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Code of Sustainability

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Preface

As reflected in our corporate values, we are committed to leadership in sustainability.

The purpose of this Code of Sustainability is to outline our strategic direction in sustainability. This document summarizes our ambition framework as well as the policies and concepts established by Henkel in the areas of environment, social and governance for material matters as identified by the double-materiality assessment.

The structure of the document follows the contents defined under the European Sustainability Reporting Standards (ESRS). For each topic the "Minimum Disclosure Requirements" (MDR) for policies as specified in the ESRS 2 are listed as well as additional requirements from the individual topical standards.

This document also provides an overview of our uniform codes, policies and standards, which apply to all employees worldwide, in all of the business areas and cultural spheres in which we operate. These provides a framework for decision-making and engagement within our sphere of influence.

Our 2030+ Sustainability Ambition Framework

Our corporate purpose defines the common ground that unites all of us at Henkel: Pioneers at heart for the good of generations. With our pioneering spirit, our knowledge, our products and technologies, we want to enrich and improve the lives of people every day – and shape a viable future for the next generations.

Sustainable business practices have been an integral part of our company culture for decades and are also a central element of our vision of the future. Together with innovation and digitalization, sustainability forms the core of our corporate strategy, the Purposeful Growth Agenda.

Sustainability is fundamental for creating a competitive edge, enabling business growth and generating value for our business and industry customers, consumers and all of our stakeholders. Our 2030+ Sustainability Ambition Framework sets the frame for our global sustainability strategy, with clear ambitions and targets that we want to achieve in this decade. We will build on our particular strengths, such as the innovation of our business units, the comprehensive knowledge of our employees, as well as various contact points of our products and technologies with customers and consumers.

We see our company as an important player and partner in society, and we intend to work with others to create fundamental change. At Henkel, we see sustainability as a constant endeavour to make progress on current topics and keep learning about new issues, based on scientific knowledge.

To drive sustainable development, we have set ourselves ambitious goals as part of our 2030+ Sustainability Ambition Framework that build on our progress to date and which we are rigorously pursuing.

We have included different ESG dimensions and defined key areas of focus in 2022, which we link to the high aspiration of achieving a “Transformational Impact for the Good of Generations”:

- **Regenerative Planet:** We strive to achieve a circular economy, a climate-neutral future and the regeneration of nature. To this end, we are further developing our business activities to drive solutions in the areas of climate, circularity and nature.
- **Thriving Communities:** We actively contribute to people being able to lead a better life through our business and brands. To this end, we focus on equity, education and wellbeing.
- **Trusted Partner:** We are committed to product quality and safety while ensuring business success with integrity, focusing on performance, transparency and collaboration.

In summary, we want to actively drive the transformation to a sustainable economy and society. We are convinced that we can effectively contribute to change with our strategic framework and the priorities we have set, building on our values-based culture, deep rooting in science and our passion for technology.

We recognize that we can only achieve our ambition of transformational change by thinking in systems and collaborating with our partners along the value chain and beyond.

In addition to our nine topic areas, we have also defined three central levers that will help us achieve and scale up the progress we need:

- **Products and technologies** are at the heart of everything we do. We create more value for our customers and consumers by constantly innovating to offer better performance with a reduced environmental footprint.
- **People** are key for our business and our sustainability-related activities. Our employees contribute to sustainable development through their engagement. Our suppliers, shareholders, customers, consumers and neighbors play an important role in driving impactful change together.
- **Partnerships** are decisive for implementing and scaling progress for sustainability. We share knowledge and drive systemic solutions forward by working together with our partners along the value chain, and also with experts, universities, civil society and other companies.

Climate Change (ESRS E1)

Key content of the policy *(E1-2_24, MDR-P_65a, AR 16, AR 17, AR 18)*

Emissions of carbon dioxide and other greenhouse gases (GHG) caused by humans are largely responsible for increased climate change and global warming. The United Nation's global Paris Agreement on climate change represents a commitment by the community of nations to limit global warming to well below 2 degrees Celsius above pre-industrial levels and to continue efforts to limit the temperature increase even further to 1.5 degrees Celsius. To achieve this, GHG emissions must be reduced to net-zero by 2050. The 6th Assessment Report (2021) of the Intergovernmental Panel on Climate Change (IPCC) has confirmed that climate change is already affecting every region on earth. Its impacts are increasingly visible in the form of extreme weather, worsened droughts and heightened risk of forest fires.

As a globally operating company, Henkel acknowledges its responsibility to reduce its impact on climate change and to adapt to climate change in order to ensure a long-term sustainable business model. To achieve this, the company is aligning its strategy with the 1.5 degree target of the Paris Climate Agreement. In this context, Henkel commits to reaching net-zero target for GHG emissions across the value chain by 2045 and to neutralizing any residual GHG emissions released into the atmosphere after 2045. This includes a stepwise reduction of our absolute direct and indirect GHG emissions (including biogenic emissions resulting from land-use changes and the extraction of biological raw materials for the production of bioenergy), followed by counterbalancing the impact of any remaining emissions in line with the SBTi Corporate Net Zero Standard. In order to achieve these emission reduction targets, Henkel is committed to continuously increasing its energy efficiency and transitioning to renewable energies (especially electricity) while not investing in the expansion of fossil fuels. We also want our products and technologies to contribute to reducing or, depending on the application, avoiding the generation of GHG emissions. In terms of our brands and technologies, we manufacture products whose use is associated with the use of energy, such as detergents, shower gels and hot-melt adhesives. Here, we want to contribute to reducing our customers' and consumers' energy consumption and the associated GHG footprint through innovations for greater energy efficiency.

With this, we address the material impacts, risks and opportunities related to "climate change mitigation" in our upstream and downstream value chain as well as in our own operations, and those related to "energy use" in our downstream value chain.

The Sustainability Council, supported by a Net-Zero Steering Committee, regularly reviews the effectiveness of our policies and progress towards our objectives as well as the relevant impacts, risks and opportunities and their changes.

Scope (E1-2_24, MDR-P_65b)

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream and downstream value chain. No business units, regions, specific activities or stakeholders are excluded.

Accountability for the implementation (E1-2_24, MDR-P_65c)

The Henkel Management Board bears overall responsibility for our sustainability policies. The Sustainability Council aligns on common positions, prior to approval by the Management Board. These include new strategic priorities, targets as well as risks and opportunities with respect to climate change. The Sustainability Council adopts climate-specific measures and sets up topic-specific project groups to steer the implementation of action plans, compliance with common standards, the exchange of best practices, and the monitoring of results. It also handles cross-departmental projects and continuously reviews the extent to which climate protection targets are met. The business units Executive Committees (Adhesive Technologies and Consumer Brands) and relevant corporate functions are responsible for the implementation of climate concepts and policies, planning of relevant actions as well as for the provision of necessary resources. They are advised by their sustainability teams.

Commitment to third-party standards or initiatives (E1-2_24, MDR-P_65d)

Henkel supports the global net-zero imperative to limit global warming to 1.5 degrees Celsius as defined in the Intergovernmental Panel on Climate Change's (IPCC) Special Report on Global Warming. This is in line with our support for the guidance and ambitions of the Kyoto Protocol and the Paris Climate Agreement. With our actions, we aim to contribute to the nationally determined contributions (NDC) of countries in which we operate.

Henkel recognizes the Sustainable Development Goals (SDGs) of the United Nations as crucial goals toward climate change mitigation, especially SDG 7 "Clean and Affordable Energy", SDG 11 "Sustainable Cities and Communities" and SDG 13 "Climate Action". Henkel recognizes the GHG Protocol Corporate Accounting and Reporting Standard, the GHG Protocol Policy and Action Standard (for policies and strategies) and the GHG Protocol for Project Accounting (for projects), as the basis of our GHG emission accounting at the overall company level. Our target setting, target review and target progress tracking are in line with

the SBTi Corporate Net-Zero Standard. This standard is the reference standard that harmonizes the achievement of net-zero targets with social and climate-related sustainability targets within the planet's carrying capacity.

Consideration of stakeholders *(E1-2_24, MDR-P_65e)*

We maintain dialog and consider the interests of all our stakeholders. Key internal and external stakeholders include retail and industrial customers, end-users, employees, shareholders, suppliers, and producer responsibility organizations.

Accessibility and communication *(E1-2_24, MDR-P_65f)*

Our policy is made available to all employees and to external stakeholders via the Downloads & Publications section of our website (henkel.com). Our concepts on climate are also further elaborated in the Henkel Nature Policy, which is available on our corporate website and provides stakeholders with additional insights into this specific topic.

Consideration of sustainability aspects in the policy *(E1-2_25, AR 16, AR 17, AR 18)*

The Code of Sustainability regulates the material impacts, risks and opportunities in connection with Henkel's business processes, which are regularly analyzed, reported and, if necessary, addressed through targets and measures. With regard to climate change, the Code of Sustainability covers the sub-topics of climate mitigation and energy. Energy efficiency, use of renewable energy and other levers to mitigate climate change are mainly addressed in our Climate Change Transition Plan.

Pollution (ESRS E2)

Key content of the policy *(E2-1_14, MDR-P_65a, E2-1_15b, E2-1_AR 12)*

In connection with the topic of environmental pollution, it is our commitment to comply with external requirements worldwide. Henkel therefore complies with local regulations for substances of very high concern (SVHC) worldwide. In addition to the SVHC definition of the European Sustainability Reporting Standards (ESRS), we also take local definitions into account. By complying with our internal standards, we ensure that Henkel products can be used without having a negative impact on human health or the environment. This also applies to products that contain substances of very high concern.

In addition, we strive to increase safety during the manufacturing and use phase as well as for end-users. As part of product development, both divisions implement global portfolio management initiatives. This involves proactively developing solutions to replace products containing SVHCs without compromising the quality and efficiency of the product solution for customers. We are doing this because reducing emissions from the process is less expensive and less demanding from a technical point of view when using products without SVHCs. These advantages can also be a benefit to our customers.

Within these initiatives, programs are developed for reformulating or replacing products that are flagged as containing SVHC. Due to the different characteristics of the portfolios of Henkel's two business units, their respective policies have different priorities. The raw material strategy of Consumer Brands takes into account that many of the products pass into wastewater after use – such as detergents and cleaning agents, as well as hair and personal care products. For that reason, the Consumer Brands raw material strategy has a focus on (bio)degradable ingredients. The strategy pursued by Adhesive Technologies for the responsible use of chemicals ("Responsible Chemistry") is embedded in the sustainable portfolio assessment process of this business unit. In line with this strategy, Adhesive Technologies proactively replaces products containing SVHC with SVHC-free alternatives. This has advantages for our customers.

Henkel's policy for minimizing the use of SVHC consists of four elements:

- Henkel complies with local laws and regulations that prohibit these substances or restrict their use and concentration in a product.

- In cases where it is not yet possible to eliminate SVHC, Henkel ensures that products containing SVHC can be used safely by providing instructions on the proper use of these products.
- Henkel anticipates future regulations and works with stakeholders to identify the need for alternative solutions for products containing SVHC.
- In cases where alternatives without SVHCs are available, Henkel actively engages with stakeholders along the value chain to encourage them to switch to these alternatives.

The policy is in line with the “zero pollution hierarchy” of the EU action plan to prevent pollution of air, water and soil. The first two concept elements mentioned, 'regulatory compliance' and 'product safety', address the hierarchy level 'Minimize and Control'. The concept elements listed in third and fourth place deal with alternatives in the sense of 'proactive transformation of products & solutions'. They are assigned to the 'Prevent' hierarchy level. All concept elements introduce measures to minimize the most harmful chemicals in consumer products and in products for professional users.

With this, we address the material risks related to SVHC in our downstream value chain. Portfolio management monitors the progress of specific initiatives to reduce products containing SVHCs in the two business units and reports to the Consumer Brands and Adhesive Technologies Executive Committees. The Sustainability Council regularly reviews the effectiveness of our policies and progress toward our objectives, as well as the relevant impacts, risks and opportunities and their changes.

Scope (E2-1_14, MDR-P_65b)

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream and downstream value chain. No business units, regions, specific activities or stakeholders are excluded. Therefore, this policy includes Henkel’s entire product portfolio.

Accountability for the implementation (E2-1_14, MDR-P_65c)

The Henkel Management Board bears overall responsibility for our sustainability concepts and policies. Guided by a corporate expert, strategic topic leaders for pollution in the business units are responsible for the development of concepts and policies addressing SVHC. They are responsible for their governance and lead the implementation of relevant measures based on company-wide standards and programs. The two business units are responsible for implementing the remaining concept elements. This includes providing the necessary resources. In Adhesive Technologies the leaders of the strategic business units

have the responsibility for implementing these policy elements. In Consumer Brands, the members of the executive committee take this responsibility. The effectiveness of our policies and progress towards our objectives as well as the material impacts, risks and opportunities and their changes are regularly reviewed by the Sustainability Council.

Commitment to third-party standards or initiatives (E2-1_14, MDR-P_65d)

We ensure that Henkel makes its contribution to achieving the goals of the 'Global Framework on Chemicals' of the United Nations Environment Program. In doing so, we follow the legal requirements and are committed to avoiding SVHCs.

Consideration of stakeholders (E2-1_14, MDR-P_65e)

We maintain dialog and consider the interests of all our stakeholders. The transformation of products is shaped by intensive dialog with customers. This enables our teams to learn more about the needs of our customers with the aim of minimizing potential exposure to SVHCs.

Accessibility and communication (E2-1_14, MDR-P_65f)

This policy is made available to all employees and to external stakeholders via the Downloads & Publications section of our website (henkel.com). The same applies to our SHE standards with further details on product safety. In addition, Henkel has fully formalized its methodology for sustainable portfolio assessment.

Those stakeholders in the Product Development, Product Safety and Sustainability Management departments who participate in the product development process are trained in the "Responsible Chemistry" method. The training sessions prepare them to apply this method to reduce the share of products containing SVHCs in the portfolios of both Henkel business units. The relevant stakeholders thus have the methods and data at their disposal to assess the extent of the presence of SVHCs in products.

Avoidance of incidents and limitation of the impact (E2-1_15c)

We aim at ensuring sufficient control of incidents and emergency situations along our value chain. Our policies and product safety data sheets address our suppliers, the staff in Henkel's operations and our customers in this regard, respectively. In addition, the Product Crisis and Recall Management Process is in place. These elements act in combination to control and limit the impact of incidents and emergency situations on the environment and/or civil society.

Water and Marine Resources (ESRS E3)

Key content of the policy (E3-1_11, MDR-P_65a, E3-1_12a, E3-1_12a i, E3-1_12a ii, E3-1_12b, 12c, E3-1_13)

Water is a finite resource and is essential for society, economy, and nature. Research on the planetary boundaries indicates that human-induced modification of the earth systems has led to the transgression of the freshwater change boundary. Marine resources are essential to natural ecosystems and the human food chain. As a globally operating company, Henkel acknowledges its responsibility for actions on water scarcity and the protection of aquatic ecosystems and marine resources. In this context, Henkel aims for holistic water stewardship that enables responsible water management across the value chain based on collective action. This includes reduction of water consumption, circular water use and engagement in water-replenishment projects.

We promote sustainable water management in our operational processes, primarily by reducing water withdrawal and consumption. We apply efficiency measures and the reuse of wastewater wherever possible. We apply wastewater treatment to avoid water pollution resulting from our operational activities as well as to enable water recycling. Pretreatments are applied when required to remove any pollutants prior to treatment in the conventional wastewater treatment.

When sourcing water, sustainable and environmentally compatible methods are prioritized. This includes sourcing water from renewable and responsibly managed supplies, avoiding over-extraction from vulnerable ecosystems, and preferring sources that have a minimal impact on local communities and wildlife. We strive to reduce water consumption in areas at water risk in our own operations and across our value chain. Innovations in product design are key to sustainable water management, as they optimize water requirements in production and reduce the water consumption of our products during the use phase. Innovations in product design are also used to prevent water pollution in the downstream value chain. In doing so, we aim to replace substances that have a negative impact on people or nature without compromising the quality and efficiency of the solutions. To promote the responsible use of water in the upstream value chain, we strive to encourage our suppliers to improve their practices in the areas of water conservation, quality monitoring, wastewater treatment and recycling.

By implementing this policy, we are responding to new global challenges relating to water as a resource and to the material impacts and risks in our upstream and downstream value chain as well as in our own operations. The Sustainability Council regularly reviews the effectiveness of our policies and progress toward our objectives, as well as the material impacts, risks and opportunities and their changes.

Scope (E3-1_11, MDR-P_65b)

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream and downstream value chain. No business units, regions, specific activities or stakeholders are excluded.

Accountability for the implementation (E3-1_11, MDR-P_65c)

The Henkel Management Board bears overall responsibility for our sustainability concepts and policies. The Sustainability Council aligns on common positions, prior to approval by the Management Board. These include new strategic priorities, targets as well as risks and opportunities with respect to water and marine resources. The Sustainability Council approves water and marine resources specific policies and sets up topic-specific project groups to steer the implementation of action plans, the compliance with common standards, the exchange of best practices, and the monitoring of the results. It also handles cross-departmental projects and continuously reviews the extent to which water protection targets are met. The business units (Adhesive Technologies and Consumer Brands) and relevant corporate functions are responsible for the implementation of sustainability policies, the planning of relevant actions as well as for the provision of necessary resources. They are advised by their respective sustainability teams.

Commitment to third-party standards or initiatives (E3-1_11, MDR-P_65d)

Henkel supports the efforts toward a European Blue Deal that is complementary to the EU Green Deal and the Sustainable Development Goals (SDGs). Henkel respects the Planetary Boundary related to Freshwater Change. Freshwater Change is identified as a strategic priority for the whole company in the area of sustainability. Since 2021, Henkel has been an endorsing member of the CEO Water Mandate, an initiative of the UN Global Compact. Accordingly, Henkel commits to adopting and implementing a comprehensive approach to water management.

Consideration of stakeholders (E3-1_11, MDR-P_65e)

We maintain dialog and consider the interests of all our stakeholders. Key internal and external stakeholders include retail and industrial customers, end consumers, employees, shareholders, suppliers and producer-responsibility organizations.

Accessibility and communication (E3-1_11, MDR-P_65f)

This policy is made available to all employees and to external stakeholders via the Downloads & Publications section of our website (henkel.com). Our concepts on water are also further elaborated in our Nature Policy, which is available on our website and provides interested stakeholders with additional insights into this specific topic.

Biodiversity and Ecosystems (ESRS E4)

Key content of the policy (E4-2_22, MDR-P_65a, E4-2_23a, 23b, AR 4, E4-2_23e, E4-2_24a, 24d)

Globally, human activities have changed nature and ecosystems, including land surfaces and ocean areas. This has led to a rapid decline of biodiversity on earth with more than 1 million species facing extinction. Henkel recognizes its responsibility toward the protection of biodiversity on earth and is committed to protecting and restoring biodiversity with a focus on forests, land and water. The policy sets the guiding principles for our biodiversity targets and ambitions, as well as general principles for the selection of actions and the transition strategy toward our targets and ambitions.

Henkel aims to support the efforts towards the global “Nature Positive” goal (defined by the Nature Positive Initiative and WWF and in line with the United Nations Kunming-Montreal Agreement) to strengthen resilience to climate change. This support for environmental protection and restoration can extend to activities along and beyond the value chain. Henkel strives to avoid negative impacts on threatened and protected species, especially on own operation sites located in or near sensitive ecosystems. In alignment, Henkel does not trade with species listed in the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and respects legally designated protected areas.

Henkel is driving the transition to renewable raw materials, including recycled materials, bio-based materials and materials derived from carbon capture and utilization. To avoid, reduce and minimize potential negative impacts on the environment and people in the upstream value chain, Henkel is committed to responsible sourcing of raw materials. Henkel is also committed to zero net deforestation and has an ambition of deforestation and conversion free sourcing of high-volume commodities with a high risk for deforestation, conversion, or human rights violations. This applies in particular to timber, pulp and paper, palm oil, palm kernel oil and their derivatives, and other commodities falling under relevant national and international legislation.

Henkel’s deforestation and conversion-free ambition for relevant commodities includes transparency along the value chain, no conversion of natural ecosystems to agriculture or other land uses, no burning or use of fire for land clearing/replanting, and a zero net deforestation or DCF (deforestation and conversion free) or NDPE (No Deforestation, No Peat

and No Exploitation) commitment of suppliers. This is in line with legal requirements, such as the European Deforestation Directive (EUDR), but goes beyond national and regional regulations due to the global scope of the concept. Henkel strives to minimize the direct drivers of biodiversity loss in our own operations, such as the reduction of production waste, waste to landfill, air, water and soil emissions, as well as reduction of freshwater consumption. In addition, we also aim for an increased nature-orientation at our sites and avoid additional soil sealing or land clearance. Our ambitions toward zero deforestation and conversion in our value chain hold true for our own operation sites as well.

The Sustainability Council regularly reviews the effectiveness of our policies and progress toward our objectives, as well as the relevant impacts, risks and opportunities and their changes.

Scope *(E4-2_22, MDR-P_65b)*

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream and downstream value chain. This includes sites managed in or near a biodiversity sensitive area. No business units, regions, specific activities or stakeholders are excluded.

Accountability for the implementation *(E4-2_22, MDR-P_65c)*

The Henkel Management Board bears overall responsibility for our sustainability policies. The Sustainability Council aligns on common positions, prior to approval by the Management Board. These include new strategic priorities, targets as well as risks and opportunities with respect to biodiversity and ecosystems. The Sustainability Council approves biodiversity and ecosystems specific policies and sets up topic-specific project groups to steer the implementation of action plans, the compliance with common standards, the exchange of best practices, and the monitoring of the results. It also handles cross-departmental projects and continuously reviews the extent to which biodiversity and ecosystems targets are met. The business units (Adhesive Technologies and Consumer Brands) and relevant corporate functions are responsible for the implementation of sustainability policies, the planning of relevant actions as well as for the provision of necessary resources. They are advised by their respective sustainability teams.

Commitment to third-party standards or initiatives (E4-2_22, MDR-P_65d)

Henkel respects the planetary boundaries related to biosphere integrity, overloading with novel entities and land-system change.

Henkel supports the goals of the "Convention on Biological Diversity" together with its two supplementary agreements, the Cartagena Protocol and the Nagoya Protocol. Henkel supports the four global goals and 23 targets of the Kunming-Montreal Global Biodiversity Framework (GBF).

Henkel operates in alignment with the international conventions on the emission of potentially hazardous chemical substances, such as the Vienna Convention/Montreal Protocol on the avoidance of ozone-depleting substances, the Basel Convention on trade with hazardous wastes, the Stockholm Convention on persistent organic pollutants and the Minamata Convention on mercury emissions. Henkel recognizes the Sustainable Development Goals (SDGs) of the United Nations, in terms of the protection of ecosystems and biodiversity especially SDG 14 "Life below Water" and SDG 15 "Life on Land" as crucial goals toward the preservation of ecosystems and biodiversity.

Furthermore, Henkel acknowledges climate change, land use change, pollution, direct exploitation and invasive species as the main drivers for biodiversity loss in accordance with the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). Henkel supports the EU Biodiversity Strategy for 2030 together with its relevant objectives and targets as European frameworks for the protection, preservation and restoration of natural habitats and biodiversity.

Consideration of stakeholders (E4-2_22, MDR-P_65e)

We maintain dialog and consider the interests of all our stakeholders. Key internal and external stakeholders include retail and industrial customers, end consumers, employees, shareholders, suppliers and producer-responsibility organizations.

Accessibility and communication (E4-2_22, MDR-P_65f)

This policy is made available to all employees and to external stakeholders in the Downloads & Publications section of our website (henkel.com). Our concepts on biodiversity are also further elaborated in our Nature Policy, which is available on our website and provides interested stakeholders with additional insights into this specific topic. To encourage its

partner in the value chain to follow the same general objectives, Henkel has also included these expectations in its Responsible Sourcing Policy.

Traceability of products, components and raw materials (E4-2_23d)

Henkel strives to trace supplies upstream to the point where compliance can be ascertained using several approaches varying according to commodities: tracing material to the production unit (agricultural or forestry land), or via a third-party certification scheme that is aligned with company via supplier systems that provide control back to the production unit level, or sourcing from areas documented to be low risk.

Social consequences of biodiversity and ecosystems-related impacts (E4-2_23f)

Human beings are strongly dependent on nature and biodiversity, e.g. in terms of natural pollination, formation, protection and decontamination of soils and sediments and regulation of detrimental organisms. Moreover, the natural world is an invaluable source of medicinal, biochemical, and genetic resources. Henkel is committed to conducting its business in a manner that minimizes its environmental footprint and supports the preservation and enhancement of biodiversity to also support social sustainability and improve livelihood of communities. Henkel also aims to contribute to the societal net-zero goal by mitigating emissions beyond the own value chains (known as "beyond value chain mitigation").

Policies relating to sustainable land and agriculture (E4-2_24b)

Henkel expects its suppliers to undertake best efforts to aim for sustainable production or sourcing of agricultural or forestry feedstocks. This includes to use of agroforestry and other regenerative practices, wherever possible.

Resource Use and Circular Economy (ESRS E5)

Key content of the policy (E5-1_14, MDR-P_65a, AR 10, E5-1_15a)

Henkel is working on the transition to a circular economy, aiming to align resource inflows and outflows with circular principles.

Inflows

Our resource inflows are comprised of raw materials for our products as well as packaging. The company's activities focus on the following areas:

- Increasing the proportion of renewable and recycled resources in our product raw materials.
- Reducing the amount of raw materials we use by reformulating our products.
- Increasing the proportion of recycled materials in our packaging.
- Reducing the amount of packaging material we use to a minimum, without compromising the quality, performance or safety of our products.

We are committed to reducing the use of fossil-based materials to mitigate our environmental footprint and avoid contributing to the depletion of natural resources. Recognizing our reliance on material inflows, we are dedicated to strengthening extended producer responsibility systems for packaging. Henkel is supporting and financing waste collection and recycling through Extended Producer Responsibility (EPR) fees. Packaging waste at the end of its life cycle will be recycled and will then become available as post-consumer recycled material to replace fossil-based virgin plastics.

We expect all suppliers to minimize waste production by keeping materials within the economic cycle. Suppliers are also expected to drive progress toward a circular economy by applying the 5Rs of the circular economy: Reduce, Reuse, Repair, Recycle, Recover. Henkel strives to raise awareness of sustainable waste disposal in its own operations and among its suppliers.

In line with the requirements of the applicable legal frameworks on conflict minerals (including but not limited to the OECD Due Diligence Guidance, the EU Regulation and the Dodd-Frank Act), our suppliers must also engage with their supply chain partners (including smelters) on a conflict-free-verified basis. They are required to use sources that are validated

by the Responsible Minerals Initiative (RMI) or any other business initiative recognized by the OECD.

Outflows

The Company is pursuing the goal of designing the packaging portfolio for recycling or reuse. Our business unit Consumer Brands is working on improving the biodegradability of the ingredients in our formulations. Solutions from the Adhesive Technologies business unit help to reduce resource consumption in the use phase. They increase the potential for reparability and can contribute to extending the service life of products and technologies. Henkel prioritizes the use of sustainable materials such as recycled resources for packaging and the use of renewable resources as the basis for our ingredients. The company is actively pursuing a strategy to minimize waste and support the transition to a circular economy.

We promote the integration of circular economy principles within operational practices for packaging, raw materials and products. This includes maximizing resource efficiency and minimizing resource consumption, while also enhancing stakeholder engagement by fostering collaboration with our suppliers and customers.

Waste

Henkel embraces circular design principles, with a strong emphasis on enhancing design-for-recycling and uptake of recycled materials in packaging. Henkel strives to reduce waste from its own production facilities as well as upstream and downstream value chain facilities. Henkel's goal is to reduce waste at the source by making production processes more efficient. This requires refining manufacturing techniques, minimizing the use of raw materials, reducing by-product formation and implementing lean manufacturing practices to generate less waste overall.

Henkel's objectives include compliance with environmental regulations and international conventions specifically related to the management of mercury, persistent organic pollutants (POPs) and hazardous waste, as well as compliance with the prohibitions and requirements of the Minamata Convention, the Stockholm Convention and the Basel Convention.

With this, we address the material impacts, risks and opportunities related to "Resource inflows, including resource use", "Resource outflows related to products and services" and "waste" in our upstream and downstream value chain, as well as in our own operations.

Process for monitoring related to resource inflows, resource outflows and waste

Supported by a Packaging & Circularity Steering Committee, the Sustainability Council

regularly reviews the effectiveness of our policies and progress toward our objectives, as well as the relevant impacts, risks and opportunities and their changes. The company also regularly evaluates adherence to its waste policy objectives by assessing regulatory changes, correcting non-compliances and communicating updates to staff. Topics such as waste management, waste water and compliance with environmental regulations are also examined in the upstream value chain as part of regular supplier assessments.

Key Performance Indicators (KPIs) for packaging and raw material sustainability are monitored to ensure progress toward targets. The respective sustainability teams of the two business units monitor and report progress on recycled plastics for consumer goods and "Design for Recycling" for all packaging in their business units to the respective Executive Committee and the global sustainability team. Additionally, within Henkel Consumer Brands (HCB), the progress on renewable and biodegradable raw materials is monitored and reported to the HCB Executive Committee.

Existing concepts are discussed and analyzed in collaboration with external experts. This ensures that it meets the relevant standards and best practices. From our perspective, objectivity is instrumental in validating the policy's effectiveness and compliance with industry regulations.

Scope *(E5-1_14, MDR-P_65b)*

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream and downstream value chain. No business units, regions, specific activities or stakeholders are excluded. Therefore, this policy includes Henkel's entire product portfolio.

Accountability for the implementation *(E5-1_14, MDR-P_65c)*

The Henkel Management Board bears overall responsibility for our sustainability concepts and policies. The Sustainability Council aligns on common positions, prior to approval by the Management Board. These include new strategic priorities, targets as well as risks and opportunities with respect to resource use and circular economy. The Sustainability Council approves resource use and circular economy specific policies. It also handles cross-departmental projects and continuously reviews the extent to which resource use and circular economy targets are met. The business units (Adhesive Technologies and Consumer Brands) and relevant corporate functions are responsible for the implementation of sustainability

concepts and policies, the planning of relevant actions as well as for the provision of necessary resources. They are advised by their respective sustainability teams.

Commitment to third-party standards or initiatives (E5-1_14, MDR-P_65d)

We comply with the legal requirements of national packaging regulations and evaluate our packaging according to its recyclability. In addition, Henkel follows and supports external initiatives that go beyond the legal requirements in order to make our packaging footprint more sustainable. These include, among others:

- Renewable Carbon Initiative
- Design-for-recycling standards and methods
 - Consumer Goods Forum (Golden Design Rules)
 - Ellen MacArthur Foundation (EMF) – Global Plastic Commitment
 - APR Design® Guide for Plastics Recyclability
- US Plastics Pact
- Together for Sustainability (TfS)
- RMI: Responsible Minerals Initiative

Consideration of stakeholders (E5-1_14, MDR-P_65e)

The key internal and external stakeholders for this policy are retail and industrial customers, end-users, employees, shareholders, suppliers and producer-responsibility organizations. Henkel prioritizes consumers and customer expectations for sustainable products and packaging. Our company engages with consumers and customers to understand their expectations about recyclable, reusable, bio-based and environmentally compatible products. Their feedback shapes the design and development of products and packaging that align with circular economy principles. This ensures that customer satisfaction and brand loyalty are maintained.

Accessibility and communication (E5-1_14, MDR-P_65f)

This policy is made available to all employees and to external stakeholders in the Downloads & Publications section of our website (henkel.com). Our circular economy concepts are also further elaborated in our Circularity Policy, which is available on our website and provides stakeholders with additional insights into this specific topic. This policy describes how Henkel addresses the circular economy along the entire value chain, from supplier engagement, own operations, product design and packaging to partnerships, stakeholder engagement, monitoring and reporting.

The involvement of employees is crucial in executing the policies. Henkel offers its employees various training programs and courses on the importance of sustainability and the circular economy. By fostering a culture of innovation, they are encouraged to contribute ideas and solutions to support the company's circular economy goals. Henkel works closely with its suppliers to raise awareness of the principles of the circular economy. This includes setting clear expectations for the use of sustainable materials. Suppliers are encouraged to maximize the recyclability of products and packaging and reduce waste.

Sustainable sourcing and use of renewable resources (E5-1_15b)

Through its supplier management, Henkel supports the sustainable procurement of renewable resources, thereby enabling and promoting their use. As part of Henkel's supplier management activities, Henkel collaborates intensively with its strategic suppliers to ensure the procurement of sustainable raw materials. Henkel uses the Sustainable Palm Index (SPI) to assess the progress of its own suppliers with respect to their level of supply chain knowledge, sustainable sourcing practices and compliance with the NDPE (No Deforestation, No Peat, No Exploitation) Principles. Henkel supports the physical transformation toward the use of certified products in the industry and the shift in the market toward certified sustainable palm (kernel) oil products. A multi-stakeholder approach is at the center of Henkel's work on a sustainable palm and palm kernel oil economy, which also includes their derivatives. When procuring paper, we look for independent certification such as PEFC, SFI, FSC or similar, where possible. As part of the supplier survey, the quantities of certified paper and cardboard packaging are recorded annually through self-disclosure.

Use of ingredients made from renewable raw materials

Henkel is committed to the responsible management of raw materials, and especially the conservation of natural resources and biodiversity. The company uses ingredients based on renewable raw materials to optimize the overall characteristics of its own products, wherever this is compatible with environmental, economic and social considerations. Due to the complexity and scalability of chemical production processes, we see the mass balance approach as an opportunity to promote this transformation.

Responsible use of palm oil and palm kernel oil

Palm oil, palm kernel oil and their derivatives are among the most important renewable raw materials for the production of the ingredients the company uses to manufacture its own laundry detergents, household cleaners and cosmetic products.

Own Workforce (ESRS S1)

Key content of the policy (S1-1_19, S1-1_20a, S1-1_24a, 24c, 24d, MDR-P_65a)

We are committed to respecting the rights and entitlements of employees and to providing fair working conditions. In addition to the corresponding national laws, this also includes the policies set out below.

Working conditions

- **Working time**

The maximum work time of a normal work week must usually not exceed 48 hours, unless otherwise permissible by law. Exceptions to this rule apply only where both of the following conditions exist: National law allows work time exceeding this limit and a freely negotiated collective bargaining agreement is in force that allows work time averaging, including adequate rest periods. All overtime work undertaken must not exceed 12 hours per week. At least one day off must be granted per seven-day working period.

- **Adequate wages**

Henkel is committed to creating fair working conditions, including remuneration in line with the market that secures livelihood. Compensation shall be reviewed on a regular basis and considering job performance in a non-discriminatory manner. Furthermore, remuneration must be paid as agreed and without undue delay. Deductions from remuneration must be clearly stated.

- **Collective bargaining**

We engage in open and constructive dialog with our employees and their representatives. The right to collective bargaining must be respected and exercise of that right must not result in any sanctioning of employees.

- **Work-life balance**

We support work-life balance through flexible working arrangements, adherence to working time regulations and provisions for appropriate leave and parental leave. We believe that parental leave should apply based on the caregiver role and not based on gender or biological parent status. As such all genders as well as adoptive-, foster-, surrogacy-, and LGBTQ+-parents should be able to take parental leave. Any local Henkel

policies on parental leave comply with and are adopted in accordance with local rules and regulations.

- **Health and safety**

Henkel puts strong emphasis on ensuring the health and safety of employees and external workers. Preventing health risks in the workplace is an integral part of every Henkel manager's duties. Every employee is responsible and accountable for health and safety within the scope of their authority. To ensure that these principles are kept, workplace risk assessments must be performed and documented for all workplaces at appropriate intervals. As part of this assessment, hazards must be identified, risks must be assessed and preventive and/or corrective measures must be implemented, followed up and checked for their efficiency. Necessary training must be conducted.

Equal treatment and opportunities for all

- **Gender equality and equal pay for work of equal value**

We are committed to fair working conditions, which includes the concept of "equal pay for work of equal value". Salary bands and grading systems contribute to fair pay practices by providing a structured framework for compensation. This should ensure that employees with similar roles and responsibilities receive comparable pay. These practices support the reduction of discrepancies in salary decisions across the organization.

- **Diversity**

The diversity of talents, mindsets, perspectives, qualities and attributes of our employees and business partners characterize our company. At Henkel, we pursue a holistic approach to DEI. Our strategic initiatives focus on several core dimensions: Gender, internationality and ethnicity, LGBTQ+, persons with disabilities, and generations.

When it comes to DEI, we ensure transparency and accountability for DEI. We strive to create a work environment that is free from bias towards certain groups of employees and work to remove potential barriers to equal opportunities.

People managers in Henkel can drive accountability in the area of DEI as follows.

- They can support hiring of candidates from underrepresented groups. This includes the consideration of inclusive recruitment recommendations and working against potential biases in hiring decisions.

- Additional focus can be placed on working against potential biases in promotion or talent management decisions and sponsoring underrepresented talent groups
- Henkel also aims to retain employees at all stages of their lives by offering a high degree of flexibility as an employer. The most important offerings here include enabling management positions to be designed as part-time jobs or as a job-sharing model, as well as flexible working arrangements and options for remote working in order to meet individual needs with regard to the integration of work and private life in different phases of life. All formats are offered in accordance with the job requirements.

These objectives have to be supplemented by local legal requirements in order to legally safeguard their applicability.

With this, we address the material impacts related to "Working conditions" (sub-sub-topics: "working time", "adequate wages", "collective bargaining", "work-life balance", "health and safety") and "Equal treatment and opportunities for all" (sub-sub-topic: "gender equality and equal pay for work of equal value") in our own operations.

Scope (S1-1_19, MDR-P_65b)

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream and downstream value chain. No business units, regions, specific activities or stakeholders are excluded. Therefore, these provisions apply to all our employees. We respect the applicable law in the countries in which Henkel operates. In cases where international human rights are restricted by local laws, we strive to promote the principles behind the international standards without conflicting with local laws.

Accountability for the implementation (S1-1_19, MDR-P_65c)

The Henkel Management Board bears overall responsibility for our sustainability concepts and policies. Relevant experts, under the leadership of the Human Resources Executive Committee, are responsible for the development of policies addressing key sustainability topics related to "own workforce" and are responsible for their governance.

The business units (Adhesive Technologies and Consumer Brands) and relevant corporate functions are responsible for the implementation of sustainability policies as well as providing the necessary resources in the countries. The Human Resources Executive Committee continuously oversees workforce related matters and the Executive Vice President for Human

Resources, Infrastructure and Sustainability regularly informs the Management Board, Shareholder Committee and Supervisory Board. Relevant (workforce- and) compliance-related matters are reviewed in the Compliance & Risk Committee.

Commitment to third-party standards or initiatives (S1-1_19, S1-1_20, S1-1_21, MDR-P_65d, AR 12)

Henkel supports the United Nations Universal Declaration of Human Rights and several globally recognized declarations for multinational companies. We have integrated key requirements based on various public standards, such as the United Nations Global Compact, the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the expectations set out in the United Nations Guiding Principles on Business and Human Rights, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights and the International Labor Organization (ILO) Conventions. In addition, we are actively involved in multi-stakeholder associations and forums such as the Business Coalition for Tackling Inequality (BCTI) of the World Business Council for Sustainable Development (WBCSD) and AIM-PROGRESS to support the practical implementation of these commitments and the exchange of best practices.

Consideration of stakeholders (S1-1_19, S1-1_20b, MDR-P_65e)

We maintain dialog with all our stakeholders, including our employees, shareholders, customers, suppliers, government authorities, associations, non-governmental organizations, scientists and the general public. We put particular emphasis on considering the voices of our employees. Henkel is committed to open and constructive dialog with its employees and their representatives.

Accessibility and communication (S1-1_19, MDR-P_65f)

This policy is made available to all employees and to external stakeholders in the Downloads & Publications section of our website (henkel.com). Our concepts are also further elaborated in the Henkel Social Standards and SHE Standards, which are available on our corporate website and provide stakeholders with additional insights into this specific topic.

Measures to provide remedy for human rights impacts (S1-1_20c)

Henkel's commitment to conducting all business in an ethical and legal manner is inextricably linked to our obligation to respect internationally recognized human rights. Henkel is therefore also responsible for identifying, analyzing and assessing the impacts of its business

decisions. This also includes potential deleterious effects on human rights and basic employee rights, as well as cases of corruption – and ensure that, where necessary, appropriate measures for remediation are duly initiated. This is to ensure, that all human rights, including those of local communities, are respected by all of Henkel's business operations worldwide.

Activities, products and processes that have or can have material adverse social impacts, including potential human rights risks, are identified and assessed by Henkel. In the event of changes in material circumstances, such assessments must be appropriately reviewed. Henkel conducts risk analyses once a year and on an ad hoc basis to identify potential human rights and environmental risks in its own business operations and in the supply chain. When appraising new operations or new projects, potential human rights risks must be included within the associated risk assessments and in the corresponding decision-making procedures.

Indications of impact must be documented and made available to the relevant decision-makers to avoid or minimize impairment.

In addition, external hotlines have been set up, through which possible misconduct can be reported, even anonymously. Employees and stakeholders as well as all persons affected by Henkel's economic activities (e.g. customers, suppliers, partners or other affected parties) can make use of this. This applies in particular, but not exclusively, to major violations of our Codes and Standards. The channels should also be used if incidents cannot be resolved directly with affected employees or supervisors. The hotlines are run by independent companies. In addition, the managers and specialists in the Human Resources department or the Corporate Compliance Office may provide advice.

Prevention of workplace accidents (S1-1_23)

Preventing health risks in the workplace is an integral part of every Henkel manager's duties. The Henkel SHE Standards address Safety, Health and Environmental Protection. To complement the standards, binding procedures describe relevant requirements in more detail. Guidance documents including best practice examples support implementation. The SHE Standards are applicable worldwide for the Henkel Group, and each of Henkel's affiliated companies must implement them with an appropriate management system. The implementation is defined regionally and locally.

Workers in the Value Chain (ESRS S2)

Key content of the policy (S2-1_16, MDR-P_65a, AR 10)

Henkel is committed to respecting internationally acknowledged human rights for the workers in its value chain and therefore requires suppliers to ensure fair working conditions and respect for human rights. In this context, policies emphasizing health and safety provisions as well as the prevention of child and forced labor are of particular importance.

Our product safety or product stewardship concepts cover the safe transport, handling and disposal – in addition to their end-use – ensuring the safety of workers in the value chain when handling Henkel products as intended. We are committed to providing safe products of the highest quality, for the benefit of all our stakeholders.

In this context, our most important expectations towards our suppliers are as follows:

- Suppliers must have management systems in place to identify, assess and mitigate risks to ensure health and safety of people affected by their operations.
- Suppliers do not tolerate child labor (according to the International Labor Organization (ILO)).
- All work is voluntary and suppliers do not permit or cause forced, bonded or indentured labor, slavery or human trafficking.

With this, we address the material impacts related to “working conditions” (specifically “health and safety”) in our upstream and downstream value chain and “other work-related rights” (specifically “child labor” and “forced labor”) in our upstream value chain.

Henkel monitors its suppliers and conducts regular assessments as part of the responsible sourcing process. Henkel requests suppliers to complete assessments and/or disclose relevant policies and procedures, data and/or other information. In selected cases, Henkel also conducts on-site audits of suppliers’ business operations to check the conformity of business activities with the specified requirements. Whenever Henkel requests a supplier to undertake reasonable specific measures to prevent or end any breach, the supplier must document the measures taken to ensure compliance and, upon request, provide Henkel with adequate information about these measures.

The effectiveness of preventive measures and remedial actions and the complaints procedure as well as the relevant impacts, risks and opportunities and their changes are regularly reviewed by the Procurement Committee, the Sustainability Council – and Compliance and Risk Committee, if appropriate.

Scope (S2-1_16, MDR-P_65b)

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream and downstream value chain. No business units, regions, specific activities or stakeholders are excluded.

We expect our suppliers and other business partners to comply with the principles set out here and to implement appropriate processes to respect human rights. Henkel's Responsible Sourcing approach is global in scope and applies to suppliers worldwide, operating in the areas of raw material, packaging, contract manufacturers and traded goods, as well as indirect materials, and services and logistics.

Accountability for the implementation (S2-1_16, MDR-P_65c)

The Henkel Management Board bears overall responsibility for our sustainability concepts and policies. The Sustainability Council aligns on common positions, prior to approval by the Management Board. These include new strategic priorities, targets as well as risks and opportunities with respect to workers in the value chain. The Sustainability Council approves specific policies addressing workers in the value chain and sets up topic-specific project groups to steer the implementation of action plans, the compliance with common standards, the exchange of best practices, and the monitoring of the results. It also handles cross-departmental projects and continuously reviews their progress. The Chief Procurement Officer (CPO) and the Procurement Committee are responsible for all procurement activities and for ensuring responsible supply chain management.

Commitment to third-party standards or initiatives (S2-1_16, MDR-P_65d)

Our codes and standards also reflect our commitment to the Universal Declaration of Human Rights, the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the Conventions of the International Labor Organization, the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the United Nations Global Compact, as well as the expectations set out in the United Nations Guiding Principles on Business and Human Rights. The United

Nations Guiding Principles include key elements such as frameworks and policies, risk analysis, effective measures, and reporting and complaints mechanisms, which we have incorporated into our approach to respecting human rights. In addition, the OECD Due Diligence Guidance for Responsible Business Conduct acts as a benchmark for our approach, which we continuously review and develop as necessary.

Our expectation toward our suppliers includes the ethical principles of the cross-industry Code of Conduct of the German Association of Materials Management, Purchasing, and Logistics (BME) as well as our concept for responsible procurement, which is based on our globally applicable Corporate Purchasing Standard, our SHE standards and our Social Standards. Sustainable and ethical practice is an essential element of Henkel's commitment to the United Nations Global Compact, which comprises ten principles in the areas of human rights, labor rights, the environment and anti-corruption.

In cases where international human rights are restricted by local laws, we strive to promote the principles behind international standards without conflicting with local laws. Where local laws exceed international standards, we will comply with these laws.

Consideration of stakeholders (S2-1_16, MDR-P_65e)

Our suppliers and supply chain partners play an essential role in our sustainability transformation. Intensive dialog and close cooperation are the basis to develop and maintain ethical and sustainable relationships with them. In this spirit, we carefully consider our suppliers' performance, commitment and continuous improvement when selecting and collaborating with them.

Understanding and mapping the social demands that stakeholders of all kinds place on our company is a key component of our sustainability management approach. This includes our customers, consumers, suppliers, business partners, employees, shareholders, investors, neighbors and local communities, associations and Non-Governmental Organizations (NGOs), academia, as well as politicians and government authorities.

Henkel is working with various cross-industry organizations, certification bodies and NGOs to ensure responsible sourcing. In the case of the palm oil industry, for example, this includes Action for Sustainable Derivatives (ASD), Roundtable for Sustainable Palm Oil (RSPO) and the civil services organization Solidaridad. As part of our partnerships with civil society organizations, such as Solidaridad, Henkel employees participate in field visits to broaden

their perspectives beyond the immediate business context and gain insights into the working environment and interests of workers in the value chain. The knowledge gained through these partnerships is also incorporated into the design of existing concepts.

Accessibility and communication (S2-1_16, MDR-P_65f)

This policy is available to all employees as well as external stakeholders on our website under Downloads & Publications (henkel.com).

Further details and descriptions related to workers in the value chain are contained in our Responsible Sourcing Policy, which is based on our corporate SHE Standards and our Social Standards as well as the German Act on Corporate Due Diligence in Supply Chains Policy Statement. In addition, requirements toward suppliers are made available on our Supplier Portal and are also part of the supplier onboarding process are even part of some contracts, wherever applicable.

For internal stakeholders, Henkel communicates the policies and concepts in corporate standards through internal databases and through our learning platform. Henkel experts regularly train purchasing experts and suppliers in commodity focus areas. They also receive training about sustainability assessment processes as part of the joint upskilling within the Together for Sustainability (TfS) community.

Commitment relating to human rights (S2-1_17)

Our supplier base constitutes of companies with workers around the world and is of high relevance since the intensive dialogue and close cooperation with our suppliers are essential for achieving sustainable business, process and production practices. Our responsible sourcing approach focuses on these sustainability aspects along our supply chains: environment, labour & human right, ethics and sustainable procurement. These main focal areas encompass the different topics we engage on with our suppliers and also serve as the core of our assessments and audit approach.

Henkel has a clear process for taking remedial action: If Henkel discovers that a violation of a human rights-related or environmental obligation has occurred or is imminent at a supplier, it takes appropriate remedial action(s) without undue delay. The measures are taken on a case-by-case basis, depending on the nature of the violation.

Henkel has a clearly regulated complaints procedure: Possible compliance violations or human rights violations in terms of actual or suspected breaches shall be reported as soon as possible to Henkel's Compliance Department. Whistleblowers are offered various channels to report potential misconduct. In addition to employees, third parties can also use our compliance hotline or alternative reporting channels.

Consideration of trafficking in human beings, forced labor and child labor (S2-1_18)

Our Responsible Sourcing Policy and the cross-sector Code of Conduct of the German Association of Materials Management, Purchasing, and Logistics (BME) which is implemented for suppliers explicitly address forced labour, trafficking in human beings and child labour. Compliance with the cross-sector BME code of conduct is mandatory for Henkel's suppliers worldwide.

Reporting non-compliance with guiding principles (S2-1_19)

Any compliance issues and potential violations are reported to the Management Board, the Audit Committee of the Supervisory Board, the Shareholders' Committee and other local committees. This information is usually provided based on the audit results of the Human Rights Officer, the Corporate Audit department, the Compliance department and the relevant business unit/function representatives working in the human rights office, as well as external investigators where applicable. In each individual case, a case-specific protocol is created to define the relevant measures and monitor the implementation of these measures in accordance with the aforementioned guiding principles (prevention, detection, response).

Affected Communities (ESRS S3)

Key content of the policy (S3-1_14, MDR-P_65a)

Henkel is committed to doing business in an ethical and legal manner. This is inseparably linked with our commitment to respecting internationally acknowledged human rights. Henkel respects local, national and international land, water and resource rights, including those of indigenous communities. Suppliers must respect land rights including collective and traditional rights of women, indigenous people and local communities and other vulnerable groups that may be affected by their operations and sourcing practices. Suppliers must not engage in any form of land-grabbing. If legally permitted land use changes are made, suppliers are required to obtain the free, prior and informed consent (FPIC) of affected indigenous communities, as well as any other forms of participation that are required by local law. This applies in particular if a local community's access to water or other resources is affected. Unlawful forced evictions are not permitted.

With this, we address the material impacts related to the rights of indigenous people specifically, FPIC and cultural rights in our upstream and downstream value chain.

The Sustainability Council regularly reviews the effectiveness of our policies and progress toward our objectives, as well as the relevant impacts, risks and opportunities and their changes. Where relevant, the Compliance and Risk Committee may also review these elements of our approach based on the initiative of the Chief Sustainability Officer.

Scope (S3-1_14, MDR-P_65b)

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream value chain. No business units, regions or specific activities are excluded.

Accountability for the implementation (S3-1_14, MDR-P_65c)

The Sustainability Council aligns on common positions, prior to approval by the Management Board. These include new strategic priorities, targets as well as risks and opportunities with respect to affected communities. The Sustainability Council approves specific policies addressing affected communities and sets up topic-specific project groups to steer the implementation of action plans, the compliance with common standards, the exchange of

best practices, and the monitoring of the results. It also handles cross-departmental projects and continuously reviews their progress.

Our business units (Adhesive Technologies and Consumer Brands) and relevant corporate functions are responsible for the implementation of sustainability concepts and policies, the planning of relevant actions as well as for the provision of necessary resources. They are advised by their respective sustainability teams.

Commitment to third-party standards or initiatives (S3-1_14, MDR-P_65d)

Henkel supports the United Nations' Universal Declaration of Human Rights and a number of globally recognized declarations for multinational enterprises. We have integrated central requirements derived from different public standards, e.g. the United Nations Global Compact, the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises as well as the expectations set out in the United Nations Guiding Principles on Business and Human Rights, International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights and the International Labor Organization (ILO) Conventions.

Consideration of stakeholders (S3-1_14, MDR-P_65e)

Indigenous Peoples are understood as stakeholders in our policy. To consider their interests and to account for the potential adverse indirect effects on them in the upstream value chain, we work with legitimate representatives such as NGOs, as well as regional and local experts.

Accessibility and communication (S3-1_14, MDR-P_65f)

This policy is made available to all employees and to external stakeholders via the Downloads & Publications section of our website (henkel.com).

Human rights policy commitments (S3-1_16, 16a, 16b, 16c, S3-1_33a)

The OECD Due Diligence Guidance for Responsible Business Conduct acts as a benchmark for our Due Diligence approach, which we continuously review and develop as necessary. We also publish a policy statement on the German Act on Corporate Due Diligence in Supply Chains outlining our due diligence approach. Our due diligence approach also covers the respect for the human rights of communities and indigenous peoples. For example, in our Policy Statement, we prohibit the unlawful taking of land, forests and waters. To account for the indirect effects in the upstream value chain on affected communities, and in particular,

Indigenous Peoples, we work with legitimate representatives such as the NGOs as well as regional and local experts.

Furthermore, as part of our complaints mechanism, anyone affected by Henkel's business activities (including e.g. affected communities) can report potential misconduct via the whistleblowing system. We have established clear due diligence and compliance processes to identify and assess the potential adverse impacts of our business activities. We also ensure access to remedy is established and accessible when necessary.

Reference to internationally recognized standards *(S3-1_17, AR 10)*

As previously mentioned, Henkel supports the United Nations' Universal Declaration of Human Rights and a number of globally recognized declarations for multinational enterprises. However, so far, we are referring in particular to the UN Declaration on the Rights of Indigenous Peoples, the International Labor Organization's Convention concerning Indigenous and Tribal Peoples (ILO No. 169).

Consumers and End-Users (ESRS S4)

Key content of the policy (S4-1_15, MDR-P_65a)

Health and Safety

We are committed to providing safe products of the highest quality, for the benefit of all our stakeholders. Our products touch millions of people every day. We therefore ensure that products are safe for their intended use in terms of human health and the environment. We comply with requirements regarding health, and safety and as well as labelling that are applicable to us in the regions we operate in. We constantly review and assess our products to ensure that they remain compliant. Our product safety or product stewardship concepts cover the safe transport, handling and disposal of products in addition to their end-use and ensuring the safety of workers in the value chain when handling Henkel products as intended. This policy is monitored through the specific portfolio-steering initiatives in each business unit.

Access to quality information

The general objectives are to provide our consumers and end-users with accurate and high-quality information about our products, in compliance with local and global regulations, as well as labelling requirements that are applicable in the countries of operation. One example are the standardized safe use icons developed with the A.I.S.E. (European Association of Detergent and Cleaning Product Manufacturers), which provide clear instructions on our packaging for the correct and safe use of our products. We strive to enable our consumers and end-users to learn about the ingredients contained in our products. In line with this, we are enhancing global transparency about the substances used and their respective safety. We also want to help consumers use our products correctly and dispose of empty packaging, for example by placing special recycling symbols or collection notices on packaging. We want to clearly communicate our sustainability efforts, with an established and clear process to avoid greenwashing.

The effectiveness of our policies and progress towards our objectives is ensured by extensive monitoring and tracking. Monitoring related to product safety and hazard communication is the responsibility of the Product Safety and Regulatory Affairs Head in each business unit and reviewed in the respective leadership meetings. Product-related sustainability claims and

information are reviewed through the Brands Sustainability and Product Stewardship Steering Committee in the Consumer Brands business unit and by the Sustainability (AQR) Team in the Adhesive Technologies business unit. For any other product information, controls are clearly defined. Regulatory changes are immediately reflected and monitored in the processes and shared by the local country teams with the global team.

With this, we address the material impacts, risks and opportunities related to the sub-topics "Information-related impacts for consumers and/or end-users" (sub- topic: "Access to (quality) information") and "Personal safety of consumers and/or end-users" (sub- topic: "Health and safety") in our downstream value chain.

Scope (S4-1_15, MDR-P_65b)

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream and downstream value chain. No business units, regions, specific activities or stakeholders are excluded. Therefore, this policy includes Henkel's entire product portfolio. These provisions are supplemented by local legal requirements to legally safeguard their applicability.

Accountability for the implementation (S4-1_15, MDR-P_65c)

The Henkel Management Board bears overall responsibility for our sustainability concepts and policies. In Adhesive Technologies the leaders of the strategic business units have the responsibility for implementing Henkel's objectives with respect to access to information. In Consumer Brands, the members of the executive committee take this responsibility.

Consideration of stakeholders (S4-1_15, MDR-P_65e)

We maintain a dialogue with all our stakeholders, including our employees, shareholders, customers, suppliers, government authorities, associations, non-governmental organizations, scientists, and the general public. For the proactive transformation of products and the provision of quality information, we particularly focus on the intensive dialog with customers and consumers and to learn about their needs.

Accessibility and communication (S4-1_15, MDR-P_65f)

This policy is made available to all employees and to external stakeholders in the Downloads & Publications section of our website (henkel.com). The same applies to our SHE standards with further details on product safety.

Respect for the human rights of consumers and/or end-users (S4-1_16a)

We are committed to providing safe products of the highest quality, for the benefit of all our stakeholders. To do so, we have extensive precautions in place to assess, mitigate and manage, such potential adverse human rights impacts concerning the health and safety of our consumers and end-users, and where necessary provide and/or enable remedy. We also implement stringent quality control processes, conduct thorough safety assessments, and continually monitor products throughout their lifecycle to safeguard both consumers and the environment.

Engagement with consumers and/or end-users (S4-1_16b)

We engage directly with consumers and end-users and interact with retailers and distributors to ensure our actions align with their increasing demand for sustainable products and transparent information. As part of our complaints mechanism, anyone affected by Henkel's business activities (including consumers) can use the whistleblower system. Consumers and end-users can rely on our Customer and Consumer Service channels, that can be accessed through a dedicated hotline and/or email address to discuss any concerns. The respective contacts are displayed on the labels of our products and can be found on the websites.

Remedy for human rights impacts (S4-1_16c)

We ensure that access to remedy is established and accessible, where necessary.

Business Conduct (ESRS G1)

Key content of the policy (G1-1_7, G1-1_9, G1-1_10a, MDR-P_65a)

Corporate Culture

Fostering a culture of diversity, equity & inclusion, teamwork, and family spirit are cornerstones of our success. Only in a fair, healthy, and safe work environment will our employees be able to reach their full potential. It is a mindset that we want to represent and stand for at Henkel, but also beyond in society, having our employees serve as role models for future generations.

We are committed to fostering a respectful and inclusive culture that enables our employees to be their best every day. Henkel is committed to a diverse and inclusive workforce, recognizing it as a key strength that fosters talent retention, innovation, and understanding of stakeholders. The company promotes a culture of trust, teamwork, and respect, with zero tolerance for harassment, bullying, or discrimination. We provide our employees with opportunities equally accessible to all, enabling them to contribute to Henkel and grow both professionally and personally. Aspects of corporate culture are addressed and discussed at the meetings of the Management Board and Supervisory Board at least once a year and on an ad-hoc basis.

Protection of Whistleblowers

Our ethical and compliant behaviour includes strict compliance with whistleblower laws globally. Therefore, all employees, stakeholders and persons affected by Henkel's business activities, are requested to report potential misconduct. The process adheres to the global whistleblower laws, ensuring a confidential and fair process for reporting and addressing potential misconduct. Those who report in good faith are protected and any kind of retaliation against them will not be tolerated. The reporting channels for whistleblowers are communicated to our employees and external stakeholders in an appropriate manner, including via the intranet and the internet.

Henkel is committed to handling whistleblower reports with the highest level of care, promptness, and confidentiality, in full compliance with relevant data protection laws. Access to these reports is limited to the necessary members of Henkel's Compliance Group (both

local and global) and, when needed, other relevant departments or external professional investigators/auditors for the purpose of conducting an investigation and taking appropriate action. Henkel ensures that all whistleblower reports are properly recorded and documented. The investigation process is guided by principles of procedural fairness and objectivity, leading to an impartial decision. Throughout the process, individuals involved are presumed innocent until evidence proves a violation has occurred. Henkel takes a strong stance against confirmed misconduct, which could result in disciplinary actions against those responsible.

These principles described above are of fundamental importance for internal collaboration at Henkel and also extend to interactions with suppliers and business partners. Henkel's compliance culture involves continuous monitoring and improvement of the compliance process. Our global compliance management system was once again audited by external auditors in 2022 based on IDW PS 980 assurance standard and under due consideration of ISO 37301, with respect to the appropriateness, implementation, and effectiveness of the global compliance processes in the areas of competition law and anti-corruption. Henkel has repeatedly and successfully passed this special audit.

Scope (G1-1_7, MDR-P_65b)

The provisions in this policy apply to the Henkel Group worldwide, including all operations and subsidiaries as well as their upstream and downstream value chain. No business units, regions, specific activities or stakeholders are excluded.

Accountability for the implementation (G1-1_7, MDR-P_65c)

The Henkel Executive Board bears the overall responsibility for the compliance organization, which ensures adherence to global laws and policies. The company-wide compliance organization is led by the Chief Compliance Officer (CCO) with global responsibility. The CCO is supported by the Corporate Compliance Office with the Head of Corporate Compliance & Privacy Protection Officer, and by an interdisciplinary Compliance & Risk Committee, as well as by 50 local compliance officers worldwide. The various tasks and responsibilities are clearly defined.

The compliance structure functions across three key areas: prevention, detection, and response. It is responsible for all compliance activities, coordinates training and education, monitors compliance with internal and external regulations, and supports the development and implementation of globally binding internal standards. Compliance issues and potential

violations are regularly presented to the Management Board, the Audit Committee of the Supervisory Board, the Shareholders' Committee, and other local entities.

Consideration of stakeholders (G1-1_7, MDR-P_65e)

Grasping and delineating the societal expectations placed upon our enterprise by a diverse array of stakeholders is a fundamental aspect of our sustainability management efforts. Our stakeholder group spans a broad spectrum, encompassing customers, consumers, suppliers, business partners, employees, shareholders, investors, neighbouring communities, local groups, associations, non-governmental organizations (NGOs), academic institutions, as well as policymakers and governmental bodies. This group of stakeholders was consulted when defining the concept for selected compliance aspects.

Accessibility and communication (G1-1_7, MDR-P_65f)

This policy is made available to all employees and to external stakeholders via the Downloads & Publications section of our website (henkel.com).

Protection of whistleblowers (G1-1_10c, 10c i, 10c ii, 10e, G1-11_1)

Our ethical and compliant behavior includes strict compliance with whistleblower laws globally, including the EU Directive (EU) 2019/1937. Therefore, all employees, stakeholders and persons affected by Henkel's business activities, are requested to report potential misconduct. Henkel's whistleblower process adheres to the global whistleblower laws, ensuring a confidential and fair process with protection for those reporting in good faith, handled by a trained compliance organization. Any kind of retaliation against whistleblowers will not be tolerated, as also described further also in our Code of Conduct.


Policy for training (G1-1_10g)

To impart clear rules of conduct to our employees, and especially to avoid any conflicts of interest in everyday working situations, we focus on regular training courses and communication measures. Our managers play a key role with regard to compliance. Given their position within the company, they bear a special responsibility to set an example for their staff. For this reason, all of our managers across the globe must participate in our mandatory Compliance eLearning program and attend relevant training courses, usually several onboarding courses as well as at least one specific training per year. The program addresses many different compliance topics, such as data protection, competition law and anti-corruption.

Uniform Codes, Policies and Standards Worldwide

Based on our corporate purpose, our vision, mission and values, we have formulated globally binding rules of conduct that are specified in a series of codes and corporate standards. These apply to all employees worldwide, in all of the business areas and cultural spheres in which we operate.

The Code of Conduct contains the most important corporate principles and behavioural rules. It is supplemented by guidelines for dealing with potential conflicts of interest, which are designed to prevent corruption.

The codes, policies and corporate standards specifically address the issues of compliance with competition and antitrust law, safety, health, environmental and social standards, human rights and public affairs. They also provide the basis for implementing the  UN Global Compact.

The following codes, policies and standards can be found on our website:

- Purpose, Vision, Mission and Values
- Code of Conduct
- Responsible Sourcing Policy
- Safety, Health, and Environmental (SHE) Standards
- Social Standards
- Public Affairs Standard
- DE&I Policy
- Policy on Nature
- Circularity and Packaging Policy