

HENKEL *HIGHLIGHTS* **2021**



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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.

Our purpose expresses what unites us all at Henkel: Pioneers at heart for the good of generations. We are a diverse team of more than 52,000 employees worldwide, striving to enrich and improve life every day through our products, services, and solutions. Our purpose is built from our roots and carries a long-standing legacy of innovation, responsibility, and sustainability into the future.

OUR PURPOSE

Pioneers at heart
for the good
of generations.



OUR VISION

Win the 20s by outperforming the markets through innovative and sustainable solutions.

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

SUSTAINABILITY

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 / 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



WOLFGANG KÖNIG

Executive Vice President
Beauty Care

Born in Kassel, Germany,
on May 2, 1972;
with Henkel since 2021

HENKEL 2021

SUCCESS WITH BRANDS
AND TECHNOLOGIES FOR

145
YEARS

THREE BUSINESS UNITS



**ADHESIVE
TECHNOLOGIES**



BEAUTY CARE



**LAUNDRY &
HOME CARE**

LEADING BRANDS



52,450

EMPLOYEES

124

COUNTRIES

SHARE OF FEMALE MANAGERS

38.1%

LESS CO₂ EMISSIONS
PER TON OF PRODUCT¹

-50%

SOCIAL PROJECTS

2,050

¹ Figure relates to the 2021 fiscal year compared to the 2010 base year.

KEY FINANCIALS

SALES

€ **20.1** bn

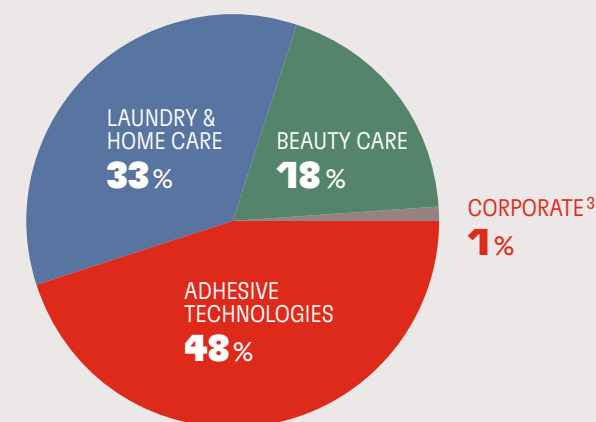
ADJUSTED¹
OPERATING PROFIT (EBIT)

€ **2,686** m

ORGANIC
SALES GROWTH

7.8%

SALES BY BUSINESS UNIT



ADJUSTED¹ RETURN
ON SALES (EBIT MARGIN)

13.4%

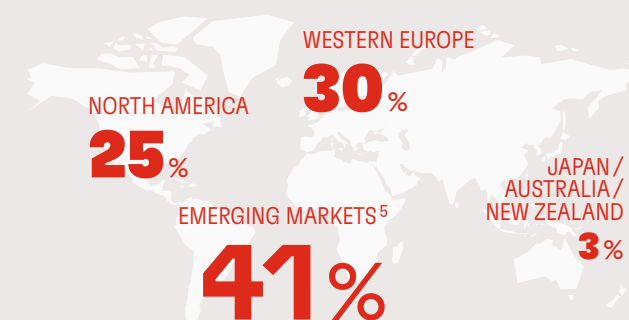
ADJUSTED¹ EARNINGS
PER PREFERRED SHARE

€ **4.56**

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 4, 2022.

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

⁴ Including 1% Corporate.

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

ADHESIVE TECHNOLOGIES

Our Adhesive Technologies business leads the global market with technologies for adhesives, sealants and coatings – for industrial applications as well as for consumers and craftspeople. As experts for industrial applications in the manufacturing sectors, we work closely with our customers and partners. Our strong technologies portfolio results in tailor-made solutions in our Automotive & Metals, Packaging & Consumer Goods, Electronics & Industrials, and Craftsmen, Construction & Professional businesses. In 2021, 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 2021

SALES

€ 9,641 m

ORGANIC SALES GROWTH

13.4%

ADJUSTED¹ OPERATING
PROFIT (EBIT)

€ 1,561 m

ADJUSTED¹ RETURN
ON SALES (EBIT MARGIN)

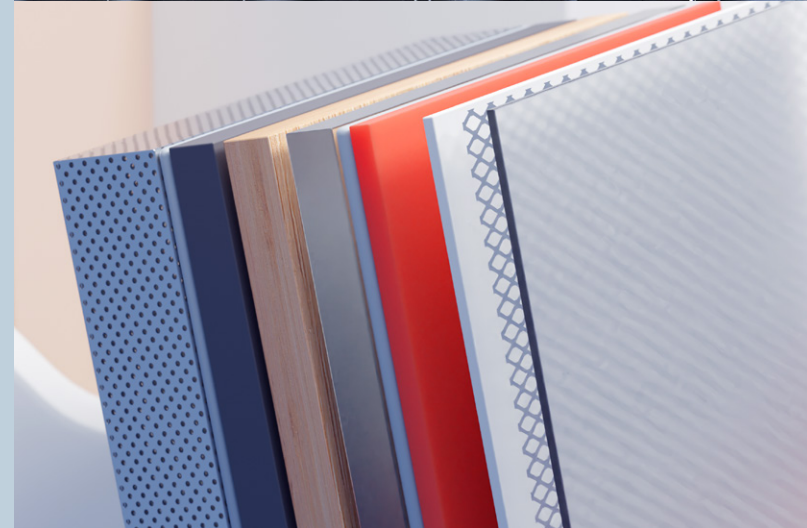
16.2%

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

COLLABORATION FOR INNOVATION

At the new Inspiration Center in Düsseldorf, we bring together people and companies from all industries to jointly develop innovations for the future.

Adhesive Technologies has been providing high-impact solutions for a wide range of markets and applications worldwide for 100 years. Our experts therefore know that innovations become even better through cooperation. Our Inspiration Center strengthens Henkel's collaboration with our suppliers and customers, as well as partners from industry, science and other sectors. Together, we create solutions for megatrends such as mobility, connectivity and sustainability. In this way, we help our customers find answers to their most important challenges faster than ever before.



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. User-focused innovation and uncompromising quality standards drive the success of our Consumer business. Our portfolio also includes products for professional hairdressers, who define new trends through their creativity. In our Professional business, we rank among the top three salon suppliers globally – with renowned brands such as Schwarzkopf Professional, Joico and Kenra. In 2021, 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 2021

SALES

€ 3,678 m

ORGANIC SALES GROWTH

1.4%

ADJUSTED¹ OPERATING
PROFIT (EBIT)

€ 351 m

ADJUSTED¹ RETURN
ON SALES (EBIT MARGIN)

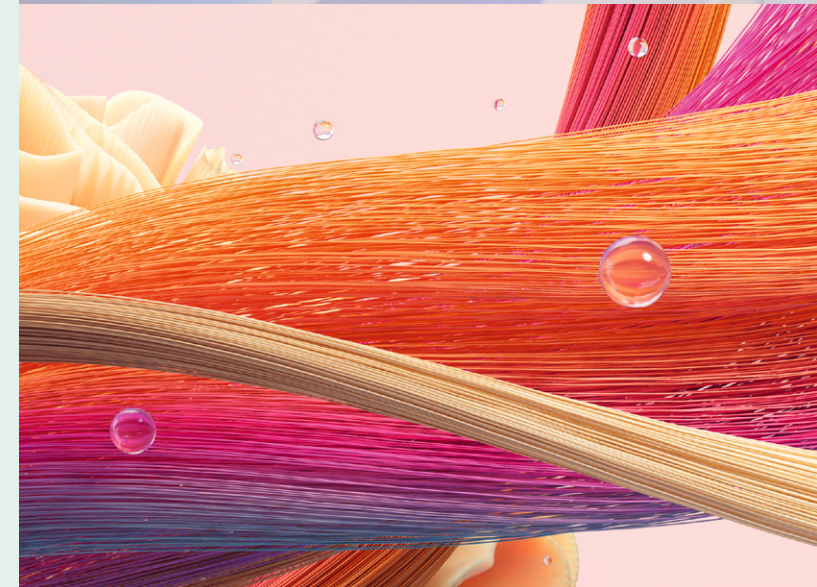
9.5%

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

MADE IN BERLIN. CREATED FOR **YOU.**

A location that is simultaneously meeting place, experience and inspiration: In Berlin, Schwarzkopf has opened the world's first House of Schwarzkopf, combining history, craftsmanship and innovation in a store and salon concept. It invites you to rediscover the Schwarzkopf brand and experience it in a holistic setting.

Personalization is the central element of the House of Schwarzkopf, with visitors being invited to discover and design their own beauty. From trying out new hair colors in the Magic Mirror with the help of the latest AR technology, to the sensory experience of Schwarzkopf fragrances and personalized Schwarzkopf products – the House of Schwarzkopf offers a uniquely personal experience for its visitors.



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 2021, we generated around 50 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 2021

SALES

€ **6,605** m

ORGANIC SALES GROWTH

3.9%

ADJUSTED¹ OPERATING
PROFIT (EBIT)

€ **904** m

ADJUSTED¹ RETURN
ON SALES (EBIT MARGIN)

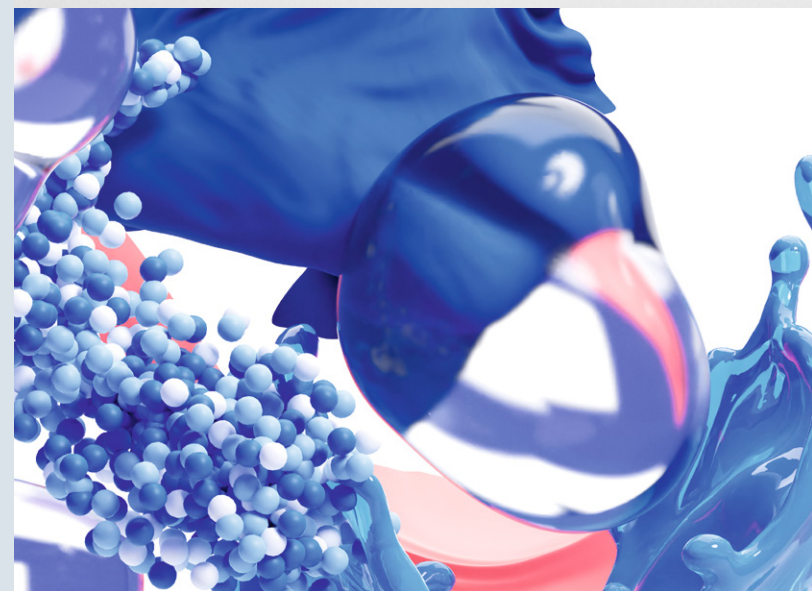
13.7%

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

SUCCESS STORY CAPSULES

Our premium brand Persil has successfully established itself on the market in the capsules product category with Persil Discs. The first 4-chamber capsules in the field of pre-dosed detergents have impressed consumers with their strong performance and practical usage. The concentrated formula provides for perfectly clean laundry that has a pleasant, fresh scent, and the fact that caps are simple to use saves time.

Capsules are currently the fastest growing segment in the detergent market: They already account for one fifth of the detergent market in Europe and their share is growing dynamically. This is why we are continuing the success story in all categories and price segments. Capsules have been newly launched onto the market by Spee, Weißer Riese and Perwoll – most recently with the introduction of the Trio Caps under these three brands. With dishwasher capsules from Somat, Henkel is now also transferring this successful technology to the dishwasher detergent category.



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. Digitalization increases efficiency and flexibility, generates new insights and promotes 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.

www.henkel.com/investor-relations

FREE CASH FLOW¹

€ **1,478** m

ACQUISITIONS / CAPITAL EXPENDITURES¹

€ **802** m

NET WORKING CAPITAL AS A PERCENTAGE OF SALES¹

2.2%

TAX RATE¹

24.2%

¹ Related to fiscal 2021.

SUSTAINABLE FINANCE

We have further expanded our commitment to sustainable finance and have defined a framework concept within which sustainable bonds can be placed. In this way, we create a direct link between our sustainability strategy and our funding strategy. The framework concept enables the issuance of two types of bonds: sustainability-linked bonds and green bonds. For the first form of bond, the financing costs are linked to the achievement of our sustainability targets, while the proceeds from the issuance of green bonds are used to invest in sustainable projects.

The framework concept allows us to access sustainable financing quickly and flexibly, opening up a broader investor target group. At the same time, we are underscoring our determination in achieving our sustainability targets and the ongoing commitment of our Finance team to actively supporting our sustainability agenda.



OUR PEOPLE

At Henkel, innovative technologies meet consumer goods. Our global team, consisting of around 52,450 employees with different backgrounds, experience and skills, is the basis for our success. Entrepreneurial spirit is our heritage: We have the courage to change things and to constantly improve ourselves. Together, we strive to improve the lives of people through our products, services and ideas. We want our employees to develop professionally and personally. Therefore, we offer many opportunities to learn, to develop and acquire diverse and international experience.

www.henkel.com/careers

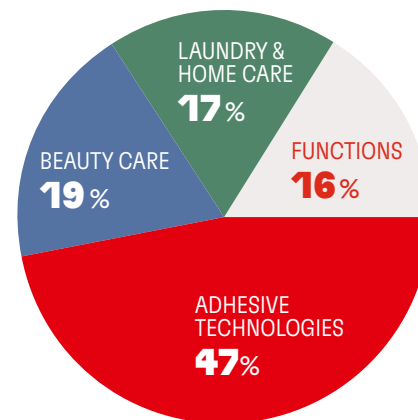
EMPLOYEES FROM 124 COUNTRIES

52,450

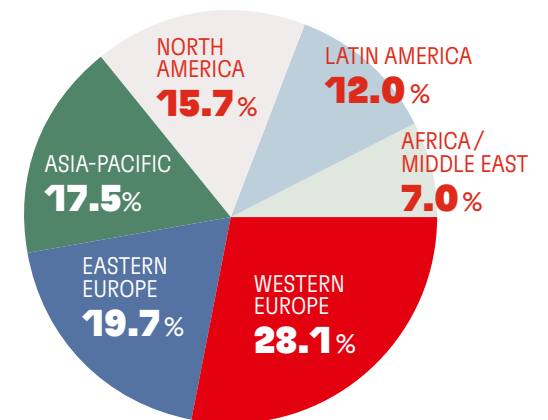
SHARE OF FEMALE MANAGERS

38.1%

EMPLOYEES BY ORGANIZATIONAL UNIT¹



EMPLOYEES BY REGION¹



¹ As of December 31, 2021.

SMART WORK

At Henkel, we measure performance by results, not by presence. That is why mobile working and virtual collaboration have been a reality for many years, much was accelerated by the global pandemic. It became clear how well virtual collaboration and mobile working work, but also how important it is to come together as a team. Our sites and offices will always be places to work together and share ideas with colleagues. At the same time, a future-oriented working environment also means more flexibility and freedom for employees.

In 2021, Henkel developed the holistic “Smart Work” concept with which we are shaping the future of work. The concept not only provides a global framework for mobile working, but also reveals hidden potential: how the design of our offices can foster collaboration, how our health program can make a greater contribution to the wellbeing of our employees, and how digitalization can make collaboration even faster and easier.



SUSTAINABILITY

Our sustainability strategy is a direct reflection of our company's dedication to "Purposeful Growth." We are committed to creating more value for all stakeholders, developing our business responsibly and successfully, and building on our leading role in sustainability. With our pioneering spirit, our knowledge, our products and our technologies, we want to enrich and improve the lives of billions every day and shape a purposeful future for generations to come. Sustainable business practices have been an integral part of our company culture for decades, and are a central element of our vision of the future.

www.henkel.com/sustainability

LESS CO₂ EMISSIONS
PER TON OF PRODUCT¹

-50%

PROPORTION OF RECYCLED
PLASTIC IN PACKAGING FOR
OUR CONSUMER PRODUCTS

18%

LESS WATER
PER TON OF PRODUCT¹

-28%

LIVES IMPROVED
WORLDWIDE

7.03 m

EXCELLENT PERFORMANCE IN RATINGS AND RANKINGS



¹ Figures relate to the 2021 fiscal year compared to the 2010 base year.

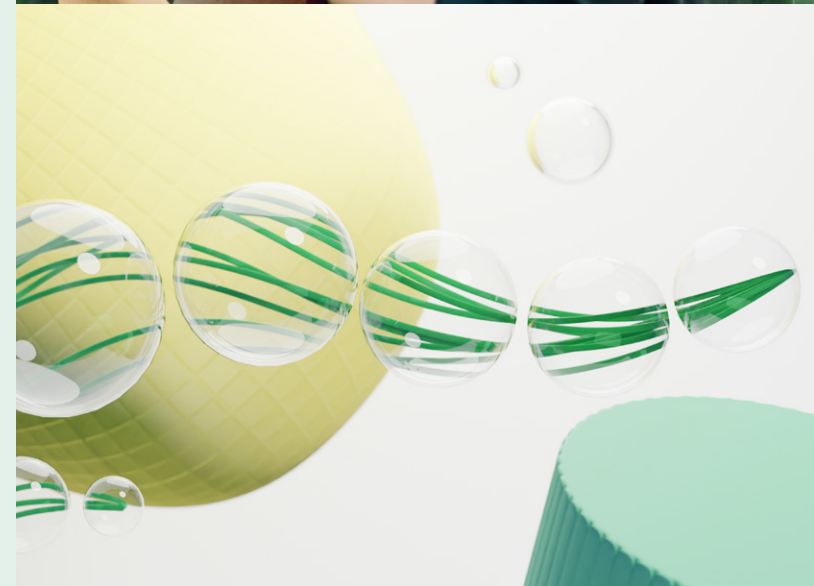
OUR SUSTAINABILITY STRATEGY

Building on our previous strategy, we developed our 2030+ Sustainability Ambition Framework encompassing three dimensions:

Regenerative Planet: *We want to enable a circular and net-zero carbon future by transforming our business, products and raw materials underpinned by science and innovation.*

Thriving Communities: *We want to help people lead a better life through the collective strength of our business and brands by supporting equity, education and wellbeing.*

Trusted Partner: *We want to drive performance and systems change with integrity through our values-based culture, deep rooting in science and our passion for technology.*



OUR SOCIAL ENGAGEMENT

Ever since Henkel was established, social engagement has been integral to our company culture. Together with employees and retirees, customers, consumers and non-profit organizations, we are committed to our social environment on a global scale. This commitment is based on three pillars: voluntary engagement of employees and retirees, social partnerships, and emergency aid. We exceeded our overarching goal of reaching 20 million people by 2025 ahead of schedule in 2021. For 2030, we have set ourselves the goal of helping to improve the lives of 30 million people worldwide.

www.henkel.com/spotlight/social-engagement



CORPORATE VOLUNTEERING

Through our “MIT Volunteering” (Make an Impact on Tomorrow) initiative, we support the voluntary and pro bono activities of our employees and retirees worldwide.



SOCIAL PARTNERSHIPS

Through social partnerships, we support social initiatives and public institutions in the communities where Henkel operates. The main goal is to support the process of social advancement through education.



EMERGENCY AID

Henkel responds quickly and unbureaucratically to natural disasters, providing immediate aid through the foundation “Fritz Henkel Stiftung.”

10 YEARS OF THE FRITZ HENKEL **FOUNDATION**

With the creation of Fritz Henkel Stiftung in 2011, we once again underlined our long-term commitment to providing support beyond the scope of our own business activities. The foundation, which operates independently of the company, focuses its support on promoting equal opportunity and social integration. Equal access to education is the key to greater social participation.

Since being founded ten years ago, the Foundation has provided donations and grants amounting to some 30 million euros, supporting over 4,000 social projects and around 3.5 million people in more than 100 countries. On its tenth anniversary, the Foundation announced a special donation of 100,000 euros to benefit ten social projects worldwide.



WANT TO LEARN MORE ABOUT HENKEL?

Visit our website:

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:



HENKEL ON SOCIAL MEDIA



www.linkedin.com/company/henkel

www.twitter.com/henkel

www.facebook.com/henkel

www.instagram.com/henkel

www.youtube.com/henkel

SPOTLIGHT MAGAZINE

Discover stories, expert interviews, extensive features and guest articles in our digital magazine, Spotlight:

www.henkel.com/spotlight



You can also listen in to our German “Fritz for Future” podcast, where we meet people who show us what it means to be sustainable, ethical and creative in business.

www.henkel.de/spotlight/fritz-for-future

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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