

Strategic Priorities



Strategic Priorities





Achieve our full business potential



- Portfolio Optimization
- Top Brands
- Innovations
- Operational Excellence



Portfolio Optimization

Laundry & Home Care

- Increase profitability in mass categories.
- Drive growth in profitable specialty categories.

Cosmetics/ Toiletries

- Intend to further enhance profitability
 - Strengthening our innovation leadership.
 - Expanding Schwarzkopf as master brand.

Adhesive Technologies

- Improve profitability in the automotive segment and consumer adhesives business.
- Drive growth in specialty applications.
- Utilize advantages of scale with innovations in the industrial adhesives segment.

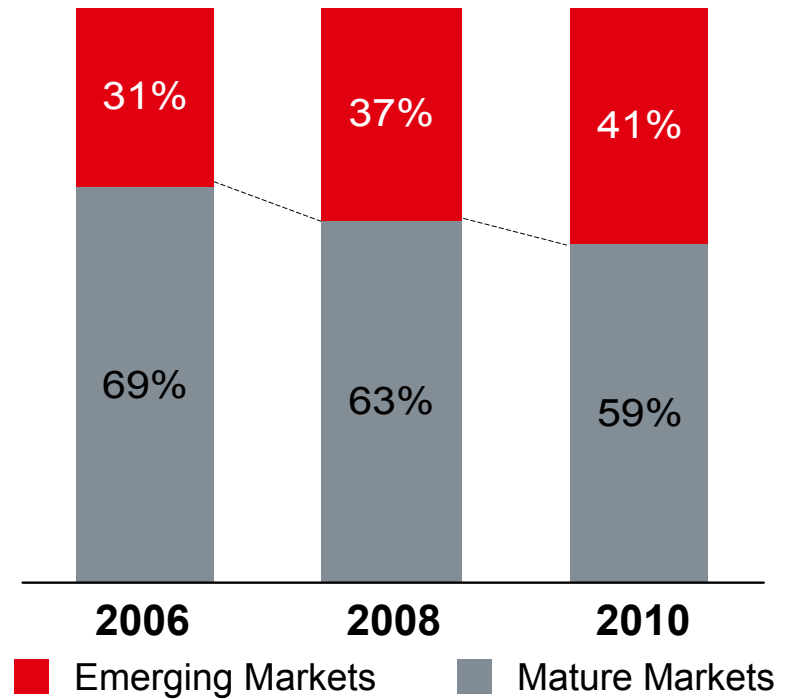


Portfolio Optimization

Growth Engine Emerging Markets



Sales share



Target: sales share of 45 percent in the Emerging Markets in 2012.

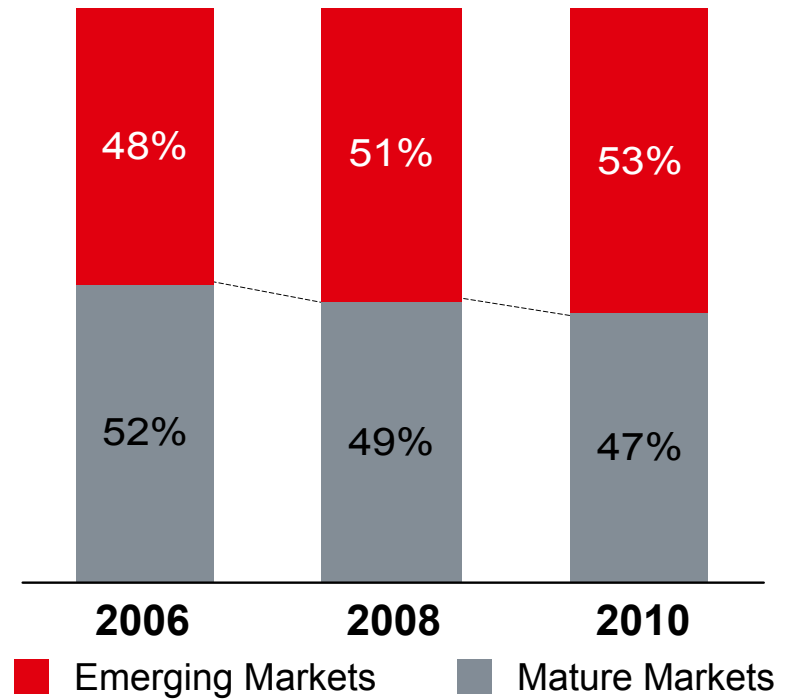


Portfolio Optimization

Growth Engine Emerging Markets



Number of employees




> More employees in Emerging Markets than in Mature Markets.



Portfolio

Focus on top brands

Persil

Schwarzkopf | 

LOCTITE

Purex

Dial

Teroson

Dixan

Fa

technomelt


Top 3	51 %	71 %	26 %
Top 10	81 %	89 %	52 %

> Sales share 2010: top 3 → 23 percent / top 10 → 41 percent.



Innovations

Persil

Schwarzkopf | 

LOCTITE

Purex

Dial

Teroson

Dixan

Fa

technomelt

> Innovation rate of more than 40 percent.



Operational Excellence

Purchasing

- Generate economies of scale through the further development of strategies.
- Concentrating on strategic suppliers.
- Procuring materials in low-cost emerging economies.

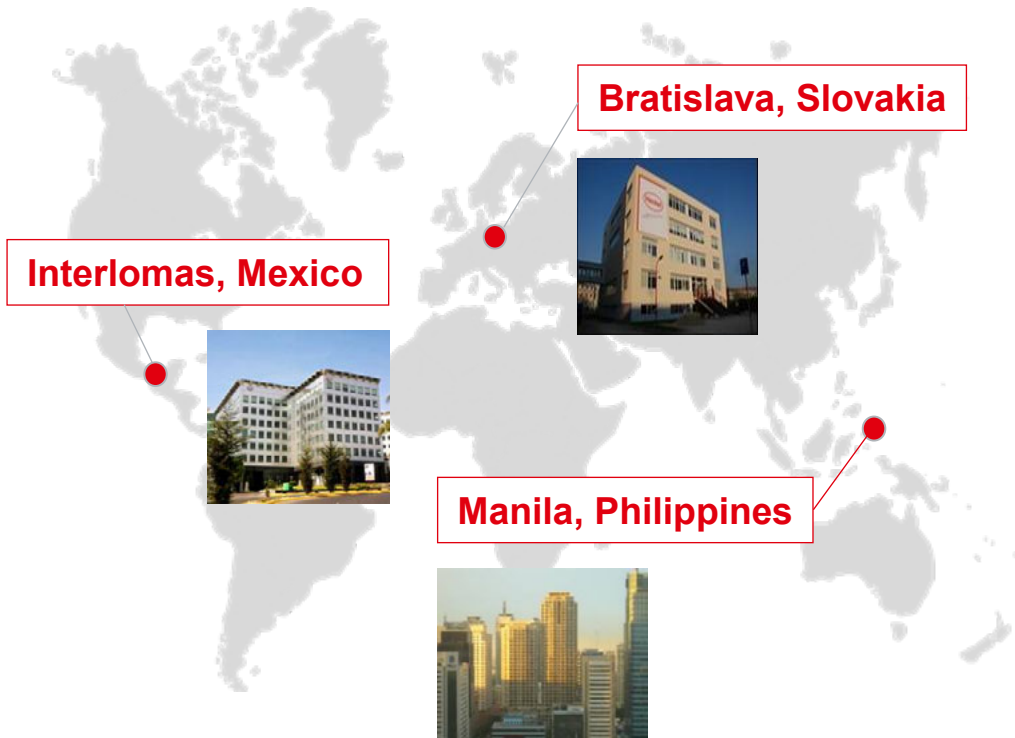
Production and Supply Chain

- Reducing the number of manufacturing sites, particularly in mature markets.
- Reducing complexity of structures.
- Better utilize available capacities.



Transformational Changes

Expanding Shared Services



Bratislava

- 300 employees
- Geographical coverage: Western Europe, Eastern Europe, Middle East, Africa

Manila

- 300 employees
- Geographical coverage: Nord America, Asia/Pacific

Interlomas

- 100 employees
- Geographical coverage: Latin America

> Around 1,000 employees by the end of 2011.

Focus more on our customers



- Expanding our contacts with customers
- Sustainability



Focus more on our customers

- Further development of our partnership structures.
- Expand contacts with the customers at the highest managerial level .
- Expand services offering a measurable added value for our customers.
- Effectively marshal our own competences .

Generate organic growth with our key accounts equivalent to 1.5 times the figure for Henkel as a whole.



Sustainability

Focal Areas



- Expansion of our position as a leading partner to our customers in the field of sustainability.
- Each new product must combine high quality with responsibility toward people and the environment.

Strengthen our global team



- People and Diversity
- Performance Orientation



People and Diversity



- More than 110 nationalities ensure Henkel's worldwide success.
- Some 32 percent of our employees worldwide are women.
- More than 29 percent of our managers are women.

> Diversity is a factor of success.



Performance Orientation

- Clear and unequivocal feedback in recognition of individual performance.
- Tailor-made plans for the further development.
- Developing managers from within the company.
- Development and introduction of a new system of managerial staff appraisal.