About Henkel

Fritz Henkel founded our company in 1876. With our three business units – Adhesive Technologies, Beauty Care and Laundry & Home Care – we hold leading market positions in both the industrial and consumer goods businesses. The products and technologies marketed under our strong brands – such as Loctite, Schwarzkopf and Persil – are an essential part of daily life for people in more than 100 countries.

Our actions are geared toward creating sustainable value. For our customers, our employees, our shareholders, and for society as a whole.

As pioneers in the field of sustainability, we want to achieve more with less resources. This ambition forms the core of our sustainability strategy, which is supported by our commitment to ensuring the health and quality of life of our employees, customers and consumers, as well as to protecting the environment.
What drives us

Our purpose
Creating sustainable value.

Our vision
Leading with our innovations, brands and technologies.

Our values
We put our customers and consumers at the center of what we do.

We value, challenge and reward our people.

We drive excellent sustainable financial performance.

We are committed to leadership in sustainability.

We shape our future with a strong entrepreneurial spirit based on our family business tradition.
Henkel at a glance

Three business units
- Adhesive Technologies
- Beauty Care
- Laundry & Home Care

Leading brands

Leading in sustainability
+56% resource efficiency

More than 143 years success with brands and technologies

Around 36% women in management

More than 52,000 employees; 120 nationalities

Around 2,000 social projects supported
Fiscal 2019

Sales

€ 20.1 bn

Nominal sales growth

+1.1%

+ 0.0% organic

Adjusted\(^1\)

return on sales (EBIT)

16.0%

− 1.6 percentage points

Adjusted\(^1\)

operating profit (EBIT)

€ 3,220 m

Adjusted\(^1\)

earnings per preferred share

€ 5.43

− 9.7%

Dividend per preferred share\(^2\)

€ 1.85

Sales by business unit

- Beauty Care 19%
- Adhesive Technologies 47%
- Laundry & Home Care 33%
- Corporate\(^3\) 1%

Sales by region

- Japan / Australia / New Zealand 3%
- Emerging markets\(^4\) 40%
- North America 26%
- Western Europe 30%
- Corporate\(^3\) 1%
Our Management Board

Carsten Knobel
Chairman of the Management Board
Born in Marburg / Lahn, Germany, on January 11, 1969; with Henkel since 1995.

Marco Swoboda
Executive Vice President Finance (CFO) / Purchasing / Integrated Business Solutions
Born in Velbert, Germany, on September 23, 1971; with Henkel since 1997.

Sylvie Nicol
Executive Vice President Human Resources / Infrastructure Services
Born in Paris, France, on February 28, 1973; with Henkel since 1996.
Jan-Dirk Auris
Executive Vice President Adhesive Technologies
Born in Cologne, Germany, on February 1, 1968; with Henkel since 1984.

Jens-Martin Schwärzler
Executive Vice President Beauty Care
Born in Ravensburg, Germany, on August 23, 1963; with Henkel since 1992.

Bruno Piacenza
Executive Vice President Laundry & Home Care
Born in Paris, France, on December 22, 1965; with Henkel since 1990.
Adhesive Technologies

Our Adhesive Technologies business leads the global market with adhesives, sealants and coatings – for industrial applications as well as for consumers, craftsmen and the building sector. Our leading brand Loctite generates annual sales of more than 3 billion euros. Other top brands include Technomelt and Bonderite. We combine cutting-edge innovations and close partnerships with industrial customers around the world, enabling tailor-made solutions in the following business areas: Packaging and Consumer Goods Adhesives, Transport and Metal, General Industry, and Electronics. In 2019, we generated around 30 percent of our sales with products launched onto the market in the last five years.

www.henkel.com/brands-and-businesses/adhesive-technologies
High-impact solutions for the aerospace industry

Global air traffic is increasing year by year and, with it, the demand from aircraft manufacturers for innovative solutions to enable lightweight construction and reduce fuel consumption. Henkel responded to this challenge in 2019 by investing around 35 million euros in a new European production facility for aerospace applications in Montornès del Vallès, Spain. The intelligent building is equipped with modern systems to offer our customers maximum transparency and traceability. The new site also meets the highest standards of sustainability. When planning the manufacturing facility, we used digital simulations to ensure maximum production process efficiency.
Beauty Care

Our Beauty Care business operates worldwide with products in the Hair Cosmetics, Body Care, Skin Care and Oral Care segments. We hold leading positions in numerous markets and categories with internationally renowned brands like Schwarzkopf, Dial and Syoss. In addition to our consumer brands, our portfolio also includes products for professional hairdressers, who define new trends through their creativity. In our Hair Salon business, brands such as Schwarzkopf Professional, Sexy Hair and Kenra rank us among the top three businesses in this segment globally. Fiscal 2019 saw us further strengthen our business, for example by investing in eSalon.com. In 2019, we generated around 45 percent of our sales with products launched onto the market in the last three years.

Top brands

Schwarzkopf

Dial

Syoss

Key financials 2019

Sales

€ 3,877 m

Adjusted 1 operating profit (EBIT)

€ 519 m

Organic sales growth

−2.1%

Adjusted 1 return on sales (EBIT)

13.4%

1 Adjusted for one-time charges / gains and restructuring expenses.

[www.henkel.com/brands-and-businesses/beauty-care]
Natural beauty

There is increasing demand from our customers and consumers for hair and skin care products based on natural ingredients from renewable sources. In response to this global trend, we incorporated numerous products and innovations in our portfolio. Nature Box body and hair care products, for example, are inspired by nature, with formulations that have been optimized to sustain performance and effectiveness. Our brand N.A.E. is organically certified and offers a wide range of body and face care products based on natural ingredients. Together with professional hairdressers, we have developed a new premium brand: Authentic Beauty Concept. The formulations for these care and styling products are vegan and free from sulfates, parabens, silicones and artificial colorants.
Laundry & Home Care

Our Laundry & Home Care business holds leading positions in many global markets to which it provides strong brands and innovations in the Laundry Care (laundry detergents) and Home Care (cleaning products) business areas. Its major brands are Persil, all and Bref. The product portfolio ranges from heavy-duty and specialty detergents, laundry additives, dishwashing products, hard surface and WC cleaners, to air fresheners and insect control products. In this business, too, innovations play a key role in ensuring success: In 2019, we generated around 45 percent of our sales with products launched onto the market in the last three years.

Top brands

- Persil
- all
- Bref

Key financials 2019

Sales

€ 6,656 m

Adjusted operating profit (EBIT)

€ 1,096 m

Adjusted return on sales (EBIT)

16.5%

Organic sales growth

+3.7%

↑ Adjusted for one-time charges / gains and restructuring expenses.

www.henkel.com/brands-and-businesses/
laundry-and-home-care
More performance through innovation

112 years old yet forever modern – our iconic Persil brand is constantly reinventing itself. Innovative technologies and formulations have enabled Persil to evolve into an international top brand with a presence in more than 50 markets around the globe. The most recent innovation: Persil 4-in-1 Discs with four chambers. Each disc combines stain remover and brightener with fabric care and a fresh fragrance – for outstanding deep cleanliness. Persil 4-in-1 Discs come in a biodegradable film that dissolves on contact with water. The active ingredients are already pre-measured. This enables consumers to use the exact amount needed and thus makes an important contribution to sustainability.
Efficient and flexible processes enable the successful development of our business units in a volatile market environment. We steer our workflows with a holistic and integrated approach in the different areas of our Finance organization: in Financial Management, Purchasing, Supply Chain, in our Integrated Business Solutions organization and in seven Shared Service Centers worldwide. Standardization, automation and digitalization improve not only efficiency, but also agility. This allows us to make further investments and respond better, both to the increasing volatility in our markets and to upcoming consumer trends.

Free cash flow$^1$

€ 2,471 m

Acquisitions / Capital expenditures$^1$

around € 1.3 bn

Net working capital as a percentage of sales$^1$

3.9%

Tax rate$^1$

25.2%

$^1$ Related to fiscal 2019.
Data-driven. Automated. Smart.

Henkel already uses 250 software robotics applications in its Shared Service Centers. They are taking on increasingly complex tasks, are constantly learning by doing thanks to artificial intelligence, and are thus enabling the further automation of numerous processes. We analyze around 1 billion data points in our supply chain every day. Our new value chain steering tool enables us to link purchasing, logistics, production and sales data and to combine them with real-time analyses. As a result, we can analyze in just a few seconds how price fluctuations or raw material shortages might impact our supply chains and production activities.
An international and diverse environment where more than 52,000 employees working in 78 countries perform exciting jobs that enable them to develop entrepreneurial spirit and take full responsibility for their own projects – that is what working at Henkel is all about. We promote an open and appreciative culture, and encourage the professional and personal development of our employees. We view diversity as a competitive factor, which is why we specifically foster a balance between career and family life. The success of these efforts is proven by the fact that more than one third of our managers are female. The social engagement of our employees is also something we value highly, which is why we support their participation in volunteering activities, social projects and sustainability initiatives around the world.

www.henkel.com/careers
Fit for the digital future

The aim of our global Digital Upskilling initiative is to make all our employees fit for the future. The first step is a profound analysis of the status quo. This comprises fun tests on general knowledge (Digital BaseFit) as well as an advanced review of experts’ skills targeted to specific job roles (Digital ExpertFit). The findings form the basis for individual training and upskilling programs. The personalized learning paths are available on a digital learning platform that our employees can access anytime, anywhere. We aim to help our people improve their digital knowledge and to encourage lifelong learning.
Sustainability

Henkel is a pioneer in the field of sustainability. This underpins all our actions and is firmly anchored in our corporate values. We are aware of the high expectations of our stakeholders. They want to understand the impact of our production, products and services along the value chain. Our long-term sustainability strategy provides a clear framework for meeting the associated demands. Everything we do is aligned to creating more value for our customers, consumers, neighbors and our own company – while at the same time reducing our carbon footprint – through innovations and partnerships with suppliers, customers, business partners and organizations. The success of these efforts is proven by the fact that our accomplishments and progress on this journey are regularly recognized by international rating agencies.

www.henkel.com/sustainability

Excellent performance in ratings and rankings

Overall efficiency improved by\(^1\)

\(+56\%\)

Less CO\(_2\) emissions per ton of product\(^1\)

\(−31\%\)

Improved safety per million hours worked\(^1\)

\(+42\%\)

Plastic gathered in the Plastic Bank collection centers in Haiti

200 tons

\(^1\) Figures relate to fiscal 2019 compared to the base year 2010.

\(^2\) Excluding adhesive products where residue may affect recyclability or pollute recycling streams.
Working together to develop solutions for sustainable packaging

Dealing with plastic waste is a challenge the whole world is facing. We are aware of our responsibility to help find solutions for sustainable packaging. Which is why we aim to reduce, avoid and recycle packaging waste. Committed to the concept of a circular economy, we are purchasing increasing volumes of materials from sustainable sources and introducing smart packaging designs to further close the loop. By 2025, we want all our packaging to be recyclable or reusable. We also engage in global partnerships, such as the “Alliance to End Plastic Waste,” and are, for example, collaborating with the social enterprise Plastic Bank to promote plastic waste collection in developing countries.
Social engagement

Corporate citizenship has been an essential part of our corporate culture ever since the company was established. Our commitment to social responsibility goes beyond direct business interests and was the driving force behind the creation of the foundation Fritz Henkel Stiftung in 2011. Our social engagement is based on four pillars: corporate volunteering, social partnerships, brand engagement and emergency aid. Henkel and Fritz Henkel Stiftung support projects in the areas of education and science, social need, art and culture, fitness and health, and the environment. By 2020, we aim to improve the quality of life of 10 million people.

www.henkel.com/spotlight/features/social-engagement
Engaging for a better world

We supported around 2,000 social projects in 2019, reaching more than 1,324,000 people. For instance, since 2012, our employees have served as Sustainability Ambassadors in their communities and shared with some 170,000 schoolchildren around the world how to act more sustainably in daily life. Since 2016, we have supported around 125,000 women and girls in the course of Schwarzkopf’s “Million Chances” initiative. Ever since 1998, our “MIT Volunteering” program (Make an Impact on Tomorrow) has been encouraging the voluntary social engagement of our active and retired employees. The total amount of funds donated reached around 8.1 million euros this past year.
Want to learn more about Henkel?

Find more information about our company:
- www.henkel.com

Our financial publications:
- www.henkel.com/reports

Our sustainability publications:
- www.henkel.com/sustainability/reports

Our career offers:
- www.henkel.com/careers

Or download the Henkel app for iOS or Android:

Spotlight magazine

How is digitalization shaping our future? How can we encourage a responsible approach to plastic? What does “New Work” mean for an international corporation? Discover stories, expert interviews, extensive features and guest articles in our digital magazine.

Curious? Please visit:
- www.henkel.com/spotlight

Joining Henkel

Whether you are at school or university, entry level or a seasoned professional: The careers section on our website provides all the information you need about what it means to work for Henkel, what exciting jobs we offer, and how to apply for them.

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- www.henkel.com/careers

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