

# HENKEL HIGHLIGHTS 2023



# CONTENTS

- 2** About Henkel
- 4** Henkel 2023
- 6** Shaping our future
- 8** Our Management Board
- 10** Key financials
- 12** Adhesive Technologies
- 14** Consumer Brands
- 16** Finance
- 18** Our people
- 20** Sustainability
- 22** Our social engagement
- 24** 175 years of Fritz Henkel

## ABOUT HENKEL

Fritz Henkel founded our company in 1876. With our business units – Adhesive Technologies and Consumer Brands – 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 purpose expresses what unites us all at Henkel: Pioneers at heart for the good of generations. We are a diverse team of around 47,750 employees worldwide, striving to enrich and improve life every day through our products, services and solutions. Our purpose is built from our roots and carries a long-standing legacy of innovation, responsibility and sustainability into the future.





## OUR PURPOSE

Pioneers at heart  
for the good  
of generations

## OUR VISION

Win the 20s  
by outperforming  
the markets  
through innovative  
and sustainable  
solutions

## 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 entre-  
preneurial spirit based  
on our family business  
tradition.

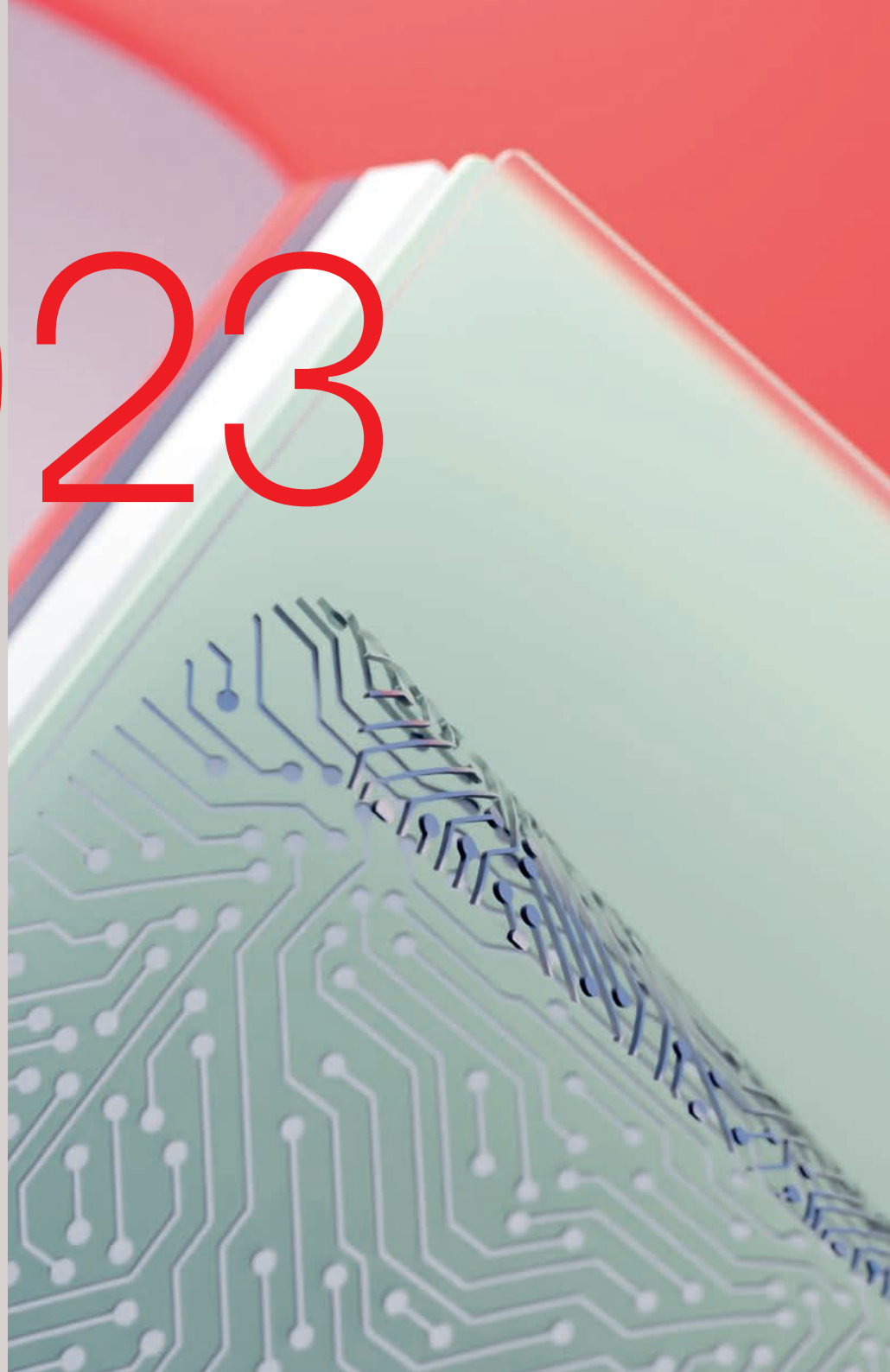
**HENKEL**

**2023**

SUCCESS WITH BRANDS  
AND TECHNOLOGIES FOR

**147**

YEARS



TWO  
BUSINESS UNITS

**ADHESIVE  
TECHNOLOGIES &  
CONSUMER  
BRANDS**

OUR TOP BRANDS

***LOCTITE***

  
Schwarzkopf

**Persil**



EMPLOYEES FROM 124  
NATIONS

**47,750**

SHARE OF  
FEMALE MANAGERS

**39.5%**

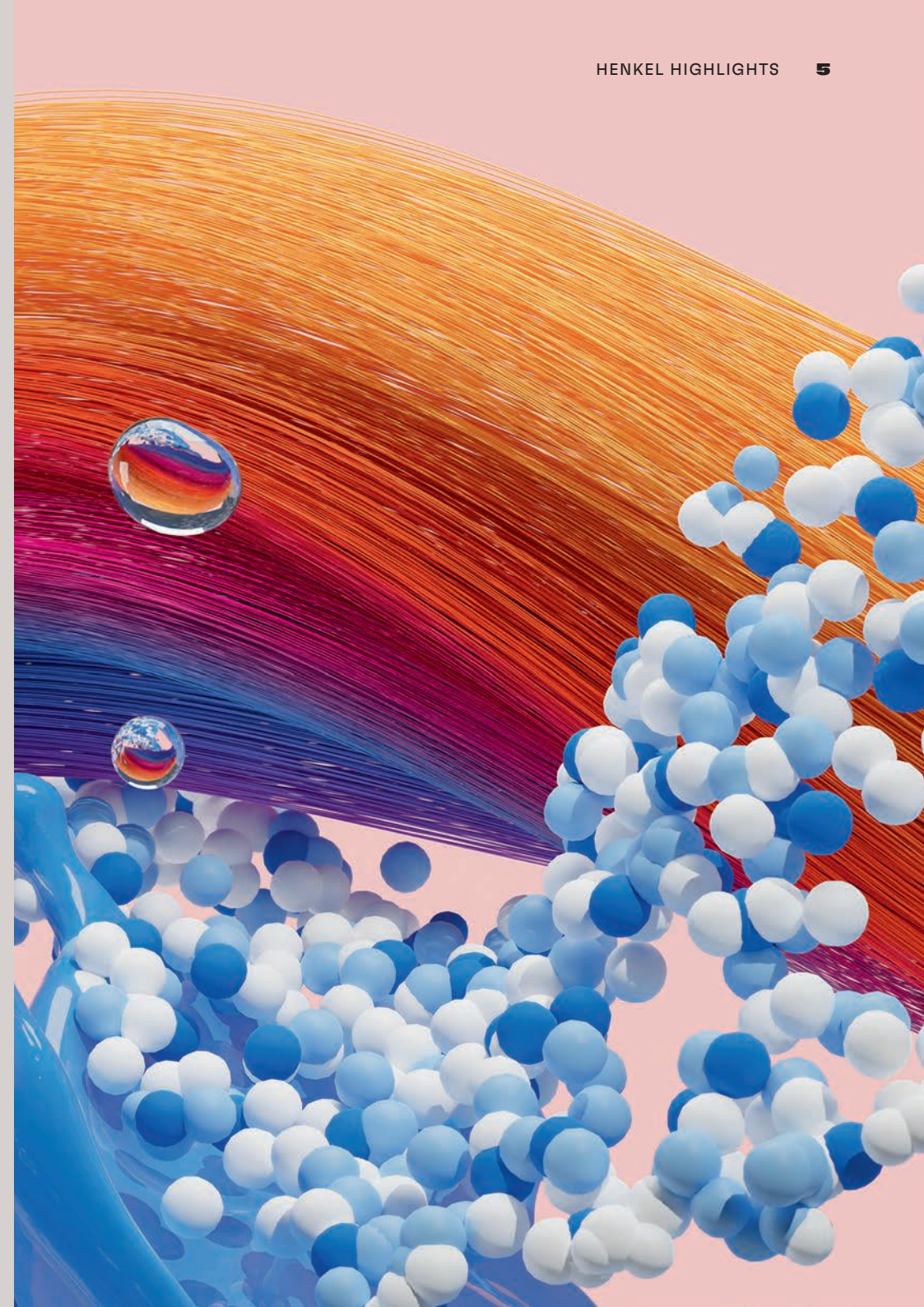
LESS CO<sub>2</sub> EMISSIONS  
FROM OUR OPERATIONS  
PER TON OF PRODUCT<sup>1</sup>

**-61%**

SOCIAL PROJECTS

**>2,000**

<sup>1</sup> Figure relates to the 2023 fiscal year compared to the 2010 base year.



# SHAPING OUR **FUTURE**

We shape our future on the basis of a long-term strategic framework that builds on our purpose and our values.

Our strategic framework has a clear focus on purposeful growth. This means, we aim to create superior value for customers and consumers to outgrow our markets, to strengthen our leadership in sustainability, and to enable our employees to grow both professionally and personally at Henkel.

The key elements of our strategic framework are a winning portfolio, clear competitive edge in the areas of innovation, sustainability and digitalization, and future-ready operating models – underpinned by a strong foundation of a collaborative culture and empowered people.

# PURPOSEFUL **GROWTH**

WINNING  
**PORTFOLIO**

**COMPETITIVE EDGE**

INNOVATION

SUSTAINABILITY

DIGITALIZATION

FUTURE-READY  
**OPERATING  
MODELS**

**COLLABORATIVE** CULTURE &  
EMPOWERED **PEOPLE**

# OUR **MANAGEMENT BOARD**



## **CARSTEN KNOBEL**

Chair of the Management Board

Born in Marburg / Lahn, Germany,  
on January 11, 1969;  
member of the board since 2012,  
chair of the board since 2020.



## **MARK DORN**

Executive Vice President  
Adhesive Technologies

Born in London, UK,  
on January 31, 1973;  
member of the board since 2023.





## SYLVIE NICOL

Executive Vice President  
Human Resources /  
Infrastructure / Sustainability

Born in Paris, France,  
on February 28, 1973;  
member of the board since 2019.



## WOLFGANG KÖNIG

Executive Vice President  
Consumer Brands

Born in Kassel, Germany,  
on May 2, 1972;  
member of the board since 2021.



## MARCO SWOBODA

Executive Vice President  
Finance / Purchasing /  
Global Business Solutions

Born in Velbert, Germany,  
on September 23, 1971;  
member of the board  
since 2020.

# KEY FINANCIALS 2023

SALES

€ **21.5** bn

ORGANIC SALES  
GROWTH

**4.2%**

ADJUSTED<sup>1</sup>  
OPERATING PROFIT  
(EBIT)

€ **2,556** m

ADJUSTED<sup>1</sup>  
RETURN ON SALES  
(EBIT MARGIN)

**11.9%**

ADJUSTED<sup>1</sup>  
EARNINGS PER  
PREFERRED SHARE

€ **4.35**

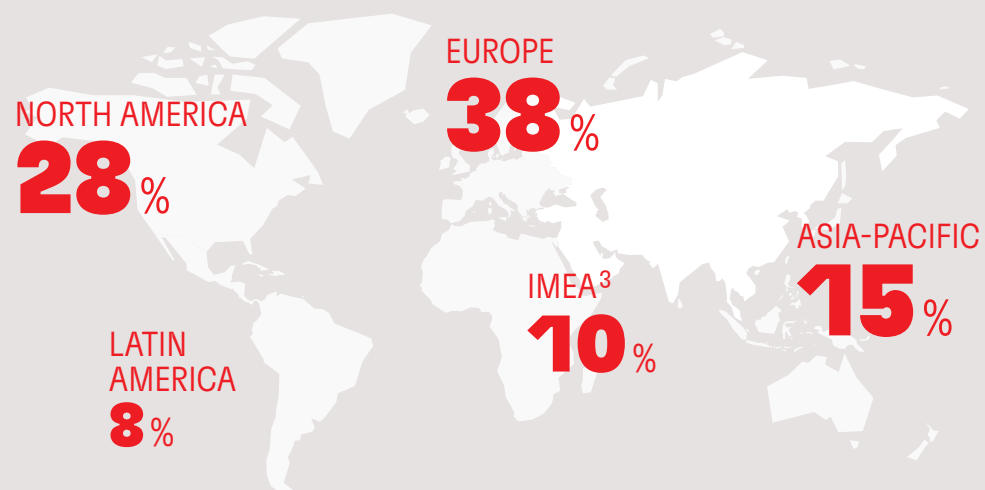
DIVIDEND PER  
PREFERRED SHARE<sup>2</sup>

€ **1.85**

<sup>1</sup> Adjusted for one-time expenses and income, and for restructuring expenses.

<sup>2</sup> Proposal to shareholders for the Annual General Meeting on April 22, 2024.

## SALES BY BUSINESS UNIT

SALES BY REGION <sup>2</sup>

<sup>1</sup> Corporate = sales and services not assignable to the individual business units.

<sup>2</sup> Including 1% Corporate.

<sup>3</sup> India, Middle East, Africa.



# ADHESIVE TECHNOLOGIES

Our Adhesive Technologies business unit leads the global market with technologies for adhesives, sealants and functional coatings – for industry, consumers and craftsmen. As experts for industrial applications in more than 800 industries, we work closely with our customers and partners. Based on our broad technology portfolio and our strong innovative power, we continuously develop customized solutions in our Mobility & Electronics, Packaging & Consumer Goods, and Craftsmen, Construction & Professional business areas.

[www.henkel.com/adhesive-technologies](http://www.henkel.com/adhesive-technologies)

## TOP BRANDS

**LOCTITE**

**TECHNOMELT**

**BONDERITE**

## KEY FINANCIALS 2023

Sales

€ **10,790** m

Organic sales growth

**3.2%**

Adjusted<sup>1</sup> operating profit (EBIT)

€ **1,584** m

Adjusted<sup>1</sup> return on sales (EBIT margin)

**14.7%**

<sup>1</sup> Adjusted for one-time expenses and income, and for restructuring expenses.

# INVESTING IN THE MOBILITY OF THE FUTURE

With the opening of the Battery Engineering Center at the Inspiration Center Düsseldorf, we underline our position as a leading design and innovation partner for automotive manufacturers and battery producers in the field of e-mobility.

In the high-tech facilities of the new Battery Engineering Center, we are developing next-generation battery solutions for electric vehicles – focusing on key areas of innovation such as safety, sustainability, thermal management, integrated battery design and battery cell technology.

Customized state-of-the-art laboratories allow our experts to accelerate innovation by bringing together material application, full-scale battery system testing, simulation and product development under one roof, shortening development and market launch times significantly. This is how we are driving forward solutions for the e-mobility of the future today.



# CONSUMER BRANDS

At the beginning of 2023, we united our consumer businesses across all categories under one roof, including many iconic brands such as Persil or Schwarzkopf and our successful hair professional business. Our new Consumer Brands business unit is active worldwide in the areas of laundry and home care, hair, as well as other consumer businesses. Our portfolio thus also includes products for hairdressers who set new trends with their creations. In more than 60 countries, our experts are working on meeting the needs of consumers through leading research and development, our strong brands, and innovative and sustainable products.

[www.henkel.com/consumer-brands](http://www.henkel.com/consumer-brands)

## TOP BRANDS

**Persil**

  
Schwarzkopf



## KEY FINANCIALS 2023

Sales

€ **10,565** m

Organic sales growth

**6.1%**

Adjusted<sup>1</sup> operating profit (EBIT)

€ **1,115** m

Adjusted<sup>1</sup> return on sales (EBIT margin)

**10.6%**

<sup>1</sup> Adjusted for one-time expenses and income, and for restructuring expenses.






# *UNDERSTANDING* CONSUMER TRENDS & **DRIVING** *INNOVATION*

We want to meet consumers' needs worldwide and anticipate trends to drive our brands forward with strong innovations. Our J-Beauty Innovation Hub in Tokyo is the central hub for expertise in areas such as hair color innovation, styling, premium hair and scalp care, as well as hair loss solutions. Almost half of our approximately 100 employees there work in research, reflecting our strong focus on innovations.

Our iconic Perwoll brand relies on innovative product formulas that clean fibers gently and effectively. The focus is on the longevity of textiles. This is also underlined by the brand's initiative #RethinkFashion that promotes a more mindful approach to clothing – from more sustainable design to more conscious consumption.



# FINANCE

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 global Finance function: in Financial Management, Purchasing, and in our Global Business Solutions organization with our Shared Service Centers around the world.

Digitalization increases efficiency and flexibility, generates new insights and promotes global communication. This allows us to respond better and faster, both to the increasing volatility in our markets and to upcoming consumer trends, as well as to invest in our businesses for future growth.

[www.henkel.com/investor-relations](http://www.henkel.com/investor-relations)

## KEY FINANCIALS 2023

Acquisitions / Capital expenditures

€ **1,120** m

Free cash flow

€ **2,603** m

Share of bond portfolio  
with sustainability focus<sup>1</sup>

~**80%**

Purchasing volume<sup>2</sup>

€ **14.6** bn

Employees in Global Business  
Solutions

~**3,600**

<sup>1</sup> Based on issue volume.

<sup>2</sup> Direct and indirect materials and services.







## CREATING GLOBAL VALUE WITH **GBS+**

Our Global Business Solutions (GBS+) organization has been supporting Henkel teams for more than 20 years. The journey of GBS+ began with 20 employees who initially focused exclusively on transactional financial services. Today, GBS+ acts as an innovative competence hub with around 3,600 experts from 50 nations working in seven global centers. As a strong partner, the team collaborates with all business units and functions, providing customized and efficient expert solutions.

GBS+ is an integral part of Henkel and includes services along the value chain in the areas of finance, purchasing, human resources and digital marketing, making efficient use of new technologies such as artificial intelligence and digital automation solutions. Several of our GBS+ locations have also been repeatedly recognized as top employers in the category of Global Business Solutions over the last few years.



# OUR PEOPLE

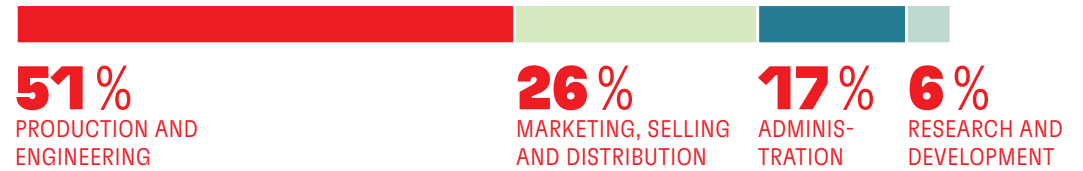
Our global team, consisting of around 47,750 employees with different backgrounds, experience and skills, is the basis for our success.

Entrepreneurial spirit is our heritage: We have the courage to change things and to constantly improve ourselves. Together, we are looking for new ways to reimagine and improve life with our innovative and sustainable brands and technologies.

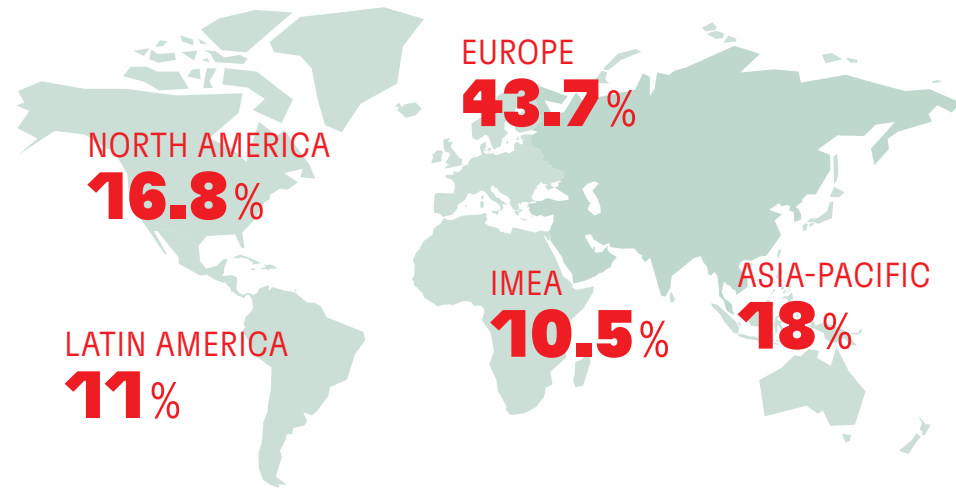
This is why we offer our employees extensive opportunities to learn, to gain a wide breadth of experience and to grow both professionally and personally.

[www.henkel.com/careers](http://www.henkel.com/careers)

## EMPLOYEES BY ACTIVITY<sup>1</sup>



## EMPLOYEES BY REGION<sup>1</sup>



EMPLOYEES FROM 124 COUNTRIES

**47,750**

SHARE OF FEMALE MANAGERS

**39.5%**

<sup>1</sup> As of December 31, 2023.



# PIONEER IN GENDER-NEUTRAL PARENTAL LEAVE

At Henkel, we promote a culture of belonging and strive for equal opportunities to realize the full potential of our diversity. This includes equal access to opportunities for all our colleagues. For this reason, we have introduced a global guideline for gender-neutral parental leave of eight weeks for all our employees. This gives both parents the flexibility to take fully paid parental leave based on the role of the caregiver and not on gender or whether they are biological or adoptive parents.

We want to live up to our Diversity, Equity & Inclusion ambition by promoting equal access to services, including parental leave and childcare provision, with true consistency worldwide, so enhancing our attractiveness as an employer and increasing our competitiveness in the job market.



# SUSTAINABILITY

Our sustainability strategy is a direct reflection of our company’s commitment to purposeful growth. We want to drive transformational change by creating more value for all stakeholders and developing our business successfully and responsibly. Day by day, we want to use our pioneering spirit, our knowledge, and our products and technologies to enrich everyday life and shape a viable future for the coming generations. Sustainable business practices have been an integral part of our company culture for decades, and are a central element of our vision of the future.

[www.henkel.com/sustainability](http://www.henkel.com/sustainability)

## EXCELLENT PERFORMANCE IN RATINGS AND RANKINGS



LESS CO<sub>2</sub> EMISSIONS FROM OUR OPERATIONS PER TON OF PRODUCT <sup>1</sup>

**-61%**

ELECTRICITY SOURCED FROM RENEWABLE SOURCES

**89%**

WATER CONSUMPTION PER TON OF PRODUCT <sup>1</sup>

**-24%**

LIVES IMPROVED WORLDWIDE

**3.54 m**

<sup>1</sup> Figures relate to the 2023 fiscal year compared to the 2010 base year.





# CLIMATE ACTION IN PRODUCTION

As part of our “2030+ Sustainability Ambition Framework” we want to become climate-positive in our production by 2030. For us, climate positivity in production means that we supply surplus climate-neutral energy that Henkel does not need for its own purposes to third parties. In doing so, we avoid emissions from our own activities and also enable third parties to be supplied with climate-neutral energy.

In 2023, we successfully continued on the path toward climate-neutrality across our sites worldwide, for example at our plant in Montornès del Vallès in Spain with its reliance on solar energy and biogas. We are focusing on increasing the use of electricity from renewable sources and implementing state-of-the-art technologies to generate heat energy without fossil fuels.

# OUR SOCIAL ENGAGEMENT

Ever since Henkel was established, social engagement has been integral to our company culture. Together with employees and retirees, customers, consumers and non-profit organizations, we are committed to our social environment on a global scale. This commitment is based on three pillars: voluntary engagement of employees and retirees, social partnerships, and emergency aid. Our overarching goal of reaching 30 million people through our social engagement activities by 2030 has already been exceeded.

[www.henkel.com/spotlight/social-engagement](http://www.henkel.com/spotlight/social-engagement)



## **CORPORATE VOLUNTEERING**

Through our volunteering initiative “MIT” (Make an Impact on Tomorrow), we support the voluntary and pro bono activities of our employees and retirees worldwide.



## **SOCIAL PARTNERSHIPS**

Through partnerships with social organizations, we support social initiatives and public institutions in the communities where Henkel operates. In doing so, we strive to promote the future viability of society through education.



## **EMERGENCY AID**

Responding quickly and unbureaucratically to provide emergency aid in cooperation with the “Fritz Henkel Stiftung” foundation, Henkel supports people who find themselves in emergency situations as a result of crises, conflicts or natural disasters, by providing financial and product donations, and by granting paid leave to employees.



## 25 YEARS OF “MAKE AN IMPACT ON TOMORROW”

As “Pioneers at heart for the good of generations,” we support people around the world and want to help shape a sustainable future worth living. Our volunteering initiative “Make an Impact on Tomorrow” (MIT) promotes the involvement of employees and retirees in social projects. The initiative has been running for 25 years and has supported over 18,000 projects in more than 100 countries worldwide.

To celebrate this anniversary, we put in place an even broader range of opportunities for our people to engage socially. Following the motto #UnbeatableTogether, the Special Olympics movement is committed to inclusion, equality, and acceptance of people with intellectual and multiple disabilities. In addition to our already long-standing support at regional level, an international Henkel team of 60 volunteers was present at the Special Olympics World Games in Berlin to encourage the athletes, breaking down walls for a more inclusive society.





# 175 YEARS OF FRITZ HENKEL

Fritz Henkel, the founder of our company, was born 175 years ago. His courage, determination and outstanding entrepreneurial skill laid the foundation for one of the most renowned German family companies. He was an entrepreneur and pioneer at heart. He challenged the status quo and dared to explore the new and unknown. From the start, he built on latest scientific insights, committed to high quality, and spearheaded innovative advertising approaches. At the same time, he stood for responsibility and care for his employees.

His ideas, achievements and values have shaped our company. They inspire and guide us. Today and in the future.

[www.fritz-henkel.com](http://www.fritz-henkel.com)



On September 26, 1876, Fritz Henkel founded the company Henkel & Cie in Aachen together with two business partners. Just two years later he moved the company to Düsseldorf.



**DÜSSELDORF-HOLTHAUSEN,  
1927**



Fritz Henkel believed that his company could only thrive if its employees were also able to. This attitude was reflected in the company's wage, salary and staff policies, but also in its social policy. It played a major role in ensuring that Henkel emerged stronger than ever from times of severe crisis.



### FOUNDATION OF SUCCESS

The market launch of Persil as the first self-acting detergent revolutionized the work in laundry rooms in 1907 and made Henkel the undisputed leader in the German detergent market.

Right from the start, Fritz Henkel pursued a powerful advertising strategy to draw consumer attention to his products. Complementing the classic forms of advertising, such as posters and newspaper ads, Fritz Henkel diversified the communications portfolio. Whether with illuminated signs, films or Persil clocks: Henkel always made use of novel advertising methods with a sure sense of their impact.



### ADHESIVE PRODUCTION – A SUCCESS STORY

Adhesive production began in 1922, initially only for the company's own needs. However, sales of adhesives to neighboring companies soon followed in 1923.

Henkel thus established itself in a new business area – marking the beginning of a global success story.



**“THE BEST THAT WAS ACHIEVED THROUGH MY WORK DID NOT ARISE FROM MY THOUGHTS, BUT FROM MY EMPLOYEES IN MUTUAL COOPERATION.”**



Company founder Fritz Henkel looks back on his life's work on the occasion of the company's 50<sup>th</sup> anniversary in 1926



**DARE  
TO MAKE  
AN IMPACT?**

## AT HENKEL, WE DARE TO MAKE AN IMPACT.

Where technologies meet consumer goods, you can really make an impact on people's wellbeing, on leading brands and on high-performing businesses across the globe. Your career with us means contributing to a more sustainable future. And it means growing in a vibrant and diverse culture of trust and belonging. We love courage and fresh ideas in teams who dare and care.

[www.henkel.com/careers](http://www.henkel.com/careers)





## MORE ABOUT HENKEL

Our website:

[www.henkel.com](http://www.henkel.com)

Our financial publications:

[www.henkel.com/reports](http://www.henkel.com/reports)

Our sustainability publications:

[www.henkel.com/sustainability/reports](http://www.henkel.com/sustainability/reports)

Our career offers:

[www.henkel.com/careers](http://www.henkel.com/careers)

## HENKEL ON SOCIAL MEDIA



[www.linkedin.com/company/henkel](http://www.linkedin.com/company/henkel)

[www.instagram.com/henkel](http://www.instagram.com/henkel)

[www.facebook.com/henkel](http://www.facebook.com/henkel)

[www.twitter.com/henkel](http://www.twitter.com/henkel)

[www.youtube.com/henkel](http://www.youtube.com/henkel)

## SPOTLIGHT MAGAZINE

More stories, expert interviews, extensive features and guest articles are available in our digital magazine, Spotlight:

[www.henkel.com/spotlight](http://www.henkel.com/spotlight)



“Fritz for Future” is Henkel’s sustainability podcast, where we meet experts who show us what doing business, creating and thinking sustainably could look like.

[www.henkel.de/spotlight/fritz-for-future](http://www.henkel.de/spotlight/fritz-for-future)

# CREDITS

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