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# Progress



## Measuring Our Progress

Progress. It is a term that connotes change. It asks us to look at what we do well and what we can do even better. It asks us to challenge our assumptions, measure our results, and reach for a new horizon. It invites us to honor tradition without settling for the status quo.

Our 2005 Global Sustainability Report tells the story of our progress – what we have achieved, what we strive to achieve, and how we measure our achievement. By reporting on what we do and how we do it, we report on what we value and how those values are expressed.

While this report follows global business standards for reporting our economic, social and environmental practices and performance, it strives also to meet a higher standard. It strives, as we do, to meet the standards of sustainability and responsibility our company has held for 120 years. It strives to reflect and to encourage progress.



When we look back on 2005, we will remember a year marked by dramatic, fundamental change, both inside Johnson Diversey and out.

Last year, the company entered an exciting new phase in its development, one that promises to deliver the financial flexibility, the focus, and the simplicity we need to realize our long-term vision for the business.

At the same time, 2005 was a year in which the price of oil doubled, driving up the cost of raw materials, while consolidation altered the competitive landscape, resulting in fewer, bigger companies dominating a wide range of industries.

But even in this evolving atmosphere, JohnsonDiversey remained steadfast in its commitment to the values that have defined our company since its earliest days. And in fact, this report is intended to illustrate the various ways we live those values every day.

This is our Global Responsibility Report, a name that suggests the overarching quality that pervades our approach to everything we do, from product development, manufacturing, and cleaning, to employee well being and community involvement.

# A Tradition of Responsibility

Our practices in those areas are spelled out in our ResponsibleSolutions™ program and are designed to further our commitment to the sustainability of the planet we occupy. In this way, ResponsibleSolutions gives life to the principles expressed in our statement of values, called *This We Believe*.

"... we are deeply committed to conducting our business responsibly."

At JohnsonDiversey we are deeply committed to conducting our business responsibly. We believe it is not only the right thing to do, but the best way to assure the continued strength and vitality of our business.

This report is intended to illustrate what responsibility means to us. I hope you'll take a few minutes to consider it.

S. Curtis Johnson Chairman



This is an exciting time at JohnsonDiversey. We have great opportunity ahead of us, and a clear path toward realizing those opportunities.

The progress reported here occurred before I joined JohnsonDiversey. But it is a vital part of what drew me to take on the job of President and CEO. Our values, customer relationships and innovative spirit – these are the fundamentals on which this business has grown and will continue to grow. Throughout this report, you will see what I saw as I examined JohnsonDiversey. You will see a company that takes seriously its responsibility to its employees, customers, and the communities and world in which it operates. You will see our commitment to being a vital business partner with our customers, by anticipating their needs and exceeding their expectations.

Above all, you will see that JohnsonDiversey is dedicated to improving the built environment in which we all live, work and play.

Our commitment to that mission is evident in what we have done in the past year alone.

- We expanded our portfolio of products certified by the U.S. Green Seal organization.
- We were the first manufacturer of industrial and institutional cleaning products to meet the standards of a new European program aimed at exceeding legislative requirements for environmental sustainability, through the Charter for Sustainable Cleaning, AISE.
- We were recognized by the building maintenance industry as leaders in delivering healthy, high performance cleaning, with our staff asked to give key presentations at industry conferences on green cleaning.

# Opportunities Ahead

We go beyond clean. We are passionate about helping our customers run their facilities in a manner that supports the growth of their enterprises by sustaining human health, contributing to high human performance, and protecting the earth's resources.

"Johnson Diversey is dedicated to improving the built environment in which we all live, work and play."

We are equally passionate about serving our communities through individual and corporate initiatives. We contribute our talents, time and human resources to programs that advance human health and hygiene.

It is in these programs and the people of JohnsonDiversey that you can see the vitality and the opportunity that drew me to take the helm of this company. In this report, you will catch a glimpse of the passion and creativity of our people that I have the privilege to witness every day. You will see our progress and our future.

Ed Lonergan
President and CEO



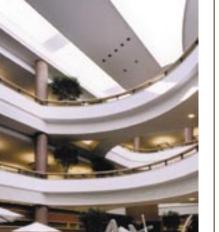
## **Accomplishing Our Mission**

Across the globe, JohnsonDiversey offers cleaning and hygiene products and solutions to the food service and safety, food and beverage processing, floor care,

The Johnson Diversey Mission:
To be our customers' best partner in maintaining safe, healthy, high performing facilities.

housekeeping and room care, laundry and industrial markets. Additionally, we provide a wide range of value-added services, including safety and application training, safety and hygiene consulting, and hygiene auditing. We serve institutional and industrial end-users such as food service providers, lodging establishments, food and beverage processing facilities, building service contractors, educational institutions, retail outlets,

health care facilities and industrial plants.



## **Customer Sectors**

- Food Service
- Lodging
- Food and Beverage Processing
- Building Service Contractors (and Contract Caterers)
- K-12 & Higher Education
- Retail
- Health Care

## **Applications**

#### **Food Service and Safety**

- Products to remove soil and reduce microbiological contamination from food contact surfaces
- Chemicals for food handling and storage products
- Safe floor systems and tools
- General purpose cleaners, lime scale removers
- Bactericides/disinfectants
- Detergents, oven and grill cleaners, general surface degreasers, floor cleaners
- Food surface disinfectants
- Documented cleaning methods and hygiene plans
- Staff training
- Technical and service support
- Consultation on food safety

#### Food and Beverage Processing

- Detergents, cleaners, sanitizers, lubricants, and cleaning systems
- Electronic dispensers and chemical injectors for the application of chemical products
- Gel and foam products for manual open-plant cleaning
- Acid and alkaline cleaners
- Membrane cleaning products
- Track treatment solutions
- Consulting services in the areas of food safety and quality management

#### Floor Care

- A broad range of floor care products and systems, including finishes, buffable waxes, cleaners, polishes, sealers and strippers
- Carpet cleaners, such as extraction cleaners and shampoos; carpet powders; treatments, such as pre-sprays and deodorizers
- A full line of carpet spotters
- Carpet cleaning and floor polishing machines
- Cleaning tools including microfiber technologies
- Documented cleaning methods, wall charts, staff training, and technical and service support

#### Housekeeping and Room Care

- A fully integrated line of products and dispensing systems for hard surface cleaning, disinfecting and sanitizing, hand washing and air deodorizing and freshening
- Restroom care and other housekeeping products such as bowl and hard surface cleaners, hand soaps, sanitizers, aircare products, general purpose cleaners, disinfectants and specialty cleaning products

#### Industrial

- Industrial cleaners and degreasers
- Vehicle cleaners that remove traffic film, road soil, dirt and grime from surfaces of automobiles, buses and trucks













Steve Di Biase Senior Vice President & Chief Scientific Officer Research, Development and Engineering

# The Meaning of Responsible Cleaning and Hygiene by Steve Di Biase Johnson Diversey Inc.

t JohnsonDiversey, we have five generations of family leadership backing our philosophy to go far beyond what's acceptable in the marketplace and be a leader of environmental, safety and health practices. That leadership stems from our ongoing commitment to make communities better – communities in our own backyard and across the world.

Our approach to doing business depends upon a sustainable environment. So we strive to provide a diverse portfolio of products, services

and programs that help our customers maintain safe, healthy, high performing facilities.

". . . a sustainable business depends upon a sustainable environment."

Sometimes that means developing new dispensing or chemical technology. Sometimes that means partnering with other

businesses, organizations, governments and non-governmental agencies.

And it always means we work closely with our customers. Our customers are sophisticated and so are their customers. They demand a responsible approach to health and hygiene solutions for their facilities.

### **Beyond Chemistry**

JohnsonDiversey continued its legacy of environmental leadership in 2005. We applied it along the whole supply chain: from our laboratories, to our packaging and dispensing design, from our production practices and delivery, to end-use training.

That means our approach to environmental responsibility goes well beyond chemistry.

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Jonmaster, for example, is a complete system of cleaning built around new microfiber technology. Each fiber is split to 1/1000 of a human hair. These cloths trap dust, dirt and bacteria, leaving multiple surfaces cleaner and more hygienic than traditional mops and cloths. Once the surface is cleaned, the cloths can be laundered or disposed.

Within the portable Jonmaster workstation, the operator has everything he or she needs on the trolley. With minimum downtime – no need to fill and empty buckets – more tasks can be done in less time and with less effort to achieve higher standards of cleanliness and hygiene.

The Pace™ high impact floor cleaning system, used in conjunction with our Alpha™-HP Multi-Surface Cleaner, offers another example of JohnsonDiversey's environmental leadership.

The Pace system's innovative design reduces water and solution use by 90 percent compared to conventional mopping methods. Color-coded bottles and microfiber pads ensure multiple application areas are cleaned efficiently and correctly. The integrated solution dispensing system reduces cleaning time by at least 50 percent and there's no need to fill buckets. Floors are cleaned and dry in a matter of minutes, reducing the risk of slip and fall accidents.

#### A Growing List

Jonmaster and the Pace systems provide customers with safe, environmentally responsible choices. So does our growing list of Green Seal products.

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The independent, non-profit organization in Washington, D.C., Green Seal, evaluates products noting their major environmental impacts in each life-cycle stage, including resource extraction, production, distribution, use and eventual disposal or recycling.

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The evaluation considers energy, resource use and emissions to air, water and land, as well as other environmental and health effects.

JohnsonDiversey already had earned Green Seal certification for several of our multipurpose cleaners, but in 2005, we added floor

finishers and strippers to the list, sold under the Johnson Wax Professional Aquaria<sup>TM/MC</sup>, Johnson Wax Professional Freedom  $SC^{\otimes}$ , and Butcher's G-Force<sup>TM/MC</sup> brand names.

The finishes provide excellent performance in comparison to other non-zinc finishes, and the strippers are available in ready-to-use dilution containers, making the products easy to measure and use.

In addition to our Green Seal certified products, we made positive changes by reformulating some detergents for use in shorter rinse cycles and at lower temperatures, thereby reducing water use and energy.

#### With Tomorrow in Mind

From Jonmaster to Pace to Green Seal products and reformulations, we continue our drive to do the right thing for the planet, our business, our customers and those who rely upon them.

It's our global commitment to deliver solutions that respect the generations before us and support those yet to come.

". . . deliver solutions that respect the generations before us and support those yet to come."











### JohnsonDiversey Introduces One-Application Floor Stripper

In October, Johnson Diversey introduced Johnson Wax Professional FASTRIP<sup>TM/MC</sup> and Butcher's Wild Rapids<sup>TM/MC</sup>, revolutionary new floor strippers that remove heavy floor-finish buildup in one application.

Capable of removing as many as 10 coats or more of floor finish in a single use, this low odor, highly concentrated solution provides numerous dilution ratios to meet the demands of any floor finish removal challenge.

As with all JohnsonDiversey products, FASTRIP and Wild Rapids provide minimal hazard risk to both end users and the environment when used as directed.





# DuoClean™ Sweeping System Saves Money and Time

DuoClean $^{TM/MC}$  is one of those innovations that leads people to say, "Now, why didn't I think of that?!"

JohnsonDiversey's DuoClean sweeping system incorporates a dust mop head with an integrated recovery pan for easy trash pick up and emptying. Its design eliminates the need for workers to bend and pick up dirt and large particles, which reduces operator injury, strain and fatigue and operating time by up to 35 percent.

The DuoClean system comes in two sizes for the convenience of small and large cleaning applications, and the

synthetic cloth fits both and works on most resilient floors. It's ideal for a

"It's one of those inventions that leads people to say, 'Now, why didn't I think of that?!'"

wide variety of customers including retail, food service, health/care and facilities with large cafeteria and eating locations.

### Laundry Product Benefits Customers and the Environment



Customers who rely upon clean laundry, such as hospitals and hotels, constantly search for ways to reduce their laundry costs while maintaining high quality. To meet this customer need, JohnsonDiversey launched the CLAX® PlusBright detergent for use in on-premise laundries.

CLAX PlusBright combines a highly concentrated main wash detergent with a highly concentrated patented oxygen bleach. Additionally, CLAX PlusBright is uniquely effective at low temperatures and reduces water consumption up to 30 percent.

Laundry facility operators dispense the auto-dosed system at the proper amount each time, reducing waste, saving money and time.

## What You Can't See Can Hurt You

# ElimineX® Provides Revolutionary Drain Cleaning Technology

JohnsonDiversey's introduction of the ElimineX® hygiene system makes decontamination of hard surfaces easy. Its chlorinated chemistry and ready-todispense technology means customers can clean surfaces in less than one minute, saving time and providing a safe and effective solution. And one of the toughest jobs ElimineX can handle is down the drain.

When it comes to cleaning drains, food service employees usually think it's a dirty, smelly, punishing, time consuming job and would prefer to overlook the task. But because bacteria love a cool, wet environment filled with food soil, cleaning drains is critical.

Unlike traditional degreasers, ElimineX's clinging foam provides extended contact time with the drain, which allows the cleaning agents and chlorine to break down food soils. Because the process works so quickly, ElimineX saves customers 25-30 percent in labor costs.

# ELIMINEX® ::

# Floor Care Program Reduces Slips and Falls

Continuing its tradition of bringing safe and innovative clean-up and containment solutions to the workplace, JohnsonDiversey introduced the Slip and Fall Elimination Program (S.A.F.E.), a combination of products, tools and services designed to reduce slip-and-fall accidents in the workplace.

An integral part of the program is JohnsonDiversey's training for retailers, building service contractors, hospitals, schools and insurance companies, where customers learn techniques for slip and fall accident prevention.

# New Dispensing System Increases Safety

Once again showing that innovation in dispensing technology makes life easier for the end users of our products, JohnsonDiversey introduced the QUATTROSELECT<sup>TM/MC</sup> dispensing system. QUATTROSELECT combines several patented technologies into one system to make dispensing concentrated products easy, reliable, safe and productive.

The leak-proof cartridges eliminate chemical exposure, and the selector valve allows quick dialing for appropriate one-hand bottle or bucket filling.

The new QUATTROSELECT was designed with the customer in mind making use easy and intuitive with minimal training.





# Green Seal Certified Products

### Housekeeping

Johnson Wax Professional

Stride® Citrus/ HC Neutral Cleaner Alpha™MC-HP Multi-Surface Cleaner Crew® Bathroom Cleaner & Scale Remover

Glance® NA Glass & Multi-Surface Cleaner

#### **Butcher's**

#72 G-Force® H2O2 Multi-Surface Cleaner

#70 G-Force® All-Purpose & Glass Cleaner Concentrate

#05 Raindance™™ Low Foam Neutral Floor Cleaner

#71 G-Force® Washroom Cleaner
Look™Mc NA Glass & Neutral Cleaner

#### **Carpet Care**

Johnson Wax Professional

Heavy Duty Prespray Plus Shampoo

#### **Butcher's**

G-Force® Fountainhead™ Carpet Extraction Cleaner GS-40-certified

#### **Hard Floor Care**

Johnson Wax Professional

Freedom® SC Floor Stripper

#### **Butcher's**

G-Force® Floor Finish #73 G-Force® Floor Stripper







# Our Approach to Healthy High Performance Cleaning

We offer Healthy High Performance Cleaning (HHPC) to help our customers attain healthy, high-performing buildings. The program goes beyond products to include proper procedures.

For those seeking a simple program to help reduce the health and environmental impacts of their facilities on building occupants and cleaning staff, HHPC provides easy to understand processes, procedures and training.

In 2005, we added a communication program with designed materials to help customers promote their HHPC program. The intent is to encourage building occupants to also get involved in making their facility safe, healthy and high performing.

An integral part of our program is the practical use and application of our Green Seal certified product line-up. We also earned Environmental Choice for products in Canada.





#### HHPC Wins Environmental Award

JohnsonDiversey's Healthy High Perfor-

mance Cleaning program earned the 2005 Wisconsin Business Friend of the Environment Award. The award is presented by the Wisconsin Environmental Working Group (WEWG), an affiliate of Wisconsin Manufacturers and Commerce (WMC).

The HHPC program won in the Environmental Innovation category.

The WEWG recognizes excellence in environmental performance in two other categories including Pollution Prevention and Environmental Stewardship.

Award winners were selected by an independent judging panel that included representatives from industry, the Department of Natural Resources, and the University of Wisconsin-Extension.

## ServSafe<sup>™</sup> Training

# Strengthens Johnson Diversey China's Food Safety Profile

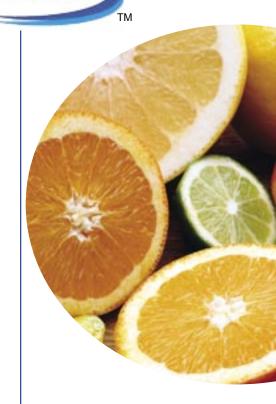
Johnson Diversey China is building its food safety profile, and the latest step has been the certification of sales associates through the ServSafe™ program.

ServSafe is a food safety program that provides instruction and testing at all levels of the food service market. It is intended to prevent foodborne illnesses by teaching and testing participants on such key issues as food surface cleaning, proper food holding temperatures, food handling procedures, and the like.

In JohnsonDiversey China, 51 of our sales associates have completed ServSafe training and qualified for ServSafe Food
Safety Manager
certification. Of
those, 13 scored
more than 90
percent on the
tests, which qualifies them to
apply for ServSafe Instructor
certification.

"This will strengthen JohnsonDiversey China to provide total solutions for our customers and become the major player in the food safety market," said Ed Kennedy, Regional President, JohnsonDiversey Asia Pacific.

ServSafe Food Safety Manager Certificate Training is conducted by the U.S. National Restaurant Association Education Foundation.



# New Cleaning Program Simplifies Washroom Care

According to recent American studies, 78 percent of customers say that a clean restroom is a strong indicator of a clean kitchen, and more than two-thirds of customers will tell their friends about a bad restroom experience.



Because customer experience and perception are so important to a business, JohnsonDiversey simplified restroom care and developed a complete restroom cleaning program called Care4 Washroom<sup>TM/MC</sup>.

The program integrates into one solution hard-surface care, floor care, skin care and odor control. Care4 Washroom also includes simplified training and procedure materials, and reduces the number of cleaning steps from an industry average of 20 to five. We also condensed our inventory to seven products and provided tools to make reordering easy.







Greg Clark
Senior Vice President
Global Supply Chain

# Of Alternatives and Audits by Greg Clark JohnsonDiversey Inc.

rotecting the environment is a key focus of JohnsonDiversey's responsible product development and delivery. We invest in environmental improvements and assess our year-over-year environmental performance in energy, water use, waste disposal and chemical oxygen demand. We continually look for ways to conserve resources while reducing our total environmental footprint.

### Alternative Energy Use

"We continually look for ways to conserve resources . . ."

JohnsonDiversey, in cooperation with SC Johnson & Son Inc., has made substantial investments in reducing greenhouse gas emissions at our flagship manufacturing site in Sturtevant, Wisconsin. Much of the reduction in emissions is attributable our joint investment in a unique cogeneration operation, creatively using methane gas from a local landfill as an energy source.

Two cogeneration turbines, fired in part by methane generated at a nearby landfill, produce electricity and steam. These turbines meet the daily base-load electrical demand for the 2.2 million square foot facility and will reduce total greenhouse-gas emissions by 52,000 tons annually by this fall.

### Implementing a More Rigorous Audit

In 2005, we examined our manufacturing processes even more closely by launching a rigorous audit program. This program confirmed that most of our manufacturing sites met or exceeded our stringent internal environmental performance targets.

When compared year over year overall, we reduced energy consumption over the prior year, but we experienced a minor increase in total waste and in total water consumption. These minor increases follow a succession of years of waste and water use reductions.

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Our chemical oxygen demand (COD) increased significantly. In our industry, COD results mainly from the flushing-out process between manufacturing tanks and filling lines when changing from production of one product to another. Based on rigorous audits, we have introduced processes to improve our COD measurement and performance.

Summary of Environmental Performance in Manufacturing				
Key Performance Indicators	2004 Actual	2005 Actual		
Production (tonnes)	1,009,863	1,026,001		
COD (kg/tonne)	1.61	1.96		
Total waste (kg/tonne)	2.48	2.62		
Total water (m3/tonne)	1.03	1.07		
Total energy (GJ/tonne)	0.35	0.33		

### Looking Ahead

Our transition to a more rigorous, uniform audit of manufacturing processes has revealed areas for improvement. Our previous approach to manufacturing audits examined our policies and procedures, and the processes for implementing and managing them. The new audit system engages internal auditors to mirror the approach of external agencies in reviewing what actually is occurring at each facility and is adding further information to our previous approach. In addition, multi-departmental project teams have been established to put in place systems to increase the discipline of our processes and the accuracy of our measurements.



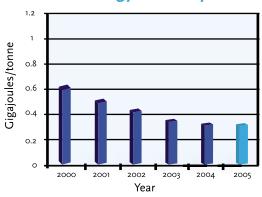
#### Lower Energy Use Reduces Greenhouse Gases

JohnsonDiversey continues to lower energy use. This is one of the ways we are contributing to the reduction of greenhouse gases. For measuring energy use, we employ the widely used measure of energy consumption per tonne of product. We calculate data from each liquid and powder manufacturing site to arrive at total consumption of electricity and fuels.

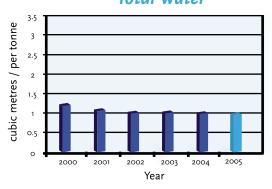
#### **Total Water Consumption**

In measuring Total Water Consumption, we include water used as an ingredient in all products, as well as uncontaminated cooling water and wastewater used in the manufacturing process. We have successfully reduced water use by employing innovative methods at facilities around the world. Additional data is available for our net water use.

#### **Energy Consumption**



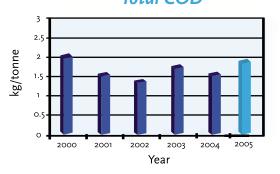
#### Total Water



### Total Chemical Oxygen Demand

COD contributes to nitrification, which increases the presence of bacteria and negatively effects water quality. The major source of COD from our operations is the cleaning process after products are manufactured. COD is widely used by regulatory bodies as a measure of industrial wastewater quality. COD is discharged to downstream municipal wastewater treatment plants, which are designed to remove COD before discharging their wastewater into the environment.

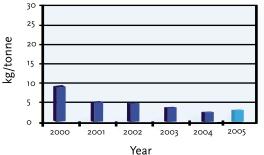
#### **Total COD**



#### Waste Reduction

Our practice of reuse and recycling has had a tremendous impact in the past ten years. We have reduced the ratio of waste compared to production sent to landfills by nearly 80 percent. The Cotes Park site in the UK, for example, is sending all non-hazardous waste for recycling effectively operating with zero non-hazardous waste disposal.

## Total Waste







JoAnne Brandes
Executive Vice President
Chief Administrative Officer,
General Counsel and Secretary

## Employee Development Plans Support Commitment to Growth by JoAnne Brandes JohnsonDiversey Inc.

ur continuous, sustainable growth as a company depends on our employees, and on the opportunities we provide for their ongoing professional development. Our commitment to providing those opportunities begins in our long-held beliefs, articulated in our company's statement of foundational principles, *This We Believe*. Employees are named first in *This We Believe* among the five groups to whom we owe an obligation. We state clearly, "We believe that the fundamental vitality and strength of our worldwide company lies in our people."

In 2005, we affirmed that belief with a solid program of employee succession and development opportunities. The core of that program

"We believe that the fundamental vitality and strength of our worldwide company lies in our people."

is the understanding that formal training is only one component of employee development. While formal training is important, sound employee development must be rooted in broad opportunities for individuals to use real-life work experience as a means of developing their knowledge, skills and abilities on a daily basis. Employees work with their managers to create and work on individual develop-

ment plans that compliment our business goals and their personal development needs and interests.

We completed the process of defining competencies profiles at every level – individual contributor, manager and executive. Then, we began the global implementation of an assessment process, designed to systematically evaluate employees' strengths and their opportunities for improvement in relation to those defined competencies. These assessments will provide the basis for every employee to establish a personal development plan with help from their manager and their human resource manager.

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"In today's world,
opportunities to display
leadership within organizations take many new
forms compared
to the past."

— Deb LakeVP, Global OrganizationalEffectiveness

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When formal training is appropriate, we have invested in several programs to meet a variety of needs.

First-line managers took part in a 40-hour Principles of Management program, a comprehensive basic program designed to develop management skills. The program focuses on three modules: leading yourself, leading others, and leading beyond the team. There were 178 participants in the program in 2005.

Our sales force benefited from programs on presentation skills, customer needs analysis, and sales management. They also participated in a pilot of a comprehensive sales force effectiveness program which gave sales representatives feedback against an assessed profile for selling. The overwhelmingly positive response to that pilot has assured its place in our 2006 plans.

Our Best Leaders program provided leadership development for those who manage managers – our mid-level executives. The program begins with two three-day sessions, but involves a significant commitment from each individual across a span of six months, to take specific actions to improve their understanding of leadership, and to hone their skills and competencies. The 25 participants in the European pilot program raved about it, particularly because it gave assessment tools and coaching to understand their current management strengths and to identify and build on the areas where they need improvement.

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"Every organization must have three essential plans: strategic, operational and people. Employee succession and development or ES&S is the heart of our plan for our people."

— Diarmuid RyanSVP, Global Human Resources

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Individuals we have identified as our company's next generation of top management also received focused development, through the intensive LEADS program. The Leadership Enhancement and Development Series is our investment in people we believe will drive our business today, and lead it tomorrow.

It increases the effectiveness of leaders in their current roles, strengthens our succession plans, helps us focus our business direction in key platforms, and demonstrates our core values. Participants in LEADS are proven leaders, and proven learners. The 21 people in the inaugural class were drawn from throughout our organization's geographies and business functions.

All of our employee development approaches, whether formal or informal, share a common vision. It is, in the words of This We Believe, to "encourage initiative, innovation and entrepreneurism among all employees, thereby providing opportunities for greater job satisfaction while also helping the worldwide company achieve its objectives."

#### Women's Business Councils Formed

Out of the Global Women's Forum held in November 2004, JohnsonDiversey began to establish the Women's Business Councils in countries around the globe. The councils foster employee development by providing occasions for networking as in the Philippines, addressing important issues such as flex time for working women in Japan, and events such as a business-attire clothing exchange in the United States.

Committees help the councils achieve their goals and may include Awareness and Communication, Industry Representation Benchmarking, Networking and Mentoring, and Work Life Balance.

"... encourage initiative, innovation and entrepreneurism among all employees . . ."

# Our Commitment to Health and Safety

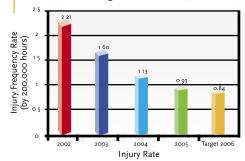


Target Zero is designed to eliminate accidents by targeting

zero incidents or near misses. Since the launch of Target Zero in 2002, we have seen nearly a 60-percent reduction in injuries, which means avoiding 278 potential injuries to employees.

Even with this strong performance our challenge is to go further to make safe behavior an intrinsic part of our corporate culture. It requires a change in the way managers and employees think and work, and a change in the way everyone views injuries and accidents.

Target Zero 2005









John Matthews Vice President of Corporate Affairs

# Donations of Time, Resources and Expertise Help Build Our Communities by John Matthews Johnson Diversey Inc.

esponsible community involvement at JohnsonDiversey goes beyond simply allocating funds to a handful of charities every year. Certainly, our financial commitments to programs that improve our communities are substantial and important. But our partnerships that improve human health and hygiene throughout the world are equally important, as is our em-

"We pledge to contribute to the well-being of the countries and communities where we conduct business."

ployees' time and talent. Combined, these efforts give life to the words of our values statement, *This We Believe*, as it states our pledge to "contribute to the well-being of the countries and communities where we conduct business."

Those values came to life in 2005 through planned programs of large and small scale,

as well as through spontaneous actions in response to immediate needs, such as employees' contributions to those affected by the late-2004 tsunami in South Asia and the historic hurricanes in the U.S. Gulf Coast.

We continued the development of our Global Children's Initiative, launched in 2004. The program, developed in partnership with the World Forum Foundation, creates ongoing relationships between our operating companies and local schools.

Our employees begin by helping the schools with practical and necessary tasks, such as painting and minor repair work. As the children, teachers and our employees become better acquainted, natural relationships develop and deepen. Our employees see first-hand the individual needs of the schools, and of the children. Through mentoring and tutoring, and through social activities, the people of JohnsonDiversey "adopt" a school in their area. Several of these programs have led to personal hygiene courses in the schools, helping children understand the fundamental importance of hand washing to good health.

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Philippines Tree Planting



Helping Out at Pepa House, Czech Republic

#### Assuring Food Safety (continued from previous page)

Our partnerships in food safety also advance human well-being. Through an alliance with the University of Maryland's Joint Institute for Food Safety and Applied Nutrition (JIFSAN), we've established the JohnsonDiversey International Food Safety Initiative to provide grassroots training in safe food handling to developing nations. It is the first such partnership between a private business, nongovernmental organization, and the U.S. Food and Drug Administration. Training will be provided to agricultural workers, fishermen, food inspectors and other primary food producers, whose work is at the start of the food safety chain.

And our formal, global commitments to children and to food safety are just the beginning of our corporate and individual investments in improving our communities.

#### Finding New Ways to be Involved

From donating blood to donating dollars, our employees regularly find ways to engage our communities.

- In the United States, our employees doubled their previous year's commitment to Habitat for Humanity, raising \$100,000 and committing their time to constructing two houses near our global headquarters. In Kenya, a Habitat program engages all our employees for a full weekend, working in four teams at separate locations to build houses from the ground up.
- In Israel, employees give their time every week at a Tel Hashomer hospital to help disabled children benefit from the use of therapeutic pools.
- Abused and abandoned children at the Pepa home in the Czech Republic were befriended by our employees. They have helped prepare cottages for winter, painted fences, taken part in art therapy workshops, and made regular visits to celebrate holidays and birthdays with the children.
- Several of our operating companies have raised funds to support Beyond the Moon, a wish-granting organization for terminally ill children.

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- In Japan, our employees work every year at a home for disabled children, conducting cleaning chores side by side with the children.
- In Singapore, employees prepared for Chinese New Year celebrations by scrubbing and cleaning the 347,000 square-foot St. Therese's Home for the dying, and donated more than \$6,000 in JohnsonDiversey cleaning products and tools.

"As corporate citizens and as individuals, we contribute time, talents and funds to the sustainability of our communities."

And our employees pitch in generously when tragedy strikes. When natural disasters of historic proportions hit twice within a year, our employees opened their hearts and wallets.

We sent more than \$62,000 from around the world to Red Cross and Red Crescent Societies worldwide to help the victims of the South Asia tsunami.

Again in September and October, we raised funds to assist people whose homes and businesses were wiped out by hurricanes in the U.S. Gulf Coast. Cash donations topped \$53,000, and we also sent a semi-truckload of cleaning products to help the recovery efforts.

As corporate citizens and as individuals, we contribute time, talents and funds to the sustainability of our communities.



Hurricane Katrina Relief From Sturtevant, Wisconsin





### New Initiative for Training Food Safety in Exporting Nations



With food exportation occurring around the globe, improving food safety from the beginning of the supply chain is critical.

In 2005, the Joint Institute for Food Safety and Applied Nutrition (JIFSAN), a cooperative arrangement between the United States Food and Drug Administration (FDA) and the University of Maryland, unveiled a new food safety training program designed to improve the quality of food entering the United States. The program is implemented through the new JohnsonDiversey International Food Safety Initiative at JIFSAN.

The International Food Safety Initiative identifies and trains local trainers in the food industry in exporting countries. Using the knowledge and materials provided in food protection and safe handling, trainers will go on to train agricultural and aquacultural workers, food processors, exporters, regulators, educators and more.

# Partnerships in Food Safety

# Johnson Diversey Qualifies for Sustainability Charter

JohnsonDiversey, the leading European provider of cleaning and hygiene solutions for the professional market, passed an independent check of its sustainability profile, conducted by Lloyds Register Quality Assurance.

In addition to this validation, JohnsonDiversey is the first company in the industrial and institutional cleaning industry to join the International Association for Soaps, Detergents and Maintenance Products (AISE).

Companies participating in the charter apply sustainability thinking at all phases of the product life cycle, from product design, through manufacture, to use and disposal.



### Safe Quality Food Training Offered

The Food Marketing Institute (FMI) and JohnsonDiversey
Consulting began partnering in 2005 to offer retailers and food service companies better methods to ensure the integrity, traceability, safety and quality of food along the supply chain.

Training customers to integrate their food safety and quality man-

agement systems to FMI's Safe Quality Food (SQF) requirements means JohnsonDiversey consultants will help suppliers assure that their food has been produced, prepared and handled according to the highest possible international standards.

#### **UK Teams Sponsor Environmental Award** for School Children

Johnson Diversey in the United Kingdom has presented a green award to a Woodheys Primary School in Meadway, Cheshire.

Woodheys was among 400 schools that took part in a competition sponsored for the past seven years by JohnsonDiversey, aimed at helping primary school children create environments that are safer, cleaner, healthier and more inviting. The competition teaches children to care for the environments that surround them: their homes, their schools and their play areas.

"Competition this year has been particularly strong, as more and more schools find out about the awards and look for innovative ideas for their charter of environmental activities", said JohnsonDiversey UK's Institutional Marketing Leader Meagan Tuckerman. "We are thrilled with the great feedback we've had

from schools and teachers who really do see the merit in getting children feeling consciously responsible for their surroundings at such an early age."

The program, called the David Bellamy Award for Environmental Cleanliness. was named for a prominent British conservationist and

and teachers who really do see the merit . . . " president of the British Institute of Cleaning Service. Bellamy visited the winning school to present the award and discuss the children's project, a 20-point

"We are thrilled with the great

feedback we've had from schools

"Pupils' Charter of Environmental Cleanliness," which they created and implemented throughout the year. Meagan also was on hand for the award presentation, along with representatives of the British Institute of Cleaning Service.







Joe Smorada Executive Vice President Chief Financial Officer

# **Charting a New Course** by Joe Smorada Johnson Diversey Inc.

n 2005, the financial axioms of our business changed. The era of cheap oil ended, resulting in unprecedented increases in the cost of raw materials and freight. At the same time, customers in key sectors consolidated, particularly in our largest region, which comprises Europe, the Middle East and Africa.

"This is an exciting new phase in the development of our company . . ." To navigate successfully in this new environment, JohnsonDiversey is charting a new course, committed to simplifying the business and to achieving the financial flexibility we need to sustain long-term profitable growth.

This is an exciting new phase in the development of our company, one that follows our formal separation from S.C. Johnson & Son, Inc. in 1999 and the acquisition of DiverseyLever in 2002, a transaction that still ranks as the largest acquisition in the 120 year history of the Johnson family of companies.

We are proud of what we've accomplished during this remarkable period and are determined to lead in our core businesses as we move forward. We understand that we cannot be all things to all people. We have to make strategic choices, and we are.

By simplifying our business, we will free resources for investment in innovation, in strategic acquisitions, and most importantly, in our people. We will be a stronger, more nimble company as a result.

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Throughout its long and prosperous history, JohnsonDiversey has dealt effectively with an array of formidable challenges, from the Great Depression and two world wars, to Y2K and a host of natural disasters. And through them all, we have conducted our business according to the highest ethical standards.

Our tradition of integrity drives our commitment to transparency and fuels our dedication to meet the rigorous reporting requirements of Sarbanes-Oxley. We believe it is our responsibility to earn the goodwill of our customers, our employees, our host communities and the general public. We believe honesty and integrity are essential in that regard.

#### Key Financial Data for the Fiscal Year Ending December 30, 2005

(dollars in thousands)

Net Sales	3,310,290
Gross Profit	1,352,570
Gross Profit as a percent of net sales	40.9%
Net Loss	166,597
Net Cash Provided by Operating Activities	135,170
Capital Expenditures	92,169
Stockholders Equity	728,178
Total Debt	1,409,035
Total Assets	3,308,893

## Investors and Shareholders

Johnson Diversey files annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and other information with the Securities and Exchange Commission ("SEC"). The public can obtain copies of these materials by visiting the SEC's Public Reference Room at 450 Fifth Street NW, Washington, D.C. 20549, by calling the SEC at 1-800-SEC-0330, or by accessing the SEC's website at http://www.sec.gov.

In addition, as soon as reasonably practicable after these materials are filed with or furnished to the SEC, we make copies available to the public free of charge on or through our website at http://www. johnsondiversey.com. The information on our website is not incorporated into and is not part of this annual report.

#### **Business Ethics**

Johnson Diversey recognizes the obligation and importance of being a good corporate citizen in all the countries in which we do business. This means:

- Compliance with local laws (including rules and regulations); and
- Compliance with the highest business ethical standards.

Therefore, the company has a comprehensive Code of Ethics and Business Conduct that supplements our values expressed in This We Believe. The Code also provides direction concerning laws, policies and ethical standards (within and outside the United States) that affect our everyday business practices and behavior. All officers, directors, employees and representatives of Johnson Diversey are required to follow the Code of Ethics. Violation, including failure to disclose a reportable matter, may result in disciplinary action, including dismissal.



S.C. Johnson & Sons, Inc. begins selling to commercial markets group.

1996



1997

Professional separates from SC Johnson Wax, becoming a stand-alone company called S.C. Johnson Commercial Markets, Inc., and moves into new corporate headquarters in Sturtevant, WI.

2000

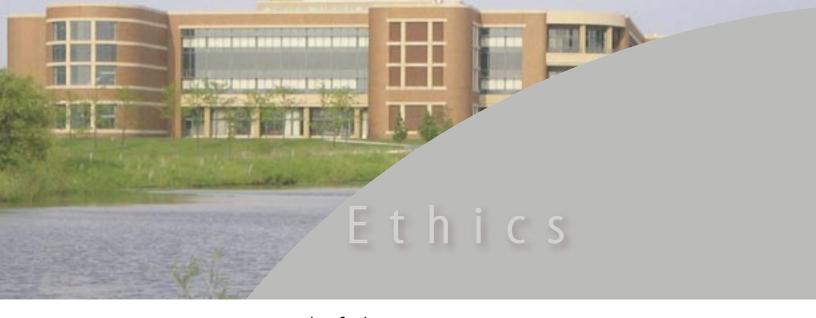


Johnson Wax Professional acquires The Butcher Company.

2002



Johnson Wax Professional acquires the Diversey-Lever business and changes its name to Johnson Diversey.



# JohnsonDiversey Around the World

Global Headquarters JohnsonDiversey Global 8310 16th Street P.O. Box 902 Sturtevant, WI 53177-0902 U.S.A. 262-631-4001

North America Region JohnsonDiversey NA 1326 Willow Road Sturtevant, WI 53177-0902 U.S.A. 262-631-2800

Europe, Middle East & Africa Region JohnsonDiversey EMA WTC Amsterdam Airport Tower B 8th Floor Schiphol Boulevard 209 Luchthaven 1118 BH Schiphol, The Netherlands 31 20 316 4500

Asia Pacific Region JohnsonDiversey APAC 83 Clemenceau Avenue #15-03/04 UE Square Singapore 239920 65 6733 2272

Latin America Region JohnsonDiversey LATAM Alcantara 200, piso 8, Las Condes Santiago de Chile 56 2 336 5700

Japan Region JohnsonDiversey Japan Yamashita-cho SSK Building 22 Yamashita-cho, Naka-ku Yokohama, 231-8691 Japan 81 45 640 2201

### Code of Ethics (continued from previous page)

Spelled out in the Code are the following guidelines:

- Compliance with Laws;
- Conflicts of Interest;
- Record Keeping and Accounting Practices;
- Public Reporting;
- Insider Trading;
- Business Practices;
- Payments to Officials;
- Antitrust Laws;
- Confidential Information and Protection and Company Assets;
- Safety and Environmental Protection and Product Quality;
- Discrimination and Harassment;
- Indirect Activities; and
- Reporting Violations in the Code.

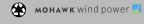
The Code of Ethics and Business Conduct is communication to all employees and copies are available on our intranet along with other corporate policies and procedures. In addition, the Code is available on our public website at www.johnsondiversey.com.

#### Additional Information

JohnsonDiversey and JohnsonDiversey Holdings, its parent company, have both issued publicly traded debt and file regular financial reports with the U.S. Securities and Exchange Commission. These financial reports may be found in the Investor Relations section of www.johnsondiversey.com.

We used a special paper for this year's Global Responsibility Report made of 15 percent environmental post-consumer content and manufactured using windpower. As a result, we generated some significant savings. Considering we printed 6500 copies weighing 2,400 pounds, environmental savings include:

- · 194.69 lbs of solid waste not generated
- 380.50 lbs of emissions eliminated
- 2,486,709.13 BTUs of energy not consumed
- 4.32 trees not cut down



## **Board of Directors**

Todd Brown Vice Chairman ShoreBank Corporation

Irene Esteves
Former Senior Managing
Director and CFO
Putman Investments

Bob Howe Chairman Montgomery Goodwin Investments, LLC

Curt Johnson Chairman JohnsonDiversey Inc. Helen Johnson-Leipold Chairwoman and Chief Executive Officer Johnson Outdoors Inc.

Ed Lonergan
President and
Chief Executive Officer
JohnsonDiversey Inc.

Clif Louis
President, Chief Executive
Officer and Owner
The Vineyard Inc.

Rudy Markham
Financial Director
Unilever Plc
(Director of JohnsonDiversey
Holdings Inc. Only)

Neal Nottleson Reitred Vice Chairman S.C. Johnson & Son Inc.

John Rice President and Chief Executive Officer Unilver Foods North America (Director of JohnsonDiversey Holdings Inc. Only)

Reto Wittwer Chairman and Chief Executive Officer Kempinski Hotels S.A.

## **Executive Officers**

Curt Johnson Chairman

Ed Lonergan President and Chief Executive Officer

JoAnne Brandes Executive Vice President Chief Administrative Officer, General Counsel and Secretary

Joe Smorada Executive Vice President and Chief Financial Officer

Sanjib Choudhuri Senior Vice President and Chief Marketing Officer

Greg Clark Senior Vice President Global Supply Chain Steve Di Biase Senior Vice President and Chief Scientific Officer Research, Development and Engineering

Diarmuid Ryan Senior Vice President Global Human Resources

Pedro Chidichimo Regional President Latin America

Mark Cross Regional President Europe, Middle East & Africa

Tom Gartland Regional President North America

Edward Kennedy Regional President Asia Pacific Norio Kinouchi Regional President Japan

Gary Raley President Johnson Polymer

Dave Andersen Vice President - Merger, Acquisitions and Business Development

John Matthews Vice President Corporate Affairs

Lori Marin Vice President and Corporate Treasurer

Clive Newman Vice President and Corporate Controller

Dave Quast Vice President Deputy General Counsel

### For further information please contact

## Johnson Diversey Inc.

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Tel: 262-631-4001

Visit us at

www.johnsondiversey.com



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