

## Particulars

### About Your Organisation

#### 1.1 Name of your organization

Henkel AG & Co. KGaA

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#### 1.2 What is/are the primary activity(ies) or product(s) of your organization?

- Oil Palm Growers
  - Palm Oil Processors and/or Traders
  - Consumer Goods Manufacturers
  - Retailers
  - Banks and Investors
  - Social or Development Organisations (Non Governmental Organisations)
  - Environmental or Nature Conservation Organisations (Non Governmental Organisations)
  - Affiliate Members
  - Supply Chain Associate
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#### 1.3 Membership number

4-0837-17-000-00

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#### 1.4 Membership category

Ordinary

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#### 1.5 Membership sector

Consumer Goods Manufacturers

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**Consumer Goods Manufacturers**

**Operational Profile**

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

- End-product manufacturer
- Home & Personal Care Goods
- Own-brand-Manufacturer

**Operations and Certification Progress**

2.1 Please include details of all operations using palm oil, majority owned and/or managed by the member and/or related entities

2.1.1 In which markets where you operate, do you manufacture goods with palm oil and oil palm products?

- Applies Globally

2.1.2 In which markets where you operate, do you calculate how much palm oil and oil palm product there is in the goods you manufacture?

- Applies Globally

2.2 Volumes of palm oil and oil palm products (Tonnes)

2.2.1 Total volume of Crude and Refined Palm Oil used in the year (Tonnes)

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2.2.2 Total volume of Crude and Refined Palm Kernel Oil used in the year (Tonnes)

95,000

2.2.3 Total volume of Palm Kernel Expeller used in the year (Tonnes)

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2.2.4 Total volume of other palm-based Derivatives and Fractions used in the year (Tonnes)

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2.2.5 Total volume of all palm oil and oil palm products used in the year (Tonnes)

95,000

**2.3 Volume of palm oil and oil palm products used in the year in your own brand products that are RSPO-certified (in tonnes):**

| Description  | Crude and Refined Palm Oil | Crude and Refined Palm Kernel Oil | Palm Kernel Expeller | Other palm-based derivatives and fractions |
|--|----------------------------|-----------------------------------|----------------------|--|
| 2.3.1 Book and Claim from Mill / Crusher*          | -                          | -                                 | -                    | 2,409.00                                   |
| 2.3.2 Book and Claim from Independent Smallholder* | -                          | -                                 | -                    | -  |
| 2.3.3 Mass Balance                                 | -                          | -                                 | -                    | 56,000.00                                  |
| 2.3.4 Segregated                                   | -                          | -                                 | -                    | -  |
| 2.3.5 Identity Preserved                           | -                          | -                                 | -                    | -  |
| 2.3.6 Total volume                                 | -                          | -                                 | -                    | 58,409.00                                  |

**2.4 Volume of RSPO certified sustainable palm oil and oil palm products sold to other RSPO certified companies (in tonnes)**

| Description                                       | Crude and Refined Palm Oil | Crude and Refined Palm Kernel Oil | Palm Kernel Expeller | Other palm-based derivatives and fractions |
|---|----------------------------|-----------------------------------|----------------------|--|
| 2.4.1 Book and Claim from Mill / Crusher          | -                          | -                                 | -                    | -  |
| 2.4.2 Book and Claim from Independent Smallholder | -                          | -                                 | -                    | -  |
| 2.4.3 Mass Balance                                | -                          | -                                 | -                    | -  |
| 2.4.4 Segregated                                  | -                          | -                                 | -                    | -  |
| 2.4.5 Identity Preserved                          | -                          | -                                 | -                    | -  |
| 2.4.6 Total volume                                | -                          | -                                 | -                    | -  |

**2.5 What is the percentage of RSPO Certified Sustainable Palm Oil in the total palm oil used by your company in the following regions:**

|                            |    |
|----------------------------|----|
| 2.5.1 Africa               | -- |
| 2.5.2 Australasia          | -- |
| 2.5.3 China                | -- |
| 2.5.4 Europe (incl.Russia) | -- |
| 2.5.5 India                | -- |
| 2.5.6 North America        | -- |
| 2.5.7 South America        | -- |
| 2.5.8 Indonesia            | -- |
| 2.5.9 Malaysia             | -- |
| 2.5.10 Middle East         | -- |
| 2.5.11 Rest of Asia        | -- |

**Time-Bound Plan**

**3.1 Date of first supply chain certification (planned or achieved)**

2016

**3.2 Date expected to/or started to use any RSPO certified sustainable palm oil and oil palm products in your own brand products**

2015

**3.2.1 Referring to 3.2, in which markets where you operate do these commitments cover?**

**3.3 Date expected to be using 100% RSPO certified sustainable palm oil and oil palm products from any supply chain option in your own brand products**

2020

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

2020

**3.5 Referring to 3.3 and 3.4, In which markets where you operate do these commitments cover?**

Applies Globally

**3.6 Does your company use RSPO certified sustainable palm oil and oil palm products in goods you manufacture on behalf of other companies?**

No

**3.7 Does your company have a Time-Bound Plan to only use RSPO certified palm oil and oil palm products in the goods you manufacture on behalf of other companies?**

Yes

**3.8 When do you expect all products you manufacture to only contain RSPO certified sustainable palm oil and oil palm products?**

2020

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

No

**Please explain why**

The Mass Balance model enables us to demonstrate our commitment to physical sustainable palm and palm kernel oil by enhancing the physical flow of certified materials into our value chain. In February 2017, our Global Supply Chain organization and six of our production sites in Western Europe were successfully audited under the RSPO's supply chain certification standard. This standard supports the use of sustainable palm and palm kernel oil along the entire value chain by promoting greater transparency and open dialog.

We have set three goals that we believe address key priorities for the successful transformation of the palm oil industry. These goals are focused on the specific challenges where we can make our strongest contribution.

We believe that for the time being the reputation of palmoil is very negative especially in certain Western European countries, therefore we would appreciate an alliance of companies and NGO working on a new positive communication initiative on palm oil in Europe.

**Actions for Next Reporting Period****5.1 Outline actions that you will take in the coming year to promote the use of RSPO certified sustainable palm oil and oil palm products along the supply chain**

?At Henkel, we recognize our responsibilities regarding the purchase and use of ingredients based on renewable raw materials.

?Our palm oil targets for 2020:

1. Cover 100 percent of our demand with Mass Balance certified oils:
2. All palm and palm kernel oil used in our products should be derived from sustainably cultivated sources in line with the RSPO's Mass Balance model in 2020.
3. Full traceability: We aim to be able to trace the palm oil, palm kernel oil and derivatives we buy to known sources – first to the mill and then to the plantation.
4. Increase the availability of sustainable palm oil and palm kernel oil by a volume equal to Henkel's global demand: We aim to increase the availability of sustainable palm oil and palm kernel oil on the market through collaborative projects that enable small farmers to certify their crops as sustainable, increase productivity and improve their livelihoods.

**Reasons for Non-Disclosure of Information****6.1 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**

**7.1 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

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Related link: [https://www.henkel.com/sustainability/positions/palmoil#Tab-806668\\_1](https://www.henkel.com/sustainability/positions/palmoil#Tab-806668_1)

- Land Use Rights

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Related link: [https://www.henkel.com/sustainability/positions/palmoil#Tab-806668\\_1](https://www.henkel.com/sustainability/positions/palmoil#Tab-806668_1)

- Ethical conduct and human rights

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Related link: <https://www.henkel.com/sustainability/positions/palmoil>

- Labour rights

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Related link: [https://www.henkel.com/sustainability/positions/palmoil#Tab-806668\\_1](https://www.henkel.com/sustainability/positions/palmoil#Tab-806668_1)

- Stakeholder engagement

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Related link: [https://www.henkel.com/sustainability/positions/palmoil#Tab-806668\\_1](https://www.henkel.com/sustainability/positions/palmoil#Tab-806668_1)

- None of the above

**7.2 What best practice guidelines or information has your organization provided in the past year to facilitate the uptake of RSPO certified sustainable palm oil and oil palm products? What languages are these guidelines available in?****Comment:**

Collaboration with representatives from across the sector is at the heart of our approach to supporting sustainable palm oil and palm kernel oil. Through partnerships, projects and dialog, we are able to engage with key players ranging from plantations, smallholder farmers and palm oil mills through to governments, non-governmental organizations and suppliers. These activities enable us to strengthen the impact of our contribution to sustainable practices in the palm oil industry. They also provide opportunities to gain valuable insights into changing industry developments and new scientific findings.

Related link: [https://www.henkel.com/sustainability/positions/palmoil#Tab-806668\\_2](https://www.henkel.com/sustainability/positions/palmoil#Tab-806668_2)

**7.3 Your answers above indicate that you are not yet using 100% RSPO certified palm oil and oil palm products. Do you have plans to immediately cover the gap using Book & Claim?**

No

**Please explain why**

We have set three palm oil goals that we believe address key priorities for the successful transformation of the palm oil industry, and target the specific challenges where we are able to make our strongest possible contribution. The targets for 2020 are:

Cover 100% of our demand with Mass Balance certified oils: All palm and palm kernel oil used in our products should be derived from sustainably cultivated sources in line with the RSPO's Mass Balance model in 2020.

Establish full traceability of palm oil and palm kernel oil used in our products: We aim to be able to trace the palm oil, palm kernel oil and derivatives we buy to known sources – first to the mill and then to the plantation – by 2020.

Increase the supply of sustainable palm oil and palm kernel oil by a volume equal to Henkel's global demand: We aim to increase the availability of sustainable palm oil and palm kernel oil on the market through collaborative projects that enable small farmers to certify their crops as sustainable, increase productivity and improve their livelihoods. By September 2016, we had already confirmed partnerships that increased the supply of sustainable palm oil and palm kernel oil on the global market by a volume equal to our total expected demand for these materials in 2017 – with more projects planned worldwide.

**GHG Footprint****8.1 Are you currently reporting any GHG footprint?**

Yes

Related link: <https://www.henkel.com/sustainability/positions/climate-positive>

**Support for Smallholders**

**9.1 Are you currently supporting any independent smallholder groups?**

Yes

We aim to increase the availability of sustainable palm oil and palm kernel oil on the market through collaborative projects that enable small farmers to certify their crops as sustainable, increase productivity and improve their livelihoods. By September 2016, we had already confirmed partnerships that increased the supply of sustainable palm oil and palm kernel oil on the global market by a volume equal to our total expected demand for these materials. Additional projects were added in 2017 and are planned for the next few years.

In 2017, Henkel launched a new project to support smallholders in Colombia. In addition to projects in Ghana, Honduras, Indonesia, Mexico, Nicaragua, and Nigeria, the project in Colombia is the seventh such initiative for which Henkel is currently working with international development organization Solidaridad to promote sustainable palm oil.

The aim of the project is to support Colombian smallholders with the new, innovative Farming Solution platform. The platform was developed by Solidaridad to strengthen cooperation along the entire palm oil supply chain. It is also designed to help smallholders increase their productivity and reduce negative environmental impacts, helping them to achieve their goal of sustainable harvest certification sooner. Palm oil is an increasingly important raw material in Colombia:

In 2016, it accounted for 3.3 percent of the country's agricultural gross domestic product, with production of 1.1 million tons of palm oil. Around half of this amount comes from small independent farms, but their owners face a number of challenges.

The productivity of small independent farmers is 40 percent lower than that of an average-sized operation. Some smallholders are also concerned that access to the palm oil market will be limited if their harvests do not meet the criteria set out by the RSPO. This is because many major buyers of palm oil have committed to buying only oil products that are certified as sustainable.

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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?**

Henkel has been a member of the cross-sectoral Roundtable on Sustainable Palm Oil (RSPO) initiative since 2008. In 2017, Henkel again met with representatives of the RSPO, international development organization Solidaridad and BASF to discuss ongoing partnerships to promote sustainable palm oil management. Since the participants believe that no single organization is capable of bringing about change in the palm oil industry on its own, joining forces is intended to promote progress in the sustainable production of palm and palm kernel oil.

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**2 In addition to the actions already reported in this ACOP how has your organization supported the vision of RSPO to transform markets in other ways? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)**

Smallholder projects promote sustainable production In 2017, Henkel launched a new project to support smallholders in Colombia. In addition to projects in Ghana, Honduras, Indonesia, Mexico, Nicaragua, and Nigeria, the project in Colombia is the seventh such initiative for which Henkel is currently working with international development organization Solidaridad to promote sustainable palm oil.

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**3 File -Please attach or add links to any other information from your organisation on your policies and actions on palm oil (EG: sustainability reports, policies, other public information)**

- No files were uploaded

**Link:** <https://www.henkel.com/sustainability>

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