



# ADHESIVE TECHNOLOGIES

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WE MAKE IT HAPPEN.





WE UNDERSTAND OUR CUSTOMERS'  
**CHALLENGES & OPPORTUNITIES**

WE TRANSLATE  
**KNOW-HOW & TECHNOLOGY EXPERTISE**  
INTO INNOVATION

**THROUGH TAILOR-MADE SOLUTIONS**

WE ENABLE OUR CUSTOMERS TO

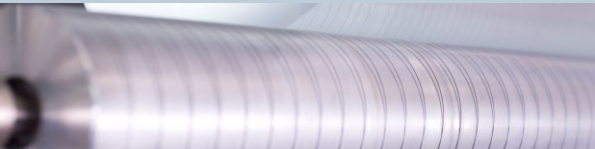
DESIGN **NEW PRODUCTS,**  
INCREASE **PERFORMANCE,**  
MAKE **PRODUCTS MORE SUSTAINABLE.**

# AGENDA

- 01 Strong foundation
- 02 Proven track record
- 03 Next phase of value creation



BONDING



SEALING



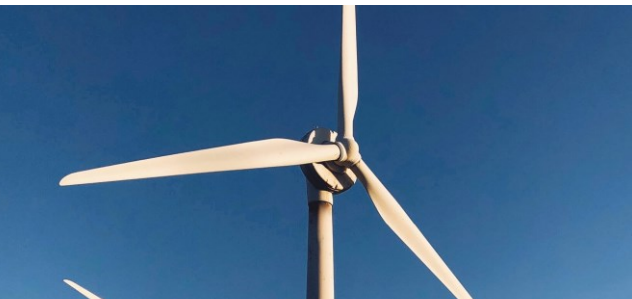
FUNCTIONAL COATING



## ADHESIVE TECHNOLOGIES WELL- POSITIONED IN ***ATTRACTIVE MARKET***

- Adhesive Technologies global market leader for solutions around **bonding, sealing & functional coating** with ~€10 bn sales
- Only player with strong positions in **all industries & technologies**
- Highly **specialized & fragmented market** of €65-70 bn
- **Attractive market growth** driven by global megatrends

# UNDERLYING MARKET TRENDS PROVIDE *GROWTH OPPORTUNITIES*



Sustainability



Mobility



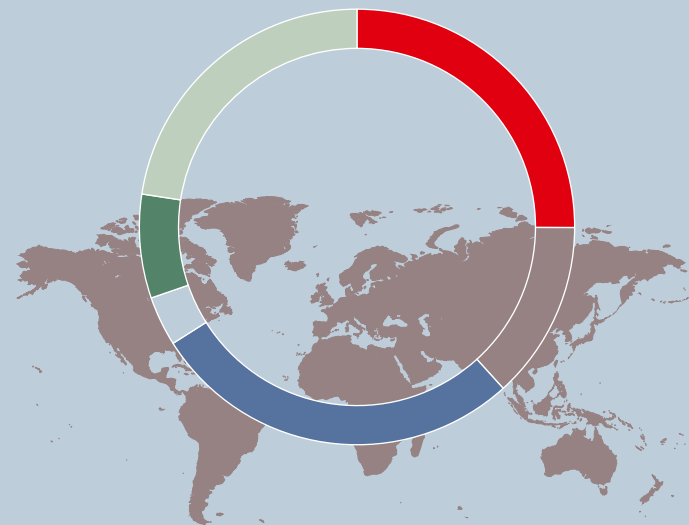
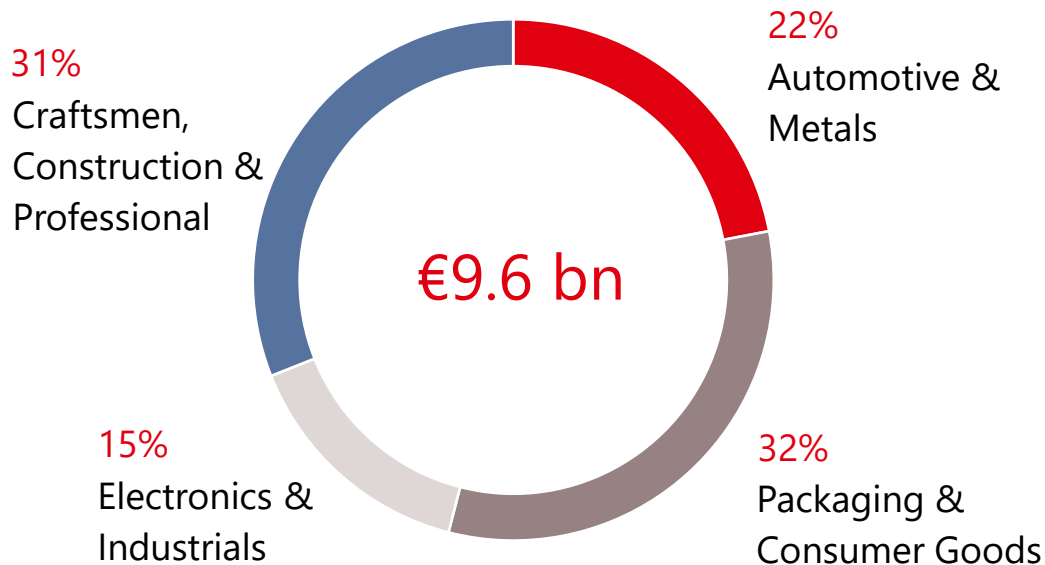
Connectivity



Relevance for portfolio of Adhesive Technologies

# WELL-BALANCED PORTFOLIO ORGANIZED ALONG INDUSTRIES

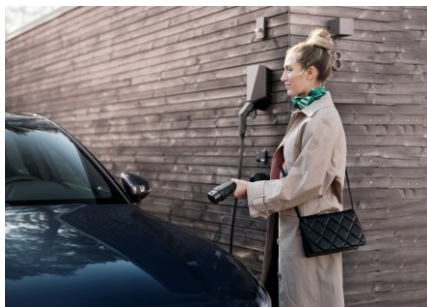
## Sales 2021





# LEADING POSITIONS ACROSS ENTIRE PORTFOLIO

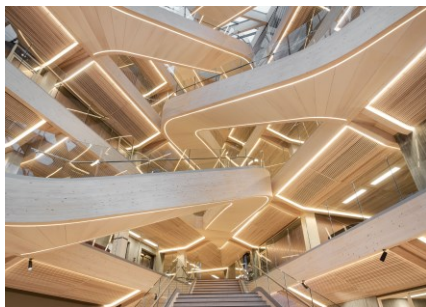
## Automotive & Metals



Automotive OEMs & tiered suppliers, e-mobility, metal packaging, metal coil

#1 worldwide

## Packaging & Consumer Goods



Food & beverage, hygiene, packaging, engineered wood, sports & fashion

#1 worldwide

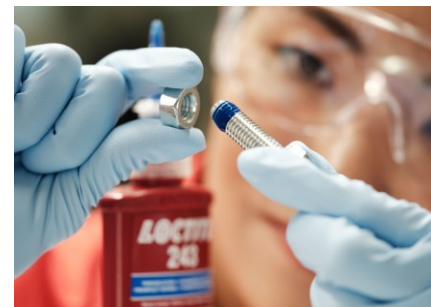
## Electronics & Industrials



Consumer electronics, semiconductor packaging, industrial assembly, aerospace

#1 worldwide

## Craftsmen, Construction & Professional

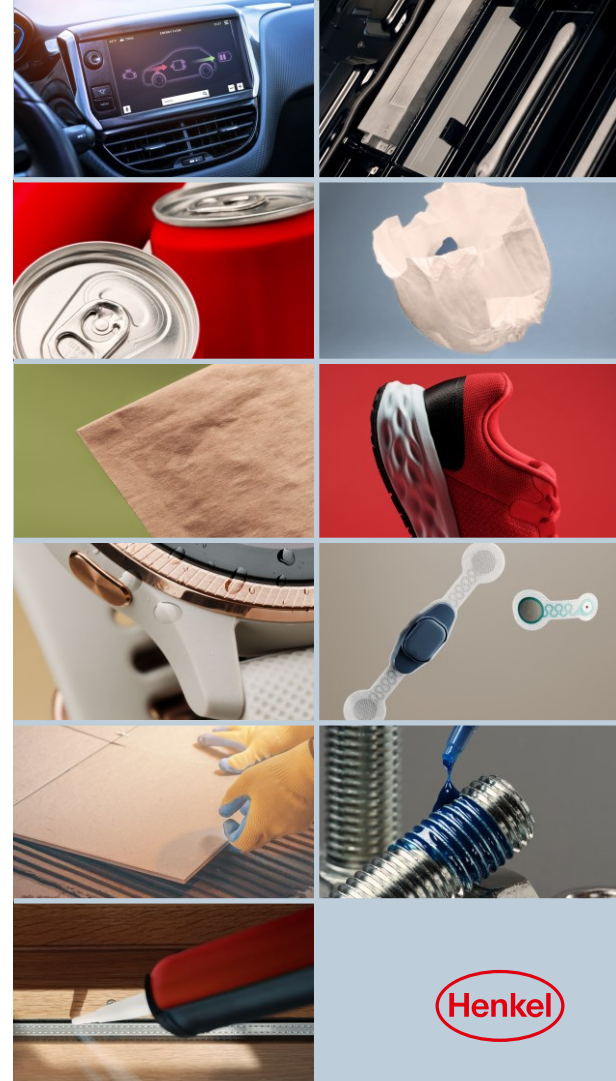


DIY, craftsmen, construction, professional users in manufacturing & maintenance

#2 worldwide

# CREATING VALUE FOR OUR CUSTOMERS

- Driving customers' **product performance** while representing **low share of cost** in end product
- Co-creating **new designs**, increasing performance and making **products more sustainable**
- **Customizing applications** by designing along customer requirements, materials & processes
- **Setting industry standards**, delivering highest quality & performance globally



# TECHNOLOGY & INNOVATION LEADERSHIP

**~2,500**  
Engineers & researchers

**~€300m**  
R&D spend

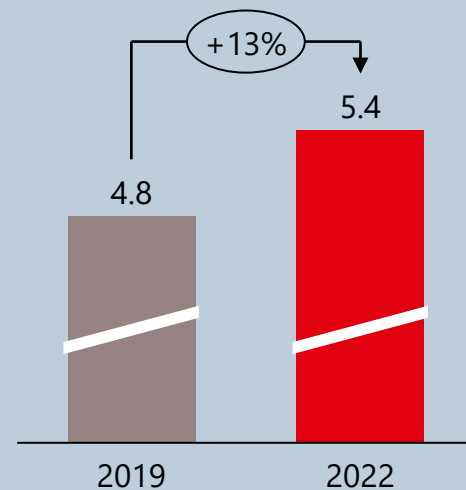
**80**  
Core technologies

## Global R&D network with 61 sites



## Inno pipeline next 5 years

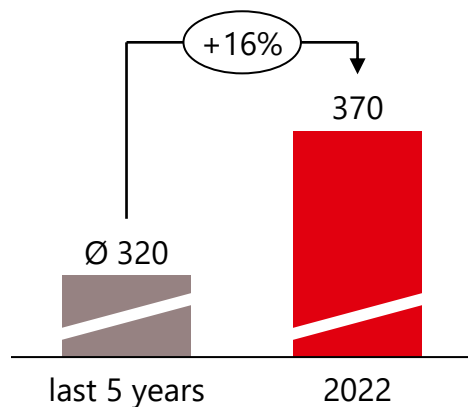
in € bn



# INNOVATIONS DRIVING PROFITABLE GROWTH

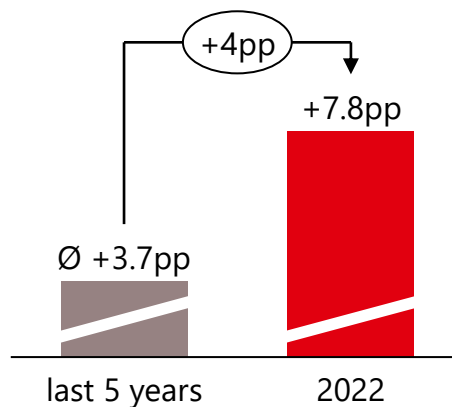
## First-year sales of innovations

in € m



## Profitability contribution

Margin of innovations vs. base business



**STRONG INNOVATION PORTFOLIO DRIVES FUTURE SUCCESS**

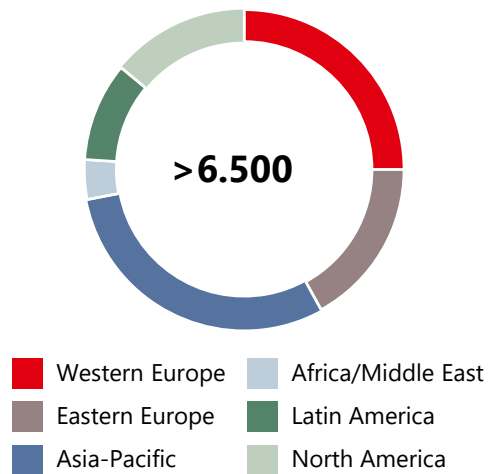




# DEEP INDUSTRY INSIGHTS THROUGH *CUSTOMER-CENTRIC* ORGANIZATION

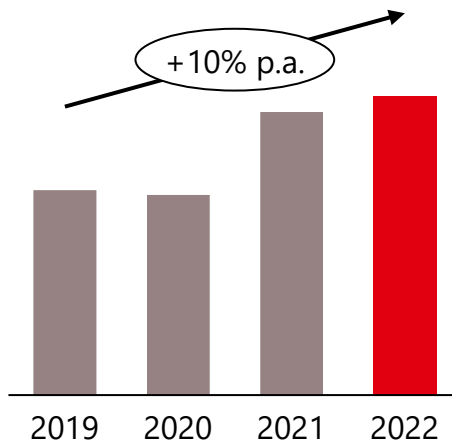
## Customer centric organization

# of customer facing experts



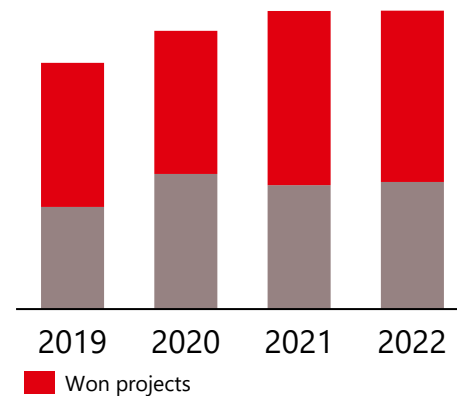
## Increasing sales pipeline

in € m



## High win rate >50%

# of projects



# SCALABLE & RESILIENT SUPPLY CHAIN

- Global production footprint with **127 Sites**
- Continuous optimization with **> +25% sales per site** vs. 2019
- **Productivity gains** of **>3%** p.a.
- More than **90%** produced „**in the region for the region**“
- **Investing €250m p.a. Capex** into expansion, innovation & efficiency improvements
- **Best-in-class working capital** management

## GLOBAL PRODUCTION NETWORK WITH HIGH CUSTOMER PROXIMITY



# DRIVING GROWTH

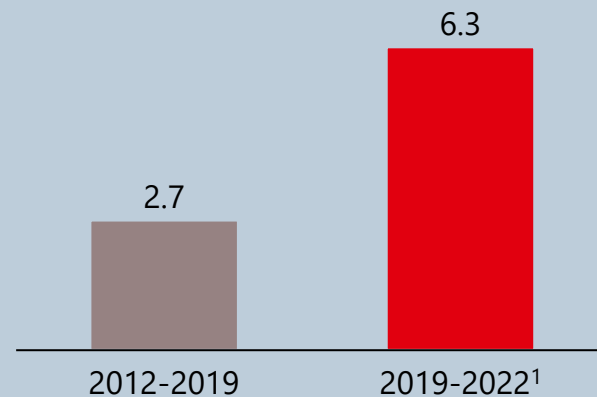
## Resilient portfolio...

CAGR OSG 2019 – 2022<sup>1</sup> in % by division



## ...with an accelerating momentum

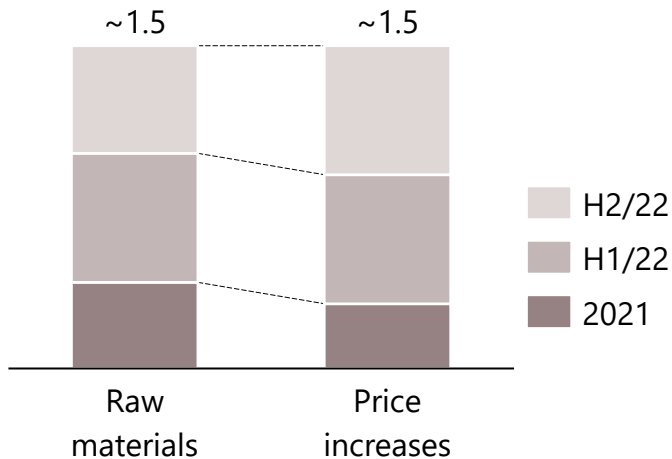
CAGR OSG in %



# DELIVERING VALUE WITH A *RESILIENT* PORTFOLIO

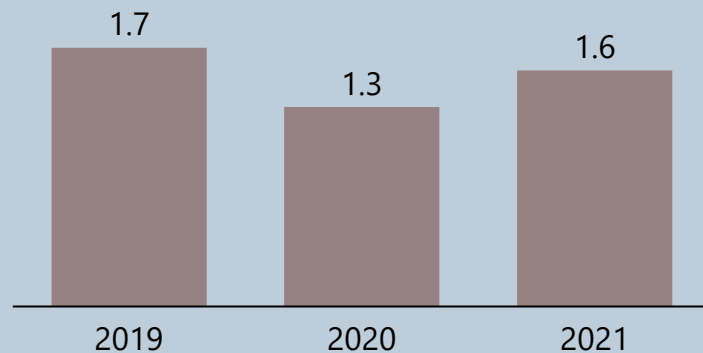
## Ambition to fully offset cost increases...

in € bn



## ...leading to a robust EBIT development

in € bn



## STRONG PERFORMANCE IN A CHALLENGING ENVIRONMENT



# SUCCESSFUL EXECUTION OF ACTIVE PORTFOLIO MANAGEMENT

- Regular, well institutionalized portfolio review process to ensure resource allocation to most attractive opportunities
- Invest over-proportionally in growth segments & complementary technologies
- De-focus/divest businesses without differentiation potential

## INCREASE ATTRACTIVENESS OF ADHESIVE TECHNOLOGIES

### Recent acquisitions



**Sealants US**  
(2020)



**Thermexit**  
(2022)

### Recent divestments



**Metal  
Substrates**  
(2021)



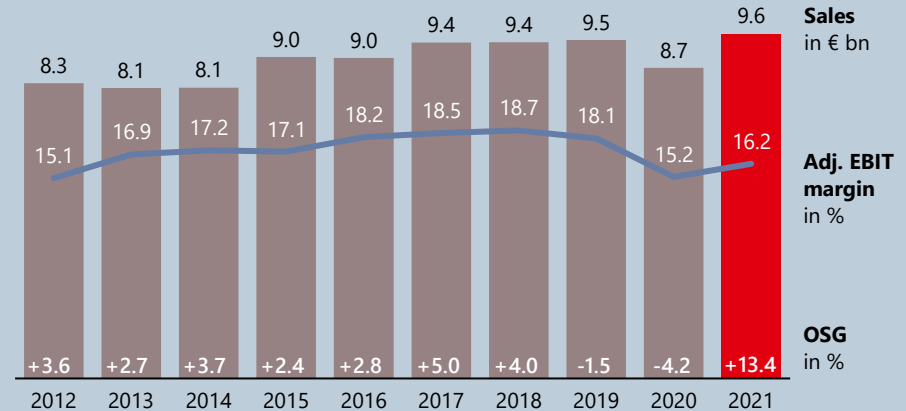
**Closure  
bottles & jars**  
(2021)

# PROFITABLE LONG-TERM PERFORMANCE

- Economic environment expected to remain uncertain & volatile
- Balanced mix of cyclical & non-cyclical businesses
- Proven ability to pass on raw material cost increases over time
- Strong track record of mastering headwinds

## RESILIENT GROWTH BUSINESS MODEL

### Development of sales, OSG & adj. EBIT margin



# NEXT PHASE OF *VALUE CREATION*: LEVERAGE, SCALE & EXPAND

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**CHALLENGES & OPPORTUNITIES**

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**KNOW-HOW & TECHNOLOGY EXPERTISE**  
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MAKE PRODUCTS MORE SUSTAINABLE.**

**Innovation**

**Know-how**

**Sustainability**

**Customer  
Experience**

# INNOVATION

## Today

- Established new innovation platforms
- Investments into automation & digitalization
- Strengthened partnerships with industry leaders

## Next phase of value creation

- Leverage insights & automation to increase efficiency & impact
- Further scale new innovation platforms
- Expand into new technologies

## Translating market trends into solutions





# KNOW-HOW

## Today

- Deep material science, customer & market know-how across industries
- Investments into new tech stacks along the entire value chain
- Built up of new capabilities & skills

## Next phase of value creation

- Leverage our know-how to be more efficient with higher impact
- Scale new capabilities to impact all customers, applications & technologies
- Expand into new value propositions

## Connecting insights in know-how platforms



# SUSTAINABILITY

## Today

- Relevant for our entire customer base
- Thought leadership with strategy embedded into go-to-market teams
- Sustainable portfolio with strong growth momentum

## Next phase of value creation

- Leverage know-how to build unique position for growth
- Scale sustainability portfolio
- Expand into new offerings

## Sustainability ambition 2030

Leading by  
**EXAMPLE**

SUSTAINABLE  
OPERATIONS

SUSTAINABLE  
MATERIALS

Leading through  
**TECHNOLOGY**

ENABLING  
SUSTAINABILITY

TRANSPARENCY

# DELIVERING AN **AMAZING CUSTOMER EXPERIENCE**



## **GREAT CUSTOMER FEEDBACK FROM INNOVATION & SUSTAINABILITY DAYS**



# **STRONG AND PROVEN BUSINESS MODEL WITH CLEAR PRIORITIES**

- **Global market leader** with strong portfolio serving attractive markets
- **Trusted partnerships** with industry leading customers
- **Global technology & innovation** leadership
- **Deep industry insights** through customer-centric organization
- **Scalable** & resilient global **supply chain**
- **Proven track record** in a volatile environment

**READY FOR NEXT PHASE OF VALUE CREATION**

LEVERAGE, SCALE  
& EXPAND

**Innovation**

**Know-how**

**Sustainability**

**Customer  
Experience**

# **STRONG AND PROVEN BUSINESS MODEL WITH CLEAR PRIORITIES**

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**READY FOR NEXT PHASE OF VALUE CREATION**

**Mid- to long-term financial ambition**

**Organic Sales Growth  
3 to 5%**

**Adjusted EBIT Margin  
high-teens %**



WIN THE 20s  
THROUGH  
**PURPOSEFUL  
GROWTH**

Capital Markets Day 2022

# THANK YOU

