

Particulars

Organisation Name	Henkel AG & Co. KGaA
Corporate Website Address	www.henkel.com
Primary Activity or Product	Manufacturer
Related Company(ies)	None
Country Operations	Algeria, Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia (Hrvatska), Cyprus, Czech Republic, Denmark, Egypt, Finland, France, Germany, Greece, Guatemala, Hungary, India, Indonesia, Iran (Islamic Republic of), Ireland, Israel, Italy, Japan, Luxembourg, Malaysia, Mexico, Netherlands, Poland, Portugal, Romania, Russian Federation, Saudi Arabia, Slovakia (Slovak Republic), Slovenia, South Africa, Spain, Sweden, Switzerland, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States
Membership Number	4-0051-08-000-00
Membership Type	Ordinary Members
Membership Category	Consumer Goods Manufacturers

Consumer Goods Manufacturers

Operational Profile

1.1 Please state what your main activity(ies) is/are within manufacturing

- Home & Personal Care Goods
- Own-brand

- Food goods

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- Home and personal care goods

- Laundry Detergents / Cleaning Products

Operations and Certification Progress

2.1 Do you have a system for calculating how much palm oil and palm oil products you use?

Yes

2.2.1 Do you manufacture for:

Own Brand

2.2.2 Total volume of Refined Palm Oil or RBD Palm Oil used in the year:

12.00

2.2.3 Total volume of Palm Kernel Oil used in the year:

0.40

2.2.4 Total volume of other Palm Oil Derivatives and Fractions used in the year:

74489.00

2.2.5 Total volume of all palm oil products you used in the year:

74501.40

2.3 Palm oil volume used in the year in your own brands that is sourced through RSPO-certified physical supply chains:

In Your Own Brand

No	Description	Refined palm oil/RBD palm oil (Tonnes)	Palm Kernel Oil (Tonnes)	Palm based derivatives or fractions (Tonnes)
1	Book & Claim	12.00	0.40	28630.00
2	Mass Balance			
3	Segregated			
4	Identity Preserved			
5	Total volume of palm oil handled that is RSPO-certified	12.00	0.40	28630.00

2.4.1 Volume of Palm Kernel Expeller used/ handled:

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2.4.2 What type of products do you use CSPO for?

e.g. soap noodles

2.5 Do you plan to ask your suppliers if the palm oil supplied comes from growers who disclose their GHG emissions within the RSPO P&C 5.6 & 7.8?

Yes

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Report on supplier who disclose their GHG emissions within the RSPO P&C 5.6 & 7.8

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Time-Bound Plan

3.1 Date expected to/or started to use any RSPO certified palm oil products - own brand

2008

3.2 Date expected to be using 100% RSPO certified palm oil products from any supply chain option - own brand

2015

3.3 Date expected to be using 100% RSPO certified palm oil from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) - own brand products

2018

3.4 Do your (own brand) commitments cover your company's companies' global use of palm oil?

Yes

3.5 Does your company use palm oil in products in goods you manufacture on behalf of other companies?

No

When do you expect to actively promote the use of certified sustainable palm oil in other manufacturers' brands that you sell?

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3.6 Which countries that your organization operates in do the above commitments cover?

Algeria, Argentina, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Colombia, Croatia (Hrvatska), Cyprus, Czech Republic, Egypt, Finland, France, Germany, Greece, Guatemala, Hong Kong, India, Indonesia, Iran (Islamic Republic of), Ireland, Italy, Lebanon, Mexico, Netherlands, Oman, Poland, Portugal, Puerto Rico, Romania, Saudi Arabia, Slovakia (Slovak Republic), Slovenia, Spain, Sweden, Switzerland, Thailand, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom

3.7 What are your interim milestones towards achieving RSPO certification commitment to your own-brands (year and progressive CSPO%) - please state annual targets/strategies

As shown by the following examples, we are taking a variety of approaches to achieving sustainable palm oil production. Our involvement has developed continuously over the past ten years and more and will continue to do so in the future. As is so often the case for complex challenges, there is a shared goal, but the best and fastest path to reaching this goal often has to be changed to reflect new developments and findings. This is also the case here.

Roundtable on Sustainable Palm Oil (RSPO): Henkel has actively participated in the RSPO since 2003, and became an official member in April 2008. The RSPO is currently the only institution setting any criteria for sustainable palm oil and palm kernel oil. Its criteria and mechanisms cover primary forest protection and a few social criteria. In our current view, however, these criteria are inadequate when it comes to the protection of secondary forests and peatland. The RSPO criteria nevertheless represent an important foundation that can be built on. Further information on RSPO is provided below.

Henkel is one of the signatories to an initiative by the Consumer Goods Forum to fight global deforestation and protect biodiversity. The member companies have committed to take individual and joint action to stop global deforestation and achieve the goal of "Zero Net Deforestation by 2020".

Forum on Sustainable Palm Oil: Together with the German Association for International Cooperation (GIZ), industry partners and the WWF, our Laundry & Home Care business unit established the Forum on Sustainable Palm Oil in Germany in September 2013. The Forum wants to build on existing RSPO standards to further improve the sustainability criteria for the production of palm and palm kernel oil in the palm growing countries. The goal is to significantly increase the share of segregated and certified palm oil and palm kernel oil from sustainable production and related derivatives such as surfactants in the German, Austrian and Swiss markets. Small farmer program: Our Laundry & Home Care business unit, the Solidaridad development organization and other partners started a three-year program in Honduras in the summer of 2013 aimed at improving the livelihood of 7,500 small farmers and 5,000 workers. We would like to continue providing even more targeted support in the future aimed at small farmers and local initiatives in the palm-growing countries.

Raw material suppliers: Henkel maintains a dialogue with raw material suppliers to encourage them to switch their production operations to sustainable palm and palm kernel oil. Since we do not manufacture the surfactants ourselves but purchase them from our raw material suppliers, we are at the end of a long supply chain. We are working with our partners to establish full traceability of the palm and palm kernel oils they purchase for ingredients based on these oils, such as surfactants, by 2020.

<http://www.henkel.com/sustainability/our-contribution-to-the-sustainable-cultivation-of-palm-oil-20402.htm> [Click here to visit the URL](#)

3.8 Date of first supply chain certification (planned or achieved)

2008

Trademark Related**4.1 Do you use or plan to use the RSPO trademark on your own brand products?**

No

- Please state for which product range(s) you intend to apply the Trademark and when you plan to start

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We are using GreenPalm Book and Claim Logo on selected brands in France (Le Chat Eco efficacité).

GHG Emissions

5.1 Do you publicly report the GHG emissions of your operations?

Yes

- Please upload related report:

[M-GHG-Emissions-Report.pdf](#)

For administration purpose, attachment files are renamed automatically

- Add link to website

<http://sustainabilityreport.henkel.com/indicators/> [Click here to visit the URL](#)

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5.2 Does your company have a public commitment to only purchase palm oil from suppliers that disclose their GHG emissions?

No

- Please upload related report:

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- Add link to website

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At Henkel we rely on accredited and verified data from the producers of surfactants generated in the ERASM SLE project, base year 2011. The data include GHG emissions for Indonesia and Malaysia and are aligned with the RSPO. A subgroup especially worked on reliable data on Land Use Change and on indirect emission on peat land etc.

<http://www.erasm.org/> [Click here to visit the URL](#)

Outside of these countries we collaborate with our suppliers also on GHG emissions together with Solidaridat: Small farmer program: Our Laundry & Home Care business unit, the Solidaridad development organization and other partners started a three-year program in Honduras in the summer of 2013 aimed at improving the livelihood of 7,500 small farmers and 5,000 workers. We would like to continue providing even more targeted support in the future aimed at small farmers and local initiatives in the palm-growing countries.

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Actions for Next Reporting Period

6.1 Outline actions that will be taken in the coming year to promote sustainable palm oil.

Please refer to
Our ambition and our goals

Our ambition is to operate sustainably and in a socially responsible manner throughout the entire value chain. Because of this, we take the problems that can occur through extensive cultivation of palm oil plantations very seriously and, together with a number of different stakeholders as our partners, we work toward sustainable and thus ecologically and socially responsible palm oil and palm kernel oil production.

The foremost goal is that, whenever palm oil and palm kernel oil are used as the basis for ingredients, this oil should be derived from sustainably cultivated sources. The palm and palm kernel oil we use should not contribute to deforestation of either primary rain forest or secondary rain forest with significant ecological value. This also includes High Carbon Stock forests.

As early as 2009, Henkel committed to covering its product ranges throughout the company with certificates for sustainable palm kernel oil and to complete this step by 2015. Since we purchase our surfactants from raw material suppliers, we are at the end of a long supply chain. By buying certificates, we can provide support for sustainable palm oil production in the growing countries. This is because the certificates give plantation operators an economic incentive to produce palm oil sustainably. The proceeds from the certificates also directly benefit the producers, which means that local initiatives can be directly supported without requiring major logistical efforts. For these reasons, we have long considered the Book & Claim system to be the best for indirect purchases of palm kernel oil. As already mentioned, however, in the present circumstances we feel it makes sense to modify and amend this approach and supplement it with other measures and initiatives aimed at reaching the same goal. This includes, in particular, working with our partners to establish full traceability of purchased palm and palm kernel oil by 2020.

<http://www.henkel.com/sustainability/our-contribution-to-the-sustainable-cultivation-of-palm-oil-20402.htm> [Click here to visit the URL](#)

Reasons for Non-Disclosure of Information

7.1 If you have not disclosed any of the above information, please indicate the reasons why

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- Others:

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Application of Principles & Criteria for all members sectors

8.1 Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C such as:

- Water, land, energy and carbon footprints
- Land Use Rights
- Ethical conduct and human rights
- Labour rights
- Stakeholder engagement

- Water, land, energy and carbon footprints

[M-Policies-to-PNC-waterland.pdf](#)

For administration purpose, attachment files are renamed automatically

- Land Use Rights

[M-Policies-to-PNC-landuseright.pdf](#)

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- Ethical conduct and human rights

[M-Policies-to-PNC-ethicalconducthr.pdf](#)

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- Labour rights

[M-Policies-to-PNC-laborrights.pdf](#)

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- Stakeholder engagement

[M-Policies-to-PNC-stakeholderengagement.pdf](#)

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8.2 What steps will/has your organization taken to support these policies?

Please refer to
Why local initiatives are important

Building on these certificates, we would like to further increase our support for sustainable palm oil production with even more specific targeting of small farmers and local initiatives in palm-growing countries in the future. We need solutions and projects that enable small farmers to access the market and increase productivity on their plantations.

We aim to change the entire market in this way, so that only sustainably produced palm and palm kernel oil is available in the future.

The first example of this is the three-year program started in Honduras in the summer of 2013 by our Laundry & Home Care business unit, the Solidaridad development organization and other partners. Our common goal is to create a sustainable supply chain for palm and palm kernel oil that can be certified under the RSPO criteria. This project is aimed at making Honduras the first country to be changed over almost completely to sustainable palm oil production.

The small farmers participating in the program will receive training and assistance in optimal agricultural practice and better plantation management until the end of 2015 to allow them to increase the productivity and yield of their plantations. Worker training covers the key areas of health and safety and supports application of the RSPO sustainability criteria. The WWF, Netherlands development organization SNV and Proforest initiative are important partners of the project.

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Commitments to CSPO uptake

As you don't source 100% CSPO through physical supply chains (IP/SG/MB), please answer the following questions:

Do you have plans to?

Yes

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9.1 Do you have plans to immediately cover the gap using Book & Claim?

Yes

- How and when do you plan to immediately cover the gap using Book & Claim?

Please refer to our commitments and to our milestones:

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Challenges

1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

Please refer to

As surfactant manufacturers purchase the starting material, palm kernel oil, on the world market rather than directly from the producers, the Book & Claim system is particularly suitable for raw materials based on palm kernel oil. Although it is possible to segregate sustainably produced palm kernel oil from normal palm kernel oil, it requires considerable investment in new pipelines, transport resources (tanker ships, trucks, rail cars) and silos, involving a lot of time and money. That is why we decided to focus on the Book & Claim system first. In 2008, we collaborated with the trading platform GreenPalm to expand the system so that it would cover palm kernel oil as well as palm oil, and then became the world's first company to purchase such certificates. This became possible after the first palm oil plantation was approved as satisfying the RSPO criteria for sustainable palm oil cultivation.

Why local initiatives are important

Building on these certificates, we would like to further increase our support for sustainable palm oil production with even more specific targeting of small farmers and local initiatives in palm-growing countries in the future. We need solutions and projects that enable small farmers to access the market and increase productivity on their plantations.

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2 How would you qualify RSPO standards as compared to other parallel standards?

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Cost Effective:

No

Robust:

No

Simpler to Comply to:

equal

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

Please refer to

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4 Other information on palm oil (sustainability reports, policies, other public information):

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