Beiersdorf

Press Release

Another step towards climate protection: Beiersdorf's Berlin plant to be climate-neutral from 2022 onwards

- Beiersdorf Manufacturing GmbH in Berlin will be the first Beiersdorf plant to switch to biogas at the beginning of 2022.
- By using biomethane and green electricity, the Berlin plant is reducing its overall CO_{2e} footprint by 99% (compared to 2018).
- Beiersdorf's overarching goal is to operate all production facilities worldwide in a climate-neutral manner by 2030.

Hamburg, August 6, 2021 - Beiersdorf is systematically continuing its path towards greater sustainability, including in the sphere of activity of its production facilities. From 2022, the company will stop using fossil fuels at its Berlin plant, thereby further reducing its carbon footprint by using biomethane instead of natural gas.

As part of its sustainability agenda CARE BEYOND SKIN, Beiersdorf has defined the vision of a "Climate Positive Future" for its Consumer business and has set itself the ambitious goal of operating all production facilities in a climate-neutral manner by 2030. Direct and indirect greenhouse gas emissions (Scope 1-3) are to be reduced by 30% in absolute terms as early as 2025. Since 2019, all production and office sites worldwide have been sourcing 100% of their electricity from renewable energy sources (Scope 2). With the switch to biomethane, the Berlin plant now also generates the heating and process heat from renewable resources directly on site for its operations, thus reducing Scope 1 emissions.

"We want to live up to our responsibility as a manufacturing and globally active company and are consistently aligning our actions with our vision of a 'Climate Positive Future' and our ambitious targets. To this end, we are working intensively to reduce our emissions. We have a great deal of leverage for this at our production sites. Alongside the purchase of green electricity and energy efficiency measures, the switch to biogas is another step that we are very pleased about," says Malte Schulz, Vice President Supply Chain Europe.

Berlin leads the way: first climate-neutral plant

Beiersdorf Manufacturing Berlin (BMB) is the first plant to reach this milestone in climate protection. The production site in the German capital will switch from natural gas to biomethane for heat generation from January 2022. The plant will thus become the first nearly climate-neutral facility in terms of direct Scope 1 and 2 emissions within Beiersdorf's production network. Only parts of the vehicle fleet and the

Kontakt Corporate Communications Anke Schmidt Tel.: +49 (0)40 4909-2001 E-Mail: <u>cc@beiersdorf.com</u>

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emergency power supply (1%) will then still be powered by fossil fuels. These residual emissions will be offset using high-quality CO2 certificates.

"We are very proud that we are taking on this pioneering role with our plant in the middle of Berlin," says Markus Jauch, Head of Beiersdorf Manufacturing Berlin (BMB). "We already have a highly efficient energy management system and, for example, use the waste heat from the processes to heat the building. By purchasing biomethane instead of natural gas, we will become virtually climate-neutral in 2022 and make an important contribution - not only to achieving Beiersdorf's climate targets, but also to limiting global warming to 1.5 degrees in accordance with the Paris Climate Agreement."

Beiersdorf is also putting active climate protection into practice at product level, for example in the NIVEA shower care range, which comes off the production line at the Berlin plant. Since 2019, all formulas have been free of microplastics¹ and since 2020 they are 97-99% biodegradable. The bottles are made of 96% recycled material (without cap and label). With the help of these measures, the carbon footprint of NIVEA shower care products has been significantly reduced in recent years. This year, the path towards a sustainable product range will be continued: the unavoidable emissions remaining after the reduction measures (Scope 1-3) will be offset with the help of certified reforestation projects. This holistic approach to climate protection sets a new benchmark for product sustainability at NIVEA and Beiersdorf.

Biomethane as a source of hope and energy

The biogas required by Beiersdorf is produced in Denmark from organic waste and fed into the European gas grid. In principle, biomethane can be produced from all fermentable biogenic materials. When selecting a supplier, it was particularly important to Beiersdorf that the production of biogas does not compete with food production or nature conservation. This is why Beiersdorf decided to use biogas from residual materials containing biomass.

Beiersdorf's ambitions and progress in climate protection

Beiersdorf has shown great commitment to climate protection, and not just with the CARE BEYOND SKIN sustainability agenda launched in 2020. The company has already reduced its CO_{2e} emissions by 65% between 2014 and 2019 (Scope 1 and 2). In the process, greenhouse gas emissions (GHG) were also significantly reduced at the production sites by implementing energy efficiency measures. In addition, since 2019, global production has been powered by 100% electricity from renewable energy sources. By signing the "Business Ambition for 1.5°C" in 2019, Beiersdorf committed to reducing GHG emissions in its Consumer business across all Scopes by 30% in absolute terms by 2025, measured against 2018 figures. This climate target was recognized by the Science Based Targets initiative (SBTi),

Kontakt

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confirming that Beiersdorf is acting in line with the 1.5 degree scenario of climate scientists*. At the end of 2020, Beiersdorf was recognized as a "Climate-A-List" company by the international non-profit organization Carbon Disclosure Project (CDP). In April 2021, NIVEA launched its first "climate-neutralized" products, which also implement active climate protection at product level. These include the NIVEA Natural Balance facial care products, which are available in around 30 countries, and the NIVEA shower care range in Germany.

¹ Beiersdorf follows the definition of the United Nations Environment Programme (UNEP), which describes microplastic particles as solid plastic particles with a diameter of less than 5 mm that are not biodegradable or water-soluble.

About Beiersdorf AG

Beiersdorf has stood for innovative, high-quality skin and body care products and pioneering skin research for almost 140 years. Leading international brands such as NIVEA - the world's No. 1 in skin care* -, EUCERIN (dermocosmetics), LA PRAIRIE (selective cosmetics), and HANSAPLAST (plaster and wound care) impress millions of people around the world every day. Other well-known brands such as LABELLO, AQUAPHOR, FLORENA, 8X4, HIDROFUGAL, GAMMON, COPPERTONE, MAESTRO, CHAUL and STOP THE WATER WHILE USING ME! complete the extensive portfolio. Through its wholly owned affiliate tesa SE, Beiersdorf is also one of the world's leading manufacturers of technical adhesive tapes and self-adhesive system solutions for industry, commerce, and consumers.

Headquartered in Hamburg, the company generated sales of €7,025 million and an operating result (EBIT) of €828 million in fiscal year 2020. Beiersdorf employs over 20,000 people worldwide who are united by shared values, a strong corporate culture, and the Beiersdorf Purpose "Care Beyond Skin". With its C.A.R.E.+ strategy, the company is pursuing a multi-year investment program aimed at achieving competitive, sustainable growth. The program is in line with Beiersdorf's ambitious sustainability agenda, which creates clear added value for consumers, society, and the environment.

* Source: Euromonitor International Limited; NIVEA as an umbrella brand in the face, body and hand care categories; retail sales 2020.

For more information, visit <u>www.beiersdorf.com</u>.

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