Public Affairs Standard

Representation of Interests in Public Affairs

Henkel Excellence is our Passion

Valid from March 2014

Foreword

This standard is dedicated to make Henkel's Public Affairs activities more transparent and should serve as a guideline for Henkel employees when dealing in the political environment.

It reflects the worldwide tendency to a higher transparency of companies' activities in the field of public affairs.

It is based on the existing Code of Conduct.

Henkel Management Board

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1 Scope and Objective

Political decision-making requires input from all stakeholders in order to develop fair, responsible and balanced solutions. That is why companies, NGOs and other interest groups are required and advised to give qualified and diverse input and share their expert knowledge with politicians, regulators and their respective staff.

Henkel's business activities are affected by and at the same time have an impact on public policy discussions, political decisons as well as societal behavior and debates.

Therefore, Henkel is convinced that sharing expertise in the context of public policy debates and political decisions is important to best meet societal challenges and to ensure that the legitimate interests of its employees, clients, consumers and shareholders are represented at all levels in political and societal discussions.

For Henkel, the dialogue with politicians, public and regulatory authorities, NGOs, associations and other interest groups is an opportunity for all stakeholders involved to reach the best results.

This said, Henkel's Public Affairs activities aim to:

- contribute to public discussions in Henkel's capacity as a responsible company and good corporate citizen;
- follow current scientific and public policy debates, monitoring them when they are relevant to the political environment and for Henkel as a group and employer;
- be an experienced and trusted partner for politically relevant discussions in all concerned areas of interest; and
- provide expert knowledge from the business point of view for external stakeholders in political discussions.

In order to fulfill its duty as good corporate citizen, and taking into account the above mentioned objectives, Henkel has developed rules of conduct for Public Affairs activities as described in this Corporate Standard (Corporate Standard – Representation of Interests in Public Affairs).

This Standard applies to any Governmental Relations & Public Affairs activities of Henkel AG & Co. KGaA and its affiliated companies ("Henkel") as listed in the consolidated financial statements of Henkel AG & Co. KGaA.

2 Henkel's General Rules for Public Affairs Activities

Any Public Affairs activities on behalf of Henkel must be aligned with Henkel AG & Co. KGaA's "Governmental Relations & Public Affairs" department in advance and comply with the following mandatory requirements:.

2.1 Compliance with laws and standards

- Respect and comply with applicable laws.
- Conduct political dialogue in compliance with Henkel's Corporate Values and Standards.
- Work within the rules of the political institutions at both national and international level (for the EU, please also refer to the "Code of Conduct for Members of the European Parliament with respect to financial interests and conflicts of interest," Annex I of the European Parliament's Rules of Procedure, effective as of January 1, 2012, and updated in February 2014, at http://www.europarl.europa.eu/aboutparliament/en/00a4c9dab6/Rules-of-procedure.html).

2.2 No conflict of interests or corruption

- Obtain information or decisions in an honest and respectful way.
- Behave with integrity.
- Never induce staff or public authorities to contravene rules and standards of behavior applicable to them.
- Any business activities with and payments or other commitments to members of the European Parliament and other local or international politicians are prohibited unless prior written approval by the "Governmental Relations & Public Affairs" department, Henkel's Compliance and Risk Committee and/or its Chief Compliance Officer has been obtained.

2.3 Political Donations

- No donations, whether direct or indirect, to political parties, politicians or candidates for a political office are permitted, on behalf of Henkel, in connection with Public Affairs activities unless aligned with the "Governmental Relations & Public Affairs" department and authorized by the Compliance Committee of Henkel AG & Co. KGaA or Henkel's Chief Compliance Officer.
- It is recognized that various associations of which Henkel is a member may make donations under their own responsibility and in their own name according to relevant local laws and regulations governing contributions to individual candidates for office or to political parties.

2.4 Transparency

Henkel endorses the EU-initiative for more transparency in politics and the general move to introduce registers for lobbyists. Consequently, Henkel requests its employees and consultants to:

- identify themselves as lobbyists;
- be transparent and open in their Public Affairs activities;
- openly declare Henkel's business interests;
- maintain an open dialogue with stakeholders in the political and social arenas;
- sign up to lobbying registers of public authorities, where existing and relevant.

Where local laws and regulations impose specific reporting or disclosure requirements, said local requirements take precedence. In all other cases, this Corporate Standard shall govern and serve as guidance for Public Affairs activities.

2.5 Political activities by employees

- Political activities by employees outside work are neither supported nor sponsored, directly or indirectly, by Henkel. In particular Henkel does not allow an employee to take company time or resources to enable private political activity.
- Henkel does not interfere in any way in private political activities of its employees.

Credits/Contact Information

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