Beiersdorf

Press Release

Beiersdorf lays cornerstone for new plant in Leipzig

- The cornerstone for Beiersdorf's new plant was laid today in Leipzig-Seehausen in the presence of the Prime Minister of Saxony Michael Kretschmer and Leipzig's Mayor Burkhard Jung.
- Beiersdorf is investing 220 million euros in the new production centre for cosmetic products, and is focusing on innovation and sustainability.
- Construction of the new plant is progressing well, with production scheduled to start during 2022.

Leipzig, 15.09.2021 - At a ceremony today, the Prime Minister of Saxony, Michael Kretschmer, and the Chairman of the Executive Board of Beiersdorf AG, Vincent Warnery, together with the Mayor of Leipzig, Burkhard Jung, laid the cornerstone for the new Beiersdorf plant in Leipzig. On the northern outskirts of the Saxon metropolis, a state-of-the-art production centre for cosmetic products is being built with an investment of 220 million euros and initially 200 jobs. In addition, a new logistics hub for the company is to be built in the immediate vicinity. With these projects, Beiersdorf is making its largest investment in one location worldwide, for a future-proof supply chain infrastructure in the heart of Europe.

Capacities for long-term, sustainable growth

The new plant creates the capacity for long-term, sustainable growth in Beiersdorf's production network. Up to 450 million cosmetic products will come off the production line each year at the new 32.000 m² plant, in particular deodorants, hair sprays, and shaving foams for the entire European market and for export. Depending on the market and business development, capacities could still be expanded.

"This is a unique project for Beiersdorf," emphasised CEO Vincent Warnery. "To build a completely new production plant for Central Europe in Germany is a great opportunity for us and – as we believe - also for the region. We are very pleased that we can lay the cornerstone for it here today and look forward to the future of the new plant with excitement and great expectations."

Prime Minister of Saxony, Michael Kretschmer: "Beiersdorf's investment in a new plant in Leipzig is another major success for Saxony as a business location. The modern production center creates new attractive jobs and ensures additional value creation in the region. In conjunction with the planned logistics center, the industrial structure in the Leipzig metropolitan region will become even stronger and more diverse. I am very pleased that Beiersdorf is making its largest investment to date at a location in Saxony and would like to thank the Group for its trust."

Mayor Burkhard Jung: "Leipzig is continuing its economic success story. Beiersdorf is the first major cosmetics company to settle in Leipzig. During the pandemic, at the latest, we learned that cosmetics

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Beiersdorf

are always on the agenda! By attracting Beiersdorf, we are broadening our economic base and reducing our dependence on individual sectors. This will benefit the entire city, the entire region, and all citizens."

Flexibility and automation

In building the plant, the focus is on innovation capacity and a modular, flexible design. This allows the production centre to react agilely to new technologies, consumer demands and market developments in the future as well. A high degree of automation allows for perfect interaction of the production steps as well as high efficiency and productivity – from the delivery of raw materials to the finished product in the high-bay warehouse.

High sustainability standards

The new building meets high environmental standards and contributes to Beiersdorf's CARE BEYOND SKIN sustainability agenda with numerous aspects: The plant is expected to be completely carbon neutral through the use of renewable energy, it is equipped with a photovoltaic system as well as charging points for e-cars, and has the ability to recover and process heat, wastewater and ethanol. With the new building, Beiersdorf is aiming for LEED Gold certification as part of its commitment to sustainability.

The new plant also contributes to sustainability at the product level: The new technical conditions make it possible to bring innovative, sustainable packaging solutions to the market - for example aerosol cans made from recycled aluminium.

Construction progress and transformation process

In March, the structural and civil engineering work for the 12 buildings under construction began, and in the coming months up to 600 people will be working on the construction site. The project team, which is preparing the start of production in parallel with the construction, already includes nearly 50 employees. In the course of 2022, they will coordinate the commissioning of the first three production lines, with two more to follow soon. Successively, as planned, many employees from Beiersdorf's plant in Waldheim will also transfer to the new production centre in Leipzig. The transformation process is expected to be completed in the course of the year 2023.

About Beiersdorf AG

Beiersdorf has stood for innovative, high-quality skin care products as well as pioneering skin research for nearly 140 years. Leading international brands such as NIVEA, the world's no. 1 skin care brand*, EUCERIN (dermocosmetics), LA PRAIRIE (selective cosmetics), and HANSAPLAST/ELASTOPLAST (plasters and wound care) are cherished by millions of people around the world day after day. Other renowned brands such as LABELLO,

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AQUAPHOR, FLORENA, 8X4, HIDROFUGAL, GAMMON, COPPERTONE, MAESTRO, CHAUL, and STOP THE WATER WHILE USING ME! round off our extensive portfolio. Through the wholly owned affiliate tesa SE, Beiersdorf is also a globally leading manufacturer of technical adhesive tapes and provides self-adhesive solutions to industry, craft businesses, and consumers.

The Hamburg-based company generated sales of €7,025 million as well as an operating result (EBIT) of €828 million in fiscal year 2020. Beiersdorf has more than 20,000 employees worldwide, who are connected by shared core values, a strong corporate culture and the Beiersdorf purpose "Care Beyond Skin." With its C.A.R.E.+ business strategy, the company pursues a multi-year investment program focusing on competitive, sustainable growth. The program is consistent with the ambitious sustainability agenda, with which Beiersdorf is generating clear added value for consumers, society, and the environment.

* Source: Euromonitor International Limited; NIVEA by umbrella brand name in the categories Body Care, Face Care, and Hand Care; in retail value terms, 2020.

Additional information can be found at www.beiersdorf.com.

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