

ENERGIZER HOLDINGS INC  
Form DEF 14A  
December 10, 2009

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant  x  
Filed by a Party other than the Registrant  o

Check the appropriate box:

- o Preliminary Proxy Statement
- o Confidential, for use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Materials Pursuant to sec. 240.14a-11(c) or sec. 240.14a-12

ENERGIZER HOLDINGS, INC.

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(Exact Name of Registrant as Specified in its Charter)

Payment of Filing Fee (Check the appropriate box)

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.1

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- o Fee paid previously with preliminary materials.
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(2) Form, Schedule or Registration Statement No.:

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(4) Date Filed:



ENERGIZER HOLDINGS, INC.  
533 Maryville University Drive  
St. Louis, Missouri 63141

Dear Shareholder:

You are cordially invited to attend the Annual Meeting of Shareholders of Energizer Holdings, Inc. to be held at 3:00 p.m. on Monday, January 25, 2010 at Energizer World Headquarters, 533 Maryville University Drive, St. Louis, Missouri 63141.

We hope you will attend in person. If you plan to do so, please bring the enclosed Shareholder Admittance Ticket with you.

Whether you plan to attend the meeting or not, we encourage you to read this Proxy Statement and vote your shares. You may sign, date and return the enclosed proxy as soon as possible in the postage-paid envelope provided, or you may vote by telephone or via Internet. However you decide to vote, we would appreciate your voting as soon as possible.

We look forward to seeing you at the Annual Meeting!

WARD M. KLEIN  
Chief Executive Officer

December 10, 2009

ENERGIZER HOLDINGS, INC.  
533 Maryville University Drive  
St. Louis, Missouri 63141

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
AND INTERNET AVAILABILITY OF PROXY MATERIALS

To the Shareholders:

The Annual Meeting of Shareholders of Energizer Holdings, Inc. will be held at 3:00 p.m. on Monday, January 25, 2010, at Energizer World Headquarters, 533 Maryville University Drive, St. Louis, Missouri 63141.

The purpose of the meeting is

- to elect four directors to serve three-year terms ending at the Annual Meeting held in 2013, or until their respective successors are elected and qualified,
- to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent auditor for 2010; and
- to act upon such other matters as may properly come before the meeting.

You may vote if you are a shareholder of record on November 20, 2009. It is important that your shares be represented and voted at the Meeting. Please vote in one of these ways:

- USE THE TOLL-FREE TELEPHONE NUMBER shown on the enclosed proxy card;
- VISIT [www.energizer.com](http://www.energizer.com) to vote via the Internet, using the identification number indicated on the proxy card;
- MARK, SIGN, DATE AND PROMPTLY RETURN the proxy card in the postage-paid envelope; OR
- VOTE BY WRITTEN BALLOT at the Annual Meeting.

The attached Proxy Statement as well as the Company's 2009 Annual Report to Shareholders, have also been posted on the Company's website at [www.energizer.com](http://www.energizer.com).

By Order of the Board of Directors,  
Timothy L. Grosch  
Secretary

December 10, 2009

## PROXY STATEMENT—VOTING PROCEDURES

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### YOUR VOTE IS VERY IMPORTANT

The board of directors is soliciting proxies to be used at the 2010 Annual Meeting. This proxy statement and the form of proxy will be mailed to shareholders beginning December 10, 2009.

#### Who Can Vote

Record holders of Energizer Holdings, Inc. common stock on November 20, 2009 may vote at the meeting. On November 20, 2009, there were 69,765,199 shares of common stock outstanding. The shares of common stock held in our treasury will not be voted.

#### How You Can Vote

There are four voting methods:

• **Voting by Mail.** If you choose to vote by mail, simply mark the enclosed proxy card, date and sign it, and return it in the postage-paid envelope provided.

• **Voting by Telephone.** You can vote your shares by telephone by calling the toll-free telephone number on the enclosed proxy card and using the identification code indicated. Voting is available 24 hours a day.

• **Voting by Internet.** You can also vote via the Internet at [www.energizer.com](http://www.energizer.com). Your identification code for Internet voting is on the enclosed proxy card, and voting is available 24 hours a day.

- Voting by written ballot at the meeting.

If you vote by telephone or via the Internet, you should not return the proxy card.

#### How You May Revoke or Change Your Vote

You can revoke the proxy at any time before it is voted at the meeting by:

- sending written notice of revocation to our Secretary;
- submitting another proper proxy by telephone, Internet or paper ballot; or

• attending the annual meeting and voting in person. If your shares are held in the name of a bank, broker or other holder of record, you must obtain a proxy, executed in your favor from the holder of record, to be able to vote at the meeting.

#### General Information on Voting

You are entitled to cast one vote for each share of common stock you own on the record date. Shareholders do not have the right to vote cumulatively in electing directors. The election of each director nominee must be approved by a majority of shares entitled to vote and represented at the annual meeting in person or by proxy. Shares represented by

a proxy marked “abstain” on any matter, or that provide that a vote be withheld with respect to the election of any one or more of the nominees for election as directors, will be considered present at the meeting for purposes of determining a quorum and for purposes of calculating the vote, but will not be considered to have voted in favor of the proposal or nominee. Therefore, any proxy marked “abstain” will have the effect of a vote against the matter, and any proxy marked “withhold” for a nominee or nominees acts as a vote against such nominee or nominees. Shares represented by a proxy as to which there is a “broker non-vote” (for example, where a broker has discretionary authority to vote the shares on some, but not all matters), will be considered present at the meeting for purposes of determining a quorum, and voted only as to those matters marked on the proxy card.

All shares that have been properly voted—whether by telephone, Internet or mail—and not revoked, will be voted at the annual meeting in accordance with your instructions. If you sign the enclosed proxy card but do not give voting instructions, the shares represented by that proxy will be voted as recommended by our board of directors.

If any other matters are properly presented at the annual meeting for consideration, the persons named in the enclosed proxy card will have the discretion to vote on those matters for you. As of the date this proxy statement went to press, no other matters had been raised for consideration at the annual meeting.

### Voting By Participants in the Company's Savings Investment Plan

If you participate in our savings investment plan and had an account in the Energizer common stock fund on November 13, 2009, the proxy will also serve as voting instructions to the trustee for that plan, Vanguard Fiduciary Trust Company, an affiliate of The Vanguard Group of Investment Companies, for the shares of common stock credited to your account on that date. If the trustee does not receive directions with respect to any shares of common stock held in the plan, it will vote those shares in the same proportion as it votes shares for which directions were received.

### Costs of Solicitation

We will pay for preparing, printing and mailing this proxy statement. We have engaged Georgeson & Company, Inc. to help solicit proxies from shareholders for a fee of \$12,500 plus its expenses. Proxies may also be solicited personally or by telephone by our employees without additional compensation, as well as by employees of Georgeson. We will also reimburse banks, brokers and other custodians, nominees and fiduciaries for their costs of sending the proxy materials to our beneficial owners.

### Section 16(a) Beneficial Ownership Reporting Compliance

To the best of our knowledge, all filings of stock ownership and changes in stock ownership by our directors and executive officers, which are required by rules of the Securities and Exchange Commission, were made on a timely basis in 2009.

## ITEM 1. ELECTION OF DIRECTORS

Our board of directors currently consists of eleven members and is divided into three classes, with two classes currently consisting of four members, and one class currently consisting of three members, and terms of service expiring at successive annual meetings.

Four directors will be elected at the 2010 Annual Meeting to serve for a three-year term expiring at our annual meeting in the year 2013. The board has nominated R. David Hoover, John C. Hunter, John E. Klein and John R. Roberts for election as directors at this Meeting. Each nominee is currently serving as a director and has consented to serve for a new term. Each nominee elected as a director will continue in office until his or her successor has been elected and qualified. If any nominee is unable to serve as a director at the time of the annual meeting, your proxy may be voted for the election of another person the board may nominate in his or her place, unless you indicate otherwise.

**Vote Required.** The affirmative vote of a majority of the outstanding shares of common stock entitled to vote and represented in person or by proxy is required for the election of each director.

The board of directors recommends a vote FOR the election of these nominees as directors of the Company.

INFORMATION ABOUT NOMINEES AND OTHER DIRECTORS

Please review the following information about the nominees and other directors continuing in office. The ages shown are as of December 31, 2009.

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R. DAVID HOOVER, Director Since 2000, Age 64  
(Standing for election at this meeting for a term expiring in 2013)

Mr. Hoover has served as Chairman, President and Chief Executive Officer, Ball Corporation (beverage and food packaging and aerospace products and services) since 2002. Also a director of Ball Corporation, Eli Lilly and Company, and Qwest Communications International, Inc.

JOHN C. HUNTER, Director Since 2005, Age 62  
(Standing for election at this meeting for a term expiring in 2013)

Mr. Hunter served as Chairman, President and Chief Executive Officer of Solutia, Inc. (chemical products) from 1999 to 2004. He is now retired. Also a director of Penford Corporation.

JOHN E. KLEIN, Director Since 2003, Age 64  
(Standing for election at this meeting for a term expiring in 2013)

Mr. Klein has served as President of Randolph College (education) since August 2007. Prior to that, Mr. Klein served as Executive Vice Chancellor for Administration, Washington University in St. Louis (education) from 2004 to August 2007. From 1985 to 2004, he served as President and Chief Executive Officer, Bunge North America, Inc. (agribusiness).

JOHN R. ROBERTS, Director Since 2003, Age 68  
(Standing for election at this meeting for a term expiring in 2013)

Mr. Roberts served as Executive Director, Civic Progress St. Louis (civic organization) from 2001 through 2006. He is now retired. From 1993 to 1998, he served as Managing Partner, Mid-South Region, Arthur Andersen LLP (public accountancy). Also a director of Regions Financial Corporation and Centene Corporation.

WARD M. KLEIN, Director Since 2005, Age 54  
(Continuing in Office—Term expiring in 2011)

Mr. Klein has served as Chief Executive Officer, Energizer Holdings, Inc. since 2005. Prior to that time, he served as President and Chief Operating Officer from 2004 to 2005, as President, International from 2002 to 2004, and as Vice President, Asia Pacific and Latin America from 2000 to 2002. Also a director of Brown Shoe Company, Inc. Mr. Klein also serves on the Board of Directors of the Federal Reserve Bank of St. Louis.



RICHARD A. LIDDY, Director Since 2000, Age 74  
(Continuing in Office—Term expiring in 2011)

Mr. Liddy served as Chairman of the Board of GenAmerica Financial Corporation (insurance holding company) from 2000 to 2002. He also served as Chairman of the Board of the Reinsurance Group of America, Incorporated (insurance) from 1995 to 2002. Mr. Liddy is now retired. Also a director of Ralcorp Holdings, Inc.

JOE R. MICHELETTO, Director Since 2000, Age 73  
(Continuing in Office—Term expiring in 2011)

Mr. Micheletto served as Chief Executive Officer and President, Ralcorp Holdings, Inc. (food products) from 1996 to 2003. He is now retired. Also a director of Ralcorp Holdings, Inc. and Vail Resorts, Inc.

W. PATRICK MCGINNIS, Director Since 2002, Age 62  
(Continuing in Office—Term expiring in 2011)

Mr. McGinnis has served as Chief Executive Officer and President, Nestlé Purina PetCare Company (pet foods and related products) since 2001. Also a director of Brown Shoe Company, Inc

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BILL G. ARMSTRONG, Director Since 2005, Age 61  
(Continuing in Office—Term expiring in 2012)

Mr. Armstrong served as Executive Vice President and Chief Operating Officer, Cargill Animal Nutrition (animal feed products), from 2001 to 2004. He is now retired. Also a director of Ralcorp Holdings, Inc.

J. PATRICK MULCAHY, Director Since 2000, Age 65  
(Continuing in Office—Term expiring in 2012)

Mr. Mulcahy has served as Chairman of the Board of Energizer Holdings, Inc. since 2007. Mr. Mulcahy served as Vice Chairman of the Board from January 2005 to January 2007, and prior to that time served as Chief Executive Officer, Energizer Holdings, Inc. from 2000 to 2005, and as Chairman of the Board and Chief Executive Officer of Eveready Battery Company, Inc. from 1987 until his retirement in 2005. Also a director of Hanesbrands, Inc. and Ralcorp Holdings, Inc.

PAMELA M. NICHOLSON, Director Since 2002, Age 50  
(Continuing in Office—Term expiring in 2012)

Ms. Nicholson has served as President and Chief Operating Officer, Enterprise Rent-A-Car (auto leasing) since 2008. She served as Executive Vice President and Chief Operating Officer for Enterprise from 2004 to 2008, and as Senior Vice President, North American Operations from 1999 to 2004.

## BOARD OF DIRECTORS STANDING COMMITTEES

Board Member	Board	Audit	Executive Compensation	Nominating and Executive and	Finance and Oversight
Bill G. Armstrong	ü	ü		ü	
R. David Hoover	ü				ü*
John C. Hunter	ü			ü	
John E. Klein	ü	ü		ü*	
Ward M. Klein	ü		ü		ü
Richard A. Liddy	ü		ü	ü	
W. Patrick McGinnis	ü		ü	ü	
Joe R. Micheletto	ü	ü	ü		
J. Patrick Mulcahy	ü*		ü*		ü
Pamela M. Nicholson	ü	ü	ü	ü	
John R. Roberts	ü	ü*	ü	ü	
Meetings held in 2009	5	6	0	6	11

\* Chairperson

**Audit:** Reviews auditing, accounting, financial reporting and internal control functions. Responsible for engaging and supervising our independent accountants, resolving differences between management and our independent accountants regarding financial reporting, pre-approving all audit and non-audit services provided by our independent accountants, and establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters. Our board has determined that all members are independent and financially literate in accordance with the criteria established by the Securities and Exchange Commission and the New York Stock Exchange. Our board has elected John R. Roberts as chair of the audit committee, and has determined that he is both independent and an audit committee financial expert, as defined by Securities and Exchange Commission guidelines.

**Executive:** May act on behalf of the Board in the intervals between Board meetings.

**Nominating and Executive Compensation:** Sets compensation of our executive officers, approves deferrals under our deferred compensation plan, administers our 2000 and 2009 incentive stock plan and grants equity-based awards, including performance-based awards, under those plans. Administers and approves performance-based awards under our executive officer bonus plan. Establishes performance criteria for performance-based awards and certifies as to their achievement. Monitors management compensation and benefit programs, and reviews principal employee relations policies. The committee recommends nominees for election as directors or executive officers to the board, as well as committee memberships and compensation and benefits for directors. It is also responsible for conducting the annual self-assessment process of the board and its committees, and regular review and updating of our corporate governance principles. Our board has determined that all members are non-employee directors, and are independent, as defined in the listing standards of the New York Stock Exchange.

Finance and Oversight: Reviews our financial condition, objectives and strategies, and acquisitions and other major transactions, and makes recommendations to the board concerning financing requirements, our stock repurchase program and dividend policy, foreign currency management and pension fund performance.

During fiscal year 2009, all directors attended 75% or more of the board meetings and committee meetings on which they served during their period of service. Each director is encouraged to attend our annual meeting of shareholders each year. All directors other than Messrs. Hoover, Hunter and Micheletto attended the 2009 annual meeting.

#### Compensation Committee Interlocks and Insider Participation

No member of the nominating and executive compensation committee is or has been an officer or employee of the Company or any of its subsidiaries. In addition, no member of the committee had any relationships with the Company or any other entity that require disclosure under the proxy rules and regulations promulgated by the U.S. Securities and Exchange Commission.

#### Determining Executive Compensation

At the beginning of each fiscal year, the nominating and executive compensation committee reviews and approves compensation for our executive officers, including any merit increases to base salary, our annual cash bonus program, long-term equity incentive awards, and performance targets under those programs and awards. The committee members base these determinations on their review of competitive market data from our peer group and the recommendations of the chief executive officer and our human resources department. Hewitt Associates, Inc. (“Hewitt”), the committee’s compensation consultant, conducts an in-depth annual review of our compensation practices, and those of our peer group, in order to support the committee’s review process. Hewitt also advises the committee during its review of compensation for non-employee directors and the competitiveness of our executive compensation programs. For more information on the committee’s review process and Hewitt’s assistance to the committee, as well as on compensation consultants retained by the Company, see Compensation Discussion and Analysis, below.

#### Committee Charters, Governance and Codes of Conduct

The charters of the committees of our board of directors, and our corporate governance principles, have been posted on our website at [www.energizer.com](http://www.energizer.com), under “About Energizer: Corporate Governance”. Our code of business conduct and ethics applicable to the members of the board of directors, as well as the code applicable to the officers and employees, have each been posted on our website as well, under “—Codes of Conduct.”

Copies of the committee charters, the corporate governance principles, and the codes of conduct will be provided without charge to any shareholder upon request directed in writing to the Secretary, Energizer Holdings, Inc., 533 Maryville University Drive, St. Louis, Missouri 63141.

#### Director Independence

Our corporate governance principles, adopted by our board, provide that a majority of the board, and the entire membership of the audit and the nominating and executive compensation committees of the board, shall consist of independent, non-management directors who meet the criteria for independence required by the New York Stock Exchange. A director will be considered independent if he or she does not have a material relationship with us, as determined by our board. To that end, the board, in the corporate governance principles, has established the following guidelines for determining whether a director is independent, consistent with the listing standards of the New York Stock Exchange: a director will not be considered independent if, within the last three years (i) the director or an immediate family member was employed by the Company or a subsidiary as an executive officer, (ii) the director or an immediate family member was employed in a professional capacity by the Company’s external auditor, or in the Company’s internal audit department, or (iii) any of our present executive officers serve on the compensation

committee of another company that employs the director or an immediate family member of the director as an executive officer.

The following relationships will be considered material, which would also impact independence: (i) a director or an immediate family member is an executive officer, or the director is an employee, of another company which does business with the Company and the payments to, or amounts received from, that other company exceed the greater of \$1 million, or 2% of such other company's consolidated gross revenues; (ii) a director or an immediate family member, within the last three years, received more than \$100,000 per year in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service); (iii) a director is an executive officer of a charitable organization and our annual charitable contributions to the organization (exclusive of gift-match payments) exceed the greater of \$100,000 or 2% of the organization's total annual charitable receipts; (iv) a director is a partner of or of counsel to a law firm that performs substantial legal services for us on a regular basis; or (v) a director is a partner, officer or employee of an investment bank or consulting firm that performs substantial services for us on a regular basis. For other significant relationships not specifically covered, a majority of our independent directors, after considering all of the relevant circumstances, may make a determination whether or not such relationship is material and whether the director may therefore be considered independent under the New York Stock Exchange listing standards.

Director affiliations and transactions are regularly reviewed to ensure that there are no conflicts or relationships with the Company that might impair a director's independence. Every year, we submit a questionnaire to each director and executive officer, and conduct our own internal review, for the purpose of identifying all transactions or relationships between each director, or any member of his or her immediate family, and the Company, its senior management and its independent auditor. Pursuant to that review, the Board has considered the independence of W. Patrick McGinnis in light of the fact that we jointly own four corporate aircraft with Ralcorp Holdings, Inc. and Nestlé Purina PetCare Company, for which Mr. McGinnis serves as chief executive officer and president. The aircraft are jointly owned in order to share the fixed costs associated with ownership which do not change based on usage, such as pilots' salaries, aircraft acquisition expenses, and non-trip related maintenance and hangar fees. The aircraft are maintained and operated by employees of Nestlé, and a pro rata portion of the fixed expenses are reimbursed to Nestlé by the other owners based upon their respective percentages of ownership. Each owner is also assessed a charge per flight hour to cover all variable operating costs. No additional margin or operating fee is paid to Nestlé. The independent members of the board determined that Mr. McGinnis does not have any direct or indirect financial or other interests in our reimbursement of our aircraft expenses, or our continued ownership of our share of the aircraft, and consequently determined that the independence of Mr. McGinnis was not impacted.

Accordingly, based on the responses to the 2009 questionnaire and the results of its review, the board has affirmatively determined that all directors, other than Ward M. Klein, are independent from management. The following are the ten non-employee directors deemed to be independent: Bill G. Armstrong, R. David Hoover, John C. Hunter, John E. Klein, Richard A. Liddy, W. Patrick McGinnis, Joe R. Micheletto, J. Patrick Mulcahy, Pamela M. Nicholson, and John R. Roberts.

#### Director Nominations

The nominating and executive compensation committee is responsible for recommending candidates for election to our board of directors, consistent with the requirements for membership set forth in our corporate governance principles. Those requirements include integrity, independence, energy, forthrightness, analytical skills and a willingness to challenge and stimulate management, and the ability to work as part of a team in an environment of trust. The principles also indicate the board's belief that each director should have a basic understanding of (i) our principal operational and financial objectives and plans and strategies, (ii) our results of operations and financial condition, and (iii) the relative standing of the Company and our business segments in relation to our competitors. In addition to those standards, the committee seeks directors who will represent the diverse interests of our shareholders, and who bring to the board a breadth of experience from a variety of industries and professional disciplines. The committee is also responsible for articulating and refining specific criteria for board and committee membership to supplement, as appropriate, the more general criteria set forth in the principles.

The committee expects a high level of commitment from board members and evaluates each candidate's leadership and experience, skills, expertise and character traits, including the candidate's ability to devote sufficient time to board and committee meetings in light of other professional commitments. The committee also reviews whether a potential candidate meets board and/or committee membership requirements, as set forth in our corporate governance principles, determines whether a potential candidate is independent according to the board's established criteria, and evaluates the potential for a conflict of interest between the director and the Company.

Historically, when vacancies have occurred, or when our board determined that increasing its size was appropriate, candidates have been recommended to the committee by other board members or the chief executive officer. The committee, however, will consider and evaluate any shareholder-recommended candidates by applying the same criteria used to evaluate candidates recommended by directors or management. The committee also has authority to retain a recruitment firm if it deems it advisable. Shareholders who wish to suggest an individual for consideration for election to the board of directors may submit a written nomination to the Secretary of the Company, 533 Maryville University Drive, St. Louis, Missouri 63141, along with the shareholder's name, address and number of shares of common stock beneficially owned; the name of the individual being nominated and number of shares of common

stock beneficially owned; the candidate's biographical information, including age, business and residential address, and principal occupation for the previous 5 years, and the nominee's consent to being named as a nominee and to serving on the board. A description of factors qualifying or recommending the nominee for service on the board would also be helpful to the committee in its consideration. To assist in the evaluation of shareholder-recommended candidates, the committee may request that the shareholder provide certain additional information required to be disclosed in our proxy statement under Regulation 14A of the Securities Exchange Act of 1934. If the committee determines a candidate, however proposed, is suitable for board membership, it will make a recommendation to the board for its consideration.

Upon Mr. Stirtz' retirement from the board in April of 2008, it was determined by the board that there was no immediate need to fill the vacancy created, and consequently no additional board members have been considered.

Under our bylaws, shareholders may also nominate a candidate for election at an annual meeting of shareholders. See "Shareholder Proposals for 2011 Annual Meeting" for details regarding the procedures and timing for the submission of such nominations. Director nominees submitted through this process will be eligible for election at the annual meeting, but will not be included in proxy material sent to shareholders prior to the meeting, except as described in that section.

Stock Ownership Guidelines

In November of 2009, the board revised our corporate governance principles to provide that each non-management director must maintain ownership of our common stock with a value of at least five times the director’s annual retainer. New directors would be given a period of five years to attain full compliance with these requirements.

For purposes of these determinations, stock ownership includes shares of our common stock which are directly owned or owned by family members residing with the director, or by family trusts, as well as vested options, vested and deferred restricted stock equivalents, unvested restricted stock equivalents, unless they are subject to achievement of performance targets, and common stock or stock equivalents credited to a director under our savings investment plan, or our deferred compensation plan. At the current time, all of our directors are in compliance with the guidelines.

Communicating Concerns to the Board

We have established several means for shareholders or others to communicate their concerns to our board. If the concern relates to our financial statements, business ethics, corporate conduct, accounting practices or internal controls, the concern should be submitted in writing to Mr. John R. Roberts, the chairman of the audit committee, in care of the Secretary of the Company, whose address is 533 Maryville University Drive, St. Louis, Missouri 63141. If the concern relates to our governance practices, the concern may be submitted in writing to Mr. John Klein, the chairman of the nominating and executive compensation committee, in care of the Secretary of the Company. Executive sessions without management directors present are scheduled at each board meeting, and are chaired by Mr. J. Patrick Mulcahy, the chairman of the board. Concerns may be raised with the non-management directors by written communication to Mr. Mulcahy, in care of the Secretary of the Company. If the shareholder is unsure as to which category his or her concern relates, he or she may communicate it to any one of the independent directors in care of the Secretary of the Company.

Our “whistleblower” policy prohibits the Company or any of its employees from retaliating or taking any adverse action against anyone for raising a concern. If a shareholder or employee nonetheless prefers to raise his or her concern in a confidential or anonymous manner, he or she may call Global Compliance Services’ AlertLine, our outside service provider, toll-free at 877-521-5625, or leave a message at our confidential web address: <https://energizer.alertline.com>. Confidential letters may be sent to any independent director at:

AlertLine  
 PMB 3767  
 13950 Ballantyne Corporate Place  
 Charlotte, North Carolina 28273  
 U.S.A.

DIRECTOR COMPENSATION

We provided several elements of compensation to our directors for service on our board during fiscal year 2009:

Retainers and Meeting Fees

All directors, other than Mr. Ward Klein, received the following fees for serving on the board or its committees. Mr. Klein receives no compensation other than his normal salary for his service on the board and its committees.

Annual Retainer.....	\$ 50,000
fee for each board meeting	
.....	\$ 1,000

fee for each committee meeting	\$ 1,000
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The chairpersons of the committees also receive an additional annual retainer of \$10,000 for each committee that they chair, and the chairman of the board receives the same additional annual retainer for his services as chairman.

#### Deferred Compensation Plan

Non-management directors are permitted to defer all or a portion of their retainers and fees under the terms of our deferred compensation plan. Deferrals may be made into: the Energizer common stock unit fund, which tracks the value of our common stock; the prime rate option, under which deferrals are credited with interest at Morgan Guaranty Trust Company of New York's prime rate, an above-market rate; or any of the measurement fund options which track the performance of the Vanguard investment funds offered under our savings investment plan, a 401(k) savings plan available generally to our salaried U.S. employees. Deferrals in the deferred compensation plan are paid out in a lump sum in cash within 60 days following the director's termination of service on the board.



**Company Matching Contributions.** Deferrals of retainers and fees into the Energizer common stock unit fund of the deferred compensation plan receive a 33 1/3% Company match at the end of each calendar year, which match is immediately vested. However, these Company matches must be retained in the Energizer common stock unit fund for a period of 36 months from the date of crediting, unless the director terminates service on the Board prior to the end of that period at which time he or she would receive a distribution of all vested amounts credited under the plan.

**Additional Contribution.** On December 31st of each year, each non-management director is also credited with a number of stock equivalents in the Energizer common stock unit fund of the deferred compensation plan. The value of the equivalents (which do not receive an additional Company match) credited at the end of 2008 was \$57,000. These equivalents are vested at grant, and may be transferred to any other fund of the plan.

The nominating and executive compensation committee, which makes recommendations to the full board regarding director compensation, strives to set director compensation at the 50th percentile of the peer group selected for purposes of evaluating our executive compensation, based on market data provided by Hewitt. In November, 2009, the committee was advised by Hewitt that our program of director compensation was substantially below the targeted 50th percentile level. Accordingly, upon the committee's recommendation, the board elected, effective as of January 1, 2010, to increase the fee for board and committee meetings to \$1,500 per meeting and to increase the additional annual retainers for the chairmen of the committees (but not the chairman of the board) to \$15,000. In addition, the additional annual contribution of stock equivalents, which will next be made December 31, 2009, was increased to \$65,000. The consultant has advised that even with these increases, our director compensation remains below the 50th percentile.

#### Restricted Stock Equivalents

Each non-employee director appointed to the board between April 1, 2000 and October 1, 2003 was granted a restricted stock equivalent award, under which the director was credited with a restricted stock equivalent for each share of our common stock he or she acquired within two years of the date of grant, up to a limit per individual. This program was discontinued in 2003. All outstanding equivalents granted under these awards have vested, and each director has elected to defer receipt until termination of service on our board. The number of vested equivalents credited to each director is set forth in footnote (3) to the Director Compensation table below.

#### Special Restricted Stock Equivalent Award

In January, 2005, upon his retirement as our chief executive officer, Mr. Mulcahy was granted 10,000 restricted stock equivalents as consideration for an agreement not to compete with us. These equivalents will vest in January, 2010 provided that Mr. Mulcahy does not violate the terms of the non-compete agreement prior to that time. The equivalents will also accelerate and vest upon Mr. Mulcahy's death or declaration of total and permanent disability, or upon a change in control of the Company. They will not accelerate upon his retirement or resignation from the board, if he leaves board service before January, 2010. The FAS 123R expense associated with these unvested stock equivalents during fiscal year 2009 is included in the Stock Awards column of the Director Compensation table below.

#### Non-Qualified Stock Options

Each non-management director appointed to the board between 2000 and 2005 also received a non-qualified stock option to purchase 10,000 shares on the date of his or her appointment to the board. These options, which were granted under our 2000 incentive stock plan and have a ten year term, have an exercise price equal to the closing price, as of the date of grant, of our common stock on the New York Stock Exchange composite index, and are exercisable at the rate of 20% per year, beginning on the first anniversary of the date of grant. They are exercisable prior to that date upon the director's death, declaration of total and permanent disability, retirement or resignation from the board, or upon a change in control of the Company. The current number of vested and unvested stock options held

by each director is set forth in the Common Stock Ownership of Directors and Executive Officers table below.

At a meeting in November of 2007, the board approved suspending the option grant for new directors that may be appointed or elected in the future, and replacing it with a grant of restricted stock equivalents with a grant-date value of \$100,000, which equivalents would vest three years from the date of grant. Since that time, no new directors have been appointed or elected.

#### Personal Use of Company-Owned Aircraft

In May of 2005, the board approved a resolution authorizing Mr. Mulcahy, the chairman of the board and Mr. Ward Klein, the chief executive officer and a member of the board, to use our aircraft for personal travel for up to 30 flight hours per year, per individual, when the aircraft are not being used on business related trips. The resolution also authorized family members and guests to accompany them on business or personal flights on our aircraft, and authorized reimbursement of Mr. Mulcahy and Mr. Klein for any taxes associated with (i) their personal use of our aircraft, and (ii) the personal use by their family members and guests. However, they are not reimbursed for taxes on such reimbursement. In November of 2009, the Board amended the resolution:

- to provide that Mr. Mulcahy would no longer be permitted personal use of our aircraft,
- to eliminate any reimbursement for taxes associated with personal use of the aircraft, effective as of January 1, 2010, and
- to increase the number of authorized flight hours for Mr. Klein to 50 per year.

As noted under Director Independence above, our aircraft are jointly owned with two other corporations in order to share the fixed costs associated with such ownership. We are, however, assessed a charge per flight hour to cover all variable operating costs associated with each flight, including fuel costs, mileage, trip-related maintenance, landing fees, trip-related hangar and parking costs, and on-board catering. The incremental cost to us for the directors' personal use shown below reflects the assessed charge per flight hour for such use. Since the aircraft are used primarily for business travel, those amounts exclude any prorated portion of our fixed costs.

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## DIRECTOR COMPENSATION TABLE

Name	Fees Earned or Paid in			Non-Equity Incentive Plan Compensation	Change in Pension Value and Non-Qualified Deferred Compensation Earnings	All Other Compensation	Total (\$)
	Cash (\$)(1)	Stock Awards (\$)(2)(3)	Option Awards (\$)(4)				
J.P. Mulcahy	\$135,000	\$ 128,377	\$ 0	\$ 0	\$ 0	\$ 37,570	\$300,947
B.G. Armstrong	\$128,000	\$ 17,225	\$ 0	\$ 0	\$ 0	\$ 0	\$145,225
R.D. Hoover	\$135,000	\$ 16,168	\$ 0	\$ 0	\$ 0	\$ 0	\$151,168
J.C. Hunter	\$123,000	\$ 8,110	\$ 0	\$ 0	\$ 0	\$ 0	\$131,110
J.E. Klein	\$139,000	\$ 20,067	\$ 0	\$ 0	\$ 0	\$ 0	\$159,067
R.A. Liddy	\$126,000	\$ 17,558	\$ 0	\$ 0	\$1 2,291	\$ 0	\$155,849
J.R. Micheletto	\$119,000	\$ 15,801	\$ 0	\$ 0	\$ 0	\$ 0	\$134,801
W.P. McGinnis	\$123,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$123,000
P.M. Nicholson	\$128,000	\$ 17,558	\$ 0	\$ 0	\$ 0	\$ 0	\$145,558
J.R. Roberts	\$139,000	\$ 19,843	\$ 0	\$ 0	\$ 1,455	\$ 0	\$160,298

- (1) This column reflects retainers and meeting fees earned during the fiscal year, as well as the additional contribution on 12/31/08 of stock equivalents valued at \$57,000 in the Energizer common stock unit fund of our deferred compensation plan (1,053 equivalents per director) as described in the narrative above.
- (2) Because the Company matching contributions described in the narrative above were immediately vested at grant, the aggregate grant date value of those awards, in accordance with FAS 123R, is included in this column. The amount shown for Mr. Mulcahy also includes the FAS 123R compensation expenses associated with the unvested restricted stock equivalents described in footnote (3), of \$110,400. Assumptions utilized in the valuation are set forth in "Note 8. Share-Based Payments" of the Notes to Consolidated Financial Statements of our 2009 Annual Report. There are no FAS 123R compensation expenses associated with the vested but deferred equivalents described in footnote (3) during fiscal year 2009.
- (3) As of September 30, 2009, Mr. Mulcahy was credited with 10,000 unvested restricted stock equivalents, granted in January of 2005 under the special restricted stock equivalent award described in the narrative above. The number of vested but deferred stock equivalents credited to each director as of that date is as follows: Mr. Hoover, 10,000; Mr. Liddy, 10,000; Mr. Micheletto, 10,000; Mr. Roberts, 10,000; Mr. J. Klein, 10,000; and Ms. Nicholson, 10,000.
- (4) The number of stock options held by each director as of September 30, 2009 is as follows: Mr. Armstrong, 10,000; Mr. Hoover, 5,000; Mr. Hunter, 10,000; Mr. J. Klein, 10,000; Mr. McGinnis, 10,000; Mr. Micheletto, 10,000; Ms. Nicholson, 10,000; and Mr. Roberts, 10,000. There were no FAS 123R compensation expenses associated with unvested stock options during fiscal year 2009.
- (5) The values shown consist of above-market interest (120% of the applicable long-term federal rate) credited to deferrals into the prime rate fund of our deferred compensation plan.
- (6)

In fiscal year 2009, the incremental cost of directors' personal use of the Company aircraft, on a variable cost basis, was \$24,433 for Mr. Mulcahy, and the approximate amount of disallowed federal tax deductions associated with such use was \$9,040. In addition the amount reimbursed to Mr. Mulcahy for taxes associated with such personal use (which is paid on a delayed basis) was \$4,097. The amount reimbursed to him for taxes associated with his personal use in the prior fiscal year (which was paid to him in December of 2008) was \$1,278. That amount is not included in the table above.

All of the directors were also, from time to time during the fiscal year, provided with samples of our products, with an incremental cost of less than \$50.

- (7) The following items are not considered perquisites and are not included within the above disclosure of director compensation:
- (i) The directors are covered under the terms of our general directors' and officers' liability insurance policies, the premiums for which are a general expense of the Company—we do not obtain a specific policy for each director, or for the directors as a group.
  - (ii) We provide transportation and lodging for out-of-town directors attending board and committee meetings at our headquarters.
  - (iii) The directors may make requests for contributions to charitable organizations from the Energizer charitable trust, which we have funded from time to time, and the trustees of that trust, all employees of the Company, have determined to honor such requests which are in accordance with the charitable purpose of the trust, and which do not exceed \$10,000 in any year. The directors may request contributions in excess of that amount, but such requests are at the sole discretion of the trustees. All contributions are made out of the funds of the trust, and are not made in the name of the requesting director.
  - (iv) In light of Mr. Mulcahy's responsibilities as chairman of the board, he is provided use of an office and computer at our headquarters, as well as a cellphone and certain business publication subscriptions. From time to time, as part of his responsibilities as chairman, he incurs travel and other business expenses, for which he is reimbursed.

## ITEM 2. RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITOR

Our audit committee, in accordance with authority granted in its charter by the board, appointed PricewaterhouseCoopers LLP (“PwC”) as independent auditor for the current fiscal year. PwC has served as our independent auditor for every fiscal year since 2000, and PwC has begun certain work related to the 2010 audit as approved by the audit committee. Information on independent auditor fees for the last two fiscal years is set forth below. A representative of PwC will be present at the 2010 annual meeting of shareholders and will have an opportunity to make a statement, if desired, as well as to respond to appropriate questions.

Although New York Stock Exchange listing standards require that the audit committee be directly responsible for selecting and retaining the independent auditor, we are providing shareholders with the means to express their views on this issue. Although this vote cannot be binding, in the event the shareholders fail to ratify the appointment of PwC, the audit committee will reconsider its appointment. Even if the appointment is ratified, the audit committee in its discretion may direct the appointment of a different independent auditing firm at any time during the year if the audit committee determines that such a change would be in the best interests of the Company and its shareholders.

**Vote Required.** The affirmative vote of a majority of the outstanding shares of common stock entitled to vote and represented in person or by proxy is required for ratification.

The members of the audit committee and the board of directors recommend a vote FOR ratification of PwC as the Company’s independent auditor for fiscal year 2010.

## Fees Paid to PricewaterhouseCoopers LLP (in thousands)

	FY 09	FY 08
		\$
Audit Fees	\$ 3,712	4,454
Audit-Related Fees	\$ 78	\$ 114
Tax Fees		
Tax Compliance/preparation	\$ 188	\$ 316
Other Tax Services	\$ 828	\$ 394
Total Tax Fees	\$ 1,017	\$ 710
All Other Fees	\$ 0	\$ 0
Total Fees	\$ 4,807	\$ 5,278

## Services Provided by PricewaterhouseCoopers LLP

The table above discloses fees paid to PwC during the last two fiscal years for the following professional services:

◆ **Audit Fees**—These are fees for professional services performed by PwC for the audit of our annual financial statements and review of financial statements included in our 10-Q filings, and services that are normally provided in connection with statutory and regulatory filings or engagements.

◆ **Audit-Related Fees**—These are fees for assurance and related services performed by PwC that are reasonably related to the performance of the audit or review of our financial statements. This includes: employee benefit and compensation plan audits; due diligence related to mergers and acquisitions; internal control reviews; attestations by PwC that are not required by statute or regulation; and consulting on financial accounting/reporting standards.

◆ **Tax Fees**—These are fees for professional services performed by PwC with respect to tax compliance, tax advice and tax planning. This includes preparation of original and amended tax returns for the Company and our consolidated subsidiaries; refund claims; payment planning; tax audit assistance; and tax work stemming from “Audit-Related” items.

◆All Other Fees—These are fees for other permissible work performed by PwC that does not meet the above category descriptions. This includes litigation assistance, tax filing and planning for individual employees involved in our expatriate program and various local engagements that are permissible under applicable laws and regulations.

### Audit Committee Pre-Approval Policy

The audit committee has a formal policy concerning approval of all services to be provided by our independent auditor, including audit, audit-related, tax and other services. The policy requires that all services the auditor may provide to us must be pre-approved by the committee. The chairman of the committee has the authority to pre-approve permitted services that require action between regular committee meetings, provided he reports to the committee at the next regular meeting. Early in each fiscal year, the committee approves the list of planned audit and non-audit services to be provided by the auditor during that year, as well as a budget estimating spending for such services for the fiscal year. Any proposed services exceeding the maximum fee levels set forth in that budget must receive specific pre-approval by the audit committee. The committee approved all services provided by PwC during fiscal year 2009.

### OTHER BUSINESS

The board knows of no business which will be presented at the 2010 annual meeting other than that described above. Our bylaws provide that shareholders may nominate candidates for directors or present a proposal or bring other business before an annual meeting only if they give timely written notice of the nomination or the matter to be brought not less than 90 nor more than 120 days prior to the meeting. No such notice with respect to the 2010 annual meeting was received by the deadline of October 28, 2009.

### STOCK OWNERSHIP INFORMATION

Five Percent Owners of Common Stock. The table below lists the persons known by the Company to beneficially own at least 5% of the Company's common stock as of November 1, 2009.

Name and Address of Beneficial Owner	Title of Class	A m o u n t a n d % of Shares	
		Nature of Beneficial Ownership	Outstanding
Fidelity Management and Research 245 Summer Street, 11th Floor Boston, MA 02210	Common Stock	6,994,396(A)	10.078%

(A) Based on Schedule 13-G filed September 9, 2009 by FMR LLC. Members of the Edward Johnson III family are a controlling group with respect to FMR LLC, but neither they nor FMR LLC have sole power to direct the voting of shares owned directly by the Fidelity Funds; instead voting is directed by the Fund's Boards of Trustees. Based on the Schedule 13-G filed by FMR LLC of the total shares beneficially owned by FMR LLC and its controlling persons or entities, and their subsidiaries, those aggregated persons and entities have voting and investment powers as follows: sole voting—449,543 shares; shared voting—0 shares; sole dispositive—6,994,396 shares; and shared dispositive—0 shares.

### COMMON STOCK OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The table below contains information regarding beneficial common stock ownership of directors, nominees and executive officers as of November 1, 2009. It does not reflect any changes in ownership that may have occurred after that date. In general, "beneficial ownership" includes those shares a director or executive officer has the power to vote or transfer, as well as shares owned by immediate family members that reside with the director or officer. Unless otherwise indicated, directors and executive officers named in the table below have sole voting and investment authority with respect to the shares set forth in the table. The table also indicates shares that may be obtained within

60 days upon the exercise of options, or upon the conversion of vested stock equivalents into shares of common stock.

	Shares	Shares held in Savings	Options Exercisable Within 60 Days (B)	% of Shares Outstanding (C) (*denotes less than 1%)
Directors And Executive Officers	Beneficially Owned	Investment Plan (A)		
Bill G. Armstrong	1,000	0	10,000	*
R. David Hoover	20,000(E)	0	5,000	*
John C. Hunter	0	0	10,000	*
John E. Klein	18,500(E)	0	10,000	*
Richard A. Liddy	19,000(E)	0	0	*
W. Patrick McGinnis	12,143(E)	0	10,000	*
Joe R. Micheletto	20,008(E)	0	10,000	*
Pamela M. Nicholson	20,000(E)	0	10,000	*
John R. Roberts	20,000(E)	0	10,000	*
J. Patrick Mulcahy	681,079(D)	29,119	0	1.01%
Ward M. Klein	121,230(E)	5,253	195,000	*
David P. Hatfield	16,012(E)	2,638	31,667	*
Joseph W. McClanathan	60,658(E)	3,748	120,000	*
Daniel J. Sescleifer	25,777(E)	0	5,000	*
Gayle G. Stratmann	24,454(E)	3,356	2,500	*
All Officers and Directors	1,071,710(E)	49,995	434,417	2.21%



- (A) Column indicates the most recent approximation of the number of shares of common stock as to which participants in our savings investment plan have voting and transfer rights. Shares of common stock which are held in the plan are not directly allocated to individual participants but instead are held in a separate fund in which participants acquire units. Such fund also holds varying amounts of cash and short-term investments. The number of shares allocable to a participant will vary on a daily basis based upon the cash position of the fund and the market price of the stock.
- (B) Under the terms of the stock options granted to the directors, all options that have otherwise not vested will vest and become exercisable in the event that he or she retires or resigns from the board. The following directors have unvested options that would accelerate and vest upon retirement or resignation from the board: Mr. Armstrong, 2,000 options; and Mr. Hunter, 2,000 options.
- (C) The number of shares outstanding for purposes of this calculation was the number outstanding as of November 1, 2009 plus the number of shares which could be acquired upon the exercise of vested options, or options that could vest within 60 days, by all officers and directors, and the conversion of vested stock equivalents as well as equivalents that did or could vest within 60 days.
- (D) Mr. Mulcahy disclaims beneficial ownership of 12,500 shares of common stock owned by his wife and 111 shares owned by his step-daughter.
- (E) Includes vested common stock equivalents which will convert to shares of common stock upon the individual's retirement, resignation from the Board or termination of employment with the Company. The number of vested equivalents credited to each individual officer or director is as follows: Mr. Hoover, 10,000; Mr. Liddy, 10,000; Mr. Micheletto, 10,000; Mr. Roberts, 10,000; Mr. J. Klein, 10,000; Ms. Nicholson, 10,000; Mr. Ward Klein, 65,834; Mr. McClanathan, 50,000; Mr. Sescleifer, 18,334; Mr. Hatfield, 6,667; Ms. Stratmann, 18,334; and all other executive officers, 0. In addition, under the terms of restricted stock equivalent awards granted in May, 2003, unvested equivalents will, by their terms, vest and convert to shares of common stock in the event the officer retires after attaining age 55. Accordingly, this number also includes 6,666 equivalents granted to Mr. McClanathan which would vest and convert to shares of common stock if he were to retire. This amount also includes equivalents granted under the 2009 performance awards which vested November 16, 2009. The number of equivalents that vested November 16, 2009 for each officer is as follows: Mr. Klein, 12,046; Mr. Sescleifer, 4,741; Mr. McClanathan, 4,155; Mr. Hatfield, 4,670; Ms. Stratmann, 2,674; and all other executive officers, 2,092.

## EXECUTIVE COMPENSATION

The following narratives and tables discuss the compensation paid in fiscal year 2009 to our chief executive officer, chief financial officer and our other three most highly compensated executive officers, whom we refer to as our "named executive officers".

## COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis describes the key principles and approaches used to determine the compensation of our named executive officers listed in the Summary Compensation Table. You should read it in conjunction with the executive compensation tables and narrative which follow.

The nominating and executive compensation committee of our board of directors, or the "committee", is responsible for approving compensation for our executive officers, and for setting the overall objectives and goals of the executive compensation program.

The elements of our executive compensation program are:

- base salary,
- incentive program—a multi-tier program (annual and two-year cash bonuses, and three-year equity “performance awards”) focused on consistent earnings per share (“EPS”) growth from year to year and over longer term periods,
- a deferred compensation plan with a 25% Company match for deferrals into a fund tracking the performance of our common stock,
- supplemental retirement plans which restore retirement benefits otherwise limited by IRS regulations,
- change of control severance benefits, and
- limited perquisites.

In February of 2009, in order to reduce cash outlays and bolster the Company’s compliance with its debt covenants, the committee, on a one-time basis, converted the 2009 annual cash bonus program for key executives, including our named executive officers, which commenced the beginning of fiscal year 2009, into performance-based restricted stock equivalent awards. The conversion was effected by rescinding the executives’ participation in the bonus program, and, for the current calendar year alone, suspending accruals under our pension restoration plan, as well as suspending Company matching contributions under the terms of the executive savings investment plan. In lieu of all such benefits, each individual was granted a 2009 performance restricted stock equivalent award (“2009 performance awards”), with a value, as of the date of grant (based on the then-current market price of the Company’s common stock), roughly equivalent to the benefits foregone. The 2009 performance awards utilized the same performance metrics and goals as those established by the committee for the 2009 annual cash bonus program, and vesting was based upon individual and Company performance against those goals for the fiscal year. Details of the awards granted to the named executive officers are set forth in the Grants of Plan-Based Awards Table below. The committee, however, did provide that the executives, including the named executive officers, would still be credited, after the end of the fiscal year, with the 25% Company match on bonus payments that would otherwise have been deferred if the annual cash bonus program had not been rescinded. In addition, the committee, at its October, 2009 meeting, elected to eliminate the two-year cash bonus program going forward, as discussed below.

## Objectives

The key objective of our compensation philosophy is to reward management based upon its success in building shareholder value. With that objective, the overall executive compensation program is designed to provide a compensation package that will enable us to attract and retain highly talented executives and maintain a performance-oriented culture.

## Pay for Performance

Our goal is to instill a “pay for performance” culture throughout our operations, with total compensation opportunities targeted at the 50th percentile of our peer group. To attain that overall targeted level, while focusing on compensation linked to our financial performance, we generally target:

- below the 50th percentile for base salary,
- at or below the 50th percentile for target total cash (base and bonus), and
- above the 50th percentile for long-term incentives.

In 2009, a significant portion of targeted compensation for our named executive officers was variable, as opposed to fixed, compensation, and much of that was dependent upon achievement of pre-established earnings goals—subject to forfeiture if threshold goals were not achieved. We believe this compensation structure offers high potential rewards for superior performance, and steep reduction for results below target. In fiscal year 2009, because of the extremely difficult global business environment, threshold goals for the annual cash bonus program (which, as noted above, was converted into 2009 performance awards), as well as for the three-year performance award granted in October of 2006 (a restricted stock equivalent award, with vesting of 75% of the award contingent upon compound annual growth rates for the three-year period ending September 30, 2009), were not achieved. As a result, approximately 70% of each executive’s 2009 performance award, and 75% of his or her three-year performance award, was forfeited. For the named executive officers as a group, 66,494 equivalents granted under the 2009 performance awards, and 103,500 equivalents granted under the three-year performance awards, were forfeited. The remaining 30% of the 2009 performance award was based upon individual performance, and the remaining 25% of the three-year performance award vested on the third anniversary of grant, regardless of Company performance.

## Consistent EPS Growth

Our incentive programs are focused on consistent EPS growth from year to year. We believe that focus has provided strong motivation for superior executive performance that directly benefits shareholders, and that the continuing use of EPS as a performance metric is strongly supported by a number of factors.

The main premise of our choice of EPS as our key performance metric is that it results in a close alignment of the interests of shareholders with those of management. Our incentive programs are designed to reward consistent, sustainable growth in EPS over single and multiple year periods, to the benefit of our shareholders. For the past several years, including fiscal 2009, the targeted EPS goal for our annual cash bonus program has been set at 10% over prior year results. However, for fiscal 2010, it has been decided to lower the targeted EPS goal to 8%, reflecting the difficult business conditions created by the global recession, the relative performance of our peer group of companies, and the need to invest in our businesses for long-term growth, despite the impact on short-term EPS.

A key element of our incentive program is our use of all-in EPS results, determined in accordance with U.S. generally accepted accounting principles (“GAAP”), without adjustment for unusual or non-recurring items. As a result, we do not adjust for factors which may be outside of management control but which, nevertheless, impact earnings, cash flow, and shareholder value. For example, if currency swings negatively impact U.S. dollar income and cash flow, as they

did in fiscal year 2009, shareholders will be negatively impacted, and, with no adjustments, payouts under our incentive program will be, as well. Other unusual, or non-recurring, items, which may be in management's discretion, can also have a positive or negative impact on incentive plan payouts, as a consequence of our use of an all-in number, such as:

- the dilutive impact of our public equity offering during fiscal 2009;
- share repurchases;
- restructuring charges, such as those taken during the fourth quarter of 2009; and
- one-time tax benefits.

However, as described under Adjustment of Goals below, adjustments are made for unusual, non-cash accounting impacts which would generally be ignored by the market and consequently, would not positively or negatively impact shareholders.

Historically, there has been a high correlation between movement in the share price of our common stock and changes in trailing four quarters EPS (adjusted for the unusual items described under Adjustment of Goals below). Management believes that this high correlation is explained by the close relationship between earnings and cash flow. From the inception in 2002 of our incentive compensation program focused on EPS growth, until the end of fiscal year 2009, Energizer produced a 24% compounded annual growth in diluted EPS, as adjusted, and a 19% compounded annual growth in share price. (The above growth rate in EPS is based on fully diluted GAAP EPS for 2001 and 2009, adjusted for a write-off of goodwill in 2001 of \$119 million, and a one-time inventory write-up of \$3.7 million related to the “Edge” and “Skintimates” acquisition recognized in 2009).

During fiscal 2009, economic concerns and negative market-wide pricing pressures in the public equity markets, particularly during the first half of the fiscal year, have somewhat weakened the correlation between share price and changes in EPS. In addition, the difficult business environment, as well as significant volatility in currency values, during that period have had a negative impact on earnings and EPS growth. Nevertheless, we believe that our focus on consistent EPS growth has resulted in superior executive decision-making and performance, and will continue to have a beneficial impact over time, as economic conditions moderate. Therefore, we believe that the continued utilization of EPS as the key performance metric for our executive officers remains appropriate.

The choice of any performance metric involves a consideration of its advantages and drawbacks, as well as risks created by the choice of incentives, and the committee has considered these issues with respect to the use of EPS. The committee and the board are regularly advised of management actions or unusual items which impact EPS. The committee also periodically considers the impact of our focus on EPS improvement on operational and cash management decisions.

#### Retention

Our management team is highly experienced (the average length of service with the Company for our named executive officers is over 20 years), and has been successful in diversifying our businesses, improving operating results, and, prior to the current economic recession, sustaining consistent “year over year” growth in EPS, as adjusted. Because of management’s level of experience and successful track record, as well as the value of maintaining continuity in senior executive positions, particularly in the current turbulent environment, we view retention of key executives as critical to the ongoing success of our operations. Consequently, we:

- utilize benchmarking against a peer group of companies in order to ensure that we can retain key executives and remain competitive in attracting new employees; and
- establish vesting periods for our equity-based awards and the Company match under our deferred compensation plan, so that those elements of our compensation program will provide additional retention incentives.

However, the dilutive impact of our public equity offering in 2009, as well as recent economic volatility, have increased the difficulty of attaining performance goals under three-year performance awards which were granted prior to the offering and which vest over the next two years. As a result, management and the committee considered the impact that this would have on retention risks for our executive talent, and the committee, at its October, 2009 meeting, elected to grant special one-time retention awards of stock options to a limited group of key executives, including each of the named executive officers. The committee preferred to utilize options—which only reward the recipients if shareholder value is enhanced. The intention of the award and its design features was to facilitate retention, but in the context of long-term value creation and not simply the passage of time.

#### Other Considerations

Because an overall compensation program addresses numerous compensatory, health, welfare, and retirement concerns of employees, our executive compensation program also includes various other programs and benefits

addressing these concerns. At the time of our spin-off in 2000, our management and board of directors elected to retain the executive benefit programs provided by our former parent, Ralston Purina Company, in order to provide continuity of benefit programs. We view these legacy benefits as also strengthening our ability to retain senior executives, as we believe that they can be a key consideration whenever employment changes might be contemplated. However, we continually review these programs and benefits to determine if they continue to offer value to us and to our executives, and to determine if they remain consistent with our overriding compensation goals. Consequently:

• in 2007, the committee froze the executive health plan for existing participants and ceased offering it to any additional participants,

• in 2008, the committee froze the executive retiree life insurance plan—allowing it to continue in effect for our current retired executives, but not for future retirees, including the named executive officers,

• in 2009, the Company froze the existing pension formulas in its U.S. retirement plan and implemented a new formula for all U.S. employees, including the named executive officers, which will reduce liabilities under our pension restoration plan going forward, and

• effective as of January 1, 2010, the board of directors elected to eliminate reimbursement of income taxes associated with the personal use of our aircraft by our chief executive officer and our chairman of the board, and the committee elected to eliminate reimbursement of income taxes associated with reimbursement of the commuting expenses of Mr. Hatfield.

In the context of these objectives, we describe below the material elements of our executive compensation program, and the reasons why each element is included.

## Compensation Committee's Role and Procedures

Our board of directors has delegated authority to the committee to approve all compensation and benefits for our executive officers. The committee sets executive salaries and bonuses, reviews executive benefit programs, including change in control severance agreements, and grants cash bonus awards to our executive officers under our cash bonus program, as well as equity awards to all eligible employees and executives under our 2009 incentive stock plan. The committee has not delegated this authority to any other individuals or groups, but it has delegated certain general administrative tasks involving our benefit programs to the Energizer Plans Administrative Committee, which is comprised of members of management.

### Committee Consultant

To assist it in evaluating our executive and director compensation programs on a competitive market basis, the committee has directly retained an outside consultant, Hewitt Associates, Inc., which is asked to:

provide comparative market data for our peer group (and other companies, as needed) with respect to the compensation of the named executive officers and the directors,

- analyze our compensation and benefit programs relative to our peer group, and
- advise the committee on trends in compensation practice and on management proposals with respect to executive compensation.

A representative of Hewitt attends committee meetings from time to time to serve as a resource for the committee on executive and director compensation matters. In order to encourage independent review and discussion of executive compensation matters, the committee meets with Hewitt in executive session without management present. The committee has sole authority to retain or replace Hewitt in its role as compensation consultant. Management has retained a separate consultant, Watson Wyatt, which advises it (but not the committee) on market trends in executive compensation, provides ad hoc analysis and recommendations, and reviews and comments on compensation proposals. We believe that having separate consultants promotes Hewitt's independence with respect to the advice it provides the committee. Aside from its service to the committee, Hewitt does not provide any other services to the Company. The committee regularly reviews the performance and independence of Hewitt, as well as fees paid.

Hewitt, with input from the committee and from our management, has developed a customized peer group of 17 companies based on a variety of criteria, including some or all of the following:

- consumer products businesses,
- businesses with a strong brand focus,
- competitors for executive talent, and
- similarly sized businesses in terms of revenues and market capitalization.

Through Hewitt's proprietary database which comprises these companies and others, Hewitt uses data provided by that peer group to determine a market comparison for our executive compensation program. Total compensation opportunities are targeted at the 50th percentile of the peer group, size-adjusted by revenues, using regression analysis. The market comparison is made for each component of compensation, including base pay, target annual bonus, target total cash compensation and grant-date value of long-term incentives.

Beyond the positional comparisons, the aggregate size of equity grants are also compared to the peer group based on the annual run rate, dilution, and overhang, to ensure that they are consistent with the median of the peer group. Hewitt also analyzes the Company's change-in-control program for our executives to determine consistency in design, and reviews the costing that management prepares against prevailing market practice.

The peer group utilized by Hewitt for its review of fiscal year 2009 executive compensation consists of the following companies. The industries in which the companies are engaged are noted: (1) household products; (2) personal care; (3) food and beverage; and (4) apparel.

Alberto Culver(2)	Colgate-Palmolive(2)	Hasbro(1)	Revlon(2)
Avon Products(2)	Del Monte Foods(3)	Hershey(3)	S.C. Johnson(1)(2)
Black & Decker(1)	Fortune Brands (1)(3)	Mattel, Inc.(1)	Scott's Miracle-Gro(1)
Brown Shoe(4)	Hanesbrands, Inc.(4)	Newell Rubbermaid(1)	Tupperware(1)
Clorox(1)			

The Wm. Wrigley, Jr. Company was included in the peer group utilized by Hewitt for its review of fiscal year 2008 compensation, but was removed from the peer group for 2009 upon its acquisition by Mars, Inc.

The committee is annually apprised of the current value of all equity-based compensation awarded to the named executive officers. It is also apprised of the value of payments which would be made to the officers under various termination of employment scenarios. Because of our program's emphasis on pay for performance and compensation at competitive market rates, the committee generally does not view prior equity awards to our executives as a significant factor in its determination of appropriate equity grants or other compensatory awards.



## Elements of Compensation

Base pay—We benchmark base pay against our peer group on an annual basis as a guide to setting compensation for all key positions throughout the Company—including the named executive officers. Because the executive compensation program is designed to emphasize variable pay over fixed compensation, our management and the committee have agreed that the target for base salaries should generally be below the 50th percentile for the peer group. With that underlying framework, at the beginning of each fiscal year the committee establishes the salaries of the executive officers (other than the chief executive officer) based on recommendations of the chief executive officer. These recommendations include an assessment of the individual’s responsibilities, experience, and individual performance against focal points. We also review a number of external sources relating to average merit increases for executives, as a comparison to our recommendations. The committee also reviews the peer group benchmarked salary data provided by the committee’s compensation consultant. The consultant, without input from management, provides the committee with a range of possible salary and long-term incentive award levels for the chief executive officer. This is an analytical tool to assess the impact of any potential change in competitiveness. The committee uses this only as a tool, and sets new pay levels based partly on market data, but mostly on the performance and contribution of the chief executive officer. The committee assesses the chief executive officer’s contributions during the prior year and performance against focal points, and subjectively determines an appropriate salary for the upcoming year. (The process of setting focal points for the named executive officers is described in more detail below.)

With respect to the salaries set for fiscal year 2009, in October of 2008 the committee approved salary increases for the named executive officers, which its consultant indicated generally met the intended goal of below 50th percentile for base salaries, with individual salaries of each of the named executive officers, other than Mr. McClanathan, in a range between 4% and 11% below the 50th percentile for the peer group. Mr. McClanathan’s base salary was approximately 7% above market, primarily reflecting his years of service, as well as changes in peer group compensation data. The differences in the range were based upon the officers’ individual experience, time in job, and performance, as well as changes in benchmarked data for each position. The 2009 salary increase became effective as of November 1, 2008, but in December of that year, as a result of the difficult business and economic conditions facing the Company, the executive officers voluntarily elected to have the Company rescind the increases effective as of the beginning of that month, and they were paid their fiscal 2008 salaries for the remainder of the year. As a result, their actual salaries for the remainder of the year were in a range between 11% and 24% below 50th percentile, with the exception of Mr. McClanathan’s salary, which was approximately 5% above the 50th percentile.

For fiscal year 2009, the actual salaries of the named executive officers, following the rescission of the approved increase in pay, were as follows: W. Klein—\$825,000; D. Sescleifer—\$440,000; J. McClanathan—\$475,000; D. Hatfield—\$400,000; and G. Stratmann—\$350,000.

Each year, recommendations for the specific salaries for the executive officers are determined by a subjective consideration of the above performance factors, as well as by consideration of the interplay of all of the benchmarked components of the officers’ compensation. These considerations are made in light of our overriding compensation goal of setting target total compensation at the 50th percentile of the peer group. We then set the individual components either above or below that market point, in line with our “pay for performance” philosophy, which emphasizes long-term incentives over fixed pay. We look at these factors for each individual officer as well as for the entire executive officer group in the aggregate. If market or other factors suggest an increase in salary for an officer is merited, the range of increases is evaluated in terms of:

• our goal of staying below the 50th percentile for salaries,

- their impact on the aggregate salaries of the executive group,
- their impact on total compensation paid, individually and to all of the officers, and

their impact on the individual components of that total compensation which change as a result of a change in base salaries—such as target annual bonus, target long-term bonus, and benefits.

We evaluate all of these factors to ensure that our pay is generally consistent with our 50th percentile pay philosophy. The amount of increase which best achieves the goal of rewarding an officer, and which is consistent with our overall pay philosophy, is then recommended to the committee. As long as the recommendations remain within the targeted range relative to the peer group, and they concur with the chief executive officer's assessment of performance, the committee has historically approved the recommendations as made.

The committee evaluated the annual salaries of the named executive officers at its October, 2009 meeting after the end of fiscal year 2009, and based upon benchmarking data in the manner described above, the committee elected to increase their salaries for fiscal 2010. The committee's consultant indicated that the new salaries generally met the intended goal of below 50th percentile for base salaries, with the exception of Mr. McClanathan and Mr. Hatfield. Because salaries are based on individual responsibilities and performance, and on benchmarked data for similar positions at our peer group, the committee generally does not consider parity among the officers or between officers and employees. However, in light of the comparable size of the two business divisions under their management, the committee has elected to bring Mr. Hatfield's salary to parity with Mr. McClanathan's for fiscal 2010. As a result, the 2010 salaries of both officers will be approximately 9% above the 50th percentile. Because the chief executive officer exercises a level of responsibility higher than that of our other executive officers, his salary, in line with benchmarking data from our peer group, has historically been set at a higher level than the other officers, although still significantly below the median. With respect to the chief executive officer's fiscal 2010 cash compensation opportunity, the committee decided to increase his salary by 9.1%, while leaving the target annual incentive opportunity unchanged at 100% of his salary. This increase in cash compensation reflects the fact that Mr. Klein has been below market in target cash compensation since he assumed his current office in 2005. Even with this change, he remains approximately 16% below the 50th percentile in base salary. The committee believes that, given his increasing experience as chief executive officer, his compensation should continue to migrate toward the 50th percentile.

The base salaries of the named executive officers for fiscal year 2010, as approved by the committee, are as follows: W. Klein—\$900,000; D. Sescleifer—\$475,000; J. McClanathan—\$490,000; D. Hatfield—\$490,000; and C. Stratmann—\$375,000.

We believe that a competitive base pay structure which is annually adjusted to reflect individual performance serves to attract and retain key individuals, motivates performance against focal points for the year, and rewards exceptional performance.

The amounts of salary paid to each of the named executive officers during fiscal year 2009 is set forth in the Summary Compensation Table below.

Incentive programs—As noted above, a primary focus of our executive compensation program is consistent EPS growth from year to year, and over long-term periods. To that end, beginning with fiscal 2003, the committee has annually approved a three-tier incentive compensation structure for our key executives:

- an annual cash bonus program with a target for annual EPS growth, adjusted in certain situations as described below, set at 10% above prior year results (with a proportionately smaller bonus for flat or more moderate growth). In addition, the program encompasses a separate subjective component focused on individual performance;
- a two-year cash bonus program which creates an opportunity for an additional cash bonus based on achieving targeted EPS results for the first year, payment of which is contingent upon EPS results for the second year meeting or exceeding results for the prior year; and
- a three-year equity award of restricted stock equivalents, 75% of which are performance-linked and vest only if goals for three-year compound annual growth in EPS are achieved. (These are described under EQUITY AWARDS below.) The remaining 25% of the total award vests on the third anniversary of grant if the recipient remains employed with the Company.

In order to qualify as performance-based compensation under IRS Reg. 162(m), awards to officers under our annual and two-year cash bonus program were made under the terms of our shareholder-approved executive officer bonus plan, and the three-year performance awards were granted under the terms of our shareholder approved 2000 incentive stock plan. In January of 2009, shareholders approved the new 2009 incentive stock plan and all equity grants after January have been, and will be, made under that plan. The performance goals are set by the committee at the beginning of each fiscal year, and are intended to promote shareholder value by means of healthy and consistent EPS improvement.

However, in February of 2009, in order to reduce cash outlays and bolster the Company's compliance with its debt covenants, the committee, on a one-time basis:

- rescinded the participation of certain key executives, including the named executive officers, in the 2009 annual cash bonus program,
- suspended accruals under our pension restoration plan for the calendar year, and
- suspended Company matching contributions under the terms of the executive savings investment plan, for the current calendar year.

In lieu of all such benefits each individual was granted a 2009 performance award, a restricted stock equivalent award with a value, as of the date of grant (based on the then-current market price of the Company's common stock), roughly equivalent to the benefits foregone. Vesting of the 2009 performance awards was contingent upon achievement of the annual Company and individual performance goals for the 2009 annual cash bonus program, as described below,

which were approved by the committee in October of 2008. Details of the awards granted to the named executive officers, and the number of equivalents which actually vested, are set forth in the Grants of Plan-Based Awards Table. The following description of the fiscal 2009 annual cash bonus program (which was initially approved and then rescinded by the committee, and accordingly did not result in any annual cash bonuses to the named executive officers for 2009) sets forth greater detail on the performance goals utilized for the substituted 2009 performance awards.

#### ANNUAL AND TWO-YEAR CASH BONUS PROGRAM

##### Annual Bonus

The annual bonus is designed to promote achievement of both Company and individual performance goals, with a component equal to 70% of an individual's annual "bonus target" (see below) focused on objective Company performance, and a component equal to the remaining 30% of the annual "bonus target" focused on more subjective individual performance.

The committee has assigned individual “bonus targets”, which are a percentage of the individual’s annual salary, to each of the officers, based upon historical practice at the Company and prevailing market practice information provided by the committee’s consultant. For fiscal year 2009, the following “bonus targets” were assigned to the named executive officers:

• Mr. Klein - 100%

- Mr. Sescleifer - 80%
- Mr. Hatfield - 80%
- Mr. McClanathan - 80%
- Ms. Stratmann - 60%

Company performance. This component rewards achievement of Company performance goals established at the beginning of each fiscal year. For the executive officers, the program is designed to reward significant annual EPS growth, and provides the following potential bonuses:

Goals for Annual Objective Component— Set at Beginning of Each Fiscal Year Threshold: set at prior year’s final GAAP results Target: set at 10% above Threshold goal Stretch: set at 20% above Threshold goal	Bonus which will be Awarded upon Achievement of Goals 50% of 70% of officer’s “bonus target” 100% of 70% of officer’s “bonus target” 150% of 70% of officer’s “bonus target”
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(Bonuses indicated increase proportionately in 1/10(th) of 1% increments, for final results between the goals indicated—with maximum bonus at stretch. No bonuses are paid for results below the Threshold goal.)

For 2009, the threshold EPS goal (which was equal to final GAAP EPS results for 2008) was increased by \$0.28 to reflect the non-cash accounting treatment of inventory write-ups associated with our acquisition of Playtex during fiscal 2008, as described under Adjustment of Goals below. Following the end of fiscal year 2009, solely for purposes of determining achievement of our adjusted 2009 program goals, our final GAAP EPS results for 2009 were increased by \$0.04 to reflect the non-cash accounting treatment of inventory write-ups associated with our acquisition of the “Edge” and “Skintimate” shave preparation business during fiscal 2009. That number, as increased, will also be the base for determining the target and stretch goals for fiscal 2010, as well as the base for determining compound annual growth in EPS under the three-year performance awards granted in October, 2009, which are described below. Based on final EPS results for fiscal 2009, as so adjusted, no bonuses related to EPS were earned since results were below threshold. (No adjustments were made to reflect the dilutive impact of our public offering of equity during fiscal 2009, or the restructuring activity undertaken during the fourth quarter of fiscal year 2009.) Because the Company performance goals under the 2009 program were utilized for the 2009 performance awards, only that percentage of the awards which reflected individual performance vested.

The committee, at its October, 2009 meeting, decided that it would re-implement the annual cash bonus program for fiscal 2010, but elected to reduce the target EPS goal for that program, as well as for the three-year performance awards granted at that time, to 8% EPS growth. The stretch goal for the fiscal 2010 annual cash bonus program was also reduced to 16%. Management believes that these reduced goals reflect a more realistic growth potential in the current economic environment, as well as recognition of our need to invest in our businesses for long-term growth. The committee also revised the fiscal 2010 annual bonus program to provide a more significant incentive for stretch performance, and increased the payment for achievement of that goal to 200% of 70% of an officer’s bonus target, which is in line with the general practice of our peer group of companies.

Individual performance. The individual performance component of the annual cash bonus program is based upon a subjective evaluation of the officer's performance during the year, including performance against pre-established "focal points" for business and operational improvement. Based on that evaluation, a subjective rating is assigned to each officer, each of which ratings provide the following potential bonuses:

Rating	Individual Performance Bonus
"1" or "major contributor"	200% of 30% of officer's "bonus target"
"2" or "significant contributor"	150% of 30% of officer's "bonus target"
"3" or "solid contributor"	75-110% of 30% of officer's "bonus target"
"4" or "marginal contributor"	0
"5" or "unsatisfactory contributor"	0

The board of directors establishes the focal points of the chief executive officer at the beginning of the year, and the chief executive officer sets the focal points for the other executive officers. The focal points for those other officers for 2009 generally addressed specific operational objectives, budgeted financial objectives, organizational and management objectives, and more specific objectives directly related to each officer's position. The focal points for the chief executive officer addressed EPS performance and the protection of cash flows of the Company during the ongoing economic turmoil, as well as top-line operating objectives for our household products and personal care businesses, sales and profit growth objectives, and organizational and management objectives.

The committee determines the rating for the chief executive officer, based on his performance during the year, with input from the chairman of the board. The committee also reviews subjective assessments of the chief executive officer's performance which are provided by each of the directors. The ratings for all other executive officers are recommended by the chief executive officer and are subject to committee approval. For fiscal 2009, the committee determined that although, in light of the difficult operating environment, significant progress was not made toward achievement of the officers' focal points for the year, their efforts in stabilizing the business, preserving compliance with the Company's debt covenants, and completing both the equity offering and the acquisition of the "Edge" and "Skintimate" shaving preparation business in an extremely tight time frame, were critical for the Company and merited recognition. The named executive officers were each rated a "2", with the exception of Mr. Hatfield, who was rated a "1" based on the performance of the Energizer Personal Care division. In assessing the chief executive officer's performance for fiscal 2009, the committee assigned him a "2" rating, indicating that they viewed his leadership during fiscal year 2009 as strong in a challenging environment. Such leadership included not only continued focus on achievement of pre-established financial goals, but also adaptations to a volatile economic climate. The committee recognized his efforts with respect to (i) reducing spending and capital expenditures in order to preserve cash flows and the Company's liquidity, (ii) maintaining the Company's favorable debt structure and reducing leverage, and (iii) extending the Company's presence in personal care categories.

#### Two-Year Bonus

The two-year bonus was designed to promote consistent growth in EPS from year to year. For fiscal 2009, it provided the following potential bonuses:

EPS Goals for Year One	Amount of Bonus Opportunity if Goals for Year One Achieved	EPS Goals for Year Two	Bonus Payment if Goals for Year Two Achieved
Target: set at 10% above prior year's final EPS results	50% of officer's "bonus target"	Threshold: set at final EPS results for year one	50% of bonus opportunity created after year one
Stretch: set at 20% above prior year's final EPS results	100% of officer's "bonus target"	Target: set at 10% above final EPS results for year one	100% of bonus opportunity created after year one

(Bonus opportunities and payments indicated increase proportionately for final results between the goals indicated. No opportunity created or bonus paid for results below the above goals.)

However, because we failed to meet the target EPS goal for fiscal 2008 and 2009, no bonus opportunity for any of the named executive officers was created for fiscal 2009 or fiscal 2010.

Upon review of our overall compensation structure, we determined that the structure of our two-year contingent bonus component effectively created aggregate incentive opportunities which were weighted at threshold (no EPS growth) and stretch performance—not target performance, which management believes is more likely to result in sustainable and consistent growth over time. As a result, the committee, at its October, 2009 meeting, elected to eliminate the two-year component of the fiscal 2010 cash bonus program. To make up for the foregone opportunity, the committee increased the value of our three-year performance awards. Consequently, the overall value of our long-term incentives, and the apportionment between short-term and long-term incentives, remains essentially constant. Transferring the value of the contingent two-year bonus to three-year performance awards also results in a longer vesting period for the incentive, and more equity-based compensation, which we believe will have greater impact on retention.

#### Targeted Compensation Under the Bonus Program

Because of our focus on incentive “pay for performance” compensation, we generally provide higher than market “bonus target” percentages for our executive officers. The chief executive officer’s bonus target remains below market. However, because our base salaries have generally been set below the 50th percentile of our peer group (other than for Mr. McClanathan), our target total cash for 2009, in the aggregate, was at the 50th percentile for the officers other than Mr. Klein, in line with our overall goals for total cash compensation targeted at or below the 50th percentile of our peer companies. Target total cash for Mr. Klein, however, was more than 20% below market, primarily due to his lower salary relative to market. The committee reviews our target bonus opportunities annually.

Our compensation goal is to provide pay opportunities to our executive officers that are competitive and consistent with our pay philosophy. What may actually be realized by them, especially under our cash bonuses and performance awards, is entirely a function of realized results. To the extent actual or earned compensation varies from our targeted total compensation percentile, it is a function of the individual’s and the Company’s performance.



## Adjustment of Goals

The calculation of EPS for purposes of the cash bonus program, and our three-year performance awards, is made in accordance with U.S. generally accepted accounting principles (“GAAP”), subject to adjustment for the following, if they occur during a measurement period:

- extraordinary dividends, stock splits or stock dividends;
- recapitalizations or reorganizations of the Company, including spin-offs or liquidations;
- any merger or consolidation of the Company with another corporation;
- unusual or non-recurring non-cash accounting impacts or changes in accounting standards or treatment;
- unusual or non-recurring non-cash accounting treatments related to an acquisition by the Company completed during the fiscal year; and
- unusual or non-recurring non-cash asset impairment, such as non-cash write-downs of goodwill or trade names.

The committee has agreed that these adjustments will be mandatory under our program; in the event of any ambiguity, the committee determines if adjustment is appropriate. The committee determined that, for purposes of our 2009 annual cash bonus program, GAAP EPS for fiscal 2008, which was utilized as the threshold EPS goal, was required to be adjusted to reflect a \$27.5 million, or \$0.28 per diluted share, non-cash accounting charge for costs of goods sold related to a purchase accounting adjustment to bring inventory acquired in our Playtex transaction to fair value under U.S. GAAP. That adjustment falls within the terms of the second to last category of adjustments described above. As a result, solely for purposes of setting the threshold EPS goal for our 2009 program, and the base for determining compound growth percentages under our three-year performance awards granted in October of 2008, our final GAAP EPS results for 2008 were increased by \$0.28, so that the non-cash charge would not be taken into account.

Similarly, during fiscal year 2009, we incurred a \$3.7 million, or \$0.04 per diluted share, non-cash accounting charge for costs of goods sold related to the purchase accounting adjustment to bring inventory acquired in our acquisition of the “Edge” and “Skintimate” shave preparation business to fair value under U.S. GAAP. Because this again is a mandatory adjustment, as described above, for purposes of determining achievement of our bonus program goals for fiscal 2009, as well as performance goals under our three-year performance awards granted in October of 2006, our final GAAP EPS results for 2009 were increased by \$0.04, so that the non-cash charge would not be taken into account. However, even with this adjustment, bonus program and three-year performance award goals for fiscal year 2009 were not achieved. In order that there will be no continuing impact from the \$0.04 non-cash accounting charge, the final GAAP EPS number for fiscal 2009, which is the threshold EPS goal for our 2010 program, and the base for determining compound growth percentages under our three-year performance awards granted in October of 2009, will also be increased by \$0.04.

The final bonus program goals for fiscal year 2009, adjusted as described above, are set forth in the following table.

Adjusted 2008 Bonus Program EPS Goals (\$5.59) -	Adjustment of FY 2009 EPS Results to Reflect \$0.04
Increased by \$.28 Non-Cash	Non-Cash Accounting Impact of
Accounting Impact of	Inventory Write-Up

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Bonus Program	Formula for	Playtex Inventory Write-Up		(Used to Determine Achievement of Adjusted Bonus Program Goals)
Goals	Setting Goals	in FY 2008	FY 2009 EPS Results	
Threshold	FY 2008 EPS results (\$5.59)	\$ 5.87	\$ 4.72	\$ 4.76
Target	10% above adjusted Threshold	\$ 6.46		
Stretch	20% above adjusted Threshold	\$ 7.04		

Goals for fiscal year 2010 were determined by application of the program's formula to adjusted final EPS results for fiscal year 2009.

Bonus Program Goals	Formula for Setting Goals	Increase Reflecting Non-Cash Accounting Impact of Shave Prep Inventory Write-Up	Adjusted 2009 Bonus Program EPS Goals
Threshold	FY 2009 EPS results (\$4.72)	\$ 0.04	\$ 4.76
Target	8% above adjusted Threshold		\$ 5.14
Stretch	16% above adjusted Threshold		\$ 5.52

The annual cash bonus is intended to ensure that executives focus on short-term performance as well as consistent growth from year to year, and the potential of large payouts for achievement of stretch EPS goals provides a strong incentive for outstanding performance.

## EQUITY AWARDS

At the annual meeting of shareholders in January of 2009, shareholders approved the adoption of our 2009 incentive stock plan, providing authority for the committee to grant up to 4 million shares of common stock, in the form of stock options (qualified and non-qualified), restricted stock or stock equivalents, and other stock awards. The plan expires in 2019, and replaces the 2000 incentive stock plan. We believe that equity grants provide a direct link to shareholder interests by tying a significant portion of the officers' personal wealth to the performance of our common stock. Such grants reinforce a strong interest in share price growth and also, because of vesting requirements, help to retain key employees.

Since the Company's spin-off in 2000, the committee has from time-to-time granted non-qualified stock options as well as restricted stock equivalent awards which vest over time. Since 2005, however, with respect to the named executive officers and other key employees, the committee has primarily granted three-year performance restricted stock equivalent awards, with achievement of Company performance targets as a condition to vesting of the majority of the award, and continued employment with the Company over time as a condition to vesting of the remainder of the award.

Three-year performance awards are designed to promote consistent and significant EPS growth, as adjusted, over a three-year period. These awards generally provide that a percentage of the award will vest at targeted compound annual growth in EPS over the three-year measurement period, with no vesting below that performance threshold, and increasing percentages vesting, on a pro rata basis, for compound growth in EPS in excess of target. The awards granted in fiscal 2006 through fiscal 2009 also contained a time-vesting component, vesting three years from the date of grant, which provides an additional means of retaining key employees and the executive officers.

The awards granted in fiscal year 2006 and 2007 provided that 75% of the total award granted to each officer would be forfeited if compound growth of at least 10% was not achieved over the three-year period of the award. Because of the harshness of that cliff, and because Hewitt advised that performance awards among our peer group generally have a threshold performance criteria that permits partial vesting for performance below target, the performance awards granted during fiscal year 2008 and 2009 provided a lower threshold of 8% compound growth in EPS over the three-year period. At that level of performance, 25% of the number of equivalents that would vest at target would actually vest.

For 2010, the committee has elected to separate the performance component and the time-vesting component of the performance awards into two separate awards, with 70% of the aggregate total equivalents awarded to each individual allocated to the performance component award, and 30% of the aggregate total equivalents allocated to the time-vesting component award. The increased percentage allocated to the time-vesting award reflects concerns over retention of key employees. With respect to the performance awards, the committee approved lowering the threshold for minimum vesting to 5% compound growth, with approximately 12.5% of the award vesting at that threshold, increasing on a pro rata basis to 50% vesting at targeted 8% compound growth, and to a maximum 100% vesting at 12% compound growth over the three-year period. The committee believed that lowering the thresholds was appropriate because of the difficult economic environment and the need to invest in our businesses over the next several years, comparable performance levels among our peers, and the need to establish realistic, achievable goals. The time-vesting award, as in the past, will vest on the third anniversary of grant, provided that the executive remains employed with the Company on that date.

Grants during 2009

Three year performance awards, as described above, were granted to the named executive officers at the beginning of fiscal year 2009, as set forth in the Grants of Plan Based Awards table below. The base EPS number used for calculation of growth rates under those awards was \$5.87, which was \$0.28 more than the final GAAP EPS results for fiscal year 2008 of \$5.59. That increase reflected the non-cash accounting impact of Playtex inventory write-ups in fiscal year 2008, described under Adjustment of Goals above.

As indicated, in February of 2009, in order to reduce cash outlays and bolster the Company's compliance with its debt covenants, the committee, on a one-time basis, rescinded or suspended the 2009 annual cash bonus program and two other executive benefit programs. In lieu of such benefits, certain key executives, including the named executive officers, were granted 2009 performance awards, with a value, as of the date of grant (based on the then-current market price of the Company's common stock), roughly equivalent to the benefits foregone. Vesting of the 2009 performance awards was contingent upon achievement of the annual EPS growth and individual performance targets for the fiscal 2009 annual cash bonus program, as described above, which were approved by the committee in October of 2008. For each of the named executive officers, the total number of equivalents granted would vest only if the stretch EPS goal for the annual bonus program, as described above, was achieved, and the executive was rated a "1" for individual performance. Fewer equivalents would vest for achievement of the target and threshold goals, and for individual ratings lower than a "1". Although the 2009 annual cash bonus program provided for no bonus payments if minimum Company and individual performance goals were not achieved, the inclusion in the awards of the value of accruals under our pension restoration plan and Company matching contributions under the executive savings investment plan, to which performance metrics did not apply, insured that a number of equivalents would vest notwithstanding failure to achieve the threshold Company performance goal of the annual cash bonus program.

The determination of whether targeted growth in EPS is achieved is made in accordance with GAAP, adjusted for unusual items, as described in Adjustment of Goals above.

### Performance Awards Vesting based on 2009 Results

Three year performance awards were granted to the named executive officers at the beginning of fiscal year 2007, under the terms of our 2000 incentive stock plan. As described above, 25% of the total equivalents, representing the time-vesting component of those awards, vested on October 10, 2009, the third anniversary of grant. With respect to the Company performance component of the awards, compound annual growth in EPS over the three-year period between October 1, 2006 and September 30, 2009 did not equal or exceed 10%. Consequently, no portion of that component vested.

With respect to the 2009 performance awards, because the threshold Company performance goal for the 2009 annual cash bonus program was not achieved, only the percentage of awards based solely on individual performance (which included the value of rescinded pension restoration benefits and rescinded Company matching contributions under the executive savings investment plan), as determined by the committee, vested. As indicated above under the discussion of the individual performance component of the annual cash bonus program, each of the named executive officers was rated "2" for the fiscal year, with the exception of Mr. Hatfield, who was rated "1". Details of the number of equivalents vesting under these awards for each of the named executive officers is set forth in the Grants of Plan-Based Awards Table below.

### Timing and Procedures for Grants

But for exceptional cases such as promotions or new hires, performance awards and other restricted stock equivalent awards are generally granted at the October meeting of the committee. (As noted above, special performance awards were granted on a one-time basis in February of 2009.) At that October meeting, which occurs just after the beginning of the fiscal year, salary levels and bonus programs for the new fiscal year are determined, and the committee and management have agreed that it is also an appropriate time to review and consider additional awards, as part of the total compensation packages offered. Although the committee has elected not to regularly grant stock options, as noted above, the committee, at its October 12, 2009 meeting (which was in fiscal 2010), granted special one-time retention stock option awards to a very limited group of key executives, including each of the named executive officers. These options, as mandated by the terms of the 2009 incentive stock plan, were granted at the closing price of the common stock on that date. As the committee meeting occurred prior to the Company's final determination of fiscal year end results, and as the specific date of the meeting was set a year in advance, we believe that there was little or no opportunity to obtain favorable option pricing through manipulation of the grant date.

For the past several years, the size of equity awards for the executive officers has been, in part, based upon benchmarked data from our peer group provided by Hewitt, valued on the basis of grant-date present value.

Hewitt uses pricing models comparable to Black-Scholes for restricted stock equivalents, performance awards, and non-qualified stock options, giving consideration to risk of forfeiture and degree of upside potential for performance shares.

In valuing the performance component of our three-year performance awards granted in fiscal 2009, Hewitt assigned a premium to reflect the fact that our maximum payout, for 15% compound growth in EPS over the three-year term of the award, is three times our target payout (for 10% compound growth) instead of the more customary two times target. Awards granted in fiscal 2010 follow the customary model of our peers (i.e. two times target payout) with maximum payout, for 12% compound growth in EPS over the three-year term, at twice our target payout for 8% compound growth.

As with the setting of base salary, the size of awards recommended reflects the interplay involved with providing long-term incentive compensation, at or slightly above the 50th percentile while maintaining total compensation for each officer, and for all of the officers as a group, at or slightly above the 50th percentile. Other factors, such as parity among the officers, individual circumstances, current dilution rates, and the market run-rate for equity grants among

the peer group also impact the size of long-term incentive awards. Based on these considerations and the consultant's valuation, the chief executive officer determines an appropriate number of shares or share units to be recommended to the committee for each officer.

- The committee reviews the proposed awards and then generally approves the recommendations.

With respect to awards to the chief executive officer, Hewitt, without input from the chief executive officer or other members of management, provides a range of potential awards for the committee. Again, this analytical tool is intended to illustrate the impact that a range of alternatives would have on his competitive posture. However, the committee can and does consider alternatives outside the range. Considering competitive posture, performance of the Company, experience and effectiveness of his leadership, the committee then determines the size of the award. When the equity awards were determined in October, 2008 at the beginning of fiscal year 2009, the officers as a group were approximately 28% above the 50th percentile, and on an individual basis, were in a range between 24% and 36% above the 50th percentile.

We provide long-term incentive opportunities in the form of equity awards in order to align our officers' interests with those of shareholders, promote exceptional performance, and retain key executives throughout the vesting periods. Equity grants constitute a significant element of executive compensation among our peer companies, and we believe the competitiveness of our program would suffer if such grants were not included.

The FAS 123R expense associated with performance awards granted in fiscal year 2009 is included in the Stock Awards column of the Summary Compensation Table. The aggregate grant date value of the 2009 award is set forth in the Grants of Plan-Based Awards Table. Prior equity awards are listed in the Outstanding Equity Awards at Fiscal Year End Table.

Deferred Compensation Plan. The executive officers and other key employees are permitted to request the deferral of their annual and two-year cash bonus awards under the terms of our deferred compensation plan, which is described in the narrative to the Non-qualified Deferred Compensation Table below. Deferrals of an executive's cash bonus into the Energizer common stock unit fund of the plan receive a 25% Company match, vesting three years from the date of crediting.

The plan is a legacy plan inherited from our former parent that we have retained as a part of our compensation program. The 25% Company match is highly valued by our executives as part of their overall compensation package, as are the tax deferral benefits of the plan. The investment alternatives offered under the plan provide additional value:

¶The Energizer common stock unit fund, including the 25% Company match, links the executives' personal financial interests to the performance of our common stock, with no dilutive impact on shareholders because payouts under the plan are made in cash. Moreover, the three-year vesting requirements for the match provide us with an additional means of retaining executives.

¶The 25% Company match has been identified by the committee's consultant as a benefit that is not common among our peer group. However, because of the above advantages of the program, the committee has determined to keep the match in place.

¶The investment options tracking the investment funds in our 401(k) plan allow executives to tailor their retirement investments according to their individual investment objectives, although executives must retain their deferred bonuses in the Energizer common stock unit fund for at least a year, and the 25% Company match must remain in that fund until vested.

- The prime rate fund provides an above-market rate of return.

The FAS 123R expense associated with unvested 25% Company match deferrals during fiscal year 2009 is included in the Stock Awards column of the Summary Compensation Table, and above-market interest under the prime rate fund, credited to each of the named executive officers during fiscal year 2009, is included in the Summary Compensation Table below (and detailed in footnote 5 to that Table.) Details of contributions and earnings, and year-end balances, in the deferred compensation plan are set forth in the Non-qualified Deferred Compensation Table and accompanying narrative.

#### Supplemental Retirement Plans.

##### Defined Benefit

Pension benefits under our qualified defined benefit pension plan have been based upon an employee's five year final average earnings (including wages and bonuses, either paid or deferred). Because of IRS limitations on the amount of earnings that can be taken into account for such calculation, and on the amount of benefits that can actually be paid, we have, like many companies our size, established an unfunded pension restoration plan, our executive supplemental retirement plan, which, following retirement, provides a monthly supplement to an executive's pension benefit equal to the amount that the executive would have received but for the IRS limitations. Executives whose pension benefits under the qualified plan are calculated under an account-based formula also have the option of taking their restoration benefit in the form of a lump-sum payment upon retirement. As noted above, accruals under the pension restoration plan were suspended for calendar year 2009, and the 2009 performance awards were granted in lieu of those and other benefits. Effective as of the end of calendar year 2009, in order to limit growth of future expenses related to providing retirement benefits, the current formulas under the U.S. pension plan will be frozen and future retirement benefits will be determined in accordance with a new retirement accumulation formula described in the narrative to the Pension Benefits Table below. It is anticipated that the change in formulas will reduce future liabilities under our unfunded pension restoration plan. Restoration benefits calculated under the retirement accumulation formula may, at the option

of each executive, be paid in the form of a lump-sum payment upon retirement.

#### Defined Contribution

We also offer a qualified defined contribution 401(k) plan, our savings investment plan, which permits all U.S. employees to defer a percentage of their compensation into the plan until retirement, and receive a Company match on a portion of their deferrals. The amounts which may be deferred into the qualified plan, as well as the amount of company matching contributions, are also both subject to IRS limitations. As with the defined benefit plan, we have adopted an unfunded excess 401(k) plan, our executive savings investment plan, under which executives are permitted to defer any excess contributions and matching payments not permitted into the qualified savings investment plan. As noted above, Company matches on deferrals into the excess plan were rescinded for calendar year 2009.

#### Value of the Plans to Our Compensation Program

The pension restoration plan and the excess 401(k) plan are legacy benefits which were also offered by our former parent, and the committee believes they are highly valued by the executives. The pension restoration plan preserves the full, unreduced benefit which the executives would otherwise receive under the qualified plan's pension formula, and the excess 401(k) plan offers the opportunity to save for retirement, on a tax deferred basis, at the same levels of deferral and company match that the executives would otherwise receive under the qualified 401(k) plan without IRS limits.



According to market data provided by Hewitt, these types of benefits are generally offered by our peer group described above, often with enhanced benefit formulas (which we do not provide). We believe that not including these programs would put us at a competitive disadvantage in retaining our key executives.

#### Enhanced Benefits under Separation Agreements

On a very limited number of occasions, in connection with separation agreements entered into with certain terminating executives, our board has authorized the inclusion of additional bonus compensation in the calculation of pension restoration plan benefits, which would not otherwise have been included under the terms of the qualified pension plan. Although including this compensation resulted in greater benefits under the pension restoration plan, the board, in those cases, believed the benefit was necessary and appropriate consideration for the separation agreements. We consider these agreements on a case by case basis, and generally do not agree to enhance benefits under the pension restoration plan. None of the named executive officers has received enhanced pension restoration plan benefits.

Details of pension benefits under the pension restoration plan are set forth in the Pension Benefits Table below, and details of contributions, earnings, and year-end balances in the excess 401(k) plan are set forth in the Non-qualified Deferred Compensation Table below.

#### Severance and Other Benefits Following a Change of Control.

Unlike other public companies, we have not offered employment agreements to our executives. However, we have ongoing change of control employment agreements with each of our executive officers which provide for severance payments equal to three times annual salary and bonus, and continuation of a number of other benefits in the event of the executive's involuntary termination, or voluntary termination for any of several specified reasons, within three years following a change of control. In addition, the agreements provide for a payment of a pro rata annual bonus immediately upon a change of control and also provide that upon a change of control, outstanding equity awards held by each officer will accelerate and vest in accordance with the terms of the awards, even if the awards have a higher threshold for a "change of control".

The agreements include an excise tax gross-up provision, but provide for a reduction of benefits if the total benefits paid or accelerated upon a change of control are less than 10% over the threshold for excise tax liability.

Details of the terms of the agreements, and the acceleration provisions in our equity awards, are set forth under Potential Payments Upon Termination Or Change of Control below.

#### Purpose of the Agreements

The change of control employment agreements are designed to provide executives with increased security in the event of a change of control, and allow them to weigh alternative future courses for the Company focused on the interests of shareholders and not their own personal financial interests. Our board of directors carefully identified the executives and other individuals who have received agreements as critical to the process of evaluating or negotiating a transaction, or in the subsequent integration process. We believe that their retention through a change of control would be critical to the success of any transaction. In evaluating these agreements, the committee considers it important that:

- except as noted above, no benefits become payable under an agreement unless the executive is involuntarily terminated, or voluntarily terminates for good cause;

- the agreements limit the ability of the new management to impose unfavorable, harsh or unfair conditions of employment in order to motivate the executive to voluntarily terminate and forfeit severance benefits; and

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the agreements include non-compete and non-solicitation covenants binding on the executives, which can provide significant benefit to the new controlling entity.

The committee annually reviews the cost of the program and it also analyzes the terms of the agreements in light of comparative market data provided by Hewitt. The committee has from time to time in the last several years initiated limitations on the benefits provided. Hewitt's advice is based upon surveys of Fortune 200 companies as well as our peer group, and its own internal data and expertise. Based on this information, it has advised that severance payments set at three times annual base salary and bonus for the executive officers, as well as reimbursement of excise taxes, subject to reduction of benefits within ten percent of the excise tax threshold, is common, and that the aggregate projected cost of payments under our agreements, as a percent of market capitalization, is consistent with, or less than, prevailing practices.

The aggregate cost of these agreements to a new controlling entity could be significant, depending, in particular, upon the value of equity awards vesting at a change of control, and excise tax calculations—which can vary significantly depending upon the date of calculation. However, we believe that the retention value provided by the agreements outweighs the potential cost given that:

such protections are common among companies of our size, and allow us to offer a competitive compensation package,

Hewitt has advised that the aggregate projected cost of the agreements is at the lower end of prevailing practice, and

such costs will only be triggered if the new controlling entity terminates the protected executives, or the executives are able to terminate for good reason, during the protected period.

A description of the projected cost if a change of control were to have occurred on the last day of fiscal year 2009 and all of the named executive officers were terminated on that date is provided under Potential Payments Upon Termination Or Change of Control below.

**Perquisites.** We offer only a limited number of perquisites for our executive officers, and do not provide commonly offered perquisites such as company cars and country club memberships. Our board of directors has authorized the personal use of our Company-owned aircraft, for up to 30 flight hours per year, by the chief executive officer and the chairman of the board. The board has also authorized those individuals to bring family members and guests along on business flights, and, in the past, has also approved their reimbursement for state and federal income taxes associated with their personal use of the aircraft and the use by their guests, but not for any taxes on such reimbursement. At the committee's November, 2008 meeting, the committee authorized an increase in flight hours available to the chief executive officer from 30 to 50 because his salary remained significantly below market. Nevertheless, in light of the uncertainties created by the global economic crisis, Mr. Klein elected to decline the increase for 2009. However, at his request, and because his salary remains below market, the board has reinstated the increase effective as of the beginning of calendar year 2010. The board, however, also rescinded the right to personal use granted to the chairman of the board, and discontinued reimbursement of taxes associated with any officer's or board member's personal use of the aircraft. The remaining perquisites or executive benefits consist of the executive financial planning program, executive health plan, executive long-term disability plan, and executive excess liability plan. In addition, Mr. Hatfield is reimbursed for commuting expenses as a result of his assignment to our office in Connecticut. The executive programs are all legacy programs which were in effect prior to our spin-off. Because our executives have participated in these programs for a number of years, and value them highly as a part of their overall compensation package, we believe they strengthen our ability to retain key employees at moderate expense. However, since 2006, participation in the executive health plan has not been offered to any additional participants, and since 2008 the executive retiree life plan has only been available to executives who were retired at that time, and will not be available to future retirees, including the named executive officers.

The value of perquisites provided to the named executive officers during fiscal year 2009 is set forth in the All Other Compensation Column of the Summary Compensation Table below, and detailed in footnotes to that Table.

#### Stock Ownership Requirements

In October, 2007, because of the importance of having our executives' personal financial interests directly and significantly linked to the interests of shareholders, the committee approved stock ownership guidelines for our executive officers. Although historically our officers have maintained stock ownership levels well above typical mandatory guidelines, we felt it was advisable to set guidelines for new officers. The guidelines provide that the chief executive officer must maintain ownership of our common stock with a value of at least five times his base salary, and the other executive officers must maintain common stock ownership with a value of at least three times their base salaries. New officers would be given a period of five years to attain full compliance with the guidelines.

For purposes of these determinations, stock ownership includes shares of our common stock which are directly owned or owned by family members residing with the executive, or by family trusts, as well as vested options, vested and deferred restricted stock equivalents, unvested restricted stock equivalents (other than equivalents subject to achievement of performance targets), and common stock or stock equivalents credited to an officer under our savings

investment plan, our excess 401(k) plan, or our deferred compensation plan. At the current time, all of our officers are in compliance with the guidelines.

#### Trading in Energizer Stock Derivatives

It is our policy that employees and officers may not engage in speculative transactions in our securities. Under the policy, an officer may not invest or trade in market-traded options, engage in short-sales of our securities, or speculate on relatively short-term price movements of our common stock.

#### Deductibility of Certain Executive Compensation

U.S. tax laws set a limit on deductible compensation of \$1,000,000 per year per person for those executives designated as named executive officers in the proxy statement. In the past, the committee was granted discretionary authority under our deferred compensation plan to mandate the deferral of certain bonus and salary payments to such officers in order to preserve the deductibility of those payments, but in December of 2008, upon advice of counsel that exercise of such discretion could potentially be deemed to violate deferred compensation rules under IRS code section 409(A), the committee amended the plan to make such deferral mandatory in all circumstances. However, at its October, 2009 meeting, the committee was advised that the amendment had been improperly adopted without consent of the plan participants, as required by the plan document, and consequently the amendment was rescinded. The plan provision was, however, amended to clarify that the exercise of discretion by the committee would be in compliance with section 409(A). Notwithstanding future discretionary actions by the committee, we believe a significant portion of the compensation paid to the named executive officers should remain deductible as performance-based awards under shareholder-approved plans. The committee intends to continue to review and monitor its policy with respect to the deductibility of compensation.

## SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary	Stock Bonu Awards		Option Awards (3)	Non-Equity Incentive Plan Comp. (1)(4)	Change in Pension Value and Nonqual'd Deferred Comp. Earnings (5)	All Other Compensati (6)	Total (8)
			(1)	(2)					
Ward M. Klein Chief Executive Officer	2009	\$ 833,430	\$ 0	\$ (206,413 )	\$ 0	\$ 0	\$ 3,397,574	\$ 224,734	\$ 4,249,325
	2008	\$ 818,750	\$ 0	\$ 4,070,141	\$ 140,750	\$ 1,562,535	\$ 287,410	\$ 183,538	\$ 7,063,124
	2007	\$ 745,833	\$ 0	\$ 7,616,242	\$ 287,417	\$ 1,853,500	\$ 1,039,589	\$ 226,221	\$ 11,768,802
Daniel J. Sescleifer Executive Vice President and Chief Financial Officer	2009	\$ 446,300	\$ 0	\$ 236,692	\$ 0	\$ 0	\$ 165,121	\$ 21,016	\$ 869,129
	2008	\$ 436,667	\$ 0	\$ 900,615	\$ 8,833	\$ 666,682	\$ 174,251	\$ 48,071	\$ 2,235,119
	2007	\$ 397,500	\$ 0	\$ 1,462,923	\$ 56,074	\$ 788,480	\$ 191,577	\$ 61,615	\$ 2,958,169
Joseph W. McClanathan President & CEO Energizer Household Products	2009	\$ 480,087	\$ 0	\$ 274,926	\$ 0	\$ 0	\$ 617,763	\$ 25,062	\$ 1,397,838
	2008	\$ 473,100	\$ 0	\$ 1,094,361	\$ 0	\$ 704,944	\$ 469,788	\$ 28,618	\$ 2,770,811
	2007	\$ 449,166	\$ 0	\$ 2,396,152	\$ 91,649	\$ 836,880	\$ 737,364	\$ 68,907	\$ 4,580,118
David P. Hatfield President & CEO, Energizer Personal Care	2009	\$ 404,919	\$ 0	\$ 341,603	\$ 0	\$ 0	\$ 412,071	\$ 115,383	\$ 1,273,976
	2008	\$ 395,879	\$ 0	\$ 711,057	\$ 26,500	\$ 667,776	\$ 280,727	\$ 49,585	\$ 2,131,524
	2007	\$ 342,917	\$ 0	\$ 1,030,360	\$ 38,862	\$ 582,060	\$ 246,745	\$ 103,092	\$ 2,344,036
Gayle G. Stratmann Vice President and General Counsel	2009	\$ 354,850	\$ 0	\$ 1 32,929	\$ 0	\$ 0	\$ 197,981	\$ 16,433	\$ 702,193
	2008	\$ 347,573	\$ 0	\$ 7 10,096	\$ 26,253	\$ 398,766	\$ 230,256	\$ 19,611	\$ 1,732,555
	2007	\$ 317,500	\$ 0	\$ 1,208,515	\$ 83,728	\$ 426,720	\$ 232,145	\$ 45,860	\$ 2,314,468

(1) All awards under our annual and two-year cash bonus program are based upon achievement of either individual or Company performance measures established at the beginning of a performance period. Consequently, the value of

all bonuses earned during the fiscal year would have been included in the Non-Equity Incentive Plan Compensation column of this table. See footnote (4) below.

- (2) The amounts reported in this column reflect the dollar amount, without any reduction for risk of forfeiture, recognized in the fiscal year for financial reporting purposes for stock awards to the listed officers, calculated in accordance with the provisions of FAS 123R. Portions of awards granted over several years are included in this amount. The FAS 123R value as of the grant date is spread over the number of months of service required for the grant to become vested, which may be accelerated for retirement eligible officers. Accounting expense is also affected by the current probability of meeting or exceeding performance targets included in some of the awards, since that is how they are expensed. Assumptions utilized in the calculation of these amounts are set forth in "Note 8. Share-Based Payments" of the Notes to Consolidated Financial Statements of our 2009 Annual Report. These amounts include expenses related to the executives' 25% Company match in the Energizer stock unit fund of the deferred compensation plan.
- (3) The amounts reported in this column reflect the dollar amount, without any reduction for risk of forfeiture, recognized in the fiscal year for financial reporting purposes for stock options held by the listed officers, calculated in accordance with the provisions of FAS 123R. As all options had vested as of the beginning of the fiscal year, no expense was recognized for fiscal 2009.
- (4) As discussed in our Compensation Discussion and Analysis, the 2009 annual cash bonus program was rescinded in February of 2009, and no two-year cash bonus opportunity, contingent upon fiscal 2009 results was created during fiscal year 2008. Consequently, no Non-Equity Incentive Plan Compensation was earned or paid for fiscal year 2009.

- (5) The amounts reported in this column consist of:

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(i) aggregate changes in the actuarial present value of accumulated benefits under our retirement plan and the supplemental executive retirement plan, our pension restoration plan, which are our defined benefit pension plans described in the narrative to the Pension Benefits table. For the final average earnings formula benefit under the retirement plan, this amount reflects the difference in the calculated present value of the benefit during fiscal year 2009. (To the extent that payments under the qualified retirement plan exceed limitations imposed by the IRS, the excess will be paid under the terms of the non-qualified supplemental executive retirement plan.)

- Mr. Klein, \$3,397,103
- Mr. Sescleifer, \$123,497
- Mr. McClanathan, \$602,697
- Mr. Hatfield, \$396,843
- Ms. Stratmann, \$192,455

(ii) above-market interest (120% of the applicable long-term federal rate) credited to deferrals into the prime rate fund of our deferred compensation plan:

- Mr. Klein, \$471
- Mr. Sescleifer, \$41,624
- Mr. McClanathan, \$15,066
- Mr. Hatfield, \$15,228
- Ms. Stratmann, \$5,526

(6) The amounts reported in this column with respect to fiscal year 2009 consist of the following:

(i) Company matching contributions or accruals in our savings investment plan and executive savings investment plan:

- Mr. Klein, \$29,886
- Mr. Sescleifer, \$5,588
- Mr. McClanathan, \$8,384
- Mr. Hatfield, \$10,699
- Ms. Stratmann, \$5,939

These amounts include benefits which were accrued by the named executive officers in our executive savings investment plan in lieu of the pensionplus match account in our retirement plan (as described in the narrative to the Pension Benefits Table below) due to certain limits imposed by the Internal Revenue Code on accruals in our retirement plan.

(ii)

the group life insurance plan—term life insurance premiums paid by us for the first \$40,000 of coverage for each of the named executive officers: \$62.

(iii) tax reimbursements for income taxes associated with personal use of Company-owned aircraft and reimbursement of living expenses:

- Mr. Klein, \$45,834
- Mr. Hatfield, \$49,252

Tax reimbursements for each fiscal year are made on a delayed basis in the next fiscal year, and as a result previous year tables have reflected reimbursements of taxes accrued in the previous year. The reimbursements indicated above, however, are accruals for income taxes accrued during fiscal year 2009. The reimbursements for taxes accrued during fiscal year 2008 (not included in the amounts shown for fiscal year 2009) are as follows:

- Mr. Klein, \$14,808
- Mr. Hatfield, \$16,282

The board of directors has elected to eliminate tax reimbursements to the officers, commencing January 1, 2010.



(iv) the incremental cost to the Company of the following perquisites provided to the named executive officers:

Personal use of Company aircraft. Ward M. Klein, the chief executive officer, has been authorized to use Company-owned aircraft for up to 30 hours of personal travel per year. During fiscal year 2009, he received tax reimbursements from the Company for income taxes associated with such travel, which is shown in (iii) above. Mr. Klein is also authorized to use the aircraft for travel to meetings of other boards on which he may serve, and to permit, in limited situations, the personal use of the aircraft by officers and employees. (Please see the narrative to the Director Compensation Table for a description of the calculation of the incremental cost of these flights.)

In fiscal year 2009, the incremental cost to the Company of Mr. Klein's personal use of our aircraft, on a variable cost basis, was \$95,088, reflecting the assessed charge per flight hour for such use, and the approximate amount of disallowed federal tax deductions associated with such use was \$35,183. A personal flight by Mr. Hatfield's family was also authorized, with an incremental cost of \$9,467, and disallowed federal tax deductions associated with such use of \$3,503. Tax reimbursements associated with these flights are included in footnote (iii) above.

Executive Financial Planning Program. We reimburse the executives for 80% of the cost of personal financial advisory services, up to certain annual maximums. During 2009, the following reimbursement payments were made:

- Mr. Klein, \$7,528
- Mr. Sescleifer, \$4,800
- Mr. McClanathan, \$6,000
- Mr. Hatfield, \$5,680

Executive Health Plan. We pay the annual premium for each executive for an executive health insurance policy which generally covers all health care and dental expenses to the extent not covered by our medical and dental plans. The executives are required to pay for underlying coverage under our medical and dental plans at the same rate as all other employees. For fiscal year 2009 we paid \$16,063 in executive health premiums for each of the named executive officers. That amount was reduced by premium refunds for fiscal year 2008 and the net cost to the Company for the coverage was \$9,732.

Executive Excess Liability Plan. We pay the annual premium for a group policy providing each executive with personal excess liability coverage in excess of his or her primary personal liability insurance, the cost of which is borne by each executive. During 2009, we paid \$1,381 in premiums for Mr. Klein, and \$685 for each of the other named executive officers.

Retiree Plans. The listed officers also are or may become eligible to participate in the executive long-term disability plan and the executive retiree health plan upon their retirement from Energizer. These plans provide supplemental disability and health benefits, respectively, to eligible executive retirees. The long-term disability plan is entirely self-funded by us, but we pay an annual premium for all retiree participants in our executive retiree health plan. Although there was no incremental out-of-pocket cost to us under these plans with respect to the listed officers, we annually record a FAS 106 expense for changes in the anticipated cost of their participation in our executive retiree health plans. For fiscal year 2009, the value of the recorded expense per individual decreased. The negative value recorded for each individual is shown below, but as these amounts are negative, they were not included in the Summary Compensation Table.

- Mr. Klein, (\$146,680)
- Mr. Sescleifer, (\$30,084)

- Mr. McClanathan, (\$101,246)
- Mr. Hatfield, (\$21,277)
- Ms. Stratmann, (\$17,770)

Transportation and Living Expenses. Mr. Hatfield serves as president and chief executive officer of our Energizer Personal Care division, the offices of which are located in Shelton, CT. Because his home and family are in St. Louis, MO, he regularly commutes to Connecticut, and his commuting expenses which are not business-related, as well as meals and lodging in Connecticut, are reimbursed by us. For fiscal year 2009, the amount reimbursed to him was \$26,169. In addition, Mr. Hatfield has received tax reimbursement for taxes associated with such reimbursement, and those amounts are included in the amounts indicated in (iii).

Taxable Gifts. During fiscal year 2009, gifts were given to groups of employees, including the officers, at the holidays and in appreciation of special efforts. The taxable value of such gifts is as follows:

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- Mr. Klein, \$40
- Mr. Sescleifer, \$149
- Mr. McClanathan, \$199
- Mr. Hatfield, \$134
- Ms. Stratmann, \$15

The above list of perquisites does not include any contributions made by our charitable trust which may have been made at the request of any of the named executive officers. The trustees of that trust, who are employees of the Company, review requests for contributions to charitable organizations from employees, officers, and the community at large, and, in their sole discretion, authorize contributions in accordance with the purposes of the trust. Officers are also eligible to participate in the charitable trust matching gift program, which is generally available to U.S. employees. Under this program, the foundation matches 100 percent of charitable donations of a minimum of \$25 made to eligible charities, up to a maximum of \$5,000 per year for each individual.

#### GRANTS OF PLAN-BASED AWARDS

Awards to the named executive officers, and to other key executives, were made in fiscal year 2009 under three separate plans or programs:

potential cash awards under our annual and two-year cash bonus program, dependent upon achievement of Company and individual performance measures established at the beginning of each fiscal year;

- three-year performance awards, which are restricted stock equivalent awards under the terms of our 2000 incentive stock plan, incorporating a Company performance component and a time-vesting component; and
- Company-matching deferrals (payable in cash at retirement) under our deferred compensation plan.

In addition, in February of 2009, in order to reduce cash outlays and bolster the Company's compliance with its debt covenants, the nominating and executive compensation committee of the board (the "committee"), on a one-time basis, rescinded the 2009 annual cash bonus program, which commenced the beginning of fiscal year 2009, suspended officer participation in the supplemental executive retirement plan for the calendar year, and suspended Company matching contributions to officer accounts under the terms of the executive savings investment plan, and in lieu of all such benefits, granted one-year performance-based restricted stock equivalent awards, with a value, as of the date of grant (based on the then-current market price of the Company's common stock), roughly equivalent to the benefits foregone. The performance restricted stock equivalent awards ("2009 performance awards") utilized the same performance metrics and goals as those established by the committee for the 2009 annual cash bonus program, and vesting was based upon individual and Company performance against those goals for the fiscal year.

#### Annual and Two-Year Bonus Program

Our annual and two-year bonus program was intended to promote significant earnings per share growth each year, and consistent growth from year to year.

**Annual Cash Bonus.** The annual bonus is designed to reward achievement of both Company and individual performance goals established at the beginning of each fiscal year.

Company Performance Component. For the named executive officers, the Company performance goals for fiscal year 2009 were based on EPS results at or above final results for fiscal year 2008, but adjusted as discussed in our Compensation Discussion and Analysis—Adjustment of Goals. The program, including the specific Company performance goals set at the beginning of the fiscal year, is described in our Compensation Discussion and Analysis—ANNUAL AND TWO-YEAR BONUS PROGRAM. Our final EPS for fiscal 2009, adjusted as described in Adjustment of Goals, was \$4.76, so, under the annual cash program, the threshold EPS goal of \$5.87 was not achieved, and no payout would have been made under this component. However, as noted above, the annual cash bonus program was rescinded in February, 2009 for the named executive officers, but 2009 performance awards, granted at that time in lieu of the cash bonus program and other executive benefits, utilized the same EPS and individual performance goals. The annual bonus payments that would have been made to each officer if the threshold, target or stretch EPS goals under the Company performance component had been achieved is indicated in the Table below.

Individual Performance Component. The individual performance component of the annual cash bonus program is based upon a subjective evaluation of the performance of the listed officers during the fiscal year, including performance against focal points established at the beginning of the year. Although, as noted above, the annual cash bonus program was rescinded in February of 2009, after the end of the fiscal year, the committee assigned subjective ratings to each officer in accordance with the terms of the bonus program, as described in our Compensation Discussion and Analysis—ANNUAL AND TWO-YEAR BONUS PROGRAM. These ratings, along with the Company performance measures described above, were then applied to determine the number of equivalents under the 2009 performance awards that would vest. The annual bonus payments that would have been paid to each officer for a rating between “1” and “3” under the individual performance component is indicated in the Table below.

**Two-Year Cash Bonus.** The two-year cash bonus program was designed to promote consistent growth in EPS from year to year, by awarding a bonus opportunity based on results for year one, payment of which would be contingent upon equal or better results for year two. The two-year cash bonus, including the formula for determining the opportunity and the amount of bonus payments, is described in our Compensation Discussion and Analysis—ANNUAL AND TWO-YEAR BONUS PROGRAM. Under the program, an executive that was awarded a bonus opportunity (assuming that goals are met) for a particular fiscal year must remain employed by us through the end of the following fiscal year in order to be eligible for a payment. Because the target EPS goal was not achieved for fiscal year 2009, no new bonus opportunity was created during the fiscal year, and no bonus will be payable, contingent upon fiscal year 2010 results. The committee has eliminated the two-year bonus component from the fiscal 2010 cash bonus program which it approved in October, 2009. The range of bonus opportunities for each officer under the two-year cash bonus program that began October 1, 2008 are indicated in the Table below.

#### Three-Year Performance Awards

**Performance-Linked Component.** At the beginning of fiscal year 2009, three-year performance restricted stock equivalent awards were granted to each of the named executive officers under the terms of our 2000 incentive stock plan. These are described in our Compensation Discussion and Analysis—EQUITY AWARDS. Under the terms of the awards, each officer was credited with Energizer restricted common stock equivalents, 75% of which are subject to the achievement of adjusted targets for compound EPS growth over the 3-year period commencing October 1, 2008. (Potential adjustments are also described in our Compensation Discussion and Analysis—Adjustment of Goals.) The number of stock equivalents indicated in the Threshold sub-column, marked by footnote 4 in the Table below, will vest only if the compound annual growth in EPS, using an adjusted base for fiscal year 2008 of \$5.87, over that 3-year period is at least 8%. If compound annual growth is in excess of that threshold, the number of units vesting will proportionately increase, with the maximum number vesting (as indicated in the Maximum sub-column) at a compound annual growth rate of 15% for that period. The number indicated in the Target sub-column reflects the equivalents that will vest at targeted 10% compound annual growth for the period.

**Time-Vesting Component.** The remaining 25% of the equivalents granted (as indicated in the All Other Stock Awards column below, marked by footnote 5) will vest three years from the date of grant, provided the officer remains employed with the Company.

The restricted stock equivalents granted under the performance awards will also vest in their entirety upon death and permanent disability. If a change in control of the Company occurs within 18 months following grant, 50% of the total equivalents granted will automatically vest; if the change of control occurs more than 18 months following grant, the greater of 50% of the equivalents granted, or the number that would have been granted if actual EPS performance up to the change of control was achieved over the 3-year period, will vest. A change of control, for purposes of the award, is defined as (i) an individual or group acquiring more than 50% of our outstanding common stock, or (ii) the current or continuing directors no longer constituting a majority of the board of directors.

The annual FAS 123R expense recognized in fiscal 2009 in connection with these awards is included in the Stock Awards column of the Summary Compensation Table. The aggregate grant date value is set forth in the Grant Date Fair Value of Stock Awards column below.

#### 2009 Performance Awards

As described above, in February of 2009 the committee rescinded the fiscal 2009 annual cash bonus program for the named executive officers and, in addition, suspended their accruals in the supplemental executive retirement plan, and Company matching accruals on their behalf in the executive savings investment plan, for the calendar year. In lieu of those benefits, the committee granted each officer 2009 performance awards, utilizing the same Company and individual performance goals for the period from September 30, 2008 through September 30, 2009 established by the committee for the fiscal 2009 annual cash bonus program. The equivalents that would vest at achievement of

threshold, target and stretch EPS goals over that period, based on the various potential individual performance ratings, was set forth in a grid attached to each award, with pro rata vesting for performance results falling between those specific Company performance levels. For each of the named executive officers, the total number of equivalents granted would vest only if the stretch EPS goal for the annual bonus program was achieved, and the executive was rated a "1" for individual performance. Fewer shares would vest for achievement of the target and threshold goals, and for ratings lower than a "1". Because the value of the awards was designed to include the value of participation in the supplemental executive retirement plan and Company matching contributions under the executive savings investment plan, to which performance metrics did not apply, the grids provided that a minimal number of equivalents would vest notwithstanding failure to achieve the threshold EPS goal. If a change of control occurred prior to the vesting date, a number of equivalents equal to the number that would vest if the target EPS goal was achieved and the individual received a rating of "2", would have vested.

The annual FAS 123R expense recognized in fiscal 2009 in connection with these awards is included in the Stock Awards column of the Summary Compensation Table. The aggregate grant date value is set forth in the Grant Date Fair Value of Stock Awards column below, and the number of equivalents that actually vested on November 16, 2009, is set forth in footnote 6 to the Table.

#### Company Match

Executives are permitted to request deferral of all or a portion of the cash payments under our cash bonus program, under the terms of our deferred compensation plan, which is described in detail in the narrative to the Non-qualified Deferred Compensation Table below. Under the terms of the plan, cash bonuses deferred into the Energizer common stock unit fund during fiscal year 2008 were credited with an additional 25% Company match, which vests after three years, provided the deferred bonus is kept in that fund for at least a year. Vested Company matches may be transferred to different investment options at the executive's discretion. The value of vested units is payable in cash only upon the executive's retirement or other termination of employment, based on the value of our common stock at that time. The units will also vest in their entirety upon retirement (which for purposes of this plan means the attainment of age 55 with ten years of service), death, permanent disability, involuntary termination, or a change in control of the Company (defined, for purposes of this plan, as the time when (i) an individual or group acquires more than 20% of our common stock, (ii) our continuing directors no longer constitute a majority of our board, or (iii) a majority of the continuing directors approve a declaration that a change of control has occurred).

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The amount of the Company matching deferrals credited to each officer during fiscal year 2008 is shown in the All Other Stock Awards column below, marked by footnote 6, and the grant date value is shown in the Grant Date Fair Value of Stock Awards column below.

GRANTS OF PLAN-BASED AWARDS TABLE

Name	Type of Award	Date	Action(8)	Threshold	Target	Maximum	Estimated Future Payouts Under Equity	Estimated Future Payouts Under Equity	Estimated Future Payouts Under Equity	All Other Stock Awards
		Grant	Comm.	Incentive Plan Awards	Incentive Plan Awards (#)	Incentive Plan Awards (#)				Number of Shares of
W. M. Klein	Bonus: Two-Year	10/13/08(1)		\$206,250	\$412,500	\$825,000				
	Bonus: Annl.Co.Perf.	10/13/08(2)		\$288,750	\$577,500	\$866,250				
	Bonus: Annl.Ind.Perf.	10/13/08(3)		\$185,625	\$371,250	\$495,000				
	Perf.Awd.:3Yr.CAGR	10/13/08(4)					4,300	21,500	64,500	
	Perf.Awd.: TimeVest	10/13/08(5)								21,500
	2009 Perf. Award	02/06/09(6)					4,118	28,121	141,886	
	Company Match	11/30/08(7)	10/10/07							6,185
D.J. Sescleifer	Bonus: Two-Year	10/13/08(1)		\$88,000	\$176,000	\$352,000				
	Bonus: Annl.Co.Perf.	10/13/08(2)		\$123,200	\$246,400	\$369,600				
	Bonus: Annl.Ind.Perf.	10/13/08(3)		\$79,200	\$158,400	\$211,200				
	Perf.Awd.:3Yr.CAGR	10/13/08(4)					1,000	5,000	15,000	
	Perf.Awd.: TimeVest	10/13/08(5)								5,000
	2009 Perf. Award	02/06/09(6)					1,359	9,869	14,175	
	Company Match	11/30/08(7)	10/10/07							4,406
J.W.McClanathan	Bonus: Two-Year	10/13/08(1)		\$95,000	\$190,000	\$380,000				
	Bonus: Annl.Co.Perf.	10/13/08(2)		\$133,000	\$266,000	\$399,000				
	Bonus: Annl.Ind.Perf.	10/13/08(3)		\$85,500	\$171,000	\$228,000				
	Perf.Awd.:3Yr.CAGR	10/13/08(4)					1,000	5,000	15,000	
	Perf.Awd.: TimeVest	10/13/08(5)								5,000
	2009 Perf. Award	02/06/09(6)					502	9,838	14,449	
	Company Match	11/30/08(7)	10/10/07							4,660
D.P. Hatfield	Bonus: Two-Year	10/13/08(1)		\$80,000	\$160,000	\$320,000				
	Bonus: Annl.Co.Perf.	10/13/08(2)		\$112,000	\$224,000	\$336,000				
	Bonus: Annl.Ind.Perf.	10/13/08(3)		\$72,000	\$144,000	\$192,000				
	Perf.Awd.:3Yr.CAGR	10/13/08(4)					1,000	5,000	15,000	
	Perf.Awd.: TimeVest	10/13/08(5)								5,000
	2009 Perf. Award	02/06/09(6)					569	9,992	15,067	
	Company Match	11/30/08(7)	10/10/07							4,414
G.G. Stratmann	Bonus: Two-Year	10/13/08(1)		\$52,500	\$105,000	\$210,000				
	Bonus: Annl.Co.Perf.	10/13/08(2)		\$73,500	\$147,000	\$220,500				
	Bonus: Annl.Ind.Perf.	10/13/08(3)		\$47,250	\$94,500	\$126,000				
	Perf.Awd.:3Yr.CAGR	10/13/08(4)					750	3,750	11,250	
	Perf.Awd.: TimeVest	10/13/08(5)								3,750
	2009 Perf. Award	02/06/09(6)					656	6,158	9,203	
	Company Match	11/30/08(7)	10/10/07							2,636

- (1) These amounts represent the two-year cash bonus opportunities which potentially could have been earned under our two-year bonus program during fiscal year 2009 if at least the target EPS goal for the year had been achieved. However, because that goal was not achieved for the fiscal year, no bonus opportunity was actually created, and the named executive officers will not receive a two-year cash bonus based upon fiscal year 2010 results. The two-year cash bonus program has been eliminated for fiscal year 2010.
- (2) These amounts represent the amounts which potentially could have been earned under the Company performance component of the fiscal year 2009 annual cash bonus program—which was rescinded in February, 2009.
- (3) These amounts represent the amounts which potentially could have been earned under the individual performance component of the fiscal year 2009 annual cash bonus program—which was rescinded in February, 2009.
- (4) Vesting of these restricted stock equivalents (the performance-linked component), awarded under the three-year performance awards granted on October 13, 2008, is subject to achievement of adjusted targets for compound annual growth in EPS over the three-year period commencing September 30, 2008.
- (5) These restricted stock equivalents (the time-vesting component), awarded under the three-year performance awards granted on October 13, 2008, will vest three years from the date of grant, if the officer remains employed with us at that time.
- (6) These amounts represent the amounts which potentially could have been earned under the 2009 performance awards, at (i) minimal performance levels, (ii) achievement of the target EPS goal under the fiscal 2009 annual cash bonus program, with an individual rating of “2”, and (iii) achievement of the stretch goal under that program, with an individual rating of “1”. Based on final 2009 results and the individual ratings approved by the committee, the actual equivalents which vested are as follows:



Mr. Klein, 12,046

- Mr. Sescleifer, 4,741
- Mr. McClanathan, 4,155
- Mr. Hatfield, 4,670
- Ms. Stratmann, 2,674

(7) These amounts represent 25% Company matching deferrals credited during fiscal year 2009.

(8) The Company matching deferrals described in (7) were approved by the committee at the beginning of the fiscal year, prior to irrevocable elections by the officers to defer all or a portion of any bonuses they might receive at the end of the year. The actual matching deferrals were not credited until after the end of the fiscal year, when the amount of such bonuses was actually determined.

(9) The aggregate grant date value of the three-year performance awards, and the 2009 performance awards, for financial reporting purposes in accordance with FAS 123R, is set forth with respect to each of the officers in the table above. Assumptions utilized in the valuation are set forth in “Note 8. Share-Based Payments” of the Notes to Consolidated Financial Statements of our 2009 Annual Report, with an additional assumption of Maximum payout. Accounting expense for the performance-linked component of the three-year performance awards granted 10/13/08 and the 2009 performance awards is affected by the current probability of meeting or exceeding performance targets included in those awards, since that is how they are expensed; accordingly, the amortization utilized in the Consolidated Financial Statements may not reflect the assumption of Maximum payout.

#### OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

The following types of equity awards (listed in the Table below) have been granted to the named executive officers, and remain unvested, or, in the case of non-qualified stock options, unexercised, as of September 30, 2009.

Non-qualified stock options granting the right to acquire shares of our common stock at an exercise price equal to its closing price on the date of grant. These options generally became exercisable at the rate of 20% to 25% per year over a four or five year period, and remain exercisable over the ten-year period following grant. Outstanding option awards are described under Option Awards, in the Table below.

Restricted stock equivalents vest incrementally over four to nine years (as indicated below), and at vesting convert into non-restricted shares of our common stock which will then be issued to the officer. (However, if the officer elected to defer receipt of such shares, they will not convert at vesting and, instead, will not be issued until following the officer’s retirement or other termination of employment.) Vesting of restricted stock equivalents will accelerate, however, upon the death, disability, or involuntary termination (other than for cause) of the officer, and upon a change of control of the Company, which is defined in the same manner described for stock options above. In addition, for the restricted stock equivalents vesting on May 19, 2012, as noted below, vesting will also be accelerated upon the officer’s retirement on or after age 55. Currently only Mr. McClanathan is retirement eligible. Unvested restricted stock equivalent awards are included under Stock Awards—Number of Shares or Units of Stock That Have Not Vested, in the Table below.

Three-year performance awards grant restricted stock equivalents, the vesting of which is subject to the achievement of performance-linked and time-vesting conditions, as described in our Compensation Discussion and Analysis—EQUITY AWARDS. A description of the performance awards granted October 13, 2008, and the terms of

their vesting, including accelerated vesting, is set forth in the narrative to the Grants of Plan-Based Awards Table above. Except as noted below, the performance awards granted on October 9, 2006 and October 10, 2007 have similar terms, but the compound growth targets for those three year awards utilize a base of \$4.45 and \$5.39, respectively. The maximum equivalents or units which would vest under the performance-linked component of these performance awards are included below under Stock Awards—Equity Incentive Plan Awards, and the number of equivalents or units that would vest under the time-vesting component is included under Stock Awards—Number of Shares or Units of Stock That Have Not Vested, in the table below. Fewer equivalents or units will vest for compound growth that is less than 15% but at least 8%, for the 2008 and 2007 grants, and 10% for the 2006 grant, over the applicable three-year period, and if growth for the period is below those thresholds, no performance-linked equivalents or units will vest. As of fiscal year end, the awards granted on October 9, 2006 had not yet vested. The time-vesting equivalents vested on October 9, 2009, but no performance-linked equivalents vested, because three-year compound growth in EPS, based on adjusted final EPS results for fiscal year 2009 (as described in our Compensation Discussion and Analysis—Adjustment of Goals), was below the threshold for vesting. The equivalents that vested on October 9th are set forth in the footnotes below.

As described in our Compensation Discussion and Analysis, 2009 performance awards were granted on February 6, 2009, utilizing the same Company and individual performance goals for the period from September 30, 2008 through September 30, 2009 which were approved by the committee in October of 2008 for the fiscal 2009 annual cash bonus program. Under the 2009 performance awards, the equivalents that would vest at threshold, target and stretch Company performance levels over that period, based on the various potential individual performance ratings, was set forth in a grid attached to each award, with pro rata vesting for performance results falling between those specific Company performance levels. For each of the named executive officers, the total number of equivalents granted would vest only if the stretch EPS goal for the annual bonus program was achieved, and the executive was rated a “1” for individual performance. Fewer shares would vest for achievement of the target and threshold goals, and for ratings lower than a “1”. Because the value of the awards was designed to include the value of participation in the supplemental executive retirement plan and Company matching contributions under the executive savings investment plan, to which performance metrics did not apply, the grids provided that a minimal number of equivalents would vest notwithstanding failure to achieve the threshold Company performance goal. The threshold Company performance goal for fiscal 2009 was not achieved, but the equivalents that vested on November 16, 2009, based on the officers’ individual performance ratings, are set forth in the footnotes below.

Voluntary deferrals of cash bonuses under our annual and two-year bonus program into the Energizer common stock unit fund of our deferred compensation plan receive a Company matching deferral of 25%, provided that the voluntary deferrals are retained in that fund for at least a year. The Company matching deferrals are also credited to the Energizer common stock unit fund, and must remain in that fund until vested, which will occur three years from the date of initial crediting, if the officer remains employed with us at that time. Company matching deferrals will also vest upon an officer's retirement, involuntary termination, disability or death, and upon a change of control of the Company. Unvested Company matching deferrals as of September 30, 2009 are included under Stock Awards—Number of Shares or Units of Stock That Have Not Vested, in the Table below.

Non-qualified stock options, restricted stock equivalents, and performance awards granted on October 9, 2006, October 10, 2007, and October 13, 2008 were granted under the terms of our 2000 incentive stock plan, while the 2009 performance awards were granted under the terms of our 2009 incentive stock plan. Company matching contributions have been granted under the terms of our deferred compensation plan. (Awards under our deferred compensation plan are payable exclusively in cash at retirement or other termination of employment.)

#### Recent Awards in Fiscal Year 2010

As noted in our Compensation Discussion and Analysis, additional three-year performance awards were granted to the executive officers and other key employees in October of 2009 (which is fiscal year 2010). For the first time, the performance-linked and time-vesting components were included in separate award agreements. The total number of equivalents granted to each officer under these awards was: W. Klein—60,000 performance equivalents and 26,000 time-vesting equivalents; J. McClanathan—14,700 performance equivalents and 6,300 time-vesting equivalents; D. Hatfield—15,400 performance equivalents and 6,600 time-vesting equivalents; D. Sescleifer—15,400 performance equivalents and 6,600 time-vesting equivalents; and G. Stratmann—11,200 performance equivalents and 4,800 time-vesting equivalents. The equivalents granted will also vest in their entirety upon death and permanent disability. Upon a change in control of the Company, all of the time-vesting and 50% of the performance-linked equivalents granted will automatically vest, but if the change of control occurs more than 18 months following grant, the greater of 50% of the performance-linked equivalents granted, or the number that would have been granted if actual EPS performance up to the change of control was achieved over the 3-year period, will vest. A change of control, for purposes of the award, is defined as (i) an individual or group acquiring more than 50% of our outstanding common stock, or (ii) the current or continuing directors no longer constituting a majority of the board of directors.

In addition, as noted in our Compensation Discussion and Analysis, retention stock option awards were also granted to the executive officers and certain key employees in October of 2009. The retention stock option awards were granted at a price of \$65.63 per share, the closing price of our common stock on the date of grant. They become exercisable only on the third anniversary of grant, provided that the executive remains employed with the Company at that time, and will not vest upon a change of control of the Company unless the change of control occurs on or after November 1, 2011. The options granted to each officer under these awards were: W. Klein—38,000 options; J. McClanathan—17,500 options; D. Hatfield—30,000 options; D. Sescleifer—25,000 options; and G. Stratmann—18,750 options.

In February of 2008, as noted in our Compensation Discussion and Analysis, the committee provided that executives who elected to have their cash bonuses for fiscal year 2009 deferred into the Energizer common stock unit fund would still be credited with the 25% Company match on the amount of cash bonus they would have received (and deferred) under the terms of the fiscal year 2009 annual cash bonus program but for the committee's decision to rescind that program and replace it with the 2009 performance awards. As a result, the total number of units credited on November 30, 2009 as the 25% Company match to each officer under the deferred compensation plan was: W. Klein—1,599 units; J. McClanathan—737 units; D. Hatfield—827 units; and G. Stratmann—407 units.

#### OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

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Name	Option Awards		Stock Awards				Equity Incentive Plan Awards: Number of Unearned	Equity Incentive Plan Awards: Market or Payout Value
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Shares, Units or Other Rights That Have Not Vested (#)	of Unearned Shares, Units or Other Rights That Have Not Vested (\$)
W. M. Klein	50,000	0	\$ 1.0625	11/19/10	76,567(1)	\$5,079,455	208,386(6)	\$13,824,327
	100,000	0	\$ 42.90	1/25/14				
	45,000	0	\$ 49.18	1/13/15				
D. J. Sescleifer	5,000	0	\$ 46.13	10/18/14	25,623(2)	\$1,699,830	51,675(7)	\$3,428,120
J. W. McClanathan	50,000	0	\$ 30.10	9/22/12	28,730(3)	\$1,905,948	54,949(8)	\$3,645,317
	50,000	0	\$ 42.90	1/25/14				
	20,000	0	\$ 46.13	10/18/14				
D. P. Hatfield	16,667	0	\$ 30.10	9/22/12	19,824(4)	\$1,315,124	48,067(9)	\$3,188,765
	15,000	0	\$ 46.13	10/18/14				
G. G. Stratmann	2,500	0	\$ 46.13	10/18/14	20,819(5)	\$1,381,132	36,953(10)	\$2,451,462

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(1) Of this total for Mr. Klein,

- 6,666 restricted stock equivalents will vest on 5/19/12;
- 4,812 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2006 vested on 11/30/09;
- 3,404 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2007 will vest on 11/30/10;
- 6,185 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2008 will vest on 11/30/11;
- 20,000 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/09/06) vested in total on 10/09/09;

- 14,000 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/10/07) vest on 10/10/10; and
- 21,500 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/13/08) vest on 10/13/11.

(2) Of this total for Mr. Sescleifer,

- 6,666 restricted stock equivalents will vest on 5/19/12;
- 996 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2006 vested on 11/30/09;
- 1,055 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2007 will vest on 11/30/10;
- 4,406 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2008 will vest on 11/30/11;
- 4,000 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/09/06) vested in total on 10/09/09;
- 3,500 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/10/07) vest on 10/10/10; and
- 5,000 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/13/08) vest on 10/13/11.

(3) Of this total for Mr. McClanathan,

- 6,666 restricted stock equivalents will vest on 5/19/12;
- 1,953 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2006 vested on 11/30/09;
- 1,951 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2007 will vest on 11/30/10;
- 4,660 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2008 will vest on 11/30/11;
- 5,000 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/09/06) vested in total on 10/09/09;
- 3,500 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/10/07) will vest on 10/10/10; and
- 5,000 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/13/08) will vest on 10/13/11.

(4) Of this total for Mr. Hatfield,

- 3,333 restricted stock equivalents will vest on 5/19/12;
- 1,077 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2007 will vest on 11/30/10;
- 4,414 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2008 will vest on 11/30/11;
- 2,500 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/09/06) vested in total on 10/09/09;
- 3,500 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/10/07) vest on 10/10/11; and
- 5,000 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/13/08) will vest on 10/13/11.

(5) Of this total for Ms. Stratmann,

- 6,666 restricted stock equivalents will vest on 5/19/12;
- 1,272 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2006 vested on 11/30/09;

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- 995 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2007 will vest on 11/30/10;
- 2,636 restricted stock equivalent units in the Energizer common stock unit fund of our deferred compensation plan granted as Company matching deferrals in 2008 will vest on 11/30/11;
- 3,000 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/09/06) vested in total on 10/09/09;
- 2,500 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/10/07) vest on 10/10/10; and
- 3,750 restricted stock equivalents (which is the time-vesting component of the performance awards granted 10/13/08) will vest on 10/13/11.

(6) Of this total for Mr. Klein,

- 60,000 restricted stock equivalent units represent the performance-linked component of our performance awards granted 10/09/06—of this amount, no restricted stock equivalents vested on 11/03/09, based on annual compound growth in EPS over the preceding 3-year period;
  - 42,000 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/10/07;
  - 64,500 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/13/08; and
  - 41,886 restricted stock equivalents under our 2009 performance awards granted 2/06/09—of this amount, 12,046 restricted stock equivalents vested on 11/16/09 based on achievement of individual performance goals for fiscal 2009.
- (7) Of this total for Mr. Sescleifer,
- 12,000 restricted stock equivalent units represent the performance-linked component of our performance awards granted 10/09/06—of this amount, no restricted stock equivalents vested on 11/03/09, based on annual compound growth in EPS over the preceding 3-year period;
  - 10,500 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/10/07;
  - 15,000 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/13/08; and
  - 14,175 restricted stock equivalents under our 2009 performance awards granted 2/06/09—of this amount, 4,741 restricted stock equivalents vested on 11/16/09 based on achievement of individual performance goals for fiscal 2009.
- (8) Of this total for Mr. McClanathan,
- 15,000 restricted stock equivalent units represent the performance-linked component of our performance awards granted 10/09/06—of this amount, no restricted stock equivalents vested on 11/03/09, based on annual compound growth in EPS over the preceding 3-year period;
  - 10,500 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/10/07;
  - 15,000 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/13/08; and
  - 14,449 restricted stock equivalents under our 2009 performance awards granted 2/06/09—of this amount, 4,155 restricted stock equivalents vested on 11/16/09 based on achievement of individual performance goals for fiscal 2009.
- (9) Of this total for Mr. Hatfield,

- 7,500 restricted stock equivalent units represent the performance-linked component of our performance awards granted 10/09/06—of this amount, no restricted stock equivalents vested on 11/03/09, based on annual compound growth in EPS over the preceding 3-year period;
- 10,500 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/10/07;
- 15,000 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/13/08; and
- 15,067 restricted stock equivalents under our 2009 performance awards granted 2/06/09—of this amount, 4,670 restricted stock equivalents vested on 11/16/09 based on achievement of individual performance goals for fiscal 2009.

(10) Of this total for Ms. Stratmann,

- 9,000 restricted stock equivalent units represent the performance-linked component of our performance awards granted 10/09/06—of this amount, no restricted stock equivalents vested on 11/03/09, based on annual compound growth in EPS over the preceding 3-year period;
- 7,500 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/10/07;
- 11,250 restricted stock equivalents represent the performance-linked component of our performance awards granted 10/13/08; and
- 9,203 restricted stock equivalents under our 2009 performance awards granted 2/06/09—of this amount, 2,674 restricted stock equivalents vested on 11/16/09 based on achievement of individual performance goals for fiscal 2009.



## OPTION EXERCISES AND STOCK VESTED

Name	Option Awards		Stock Awards	
	Number of Shares	Value Realized on	Number of Shares	Value Realized on
	Acquired on	Exercise	Acquired on	Vesting
	Exercise	Exercise (\$)	Vesting	
	(#)		(#)(1)(2)(3)	(\$)
W. M. Klein	40,000	\$2,027,588	112,292	\$5,755,508
D. J. Sescleifer	16,668	\$ 569,369	23,917	\$1,257,241
J. W. McClanathan	0	\$ 0	35,167	\$1,846,891
D. P. Hatfield	0	\$ 0	14,583	\$ 769,399
G.G. Stratmann	20,000	\$ 794,642	22,717	\$1,195,633

- (1) On 1/14/09 (for Mr. Klein) and 10/19/08 (for the other officers), 25% of restricted stock equivalents granted under the terms of our 2000 incentive stock plan on 1/14/05, and 10/19/04, respectively, vested in accordance with their terms. In addition, on 5/19/09, one-third of restricted stock equivalents granted to the officers under the terms of the same plan on 5/19/03, vested in accordance with their terms. Upon vesting, the equivalents converted into shares of our common stock which were then issued to the officers free of any restrictions. If the officers, however, elected in advance to defer receipt of the shares of common stock, conversion will not occur until the officer terminates employment with us.
- (2) Receipt of the following numbers of shares was deferred, at the election of each officer, until retirement or other termination of employment:
- Mr. Klein, 12,292
  - Mr. Sescleifer, 7,917
  - Mr. McClanathan, 6,667
  - Mr. Hatfield, 3,333
  - Ms. Stratmann, 7,917
- (3) On 10/11/08, 25% of restricted stock equivalents granted to each of the officers under the terms of our three-year performance awards dated 10/11/05, under the terms of our deferred compensation plan, vested in accordance with the terms of the awards (the time-vesting component). On 10/30/08, the remaining 75% of the equivalents granted under those awards vested upon achievement of 15% compound annual growth in EPS over the three-year period from grant (the performance-linked component). Under the terms of the awards and the deferred compensation plan, the value of such vested awards shall be paid, in cash, upon each officer's retirement or other termination of employment with us.

Prior to that time, the officers may transfer the value of such equivalents to any other investment options offered under the plan. The aggregate number of equivalents which vested (both performance-linked and time-vesting) are as follows:

- Mr. Klein, 100,000 equivalents

- Mr. Sescleifer, 16,000 equivalents
- Mr. McClanathan, 26,000 equivalents
- Mr. Hatfield, 10,000 equivalents
- Ms. Stratmann, 14,800 equivalents

#### PENSION BENEFITS

Our retirement plan covers essentially all U.S. employees of Energizer Holdings, Inc. after one year of service. As a qualified plan, the retirement plan is subject to maximum pay and benefit limits. We also offer a non-qualified, unfunded pension restoration plan, the executive supplemental retirement plan, to the executive officers which, following retirement, pays those amounts which would otherwise be paid under the retirement plan but for the Internal Revenue Code maximum pay and benefit limits. It generally provides the same benefit formulas as the retirement plan, but does so without regard to maximum pay and benefit limits. (It does not, however, provide restoration of an officer's pensionplus match account (PPMA) benefit, described below, which is instead provided under our executive savings investment plan, an unfunded excess 401(k) plan.) In February of 2009, in order to reduce cash outlays and bolster the Company's compliance with its debt covenants, the committee, on a one-time basis, suspended accrual of benefits for officers in the pension restoration plan for the calendar year, and in lieu of those and other benefits, each officer was granted a 2009 performance award, as described in our Compensation Discussion and Analysis. Accruals under the pension restoration plan will commence again in calendar year 2010.

The following are the current benefit formulas under the retirement plan:

### Final Average Pay

The traditional final average pay (FAP) benefit provides 1.5% of five-year average “annual earnings” multiplied by a participant’s years of service (to a maximum of 40 years), reduced by a Social Security offset. The five-year average is determined by taking the average of a participant’s five highest consecutive annual earnings during the ten years prior to the year in which he or she terminates employment with us. For purposes of the qualified retirement plan and the non-qualified pension restoration plan “annual earnings” generally consist of salary, overtime pay, salary reductions elected by the participant, and bonuses under our annual and two-year cash bonus program. The FAP benefit is payable at the normal retirement date of age 65 as a monthly five-year certain and life benefit, although there are a number of other optional forms of payment. The benefit can be received upon early retirement as early as age 55 with two years of service. The reduction for early benefit commencement is 5% per year from age 62 (or 5% per year from age 65 if termination occurs before age 55). The benefit vests 100% after three years of service. Mr. Klein, the only one of the named executive officers under the FAP benefit formula, has not yet met the early retirement requirement of age 55 under that formula. As of December 31, 2009, this benefit will be frozen and future accruals will occur under the Retirement Accumulation Account formula described below.

Effective as of January 1, 1999, participants in the Ralston Purina Retirement Plan, the retirement plan’s predecessor (including Messrs. Klein, McClanathan and Hatfield, and Ms. Stratmann) were required to make a one-time election between the FAP benefit formula, or the PEP benefit formula described below. Mr. Klein elected to continue the FAP benefit formula, while the other officers elected the PEP benefit. The PEP benefit formula is applied for employees hired after that date, including Mr. Sescleifer.

### Pension Equity Formula

The pension equity (PEP) benefit formula provides a lump sum benefit equal to the sum of (i) regular pension equity credits multiplied by five-year average annual earnings and (ii) excess pension equity credits multiplied by five-year average annual earnings in excess of Social Security covered compensation. The regular pension equity credits range from 4% for each of the first five years of service to 10% for each year of service above 20. The excess pension equity credit is 3.5% for each year of service. Instead of a lump sum, the participant can choose a monthly annuity option from a number of equivalent optional forms. The benefit vests 100% after three years of service. There is no early retirement eligibility associated with the PEP benefit. Each person who is vested may elect to receive the benefit upon termination.

### PensionPlus Match Account

The PPMA is available to all covered employees, including the named executive officers, even before one year of service is completed. The PPMA provides a 325% match in a cash balance account under our retirement plan to those participants who make an after-tax contribution of 1% of their annual earnings to our savings investment plan, which is our qualified 401(k) plan. For employees hired after October 1, 2008, PPMA benefits vest after three years of service. For employees hired prior to October 1, 2008 PPMA benefits vest at 25% after one year, 50% after two years, and 100% after three years. PPMA balances are credited with interest at a 30-year Treasury rate that is reset annually. The PPMA balance is available at termination as a lump sum or in various equivalent monthly optional forms. There is no early retirement eligibility associated with the PPMA benefit. Each person who is vested may elect to receive the benefit upon termination.

In addition to these primary benefit structures, the retirement plan also provides various minimum benefits and grandfathered benefits, as well as an offset for benefits earned under the Union Carbide Company pension plan, which is applicable to Mr. McClanathan. (Union Carbide was a former owner of the Energizer battery business.)

### Retirement Accumulation Account

Effective as of the end of calendar year 2009, the current formulas under the FAP, PEP and PPMA will be frozen and future retirement benefits will be determined in accordance with a new retirement accumulation formula. Under that formula, active participants in the qualified defined benefit pension plan, including the named executive officers, will receive monthly credits equal to 6% of their eligible benefit earnings for each month, which amounts will be credited with monthly interest equal to the 30-year treasury bond interest rate that is reset annually. As a transition for older/longer-tenured employees, who may have less time to adjust their retirement planning, including the named executive officers, employees with age and years of service totaling at least 60 but not more than 74 will receive an additional monthly credit equal to 2% of eligible benefit earnings for each month, and employees with age and years of service totaling 75 or more will receive an additional credit equal to 4% of their eligible benefit earnings for each month. These transition credits are available to eligible plan participants through 2014 (or, if earlier, their termination of employment with the Company).

Assumptions utilized in the valuations set forth in the table below are set forth in “Note 8. Pension Plans and Other Post-Retirement Benefits” of the Notes to Consolidated Financial Statements of our 2009 Annual Report.

#### Policies Re: Additional Credit Service

We do not have specific policies with regard to granting extra years of credited service, but we generally have not granted such extra credited service. However, the change of control employment agreements, described below under POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL, do provide, for purposes of determining the amounts to be paid under the retirement plan and the pension restoration plan, that the officers' respective years of service with us, and their respective ages, will be deemed increased by three additional years if they are involuntarily terminated at any time prior to the expiration of the protected period of three years under the agreements.

## PENSION BENEFITS TABLE

Name	Plan Name	Number of Years Credited Service (#)(1)	Present Value of Accumulated Benefit \$(2)	Payments During Last Fiscal Year (\$)
W. Klein	Energizer Retirement Plan	30	\$ 871,741	\$ 0
	Supplemental Executive Retirement Plan	30	\$6,773,820	\$ 0
D. Sescleifer	Energizer Retirement Plan	8	\$ 289,889	\$ 0
	Supplemental Executive Retirement Plan	8	\$ 463,566	\$ 0
J. McClanathan	Energizer Retirement Plan	34	\$ 875,139	\$ 0
	Supplemental Executive Retirement Plan	34	\$3,741,342	\$ 0
D. Hatfield	Energizer Retirement Plan	23	\$ 571,869	\$ 0
	Supplemental Executive Retirement Plan	23	\$1,349,116	\$ 0
G. Stratmann	Energizer Retirement Plan	19	\$ 422,624	\$ 0
	Supplemental Executive Retirement Plan	19	\$ 755,390	\$ 0

(1) The number of years of credited service reflect years of actual service with us. For Messrs. Klein and Hatfield, and Ms. Stratmann, all but 9 of the years shown include years of actual service with Ralston Purina Company, our former parent.

For Mr. McClanathan, 9 of the years shown were with us, 14 years were with Ralston Purina Company, and the balance were with Union Carbide Company, the former owner of our battery business.

(2) Based on the age benefits are available without reduction.

## NON-QUALIFIED DEFERRED COMPENSATION

We have adopted several plans or arrangements that provide for the deferral of compensation on a basis that is not tax-qualified.

## Deferred Compensation Plan

Under the terms of our deferred compensation plan, an unfunded, non-qualified plan, executives can elect to have payment of their annual bonus, and a portion of their base salary, deferred until their retirement or other termination of employment, or for a shorter, 3-year period (at the executive's election, in advance). The amounts deferred under the terms of the plan are credited, at the election of the executive, into:

- the Energizer common stock unit fund, a stock equivalent fund, with returns (based on stock price appreciation/decline) during fiscal 2009 of -17.71%.

a prime rate fund, which credits account balances with above-market interest at the prime rate quoted by Morgan Guaranty Trust of New York. (For fiscal year 2009, the average rate credited under this fund was 3.45%), or

• Vanguard measurement funds which track the performance of investment funds offered in our savings investment plan, a 401(k) plan, with returns during fiscal 2009 ranging from -6.78% to 27.76%.

Interest equivalents are credited on a daily basis to the prime rate fund, and dividends and other earnings are credited to the Vanguard tracking funds at the time, and to the extent, that they are paid with respect to the actual Vanguard funds. Because no dividends have been paid on our common stock, no dividend equivalents have been credited to the Energizer common stock unit fund. However, units in that fund, and in the Vanguard tracking funds, can appreciate in value as our common stock, or the underlying Vanguard funds, appreciate in value.

Deferrals of cash bonuses into the Energizer common stock unit fund during each calendar year are increased by a 25% match from the Company (which vests three years from the date of crediting, provided the deferred bonus is kept in that fund for at least a year). Vesting will also accelerate upon the occurrence of the events described in the narrative to the Grants of Plan-Based Awards Table above.

Deferrals, vested Company matches, and the vested three-year performance award units which vested in October of 2008, as described in the Option Exercises and Stock Vested Table above, may be transferred to different investment options at the executive's discretion. Account balances for executives who were employed at our former parent, Ralston Purina Company, prior to our spin-off in 2000, also generally include amounts credited during that prior employment. (Ralston assigned liability for such amounts to us in the spin-off.) Long-term deferrals in the plan may be paid out in a lump sum in cash six months following termination, or in five or ten-year increments commencing the year following termination of employment.

## Executive Savings Investment Plan

Under the terms of our executive savings investment plan, our excess 401(k) plan, amounts that would be contributed, either by an executive or by us on the executive's behalf, to our qualified defined contribution plans (the savings investment plan and the PPMA) but for limitations imposed by the Internal Revenue Code, are credited to the non-qualified executive savings investment plan. Under that plan, executives may elect to defer their contributions, and Company contributions, in the form of stock equivalents under the Energizer common stock unit fund, which tracks the value of our common stock, or in any of the measurement fund options which track the performance of the Vanguard investment funds offered under our qualified savings investment plan. Deferrals and vested Company contributions may be transferred to different investment options at the executive's discretion. Deferrals in the executive savings investment plan, plus or minus the net investment return, are paid out in a lump sum, or in five or ten year installments, following retirement or other termination of employment. In February of 2009, in order to reduce cash outlays and bolster the Company's compliance with its debt covenants, the committee, on a one-time basis, suspended Company matching contributions under the plan for the calendar year, and in lieu of those contributions and other benefits, each officer was granted a 2009 performance award, as described in our Compensation Discussion and Analysis. Company matching contributions in the executive savings investment plan will commence again in calendar year 2010.

## Deferred Equity Awards

The named executive officers were given the opportunity to elect, in advance, to defer receipt of vested restricted stock equivalent awards which they could be granted in the future. These awards, which have been granted under the terms of our 2000 and 2009 incentive stock plans, provide that upon vesting, the equivalents granted will convert into non-restricted shares of our common stock which are then issued to the officer. If deferral was elected, the equivalents will not convert into shares of our common stock until six months after the officer's termination of employment with us. In the event that the Company would pay any dividends on its shares of common stock, these officers will also be credited with dividend equivalents with respect to their vested stock equivalents. No other earnings are credited or paid with respect to these deferrals.

## NON-QUALIFIED DEFERRED COMPENSATION TABLE

Name	Plan	Executive Contributions in Last FY (\$)(1)	Registrant Contributions in Last FY (\$)(2)	Aggregate Earnings in Last FY (\$)(3)	Aggregate Withdrawals/ Distributions (\$)	Aggregate Balance at Last FYE (\$)(5)
W. M. Klein	Def'd Comp. Plan	\$ 935,955	\$ 233,989	\$ (1,631,527)	\$ 0	\$ 13,844,300
	Exec. S.I.P.	\$ 115,785	\$ 25,762	\$ (37,408)	\$ 0	\$ 1,473,996
	Vested Stock					
	Equivs.(4)	\$ 621,508	\$ 0	\$ (566,888)	\$ 0	\$ 4,367,428
	Total	\$ 1,673,248	\$ 259,751	\$ (2,235,823)	\$ 0	\$ 19,685,724
D. J. Sescleifer	Def'd Comp. Plan	\$ 666,682	\$ 166,670	\$ 255,803	\$ 550,000	\$ 4,873,010
	Exec. S.I.P.	\$ 46,865	\$ 3,387	\$ (9,945)	\$ 0	\$ 1,061,681
	Vested Stock					
	Equivs.(4)	\$ 435,801	\$ 0	\$ (58,613)	\$ 0	\$ 1,216,277
	Total	\$ 1,149,348	\$ 170,057	\$ 187,245	\$ 550,000	\$ 7,150,968
J. W. McClanathan	Def'd Comp. Plan	\$ 705,098	\$ 176,274	\$ (340,473)	\$ 0	\$ 8,708,585
	Exec. S.I.P.	\$ 44,313	\$ 4,226	\$ (52,897)	\$ 0	\$ 1,156,985
		\$ 359,551	\$ 0	\$ (438,301)	\$ 0	\$ 2,874,777

	Vested Stock					
	Equivs.(4)					
	Total	\$ 1,108,962	\$ 180,500	\$(831,671 )	\$ 0	\$12,740,347
D. P. Hatfield	Def'd Comp. Plan	\$ 667,826	\$ 166,957	\$75,521	\$ 0	\$5,346,817
	Exec. S.I.P.	\$ 11,479	\$ 3,349	\$(5,850 )	\$ 0	\$222,628
	Vested Stock					
	Equivs.(4)	\$ 179,749	\$ 0	\$(6,014 )	\$ 0	\$442,289
	Total	\$ 859,054	\$ 170,306	\$63,657	\$ 0	\$6,011,734
G. G. Stratmann	Def'd Comp. Plan	\$ 398,816	\$ 99,704	\$(35,593 )	\$ 0	\$2,887,425
	Exec. S.I.P.	\$ 70,001	\$ 3,313	\$(27,967 )	\$ 0	\$545,902
	Vested Stock					
	Equivs.(4)	\$ 435,801	\$ 0	\$(58,613 )	\$ 0	\$1,216,277
	Total	\$ 904,618	\$ 103,017	\$(122,173 )	\$ 0	\$4,649,604



- (1) The officer contributions to our deferred compensation plan during fiscal year 2009 consist of deferred cash bonuses earned with respect to fiscal year 2008.

The officer contributions to our executive savings investment plan during fiscal year 2009 consist of deferrals of salary, and deferrals of cash bonuses earned with respect to fiscal year 2008.

The officer contributions of vested stock equivalents during fiscal year 2009 consist of vested but deferred restricted stock equivalents granted in previous years. The values shown are as of the date of vesting.

- (2) Our contributions to our deferred compensation plan shown in this column consist of the 25% Company match on deferrals of fiscal year 2008 cash bonuses into the Energizer common stock unit fund of the plan. The annual expense associated with unvested Company matching contributions is included in the Stock Awards column of the Summary Compensation Table. On November 30, 2009, an additional 25% Company match contribution was credited to each officer under the deferred compensation plan with respect to fiscal year 2009 cash bonuses that they would have received but for the rescission of the fiscal 2009 annual cash bonus program, as discussed in Compensation Discussion and Analysis. The value, as of the date of crediting, of those contributions (which are made in Energizer stock units) was as follows: W. Klein— \$92,838; J. McClanathan— \$42,790; D. Hatfield— \$48,016; and G. Stratmann— \$23,630.

Our contributions to our executive savings investment plan consist of Company contributions prior to 01/01/09 which would have otherwise been contributed to the savings investment plan and the PPMA but for limitations imposed by the IRS. These amounts, in their entirety, are included in the All Other Compensation column of the Summary Compensation Table.

- (3) Aggregate earnings/(losses) shown in this column consist of:

- amounts credited to each executive under the investment options of each of the plans, reflecting actual earnings on investment funds offered under our savings investment plan, a qualified 401(k) plan,

- in the case of the prime rate option of our deferred compensation plan, interest at Morgan Guaranty Trust Company of New York's prime rate,

- the appreciation or depreciation in value of each of the investment options in the plans between September 30, 2008 and September 30, 2009. (As no dividends were paid on our common stock, there have been no earnings credited for amounts deferred into the Energizer common stock unit fund of either of the plans, but the value of the underlying stock has declined over that period.), and

- the appreciation or depreciation in value of vested restricted stock equivalents (see footnote 4 below) between September 30, 2008 and September 30, 2009, or from the date of vesting and September 30, 2009, for awards vesting and deferred during the fiscal year. (No actual earnings or dividends have been credited with respect to these awards.) The above-market portion of interest on the prime rate option (in excess of 120% of the APR) is set forth in the column titled "Change in Pension Value and Non-qualified Deferred Compensation Earnings" of the Summary Compensation Table.

- (4) The officers have from time to time elected to defer conversion of vesting restricted stock equivalents until their termination of employment from the Company. The total equivalents deferred for each officer is as follows:

- Mr. Klein - 65,834 equivalents;

- Mr. Sescleifer - 18,334 equivalents;
- Mr. McClanathan - 43,334 equivalents;
- Mr. Hatfield - 6,667 equivalents; and
- Ms. Stratmann - 18,334 equivalents.

The values shown are as of September 30, 2009.

(5) Of the aggregate balances shown in this column, with respect to the deferred compensation plan the following amounts were previously reported as compensation in the Summary Compensation Tables of our proxy statements for previous annual meetings:

- Mr. Klein - \$12,660,766;
- Mr. Sescleifer - \$3,545,601;
- Mr. McClanathan - \$5,880,331;
- Mr. Hatfield - \$1,577,100; and
- Ms. Stratmann - \$1,030,605.

The balances in that plan for each of the officers also include amounts deferred by them, Company matching deferrals, and earnings thereon, in years in which they were not named executive officers and their compensation was not included in the Summary Compensation Table, and for Messrs. Klein, McClanathan and Hatfield, and Ms. Stratmann, include amounts deferred under the terms of the Ralston Purina Company deferred compensation plan, the liabilities of which were assumed by us at the time of our spin-off. The balances also reflect earnings and losses during the past fiscal year.

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Of the aggregate balances shown in this column, with respect to our executive savings investment plan the following amounts were previously reported as compensation in the Summary Compensation Tables of our proxy statements for prior years:

- Mr. Klein - \$1,071,494;
- Mr. Sescleifer - \$835,137;
- Mr. McClanathan - \$585,653;
- Mr. Hatfield - \$122,739; and
- Ms. Stratmann - \$135,734.

The balances in that plan for each of the officers also include amounts contributed by them, Company matching contributions, and earnings thereon, in years in which they were not named executive officers and their compensation was not included in the Summary Compensation Table. The balances also reflect earnings and losses during the past fiscal year.

Of the aggregate balances shown in this column with respect to the vested stock equivalents set forth in footnote (4) above, the following number of equivalents were previously reported as compensation in the Summary Compensation Tables of our proxy statements for the years when the awards were granted:

- Mr. Klein - 65,459 equivalents;
- Mr. Sescleifer - 12,917 equivalents;
- Mr. McClanathan - 35,834 equivalents.

The balances for each of the officers also include vested but deferred equivalents granted in years in which they were not named executive officers and their compensation was not included in the Summary Compensation Table.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

We have not entered into general employment agreements with any of our named executive officers, nor do we have executive severance plans or programs. However, equity awards under our 2000 and 2009 incentive stock plans and our deferred compensation plan, provide for acceleration of vesting of certain awards in the event of certain terminations of employment (as shown in the chart below). In addition, we have entered into change of control employment agreements with our named executive officers which provide for severance compensation, acceleration of vesting, tax reimbursement and continuation of benefits upon termination of employment following a change of control.

The information below reflects the value of acceleration or incremental compensation which each officer would receive upon the termination of his or her employment or upon a change in control. Because the value of awards and incremental compensation depend on several factors, actual amounts can only be determined at the time of the event.

The information is based on the following assumptions:

- the event of termination (death, permanent disability, involuntary termination without cause, or voluntary termination), or a change of control of the Company, occurred on September 30, 2009, the last day of our fiscal year,
- the market value of our common stock on that date was \$66.34 (the actual closing price on September 30, 2009),
- each of the officers were terminated on that date, and
- corporate and individual federal tax rates were 35%, Missouri state tax rate was 6%, Connecticut state tax rate (for Mr. Hatfield) was 5%, and FICA was 1.45%.

The information does not reflect benefits that are provided under our plans or arrangements that do not discriminate in favor of executive officers and are available generally to all salaried employees—such as amounts accrued under our savings investment plan, accumulated and vested benefits under our retirement plans (including our pension restoration plan and executive savings investment plan), health, welfare and disability benefits, and accrued vacation pay.

The information below also does not include amounts under our deferred compensation plan or executive savings investment plan that would be paid, or vested stock equivalents that would be issued, all as described in the Non-qualified Deferred Compensation Table above, except to the extent that an officer is entitled to an accelerated benefit as a result of the termination.

Death, Disability or Termination of Employment (Other Than Upon a Change of Control)

Upon an officer's death, permanent disability, involuntary termination other than for cause (defined as termination for gross misconduct), and, in some cases, retirement, the following plans or programs provide for acceleration of awards. No awards are accelerated for voluntary termination of employment before attainment of age 55, or for involuntary termination for cause, except as noted.

	Involuntary Termination	Death	Disability	Retirement After Age 55
Restricted stock equivalent award granted 5/19/03	Accelerated	Accelerated	Accelerated	Accelerated
Three-year performance awards granted 10/09/06	Accelerated	Accelerated	Accelerated	Forfeited

Three-year performance awards granted 10/10/07 and 10/13/08,  
and 2009 performance award

Forfeited Accelerated Accelerated Forfeited

Unvested 25% Company match

Accelerated Accelerated Accelerated Accelerated

Upon termination of employment for any reason, vested account balances in our deferred compensation plan are paid out in cash to the participant in either a lump sum, or over a five or ten year period, commencing six months from the date of termination.

In the event an officer's employment is terminated due to permanent disability, he or she may also be entitled to benefits under our executive long-term disability plan, which pays a supplemental benefit equal to 60% of the amount by which the officer's previous year's salary and bonus exceeded \$150,000. (Amounts below that figure are covered by our long-term disability plan, available generally to salaried U.S. employees.) As noted in the Summary Compensation Table, the Company pays the premiums for \$40,000 of term life insurance for all US employees, including the named executive officers.

Upon retirement or death, the officer, or his or her surviving spouse, may also be entitled to continued coverage under our executive health plan, which generally covers medical/dental/vision expenses and deductibles and co-pays not otherwise covered by our underlying medical insurance plan. However, in order to qualify for continued coverage under the executive health plan, the covered person must pay for retiree coverage under our underlying medical and dental insurance plans. Because the cost of such retiree coverage under our medical insurance plan is generally significantly higher than other available medical plans, and none of our current officers are entitled to any subsidy from us for that coverage (as some grandfathered retirees are), it is unknown whether any of the officers will elect to obtain retiree coverage from our plan and qualify for additional coverage under our executive health plan.

The value of the following awards which would be accelerated for our named executive officers upon death, disability, involuntary termination of employment or retirement as of September 30, 2009 is shown in the following chart. The value of accelerated restricted stock equivalents, performance awards and 25% Company match reflects a stock price of \$66.34. Stock market declines since September 30, 2009 are not reflected in these valuations.

Officer	Accelerated Awards			
	Restricted Stock Equivalents, Three-Year Performance	Unvested 25% Company		
Termination	Stock	Awards and 2009	Performance	Match
Events	Options	Performance Award	Match	Total
W. M. Klein: 1	\$ 0	\$17,517,254	\$955,370	\$18,472,624
W. M. Klein: 2	\$ 0	\$ 5,749,467	\$955,370	\$6,704,837
D. J. Sescleifer: 1	\$ 0	\$ 4,566,956	\$428,397	\$4,995,353
D. J. Sescleifer: 2	\$ 0	\$ 1,503,707	\$428,397	\$1,932,104
J. W. McClanathan: 1	\$ 0	\$ 4,850,493	\$556,187	\$5,406,680
J. W. McClanathan: 2	\$ 0	\$ 1,769,067	\$556,187	\$2,325,254
J. W. McClanathan: 3	\$ 0	\$ 773,967	\$556,187	\$1,330,154
D. P. Hatfield: 1	\$ 0	\$ 4,006,958	\$364,251	\$4,371,209
D. P. Hatfield: 2	\$ 0	\$ 884,533	\$364,251	\$1,248,784
G. G. Stratmann: 1	\$ 0	\$ 3,424,449	\$325,270	\$3,749,719
G. G. Stratmann: 2	\$ 0	\$ 1,238,347	\$325,270	\$1,563,617

Termination Events:

1— Death or permanent disability

2— Involuntary termination of employment other than for cause

3— Retirement following attainment of age 55 (only Mr. McClanathan had attained age 55 as of September 30, 2009).

Change of Control of the Company

Our change of control employment agreements with each of the named executive officers have a term of three years from their effective date (which term is automatically extended every year for an additional year unless our nominating and executive compensation committee elects to terminate an agreement at least 90 days prior to renewal).

Each of these agreements provides that the officer will receive severance compensation in the event of his or her involuntary termination (including voluntary termination for “good reason”), other than for cause, within three years following a change in control of the Company.

“termination for cause” means a termination for willful breach of, or failure to perform, employment duties,

“good reason” means any of the following:

- assignment of duties inconsistent with the officer’s status;
- reduction in the officer’s annual salary;
- the failure of the acquirer to pay any bonus award to which the officer was otherwise entitled, or to offer the officer incentive compensation, stock options or other benefits or perquisites which are offered to similarly situated executives of the acquiror;
- relocation of the officer’s primary office to a location greater than 50 miles from his or her existing office;
- any attempt by the acquirer to terminate the officer’s employment in a manner other than as expressly permitted by the agreements; or
- the failure by the acquirer to expressly assume the Company’s obligations under the agreements.

“change of control” means:

- the acquisition of 20% or more of the outstanding shares of our common stock;
- that time when our initial directors, or their recommended or appointed successors, fail to constitute a majority of our board; or
- the approval by our stockholders of a merger, consolidation, or sale of all or substantially all of the assets, of the Company.

Under the agreements, upon a change of control, each officer, even if not terminated, will receive a pro rata annual bonus (equal to the greater of either target bonus for the year in which the change of control occurred, or the actual bonus for the preceding year) for the portion of the year occurring prior to a change of control.

The agreements also provide that upon a change of control, as defined above, outstanding equity awards held by each officer will accelerate and vest in accordance with the terms of the awards, even if the awards have a higher threshold for a “change of control”. (Our equity awards generally define a “change of control” as an acquisition of 50% or more of the outstanding shares of our common stock.) The terms of our outstanding equity awards vary as to the portion of the unvested award that will accelerate and vest upon a change of control, as indicated below:

Restricted stock equivalent award granted  
5/19/03

All unvested equivalents vest

Three-year performance awards granted  
10/09/06

All unvested equivalents vest

Three-year performance awards granted  
10/10/07 and  
10/13/08 2009 performance award

25% of the equivalents vest in total. With respect to the remaining equivalents, if the change of control occurs within 18 months from grant, vesting will be at target, and if it occurs more than 18 months from grant, vesting will be at the greater of target or actual performance. Vesting will be at target, with an assumed individual performance rating of “2”

If the officer is terminated, the severance compensation payable under the agreements consists of:

- a lump sum payment in an amount equal to three times the officer’s annual base salary and target bonus (defined as the most recent five-year actual bonus percentages multiplied by the greater of base salary at either termination or change of control);
- a pro rata portion of the officer’s target annual bonus for the year of termination;
- the difference between the officer’s actual benefits under our retirement plans at the time of termination and what the officer would have received if he or she had remained employed for an additional period of three years; and
- the continuation of other executive health, dental and welfare benefits for a period of three years following the officer’s termination.

No severance payments under the agreements would be made in the event that an officer’s termination is voluntary (other than for good reason), is due to death, disability or normal retirement, or is for cause. For a period of three years following termination of employment, the officers are each bound by a covenant not to compete, a non-solicitation covenant, and a covenant of confidentiality.



In the event that it is determined that a “golden parachute” excise tax is due under the Internal Revenue Code, we will, if total benefits payable to the officer are within 10% of the threshold for benefits at which the excise tax is triggered, reduce benefits to the point at which the tax will no longer be due, or, if total benefits are in excess of 10% of the threshold, reimburse the officer for the amount of such tax, including any excise or income taxes associated with such reimbursement.

Payments of cash would be made in a lump sum no sooner than six months following termination of employment, and benefits would be provided for a three-year period following termination, or if such continuation of benefits would not be possible under our benefit programs, the value of such benefits would also be paid in lump sum no sooner than six months following termination.

#### Estimated Payments and Benefits

Based on the assumptions set out above, the following chart sets forth estimated payments to our named executive officers upon termination following a change of control. If a change of control occurs but their employment is not terminated, the agreements provide a more limited value, as shown in the second chart below. The value of accelerated restricted stock equivalents, performance awards and 25% Company match reflects a stock price of \$66.34 (the closing price of our common stock on September 30, 2009). Stock market declines and vesting and forfeitures of unvested restricted stock equivalents since September 30, 2009 are not reflected in these valuations.

#### Accelerated or Additional Benefits—Termination following Change of Control

	Cash Severance	Retirement Benefits	25% Company Match	Restricted Stock Equivs., Three-Year Performance Awards and 2009 Perf. Awards	Benefits	Excise Tax Gross-Up/ Reduction	Total
W. M. Klein	\$6,665,413	\$3,360,937	\$955,370	\$12,325,154	\$121,255	\$7,232,084	\$30,660,213
D. J. Sescleifer	\$3,199,488	\$441,677	\$428,397	\$3,286,196	\$121,255	\$0	\$7,477,013
J. W. McClanathan	\$3,399,716	\$603,739	\$556,187	\$3,549,500	\$121,255	\$0	\$8,230,397
D. P. Hatfield	\$2,662,221	\$1,041,611	\$364,251	\$2,675,182	\$101,182	\$(350,056)	\$6,494,391
G. G. Stratmann	\$2,109,262	\$464,802	\$325,270	\$2,476,118	\$121,255	\$0	\$5,496,707

For purposes of the calculation of the excise tax gross-up in these charts, the ascribed value of accelerated vesting is based on three assumptions:

¶ Lapse-of-further-service portion is equal to the gain at the change of control date multiplied by 1% for each full month vesting is accelerated;

¶ Early receipt portion is equal to the difference between the gain at normal vesting and the present value of the gain at the time vesting is accelerated (present value based on 120% of the IRS Applicable Federal Rates, compounded semi-annually: 0.90% for short-term and 3.175% for mid-term, using September, 2009 rates); and

¶ Performance restricted stock equivalents, under which vesting is contingent upon achievement of certain performance goals and continued employment, have been valued assuming a 100% parachute value for the portions of awards that will vest.

	Accelerated Awards Upon a Change of Control (No Termination of Employment) Restricted Stock Equivalents, Three-Year Performance Awards and 2009 Performance Awards		
		Excise Tax Gross-Up	Total
W. M. Klein	\$12,325,154	\$ 0	\$12,325,154
D. J. Sescleifer	\$ 3,286,196	\$ 0	\$ 3,286,196
J. W. McClanathan	\$ 3,549,500	\$ 0	\$ 3,549,500
D. P. Hatfield	\$ 2,675,182	\$ 0	\$ 2,675,182
G. G. Stratmann	\$ 2,476,119	\$ 0	\$ 2,476,119

#### CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Our board of directors has adopted a written policy regarding the review and approval or ratification of transactions involving the Company and our directors, nominees for directors, executive officers, immediate family members of these individuals, and shareholders owning five percent or more of our outstanding common stock, each of whom is referred to as a related party. The policy covers any related party transaction, arrangement or relationship where a related party has a direct or indirect material interest and the amount involved exceeds \$100,000 in any calendar year. Under the policy, the audit committee of the board is responsible for reviewing and approving, or ratifying, the material terms of any related party transactions. The committee is charged with determining whether the terms of the transaction are any less favorable than those generally available from unaffiliated third parties, and determining the extent of the related party's interest in the transaction.

In adopting the policy, the board reviewed certain types of related party transactions described below and determined that they should be deemed to be pre-approved, even if the aggregate amount involved might exceed \$100,000:

¶ Officer or director compensation which would be required to be disclosed under Item 402 of the SEC's compensation disclosure requirements, and expense reimbursements to these individuals in accordance with our policy;

¶ Transactions with another company at which a related party serves as an employee, director, or holder of less than 10% of that company's outstanding stock, if the aggregate amount involved does not exceed the greater of \$1 million or 2% of that company's consolidated gross revenues;

¶ Charitable contributions to a charitable trust or organization for which a related party serves as an employee, officer or director, if the annual contributions by us do not exceed the greater of \$100,000 or 2% of the organizations total

annual receipts;

• Transactions in which all of our shareholders receive proportional benefits, the rates or charges involved are determined by competitive bids, the transaction involves obtaining services from a regulated entity at rates fixed by law, or the transaction involves bank services as a depository of funds, transfer agent or registrar, or similar services; and

• Transactions related to our joint ownership of corporate aircraft, including reimbursement of expenses associated with ownership or use of the aircraft, provided that the terms of ownership and reimbursement were previously approved by our board of directors.

Our legal department is primarily responsible for the development and implementation of processes and procedures to obtain information from our directors and executive officers with respect to related party transactions.

During fiscal year 2009, there were no transactions with executive officers, directors or their immediate family members which were in an amount in excess of \$100,000, and in which any such person had a direct or indirect material interest.

## AUDIT COMMITTEE REPORT

No portion of this Audit Committee Report shall be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, through any general statement incorporating by reference in its entirety the Proxy Statement in which this report appears, except to the extent that the Company specifically incorporates this report or a portion of it by reference. In addition, this report shall not be deemed to be filed under either the Securities Act or the Exchange Act.

The Audit Committee of the Company's Board of Directors consists entirely of non-employee directors that are independent, as defined by the New York Stock Exchange Listing Standards and Securities and Exchange Commission regulations for audit committee membership.

Management is responsible for the Company's internal controls and the financial reporting process. The independent accountants are responsible for performing an independent audit of the Company's consolidated financial statements in accordance with generally accepted auditing standards and issuing a report thereon. The Committee's responsibility is to monitor and oversee these processes.

With respect to the Company's audited financial statements for the Company's fiscal year ended September 30, 2009, management of the Company has represented to the Committee that the financial statements were prepared in accordance with generally accepted accounting principles and the Committee has reviewed and discussed those financial statements with management. The Audit Committee has also discussed with PricewaterhouseCoopers LLP, the Company's independent accountants, the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees) as modified or supplemented.

The Audit Committee has received the written disclosures from PricewaterhouseCoopers LLP required by Independence Standards Board Standard No. 1 (Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees), as modified or supplemented, and has discussed the independence of PricewaterhouseCoopers LLP with members of that firm. In doing so, the Committee considered whether the non-audit services provided by PricewaterhouseCoopers LLP were compatible with its independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Company's Board of Directors that the audited financial statements for the fiscal year ended September 30, 2009 be included in the Company's Annual Report on Form 10-K for that year.

John R. Roberts—Chairman  
Bill G. Armstrong  
John E. Klein

Joe R. Micheletto  
Pamela M. Nicholson

## NOMINATING AND EXECUTIVE COMPENSATION COMMITTEE REPORT

The Nominating and Executive Compensation Committee of the Company's Board of Directors consists entirely of non-employee directors that are independent, as defined in Sections 303.01(B)(2)(a) and (3) of the New York Stock Exchange Listing Standards. The Committee has reviewed and discussed the Company's Compensation Discussion and Analysis with management. Based on these reviews and discussions, the Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and in the Company's Annual Report on Form 10K for the fiscal year ended September 30, 2009.

John E. Klein—Chairman  
Bill G. Armstrong  
John C. Hunter

W. Patrick McGinnis  
Pamela M. Nicholson  
John R. Roberts

Richard A. Liddy

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DELIVERY OF DOCUMENTS

Householding of Annual Meeting Materials. The Securities and Exchange Commission has approved a rule permitting the delivery of a single set of annual reports and proxy statements to any household at which two or more shareholders reside, if the shareholders consent. Each shareholder will continue to receive a separate proxy card. This procedure, referred to as householding, reduces the volume of duplicate information you receive, as well as our expenses. In order to take advantage of this opportunity, we have delivered only one proxy statement and annual report to multiple shareholders who share an address, unless we received contrary instructions from the impacted shareholders prior to the mailing date. If you prefer to receive separate copies of our proxy statement or annual report, either now or in the future, we will promptly deliver, upon your written or oral request, a separate copy of the proxy statement or annual report, as requested, to any shareholder at your address to which a single copy was delivered. Notice should be given to the Secretary, Energizer Holdings, Inc., 533 Maryville University Drive, St. Louis, Missouri 63141 (Tel. No. (314) 985-2161). If you are currently a shareholder sharing an address with another shareholder and wish to have only one proxy statement and annual report delivered to the household in the future, please contact us at the same address.

Electronic Delivery. For next year's Annual Meeting of Shareholders, you can help us save significant printing and mailing expenses by consenting to access the proxy statement and annual report electronically over the Internet. If you choose to vote over the Internet, you can indicate your consent to electronic access to these documents by following the instructions at the Internet voting website noted on the enclosed proxy card. If you do not choose to vote over the Internet, or if you are not given the opportunity to consent to electronic access over the Internet, but would still like to consent, you may contact the Secretary, Energizer Holdings, Inc., 533 Maryville University Drive, St. Louis, Missouri 63141 (Tel. No. (314) 985-2161). If you choose to receive the proxy statement and annual report electronically, then prior to next year's annual meeting you will receive e-mail notification when the proxy statement and annual report are available for on-line review over the Internet. Your choice for electronic distribution will remain in effect indefinitely, unless you revoke your choice by sending written notice of revocation to the address noted above. However, if the e-mail notification is returned as "undeliverable", a hard copy of the proxy materials and annual report will be mailed to your last known address.

## SHAREHOLDER PROPOSALS FOR 2011 ANNUAL MEETING

Any proposals to be presented at the 2011 Annual Meeting of Shareholders, which is expected to be held on January 24, 2011, must be received by the Company, directed to the attention of the Secretary, no later than August 10, 2010 in order to be included in the Company's proxy statement and form of proxy for that meeting. Upon receipt of any proposal, the Company will determine whether or not to include the proposal in the proxy statement and proxy in accordance with regulations governing the solicitation of proxies. The proposal must comply in all respects with the rules and regulations of the Securities and Exchange Commission and our bylaws.

In order for a shareholder to nominate a candidate for director, under our bylaws timely notice of the nomination must be received by us in advance of the meeting. Ordinarily, such notice must be received not less than 90, nor more than 120, days before the meeting (but if the Company gives less than 90 days' (1) notice of the meeting or (2) prior public disclosure of the date of the meeting, then such notice must be received within 7 days after notice of the meeting is mailed or other public disclosure of the meeting is made), or prior to October 26, 2010 for the 2011 Annual Meeting. The notice of nomination must include, as to each person whom the shareholder proposes to nominate for election: the candidate's name, age, business and residential address, and principal occupation for the previous 5 years; the nominee's consent to being named as a nominee and to serving on the board; the nominee's "disclosable interests", which includes: shares of common stock; options, warrants, convertible securities, stock appreciation rights, or similar rights with respect to our common stock; any proxy, contract, arrangement, understanding, or relationship conveying a right to vote common stock; any short interest with respect to common stock; any derivative instruments held by a partnership in which the nominee has a partnership interest; and rights to any performance-related fee based on any increase or decrease in the value of common stock or any related derivative instrument; and a description of all monetary or other material arrangements between the nominating shareholder and the nominee during the prior three years. In addition, the nominating shareholder must provide their name and address and disclosable interests. The shareholder must be present at the Annual Meeting of Shareholders at which the nomination is to be considered, and must provide a completed questionnaire regarding the nominee's background and qualification and compliance with our corporate governance, conflict of interest, and other pertinent policies and guidelines. To assist in the evaluation of shareholder-recommended candidates, the Nominating and Executive Compensation Committee may request that the shareholder provide certain additional information required to be disclosed in the Company's proxy statement under Regulation 14A of the Securities Exchange Act of 1934. The shareholder nominating the candidate must also include his or her name and address, and the number of shares of common stock beneficially owned.

In order for a shareholder to bring other business before a shareholder meeting, timely notice must be received by the Company prior to the time described in the preceding paragraph. Such notice must include a description of the proposed business and the reasons for the proposal, the name and address of the shareholder making the proposal, any financial or other interests of the shareholder in the proposal made, and the shareholder's disclosable interests. These requirements are separate from and in addition to the requirements a shareholder must meet to have a proposal included in the Company's proxy statement.

In each case, the notice must be given to the Secretary of the Company, whose address is 533 Maryville University Drive, St. Louis, Missouri 63141. A copy of our bylaws will be provided without charge upon written request to the Secretary.

By order of the Board of Directors,  
Timothy L. Grosch  
Secretary

December 10, 2009





VOTE BY INTERNET OR TELEPHONE  
QUICK \* \* \* EASY \* \* \* IMMEDIATE

ENERGIZER HOLDINGS, INC.

Voting by telephone or Internet is quick, easy and immediate. As a stockholder of Energizer Holdings, Inc., you have the option of voting your shares electronically through the Internet or on the telephone, eliminating the need to return the proxy card. Your electronic vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed, dated and returned the proxy card. Votes submitted electronically over the Internet or by telephone must be received by 7:00 p.m., Eastern Time, on January 24, 2010.

Vote Your Proxy on the Internet:

Go to [www.energizer.com](http://www.energizer.com).

Have your proxy card available when you access the above website. Select "ENR Shareholder Proxy Voting." Follow the prompts to vote your shares.

Vote Your Proxy by Phone:

Call 1 (866) 894-0537.

Use any touch-tone telephone to vote your proxy. Have your proxy card available when you call. Follow the voting instructions to vote your shares.

PLEASE DO NOT RETURN THE PROXY CARD IF YOU ARE  
VOTING ELECTRONICALLY OR BY PHONE

Vote Your Proxy by mail:

Mark, sign, and date your proxy card, then detach it, and return it in the postage-paid envelope provided.

tFOLD AND DETACH HERE AND READ THE REVERSE SIDEt

PROXY

ENERGIZER HOLDINGS, INC.

COMMON STOCK

Please mark  x

your votes like this

THE BOARD OF DIRECTORS RECOMMENDS A  
VOTE "FOR":

1. Election of Directors	For All	For All
Nominees	Withhold	Except
<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		

2. Ratification of appointment of ABSTAIN PricewaterhouseCoopers LLP as independent auditor	FOR	AGAINST
	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Nominees: 01 R. David Hoover, 02 John C. Hunter, 03  
John E. Klein,  
04 John R. Roberts.

Please be sure to sign and date this Proxy Card.

IF YOU WISH TO VOTE ELECTRONICALLY  
PLEASE READ THE INSTRUCTIONS ABOVE

To withhold authority to vote for any nominees listed  
above, mark the "For All Except" box and write the name(s)  
of the nominee(s) from whom you wish to withhold  
authority to vote in the space provided below.

Mark box at right if you plan to attend the Annual Meeting  on January 25, 2010.

COMPANY ID:

PROXY NUMBER:

ACCOUNT NUMBER:

Signature\_\_\_\_\_

Signature\_\_\_\_\_

Please sign exactly as your name(s) appear(s) hereon. When signing as Attorney, Executor, Trustee, Guardian or Officer of a Corporation, please give title as such. For joint accounts, all named holders should sign. If you receive more than one proxy card, please sign all cards and return in the accompanying postage-paid envelopes.

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2010 ANNUAL MEETING ADMISSION TICKET

ENERGIZER HOLDINGS, INC.  
2010 ANNUAL MEETING OF SHAREHOLDERS  
Monday, January 25, 2010  
3:00 p.m. local time  
Energizer World Headquarters  
533 Maryville University Drive  
St. Louis, Missouri 63141

Please present this ticket for admittance to the Annual Meeting.  
Admittance will be based upon availability of seating.

tFOLD AND DETACH HERE AND READ THE REVERSE SIDEt

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ENERGIZER HOLDINGS, INC.

This Proxy is Solicited on Behalf of the Board of Directors  
for the Annual Meeting of Shareholders on January 25, 2010

P This proxy when properly executed  
R will be voted in the manner  
O directed herein by the undersigned  
X Shareholder. If no direction is  
Y made, this Proxy will be voted  
“FOR” Item 1 and Item 2. The  
undersigned hereby appoints W.M.  
Klein and G.G. Stratmann as  
Proxies, with the power of  
substitution, to represent and to  
vote, as designated below, all the  
shares of the undersigned held of  
record on November 20, 2009, at  
the Annual Meeting of  
Shareholders to be held on January  
25, 2010 and any adjournments  
thereof.

(Important - to be signed and dated  
on reverse side)

This proxy covers all Energizer  
Holdings, Inc. Common Stock you  
own in any of the following ways  
(provided the registrations are  
identical):

- Shares held of record

- Energizer Holdings, Inc.  
Savings Investment Plan
-

December 10, 2009

Dear Savings Investment Plan Participant:

Enclosed are a proxy statement, a proxy and an Annual Report for the Annual Meeting of Shareholders of Energizer Holdings, Inc. to be held on January 25, 2010. The enclosed proxy relates to shares of Energizer Common Stock of which you are the record holder and to shares of Energizer Common Stock credited to your account in the Energizer Holdings, Inc. Savings Investment Plan (the "Plan").

The Trustee of the Plan will vote all shares of Energizer Common Stock held in the Plan as of November 20, 2009. Shares credited to your account as of November 13, 2009 will be voted in accordance with your instructions on the enclosed proxy card. Any credited shares for which no instructions are received by the Trustee, and any shares in the Plan that were credited between November 14, 2009 and November 20, 2009, will be voted by the Trustee in the same proportion as the shares for which instructions were received from all participants in that Plan.

Please complete, sign and date the enclosed proxy. It should be returned, in the postage-paid envelope provided, to Continental Stock Transfer & Trust Company, which acts as tabulator. Alternatively, you may vote by telephone or via Internet. However you decide to vote, in order to provide the tabulator sufficient time to tabulate the votes, it has been requested that all proxies be returned, or votes be cast, as promptly as possible, but no later than January 21, 2010.

You may also have received additional proxy statements and proxies relating to other shares of Energizer Common Stock held by you. These proxies are not duplicates of the one enclosed and we ask that they also be voted as described in the instructions enclosed with them.

WARD M. KLEIN  
Chief Executive Officer

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Dear Shareholder:

Thank you for consenting to receive your shareholder materials via the Internet. This letter provides you the information you will need to view Energizer Holdings, Inc. annual meeting materials online, vote your shares online and print a copy of the materials.

#### NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

The 2010 Annual Meeting of Shareholders of Energizer Holdings, Inc. will be held at Energizer World Headquarters, 533 Maryville University Drive, St. Louis, Missouri on Monday, January 25, 2010 at 3:00 p.m., local time, for the following purposes:

- To elect four directors to serve three-year terms ending at the Annual Meeting held in 2013, or until their respective successors are elected and qualified; and
  - Ratify the appointment of PricewaterhouseCoopers LLP as independent auditor.

Shareholders of record at the close of business on November 20, 2009, are entitled to notice of and to vote at the Annual Meeting.

Holders of a majority of the outstanding shares must be present in person or by proxy in order for the meeting to be held. Therefore, whether or not you expect to attend the meeting in person, you are urged to vote your proxy either electronically via the Internet or by telephone at 1-866-894-0537. If you attend the meeting and wish to vote your shares personally, you may do so by revoking your proxy at any time prior to the voting thereof. In addition, you may revoke your proxy at any time before it is voted by written notice of revocation to the Secretary of the Company or by submitting a later-dated proxy.

#### VIEW ANNUAL MEETING MATERIALS

To view the 2009 Annual Report and Proxy Statement, please go to the Website [www.energizer.com](http://www.energizer.com), click on About Energizer and then click on Investor Relations. You will then see two direct links - one for the 2009 Proxy Statement and one for the 2009 Annual Report.

#### VOTE YOUR PROXY

To vote your proxy over the Internet, please go to the Website [www.energizer.com](http://www.energizer.com) and click on ENR Shareholder Proxy Voting.

To access and vote your proxy card via the Internet or by phone, you will need to enter the following information exactly as it appears:

Company Number: \$CompanyNumber

Proxy Number: \$ProxyNumb

Account Number: \$AccountNbr

Thank you again for participating in Energizer Holdings, Inc. electronic distribution program.