

Particulars

About Your Organisation

1.1 Member Name

Henkel AG & Co. KGaA

1.2 Membership Number

4-0837-17-000-00

1.3 Membership Sector

Consumer Goods Manufacturers

1.4 Membership Category

Ordinary

1.5 Country

Germany

2.0 Does your company or organisation produce, process, consume or sell any palm oil or any products containing derivatives of palm oil?

Yes

2.1 Please select ALL the palm oil-related activity(ies) that describe your company or organisation as multiple selections are allowed. ACOP reporting is NOT limited to the primary sector of the member's RSPO membership. You will be required to complete the relevant ACOP section based on your selection(s).

- ☐ I own and operate oil palm estate(s)
- ☐ I represent a palm oil Independent Smallholder farmer Group
- ☐ I own and operate palm oil mills
- ☐ I own and operate palm kernel crushing plants - Processors and/or Traders
- ☐ I trade or broker palm oil, palm kernel oil or related products - Processors and/or Traders
- ☐ I am a refiner of palm oil or palm kernel oil - Processors and/or Traders
- ☐ I am a processor of intermediate (B2B) palm oil, palm kernel oil or related fractions/derivatives - Processors and/or Traders
- ☐ I am a B2B distributor or wholesaler of palm oil, palm kernel oil or related products - Processors and/or Traders
- ☒ I manufacture final consumer (B2C) products containing palm oil, palm kernel oil or related products. This includes products manufactured by 3rd party contractors - Consumer Goods Manufacturers
- ☐ I retail final consumer (B2C) products containing palm oil, palm kernel oil or related products - Retailers
- ☐ I operate food retail outlets that use palm oil, palm kernel oil or related products - Retailers
- ☐ I am a conservation and environmental NGO supporting the sustainable development of the palm oil industry
- ☐ I am a social and human development NGO supporting the sustainable development of the palm oil industry

Consumer Goods Manufacturers

1. Operational Profile

1.1 Please state your company's main activity within the palm oil supply chain.

- ☐ Food Good Manufacturer - own brand
- ☐ Food Good Manufacturer - third-party brand
- ☒ Home & Personal Care Good Manufacturer - own brand
- ☐ Home & Personal Care Good Manufacturer - third-party brand
- ☐ Ingredient Manufacturers
- ☐ Biofuels
- ☐ Other

Other

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2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2.0 - Palm Oil and Certified Sustainable Palm Oil Consumption - is a mandatory declaration in your ACOP. This includes volume data on palm oil, palm kernel oil and related products consumed, to enable the RSPO to accurately calculate uptake of individual members, sectors and RSPO members as a whole. ACOP reports without reported volume data will be considered as incomplete and will not be accepted. Incomplete ACOP reports may lead to suspension or termination of RSPO membership.

2.1 Please list down all operations and subsidiaries using palm oil, palm kernel oil and related products that are owned and/or managed by the member, including those under Group Membership

Henkel uses the majority of the palm kernel oil as the basis for our surfactants that we use for our detergents and hair and body care products.
The scope of communications covers the Henkel operations/subsidiaries being defined under the RSPO Group membership.

2.1.1 In which markets does your company sell goods with palm oil and oil palm products?

Europe, North America, China, India, Malaysia, Indonesia, Africa, Latin America, Rest of the World

DL.2.0 In order to facilitate ease of reporting and transparency, RSPO members operating within the palm oil demand supply chain can now choose to report palm oil and palm oil product volumes on:

an aggregate level (as in previous ACOP reporting cycles)

2.2 Total volume of RSPO-certified (IP, MB, SG and RSPO Credits/Book and Claim) and Non RSPO-certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand and third-party brand products

Description	Tonnes
Total volume of crude palm oil (tonnes)	0.00
Total volume of crude palm kernel oil (tonnes)	0.00
Total volume of palm kernel expeller (tonnes)	0.00
Total volume of crude palm oil/palm kernel oil-based derivatives and fractions (tonnes)	78143.00
Total	78143.00

2.2.1 Please estimate the percentage of derivatives and fractions (reported in Question CG.2.2) derived from palm oil or from palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based derivatives.

Description	Percentage
Palm oil-based derivatives and fractions	24
Palm kernel oil-based derivatives and fractions	76

2.3 Please estimate the regional distribution of your company's uncertified and certified palm oil, palm kernel oil and related products sales (as declared in Question 2.2) in the following countries/regions.

Countries/Regions	Percentage
Europe	34
North America	40
Malaysia	0
Indonesia	0
China	3
India	0
Latin America	12
Africa	1
Rest of World	10

2.4 Volume of RSPO-certified palm oil, palm kernel oil and related products purchased for use in your company's own-brand and third-party brand products in the year:

Description	Crude/Refined Palm Oil (CSPO)	Crude/Refined Palm Kernel Oil (CSPKO)	Palm Kernel Expeller (CSPKE)	Certified Derivatives and Fractions
RSPO Credits from Mill / Crusher	0.00	0.00	0.00	0.00
RSPO Credits from Independent Smallholder	0.00	0.00	0.00	0.00
Mass Balance (MB)	0.00	0.00	0.00	75976.00
Segregated (SG)	0.00	0.00	0.00	17.00
Identity Preserved (IP)	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	75993.00

2.4.1 Please estimate the percentage of RSPO-certified derivatives and fractions (reported in Question CG.2.4) derived from RSPO-certified palm oil or from RSPO-certified palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based

Description	Percentage
Certified Palm oil-based derivatives and fractions	24
Certified Palm kernel oil-based derivatives and fractions	76

2.5 According to the volume information you have provided in Question 2.2 and Question 2.4, your company's certified palm oil and palm oil products uptake is:

97.25%

2.5.1 Please provide additional information on your certified palm oil, palm kernel oil and related products uptake. This may include your usage of RSPO Credits to cover gaps in certified uptake, changes due to business environment, variations due to stock positions or efforts to support independent smallholders beyond volume commitments.

Henkel wants to drive progress toward sustainable palm oil and palm kernel oil – and make a positive impact on both the environment and the people affected.

In the last years we have made significant progress to further our achievement against our target of responsible sourcing of palm oil based materials, Cover 100 percent of our demand with oils whose responsible sourcing is certified or externally confirmed: All palm and palm kernel oil used as a basis of the ingredients in our products should be derived from sustainably cultivated sources in line with the RSPO's Mass Balance model. We are also aiming at sourcing selected palm oil and palm kernel oil-based materials where feasible and available according to the RSPO's segregation model.

We plan to continue to expand the certification of our raw materials in accordance with RSPO's Mass Balance model. We are also aiming at sourcing selected palm oil and palm kernel oil-based materials where feasible and available according to the RSPO's segregation model. We have achieved considerable progress in recent years with a wide range of measures.

We have chosen to achieve this coverage level without the purchase of RSPO credits.

for further details please reference our Henkel Position on Sustainable Palm (Kernel) Oil
<https://www.henkel.com/sustainability/positions/palmoil>

2.6 Please estimate the regional sales volume distribution of your company's RSPO certified palm oil, palm kernel oil and related products (as declared in Question 2.4) in the following countries/regions:

Countries/Regions	Percentage
Europe	34
North America	40
Malaysia	0
Indonesia	0
China	3
India	0
Latin America	12
Africa	1
Rest of World	10

3. TimeBound Plan

3.1 Which year did your company achieve (or expects to achieve) the RSPO supply chain certification?

2016

3.2 Which year did your company begin (or expects to begin) using RSPO-certified sustainable palm oil and palm oil products in own-brand products

2015

3.2.1 If the previous target year has not been met, please explain why.

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3.3 Which year did your company begin (or expects to begin) using only RSPO-certified sustainable palm oil and palm oil products from any supply chain option in own-brand products.

2020

3.3.1 If the previous target year has not been met, please explain why.

In 2020, we used only RSPO-certified sustainable palm oil and palm oil products, including using the Book & Claim model. In the following years we have chosen to achieve our aim of this coverage level without the purchase of RSPO credits. In 2024, we had an achievement of 97% certified with tail-end supplies in non-mature regions missing, while we have chosen to achieve this coverage level without the purchase of RSPO credits.

We still encounter a lack of availability of RSPO-certified raw materials in some of the markets where we operate and for a number of selected derivatives of palm kernel oil based ingredients used in small quantities. In these circumstances, we maintain an intensive dialogue with our suppliers to look for solutions or were rely on the import of raw materials. These challenges were compounded in 2021 by shortages in RSPO certification as a consequence of the COVID-19 pandemic. The decrease in fiscal year 2022 was primarily due to the impact of our Russian portfolio, for which certified supplies were no longer available beginning in the second half of the year. We are confident that we will make further progress in the years ahead, yet we must acknowledge that full transition of our global supply chains to sustainable palm oil and palm kernel oil remains challenging.

3.4 Which year did your company begin (or expects to begin) using only RSPO-certified sustainable palm oil and palm oil products from physical supply chain options (Identity Preserved, Segregated and/or Mass Balance) in own-brand products.

2025

3.4.1 If the previous target year has not been met, please explain why.

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4. Trademark Use

4.1 Does your company use or plan to use the RSPO Trademark in own-brand products?

No

4.3 Please explain why your company does not plan to use the RSPO Trademark in own-brand products

- ☒ Challenging reputation of palm oil
- ☒ Confusion among end-consumers
- ☒ Costs of changing labels
- ☒ Difficulty of applying for RSPO Trademark
- ☒ Lack of customer demand
- ☒ Limited label space
- ☒ Low consumer awareness
- ☒ Low usage of palm oil
- ☒ Risk of supply disruption
- ☒ Others

Others

At Henkel commitments on Sustainable palm oil are communicated publicly through several other communication channels. We are working together with our partners to support palm oil smallholder farmers and drive sustainable progress through our partnership. We communicate our joined partnership goals and achievements on our Henkel and Henkel Consumer Brand social media channels. Additionally, we have several publicly-available reports.

5. Actions for Next Reporting Period

5.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

- ☒ Participation in RSPO Working Group or Task Forces
- ☒ Support Independent Smallholders (ISH)
- ☐ Contribute to the RSPO Smallholder Trainer Academy
- ☐ Financial contribution to the RSPO Smallholder Support Fund
- ☐ Direct investments in Smallholder Certification projects
- ☒ Involvement/direct investments in Jurisdictional/Landscape approach
- ☒ Direct/collective investments in conservation and restoration initiatives
- ☐ Financial contribution to support members with Remediation and Compensation (RaCP) process, direct/collective investments in conservation and restoration initiatives
- ☒ Allocating FTE to promote the production or consumption of certified sustainable oil palm products
- ☒ Specific policies and action plans by the member to promote CSPO production or consumption in the upstream or downstream supply chain, including target dates or broader policies that include such efforts
- ☐ No activities planned
- ☒ Others

Other

We support, both, the industry's physical transformation and the market's transformation to certified sustainable palm oil products. A multi-stakeholder approach is at the core of our initiative for sustainable management of palm oil and palm kernel oil. Through partnerships, projects and dialog, we engage with key players and we are expanding our contribution to sustainable practices in the palm oil industry.

Henkel is a committed founding member of the Forum for Sustainable Palm Oil (FONAP) in Germany and is a member of various working groups dedicated to palm (kernel) oil sustainable sourcing. Through these engagements with other companies, NGOs, associations and political bodies we advocate for finding ways to increase the proportion of sustainably produced palm (kernel) oil, and improving existing standards and certifications.

Henkel, along with other leading consumer goods manufacturers and companies in the oleochemical industry, is also a founding member of the cross-industry Action for Sustainable Derivatives (ASD) initiative. The primary objective of the initiative is to generate more transparency in the complex value chain for palm derivatives. Activities include assessing identified risks, promotion of the sustainable production and procurement of palm (kernel) oil derivatives and sharing best practices and solutions that can comprehensively transform the complex palm oil derivatives sector. To that end, Henkel also supports the efforts by ASD to develop an enhanced monitoring approach for the proactive detection and tracking of abuses and non-compliance with zero net deforestation requirements. Additionally, we collaborate in the harmonization of requirements, tools and criteria to create fair conditions for competition among companies who produce ingredients and with their direct suppliers. In the framework of our partnership, ASD achieved collective transparency for 1.13 million tons of palm-based materials in 2023. This represents around 1.3 percent of the global palm production, 15 percent in terms of volume of the global palm-based oleochemicals market and 31 percent of the palm kernel oil-based oleochemicals market.

We are also actively involved in the Roundtable on Sustainable Palm Oil (RSPO). The RSPO standard includes compliance with human rights along the entire supply chain, in addition to addressing environmental issues. In May 2023, our Global Supply Chain organization was again successfully certified in line with the RSPO's supply chain standard.

We have partnered with the development organization Solidaridad on initiatives in Ghana, Honduras, Indonesia, Colombia, Mexico, Nicaragua and Nigeria since 2013. Our projects' focus is on improving palm oil smallholders' livelihoods, incomes and resilience, simultaneously making a positive contribution to the environment and climate. In 2024, we are engaged in projects in Colombia, Indonesia, and Honduras. Building on the very good collaboration with Solidaridad, we have developed specific plans for the next few years to expand the commitment further.

Challenges and Support

1.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- ☐ Awareness of RSPO in the market
- ☐ Difficulties in the certification process
- ☐ Certification of smallholders
- ☐ Competition with non-RSPO members
- ☐ High costs in achieving or adhering to certification
- ☐ Human rights issues
- ☐ Insufficient demand for RSPO-certified palm oil
- ☐ Low usage of palm oil
- ☒ Reputation of palm oil in the market
- ☐ Reputation of RSPO in the market
- ☒ Supply issues
- ☒ Traceability issues
- ☐ No challenges faced
- ☒ Others

Others

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We still encounter a lack of availability of RSPO-certified raw materials in some of the markets where we operate and for a number of selected derivatives of palm kernel oil based ingredients used in small quantities. In these circumstances, we maintain an intensive dialogue with our suppliers to look for solutions or we rely on the import of raw materials. We are confident that we will make further progress in the years ahead, yet we must acknowledge that full transition of our global supply chains to sustainable palm oil and palm kernel oil remains challenging.

We are committed to full transparency and traceability of our palm (kernel) oil supply chain and work in collaboration with our suppliers and industry peers toward this aim. In addition to the related collaboration efforts and progress to our target.

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Through our involvement in the initiative “Together for Sustainability – Chemical Supply Chains for a Better World” (TfS), we focus on identifying synergies in the processes required to manage complex supply chains, while promoting sustainability and optimizing dialog with our global business partners.

1.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- ☒ Communication and/or engagement to transform the negative perception of palm oil
- ☒ Engagement with business partners or consumers on the use of CSPO
- ☐ Engagement with government agencies
- ☒ Engagement with peers and clients
- ☒ Promotion of CSPO through off product claims
- ☒ Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- ☐ Promotion of physical CSPO
- ☐ Providing funding or support for CSPO development efforts
- ☐ Research & Development support
- ☒ Stakeholder engagement
- ☐ No actions taken
- ☒ Others

Others

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Henkel is a committed founding member of the Forum for Sustainable Palm Oil (FONAP) in Germany and is a member of various working groups dedicated to palm (kernel) oil sustainable sourcing. Through these engagements with other companies, NGOs, associations and political bodies we advocate for finding ways to increase the proportion of sustainably produced palm (kernel) oil, and improving existing standards and certifications.

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We are also actively involved in the Roundtable on Sustainable Palm Oil (RSPO). The RSPO standard includes compliance with human rights along the entire supply chain, in addition to addressing environmental issues. In May 2024, our Global Supply Chain organization was again successfully certified in line with the RSPO's supply chain standard, which is valid until 2029.

We have partnered with the development organization Solidaridad on initiatives in Ghana, Honduras, Indonesia, Colombia, Mexico, Nicaragua and Nigeria since 2013. Our projects' focus is on improving palm oil smallholders' livelihoods, incomes and resilience, simultaneously making a positive contribution to the environment and climate. In 2024, we are engaged in projects in Colombia, Indonesia, and Honduras. Building on the very good collaboration with Solidaridad, we have developed specific plans for the next few years to expand the commitment further.

1.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

Henkel has several publically available reports, policies and positions available to inform about our palm oil and deforestation free sourcing strategy, palm oil targets and related activities. These are the:

Henkel Sustainability Report 2024

(<https://www.henkel.com/resource/blob/2043310/8e58944556950ebb78141bf6a86b58a9/data/2024-sustainability-report.pdf>),

Henkel Nature Policy (<https://www.henkel.com/resource/blob/1932918/c5147cc465d42296dab5b28728f4bdb2/data/zero-net-deforestation-policy.pdf>),

Henkel Responsible Sourcing Policy

(<https://www.henkel.com/resource/blob/638576/58f5962df41e31e43b5904c39e319d3f/data/responsible-sourcing-policy.pdf>),

Henkel Zero-Net Deforestation Policy

(<https://www.henkel.com/resource/blob/1932918/c5147cc465d42296dab5b28728f4bdb2/data/zero-net-deforestation-policy.pdf>),

Henkel Code of Conduct

(<https://www.henkel.com/resource/blob/1649598/4376272ddbd1ba8336737ed9285707ab/data/code-of-conduct-english.pdf>),

Henkel Policy Statement - German Act on Corporate Due Diligence in Supply Chains

(<https://www.henkel.com/resource/blob/1790206/170c78a53852adadd67c81bd7fbd0eac/data/20240301-policy-statement-english.pdf>),

Henkel Position on Sustainable Palm (Kernel) Oil (<https://www.henkel.com/sustainability/positions/palmoil>), including List of Mills potentially connected to Henkel

(<https://www.henkel.com/resource/blob/1996392/9ce7ccda304a1cfd8c264c5e069683ba/data/list-of-mills-potentially-connected-to-henkel-2023.pdf>) and

List of Key Palm Suppliers

(<https://www.henkel.com/resource/blob/1996396/5e817d085cb01daa83ee1dde18a6a12c/data/list-of-key-palm-suppliers-henkel-2023.pdf>) and

Henkel Position on Responsible Sourcing (<https://www.henkel.com/sustainability/positions/responsible-sourcing>).
