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Landmark supply collaboration on climate protection

Henkel signs agreement with Shell on renewable-based ingredients for Persil[®], Purex[®] and all[®] brands

• Shell to replace approximately 200,000 tonnes of fossil feedstocks with renewable feedstocks for cleaning ingredients used in Henkel's largest laundry brands in North America. A third-party certified mass balance approach will be used.

Rocky Hill, CT – Henkel and Shell Chemical LP have agreed to a five-year collaboration to replace up to 200,000 tonnes of fossil feedstocks used in the manufacture of surfactants with feedstocks that are based on renewable raw materials. The renewable-based surfactants will be used in Henkel's laundry product brands, including many varieties of Persil®, Purex® and all® brands. Surfactants are an ingredient in cleaning products that help lather and lift dirt.

"This landmark cooperation significantly advances Henkel's share of renewable-based ingredients in leading consumer brands in North America," said Ulrike Sapiro, Chief Sustainability Officer at Henkel. "This is an important, concrete step toward realizing our vision of a regenerative planet through a climate-friendly business model. Working together with partners like Shell will help get us there faster."

Shell estimates that replacing up to 200,000 tonnes of fossil feedstocks with renewable feedstocks has the potential to reduce greenhouse gas emissions by up to 120,000 tonnes of CO_2e over the length of the five-year agreement.

Starting in 2023, up to 200,000 tonnes of renewable feedstocks will be used by Shell during a combined manufacturing process (along with fossil feedstocks) to produce surfactants. Using

the mass balance approach, an independent accounting process is applied enabling Shell to attribute the total tonnes of renewable feedstocks used in the process solely to Henkel. This mass balance process and attribution will be verified by an independent, third-party certification organization such as (but not limited to) <u>ISCC</u>, <u>REDcert</u> and <u>SCS global services</u>.

"A mass balance approach is an important step to support the growth of more sustainable raw materials being used in the supply chain and support a reduction in the overall mix of fossil-based ingredients," said Jillaine Dellis, Vice President, Sustainability & Industry Relations, Henkel Consumer Brands, North America. "We are delighted to enhance the sustainability of our top-selling consumer brands in North America through this transition to renewable-based ingredients while offering the same outstanding cleaning performance and fabric care our consumers have come to expect from Henkel."

Robin Mooldijk, Executive Vice President, Shell Chemicals and Products said, "This agreement represents Shell's first-of-its-kind commercial scale deal for renewable-based chemicals anywhere in the world. I'm pleased to be working with Henkel and helping it take important steps towards achieving its sustainability goals."

The surfactants will be produced at the Shell Energy and Chemicals Park Norco and Shell Geismar Chemicals facility in Louisiana. Shell will use independently certified sustainable feedstocks.

Mooldijk added, "Our collaboration with Henkel is a fantastic example of the opportunity for future growth. We are investing in our chemicals facilities, including on the U.S. Gulf Coast, to scale up Shell's sustainable chemicals capabilities and deliver the integrated and sustainable offers our customers increasingly want."

About Henkel

With its brands, innovations and technologies, Henkel holds leading market positions worldwide in the industrial and consumer businesses. The business unit Adhesive Technologies is the global leader in the market of adhesives, sealants and functional coatings. With Consumer Brands, the company holds leading positions especially in hair care and laundry & home care in many markets and categories around the world. The company's three strongest brands are Loctite, Persil and Schwarzkopf. In fiscal 2021, Henkel reported sales of more than 20 billion euros and adjusted operating profit of around 2.7 billion euros. Henkel's preferred shares are listed in the German stock index DAX. Sustainability has a long tradition at Henkel, and the company has a clear sustainability strategy with concrete targets. Henkel was founded in 1876 and today employs a diverse team of more than 50,000 people worldwide – united by a strong corporate culture, shared values and a common purpose: "Pioneers at heart for the good of generations." More information at <u>www.henkel.com</u>

About Henkel in North America

Henkel's portfolio of well-known brands in North America includes Schwarzkopf® hair care, Dial® soaps, Persil®, Purex®, and all® laundry detergents, Snuggle® fabric softeners as well as Loctite®, Technomelt® and Bonderite® adhesives. With sales close to 6 billion US dollars (5 billion euros) in 2021, North America accounts for 25 percent of the company's global sales. Henkel employs over 8,000 people across the U.S., Canada and Puerto Rico. For more information, please visit <u>www.henkel-northamerica.com</u>, and on Twitter @Henkel_NA.

About Shell Chemicals

Shell's global chemicals business supplies customers with a range of base, intermediate and performance chemicals used to make products that people use every day. These finished products contribute to society's ability to live, work, care and respond to climate change. As global demand for chemicals increases, we plan to grow our business, by understanding and providing for our customers' needs. Our business is versatile and resilient. We have strong market positions, integrated world-scale assets, leading technologies and a commitment to a sustainable future. References to the expressions "Shell", "Shell's chemicals business" or "Shell's chemical plants" refer to multiple companies that are part of the Shell Group that are engaged in chemical or related businesses. For more information, please visit <u>www.shell.com/chemicals</u>.

Photo material is available at www.henkel.com/press

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