



HENKEL Q3 2023

CARSTEN KNOBEL, MARCO SWOBODA – 9 NOVEMBER 2023



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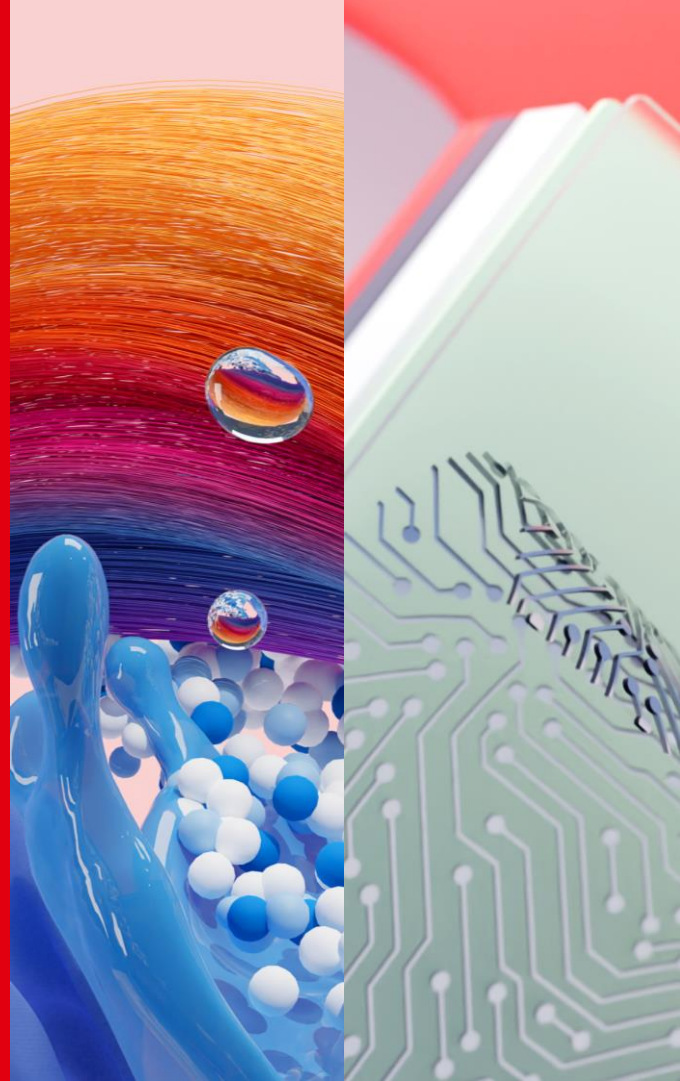
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AGENDA

- 01 **Key Developments**
- 02 Business Performance Q3 2023 & Outlook
- 03 Key Take-Aways & Closing



DELIVERING ON OUR PRIORITIES

Sustained topline trajectory in Q3 2023

- **Organic sales increase** driven by **strong pricing** and **improved sequential volume development in both businesses**
- **Adhesive Technologies acquires attractive adjacent business Critica Infrastructure** underpinning M&A growth journey
- **Consumer Brands merger ahead of plan** with vast majority of Phase 1 net savings to be achieved by year-end
- **Guidance for 2023 raised** with adj. EPS now expected to significantly increase by 15-25% – supported by further sequential improvement of volume development in Q4 in both business units



HENKEL GROUP

SALES
€5.4bn

ORGANIC
SALES
GROWTH
2.8%



ADHESIVE TECHNOLOGIES

SALES
€2.7bn

ORGANIC
SALES
GROWTH
0.8%



CONSUMER BRANDS

SALES
€2.7bn

ORGANIC
SALES
GROWTH
6.2%

ADHESIVE TECHNOLOGIES: EXPANDING OUR PORTFOLIO IN ADJACENT BUSINESS

Acquisition of Critica Infrastructure closed

- Acquisition of **specialized supplier for innovative composite repair and reinforcement solutions**
- **Significant expansion** of maintenance, repair and overhaul (MRO) portfolio with adjacent business offering **platform for further growth**
- **Strengthen position** in sustainability-driven, fast-growing and highly profitable market – aging infrastructure driving demand for repair solutions
- **Access** to more than 3,000 leading maintenance service providers & contractors and certified technologies for critical infrastructure

KEY FACTS

- Sales of ~**€100m** in 2023e
- **3-year-CAGR* >10%**
- Active in many countries with **focus on North America**

*2019-2022



ADHESIVE TECHNOLOGIES: WELL-POSITIONED IN ATTRACTIVE MARKET SEGMENTS ENABLING SUSTAINABILITY



GENERAL MANUFACTURING & MAINTENANCE

Broad range of applications to
**EXTEND ASSET
LIFETIME** while increasing
efficiency & enabling sustainability

Highly attractive MRO segment
with **HIGH SINGLE-DIGIT**
organic sales growth YTD
exceeding market development

Scaling new innovative IOT
predictive maintenance solution
LOCTITE PULSE enabling
data-driven & subscription-based
business models



AUTOMOTIVE

140 OF 150 CARS
produced every minute
worldwide contain
at least one Henkel solution

**OUTGROWING
THE MARKET**
with double-digit organic sales
growth in surface treatment and
engineering solutions YTD

Setting **INDUSTRY
STANDARDS** for more
sustainable mobility – e.g., thin-
film solution leading to double-
digit savings in water & energy

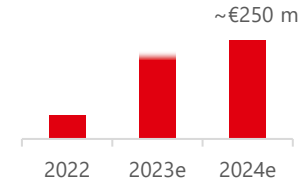
CONSUMER BRANDS: BUSINESS TRANSFORMATION IN FULL SWING

Implementation ahead of plan

- **Clear roadmap for business transformation** to shape consumer businesses along global categories Laundry & Home Care and Hair, fueling growth and profitability
- Consistent focus on **enhancing portfolio, strengthening brand equity** and **optimizing organizational and supply chain set-up**
- **Agreements** for the targeted **~2,000 positions** concluded by Q3 2023
- **Acceleration in net savings** generation clear proof for stringent progress

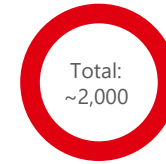
PHASE 1 NET SAVINGS:

>80% TO BE REALIZED
BY END OF 2023



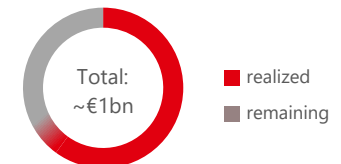
ORGANIZATIONAL SET-UP:

AGREEMENTS FOR TARGETED
POSITIONS CONCLUDED BY Q3



PORTFOLIO MEASURES:

~€0.6BN COMPLETED BY Q3



CONSUMER BRANDS: GROWING WITH GLOBAL CATEGORIES LAUNDRY & HOME CARE AND HAIR



7TH CONSECUTIVE QUARTER

with organic sales growth

Top premium detergent brands Persil and 'all contributing with **DOUBLE-DIGIT** organic sales growth in Q3

Henkel gaining **+30 bps** market share YTD in important fabric cleaning category - US brand 'all standing out with **+50 bps**

**LAUNDRY &
HOME CARE
NORTH AMERICA**



**HAIR STYLING
EUROPE**

Sustained growth path with **DOUBLE-DIGIT** organic sales growth in Q3 2023

Henkel is **MARKET LEADER** in Europe – share gains of **+60 bps** YTD with Got2b standing out gaining **+90 bps**

Growth fueled by **STRONG INNOVATIONS** from top brands Taft and Got2b

OUTLOOK 2023 RAISED

ORGANIC SALES GROWTH

3.5 to 4.5%

ADJ. EBIT MARGIN

11.5 to 12.5%

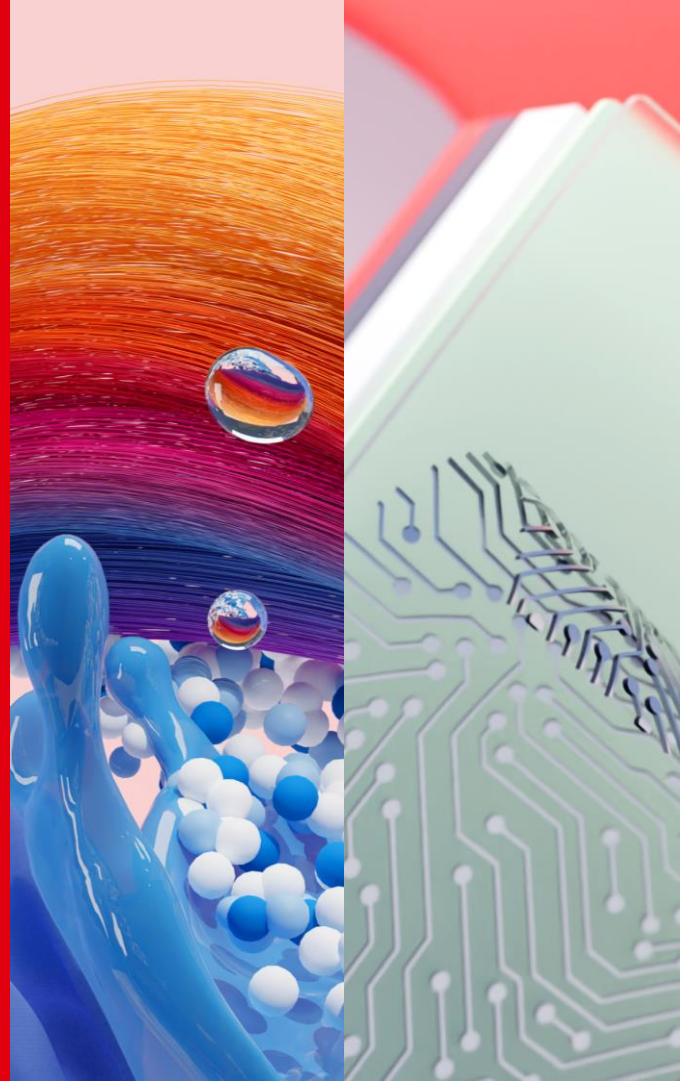
ADJ. EPS¹

+15 to +25%



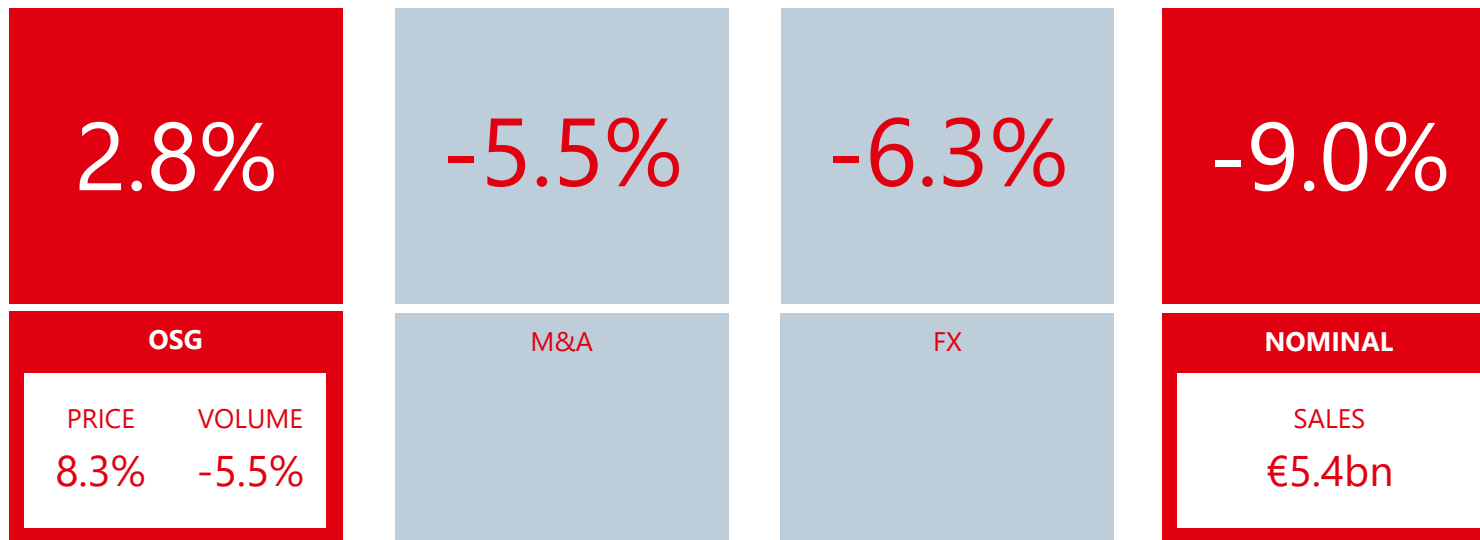
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ORGANIC SALES INCREASE DRIVEN BY CONTINUED STRONG PRICING

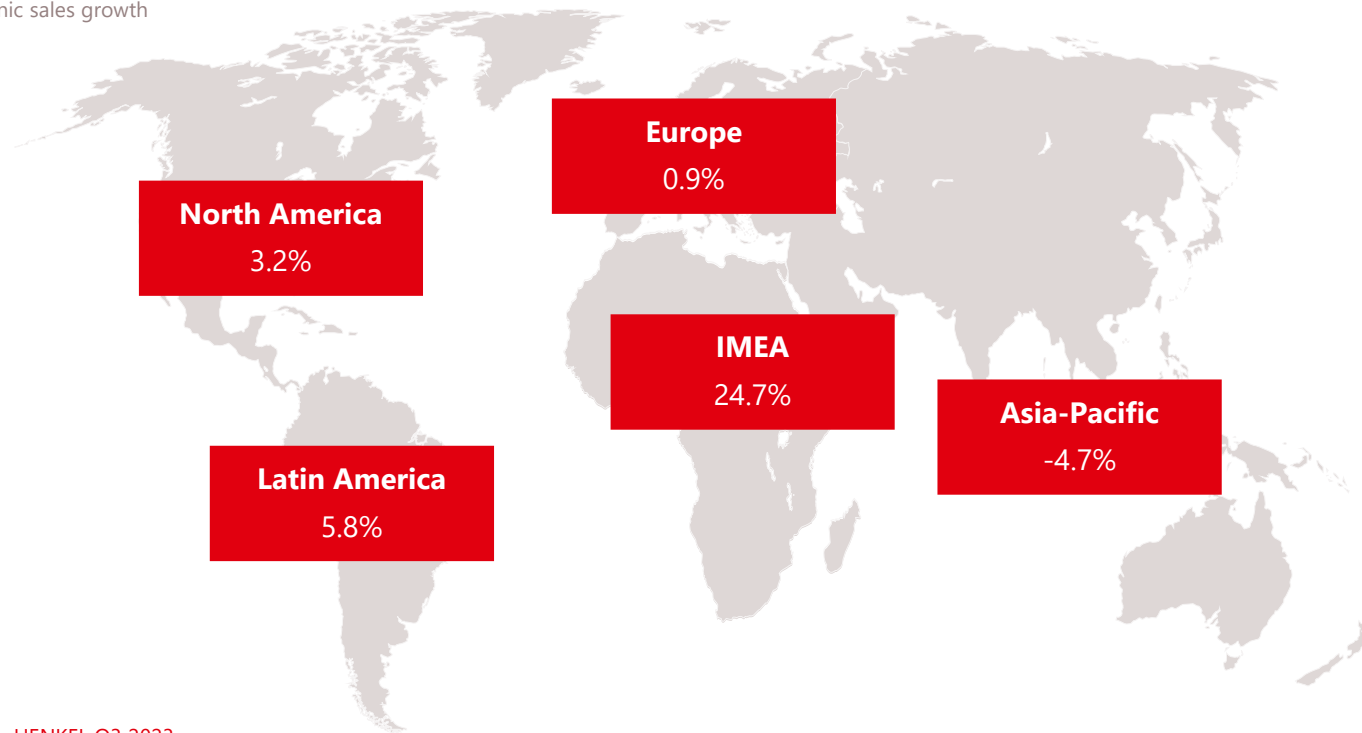
Q3 2023



ORGANIC SALES GROWTH BY REGION

Q3 2023

Organic sales growth





ADHESIVE TECHNOLOGIES

Q3 2023

NOMINAL
SALES

€2.7bn

ORGANIC
SALES GROWTH

0.8%

PRICE

4.9%

VOLUME

-4.1%

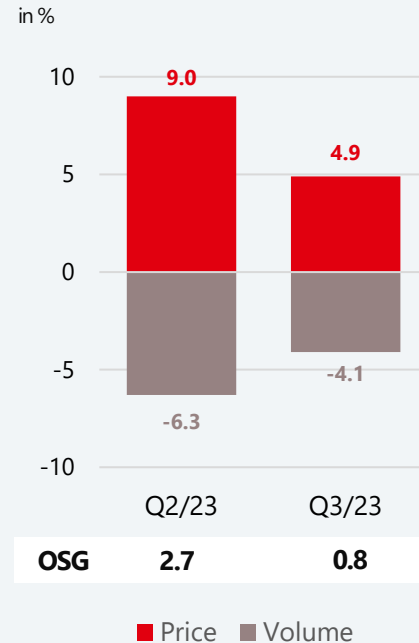


ADHESIVE TECHNOLOGIES

Q3 2023 – Business Unit Performance

- Overall **comparably resilient performance** given continued softer demand in relevant end markets and higher prior-year comparables
- **Positive organic sales growth** with **continued strong pricing** and sequential improvement of volume development vs. Q2 2023
- **Volume development** expected to **further improve sequentially to flat territory** in Q4 2023

Price/Volume Development



ADHESIVE TECHNOLOGIES

Q3 2023 – Business Area Performance

MOBILITY & ELECTRONICS



SALES OSG
€980m **4.6%**

Growth driven by Automotive, Industrials positive, Electronics below prior year due to continued muted demand

PACKAGING & CONSUMER GOODS



SALES OSG
€855m **-5.0%**

Both Consumer Goods and Packaging negative due to high prior-year comparables and softer demand

CRAFTSMEN, CONSTRUCTION & PROF.



SALES OSG
€876m **2.8%**

Growth driven by Consumers & Craftsmen and Construction despite persisting weak markets, General Manufact. & Maintenance slightly negative



CONSUMER BRANDS

Q3 2023

NOMINAL
SALES

€2.7bn

ORGANIC
SALES GROWTH

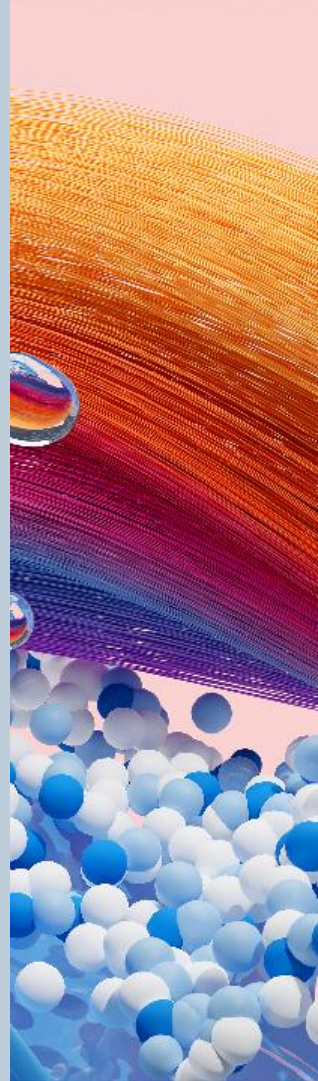
6.2%

PRICE

11.9%

VOLUME

-5.7%

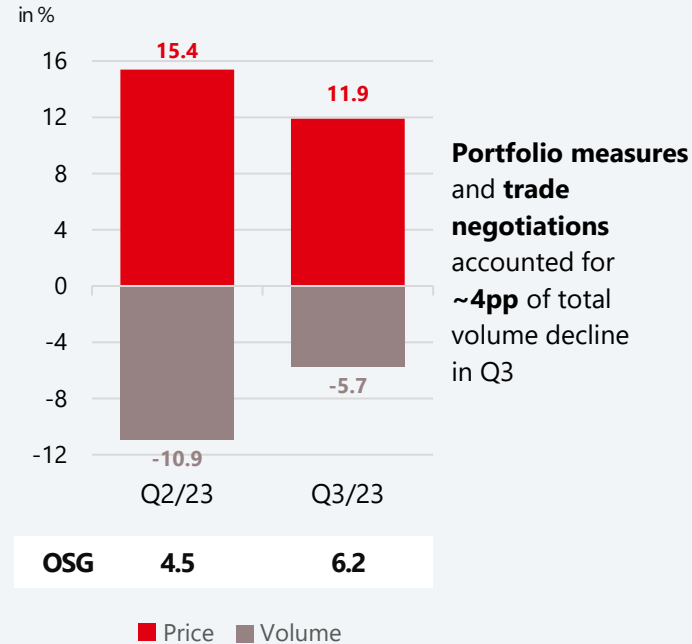


CONSUMER BRANDS

Q3 2023 – Business Unit Performance

- **Very strong organic growth** driven by **double-digit pricing**
- **Clear sequential improvement in volume development** vs. Q2 2023 – continued impact from portfolio measures while lower impact from trade negotiations
- **Volume development** expected to **further improve sequentially** – trending towards flat levels by year-end
- **Continued brand/marketing support** at elevated levels to drive growth in overall inflationary consumer environment

Price/Volume Development



CONSUMER BRANDS

Q3 2023 – Business Area Performance

LAUNDRY & HOME CARE



SALES OSG
€1,726m **5.8%**

Very strong growth in both Laundry Care and Home Care driven by Fabric Care and Toilet Care

HAIR



SALES OSG
€779m **8.9%**

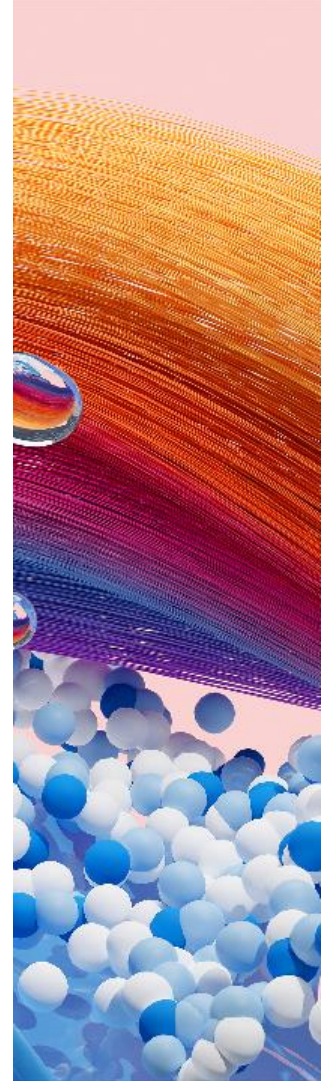
Double-digit increase in Consumer mainly driven by Styling and Care, Professional with very strong growth driven by North America

OTHER CONSUMER BUSINESSES






SALES OSG
€190m **-0.6%**

Very strong growth in North America offset by decline in Europe due to portfolio measures



RAISED OUTLOOK 2023

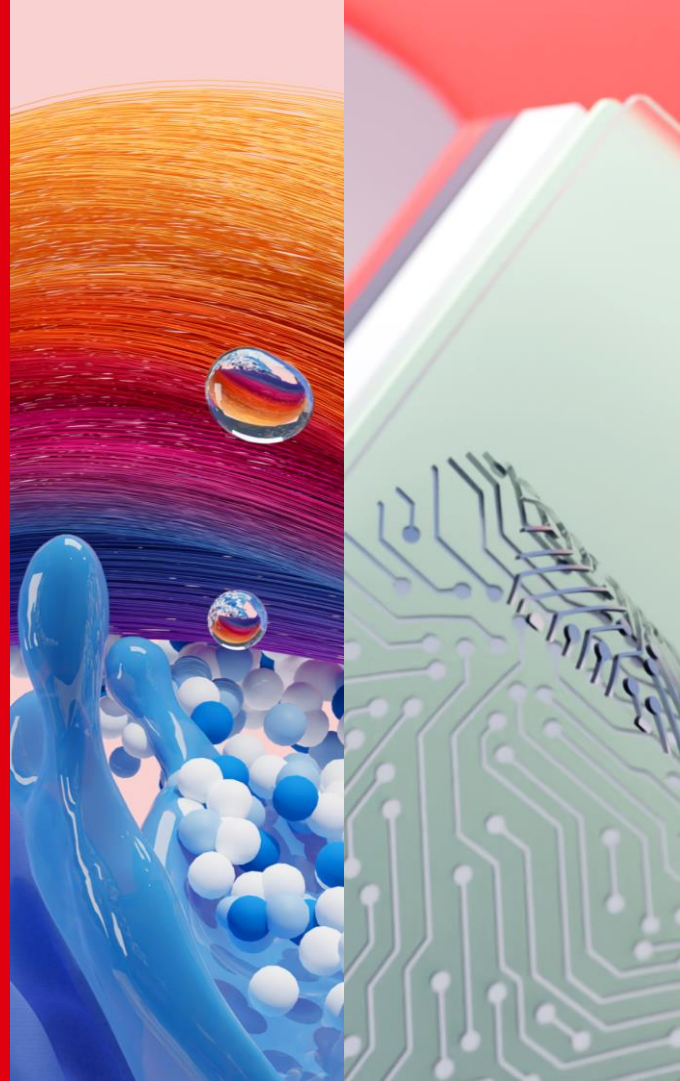
		ORGANIC SALES GROWTH	ADJUSTED EBIT MARGIN	ADJUSTED EPS¹
	GROUP	3.5 to 4.5% <i>previously: 2.5 to 4.5%</i>	11.5 to 12.5% <i>previously: 11.0 to 12.5%</i>	+15 to +25% <i>previously: +5 to +20%</i>
	ADHESIVE TECHNOLOGIES	2.5 to 3.5% <i>previously: 2.0 to 4.0%</i>	14.0 to 15.0% <i>previously: 13.5 to 15.0%</i>	
	CONSUMER BRANDS	5.0 to 6.0% <i>previously: 3.0 to 5.0%</i>	10.0 to 11.0% <i>previously: 9.5 to 11.0%</i>	

Specified expectations for

- Restructuring expenses: € ~300m (*previously: €300 – 350m*)
- CAPEX: € ~650m (*previously: €650 – 750m*)

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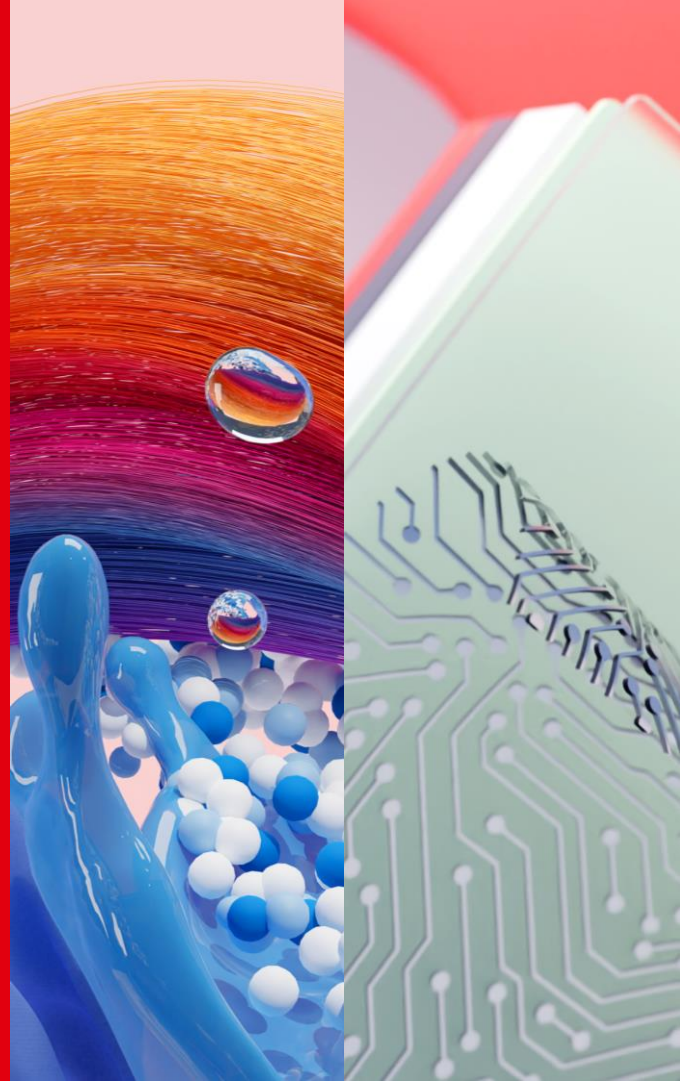




KEY TAKE-AWAYS

- Henkel with **sustained growth momentum in Q3 2023 – continued strong pricing and sequentially improved volume development** in both business units
- **Adhesive Technologies acquires attractive adjacent business Critica Infrastructure** underpinning M&A growth journey
- **Consumer Brands merger ahead of plan** with >80% of Phase 1 net savings to be achieved by year-end
- **Further sequential improvement of volume development** expected in **Q4 2023**
- **Guidance for 2023 raised** with adj. EPS now expected to significantly increase by 15-25%

QUESTIONS & ANSWERS



UPCOMING EVENTS

2023

NOV 9 | **Q3 2023** RELEASE

Quarterly Statement

2024

MAR 4 | **FY 2023** RELEASE

Annual Report + Sustainability Report

APR 22 | **AGM**

Annual General Meeting

MAY 8 | **Q1 2024** RELEASE

Quarterly Statement

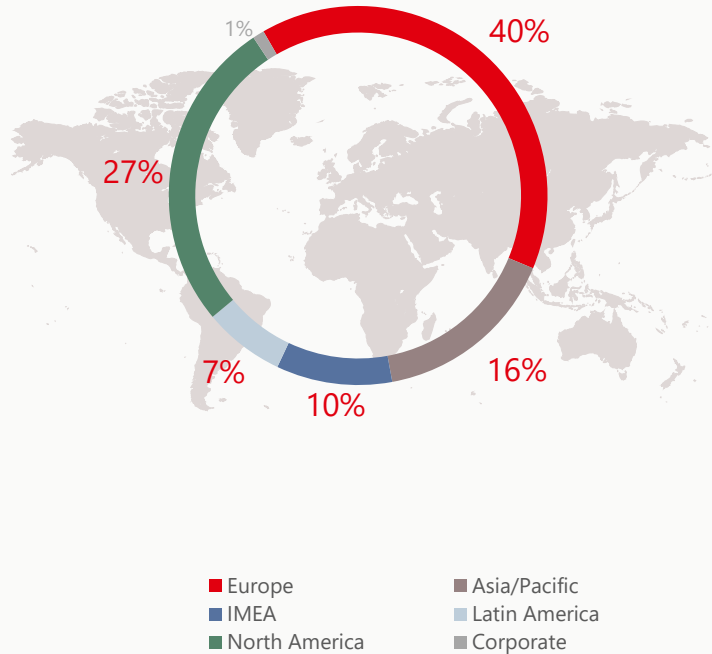
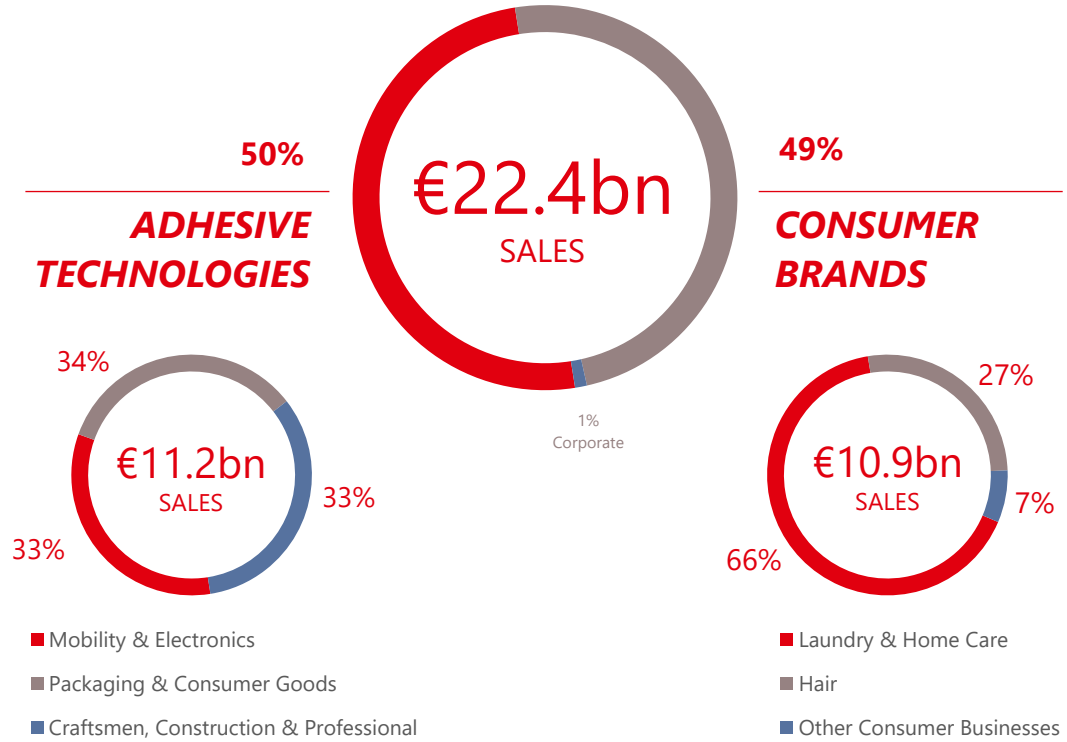


THANK YOU.



BALANCED AND DIVERSIFIED PORTFOLIO

FY 2022¹



SALES BY BUSINESS UNIT AND BUSINESS AREA

Q1 2023 – Q3 2023

€m	Q1 2023			Q2 2023			H1 2023			Q3 2023			1-9 2023		
	Sales	YoY	OSG	Sales	YoY	OSG	Sales	YoY	OSG	Sales	YoY	OSG	Sales	YoY	OSG
HENKEL GROUP	5.609	6.4%	6.6%	5,316	-5.8%	3.2%	10,926	0.1%	4.9%	5,440	-9.0%	2.8%	16,366	-3.1%	4.1%
ADHESIVE TECHNOLOGIES	2.791	6.1%	6.8%	2,683	-5.4%	2.7%	5,475	0.1%	4.7%	2,711	-9.5%	0.8%	8,186	-3.3%	3.3%
Mobility & Electronics	959	12.6%	12.6%	940	3.7%	9.2%	1,899	8.0%	10.9%	980	-2.8%	4.6%	2,879	4.1%	8.6%
Packaging & Consumer Goods	884	-1.0%	1.0%	848	-11.8%	-3.7%	1,733	-6.6%	-1.5%	855	-13.8%	-5.0%	2,588	-9.1%	-2.7%
Craftsmen, Construction & Professional	948	6.9%	7.0%	895	-7.5%	2.9%	1,843	-0.6%	4.9%	876	-11.8%	2.8%	2,719	-4.5%	4.1%
CONSUMER BRANDS	2.772	7.3%	7.0%	2,593	-5.7%	4.5%	5,365	0.6%	5.7%	2,695	-7.6%	6.2%	8,060	-2.3%	5.9%
Laundry & Home Care	1,789	5.8%	6.3%	1,664	-7.7%	4.4%	3,453	-1.2%	5.3%	1,726	-9.3%	5.8%	5,179	-4.0%	5.5%
Hair	811	14.7%	9.9%	757	1.7%	6.1%	1,568	7.8%	7.9%	779	-2.5%	8.9%	2,347	4.1%	8.3%
Other Consumer Businesses	171	-7.4%	1.6%	173	-15.8%	-1.4%	344	-11.0%	0.0%	190	-11.1%	-0.6%	534	-11.0%	-0.2%

UPDATED OUTLOOK 2023

SELECTED ADDITIONAL KPIs

<i>CURRENCY IMPACT ON SALES</i>	Mid single-digit % negative ¹
<i>M&A IMPACT ON SALES</i>	Mid single-digit % negative ²
<i>PRICES FOR DIRECT MATERIALS</i>	Low single-digit % increase ¹
<i>RESTRUCTURING EXPENSES</i>	€ ~300m <i>Previously: € 300 – 350m</i>
<i>CAPEX</i>	€ ~650m <i>Previously: € 650 – 750m</i>



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