DECLARATION OF PRINCIPLES ON UPHOLDING HUMAN RIGHTS

Our commitment to safeguarding human rights

As a globally active company with over 170 affiliates and more than 20,000 employees, Beiersdorf bears a major responsibility to everyone in the company and to society itself. We are keenly aware of our responsibility and are actively committed to upholding laws, international standards, and human rights throughout our entire value chain. We require and promote full compliance through our employees and our business partners; we do not tolerate any form of forced labor, child labor, discrimination, nor any other type of human rights violation.

With this Declaration of Principles, we explicitly commit ourselves to strengthening human rights along our entire value chain, and to preventing violations of these rights. The Declaration is regularly checked by our Sustainability Department and continually further developed to take account of relevant changes.

National and international standards, guidelines, and organizations

The following international standards and guidelines underpin our action as a company and our collaboration with business partners:

- The Universal Declaration of Human Rights (UN)
- The Conventions of the International Labour Organization (ILO)
- The “Guidelines for Multinational Enterprises” of the Organization for Economic Cooperation and Development (OECD)
- The Ten Principles of the UN Global Compact (UNGC).

Beiersdorf explicitly supports the UN Agenda 2030 for sustainable development and is making significant contributions to achieving the Sustainable Development Goals (SDGs). Through our membership of the UN Global Compact we are strengthening our commitment to upholding human rights, both within our own company as well as in our business partners’ organizations.

Besides this, we are fully committed to upholding country-specific laws and governmental requirements: The California Transparency in Supply Chains Act in the USA, and the Modern Slavery Act in Great Britain require companies to communicate transparently on their efforts in combating slavery and human trafficking in their supply chains. Our affiliates Beiersdorf Ltd. UK and Beiersdorf Inc. in the USA fulfil this responsibility through their own Declarations.

Codes of Conduct for Employees and Business Partners

The Code of Conduct (CoC) is a binding guideline for all Beiersdorf employees and managers worldwide. It is oriented towards our Core Values: Care, Simplicity, Courage, and Trust. It commits all employees to implement our Values in their daily work and interactions with business partners. All our employees receive targeted training on the CoC and further relevant topic areas when they start work at Beiersdorf, and at regular intervals thereafter. Our Group-wide Compliance Management organization regularly checks compliance with the CoC, which we most recently updated in 2019.

Within the fields of our business activity, risks to human rights integrity occur above all in upstream supply chains. We therefore developed a Business Partner Code of Conduct (Business Partner CoC) that sets out binding criteria for responsible conduct according to ethical and statutory standards. This CoC was most recently updated in 2020. Through this we work to ensure that our suppliers and their own upstream suppliers fulfil the same criteria that are binding for us at Beiersdorf. The Business Partner CoC comprises four critical impact areas: Business Integrity, Human Rights and Labor Standards, Occupational Health and Safety, and Environmental Protection. Our business partners’ written commitment to comply with our Business Partner CoC is obligatory for all partners across the full Beiersdorf supply network. We check their implementation of this annually as part of our Responsible Sourcing Program, which includes a comprehensive risk analysis, an annual risk assessment of all our approximately 25,000 direct suppliers, as well as independent auditing of our business partners in the supply chain. To do this, amongst other instruments we use the
international collaboration platforms Sedex and AIM-PROGRESS, which help us better assess the risk profile and quality standards of an existing or potential supplier.

Raising awareness, and complaints mechanisms
To prevent and counter violations systematically, we have established a range of channels via which employees, customers, business partners, supply chain employees and all other stakeholders can report violations of laws and regulations, or indicate their suspicion of the same. Complaint reporting takes place under absolute confidentiality and discretion.

Company internally, Beiersdorf employees have the possibility to notify our Compliance Department directly, or to report a violation via the Compliance Hotline. In Germany they can additionally contact an external ombudsman. Furthermore, we provide a BKMS®-based whistleblower system, “Speak up. We care.” This platform provides our employees, customers, consumers, and further stakeholders with a protected, secure, and anonymous reporting channel. The whistleblower system is available in over 40 languages and can be used in all countries in which Beiersdorf has affiliates.

We regularly train all employees on our Code of Conduct, in particular on correct behavior in the workplace, on taking ethical decisions, and on statutory and regulatory compliance. In addition, our Procurement organization regularly receives specific training on the Beiersdorf Business Partner Code of Conduct.

Continual further development
We will regularly check and update our Declaration of Principles to make sure we integrate current changes and processes. Alongside this we also report annually on our management approach, progress, and commitments regarding human rights in our Sustainability Review and the Sustainability section of our corporate website.

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ZHENGJIAI LIU
Member of the Executive Board