



HENKEL H1 2024

INVESTOR PRESENTATION



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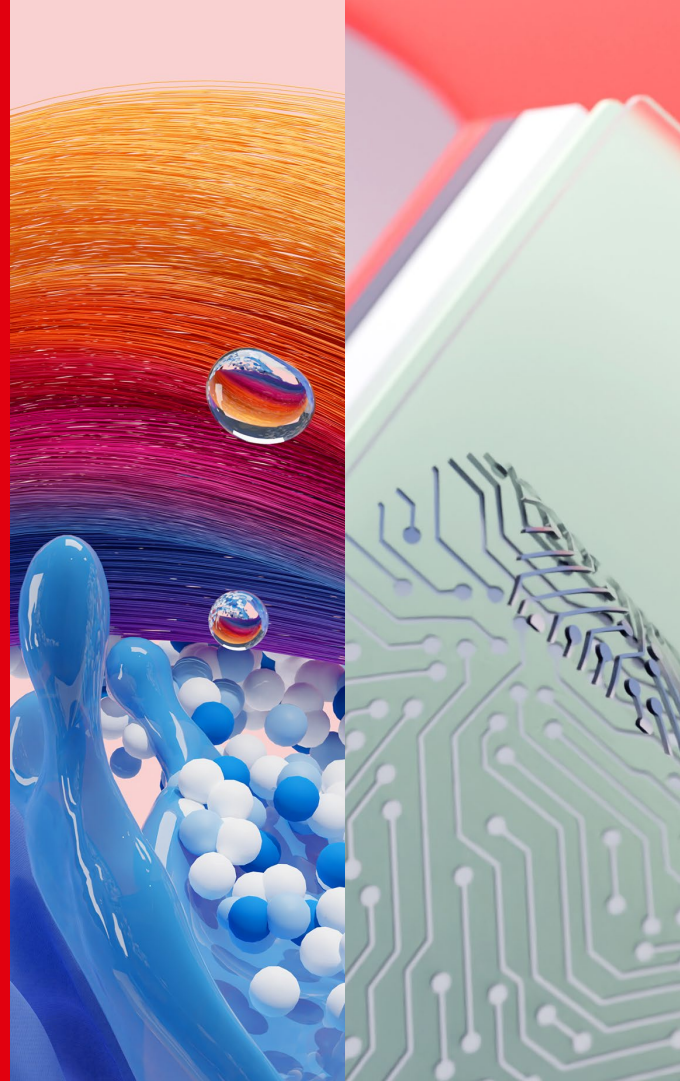
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AGENDA

- 01 Key Developments**
- 02 Business Performance H1 2024 & Outlook
- 03 Key Take-Aways & Closing



AT A GLANCE

H1 2024

- **Good organic sales growth** driven by pricing and further sequential volume development improvement in both business units
- **Strong margin and EPS increase** supported by benefits from
 - ongoing valorization, portfolio measures and savings in Consumer Brands
 - positive mix impact in Adhesive Technologies and
 - supply chain efficiencies in both business units
- **Advancing level of investments to fuel growth**
- **Outlook raised for earnings development in 2024**
- **Mid- to long-term financial ambition now to be reached mid-term**



HENKEL GROUP

OSG
2.9%

ADJ. EBIT MARGIN
14.9%

ADJ. EPS GROWTH
+32.9%
AT CONSTANT FX



ADHESIVE TECHNOLOGIES

OSG
2.0%

ADJ. EBIT MARGIN
17.0%



CONSUMER BRANDS

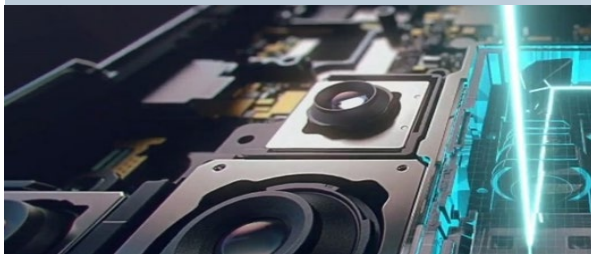
OSG
4.3%

ADJ. EBIT MARGIN
14.3%

DELIVERING PROFITABLE GROWTH AND TANGIBLE PROGRESS ALONG OUR STRATEGIC PRIORITIES

Selective highlights

Growth in Adhesive Technologies driven
by customer-centric solutions



Strong Mobility & Electronics business
backing sequentially improved
volume development



**Consumer Brands portfolio valorization
and integration** already bearing fruit

Hair with high-single digit OSG including
sustained volume growth and global market
share gains in Color and Styling

Accelerating growth with
value-enhancing acquisitions
in both businesses



CREATING VALUE IN ADHESIVE TECHNOLOGIES WITH CUSTOMER-CENTRIC INNOVATIONS

Realizing project wins by serving **customer-specific production processes** with individualized offering, e.g. for OEMs



Leveraging knowledge of our **>6,500 customer-facing experts** in **>800 segments**

ADDRESSING CUSTOMERS' NEEDS ACROSS INDUSTRIES
WITH OUR UNIQUE SOLUTION PORTFOLIO

Collaborating along the value chain to advance sustainability, e.g. packaging in the consumer goods market



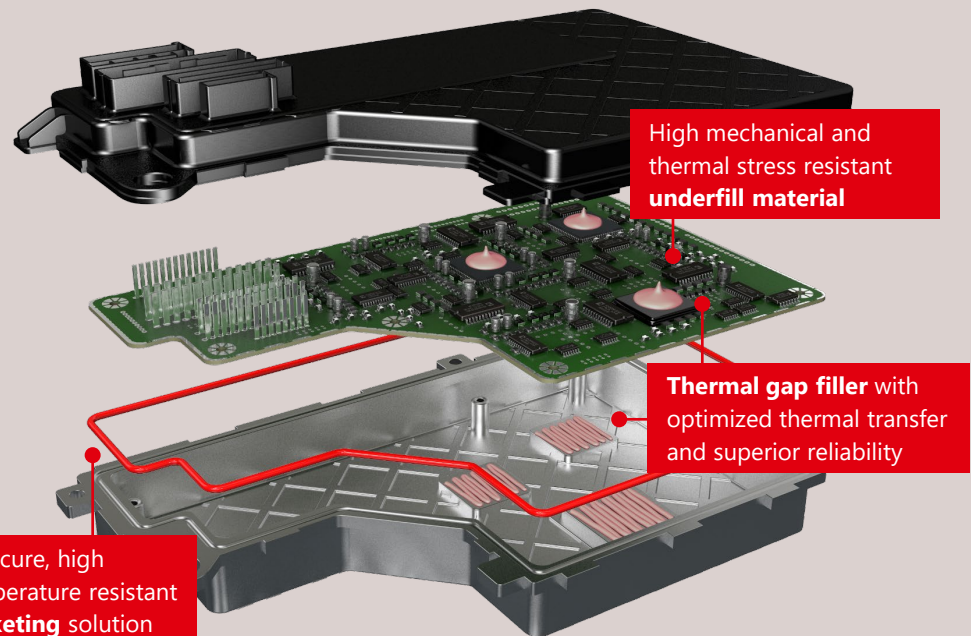
Closely cooperating with leading customers, e.g. pioneering in consumer devices & semiconductor packaging

TREND TO MORE INTEGRATED AUTOMOTIVE COMPONENTS DRIVES DEMAND FOR INNOVATIVE ADHESIVE SOLUTIONS

OEMs are **INTEGRATING INDIVIDUAL COMPONENTS** into more complex modules like zone controllers

Our **THERMAL MATERIAL SOLUTIONS** for electronic control units enable robust assembly and operating life **IRRESPECTIVE OF THE POWER TRAIN**

DOUBLE-DIGIT growth potential driven by **>20% CAGR¹** for **CENTRALIZED COMPONENTS**



Exemplary electronic component: Zone controller

CONSUMER DEVICE CAMERAS – FROM IMAGING TO FUTURE READY APPLICATIONS

Consumer electronics camera trend

FROM HUMAN VISION TO MACHINE SENSING *demands module miniaturization and performance increase*

ROBUST MODULE ASSEMBLY SOLUTIONS

like active alignment or electrical grounding increase camera and sensor performance

OUTPERFORMING MARKET *in past five years with **DOUBLE-DIGIT CAGR** driven by innovation-leading customer partnerships*



DRIVING SUSTAINABILITY IN CONSTRUCTION WITH LOW CO₂ CEMENTITIOUS ADHESIVES

Building industry contributing **40% of GLOBAL CO₂ EMISSIONS**, cement playing a key role with **>350K TONS CO₂ p.a.**

Innovative **LOW CO₂ FOOTPRINT CEMENTITIOUS ADHESIVES** significantly contribute to emission reduction, whilst improving performance

FIRST WAVE OF TRANSFORMATION IN PORTFOLIO completed, with >20k tons CO₂ savings p.a., significantly contributing to decarbonization of the cement industry



DRIVING VALORIZATION IN CONSUMER BRANDS WITH RELEVANT INNOVATIONS TO FUEL PROFITABLE GROWTH...



Recent innovations



TOP 10 BRANDS SALES SHARE > 50%

...IN HAIR...

~7% OSG in HAIR in H1

Four consecutive quarters of
**POSITIVE VOLUME
DEVELOPMENT**

Global market share gains of
+40 BPS each in **STYLING**
and **COLOR** YTD

VERY STRONG GROWTH
contribution from umbrella brand
SCHWARZKOPF comprising
Consumer and Professional

GLISS relaunch in **CONSUMER** with new
formulas for **+100% STRONGER HAIR**

DOUBLE-DIGIT
organic sales growth of Gliss in H1



360° CAMPAIGN in North America
including new global brand ambassadors

VERY STRONG organic sales growth
of **PROFESSIONAL** in North America in H1

**MASTER BLONDE
TRANSFORMATIONS
WITH THE
AUTHORITY
IN BLONDE**



Schwarzkopf
PROFESSIONAL

...AND IN LAUNDRY & HOME CARE

~3% OSG in
LAUNDRY & HOME CARE in H1

TECHNOLOGY LEADERSHIP –

*Offering superior performance and
addressing relevant consumer trends*

LEADING MARKET POSITIONS

*of core brands like **PERWOLL** and
BREF*

PERWOLL with new **RENEW FORMULA**
*underpinning **TECHNOLOGY LEADERSHIP***

DOUBLE-DIGIT organic sales growth in H1,
*fueling **+120 BPS** market share gains YTD
in Fabric Care in key market Western Europe*



BREF BRILLIANT GEL with
EXCLUSIVE GEL TECHNOLOGY &
intensified scent experience

DOUBLE-DIGIT organic sales growth in H1,
*driving **+50 BPS** market share gains
in Toilet Care globally YTD*



CONSUMER BRANDS INTEGRATION IN FULL SWING

Optimizing organizational set-up and portfolio

- **Portfolio measures** clearly on track: Focus on Laundry & Home Care, with majority of discontinuations allocated to North America

PROGRESS:

All targeted discontinuations either initiated or executed

Driving supply chain optimization

- **"1-1-1 approach"** live in 28 countries
- Further **optimization** and **consolidation** of production and logistics network, e.g. in the US and Eastern European countries in Laundry & Home Care

PROGRESS:

Complexity reduction of ~16% already reached

➤ **Targeted savings of €525m well on track to be reached by 2026***

OUTLOOK RAISED FOR EARNINGS DEVELOPMENT IN 2024



ORGANIC SALES GROWTH

2.5 to 4.5%

ADJUSTED EBIT MARGIN

13.5 to 14.5%

ADJUSTED EPS¹

+20 to +30%

Drivers for outlook upgrade as of July 17

- **Very strong business performance in first half of 2024**
- **Strong performance in Consumer Brands** including benefits from ongoing portfolio optimization, savings and better mix driving strong gross margins
- **Benefits from ongoing valorization increasingly bearing fruit** while continuing to invest in marketing to support core brands and innovations to fuel further profitable growth

FINANCIAL AMBITION NOW TO BE REACHED

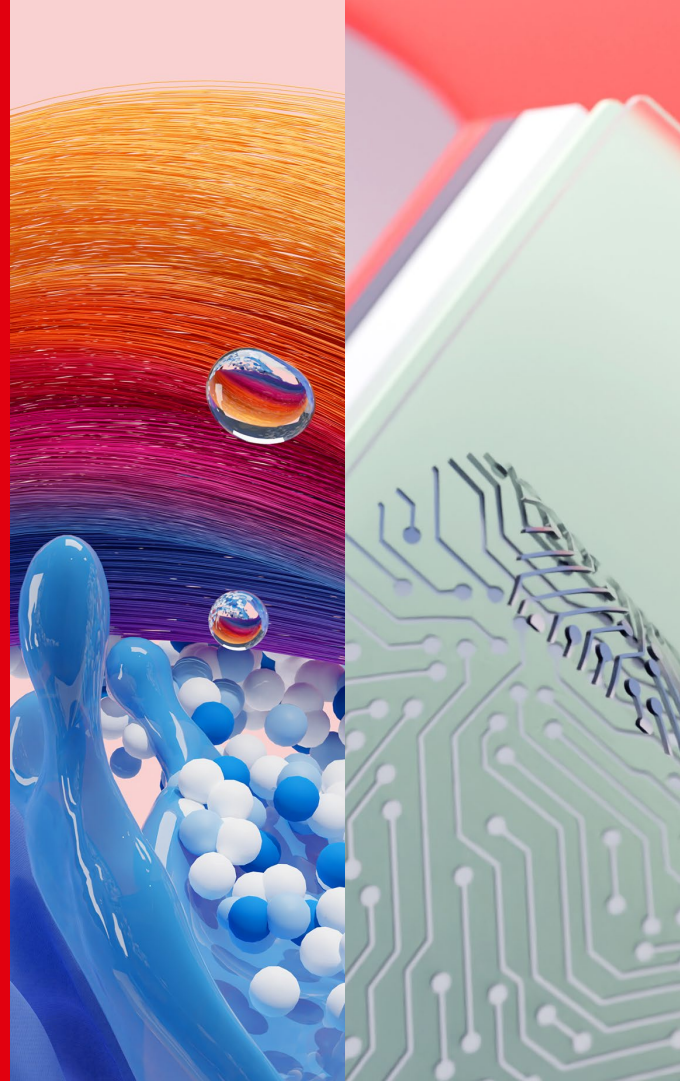
MID-TERM: POISED FOR FURTHER PROFITABLE GROWTH

	HENKEL GROUP	ADHESIVE TECHNOLOGIES	CONSUMER BRANDS
ORGANIC SALES GROWTH	3 to 4%	3 to 5%	3 to 4%
ADJUSTED EBIT MARGIN	~16%	high- teens %	mid- teens %
ADJUSTED EPS GROWTH	mid- to high-single-digit % at constant exchange rates, including M&A		
FREE CASH FLOW	continued focus on Free Cash Flow expansion		



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ORGANIC SALES GROWTH BACKED BY SUSTAINED PRICING AND POSITIVE VOLUME DEVELOPMENT

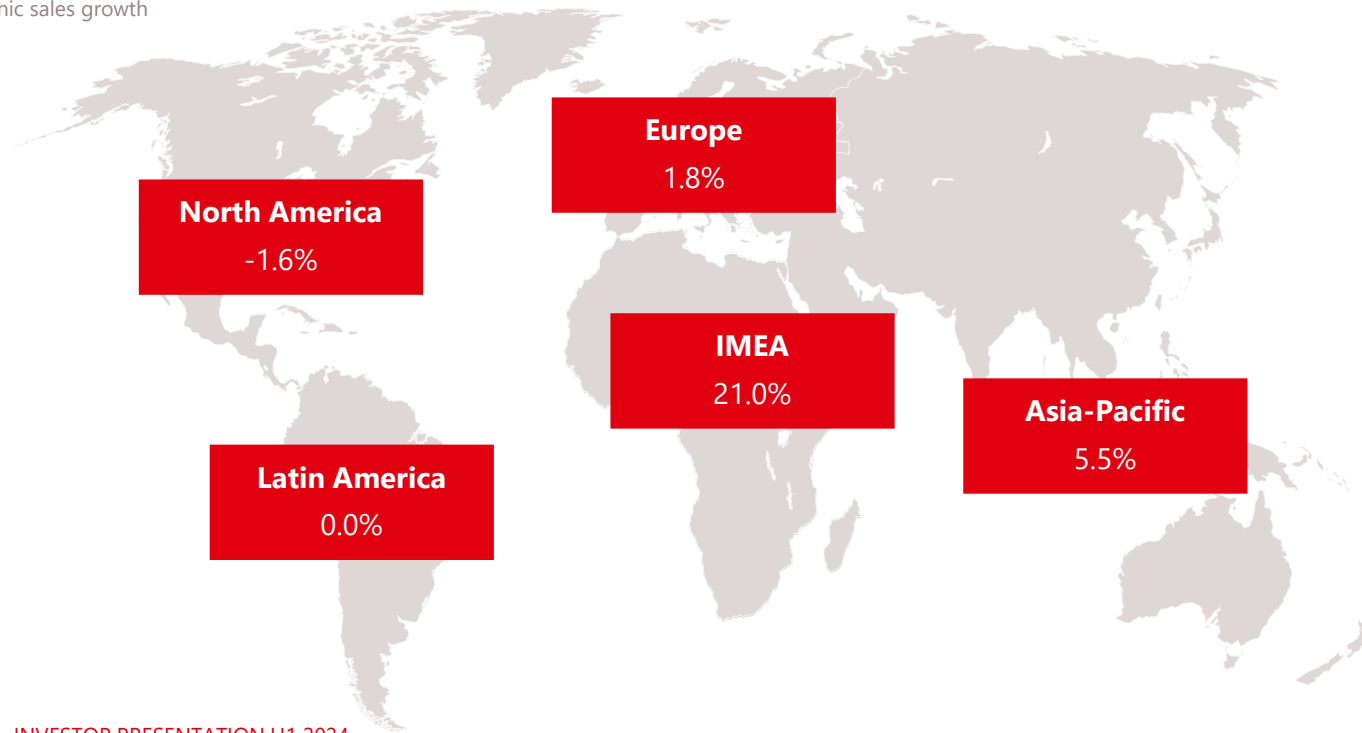
H1 2024



ORGANIC SALES GROWTH BY REGION

H1 2024

Organic sales growth





ADHESIVE TECHNOLOGIES

H1 2024

ORGANIC
SALES GROWTH

2.0%

SALES

€5.5BN

ADJ.
EBIT MARGIN

17.0%

ADJ. EBIT

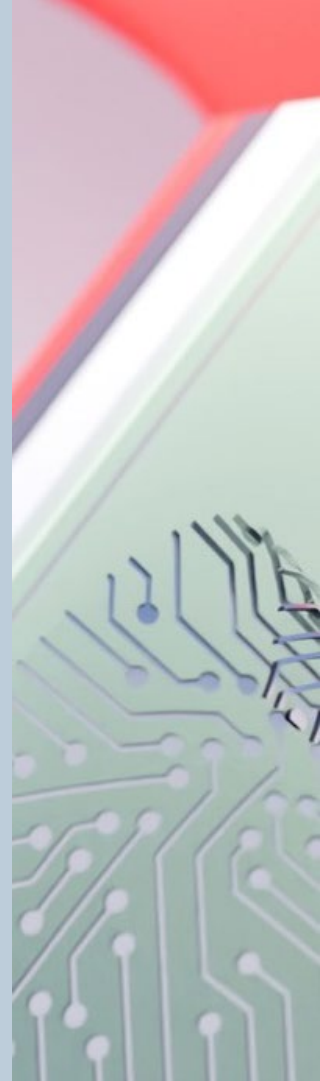
€933M

PRICE

0.2%

VOLUME

1.8%



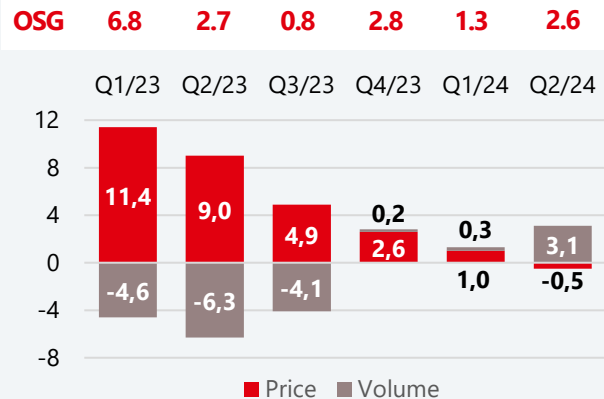
ADHESIVE TECHNOLOGIES

H1 2024 – Business Unit Performance

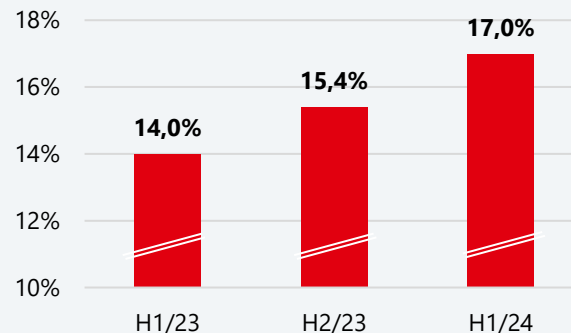
- **Good organic sales growth** driven particularly by very strong growth in Mobility & Electronics
- **Sequential volume increase Q2 vs. Q1** – despite overall still challenging market environment
- **Significant margin improvement** supported by pricing, lower input cost, mix and supply chain efficiencies vs. H1 2023

Price/volume development

in %



Adj. EBIT margin development



ADHESIVE TECHNOLOGIES

H1 2024 – Business Area Performance

MOBILITY & ELECTRONICS



SALES OSG
€1,936m 5.3%

Growth driven across all businesses – supported by double-digit growth in Electronics

PACKAGING & CONSUMER GOODS



SALES OSG
€1,679m -0.6%

Packaging with overall stable development, Consumer Goods below PY against strong comparables

CRAFTSMEN, CONSTRUCTION & PROF.



SALES OSG
€1,860m 1.0%

Good growth in Construction and Consumers & Craftsmen; General Manufacturing & Maintenance slightly below prior year



CONSUMER BRANDS

H1 2024

ORGANIC
SALES GROWTH

4.3%

SALES

€5.3BN

ADJ.
EBIT MARGIN

14.3%

ADJ. EBIT

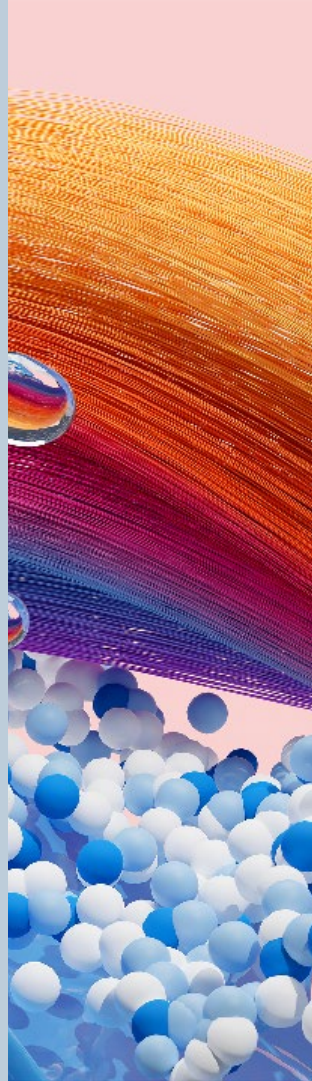
€753M

PRICE

5.1%

VOLUME

-0.9%



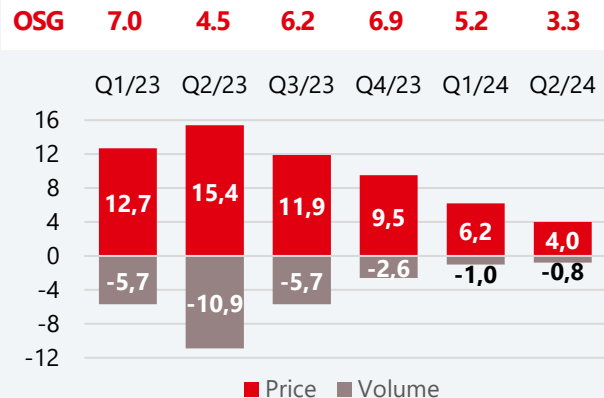
CONSUMER BRANDS

H1 2024 – Business Unit Performance

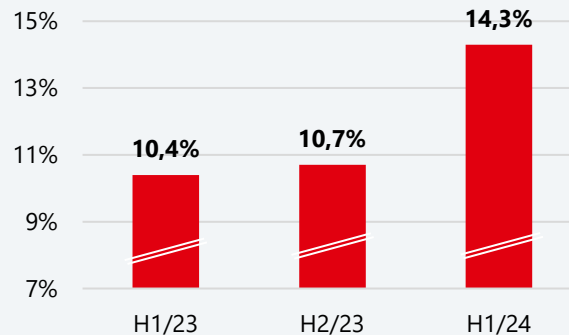
- **Very strong organic sales growth** driven by sustained pricing
- **Volume development** in positive territory when accounting for impact from portfolio measures of approx. 2 pp
- **Substantial margin increase** supported by ongoing valorization, portfolio measures as well as savings and supply chain efficiencies – while advancing level of investments to fuel growth

Price/volume development

in %



Adj. EBIT margin development



CONSUMER BRANDS

H1 2024 – Business Area Performance

LAUNDRY & HOME CARE



SALES OSG
€3,324m 3.1%

Laundry Care with positive development driven by Fabric Cleaning and Fabric Care; significant growth in Home Care fueled by Toilet Care and Dishwashing

HAIR



SALES OSG
€1,609m 7.3%

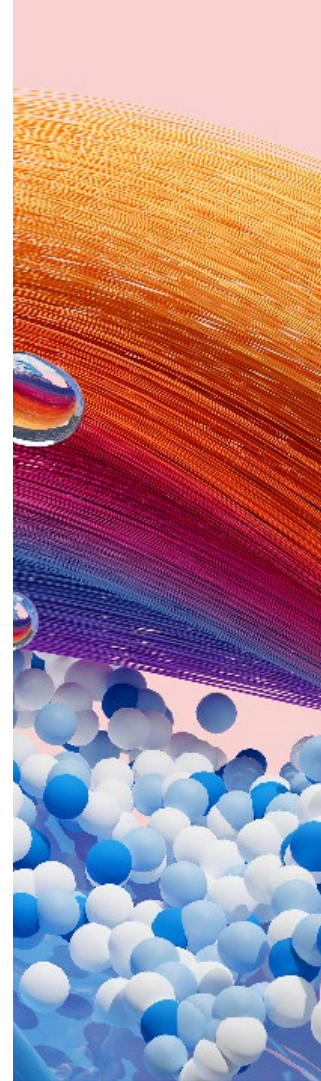
Double-digit increase in Consumer supported by all categories; Professional with strong growth driven by key markets Europe and NA

OTHER CONSUMER BUSINESSES



SALES OSG
€333m 2.3%

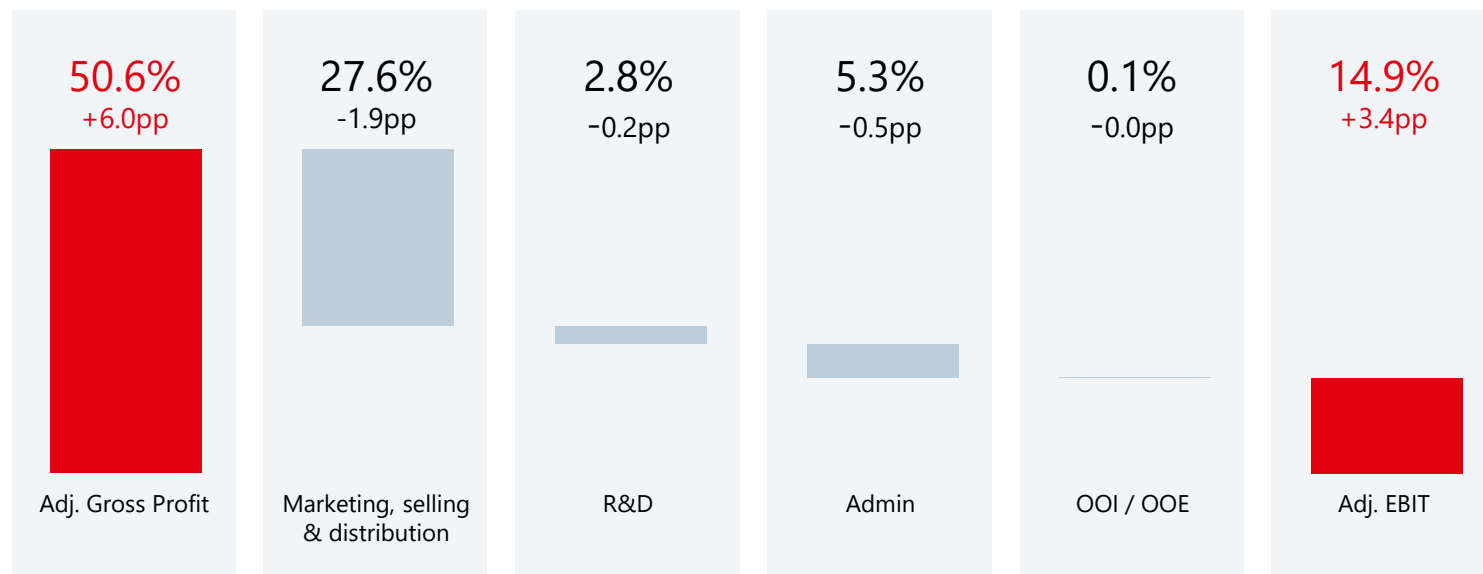
Good growth driven by Soap in NA and Deodorants across regions



BRIDGE FROM ADJUSTED GROSS PROFIT TO ADJUSTED EBIT

H1 2024

Impact on adjusted EBIT margin in pp vs. PY, in % of sales



BRIDGE FROM REPORTED TO ADJUSTED EBIT

H1 2024

in €m

1,470	-	31	110	1,610
REPORTED EBIT	ONE-TIME INCOME	ONE-TIME EXPENSES	RESTRUCTURING	ADJUSTED EBIT

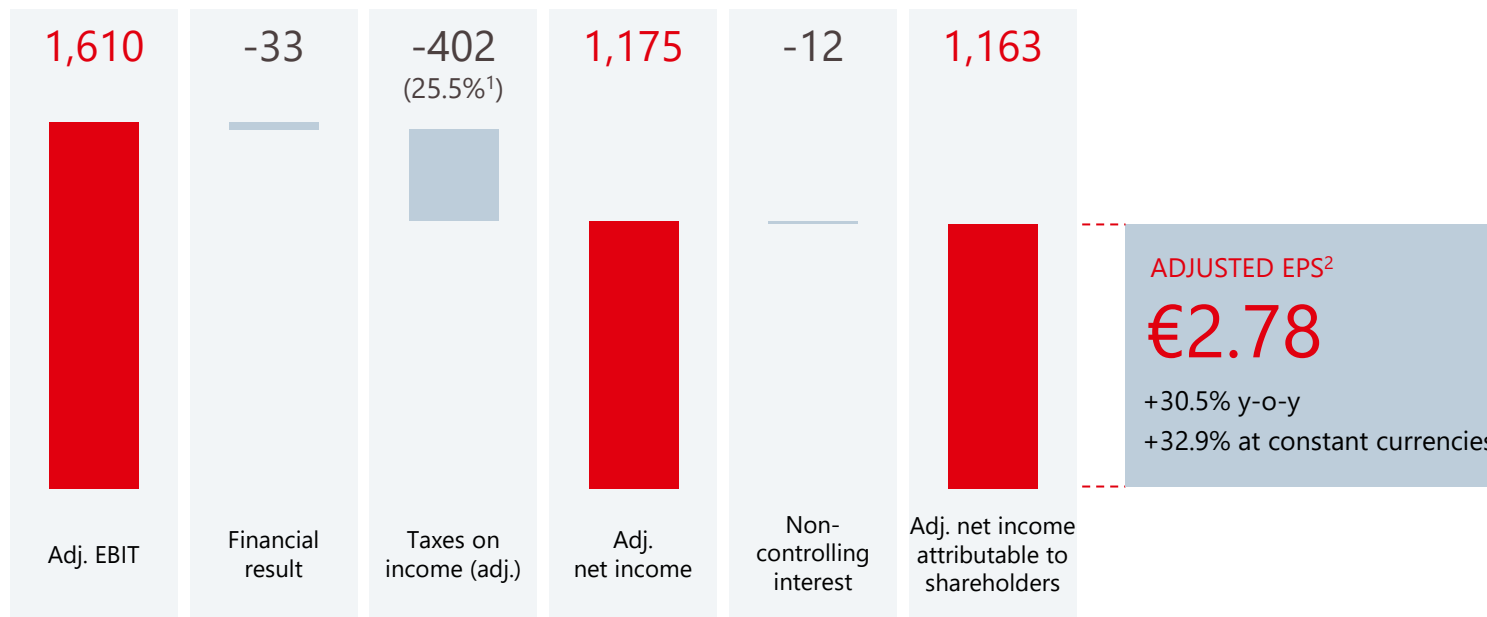
- One-time expenses mainly reflecting acquisition/divestment related cost as well as IT integration cost in the course of the Consumer Brands merger
- Restructuring mainly related to ongoing phase 2 integration of Consumer Brands business and discontinuation of business activities in Venezuela



BRIDGE FROM ADJUSTED EBIT TO ADJUSTED EPS

H1 2024

in €m



DEVELOPMENT OF CASH KPIs

H1 2024

in €m

NET WORKING CAPITAL

5.2%

Change
y-o-y
-90 bps

- Net working capital further improved, mainly due to lower inventories

FREE CASH FLOW

€772m

Change
y-o-y
+€23m

- Continued strong free cash flow supported by increase in earnings

NET FINANCIAL POSITION

€-1,440m




Change
vs. year-end
-€1,452m

- Mainly driven by cash outflows for recently closed acquisitions and dividend



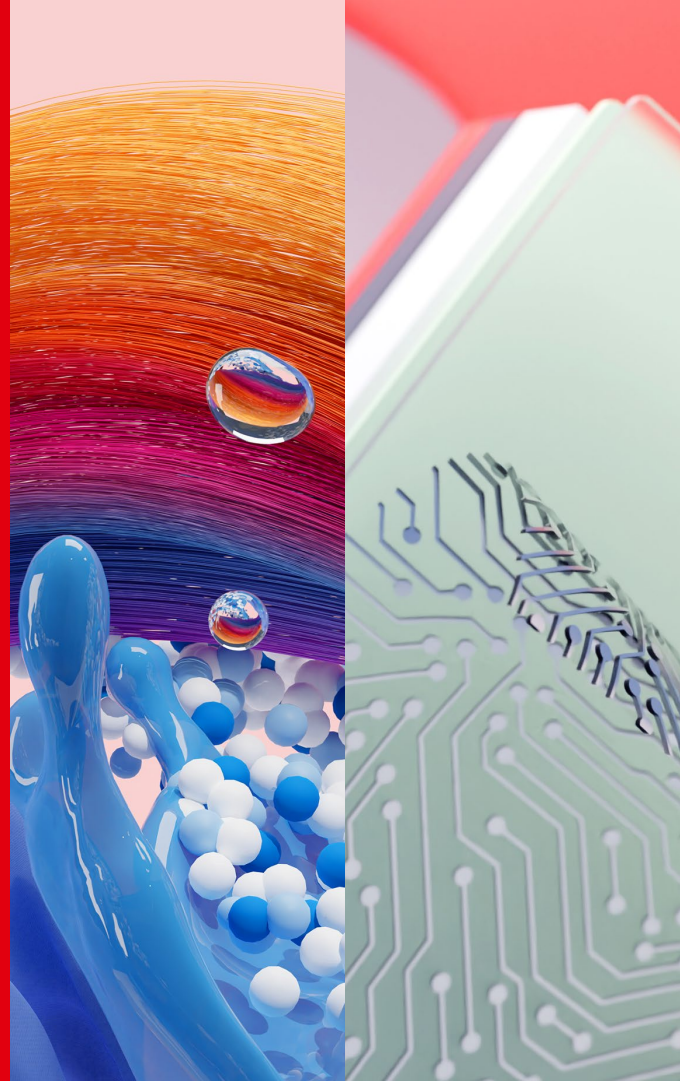
OUTLOOK 2024

As of July 17

		ORGANIC SALES GROWTH	ADJUSTED EBIT MARGIN	ADJUSTED EPS¹
	GROUP	2.5 to 4.5% <i>unchanged</i>	13.5 to 14.5% <i>previously: 13.0 to 14.0%</i>	+20 to +30% <i>previously: +15 to +25%</i>
	ADHESIVE TECHNOLOGIES	2.0 to 4.0% <i>unchanged</i>	16.0 to 17.0% <i>unchanged</i>	
	CONSUMER BRANDS	3.0 to 5.0% <i>unchanged</i>	13.0 to 14.0% <i>previously: 12.0 to 13.0%</i>	

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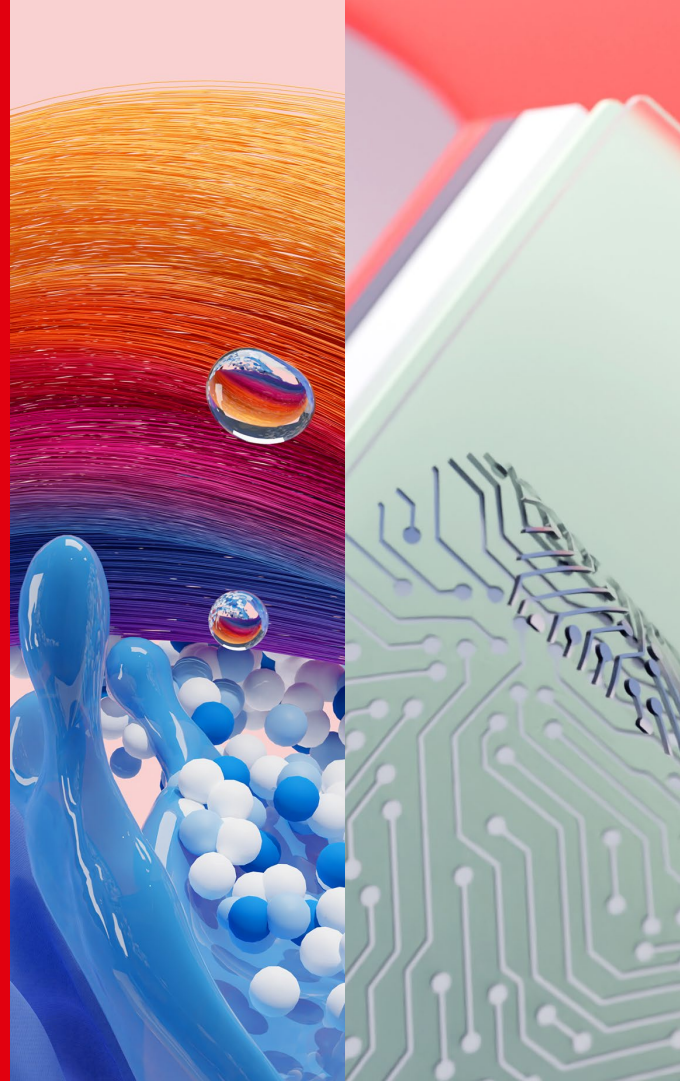


KEY TAKE-AWAYS

- **Good organic sales growth** including continued **sequentially improved volume development**
- **Strong margin and EPS increase in H1** driven by both businesses
- **Delivering on our strategic priorities and commitments** and driving our growth agenda
- **Outlook raised for earnings development in 2024**, driven by higher profit expectations in Consumer Brands
- **Mid- to long-term financial ambition now to be reached mid-term**



QUESTIONS & ANSWERS





UPCOMING EVENTS

What's next

2024

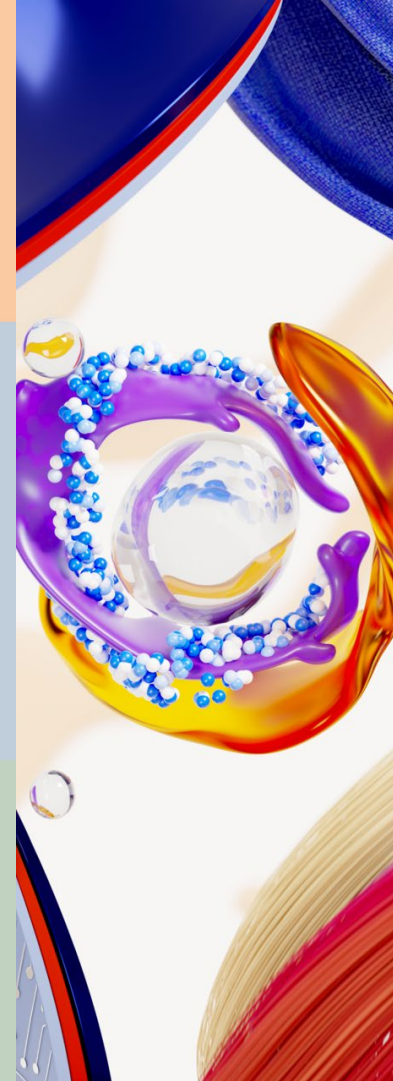
AUG 13 | **H1 2024** RELEASE

NOV 6 | **Q3 2024** RELEASE

2025

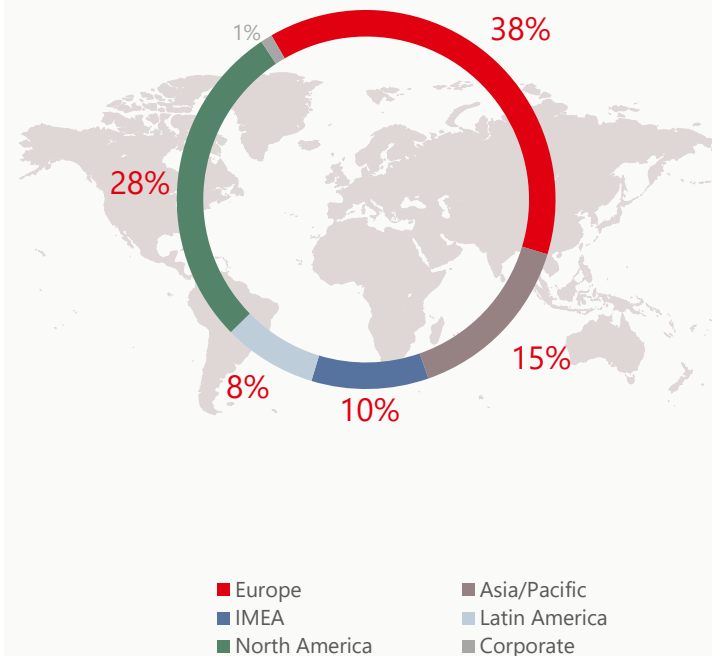
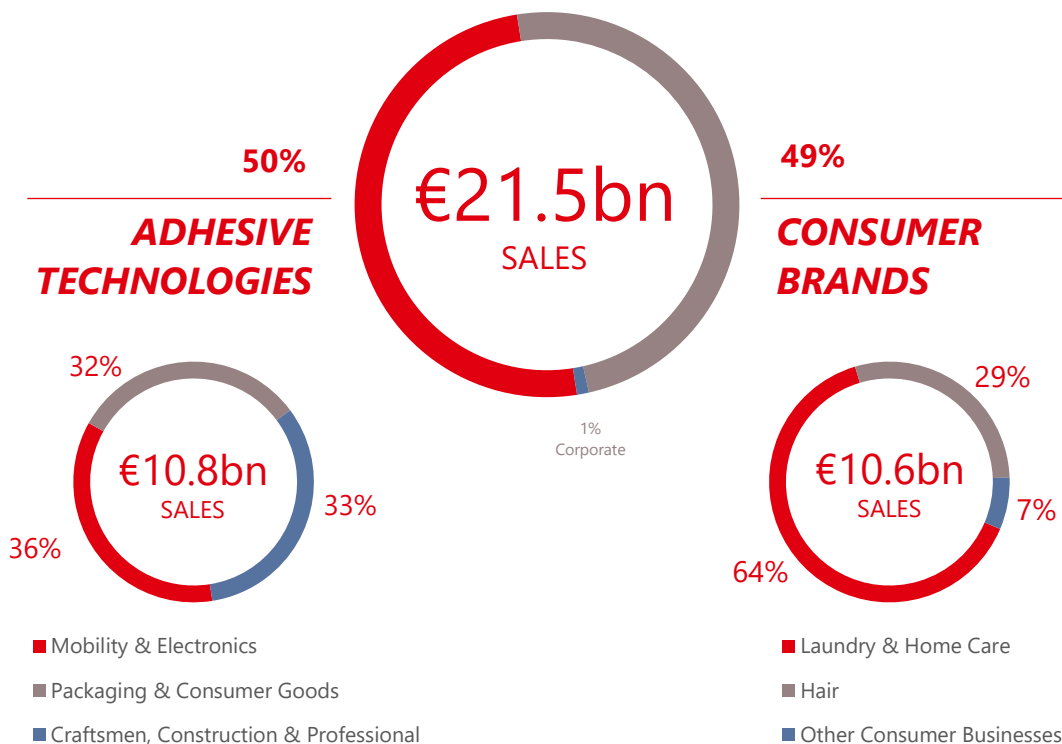
MAR 11 | **FY 2024** RELEASE

THANK YOU.



BALANCED AND DIVERSIFIED PORTFOLIO

FY 2023



SALES BY BUSINESS UNIT AND BUSINESS AREA

Q1 2023 – Q2 2024

	Q1 2023		Q2 2023		Q3 2023		Q4 2023		Q1 2024			Q2 2024		
€m	Sales	OSG	Sales	OSG	Sales	OSG	Sales	OSG	Sales	YoY	OSG	Sales	YoY	OSG
HENKEL GROUP	5,609	6.6%	5,316	3.2%	5,440	2.8%	5,148	4.5%	5,317	-5.2%	3.0%	5,496	3.4%	2.8%
ADHESIVE TECHNOLOGIES	2,791	6.8%	2,683	2.7%	2,711	0.8%	2,604	2.8%	2,677	-4.1%	1.3%	2,798	4.3%	2.6%
Mobility & Electronics	959	12.6%	940	9.2%	980	4.6%	969	8.4%	946	-1.5%	3.7%	991	5.4%	6.8%
Packaging & Consumer Goods	884	1.0%	848	-3.7%	855	-5.0%	825	-1.4%	838	-5.1%	-0.2%	841	-1.1%	-1.0%
Craftsmen, Construction & Professional	948	7.0%	895	2.9%	876	2.8%	810	1.1%	893	-5.9%	0.3%	967	8.2%	1.7%
CONSUMER BRANDS	2,772	7.0%	2,593	4.5%	2,695	6.2%	2,505	6.9%	2,605	-6.0%	5.2%	2,662	2.6%	3.3%
Laundry & Home Care	1,789	6.3%	1,664	4.4%	1,726	5.8%	1,615	5.7%	1,661	-7.2%	4.6%	1,664	0.0%	1.5%
Hair	811	9.9%	757	6.1%	779	8.9%	728	10.9%	781	-3.6%	6.9%	828	9.4%	7.7%
Other Consumer Businesses	171	1.6%	173	-1.4%	190	-0.6%	161	1.8%	163	-4.8%	3.4%	170	-1.7%	0.7%

SALES, ADJ. EBIT AND ADJ. EBIT MARGIN BY BUSINESS UNIT H1 2024

€m	Sales				Adj. EBIT		Adj. EBIT margin	
	H1 2023	H1 2024	YoY	OSG	H1 2023	H1 2024	H1 2023	H1 2024
HENKEL GROUP	10,926	10,813	-1.0%	2.9%	1,254	1,610	11.5%	14.9%
ADHESIVE TECHNOLOGIES	5,475	5,475	0.0%	2.0%	766	933	14.0%	17.0%
Mobility & Electronics	1,899	1,936	2.0%	5.3%				
Packaging & Consumer Goods	1,733	1,679	-3.1%	-0.6%				
Craftsmen, Construction & Professional	1,843	1,860	0.9%	1.0%				
CONSUMER BRANDS	5,365	5,266	-1.8%	4.3%	559	753	10.4%	14.3%
Laundry & Home Care	3,453	3,324	-3.7%	3.1%				
Hair	1,568	1,609	2.6%	7.3%				
Other Consumer Businesses	344	333	-3.2%	2.3%				

OUTLOOK 2024

ADDITIONAL INPUT FOR SELECTED KPIS

<i>CURRENCY IMPACT ON SALES</i>	low- to mid single-digit % negative ¹
<i>M&A IMPACT ON SALES</i>	flat ¹
<i>PRICES FOR DIRECT MATERIALS</i>	flat ¹
<i>RESTRUCTURING CHARGES</i>	€ 250 – 300m
<i>CAPEX</i>	€ 650 – 750m



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