

Henkel AG & Co. KGaA, Düsseldorf

Virtual Annual General Meeting on June 17, 2020

Explanations of the rights of shareholders
pursuant to Section 121 (3) sentence 3 no. 3
of the German Stock Corporation Act [AktG]



Section III of the Notice of Convocation of the Annual General Meeting already contains information within the meaning of Section 121 (3) sentence 3 no. 3 AktG, i.e. explanations on the rights pursuant to Section 122 (2), Section 126 (1), Section 127, Section 131 (1) and Section 245 AktG in conjunction with Article 2 Section 1 of the Act on Mitigating the Consequences of the COVID-19 Pandemic in Civil, Insolvency and Criminal Proceedings of March 27, 2020 (“**COVID-19 Mitigation Act**”), which entered into force on March 28, 2020 (Federal Gazette I page 569). The following explanations will help to further explain these regulations.

Holding of the Annual General Meeting (AGM) as a virtual general meeting

Against the background of the COVID-19 pandemic, the Personally Liable Partner, with the approval of the Supervisory Board and the Shareholders’ Committee, resolved to utilize the relief provided by the COVID-19 Mitigation Act for the convocation of general meetings in 2020 and to hold this year’s Annual General Meeting without the physical presence of the shareholders or their proxy-holders (with the exception of the voting proxies nominated by the Corporation) as a virtual AGM.

This year’s Annual General Meeting will therefore be held in accordance with the provisions of Article 2 Section 1 (2) in conjunction with Section 8 sentence 1 of the COVID-19 Mitigation Act, which will also affect the rights of the shareholders:

1. Additional agenda item proposals requested by a minority (Section 122 (2) AktG)

Shareholders, i.e. ordinary and/or preferred shareholders, whose shareholdings together equate to one twentieth of the capital stock or a proportional share of the capital stock equivalent to 500,000.00 euros – corresponding to 500,000 shares (ordinary and/or preferred shares) – can request that items be included on the agenda of the AGM and announced accordingly (Section 122 (2) AktG). In addition, pursuant to Section 87 (4) AktG as amended by the Act Implementing the Second Shareholders’ Rights Directive (“**ARUG II**”), the AGM may, upon application pursuant to Section 122 (2) sentence 1 AktG, reduce the maximum compensation for the Management Board determined in accordance with Section 87a (1) sentence 2 number 1 AktG as amended by ARUG II.

Applicants are required to prove that they have owned the shares for at least 90 days prior to the date on which the request is received, and that they retain ownership of the shares until the decision on the request by the Management Board. For the calculation of the time of ownership of shares, Section 70 AktG provides: If the exercise of rights arising from the share requires that the shareholder has been the holder of such share for a certain period of time, the right to demand transfer of title from a bank, a financial services institution or an enterprise operating under Section 53 (1), sentence 1, or Section 53b (1), sentence 1, or Section 53b (7) of the German Banking Act [Gesetz über das Kreditwesen; KWG] shall be deemed equivalent to ownership. The period during which the share has been owned by a predecessor shall be attributed to the shareholder if he/she has acquired the share without consideration, from his/her trustee, as full legal successor, in connection with the winding-up of a

co-ownership or as a result of a transfer of assets pursuant to Section 13 of the Insurance Supervision Act [Versicherungsaufsichtsgesetz] or Section 14 of the Building Loan Associations Act [Gesetz über Bausparkassen]. A corresponding confirmation from the custodian/depository bank is sufficient validation of compliance with such prerequisites. Section 121 (7) AktG also applies as appropriate. According to said provisions, the date of receipt of the request is not to be included in the count. Shifting the date from a Sunday, a Saturday or a public holiday to a work day before or after cannot be considered. Thus, Sections 187 to 193 of the German Civil Code [BGB] are not applicable.

Each new item must be accompanied by a justification or a formulated resolution. Such supplementary motions together with the justification or a formulated resolution and validation of shareholdings and periods of possession must be addressed and sent to the Management Board and must be received by the Corporation at least 30 days prior to the AGM. The date of the relevant meeting and the date of receipt are not included in count, which means that the item must arrive **by the end of May 17, 2020 (midnight/24:00 hours CEST)**. Shareholders are asked to send corresponding motions exclusively to the following address:

Henkel AG & Co. KGaA
Management Board of Henkel Management AG
Henkelstrasse 67
40589 Düsseldorf, Germany

Where the supplementary motions received in good time require publication, they will – unless already announced in the Notice of Convocation – be announced immediately on receipt of the request in the same way as in the case of the Notice of Convocation, i.e. they will be published in the Federal Gazette and sent to those media likely and able to broadcast and disseminate the information on a Europe-wide basis. They will also be made available on the Corporation’s website and notified to shareholders together with the Notice of Convocation in accordance with Section 125 (1) sentence 3 AktG.

2. Counter-motions and election nominations submitted by shareholders (Section 126 (1) and Section 127 AktG)

Shareholders, i.e. holders of ordinary and/or preferred shares, can submit countermotions in relation to proposals submitted by the Personally Liable Partner and/or Supervisory Board or Shareholders’ Committee on individual agenda items of the AGM, and may also submit nominations for the elections on the agenda (Section 126 and Section 127 AktG).

Any countermotions (with justification/grounds) or election nominations by shareholders per Sections 126 (1) and 127 AktG should be exclusively submitted to the address immediately below by conventional mail, fax or e-mail; countermotions or election nominations submitted in some other way cannot be considered.

Henkel AG & Co. KGaA
- Annual General Meeting 2020 -
Investor Relations
Henkelstrasse 67
40589 Düsseldorf

or by fax: +49 (0) 211 798-2863
or by e-mail: investor.relations@henkel.com

Countermotions (including justification) and nominations for election – where applicable with the complementary content required according to Section 127 sentence 4 AktG – that must be made available by the Corporation will be published together with the name of the shareholder on the internet (www.henkel.com/agm (English) and www.henkel.de/hv (German)). To qualify for consideration, they must arrive with Henkel AG & Co. KGaA at the aforementioned address by the end of **June 2, 2020 (midnight/24:00 hours CEST)**. Countermotions and nominations for election that have been differently addressed will not be published. Possible statements of the Personally Liable Partner will also be published on the same internet site.

Countermotions to be made available must be provided with a justification. Election nominations to be made available do not need to be justified.

According to Section 126 (2) AktG countermotions by shareholders and their respective justifications do not need to be made available

1. where publication would make the Management Board criminally liable,
2. where the countermotion would lead to a resolution by the AGM which would be contrary to law or infringe the Articles of Association,
3. where the justification is obviously materially incorrect or contains misleading information or defamations/insults,
4. where a countermotion of the shareholder based on the same content and relating to the same issue has already been announced and made available on the occasion of an earlier AGM of the Corporation in accordance with Section 125 AktG,
5. where the same countermotion of the shareholder, with essentially the same justification, has been announced and made available in the last five years on the occasion of at least two AGMs of the Corporation according to Section 125 AktG, and, in the AGM, less than a twentieth portion of the capital stock represented voted in favor of said motion,
6. where the shareholder indicates that he or she does not intend to participate in or be represented at the AGM, or
7. where, in the last two years, the shareholder has not proposed himself or herself, or by proxy, a motion notified by him or her in two AGMs.

Pursuant to Section 127 AktG the above restrictions also apply analogously to the announcement of election nominations. Moreover, nominations for the election of Supervisory Board members and auditors do not need to be made available if they do not contain the name, profession and domicile of the proposed candidates, or the company and domicile of legal persons, and, in the case of nominations for the election of

Supervisory Board members, details relating to memberships of other statutory supervisory boards and oversight committees. Details of their memberships in comparable oversight bodies of commercial enterprises in Germany and abroad should also be included.

The reasoning/justification behind countermotions and election nominations does not need to be made available if it contains more than a total of 5,000 characters. If several shareholders submit countermotions on the same item for resolution, or if they nominate the same candidate for election, the Management Board may unify the countermotions and election nominations together with their justifications.

The Management Board must make proposals available to shareholders for the election of Supervisory Board members – where the above-mentioned requirements for making them available are met – together with the following information:

- Notification of the requirements of Section 96 (2) AktG;
- Notification as to whether an objection has been filed against the overall minimum proportionality requirement per Section 96 (2) sentence 3 AktG; and
- Notification of the minimum number of seats on the Supervisory Board that must be taken by women and by men respectively in order to meet the minimum proportionality requirement per Section 96 (2) AktG.

Due to the special provisions of the COVID-19 Mitigation Act, the following applies to shareholder motions and election nominations this year:

Article 2 Section 1 (2) of the COVID-19 Mitigation Act contains an exhaustive list of the conditions under which the Management Board, with the approval of the Supervisory Board, may decide to hold a virtual Annual General Meeting without the physical presence of shareholders or their proxy-holders. The granting of a right to shareholders to table motions is not among these requirements. As this year's Annual General Meeting of the Corporation will be conducted as a virtual event exclusively on the basis of postal votes and proxy voting, it will not be possible to table motions while the Meeting is in session.

However, countermotions or election nominations to be made available in accordance with Sections 126 and 127 AktG will be treated in the virtual Annual General Meeting as if they had been made in the Annual General Meeting, provided that the shareholder making the request has properly registered and provided evidence of his or her shareholding (see detailed explanations under Note 3). This does not affect the right of the Chair of the Meeting to have the Administration's proposals voted on first during the voting process. Should the Administration's proposals be accepted with the necessary majority, the counter-motions or (alternative) election nominations will be disregarded.

3. Information rights pursuant to Section 131 (1) AktG and submission of questions pursuant to the COVID-19 Mitigation Act

According to Section 131 (1) AktG, each shareholder, i.e. whether a holder of ordinary or preferred shares, may in the AGM verbally request and require of the Personally Liable Partner that

it provide information on Corporation matters, the legal and business relations of the Corporation with affiliated entities, and the position of the Group and of companies included in the consolidated financial statements, where such information is necessary to objectively appraise an item on the agenda and there is no valid right of refusal to provide such information.

Due to the special provisions of the COVID-19 Mitigation Act, the following applies to shareholder information rights this year:

The shareholders' right to information in the case of a virtual general meeting is significantly restricted by the provisions of Article 2 Section 1 (2) of the COVID-19 Mitigation Act. The shareholders shall merely be given the opportunity to ask questions. On the basis of Article 2 Section 1 (2) sentence 2 of the COVID-19 Mitigation Act, the Personally Liable Partner, with the approval of the Supervisory Board and the Shareholders' Committee, has decided that questions from shareholders must be submitted by means of electronic communication at the latest two days before the Annual General Meeting.

Ordinary and preferred shareholders who have properly registered and validated their shareholding are therefore able to submit questions via the **Henkel InvestorPortal** from the **beginning of May 27, 2020 until 24:00 hours/midnight (CEST) on June 14, 2020 at the latest**. It will not be possible to submit questions while the virtual Annual General Meeting is in session.

Shareholders do not have a right to information in the sense of Section 131 AktG. Instead, the questions will be answered at the virtual Annual General Meeting at the Personally Liable Partner's dutiful, free discretion, i.e. the Personally Liable Partner does not have to answer all questions, can summarize or unify questions and select meaningful questions in the interests of the shareholders. It may also give preference to shareholder associations and institutional investors with significant numbers of voting rights. Questions not submitted in German will not be answered.

The questions will be answered at the virtual Annual General Meeting, with the name and place of residence of the shareholder concerned also being stated where appropriate.

4. Filing of objections

In derogation from Section 245 No. 1 AktG and waiving the requirement to appear at the Annual General Meeting, ordinary and preferred shareholders or their proxy-holders are afforded the opportunity to object to one or more resolutions of the Annual General Meeting by way of electronic communication.

An objection to a resolution of the Annual General Meeting can be filed electronically by ordinary and preferred shareholders or their proxy-holders via the **Henkel InvestorPortal** from the **beginning of the Annual General Meeting until its closure** by the Meeting Chair. The notary public has authorized the Corporation to receive objections via the Henkel InvestorPortal and likewise receives the objections via the Henkel InvestorPortal.

Information on total number of shares and voting rights according to Section 124a (1) no. 4 AktG

As of the date of this Notice of Convocation of the Annual General Meeting, the capital stock of the Corporation amounted to 437,958,750.00 euros. This is divided into a total of 437,958,750 bearer shares of no par value with a proportional nominal value of 1.00 euro each, of which 259,795,875 are ordinary shares, and 178,162,875 are preferred shares with no voting rights. In the Annual General Meeting ordinary shareholders have one vote per ordinary share whereas holders of preferred shares do not have voting rights; Section 140 (2) sentence 1 AktG likewise does not apply.

The full wording of the relevant regulations of the German Stock Corporation Act and of the COVID-19 Mitigation Act can be found on the internet under

www.gesetze-im-internet.de/aktg/

and

www.bmjbv.de/SharedDocs/Gesetzgebungsverfahren/Dokumente/Bgbl_Corona-Pandemie.

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