

Disclosure regarding Beiersdorf's Environmental and Health and Safety Data Reporting

Reporting Boundaries and Methods

This document describes the methods and inventory boundaries of Beiersdorf's environmental and occupational health and safety data reporting.¹

Information about our environmental strategy, goals and organizational responsibility can be found on our corporate [website](#).

Data Collection Principles

Beiersdorf² makes every effort to ensure that it collects all relevant environmental and safety data from all its entities and their operations. Our centrally managed annual data collection process constitutes the basis of our environmental reporting. A data management system is used to systematically collect and process data on environmental protection and occupational safety issues. The collected data is centrally monitored and reviewed. The employees responsible for data collection and transfer are trained regularly and supported by a user manual which contains detailed definitions for each parameter and which guides them through the required indicators. A follow-up process to enhance data quality and coverage is also carried out.

Our reporting on environmental data generally follows the Sustainability Reporting Guidelines (G4) of the Global Reporting Initiative (GRI). The data collected is based preferably on measurements (meter readings) or invoice/contract amounts. Estimations and extrapolations are only used if the relevant data cannot be reliably interpreted. The most accurate data is prioritized according to categories.

The reporting is carried out in accordance with precise rules to guarantee a consistent approach and to ensure methodological consistency.

Beiersdorf reports scope 1 and 2 and selected scope 3 emissions. These relate to our global sustainability target in the area of 'Planet'. The chosen base year for our Planet target achievements is 2005.

Beiersdorf's carbon footprint is based on the Greenhouse Gas (GHG) Protocol's Corporate Accounting and Reporting Standard. CO_{2e} emissions are calculated by means of the GHG Protocol guidelines, international standards (e.g. Defra), and by using CO₂ conversion factors from the International Energy Agency (IEA) to calculate emissions from electricity and steam. The direct emissions from sources that are

¹ Only applicable for the reporting period 2015

² In the reporting we solely consider the Beiersdorf Consumer business segment

owned or controlled by Beiersdorf are split into stationary combustion, including natural gas, fuel oil, crude oil and coal, and mobile combustion, from leased and owned company vehicles. The indirect GHG emissions include emissions from the consumption of purchased electricity, heat and steam. GHG emissions from leased and owned assets are reported under scope 1 and scope 2. With regard to leased assets, Beiersdorf does not have ownership or financial control under an operating lease, but still has operational control over the leased assets. Downstream transportation and business travel emissions are reported under scope 3. Additionally, the outsourced finished product volumes are categorized as indirect emission sources.

In addition to calculating CO_{2e} emissions, we calculate emissions of other greenhouse gases, for example NO_x and SO_x. Furthermore, we collect and report on our material, waste and water consumption, as well as health and safety data.

Base Year Changes

In 2015 we didn't have any base year changes.

Reporting Boundaries and Data Coverage

The following section elaborates on the reporting principles of the scopes 1-3 categories and our data coverage in 2015.

Production

The data from our production centers is collected via the annual global sustainability data questionnaire. In total 17 Beiersdorf production sites in twelve countries are included in this process. This equates to 100% coverage of our global production. As such, no extrapolations are necessary in order to achieve full data coverage. The data collected and the methodology used are described above.

Offices

The reporting on our global office entities is carried out in the same way as that for our production centers, but with adapted data coverage. Our research and development centers are included in the reported office figures. If explicit data is not available, entity specific allocations methods are applied. The assessment of GHG emissions from our leased and owned offices is based on the office space (in square meters). The applied methodology is the same as for our production centers. In 2015 the data coverage constituted 81% of our total owned or leased office space.

Business Travel

The business travel data includes employees traveling by air, rail, car and bus. The emissions are calculated based on the distance traveled, multiplied by the appropriate CO_{2e} conversion factor. These CO_{2e} factors are derived from GHG Protocol and Defra

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methodology. Emissions generated by business travel are collected by questionnaires that are integrated into the internal global reporting. Two methods of calculating travel emissions are applied. In one, data is provided by travel management systems through external partners such as travel agencies. This data is based on exact booking information, collected in cooperation with credit card partners. The other method uses distance-based calculations from travel tickets and invoices. The number of employees serves as a reference parameter for extrapolation. In 2015 the data was based on 91% data coverage.

Leased and Owned Company Vehicles

GHG emissions from leased and owned vehicles (mainly cars, but also buses and forklifts) are part of our scope 1 and scope 2 emissions. Emissions are calculated using the fuel based and distance based method in accordance with the appropriate CO_{2e} conversion factors of the GHG Protocol. Extrapolations are made according to the number of employees – 91% covered in 2015.

Third Party Finished Product Suppliers

In 2015 we integrated our largest third party finished product suppliers into the global sustainability reporting. This is done according to the principles of the previously described data collection and calculation. To extrapolate the emissions, the remaining outsourced finished product volume is taken. The reported data is based on 78% coverage.

Transportation and Distribution

This category covers the third party finished product transportation and distribution services purchased by our third party finished product suppliers, and our own operations using vehicles not owned or operated by Beiersdorf.

This includes downstream transport by rail, road and sea. Beiersdorf calculates the emissions in compliance with the European norm DIN EN 16258, using a publicly available scientific software tool or the distance based method. Where data for transportation is missing, our net sales are taken as the basis for extrapolation. In 2015 the reported quantities constituted 70% data coverage.