

future

2009 Global Responsibility Report

We protect lives by delivering superior solutions that make food, drink and facilities safer and more hygienic.



We preserve the earth for future generations by continually reducing the environmental impact of our solutions and operations for ourselves and our customers.

Diversey's purpose is to protect lives, preserve the earth and transform our industry.

Our purpose is what drives us to deliver superior solutions that help our customers protect their customers and their brands. It's the inspiration for our innovations of complete solutions that combine chemistry, machines, utensils, dosing and dispensing, packaging and processes to optimize results while reducing waste, water and energy consumption and protecting workers. **Living our purpose will result in a cleaner, healthier future.**

Our global leadership is rooted in our rich history. We draw on the power of our legacy companies, with nearly 210 years of combined experience in meeting customers' needs, to respond to the challenges of today's world and the promise of generations to come.

We have simplified our name and sharpened our vision. We've refined our business to more effectively deliver what our customers need and expect with less complexity.

- → Our world-class products will be marketed under a single brand.
- Our superior solutions deliver real value through more effective cleaning and hygiene while reducing waste.
- Our deep knowledge of our customers' businesses remains at the heart of our partnerships that make the world cleaner and healthier.

For Diversey, sustainability is embodied in our purpose. Our customers count on us to deliver excellent cleaning and sanitation results while optimizing their labor, water and energy use and cutting pollution emissions. This is enabled by our deep understanding of our industry and our customers' operations. As a result, we accept nothing short of helping our customers safeguard their businesses, deliver superior products and services to their customers or consumers, and protect and enhance the equity of their brands.

We transform our industry

enterprises that contribute

to the well-being of our

communities.

by creating more sustainable

We've defined a framework of continuous improvement to integrate sustainability throughout our business. It addresses six pillars: serving our customers, collaborating with our partners, strengthening our workforce, enriching our communities, operating our facilities and governing our business. In this report, you'll learn how we've progressed in each of these areas.

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A message from Curt Johnson, Chairman

For a cleaner, healthier future. It is more than the new tagline for our company. This short, simple phrase captures the passion and purpose of our business, our legacy and our promise to future generations. Our accomplishments in 2009 mark significant progress in building on this commitment, and I am excited about the future ahead of us.

Our new name — Diversey — simplifies our identity to better reflect our global leadership in the commercial cleaning and hygiene industry. As Diversey, we are building a single, global identity that captures our strength in delivering solutions that our customers need and expect. We also took steps in 2009 to further strengthen our business. Together with premier private equity investment firm Clayton, Dubilier and Rice, we completed a recapitalization of our business that provides the financial flexibility for us to expand our capabilities and portfolio of superior products, services and solutions.

What hasn't changed about our company is the deep integration of sustainability throughout our operations. For more than 100 years, we have helped our customers protect their customers and their brands, reduce their costs, improve profitability, and enhance their reputation through environmental stewardship.

I inherited that legacy and responsibility from the generations of Johnson family business leaders who preceded me, and from the people who built our legacy companies. It is a heritage every one of our employees is proud to embrace and carry into the future. As the imperative grows for businesses to address the global economic, environmental and social issues of today, our record of accomplishments positions us to help our customers see that sustainability is not a problem to be solved, but an opportunity to be seized.

Thank you for reviewing this report and for your interest in sustainable business practices.

S. Curtis Johnson Chairman



A message from Ed Lonergan, President and Chief Executive Officer

I am pleased to report that 2009 marked a year of significant achievement and progress for Diversey. We emerged from a year of global economic turmoil, delivering strong results for our company while maintaining a sharp focus on meeting our customers' needs. Against the headwinds of one of the toughest economies, Diversey improved its financial strength, built on its strong heritage of sustainable business practices and positioned itself well for the future.

Among our most significant accomplishments in 2009 was tripling our pledge to reduce greenhouse gas emissions as a member of the World Wildlife Fund Climate Savers program. Under this rigorous and independently verified program, we will eliminate 25 percent of our greenhouse gas emissions by 2013, versus the 8 percent reduction from our baseline pledged in 2008.

Other highlights of our year include:

- partnering with major global customers to improve the sustainability of their operations;
- delivering product and service innovations that are helping our customers save water, reduce their energy consumption, improve the productivity of their workforce, and reduce their total cost of cleaning and sanitation;

- providing leadership and superior service during one of the largest global pandemics in a generation;
- expanding our Global Children's Initiative to embrace new ways of meeting community needs; and
- providing the startup funding to bring together • the best minds in business, science and government to establish water management standards that will help address the growing crisis in fresh water availability and quality worldwide.

Our employees continue to demonstrate passion and commitment for our sustainability efforts, introducing new ideas for operating our business. The driving force of these efforts is our company purpose: protect lives, preserve the earth and transform our industry. Our purpose is at the core of all we do to create a cleaner, healthier future.

Thank you for your interest and we welcome your comments.

Anurgan

President and CEO

Ed Lonergan



A conversation with Dan Esty

Daniel C. Esty is among the most sought-after speakers and advisors on the business implications of sustainability. Mr. Esty is the Hillhouse Professor of Law and Policy at Yale University, Director of the Yale Center for Business and Environment, and Chairman of Esty Environmental Partners. He has published several articles and authored several books on environmental strategy, including the recently updated *Green to Gold: How Smart Companies Use Environmental Strategy to Innovate, Create Value and Build Competitive Advantage*, with coauthor Andrew S. Winston.

Dan Esty spoke with Diversey about emerging trends in sustainable business practices.

On sustainability driving innovation

Companies at the cutting edge are using a sustainability lens to gear up their innovation efforts. And innovation turns out to be a key to competitive advantage. Companies that are being creative in how they think about solving environmental problems are the ones that are coming up with big breakthroughs that will position them for marketplace success.

Sustainability is emerging as a megatrend, transforming the foundation of how business gets done and what the areas of opportunity are for competitive advantage. The impact of this "green wave" goes beyond the business world and promises to transform individual lives and communities.

Corporate leaders will be those who really see the evolving world in front of them and who — better than their peers — are able to look over the horizon and recognize this sustainability megatrend as something that requires business to change. They are asking, "What does this mean for my company and industry? Are there core competencies that my business has that will allow me to take on more new lines of revenue that respond to the pollution control and natural resource management challenges that our customers are facing?"

On water as an emerging stewardship issue

Climate change has received a lot of attention over the past year and will continue to get a lot of attention, but the environment and sustainability agenda is much broader. Over the next several years, some of the issues that have not received as much focus — water being the best example — will be become much bigger issues for companies to manage. Water stewardship now pinches a fair number of companies as they recognize that water quality and availability now have to be given more systematic attention. In many places, water may become a bigger point of stress than climate change. And, of course, climate change may shift rainfall patterns and create more droughts or floods. Water shortages are also a function of development and of population pressures, in that limited resources are being spread across more people and more production. As a result, there is a supply-demand imbalance and likely to be a premium on better management of water going forward.

On emerging business trends in environment and sustainability

The next wave for many companies is to become more quantitative in how they gauge their performance on the environment and sustainability agenda. They are developing metrics that allow them to identify where they are delivering value and to invest more in the places that are being rewarded in the marketplace.

There also is an emphasis among those who have done a sort of first pass on sustainability to sharpen their focus on execution. This requires good metrics, indicators and benchmarks to ensure that the execution of the sustainability agenda is being followed through on systematically and that real priority is being put on the things that are important. Corporate leaders will be those who really see the evolving world in front of them and who better than their peers — are able to look over the horizon and recognize this sustainability megatrend as something that requires business to change.

On engaging employees and strengthening the workforce

There are many employees who want to make sure their company is on the right side of this big trend. They want to be part of a company that is doing good things for the environment, not despoiling the neighborhood or the community. But the logic of bringing an environmental focus to strategy goes beyond any sort of feel-good agenda and has very fundamental business elements around risk and cost and creating value for customers.

In many businesses, a critical element of competitive advantage is the workforce. So the environment and sustainability agenda is seen in part as a human resources issue. It is about attracting that very best talent.

On climate change controversies and business engagement

There have been some stumbles on the part of climate scientists in explaining their research, but the underlying scientific reality has not changed. Companies must address the scientific reality and need to be more analytically rigorous in doing so. Companies that are doing very well with this agenda are those that are thinking carefully, doing their homework, and looking for real payoffs, not just for something that has a "green" label.

There is a second wave of environment and sustainability focus that is much more concrete and has direct lines of payoff in the business context. That is helping to broaden the base of companies that recognize this as an important agenda that they need to have folded into strategy.

Among bigger companies, about 10 percent are really deeply engaged in this and another 30 or 40 percent now have begun to recognize the real opportunities. The other half of the business world is still just getting themselves focused on the sustainability imperative.

On sustainability in tough economic conditions

Current economic conditions put into high profile some elements of sustainability more than others. A lot of companies are bearing down hard on the eco-efficiency opportunities to reduce costs because there is a promise of quick paybacks. Some companies also see this as a good moment for employee engagement around sustainability. Particularly if times are tough and raises are small, it is a good time to ensure you've got a positive story to talk about. It's also a great time for companies to explore the environmental performance of their supply chain.

On key opportunities from a sustainability agenda

Companies looking for new foundations for comparative advantage and competitive position are recognizing that there is an opportunity to build out their game plan around the environment and sustainability. There are four areas of opportunity.

(1) **Risk management:** This is a good opportunity make sure your business clearly understands the risks related to

environment and sustainability issues and how they are being managed — such as the risk of accidents or spills, the risk that comes from handling hazardous materials, the risk of regulatory changes that would unfavorably affect a company.

(2) **Cost savings:** This is a great moment to work on eco-efficiency and to really ensure that the company has squeezed out inefficiency and waste from production processes. That creates cost savings that drop straight to the bottom line and are highly valued.

(3) Creating solutions: Companies are positioning themselves now to be part of the world of solutions to environmental challenges. Companies are recognizing that we are headed toward a more carbonconstrained future and are looking at ways they can produce energy efficiency for their customers. There are also lots of companies thinking about whether they can solve any of a number of other environmental problems their customers face: using less in the way of toxic materials, being more careful about how things are made and how expensive they are and being able to provide energy efficiency to their customers.

(4) **Building your brand:** Companies that recognize sustainability as a megatrend are seeing it as an opportunity to brand around the environment. Obviously this is Diversey's core vision, to really build into the image of the company and the corporate culture and the way people think about the company, a recognition that Diversey is attending to environmental issues very carefully so that their customers have confidence that these issues are being taken care of properly.

Operations

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Creating a cleaner, healthier future begins in operations. Therefore, we have committed to continual, measurable improvements in our environmental profile. Six wind turbines were installed on Diversey's global headquarters building in Sturtevant, Wis. The six turbines have the ability to generate and feed up to six kilowatts of energy back into the building which reduces operating costs, carbon emissions and its impact on the environment.

Our commitment: Tripling our Climate Savers pledge, Diversey declares battle against greenhouse gas waste

Transforming our industry begins with transforming our thinking — and helping our customers and partners do so as well. To address the critical issue of climate change, Diversey has taken significant steps in the past two years toward just such transformative thinking.

We have committed to reduce our greenhouse gas (GHG) emissions by 25 percent by 2013, regardless of any change in our operations or production. That commitment, announced in November 2009, *more than triples* the vow we made just a year earlier as part of Climate Savers, the well-respected and rigorous GHG reduction program of the World Wildlife Fund (WWF).

Equally important, the path we are taking toward delivering on this promise is further evidence that reducing GHG emissions is good for both the environment and for business. We announced publicly our commitment to reduce our GHG emissions when we joined Climate Savers in 2008, but we have been taking steps to do so throughout our company's history.

The first step was to fundamentally change the way we think about the GHGs. Simply put, we came to define GHG emissions as a powerful indicator of waste in our operations: they damage the earth's environment, cost money to produce in the form of expended energy, and add little value to what we offer our customers.

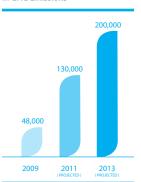
During the 2009 United Nations Framework Convention for Climate Change COP15 negotiations, WWF held a U.S. CEO Roundtable in Copenhagen where Diversey Chairman Curt Johnson challenged his fellow business leaders to implement aggressive plans to eliminate the waste GHGs represent. Sustainability is not merely a focus on environmental initiatives, he said, but a way to integrate the social, environmental and economic effects of business operations in order to build stronger, more durable enterprises.

"Treating greenhouse gas as a form of waste creates a sea change in the perspective of how to address climate change," Johnson said in his remarks to the U.S. CEO Roundtable. "Once industry begins to treat greenhouse gas emissions as waste, and an indicator of inefficiency in the system, enterprises can factor it into their profit models and calculate a return on investment that spurs the creative private-sector action that will make a huge difference in emissions."

Diversey will invest \$14 million in GHG reduction efforts through 2013. That investment will yield \$32 million in operational savings. Defensores do Clima クライメート・セイバーズ F Climate Savers

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Diversey Reduction in GHG Emissions



Cumulative emissions savings (metric tons carbon)

The **first step**

was to fundamentally change the way we think about the greenhouse gas emissions. Simply put, we came to define GHGs as a powerful indicator of waste our operations...



Tripling our Climate Savers pledge: continued

We are making improvements in every aspect of our operations: manufacturing and distribution as well as general commercial operations. We are not buying green energy or using emission offsets from another source to reach our 25 percent reduction. And we won't rely solely on installing new technology.

"We will reach this goal through the kind of innovative thinking that has made us an industry leader and a leader in addressing climate change," said President and CEO Ed Lonergan. "This is the kind of leadership thinking that continues to draw customers and partners to work with us to improve their own environmental performance."

Our senior leaders are so committed to GHG reductions — and believe they make good business sense — that they have linked their performance objectives and their own pay to delivering on our Climate Savers covenant. That's a rarity in corporate compensation standards worldwide.

And in another transformative change, we made a commitment to globalizing our approach to financing capital investments in energy, managing our energy use and reducing emissions.

Traditional capital expenditure models would have trapped us into less ambitious GHG reduction targets and lower returns on our investments. By changing our thinking about financing and managing these projects, we substantially improve our results.

For instance, most of the electricity that powers our southeastern Wisconsin headquarters and flagship manufacturing plant is produced by the cheapest and dirtiest form of energy: coal. Changing our energy use in these facilities will substantially reduce our GHG emissions, but the cost savings we realize from those changes has a lower return on investment because of the low cost of purchasing coal-based energy. Conversely, in areas of Europe where energy is up to 8 times more expensive, but comes from sources that emit fewer GHGs, we can realize a greater return on investment by improving our energy efficiency, but those changes have relatively less impact on reducing GHG emissions.

We decided to invert the equation to our advantage: we are leveraging the global disparity between energy costs and carbon emissions worldwide by managing our energy programs and the capital expenditures for them globally.

By balancing projects that require small capital investments but deliver substantial GHG reductions with projects that deliver smaller GHG reductions but deliver fast and substantial ROI, we can deliver industryleading results.

"A powerful opportunity exists when a company realizes that carbon savings can deliver cost savings, and those cost savings can help fund additional carbon savings," said Jeramy LeMieux, who leads our Climate Savers implementation. "We constantly evaluate projects for both carbon and cash benefits. We continually evaluate new and emerging technologies as well as emerging changes in the business. Each time we review projects we learn more about where our opportunities lie and how we can manage them for the greatest efficiency." **Raising the Bar on Reducing GHG Emissions**

"Treating greenhouse gas as a form of waste creates a sea change in the perspective of how to address climate change."

> CURT JOHNSON, DIVERSEY CHAIRMAN

Diversey's leadership is a powerful example to companies around the globe that reducing carbon emissions can be an innovative means toward profitable growth, said WWF President and CEO Carter Roberts.

"By tripling their emission reduction goals, Diversey is showing business leaders and political decision makers that addressing climate change is also really good business," he said. "Diversey and our other forwardthinking Climate Savers partners are leading the charge toward a healthier, more sustainable economy."

With more than 120 projects at various stages of implementation around the world, Diversey has abundant opportunities to realize significant benefits for our operations and for the environment.

> Chairman Curt Johnson discusses climate change at the WWF sponsored CEO's Roundtable in Copenhagen.

→ We reduced our GHG emissions and our total costs of operating our automobile and truck fleet worldwide. The fuel savings will more than offset the higher price of leasing more fuel-efficient vehicles. More than 80 percent of our North America fleet has been converted



The amount this

investment will yield in operational savings.

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→ Tripling our Climate Savers pledge: continued

already, resulting in an 18 percent drop in year-over-year fuel consumption and associated carbon emissions — with no incremental investment of capital.



→ Independent third-party energy audits at our six largest global facilities identified opportunities to eliminate more than 2,000 metric tons of carbon dioxide emissions. We've implemented many of these audit findings and are realizing the gains; others are scheduled for implementation. We are applying learnings from the audits at our other facilities.



→ Improved lighting at our manufacturing plant in Sturtevant, Wis. enhanced the brightness of the facility, reduced our global carbon dioxide emissions by more than 500 metric tons per year, and will completely pay for itself in about two years. We have also upgraded our lighting in many other manufacturing, warehouse and office facilities that have enabled further reductions in carbon dioxide emissions of more than 1,500 metric tons per year. Many additional lighting projects are planned for 2010 and beyond.





- → A global upgrade to our IT networks and collaboration tools has delivered more than \$4 million in capital expenditure savings, \$1 million in operational savings and reduced carbon dioxide emissions by more than 850 metric tons per year.
- → Six building-mounted wind turbines on our global headquarters building reduce peak power demand, which is supplied by local coal plants. Our estimated GHG reduction is approximately 25 metric tons per year. We're continuing to study additional alternative energy projects for other facilities.

Improved Lighting at our London, Ontario, Facility

Lighting retrofits in many locations, including our London, Ontario, facility in Canada, reduced our global carbon dioxide emissions and improved lighting brightness.







A full lighting retrofit of our Enschede manufacturing facility improved lighting quality and intensity and reduced electricity usage by 55 percent.

New IT approach boosts collaboration, cuts environmental waste

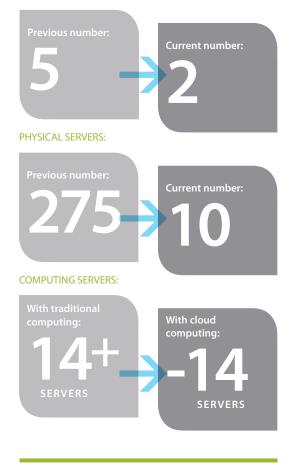
Diversey's global information technology strategy is directly linked to our sustainability strategy. Our new approach improves our opportunities to collaborate, reduce costs and decrease our environmental impact. It also substantially improves our disaster recovery capabilities and simplifies our operations.

- → We consolidated our data centers from five to two. Data centers are complex and critical components of any organization's information technology management. They require a high number of hardware components, consume significant amounts of energy and demand high levels of capital and operational investment.
- → We consolidated 275 physical servers to 10 and began using "virtual servers." These servers improved productivity by reducing server down-time and improving our ability to manage the server environment.
- → We implemented cloud computing also known as "software as a service" — for major operations including e-mail, expense reporting and customer relationship management. That enabled us to eliminate 14 servers, while shifting our computing to server farms that manage data more efficiently and with less environmental impact.

All told, these changes reduced our IT-related capital costs by more than \$4 million and reduced operational costs by more than \$1 million. We cut our carbon emissions by more than 850 metric tons per year — the equivalent to removing 173 passenger vehicles from the road each year.

IT performance results in reduced environmental impact

DATA CENTERS:





Manufacturing improvements deliver efficiencies, cost improvements and waste reduction

Diversey's continuous improvement approach enables us to identify opportunities for efficiency, which in turn helps reduce our impact on the environment while generating profits. We've implemented large- and small-scale projects that have reduced our operating costs and reduced waste in the manufacture and transport of our products.

Waste management improvements yield cost savings, increase amount of waste recycled

Our Sourcing and Manufacturing teams launched a project to address the higher-than-average cost of waste disposal at our Cotes Park, U.K., manufacturing site.

In partnership with a third-party provider, we substantially increased the amount of waste recycled, as well as reduced overall waste disposal costs. The changes the team implemented delivered significant operational improvements, including:

- → reducing the number of suppliers handling our waste from nine to one;
- → improving the segregation of waste at the source, reducing the time and expense of sorting later;
- → improving the site's health and safety compliance through better waste management practices;
- → selling organic waste from our product production to a third party that uses it to generate garden compost;
- → reducing the overall amount of waste being incinerated and directing remaining waste to a third party for waste-to-energy generation;
- → using caustic waste streams for third parties to neutralize acidic effluent;

→ increasing our tracking of waste to enable continued improvements in operational efficiency and waste management.

In 2009, Cotes Park recycled 99.8 percent of its waste — a vast improvement from the previous year's rate of 51.2 percent.

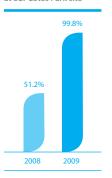
To build on the success of this project, we've planned audits of additional manufacturing and warehousing sites in Europe. We're also sharing our experience with customers to help them improve their operations and their environmental sustainability.

Reallocating product production saves money, reduces CO₂ emissions

Diversey employees at four of our European manufacturing sites collaborated on a project to improve factory efficiency and reduce energy and water use.

We had followed a traditional manufacturing model of producing all SKUs of a particular product formula in the factory closest to where the product would be sold. That resulted in shorter transport distances for individual products. But it also meant that each factory had to produce relatively low volumes of multiple products and multiple packaging types. That not only hindered the efficiency of each factory, it required significant water use to clean the manufacturing lines between each product batch.

Recycling of waste at our Cotes Park site



The success of the Cotes Park project lead to additional audits throughout our other European sites.

Our employees in Italy, Spain, Portugal and France re-examined that process. They reallocated the production of nearly 60 SKUs to optimize the efficiency of our production processes and used the Global Value Chain environmental impact reporting tool to model the environmental impact of the proposed changes. The change improved our factory efficiency, delivered savings and reduced our use of water and generation of waste. Our total carbon dioxide emissions went down and freight costs improved, though some low-volume products are now transported greater distances. In total, the three-month project delivered lasting results:

- → €188,000 of cash saved;
- → 81.8 metric tons of CO₂ emissions eliminated per year;
- \rightarrow 632,340 liters of water saved per year;
- → 6,144 kilograms of waste eliminated per year.

Simple changes improve operations, environmental impact in Mexico

Diversey's customers value collaboration that results in operational and environmental efficiencies. One of the largest dairy operations in Mexico invited Diversey to join them in a "Stewardship for Competitiveness" program sponsored by the country's environmental and natural resources authorities.

As a result of the collaboration, we implemented three changes that delivered substantial operational and environmental improvements for Diversey:

→ We changed the packaging for some of our products to use less plastic, reduce product damage during transportation and reduce transport costs by enabling more product to be stacked on each pallet. The change eliminated 840 kilograms (1,852 pounds) per year of plastic waste and saved about \$26,332 per year.

- → We installed a pressure washer and implemented more effective procedures for washing drums that are used for temporary storage of raw materials. Those changes reduced our water use by 350,000 liters per year.
- → We replaced some cloths with a recycled material that eliminated the need to use compressed air for cloth drying processes. This saved 3,300 kilowatt hours of energy per year.

Transportation changes cut CO₂ emissions by 54 percent in EMA

In a single year, Diversey reduced its carbon dioxide emissions related to product shipments by 54 percent over conventional means.

Our teams in Europe, the Middle East and Africa (EMA) evaluated the use of multimodal transport options — using more than one means of transporting products from our production facilities to our customer sites — and discovered significant opportunities to increase our use of sea and rail transportation.

In 2009, Diversey's EMA operations employed multimodal transport solutions for about 14 percent of our total shipments in the region. Using sea and rail solutions as part of midand long-distance hauling plans enabled us to eliminate about 1,000 metric tons of carbon dioxide emissions compared to over-the-road transportation. That's a reduction of about 9 percent in a single year.

Plans are under way to increase the use of multimodal transport in 2010, and further reduce our carbon emissions.







Training center in China earns LEED certification

In a powerful statement of Diversey's leadership in sustainable facility care, our training center in Shanghai became one of only 36 buildings in China to qualify as a certified green building under LEED standards (Leadership in Energy and Environmental Design). Initially developed by the U.S. Green Building Council, LEED standards for environmentally sustainable construction have grown to include projects in more than 30 countries.

The new Diversey Innovation and Learning Center in Shanghai, certified LEED Silver, is a showcase for our own sustainability practices and the sustainability expertise we offer customers. Demonstration areas allow customers hands-on experience with our products, tools, dispensing systems and services for floor care, warewashing and kitchen hygiene, laundry care, food and beverage facility care, and health care. The facility also serves as a site for training and development programs for our own staff, and is available to industry associations for training programs as well. The building is the only LEED certified facility in our industry in China.

Diversey has committed to using LEED principles in the design and operation of all facilities we build or lease. We've also secured LEED certification for four of our existing facilities and are planning for or pursuing certification for eight others. We've applied for recertification of our global headquarters building, as is required every five years, and have filed for certification of the East Campus of the headquarters. Our warehouse and distribution center near the global headquarters, at 550,000 square feet — and about 44 percent better efficiency than similarly sized facilities of its kind is the largest building in the United States to earn Gold LEED certification for existing buildings.

Simple changes in facility management deliver significant savings

Established as a "living laboratory" for sustainable cleaning practices, our global headquarters building is a vivid example of our promise of a cleaner, healthier future. We designed the facility to demonstrate sustainable facility management in action. Recently, we implemented three simple, low-cost changes that netted more than \$250,000 in annualized savings, and — just as important — served as an example of how rethinking our assumptions can help us all protect the natural environment and protect profits.



→ We implemented Daylight Cleaning[™], which saves energy by reducing the need for light, heating and cooling at night. It also benefits people:

> Building occupants can request specific cleaning services when they need them, and cleaning workers are more likely to stay on the job because their job satisfaction improves. The Daylight Cleaning program also improves facility security and reduces light pollution.

- → We set the default on every printer in our global headquarters to two-sided printing. We also swapped inefficient desktop printers in favor of high-speed multifunction printcopy-fax machines located on each floor throughout the building. The new printers afforded us savings through greater energy efficiency, reduced paper use and reduced costs in maintaining and replacing standalone printers.
- → We eliminated paper cups from our cafeteria and coffee stations and, consequently, from landfills. Instead, we gave every employee a reusable thermal mug and supplied reusable mugs for guests. This approach provides a daily reminder of the power of individual choices to bring about Diversey's promise of a cleaner, healthier future.

Together, these changes net about \$100,000 in savings per year in our global headquarters operating budget. The cost to implement the changes was nominal and was paid back in operational savings within about two months.



Employees commit to greening our operations

Around the world, Diversey employees are initiating and managing projects to reduce waste, improve efficiency and serve the community.

Through these efforts, we are demonstrating the cumulative effect of individuals making small, day-to-day choices to improve operations and protect the environment.

Santa Cruz "green team" partners with recycling program that helps the elderly

A self-designated Green Team in our Santa Cruz, Calif. facility continued its efforts to divert material from landfills and help senior citizens at the same time. The team continued its affiliation with the California Grey Bears, and organization of "seniors helping seniors." The Grey Bears operate a recycling center that collects and sells scrap cardboard and packaging film, then uses the profits to provide meals to seniors in need. By donating 16,600 pounds of material from our equipment manufacturing facility, the Santa Cruz Green Team's efforts accounted for 2,557 of the meals the Grey Bears donated to seniors last year. The Green Team not only kept the scrap material from landfills, they helped us cut our annual waste-hauling fees by about \$27,000.

The Green Team also turned its efforts to reducing the impact of employee transportation, using greener office and coffee machine supplies and planting trees to offset the facility's paper use.

Their efforts were honored by the California Integrated Waste Management Board through its 2009 Waste Reduction Awards Program (WRAP). Results from our Santa Cruz "Green Team" partnering with the California Grey Bears 16,600 lbs of donated material

2,557 meals donated to seniors last year RINSE

\$27,000 saved of annual waste-hauling fees



Denmark continues to deliver energy savings in offices

Our Denmark facilities have reduced energy consumption by nearly a quarter through the implementation of energy-saving plugs and timers. Plugs installed at every outlet shut off the power to computers, desk lamps and other electronics when employees leave the building at night. Timers control coffee makers and printers. The changes were implemented in 2007. Energy use in the Denmark offices is now 23.4 percent less than it was before the plugs and timers were installed.

Mexico and Brazil drive recycling effort

Employees in Mexico established a recycling program for waste produced in the offices and in employees' homes. In its pilot phase, the program helped divert waste from landfills:

- → 150 toner cartridges;
- → 1,200 kilograms of paper (about 2,646 pounds);
- → 25 kilograms of batteries (about 55 pounds).

In addition, the efforts helped Diversey's manufacturing facility in Tlalnepantla recycle 80 percent of the waste it generated. Plans are under way to decrease waste generation in 2010 and to increase the repair and reuse of pallets in the plant.

In Brazil, waste generated from manufacturing, offices and warehouse operations was being collected in large dumpsters where it was difficult to separate properly for recycling and protect from wind and rain. Diversey Brazil employees established a central recycling office with the help of a third party to improve collection and segregation of waste. The office has improved the safety and efficiency of the recycling process and identified opportunities to reduce the amount of waste generated. The site achieved a 37 percent reduction in waste generated from 2008 to 2009.

Diversey achieves significant reductions in environmental KPIs

Diversey maintains a rigorous process to measure and track the environmental impact of our operations. Each year, our facilities around the world develop environmental improvement plans to align their environmental-impact reduction goals with other business goals, such as greenhouse gas emission reduction, efficiency improvement targets, and cost reductions. By aligning all of these individual goals, we achieved significant reductions in wastewater discharges, waste disposal, and energy usage in 2009.

- → The 17.1 percent reduction in energy was achieved by the multiple energy savings projects globally with activities including lighting replacements, modifications to compressed air systems, and changing operational practices.
- → The 16.1 percent reduction in waste disposed was driven by a combination of efforts to eliminate the waste from being generated through focused projects such as a central recycling office in Brazil and the increase in the amount of waste that is recycled through focused projects such as the third-party waste audits in the U.K.
- → The 6.5 percent reduction in effluent chemical oxygen demand was driven by performance improvements of the effluent treatment plants installed or upgraded in 2008 at our China, India, and Japan sites along with the following key operational improvements:
 - Modification of processing lines for 10 tanks and four filling lines and the installation of compressed air flushing units at our Turkey manufacturing site. By flushing the lines with compressed air prior to water cleaning, the site was able to increase their production yield, filling line

efficiencies, and achieve an 83 percent reduction in effluent COD.

• Additional equipment installation at our Spain manufacturing site to reduce the amount of equipment that required cleaning achieved a 37 percent reduction in effluent COD.

Increased flexibility required by our business has the effect of increasing the number of cleaning events required at a manufacturing location which in turn increases both total water and net water metrics. Therefore, sites have to continually look for ways to clean equipment more efficiently using less water per cleaning event to maintain or improve on previous years' water metrics.

Making use of the same AquaCheckSM auditing methodology that our customers rely on to reduce water usage at their facilities, we implemented the same program at some of Diversey's larger manufacturing facilities. In 2008, we completed an audit of our Sturtevant, Wis. facility and then, in 2009, we expanded the program to our Cotes Park, U.K. plant. Through the implementation of several water efficiency projects, these facilities were able to reduce their net water consumption by 18 and 13 percent, respectively, helping to offset the increase of cleaning events globally.

We continuously examine and improve the methods by which we evaluate our environmental impact. In the past several years, we have improved the precision of our reporting and analysis. Our 2009 results reflect the results of our efforts.

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | LY % reduction |
|---|------|------|------|------|------|------|----------------|
| Effluent COD (kg/metric ton) | 2.75 | 2.31 | 2.80 | 2.73 | 2.47 | 2.31 | 6.5% |
| Waste Disposed (kg/metric ton) | 2.76 | 2.90 | 3.29 | 2.89 | 2.48 | 2.08 | 16.1% |
| Total Water (m ³ /metric ton) | 1.15 | 1.15 | 0.96 | 0.99 | 0.97 | 0.97 | 0.0% |
| Net Water (m ³ /metric ton) | 0.52 | 0.56 | 0.50 | 0.53 | 0.51 | 0.51 | 0.0% |
| Total Energy (GJ/metric ton) | 0.43 | 0.39 | 0.37 | 0.39 | 0.35 | 0.29 | 17.1% |

Key Performance Measures*

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | LY % reduction |
|---|------|------|------|------|------|------|----------------|
| Effluent COD | 2.75 | 2.31 | 2.80 | 2.73 | 2.47 | 2.31 | 6.5% |
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(kg/metric ton)

Effluent COD is the chemical oxygen demand present in wastewater that is discharged from a site through a regulatory discharge authorization and the COD present in wastewater transported off-site to a third party for wastewater treatment and discharge.

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | LY % reduction |
|-----------------|------|------|------|------|------|------|----------------|
| Waste Disposed | 2.76 | 2.90 | 3.29 | 2.89 | 2.48 | 2.08 | 16.1% |
| (kg/metric ton) | | | | | | | |

Waste Disposed is waste that is landfilled, incinerated or treated via another method that does not provide any beneficial reuse. We continue to use a three-step approach in reducing waste disposed:

- 1 Eliminate the generation of the waste;
- 2 Identify an alternative use of the waste;
- 3 Identify means to have waste processed to provide a beneficial reuse.

If none of the three alternatives is available for a specific waste stream, based on local regulations or geographic constraints, then we have the waste disposed in accordance with local regulatory requirements.

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | LY % reduction |
|------------------------------|------|------|------|------|------|------|----------------|
| Total Water | 1.15 | 1.15 | 0.96 | 0.99 | 0.97 | 0.97 | 0.0% |
| (m ³ /metric ton) | | | | | | | |

Total Water is the amount of water required to support both the production (water in product, washwater, cooling water) and the facility (e.g. restrooms, kitchens, sprinklers) at our manufacturing locations.

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | LY % reduction |
|------------------------------|------|------|------|------|------|------|----------------|
| Net Water | 0.52 | 0.56 | 0.50 | 0.53 | 0.51 | 0.51 | 0.0% |
| (m ³ /metric ton) | | | | | | | |

Net Water is calculated by subtracting the water included in our products from the Total Water consumed at a manufacturing location. We use Net Water to provide an indication of our water-use efficiency at a location.

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | LY % reduction |
|-----------------|------|------|------|------|------|------|----------------|
| Total Energy | 0.43 | 0.39 | 0.37 | 0.39 | 0.35 | 0.29 | 17.1% |
| (GJ/metric ton) | | | | | | | |

Total Energy is the combination of electricity, natural gas and any other fuels used to support both the facility and production at our manufacturing locations.

* Data includes 27 manufacturing locations in 21 countries.

Customers

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We help our customers reduce the environmental and operational impact of their businesses. Our expertise and superior solutions help customers save water, lower energy consumption and reduce labor costs while making their facilities safer, cleaner and more hygienic.

Accor has trusted Diversey with providing housekeeping and warewashing products that deliver superior clean-ing results with minimal impact on the environment. Pictured: Accor's Mercure Paris Arc de Triomphe Wagram hotel in France.

Diversey's products and services help Accor meet its sustainability commitments

Our expertise in sustainable business practices, combined with superior products and services, draw customers to partner with us to improve their own sustainability profile.

When one of the world's preeminent hotel groups set aggressive goals to improve its own sustainability practices, it selected Diversey to help meet those goals. With more than 4,000 hotels worldwide, Accor Hospitality Group is implementing a program designed by Diversey that helps the hotelier meet the 65 objectives of its Environmental Charter, which includes Accor's Earth Guest policy to improve the well-being of people and the planet.

Accor's 15 lodging brands span the entire class of hotel spaces, from luxury to economy, with more than half a million guest rooms. Accor has trusted Diversey with providing housekeeping and warewashing products that deliver superior cleaning results at minimal impact on the environment and improved profitability for the hotels. "Diversey has a long-term commitment to sustainability," said Serge Charles, director of linen and hotel services, global procurement, Accor. "They proposed solutions that satisfy both our sustainability and hygiene requirements. Working with suppliers that can deliver environmentally sustainable solutions is not a 'plus' for Accor, it is a requirement."

Diversey delivered a mix of products and services to support all Accor hotels worldwide. Among the innovations helping Accor meet its environmental commitments and improve its operational profile are:

→ Diversey's innovative, wall mounted Revoflow[®] dispensing system, for kitchens and onpremise laundries, utilizes light weight, easy to handle containers that are off the floor, helping to ensure a safe and clean workspace. The Revoflow patented cap automatically doses the right mix and quantity of highly concentrated powder and liquid to meet the individual cleaning specifications of each customer.

"Diversey has a long-term commitment to sustainability. They proposed solutions that satisfy both our sustainability and hygiene requirements. Working with suppliers that can deliver environmentally sustainable solutions is not a 'plus' for Accor, it is a requirement."

→ Diversey products and services help Accor: continued

- → Divermite[™] brand packaging and dispensing systems for the housekeeping departments ensure the correct mix of products, with as much as 97 percent less plastic waste per liter of solution compared to conventional, ready-to-use packaging.
- → SoftCare[®] brand foam soap in hotel restrooms deliver superior hand-washing results with two times less plastic waste than the product it replaced.
- → Up to half of the cleaning chemicals Accor purchases from Diversey are certified as environmentally responsible products. For example, our Pur-Eco[™] line is certified by either or both of the independent green product certification organizations in Europe, the European Union Ecolabel system and Nordic Swan.

Diversey helps U.S. grocery store chain open its first LEED-certified store

When a Midwestern United States grocery chain wanted to open its first LEED-certified grocery store, the employee-owned chain turned to Diversey for help preparing the facility to meet the U.S. Green Building Council's requirements for Leadership in Energy and Environmental Design. We shared our expertise in sustainability and LEED to help the chain select the right cleaning products. The grocer not only opened a LEED-certified store, it implemented the Diversey cleaning system, the only one of its kind certified by the Greenguard Environmental Institute.



Global food retailer hails Diversey's help in report to investors

Helping our customers protect their customers' health is at the heart of what Diversey does. Our SafeKey^{5M} food safety and risk management program is one of the most significant ways we do that.

Delhaize Group, a €19 billion international food retailer with nearly 2,700 stores in six countries, came to us for an independent audit of its food safety programs in all its operations. Using our Hygienometrics Matrix, a unique benchmarking tool, we helped Delhaize identify its considerable strengths as well as areas for improvement.

The value Delhaize placed on our partnership with them became evident in the company's own Global Responsibility Report. Under the title "Developing Bestin-Class Food Safety Standards," Delhaize called out their work with us by name. "An independent assessment of our operating companies' food safety programs has found that, as a group, we generally score above the supermarket industry average in a number of important metrics," the report stated. "It also allows making further improvements across our operations. Carried out by Diversey Consulting, in line with our commitment last year, the study benchmarked our companies' food safety programs against industry norms."

Through the SafeKey program, we partner with customers to engage in a risk-management process that helps achieve optimal safety at every stage of food handling, thereby reducing the risk of food-borne illnesses.



Powerful partnerships: global facility services provider turns to Diversey for help in sustainability

When a global cleaning services company needed to effectively serve its growing global customer base, it expanded its partnership with Diversey to ensure it had the right products and services to meet its needs. And, when the customer began an aggressive program to enhance its own sustainability profile, it sought our help in achieving specific improvements.

The company recognizes our thought leadership in sustainability across every aspect of its business. The customer not only values Diversey's portfolio of chemicals, equipment and tools that offer environmental and operational improvements, but also its expertise in identifying ways to make cleaning operations more sustainable.

The result is a multi-year strategic partnership to help the customer deliver superior cleaning results for its customers, improve worker safety, reduce waste and increase profitability.

The customer is relying on the advantages of Diversey's cleaning and hygiene portfolio, including:

- → Our Pur-Eco[™] line and an array of other chemicals certified by the European Union Ecolabel system, Nordic Swan and/or Greenguard, the world's independent green-cleaning certification organizations.
- → Innovative dispensing and dosing solutions such as J-Flex[™] and J-Fit[™] that protect workers and the environment from spills, reduce chemical waste and ensure maximum product efficacy.
- → TASKI® floor care machines deliver superior floor cleaning results using less energy and water than competitors' machines and help reduce floor care time, improving worker efficiency.
- → Floor finishes with lower odors and finishing systems that reduce the time and worker strain associated with traditional floor finish applicators.

In addition, Diversey is helping the customer operate more efficiently with programs and consulting services to make it easier and more cost-effective to deliver cleaning operations at a high standard:

- → Our award-winning Web-linked Jonmaster^{5M} Auditing System, which links our robust microfiber cleaning system with a Web-accessible quality assurance program that enables managers to instantly audit cleaning progress and performance anywhere in the world. The Web-based iMap^{5M} system delivers operational efficiencies that improve cleaning productivity, reduce operating costs and increase profitability. And our microfiber cloths and pads provide superior cleaning results while significantly reducing particulates in the air, and reducing the threat of cross-contamination across cleaning products or surfaces.
- → Connexion[™] is the only procurement system designed specifically for our industry. It's a powerful tool that helps this customer standardize procurement of all cleaning and hygiene products. It helps businesses optimize the supply chain at multiple sites, manage inventory and enforce spending checks and balances.

We've also agreed to collaborate with the customer to optimize our offering in the sectors it serves, so it can reduce labor, chemical and purchasing costs. We're helping them reduce their use of chemicals, energy and water and improve their waste management as a means of lightening their overall environmental footprint.

This is another example of how Diversey provides value to our customers while serving a higher purpose of improving their sustainability in every respect, helping to deliver on our promise of a cleaner, healthier future.

Healthy, High Performance Cleaning helps schools protect student health, win EPA air quality award

"The entire Keller District remained open during the H1N1 crisis."

> FRANK DINELLA, KISD OPERATIONS DIRECTOR



Schools can't do an effective job of teaching if students aren't at their desks due to illness. That's why Diversey works with schools around the world to contribute to a cleaner, healthier future — and perhaps a smarter one as well. Three of Diversey's customers were among only five school districts honored by the U.S. Environmental Protection Agency (EPA) in 2009 with a prestigious national award for good indoor air quality: Keller Independent School District (KISD) in Keller, Texas; Kenosha Unified School District in Kenosha, Wis.; and Westport Public Schools in Westport, Conn. KISD provides an excellent case in point.

When schools across the United States were closing for days or weeks at a stretch in an effort to stem the spread of pandemic H1N1 flu, every school in the Keller district stayed open. The district attributed that to a systematic program to maintain cleanliness and indoor air quality (IAQ). KISD has partnered with Diversey for the past four years to combine the most effective cleaning chemicals with our specialized Healthy High Performance Cleaning (HHPC) program. HHPC delivers Diversey's expertise in cleaning for health, safety and the environment through a powerful combination of procedures and best practices.

The district uses our Alpha-HP® Multi-Surface Cleaner for 90 percent of its cleaning — floors, glass, hard surfaces and carpets. Alpha-HP is a proprietary formulation of accelerated hydrogen peroxide (AHP) technology to deliver effective cleaning with an excellent environmental profile, since the active ingredient, hydrogen peroxide, biodegrades into oxygen and water.

AHP products have no strong odors and do not contain volatile organic compounds. Those attributes, along with our HHPC cleaning program, help contribute to better IAQ in facilities cleaned in this manner. "The entire Keller District remained open during the H1N1 crisis," said KISD Operations Director Frank DiNella. "Our partnership with Diversey not only helped us improve our cleaning program, it was instrumental in helping us improve our indoor air quality and ultimately win an award from the U.S. Environmental Protection Agency."

The U.S. EPA's Indoor Air Quality Tools for Schools National Excellence Award recognizes "school districts that have demonstrated a strong commitment to improving children's health by promoting good indoor air quality practices," according to the U.S. EPA.

The district implemented its green cleaning program as one of several initiatives that challenged the district's functional offices, such as operations and finance, to improve their contributions to student achievement. The green cleaning program, along with other steps such as removing carpeting from classrooms, was an effort by the operations team to help combat student absences related to asthma and allergies — which had been shown to be responsible for half of all student absences.

The district implemented a program to actively monitor IAQ in every school, including the use of handheld monitors that test IAQ in each classroom. Additionally, any time a student or teacher is reported sick, the cleaning teams inspect the classrooms and increase cleaning in order to help combat the spread of illness.

The Keller Independent School District is one of the largest school districts in the Dallas-Fort Worth metropolitan area, with 36 campuses and more than 30,000 students from four-year-old kindergarten through 12th grade.

Diversey helps customers stem the spread of pandemic flu

Good cleaning and disinfection practices are the first line of defense in ensuring the health and safety of our customers' guests and workers. But when a global pandemic flu emerged last year, Diversey ramped up our efforts, providing products and expertise to help stem the spread of illness.

At the first signs that the H1N1 flu virus was spreading, we ramped up production of our proprietary disinfection products and provided expert counsel to customers around the world.

Production of key technologies increased by 50 percent or more at Diversey manufacturing plants around the world to ensure ample supplies to meet customer needs. Among our key products:

- → Our line of accelerated hydrogen peroxide cleanerdisinfectants kills viruses in one minute. Conventional products in the industry require a 10-minute surface application time to provide effective disinfection. The short contact time Diversey's products require improves the likelihood that viruses will be killed. That gives our customers — and their customers — greater confidence that they're doing all they can to stop the spread of viruses. Our products also give off fewer odors and have a better environmental profile than conventional disinfectants.
- → Our full line of quarternary disinfectants, cleaners and sanitizers, as well as cleaning machines, microfiber cloths and other tools, make facility cleaning and disinfection more effective and easier — with less impact on the environment and indoor air quality than conventional cleaners, disinfectants and sanitizers.
- → Our hand care line provides customers and their guests a first line of defense against the spread of viruses.
- → We bolstered our popular Bug Blasters program in Europe, the Middle East and Africa, providing schools with a "Clean is Cool" program to help youngsters understand the importance of good hand hygiene in stopping the spread of flu germs.

To ensure that our customers had access to the best information, we launched OutbreakControl.com, a site that provides information and advice from our experts in infection control for every market sector we serve.

At the start of the outbreak, we mobilized our sales teams and provided training to ensure that we were effective partners with our customers in combating the spread of the illness.

To ensure that our customers had access to the best information, we launched OutbreakControl.com, a site that gathered information and advice from our experts in infection control for every market sector we serve. With material in 17 languages, OutbreakControl.com is a comprehensive, ongoing source of information, helping customers employ best practices in cleaning and sanitation.

In addition to comprehensive material about H1N1 flu, the site provides information about other types of illness likely to spread in communities, such as Methicillin-resistant Staphylococcus aureus (MRSA) and Noroviruses. The site provides easy-to-follow protocols for averting an outbreak and for responding quickly and effectively if an outbreak does occur.

OutbreakControl.com provides customers, employees and the general public with infection control resources and information in 17 languages.

New packaging calculator helps customers assess environmental impacts

Diversey has delivered another innovation in operational and environmental management for customers. We use life cycle analysis (LCA) to fully understand the environmental profile of our products — and now we are applying that expertise to help customers.

Diversey's new environmental packaging calculator helps customers quantify the environmental benefits they achieve from our innovative packaging, our dispensing and dosing expertise, and our superior product formulations that require less water and energy use at the customer site. The calculator delivers sideby-side comparisons of similar cleaning and hygiene products in different packaging allowing customers to make informed choices in cleaning products so that they can better manage their operations and reduce their environmental footprint.

In an analysis we conducted for a major global retailer, we demonstrated compelling opportunities to reduce waste management costs and improve the customer's environmental profile by choosing cleaning and hygiene products in environmentally preferred packaging. In one year, Diversey's innovative packaging could help the retailer deliver:

- \rightarrow 33 percent reduction in total packaging waste;
- → 48 percent reduction in greenhouse gas emissions related to materials and shipping.



The calculator can be configured to analyze multiple factors, including plastic and cardboard consumption, carbon dioxide emissions related to the delivery of the product to the customer, and water and energy savings derived from using more effective products.

The tool also helps customers meet their own sustainability and compliance objectives. Eco-accreditation programs such as Nordic Swan and the European Union Ecolabel system for hotels require participants to document their total use of plastic and cardboard packaging — a process we've just made simpler for our customers.

The packaging calculator is one way we use Diversey's expertise in improving our own operations to help customers do likewise. We use LCA tools to evaluate all environmental impact categories related to our chemical raw materials, packaging materials, manufacturing, shipping, and warehouse operations as well as customers' use and disposal of the product and its packaging. LCA also helps us shape our decisions about sourcing, manufacturing, warehousing and logistics operations. The LCA models build in environmental key performance indicators, such as energy and net water consumption, as well as raw material impact data from every area of our manufacturing operations. We assess factors such as raw material and packaging costs, supply availability, warehousing and transportation costs and the timing and location of shipments. Collectively, the data gives us a clear analysis of where we're doing well and where we can give continue to improve our operations.

In a typical case, the data revealed opportunities to reconfigure our product packaging to:

- → increase pallet cube efficiency;
- \rightarrow improve our transportation efficiency;
- \rightarrow reduce the environmental impact of the shipments;
- \rightarrow conserve customers' storage space;
- → reduce customers' unloading time by delivering fewer shipments per year for the same amount of product.

Customers > 31

At Diversey, environmental stewardship is not fad, it's our legacy — and it's something we owe to ourselves, our customers and our communities.

Diversey begins carbon footprint analysis on product lines

At Diversey, environmental stewardship is not fad, it's a legacy. We carry on that legacy in our ongoing improvements and in our work with customers to understand and reduce our collective impact on the environment. Through the public Climate Savers covenant we signed, we agreed not only to reduce our own emission of greenhouse gases (GHG), but to be a catalyst toward change in the broader business community.

That's why we've launched an effort to document the GHG footprint of our entire product portfolio.

Diversey Chairman Curt Johnson announced the commitment at the WWF U.S. CEO Roundtable that was held during the 2009 United Nations Framework Convention of Climate Change COP15 negotiations.

"We are going to blaze a trail that we expect others will follow in time," Johnson said. "By taking the important step of carbon footprinting, we're sending a clear message to our industry and our suppliers that the environmental impact of producing our products is an essential component of how we do business."

Documenting the carbon footprint of our portfolio is a crucial step toward setting targets for improvement. In cooperation with the World Resources Institute and the World Business Council for Sustainable Development, we have begun an in-depth examination of the carbon footprint of our products from raw material sourcing through end-user disposal. We also are developing tools that will enable our technical staff to document the footprint of all our products. We'll start with tools for two product categories as a first step to a full portfolio footprint.

We are also collaborating with strategic customers to assess the total footprint of products they purchase from us. It's a step we've already taken with a major global restaurant chain. We conducted a rigorous assessment of every product we supply to that customer, starting with the raw material sourcing from mining, forestry, petroleum extraction and agricultural practices and ending with the delivery of our products to the warehouses that serve the customer.

We expect the continued process of evaluating the "cradle to grave" impact of our product portfolio will drive improvements in the supply chain as well as opening doors to innovation. It's a challenge that befits our heritage and our promise of a cleaner, healthier future for the world.

"By taking the important step of carbon footprinting, we're sending a clear message to our industry and our suppliers that the environmental impact of producing our products is an essential component of how we do business."

> CURT JOHNSON, DIVERSEY CHAIRMAN

Innovations protect workers, save water and energy while reducing operating costs

Diversey is committed to helping its customers operate more sustainably by offering products and solutions that save water, energy and reduce waste without sacrificing superior cleaning results. Our innovations in product packaging, floor care equipment, dispensing and dosing are just some examples of how we are doing that.

TASKI[®] swingo floor care machines deliver more efficient cleaning while using less water

Maintaining clean, hygienic facilities begins with proper floor care. Hygiene standards in floor cleaning are increasing in many businesses while professional trends are making greater use of mechanical tools to perform tasks more efficiently at lower cost. TASKI floor care machines expertly deliver on these needs and many of them also reduce water consumption versus manual cleaning methods.

Two examples are the TASKI® swingo 350[™] and the TASKI® swingo 150[™]. The swingo 350 is a battery powered scrubber/drier designed to clean congested areas such as restaurant floors, washrooms and other narrow hallway areas using 60 percent less water than manual cleaning. It achieves all of this through efficient use of the latest electrical and electronic components that keep power consumption to a minimum.

The swingo 150 is one of the world's smallest autoscrubbers, enabling it to reach under obstacles, clean along walls and in corners more efficiently than a typical mop-and-bucket application. The result is better cleaning performance, faster drying time and higher hygiene levels.

TASKI is among the few floor care brands to offer a full line of certified floor care equipment that meet green cleaning qualifications set by the ISO 14001/14004 standard, the European Union Ecolabel system, The U.S. Green Building Council, Green Seal, the U.S. Carpet, Rug Institute and the International Association for Soaps, Detergents and Maintenance Products (AISE). TASKI also delivers customers a line of eight products that are accepted on the U.K.'s Water Technology List (WTL). Under the WTL program, customers are able to write off the whole cost of their investment in TASKI machines against their taxable profits during the period in which they make the investment.

Our customers recognize the benefits of TASKI floor care machines and the substantial savings they can generate in both operational and environmental costs. For example, a European retailing powerhouse and global business services contractor turned to Diversey's TASKI floor care line to reduce the energy cost and carbon footprint of their store cleaning operations. The retailer found TASKI's new battery technology provided faster charging time and lasted up to twice as long while consuming 15 percent less electricity than conventional batteries.



TASKI swingo 150 by Diversey

TASKI swingo 350 by Diversey

SmartDose^{™/MC} provides a simpler, safer smarter solution for dosing concentrated cleaning products while reducing costs and waste

Helping our customers eliminate errors or rework and reducing the time spent training staff is an important expectation of our customers. Diversey delivers on this need with SmartDose^{TM/MC}, a portable dosing system that simplifies the process of mixing concentrated products. The SmartDose system reduces operating costs by ensuring the right amount of concentrate is dosed for the required application. This helps customers reduce waste, and operate a more sustainable business.

The SmartDose dispenser eliminates the risk of dosing errors because it automatically calculates precise amounts of concentrated cleaning products to ensure accurate dilution for bottle, bucket, toilet scrubber and sink applications. Easy to use, the maintenance-free system includes simple icons, requiring minimal training. The portable system does not require installation or a water connection and includes a leak and drip resistant spout that protects workers from exposure to concentrated chemicals.

The system's yellow control knob provides clear choices for selecting the desired dosing option. After making the selection, users pull up on the knob and then push it back down to dispense the

concentrate into the appropriate container. The SmartPump automatically calculates the precise dose for the container to ensure consistent product performance, consumption and cost control. Ready to use out of the box, the SmartDose system is made out of 25 percent post consumer content, is 100 percent recyclable, and empties completely, eliminating the need to rinse the container after use.

Warewashing innovation wins packaging award

Diversey's Suma[®] Optifill^{TM/MC} cleaning system for manual warewashing won a prestigious Ameristar Packaging Award.

The awards are presented each year by the Institute of Packaging Professionals to recognize achievements across six areas: innovation, sustainability, economics, product protection, package performance and marketing.

The Optifill system offers customers advantages over traditional wall-mounted dispensing systems.

- → It is ready to use out of the box no complicated installation or training required.
- → A compact, 2.5 liter Optifill package generates 1,600 gallons of usable solution which cuts down on packaging, transportation and storage costs.
- → The Optifill system uses volumetric technology to dispense a precise dose of sanitizer or detergent for each use eliminating waste, residue and worries about inadequate cleaning.

The Diversey Optifill team (from left to right): Curt Hubmann, Justin Nunez, David Hall, Steve Schiller, Susan Lewis, Mike Bertucci and Chris Lang.

- → The system is maintenance-free, and starts and stops with the flow of water.
- → The patented pumping system is automatically renewed each time a new bottle is installed, ensuring consistent, reliable results. It also pumps out 99.9 percent of the product, leaving virtually no waste.
- → Optifill packaging is manufactured from 25 percent post-consumer recycled materials, and is fully recyclable.
- → The package is tamper-proof, and its seal prevents accidental spillage or misuse.

The Ameristar judges said they gave the award because Optifill is "very green," uses concentrated chemicals and prevents overuse of chemicals.



The TrailBlazer^{™/MC} and ProSpeed^{™/MC} finish applicator systems deliver outstanding results while requiring significantly less user effort and reducing wasted water and chemical

Our customers know that well-maintained floors are an important sign of a facility where employees and visitors can expect high standards of service and cleanliness. Our customers asked for a more efficient, sustainable way to finish floors.

That's why we created the TrailBlazer^{TM/MC} system for large areas generally over 2,000 sq ft and the ProSpeed^{TM/MC} system for smaller areas generally under 2,000 sq ft.

The Trailblazer and ProSpeed systems deliver consistent results, improve worker productivity, virtually eliminate product and water waste and contribute to improved indoor air quality.

With the TrailBlazer system, workers can apply floor finish up to nine times faster than with a conventional mop and bucket system. It applies finish at a rate of up to 300 square feet per minute and delivers consistent, top quality finishing regardless of the worker's walking speed.

Diversey's Trailblazer system offers significant advantages over conventional floor finish applicators:

- → The system's minimal setup and cleanup enables workers to move on to other jobs quickly, improving productivity.
- → It delivers a consistent, high quality finish regardless of the worker's walking speed or other actions.
- → The TrailBlazer system applies finish directly from Diversey's Bag-in-Box sealed packaging. That saves money on finish, because there is no waste left in the bucket, and it saves money on water because there is no need to rinse out the mop and bucket.
- → It requires no special skills, minimal training and greatly reduces user effort versus a mop and bucket or flatmop.

The TrailBlazer system helps protect workers and enhances productivity and safety. Its design is rooted in our deep understanding of ergonomics how tools and work processes can be crafted to deliver the maximum results with the least strain on workers' bodies and the least risk of worker injury.

Protecting staff from injuries is critical in the cleaning industry. Back injuries are the third most common reason employees miss work, after missed days of work due to colds and flu, according to statistics from the U.S. Bureau of Labor Statistics. And 34 percent of all injuries that result in lost work days are associated with poor ergonomics.

> TrailBlazer Floor Finish Applicator System

Since labor costs are up to 90 percent of an organizations' cleaning budget, helping our customers protect their cleaning staff is one way Diversey is helping our customers protect their bottom line.

Compared to conventional mop and bucket applications, the Trailblazer system uses:*

- → 51% less shoulder effort;
- → 52% less upper back effort;
- → 70% less lower back effort.

And compared to flat mops, the results are even greater:

- \rightarrow 65% less shoulder effort;
- \rightarrow 62% less upper back effort;
- → 76% less lower back effort.

Since labor costs are roughly 90 percent of an organizations' cleaning budget, TrailBlazer and ProSpeed can have a significant impact on helping our customers protect their bottom line.

Diversey's ProSpeed[™] system offers high quality, cost effective floor finishing results with reduced environmental impact, better indoor air quality and allows workers to finish floors up to 3 times faster than conventional methods.

The ProSpeed system pairs a closed bag-in-box finish package with an ergonomically designed applicator and disposable pads. It uses only the amount of floor finish needed for the job and stores "as is" until the next time it is needed. That eliminates the waste associated with conventional systems, which require a worker to guess how much finish is needed — resulting in a reduction of finish waste by up to 95 percent. And since ProSpeed does not require any water for clean up, water waste is eliminated.

The ProSpeed system is easy to set up and easy to use, with the packaging and dispensing fully integrated in the tool to reduce the risk of worker injury associated with moving bulky packaging or using backpack dispenser.

Workers who switch to the ergonomic ProSpeed system from mop-and-bucket applications will use:*

- → 35% less shoulder effort;
- → 23% less upper back effort;
- \rightarrow 40% less lower back effort.

Compared to flat mop systems, the ProSpeed applicator requires:

- \rightarrow 54% less shoulder effort;
- \rightarrow 40% less upper back effort;
- \rightarrow 49% less lower back effort.

As the leading global experts in commercial floor care, and leaders in sustainable building care, Diversey consistently delivers innovations like TrailBlazer and ProSpeed that make our customers' facilities look better with less impact on the user, the bottom line and on the environment.

ProSpeed System

VECTRA

AquaCheck[™] saves customers money and protects a precious natural resource

Helping our customers make their businesses more sustainable lies at the heart of Diversey's commitment to a cleaner, healthier future. Food and beverage processors around the world turn to Diversey and our AquaCheckSM system to help them maintain superior cleaning and operational results while using less water and energy.

One of the world's largest beverage bottlers turned to Diversey to evaluate its water use in plants around the world. We conducted AquaCheck audits at several locations worldwide, representing the mix of geographical and product influences that affect the bottler's water use for different products and processes. Cold aseptic filling, glass bottle filling and plastic soft drink bottle filling, for instance, are different processes with different demands in the bottling plants.

Our AquaCheck audit identified more than \$7 million in savings opportunities, and the potential to conserve nearly 1.8 billion liters of water — savings for the planet and savings for the bottler's operational costs.



The customer has begun implementing the changes we recommended and continues to reference AquaCheck as a preferred tool for water use efficiency improvements. Our leadership in sustainability is helping this major global player improve its own sustainability profile.

Results were equally impressive when we brought the AquaCheck system to one of the largest bottling plant in South America. The 15-line packing plant leads the industry in water management practices. Our customer challenged Diversey to improve its water use even further. We delivered results that would reduce water use in this benchmark facility by more than 14 percent. We also delivered operational cost savings three times greater than what the customer set as our target.

We did it with a two-tiered solution. First, we recommended steps to reduce water use by 154 million liters per year through more effective clean-in-place systems and improvements in bottle washing.

Dairies throughout Europe rely on Diversey for cleaning and sanitation products and expertise that help save water and energy.



CUSTOMERS SAVED 2.12 BILLION LITERS OF WATER IN 2009



We worked with a \$12 billion dairy producer's processing plant to reduce its water consumption by one-third.

Then, we addressed the wastewater discharge costs at the plant, and identified ways to save another 151 million liters of water by reducing wastewater discharge, treating it and reusing the water for operations that do not involve product contact.

Delivering bottom-line savings that protect the environment is what customers have come to expect from Diversey. It is why a major dairy producer in Europe turned to us after several other audits and products from other suppliers had delivered only marginal improvements in water use.

Dairies throughout Europe have relied on Diversey for cleaning and sanitation products and expertise for many years. Our multi-year, sole supplier contract with a more than \$10 billion dairy food producer was just the start of our partnership. We worked with one of their processing plants to drastically reduce its water consumption.

The plant manager was looking for a solution that would help the plant protect food safety, minimize

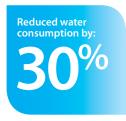
down time, provide cost savings and meet ISO 14001 environmental management goals. The further challenge: the plant uses water-based heating and cooling processes to maintain safe food handling temperatures while it produces a wide array of products — often in short batches which requires frequent line cleaning.

Diversey met the challenge. Our AquaCheck audit identified ways to reduce the plant's water use by one-third — saving 3 million liters of water per year and substantially reducing the plant's costs to pump in clean water and treat wastewater.

Better yet, several of the changes we recommended also reduced the plant's energy costs for heating water and reduced the total chemical use at the plant.

All told, Diversey helped our customers save 2.12 billion liters of water in 2009.

Diversey helps German brewer reduce costs and water usage while increasing production capacity





When a German beer brewer needed to lower its water consumption, improve efficiency and reduce costs at an aging manufacturing facility, turned to Diversey. Our extensive work with the brewer found numerous opportunities to optimize its operations at the plant, ultimately enabling it to increase its production capacity by 20 percent while using less water and chemicals.

Diversey's first step was to review and improve the brewing facility's cleaning in place (CIP) program. Then, using Diversey's AlkaCheck program, we evaluated chemical use and found ways to accomplish better cleaning and sanitation with fewer products. This also lead to new cleaning procedures and the installation of new monitoring equipment, which more accurately informed plant staff when cleaning was necessary. Diversey also recommended the installation of a new, waterless lubricant on bottling machinery, which changed track lubrication from wet to dry, further reducing maintenance requirements and saving substantial water.

Results of Diversey's work with this customer delivered both operational efficiency and sustainability benefits. The brewer's total spending on chemicals was reduced by 46 percent and total water expense was reduced by 24 percent. More importantly, overall water consumption for the plant dropped by 30 percent, while the improved cleaning systems and procedures helped the customer achieve increased production.



Diversey helps European processed meat producer improve sanitation following a salmonella outbreak

Customers rely on Diversey's expertise in cleaning and sanitation to reduce the risk of food-borne contamination that threatens public health and the reputation of their brands. When a European meat processor experienced Salmonella contamination in one of its facilities, it turned to Diversey to identify improvements to its cleaning and hygiene process and to develop a new program to reduce risk of future contamination. The results of Diversey's work not only improved the microbiological profile of this manufacturing facility, but it also helped the customer reduce its water consumption and save money.

Working closely with plant employees, we first conducted our SecureCheck assessment, including a deep analysis of the company's cleaning and sanitation procedures. The results identified several deficiencies in training of the facility's cleaning crew and specific areas of the plant where cleaning procedures were inadequate.

Following the audit and training review, Diversey partnered with the customer to put in place a completely redesigned training program, featuring new cleaning procedures. A small cleaning in place (CIP) system was installed for areas found to require cleaning and sanitation on a more frequent basis.

The results of this partnership addressed the source of the salmonella and overall microbiological results improved significantly. The CIP system and new employee training enabled the processor to reduce its spending on chemicals by 10 percent, saving €16,000. The new processes also reduced water consumption at the facility by 15 percent due to the more efficient processes Diversey was able to develop.



Reduced spending on chemicals by: saving: €16,000

€35,000

Reduced water consumption by:

Saving:

Laundry innovations use 43 percent less energy, 45 percent less water, improve productivity 33 percent

Diversey's laundry care customers trust us to deliver consistent, superior cleaning results that help protect their brands and serve their customers —with less cost and less waste.

That's why premier customers around the globe are turning to us to improve their laundry operations. For example, our CLAX® High Efficiency Laundry Program (HELP) is helping an Asia Pacific hotel group deliver superior linen cleaning for their luxury accommodations.

Our revolutionary CLAX HELP program delivers cleaner, whiter linens on the first wash with less wear on the fabrics. CLAX HELP is a total fabric care solution, pairing power washing technology with precision dosing, formulated to deliver excellent results at low water temperatures.

The cleaning results we deliver with the CLAX HELP program have been validated through studies that conform to the international standards of the Drycleaning and Laundry Institute International (formerly the International Fabricare Institute and the German-based WFK Cleaning Technology Research Institute). Those tests prove that innovative CLAX HELP program delivers:

- → 95 percent soil removal, in tests conducted by the independent Netherlands Organization for Applied Scientific Research (Nederlandse Organisatie voor Toegepast Natuurwetenschappelijk Onderzoek or TNO);
- → good whiteness, with average scores of more than 102 percent based on CIE standards (the International Commission on Illumination or Commission internationale de l'éclairage);
- → rewash rates below 5 percent for room and bath linens and below 8 percent for food service laundry.

The CLAX HELP program enables on-premise laundries to improve their operating costs, improve worker productivity and save on water, energy and wastewater treatment. When comparing conventional products against CLAX HELP to launder linens from several 600-room, five-star hotels, CLAX HELP:

- → saved up to 43 percent on energy and extended linen life by 40 percent due to lower temperature washing;
- → cut water consumption up to 45 percent and reduced effluent by as much as 43 percent by demanding fewer rinse cycles;
- → and, improved worker productivity up to 33 percent due to shorter wash processes.

In a year's time, customers with similar operational profiles could implement the CLAX HELP program to achieve impressive results for the environment and for their public profile:

- → up to 15 million liters of water saved, and diverted from effluent treatment;
- → as much as 12,000 kilowatt hours of energy saved;
- → up to 45 metric tons of carbon dioxide emissions eliminated.

The CLAX HELP program gives customers a detailed, side-by-side comparison between Diversey's CLAX line and conventional laundry processes. Using data from a customer's specific operations, Diversey consults with customers to tailor a product portfolio that delivers superior cleaning and operational results. With CLAX HELP documents, we document the water and energy savings and productivity improvements the Diversey lineup can deliver.

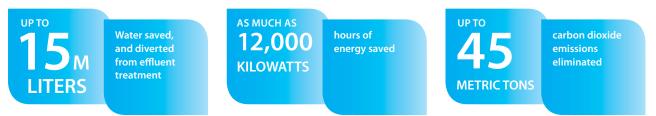
With the CLAX HELP program Diversey helped the largest and most advanced hospital complex in Latin America operate more sustainably.

Our revolutionary CLAX® HELP

program delivers cleaner, whiter linens on the first wash with less wear on the fabrics.

CLAX® High Efficiency Laundry Program (HELP) achieved impressive numbers in 1 year's time

Compared to conventional products, CLAX HELP showed strong results:



A large hospital in Brazil, treating about 1.5 million patients each year in more than 40 medical specialties, generates about 500 tons of linen per month. The hospital realized that its inefficient laundry operations accounted for huge consumption of water, energy and labor — and associated high costs.

Diversey bid against several global, regional and local competitors. It was our dedication to leadership in sustainability that won the business: our tender met the high technical specifications the hospital set and delivered better environmental and cost savings than our competitors.

Working with Diversey's superior products and our expertise in dispensing, dosing and laundry processes, calculations indicate the hospital should realize:

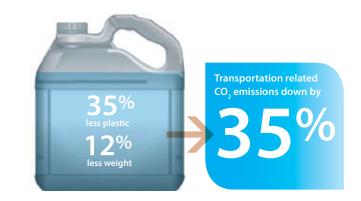
- → a 15 percent reduction on total costs;
- → water and energy savings of about 30 percent;
- → 40 percent gains in productivity and improved operating profitability;
- → and, increased control of the laundry processes and management through the CLAX HELP and CLAX monitoring systems.

Streamlined bottle designs reduce waste, save customers money

In Japan, we changed our bottle designs to make them easier for customers to use, reduce their environmental impact and provide cost savings and production efficiency. We reduced the bottle sizes and types from 16 to just four.

The new bottles:

- → use 35 percent less plastic than their predecessors and weigh 12 percent less, yielding a 35 percent reduction in carbon dioxide emissions related to transporting heavier bottles.;
- → improve customer safety with a new mechanism that deters gurgling;
- → include a new handgrip that is easier for cleaning staff to use;
- → use the same height and mouth opening to simplify dispensing and storage.
- → simplify production by reducing the need for line changes.



Communities

45 > Global Children's Initiative continues to thrive on creativity and care of employees

- 48 > Employee volunteers serve local needs
- 50 > Milk quality improves in rural Turkey
- 51 > Awards honor volunteerism
- 51 > Malaysian government calls on Diversey for H1N1 expertise



We believe every place where we do business should be better because we are there. The generous volunteering of our employees helps Diversey create a cleaner, healthier future for the communities we serve. We encourage volunteerism through our Global Children's Initiative and through a host of regional and local efforts organized by employees.

Diversey Philippines employees visit with children at the White Cross Orphanage in Manila, which we sponsor through our Global Children's Initiative. Employees often play games with the children, give them handmade soaps and demonstrate handwashing techniques.

Our commitment: Global Children's Initiative continues to thrive on creativity and care of employees

Diversey's commitment to the future can be no more clearly seen than in our investments in children through our main social responsibility program. In its sixth year, our Global Children's Initiative expanded and took new focus.

Our employees continued to give generously of their time and creativity to numerous schools and children's programs we have "adopted" in impoverished areas near our business locations. We took new steps to strengthen our partnerships and initiated a strategic planning process aimed at expanding the presence and influence of the program on all continents.

A daylong festival in a small town near Warsaw exemplifies the difference we can make when creative employees, eager children, and several business partners come together. Diversey employees banded together with more than 30 business sponsors and the municipal government to sponsor Kids Day, not just for the children of our adopted school in Jadwisin, but for children of the neighboring villages as well. By purchasing special "currency" for the event, participants made a donation toward a new classroom for the school, and provided access to games, sports activities, pony rides, singing competitions, food and beverages. The nationwide Chef's Club Foundation, an assembly of Poland's finest chefs, worked with the children to make a gigantic sandwich. The events were carried live by two local television stations. During the festivities, 130 Diversey employees cleaned and renovated the school and its grounds.

"Our first thought was just to organize the work day at the school," said Beata Mularska, Diversey Marketing Director for Poland. "But our employees took the idea further. We encouraged our customer businesses to take part, and invited the local community to enjoy the day as we all helped the school together. I hope this can be a role model for the future."

"We encouraged our customer businesses to take part, and invited the local community to enjoy the day as we all helped the school together. I hope this can be a role model for the future."

BEATA MULARSKA, DIVERSEY MARKETING DIRECTOR FOR POLAND

Among the highlights of the festival for the children was an encore performance by Bug Blasters, the cartoon characters Diversey created several years ago to spark children's imagination and excitement during lessons about the importance of hand hygiene to good health. Jadwisin students flocked to the characters they had first met a few months earlier during a Clean Hands Day presentation Diversey sponsored at the school.



Diversey Poland employees, business partners and "adopted" schoolchildren gather near a gigantic sandwich they made together on Kids Day, a daylong festival near Warsaw. The event was organized through our Global Children's Initiative.

Diversey's Global Children's Initiative

is not about the power of money but about the power of passion: the creativity, passion and care our employees return to every community we serve through each school we adopt.

Global Children's Initiative: continued

The other ways in which we help children vary from one site to another. We're not imposing one-size-fits-all solutions on the schools we adopt. We're building long-term, sustainable relationships.

- → Some schools need the facility-maintenance expertise we can offer. Other schools, maintained by the local or national government, have different needs. To learn what those needs are and develop creative, hands-on responses, we have opened a discovery process at each of our established sites and at our newly adopted facilities. Our employees listen closely to school staff, ask open-ended questions and collaborate in the development of specific, hands-on responses to the organization's needs.
- → We will donate cleaning supplies where they are needed, support fundraising activities and help facilitate donations of goods and services from other businesses and organization. But at its core, Diversey's Global Children's Initiative is not about the power of money but about the power of passion: the creativity, passion and care our employees return to every community we serve through each school we adopt.
- → Stefan Phang's personal engagement with children at adopted schools in Vietnam, Thailand and Malaysia, is a key example of the difference that creativity and passion can make.

Phang is Diversey's Environment, Health and Safety director in the Greater Asia Pacific region. He has also taken a leadership role in organizing the Global Children's Initiative activities in APac, in keeping with the specific needs of each school. Phang also ran a marathon to earn pledges from friends to buy helmets for children at Cam Thuong Primary



Stefan Phang, Diversey's Environment, Health and Safety director in the Greater Asia Pacific region, shows a student of Cam Thuong Primary School, Hai Duong Province, Vietnam, how to properly wear a helmet. Phang and his colleagues have provided nearly 900 helmets to children in Vietnam, Thailand and Malaysia.

School in Vietnam who ride to school on the back of a parent's motorbike through some of the busiest, most dangerous intersections in the province. In partnership with the Asia Injury Prevention (AIP) Foundation, Phang and his colleagues have furnished nearly 900 helmets to children in Vietnam, Thailand and Malaysia. At least four children have been in accidents in which the Diversey helmet they were wearing was directly credited with saving them from brain injury or death.

"The AIP Foundation has enjoyed our collaboration with Diversey," said Grieg Craft, President of the foundation. "It is through the sustained, dedicated and enthusiastic support of pioneer sponsors like Diversey that we are able to continue our important work in road safety. Helmets save lives and prevent injury. Diversey has made a significant impact in the lives of many through their contributions to our Helmets for Kids program."



The Helmets for Kids program provided nearly 900 helmets to children and saved at least four children from brain injury or death.

Employees worldwide are making significant impact on children in a wide array of venues.

- → At Walter's Road Public School in Sydney, Australia, it was planting a vibrant, fragrant garden that first introduced youngsters to the Diversey employees who had adopted the school. The school's 5- to 12-year-old pupils who were part of the school's garden club worked side-by-side with Diversey volunteers to plant the garden and mulch it. They chose a mix of fragrant and textured plants to engage all their senses and make the garden more enjoyable for students with visual impairments. A nearby rain barrel nurtures students' curiosity about environmental sustainability, even as it helps the students nurture the plants. When Diversey employees returned to the school several months later with their Clean Hands day presentation, the students were eager to show the garden's growth.
- → Diversey employees in Argentina made frequent visits to the 110 youngsters at the Fundación María Virgen Madre shelter for children from troubled homes. In addition to donating hand soap and supplies for the laundry and kitchen facilities, employees played with children on weekends, staged a Christmas celebration, brought gifts and furnished school supplies.
- → In India, Diversey employees donated clothes to children at our adopted school, and arranged for dental checks and a nutrition program in addition to the annual Clean Hands day presentation. In Brazil and Chile, employees shared meals with children and volunteered in classrooms in addition to donating handwashing instruction and laundry and kitchen hygiene supplies.

A popular actress joined the handwashing instruction team in Hungary, where Diversey donated Bug Blasters soap dispensers to schools in five major cities.

- → Teddy bears, books and toys brightened Christmas at a children's home near Mannheim, Germany, after Diversey employees donated the gifts.
- → In Kasimpasa, Istanbul, nine Diversey employees worked with a professional acting coach for the second consecutive year to stage an original, interactive play featuring the Bug Blasters characters learning from the student audience how to wash their hands well to avoid illnesscausing germs. Civic and education ministers joined the school's teachers and students in resounding appreciation for the performance and the daylong festivities.

The programs and activities are as individual as our employees' and their communities. We've begun to implement plans to expand the Global Children's Initiative to draw in even more employees — and to establish structures to enable other organizations and businesses to build similar models for social responsibility programs.



A Diversey Istanbul employee dressed as a Bug Blasters character demonstrates the importance of clean hands to an audience of school teachers and students.

"The AIP Foundation has enjoyed our collaboration with Diversey. It is through the sustained, dedicated and enthusiastic support of pioneer sponsors like Diversey that we are able to continue our important work in road safety."

GRIEG CRAFT, PRESIDENT OF THE AIP FOUNDATION

Employee volunteers serve local needs

Diversey employees around the world find creative ways to serve the communities in which they live and work. Our helping hands extend beyond corporate donations and impersonal investments to include hands-on, person-to-person caring actions. Here are some examples of the ways we did so in 2009.

Employees in Spain earn honors for work with people with disabilities

Two international organizations honored Diversey employees in Spain with special recognition for their efforts to support local communities.

→ SOS Children's Villages, an international non-governmental social development organization, honored Diversey for our commitment to the community through employment assistance programs for people with mental and physical disabilities. We also ran a fundraising campaign called "Solidarity Euro," asking employees to donate €1 per month to the SOS Children's Villages programs. In all, we contributed €6,000.

SOS Children's Villages operates in 132 countries, providing family-based, long-term care for children who cannot stay with their biological families and need supportive, loving environments to help them heal from traumatic experiences.

→ In honor of its 10th anniversary, the Adecco Foundation instituted an award to recognize individuals and institutions that advance the social well-being of others. They presented an award to Diversey in recognition of our "Family Plan," which helps individuals with disabilities prepare for work through training, personal development and skills improvement as well as social activities. We also engaged in a study of one of our business sites to improve accessibility for people with physical disabilities.

The Adecco Foundation is an arm of the Adecco Group, a global leader in human resources services.

→ Our Spain operations also collaborate with two employment centers to help provide social and training opportunities for people with special needs, and we hire people from the centers to run our copy centers and conduct logistics for an employee store.

Typhoons spur relief efforts

In the wake of one of the worst typhoon seasons in decades, employees in the Philippines rallied to help people whose homes were destroyed by the storm and subsequent flooding. The worst of the damage occurred when Typhoon Ketsana and Typhoon Parma struck within two weeks of each other, killing more than 600 people and incurring damages in excess of \$300 million.

An employee whose home was hard hit started the cleanup with her husband — but not until they took their children to a local church to help pack relief goods for others affected by the storms.



That example inspired the wife and sons of another employee to join their father in the relief efforts. Across the affected areas, employees showed up at churches and community organizations to help with the cleanup and relief efforts.

Employees in Belgium spend the day with their elders

Residents of five retirement homes spent a day with 100 Diversey employees, sharing their stories and enjoying outings.

One group visited the newly opened Hergé museum in Louvain-la-Neuve, which houses the life work of cartoonist and writer Georges Prosper Remi, best known as the creator of The Adventures of Tintin. Another group enjoyed an outdoor walk with retirees. A third group of employees refurbished rooms at the retirement homes.

Community fund launched in U.K.

A full day of environmental cleanup and renovation work also served as the kickoff to the Diversey Community Fund to support charities in Northampton, U.K. More than 250 employees took part in the Charity Day activities.

Some worked at Wilson's Orchard in Abington, an historic site sponsored by a local wildlife and habitat conservation group. The Diversey volunteers pruned trees and created a new nature trail. A group of 85 Diversey staff helped renovate and redecorate a fire-damaged building that houses the activities of Mind, England's largest mental health services organization.

Another group raised pledges to support the Diversey Community Fund through a bike ride around the Pitsford Reservoir.

With support from a matching funds program, the Diversey Community Fund has reached about £30,000 toward its goal of £50,000. Disbursements will be made through the Northamptonshire Community Foundation to provide grants to local organizations that serve community needs.







Diversey employees around the world volunteer to help those in need — collecting donations for typhoon victims, renovating fire-damaged homes and constructing new homes for the homeless.

U.S. employees help construct homes

Eleven new houses are helping improve neighborhoods and family life near Diversey's Sturtevant, Wis. global headquarters, thanks to six consecutive years of work from our employees in concert with Habitat for Humanity. In the first year of our participation, we built one house. Ever since, we have built two houses each year.

These homes help to stabilize some of the most impoverished neighborhoods in the community. Employee groups throughout the Global Headquarters and Americas regional headquarters pitched in during the eight-day project, as did staff from UTI, one of our third-party logistics providers. In all, 210 people swung hammers, sawed boards, ran errands, kept the tools and work areas safe and orderly, and coordinated meals for the other volunteers. Employees also raised about \$75,000 toward the costs of construction.



U.S. Employee contribution: \$ 152, 259.75

Diversey match: 152, 259.75

Total donation: \$ 304, 519.50



Women dairy farmers in the Diyarbakır area of Turkey receive training in milking hygiene. Diversey helped develop the training program and donated products and equipment to improve farm sanitation and milking hygiene.



month project

25% increase in milk production across all sites

100% improvement in ventilation across all sites

Milk quality improves in rural Turkey

A partnership between Diversey, the Turkish government, and rural milk producers has delivered substantial improvements in the quality of milk in the Diyarbakır area and provided sustainable jobs for local women.

"Save the Milk" was established to help remedy the very poor milk quality that has plagued the region and to provide a means of support for the people who struggle with a poor standard of living, limited education and limited social infrastructure.

Five villages and nearly 100 households took part in the 18-month project through which Diversey worked with the Turkish Ministry of Agriculture and Rural Affairs and the U.K.-based International Agri-Technology Centre to establish a training program for women dairy farmers in the region. Diversey donated products and equipment to help improve farm sanitation and milking hygiene.

After the participants received extensive training in milking hygiene, five veterinarians conducted monthly testing and monitoring of milk quality and observed production records, barn care and feeding conditions. Diversey worked with the veterinarians to use the results of these evaluations to recommend corrective measures that improved the quality of the milk. About 1,200 milk samples were analyzed during the project, with more than 360 site visits. The empirical and observational data are powerful:

- → milk production nearly doubled at some sites;
- → the average increase in milk production was 25 percent across all sites;
- → manure cleanup improved at all sites, an especially important change at sites where housing and farm operations are very close together;
- → the incidence of clinical udder disease dropped at all sites, along with a corresponding decrease in treatment costs;
- → bacteria and somatic cell counts in the raw milk decreased at all sites;
- → one site achieved a 100 percent improvement in ventilation; all sites showed improvements in ventilation and lighting which is known to affect milk production.

Awards honor volunteerism

Diversey employees contribute to communities in ways that extend far beyond officially organized company events. To honor the most exceptional of those efforts, we present the annual H.F. Johnson Community Service Awards. U.S. employees and retirees are eligible for the awards.

The highest award includes a \$5,000 donation to the recipient's charity of choice. Other employees are selected to receive certificates of recognition which include a donation of \$500 to a charity.

The top award winner in 2009 was a person who gave of herself — literally — to a colleague in need. Ellen Billman donated a kidney to Tony Gonzales. When the two were at lunch with a group of other employees, Tony mentioned that he needed a kidney transplant because of a disease common in his family. Ellen offered hers. She said the offer sprang from what her parents had taught her: help someone if you can.

"I had two kidneys that worked. Tony had none," Ellen said. "I was scared, but he has an eight-year old son and I wanted him to have a chance at life." Four other employees were honored with recognition certificates for their work in the community. They were:

- → Martine D'Amour, who established a Positive Alternatives after-school program for children in the Racine, Wis., community;
- → Steve Rubinson, whose volunteer work with Compassion International includes sponsorship of five children in Kenya and Uganda and bimonthly work to recruit additional volunteers for the organization.
- → Tammy Hutchinson, who gives about 300 hours a year to the Racine Lakeshore Officials Association in a variety of capacities, including service as a member of its Board of Directors, a key organizer of an annual fundraiser to support athletics programs for area youngsters.
- → Kim Beckett, who volunteered in leadership roles with two Racine-area schools, a local college's advisory committee, and the American Cancer Society's Relay for Life.



Malaysian government calls on Diversey for H1N1 expertise

The government of Malaysia turned to Diversey for help in mounting a defense against the spread of H1N1 pandemic flu.

The Malaysia Ministry of Housing and Local Government asked Diversey to take part in the National Seminar for Public Hygiene to address H1N1 flu. It was an opportunity for Diversey to share our expertise in hand and surface hygiene methods that help curb the spread of the flu and to showcase the efficacy of our products.

Deputy Prime Minister Tan Sri Muhyiddin Yassin attended the seminar, as did officials from the Ministries of Health and Housing and Local Government.

Ellen Billman, the top H.F. Johnson Community Service Award winner for 2009.

Workforce

55 > Target Zero continues to protect employees and the environment

- 57 > Employees write, act in their own safety videos
- 58 > Training emphasizes safety at customer sites
- 59 > Manufacturing plant achieves results with "observations" process
- 59 > Programs around the world help employees balance career with home life
- 60 > Diversey University structure offers cohesive, strategy-driven employee development programs
- 61 > Global engagement survey shows strengths, areas for improvement



Our employees' talent, creativity and passion inspire Diversey to create a cleaner, healthier future. We invest in our employees' safety, well-being, training and career development. And we actively engage them to continuously improve our operational effectiveness and reduce our environmental impact.

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THE WAXDALE PLAYERS

Diversey Waxdale Safety Lead Resource Team employees developed training videos that addressed important safety issues to raise awareness of behavioral risks.

Our commitment: Target Zero continues to protect employees and the environment

Diversey has a deep commitment to workplace safety.

We are not content with reactive safety programs that focus on responding to specific safety problems after an incident occurs. We take the responsibility to prevent incidents and reduce risks before problems arise. With this approach, we have delivered substantial incident reductions every year, at levels that exceed plain luck. We call our safety program "Target Zero." Zero incidents is not an idealistic goal, it is an expectation we have set at every level of the organization.

To meet this expectation, we've targeted a minimum 10 percent annual reduction in our incident frequency rate, compared to the prior year. And for each of the past seven years, we've exceeded that objective. In 2009, the number of reported incidents fell 12 percent from the prior year. Since 2003, our incidents have declined 72.5 percent.

Studies indicate that 96 percent of safety incidents are caused by the way people behave — not by the conditions in which they work. Diversey's comprehensive Target Zero approach addresses both behaviors and conditions. From general employee orientation to job-specific programs and refresher courses, Diversey conveys to every employee the primacy of safety in all we do.

The responsibility for safety is shared at every level of our organization — not limited to a relative handful of Environment, Health and Safety (EHS) professionals.

- → From line managers to the senior leadership team, every person who is responsible for supervising others is responsible for safety: it is part of their annual performance assessment. We expect them to give safety the same attention they give other aspects of good management, such as budgets, quality, sales, profit and loss and personnel management.
- → Every employee has the opportunity and responsibility to identify potentially unsafe situations and suggest remedies.
- → Senior leaders conduct "safe behavior visits" each year at employee work sites. These visits help develop a culture of injury prevention and reinforce management support of safety initiatives.
- → EHS professionals design training programs, support staff throughout the company in evaluating safety and training needs and monitor compliance.
- → We conduct Regulatory Determination Audits to assess the safety and compliance of all our operations — from research, development and engineering through the manufacture and distribution. These audits rigorously evaluate our compliance with our internal EHS standards as well as applicable local, national and international laws.

Since 2003, our incidents have declined 72.5 percent. We've targeted a 10 percent annual reduction in the number of incidents, compared to the prior year. And for each of the past seven years we've exceeded that objective.

Target Zero: continued

Our continuous focus on safety sets us apart: less than 10 percent of organizations that implement behavior-based safety programs maintain the programs for more than five years. They simply don't make it a business priority. At Diversey, we do.

Our success with Target Zero extends beyond our own doors and has garnered the attention of our customers and partners.

→ Key customers have consulted with us as they've started to develop behaviorbased safety programs for their own operations.



We overhauled our Target Zero Web site to make it easier for employees to find important EHS information.

- → Through our involvement in business associations, we've counseled businesses in other industries in the development of safety programs.
- → Safety training comprised a unique component of the total offering that earned us multi-year contract renewals with key customers, including a five-star international hotel and resort group.

In 2009, we substantially expanded our programs to refresh employees' knowledge of Target Zero. Training was provided in 11 languages to managers across the organization. The training was incorporated into our Diversey University learning management system. Our Target Zero Web site was overhauled to make it easier for every employee to find important safety information.

Global Value Chain decline in incidents

We also made a concerted effort to drive down incident rates in our Global Value Chain operations. The result: our Global Value Chain reported a 45 percent decline in incidents in 2009 compared to the prior year. This substantial improvement in worker safety resulted from several initiatives.

→ Phase one of the new global Target Zero training was implemented in 2008 in our Global Value Chain.

- → We conducted monthly evaluations of management's safety-related activities in Value Chain, including safe behavior visits and task hazard analyses.
- → We conducted additional training sessions for managers during regional meetings.
- → We increased global communication among Value Chain teams to enable managers in all our operations to learn from each operation's best practices, reports of safe behavior visits, task hazard analyses, near misses, incidents and preventative measures.

Greek business earns Best Place award

Diversey's operations in Greece were named one of that country's best places to work by the multinational Great Place to Work Institute.

The awards are defined by employees' evaluations of companies in four areas: credibility, respect, fairness, and pride and camaraderie.

Our Greek business ranked 10th among 32 businesses in the small-to-medium company category (50 to 500 employees).

This is the third time Diversey's Greek employees have tabbed the company for the recognition.

Other companies similarly honored included Microsoft Corp., Cisco Systems Inc., Bristol-Myers Squibb and 3M.

Employees write, act in their own safety videos

Training videos put employees in the director's chair. Employees at our flagship manufacturing facility near our global headquarters took seriously our challenge for all employees to be responsible for achieving Target Zero.

The Waxdale Safety Lead Resource Team developed two training videos that addressed issues employees had identified as the most significant for the plant:

- → pedestrian cautions in forklift zones;
- \rightarrow chemical exposure safeguards.

Each video was conceived, written, performed and edited by employees. Working on the videos engaged employees directly in raising awareness of behavioral risks. The process built stronger teams, the employees said. And they had a little fun along the way, incorporating a bit of humor in the scripts along with easy-to-remember facts and safety reminders.

Each of the short videos was shown during mandatory training programs at the plant, and are replayed on monitors near the front office as needed. What started as a trial program has now been integrated into the plant's safety program. Employees are already working on videos to be released in 2010. The Waxdale videos also inspired Global Value Chain employees to create an ongoing EHS video challenge involving all locations.





Greater Asia Pacific managers met in Malaysia for process improvement training. Training sessions were held in eight Greater APac countries in 2009.

Diversey is committed to best practices to protect human health and safety.

Training emphasizes safety at customer sites

Continuous analysis of our safety record enables Diversey to identify issues that need special attention to help reduce accidents and injuries. That was the impetus behind a 2009 training program in our Greater Asia Pacific region.

Chemical contact injuries at customer sites account for a significant portion of our reported incidents in the region. When an incident occurs at a customer site, the key account manager is often first to respond. We wanted to be sure these employees had a thorough understanding of Diversey safety standards, policies and procedures, the information they need to respond to incidents appropriately, and knowledge that enables them to help mitigate the risk of incidents.

We provided focused training for these managers on five critical areas:

- \rightarrow incident investigation;
- → risk inventory and task hazard assessments;
- → hazardous materials storage;
- \rightarrow personal protective equipment;
- → safe behavior visits.

The highly interactive sessions were held in eight Greater APac countries in 2009, with training scheduled for the remainder of the region in 2010.

The goal of these sessions was to ensure that all key account managers have a thorough knowledge of how to respond to an incident, investigate it and implement appropriate safeguards to prevent future incidents. Participants left the sessions with a better understanding of root causes of incidents and appropriate preventative measures.

We also included a safe driving segment in the training, to help reduce vehicle accidents, which are a common cause of injuries in the region.

Manufacturing plant achieves results with "observations" process

Employees at our Watertown, Wis., manufacturing facility ramped up their Target Zero program in 2009, resulting in a remarkable drop in recordable incidents: from 13 in the previous year to zero in 2009.

A Safety Steering Committee of top managers led the efforts, but every employee was engaged in the process. Employees conducted 2,171 safe behavior "observations." The process requires an employee to randomly select and observe another employee's work, then provide positive feedback as well as suggestions for amending behavior that may put the employee at risk for injury. The process ends with a brief question-and-answer exchange to challenge each employee's knowledge of safety policies and procedures.

Additionally, the team broadened the pool of managers involved in monthly safety behavior audits and undertook a communication effort to raise employees' awareness of first aid incidents in the plant.

More than 25 percent of all Watertown employees are actively involved in EHS related committees such as incident investigation, hazardous material emergency response, first aid response, ergonomics and the joint EHS committee.



Leadership in safety is embedded in every element of what we do at Diversey

- → We have programs in place to comply with the highest local, national and international environment, health and safety (EHS) regulations at every location in which we operate. In many cases, we exceed those regulations because our internal, worldwide standards are higher.
- → EHS compliance is a leadership responsibility. We incorporate safety objectives and targets into annual performance evaluations of everyone in a leadership role: from line managers to senior leaders.
- → Senior leaders and line managers conduct regular, on-site task hazard analyses and safe behavior visits at work locations. They report their results. Any recommended safety improvements are addressed immediately and reported back to managers.
- → We report both incidents and nearmisses, and analyze them closely to identify and eradicate the root causes. Senior leaders follow up on incident investigations and conduct corrective action reviews. We also report any incidents at customer sites that involve our products and services.
- → We continually work to assure that our products, and their packaging, are safe for end-users and the indoor and outdoor environment. We assess and report our progress. Health and environmental protection is our contribution to future generations.
- → We partner with customers, stakeholders and community groups to promote EHS and product excellence, and we advocate for more challenging performance requirements for our industry.

Programs around the world help employees balance careers with home life

At Diversey, we promote a corporate culture that builds and sustains a high level of motivation among our employees by helping them to achieve a balance between work and home life.

To ensure vitality and productivity, we provide our employees with a framework that enables them to balance work and home life in various ways. In many of our operations around the world, we offer employees maternity and educational leave. We support and encourage our employees to strike a career-life balance through flexible working hours and telecommuting to enable them to work from home. Additionally, we offer a broad range of social activities and benefits, active health care, and health promotion activities to employees in many locations.

Training and Development

Diversey University structure offers cohesive, strategy-driven employee development programs

Diversey has made significant progress in a multi-year project to establish a globally cohesive learning structure for training at every level of our organization. Diversey University has taken root as the framework by which we are assessing employee development needs, providing training and tracking achievements.

Diversey University is the means by which we establish, deliver and evaluate training programs, ensuring they meet rigorous learning standards and align with the company's strategy and values. Our Operating Committee has set ambitious goals in a detailed five-year implementation plan through which Diversey University will deliver on three core objectives:

- → establishing specific course offerings for every job and function within the company;
- → tracking employees' participation in the training as part of their individual performance plans;
- \rightarrow evaluating future development needs.

In 2009, we continued to build Diversey University as we rolled out new training and tracking. Among our key accomplishments for the year, we:

- → developed and implemented 37 training courses, including:
 - · 2 major leadership programs;
 - 18 sales-specific programs;
- → initiated another 52 courses that are being offered in 2010;
- → established a common curriculum for sales and leadership training across our entire sales operation worldwide;
- → clarified our training expenditures across regions and business segments; and
- → launched a unified global platform for tracking every employee's training.

New leadership development programs are under way, designed to align our training with the leadership competencies we've identified as most critical to delivering our business strategy.

Strategic Leaders is a new program for employees who report directly to our senior leadership team, to enable them to drive transformational change in our business and our industry. Training includes practical sessions and exercises on building collaboration throughout our global operations, constructively integrating different points of view into decision-making and driving innovation and enterprise leadership.

Diversey University has taken root as the framework by which we are assessing employee development needs, providing training and tracking achievements.

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After an intensive, week-long opening session, Strategic Leaders participants work with individual coaches and their program peers to build the training into their work and develop the behaviors and skills they need to lead effectively. The group gathers again after six months to refresh their learning and discuss how they have integrated it into their business responsibilities.

Those who complete the Strategic Leaders program will be part of an alumni network to continue to share and develop their learning. They also will have the opportunity to serve as trainers in the Best Leaders program, which we've redesigned using a "leader-led" model.

We replaced a third-party training program with a Diversey-specific Best Leaders curriculum that is led by our own teams. Through Best Leaders, we are enabling Diversey leaders to help their colleagues in the middle tier of management to build skills and competencies that align with our strategy and objectives.

We also implemented a sales force assessment and coaching system that helps us in several key facets of building and retaining a superior sales force. It provides assessment tools and guidelines for:

- → selecting the right candidates, thereby reducing the cost of hiring people who are a poor match to the job;
- → identifying specific needs for coaching, development and training among sales staff;
- → enabling talent audits to aid in workforce planning and career planning;
- → facilitating stronger sales teams that lead to improved top- and bottom-line growth.

Global engagement survey shows strengths, areas for improvement

We know engaged employees drive sustainable businesses. We have implemented an employee engagement process to assess our progress and target improvements.

To evaluate how we're doing and where we can improve, we invited every employee to take part in a comprehensive survey about our business. The survey asked questions in 15 categories, including collaboration, communication, supervision, pay, benefits, training and development, and other categories.

We partnered with International Survey Research, a division of Towers Perrin and one of the world's leading experts in employee surveys. Their expertise helped us design and implement a survey that provided reliable, actionable data.

More than 77 percent of Diversey employees responded to the survey, which was conducted in 26 languages. To give ourselves a basis of comparison for understanding our areas of greatest strength and opportunity, we compared our employees' responses to similar surveys among 20 other global manufacturing and sales companies, in order to give ourselves a basis of comparison for understanding our greatest strengths and our greatest areas of opportunity. We also examined the responses within demographic categories such as years of service, geographic region and business function.

That analysis is enabling us to act on specific needs that may not affect the entire company but are critical within a specific subset of our employee population.

The data we gained from the survey is proving to be a valuable tool in developing specific, measurable plans to improve our company and to make Diversey a better place to work. Our leadership teams on global, regional and functional levels have examined the data and developed specific plans to respond to the results — to reinforce what we are doing well and to improve in areas where our employees' responses are below the global benchmarks.

Partners

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We collaborate with thought leaders around the world to promote a sustainability mindset within our industry and to advocate for a cleaner, healthier future. We've established vital partnerships with government agencies, non-governmental organizations and industry groups. We share our expertise and draw on the value that results when creative, passionate people unite their talents toward common goals.

A woman collecting water from the river that flows from the Rwenzori Mountains, Kasese District, Uganda. Climatic change has resulted in the water levels dropping considerably. Today, higher incidence of floods bring rocks and debris, which is changing the direction of the river.

Our commitment: Global Water Roundtable will establish water stewardship standards

Our product innovations and expert consulting services help our customers use water more efficiently. But we know much more needs to be done to address the world's most critical conservancy issue. That's why we made a four-year, \$1 million grant to the World Wildlife Fund (WWF) to establish the Global Water Roundtable.

The Global Water Roundtable will take a pragmatic approach to addressing water stress, river pollution and declines in freshwater wildlife species. The best minds in science, government and industry are working together to establish and test rigorous, realistic water stewardship standards a powerful new tool to improve the way water is managed. Their work will produce a clear set of standards and a certification system that will recognize and reward enterprises and organizations that effectively manage their water use and minimize its impact on people and the environment.

"Diversey's grant is the key enabler we needed to get this work under way," said Andrew Murphy, who heads the roundtable for the WWF. "The Global Water Roundtable is bringing all the major stakeholders together to build consensus on water stewardship standards. It is a critical opportunity to create real change and enable fair and sustainable management of freshwater resources." The Global Water Roundtable is being organized by the Alliance for Water Stewardship, whose members include the WWF, the Pacific Institute, The Nature Conservancy, Water Witness International, The Water Stewardship Initiative, the Water Environment Federation and the European Water Partnership.

The Global Water Roundtable will tap the WWF's proven experience in bringing together key leaders from business, government and organizations around the world to set water conservation standards. WWF's previous roundtables have addressed several challenges in aquaculture and agriculture production.

The roundtable process will address the effects of poor water management which are unique to each individual watershed and how its water is used.

"Water stewardship can seem deceptively simple, if you reduce it to the idea that you're simply managing the quality and quantity of the world's water," Murphy said. "What science has shown is that it is incredibly complex, affected by factors as varied as the time of year, the location where water is withdrawn, whether other actors upstream or downstream are using the water and a host of other issues. That is why it is so important that we bring together all the major players to get a global understanding of what the standards need to be and to test those standards in real environments." "Diversey's grant is the key enabler we needed to get this work under way. The Global Water Roundtable is bringing all the major stakeholders together to build consensus on water stewardship standards. It is a critical opportunity to create real change and enable fair and sustainable management of freshwater resources."

> ANDREW MURPHY, HEAD OF THE GLOBAL WATER ROUNDTABLE FOR WWF

Research to date already has shown the critical need for rigorous, achievable water stewardship standards. According to WWF research, scientists around the world "know that many of the world's rivers and lakes



Local woman rowing a boat on a branch of the Mekong river near My Tho, south Vietnam.

are polluted or running dry, resulting in a lack of access to clean water for drinking and sanitation and a serious decline in freshwater species. Current demand for water from cities, agriculture and industry is already unsustainable in many regions and is predicted to increase in coming years. These threats are compounded by climate change, which is profoundly impacting global water resources."

That body of research and ongoing studies around the world will provide crucial proving grounds for the work of the Global Water Roundtable. The group's first task will be to build consensus on the key effects of poor water stewardship and establish core principles and criteria that will form the foundation of performance-based water stewardship standards. The roundtable will also work on regional and sector-specific processes that will affect the standards. As the standards development progresses, testing of the measurements and objectives can be integrated into ongoing research projects in watersheds and sectors around the world, to ensure that the final standards are both realistic and challenging.

For Diversey, helping establish the Global Water Roundtable is a natural progression of our collaboration with industry and thought leaders around the world to drive a sustainability mindset in business and to advocate for a cleaner, healthier future. It is also an extension of other partnerships we have built with the WWF and other leading organizations to support water research and stewardship.

- → We supported the establishment of the Freshwater Ecoregions of the World project, a substantial research project enabling greater understanding of freshwater ecoregions and the need to conserve them. The project together with distribution data from scientists around the world on freshwater species and assesses threats in all of the world's 426 freshwater ecoregions. It is a collaboration between the WWF and The Nature Conservancy.
- → We provided major funding for the four-year HydroSHEDS project, an ambitious global hydrographic mapping project that uses data from NASA to create a detailed, digital map of freshwater channels around the world. The radar-derived data from a space shuttle mission is 100 times more detailed than any data previously available, and the maps make it possible to conduct hydrologic analyses anywhere in the world. HydroSHEDS created the most detailed and accurate maps to date of all the world's freshwater channels, including uninhabited regions that contain some of the most diverse. intact freshwater habitats on the planet. Diversey continues to support the WWF Foundation Science program.
- → We helped the U.S. Environmental Protection Agency (EPA) establish the Safer Detergents Stewardship Initiative (SDSI) as part of the EPA's Design for the Environment program. The SDSI recognizes companies that voluntarily commit to the use of safer surfactants in cleaning and detergent products. Safer surfactants are those that quickly break down into non-polluting compounds, helping protect aquatic life.

Natural Capitalism Solutions reviews Diversey sustainability platform

We rely on partnerships with leading global organizations to challenge us in our efforts toward integrating sustainability thinking into every aspect of our operations. We invite some of the best minds in sustainability to examine what we do well and what we can do better.

In 2009, we asked Natural Capitalism Solutions to review our sustainability efforts. Internationally recognized for its work in sustainability, Natural Capitalism Solutions is led by Hunter Lovins, who has more than 40 years of experience in business, sustainability and change management and is coauthor of "Natural Capitalism: Creating the Next Industrial Revolution."

The sustainability professionals at Natural Capitalism Solutions conducted a 360-degree review of our sustainability platform. They spent two months talking with our customers, suppliers, employees and partners. Their report focused in three areas:

- → the world and corporate context in which we operate, including the business case for integrated sustainability;
- → their impressions of our business and our opportunities to improve our sustainability position;
- → a plan and philosophy to consider as we move forward.

Following this review, members of the Natural Capitalism Solutions team reviewed the results with Diversey's Sustainability Advisory Council. This in-depth discussion of the firm's findings generated both Diversey's strengths and highlighted recommendations and new challenges for further integrating sustainability into its corporate strategy.

Surveys examine suppliers' sustainability

Our commitment to sustainability affects every aspect of our business. That's why we are partnering with our key suppliers to understand their sustainability platforms and identify ways that we can collaborate for a cleaner, healthier future.

We conducted a detailed survey with 12 of our strategic suppliers in the Americas and Europe, the Middle East and Africa regions of our business. The survey group included chemicals and packaging suppliers as well as third-party manufacturers. A cross-functional Diversey team developed the survey to capture essential information in seven key facets of sustainability:



- \rightarrow Health and Safety;
- \rightarrow Regulatory Compliance;
- → Environmental Impact;
- → Hazard Assessment/ Life Cycle Assessment;
- → Human Rights;
- → Business Ethics;
- → Sustainability Reporting.

We scored each supplier's responses against those seven categories, then analyzed the data to identify potential areas for improvement or collaboration. Our objective is to work with our suppliers to reduce the overall impact of our operations, our customers' operations and our suppliers' operations on the environment and on human health and safety.

The results identified some immediate opportunities for improvement. We partnered with one supplier to increase the load efficiency of their shipments to result in fewer shipments per year and a consequent decrease in greenhouse gas emissions. In another case, we worked with a supplier to decrease the amount of plastic used in containers and to ensure that waste plastic generated during container production is recycled back into the production process.

Encouraged by the success of the pilot project, we are planning an expansion of the survey to include additional strategic suppliers.

We also are making the survey a standard part of our Requests for Proposals when we are seeking information or bids from prospective suppliers.

Smart Way program encourages energyefficient transport



Diversey is the first company in our industry to be accepted into SmartWay Transport, a collaboration between the U.S. Environmental Protection Agency and freight shippers. The program is designed to improve energy efficiency, reduce greenhouse gas emissions, cut air pollution and improve energy security.

Through SmartWay, we agreed to quantify our environmental performance through the Freight Logistics Environmental and Energy Tracking (FLEET) Performance Model, to improve our score over a period of three years, and to ship at least 50 percent of our goods through SmartWay-certified, fuel-efficient carriers. Among our continuous improvement efforts are:

- → increasing the volume of intermodal transport by using rail to cover part of the shipping distances for our products;
- → working with carriers to use insulated blankets to protect our products from freezing, rather than burning fuel to run on-board heaters;
- → asking our carriers to turn off truck engines at the docks rather than idling;
- → encouraging our carriers to become SmartWay partners and to evaluate the operational and environmental advantages of better shipping practices.

Food Safety survey identifies risks, opportunities for the next decade

Our customers rely on us to help them deliver safe food to their customers — from processing plants to retail outlets, restaurants and hotels. For a decade, we have worked as a trusted partner with key players in the food industry to help develop global standards for food safety. Just as important, we've continuously looked for ways to anticipate and address emerging issues.

In a crucial step toward helping the entire industry understand those emerging issues, Diversey sponsored a comprehensive survey that gathered the expertise of worldwide leaders in food-related industries as well as governing and regulating bodies and non-governmental organizations. The key finding of the survey: Within the next 10 years, issues affecting food safety, environmental protection and business sustainability will merge and, collectively, will comprise a foremost concern among consumers. Serban Teodoresco of Preventa Inc., a Diversey consultant and leader in food safety risk management, presented the survey findings at the 2010 Global Food Safety Conference in Washington, D.C.

The conference, hosted by The Consumer Goods Forum, celebrated 10 years of progress in improving food safety management and focused on future trends and continued development of global standards. The Consumer Goods Forum represents about 650 retailers, manufacturers, service providers and other stakeholders across 70 countries. It was established in June 2009 when CIES – The Food Business Forum merged with the Global Commerce Initiative and the Global CEO Forum.

The Global Food Safety Conference was attended by about 670 people. Their interest in the research was telling: nearly three quarters of the conference participants registered to attend the panel discussion at which we presented the survey findings.



The key finding of the survey:

Within the next 10 years, issues affecting food safety, environmental protection and business sustainability will merge and, collectively, will comprise a foremost concern among consumers.

The presentation, "Emerging Issues in Food Safety – Where will we be in 2010?" included perspectives from Teodoresco as well as:

- → John Lamb, Senior Agribusiness Advisor, Rural & Sustainable Development, The World Bank;
- → Bob Gravani, Professor of Food Science at Cornell University;
- → Dave Edwards of NSF-CMi, a widely known food assurance and certification body.

Diversey President and CEO Ed Lonergan opened the presentation. Lonergan emphasized the critical link between sustainable business practices and food safety. The two issues have to be managed in tandem, he said, "because the resources we use are scarce and we're going to find ways to use less of them in our processes."

The 37-question survey provided a framework for experts to share ideas on emerging issues in food safety and food production. Among the key findings in the survey responses were:

→ 81 percent of respondents said they agreed (53 percent) or agreed strongly (28 percent) with the statement that food safety will become integral to sustainability.

- Respondents identified the three top food safety issues for 2020 as:
 - > biological risks and microbial safety
 > supply chain risks
 > chemical or physical contaminants
- → 64 percent of food safety problems will occur on farms and other agricultural sites (32 percent) and in food processing facilities (32 percent). Food service operations (14 percent) and food retail stores (7 percent) are expected to pose lower levels of risk. The remainder of the risk is expected to be in private homes (13 percent) and in the transportation of food (2 percent).
- → Respondents were about evenly divided on the question of whether intentional contamination (such as bioterrorism) will pose a more substantial risk than accidental contamination of food by 2020.
- → 69 percent of respondents said they believe availability and access to safe food will emerge as a major political and economic threat to international security within the next 10 years.

Diversey is continuing to use the data to build stronger partnerships at every stage of the food supply chain and to drive stronger food safety standards worldwide.

The survey data and other information will form the basis of a book to be released at the 2011 Global Food Safety Conference in London. The book will offer a roadmap for food business professionals to manage food safety effectively and efficiently in the context of environmental, economic and population changes. It will be a companion volume to the book released at the 2010 conference which reviewed improvements in food safety management in the past decade.



Diversey joins global leaders in calling for a clean economy

At Diversey, we take seriously our leadership responsibilities as global citizens. That's why we are among 19 of the world's top companies to ask civic leaders to agree on a global climate deal and set ambitious targets to reduce global greenhouse gas emissions.

We partnered with the World Wildlife Fund to call on the G8 leaders to "Let the Clean Economy Begin."

"Traditionally, governments give businesses environmental targets," said Oliver Rapf, head of WWF Climate Business engagement. "This time, many of the world's leading companies are already ahead on the issue, and are urging governments to deliver a strong framework to reduce CO₂ emissions globally."



Reducing global greenhouse gas emissions is critical to a healthy world economy as well as a healthy planet, we and our partners told national leaders.

Our partners in the Clean Economy campaign are our fellow members of the elite Climate Savers program spearheaded by the WWF. They include Johnson & Johnson, Nike, Lafarge, The Collins Companies, Sagawa, Xanterra Parks & Resorts, Catalyst, Novo Nordisk, Tetra Pak, Sony, Nokia, Spitsbergen Travel, HP, Nokia Siemens Networks, Sofitel, Fairmont Hotels & Resorts, Elopak and National Geographic.

Webinar shares guidance on sustainable building care

Diversey sponsored a free, hour-long Webinar on improving the environmental footprint of sustainable buildings.

"Building a Sustainable Future" provided facility managers worldwide with fresh insights on the market impact of "green" buildings and the importance of sustainability in the current business environment. The focus was on trends in improving the environmental impact of commercial buildings.

During the Webinar, Diversey President and CEO Ed Lonergan addressed our own experience and that of our customers in integrating sustainable thinking into today's business environment. Diversey's strategy and its sustainability platforms are one and the same, Lonergan said, not separate factors in the operation of the business. "Embracing sustainable thinking has proven to make good business sense," Lonergan said. "The way we in the business community are approaching sustainability is evolving.... We've talked a lot in the last number of years about a triple bottom line. I think we are moving away from that paradigm — the idea that we must balance decision making around people, planet and profits implying that they might be mutually exclusive. I think we're seeing now the shift across the world to an integrated bottom line approach where sustainability is operationalized into all aspects of business planning. We see that in our own company and in many of our customers around the world."

The integrated bottom line, he explained, includes growth from such factors as improved brand value,

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customer relationships, and talent recruitment and retention as well as cost management from reduced operational costs resulting from better management of factors including energy, water, waste, compliance, health, labor and liability.

Many businesses that have adopted an integrated approach to sustainability are performing well despite the global economic downturn, Lonergan said, and will see even better results as the economy improves.

"I think as the economy recovers, we're going to see that those businesses that invested in sustainability principles and processes will be in a better position to outperform their peers in the new economy," he said.

A second presentation in the Webinar featured new research on the effects of the U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) program. Robert Watson, editor of GreenerBuildings.com and a "founding father" of LEED provided an integrated assessment of the effects of several LEED standards on land, water, energy, material and indoor environment. Watson has been hailed by economist Thomas Friedman as one of the world's best environmental minds.

"Green buildings are the only bright spot in the construction market" in the current economy, Watson said, citing the most recent studies of LEED buildings. "As the market seas got a lot rougher, people looked for something that would help them weather the storm." Watson said 2009 was a record year for LEED certifications worldwide, with more square feet of space certified in 2009 than in all previous years combined. Projects outside the United States represent about 25 percent of all LEED certified buildings, and that segment of the market is growing, he said. Organizations outside the United States also have established comprehensive certification standards similar to LEED and those certifications significantly increase the number of buildings that have been built or retrofitted to green standards, he said.

"There is no doubt that LEED has and will continue to make an environmental impact in a positive way," he said.

LEED standards will contribute to substantial reductions in the carbon impact of buildings by 2050, he said, and will contribute to a 30 percent reduction of water use in nonresidential facilities by 2030. The standards are continuing to evolve to become more rigorous.

The Webinar was hosted by GreenBiz.com, the flagship site of Greener World Media, the only mainstream media company in the world focused exclusively on the advantages of sustainability in business. Participants registered for the seminar from more than 50 countries.

GreenBiz.com



Diversey partnered with the Turkish Hoteliers Federation and other leading suppliers to the lodging industry to establish the White Star program.

environmental and financial impact In Turkey, we helped hoteliers post a nearly 12 percent improvement on 10 critical environmental safety experts audit ress

Diversey helps customers improve human,

metrics. We led the establishment of the White Star[™] program, a systemized approach to evaluating and reducing the environmental impact of a hotel or resort operation. We have worked with the Turkish Hoteliers Federation to assist premier lodging facilities in meeting the demands of tourists seeking out sustainably run lodging. Since its inception, White Star has certified 41 four- and five-star facilities through White Star audits. Up to 20 more hotels are expected to be certified this year. The audits align with the ISO 14001 environmental management standard, the European Union Ecolabel standard and other internationally recognized criteria. To be certified, hotels must meet at least 65 percent of the standards and have continuous improvement plans in place. Certified hotels are re-audited every six months to assess their environmental impact and assure continuous improvement toward more sustainable operations.

We've expanded our widely recognized White Lily[®] program for restaurants to include certification of food establishments at resorts in Turkey. We also added microbiological food analysis to the certification process, enhancing the value of the audit for restaurant customers and for restauranteurs alike. The microbiological analysis not only broadens the scope of the audit, it also enables restaurants that pass the audit to comply with legal regulations governing Turkish restaurants. The White Lily program enjoys high levels of customer awareness throughout Turkey, among residents and international travelers alike. Diversey food safety experts audit restaurants for compliance with the internationally recognized HACCP (Hazard Analysis and Critical Control Point) food safety principles. A restaurant that passes the rigorous audit earns White Lily certification, which includes marketing materials that advertise the restaurant's high levels of food safety protection to prospective customers. According to a recent survey, 55 percent of respondents said they knew of the White Lily program in Turkey. Of those:

- → 77 percent said they preferred to dine in White Lily-certified establishments; and
- → 63 percent said they would suggest that others look for White Lily icons when selecting restaurants.

In the U.K., we organized a sustainability seminar for distributors in partnership with the Cleaning and Hygiene Suppliers Association. Held at our Customer Centre in Northampton, the seminar outlined the positive contributions sustainability practices make to human health and well-being, ethical corporate practices and business profitability as well as environmental conditions. Diversey's Ed Roberts addressed our product life-cycle approach, which examines the impact on people, planet and profits for every phase of product life from design through manufacture, use and disposal.



Certifications and Affiliations

Diversey believes in the value of third-party, independent certifications for our products and systems. We also are involved in the work of many organizations committed to sustainability.

THIRD-PARTY CERTIFICATIONS



EN SEAL

Eco Mark



Nordic Swan





GREENGUARD Environmental Institute



Y

Clim te Savers

Climate Savers

ISO 14001 ISO 9000 OHSAS 18001

s do Clir



 \odot L E E D USGBC LEED-EB

Certification through third-party organizations varies by product and by country.

ASSOCIATIONS AND AFFILIATIONS



AISE Charter Member



Go Green Schools



International Association for Food Protection



U.S. Green **Building** Council



British Institute of Cleaning Science



Green Biz Executive Network



International Committee of Food Retail Chains



World Wildlife Fund



EPA's Design for the Environment



Healthy Schools Campaign



Product Sustainability Roundtable



Global Environmental Management Initiative



Hospitals for a Healthy Environment



Safe, Quality Food Institute







Joint Institute for Food Safety and Applied Nutrition

Governance

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We hold ourselves to the highest standard of ethical and legal behavior in everything we do. Our governance practices are our comprehensive Code of Ethics and Business Conduct. We audit all our business practices regularly and rigorously, and train our people in ethical business practices.



Members of the global Sustainability Advisory Council meet quarterly to review and evaluate projects that drive continuous improvement in Diversey's environmental performance and social responsibility efforts.

Our commitment: Sustainability Advisory Council tracks, recommends projects aligned with strategy

Sustainability is the centerpiece of our strategy and the heart of how we're delivering a cleaner, healthier future for the world. To provide proper governance for our sustainability efforts, we established a global Sustainability Advisory Council (SAC).

The SAC is charged with making recommendations to our senior leaders on every aspect of our approach to sustainability. They review and recommend actions to drive continuous improvement in our sustainability performance.

The SAC also serves as a crucial means of sharing information from our senior leaders with every employee in the organization, across regions and functions. Membership in the SAC is drawn from each of our three operational regions — Greater Asia Pacific (GAPac), Europe, the Middle East and Africa (EMA), and the Americas — and our key functional areas, including: Corporate Affairs, Finance, Global Value Chain, Human Resources, Marketing, and Research, Development and Engineering.

"We want to have every employee engaged in thinking about how to make Diversey a more sustainable enterprise, and how to help our customers operate sustainably," President and CEO Ed Lonergan said. "We want the conversation about sustainability to be at the core of what we do, and we want it to be a shared dialogue. The Sustainability Advisory Council plays a vital role in helping us make that happen." The work of the Sustainability Advisory Council is rooted in *This We Believe*, the statement of principles that guides our company. *This We Believe* recognizes that our company's vitality depends on the goodwill, health and vitality of our employees, customers, neighbors, the general public and the world community. It is the foundation of our commitment to an integrated approach to sustainability. The SAC organizes its efforts around the six pillars that shape our sustainability commitments:



The SAC is charged with achieving seven objectives on an ongoing basis:

- 1. To establish sustainability targets and aspirational goals for the company;
- To understand our impact on human health and the environment;
- To advise the company in ongoing efforts to improve our environmental performance and social responsibility;

→ Sustainability Advisory Council: continued

- To collect, harmonize and publish data on environmental improvements made throughout the life cycle of our operations and products and improvements in our social responsibility;
- To prioritize, oversee and drive projects necessary to achieve our sustainability targets;
- 6. To share best practices across regions;
- 7. To advocate Diversey's sustainability positions within the company and to our partners, customers and communities.

Actions recommended by the SAC and approved by senior leaders are integrated into the corporate annual operating plan. The plan contains specific sustainability objectives which include performance measures. The annual operating plan forms the basis for every employee's individual performance objectives — ensuring that every employee knows the value we place on sustainability improvements. It's a clear signal that our sustainability performance improvement is not a "nice to have" but is a company imperative.

The SAC meets quarterly to evaluate our progress toward our targets, identify and help overcome roadblocks, and examine new challenges or opportunities that may have developed.

Now into its second full year of operation, the SAC has begun expanding its reach, directly involving more employees in its work through ad hoc projects and subcommittees.

Training, policies focus on doing business the right way

Diversey is committed to maintaining the highest standards of ethical and legal behavior in all our business operations.

We conduct annual, mandatory training programs in our Code of Ethics and Business Conduct. All employees in leadership, managerial and professional roles take part in the training and the post-training testing. In 2009, we expanded the requirement to include 51.5 percent more employees. In all, 5,150 employees took part in the training. The company's Board of Directors also takes part in the training every year.

Provided online in eight languages, the training includes explanations of policy as well as descriptive vignettes that help employees understand the practical ways our standards apply to their daily work. Each scene includes a quiz to help employees test their knowledge of the concepts. At the end of every program segment, each participant is required to take an online exam. A certificate of completion is issued to the participant only after she or he has answered all the questions correctly. Employees are then required to affirm that they understand and agree to comply with our Code of Ethics and Business Conduct and that they are not aware of any violations of it.

The training segments spell out our policies on a broad array of critical issues including: discrimination, harassment, equal employment, insider training, bribery, corruption, kickbacks, gifts and entertainment, compliance with laws, the effect of our operations and products on the safety of individuals and the environment, record-keeping and accounting practices, and management of confidential information and company assets. It provides information on how to report suspected violations of the code and informs employees of their reporting obligations. Any violations that are reported are investigated under a process established and managed by our Legal Department.

Policies available to every employee

Diversey's Code of Ethics and Business Conduct is readily available to every employee through the company's intranet site. The documents are available in 20 languages. At the same site, employees can find the company's Whistleblower Policy and contact information for making a confidential report of a concern via telephone, fax, mail or e-mail. The Whistleblower Policy, also translated into 20 languages, explains the procedures the company has established to enable employees to report concerns regarding accounting matters, and establishes a firm prohibition against retaliation toward anyone who honestly reports such a concern.

Conflict of Interest Disclosures

Diversey requires all employees in executive, leadership and managerial and sales roles, as well as our Board of Directors, to complete annual conflict of interest disclosures.

In addition, we take measures to ensure the people with whom we do business are conducting their affairs in accord with our own high ethical standards. We require major suppliers to comply with our Supplier Guiding Principles and conduct periodic audits to ensure compliance with these principles.

Diversey has a Compliance, Ethics and Risk Management Committee chaired by Scott Russell, our General Counsel and Chief Compliance Officer. The committee oversees Diversey's compliance program including implementation of our Code of Ethics and Business Conduct and policies as well as compliance with applicable laws and policies.

Audits conducted regularly

Diversey's Corporate Internal Audit team evaluates our business operations and controls to ensure that our financial reporting is accurate. The team also reviews business processes for efficiency and to ensure they comply with our policies. Corporate Internal Audit uses a risk-based audit approach that considers both quantitative and qualitative factors. The team reports to the Audit Committee of the Board of Directors on a functional basis, and to the chief financial officer of the company for administrative matters. This reporting relationship helps ensure the independence of the audit function.

Diversey's Export, Regulatory Affairs and Environment, Health and Safety teams also conduct internal audits to examine compliance with Diversey policies, standards, and applicable local and international laws.

> NUMBER OF EMPLOYEES TRAINED

5,150

Diversey – committed to good business governance

Investors and Shareholders

A privately held company with publicly held debt, Diversey files annual public reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and other information with the U.S. Securities and Exchange Commission.

In addition, as soon as reasonably possible after these materials are filed with or furnished to the SEC, we make copies available to the public free of charge in the Investor Relations section of our Web site at www.diversey.com. The information on our Web site is not incorporated into and is not part of this annual report.

Business Ethics and Conduct

Diversey recognizes the obligation and importance of being a good corporate citizen in every country in which we do business. This means compliance with local laws and regulations and compliance with the highest business and ethical standards.

Therefore, we have a comprehensive Code of Ethics and Business Conduct that supplements our values expressed in our long-standing corporate principles titled *This We Believe*. The code provides direction regarding laws, policies and ethical standards (within and outside the United States) that affect our everyday business practices and behavior.

→ Antitrust Laws

Code Topics

The Code provides guidelines for the following subjects:

- → Compliance with Laws
- → Conflicts of Interest
- → Record Keeping and Accounting Practices
- → Public Reporting
 → Insider Trading
- / moraci maamig
- → Business Practices
- → Payments to Officials

- → Confidential Information and Protection of Company Assets
- → Safety and Environmental Protection and Product Quality
- → Discrimination and Harassment
- → Indirect Activities
- → Reporting Violations of the Code

The Code of Ethics and Business Conduct is communicated to all employees and copies are available on our Web site along with other corporate policies and procedures. Additionally, the code is available on our public Web site at www.diversey.com.



The public may 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 Web site at www.sec.gov.

For additional information, please visit our Web site at www.diversey.com

Key Financial Data for Diversey, Inc. Fiscal Year ending December 31, 2009

| (dollars in thousands) |
|------------------------|
| |

| Net Sales | 3,110,881 |
|---|-----------|
| Gross Profit | 1,281,948 |
| Gross Profit as a Percent of Net Sales | 41.2% |
| Net Income | 7,869 |
| Net Cash Provided by Operating Activities | 122,767 |
| Capital Expenditures | 94,294 |
| Stockholders' Equity | 704,803 |
| Total Debt | 1,391,103 |
| Total Assets | 3,512,238 |

Global Reporting Initiative

Diversey has used the Global Reporting Initiative's G3 index as a framework to enhance our total reporting efforts. The scope of our Global Responsibility Report is global and activities from all Diversey business units are considered.

| GRI Reference | Standard Disclosures & Performance Indicators |
|--|---|
| 1. Strategy and Analysis | |
| 1.1 and 1.2 | Introduction, Leadership Messages, pages 2–3 |
| 2. Organizational Profile | |
| 2.1 – 2.10 | Governance Section, pages 74–83 |
| 3. Report Parameters | |
| 3.1 – 3.13 | Governance Section, page 81 |
| 4. Governance, Commitments, and Engagement | |
| 4.1 - 4.17 | Introduction; Partners Section, pages 62–73; |
| | Governance Section, pages 74–83 |
| Economic Performance Indicators | |
| EC1 – EC9 | Communities Section, pages 42–51; Governance Section, pages 74–83 |
| Environmental | |
| EN1 – EN30 | Operations Section, pages 6-21; Customers Section, pages 22-41 |
| Labor Practices and Decent Work | |
| LA1 – LA14 | Workforce Section, pages 52–61; Governance Section, pages 74–83 |
| Human Rights | |
| HR1 – HR9 | Governance Section, pages 74-83 |
| Society | |
| SO1 – SO8 | Communities Section, pages 42–51; Governance Section, pages 74–83 |
| Product Responsibility | |
| PR1 – PR9 | Customers Section, pages 22–41 |

Diversey's Global Responsibility Report is not intended to be a full disclosure of all of the companies' social, economic and environmental projects that took place in 2009. Please refer to other sources, such as our Web site, www.diversey.com, and our 10-K Report, for additional information. Diversey publishes its Global Responsibility Report annually. Questions about this report can be addressed to: Sustainability@Diversey.com.

Company Overview

Diversey, Inc. is a leading global provider of cleaning and hygiene solutions to the institutional marketplace, serving customers in the lodging, food service, retail, health care, food & beverage sectors, as well as building service contractors worldwide.

Diversey is proud of its capabilities to deliver to its customers and their employees superior and sustainable cleaning, sanitization and hygiene solutions. The company has a platform to showcase the passion of its people for providing a cleaner, healthier future for generations to come.

A history of business success

Today's Diversey has a rich legacy of businesses that were pioneers in the commercial, cleaning and hygiene business. Its roots begin in 1886, when S.C. Johnson founded his parquet floor business in Racine, Wis. Not too long after, another of our legacy businesses, Diversey Corporation, was founded in 1923 in Chicago.

Both businesses continued to grow and thrive throughout the 20th century, serving customers around the world. In 1996, Diversey Corporation was acquired by Unilever to become DiverseyLever. Then, in 1997, what was known as S.C. Johnson Commercial Markets separated from its parent company to form Johnson Wax Professional.

In 2002, Johnson Wax Professional acquired DiverseyLever and the combined companies became JohnsonDiversey until March 2010, when the name was simplified to Diversey.

A global partner

Our local knowledge is unrivalled and our operations span the world. We have the size and expertise to provide industryleading solutions everywhere:

- → 10,500 employees worldwide;
- → Sales into more than 175 countries;
- \rightarrow A leading market position in every region.

Always innovating

- → At Diversey, we make substantial investments in research, development, and people to deliver leading-edge innovations across the globe.
- → Our innovation efforts are guided by a rigorous discipline aimed at delivering solutions that not only solve our customers' most pressing problems but balance cleaning and sanitation with process, water, energy and labor optimization.
- → This commitment to innovation is evidenced by the introduction of breakthrough products such as Revoflow®, SmartDose^{TM/MC} and Optifill^{TM/MC} dispensing systems, Trailblazer^{TM/MC} and Prospeed^{TM/MC} floor finish applicator systems, TASKI® floor machines, CLAX® High Efficiency Laundry Program, Dry Tech 5 dry lubricant, among many.

The sustainable solution

For Diversey, sustainability is embodied in our purpose. We embrace the social, environmental and economic implications of sustainability—both for us and for our customers. We have been doing this successfully for more than 100 years because it is right thing to do and it makes good business sense. We are about creating more profitable, sustainable enterprises for our customers that help them improve performance and efficiency while contributing to the well-being and greater good of our communities.

RETAIL

Customer Sectors

FOOD SERVICE AND CONTRACT CATERERS





LODGING

FOOD AND BEVERAGE PROCESSING



BUILDING MANAGEMENT, SERVICE CONTRACTORS





HEALTH CARE

Applications

FOOD SAFETY



Food-contact surface cleaners. sanitizers and disinfectants

Floor safety systems and tools

General-purpose cleaners, lime scale removers

Bactericides / disinfectants

Detergents, oven and grill cleaners; general surface degreasers

Mechanical and manual warewashing

Cleaning methods, wall charts, staff training, and technical and service support

Consultation on food protection, regulations and safety

FOOD AND BEVERAGE



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

Water conservation solutions

Complete auditing and assessment program for great operational efficiency

Consultation in food safety, operational efficiency and quality management

BUILDING CARE



Floor finishes, buffable waxes, cleaners, polishes, sealers and strippers

Carpet cleaners and spotters

Tools and trolleys with microfiber

cleaners

Air deodorizers and fresheners

Toilet bowl cleaners

policies

Specialty cleaning products Green cleaning procedures and

Cleaning methods, wall charts, staff training and technical and service support

Dispensing systems for concentrated

Floor finish applicators

FABRIC CARE



Full line of laundry detergents, spotters, boosters, bleaches, neutralizers, softeners and starches

Board & Executives/Locations

Board & Executives

Curt Johnson

Ed Lonergan President and Chief Executive Officer

James Berges Clayton Dubilier & Rice

Todd Brown Vice Chairman ShoreBank Corporation

Bob Howe

George Jaquette Partner Clayton Dubilier & Rice

Helen Johnson-Leipold Chairman and Executive Officer Philip Knisely Retired Danaher Corporation

Richard Levin

Clif Louis Chairman The Vineyard, Inc.

Rick Schnall Partner

Executive Officers

Curt Johnson

Ed Lonergan Chief Executive Officer

Norman Clubb Executive Vice President and Chief Financial Officer

John Alexander Regional President Americas

Regional President Europe, Middle East and Africa

Moreno Dezio Regional President Greater Asia Pacific

Nabil Shabshab Executive Vice President Global Portfolio Management

Greg Clark

Jim Larson Senior Vice President

John Matthews Senior Vice President of Corporate Affairs and Chief of Staff to the President

Scott Russell Senior Vice President, General Counsel and Secretary

Dave Andersen Vice President Global Business Development

Todd Herndon Vice President and Corporate Controller

Brent Hoad Vice President and Chief Information Officer

Lori Marin Vice President and Corporate Treasurer

David Quast Vice President, Deputy General Counsel

Diversey Around the World

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31 30 247 6912 tel

Americas Region Diversey Americas 8310 16th Street Sturtevant, WI 53177-1964 USA +1 262 631 4001 tel

Greater Asia Pacific Region **Diversey** Greater Asia Pacific 73 Science Park Drive #02-14 CINTECH1 Singapore Science Park Singapore 118254 65 6773 7930 tel

Pedro Chidichimo

chemicals

Floor care machines products

Hard-surface and general purpose

Disinfectants and sanitizers

Hand cleansers and sanitizers

Diversey, Inc.

Global Headquarters 8310 16th Street P.O. Box 902 Sturtevant, WI 53177-1964 U.S.A. +1 262 631 4001 tel www.diversey.com

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