



# HENKEL Q3 2024

CARSTEN KNOBEL, MARCO SWOBODA – 6 NOVEMBER 2024



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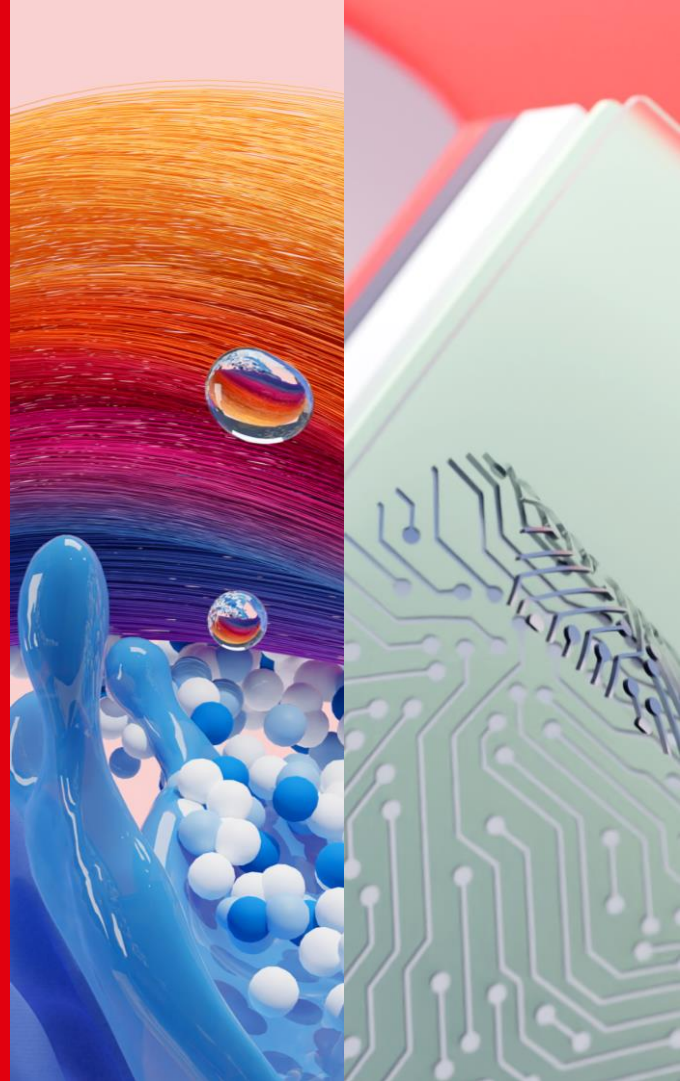
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# AGENDA

- 01 Key Developments**
- 02 Business Performance Q3 2024 & Outlook
- 03 Key Take-Aways & Closing



# AT A GLANCE

## Q3 2024 performance

- **Strong organic sales growth** in challenging market environment driven by both businesses
- **Good pricing** – with resilient development in Adhesive Technologies and still very strong in Consumer Brands
- **Overall positive volume development** – reflecting robust and broad portfolio in Adhesive Technologies; volume development in Consumer Brands flat when adjusting for portfolio measures
- **Portfolio optimization measures in Consumer Brands** well on track: discontinuations expected to be concluded by year-end
- **Outlook for 2024 reiterated** – backed by strong YTD performance, clear chance to reach upper half of Group earnings guidance ranges



### HENKEL GROUP

NOMINAL SALES

€5.5bn

ORGANIC SALES GROWTH

3.3%



### ADHESIVE TECHNOLOGIES

NOMINAL SALES

€2.8bn

ORGANIC SALES GROWTH

3.7%



### CONSUMER BRANDS

NOMINAL SALES

€2.7bn

ORGANIC SALES GROWTH

2.7%

# DRIVING OUR BUSINESSES ALONG CLEAR STRATEGIC PRIORITIES TO FUEL FURTHER PROFITABLE GROWTH

## Selective highlights




**Adhesive Technologies** outperforming markets with innovations and sustainability leadership

**Mobility & Electronics** with continued **strong growth**, fueled by momentum in Electronics



**Volume growth across businesses** in Adhesive Technologies



Strong growth dynamics of top brands reflecting **successful valorization and elevated investments in Consumer Brands**

**Portfolio optimization measures** in Consumer Brands bearing fruit

**Hair** with **5<sup>th</sup> consecutive quarter of high single-digit OS** incl. volume growth – coupled with share gains in Styling

# ADHESIVE TECHNOLOGIES OUTPERFORMING MARKETS WITH UNIQUE SOLUTION PORTFOLIO



## *SHAPING* **HIGH-GROWTH MARKETS WITH INNOVATIONS**

e.g., enabling advanced technologies addressing digitalization & connectivity



## *PIONEERING* **SUSTAINABILITY ACROSS INDUSTRIES**

e.g., innovating more sustainable construction with engineered wood solutions



## *INVESTING IN* **FUTURE GROWTH MARKETS**

e.g., strengthening MRO portfolio and improving market access with strategic acquisitions

# PIONEERING HIGH-PERFORMANCE SOLUTIONS IN AEROSPACE

*Global commercial airline fleet expected to*  
**DOUBLE IN NEXT 20 YEARS**

**DOUBLE-DIGIT GROWTH** 1-9/2024 in surface  
film solutions, e.g., innovative **LIGHTNING**  
**STRIKE PROTECTION FILM** enabling aircraft  
safety and lightweight design

*High-performance solution portfolio also driving*  
new growth **OPPORTUNITIES IN RISING**  
**SEGMENTS** like space

Aviation

Aircraft safeguarded from  
lightning strike with innovative  
surface film solution



Space

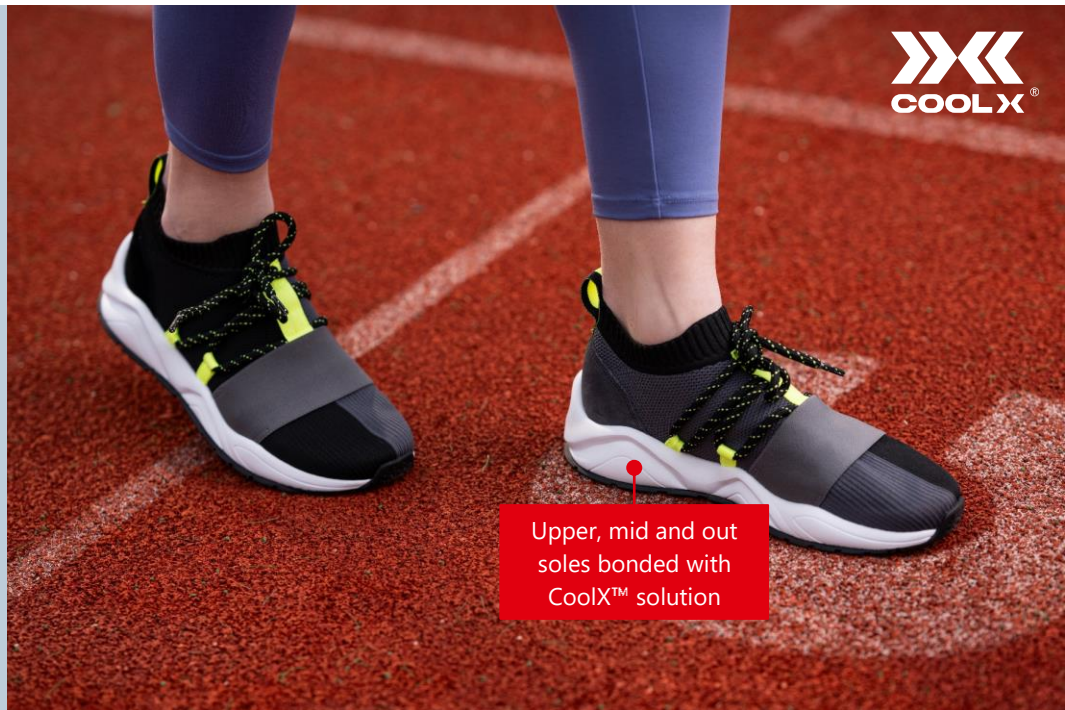


# INNOVATIONS ENABLING EMISSION REDUCTION FUELING GROWTH IN FOOTWEAR

*Sports footwear with*  
**DOUBLE-DIGIT** *organic sales growth 1-9/2024*

*Majority of shoes' CO2 footprint generated during  
manufacturing –* **HIGH POTENTIAL & DEMAND  
FOR EMISSION REDUCTION**

*Innovative* **COOLX™ SOLUTION**  
*enabling up to* **45% ENERGY SAVING**  
*in adhesive drying process*





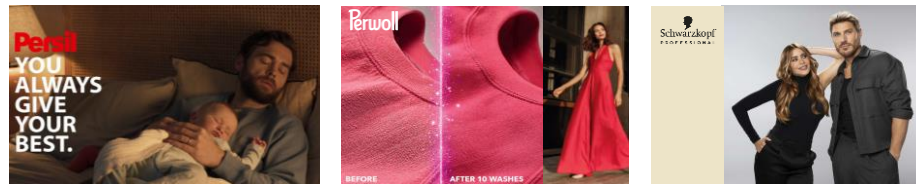
# PERFORMANCE OF TOP 10 BRANDS REFLECTING SUCCESSFUL VALORIZATION OF CONSUMER BRANDS PORTFOLIO

**TOP 10 BRANDS CONTINUE TO OUTPERFORM WITH HIGH SINGLE-DIGIT organic sales growth incl. positive volume contribution 1-9/2024**

## STRONG INNOVATIONS ACROSS CATEGORIES



## BENEFITTING FROM INCREASED AND MORE FOCUSED MARKETING SUPPORT



# DRIVING VALORIZATION WITH TECH-DRIVEN INNOVATIONS IN DISHWASHING WITH OUR LEADING BRAND SOMAT



SO DRIED-ON?  
SO WHAT!?

**Somat**  
NEW  
**5in1 Caps**

OUR **NO. 1** AGAINST  
DRIED-ON STAINS

**#1 / #2 POSITION IN**  
*>70% of active markets*

Roll-out of new **5IN1 CAPS –**  
**TOP-TIER PERFORMANCE**  
*with extra boost against dried-on stains*

Driving **GROWTH AND**  
**PREMIUMIZATION** *with strong investments*

Somat delivering  
**DOUBLE-DIGIT** *organic sales growth 1-9/2024,*  
**+90 BPS** *market share gains YTD*



**Somat**  
**EXCELLENCE**  
PREMIUM

5in1 Caps

16 CAPS

Deep Clean against burnt-on  
Brilliant shine  
Glass protection  
Care for the dishwasher

EXTRA BOOST  
against up to 72h dried-on stubborn stains

LOW TEMPERATURE  
**45° ECO**

# STRENGTHENING NORTH AMERICAN HAIR PROFESSIONAL BUSINESS WITH STRONG INNOVATION UNDER JOICO BRAND



*Henkel is #2 PLAYER IN NORTH AMERICAN HAIR PROFESSIONAL MARKET – with key brands like Joico*

**REINFORCING JOICO'S POSITIONING**  
*in healthy hair and bond-building with strong innovation broadening Defy Damage subline*

**VERY STRONG**  
*organic sales increase of Joico 1-9/2024 driving momentum in Hair Professional North America*

DEEPLY CLEANSSES WITHOUT LEAVING HAIR FEELING OR LOOKING DRY

LEAVES HAIR FEELING SOFT AND HYDRATED



# NET-ZERO ROADMAP – EXTENDING OUR TARGETS FOR EMISSIONS REDUCTION ALONG THE VALUE CHAIN

## New targets validated by Science Based Targets initiative (SBTi):

### New emission reduction targets by 2030:

Reduce absolute  
**Scope 1 and 2**  
GHG emissions  
by **42%**<sup>1</sup>

Reduce absolute  
**Scope 3**  
GHG emissions  
by **30%**<sup>1</sup>

### Introduction of net-zero target by 2045:

Reduce absolute  
**Scope 1, 2 and 3**  
GHG emissions  
by **90%**<sup>1</sup>

- New targets **cover a broader part of the value chain**
- Our **climate transition plan** summarizes our climate strategy, targets and emission reduction activities

## Our climate transition plan:



FIND OUT MORE ON [HENKEL.COM/SUSTAINABILITY](https://www.henkel.com/sustainability)

# STRONG BUSINESS PERFORMANCE WHILE DELIVERING ON OUR STRATEGIC PRIORITIES



*Strong*  
**organic sales growth**



*Shaping a*  
**winning portfolio**



*Fueling growth with*  
**relevant innovations**



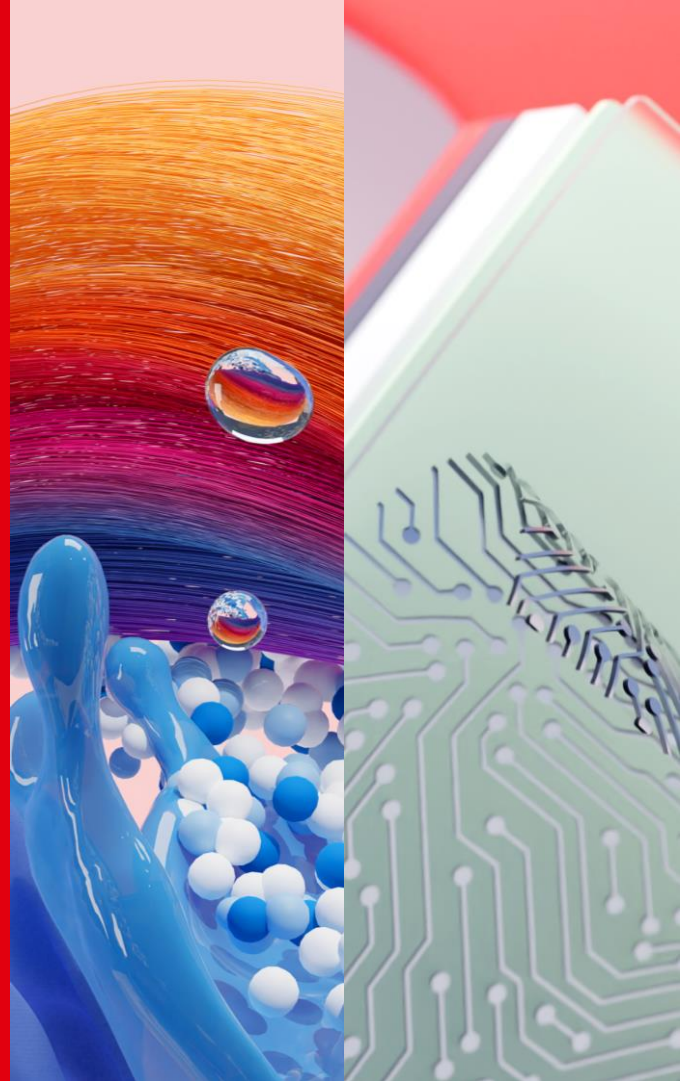
*Driving our*  
**net-zero roadmap**



*Confident on*  
**FY2024 outlook**

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# STRONG ORGANIC SALES GROWTH DRIVEN BY PRICE AND VOLUME

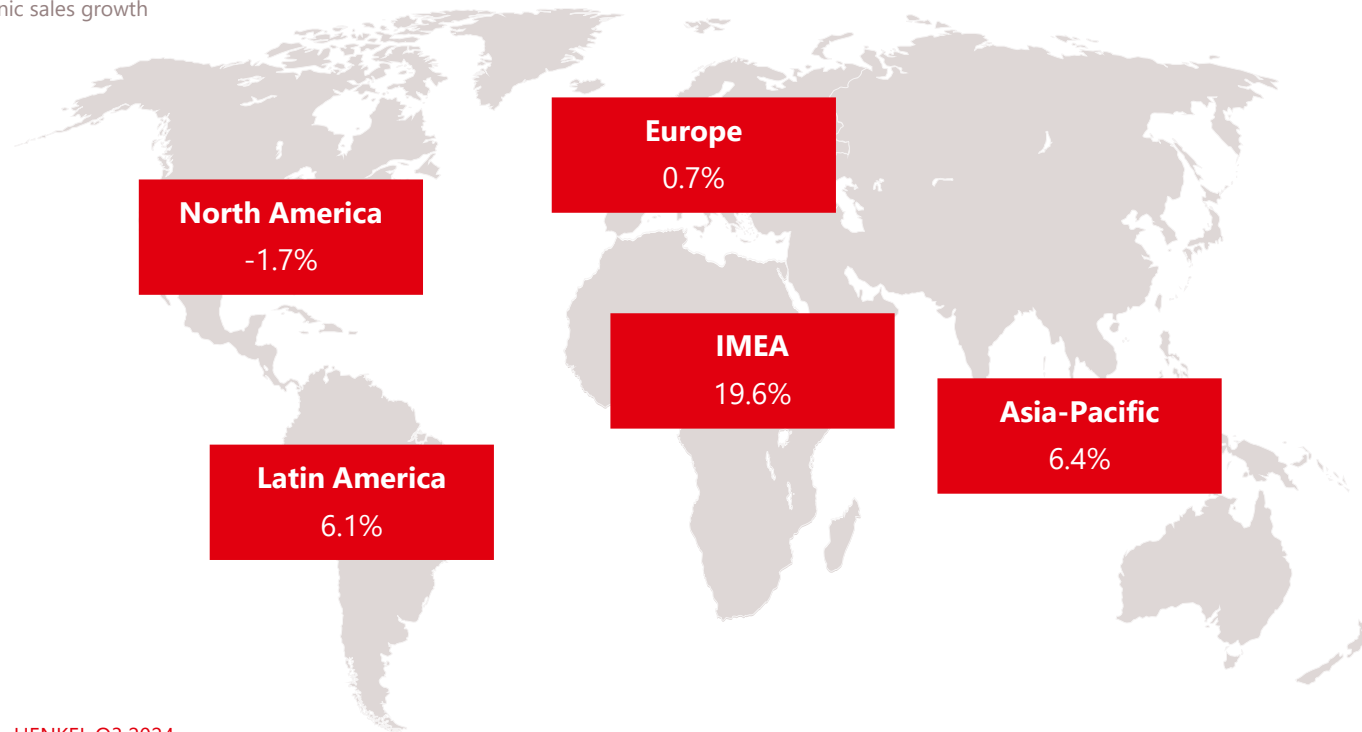
Q3 2024



# ORGANIC SALES GROWTH ACROSS REGIONS

**Q3 2024**

Organic sales growth







# ADHESIVE TECHNOLOGIES

Q3 2024

NOMINAL  
SALES

€2.8bn

ORGANIC  
SALES GROWTH

3.7%

PRICE

-0.2%

VOLUME

3.9%



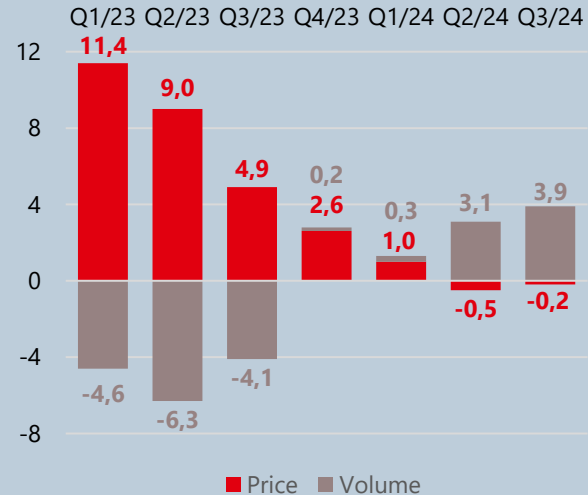
# ADHESIVE TECHNOLOGIES

## Q3 2024 – Price/Volume Development

- **Resilient pricing** – underpinning strength of our market position and portfolio
- **Strong volume development** – continued sequential improvement in still demanding market environment
- Expecting **continued volume expansion** in Q4 2024, while **pricing to remain robust**

in %

OSG 6.8 2.7 0.8 2.8 1.3 2.6 3.7



# ADHESIVE TECHNOLOGIES

## Q3 2024 – Business Area Performance

### MOBILITY & ELECTRONICS



SALES      OSG  
**€989m**    **3.9%**

Strong growth driven by Electronics and Industrials; Automotive overall reflecting slowdown in market demand

### PACKAGING & CONSUMER GOODS



SALES      OSG  
**€841m**    **2.7%**

Good growth in Packaging supported by improvement in demand; Consumer Goods positive

### CRAFTSMEN, CONSTRUCTION & PROF.



SALES      OSG  
**€969m**    **4.5%**

Growth backed by all businesses; in particular driven by General Manufacturing & Maintenance, supported by strong development in MRO



# CONSUMER BRANDS

Q3 2024

NOMINAL SALES

€2.7bn

ORGANIC SALES GROWTH

2.7%

PRICE

4.4%

VOLUME

-1.7%



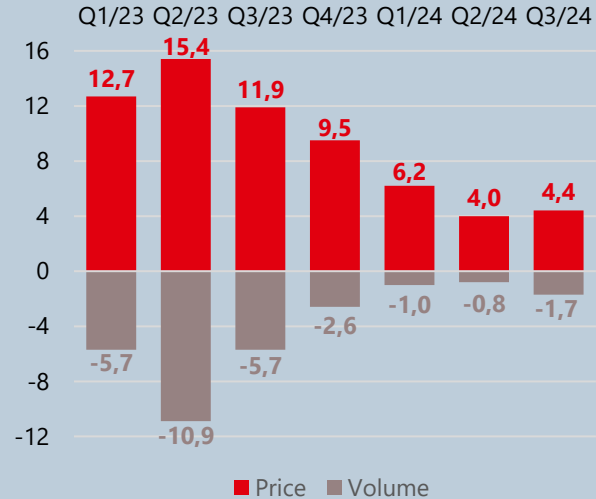
# CONSUMER BRANDS

## Q3 2024 – Price/Volume Development

- **Continued strong pricing** backed by value-adding innovations
- **Volume development** flat when adjusting for impact from portfolio measures in Q3
- Expecting **improved volume development** in Q4 vs. Q3 2024, while **pricing to remain strong** as valorization continues
- **Sustained elevated investments** in innovations and marketing to fuel growth

in %

OSG 7.0 4.5 6.2 6.9 5.2 3.3 2.7



# CONSUMER BRANDS

## Q3 2024 – Business Area Performance

### LAUNDRY & HOME CARE



SALES      OSG  
**€1,649m**    **0.9%**

Significant growth in Home Care driven by Dishwashing and Toilet Care; Laundry Care with negative development due to portfolio measures

### HAIR



SALES      OSG  
**€829m**      **6.8%**

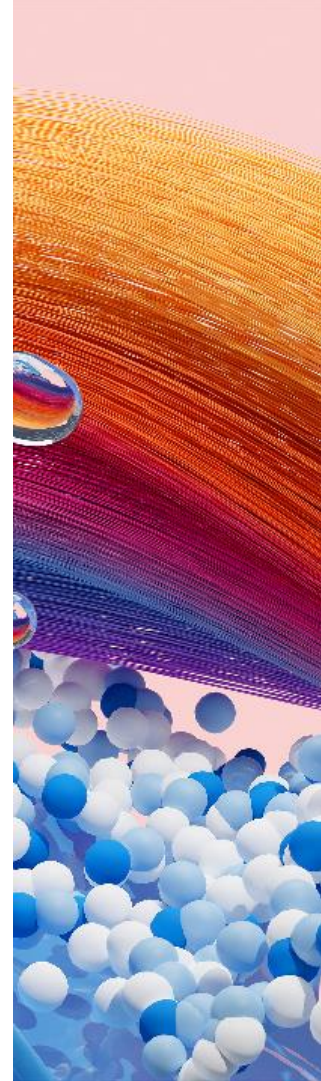
Significant increase in Consumer mainly driven by Styling; Professional with very strong growth and contributions from all regions

### OTHER CONSUMER BUSINESSES






SALES      OSG  
**€175m**      **2.0%**

Good growth overall, with particular contribution from Europe



# OUTLOOK 2024

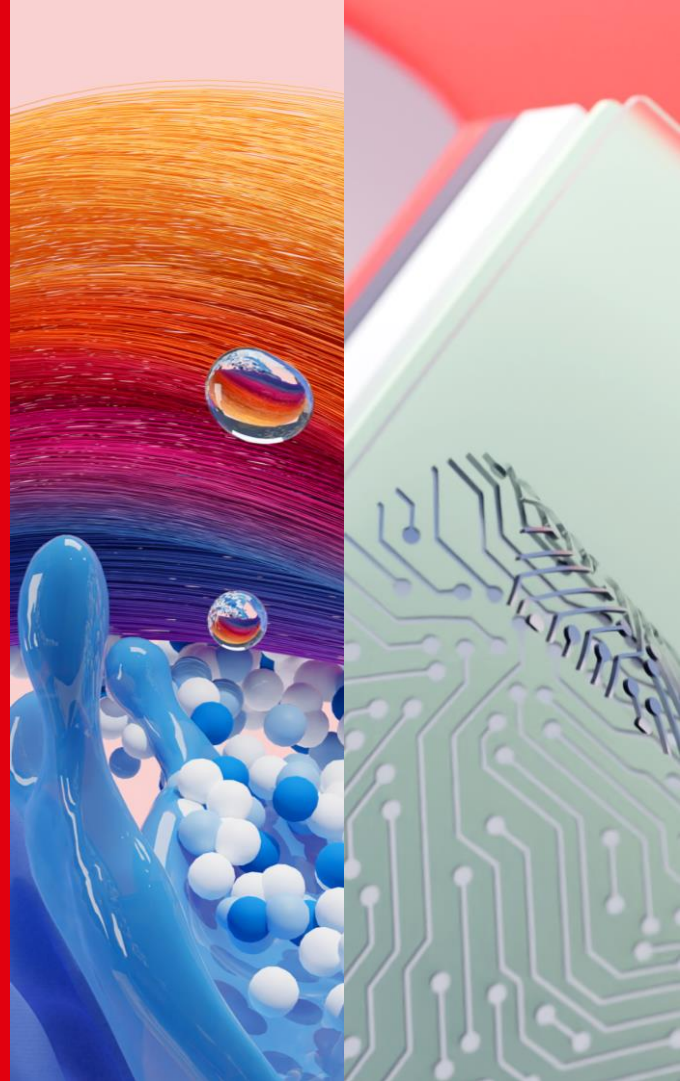
		<b>ORGANIC SALES GROWTH</b>	<b>ADJUSTED EBIT MARGIN</b>	<b>ADJUSTED EPS<sup>1</sup></b>
	<b>GROUP</b>	<b>2.5 to 4.5%</b>	<b>13.5 to 14.5%</b>	<b>+20 to +30%</b>
	<b>ADHESIVE TECHNOLOGIES</b>	<b>2.0 to 4.0%</b>	<b>16.0 to 17.0%</b>	
	<b>CONSUMER BRANDS</b>	<b>3.0 to 5.0%</b>	<b>13.0 to 14.0%</b>	

## Outlook for 2024 reiterated:

- Well within top-line guidance ranges
- Backed by strong YTD performance, clear chance to reach upper half of bottom-line guidance ranges

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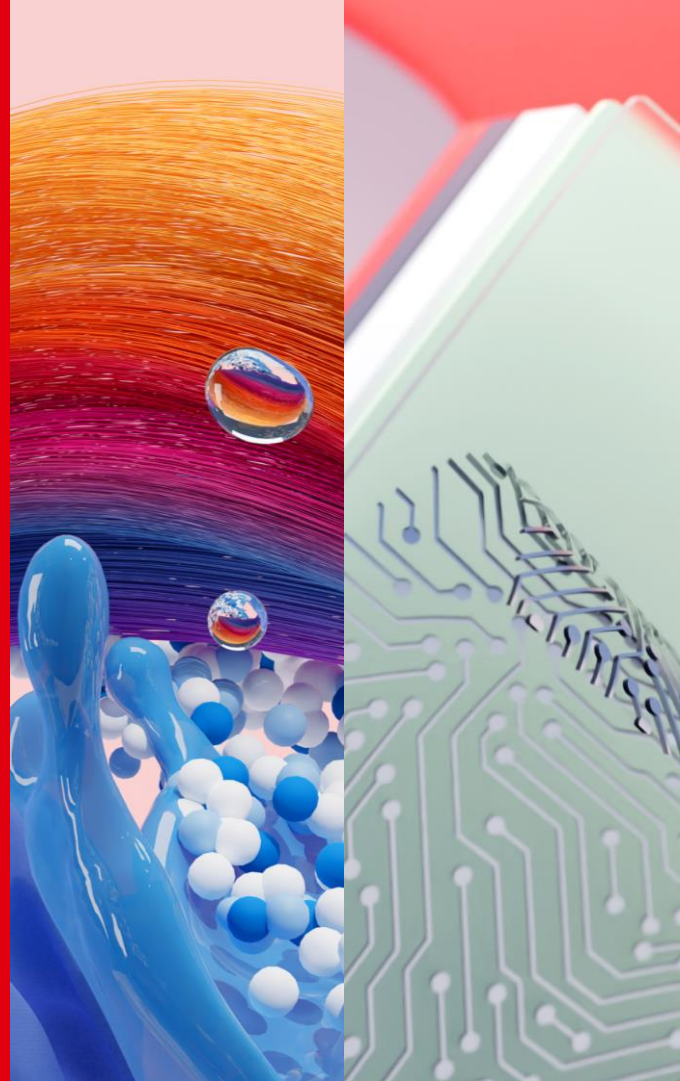


# KEY TAKE-AWAYS

- **Strong organic sales growth** in challenging market environment driven by both businesses
- **Pricing** with resilient development in Adhesive Technologies and still very strong in Consumer Brands
- **Volume development** reflecting robust and broad portfolio in Adhesive Technologies; continued impact from portfolio measures in Consumer Brands
- **Portfolio optimization measures in Consumer Brands** on track: discontinuations expected to be concluded by year-end
- **Outlook for 2024 reiterated** – backed by strong YTD performance, clear chance to reach upper half of earnings guidance ranges for the Group



# QUESTIONS & ANSWERS



# UPCOMING EVENTS

2024

NOV 6 | **Q3 2024** RELEASE

Quarterly Statement

2025

MAR 11 | **FY 2024** RELEASE

Annual Report

APR 28 | **AGM**

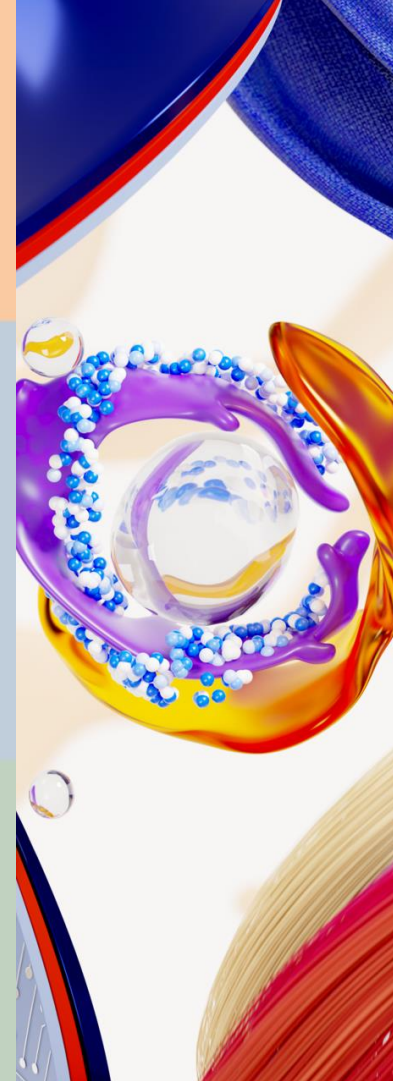
Annual General Meeting

MAY 8 | **Q1 2025** RELEASE

Quarterly Statement



THANK YOU.



# SALES BY BUSINESS UNIT AND BUSINESS AREA

## Q1 2024 – Q3 2024

€m	Q1 2024			Q2 2024			H1 2024			Q3 2024			1-9 2024		
	Sales	YoY	OSG	Sales	YoY	OSG	Sales	YoY	OSG	Sales	YoY	OSG	Sales	YoY	OSG
<b>HENKEL GROUP</b>	<b>5,317</b>	<b>-5.2%</b>	<b>3.0%</b>	<b>5,496</b>	<b>3.4%</b>	<b>2.8%</b>	<b>10,813</b>	<b>-1.0%</b>	<b>2.9%</b>	<b>5,492</b>	<b>1.0%</b>	<b>3.3%</b>	<b>16,305</b>	<b>-0.4%</b>	<b>3.0%</b>
<b>ADHESIVE TECHNOLOGIES</b>	<b>2,677</b>	<b>-4.1%</b>	<b>1.3%</b>	<b>2,798</b>	<b>4.3%</b>	<b>2.6%</b>	<b>5,475</b>	<b>0.0%</b>	<b>2.0%</b>	<b>2,800</b>	<b>3.3%</b>	<b>3.7%</b>	<b>8,275</b>	<b>1.1%</b>	<b>2.5%</b>
Mobility & Electronics	946	-1.5%	3.7%	991	5.4%	6.8%	1,936	2.0%	5.3%	989	1.0%	3.9%	2,926	1.6%	4.8%
Packaging & Consumer Goods	838	-5.1%	-0.2%	841	-1.1%	-1.0%	1,679	-3.1%	-0.6%	841	-1.6%	2.7%	2,520	-2.6%	0.5%
Craftsmen, Construction & Professional	893	-5.9%	0.3%	967	8.2%	1.7%	1,860	0.9%	1.0%	969	10.6%	4.5%	2,829	4.0%	2.1%
<b>CONSUMER BRANDS</b>	<b>2,605</b>	<b>-6.0%</b>	<b>5.2%</b>	<b>2,662</b>	<b>2.6%</b>	<b>3.3%</b>	<b>5,266</b>	<b>-1.8%</b>	<b>4.3%</b>	<b>2,653</b>	<b>-1.6%</b>	<b>2.7%</b>	<b>7,919</b>	<b>-1.8%</b>	<b>3.7%</b>
Laundry & Home Care	1,661	-7.2%	4.6%	1,664	0.0%	1.5%	3,324	-3.7%	3.1%	1,649	-4.4%	0.9%	4,974	-4.0%	2.3%
Hair	781	-3.6%	6.9%	828	9.4%	7.7%	1,609	2.6%	7.3%	829	6.3%	6.8%	2,437	3.8%	7.1%
Other Consumer Businesses	163	-4.8%	3.4%	170	-1.7%	0.7%	333	-3.2%	2.3%	175	-8.1%	2.0%	508	-4.9%	2.2%

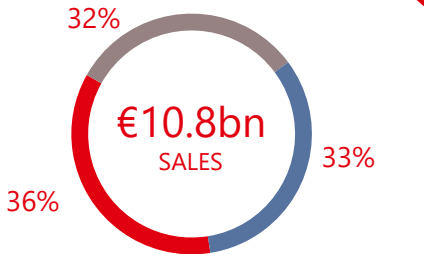
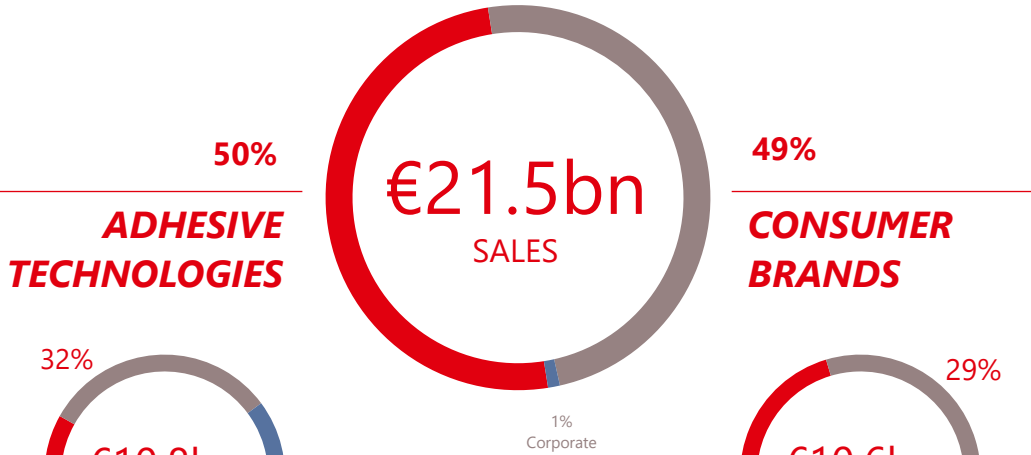
# OUTLOOK 2024

## ADDITIONAL INPUT FOR SELECTED KPIS

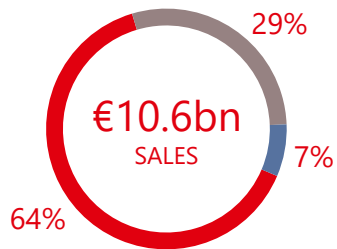
<i>CURRENCY IMPACT ON SALES</i>	low- to mid single-digit % negative <sup>1</sup>
<i>A&amp;D IMPACT ON SALES</i>	flat <sup>1</sup>
<i>PRICES FOR DIRECT MATERIALS</i>	flat <sup>1</sup>
<i>RESTRUCTURING CHARGES</i>	€ 250 – 300m
<i>CAPEX</i>	€ 650 – 750m

# BALANCED AND DIVERSIFIED PORTFOLIO

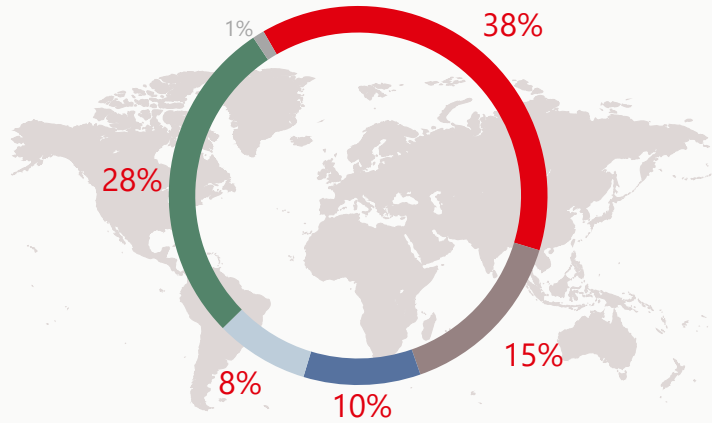
FY 2023



- Mobility & Electronics
- Packaging & Consumer Goods
- Craftsmen, Construction & Professional



- Laundry & Home Care
- Hair
- Other Consumer Businesses



- Europe
- Asia/Pacific
- IMEA
- Latin America
- North America
- Corporate





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