

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. The Declaration is globally valid for the Consumer Business Segment as well as our supply chain. Beiersdorf's Vice President of Corporate Responsibility is responsible for the content of this Declaration of Principles as well as the processes to safeguard human rights.

This declaration was prepared in consultation with the person responsible for the German Supply Chain Due Diligence Act at maxingvest AG, our controlling parent company as defined by § 17 AktG. This declaration is reviewed at least once a year, as well as on ad hoc basis, to ensure that it is up to date and amended if necessary.

Standards, guidelines, and organizations

In particular 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 ([UNGCI](#))

Beiersdorf supports the UN Agenda 2030 for sustainable development. 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, such as:

- The [California Transparency in Supply Chains Act](#) in the USA
- The [Modern Slavery Act](#) in Great Britain
- The [Supply Chain Due Diligence Act](#) in Germany

Group-wide risk management

The Beiersdorf Group is exposed to a number of risks as part of its business operations. We have implemented an integrated risk and opportunity management system so that we can recognize risks to our operations at an early stage as well as document them. This system considers non-financial risks in addition to financial risks. These also include risks that are associated with upholding human rights. The system is an integral part of the processes in the individual companies, the management units and regions, and it is updated annually. Within the framework of risk management, periodic inventories are used to identify, assess, document and subsequently communicate the significant risks along with the measures taken to control risks.

The Executive and Supervisory Boards are regularly informed about the risk situation on a Group level. Additionally, direct information hierarchies ensure that suddenly occurring significant risks are reported immediately to company management. Risk management is monitored by internal control mechanisms as well as external auditors.

Analysis and prioritization of risks related to human rights

Risks related to upholding human rights - both in our own areas of operation as well as in the upstream supply chains - are included in this system. These risks are identified by means of a risk analysis and form the basis of our measures for fulfilling our due diligence with regard to human rights. Internal and external sources are evaluated on a continuous basis by the Sustainability and Procurement organizations to ensure that the risks we have identified, prioritized and weighted are complete in terms of quantity and quality.

The procurement of individual groups of goods in our portfolio is associated with sector-specific risks such as deforestation, loss of biodiversity through the planting of monocultures, and uncertain working conditions, in particular for minority groups in need of protection. We devote special attention to these risks. Our groups of risk commodities include materials based on palm oil, soybean oil, paper and selected minerals. We develop responsible procurement strategies for these groups of risk commodities that promote environmental protection as well as the livelihoods of the local populations and the workers along the supply chain.

In addition to these specific groups of goods, we have identified and given top priority to other fundamental and significant social risks as part of our risk analysis. These include violations of working time and wage regulations, insufficient workplace safety, limitation of the freedom of association and discrimination of any kind. To minimize these risks, we have anchored multilayered measures in our own areas of operation as well as in the supply chain.

Measures in our own operations

The Code of Conduct ([CoC](#)) for Employees 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 2023. To ensure high standards in the areas of corporate ethics, working conditions, environment, and health and safety in the workplace that go beyond this, all production centers around the world will be audited according to the SMETA 4 Pillar principle by mid-2023 and any identified potential for improvement will be implemented. In addition, our employees have a range of complaint mechanisms at their disposal that are explained in the “Awareness and complaint mechanisms” section below.

Measures in our supply chains

In addition to the aforementioned focus programs for our groups of risk commodities, we have implemented a Business Partner Code of Conduct ([Business Partner CoC](#)), which stipulates binding criteria for responsible action in accordance with ethical and legal standards for our business partners and which was updated in 2023. Our aim in this is to ensure that our business partners and their subcontractors fulfill the same requirements that are binding for us. The Business Partner CoC references four critical areas of influence:

- Corporate integrity
- Human rights and labor standards
- Health and safety in the workplace
- Environmental protection

We expect all our business partners to comply with the criteria stipulated in our Business Partner Code of Conduct. Written declaration of compliance is mandatory for all business partners of the Beiersdorf network with an annual business volume exceeding € 50,000. We monitor implementation as part of our [Responsible Sourcing program](#). To this end, we continuously assign all direct suppliers to a risk classification. Category assignment is carried out by external service providers in consideration of multiple data sources regarding country- and industry-specific risk factors. If necessary, detailed analyses are carried out based on the risks identified. Among others, the resulting measures include assessment on international sustainability platforms such as [EcoVadis](#) or [Sedex](#), as well as social audits in accordance with the SMETA 4 Pillar principle. If applicable, a time-bound corrective action plan is agreed afterwards. The results are documented using an internal database that contains our global business partners. Additionally, we take part in collaboration platforms such as [AIM PROGRESS](#) in order to drive industry-wide change together with other companies from the consumer goods sector.

Corporate social responsibility beyond the supply chain

In addition, we pursue the vision of an inclusive society. Accordingly, we focus our engagement beyond the supply chain particularly on people affected by social inequality, exclusion and isolation. We support locally relevant initiatives that aim to strengthen and promote the physical and mental health, sense of belonging and participation of all members of society. This way, we want to contribute to social cohesion.

Our commitment takes place both at the corporate level and at the level of our individual brands. Globally, the focus of our corporate commitment is on [empowering girls](#) and disaster relief. The commitment of individual brands also provides targeted support in areas that match the respective brand identity and brand expertise and is geared to the social needs and concerns of local people.

Awareness and complaint mechanisms

To systematically avoid or combat violations of our Codes of Conduct, we have established a number of channels through which our employees, customers, business partners, and employees in the supply chain - as well as all other stakeholders - can report irregular behavior or express their concerns. Reporting of complaints is confidential and discreet.

Our employees have the ability to contact our Compliance department personally or to use the Compliance hotline to report a violation. Additionally, we offer a BKMS®-based whistleblower system called "[Speak up. We care.](#)" This web-based platform offers our employees, employees along the supply chain, customers, consumers, and other stakeholders a protected, secure, and - if legally permissible in the relevant country - anonymous means of reporting violations. The whistleblower system is available in more than 40 languages and can be used in all countries where Beiersdorf is represented by its subsidiaries. The system documents cases along with the activities that follow. You can find a more detailed description of the reporting process [here](#). Whistleblowers from other countries can send an email to incidents_cases@Beiersdorf.com to get in touch with the Corporate Compliance Management team.

We provide regular training on our Code of Conduct to all employees, in particular on proper behavior in the workplace, on ethical decision-making, and on compliance with laws and regulations. Additionally, our Procurement department undergoes regular obligatory training specifically on the Beiersdorf Business Partner CoC as well as the risk prevention measures resulting from the risk classification of our business partners.

Continuous development

Our risk analysis, the effectiveness of our existing measures, and this Declaration of Principles are regularly reviewed and adapted in order to account for current changes and learning effects. This review takes place as part of regular meetings of a control board with representatives from the Legal, Compliance, Procurement, and Sustainability departments. Furthermore, we work together with external service providers to evaluate our local projects.

Additionally, we report annually on our approach and our progress, as well as the commitments as have made regarding human rights, in our [Sustainability Report](#) and in the Sustainability section of our [website](#).

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