



CONFERENCE CALL

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KEY TOPICS TODAY



PERFORMANCE Q1 2022¹

Significant organic sales growth
driven by pricing

UNPRECEDENTED BUSINESS ENVIRONMENT

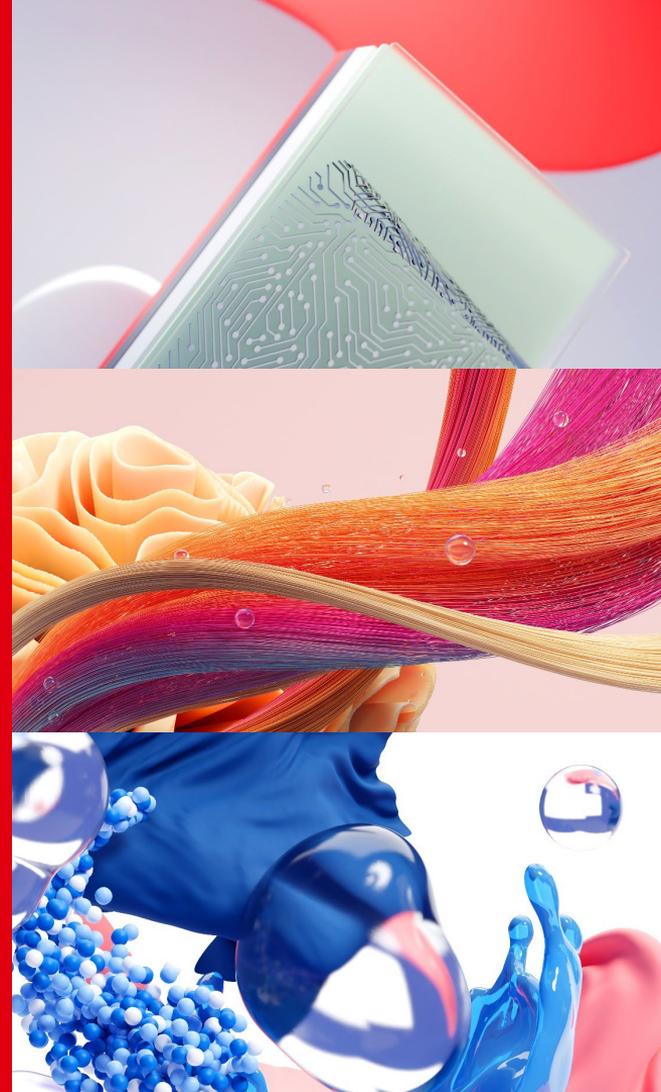
War in Ukraine and drastic direct
materials price increases

UPDATED OUTLOOK

Reflecting fundamental changes in
our market environment

AGENDA

- 01 **Business Performance Q1 (preliminary)**
- 02 Outlook
- 03 Q&A & Closing



SIGNIFICANT ORGANIC SALES GROWTH IN Q1 2022¹

HENKEL GROUP



ORGANIC
SALES
GROWTH

7.1%

PRICE: 9.4%
VOLUME: -2.3%

NOMINAL
SALES

€ 5.3bn

ADHESIVE TECHNOLOGIES



10.7%

PRICE: 10.6%
VOLUME: 0.1%

€ 2.6bn

BEAUTY CARE



-1.2%

PRICE: 5.1%
VOLUME: -6.3%

€ 0.9bn

LAUNDRY & HOME CARE



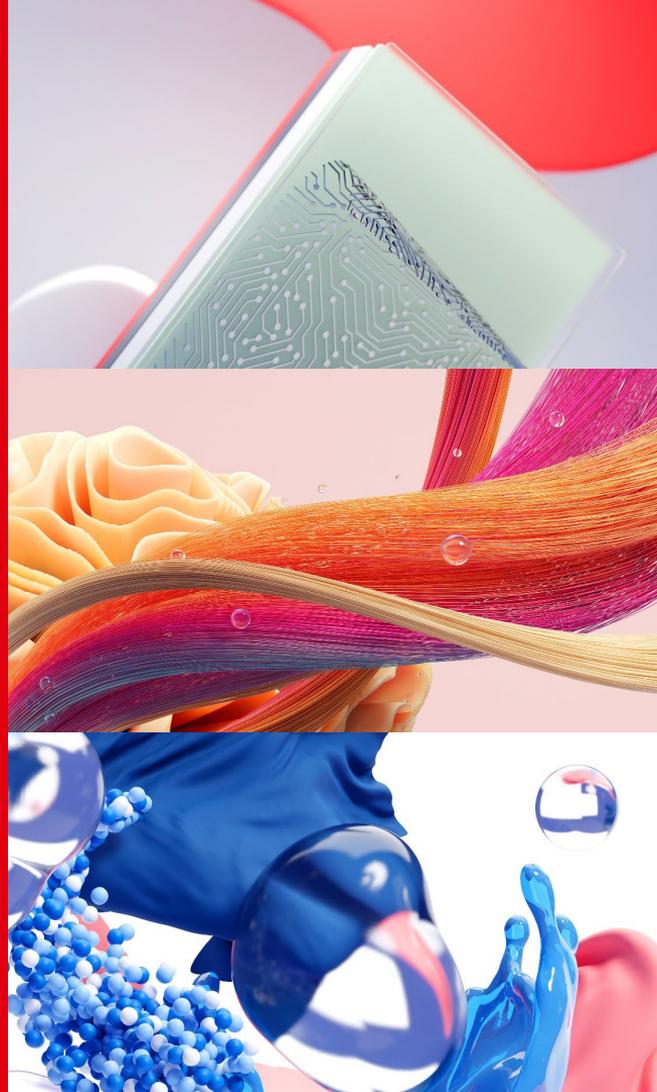
4.9%

PRICE: 10.1%
VOLUME: -5.2%

€ 1.7bn

AGENDA

- 01 Business Performance Q1 (preliminary)
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UPDATED OUTLOOK 2022

ORGANIC SALES GROWTH¹

+3.5 to 5.5%

ADHESIVE TECHNOLOGIES	+8.0 to 10.0%
BEAUTY CARE	-5.0 to -3.0%
LAUNDRY & HOME CARE	+2.0 to 4.0%

ADJUSTED EBIT MARGIN

9.0 to 11.0%

ADHESIVE TECHNOLOGIES	13.0 to 15.0%
BEAUTY CARE	5.0 to 7.0%
LAUNDRY & HOME CARE	7.0 to 9.0%

ADJUSTED EPS²

-35 to -15%

At constant exchange rates

reflecting high level of market uncertainty and volatility

KEY ASSUMPTIONS

WAR IN UKRAINE

- **Exit of business activities in Russia and Belarus** significantly impacting Group sales¹ and profitability
- **Noticeable effect from business in Ukraine** on Group sales and profitability
- **Broadly impacting global economies and markets** with further acceleration of price increases for direct materials and logistics paired with substantial volatility

Local footprint (FY 2021)

	Russia & Belarus	Ukraine
GROUP SALES %	~5%	<1%
ADJ. EBIT MARGIN	roughly in line with Group	
ASSETS	Mid triple-digit m€	Low double-digit m€

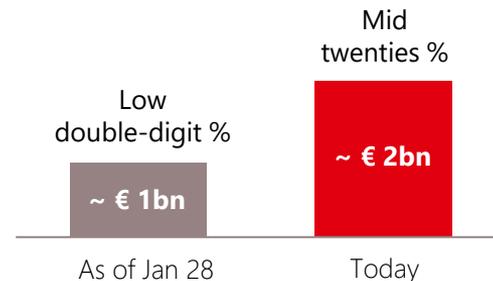


KEY ASSUMPTIONS

DRASTIC ACCELERATION OF INPUT COSTS

- **Unprecedented headwinds** from direct materials: average price increases of **mid twenties %**
- **High uncertainty and volatility** reflected in earnings outlook ranges
- **Step up in countermeasures** including **additional pricing efforts** and savings initiatives
- Level of compensation also depending on **feasibility** and respective **timing of pricing initiatives**
- **Negative mathematical effect** on margin resulting from passing on in absolute terms significantly higher input cost

Expected direct materials gross price increases in FY22¹



Change in feedstock gross price assumptions for FY22²

Brent Crude Oil	+38%	Paper	+14%
Palm Kernel Oil	+42%	Polyethylene	+20%

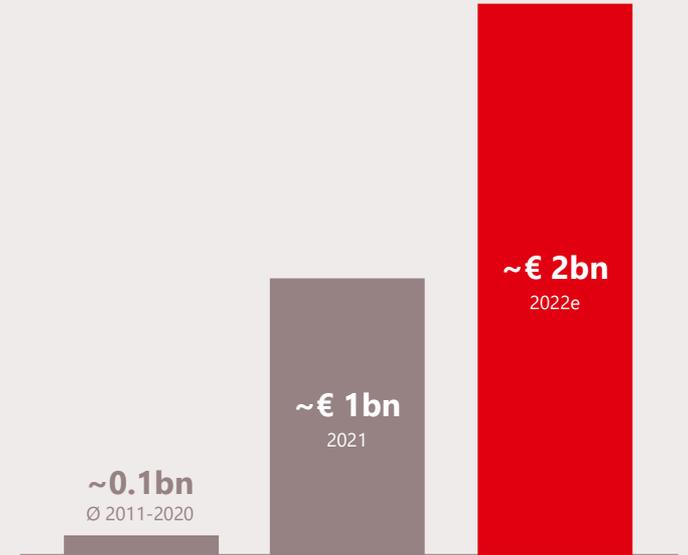
MANAGING BUSINESS IN HIGHLY CHALLENGING TIMES

Unprecedented headwinds from input cost inflation

- **Drastic and broad-based price increases for raw materials and logistics** as well as ongoing supply challenges
- Situation further intensified due to **war in Ukraine**
- **Unprecedented price volatility**
- Expected input cost headwinds in **2022 standalone clearly exceeding sum of annual price increases of recent years**

Comparison of direct materials gross price increases

Annual delta vs previous year

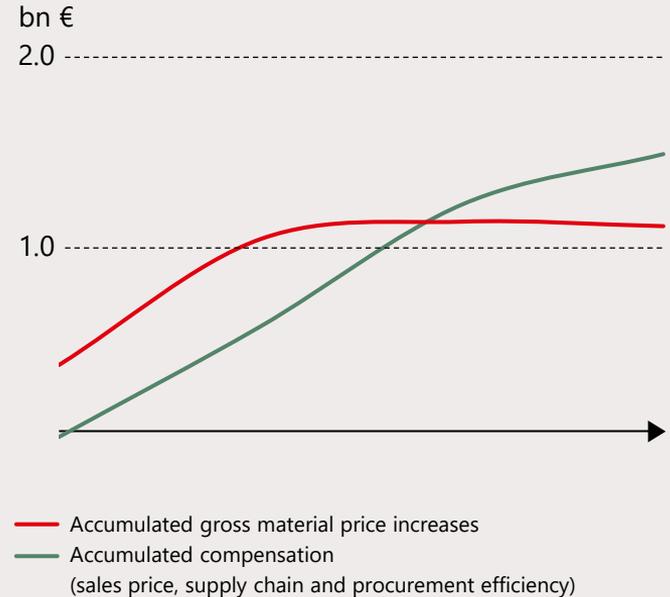


MANAGING BUSINESS IN HIGHLY CHALLENGING TIMES

Comprehensive countermeasures to mitigate headwinds

- **Significant step up of pricing initiatives** across all businesses
- **Additional savings initiatives** in supply chain and procurement
- **Recovering profitability over time**, while not fully compensating headwinds on Group level already in 2022

Compensation of material price hikes post financial crisis



LOOKING AHEAD WITH CONFIDENCE

Strong foundation and clear agenda

- **Strong balance sheet** with low debt levels
- Clear strategy for **future purposeful growth**:
 - Globally leading in Adhesive Technologies, serving megatrends mobility, sustainability and connectivity
 - Creating multi-category platform Consumer Brands to advance to higher growth and margin levels
- Firmly committed to delivering on **mid- to long-term financial ambition**

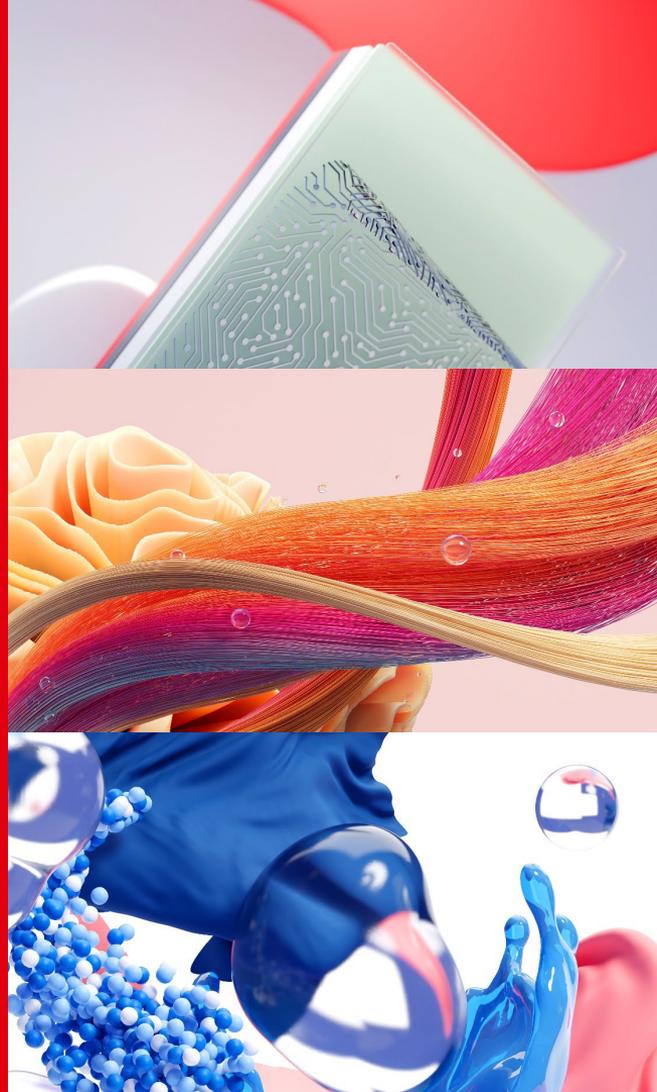
Compelling mid- to long-term financial ambition

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



AGENDA

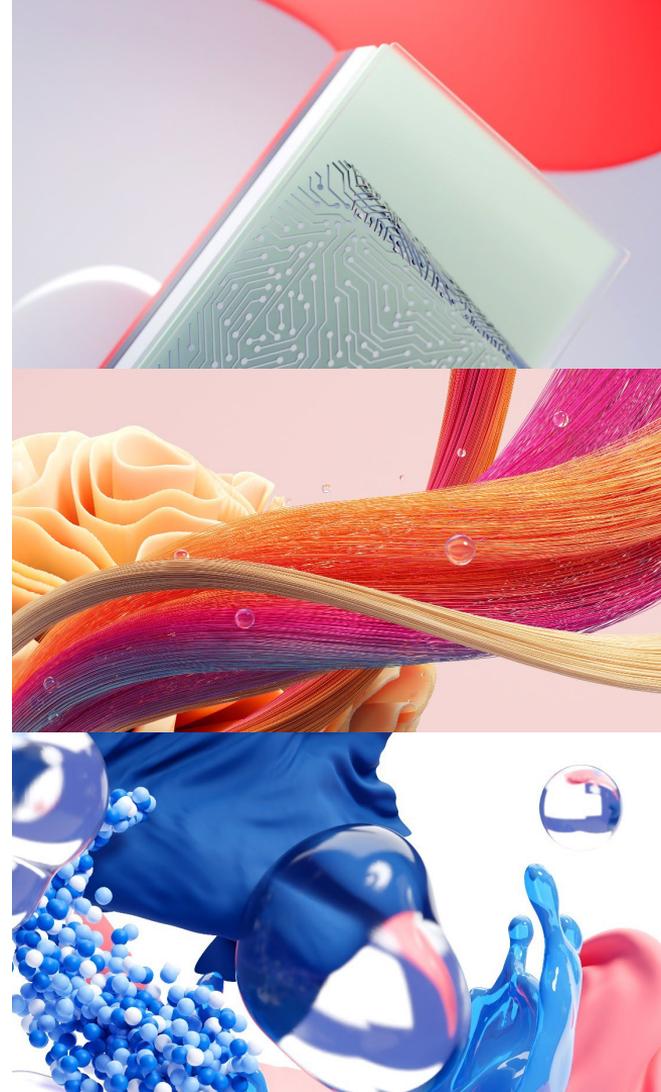
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Q&A

CLOSING REMARKS

- **Significant organic sales growth** in Q1 2022 driven by pricing
- Highly volatile **business environment** with unprecedented headwinds from raw materials and supply chain markets
- **Outlook 2022 updated** reflecting broad impact from war in Ukraine and drastic input cost inflation
- Clear strategy for **future purposeful growth**



THANK YOU.



OUTLOOK 2022

	FY 2022 – previously	FY 2022 – updated
ORGANIC SALES GROWTH	+2.0 to 4.0%	+3.5 to 5.5%
ADJUSTED EBIT MARGIN	11.5 to 13.5%	9.0 to 11.0%
ADJUSTED EPS ¹ (at constant currencies)	-15 to +5%	-35 to -15%



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