DISCLAIMER

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This document includes – in the applicable financial reporting framework not clearly defined – supplemental financial measures that are or may be alternative performance measures (non-GAAP-measures). These supplemental financial measures should not be viewed in isolation or as alternatives to measures of Henkel’s net assets and financial positions or results of operations as presented in accordance with the applicable financial reporting framework in its Consolidated Financial Statements. Other companies that report or describe similarly titled alternative performance measures may calculate them differently.

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01 Henkel Group Overview

02 Purposeful Growth Agenda & Financial Ambition

03 H1 2020 Release
**A GLOBAL LEADER IN BRANDS AND TECHNOLOGIES**

**HENKEL: THREE AREAS OF COMPETENCE**

<table>
<thead>
<tr>
<th>Industrial Business</th>
<th>Consumer Business</th>
<th>Laundry &amp; Home Care</th>
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<tbody>
<tr>
<td>Adhesive Technologies</td>
<td>Beauty Care</td>
<td>#1 Europe #2 North America</td>
</tr>
<tr>
<td>Globally leading positions #1 Global</td>
<td>#1 Styling / #2 Hair Coloration #3 Hair Professional</td>
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</tr>
</tbody>
</table>

Consumer business market positions in active markets

Henkel Roadshow Presentation August 2020
WELL DIVERSIFIED AND BALANCED PORTFOLIO
THREE BUSINESS UNITS OPERATING ACROSS ALL REGIONS

Sales by business unit 1
- Adhesive Technologies: 47%
- Beauty Care: 19%
- Laundry & Home Care: 33%

Sales by region 1
- Latin America: 6%
- Africa/ Middle East: 7%
- Eastern Europe: 15%
- Asia/ Pacific: 15%
- North America: 26%
- Western Europe: 30%
- Emerging Markets: 40%

1 Corporate sales not included (account for 1% of sales)

Henkel Roadshow Presentation August 2020
STRONG FOUNDATION

- Strong, long-standing customer relationships
- High-quality brands, innovations & technologies
- Global leader in Adhesive Technologies
- Beauty Care global #3 in Professional, selective strongholds in Hair Retail
- Global #3 in Laundry & Home Care with many leading positions
STRONG FOUNDATION

- Dedicated, passionate & loyal team
- **Sustainability** deeply rooted and widely recognized
- Strong track record in execution & efficiency
- Strong balance sheet & cash generation capabilities
- High number of M&A deals executed and integrated
### Overall mixed performance in 2019

- **Sales** reaching € 20.1, nominally up by 1.1%, organic sales growth flat
- **Adj. EBIT** at €3.2 bn, 7.9% below the prior year level
- Decline of Adj. EBIT Margin by 160bps to 16.0%, also due to increased growth investments
- **Adjusted EPS**\(^1\) 9.7% below previous year, at constant currencies -10.1%

\(^1\) Per preferred share
HENKEL GROUP FINANCIALS

Strong and consistent cash generation

- Continued focus on long-term cash expansion driven by operating performance, efficient capital management and disciplined CapEx
- Very robust balance sheet with net financial position of € -2,045 m as of December 31, 2019
- Cash generation capabilities and low debt levels provide options for investments
HENVKEL GROUP REVIEW: ADHESIVE TECHNOLOGIES

- Globally leading positions in attractive markets
- Balanced and robust portfolio, based on consistent portfolio management
- Most comprehensive technology portfolio
- Broadest regional coverage as well as customer and application mix
- Long-lasting, intimate customer relations

- Performance potential from sustainability not yet fully seized
- Potential to enrich portfolio with further future-oriented technologies and adjacent businesses

STRONG FOUNDATION

AREAS FOR CHANGE
HENKEL GROUP REVIEW: BEAUTY CARE

- Attractive market with high gross margins
- Key competence Hair, stronghold Professional
- Iconic brands and innovation track record
- Leading Retail country-category positions
- Strong customer relationships & consumer insights, excellent technological expertise

- Underrepresented in high-growth markets / categories
- Part of portfolio currently not growing
- Tail of sub-scale brands
- Need to strengthen core brands with innovations and consistent marketing investments

STRONG FOUNDATION

AREAS FOR CHANGE
HENKEL GROUP REVIEW: LAUNDRY & HOME CARE

- Attractive market – comprehensive coverage
- Global #3 with many leading positions
- Trusted brands with strong innovation
- Strengths in Detergents and Toilet Care
- Strong customer ties & consumer insights, excellent technological expertise

- Need to turn around North America
- Tail of sub-scale brands
- Inconsistent marketing investments
HENKEL GROUP REVIEW: SUSTAINABILITY

- Sustainability part of DNA and holistic strategy in place
- Considerable progress made in achieving ambitious set of targets
- Leading in responsible sourcing and supply
- Ambassador program with >50,000 employees trained in sustainability
- Strong external recognition

- Strong position not tangible enough for our stakeholders, especially customers and consumers
- Potential to drive our performance with sustainable products and solutions not fully utilized
HENKEL GROUP REVIEW: DIGITAL

- Digitalization anchored as strategic priority
- Highly standardized ERP backbone
- State-of-the-art Shared Service organization
- Strong progress in Industry 4.0
- Global Digital Upskilling initiative

- Business opportunities from Digital and data not sufficiently capitalized
- Inadequate inhouse Digital expertise to respond to new market realities
- IT and CDO organizations decoupled
HENKEL GROUP REVIEW: CULTURE & PEOPLE

- Loyal and passionate people
- Attractive employer with strong brands & technologies and diverse career opportunities
- Established, long-term focus on talent development
- New Leadership Commitments shaping our foundation for a strong company culture

- Need to accelerate our cultural journey focusing on collaboration and empowerment
- Tackle rising scarcity of talent

STONG FOUNDATION

AREAS FOR CHANGE
AGENDA

01 Henkel Group Overview

02 Purposeful Growth Agenda & Financial Ambition

03 H1 2020 Release
WIN THE 20s THROUGH PURPOSEFUL GROWTH

Create superior Customer & Consumer Value to outgrow the markets

Reinforce our leadership in Sustainability to shape Henkel’s future, contribute to society and benefit the planet

Enable our People to grow with a sense of belonging
KEY FOCUS TOPICS

Rigorously shape a **WINNING PORTFOLIO**

Accelerate with impactful **INNOVATIONS** supported by increased investments

Boost **SUSTAINABILITY** into a true differentiator

Transform **DIGITAL** into a customer & consumer value creator

Reshape **OPERATING MODELS** to be lean, fast & simple

Accelerate **CULTURAL JOURNEY** with Leadership Commitments at the core
PURPOSEFUL GROWTH

Winning Portfolio

Competitive Edge

- Innovation
- Sustainability
- Digitalization

Future-ready Operating Model

Collaborative Culture & Empowered People
PURPOSEFUL GROWTH

Winning Portfolio

Competitive Edge

Future-ready Operating Model

Innovation

Sustainability

Digitalization

Collaborative Culture & Empowered People
RIGOROUSLY SHAPE A WINNING PORTFOLIO

- Active portfolio management
- Optimize consumer portfolio
- M&A integral part of our strategy
ACTIVE PORTFOLIO MANAGEMENT

- Specific focus on brands and categories in consumer businesses
- Key criteria: Market Attractiveness, Ability to Win, OSG and Gross Margin
- Portfolio measures: Turnaround / Continue & Divestment / Exit
OPTIMIZE CONSUMER PORTFOLIO

Brands and categories identified for portfolio measures with

>€ 1 bn
total sales volume

Around

50%
of identified sales marked for divestment or discontinuation by 2021

Illustrative representation
M&A INTEGRAL PART OF OUR STRATEGY

- Key criteria: Availability of Target, Strategic Fit & Financial Attractiveness
- Expand technology leadership in Adhesive Technologies
- Focus on leading country/category positions, new business models and white spots in Consumer businesses

12.5 bn € invested in M&A since 2008

100 percent of investment was cash and/or debt-financed

20 bn € in free cash flow generated in 2008-19
PURPOSEFUL GROWTH

Winning Portfolio

Competitive Edge

Innovation
Sustainability
Digitalization

Future-ready Operating Model

Collaborative Culture & Empowered People
ACCELERATE WITH IMPACTFUL INNOVATIONS
SUPPORTED BY INCREASED INVESTMENTS

- Innovation approach
- Impactful innovations
- Increased investments
ENHANCE INNOVATION APPROACH

- Leverage digital tools and data for faster and better insights
- Intensify co-creation, open innovation and idea crowdsourcing
- Apply agile approaches and incubators for trend detection, testing & learning
- Enable creative leads by decision-making in the regions for the region
- Build Innovation Centers with state-of-the-art working space
▪ Automotive industry in transformation
▪ Double-digit growth expected for electric and hybrid vehicles
▪ Electrification and autonomous driving significantly increase the number of electric components
▪ Well positioned to enable customers to shape the car of the future
IMPACTFUL INNOVATIONS
ADHESIVE TECHNOLOGIES

- Worldwide 5G roll-out
- Internet of Things and mobile communication drive double-digit growth rates of 5G devices
- 20 million new 5G base stations to be installed globally by 2025 to enable high-speed data transmission
- Well positioned as material solution provider for the connected future

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IMPACTFUL INNOVATIONS
BEAUTY CARE

▪ Win new customers and consumers with salon-exclusive, fully modular hair care brand Fibre Clinix

▪ Harness customization trend with SalonLab Analyzer – leading-edge hair & IoT science

▪ Sustain strong growth momentum in Professional
Attract new consumers via sustainable proposition of Nature Box solid bars: vegan, 0% plastic, travel-friendly, free-from

Seize opportunities in natural segment growing double-digit

Premiumize hair care portfolio by building on strong position of Nature Box
LAUNDRY & HOME CARE

- Leveraging breakthrough Persil 4in1 DISCS with innovations across countries
- New PROCLEAN OXI DISCS & Liquid in North America, with the best performance in the OXI segment
- Launch 4in1 DISCS with patented technology for Malodor Control offering unique, highly relevant benefit
Breakthrough in Hand Dishwashing with revolutionary innovations making dishwashing fast & easy

Global launch of new Pril 5+ with unique Self-Grease-Lift-Technology

Quick expansion of innovative Power & Pearls for extraordinary dishwashing experience
INCREASED INVESTMENTS

- Consistently support innovations and brands with targeted investments in core categories and regions
- €350 m increase of growth investments in advertising, digital and IT in 2020 versus 2018
- Sharpen communication of brand purpose
PURPOSEFUL GROWTH

Winning Portfolio

Competitive Edge

Future-ready Operating Model

Innovation

Sustainability

Digitalization

Collaborative Culture & Empowered People
BOOST SUSTAINABILITY INTO A TRUE DIFFERENTIATOR

- Become climate-positive
- Promote circular economy
- Anchor Sustainability in all we do
BECOME CLIMATE-POSITIVE
ACCELERATE TOWARDS 2025

65% reduction in the CO₂ emissions of our production

100m t CO₂ saved together with our consumers, customers and suppliers

BECOME CLIMATE-POSITIVE BY 2040
CIRCULAR ECONOMY
ACCELERATE TOWARDS 2025

100% recyclable / reusable plastic packaging

50% reduction of fossil-based virgin plastics

1 Excl. adhesive products where residue may affect recyclability or pollute recycling streams
2 Consumer products

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POSITIVE SOCIAL IMPACT
ACCELERATE TOWARDS 2025

100% responsible sourcing

>50,000 engaged employees

IMPROVE
20 MILLION LIVES
GLOBALLY
ANCHOR SUSTAINABILITY IN ALL WE DO

Consumer businesses:
- Central pillar of innovation strategy
- Strengthen sustainability positioning and brand purpose
- New plastics strategy: less – recycled – zero

Adhesive Technologies:
- Stronger positioning of sustainability
- Leveraging market potential
- Setting industry standards
PURPOSEFUL GROWTH

Winning Portfolio

Competitive Edge

Future-ready Operating Model

Innovation

Sustainability

Digitalization

Collaborative Culture & Empowered People
TRANSFORM DIGITAL INTO A CUSTOMER & CONSUMER VALUE CREATOR

- Boost 1:1 engagement and digital sales in consumer
- Drive E2E customer-centric digitalization in industrial
- Enable digital business focus and efficiency
BOOST 1:1 ENGAGEMENT AND DIGITAL SALES IN CONSUMER

- Scale-up IoT projects and D2C – eSalon, SalonLab, Choicify, Somat Smart, Truman’s
- Build 1:1 consumer relationships leveraging eCRM – Schwarzkopf CRM, Ask Team Clean
- Expand inhouse capabilities to enhance speed and relevance – Content Factories
- Drive digital sales growth through dedicated and unique e-Innos – Persil concentrated tabs
DRIVE E2E CUSTOMER-CENTRIC DIGITALIZATION IN INDUSTRIAL

- Digitalization of customer experience across all touchpoints
- End-to-end data integration to strengthen competitive advantage
  - Creation of innovative solutions through Analytics and Artificial Intelligence
  - Efficiency increase in Operations & Supply Chain
- Further build-up of expertise through recruitment of data scientists & engineers
ENABLE DIGITAL BUSINESS
FUTURE SET-UP

- Combining Digital and IT under CDIO, reporting to CEO
- Business Technology continuously optimizing processes & IT systems to ensure efficiency
- Henkel Digital as dedicated unit for market-oriented incubation & innovation
  - Hubs in Berlin, Silicon Valley & Asia
  - Internal software, data & analytics expertise
  - New business building
  - Driving strategic partnerships
PURPOSEFUL GROWTH

Winning Portfolio

Competitive Edge

Future-ready Operating Model

Innovation

Sustainability

Digitalization

Collaborative Culture & Empowered People
RESHAPE OPERATING MODELS TO BE LEAN, FAST & SIMPLE

- Step-up customer & consumer proximity
- Increase efficiency
ADHESIVE TECHNOLOGIES

- Strategic Business Units (SBUs) focused on customers and markets
- End-to-end responsibility of SBUs enables fast customer responsiveness
- Drive synergies and competitive advantage through scale and know-how across portfolio

4 Divisions with 11 SBUs

Megatrends

- Mobility
- Sustainability
- Connectivity
- Urbanization

Market

- Automotive & Metals
- Packaging & Consumer Goods
- Electronics & Industrials
- Craftsmen, Construction & Professional
BEAUTY CARE

- Empower the front line being closest to consumers and customers
- Design, develop and decide in the region for the region
- Establish global growth office to identify and prioritize buckets of growth
- Leaner structures with less layers and complexity
LAUNDRY & HOME CARE

- Enhanced regional focus for more synergies & empowerment with three regions
- New Digital & Game Changer Unit focusing on future growth fields
- New process and agile methods for more agility and customer & consumer proximity
PURPOSEFUL GROWTH

Winning Portfolio

Competitive Edge

Future-ready Operating Model

Innovation

Sustainability

Digitalization

Collaborative Culture & Empowered People
ACCELERATE **CULTURAL JOURNEY**
WITH LEADERSHIP COMMITMENTS
AT THE CORE

- Drive culture of collaboration and empowerment
- Upskill employees on future capabilities
- Enable people to grow with strong sense of belonging
We act as entrepreneurs

We develop people with passion

We collaborate as strong teams

We own our results
DRIVE CULTURE OF COLLABORATION AND EMPOWERMENT

**Leadership Commitments** introduced as first step of our cultural journey

- Powerful global roll-out
- Integration in key HR processes

**Cultural transformation** requires engagement of all employees

- Commitment to transformation at the top
- Leverage change potential of younger generation
UPSKILL EMPLOYEES ON FUTURE CAPABILITIES

- Cloud-based learning platform
- 1st global Digital Upskilling Initiatives
- Upskilling offer for senior management
- Digital workforce transformation by recruiting digital talents
FIRST SET OF ACTIONS

Shape portfolio: >€ 1 bn sales identified, ~50% marked for divest / exit by 2021
Step up investments by € 350 m vs 2018 to succeed with impactful innovations
Reduce CO₂ by 65% and move to 100% recyclable / reusable plastics by 2025
Implement new “Digital Business” set-up in 2020
Complete execution of operating models in all businesses
Finalize roll-out of Leadership Commitments
MID- TO LONG-TERM FINANCIAL AMBITION
COMMITTED TO PURPOSEFUL GROWTH

▪ Achieve organic sales growth of 2-4%
▪ Deliver mid- to high single-digit % adjusted EPS growth at constant currencies
▪ Continued focus on Free Cash Flow expansion

▪ Pursue compelling growth opportunities with superior execution
▪ Maintain cost discipline and focus on margin
AGENDA

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**KEY DEVELOPMENTS H1 2020**

SALES AND EARNINGS PERFORMANCE IMPACTED BY COVID-19 PANDEMIC

<table>
<thead>
<tr>
<th>Nominal Sales</th>
<th>Organic Sales Growth</th>
<th>Adjusted EBIT Margin</th>
<th>Adjusted EPS¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ 9.5 bn</td>
<td>-5.2%</td>
<td>12.6%</td>
<td>€ 1.96</td>
</tr>
<tr>
<td>-6.0%</td>
<td></td>
<td>-370bps</td>
<td>-28.2%²</td>
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</table>

- Adhesive Technologies impacted by headwinds from significantly reduced industrial demand
- Beauty Care Retail almost stable in topline, Hair Professional strongly affected
- Laundry & Home Care delivering very strong broad-based sales growth, but North America below expectations

¹ Per preferred share  
² At constant exchange rates
KEY DEVELOPMENTS H1 2020
STRONG FOUNDATION TO EMERGE STRONGER FROM THE CRISIS

Strong Foundation
- Strong balance sheet with very strong free cash flow and low debt levels
- Responding decisively to COVID-19 pandemic
- Purposeful growth agenda in full execution
- Full year performance still not predictable with sufficient reliability

Effective COVID Response

Strategic Framework
WIN THE 20s THROUGH PURPOSEFUL GROWTH
COVID-19 substantially affecting economies and societies globally

All regions with few country exceptions strongly affected in terms of GDP reduction and private consumption in Q2

IPX mid teens down in Q2 after already negative Q1; more pronounced for automotive build-rates

Changing consumer behavior amid COVID-19 outbreak and lockdowns

COVID headwinds for Henkel peaked in April/May

GOVERNMENTAL LOCKDOWN HEATMAP

<table>
<thead>
<tr>
<th>Country</th>
<th>Jan-20</th>
<th>Feb-20</th>
<th>Mar-20</th>
<th>Apr-20</th>
<th>May-20</th>
<th>Jun-20</th>
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<tbody>
<tr>
<td>USA</td>
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<td>India</td>
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</table>

Light measures: Low to moderate lockdown measures
Medium constraints: More substantial lockdown measures
Strong constraints: Severe lockdown measures
COVID-19 IMPACTS ON OUR BUSINESSES IN Q2
BROAD-BASED PORTFOLIO MITIGATING HEADWINDS

- Significant drop in Automotive production
- Broad-based decline in Industrials
- Construction turning negative especially in Eastern Europe
- Hair Professional significantly impacted by salon closures
- Styling category affected by lockdown and social distancing

- Laundry Care stronger in Heavy Duty Detergents, weaker in Light Duty Detergents
- Adhesives for consumer goods largely unaffected, in parts with higher demand

- Soaps boosted by increased hygiene awareness
- At-home coloration experiencing strong demand uplift
- Auto dishwashing up as people are cooking more at home
- Higher usage of surface cleaners
- Accelerated channel shift to e-commerce
- Capturing emerging opportunities from strong hygiene demand
Thorough precautionary measures at our >200 office locations and >180 production sites globally

Seamless and effective switch to home office leveraging digital workplace – gradual return onsite

Supporting 470 COVID-19 related projects in 43 countries as part of comprehensive global solidarity program

From 90% production sites running end of March back to 100% by mid-June, safeguarding supply chain stability

~€ 40m special cost incurred, e.g. for protective equipment

RESPONDING DECISIVELY TO COVID-19 PANDEMIC
STRONG COMMITMENT TO OUR COMPANY VALUES

Ensuring employee safety, supplying customers and supporting communities
PURPOSEFUL GROWTH

Winning Portfolio

Competitive Edge

Innovation

Sustainability

Digitalization

Future-ready Operating Model

Collaborative Culture & Empowered People
Rigorously shaping a winning portfolio.

**Active portfolio management**
- Up to now ~€ 80 m sales divested/discontinued, primarily in Adhesive Technologies
- Commitment to complete announced portfolio measures by end of 2021

**M&A integral part of strategy**
- 2 acquisitions signed
- Investment of ~€ 0.5 bn utilizing our strong balance sheet
Majority stake in D2C business

- Expanding digital D2C platforms with three fast growing premium Beauty brands
- Adding strong digital capabilities and unique brand building expertise

Value enhancing acquisitions.
Value enhancing acquisitions.

Strengthening Adhesive Technologies in NA

- Acquiring highly complementary consumer sealants business marketed under the GE brand

- Excellent distribution via home-improvement centers, major retailers and hardware stores and professional outlets
Co-creating **high-impact water proofing solution** for smartphones

Expanding “**Better for You**” color **portfolio**, accelerated share gains in US

**4in1 DISCS with global market share gains** of ~500bps y-o-y in Caps segment

Accelerate with impactful innovations...
...addressing increased hygiene and cleaning consumer needs...

- **Fast-track hygiene innovations** across consumer portfolio
- **Step-up in communication** for hygiene products and consumer education
- Dial with **>25% organic sales growth** in H1 and ~10 m new household buyers
- **Step-up of growth investments in marketing, digital and IT** by high double-digit € million amount vs. 2019

- **Committed to increasing growth investments** in full year 2020 in line with strategy, flexibly adjusting to market realities

...supported by increased investments.
Boosting sustainability into a true differentiator.

- Advancing with **new plastics strategy** in Beauty Care and Laundry & Home Care: less – recycled – zero
- Henkel globally 1st issuer of **Plastic Waste Reduction Bond**
Boosting sustainability into a true differentiator.

- **LOCTITE LIOFOL** certified recyclable coating enables replacement of plastic with paper
- **BERGQUIST** thermal management solution enhances efficiency of electric vehicle batteries
- **BONDERITE** aluminum anodizing solution doubles life span of sealed parts, reducing CO₂ footprint
Transform digital into a customer and consumer value creator.

- **Strong increase in digital sales** by >60% percent in Beauty Care and Laundry & Home Care combined
- **Digital share in Group sales** approaching mid-teens
Transform **digital** into a customer and consumer value creator.

- **New Digital Business** set-up implemented under Henkel ‘dx’
- **Joint forces** and **unity of effort** approach, combining our businesses, functions and digital
Reshape operating models to be lean, fast and simple.

- Operating model changes completed in Adhesive Technologies
- Laundry & Home Care and Beauty Care well on track
- Purchasing reorganized to enable stronger business focus and proximity
Fostering collaborative culture and sense of belonging during COVID-19 pandemic

- Transparent and frequent communication with global teams

- Leadership Commitments rolled out to >50,000 employees, engaging via ~2,600 activation sessions

Accelerate cultural journey with Leadership Commitments at the core.
WRAP-UP

Shape portfolio: ~€ 80m sales divested/discontinued so far, 2 acquisitions signed

Growth investments significantly up, supporting impactful innovations

Advancing sustainability initiatives, globally 1st plastic waste reduction bond issued

Digital sales up by >60% in consumer businesses, new “Digital Business” set-up live

Operating model changes completed or well on track

Roll-out of Leadership Commitments finalized
SALES DEVELOPMENT
H1 2020

OSG
-5.2%
  Price -0.8%
  Volume -4.4%

M&A
+0.3%

FX
-1.1%

Nominal
-6.0%
REGIONAL DEVELOPMENTS
ORGANIC SALES DEVELOPMENT H1 2020

- North America: -6.4%
- Western Europe: -8.0%
- Latin America: -11.4%
- Africa / Middle East: 4.2%
- Eastern Europe: 3.1%
- Asia-Pacific: -6.4%
- Mature Markets: -6.9%
- Emerging Markets: -2.6%
## ORGANIC SALES DEVELOPMENT

### H1 & Q2 2020

<table>
<thead>
<tr>
<th>Group</th>
<th>H1</th>
<th>Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group</strong></td>
<td>-5.2%</td>
<td>-9.4%</td>
</tr>
<tr>
<td>Adhesive Technologies</td>
<td>-10.9%</td>
<td>-17.4%</td>
</tr>
<tr>
<td>Beauty Care</td>
<td>-8.5%</td>
<td>-12.8%</td>
</tr>
<tr>
<td>Laundry &amp; Home Care</td>
<td>+4.9%</td>
<td>+4.4%</td>
</tr>
</tbody>
</table>
### STRONG CRISIS MANAGEMENT & FINANCIAL FLEXIBILITY

<table>
<thead>
<tr>
<th>Concise Operational Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Strong targeted management of local crisis situations</td>
</tr>
<tr>
<td>▪ High agility in supply chain and production, most plants back in operation</td>
</tr>
<tr>
<td>▪ Realizing market opportunities in hygiene addressing consumer needs</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Focus on Cost and Cash Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Short-term savings realized</td>
</tr>
<tr>
<td>▪ Strong focus on net working capital management and targeted capex</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Strong Balance Sheet</th>
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</thead>
<tbody>
<tr>
<td>▪ Continued low net debt level of € -2.0 bn with sufficient room to maneuver</td>
</tr>
<tr>
<td>▪ Strong single A-rating reconfirmed</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>High Financial Flexibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Successful bond placements at attractive conditions including innovative sustainable financing via plastic waste reduction bond</td>
</tr>
<tr>
<td>▪ Cash position of € 2 bn, undrawn credit lines / CP facilities of ~€ 2 bn, further headroom in Debt Issuance Program and balanced bond maturity profile</td>
</tr>
</tbody>
</table>
**ADHESIVE TECHNOLOGIES**

**ORGANIC SALES GROWTH H1: -10.9%**

- Overall decline, with negative Q1 followed by substantially lower Q2
- Automotive & Metals business area with double-digit decline due to shut-down of many customers’ production sites globally
- Packaging & Consumer Goods business area moderately affected; Consumer Goods positive
- Electronics & Industrials business area double-digit negative due to Industrials; Electronics above prior year
- Craftsmen, Construction & Professional business area below prior year; Construction in Q2 negative after strong Q1
<table>
<thead>
<tr>
<th></th>
<th>Organic Sales Growth</th>
<th>Adjusted EBIT Margin</th>
<th>Net Working Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-10.9%</td>
<td>13.1%</td>
<td>14.4%</td>
</tr>
<tr>
<td>Price</td>
<td>+0.2%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volume</td>
<td>-11.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change y-o-y</td>
<td></td>
<td>-500 bps</td>
<td>+80 bps</td>
</tr>
</tbody>
</table>

Henkel Roadshow Presentation August 2020
ORGANIC SALES GROWTH H1: -8.5%

- Hair Professional significantly declining due to salon closures, on a recovery trend since May
- Retail almost flat despite headwinds from COVID-19, taking opportunity in Body and Color
- Retail winning market shares in North America, Eastern Europe and Middle East / Africa
- Nature brands contributing with mid double-digit growth
- Strong boost in online and D2C sales with new initiatives across Retail and Professional
### BEAUTY CARE

**H1 2020**

<table>
<thead>
<tr>
<th>Organic Sales Growth</th>
<th>Adjusted EBIT Margin</th>
<th>Net Working Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>-8.5%</td>
<td>9.4%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Price</td>
<td>Volume</td>
<td>Change y-o-y</td>
</tr>
<tr>
<td>-0.7%</td>
<td>-7.8%</td>
<td>-410bps</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Change y-o-y</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-210bps</td>
</tr>
</tbody>
</table>
LAUNDRY & HOME CARE
ORGANIC SALES GROWTH H1: +4.9%

- Home Care showing double-digit growth with core brands Pril, Bref & Somat growing double-digit
- Good growth in Laundry Care driven by very strong performance of Heavy-Duty Detergents
- #1 brand Persil growing double-digit, supported by innovative 4in1 DISCS expanding global market share
- Growth in all regions, double-digit in Middle East / Africa, Eastern Europe and Asia Pacific regions
- Market share loss in North America despite positive organic sales growth
- Very strong performance in eCommerce with mid double-digit growth
LAUNDRY & HOME CARE
H1 2020

Organic Sales Growth

4.9%

Adjusted EBIT Margin

15.3%

Net Working Capital

-6.2%

<table>
<thead>
<tr>
<th>Price</th>
<th>Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>-2.2%</td>
<td>+7.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Change y-o-y</th>
<th>-160bps</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Change y-o-y</th>
<th>-350bps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Component</td>
<td>Impact on Adjusted EBIT Margin in pp vs. PY, in % of sales</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>Adjusted Gross Profit</td>
<td>46.4% -0.2pp</td>
</tr>
<tr>
<td>Marketing, selling &amp; distribution</td>
<td>-26.7% -2.8pp</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>-2.6% -0.2pp</td>
</tr>
<tr>
<td>Admin</td>
<td>-4.9% -0.5pp</td>
</tr>
<tr>
<td>OOI / OOE</td>
<td>+0.2% -0.2pp</td>
</tr>
<tr>
<td>Adjusted EBIT</td>
<td>12.6% -3.7pp</td>
</tr>
</tbody>
</table>

Impact on Adjusted EBIT Margin in pp vs. PY, in % of sales
### RECONCILIATION REPORTED TO ADJUSTED EBIT

**H1 2020**

<table>
<thead>
<tr>
<th>Reported EBIT</th>
<th>One-time gains</th>
<th>One-time charges</th>
<th>Restructuring</th>
<th>Adjusted EBIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,094</td>
<td>-3</td>
<td>+21</td>
<td>+78</td>
<td>1,191</td>
</tr>
</tbody>
</table>

*in € m*
ADJUSTED EPS DOUBLE-DIGIT % BELOW PRIOR YEAR
H1 2020

in € m

<table>
<thead>
<tr>
<th>1,191</th>
<th>-52</th>
<th>-290 (25.5%)</th>
<th>848</th>
<th>-2</th>
<th>847</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBIT</td>
<td>Financial result</td>
<td>Taxes on income (adj.)</td>
<td>Adj. net income (NI)</td>
<td>Minorities</td>
<td>Adj. NI attributable to shareholders</td>
</tr>
</tbody>
</table>

Adj. EPS per pref. share € 1.96
-29.2% y-o-y
-28.2% at constant currencies

1 Adjusted tax rate
## CASH FLOW PERFORMANCE & FINANCIAL POSITION

### H1 2020

<table>
<thead>
<tr>
<th>Net Working Capital</th>
<th>Free Cash Flow</th>
<th>Net Financial Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.4%</td>
<td>€ 938 m</td>
<td>€ -1,951 m</td>
</tr>
<tr>
<td>Change y-o-y -230bps</td>
<td>Change y-o-y -52 m</td>
<td>Change vs. year-end +96 m</td>
</tr>
</tbody>
</table>

- **Dividend of € 1.85 per preferred share, ~ € 800 m paid out to shareholders**
FULL YEAR 2020 OUTLOOK
UNCERTAINTY REMAINS HIGH AMID COVID-19 PANDEMIC

- Forecast for fiscal 2020 published in Annual Report 2019 no longer upheld

- Henkel is responding to the COVID-19 pandemic with specific measures, but cannot predict with sufficient reliability over what period and to what extent it will face further impacts

- New forecast to be published once sufficiently reliable evaluation of future business performance in 2020 is possible
BUSINESS PRIORITIES

- Protection and support of employees, customers and business partners first priority
- Foster close collaboration with customers and business partners in these challenging times
- Capture emerging opportunities
- Leverage and further expand digital business
- Adequately manage cost and keep strong cash focus
- Continue execution of purposeful growth agenda
THANK YOU
BACK-UP
ADHESIVE TECHNOLOGIES
FOUR NEW DIVISIONS ALIGNED ALONG MEGATRENDS

<table>
<thead>
<tr>
<th>Old structure</th>
<th>New structure</th>
<th>Megatrend</th>
<th>Solutions for</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport &amp; Metals (23%)</td>
<td>Automotive &amp; Metals (24%)</td>
<td>e.g. e-Mobility</td>
<td>Automotive OEMs &amp; Components, Metals</td>
</tr>
<tr>
<td>Packaging &amp; Consumer Goods (32%)</td>
<td>Packaging &amp; Consumer Goods (32%)</td>
<td>e.g. Sustainability</td>
<td>Packaging, Consumer Goods &amp; Lifestyle products</td>
</tr>
<tr>
<td>Electronics (10%)</td>
<td>Electronics &amp; Industrials (15%)</td>
<td>e.g. Connectivity</td>
<td>Semiconductor Packaging &amp; Electronics Assembly, Aerospace, Industrial Assembly</td>
</tr>
<tr>
<td>General Industry (15%)</td>
<td>Craftsmen, Construction &amp; Professional (29%)</td>
<td>e.g. Urbanization</td>
<td>DIY, Craftsmen, Construction, Manufacturing &amp; Maintenance for Professional Users</td>
</tr>
<tr>
<td>Consumer, Craftsmen &amp; Construction (20%)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Share of total sales based on fiscal 2019
Top 10 brands: >80% of total Adhesive Technologies sales
BEAUTY CARE
TOP BRANDS, SALES 2019

~€ 1.9 bn
Schwarzkopf

~€ 0.4 bn
Dial

~€ 0.3 bn
syoss

Top 10 brands: ~85% of total Beauty Care sales
Top 10 brand clusters: ~65% of total Laundry & Home Care sales
# MANAGEMENT STRUCTURE

## HENKEL AG & CO. KGAA

| **Henkel Management AG** | ▪ AG as sole personally liable partner  
▪ Management of the businesses of Henkel AG & Co. KGaA |
|--------------------------|----------------------------------------------------------|
| **Shareholders’ Committee (KGaA)** | ▪ Approval of significant corporate actions, strategy  
▪ Appointment of Management Board (indirect via Supervisory Board AG) |
| **Supervisory Board (KGaA)** | ▪ Supervision of management  
▪ Appointing the statutory auditor |
| **Annual General Meeting (KGaA)** | ▪ Approval of the financial statements  
▪ Decision about the dividend |
MANAGEMENT STRUCTURE

Annual General Meeting
(Ordinary Shares/ Preferred Shares)

Henkel AG & Co. KGaA

Shareholders’ Committee
up to 10 members
HR & Finance subcommittees

elects members

Supervisory Board
16 members
Nominations & Audit subcommittees

elects 8 shareholder representatives

advises and supervises

appoints, supervises, participates in management of the business

All shares held by Henkel AG & Co. KGaA

Henkel Management AG
(as sole personally liable partner)

Supervisory Board
3 members from SH Committee

appoints and supervises

Management Board
**MANAGEMENT BOARD REMUNERATION COMPONENTS AND CALCULATION**

**Long-term incentive (LTI)**
Proportion of target remuneration: around 23%
Cap: max. 150% of the target amount

**Variable annual cash remuneration (STI)**
Proportion of target remuneration: around 56%
Cap: max. 150% of the target amount

**Basic remuneration**

---

**Long-term variable cash remuneration**
Share deferral (35% STI)

**Short-term variable cash remuneration (65% STI)**

---

**Basic salary**

---

**LTI calculation based on ROCE**
*Payout in cash*

<table>
<thead>
<tr>
<th>Average ROCE target achievement over three years</th>
<th>Functional Factor $^1$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target achievement Year 1</td>
<td>0.9 - 1.75</td>
</tr>
<tr>
<td>Target achievement Year 2</td>
<td></td>
</tr>
<tr>
<td>Target achievement Year 3</td>
<td></td>
</tr>
</tbody>
</table>

**STI calculation based on OSG and adj. EPS$^2$**
*Payout 65% in cash, 35% purchase of preferred shares*

<table>
<thead>
<tr>
<th>Bonus (key financials)</th>
<th>Multiplier for individual performance 0.8 to 1.2</th>
<th>Functional Factor $^1$</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% target achievement OSG</td>
<td></td>
<td>0.9 - 1.75</td>
</tr>
<tr>
<td>50% target achievement development of adj. EPS at constant currencies</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

1 The functional factor differs according to area of responsibility, 2 Earnings per preferred share

Henkel Roadshow Presentation August 2020
UPCOMING EVENTS

November 10, 2020
Q3 2020 Release

March 4, 2021
Q4 & FY 2020 Release

April 16, 2021
Annual General Meeting
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Andrea Haschke, Ines Göldner,
Dorothee Brinkmann, Mona Niermann