

REMUNERATION REPORT 2021



Henkel

General

Remuneration of members of the Management Board

Remuneration of members of the Supervisory Board and of the Shareholders' Committee of Henkel AG & Co. KGaA

Remuneration of Henkel Management AG for assumption of personal liability/reimbursement of expenses

Remuneration of members of the Supervisory Board of Henkel Management AG

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Henkel Remuneration Report 2021

This remuneration report describes the remuneration policy for the Management Board of Henkel Management AG, as the sole Personally Liable Partner of Henkel AG & Co. KGaA (Management Board), of the Supervisory Board and Shareholders' Committee of Henkel AG & Co. KGaA and the remuneration of Henkel Management AG as the Personally Liable Partner and its Supervisory Board for fiscal year 2021.

The remuneration report contains all the information and explanations required in accordance with Section 162 of the German Stock Corporation Act [AktG], as well as additional information. For ease of comprehension of the data, the main features of the remuneration systems in force in fiscal 2021 are presented.

In accordance with Section 120a (4) AktG, the Annual General Meeting of listed companies adopts resolutions regarding the approval of the remuneration report prepared and audited in accordance with Section 162 AktG. Such resolutions do not establish any rights or obligations; they cannot be challenged under Section 243 AktG.

The amounts in this report have been rounded up or down to full euros. Due to this rounding, individual numbers may not exactly add up to the indicated sum and percentages may not accurately reflect the absolute values to which they refer.

I. General

1.1 Overview of business results 2021

In a challenging year that was characterized by a strong economic recovery, continued effects of the COVID-19 pandemic, significantly rising raw material prices and strained supply chains, Henkel's business performance was generally strong in 2021. After a significant decline caused by the pandemic in the previous year, demand in important customer industries improved significantly, which had a positive effect on the Industrial business. The hairdressing business recovered significantly as a result of the gradual easing of the regulatory measures imposed due to the COVID-19 pandemic, in particular when hair salons in many regions reopened. By contrast, our consumer goods businesses have seen demand increasingly returning to normal following changes in demand and consumer behavior caused by the pandemic. This has had both a positive and negative impact on business performance.

Sales totaled 20,066 million euros in the fiscal year. This corresponds to significant organic sales growth of 7.8 percent. At 13.4 percent, adjusted¹ return on sales in the reporting year was unchanged year on year (2020: 13.4 percent). Adjusted¹ earnings per preferred share increased to 4.56 euros, up 7.0 percent compared to 2020 (4.26 euros). At constant exchange rates, adjusted earnings per preferred share increased by 9.2 percent.

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

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For further details please refer to our Annual Report 2021, which can be found on our website www.henkel.com/ir.

1.2 Changes in the corporate management bodies in 2021

Management Board

After working for Henkel for more than 28 years, Jens-Martin Schwärzler, who had been in charge of the Beauty Care business unit since November 1, 2017, was not available to extend his contract and left the Management Board by mutual agreement effective the end of business on April 30, 2021. Effective June 1, 2021, Wolfgang König was appointed to the Management Board as the member responsible for the Beauty Care business unit.

Supervisory Board and Shareholders' Committee of Henkel AG & Co. KGaA

Timotheus Höttges, who had been a member of the Supervisory Board since April 11, 2016, resigned effective September 30, 2021.

In view of the target age limit, Prof. Dr. Ulrich Lehner, who had been a member of the Shareholders' Committee since April 14, 2008, resigned with effect from the end of the Annual General Meeting on April 16, 2021. James Rowan was elected to the Shareholders' Committee by the Annual General Meeting effective April 16, 2021.

1.3 Remuneration policy for members of the Management Board

Definition

The legal form of Henkel AG & Co. KGaA means that the Supervisory Board of Henkel Management AG is responsible for appointing and dismissing members of the Management Board, the drafting of their contracts, the assignment of their business duties, and their remuneration. Regarding Management Board remuneration, the Supervisory Board of Henkel Management AG is responsible, in particular, for:

- Determining and reviewing remuneration policy
- Specifying the non-performance-related and variable performance-related components of remuneration
- Defining individual targets each year, and measuring performance with regard to same
- Determining the extent to which financial targets have been met each year and quantifying annual and multi-year variable, performance-related remuneration
- Approving the assumption of voluntary duties or supervisory board, advisory board or similar mandates in other companies, as well as other ancillary professional activities
- Approving loans and advances

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The remuneration policy applicable since January 1, 2021 for the members of the Management Board of Henkel Management AG as the sole Personally Liable Partner of Henkel AG & Co. KGaA (Management Board) was issued by the Supervisory Board of Henkel Management AG after discussions held with shareholders, shareholder representatives and investors in this regard. This remuneration system was submitted to the Annual General Meeting of Henkel AG & Co. KGaA on April 16, 2021 and approved by a majority of 98.50 percent. The respective Annual General Meeting resolution is available on the website www.henkel.com/ir.

Since this policy has not been amended in the interim, it remains unchanged for the remuneration of the Management Board in fiscal 2021.

Overview of the remuneration policy

The remuneration system takes account of the relevant duties and responsibilities, and is designed to drive implementation of our corporate strategy, to offer incentives for successful and sustainable business performance over the long term, and to avoid inappropriate risk-taking. Members of the Management Board receive non-performance-related components and variable, performance-related components consisting of the following three elements:

- Fixed basic remuneration to assure a reasonable basic salary
- Variable annual remuneration (Short Term Incentive, STI)
- Variable cash remuneration based on the long-term performance of the company (Long Term Incentive, LTI)

The following table provides an overall view of the components of the remuneration system applicable for fiscal 2021 for the members of the Management Board, the structure of the individual remuneration components and the underlying objectives:

General	Remuneration system overview		General objective and strategic reference
Remuneration of members of the Management Board	Non-performance-related components	Basic remuneration <ul style="list-style-type: none"> ▪ Chair of the Management Board: currently 1,200,000 euros p.a. ▪ Other Management Board members: currently 750,000 euros p.a. 	<ul style="list-style-type: none"> ▪ Assurance of equitable basic compensation commensurate with market conditions and the function performed ▪ Avoidance of incentives to take inappropriate risks
Remuneration of members of the Supervisory Board and of the Shareholders' Committee of Henkel AG & Co. KGaA		Other emoluments <ul style="list-style-type: none"> ▪ Insurance, reimbursement of accommodation/relocation costs, home security costs, provision of a company car, use of a car service, other in-kind benefits; amounts vary dependent on personal needs ▪ Caps: <ul style="list-style-type: none"> – Chair of the Management Board: currently 250,000 euros p.a. – Other Management Board members: currently 175,000 euros p.a. 	<ul style="list-style-type: none"> ▪ Inclusion of fringe benefits and benefits in kind that are commensurate with market conditions and directly related to, and supportive of, Management Board activity
Remuneration of Henkel Management AG for assumption of personal liability/reimbursement of expenses	Performance-related components	Variable annual remuneration (Short Term Incentive, STI) <ul style="list-style-type: none"> ▪ Target remuneration if all targets are met 100 percent, with application of the respective functional factors: <ul style="list-style-type: none"> – Chair of the Management Board: currently 3,500,000 euros – Other Management Board members: currently 1,800,000 to 2,200,000 euros ▪ One-year performance measurement period: Amount dependent on achievements in the fiscal year (remuneration year) with respect to <ul style="list-style-type: none"> – Business performance (financial targets, bonus): Organic sales growth (OSG), adjusted earnings per preferred share (EPS) at constant exchange rates versus the previous year (actual-to-actual comparison); each weighted 50 percent – Individual performance: Individual multiplier ranging from 0.8 to 1.2 applied to the bonus amount ▪ Cap: 150 percent of the respective target remuneration ▪ 65 percent freely disposable (short-term component, cash remuneration), 35 percent invested in Henkel preferred shares (long-term component; Share Ownership Guideline, share deferral) 	<ul style="list-style-type: none"> ▪ Incentive to meet the corporate targets for the current fiscal year ▪ Incentive for long-term purposeful growth ▪ Allowance for operational success relative to benchmark group ▪ Promoting implementation of the strategic priorities and sustainability targets ▪ Differences in performance possible between Management Board members
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Performance-related components

Share Ownership Guideline

- Obligation to purchase Henkel preferred shares
- Holding a minimum portfolio while on the Management Board

Long-term variable cash remuneration (Long Term Incentive, LTI)

- Target remuneration if all targets are met 100 percent, with application of the respective functional factors:
 - Chair of the Management Board: currently 1,400,000 euros
 - Other Management Board members: currently 720,000 to 880,000 euros
- Three-year prospective performance measurement period: The criterion is the average target achievement of the adjusted return on capital employed (ROCE) in a three-year performance measurement period (remuneration year and the two subsequent fiscal years); target is set for each year (three yearly tranches)
- Cap: 150 percent of the respective target remuneration

Functional factors

- General functional factors as multipliers for the STI and LTI payment amounts based on target achievement

General objective and strategic reference

- Aligning the interests of Management Board and shareholders
- Incentive for long-term business performance

- Incentives to raise shareholder value over the long term
- Allowance for profitability

- Greater allowance for the different requirements and complexity of the business units/functions

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Remuneration system overview

Pension commitments/Lump-sum pension payout

Defined contribution pension scheme

- Superannuation lump-sum comprised of the total annual contributions. Annual allocation (lump-sum contribution):
 - Chair of the Management Board: currently 750,000 euros (62.5 percent of basic remuneration)
 - Other Management Board members: currently 450,000 euros (60.0 percent of basic remuneration)

or alternatively, lump-sum pension payout

- Lump-sum pension payout, payable annually:
 - Chair of the Management Board: currently 750,000 euros (62.5 percent of basic remuneration)
 - Other Management Board members: currently 450,000 euros (60.0 percent of basic remuneration)

Other regulations governing remuneration

Malus and clawback regulations

- The Supervisory Board of Henkel Management AG is authorized – in specific circumstances – to wholly or partially withhold variable remuneration (STI, LTI) or to demand repayment, within specific limits, of variable remuneration that has already been paid

Remuneration cap

- Sum of the caps for current emoluments (basic remuneration, other remuneration and pension benefits/lump-sum pension payouts as well as variable remuneration components STI/LTI):
 - Chair of the Management Board: currently 9,550,000 euros p.a.
 - Other Management Board members: currently 5,155,000 to 5,995,000 euros p.a.

Severance cap

- Payment limited to maximum two years' remuneration but no more than due for the remaining term of the contract

Post-contractual non-competition clause

- Two-year term; compensation totaling 50 percent of the annual remuneration for one fiscal year, payable in 24 monthly installments
- Severance pay credited against any discretionary compensation for the same period

General objective and strategic reference

- Granting of amounts enabling accumulation of an equitable company pension

- Accumulation of an equitable private pension

- Assurance of equitability of variable remuneration (STI, LTI)
- Ensuring compliance with essential principles of corporate governance

- Avoidance of inappropriately high payments

- Consistent with the German Corporate Governance Code, specification of a cap on payments and benefits in the event of premature termination of Management Board appointment (Recommendation G.13)

- Protecting Henkel's interests

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1.4 Remuneration policy for members of the Supervisory Board and of the Shareholders' Committee of Henkel AG & Co. KGaA

Definition

The Annual General Meeting has defined the remuneration for the Supervisory Board and the Shareholders' Committee in provisions contained in Art. 17 and 33 of the Articles of Association. A majority of 99.96 percent confirmed these remuneration rules at the Annual General Meeting of Henkel AG & Co. KGaA on April 16, 2021.

The respective Annual General Meeting resolution is available on the website www.henkel.com/ir.

Overview of remuneration regulations

The remuneration is of a purely fixed nature as recommended in the German Corporate Governance Code (GCGC). This serves to strengthen impartiality and to avoid conflicts of interest for corporate body members performing their supervisory function. In accordance with GCGC recommendations, remuneration is increased or additional remuneration paid to take account of the responsibility and scope of duties associated with being Chair, Vice Chair or member of a (sub)committee:

- Each member of the Supervisory Board and of the Shareholders' Committee receives a fixed fee of 70,000 euros and 100,000 euros respectively. The Chairs of the Supervisory Board and the Shareholders' Committee receive double, and the Vice Chairs in each case one and a half times the aforementioned amounts.
- Members of the Supervisory Board who are also members of one or more committees each receive additional remuneration of 35,000 euros; if they chair one or more committees, they receive 70,000 euros. Activity in the Nominations Committee is not remunerated separately.
- Members of the Shareholders' Committee who are also members of one or more committees of the Shareholders' Committee each receive additional remuneration of 100,000 euros; if they chair one or more committees, they receive 200,000 euros.

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In addition, the members of the Supervisory Board receive an attendance fee of 1,000 euros for each meeting of the Supervisory Board and its committees that they attend.

Severance compensation is not paid, nor do any pension and early retirement schemes exist. The remuneration cap for the respective member of the Supervisory Board or the Shareholders' Committee is the sum of fixed fee, remuneration for the individual tasks assumed in the Supervisory Board or the Shareholders' Committee and their (sub)committees, and attendance fee (Supervisory Board only).

1.5 Audit of the remuneration report

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, elected by the 2021 Annual General Meeting to audit the 2021 consolidated financial statements and annual financial statements of Henkel AG & Co. KGaA, has, in accordance with Section 162 (3) AktG, audited not only whether the 2021 remuneration report contains the information to be provided according to Section 162 (1) and (2) AktG (formal examination) but also whether these details are correct and appropriate (substantive examination). The auditor's report is attached to this remuneration report.

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II. Remuneration of corporate bodies 2021

In accordance with the provisions of § 162 AktG, the **remuneration either granted or owed** to each current or former member of the Management Board, the Supervisory Board and the Shareholders' Committee in the fiscal year must be disclosed.

Remuneration is "granted" if it has effectively been paid to the member of the corporate body and thus transferred to their assets, irrespective of whether to fulfill an obligation or without a legal basis. In this respect, it is compatible with the meaning and purpose of the provision to disclose remuneration for the fiscal year in which the activity underlying the remuneration (one or several years) has been completed in full. Accordingly, with regard to the remuneration of the Management Board, the amounts of the STI and LTI respectively are shown below as being granted in the reporting year, the performance period of which expired on December 31, 2021, as the underlying performance was provided in full by the reporting date of December 31, even if the payment was not effected until the following year. This ensures transparent and understandable reporting and ensures the link between performance and remuneration during the reporting period.

Remuneration is "owed" if the company has a legal obligation to the member of the corporate body that is due in the fiscal year for which the remuneration report is prepared but not yet fulfilled.

1. Remuneration of members of the Management Board

1.1 Remuneration granted and owed in 2021

The remuneration granted and owed in the aforementioned sense to the members of the Management Board serving in 2021 totals 30,902,410 euros (previous year: 15,880,397 euros) and is attributable to the following components:

- Basic remuneration: 4,887,500 euros (previous year: 4,950,000 euros)
- Other emoluments: 511,527 euros (previous year: 444,057 euros)
- Lump-sum pension payments: 262,500 euros (previous year: 0 euros)
- STI 2021, the performance period of which ended at the end of the fiscal year (payment not until 2022): 17,997,032 euros (previous year: STI 2020, 9,104,660 euros)
- LTI tranche for 2019 (term: 1/1/2019–12/31/2021), the performance period of which ended at the end of the fiscal year (payment not until 2022): 3,040,720 euros (previous year: LTI tranche for 2018, term: 1/1/2018–12/31/2020: 1,381,680 euros)
- Non-recurring special payments: 4,203,131 euros (previous year: 0 euros)

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The following table shows the **remuneration granted and owed** in fiscal 2021 to each member of the Management Board serving in 2021 as defined in Section 162 (1) sentence 1 AktG, broken down into the aforementioned components, with indication of the respective share of the total remuneration.

In addition, the corresponding fixed amount or the maximum amount resulting from the relevant functional factors and caps and the resulting maximum total attainable remuneration are shown for the respective remuneration components. The figures equate to

- the respective fixed amounts paid out for the fixed basic remuneration and the lump-sum pension payment (taking into account entry/departure during the year),
- the respective attainable maximum amounts determined in accordance with the remuneration system for the other emoluments, STI, LTI and non-recurring special payments.

For further details on the caps and maximum remuneration, please refer to the above overview in I. 1.3 and the discussion in II. 1.II.

The remuneration granted and owed as per Section 162 (1) sentence 1 AktG is also shown for the previous year 2020.

In addition, the service cost for pension commitments is specified according to IAS. This table therefore also contains all the information as per GCGC 2017 regarding the remuneration granted or still payable for fiscal 2021.

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Remuneration granted and owed in 2021 to the members of the Management Board serving in 2021 as per Section 162 AktG

Name, gender*, position, membership on the Management Board in euros		1. Basic remuneration ¹	2. Other emoluments ¹	3. Lump-sum pension payment ¹	4. STI (short-term, cash component) ²	5. STI (long-term, share deferral) ²	6. LTI ³	7. Non-recurring special payments	Total remuneration as per Section 162 AktG (maximum total remuneration 2021) (total 1 to 7)	8. Service cost of pension benefits	Total remuneration as per Section 162 AktG plus service cost and pension benefits (total 1 to 8)
Carsten Knobel (m) (Chairman)	2021	1,200,000	124,523		3,103,953	1,671,359	700,480		6,800,316	753,481	7,553,797
		15.9%	1.6%		41.1%	22.1%	9.3%		90.0%	10.0%	100.0%
	2021 (max)	1,200,000	250,000		3,412,500	1,837,500	1,320,000		8,020,000	753,481	8,773,481
(since 7/1/2012)	2020	1,200,000	167,863		1,473,838	793,605	363,600		3,998,907	756,040	4,754,947
		25.2%	3.5%		31.0%	16.7%	7.6%		84.1%	15.9%	100.0%
Jan-Dirk Auris (m) (Adhesive Technologies)	2021	750,000	64,178		1,951,056	1,050,569	700,480		4,516,283	451,849	4,968,132
		15.1%	1.3%		39.3%	21.1%	14.1%		90.9%	9.1%	100.0%
	2021 (max)	750,000	175,000		2,145,000	1,155,000	1,320,000		545,000	451,849	5,996,849
(since 1/1/2011)	2020	750,000	64,624		997,675	537,210	363,600		2,713,109	454,935	3,168,044
		23.7%	2.0%		31.5%	16.9%	11.5%		85.6%	14.4%	100.0%
Wolfgang König⁴ (m) (Beauty Care)	2021	437,500	84,074	262,500	931,186	501,408	0	1,081,131	3,234,799		3,234,799
		13.5%	2.6%	8.1%	28.8%	15.5%	0.0%	31.5%	100.0%		100.0%
	2021 (max)	437,500	175,000	262,500	1,023,750	551,250	0	1,500,000	3,950,000	0	3,950,000
(since 6/1/2021)	2020	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Sylvie Nicol (f) (Human Resources)	2021	750,000	99,482		1,596,319	859,556	429,840		3,735,197	450,335	4,185,532
		17.9%	2.4%		38.1%	20.5%	10.3%		89.2%	10.8%	100.0%
	2021 (max)	750,000	175,000		1,755,000	945,000	810,000		4,435,000	450,335	4,885,335
(since 4/9/2019)	2020	750,000	43,236		816,280	439,535	0		2,049,051	450,702	2,499,753
		30.0%	1.7%		32.7%	17.6%	0.0%		82.0%	18.0%	100.0%

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Remuneration granted and owed in 2021 to the members of the Management Board serving in 2021 as per Section 162 AktG

Name, gender*, position, membership on the Management Board in euros		1. Basic remuneration ¹	2. Other emoluments ¹	3. Lump-sum pension payment ¹	4. STI (short-term, cash component) ²	5. STI (long-term, share deferral) ²	6. LTI ³	7. Non-recurring special payments	Total remuneration as per Section 162 AktG (maximum total remuneration 2021) (total 1 to 7)	8. Service cost of pension benefits	Total remuneration as per Section 162 AktG plus service cost and pension benefits (total 1 to 8)
Bruno Piacenza (m) (Laundry & Home Care)	2021	750,000	60,532		1,782,733	959,933	636,800		4,189,999	450,846	4,640,845
		16.2%	1.3%		38.4%	20.7%	13.7%		90.3%	9.7%	100.0%
	2021 (max)	750,000	175,000		2,063,100	1,110,900	1,200,000		5,299,000	450,846	5,749,846
	(since 1/1/2011)	2020	750,000	50,098		906,978	488,373	363,600		2,559,048	453,616
		24.9%	1.7%		30.1%	16.2%	12.1%		84.9%	15.1%	100.0%
Jens-Martin Schwärzler⁵ (m) (Beauty Care)	2021	250,000	18,872		860,208	0	573,120	3,185,000	4,887,200	164,733	5,051,933
		4.9%	0.4%		17.0%	0.0%	11.3%	63.0%	96.7%	3.3%	100.0%
	2021 (max)	250,000	175,000		900,000	0	1,080,000	3,575,000	5,980,000	164,733	6,144,733
	(from 11/1/2017 to 4/30/2021)	2020	750,000	58,256		1,255,815	0	290,880		2,354,951	465,332
		26.6%	2.1%		44.5%	0.0%	10.3%		83.5%	16.5%	100.0%
Marco Swoboda (m) (Finance)	2021	750,000	59,866		1,773,688	955,063	0		3,538,617	450,279	3,988,896
		18.8%	1.5%		44.5%	23.9%	0.0%		88.7%	11.3%	100.0%
	2021 (max)	750,000	175,000		1,950,000	1,050,000	0		3,925,000	450,279	4,375,279
	(since 1/1/2020)	2020	750,000	59,980		906,978	488,373	0		2,205,331	450,697
		28.2%	2.3%		34.1%	18.4%			83.0%	17.0%	100.0%
Total⁶	2021	4,887,500	511,527	262,500	11,999,143	5,997,889	3,040,720	4,203,131	30,902,410	2,721,523	33,623,933
		14.5%	1.5%	0.8%	35.7%	17.8%	9.0%	12.5%	91.9%	8.1%	100.0%
	2020	4,950,000	444,057	0	6,357,564	2,747,096	1,381,680	0	15,880,397	3,031,322	18,911,719
		26.2%	2.3%	0.0%	33.6%	14.5%	7.3%	0.0%	84.0%	16.0%	100.0%

* male (m); female (f)

¹ Payout/cost in the relevant fiscal year.

² Amount of STI for which the performance period ended December 31: STI 2021 in 2021; STI 2020 in 2020. Payout in the respective following fiscal year.

³ Amount of LTI tranche for which the three-year plan term ended at the end of the fiscal year in question: LTI tranche for 2019, term 1/1/2019–12/31/2021; LTI tranche for 2018, term 1/1/2018–12/31/2020; payment in the respective following year.

⁴ Wolfgang König received a payment of 1,018,131 euros gross to partially compensate for benefits from his former employer that were forfeited due to his move to Henkel; for further details, see the discussion in II. 1.2.

⁵ Jens-Martin Schwärzler left the Management Board prematurely by mutual agreement as of 4/30/2021. The STI 2021 set for the period 1–4/2021 upon his departure, and the STI 2020 were of a short-term nature overall; no own investment was required (amounts for 2020 adjusted accordingly). In addition, as a non-recurring special payment to cover his contractual claims to remuneration (excluding LTI), he was paid compensation of 3,185,000 euros for the original remaining term of his contract (11 months). For further details, see the discussion in II. 1.2.

⁶ The 2020 totals only include the previous year's remuneration of the members of the Management Board who also served in 2021.

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Details of the pension benefits are provided in II. 1.5.

The remuneration granted and owed in 2021 to former members of the Management Board who left before the reporting year as defined in Section 162 (1) sentence 1 AktG is shown in the following table. As per Section 162 (5) AktG, no personal information is provided on former members of the Management Board who left the Management Board before December 31, 2011.

Remuneration granted and owed to former members of the Management Board in 2021 (by date of departure)

Name, gender*, position, membership on the Management Board in euros		1. LTI tranche 2018 ¹	2. LTI tranche 2019 ²	3. Discretionary payment	4. Pension benefits	Total remuneration (maximum remuneration 2021) (Total of 1 to 4)
Lothar Steinebach (m) (Finance)	2021	-	-	-	525,661	525,661
		-	-	-	100%	100%
(from 2/15/2008 to 6/30/2012)	2021 (max)	-	-	-	525,661	525,661
	2020	-	-	-	518,311	518,311
		-	-	-	100%	100%
Kathrin Menges (f) (Human Resources)	2021	-	429,840	-	-	429,840
		-	100%	-	-	100%
(from 10/1/2011 to 4/8/2019)	2021 (max)	-	810,000	-	-	810,000
	2020	363,600	-	-	-	363,600
		100%	-	-	-	100%
Hans Van Bylen (m) (Chairman)	2021	-	1,114,400	1,392,000	-	2,506,400
		-	44.5%	55.5%	-	100%
(from 2/15/2008 to 12/31/2019)	2021 (max)	-	2,100,000	1,392,000	-	3,492,000
	2020	636,300	-	-	-	636,300
		100%	-	-	-	100%

* male (m); female (f)

¹ Performance period: 1/1/2018–12/31/2020; payout in 2021.

² Performance period: 1/1/2019–12/31/2021; payout in 2022.

In addition to the remuneration indicated above, members of the Management Board serving in 2021 were granted an LTI tranche for 2021 (term: 1/1/2021–12/31/2023) in 2021 that will be paid out after the expiration of the plan term of three years in 2024, subject to achievement of certain performance targets.

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1.2 Special payments in connection with appointments to or departures from the Management Board in 2021

Wolfgang König, who was appointed member of the Management Board responsible for the Beauty Care business unit effective June 1, 2021, was partially compensated in 2021 for benefits owing to him by his former employer that he forfeited as a result of moving to Henkel Management AG, receiving a one-off payment of 1,018,131 euros, which is shown in the remuneration table above as a non-recurring special payment.

Jens-Martin Schwärzler left the company prematurely by mutual agreement as of end of business on April 30, 2021. The STI for the period January to April 2021 was set at 860,208 euros gross and paid out. No investment in Henkel shares was required from the STI 2021 and the STI 2020, which was paid out in April 2021. Jens-Martin Schwärzler was paid a gross amount of 3,185,000 euros (compensation) in 2021 to cover his contractual claims to remuneration (excluding LTI) for the original remaining term of his contract up to March 31, 2022 (11 months). The amount is shown in the remuneration table above as a non-recurring special payment. Bearing in mind the original residual term of his contract, his entitlement under the LTI tranches for 2019 and following fiscal years will be determined and paid out after the end of the respective three-year performance period. In addition, he is bound by a post-contractual non-competition clause with a term of two years, according to which Jens-Martin Schwärzler is entitled to discretionary payment of 52,366 euros gross per month and 680,758 euros gross in total for the period not already covered by the compensation, i.e. from April 1, 2022 to April 30, 2023; the contractual agreement provides for other income to be offset against this compensation.

1.3 Explanation of the non-performance-related components
1.3.1 Basic remuneration

The basic remuneration reflects market conditions and serves as a basic salary to secure a decent income and thus help avoid the urge to take inappropriate risks. It is paid out in monthly installments and amounted in the year under review to 1,200,000 euros gross per year for the Chairperson of the Management Board and 750,000 euros gross per year for the other Management Board members.

1.3.2 Other emoluments

Other emoluments consist primarily of the costs associated with, or the cash value of, in-kind benefits and other fringe benefits such as standard commercial insurance policies, reimbursement of accommodation/relocation costs and the cost of home security installations, provision of a company car that they may also use for private purposes or use of a car service, including any taxes on same, and the costs of preventive medical examinations. All members of the Management Board are entitled, in principle, to the same emoluments, whereby the amounts vary depending on personal situation. These emoluments are recognized at cost or the equivalent cash value in the case of benefits in kind.

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In addition, newly appointed members of the Management Board may be granted compensation as a non-recurring special payment for benefits promised by the former employer that are forfeited as a result of moving to Henkel.

1.4 Explanation of the performance-related components, the application of performance criteria and the promotion of the long-term development of the company

Consistent with the remuneration policy, the performance-related components consist of the annual variable remuneration (STI) – made up of cash remuneration and share deferral – and the long-term variable cash remuneration (LTI). The application of the performance criteria relevant to STI and LTI and how variable remuneration promotes the long-term development of the company is explained below.

1.4.1 STI**Overview STI**

Components	Basis for assessment/Parameters	Weighting	Lower threshold (pro rata bonus amount)	100% target (pro rata bonus amount)	Upper threshold (pro rata bonus amount)
Financial targets (bonus)	Organic sales growth ¹ (OSG)	50%	Minimum OSG (50% OSG target remuneration = 500,000 euros)	OSG target (100% OSG target remuneration = 1,000,000 euros)	Maximum OSG (150% OSG target remuneration = 1,500,000 euros)
	Adjusted earnings per preferred share (EPS) ²	50%	80% of the prior-year figure (50% EPS target remuneration = 500,000 euros)	100% of the prior-year figure (100% EPS target remuneration = 1,000,000 euros)	120% of the prior-year figure (150% EPS target remuneration = 1,500,000 euros)
Individual multiplier by which the amount of the bonus is multiplied	<ul style="list-style-type: none"> ▪ Absolute and relative performance of business unit compared to market/competition ▪ Personal contribution to the implementation of strategic priorities and sustainability targets ▪ Achievement of personal targets (focus topics) 			Multiplier ranging from 0.8 to 1.2	
Performance measurement period	Fiscal year (remuneration year)				
Cap³	150% of the STI target amount (= 3,000,000 euros ⁴)				

¹ Threshold/target figures derived annually from budgets.

² At constant exchange rates, versus prior year (actual-to-actual comparison).

³ Including individual multiplier.

⁴ Remuneration for an ordinary member of the Management Board at a functional factor of 1.

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The benchmark parameters for the STI are the financial targets achieved for each fiscal year ("remuneration year") – which determine the so-called bonus – and the individual performance of each Management Board member, in respect of which a multiplier ranging from 0.8 to 1.2 is applied, by which the resulting bonus amount is multiplied. Further differentiation is achieved by the functional factors that are linked to the competences of the Management Board and the associated responsibilities.

For bonus calculation purposes, organic sales growth (OSG) – i.e. sales development adjusted for foreign exchange and acquisitions/divestments – in the remuneration year is weighted at 50 percent. The other financial target (also weighted at 50 percent) is earnings per preferred share (EPS) adjusted for one-time expenses and income, and for restructuring expenses, and for foreign exchange. Both targets are linked additively, i.e. the 50-percent-weighted OSG component of the bonus amount is added to the EPS component, which is also weighted at 50 percent.

The OSG target is derived from the budget for the relevant fiscal year. The 100-percent target and the lower and upper thresholds are set annually by the Supervisory Board of Henkel Management AG.

EPS performance is measured on the basis of actual-to-actual comparison, i.e. the EPS at constant exchange rates in the remuneration year is compared to the EPS from the previous year. The target is 100 percent of the previous year's value, the lower threshold is 80 percent and the upper threshold is 120 percent of the previous year's value.

An appropriate remuneration scale has been established for both key financials. Also, lower and upper thresholds are defined and payment is withheld if target achievement is below or above them. The scale of payment amounts attributable to the OSG target is always linear between the lower threshold (minimum amount) and the at-target amount, and between the at-target amount and the upper threshold (cap). The scale of payment amounts attributable to the EPS target is consistently linear between the lower and upper thresholds. The total payable STI amount is capped at 150 percent of the target amount, bearing in mind the respective functional factor. Exceeding the relevant maximum target does not result in any further increase in the relevant OSG or EPS bonus component above and beyond 150 percent of the at-target remuneration.

At the beginning of each fiscal year, the Supervisory Board defines the individual targets for the members of the Management Board, and at the end of each fiscal year, target achievement is assessed individually after discussion in the Personnel Committee of the Shareholders' Committee.

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Basis for assessment/parameters and target achievement/remuneration

The assessment basis/parameters as well as the target achievement/remuneration for the STI 2021 are explained and presented in tabular form below.

STI 2021 (bonus)

The organic sales growth figure representing 100-percent target achievement was 3.5 percent in 2021. The lower threshold was -0.5 percent, the upper 5.5 percent.

The adjusted EPS figure that is of relevance for the actual-to-actual comparison for remuneration purposes and which represents 100-percent target achievement was 4.26 euros in 2021. The lower threshold was 3.41 euros, the upper 5.11 euros.

Calculation of target achievement/STI 2021 remuneration

Target parameter		Weighting	100% target achievement	Actual 2021	Target achievement ¹	Bonus amount ²
Financial targets (bonus)	Organic sales growth (OSG)	50%	3.5%	+7.8%	150.0% (Cap)	2,728,750 euros
	Adjusted earnings per preferred share (EPS) ³	50%	4.26 euros	4.65 euros	122.9%	
Personal targets					Personal target achievement/ Bonus multiplier: Range 0.95–1.00	
			<ul style="list-style-type: none"> ▪ Absolute and relative performance of business unit compared to market/competition ▪ Personal contribution to the implementation of strategic priorities and sustainability targets ▪ Achievement of personal targets (focus topics) 			

¹ Percentage of the relevant bonus target amount.

² Bonus amount, given a personal multiplier and functional factor of 1 in each case.

³ Year-on-year comparison of actual figures at constant exchange rates.

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The individual focus topics agreed with the members of the Management Board serving on December 31, 2021 and the individual multiplier by which the amount resulting for the STI bonus 2021 is multiplied are shown in the following table:

Focus topics 2021

Management Board member	Individual focus topics	Individual target achievement/ Bonus multiplier
Carsten Knobel	<ul style="list-style-type: none"> ▪ Target achievement: Group planning ▪ Driving strategy; defining strategic target portfolio ▪ Advancing the company toward climate positivity; revising the sustainability strategy 2030 including ESG objectives; leader in sustainability ▪ Further development of cross-functional digitalization ▪ Management of the COVID-19 pandemic; driving cultural change; contributing to further improvement in diversity 	1.0
Jan-Dirk Auris	<ul style="list-style-type: none"> ▪ Target achievement: Adhesive Technologies planning ▪ Portfolio management; expanding data-based business models ▪ Anchoring sustainability aspects in the strategy of the business areas; sustainability strategy with regard to packaging; increasing the proportion of products that contribute to CO₂ savings for customers; roadmap for climate-positive production sites ▪ Increasing digital sales; expanding the innovation pipeline ▪ Management of the COVID-19 pandemic; driving cultural change; contributing to further improvement in diversity 	1.0
Wolfgang König	<ul style="list-style-type: none"> ▪ Target achievement: Beauty Care planning with focus on Consumer businesses in North America, Western Europe and Germany ▪ Strategy update: Beauty Care; target portfolio definition ▪ Anchoring sustainability aspects in the strategy of the business areas; increasing the share of sustainable products; roadmap for climate-positive production sites; reducing plastic use while increasing the use of recycled plastic ▪ Further development of digitalization; further development of D2C ▪ Management of the COVID-19 pandemic; driving cultural change; strengthening leadership team; helping to further improve diversity 	1.0
Sylvie Nicol	<ul style="list-style-type: none"> ▪ Talent management; updating remuneration policy/diversity strategy; further development of top management structure ▪ Digitalization of HR processes and planning; further development of digital communication across all areas ▪ Updating sustainability strategy 2030; promoting sustainability commitment among employees ▪ Development and implementation of Smart Work concept ▪ Management of the COVID-19 pandemic; motivation; "back to normal"; driving cultural change 	1.0
Bruno Piacenza	<ul style="list-style-type: none"> ▪ Target achievement: Laundry & Home Care planning ▪ Turnaround North America ▪ Portfolio management; definition of portfolio of consumer goods businesses ▪ Anchoring sustainability aspects in the strategy of the business areas; sustainability strategy with regard to packaging; increasing the share of sustainable products; roadmap for climate-positive production sites; reducing plastic use while increasing the use of recycled plastic ▪ Increase digital sales; expand innovation pipeline; drive new business models ▪ Management of the COVID-19 pandemic; driving cultural change; contributing to further improvement in diversity 	0.95
Marco Swoboda	<ul style="list-style-type: none"> ▪ Target achievement: Group planning ▪ Driving portfolio management; defining strategic target portfolio ▪ Developing sustainable procurement and finance; identification of future ESG objectives; preparatory work for EU taxonomy and ESG objectives ▪ Further development of digitalization; sustainable assurance of delivery capability ▪ Management of the COVID-19 pandemic; driving cultural change; contributing to further improvement in diversity 	1.0

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1.4.2 LTI

Overview of LTI

Basis for assessment/Parameters	Lower threshold (pro rata amount)	100% target ¹ (pro rata amount)	Upper threshold (pro rata amount)
Adjusted return on capital employed (ROCE), average target achievement over the performance measurement period (three annual values)	Average target achievement 80% (50% target remuneration = 400,000 euros)	Average target achievement 100% (100% target remuneration = 800,000 euros)	Average target achievement 120% (150% target remuneration = 1,200,000 euros)
Performance measurement period	Three-year period (remuneration year plus two subsequent fiscal years)		
Cap	150% of the target amount of 800,000 euros (= 1,200,000 euros) ²		

¹ Respective 100% target derived from the budget.

² Remuneration for an ordinary member of the Management Board at a functional factor of 1.

The LTI represents variable cash remuneration, the amount of which has been based since 2019 on the long-term future performance of the corporation and derived from the average return on capital employed (ROCE) adjusted for one-time expenses and income, and for restructuring expenses over a period of three years (performance measurement period).

The LTI is a rolling program. As such, a new LTI tranche with a three-year performance measurement period is issued every year. For each LTI tranche, the adjusted ROCE is measured in the relevant remuneration year and the two subsequent years (three annual values).

The ROCE targets are derived from our budget and are set for each year of each three-year performance measurement period by the Supervisory Board of Henkel Management AG at the start of the relevant year. At the end of the respective year, target achievement for the year in question is analyzed. At the end of the respective three-year performance measurement period, the average target achievement for the respective performance measurement period is then calculated on the basis of the three measurements of relevance for the respective LTI tranche.

A remuneration scale has been defined for the LTI. Also, lower and upper thresholds are defined, below or above which no further payout is possible. The scale of payment amounts is consistently linear between the lower and upper thresholds. The total payable LTI amount is capped at 150 percent of the target amount, bearing in mind the respective functional factor.

The table below shows the relevant 100-percent target for the LTI tranches for 2019 and the following years for the respective annual values up to 2021, as well as the achievement of the target; and the average target achievement in the performance measurement period for the LTI tranche for 2019, the measurement period of which ended in 2021, and the resulting remuneration.

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Calculation of target achievement/LTI remuneration

LTI tranche	Performance year	100% target adjusted ROCE (%)	Actual adjusted ROCE (%)	Target achievement (%)	Average target achievement over three-year performance period (%)	Remuneration for respective LTI tranche ¹
LTI tranche 2019	1. (2019)	16.9%	15.0%	88.9%	91.8%	636,800 euros
	2. (2020)	14.1%	12.1%	85.6%		
	3. (2021)	13.2%	13.3%	100.9%		
LTI tranche for 2020	1. (2020)	14.1%	12.1%	85.6%	–	–
	2. (2021)	13.2%	13.3%	100.9%		
	3. (2022)	–	–	–		
LTI tranche for 2021	1. (2021)	13.2%	13.3%	100.9%	–	–
	2. (2022)	–	–	–		
	3. (2023)	–	–	–		

¹ Remuneration with a functional factor of 1.

1.4.3 Functional factors

In order to ensure due consideration of the differing requirements of the relevant areas of Management Board responsibility and of the differing levels of complexity and importance of the respective corporate functions and business units, general functional factors have been defined as multipliers for the STI and LTI payout amounts based on target achievement.

The following functional factors were applied to the variable remuneration granted and owed in 2021:

STI/LTI functional factors

	STI	LTI
	STI 2021	LTI tranche 2019
Carsten Knobel, Chairman of the Management Board	1.75	1.10
Marco Swoboda, Finance	1.00	–
Sylvie Nicol, Human Resources/Infrastructure Services	0.90	0.90
Jan-Dirk Auris, Adhesive Technologies	1.10	1.10
Jens-Martin Schwärzler, Beauty Care (until 4/30/2021)	0.90	0.90
Wolfgang König, Beauty Care (since 6/1/2021)	0.90	–
Bruno Piacenza, Laundry & Home Care	1.06	1.00

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1.4.4 Promoting the long-term development of the company

The Henkel Group pursues a strategy of long-term, sustainable, purposeful growth. Accordingly, the remuneration system for the Management Board takes account of relevant duties and responsibilities, and is designed to drive implementation of our corporate strategy, to offer incentives for successful and sustainable business performance over the long term, and to avoid inappropriate risk-taking.

This forms the basis for derivation of one of the benchmark parameters of the STI: organic sales growth (OSG) – i.e. sales development adjusted for foreign exchange and acquisitions/divestments – in the remuneration year is one of the criteria (50-percent weighting) used to determine the amount of the bonus. The other financial target (also weighted at 50 percent) is earnings per preferred share (EPS) adjusted for one-time expenses and income, and for restructuring expenses, and for foreign exchange.

In accordance with corporate strategy, the LTI represents rolling variable cash remuneration, the amount of which is based on the long-term future performance of the corporation and derived from the average return on capital employed (ROCE) adjusted for one-time expenses and income, and for restructuring expenses over a period of three years (performance measurement period).

The financial and individual objectives described above, which are derived from the corporate strategy and form part of the remuneration system approved by the Annual General Meeting, together with the Share Ownership Guideline described in 1.6, serve as an incentive to achieve corporate objectives for the current fiscal year and as an incentive for long-term, purposeful growth. The policy also takes appropriate account of the personal contribution made by the members of the Management Board to achievement of the financial targets and implementation of the strategic priorities.

1.5 Pension benefits

The corporation has been operating a purely defined contribution system since January 1, 2015. Accordingly, members of the Management Board now receive a superannuation lump-sum payment comprised, at least, of the total annual non-interest-bearing (lump-sum) contributions to the plan during their time in office. The lump-sum contributions are added to the special fund set up for company pension purposes; Management Board members are entitled to any surplus return, albeit not guaranteed, from investing the lump-sum contributions. The lump-sum contributions – based on a full fiscal year – are currently 750,000 euros for the Chairperson and 450,000 euros each for the other members of the Management Board. The corresponding annual additions do not represent remuneration granted and owed as defined in Section 162 (1) sentence 2 no. 1 AktG, since they have not been paid to the members of the Management Board.

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Instead of granting a company pension in accordance with the defined contribution pension scheme described above, Management Board members may also be granted a dedicated lump-sum pension payment to be transferred directly to the Management Board members each year. The amount of annual pension payout is equivalent to the aforementioned lump-sum contributions. Since the corresponding lump-sum pension payments are paid directly they constitute remuneration granted and owed as defined in Section 162 (1) sentence 2 no. 1 AktG.

The figures calculated in accordance with International Accounting Standard (IAS) 19 for service cost in respect of entitlements acquired in the reporting year and the present value of total pension benefits accruing to the end of the fiscal year in accordance with the defined contribution pension scheme are shown in the table below, together with the lump-sum pension payments in 2021:

Cost/present value of pension benefits and lump-sum pension payments

in euros		Details of the defined contribution pension system (IAS)		Lump-sum pension payments
		Service cost for pension benefits in the fiscal year	Present value of pension benefits as of December 31 ¹	
Carsten Knobel	2021	753,481	6,537,737	
	2020	756,040	5,423,389	
Jan-Dirk Auris	2021	451,849	6,740,083	
	2020	454,935	5,898,252	
Wolfgang König	2021			262,500
	2020			
Sylvie Nicol	2021	450,335	1,740,752	
	2020	450,702	1,196,560	
Bruno Piacenza	2021	450,846	5,846,841	
	2020	453,616	5,018,404	
Jens-Martin Schwärzler	2021	164,733	3,305,997	
	2020	465,332	2,962,033	
Marco Swoboda	2021	450,279	1,890,319	
	2020	450,697	1,353,512	
Total	2021	2,721,523	26,061,729	262,500
	2020	3,031,322	21,852,150	-

¹ Including amounts vested prior to appointment to the Management Board.

Pension payments totaling 7,378,898 euros (previous year: 7,300,068 euros) were paid out to former members of the Management Board and the senior management of Henkel AG & Co. KGaA and its legal predecessors and its dependants in the reporting year.

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1.6 Comparison of the annual change in the remuneration of the Management Board, the average remuneration of the other employees and the corporation's earning over the last five years

The following table shows, as defined in Section 162 (1) sentence 2 no. 2 AktG, the development in remuneration of the individual current and former members of the Management Board who received remuneration in the reporting year compared to the development of selected earnings indicators of the company or Group and with the development of the average remuneration of employees on a full-time equivalent basis.

The remuneration granted and owed as per Section 162 AktG is shown, including lump-sum pension payments (but excluding service cost of pension benefits) and any non-recurring special payments. Pension payments to former members of the Management Board are not listed, as they are not dependent on the corporation's earnings performance.

The average remuneration of employees is based on the total workforce of the Group in Germany. This also corresponds to the vertical comparison, which is performed when the Supervisory Board of Henkel Management AG determines and reviews the remuneration of the Management Board. In order to ensure better comparability with the remuneration of the Management Board, the average payroll cost is shown for wages and salaries, including social security contributions but excluding pension costs of a full-time employee.

When indicating the relative change, the amounts are shown as-is, without any like-for-like adjustment. In this respect, relative changes in the remuneration of individual Management Board members may be solely due to a different time in office in the comparable years and possible changes in functions or non-recurring special payments. The total remuneration indicated for the Group's entire workforce in Germany may be influenced by changes in the composition of the workforce, different salary adjustments under collective wage agreements or in non-tariff areas, the inclusion and exclusion of business operations or other HR measures.

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Comparison of the annual change in Management Board remuneration, average employee remuneration and the corporation's earnings performance over the last five years

Name, position, membership on the Management Board

in euros	2017	Change	2018	Change	2019	Change	2020	Change	2021
Serving members of the Management Board in 2021									
Carsten Knobel (Chairman of the Management Board; since 1/1/2020) (since 7/1/2012)	4,017,533	-14.2%	3,445,483	-20.2%	2,747,975	45.5%	3,998,907	70.1%	6,800,316
Jan-Dirk Auris (Adhesive Technologies) (since 1/1/2011)	3,997,262	-13.4%	3,460,587	-23.6%	2,644,626	2.6%	2,713,109	66.5%	4,516,283
Wolfgang König¹ (Beauty Care) (since 6/1/2021)	0	0.0%	0	0.0%	0	0.0%	0	0.0%	3,234,799
Sylvie Nicol (Human Resources) (since 4/9/2019)	0	0.0%	0	0.0%	1,412,584	45.1%	2,049,051	82.3%	3,735,197
Bruno Piacenza (Laundry & Home Care) (since 1/1/2011)	3,922,310	-18.3%	3,204,060	-21.5%	2,515,532	1.7%	2,559,048	63.7%	4,189,999
Jens-Martin Schwärzler² (Beauty Care) (from 11/1/2017 to 4/30/2021)	440,867	424.9%	2,314,021	-16.7%	1,926,855	22.2%	2,354,951	107.5%	4,887,200
Marco Swoboda (Finance) (since 1/1/2020)	0	0.0%	0	0.0%	0	0.0%	2,205,331	60.5%	3,538,617

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Comparison of the annual change in Management Board remuneration, average employee remuneration and the corporation's earnings performance over the last five years

Name, position, membership on the Management Board

in euros	2017	Change	2018	Change	2019	Change	2020	Change	2021
Former members of the Management Board (by order of departure)									
Kathrin Menges³ (Human Resources) (from 10/1/2011 to 4/8/2019)	3,859,887	-15.9%	3,244,245	-19.7%	2,605,753	-86.0%	363,600	18.2%	429,840
Hans Van Bylen⁴ (Chairman of the Management Board) (from 7/1/2005 to 12/31/2019)	5,977,278	-8.9%	5,442,780	72.7%	9,399,566	-93.2%	636,300	293.9%	2,506,400
Earnings indicators									
Annual profit of Henkel AG & Co. KGaA (HGB) (in millions of euros)	1,106	-16.4%	925	-0.4%	921	18.7%	1,093	-44.7%	604
Key financials for the Group									
Sales (in millions of euros)	20,029	-0.6%	19,899	1.1%	20,114	-4.3%	19,250	4.2%	20,066
Organic sales growth (%)	3.1%	-0.7pp	2.4%	-2.4pp	0.0%	-0.7pp	-0.7%	8.5pp	7.8%
Adjusted earnings per preferred share (euros)	5.85	2.7%	6.01	-9.7%	5.43	-21.5%	4.26	7.0%	4.56
Return on capital employed (ROCE) (%)	16.3%	-0.8pp	15.5%	-2pp	13.5%	-3.9pp	9.6%	1.4pp	11.0%
Average remuneration of employees (of the Group in Germany) (euros)									
Total workforce	86,132	2.9%	88,601	-2.1%	86,707	1.3%	87,865	4.6%	91,924

¹ In 2021, Wolfgang König received a payment of 1,018,131 euros gross to partially compensate for benefits from his former employer that were forfeited due to his move to Henkel; of this amount, 262,500 euros is attributable to the lump-sum pension payment in 2021.

² Upon leaving the company in 2021, Jens-Martin Schwärzler received, in addition to his usual remuneration, a non-recurring special payment of 3,185,000 euros to cover his contractual claims to remuneration (excluding LTI) for the original remaining term.

³ Upon leaving the company in 2019, Kathrin Menges received, in addition to her usual remuneration, a non-recurring special payment of 1,305,000 euros to cover her contractual claims to remuneration (excluding LTI) for the original remaining term. The still pending LTI amounts for 2020 and 2021 relating to the tranches for 2018 and 2019 were paid out.

⁴ Upon leaving the company in 2019, Hans Van Bylen received, in addition to his usual remuneration, a non-recurring special payment of 4,700,000 euros to cover his contractual claims to remuneration (excluding LTI). The still pending LTI amounts for 2019 and 2020 relating to the tranches for 2017 and 2018 were paid out. Hans Van Bylen also received a discretionary payment of 1,392,000 euros in 2021.

pp = percentage points

For the development of the remuneration of the members of the Supervisory Board and the Shareholders' Committee, please refer to the presentation in Section II. 2.3.

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1.7 Share Ownership Guideline/Own investment under the STI 2021 program (share deferral)

The obligation to purchase and hold shares (Share Ownership Guideline) is a key element of Management Board remuneration policy. The aim here is to promote a certain degree of alignment in the interests of the Management Board members with those of the shareholders while ensuring the sustainable and long-term performance of the corporation. Thus, Management Board members are obligated to invest from their STI around 35 percent of the respective (net) payout amount in the purchase of Henkel preferred shares on the stock exchange (= long-term component, share deferral), which are placed in a blocked custody account with a drawing restriction. They must hold at least as many shares as equates to 100 percent of their annual basic remuneration, or 200 percent of the annual basic remuneration in the case of the Chairperson, for the duration of their tenure (minimum portfolio). Even once they have acquired the minimum portfolio, Management Board members must still continue to purchase the volume of Henkel preferred shares in the volume specified above from their STI. These shares are also subject to a lock-up period. The lock-up period in each case expires on December 31 of the fourth year following the respective remuneration year.

The following table shows the Henkel preferred shares held by serving members of the Management Board in 2021 as per Share Ownership Guideline, and any changes in holdings.

Shareholdings and own investments/Share deferral under the STI program

Management Board member	Number of shares locked up as of 1/1/2021	Additions in 2021 ¹	Disposals in 2021 ²	Number of shares locked up at the end of 12/31/2021	Total number of shares held at 12/31/2021 ³	Total value of shares held at 12/31/2021 ⁴	Own investment STI 2021 ⁵	
							Amount (euros)	Number of shares (provisional)
Serving members of the Management Board in 2021								
Carsten Knobel	10,741	4,148	3,833	11,056	39,721	2,825,752	835,680	11,746
Jan-Dirk Auris	10,789	2,807	3,833	9,763	49,465	3,518,940	525,284	7,383
Wolfgang König	0	0	0	0	0	0	250,704	3,524
Sylvie Nicol	1,760	2,297	0	4,057	4,057	288,615	429,778	6,041
Bruno Piacenza	9,920	2,552	3,708	8,764	48,865	3,476,256	479,967	6,746
Jens-Martin Schwärzler	5,590	0	5,590	0	0	0	0	0
Marco Swoboda	0	2,552	0	2,552	2,552	181,549	477,531	6,712

¹ Number of shares acquired in 2021 under STI 2020 own investment obligation.

² Number of shares from the STI own investment of which the lock-up period expired on 12/31/2021 and other disposals during the year.

³ Total number of shares acquired under STI own investment obligation and still held after expiration of the lock-up period.

⁴ 71.14 euros per share, Xetra closing price on December 30, 2021.

⁵ Amount to be invested in Henkel preferred shares in 2022. Number of shares provisional; calculated on the basis of the Xetra closing price on 12/31/2021.

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1.8 Malus and clawback regulations

The Supervisory Board of Henkel Management AG is authorized to wholly or partially withhold or refuse to pay a variable component of remuneration (STI, LTI) that was awarded for a fiscal year in which a Management Board member commits a severe breach of duty (malus).

If variable components of remuneration have already been paid, the Supervisory Board of Henkel Management AG can demand their repayment (clawback) if (i) a severe breach of duty is only discovered after the variable components of remuneration have been paid, or (ii) a financial report is found to contain a material misstatement that impacted the calculation of the variable remuneration of the Management Board.

The Supervisory Board of Henkel Management AG decides at its due discretion whether and which variable remuneration components are to be withheld or reclaimed, and in what amount and for which years. In the year under review, there were no circumstances requiring such retention or clawback interventions.

1.9 Deviations from the remuneration policy

The remuneration policy applicable to the members of the Management Board since January 1, 2021 was submitted to the Annual General Meeting of Henkel AG & Co. KGaA on April 16, 2021 and approved by a majority of 98.50 percent. The respective Annual General Meeting resolution is available on the website www.henkel.com/ir. There were no changes or deviations from this in the reporting year.

1.10 Notes to consideration of the resolution in Annual General Meeting as per Section 120a (4) AktG (Approval of the remuneration report)

The 2021 remuneration report is the first to be submitted to the Annual General Meeting for approval. As such, no resolution has yet been adopted by the Annual General Meeting.

The remuneration policy governing the remuneration of Henkel Management AG as the sole Personally Liable Partner of Henkel AG & Co. KGaA (Management Board) was issued by the Supervisory Board of Henkel Management AG after discussions held with shareholders, shareholder representatives and investors in this regard.

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1.11 Adherence to caps/maximum total remuneration

The maximum total remuneration corresponds to the amount resulting for the respective member of the Management Board representing the sum of all remuneration components for the respective fiscal year, taking into account the fixed amounts or the caps set for the variable components.

Based on the current remuneration policy, the maximum remuneration granted and owed to a member of the Management Board in a fiscal year as defined in Section 162 AktG (excluding non-recurring special payments related to joining or leaving the Management Board) consists of the following components, subject to eligibility:

- Basic remuneration
- Other emoluments
- Lump-sum pension payment
- STI
- LTI

The maximum amounts resulting from this, allowing for the respective caps and functional factors, may be increased by the following non-recurring special payments related to joining or leaving the Management Board:

Newly appointed members of the Management Board may be granted one-off compensation in the event that benefits promised by the former employer are forfeited as a result of moving to Henkel Management AG. Such compensation is capped at 200 percent of the basic remuneration, and may result in higher maximum total remuneration. Members of the Management Board who are domiciled abroad may also be granted the usual tax reimbursements and compensation for currency conversion losses.

In addition, the following additional payments may be made when a member leaves the Management Board, in particular. The amounts are capped and may increase the maximum total remuneration:

- Payment of the STI in the year of departure
- Payment of compensation equivalent to the remuneration owing for the original remaining term of the contract
- Discretionary payment

In determining the payment of the variable remuneration components (STI and LTI), granting other benefits and lump-sum pension payments and the aforementioned non-recurring special payments related to joining or leaving the Management Board, the Supervisory Board of Henkel Management AG considered the respective functional factors (see also II. 1.4.3) and their respective caps (see the above table in I. 1.3). The corresponding maximum amounts are stored in the tools for calculating the respective remuneration components, so that any overshoot amounts are automatically limited. A corresponding check is performed as part of the respective payment instructions. The maximum total remuneration, taking account of the above-mentioned caps, as defined in the remuneration policy, was not exceeded.

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The following table shows the total remuneration granted and owed in accordance with Section 162 AktG in 2021 and the corresponding maximum total remuneration; for the allocation of the fixed or maximum amounts between the respective remuneration components and the resulting maximum total remuneration, please refer to the tables in II. 1.1.

Overview of remuneration granted/maximum total remuneration

Serving members of the Management Board in 2021	Remuneration 2021 as per Sect. 162 AktG	Maximum total remuneration
in euros		
Carsten Knobel	6,800,316	8,020,000
Jan-Dirk Auris	4,516,283	5,545,000
Wolfgang König	3,234,799	3,950,000
Sylvie Nicol	3,735,197	4,435,000
Bruno Piacenza	4,189,999	5,299,000
Jens-Martin Schwärzler	4,887,200	5,980,000
Marco Swoboda	3,538,617	3,925,000
Former Management Board members		
Lothar Steinebach	525,661	525,661
Kathrin Menges	429,840	810,000
Hans Van Bylen	2,506,400	3,492,000

1.12 Other benefits/commitments by third parties

In the year under review, no other benefits were pledged by the corporation to any member of the Management Board, nor were such commitments changed. No member of the Management Board was pledged payments from third parties in respect of their duties as executives of the corporation, nor were any such payments granted in the reporting period.

1.13 Benefits in case of termination of activity
Compensation payment

In the event that appointment to the Management Board is terminated prematurely and due notice is given to terminate the executive contract effective from the end of the period stipulated in Section 622 (1) and (2) [Bürgerliches Gesetzbuch: German Civil Code], the executive contracts provide for a compensation settlement amounting to the remuneration for the remaining term of the contract. In this case, the compensation payment is limited to a maximum of two annual remuneration sums, as recommended by the GCGC ("severance pay cap").

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Calculation of the STI is based on the budget figures at the time of calculation. Based on the current basic remuneration and the current STI target, this results in a compensation payment of 2,750,000 euros gross per year for a member of the Management Board with a functional factor of 1 based on these remuneration components. For the Chairperson of the Management Board, a functional factor of 1.75 for these remuneration components results in a compensation payment of 4,700,000 euros per year. Unless otherwise agreed in individual cases, claims from the LTI are determined after the end of the relevant assessment period and paid out according to the contractually defined due dates.

Members of the Management Board are not entitled to compensation, however, if the premature termination of their tenure is prompted by circumstances that would have entitled the corporation to terminate the executive contract without notice for good cause or reason for which the Management Board member is responsible.

There were no changes to these commitments in the year under review.

Non-competition clause/Discretionary payment

Management Board executive contracts each include an identical post-contractual non-competition clause with a term of two years. Members of the Management Board are entitled to a discretionary payment totaling 50 percent of the annual compensation for one fiscal year, which is payable in 24 monthly installments unless the Supervisory Board of Henkel Management AG waives the non-competition clause. This discretionary payment is based on the average annual remuneration awarded to the Management Board member for the three full fiscal years leading up to the termination of their executive activity, but is equivalent to no less than 150 percent of the annual basic remuneration awarded in the final full fiscal year prior to termination of their tenure on the Management Board. Any compensation settlements for equivalent periods are offset against the discretionary payment. The same applies to any income that the Management Board member earns – or desists from earning without compelling reason – during the non-competition period from any new activity elsewhere if and insofar as this income and the discretionary payment together exceed the (total) remuneration applicable to the relevant period.

Pension benefits

Management Board members who participated in the defined contribution pension system are entitled to pension benefits upon retiring at the age of 63, on termination of the employment relationship on or after attainment of the statutory retirement age, in the event of death, or in the event of permanent complete incapacity for work. If a member of the Management Board has received no pension benefits prior to their death, the superannuation lump sum accumulated up to time of death is paid out to the surviving spouse or to surviving children eligible for orphan benefits.

With regard to the figures calculated in accordance with International Accounting Standard (IAS) 19 for service cost in respect of entitlements acquired in the reporting year, and the present value of total pension benefits accruing to the end of the fiscal year, please refer to the discussion in II. 1.5.

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2. Remuneration of members of the Supervisory Board and of the Shareholders' Committee of Henkel AG & Co. KGaA in fiscal 2021

2.1 Remuneration 2021 at a glance

The remuneration granted and owed to the serving members of the Supervisory Board in 2021 as defined in Section 162 AktG (consisting of fixed fee, attendance fee and remuneration for committee activity) amounts to a total of 1,545,356 euros plus VAT (previous year: 1,562,000 euros plus VAT). Of this amount, fixed fees accounted for 1,207,356 euros, attendance fees for 93,000 euros, and remuneration for committee activity (including associated attendance fees) for 245,000 euros.

The remuneration granted and owed to the serving members of the Shareholders' Committee in 2021 as defined in Section 162 AktG (consisting of fixed fee and remuneration for committee activity) amounts to 2,350,000 euros (previous year: 2,350,000 euros). Of this amount, fixed fees were 1,150,000 euros and remuneration for committee activity 1,200,000 euros.

In the year under review, no compensation as defined in Section 162 AktG was paid to former members of the Supervisory Board or Shareholders' Committee, i.e. who left before 2021. Likewise, no compensation or benefits were paid or granted for personally performed services, including in particular advisory, brokerage or (inter)mediation services.

2.2 Remuneration/meeting attendance of each member

The remuneration granted and owed as defined in Section 162 (1) sentence 1 AktG to each serving member of the Supervisory Board and Shareholders' Committee in fiscal 2021 is presented in the following tables, broken down into the aforementioned components:

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Remuneration of the Supervisory Board granted and owed in 2021

Name, gender*, membership on the Supervisory Board in euros	Components of total remuneration												Total remuneration ²	
	Fixed remuneration (share of total remuneration in %)				Remuneration for Audit Committee membership (share of total remuneration in %)				Attendance fee ¹ (share of total remuneration in %)					
	2020	in %	2021	in %	2020	in %	2021	in %	2020	in %	2021	in %	2020	2021
Dr. Simone Bagel-Trah (f) (Chair) ³ (since 4/14/2008)	140,000	77	140,000	77	35,000	19	35,000	19	8,000	4	8,000	4	183,000	183,000
Birgit Helten-Kindlein (f) (Vice Chair) ³ (since 4/14/2008)	105,000	71	105,000	71	35,000	24	35,000	24	8,000	5	8,000	5	148,000	148,000
Michael Baumscheiper (m) (since 12/11/2020)	3,825	100	70,000	95					-	-	4,000	5	3,825	74,000
Jutta Bernicke (f) (since 4/14/2008)	70,000	95	70,000	96					4,000	5	3,000	4	74,000	73,000
Lutz Bunnenberg (m) (since 6/17/2020)	37,678	95	70,000	93					2,000	5	5,000	7	39,678	75,000
Benedikt-Richard Freiherr von Herman (m) (since 4/11/2016)	70,000	93	70,000	93					5,000	7	5,000	7	75,000	75,000
Timotheus Höttges (m) (from 4/11/2016 to 9/30/2021)	70,000	95	52,356	95					4,000	5	3,000	5	74,000	55,356
Prof. Dr. Michael Kaschke ² (m) (since 4/14/2008)	70,000	54	70,000	47	53,839	41	70,000	47	6,000	5	8,000	5	129,839	148,000
Barbara Kux (f) (since 7/3/2013)	70,000	93	70,000	93					5,000	7	5,000	7	75,000	75,000
Simone Menne ³ (f) (since 6/17/2020)	37,678	63	70,000	62	18,839	32	35,000	31	3,000	5	8,000	7	59,516	113,000
Andrea Pichottka (f) (since 10/26/2004)	70,000	93	70,000	93					5,000	7	5,000	7	75,000	75,000
Philipp Scholz (m) (since 4/9/2018)	70,000	93	70,000	93					5,000	7	5,000	7	75,000	75,000
Dr. Martina Seiler (f) (since 1/1/2012)	70,000	93	70,000	93					5,000	7	5,000	7	75,000	75,000
Dirk Thiede (m) (since 4/9/2018)	70,000	93	70,000	93					5,000	7	5,000	7	75,000	75,000
Edgar Topsch ³ (m) (since 8/1/2010)	70,000	62	70,000	62	35,000	31	35,000	31	8,000	7	8,000	7	113,000	113,000
Michael Vassiliadis ³ (m) (since 4/9/2018)	70,000	62	70,000	62	35,000	31	35,000	31	8,000	7	8,000	7	113,000	113,000
Total⁴	1,094,180	79	1,207,356	78	212,678	15	245,000	16	81,000	-	93,000	-	1,387,858	1,545,356

* male (m); female (f)

¹ Including attendance at the Audit Committee's meeting to discuss the annual financial statements, which may also be attended by members of the Supervisory Board who are not members of the Audit Committee.

² Figures do not include VAT.

³ Member of the Audit Committee. Audit Committee Chair: Prof. Dr. Michael Kaschke.

⁴ The 2020 totals only include the prior-year remuneration of members also serving in 2021.

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Individual meeting attendance Supervisory Board 2021

Supervisory Board member	Supervisory Board and Audit Committee meetings ¹	Attendance	Presence
Dr. Simone Bagel-Trah (Chair)	8	8	100%
Birgit Helten-Kindlein (Vice Chair)	8	8	100%
Michael Baumscheiper	4	3	75%
Jutta Bernicke	4	3	75%
Lutz Bunnenberg	4	4	100%
Benedikt-Richard Freiherr von Herman	4	4	100%
Timotheus Höttges (until 9/30/2021)	3	2	67%
Prof. Dr. Michael Kaschke	8	8	100%
Barbara Kux	4	4	100%
Simone Menne	8	8	100%
Andrea Pichottka	4	4	100%
Philipp Scholz	4	4	100%
Dr. Martina Seiler	4	4	100%
Dirk Thiede	4	4	100%
Edgar Topsch	8	8	100%
Michael Vassiliadis	8	8	100%

¹ Number of meetings of relevance for the respective member, i.e. excluding attendance at the Audit Committee's meeting to discuss the annual financial statements by members of the Supervisory Board who are not members of the Audit Committee.

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Remuneration of the Shareholders' Committee granted and owed in 2021

Name, gender*, membership on the Supervisory Board in euros	Components of total remuneration								Total remuneration	
	Fixed remuneration (share of total remuneration in %)				Fee for committee activity (share of total remuneration in %)				2020	2021
	2020	in %	2021	in %	2020	in %	2021	in %	2020	2021
Dr. Simone Bagel-Trah (f), Chair (Chair Personnel Committee) (since 4/18/2005)	200,000	50	200,000	50	200,000	50	200,000	50	400,000	400,000
Dr. Christoph Henkel (m), Vice Chair (Chair Finance Committee) (since 5/27/1991)	150,000	43	150,000	43	200,000	57	200,000	57	350,000	350,000
Dr. Paul Achleitner (m) (Member Finance Committee) (since 4/30/2001)	100,000	50	100,000	50	100,000	50	100,000	50	200,000	200,000
Alexander Birken (m) (Member Personnel Committee) (since 6/17/2020)	53,825	50	100,000	50	53,825	50	100,000	50	107,650	200,000
Johann-Christoph Frey (m) (Member Personnel Committee) (since 4/9/2018)	100,000	50	100,000	50	100,000	50	100,000	50	200,000	200,000
Dr. Christoph Kneip (m) (Member Finance Committee) (since 6/17/2020)	53,825	50	100,000	50	53,825	50	100,000	50	107,650	200,000
Prof. Dr. Ulrich Lehner (m) (Member of the Finance Committee) (from 4/14/2008 to 4/16/2021)	100,000	50	29,041	50	100,000	50	29,041	50	200,000	58,082
Dr. Norbert Reithofer (m) (Member of the Personnel Committee) (since 6/17/2020)	100,000	50	100,000	50	100,000	50	100,000	50	200,000	200,000
James Rowan (m) (Member of the Finance Committee) (since 4/16/2021)	-	-	70,959	50	-	-	70,959	50	-	141,918
Konstantin von Unger (m) (Member of the Finance Committee) (since 3/14/2003)	100,000	50	100,000	50	100,000	50	100,000	50	200,000	200,000
Jean-François van Boxmeer (m) (Member Personnel Committee) (since 4/15/2013)	100,000	50	100,000	50	100,000	50	100,000	50	200,000	200,000
Total**	1,057,650	49	1,150,000	49	1,107,650	51	1,200,000	51	2,165,300	2,350,000

* male (m); female (f)

** The 2020 totals only include the prior-year remuneration of members also serving in 2021.

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Individual meeting attendance Shareholders' Committee 2021

Member of Shareholders' Committee	Meetings of the Shareholders' Committee and meetings of the Finance/ Personnel Committees ¹	Attendance	Presence
Dr. Simone Bagel-Trah, Chair	13	13	100%
Dr. Christoph Henkel, Vice Chair	13	13	100%
Dr. Paul Achleitner	13	13	100%
Alexander Birken	13	13	100%
Johann-Christoph Frey	13	13	100%
Dr. Christoph Kneip	13	13	100%
Prof. Dr. Ulrich Lehner (until 4/16/2021)	4	4	100%
Dr. Norbert Reithofer	13	13	100%
James Rowan (since 4/16/2021)	9	9	100%
Konstantin von Unger	13	13	100%
Jean-François van Boxmeer	13	13	100%

¹ Number of meetings of relevance for the respective member.

2.3 Development of the remuneration of the members of the Supervisory Board and the Shareholders' Committee over the past five years

In accordance with the recommendation of the GCGC, the remuneration is of a purely fixed nature. This serves to strengthen impartiality and to avoid conflicts of interest for corporate body members performing their oversight function.

The following tables show the development over the past five years, as defined in Section 162 (1) sentence 2 No. 2 AktG, of the total remuneration (fixed fees, remuneration for committee activity and – in relation to the Supervisory Board – attendance fees) of the individual members of the Supervisory Board and the Shareholders' Committee who received remuneration in the reporting year. Since the remuneration of the members of the Supervisory Board and the Shareholders' Committee is of a purely fixed nature (i.e. not linked to the corporation's earnings performance) and this remuneration has not changed over the period under consideration from 2017 to 2021, relative changes in the remuneration paid to each member are exclusively due to a different duration of office in the reference years as well as possible changes in committee activity or differences in meeting attendance (Supervisory Board); relative changes are stated without like-for-like adjustment. For the development of Management Board remuneration, the development of selected earnings indicators of the company or Group as well as the development of the total remuneration of the other total employees of the Group in Germany, please refer to the discussion under II. 1.6.

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Remuneration of the Shareholders' Committee in the period 2017–2021

Name, time in office in euros	2017	Change in %	2018	Change in %	2019	Change in %	2020	Change in %	2021
Dr. Simone Bagel-Trah, Chair (since 4/18/2005)	400,000	0.0%	400,000	0.0%	400,000	0.0%	400,000	0.0%	400,000
Dr. Christoph Henkel, Vice Chair (since 5/27/1991)	350,000	0.0%	350,000	0.0%	350,000	0.0%	350,000	0.0%	350,000
Dr. Paul Achleitner (since 4/30/2001)	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000
Alexander Birken (since 6/17/2020)							107,650	85.8%	200,000
Johann-Christoph Frey (since 4/09/2018)			145,206	37.7%	200,000	0.0%	200,000	0.0%	200,000
Dr. Christoph Kneip (since 6/17/2020)							107,650	85.8%	200,000
Prof. Dr. Ulrich Lehner (from 4/14/2008 to 4/16/2021)	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000	-71.0%	58,082
Dr. Norbert Reithofer (since 4/11/2011)	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000
James Rowan (since 4/16/2021)									141,918
Konstantin von Unger (since 4/14/2003)	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000
Jean-François van Boxmeer (since 4/15/2013)	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000	0.0%	200,000

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3. Remuneration of Henkel Management AG for assumption of personal liability, and reimbursement of expenses for fiscal 2021

For assumption of personal liability and management responsibility, Henkel Management AG in its function as Personally Liable Partner received, as in previous years, an annual payment of 50,000 euros (= 5 percent of its capital stock) plus any value-added tax (VAT) due, said fee being payable irrespective of any profit or loss made.

Henkel Management AG may also claim reimbursement from or payment by the company of all expenses incurred in connection with the management of the corporation's business, including the remuneration and pensions paid to its corporate bodies.

4. Remuneration of members of the Supervisory Board of Henkel Management AG for fiscal 2021

According to Art. 14 of the Articles of Association of Henkel Management AG, members of the Supervisory Board or Shareholders' Committee of Henkel AG & Co. KGaA do not receive remuneration for serving on the Supervisory Board of Henkel Management AG. As the Supervisory Board of Henkel Management AG is only comprised of members who also belong to the Shareholders' Committee, as was also the case in previous years, no remuneration was paid in respect of this Supervisory Board in the year under review.

Düsseldorf, February 18, 2022

**For the Management Board
of Henkel Management AG
Personally Liable Partner
of Henkel AG & Co. KGaA**

Carsten Knobel
Chairman of the
Management Board

Marco Swoboda
Finance

**For the Supervisory Board
of Henkel AG & Co. KGaA**

Dr. Simone Bagel-Trah
Chairwoman of the
Supervisory Board

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To Henkel AG & Co. KGaA, Düsseldorf

We have audited the remuneration report of Henkel AG & Co. KGaA, Düsseldorf, for the financial year from January 1 to December 31, 2021, including the related disclosures, which was prepared to comply with § [Article] 162 AktG [Aktengesetz: German Stock Corporation Act].

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD

The executive directors and the supervisory board of Henkel AG & Co. KGaA are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of § 162 AktG. The executive directors and the supervisory board are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITIES

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts including the related disclosures stated in the remuneration report. The procedures selected depend on the auditor's judgment. This includes the assessment of the risks of material misstatement of the remuneration report including the related disclosures, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the preparation of the remuneration report including the related disclosures. The objective of this is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive directors and the supervisory board, as well as evaluating the overall presentation of remuneration report including the related disclosures.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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AUDIT OPINION

In our opinion, based on the findings of our audit, the remuneration report for the financial year from January 1 to December 31, 2021, including the related disclosures, complies in all material respects with the accounting provisions of § 162 AktG.

REFERENCE TO AN OTHER MATTER – FORMAL AUDIT OF THE REMUNERATION REPORT ACCORDING TO § 162 AKTG

The audit of the content of the remuneration report described in this auditor's report includes the formal audit of the remuneration report required by § 162 Abs. [paragraph] 3 AktG, including the issuance of a report on this audit. As we express an unqualified audit opinion on the content of the remuneration report, this audit opinion includes that the information required by § 162 Abs. 1 and 2 AktG has been disclosed in all material respects in the remuneration report.

RESTRICTIONS ON USE

We issue this auditor's report on the basis of the engagement agreed with Henkel AG & Co. KGaA. The audit has been performed only for purposes of the company and the auditor's report is solely intended to inform the company as to the results of the audit. Our responsibility for the audit and for our auditor's report is only towards the company in accordance with this engagement. The auditor's report is not intended for any third parties to base any (financial) decisions thereon. We do not assume any responsibility, duty of care or liability towards third parties; no third parties are included in the scope of protection of the underlying engagement. Section 334 BGB [Bürgerliches Gesetzbuch: German Civil Code], according to which objections arising from a contract may also be raised against third parties, is not waived.

Düsseldorf, February 18, 2022

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Dr. Peter Bartels
Wirtschaftsprüfer

Michael Reuther
Wirtschaftsprüfer

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