



Facts & Figures 2020



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About Henkel

Fritz Henkel founded our company in 1876. With our three business units – Adhesive Technologies, Beauty Care and Laundry & Home Care – we hold leading market positions in both the industrial and consumer goods businesses. The products and technologies marketed under our strong brands – such as Loctite, Schwarzkopf and Persil – are an essential part of daily life for people in more than 100 countries.

Everything we do is geared toward creating sustainable value. For our customers, our employees, our shareholders, and for society as a whole. As pioneers in sustainability, we want to create more value with less resources. This ambition forms the core of our sustainability strategy. We are committed to ensuring the health and quality of life of our employees, customers and consumers, as well as to protecting the environment.

What drives us

Our purpose

**Pioneers at heart
for the good
of generations.**

Our values

We put our **customers** and
consumers at the center of
what we do.

We value, challenge and reward
our **people**.

We drive excellent sustainable
financial performance.

We are committed to leadership
in **sustainability**.

We shape our future with a strong
entrepreneurial spirit based on
our **family business** tradition.



Shaping our future

We shape our future on the basis of a long-term strategic framework that builds on our purpose and our values.

With this strategic framework, we want to be successful in the current decade – with a clear focus on purposeful growth. This means, we aim to create superior value for customers and consumers in order to outgrow our markets, to strengthen our leadership in sustainability, and to enable our employees to grow both professionally and personally at Henkel.

The key elements of our strategic framework are a winning portfolio, clear competitive edge in the areas of innovation, sustainability and digitalization, and future-ready operating models – underpinned by a strong foundation of a collaborative culture and empowered people.

PURPOSEFUL GROWTH

WINNING
PORTFOLIO

COMPETITIVE EDGE

INNOVATION

SUSTAIN-
ABILITY

DIGITALI-
ZATION

FUTURE-
READY
OPERATING
MODELS

COLLABORATIVE CULTURE &
EMPOWERED PEOPLE

Our Management Board



Carsten Knobel

Chairman of the Management Board

Born in Marburg / Lahn, Germany,
on January 11, 1969;
with Henkel since 1995



Marco Swoboda

Executive Vice President
Finance (CFO) / Purchasing /
Global Business Solutions

Born in Velbert, Germany,
on September 23, 1971;
with Henkel since 1997



Sylvie Nicol

Executive Vice President
Human Resources / Infrastructure Services

Born in Paris, France,
on February 28, 1973;
with Henkel since 1996

Jan-Dirk Auris

Executive Vice President
Adhesive Technologies

Born in Cologne, Germany,
on February 1, 1968;
with Henkel since 1984



Bruno Piacenza

Executive Vice President
Laundry & Home Care

Born in Paris, France,
on December 22, 1965;
with Henkel since 1990



Jens-Martin Schwärzler

Executive Vice President
Beauty Care

Born in Ravensburg, Germany,
on August 23, 1963;
with Henkel since 1992



Henkel 2020

Success with brands
and technologies for

144 years

Employees from
125 different countries

52,950

Share of female managers

36.9%

Three business units

Adhesive Technologies
Beauty Care
Laundry & Home Care

Resource efficiency

+64%

Leading brands

LOCTITE


Schwarzkopf

Persil

Social projects

2,700

Key financials

Sales

€ 19.3 bn

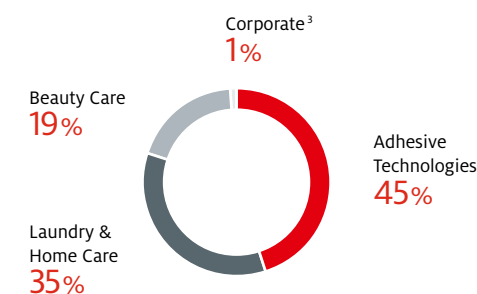
Organic sales growth

−0.7%

Adjusted¹ operating profit (EBIT)

€ 2,579 m

Sales by business unit



Adjusted¹ return on sales (EBIT margin)

13.4%

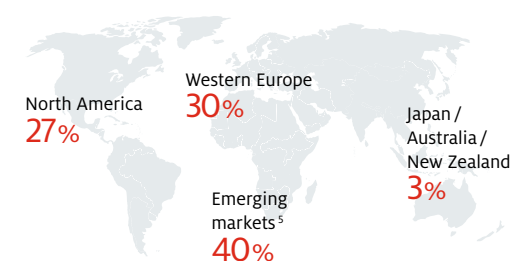
Adjusted¹ earnings per preferred share

€ 4.26

Dividend per preferred share²

€ 1.85

Sales by region⁴



¹ Adjusted for one-time expenses and income, and for restructuring expenses.

² Proposal to shareholders for the Annual General Meeting on April 16, 2021.

³ Corporate = sales and services not assignable to the individual business units.

⁴ Incl. 1% Corporate (= sales and services not assignable to the individual business units).

⁵ Eastern Europe, Africa / Middle East, Latin America, Asia (excluding Japan).

Adhesive Technologies

Our Adhesive Technologies business leads the global market with technologies for bonding, sealing and coating – for industrial applications as well as for consumers and craftsmen. In 2020, our leading brand Loctite again generated annual sales of just under 3 billion euros. As experts for industrial applications in the manufacturing sectors around the world, our close collaboration with our customers and partners enables us to develop – based on our strong technologies portfolio – tailor-made solutions in our Automotive & Metals, Packaging & Consumer Goods, Electronics & Industrials, and Craftsmen, Construction & Professional businesses. In 2020, we generated around 30 percent of our sales with products launched in the last five years.

 www.henkel.com/adhesive-technologies

Top brands

LOCTITE

TECHNOMELT

BONDERITE

Key financials 2020

Sales

€ 8,684 m

Adjusted¹
operating profit (EBIT)

€ 1,320 m

Organic sales growth

–4.2%

Adjusted¹
return on sales (EBIT margin)

15.2%

¹ Adjusted for one-time expenses and income, and for restructuring expenses.

Sustainable packaging

Consumer demand for sustainable packaging for products continues to grow. As well as protecting its contents, packaging nowadays – whether for food or e-commerce – needs to be recyclable in order to reduce waste. Following the successful launch in the USA, Henkel has introduced a new technology in Europe, which brings new functionalities to paper making it a viable alternative to plastic: EPIX protects paper-based packaging against water and grease penetration, improves thermal insulation, and enhances e-commerce packaging stability. Our sustainable packaging solutions are therefore making an important contribution to the circular economy.



Beauty Care

Our Beauty Care business operates worldwide with products in the Hair Cosmetics, Body Care, Skin Care and Oral Care segments. We hold leading positions in many markets and categories with internationally renowned brands like Schwarzkopf, Dial and Syoss. Consumer-focused innovation and uncompromising quality standards drive the success of our retail business. Our portfolio also includes products for professional hairdressers, who define new trends through their creativity. In our Hair Salon business, we rank among the top three salon suppliers globally – with renowned brands such as Schwarzkopf Professional, Joico and Kenra. In 2020, we generated around 55 percent of our sales with products launched in the last three years.

 www.henkel.com/beauty-care

Top brands



syoss

Key financials 2020

Sales

€ 3,752 m

Adjusted¹ operating profit (EBIT)

€ 377 m

Organic sales growth

–2.8%

Adjusted¹ return on sales (EBIT margin)

10.0%

¹ Adjusted for one-time expenses and income, and for restructuring expenses.

Less packaging, more sustainability

The global trend toward natural cosmetics continues unabated. Such products require natural ingredients, resource-efficient production, environmentally compatible packaging and sustainable application by consumers. With our N.A.E. brand, we have partnered with Amazon to launch a pilot e-commerce project featuring beauty products of solid consistency. Each contains a shampoo bar, a body bar and a face bar – all unwrapped. The boxes are made from 100-percent FSC-certified paperboard and are delivered by us ready for shipment to Amazon. In our Hair Salon business serving professional hairdressers, we also avoid plastic waste by offering refill points for hair care products of our premium brand Authentic Beauty Concept in selected hair salons throughout Europe.



Laundry & Home Care

Our Laundry & Home Care business holds leading positions in key markets around the world, to which it provides strong brands in the Laundry Care (laundry detergents) and Home Care (cleaning products) business areas. Its major brands are Persil, all and Bref. Our laundry and home care products are an essential part of our consumers' everyday lives. The portfolio ranges from heavy-duty and specialty detergents, dishwashing products, hard surface and WC cleaners, to insect control products. Innovations play a key role in ensuring success in this business. In 2020, we generated around 45 percent of our sales with products launched in the last three years.

 www.henkel.com/laundry-and-home-care

Top brands

Persil



Bref

Key financials 2020

Sales

€ 6,704 m

Adjusted¹
operating profit (EBIT)

€ 1,004 m

Organic sales growth

+5.6%

Adjusted¹
return on sales (EBIT margin)

15.0%

¹ Adjusted for one-time expenses and income, and for restructuring expenses.

Love Nature: the new clean

The plant-based detergent, dishwashing and cleaning products of our new brand Love Nature contribute toward more sustainability. They bear the EU Ecolabel, in most cases are certified with the ECARF seal as skin- and allergy-friendly, and contain only hypoallergenic fragrances. All Love Nature products are made without ingredients of animal origin. We also set high standards for the product packaging: Love Nature bottles are made from 100-percent recycled plastic and can be fully recycled again after use. The portfolio includes detergents, bathroom and general cleaners, as well as hand and automatic dishwashing products. Moreover, the Love Nature detergents and hand dishwashing products can be easily refilled again at dedicated refill stations in selected drugstores and supermarkets in Germany.



Finance

Efficient and flexible processes enable the successful development of our business units in a volatile market environment. We steer our workflows with a holistic and integrated approach in the different areas of our global Finance organization: in Financial Management, Purchasing, and in our Global Business Solutions organization with our Shared Service Centers around the world. Our efforts in digitalization increase efficiency and flexibility, generate new insights and promote global communication. This allows us to respond better and faster, both to the increasing volatility in our markets and to upcoming consumer trends, as well as to invest in our businesses for future growth.

Free cash flow¹

€ 2,338 m

Net working capital
as a percentage of sales¹

0.7%

Acquisitions / Capital expenditures¹

around € 1.2 bn

Tax rate¹

26.0%

 www.henkel.com/investor-relations

¹ Related to fiscal 2020.

Sustainable finance

We develop attractive financing instruments to drive advancements in sustainability: Henkel is the world's first company to issue a "Plastic Waste Reduction Bond." The proceeds from this bond, which was issued in 2020, will be invested in projects for reducing plastic waste. The bond has a total volume of around 100 million euros and a maturity of five years. It is strengthening our efforts to drive the circular economy at all levels. Back in 2018, we were also the first German company to agree a credit facility with covenants tied to Henkel's performance in three independent and renowned sustainability ratings.



Our people

At Henkel, we offer an international and diverse work environment with around 52,950 colleagues from 125 countries, as well as exciting jobs that enable them to develop entrepreneurial spirit and take full responsibility for their own projects. We promote an open culture, appreciate individual contributions and encourage the professional and personal development of our employees. For us, diversity drives competitiveness and we foster a healthy balance between career and family life. And it works: More than one third of our managers are female. We highly value the social engagement of our employees and support their participation in volunteering activities, social projects and sustainability initiatives.

 www.henkel.com/careers

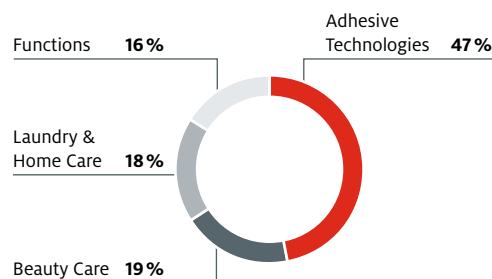
Employees

52,950

Nationalities of our employees

125

Employees by organizational unit



As of December 31, 2020

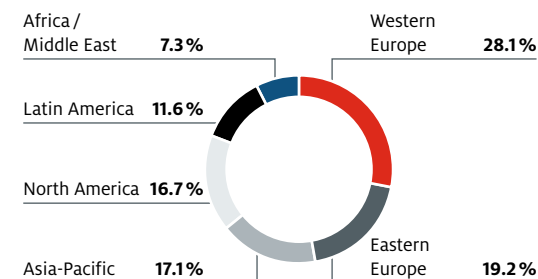
Share of female managers

36.9 %

Online courses offered to employees

more than 15,000

Employees by region



As of December 31, 2020

A new approach to work: more digital and flexible

The COVID-19 pandemic has changed how all Henkel employees work on a day-to-day basis. Working and learning in a virtual setting has meanwhile become daily routine for a lot of them. Digitalization not only affects our business processes, but also influences how we work together. Cloud-based solutions enable us to choose when and where we work – while still collaborating successfully in teams. We promote a work environment based on trust and close collaboration. Combined with our leadership culture, motivated teams and agile working methods, virtual collaboration is key to our success – both during the coronavirus pandemic and in the working world of the future.



Sustainability

As pioneers in sustainability, we want to drive new solutions for sustainable development while continuing to shape our business responsibly and driving our economic success. These aspirations are firmly anchored in our company values. We are aware of the high expectations of our different stakeholders. They want to understand the impact of our production and products along the entire value chain. Our long-term sustainability strategy provides a clear framework for meeting such stakeholder demands. Everything we do is aligned to creating more value for our customers, consumers, shareholders, neighbors and our own company, while at the same time reducing our carbon footprint – for example, through innovations and partnerships with suppliers, customers and organizations.

Overall efficiency improved by¹

+64%

Less water per ton of product¹

–28%

Less CO₂ emissions per ton of product¹

–44%

Proportion of electricity purchased from renewable sources

56%

Improved safety per million hours worked¹

+50%

Proportion of recycled plastic in packaging for our consumer goods products²

15%

Excellent performance in ratings and rankings



www.henkel.com/sustainability

¹ Figures relate to fiscal 2020 compared to the base year 2010.

² The share for the Adhesive Technologies business sector is based on an estimate.

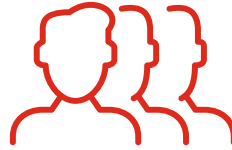
Becoming climate-positive

Limiting carbon dioxide and other greenhouse gas emissions is one of the biggest challenges of our time. At Henkel, our aim is to become a climate-positive company by 2040. We intend to achieve this by further improving energy efficiency at our around 180 production sites worldwide. We plan to switch to using renewable energy sources exclusively by 2030. Any surplus energy which is not used for our own purposes will be passed on to third parties as we take the journey toward climate positivity. By pursuing these ambitious targets, we are setting new standards in sustainability and making an active contribution to climate protection.



Our social engagement

Ever since Henkel was established 144 years ago, corporate citizenship has been an essential part of our corporate culture and how we bring our company values to life. Our commitment to social responsibility goes beyond direct business interests and was the driving force behind the creation of our foundation, Fritz Henkel Stiftung, in 2011. Our social engagement is based on four pillars: corporate volunteering, social partnerships, brand engagement and targeted emergency aid. Henkel and the Fritz Henkel Stiftung foundation support projects in the five areas of education and science, social initiatives, art and culture, fitness and health, and ecology. Having set ourselves the goal of improving the quality of life of ten million people by 2020, we actually achieved this in 2019 – one year ahead of schedule.



Corporate volunteering

We support active and retired employees in their voluntary social engagement through the “MIT Volunteering” program.



Brand engagement

In addition to Henkel's social engagement, our brands are also involved in partnerships with social initiatives and public institutions around the world.



Social partnerships

In social partnerships, we support social initiatives and public institutions at Henkel sites around the world.



Emergency aid

After natural disasters, Henkel responds quickly and pragmatically, providing aid through the foundation Fritz Henkel Stiftung.

Together against the coronavirus

In March 2020, Henkel launched a comprehensive global solidarity program to support employees, customers and communities affected by the global COVID-19 pandemic. Since then, we have been able to sponsor more than 500 projects relating to the coronavirus in 45 countries, and have helped more than 6.5 million people who have found themselves in need as a result of the pandemic. Elements of the program include two million euros in financial donations to the World Health Organization's COVID-19 Response Fund, and the United Nations Foundation and to other organizations. In addition, we have donated more than five million body care and household hygiene products worth more than 17 million euros, and Henkel produced more than 110,000 liters of disinfectant worldwide, all of which were donated to health authorities and hospitals.



Want to learn more about Henkel?

Find more information about our company:

 www.henkel.com

Our financial publications:

 www.henkel.com/reports

Our sustainability publications:

 www.henkel.com/sustainability/reports

Our career offers:

 www.henkel.com/careers

Or download the Henkel app for iOS or Android:



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Spotlight magazine

How is artificial intelligence changing production and logistics, and what does that have to do with climate protection? What is it like for a senior executive to lead a team from his or her home office? Discover stories, expert interviews, extensive features and guest articles in our digital magazine.

Listen in to our new "Fritz for Future" podcast providing information, inspiration and awareness on key topics of our time. In the podcast, we meet people who show us how it can be done – sustainable management, business start-ups, mindset development.

Curious? Then go to:

 www.henkel.com/spotlight

Joining Henkel

The careers section on our website provides all the information you need about what it means to work for Henkel, the exciting jobs we offer, and how to apply for them.

Find more information:

 www.henkel.com/careers

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