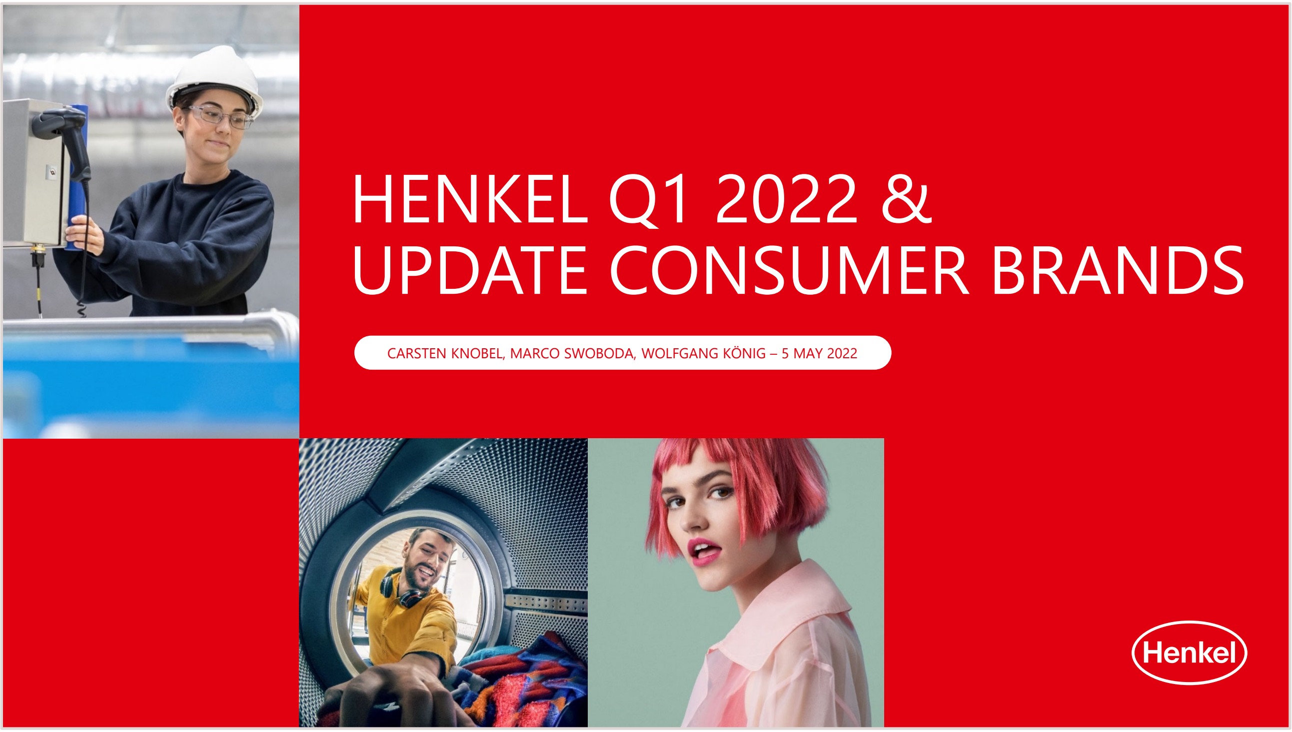

Commented Slides

Conference Call Q1 2022, May 5, 2022

Henkel Representatives
Carsten Knobel, CEO
Marco Swoboda, CFO
Wolfgang König, EVP Beauty Care
Investor Relations Team

Carsten Knobel, CEO:

Dear Investors and Analysts,

Good morning from Düsseldorf and welcome to our conference call on the first quarter of 2022.

Thank you for joining us.

Together with our Chief Financial Officer Marco Swoboda, I would like to talk you through the key topics and sales development in the first quarter.

And as announced, we will also provide more details on the merger of our Laundry & Home Care and Beauty Care businesses. That is why today we are joined by Wolfgang König, the future leader of our combined consumer platform Henkel Consumer Brands.

DISCLAIMER

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Before we start, as always, I would like to remind everyone that this presentation which contains the usual formal disclaimer to forward looking statements within the meaning of relevant US legislations can be accessed via our website at henkel.com/ir.

The presentation and discussion are conducted subject to this disclaimer.
I will not read the disclaimer, but we take it as read into the record for the purpose of this conference call.

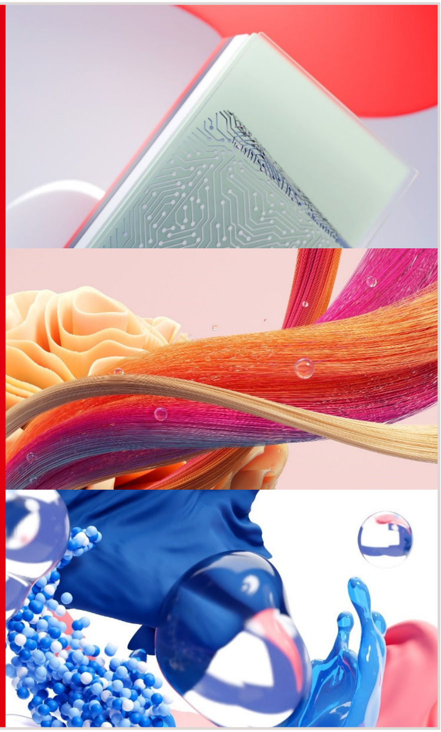
AGENDA

01 Key Developments

02 Business Performance Q1 2022 & Outlook

03 Update Consumer Brands

04 Key Take-Aways & Closing



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Let us kick off with the key topics for today's conference call.

KEY TOPICS TODAY

STRONG Q1 SALES PERFORMANCE & UPDATED OUTLOOK 2022

- Significant organic sales growth of 7.1 percent driven by pricing across all business units and regions
- Updated outlook for 2022[1] reflecting drastic direct materials headwinds and impacts from war in Ukraine

CREATION OF HENKEL CONSUMER BRANDS WELL ON TRACK

- Merger of consumer businesses Laundry & Home Care and Beauty Care to fuel growth and profitability
- Significant synergies targeted: ~500 million euros gross savings mid-term, implementation in two phases

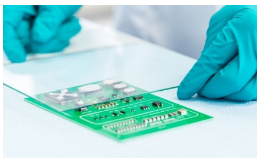
[1] FY 2022 outlook updated on April 29

First, we will take a deeper look at our sales performance in the first quarter. Along with our updated outlook, which reflects the most recent developments in our business environment, we had already published our results based on preliminary figures last week.

And second, as said, we will provide more color on our progress regarding the merger of our Laundry & Home Care and Beauty Care businesses into the integrated unit “Henkel Consumer Brands” – including the targeted synergies and restructuring charges.

But let us start with the major developments in our business environment.

SIGNIFICANT ORGANIC SALES GROWTH IN Q1 2022

	HENKEL GROUP	ADHESIVE TECHNOLOGIES	BEAUTY CARE	LAUNDRY & HOME CARE
				
ORGANIC SALES GROWTH	7.1% PRICE: 9.4% VOLUME: -2.3%	10.7% PRICE: 10.6% VOLUME: 0.1%	-1.2% PRICE: 5.1% VOLUME: -6.3%	4.9% PRICE: 10.1% VOLUME: -5.2%
NOMINAL SALES	€ 5.3bn	€ 2.6bn	€ 0.9bn	€ 1.7bn

In line with what we shared last Friday, Henkel achieved a significant organic sales growth of 7.1% in the first quarter. This development was driven by strong pricing across all three businesses. In nominal terms, sales on Group level reached 5.3 billion euros.

As we will discuss the business unit performance later on in more detail, I will now focus on the key points only:

Adhesive Technologies delivered an organic sales growth of 10.7 percent. Here, the double-digit increase was driven by all four business areas.

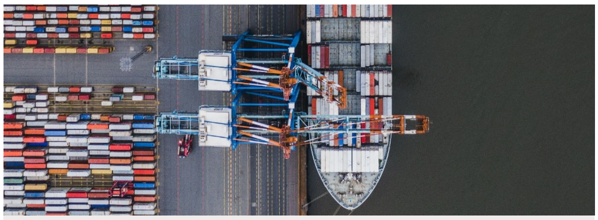
Beauty Care recorded an organic sales development of -1.2 percent. While the Consumer business was negatively impacted by the announced implementation of portfolio measures, our Professional business reached a double-digit increase – thereby continuing its growth path.

And third, Laundry & Home Care posted a very strong organic sales growth of 4.9 percent. Here, Laundry Care achieved significant growth. In contrast, Home Care was slightly below the prior year level – mainly due to the normalization of demand for hard surface cleaners.

MANAGING BUSINESS IN UNPRECEDENTED ENVIRONMENT

WAR IN UKRAINE WITH BROAD IMPACTS

- Exiting business in Russia and Belarus and impact on business in Ukraine
- Intensifying exceptionally tense situation on raw material markets and global supply chains



DRASTIC INPUT COST INFLATION & SUPPLY CHAIN HEADWINDS

- Unseen acceleration of raw material and logistic prices
- Supply challenges including COVID lockdowns in China, war in Ukraine and shortages of input materials

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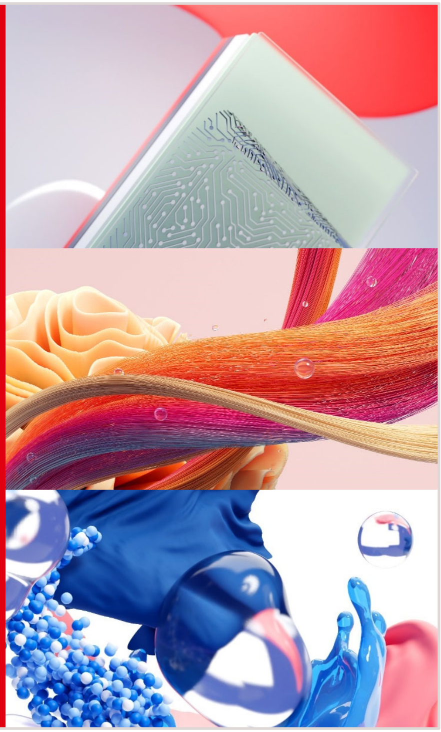
We achieved this performance in a highly demanding and volatile environment – characterized by two key topics:

The war of Russia against Ukraine has broad implications. Our primary concern has been the safety and wellbeing of our colleagues in the Ukraine and their families. And of course, the war is also affecting our business performance in Ukraine.

Against the background of current developments, we decided to exit our business activities in Russia on April 19. We have been clear that this was not an easy decision to make. Last Friday, we also announced to exit our business in Belarus. Of course, the exit from these countries will have a significant effect on our sales and profitability.

Beyond the implications for Henkel, the war also intensified the already very tense situation on the raw material and logistic markets, and also the COVID lockdowns in China contribute further to this. As a result, there is a drastic inflation on the input cost side – at levels we have never seen before.

AGENDA



With that, moving on to the deep dive on our business performance in the first three months and to our recently updated outlook.

For this, I will handover to you, Marco.

ORGANIC SALES GROWTH DRIVEN BY STRONG PRICING

9.4% -2.3%	7.1%	-1.1%	0.2%	6.1%
Price Volume	OSG	M&A	FX	Nominal

- Significant organic sales growth in still highly challenging environment driven by strong pricing across all business units
- Nominal sales increased to €5.3 billion

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Henkel

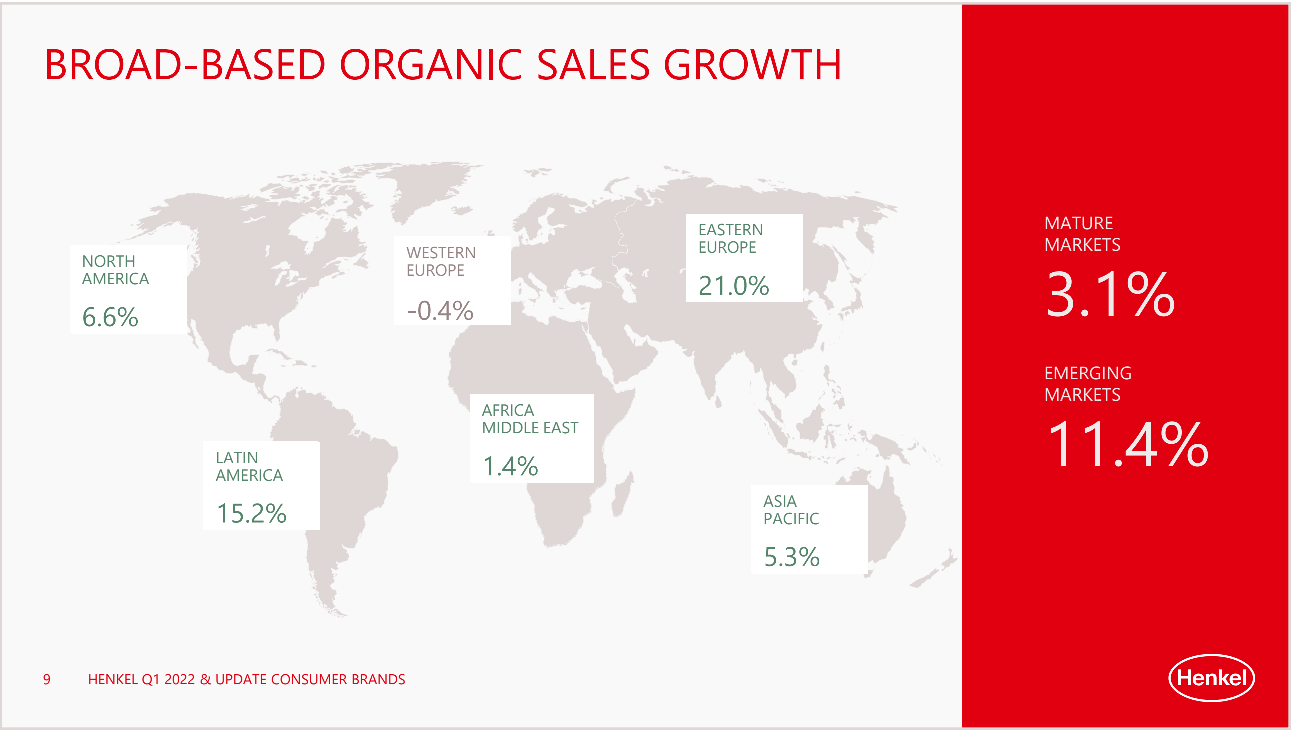
Marco Swoboda, CFO:

Thank you Carsten. Good morning to everyone on the call also from my end.

Looking at the drivers of the Group sales performance in the first quarter:

As Carsten just mentioned, the significant organic sales growth of 7.1% was driven by strong pricing across all business units. On Group level, a plus of 9.4 percent. In contrast, volumes declined by -2.3 percent compared to the prior year.

Overall, Henkel increased nominal sales by 6.1% to a level of 5.3 billion euros.



Now let's look at the organic sales development by region.

The organic sales growth was primarily driven by the emerging markets, where we achieved double-digit growth of 11.4 percent.

But also mature markets showed a strong development of 3.1%.

While North America recorded a very strong organic sales growth, the performance in Western Europe was slightly negative.

Let us now take a deeper look at our business units.

ADHESIVE TECHNOLOGIES

ORGANIC SALES GROWTH
10.7%

Price: 10.6%

Volume: 0.1%

- Continuously strong growth momentum with double-digit pricing at stable volumes
- Organic growth driven by all business areas:
  - Good growth in **Automotive & Metals** despite ongoing headwinds in Automotive from semiconductor shortages
  - **Packaging & Consumer Goods** up double-digit, particularly driven by Packaging and Lifestyle
  - **Electronics & Industrials** with significant growth driven by Industrials
  - Significant growth in **Craftsmen, Construction & Professional** supported by all businesses

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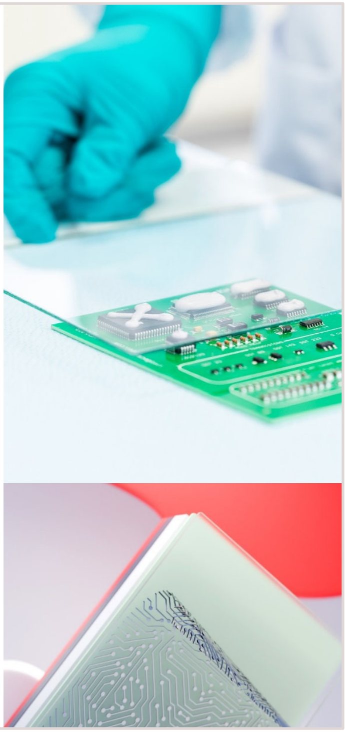


In the first quarter, Adhesive Technologies benefited from a continued strong growth momentum.

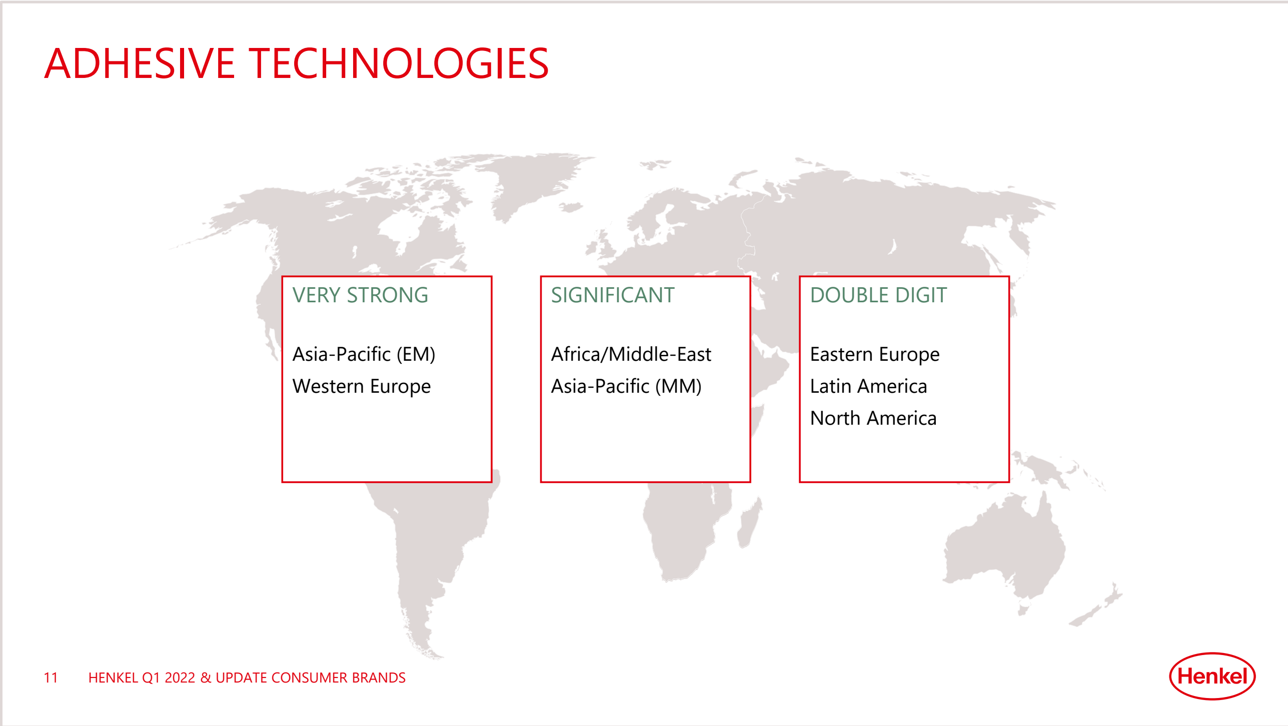
The business unit reached organic sales growth of 10.7%, driven by double-digit pricing at stable volumes. In a challenging market environment, all business areas and regions contributed to this development – yet to different extents.

Automotive & Metals achieved overall good organic sales growth, driven by double-digit growth in our Metals business. In the Automotive business, however, volumes were negatively affected by the decrease in Automotive production, particularly due to the continued semiconductors supply shortage. Pricing measures could partially offset the volume decline.

Our **Packaging & Consumer Goods** business showed double-digit sales growth. Here, the development was driven by very strong volumes as well as double-digit pricing measures to offset higher raw material cost, which affect this division to the largest extent. The Packaging and Lifestyle businesses particularly contributed to the overall growth.

Electronics & Industrials achieved significant organic growth driven by pricing. Our Electronics business showed a positive performance, and our Industrials business grew double-digit.

In our **Craftsmen, Construction & Professional** business area, the significant organic sales growth was driven by double-digit pricing with support from all individual businesses. The General Manufacturing and Construction businesses reached even double-digit organic growth rates.



And to the regional perspective now, sales in the **emerging markets** grew double-digit compared to the first quarter of last year. The regions Eastern Europe and Latin America increased double-digit organically, particularly supported by our Packaging & Consumer Goods business area. The regions Middle East & Africa and the emerging markets of Asia registered significant and very strong growth, respectively. However, COVID restrictions in China started to limit business activities towards the end of Q1.

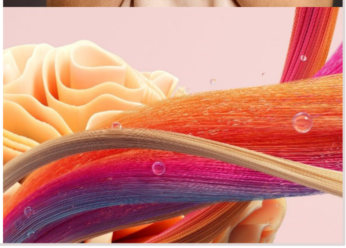
The **mature markets** posted overall significant organic sales growth. North America achieved a double-digit increase. Our business in Western Europe achieved very strong growth. In the mature markets of Asia, we achieved significant organic sales growth.

BEAUTY CARE

ORGANIC SALES GROWTH
-1.2%

Price: 5.1%
Volume: -6.3%

- Strong pricing but volume decline particularly due to portfolio measures in Consumer resulting in slightly negative organic sales growth
- **Consumer** below previous year:
  - Hair: continued market normalization leading to double-digit growth in Styling and negative development in Coloration; Care below previous year
  - Body Care negative mainly driven by portfolio measures
- **Professional** with double-digit growth and all regions contributing, in particular key markets North America and Europe

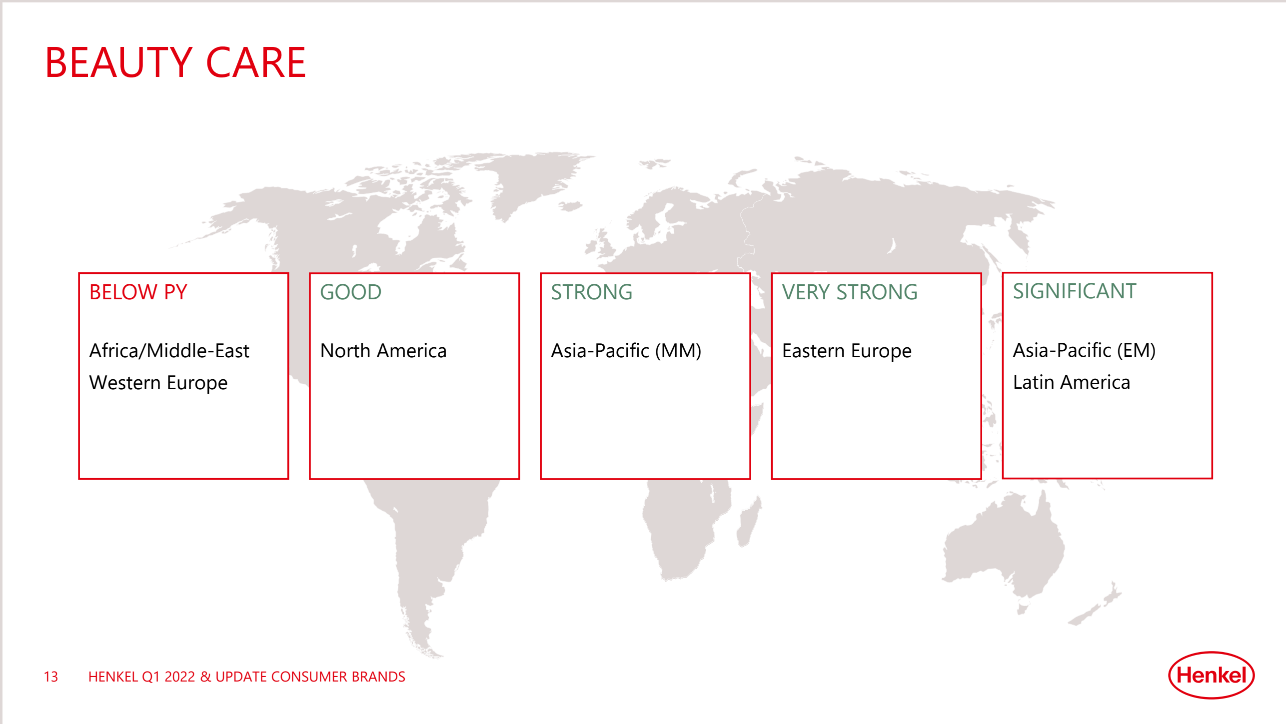


On to Beauty Care, which recorded a slightly negative organic sales development of -1.2%.

A strong pricing could not fully compensate lower volumes. Key driver of the negative volume effects were the announced portfolio measures in our Consumer business area. Here, we had announced that over the course of the year, we will discontinue business activities equivalent to around 5% of the business unit’s sale in fiscal 2021.

Looking at the individual performances of the two business areas, the **Consumer** business remained below the prior-year level. Here, the Hair Cosmetics category posted an overall negative performance – with mixed developments in the different businesses. Styling continued its recovery and achieved double-digit organic sales growth. In contrast, demand for Colorations continued to normalize from elevated prior-year levels, resulting in a negative sales development. Also in Hair Care, we recorded sales below the prior year. The negative development in Body Care was mainly due to the portfolio measures, I just mentioned before.

At the same time, our **Professional** business continued its growth path and recorded double-digit growth. A particular strong contribution came from our key markets Europe and North America, which recorded double-digit growth rates.



From a regional perspective, Beauty Care achieved a good organic sales growth in the emerging markets while sales in the mature markets were below the prior year.

Within the **emerging markets**, we recorded significant sales growth in the regions Asia-Pacific and Latin America. Sales in Eastern Europe increased very strongly. Middle East/Africa showed a negative sales development, mainly due to the portfolio measures in our Consumer business I talked about earlier.

The **mature markets** in Asia-Pacific registered strong organic sales growth. The good growth in North America was driven by our Professional business. Sales in Western Europe were below the prior year. This was mainly due to normalizing demand in the Hair Coloration category as well as portfolio measures.

LAUNDRY & HOME CARE

ORGANIC
SALES GROWTH
4.9%

Price:
10.1%

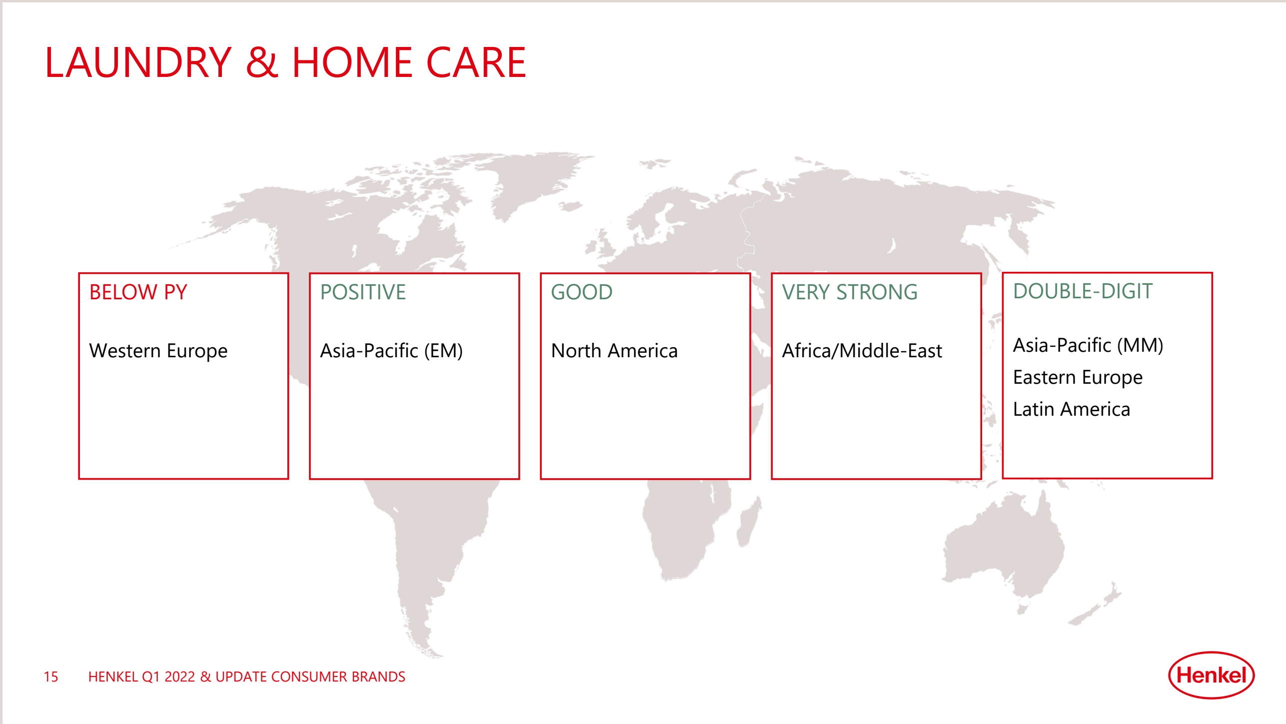
Volume:
-5.2%

- Double-digit pricing clearly offsetting volume decline leading to very strong organic sales growth
- **Laundry Care** with significant organic growth driven by all categories, with strong contribution from core brands Persil, ‘all and Perwoll
- **Home Care** with slightly negative development mainly due to further normalization of demand for hard surface cleaners

Laundry & Home Care delivered a very strong organic sales growth of 4.9%. Pricing was up double-digit, while volumes declined.

All in all, growth was driven by our **Laundry Care** business area – with a particular strong contribution from heavy duty detergents and fabric finishers. Here, the significant growth was supported by our core brand Persil and our North American brand ‘all. Our Special Detergents category even showed double-digit growth.

At the same time, our **Home Care** business area recorded a slightly negative development. This was due to a declining demand for Hard Surface Cleaners, which had recorded elevated demand levels due to the COVID-19 pandemic before. The positive respectively good development of the Dishwashing and Toilet Care categories could not compensate for this effect.



To the regional development now for Laundry & Homecare, the **emerging markets** showed growth across all regions and all in all grew by a double-digit percentage.

Sales in our **mature markets** showed an overall positive development. Here, we recorded good growth in North America and even double-digit growth in the mature markets of the Asia-Pacific. In contrast, sales in Western Europe were organically below the prior year quarter. Especially here, sales were impacted by intense price negotiations with our trade customers.

With this, moving on to our outlook, which we updated last week.

OUTLOOK 2022

ORGANIC SALES GROWTH[1] +3.5 to 5.5%	
ADHESIVE TECHNOLOGIES	+8.0 to 10.0%
BEAUTY CARE	-5.0 to -3.0%
LAUNDRY & HOME CARE	+2.0 to 4.0%

ADJUSTED EBIT MARGIN 9.0 to 11.0%	
ADHESIVE TECHNOLOGIES	13.0 to 15.0%
BEAUTY CARE	5.0 to 7.0%
LAUNDRY & HOME CARE	7.0 to 9.0%

ADJUSTED EPS[2] GROWTH

-35 to -15%

At constant exchange rates

reflecting high level of market uncertainty and volatility

[1] Beauty Care OSG considering announced portfolio measures; excluding Russia and Belarus from Q2 2022 onwards
[2] Per preferred share

As we discussed our outlook in our last conference call on Friday already in detail, let me quickly summarize the key points:

On Group level, we now expect organic sales growth in the range of 3.5 to 5.5 percent – due to a higher expectation for Adhesive Technologies for which we foresee stronger pricing. For Beauty Care and Laundry & Home Care, our organic sales guidance remained unchanged. Here, we expect higher pricing, but also lower volumes than initially assumed.

For the adjusted EBIT margin, we updated our guidance to a level of 9 to 11 percent, reflecting the pressures from drastic input cost inflation as well as the impacts from exiting our businesses in Russia and Belarus.

This also translated in an update for adjusted EPS growth. Here, we now anticipate a development in the range of -35 to -15 percent at constant exchange rates.

From a phasing point of view, we expect the decline to be lower in the second half compared to the first half of the year.

KEY ASSUMPTIONS

War in Ukraine

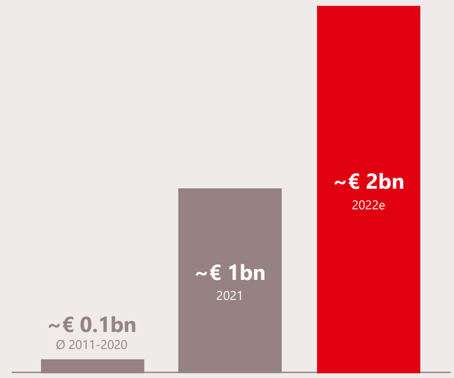
- **Exit of business activities in Russia and Belarus** significantly impacting Group sales and profitability
- **Noticeable effect from business in Ukraine** on Group sales and profitability
- **Broadly impacting global economies and markets:** further acceleration of raw materials and logistics prices paired with substantial volatility

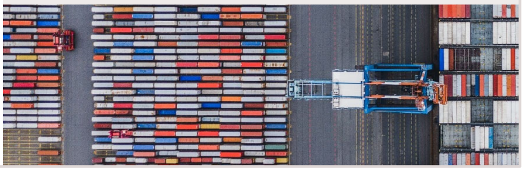
Drastic acceleration of input cost

- Average **direct materials price increase** of mid twenties % expected for 2022
- **Step up in pricing** and savings initiatives
- **Negative mathematical effect** on margin resulting from passing on in absolute terms significantly higher input cost

Comparison of direct materials gross price increases

Annual delta vs previous year





Also with regard to the underlying assumptions, obviously no change to what we shared last week.

We considered the exit from our business activities in Russia and Belarus and the implications of the war for our Ukrainian business.

The war also further accelerated the already tense and highly volatile situation on the raw material and logistic markets. So here, we are witnessing unprecedented headwinds from input costs. On average, we now anticipate direct material prices to increase by a mid twenties percentage versus last year. In absolute terms, this equals a gross price inflation of 2 billion euros – twice as high as in 2021.

Of course, we are stepping up our countermeasures to mitigate the effects on our profitability.

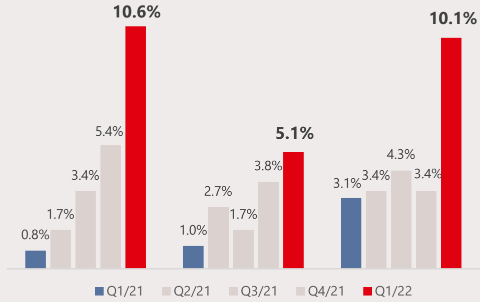
And we also discussed the mathematical effect that the margin will be diluted when passing through higher prices in absolute terms – because all else equal, sales will increase, while EBIT remains stable.

ACCELERATING PRICING INITIATIVES

- **Comprehensive pricing and savings initiatives** in execution
- **Strong pricing in Q1** across all business units and regions
- **Further pricing efforts required** to compensate for unprecedented headwinds from raw materials and logistic costs
- **Confident to recover profitability over time**, while full compensation not yet in 2022

Development of pricing component

HENKEL GROUP
Q1/22:
9.4%



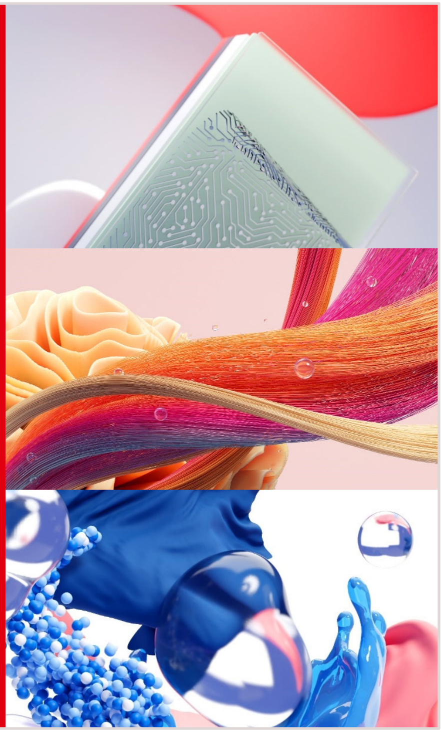
We are facing drastic headwinds from the price inflation of raw materials and logistics – and comprehensive countermeasures are already in execution. Next to savings initiatives in supply chain and procurement, we will further step up pricing.

Already in the first quarter, we have seen strong pricing across all businesses, resulting in a price contribution of 9.4 percent to organic sales growth on Group level.

But what is clear: We will need additional pricing efforts. And while we expect that we will not be able to compensate for the unprecedented headwinds already this year, we are confident to recover our profitability over time.

With that, back to you, Carsten.

AGENDA



Carsten Knobel, CEO:

Thank you, Marco.

Let us now move on to the second key topic of today’s call – coming to one of our strategic focus areas for the year 2022: the merger of our two consumer businesses Laundry & Home Care and Beauty Care into one combined business: Henkel Consumer Brands.

Together with Wolfgang, we will provide a progress update regarding the merger of our consumer businesses to create Henkel Consumer Brands. And we will also share more details on the targeted synergies and restructuring charges.

But first, let me very briefly recap on our strategic rationale behind the merger.

By combining our two consumer businesses, we are able to **build a new growth model** that is **sustainable**. Henkel Consumer Brands will represent one strong, integrated business unit, next to our successful Adhesives Technologies business, that will drive the future growth of Henkel.

We are **driving growth** and **profitability** by establishing one combined portfolio of leading categories and brands, creating strong country platforms with increased importance and relevance for trade, and serving our customers and consumers out of one team.

Moreover, we will **focus on stronger gross margins** in all our strategic decisions. For example, by investing in our brands and profitable high gross margin cells to increase our pricing power.

By merging the Laundry & Home Care and Beauty Care organizations into one merged synergistic organization, we are able to **lift significant organizational synergies** in the areas of Sales, Admin, Supply Chain, Production and Advertising and Promotion.

And last but not least, the merger enables us to take **bolder actions in active portfolio management**, which would not have been possible beforehand.

With this winning combination, we will take our Purposeful Growth Agenda to the next level and drive growth and profitability – both for our combined consumer platform and for Henkel.
And with this, let me hand over to Wolfgang, the future leader of Henkel Consumer Brands.

INTRODUCTION WOLFGANG KÖNIG

WOLFGANG KÖNIG

Executive Vice President Beauty Care (since 06/2021) & future Executive Vice President Henkel Consumer Brands

- Global citizen with German Passport
- Master degree in Business/Economics
- Passion for brands with more than 26 years international experience in the FMCG industry:
  - Beiersdorf (1996 – 2005)
  - Colgate-Palmolive (2005 – 2012)
  - Kellogg Company (2012 – 2021)
- Experience in running large operations incl. Marketing, Sales and Supply Chain across EU, US and LATAM
- 12 years of US experience

Wolfgang König, EVP Beauty Care:

Thank you, Carsten, and good morning from my side as well.

- Let me please use this opportunity to briefly introduce myself.
- Since June 2021, I am the Executive Vice President for Henkel Beauty Care.
- I see myself as a global citizen who holds a German passport while also being an U.S. resident.
- My passion are brands, driving business growth and profitability which I have been doing for over 26 years in the consumer goods industry.
- Before joining Henkel, I have worked for three FMCG companies. Starting my career at Beiersdorf, later joining Colgate-Palmolive, and before Henkel the last company I've been at was Kellogg.
- For all my prior companies I have held positions in Europe and North America. While starting my career in Marketing and Sales, I have overlooked increasingly larger operations with full end-to-end commercial responsibility including complex Supply Chain & Manufacturing networks.
- My career has so far stretched across three continents, having been located in Europe, Latin American and the U.S.. Within the U.S., I have spent around 12 years of my career.
- Having spent my whole life building brands and looking back at my prior experiences in Beauty & Personal Care as well as Home Care categories, I was of course intrigued to join Henkel and now having the opportunity to significantly shape the future of the consumer goods businesses.

BUSINESS ANCHORED IN TWO GLOBAL CORE CATEGORIES IN ATTRACTIVE MARKETS

- **Strategic focus on**
  - **two global core categories** Laundry & Home Care and Hair Care[1]
  - **selected regional categories**
- Sizeable markets with strong **revenue** pool and **sustainable growth** development
- Focus on **high-margin** strategic **country-category** combinations

[1] Hair Care comprising of Hair Professional and Consumer segments Shampoo & Conditioner, Styling and Coloration

- Now focusing on the merger of our Laundry & Home Care and Beauty Care businesses.
- It is a critical part of our new orientation to focus on two global categories with Laundry & Home Care and Hair Care which are attractive – they are sizeable and growing. The two global core categories alone are representing sizeable market opportunities amounting to ~230bn€; representing significant headroom for future growth of Henkel Consumer Brands business.
- Furthermore, Henkel is as well present in selected categories with regional presence For example our Body Cleansing/Personal Hygiene brands in Europe and North America.
- Our Henkel Consumer Brands way forward includes a healthy obsession around Gross Margin. Within that context, what we define as our core delivers around 300 basis points Gross Margin above our average. Furthermore, in the future we will focus our business priorities on high margin country-category combinations, or as we refer to it “attractive cells”.

WHERE WE PLAY, WE HOLD LEADING CATEGORY POSITIONS

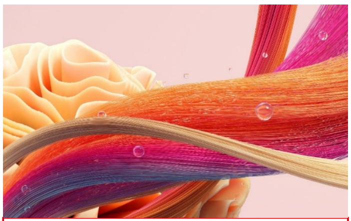
Laundry & Home Care

2 in LHC globally

1 in LHC in Europe

2 in LHC in NA

1 in Toilet Care segment globally



Hair Care

Co-# 2 Professional globally

2 in Hair Care in Europe

1 in Styling segment globally

2 Coloration segment globally

Source: Nielsen / IRI trade panels (except Professional)

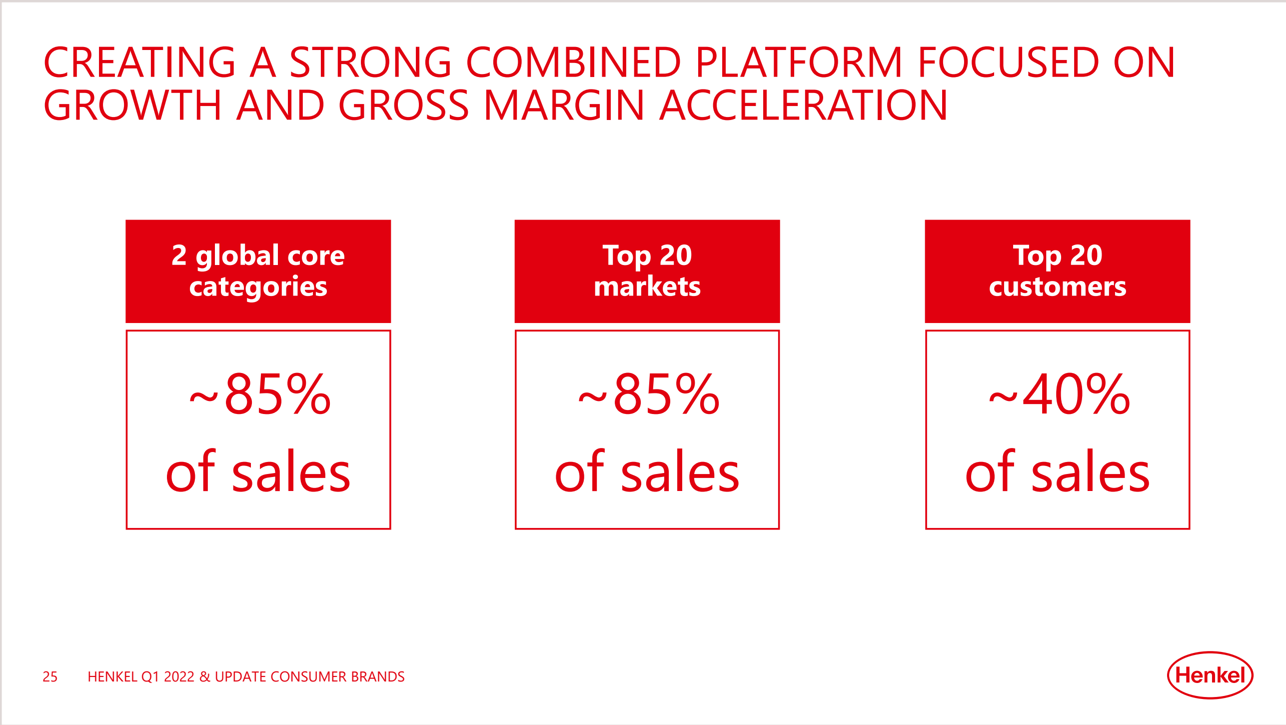
- We are going to increasingly focus on these attractive cells, building on strong in market positions.

- Looking at our market positions in the markets, where we are active, we hold various leading positions.

- In Laundry & Home Care, we are well positioned globally as #2.
- Additionally, we hold with Laundry & Home Care the #1 in Europe and #2 in NA.
- Also in terms of segments, we can record strong positions, for example, with Toilet Care, being the #1 globally.

- In Hair Care, we are co-#2 in Professional globally, hold the #2 in Hair Care in Europe, the #1 in the segment Styling and #2 in the segment Coloration globally.

- With this, it becomes clear that our market positions are already strong and represent a good starting point for further growth potential.



- On one side our 2 global core categories Laundry & Home Care and Hair Care already account for ~85% of our sales.
- Furthermore, ~85% of the sales are generated in our top 20 countries and markets, which shows that we are building on a strong foundation of key markets.
- Those numbers show that our focus areas also comprise to a major part of our business today. More focus on those will benefit the vast majority or our sales and markets
- On the other side, I see it as very beneficial that we only generate ~40% of our sales with our top 20 customers. We are not overly dependent on a small group of clients in our business. In addition, we have a very obvious overlap of customers across Laundry & Home Care and Beauty Care and see a positive cross-fertilization of unique channel strength that each business contributes.

ENABLING US TO DELIVER ON OUR MID-TO LONG-TERM AMBITION

Henkel Consumer Brands

Accelerated Growth	OSG **3 to 4%**
Increased Profitability	Adj. EBIT Margin **mid teens %**

...through:

- Shaping the **portfolio**
- Creating one **organization**
- Consolidating **Supply Chain**
- **Investing** into **profitable growth-cells**

- Building on this strong foundation, we have high ambitions with what we aim to achieve with this business.

- In January, we have presented our mid-to long-term financial ambition for Henkel Consumer Brands – we believe in organic growth between 3 to 4% and achieve an adjusted EBIT margin within the mid teens.

- We are not there yet and it is an ambitious goal. Let me show you over the next few pages how we plan to leverage the merger to deliver against our financial ambitions. We are going through these various levers including:

  - Shaping our portfolio
  - Creating one new organization out of two separate ones
  - Consolidating our Supply Chain
  - And investing in profitable growth cells

SHAPING A HEALTHY GROWTH PORTFOLIO

- **Key** criteria for target portfolio:
  - Profitability with **gross margin obsession**,
  - **Growth** focused portfolio cells and
  - **Ability to win** with #1/2 market positions
- Increased combined **critical mass facilitates portfolio optimization**
- **Up to 1.0 bn€** businesses under **review** for divestment/discontinuation
- **Expansion of consumer platform** via M&A and/or organic growth

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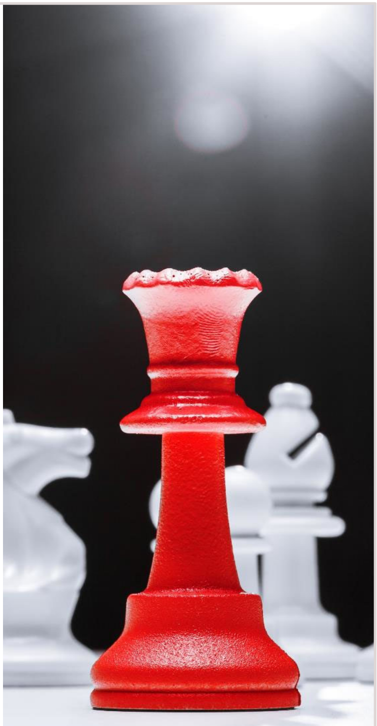

- To shape a healthy growth portfolio, we set key criteria for our target portfolio including three key elements:
  - An above average Gross Margins,
  - Organic growth potential and
  - Building on strong in-market positions

- By combining the two consumer businesses, we increase the critical mass in core markets, which helps us to facilitate portfolio management in a more consequent way than possible before within our previous set-up.

- Due to the scale we generate through the combination, it will for example allow us to divest or exit businesses which in the prior set-up would have led to significant loss of scale leading into situations where post a divestiture we would have seen issues on our ability to run an effective organization post managing remanent costs.

- Out of the current portfolio, we have identified up to 1.0bn EUR worth of businesses we are going to review and we will decide if these candidates will have the potential for either divestment, discontinuation or management for profit.

- In addition, we will of course also continue to expand the Consumer Businesses in the future. Being one consumer unit, it widens our scope of potential new categories from an M&A point of view. While at the same time being clear that our ambition remains to grow our Core Categories, both organically as well as via M&A.

- We also expect the significant organizational synergies out of the merger to positively contribute to our financial ambition.
- Leaner structures are going to enable increased agility through significantly reduced management positions.
- One face to our retail customer with one combined sales team per country, reduction of redundant tasks, workflows and procedures and efficient use of Shared Service centers for insourcing and offshoring are amongst the key pillars we are going to execute.
- One expected outcome of combining the currently separated centers of excellence we have in both of our businesses will be a competitive edge around digitalization & sustainability.

CONSOLIDATING SUPPLY CHAIN NETWORK

- Consolidate network of **~470 contract manufacturers and co-packers**
- Streamline set-up with **~140 warehouse & logistic locations**
- Optimize footprint of **45 manufacturing** plants and increasing in-housed production volumes to drive gross margin

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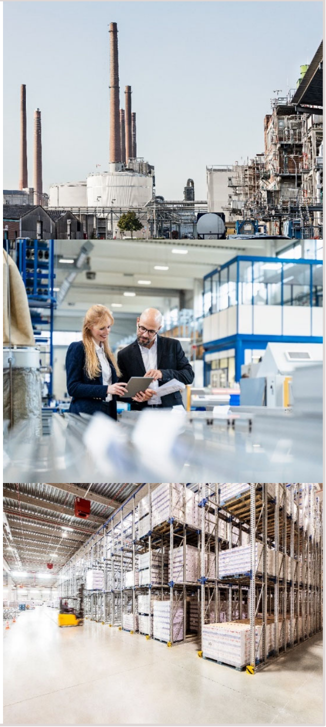


- Another key area where we are going to leverage the merger and obtain significant synergies from - is the consolidation of our global Supply Chain network:
- Our current set-up across Beauty Care and Laundry & Home Care includes…
  - Around 470 contract manufacturers and co-packers, and 140 warehouses and logistic locations. It is very obvious that this offers potential for streamlining and building one cohesive network. With ideally at the end one truck to our customers.
  - Our network includes 45 manufacturing sites, with potential for footprint optimization, increased in-house production, utilizing existing space and capacity, all aiming to drive gross margin enhancement.
- From a timing perspective, over the next months we are focusing on our organizational set up and synergy realization connected to the SG&A part. And while there will be some continuous improvement initiatives in the Supply Chain already taking place in 2022 and 2023, we expect the major footprint optimizations and network changes to be realized in the years after the re-organization.

REALIZING SIGNIFICANT SYNERGIES

Reaching € 500m[1] gross savings with re-investments in the business

driven by multiple levers:
Portfolio – SG&A – Supply Chain

Phase 1
Mostly implemented until end of '23

- **~€ 250m[1] net savings**
- Impacting **~2,000** mainly white-collar **employees**
- **One-time** cost of **~€ 350m**
- Portfolio of **up to € 1.0bn** sales under review

Phase 2
Mostly implemented until end of '25

- **Net savings** will be defined
- Focusing on **Supply Chain** footprint measures
- **One-time** costs and **CAPEX** to be specified

[1] on an annualized basis

- Summing up, with the before mentioned measures, we aim to reach 500M EUR gross savings per year driven by multiple levers: active portfolio management, SG&A and supply chain optimization.

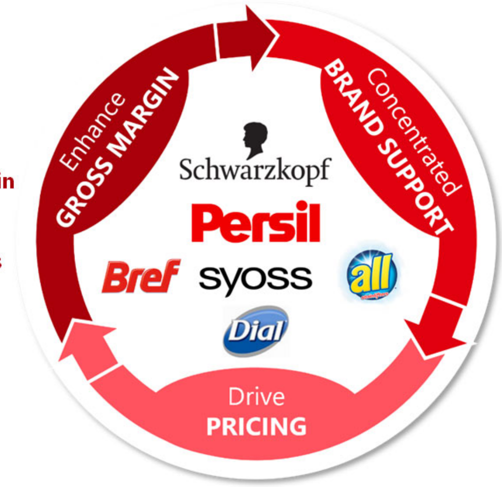
- We are planning to realize the synergies within 2 phases.

- During **Phase 1**, the underlying organizational changes will mostly be implemented until the end of 2023.
  - We expect **~250M€ annual net** savings which will be realized in full swing as of 2024. These savings are mainly driven by the before mentioned SG&A synergies; consistent organizational optimizations as well as some adjustment opportunities in the A&P space.
  - This will also lead into an impact of approx. **~2,000** mainly white-collar **employees**
  - **One-time cost** expected, are around **~350M€,** to the majority restructuring expenses, the remainder relating to one-time integration costs
  - As mentioned before we have up to **1.0bn€** sales under review for portfolio measures, further information will be shared at an appropriate time.

- Within **Phase 2**, we are focusing on the period until end of 2025.
  - This phase will in its core be focused on optimizing our combined Supply Chain footprint as mentioned before.
  - Details on net savings, one-time costs and CAPEX are to be further specified, but as already stated we aim to generate ~€ 500M gross savings across phase 1 and 2 combined.

FUELING A POSITIVE GROWTH SPIRAL

- **Portfolio** with high **gross margin focus**
- Investment focus on **core platforms** with **higher margin** in **key markets**
- **Manufacturing** and **logistics** network **optimization**



- High **support** levels create **strong leading brands**
- **Creating consumer pull** on must stock brands

- **Strong brands** create **pricing** power
- Allowing better **management** of increased **input costs**

We are aiming to get our Consumer Brands business into a positive growth spiral.

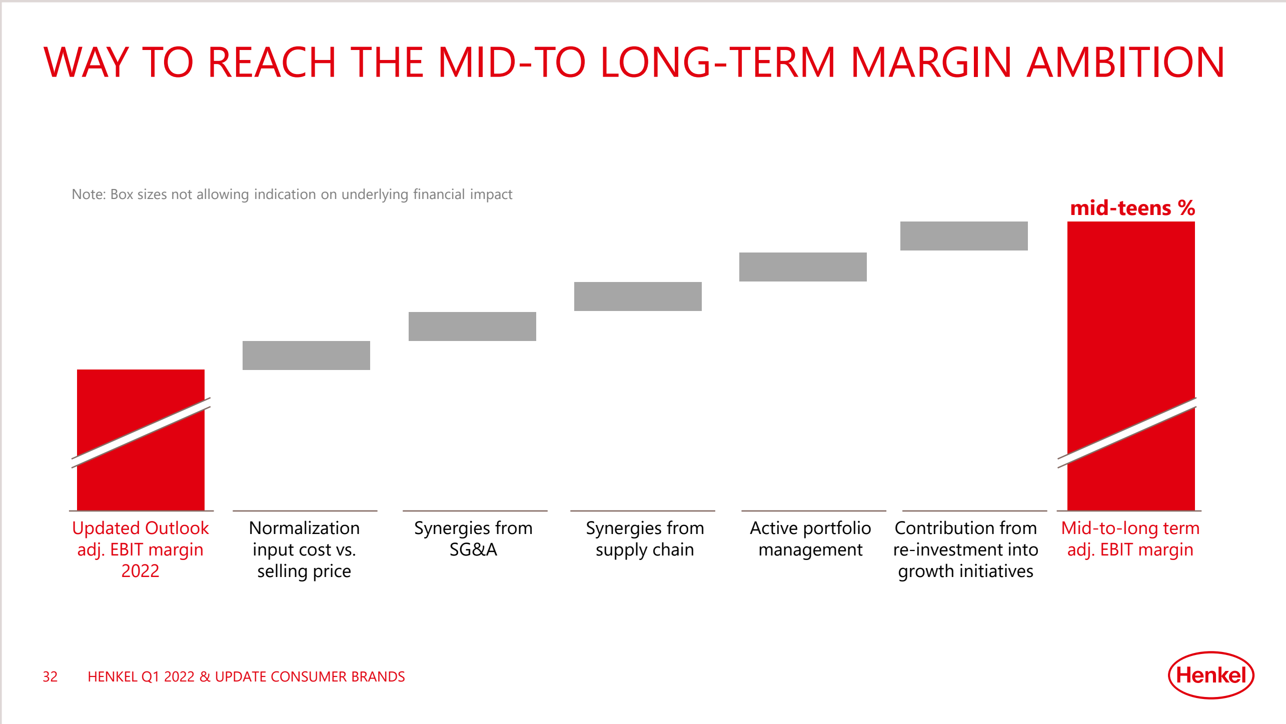
In a nutshell, (1.) Enhancing our gross margin (2.) Concentrated high level of brand support (3.) Pricing our brands to the ideal value/volume point; to further fuel our gross margin.

Let me explain a bit further:

(1.) Focusing on a portfolio with above-average gross margins, investing in core platforms in key markets, and focusing on the previously mentioned manufacturing and logistic network optimization, will all lead to enhanced gross margins.

(2.) Those healthier gross margins will allow us to concentrate higher investment levels behind our most attractive portfolio cells to further strengthen them. Synergies will be partially used to improve our overall profitability, but also be reinvested into our competitive edge across digital & sustainability, as well as into disruptive innovations within our core businesses.

(3.) With our strong leading brands, we already today create consumer pull which will further increase based on our initiatives. With our core portfolio of must stock brands, we can drive pricing, which in turn fuels our gross margin and allows us to start a positive growth spiral for Henkel Consumer Brands.



Having shown you which levers we are going to use to create a healthier business with strong focus on gross margin, let me now illustrate how we will reach our mid- to long-term ambition of an adj. EBIT margin in the mid-teens:

- Firstly, the current imbalance between the unprecedented increase in input costs and our selling prices will normalize. Here, the positive growth spiral will have a strong contribution.
- Secondly, the synergies we are going to realize through the combination of the organization and the optimization of the supply chain network will contribute to the improved margin profile.
- On top, our active portfolio management focusing on growth and gross margin will contribute to an improved adjusted EBIT margin.
- Lastly, we are going to re-invest into growth initiatives which will - in the mid-to long term - also contribute to our profitability.

To sum it up, Henkel Consumer Brands will be stronger in a combined set-up.

- Building one business with increased scale, focused on attractive market cells with strong in-market positions
- Strategic investment choices behind attractive market and category combinations, with above-average gross margin potential
- Leverage substantial synergies from SG&A and Supply Chain to enable investment into profitable growth and deliver our mid-term profitability ambition
- The merger provides the opportunity to actively manage our portfolio due to enhanced critical mass
- Our new merged business creates a platform that facilitates acquisitions within and outside of our current consumer categories.

With that: Over to Carsten.

Carsten Knobel, CEO:

Thank you Wolfgang.

With Henkel Consumer Brands, we will combine our strengths in the consumer goods businesses – and create one strong, multi-category platform for future profitable growth. With significant benefits for Henkel, our teams, our shareholders, and customers.

Under the leadership of Wolfgang, we raise the bar and focus on brands and businesses with **attractive growth potential** and **healthy margins**.
We will expand our **active portfolio management** beyond the current level.
And we will ensure that our customers will have **one contact across all consumer categories**.

At the same time, we will create **substantial synergies.** We will use them to enhance our margin profile. And to reinvest in our business to strengthen our competitiveness in important areas like sustainability, digitalization and innovation.

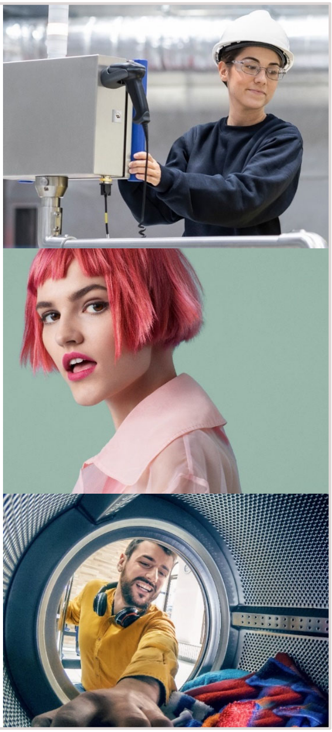
Creating Henkel Consumer Brands is an important element to **advance our strategic agenda** to the next level. It will fuel both growth and profitability. And thereby, it clearly **contributes to our ambition**: to win the 20s through purposeful growth.

Let me briefly wrap it up.

KEY TAKE-AWAYS

1. Henkel with **significant organic sales growth** in Q1 2022 driven by pricing
2. **Highly volatile environment** with broad impacts from war in Ukraine and drastic input cost increases
3. **Outlook 2022** reflecting fundamental changes in business environment
4. **Step up pricing initiatives** to mitigate exceptional headwinds from raw materials & logistics

4. Progressing with creation of multi-category platform **Henkel Consumer Brands:**
   - Enhancing growth and margin profile
   - Significant synergies – targeting € 500m gross savings mid-term
   - First phase implemented by 2023 with annualized net savings of € 250m
   - Businesses of up to €1 bn under review for portfolio measures



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In the first quarter, we achieved a significant organic sales growth of 7.1 percent, driven by strong pricing.

We are operating - as mentioned before - in a highly volatile business environment. The broad implications and unprecedented price increases for raw materials and logistics will also impact our business performance this year. These fundamental changes are reflected in our updated outlook. Facing the drastic input cost headwinds, we are also stepping up our pricing initiatives across all business – and we are confident to recover our profitability over time.

While managing our business in these difficult times, we remain focused on our strategic priorities. And we are driving the merger of our consumer businesses Laundry & Home Care and Beauty Care with full force. The creation of our multi-category platform Henkel Consumer Brands will offer clear benefits and will enhance our growth and margin profile. We will leverage significant synergies, which we will use to increase our margin level and to strengthen the competitiveness of our consumer business. In a first phase, the implementation of measures by end of 2023 will create around 250 million euros of net savings on an annualized basis. And Henkel Consumer Brands will offer a stronger basis to shape our portfolio. Here, businesses of up to 1 billion euros of sales are currently under review for portfolio measures.

All in all, we are convinced that this is the right step to shape Henkel's future and to reaching our compelling mid- to long term financial ambition.

With this now, moving on to the Q&A.
Ladies and Gentlemen, we are looking forward to taking your questions.

Question: Thank you. Good morning, Carsten, Marco and Wolfgang. Two questions for me please. The first one on Q1 and the second one a more big picture. On Q1, I wanted to focus on Eastern Europe because with 21% organic sales growth in the first quarter, it seems that Eastern Europe was nearly half of your group organic sales growth in the first quarter. I think I'm getting to 44% gross contribution from Eastern Europe. So as you exit your operations in Russia and Belarus, is it fair to assume that Eastern Europe will mechanically, almost, prove far less significant to your growth from Q2 onwards. And maybe this partly explains why at this stage you haven't raised your top line guidance outlook for Beauty and for Laundry & Home Care. So that's my first question.
The second one is on the merger of your consumer businesses. You flagged in the presentation that in its first phase, the synergy will be mostly coming from sales and administration. And as a result, I think you're mentioning around 2,000 jobs are being lost. So, my question here is, are you not concerned that these measures will create additional uncertainty, anxiety for your employees, and so ultimately distract you even further from good execution and good innovation? So, risk of instead of addressing your lack of top line momentum, these measures, at least in the short term, could exacerbate that. And I guess what I'm trying to get to is if I look at the past decade, Henkel has always opted for cost cutting, efficiency gains measures, every time you've been facing operational challenges, but this approach has had very limited success. So why are you confident this time around it will work? And I guess what's different with the current plan relative to the previous one? Thank you.

Carsten Knobel, CEO: I think let us start with the second question, which is related to the merger. And I think here I will make a short statement and then Wolfgang will significantly more elaborate on these topics. For sure, you're right that a merger always creates anxiety and unsecurity. On the other side, it's clear and I think it's also clear for our people if you merge two businesses that there will be an impact on jobs and that the first phase with the €250 million of net savings and that combined with roughly around 2,000 jobs being impacted on that for sure is something where we will have within the company discussions. But I hand over now to Wolfgang to give you more details how he sees that going forward. Wolfgang?

Q&A

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Wolfgang König, EVP Beauty Care: Hi. Thank you for the question. I think you're absolutely right. Change creates anxiety, and it's something that we cannot do anything about. It just happens. It's part of the human brain. We're not made for change. That said, we have to do what is right for the business. And when you look at the performance of our business in the recent years, I think not performing on par with your expectations also drive massive anxiety within your organization, and people in our teams are actually asking for change.
And this topic is out for a long time, and I think it's overdue. So, what is critical for us within that to not make it become a business risk is that we manage it in the right way. And we also believe at the end, ultimately, we will have bigger roles, bigger responsibilities, and it is a huge opportunity for us to bring down our kind of bureaucracy in the company and have people really focus on innovation the way forward and really focus on the core categories. So, it's about taking out that complexity. And we are in very close contact with our employees. We have town halls, even after today's call, we will, and we'll try to remove as much anxiety as we can quickly to not have it become a business risk and drive the utmost stability. And I think the last comment on that is that, we still have Bruno Piacenza, my peer, in place until the end of the year, until the merger is completed, to continue to drive and execute our innovation plans and day-to-day business on the Laundry & Home Care business. And I continue to focus with my leadership team on Beauty Care, which hopefully helps us and we see it right now that it helps us to stabilize the organization. Thanks.

Carsten Knobel, CEO: So, to your first question, to the performance of Eastern Europe and maybe the context of Russia and Ukraine, let me maybe start overall. So Eastern Europe, you are absolutely right. We recorded a strong organic net sales growth of 21%. That was driven significantly by pricing, while volumes were slightly below prior year. We witnessed price increases in the double-digit percentage range for all business units led by Adhesive Technologies and Laundry & Home Care. Maybe that's, first of all, all I would say on the facts of Q1.
Secondly, maybe I think to remind all of us, you know, the impact in Russia for the total company represents less than 5%, slightly less than €1 billion of turnover, and the Ukraine less than 1%.

If we look into the performance of Q1 and, first of all, Ukraine in the first two months was not impacted but definitely the month of March was significantly impacted by the war with all our production sites and all our businesses to be closed. And by that, we experienced in the quarter a significant negative organic sales impact.
On the other side, Russia, for sure, also performed, but less than what we have seen in the overall of Eastern Europe in terms of organic net sales growth and I think that's how we see it for the Q1.
And I hand over to Marco maybe to explain a little bit what we already explained last time how we handled Russia or the exit countries of Russia and Belarus from an OSG perspective for the remainder of the year. Marco?

Marco Swoboda, CFO: Yeah. For sure I can do that. So as Carsten said, I mean the 21% that we see in Eastern Europe was broad based across many countries, Russia being even clearly below that average. So going forward, we will exclude Russia from our OSG because we decided to basically discontinue that business and now are working on that exit, that will happen in the course of the year at least that's the clear ambition. So that's how we have to look at that also in our guidance that we have just showed.

Carsten Knobel, CEO: Clarified your questions?

Questioner adds: Very good. Thank you very much.

Carsten Knobel, CEO: You're welcome.

Question: Good morning. Couple of questions for me, please. Firstly, your €500 million of gross savings, that's across both Phase 1 and 2, if I understood you correctly. With Phase 1 yielding €250 million of net savings, that implies the reinvestment rates of well below 50% assuming a decent chunk of those gross savings will be in place, too. So I just want to check firstly if that's

correct? And what gives you confidence, you don't need a higher reinvestment rate on those savings given your market share picture has been pretty mixed in recent years? And then a not so related combination question, you talk about targeted acquisitions once this is complete? Would that potentially include strategy size deals? And then just finally some housekeeping, just wondered if you saw any risks to your logistics in China from lockdown in the second quarter especially in Adhesives? Thanks very much.

Carsten Knobel, CEO: Good. Marco, I propose you take the second one, the China one, and we start with this.

Marco Swoboda, CFO: Yeah, for sure, also good morning, from my side. So, on China, of course, we are all aware of the situation and the teams are actively working on business continuity like all the companies currently do, in particular, in the Shanghai region. So what we can currently see and what we have factored into our outlook is basically that we see an impact on the top line, in particular, in our Adhesive Technologies business in the mid-double-digit euro million area. So, that's what we currently assume.

Carsten Knobel, CEO: So, Wolfgang will take the first part of your first question with the savings and I will make a short comment on your acquisition question.

Wolfgang König, EVP Beauty Care: Hi, I think the way I understood your question, you've got it completely right that the overall gross savings we're aiming to is €500 million. And we specified for the first phase €250 million in terms of net savings. As we said before, we're not kind of really specifying like the second phase net savings – which leads a little bit into the second part of your question – we still have not decided how much to reinvest out of the other savings elements. And the second part of your question was about if we need higher reinvestments given our market share situation.
What I would say to that is that it's not just a question of overall investment or increased reinvestment behind our brands is a question of focus. So when you look at the new strategy

that I explained going forward and you look at being more focused with the investments that we already have on our two core categories that will allow us already to significantly increase our investments as we want to be more focused with what we do.
And then a big part is not just saving SG&A to reinvest into the business into A&P, is also generating more gross margin by focus on the higher gross margin elements to then drive the positive growth spiral. So I think this is what's key to understand within that new strategy. And yes, of course, we look for more reinvestments into the business and we will specify the net savings for the second phase as well as potential reinvestments at a later point. Thanks.

Carsten Knobel, CEO: Yeah. And to your third part or second part of your first question, the topic of M&A or targeted acquisitions. Yes, I think it's clear that at the moment we are fully concentrated on implementing the merger. On the other side, you have seen with the acquisition of Shiseido, the professional business to be precise on —of the Shiseido business in Asia, that we also take opportunities if they are important for our footprint. And I think that was an important factor to strengthen or significantly strengthen our business in Asia, in the professional business. And by that we decided to do so.
And, after the merger or after the significant part of the merger work is done, it continues what we have said before and nothing has changed on our M&A strategy. That means we have a clear targeted criteria set up means strategic fit needs to be there, availability, and financial attractiveness. And by that, we have two strong pillars Adhesive Technologies on the one and Consumer Brands on the other side. And yes, in our thoughts, are also strategic and big deals in order to grow and improve the size of our business, especially then also in the Consumer Brands business. I hope that clarifies.

Questioner adds: That's very clear. Thank you so much for your time.

Carsten Knobel, CEO: Thank you.

Q&A

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Question: Yeah. Morning, everybody. Firstly, could you maybe give a view on what the actual savings in 2023 would be with the net savings in Phase 1? And then just on the split you gave of contract manufacturing, warehousing, and your own in-house manufacturing, what does a goods business, in your view, look like at the end of this process? And why there at the moment no costs associated with that given the months of planning that you had on and the answers that you can give on Phase 1, please?

Carsten Knobel, CEO: Okay. So, I propose, Marco, you take the first one when it comes to the savings/how the phasing of the savings is. And Wolfgang, you take the one regarding supply/contract manufacturing production in terms of Phase 2, at least that's how I read your question.

Questioner adds: Yeah. That's what I think, too.

Marco Swoboda, CFO: So, then let's start with Phase 1 where we target the organizational measures and to start very soon where we said we want to get that done until beginning of 2023 so that means also majority of these savings we expect in 2023 and then a remainder in particular on an annualization effect in 2024.

Wolfgang König, EVP Beauty Care: Hi. Let me take the second question around supply chain. So, I think, first of all, it's a very obvious savings and synergy area to look at your supply chain and your manufacturing footprint overall. We've operated our two supply chains broadly, completely separate for the last couple of years from a manufacturing point of view, as well as how we managed co-manufacturers and co-packers as I mentioned in the presentation. It will take us a little bit of time to rebuild that ideal supply chain network from a logistics as well as manufacturing point of view. So that's why we said we'll need to time up till the end of 2025 in order to complete that.

You asked what, for me, a perfect supply chain would look like, and I think I mentioned that in the slide sentence in my presentation. A perfect supply chain for the combined business will look like one truck to the customer, which will have significant elements of synergies for us as well as for our customers from an ease of doing business, and we are far away from that today. So this is why this is one of the major areas we need to look into, one truck to the customer, one invoice, one order, and streamlining that whole process, which will also help us to have more supply security in all of our regions across the board as we go on that journey. I hope that clarifies your question.

Questioner adds: Yeah. Thank you. Sorry. Just a quick follow-up, on the amount of contract manufacturing that you have. Obviously, it's a high proportion in Beauty. But what is the amount of sales that you have from contract manufacturing or provided by contract manufacturing at the moment, please?

Wolfgang König, EVP Beauty Care: I do not have that number present to me, to be honest. We can potentially follow up with that, but I do not have that at the top of my mind. But it is also a very different between Beauty Care and Laundry & Home Care. And of course, in a professional business, we have much more complexity, so we have very high gross margins in that business. But an enormous potential to in-house some of those volumes over time to further drive our gross margins, but I will not comment on the specific sales connected to it. I'll be honest. Thanks.

Questioner adds: Thanks very much.

Carsten Knobel, CEO: You're welcome.

Question: Morning. First question is on that little margin bridge you presented, because clearly your margins in consumer will have to kind of approximately double in order to get to this mid-teens target. So can you give a little bit more detail on the respective size of those kind of

different building blocks, say for example, just getting the pricing aligned with your cost, how much of that would it be delivering in particular? That's a bit more context on kind of ranking those blocks in a bit of order.
And then secondly, the comment on the €1 billion of portfolio measures, can you clarify, is that incremental to everything that you have talked about so far, say for example, including the beauty discontinuations this year or is it included within it, so can you give a bit more clarification on that point? Thanks.

Carsten Knobel, CEO: So good morning. Maybe we start with the second one. So portfolio, I think, as you know~~,~~ in March 2020, we announced the €1 billion under review with the half of that being in the turnaround cluster and half of that being in a phase of to be discontinued or divested. And you heard us talking about that at the beginning of 2022 when we made the kind of a ramp up of that, and we exactly came around to this €0.5 billion of divestment and discontinuation business.
Then we announced at the same time in February for Beauty Care, additional €200 million of measures in terms of decided and to be implemented discontinuation and stopping of businesses in the course of 2022 which are part of the €1 billion which we are now having under review.
And so therefore you also heard Wolfgang talking about that we are raising the bar. What is the business to be part of Henkel, so therefore, that's new compared to the approach we have done before. So, a significant part of the €1 billion is new, the €200 million we have already announced, but that's already a part of Wolfgang's strategy to drive Beauty Care. And then in future, the consumer business, and on the other side, for sure, there is the €0.5 billion as we discussed or set which was on the turnaround. And this for sure, we are monitoring, and if things changing then as it is, then it could be also part of that. And we will specify that going forward while we are talking.
And regarding to the margin blocks, I think Wolfgang was talking about that. Marco, you will take it or I can also do it, but you do it, Marco?

Marco Swoboda, CFO: Yeah. So, I mean, on the margin blocks, obviously, we haven't yet specified it. I mean, that is something we are going to work out further while we progress. But also, of course, we announced already the first phase net savings ambition that we have. So, that is obviously quantified, and that's a part of it. And on the other buckets, we will come back to that as soon as we can and where we progress.

Questioner adds: Okay. Thank you.

Carsten Knobel, CEO: Clarified? You're welcome.

Question: Thank you very much. Could I follow-up on the brand discontinuation question? On a quick calculation, I mean, the dilution from those brands could be as much as half of the gross cost savings. Could I confirm that the sort of level because following on from an earlier question, I think in 2023, this leaves limited room for the growth investments that you're talking about.
And then following on from that, can you give us an idea of what the marketing to sales ratio for the combined Consumer Brands division looks like and whether Wolfgang thinks that is competitive? And similarly, on R&D, can you give us an idea of what you think a sustainable level of competitive R&D is, because last year, it looks to have been distorted by some technology impairments in Beauty. And do you think the merger is going to get you better return on your R&D in terms of innovation pipe? Thanks.

Carsten Knobel, CEO: Good. I think Wolfgang will start with the topic of marketing and the sales ratio and also R&D, and then we come back to your brand discontinuation question.

Wolfgang König, EVP Beauty Care: Hi. Let me just basically take your questions backwards from the last one and more your comment around R&D. R&D is a very integral part of our business. And, it's instrumental for a consumer goods business like ours, especially with the two global core categories that I've clearly been talking about when you look at Hair Care and the

Q&A

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technology approach we have in there, especially when you look at categories like coloration, and the same is true for Laundry & Home Care.
So, combining one R&D organization also within the SG&A space gives us significant opportunity to streamline a little bit like more of the bureaucracy elements of the R&D elements while at the same point in time we do not have a very high savings target for R&D, meaning we save under proportional in that space and reinvest some of the resource and some of the efficiencies and synergies we generate by combining R&D and reinvested back directly into researchers and more focus on the categories that we've decided to invest behind. So I do think that we move much more towards a very competitive spend in our R&D space with that change. So that's the first one.
Second one is around line 17. So I hope you understand that I'm not going to disclose any specific A&P investment numbers. But, yes, I do see it as a much more competitive spending level that we will be able to have. In the core categories, we will focus our main investments on in the future, again, which comprises of Hair Care and Laundry & Home Care. And I think this is a key element. And as I said before, it has a much higher gross margin on an average by about 300 basis points, which will allow for more investments as we over proportionately start growing that business versus the noncore part of the business. And with that...

Carsten Knobel, CEO: Maybe, I add only two points because you also alluded to the depreciation of the R&D investment. I think that was a clear attempt to create new technologies with buying it from the outside. And I think you need to take these kind of risks at a certain point of time. And it has not materialized to the way we thought. But it had no impact on what Wolfgang has alluding to our spending, in general, on R&D. And you also heard him talking that looking into the €250 million savings R&D is definitely not in the focus of doing so.
And you also know that in beginning of 2020, we step up our investments in terms of digitalization, IT, and marketing and as we have said during the course of the last two years in general, this is a new level which we reach, which we believe in general is appropriate. But for sure, as we alluded to, that we will take out of the savings what we're having also part of supporting specific investment needs where it is going forward. And we have a lot of things in

the field, be it sustainability, be it digitalization, and driving the growth of our business. Second part was another one to the brand discontinuation. Marco, you can comment on that.

Marco Swoboda, CFO: Yes, I can do that. So obviously the question was around the brand discontinuation and the impact it has on the cost savings or the relationship. So first, I mean, the brand discontinuation is very important for us from a portfolio management perspective. We need to get to a more healthy gross margin levels in the consumer business, and that very much contributes to that. We also will take out the complexity, for example on the SKU level, which will also support then the ability to restructure also our supply chain, as we talked about earlier.
So there are a couple of elements around that. But of course, I mean, some of the cost savings will also help looking at it very isolated, will also help reducing stranded costs out of these discontinuations or divestments. But as I said, that's a very isolated view. On the other hand, we also need to see that we have also clear growth objectives and we want to also grow the top line organically. But also we're going to do that by way of acquisition and with it also helped offsetting a bit of the scale loss that we may have from the discontinuations or divestments. So we have to look at that all together and we think with that is the right mix of measures and that we work through.

Questioner adds: Thank you.

CLOSING REMARKS

- **Significant organic sales growth** in Q1 2022 driven by pricing
- Unprecedented and highly volatile **business environment**
- **Outlook 2022** reflecting broad impact from war in Ukraine and unseen input cost inflation
- Progressing with creation of multi-category platform **Henkel Consumer Brands** leveraging significant synergies and driving growth & profitability
- **Manage performance** across businesses, while maintaining relentless focus on implementation of **Purposeful Growth Agenda**

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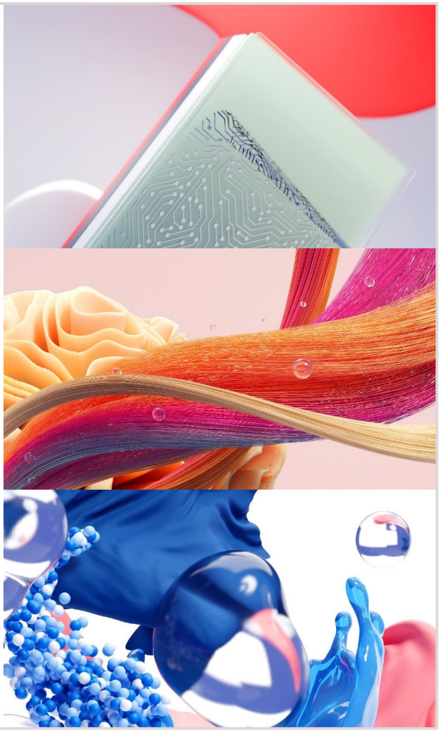

So first of all thank you for your questions.

Let me wrap up today’s presentation with a brief summary of the key points.

We delivered a significant organic sales growth in the first quarter on the basis of strong pricing.

We achieved this performance in a business environment, which was highly volatile and faced unprecedented developments.

As a consequence, we updated our outlook last week. It now reflects the broad implications from the war in Ukraine as well as the drastic acceleration of prices for raw materials and logistics.

We are driving the merger of our consumer businesses Laundry & Home Care and Beauty Care with full force. In the future, Henkel Consumer Brands will form our second strong pillar next to our successful Adhesive Technologies business. Shaping our multi-category consumer platform will create significant synergies – and elevate our growth and margin levels.

So, in a more than challenging environment, our priorities are clear: Besides managing our business performance, we remain focused on our clear strategic focus areas. Based on our strong foundation and a clear agenda, we are confident to master the challenges that lie ahead of us, deliver on our mid- to long-term financial ambition and create purposeful growth.

Before closing our call, let us take a look at our upcoming events.

Already end of January, we had announced to host a Capital Market Day this year. Today, I would like to invite you to save the date: On September 20, we will provide a deep dive into both of our two future business units – Adhesive Technologies and Consumer Brands. We look particularly forward to meeting you in person here at our headquarters in Düsseldorf.

More details on our Capital Market Day will follow in due course.

Our next event will be the publication of our half-year release mid of August.

With this, I would like to thank you for joining our call today.

Take care, stay safe and stay healthy.

THANK YOU.

FIND OUT MORE ON HENKEL.COM

OUTLOOK 2022
ADDITIONAL INPUT FOR SELECTED KPIS

Currency Impact on Sales	Low single-digit % positive[1]
M&A Impact on Sales	Low to mid-single-digit % negative[2]
Prices for Direct Materials	Increase by mid twenties %[1]
Restructuring Charges	€ 450 – 500m[3]
CapEx	€ 700 – 800m

[1] versus the prior year average [2] including effect from exiting Russia and Belarus
[3] including restructuring charges related to the merger of Laundry & Home Care and Beauty Care; excluding potential restructuring charges related to exiting Russia

OUTLOOK 2022

	FY 2022 – previously	FY 2022 – updated
Organic Sales Growth	**2.0 to 4.0%**	**3.5 to 5.5%**
Adjusted EBIT Margin	**11.5 to 13.5%**	**9.0 to 11.0%**
Adjusted EPS[1] **(at constant currencies)**	**-15 to +5%**	**-35 to -15%**

[1] Per preferred share

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