

Press Release

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Combining direct-to-consumer and in-salon experience

Henkel launches first B2B2C hyper-personalized professional hair care brand

Düsseldorf - With the launch of the new Schwarzkopf Professional hair care brand SalonLab&Me, Henkel is taking the mega trend of personalization one step further by combining hairdresser expertise with a digital experience. Salon clients can now receive their hyper-personalized hair care recommendation, matching their exact hair type, while hairdressers can explore a new business model for their salon. The new hair care line is available in a salon-exclusive online shop and is thus further enhancing the company's digital innovation portfolio.

The consultation for all hyper-personalized products is based on a professional hair analysis, which is carried out individually by a hairdresser using the SalonLab Smart Analyzer. Thereby, the company combines in-salon hair consultation with a convenient online shopping experience in a new business-to-business-to-consumer (B2B2C) business model.

"We're really excited to launch this pioneering project, that combines the invaluable hairdresser expertise with cutting-edge digital innovation. With SalonLab&Me, we're creating a unique physical-meets-digital experience in which salons and their clients explore the best of both worlds, brought to life through a new business model: B2B2C," says Friederike Murschenhofer, Corporate Director Digital Innovation at Henkel Beauty Care. "Not only are we offering a hyperpersonalized product, but also a matching digital experience - including access to a SalonLab&Me online account, where end consumers receive personalized content matching their individual hair needs and goals."

Based on data-driven insights and innovation, the company's business unit Henkel Beauty Care and the digital unit Henkel dx have been developing a new business concept for the launch of Henkel's first B2B2C Professional hair care brand SalonLab&Me. The new product range allows

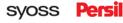


















salons and their clients to experience hyper-personalized professional hair care and at the same time supports partnering salons to step into the future of hair care sales.

"SalonLab&Me is the next logical step following the success we see with our SalonLab Smart Analyzer. Based on the positive feedback we received by both hairdressers and end consumers, we quickly realized it's time to take personalized hair care to the next level. With SalonLab&Me, we were able to create a brand, which innovates not only the personalized hair care business, but with its unique business model also an entire industry," says Stuart Hamid, General Manager Henkel Beauty Care Professional Germany, Austria & Switzerland. "We can offer our consumers a hyper-personalized salon journey with professional hair care and at the same time support hairdressers who can explore an exciting and unique new business opportunity for their salon."

The analysis tool SalonLab Smart Analyzer was developed under the guidance of Henkel Beauty Care's scientists and hair specialists, infusing more than 120 years of hair expertise, research, and consumer insights, and is now further evolving in close collaboration with Henkel dx. The SalonLab Smart Analyzer enables hairdressers to recommend products and services best suited for each client's hair type by analyzing hair at a molecular level. The cutting-edge technology uses a near-infrared sensor to measure the quality of the inner hair condition instead of only analyzing the hair's outer appearance.

New Business-to-Business-to-Consumer approach

Besides offering innovative and high-performing products, SalonLab&Me provides a new e-commerce business solution for partnering salons, offering exclusivity to the prescribing salon. Clients can order their SalonLab&Me products through an online shop, which is exclusively linked to the salon they did their analysis with – and the salon receives a commission for every order made by their clients, regardless of whether it is placed directly in the salon or online in between salon visits. To continue the SalonLab&Me journey, clients can log into their account on the <u>SalonLab&Me website</u> to review their personal hair score and order history, repurchase products, and explore a range of personalized blog articles with expert insights based on their hair type and selected products.

"The mega trends of personalization and data-driven innovation are rapidly evolving, and we at Henkel are continuously working on new products, business models and ideas to create meaningful and substantial experiences and innovations for our customers and consumers," says Michael Nilles, Chief Digital and Information Officer at Henkel. "With the launch of SalonLab&Me, we are expanding our D2C competencies and are creating additional value for

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our consumers. But even more than that: By powering our professional hair care experience through RAQN, our digital business platform, we were able to bring a new business model to life and get one step closer to the hair care of the future."

How it works

SalonLab&Me is the first hyper-personalized, salon-exclusive hair care range that combines the convenience of e-commerce with a holistic user experience for salon clients, all within a simple four-step process:

1. SalonLab analysis in salon

- The hairdresser's expert assessment is a vital element for the personalized product recommendation. Together with their client, the stylist fills out a user friendly in-app questionnaire detailing the current condition of their client's hair.
- Following this expert assessment of the hair, the stylist uses the SalonLab Smart Analyzer to analyze the inner hair structure and hair color.

2. Hyper-personalized product

 The client receives a personalized product recommendation, which consists of a product bundle matching their unique hair needs.

3. Customization

• The bundle can be further customized with the client's name and chosen color on the labels, as well as their preferred fragrance.

4. Checkout and sign-up

 The order process is fully digitalized: the client receives a link after sign-up in order to purchase their individual products and get access to their personal SalonI ab&Me account

The Products

Tailored to the client's unique hair goals, SalonLab&Me provides hyper-personalized product bundles that have been developed for each individual hair type and hair goals, across a full hair care range:

- SalonLab&Me Shampoo
- SalonLab&Me Conditioner (spray or cream)
- SalonLab&Me Mask (pigmented or intensely caring)

Henkel AG & Co. KGaA Page 3/4

About Henkel

Henkel operates globally with a well-balanced and diversified portfolio. The company holds leading positions with its three business units in both industrial and consumer businesses thanks to strong brands, innovations and technologies. Henkel Adhesive Technologies is the global leader in the adhesives market – across all industry segments worldwide. In its Laundry & Home Care and Beauty Care businesses, Henkel holds leading positions in many markets and categories around the world. Founded in 1876, Henkel looks back on more than 140 years of success. In 2021, Henkel reported sales of more than 20 billion euros and an adjusted operating profit of about 2.7 billion euros. The company employs more than 52,000 people globally – a passionate and highly diverse team, united by a strong company culture, a common purpose, and shared values. As a recognized leader in sustainability, Henkel holds top positions in many international indices and rankings. Henkel's preferred shares are listed in the German stock index DAX. For more information, please visit www.henkel.com.

Photo material is available at www.henkel.com/press

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