



Henkel

A Brand Like a Friend

Press release

October 19, 2009

Information and facts about the Henkel Supply Chain in the Laundry & Homecare business unit

- Production** The following is manufactured by Henkel worldwide:
- around **4 million tons** of powder detergent,
 - 2005 - 2007: **+19% increase** in productivity, additional +35% planned by 2010
- Logistics**
- **Planning & Procurement:** around 500 suppliers and 15,000 different materials
 - **Production:** 35 plants in Q3/2009
 - **Distribution:** around 120 distribution centers and 10,000 drop points
- Logistics Tasks**
- Net requirements planning
 - Delivery of products
 - Customer service
- Network Redesign & Optimization**
- Structural Optimization**
- Production closer to end markets
 - Merging of complete site structures for economies of scale and reduction in structural costs
 - Reduction of plants to 35 worldwide, 17 in Europe in Q3/2009
 - Consolidation of manufacturing & distribution assets
- Efficiency Increase**
- Efficiency increase in production
 - Cutback on inefficiencies in site infrastructures
 - Disposal of non-economic non-core activities
 - Unification of Henkel SAP systems in "Global System Program"
- Overall targets for 2010 (base year 2005)**
- ⇒ **Increase in productivity: 51%**
 - ⇒ **Reduction of warehouse stock: 16%**
 - ⇒ **Increase in delivery accuracy by 2-5%**
 - ⇒ **Improvement in customized service**
- Sustainability**
- Through our business activities and our products, we aim to make a valuable contribution to society. We systematically focus our activities throughout the value chain on the challenges of sustainable development as they relate to our operations. We have grouped these according to five focal areas: energy and climate, water and wastewater, materials and waste, health and safety, and social progress.
- Company Objectives for 2012**
- Energy consumption: 15% reduction in energy consumption
 - Water consumption: 10% reduction in water consumption
 - Waste: 10% reduction in the amount of waste generated
 - Occupational accidents: 20% reduction in occupational accidents
- ⇒ **Continuous sustainability improvements** are an integral part of our targets and are addressed on a global scale

Henkel has been committed to making people's lives easier, better and more beautiful for more than 130 years. A Fortune Global 500 and Germany's most admired company according to a recent Fortune survey, Henkel offers strong brands and technologies in three areas of competence: Home Care, Personal Care and Adhesive Technologies. Each day, more than 52,000 employees in 125 countries are dedicated to fulfilling Henkel's claim "A Brand like a Friend." In fiscal 2008, Henkel generated sales of 14,131 million euros and adjusted operating profit of 1,460 million euros.

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