

Operational activities

Overview

Henkel was founded in 1876. Consequently, the year under review marks the 135th in our corporate history. Today, Henkel employs more than 47,000 people worldwide, and we occupy globally leading market positions in the consumer and industrial businesses.

Organization and business sectors

Henkel AG & Co. KGaA is operationally active as well as being the parent company of the Henkel Group. It is responsible for defining and pursuing Henkel's corporate objectives and also for the management, control and stewardship of our Group-wide activities, including risk management and the allocation of resources. Henkel AG & Co. KGaA performs its tasks within the legal scope afforded to it as part of the Henkel Group, with the affiliated companies otherwise operating as legally independent entities.

Operational management and control is the responsibility of the Management Board of Henkel Management AG in its function as sole Personally Liable Partner. The Management Board is supported by corporate functions.

Henkel is organized into three business sectors:

- Laundry & Home Care
- Cosmetics/Toiletries
- Adhesive Technologies

Our product range in the Laundry & Home Care business sector comprises heavy-duty detergents, specialty detergents and cleaning products. The portfolio of the Cosmetics/Toiletries business sector encompasses hair cosmetics, products for body, skin and oral care, and products for the hair salon business. The Adhesive Technologies business sector offers decoration and renovation products, adhesive and correction products for home and office, building adhesives and industrial and structural adhesives, sealants and surface treatment products.

Our three business sectors are managed on the basis of globally operational strategic business units. These are supported by the corporate functions of Henkel AG & Co. KGaA in order to ensure optimum utilization of corporate network synergies. Implementation of the strategies at a country and

Henkel's brands and technologies around the world



regional level is the responsibility of the affiliated national companies. The executive bodies of these companies manage their businesses in line with the relevant statutory regulations, supplemented by their own articles of association, internal procedural rules and the principles incorporated in our globally applicable management standards, codes and guidelines.

Strategy and financial targets for 2012

We are continuing to expand our three business sectors Laundry & Home Care, Cosmetics/Toiletries and Adhesive Technologies, each of which offers a strong and balanced portfolio of activities capable of significant growth in a positive market environment and ensuring relative stability in a downturn, as was clearly demonstrated throughout 2009 to 2011. Already today, we enjoy leading positions in all three segments in the mature markets of Western Europe and North America, and also in our emerging markets, which we intend to further expand going forward. It is essential for us to maintain strong or at least expandable market positions in the countries in which we have a presence. Already today, we generate 42 percent of our total sales in our emerging markets. In 2004, the figure was just 26 percent.

42%
of our sales generated
in the emerging markets.