APK aims to significantly improve the sustainability of plastic multi-layer flexible packaging.

"APK AG, based in Merseburg near Leipzig, Germany, has developed an innovative solvent-based process, called Newcycling®, that enables the recovery of high-quality clean-grade materials from complex multi-layer packaging. The pelletised recycle provides properties similar to those of comparable virgin plastics," explained Klaus Wohnig, Managing Director of APK AG. Conventional mechanical recycling processes are not able to achieve this. As an additional benefit, the Newcycling® process is very economical, delivering recycle grades that can be offered at competitive prices.

Mondi has tested the suitability of recycled LDPE from APK for multi-layer films at its research and development centre in Gronau, Germany, and has carried out successful preliminary tests in a pilot plant on site. In this project, the LDPE virgin material previously used in flexible detergent packaging was largely replaced by APK LDPE recycle. Mondi uses the reclaimed material in the coextrusion and lamination of PE film with printed PET film to form a composite duplex structure, while maintaining the external appearance of the detergent bag. "The joint project meets the European Commission's strategy, adopted in January 2018, which calls for all









plastic packaging in Europe to be recyclable by 2030. It also underscores the feasibility of reusing flexible packaging waste in multiple cycles of a truly circular economy that preserves valuable resources and avoids waste without restricting product performance," said Timo Müller, Key Account Manager for Henkel at Mondi.

The commercialisation of the project and its intended market launch in early 2019 are currently being examined by the project partners.

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 2017, Henkel reported sales of 20 billion euros and adjusted operating profit of around 3.5 billion euros. Combined sales of the respective top brands of the three business units – Loctite, Schwarzkopf and Persil – amounted to 6.4 billion euros. Henkel employs more than 53,000 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.

About APK

At its headquarters in Merseburg near Leipzig, Germany, APK produces high-quality plastic recycle reclaimed from post-consumer and production sources. APK's core technology is its Newcycling® process, a solvent-based technique that makes it possible to recover high-quality plastics from complex mixtures and multi-layer composites (so-called multilayer packaging) that cannot be recycled using conventional recycling systems. This allows the pelletised recycle to be reused in demanding applications, such as flexible packaging. For more information, please visit www.apk-ag.de and www.apk-ag.de and www.apk-ag.de

About Borealis

It is a leading provider of innovative solutions in the fields of polyolefins, base chemicals and fertilizers. With its head office in Vienna, Austria, the company currently has around 6,600 employees and operates in over 120 countries. Borealis generated EUR 7.5 billion in sales revenue and a net profit of EUR 1,095 million in 2017. Mubadala, through its holding company, owns 64% of the company, with the remaining 36% belonging to Austria-based OMV, an integrated, international oil and gas company. Borealis provides services and products to customers around the world in collaboration with Borouge, a joint venture with the Abu Dhabi National Oil Company (ADNOC). www.borealisgroup.com

About Mondi

Mondi is a leading global packaging and paper company that inspires its customers with innovative and sustainable packaging and paper solutions. Mondi is active along the entire value chain of packaging and paper production – from forest management and the production of pulp, paper and plastic films, to the development and manufacture of efficient industrial and consumer goods packaging. Sustainability is an integral part of Mondi's daily work. In 2017 Mondi achieved sales of

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7.10 € billion and adjusted EBITDA of 1.44 € billion. Mondi is a double-listed company. Mondi Limited is listed on the Johannesburg Stock Exchange (JSE Ltd) under the ticker code MND, while Mondi plc is listed in the premium segment of the London Stock Exchange under the ticker code MNDI. We are included in the FTSE 100 and were included in the FTSE4Good index series in 2008 and in the Socially Responsible Investment (SRI) Index of the Johannesburg Stock Exchange in 2007 www.mondigroup.com.

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