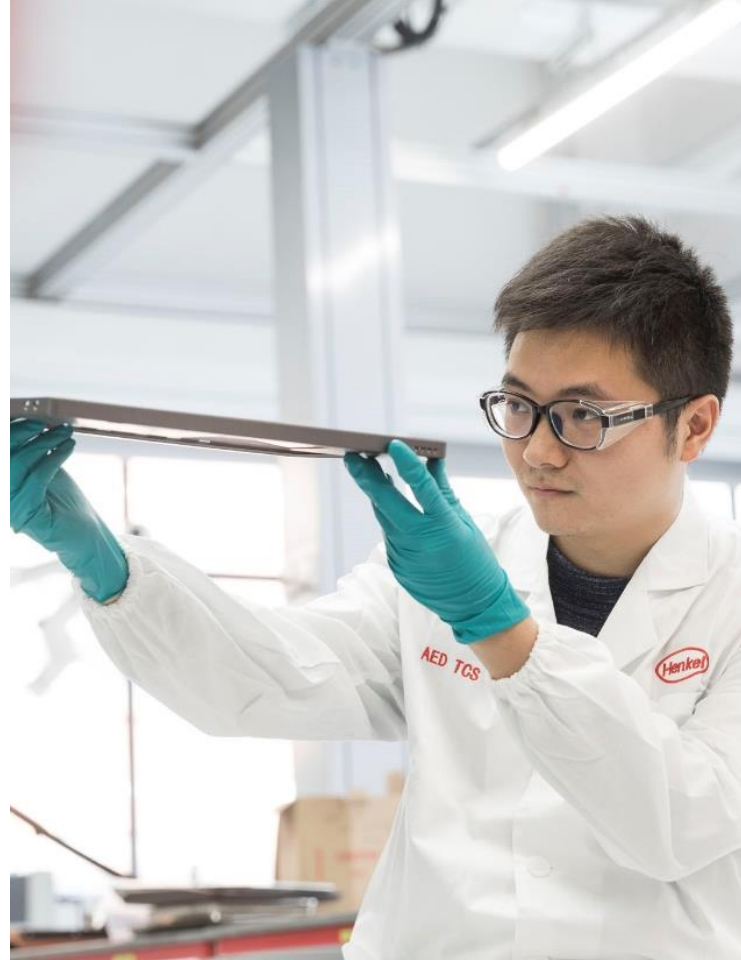


HENKEL INVESTOR & MEDIA CONFERENCE

Carsten Knobel, Marco Swoboda | March 5, 2020





WELCOME



▶ DISCLAIMER

This presentation contains forward-looking statements which are based on current estimates and assumptions made by the corporate management of Henkel AG & Co. KGaA. Statements with respect to the future are characterized by the use of words such as “expect”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, and similar terms. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and results actually achieved by Henkel AG & Co. KGaA and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements. Many of these factors are outside Henkel’s control and cannot be accurately estimated in advance, such as the future economic environment and the actions of competitors and others involved in the marketplace. Henkel neither plans nor undertakes to update any forward-looking statements.

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

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Henkel

TRANSPARENCY
& TRUST

FULL OWNERSHIP
OF RESULTS

DRIVING
CHANGE

WHAT TO EXPECT FROM TODAY

- 01** Results 2019 and Outlook 2020
- 02** Henkel Group Review
- 03** Future Direction
- 04** Closing

AGENDA

01 Results 2019 and Outlook 2020

02 Henkel Group Review

03 Future Direction

04 Closing

▶ OVERALL MIXED PERFORMANCE IN 2019

Nominal Sales

€ 20.1 bn
+1.1%

Organic Sales Growth

0.0%

Adjusted EBIT Margin

16.0%
-160bps

Adjusted EPS¹

€ 5.43
-10.1%²

Free Cash Flow

€ 2.5 bn
€ +554 m

Dividend Proposal³

€ 1.85
stable

¹ Per preferred share ² At constant exchange rates ³ Proposal to shareholders at AGM on April 20, 2020

► BUSINESS ENVIRONMENT 2019

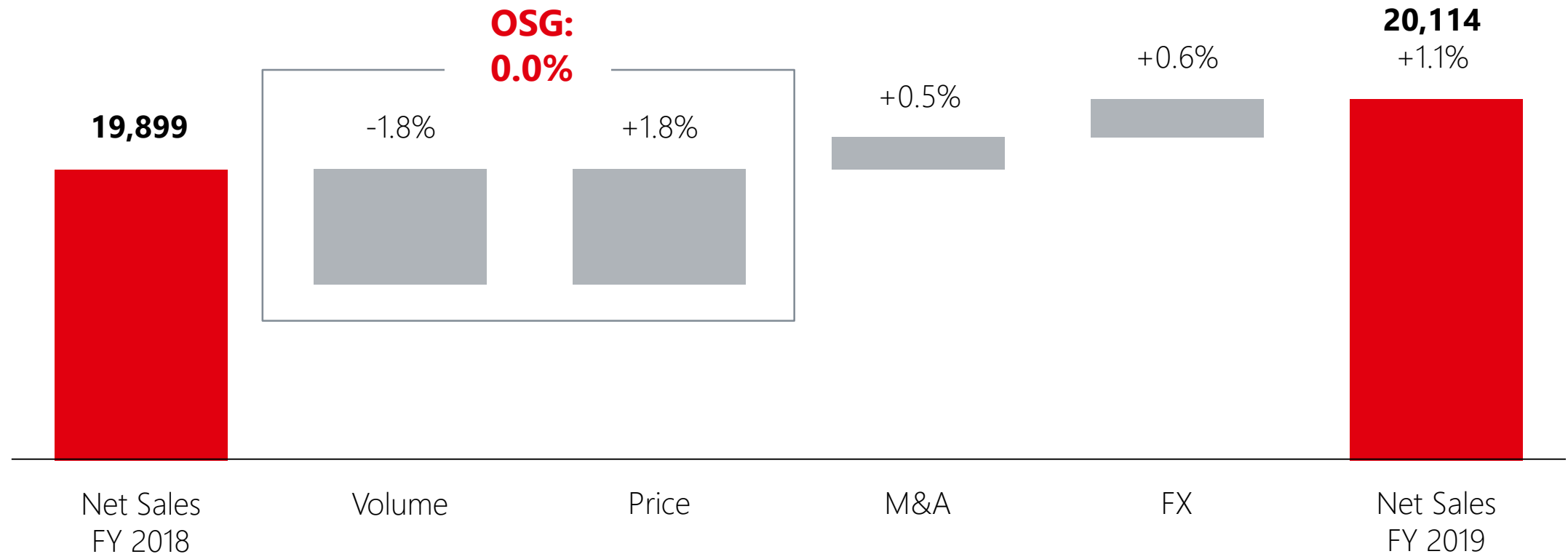
- Muted growth in industrial production, H2 recovery did not materialize
- Overall supportive consumer markets with good growth dynamics, yet highly competitive
- Economic activity impacted by continued geopolitical tensions and trade conflicts
- Slight currency tailwinds, persisting pressure from some Emerging Market currencies
- Direct materials pricing headwinds easing throughout the year



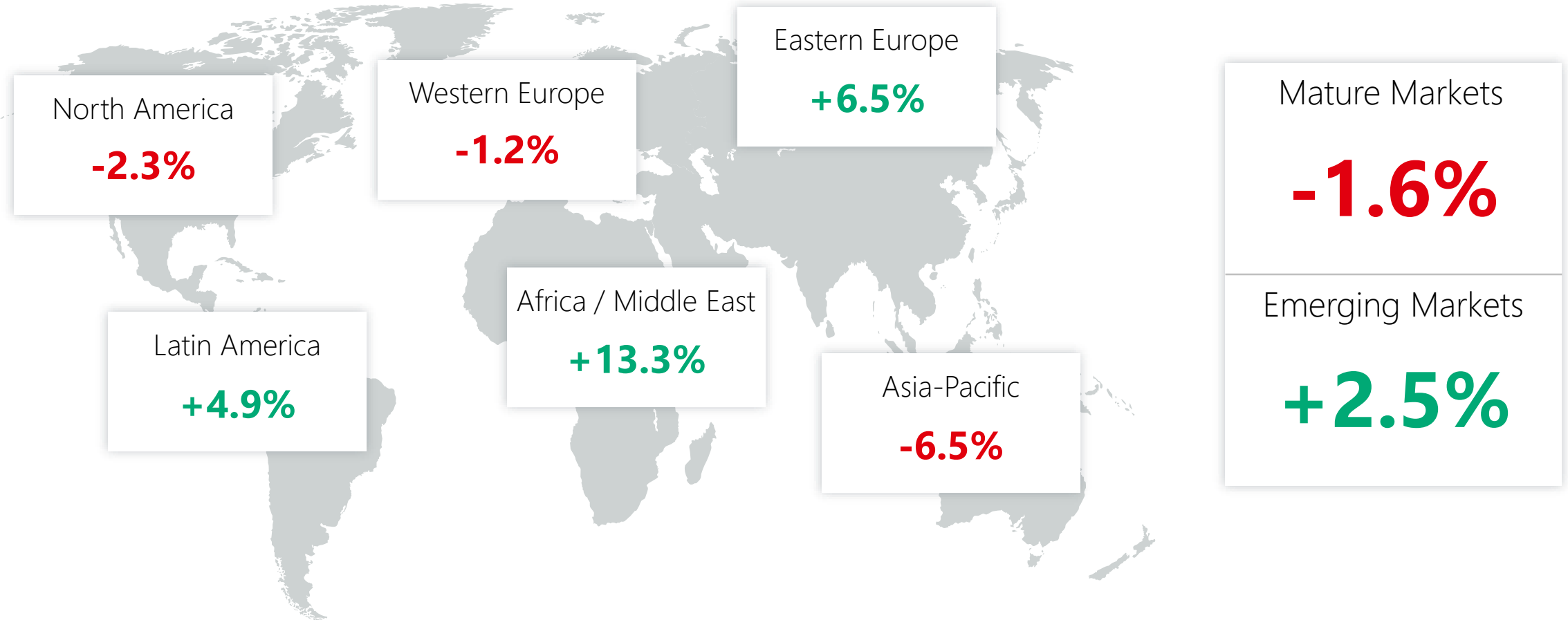
▶ FLAT ORGANIC SALES DEVELOPMENT

POSITIVE PRICING COMPENSATING FOR VOLUME DECLINE

Sales in € m, changes in %



▶ WEAK DEVELOPMENT IN MATURE MARKETS AND ASIA ORGANIC SALES GROWTH FY 2019





ADHESIVE TECHNOLOGIES

ORGANIC SALES GROWTH: -1.5%

- Significant headwinds especially in Automotive and Electronics
- General Industry affected by demand-driven de-stocking in distribution channels
- Packaging & Consumer Goods flat, but good growth with food packaging solutions
- Strong growth in building and construction in Emerging Markets
- Positive pricing secured in an increasingly challenging industrial environment

▶ ADHESIVE TECHNOLOGIES

FY 2019

Organic Sales Growth

-1.5%

Price	Volume
+1.8%	-3.3%

Adjusted EBIT Margin

18.1%

Change y-o-y
-60bps

Net Working Capital

11.5%

Change y-o-y
-30bps



BEAUTY CARE

ORGANIC SALES GROWTH: -2.1%

- Retail with weak development, heavily impacted by de-stocking in China
 - Western European market shares slightly down in a low growth environment
 - Full year turnaround in North America not yet achieved, but returned to growth in H2
 - Share gains in Hair Color and Styling
- Continued strong momentum in Professional
- Positive contributions from increasing focus on nature brands

▶ BEAUTY CARE
FY 2019

Organic Sales Growth

-2.1%

Price	Volume
-0.6%	-1.5%

Adjusted EBIT Margin

13.4%

Change y-o-y
-370bps

Net Working Capital

1.9%

Change y-o-y
-280bps



LAUNDRY & HOME CARE

ORGANIC SALES GROWTH: +3.7%

- Good growth in Laundry Care, supported by double-digit growth of #1 brand Persil
- Home Care with very strong performance, driven by Toilet Care and Hand Dishwashing
- Share losses in North America
- Emerging Markets with double-digit growth

▶ LAUNDRY & HOME CARE

FY 2019

Organic Sales Growth

+3.7%

Price	Volume
+3.2%	+0.5%

Adjusted EBIT Margin

16.5%

Change y-o-y
-160bps

Net Working Capital

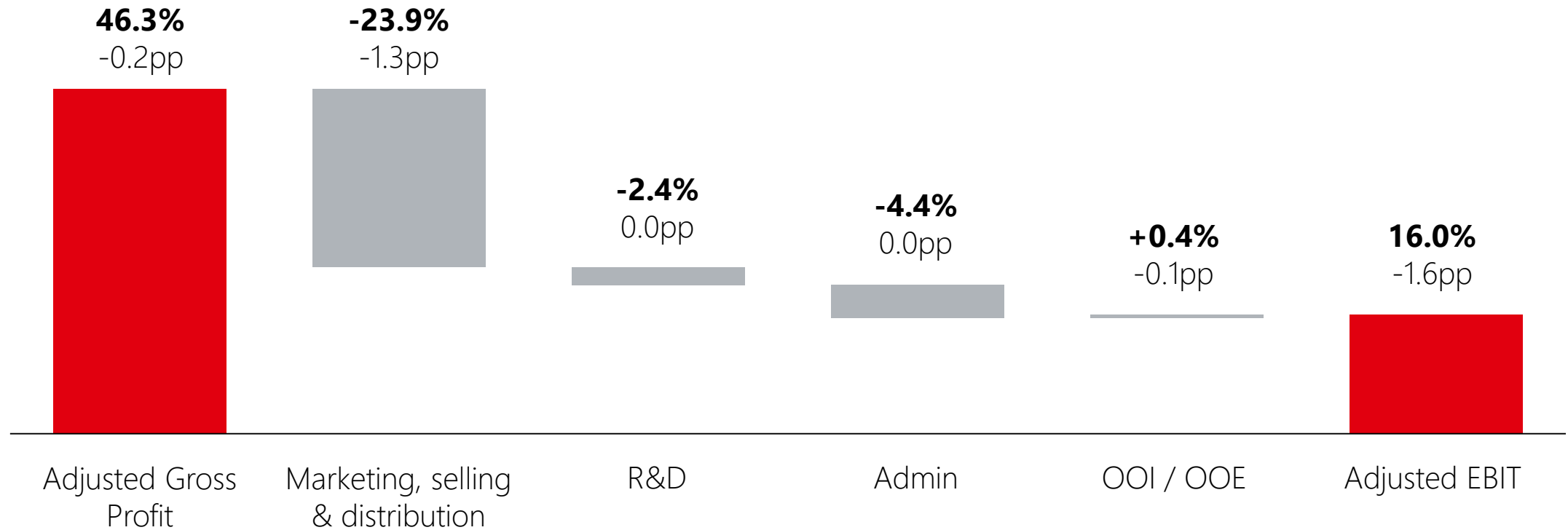
-5.3%

Change y-o-y
-140bps

▶ ADJUSTED GROSS PROFIT TO ADJUSTED EBIT FY 2019

in % of sales

Impact on Adjusted EBIT Margin in pp vs. PY



STEP-UP IN GROWTH INVESTMENTS STARTED

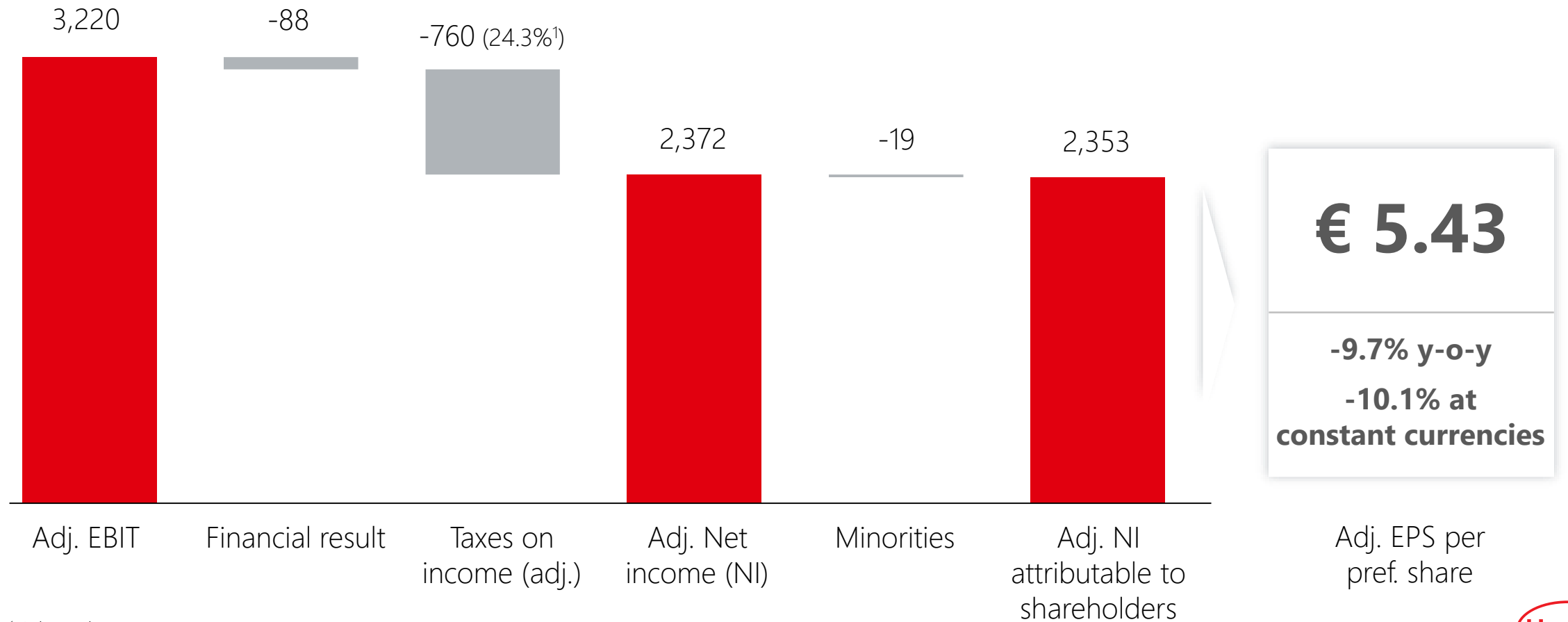
- Step-up in 2019 investments around 50% of planned amount of € 300 million
- Positive impact from successful initiatives, incl.
 - Double-digit growth of Persil, Pril and Bref
 - Strong growth of Hair Professional, got2b, Hair Coloration and nature brands
 - Roll-out of Adhesive Technologies eShop
- Execution of investment plans held back
 - Start of key initiatives only from end of Q1
 - Compensating for unexpected developments



▶ ADJUSTED EPS BELOW PRIOR YEAR

FY 2019

in € m



¹ Adjusted tax rate

▶ FINANCIAL POSITION FURTHER STRENGTHENED

FY 2019

Net Working Capital

3.9%

Change y-o-y
-120bps

Free Cash Flow

€ 2,471 m

Change y-o-y
€ +554 m

Net Financial Position

€ -2,045 m

Change y-o-y
€ +850 m

▶ DISCIPLINED APPROACH TO CAPITAL ALLOCATION

€ 662 m

CapEx investments, equivalent to 3.3% of sales
Particular focus on growth and capacity expansion

€ 582 m

Acquisitions with consistent execution of M&A strategy
Venture Capital activities further advanced



▶ STABLE DIVIDEND DESPITE LOWER EARNINGS

€ 1.85¹

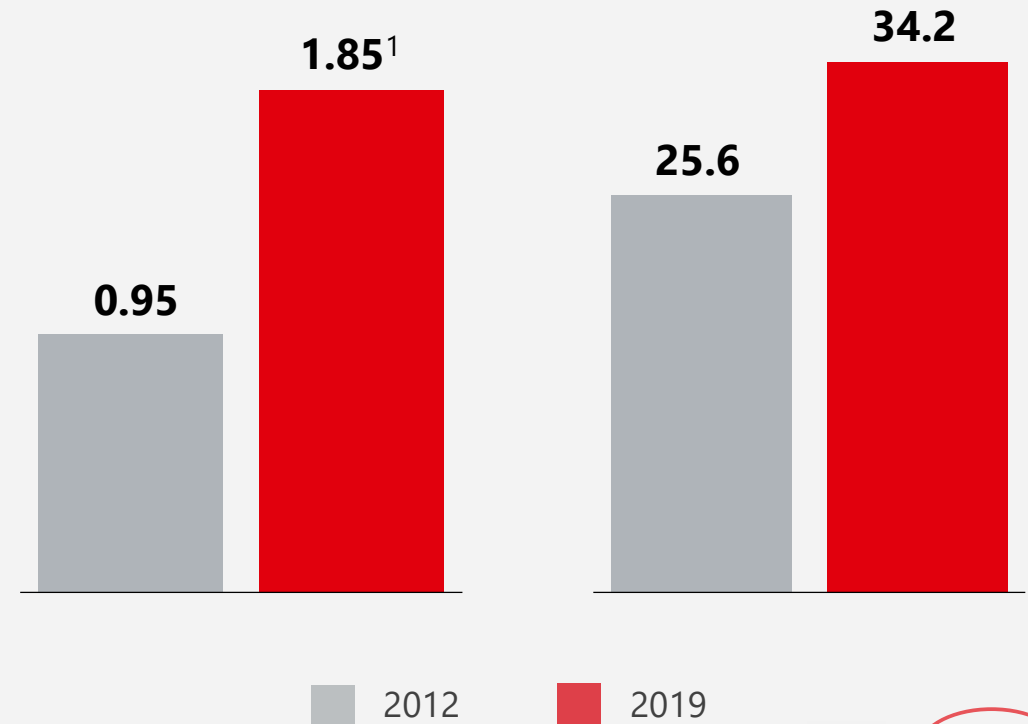
Dividend per preferred share
Dividend kept stable despite lower earnings level in FY 2019

34.2%

Dividend pay-out ratio, increased by 3.3pp y-o-y
Pay-out well in-line with target ratio of 30 to 40%

Dividend per pref. share
in €

Payout ratio
in %



¹ Proposal to shareholders at AGM April 20, 2020

▶ GUIDANCE 2020

Organic Sales Growth

Henkel Group

0 to 2%

Adhesive Technologies

-2 to 1%

Beauty Care

1 to 3%

Laundry & Home Care

2 to 4%

Adjusted EBIT Margin

Henkel Group

Around 15%

Adhesive Technologies

17 to 18%

Beauty Care

12.5 to 13.5%

Laundry & Home Care

15 to 16%

Development in adjusted EPS (at constant exchange rates)¹

Decrease by mid- to high single-digit percentage

¹ Per preferred share

▶ IMPLICATIONS FROM CORONAVIRUS OUTBREAK

- Coronavirus outbreak affecting business in China and increasingly spreading globally
- Broad initiatives taken to support and protect employees and their families
- Challenges in logistics and customer demand, while all sites are operational
- First quarter financial performance significantly impacted
- Based on current assumptions full year guidance unchanged, but situation currently highly uncertain and unpredictable



SUMMARY

- 2019 below expectations in terms of organic sales growth and net earnings
- Strong cash flow and financial position further improved
- Dividend payment stable on high level
- 2020 expected to be a transition year to position Henkel for the future

AGENDA

- 01** Results 2019 and Outlook 2020
- 02** **Henkel Group Review**
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- 04** Closing

GROUP REVIEW

1. STRONG FOUNDATION
2. FINANCIAL PERFORMANCE
3. AREAS FOR CHANGE



GROUP REVIEW

1. STRONG FOUNDATION
2. FINANCIAL PERFORMANCE
3. AREAS FOR CHANGE





STRONG FOUNDATION

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



STRONG FOUNDATION

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

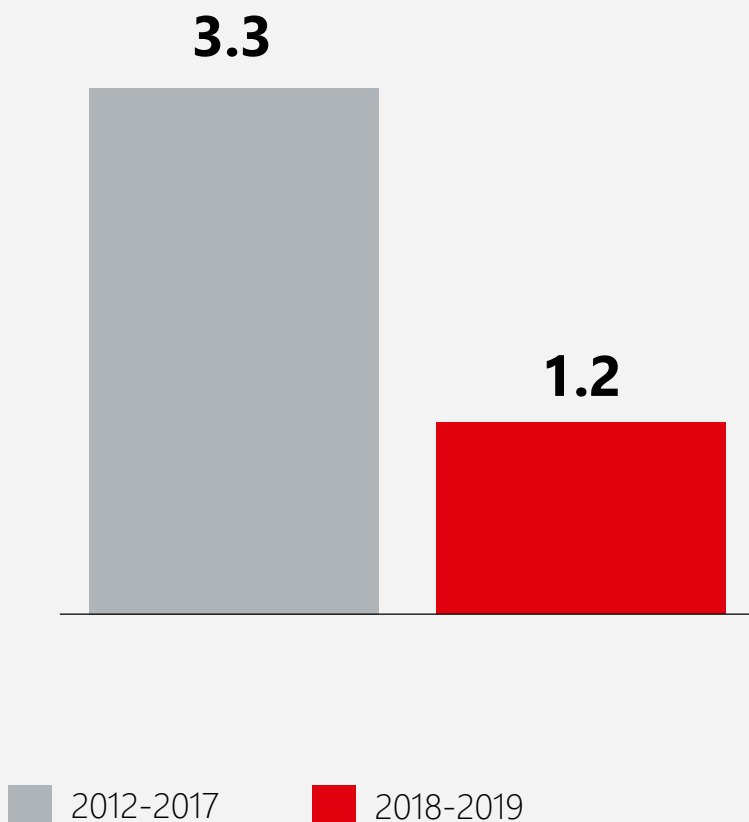
GROUP REVIEW

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Organic Sales Growth

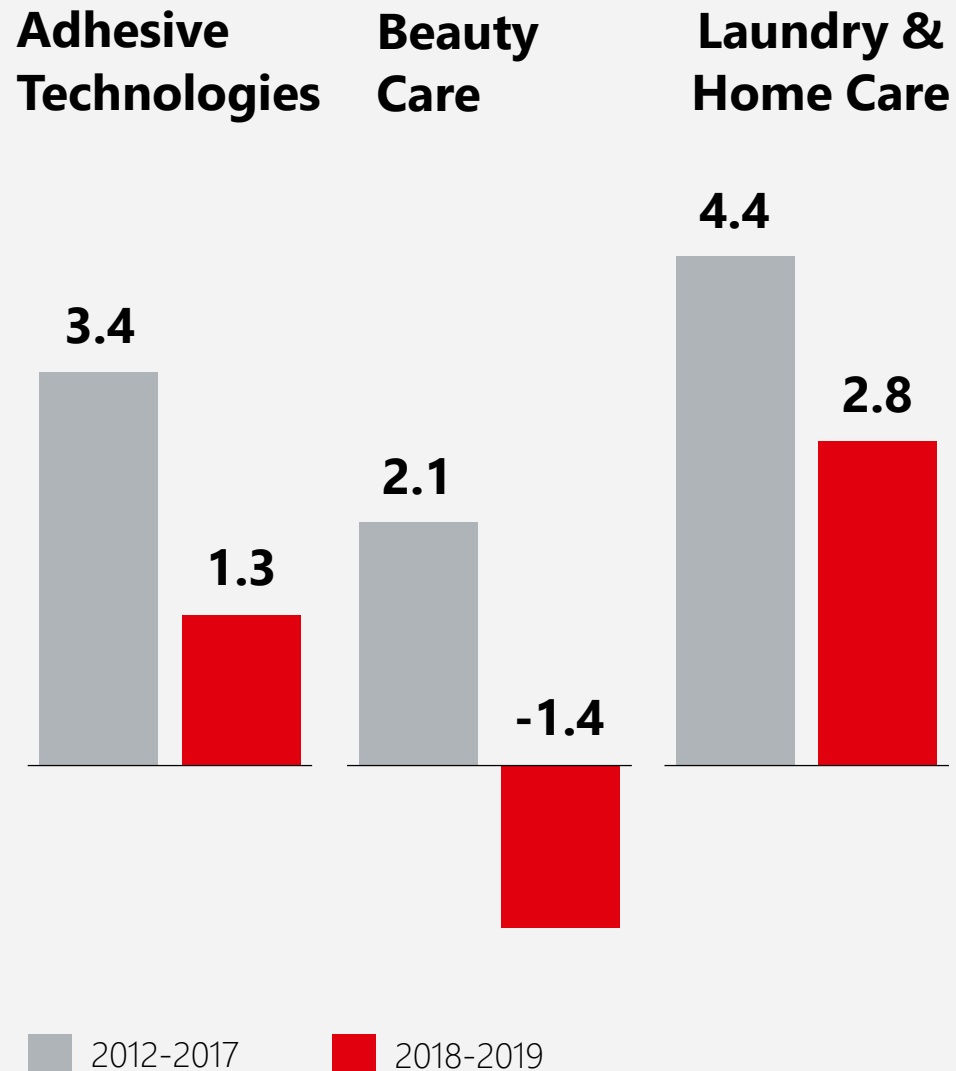
Average, in %



STRONG LONG-TERM GROWTH, RECENTLY WEAKER

- Strong long-term organic sales growth driven by all business units
- Slow-down recently, mainly resulting from:
 - execution setbacks in US and China
 - inconsistent innovation & investment
 - weak industrial environment

STRONG LONG-TERM GROWTH, RECENTLY WEAKER



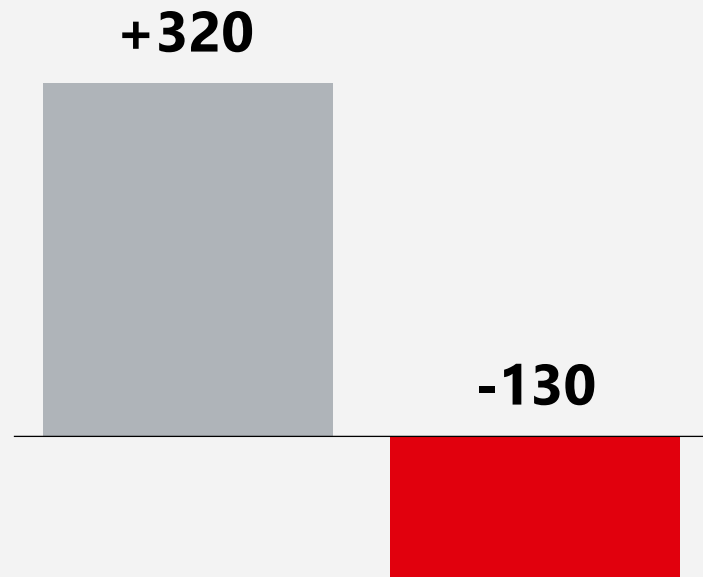
Average organic sales growth, in %

- Strong long-term organic sales growth driven by all business units
- Slow-down recently, mainly resulting from:
 - execution setbacks in US and China
 - inconsistent innovation & investment
 - weak industrial environment

NOTABLE DECREASE IN PROFITABILITY RECENTLY

Adjusted EBIT Margin

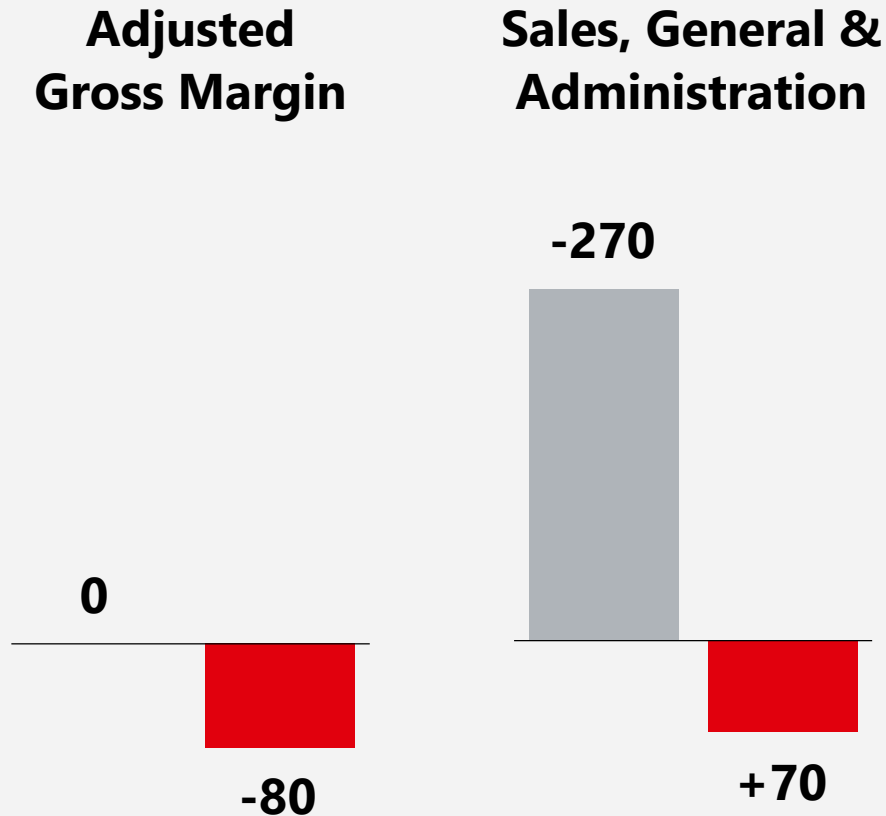
Delta in bps



■ 2017 vs. 2012 ■ 2019 vs. 2017

- Strong long-term profitability improvement, but recent decline
- Margin improvement thanks to cost management, mix and efficiency – gross margin flat
- Recent profitability decline driven by gross margin pressure and step-up of growth investments

NOTABLE DECREASE IN PROFITABILITY RECENTLY



- Strong long-term profitability improvement, but recent decline
- Margin improvement thanks to cost management, mix and efficiency – gross margin flat
- Recent profitability decline driven by gross margin pressure and step-up of growth investments

■ 2017 vs. 2012 ■ 2019 vs. 2017

Delta in % of Sales in bps

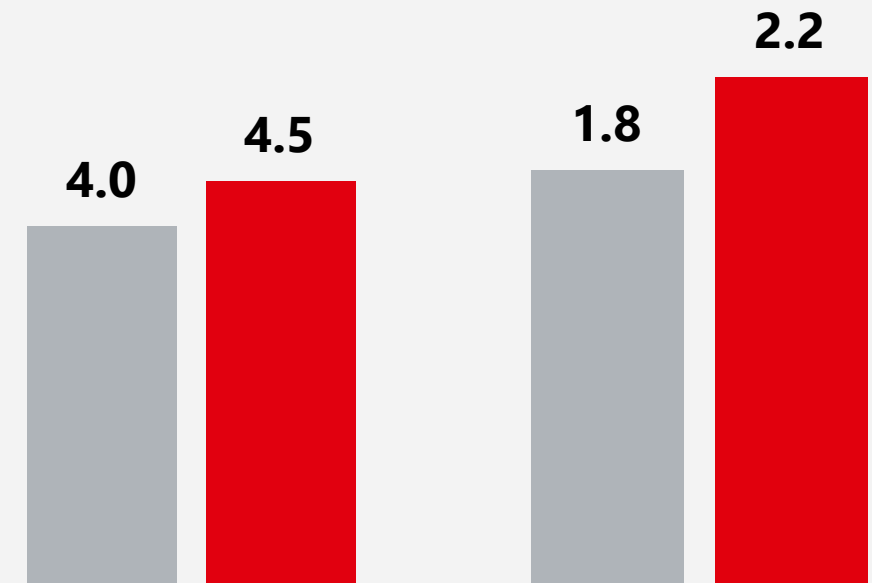
CONSISTENT LONG-TERM IMPROVEMENT OF CASH KPIs

Net Working Capital

% of sales

Free Cash Flow

in € bn



■ 2012-2017

■ 2018-2019

Average

- Efficient Net Working Capital management
- Strong and consistent long-term cash generation
- Cash generation capabilities and low debt levels provide options for investments

GROUP REVIEW

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▶ MARKET REALITIES

NEED TO ADAPT TO CHANGING AND DISRUPTIVE ENVIRONMENT

Cyclical
ity in industrial
production

Geopolitical
tensions likely
to stay

Emerging
Markets remain
vital to growth

Structural shifts
in retailer space

Sustainability as
key imperative

Data crucial
success factor

Need for speed
in Innovation
& Digital

Demanding
customers and
consumers

BEAUTY CARE

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

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

STRONG FOUNDATION



AREAS FOR CHANGE

LAUNDRY & HOME CARE

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

- Need to turn around North America
- Tail of sub-scale brands
- Inconsistent marketing investments

STRONG FOUNDATION



AREAS FOR CHANGE

ADHESIVE TECHNOLOGIES

- Globally leading positions in attractive markets
 - Balanced and robust portfolio, based on consistent portfolio management
 - Most comprehensive technology portfolio
 - Broadest regional coverage as well as customer and application mix
 - Long-lasting, intimate customer relations
- Performance potential from sustainability not yet fully seized
 - Potential to enrich portfolio with further future-oriented technologies and adjacent businesses

STRONG FOUNDATION

AREAS FOR CHANGE

SUSTAINABILITY

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

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



STRONG FOUNDATION

AREAS FOR CHANGE

DIGITAL

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

- Business opportunities from Digital and data not sufficiently capitalized
- Inadequate inhouse Digital expertise to respond to new market realities
- IT and CDO organizations decoupled



STRONG FOUNDATION

AREAS FOR CHANGE

CULTURE & PEOPLE

- Loyal and passionate people
 - Attractive employer with strong brands & technologies and diverse career opportunities
 - Established, long-term focus on talent development
 - New Leadership Commitments shaping our foundation for a strong company culture
- Need to accelerate our cultural journey focusing on collaboration and empowerment
 - Tackle rising scarcity of talent



STRONG FOUNDATION

AREAS FOR CHANGE

STRONG
FOUNDATION

CLEAR VIEW OF
AREAS FOR CHANGE

NEED FOR NEW
GROWTH AGENDA

AGENDA

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WIN THE 20s THROUGH
PURPOSEFUL GROWTH

WIN THE 20s THROUGH

PURPOSEFUL GROWTH

Create superior

Customer & Consumer Value

to outgrow the markets

Reinforce our leadership in

Sustainability to shape Henkel's future,
contribute to society and benefit the planet

Enable our **People** to grow
with a sense of belonging

KEY FOCUS TOPICS

Rigorously shape a **WINNING PORTFOLIO**

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

Boost **SUSTAINABILITY** into a true differentiator

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

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

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

PURPOSEFUL GROWTH

**Winning
Portfolio**

Competitive Edge

**Future-ready
Operating
Model**

Innovation

Sustainability

Digital

Collaborative Culture & Empowered People

PURPOSEFUL GROWTH

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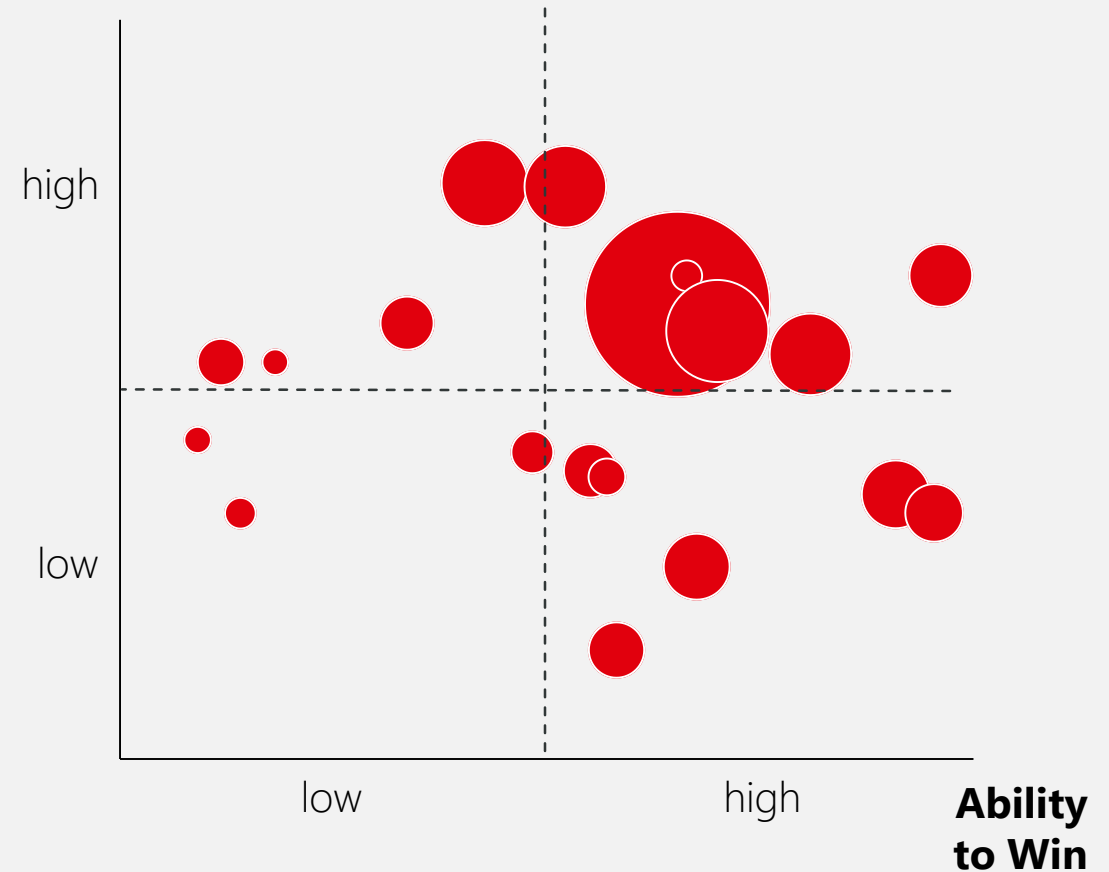
RIGOROUSLY SHAPE A **WINNING PORTFOLIO**

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

▶ ACTIVE PORTFOLIO MANAGEMENT

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

Market Attractiveness



Illustrative representation

▶ OPTIMIZE CONSUMER PORTFOLIO

Brands and categories identified for portfolio measures with

> € 1 bn

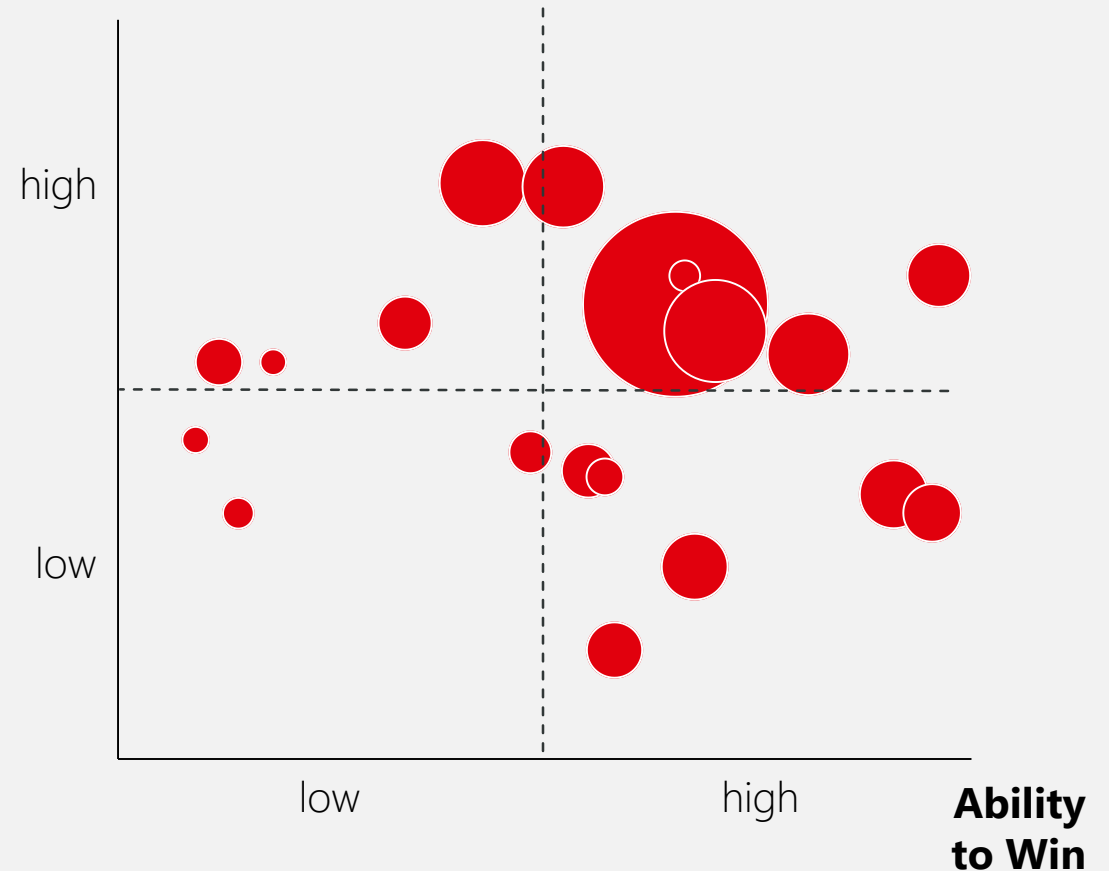
total sales volume

Around

50%

of identified sales marked for divestment or discontinuation by 2021

Market Attractiveness



Illustrative representation

▶ M&A INTEGRAL PART OF OUR STRATEGY

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

12.5 bn € invested in M&A since 2008

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

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

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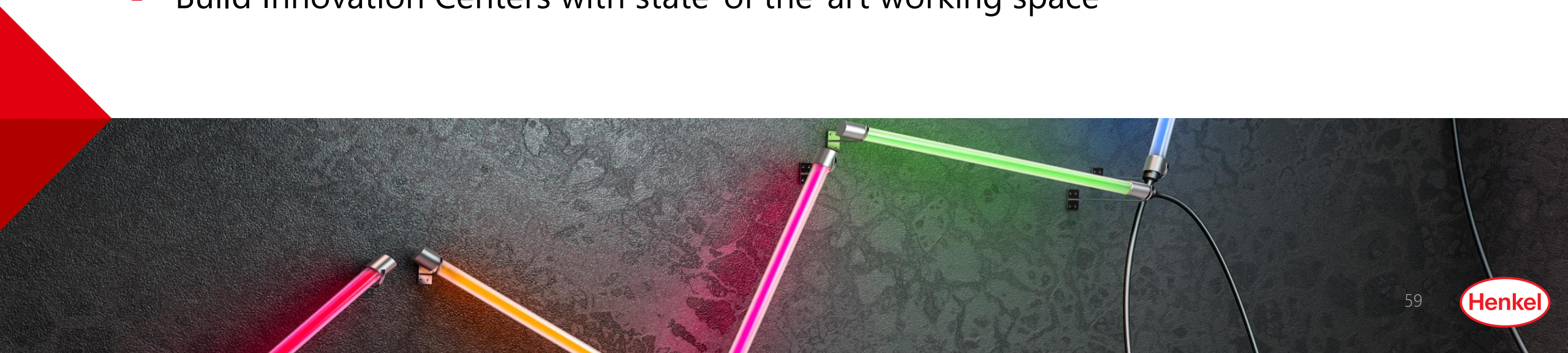


ACCELERATE WITH IMPACTFUL
INNOVATIONS
SUPPORTED BY INCREASED INVESTMENTS

- Innovation approach
- Impactful innovations
- Increased investments

ENHANCE INNOVATION APPROACH

- Leverage digital tools and data for faster and better insights
- Intensify co-creation, open innovation and idea crowdsourcing
- Apply agile approaches and incubators for trend detection, testing & learning
- Enable creative leads by decision-making in the regions for the region
- Build Innovation Centers with state-of-the-art working space

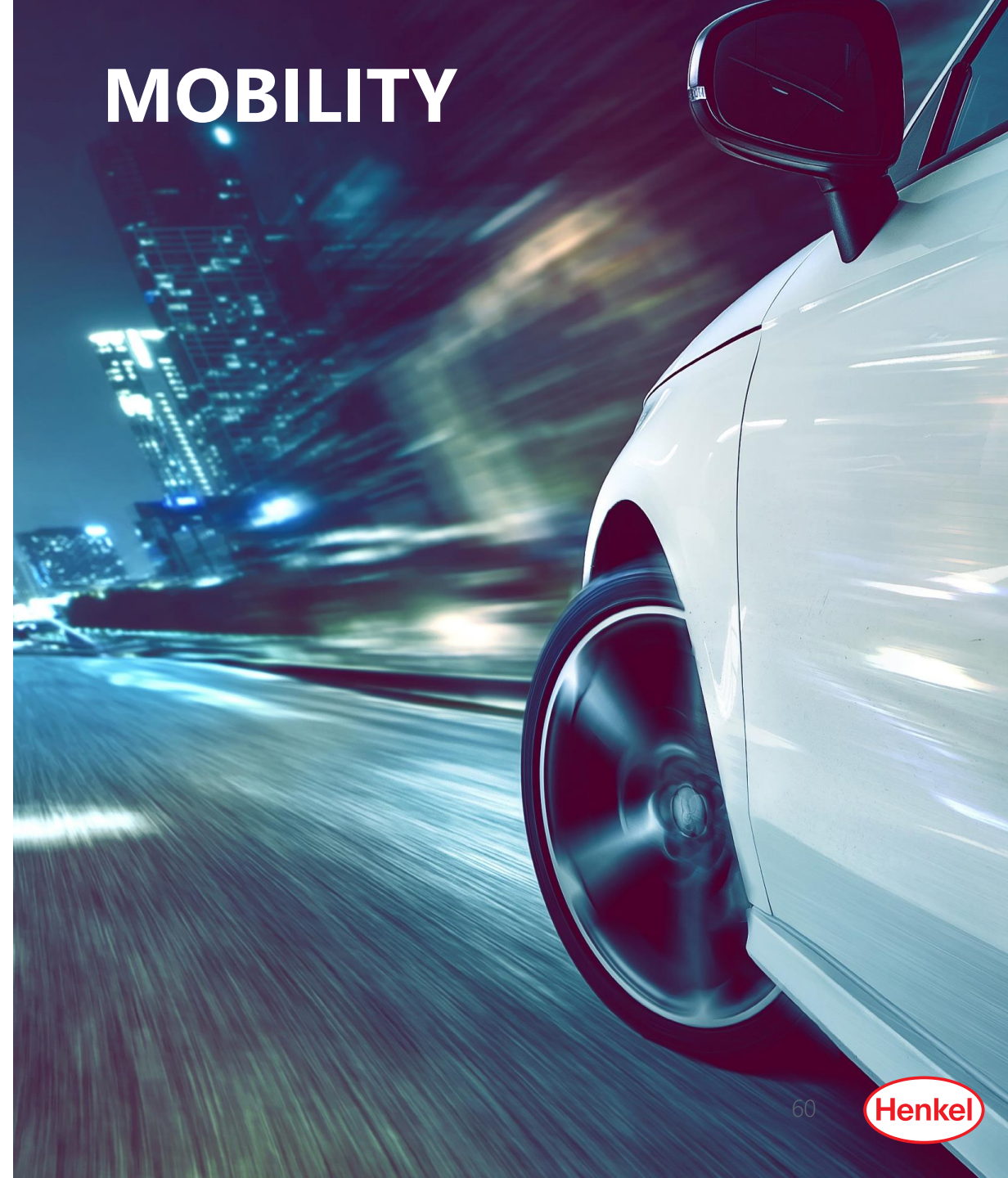


▶ IMPACTFUL INNOVATIONS

ADHESIVE TECHNOLOGIES

- Automotive industry in transformation
- Double-digit growth expected for electric and hybrid vehicles
- Electrification and autonomous driving significantly increase the number of electric components
- Well positioned to enable customers to shape the car of the future

MOBILITY



▶ IMPACTFUL INNOVATIONS ADHESIVE TECHNOLOGIES

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

CONNECTIVITY



▶ IMPACTFUL INNOVATIONS BEAUTY CARE

- Win new customers and consumers with salon-exclusive, fully modular hair care brand Fibre Clinix
- Harness customization trend with SalonLab Analyzer – leading-edge hair & IoT science
- Sustain strong growth momentum in Professional



▶ IMPACTFUL INNOVATIONS BEAUTY CARE

- Attract new consumers via sustainable proposition of Nature Box solid bars: vegan, 0% plastic, travel-friendly, free-from
- Seize opportunities in natural segment growing double-digit
- Premiumize hair care portfolio by building on strong position of Nature Box



▶ IMPACTFUL INNOVATIONS LAUNDRY & HOME CARE

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



▶ IMPACTFUL INNOVATIONS LAUNDRY & HOME CARE

- Breakthrough in Hand Dishwashing with revolutionary innovations making dishwashing fast & easy
- Global launch of new Pril 5+ with unique Self-Grease-Lift-Technology
- Quick expansion of innovative Power & Pearls for extraordinary dishwashing experience



▶ INCREASED INVESTMENTS

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

ENJOY TOGETHER
WE WILL TAKE CARE OF THE REST

Somat Pril

THEY WANT YOUR BODY
AND YOUR BODY WANTS
THEM.

Nature Box
100% COLD PRESSED OIL
PLASTIC FREE
BODY BAR

Nature Box
100% COLD PRESSED OIL
PLASTIC FREE

PURPOSEFUL GROWTH

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BOOST **SUSTAINABILITY** INTO A TRUE DIFFERENTIATOR

- Become climate-positive
- Promote circular economy
- Anchor Sustainability in all we do

▶ **BECOME CLIMATE-POSITIVE**
ACCELERATE TOWARDS 2025

65%

reduction in the CO₂ emissions of our production

100m t

CO₂ saved together with our consumers, customers and suppliers



**BECOME
CLIMATE-POSITIVE
BY 2040**

► CIRCULAR ECONOMY ACCELERATE TOWARDS 2025

100%

recyclable / reusable
plastic packaging¹

50%

reduction of fossil-
based virgin plastics²



**ZERO PLASTIC
WASTE
INTO NATURE**

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

² Consumer products

▶ POSITIVE SOCIAL IMPACT
ACCELERATE TOWARDS 2025

100% responsible sourcing

> 50,000 engaged employees



**IMPROVE
20 MILLION LIVES
GLOBALLY**

▶ ANCHOR SUSTAINABILITY IN ALL WE DO

Consumer businesses:

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

Adhesive Technologies:

- Stronger positioning of sustainability
- Leveraging market potential
- Setting industry standards



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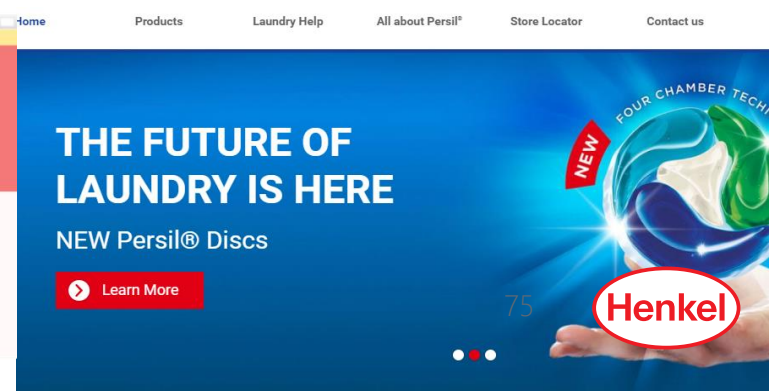
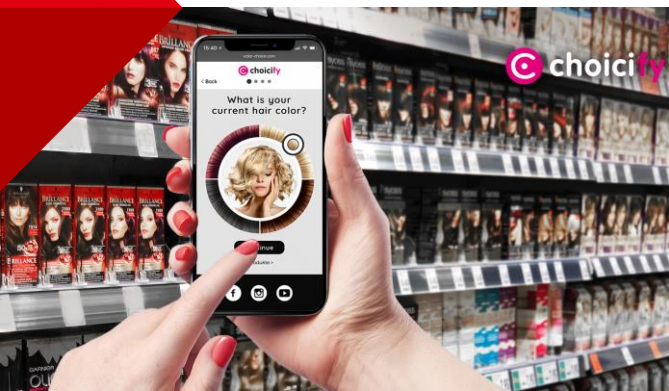
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TRANSFORM **DIGITAL** INTO A CUSTOMER & CONSUMER VALUE CREATOR

- Boost 1:1 engagement and digital sales in consumer
- Drive E2E customer-centric digitalization in industrial
- Enable digital business focus and efficiency

BOOST 1:1 ENGAGEMENT AND DIGITAL SALES IN CONSUMER

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



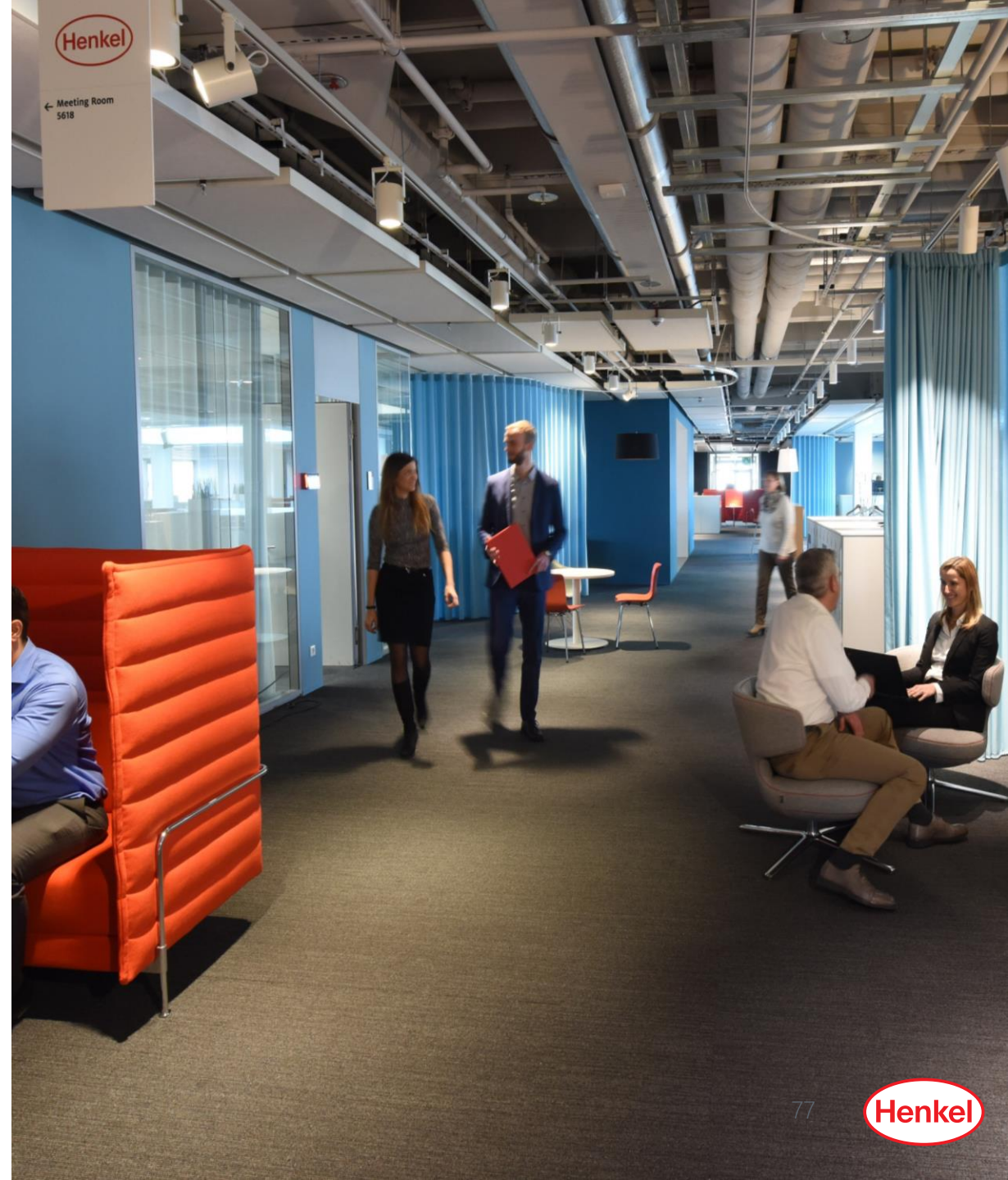
DRIVE E2E CUSTOMER-CENTRIC DIGITALIZATION IN INDUSTRIAL

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



▶ ENABLE DIGITAL BUSINESS FUTURE SET-UP

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



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RESHAPE **OPERATING MODELS** TO BE LEAN, FAST & SIMPLE

- Step-up customer & consumer proximity
- Increase efficiency

▶ ADHESIVE TECHNOLOGIES

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

Market

Automotive & Metals

Packaging & Consumer Goods

Electronics & Industrials

Craftsmen, Construction & Professional

**4 Divisions
with 11 SBUs**

Megatrends

Mobility

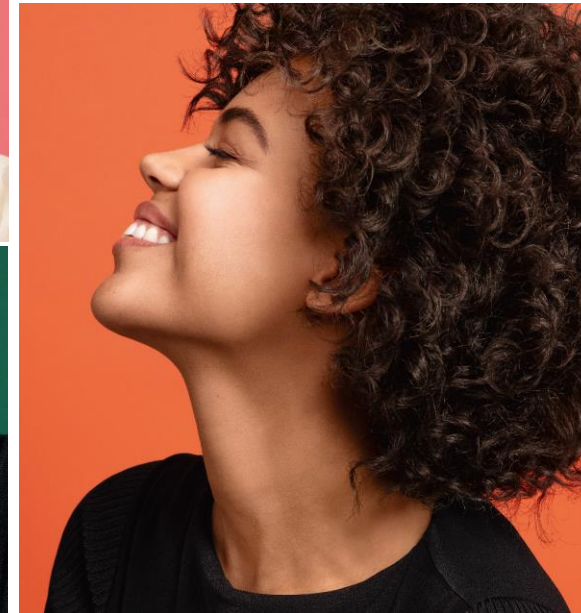
Sustainability

Connectivity

Urbanization

▶ BEAUTY CARE

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



▶ LAUNDRY & HOME CARE

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



PURPOSEFUL GROWTH

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ACCELERATE **CULTURAL JOURNEY** WITH LEADERSHIP COMMITMENTS AT THE CORE

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

We act as
entrepreneurs

We collaborate
as strong teams

We develop people
with passion

We own
our results

▶ DRIVE CULTURE OF COLLABORATION AND EMPOWERMENT

Leadership Commitments introduced as first step of our cultural journey

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

Cultural transformation requires engagement of all employees

- Commitment to transformation at the top
- Leverage change potential of younger generation



▶ UPSKILL EMPLOYEES ON FUTURE CAPABILITIES

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



FOR THOSE WHO

COLLABORATE



FOR THOSE WHO

**STAY
CURIOUS**



FOR THOSE WHO

**S
T
E
P
U
P**



FOR THOSE WHO

**RULE
THE CHANGE**



FOR THOSE WHO

**MAKE A
DIFFERENCE**



PURPOSEFUL GROWTH

Winning Portfolio

Rigorously shape a winning portfolio

Competitive Edge

Innovation **Sustainability** **Digital**

Accelerate with impactful innovations supported by increased investments

Boost sustainability into a true differentiator

Transform digital into a customer & consumer value creator

Future-ready Operating Model

Reshape operating models to be lean, fast & simple

Collaborative Culture & Empowered People

Accelerate cultural journey with Leadership Commitments at the core

FIRST SET OF ACTIONS

Shape portfolio: >€ 1 bn sales identified, ~50% marked for divest / exit by 2021

Step up investments by € 350 m vs 2018 to succeed with impactful innovations

Reduce CO₂ by 65% and move to 100% recyclable / reusable plastics by 2025

Implement new “Digital Business” set-up in 2020

Complete execution of operating models in all businesses

Finalize roll-out of Leadership Commitments

MID- TO LONG-TERM FINANCIAL AMBITION

COMMITTED TO PURPOSEFUL GROWTH

- Achieve organic sales growth of 2-4%
 - Deliver mid- to high single-digit % adjusted EPS growth at constant currencies
 - Continued focus on Free Cash Flow expansion
-
- Pursue compelling growth opportunities with superior execution
 - Maintain cost discipline and focus on margin

▶ CAPITAL MARKET COMMUNICATION

CHANGING THE WAY WE INTERACT AND COMMUNICATE

Reinforce open and transparent communication

Committed to increase facetime with top management

Focus on top-line in quarterly reporting

- Q1 / Q3 financial statements to focus only on sales / organic sales growth and respective commentary
- Providing detailed presentation of full results in the more meaningful six-months and full year periods

Q&A

AGENDA

- 01** Results 2019 and Outlook 2020
- 02** Henkel Group Review
- 03** Future Direction
- 04** **Closing**

WIN THE 20s THROUGH

PURPOSEFUL GROWTH

Create superior

Customer & Consumer Value

to outgrow the markets

Reinforce our leadership in

Sustainability to shape Henkel's future,
contribute to society and benefit the planet

Enable our **People** to grow
with a sense of belonging

PURPOSEFUL GROWTH

**Winning
Portfolio**

Competitive Edge

**Future-ready
Operating
Model**

Innovation

Sustainability

Digital

Collaborative Culture & Empowered People



WIN THE 20s THROUGH
PURPOSEFUL GROWTH



THANK YOU

▶ UPCOMING EVENTS

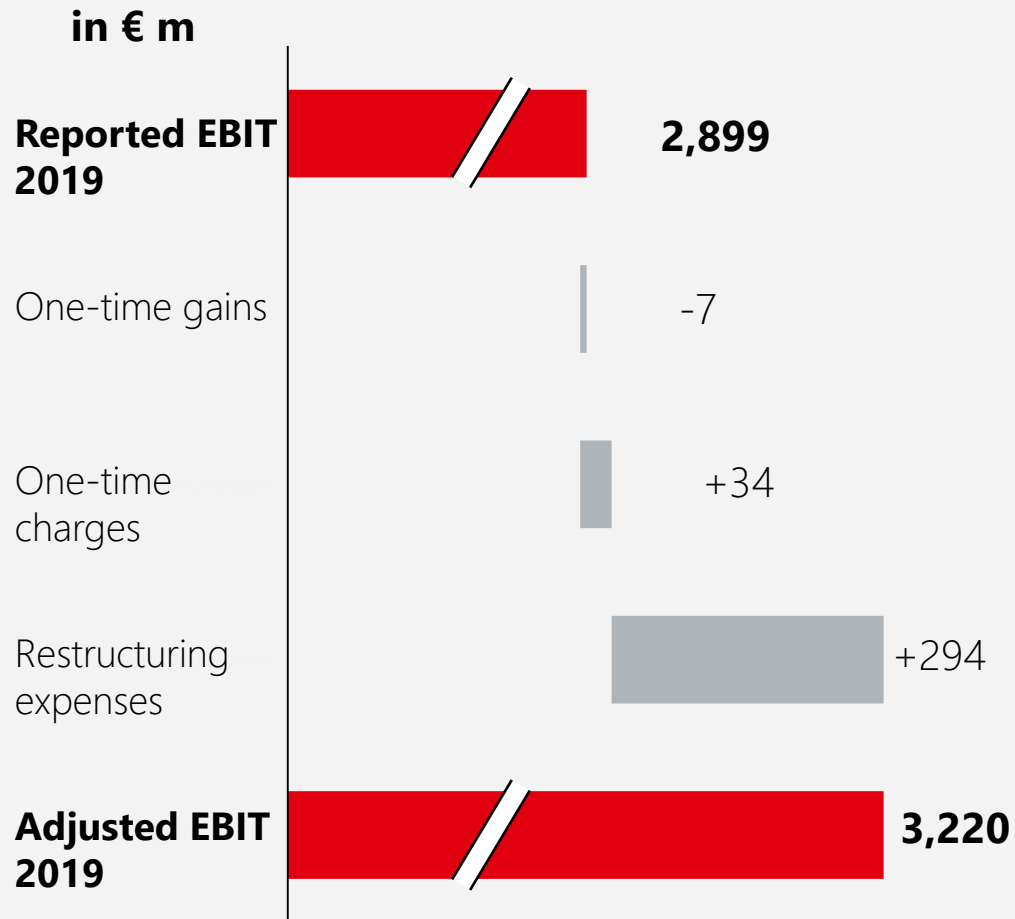
April 20, 2020	Annual General Meeting
May 11, 2020	Q1 2020 Release
August 6, 2020	Q2 & H1 2020 Release
November 10, 2020	Q3 2020 Release
March 4, 2021	Q4 & FY 2020 Release

► FY 2020: Additional input for selected KPIs

Currency Impact on Sales	Low to mid-single-digit % negative ¹
Prices for Direct Materials	Low single-digit % increase ¹
Restructuring Charges	€ 250 - 300 m
CapEx	€ 700 - 800 m

¹ versus the prior year

ADAPTING OUR STRUCTURES



- Further increasing efficiencies and adapting our structures to market and customer requirements
- 2019 focus on:
 - changes of go-to-market model in Emerging Markets
 - sales & distribution and production & logistics optimization

▶ NEW IFRS 16 LEASE STANDARD

P&L IMPACT FROM FIRST-TIME APPLICATION

in € m	Impact on Q1 results	Impact on H1 results	Impact on Q1–Q3 results	Impact on full year
Sales	No impact	No impact	No impact	No impact
Operating expense	+37	+74	+112	+149
EBITDA	+37	+74	+112	+149
D&A	-33	-66	-100	-133
Operating profit (EBIT)	+4	+8	+12	+16
Adj. EBIT Margin	No material impact	No material impact	No material impact	No material impact
Financial result	-4	-8	-12	-16
Net income	No material impact	No material impact	No material impact	No material impact