

GRI Index 2014

Our GRI Index is based on version G4 “Core” of the international guidelines published by the Global Reporting Initiative. The table of contents below provides an overview of the reported categories. By clicking on the page numbers you get directly to the specific GRI indicators.

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I. List of Abbreviations

AIM	European Brands Association
CoC	Code of Conduct
CMS	Compliance Management System
CRA	Compliance Risk Assessment
Defra	Department for Environment, Food and Rural Affairs (UK)
EPAA	European Partnership on Alternative Approaches to Animal Testing
ESMAS	Environmental Protection and Safety Management Audit Scheme
FONAP	Forum Nachhaltiges Palmöl
GHG	Greenhouse gas emissions
GWP	Global Warming Potential
HR	Human Resources
IEA	International Energy Agency
IGA	Industrie Gemeinschaft Aerosole e.V.
IKA	Industrieverband Körperpflege und Waschmittel
ILO	International Labor Organization
INCI	International Nomenclature of Cosmetic Ingredients
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organization for Standardization
LCA	Life-cycle assessment
OECD	Organization for Economic Cooperation and Development
OHSAS	Occupational Health and Safety Assessment Series
RSPO	Roundtable on Sustainable Palm Oil
SAQ	Self-Assessment Questionnaire
Sedex	Supplier Ethical Data Exchange
SMETA	Sedex Members Ethical Trade Audit
susy	Sustainability System
VCI	Verband der Chemischen Industrie
WIE	Wirtschaft. Initiative. Engagement.
WRI	World Resources Institute
WTW	Wheel-to-Wheel

II. General Standard Disclosures

Strategy and Analysis

G4-1

Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.

—
[Beiersdorf Sustainability Board Statement](#)

Organizational Profile

G4-3

Report the name of the organization.

—
Beiersdorf AG

G4-4

Report the primary brands, products, and services.

—
Beiersdorf is a global skin care company. Our international success is based on strong brands in all relevant skin care categories. Our most successful international brands include NIVEA in the mass market, Eucerin in the pharmacy segment, and La Prairie in the luxury skin care segment. Other strong local brands are Hansaplast/Elastoplast, Labello, 8x4, Florena, arix, SLEK, Maestro, and Aquaphor.



More at:

[Beiersdorf Brands](#)

G4-5

Report the location of the organization's headquarters.

—

Beiersdorf AG
Unnastrasse 48
20245 Hamburg
Germany
Phone: +49 (0) 40 - 4909 0
Fax: +49 (0) 40 - 4909 3434

[Beiersdorf Contact](#)

G4-6

Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.

—

[Beiersdorf Global Presence](#)

G4-7

Report the nature of ownership and legal form.

—

[Beiersdorf Shareholder Structure](#)

G4-8

Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).

—

[Beiersdorf Business Segments](#)

[Beiersdorf Global Presence](#)

A breakdown of our regional sales can be found in the Regional Reporting and the Segment Reporting in our Annual Report:

[Beiersdorf Segment Reporting](#) (incl. tesa)

[Beiersdorf Regional Reporting](#) (incl. tesa)

[Beiersdorf Group Sales](#) (incl. tesa)

G4-9

Report the scale of the organization, including:

- Total number of employees
- Total number of operations
- Net sales (for private sector organizations) or net revenues (for public sector organizations)
- Total capitalization broken down in terms of debt and equity (for private sector organizations)
- Quantity of products or services provided

-
- Total number of employees: 13,317
For more information please refer to Indicator G4-10
 - Total number of operations:
[Beiersdorf Global Presence](#)
 - Net sales and total capitalization:
[Beiersdorf Ten Year Overview](#) (incl. tesa)
 - Results of operations Consumer:
[Beiersdorf Results of Operations Consumer](#)
 - Quantity of products provided:
In 2014, we sold almost 3.7 billion consumer units globally.

G4-10

- a) Report the total number of employees by employment contract and gender.
- b) Report the total number of permanent employees by employment type and gender.
- c) Report the total workforce by employees and supervised workers and by gender.
- d) Report the total workforce by region and gender.
- e) Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.
- f) Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).

	Permanent employees	Temporary employees	Employees total
Europe	6,837	369	7,206
Germany			3,699
Europe (excl. Germany)			3,507
North America	347	2	349
Latin America	1,868	81	1,949
Africa/ Asia/ Australia	3,568	245	3,813
Total	12,620	697	13,317

The total number of employees for our Consumer Segment is 13,317, including 697 temporary employees. We do not yet break down our figures by gender.

We only have combined data for our regional segment Africa/Asia/Australia and therefore cannot yet provide separate figures.

Detailed reporting will be available after the implementation of global master data.

Types of worker:

The majority of our workers are Beiersdorf employees. Only a small percentage of the organization's work is performed by self-employed individuals or temporary workers.

Seasonal variation:

No significant variations in employment numbers exist.

G4-11

Report the percentage of total employees covered by collective bargaining agreements.

The key collective bargaining agreements at Beiersdorf AG (headquarters) are the collective agreements reached by the chemical industry, and works agreements.

Depending on their scope, the provisions of the collective and works agreements apply both to employees formally covered by them and to employees who are exempt from them, but not to executive staff. Since employment contracts reference applicable collective and works agreements, employees need not be union members to benefit from their application. The principle at Beiersdorf is that the interests of all employees whether they are covered by collective agreements or not, except for executive staff, are assured under the Works Constitution Act (*Betriebsverfassungsgesetz*). The Works Council members at the individual companies are responsible for representing these interests, for example in negotiations on works agreements with management or in various committees. In addition, agreements have been entered into at the Group Works Council level. At Beiersdorf AG (headquarters), 51% of employees are employed under collective agreements and 38% of the workforce are non-tariff employees. The remaining 11% of the workforce are executive staff. At European level, the European Dialogue serves to promote cooperation on the basis of trust.

G4-12

Describe the organization's supply chain.

—

The Beiersdorf supply chain is primarily local. We perform ongoing supply network analyses and continuously update our supplier network to meet the needs of our consumers.

As a result of our latest footprint analysis we are upgrading our supply network in the emerging markets, which also enables us to support the growth of our business. This includes the opening of new factories in Mexico and India, expansions of existing factories and also the introduction of additional finished goods manufacturers.

Today our 18 production sites are located in the respective regions, i.e. Europe, Americas, Near East (incl. Africa) and Far East, and produce mainly for their local and regional markets. The main activities at our production sites are batch mixing and filling activities. Only in exceptional cases do we also produce packaging materials or raw materials in our factories. The production network is complemented by specialized finished goods suppliers who also serve the region they are located in.

In the vast majority of cases we source raw and packaging materials from direct material suppliers. It is our aim to receive our materials from local sources, provided the required specification and quality can be made available.

Our production sites and finished goods suppliers supply the local distribution structures in the market. Logistics services such as warehousing, picking and packing operations are often outsourced. Most transportation activities are outsourced as well.

In general our suppliers are separated into direct material suppliers for raw and packaging material, finished product suppliers, marketing suppliers, and indirect suppliers.

G4-13

Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including:

- Changes in the location of, or changes in, operations, including facility openings, closings, and expansions
- Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations)
- Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination

—
For information regarding the size, structure and ownership of Beiersdorf AG please see:

[Beiersdorf Business and Strategy](#)

[Beiersdorf Capital Structure](#) (incl. tesa, pages 5-7)

[Beiersdorf AGs Shareholdings](#) (incl. tesa)

[Beiersdorf Acquisitions and Divestments](#) (incl. tesa, pages 1-3)

In July 2014 we opened our newly built production facility for Beiersdorf Manufacturing Mexico in Silao, Mexico. The production facility is the second largest factory in our global production network and will produce approximately 45,000 tons of products or 280 million pieces. The total building area of 34,000 m² also includes warehousing, office and development facilities. Beiersdorf Manufacturing Mexico serves Mexico, Middle and North America. At the end of 2014, approximately 600 people were employed at Beiersdorf Manufacturing Mexico, of which 20 scientists working on adaptation and development of products to meet the local needs.

Commitment to External Initiatives

G4-14

Report whether and how the precautionary approach or principle is addressed by the organization.

—

[Beiersdorf Risk Report \(incl. tesa\)](#)

[Beiersdorf Risks and Risk Management Principles \(incl. tesa\)](#)

G4-15

List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.

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- German Charter of Diversity
- Responsible Care

G4-16

List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization:

- Holds a position on the governance body
- Participates in projects or committees
- Provides substantive funding beyond routine membership dues
- Views membership as strategic

This refers primarily to memberships maintained at the organizational level.

—

Organizations with a focus on sustainability:

- AIM-PROGRESS
- European Partnership on Alternative Approaches to Animal Testing (EPAA)
- Forum Nachhaltiges Palmöl (FONAP)
- Roundtable on Sustainable Palm Oil (RSPO)
- Wirtschaft. Initiative. Engagement. (WIE)

Industry associations in the cosmetics sector, some examples:

- Cosmetics Europe (formerly: COLIPA)
- European Brands Association (AIM)
- Industrie Gemeinschaft Aerosole e.V. (IGA)
- Industrieverband Körperpflege und Waschmittel (IKW)
- Verband der Chemischen Industrie (VCI)

Identified Material Aspects and Boundaries

G4-17

- a) List all entities included in the organization's consolidated financial statements or equivalent documents.
- b) Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.

—

Beiersdorf AGs Shareholdings (incl. tesa)
Beiersdorf Global Presence

The information and data included in the GRI Index 2014 only refer to Beiersdorf's Consumer Business Segment and do not cover tesa.

Some indicators refer to data in our 2014 Annual Report. This data may include information on tesa and will be indicated by the reference (incl. tesa).

G4-18

- a) Explain the process for defining the report content and the Aspect Boundaries.
- b) Explain how the organization has implemented the Reporting Principles for Defining Report Content.

—

We report in accordance with the guidelines of the GRI G4 standard. For our reporting basis we identified our material aspects by conducting a materiality analysis. This process included an extensive online survey of internal and external stakeholders, explorative interviews with external sustainability experts, and internal workshops with sustainability managers and decision-makers to discuss the results.

Detailed information on how we proceeded to define the Report Content and Aspect Boundaries and implemented the Reporting Principles are provided here:

Beiersdorf Materiality Analysis
Beiersdorf Sustainability Reporting

G4-19

List all the material Aspects identified in the process for defining report content.

—

An overview of our Top 20 material aspects is provided on our Sustainability website:
[Beiersdorf Materiality Analysis](#)

All further material aspects are:

EC:

Economic Performance, Procurement Practices

EN:

Emissions, Products and Services, Compliance, Transport, Overall

LA:

Management/Labor Relations, Training and Education, Diversity and Equal Opportunity

HR:

Freedom of Association and Collective Bargaining, Assessment

SO:

Supplier Assessment for Impacts on Society

PR:

Product and Service Labeling, Compliance and Product Safety

G4-20/G4-21

For each material Aspect, report the Aspect Boundary within/outside the organization, as follows:

- Report whether the Aspect is material within/outside the organization.
- If the Aspect is not material for all entities within/outside the organization (as described in G4-17), select one of the following two approaches and report either:
 - The list of entities or groups of entities included in G4-17 for which the Aspect is not material or
 - The list of entities or groups of entities included in G4-17 for which the Aspects is material
- Report any specific limitation regarding the Aspect Boundary within/outside the organization.

—

In the context of the materiality analysis, we determined where our Top 20 aspects have an impact within and outside of the organization (Beiersdorf's Consumer Business Segment), thereby constituting the criteria for our Aspect Boundaries.

Impacts occur where our business activities and products have a significant influence on our social and natural environment and where external conditions influence our own business.

For example: On the one hand, we use water to manufacture our products and thereby have an impact on our social and natural environment. On the other hand, the availability of water for production and product use has a large impact on the success of our business activities.

The following chart shows where the material aspects have an impact within and outside the organization:

EN	Materials	●	●
	Energy	●	●

	Water	●	●
	Biodiversity	●	●
	Effluents and Waste	●	●
	Supplier Environmental Assessment	●	
LA	Employment	●	●
	Occupational Health and Safety	●	●
	Supplier Assessment for Labor Practices	●	
HR	Investments	●	●
	Non-Discrimination	●	●
	Child Labor	●	
	Forced or Compulsory Labor	●	
	Supplier Human Rights Assessment	●	
SO	Local Communities	●	
	Anti-Corruption	●	●
	Anti-Competitive Behavior	●	●
	Compliance	●	●
PR	Customer Health and Safety	●	
	Marketing Communications	●	

- impact outside the organization
- impact within the organization

G4-22

Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.

—

As of this year, we report in accordance with the GRI G4 “Core” standard. In order to comply with these new reporting guidelines, we conducted a materiality analysis to focus on the material aspects. This involves a restructuring of our GRI Index in accordance with G4.

[Beiersdorf Materiality Analysis](#)

In addition, we implemented our new IT-based sustainability system (susy), which is used globally to gather all sustainability related data, including all non-environmental aspects, to manage our reporting and to pilot our 2020 targets. With susy we improve and facilitate our data collection and evaluation process, but it also leads to methodology changes. We also enhanced presentation and reporting of our annual sustainability results with susy.

G4-23

Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.

—

We focus on the material G4 aspects with respect to our materiality analysis. This requires changes in the Scope and Aspect Boundaries of our report. The general reporting boundaries are similar to the previous ones. For environmental data the operational control approach is applied. No significant changes affected our 2005 base year emissions, therefore no adjustments are required.

[Beiersdorf Materiality Analysis](#)

Stakeholder Engagement

G4-24

Provide a list of stakeholder groups engaged by the organization.

—

Our most important stakeholder groups are:

- Employees
- Consumers
- Business partners, including customers and suppliers
- Investors
- Representatives of the scientific community
- Public policymakers and national/local authorities
- Local communities and residents near our locations
- NGOs

G4-25

Report the basis for identification and selection of stakeholders with whom to engage.

—

We recognize that due to its business activities Beiersdorf is interconnected with a variety of stakeholders that are both internal and external to the organization. To us every group or individual that has a direct or indirect interest in or impact on the larger scope of our business is considered to be a stakeholder.

We try to engage with all our stakeholder groups, while focusing particularly on those who are in direct contact with us – such as employees, consumers, business partners, and investors.

G4-26

Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.

—

We foster active and transparent communication with all relevant stakeholder groups regarding their issues and expectations. We acknowledge that our stakeholders have diverse interests in and concerns with regard to us. Topics such as consumer health and safety, environmental protection and social aspects in the supply chain are only some examples. We seek to understand and respond to their interests and concerns and therefore engage in issue-specific dialogues and activities.

We actively involve internal and external stakeholders in our materiality analyses – in 2011 for the development of the “We care.” sustainability strategy and in 2014 in preparing the GRI report. We carry out both qualitative and quantitative analyses. In addition to our employees from various functions and subsidiaries, also important external stakeholders participate, e.g. suppliers, competitors, associations, public authorities, NGOs and scientists.

How we involve our stakeholders:

Employees

- Annual “Teamvoice” employee survey
- Individual feedback discussions with supervisors, in particular annual performance reviews
- Information about all topics relevant to the company via the intranet, incl. opportunities for discussion and feedback
- Regular “Townhall Meetings” to inform employees about/on current topics
- “Round Table” meetings with board members that are open to all employees
- Our company-wide “We care.” engagement program is focused on informing our employees of our sustainability strategy and goals, actively including them in the development process and inspiring them to act
- Works Council

Consumers

- Consumers contact us via the consumer hotline or contact forms on our websites
- We also interact with our stakeholders via social media such as Facebook and Twitter
- Customer satisfaction surveys and loyalty programs
- We provide comprehensive information on the internet, e.g. extensive company and product information, continuously updated information about our sustainability commitment and our annual sustainability report
- We actively encourage our consumers to participate in our social initiatives and promote a sustainable lifestyle

Business partners, including customers and suppliers

- Collaborative cooperation with key suppliers, project-based and specific to the sector
- Strategic supplier management with regular dialogue piloted by our internal supplier management

Investors

- Information about business developments incl. publication of the Annual Report, half-yearly and quarterly reports, as well as at the annual General Shareholders' Meeting
- Ongoing information updates in the Investor Relations area on our website

Representatives of the scientific community

- Project- and topic-based discussion
- Research projects relating to skin research, with various universities and scientific institutions

Public policymakers and national/local authorities

- Ongoing dialogue – particularly in the IKW and Cosmetics Europe industry associations
- Discussions of consumer protection and environmental topics

Local communities and residents near our locations

- Local dialogue (e.g. information about planned construction)
- Invitations to cultural events, e.g. "Kultur im Betrieb"
- CSR activities in the local community

NGOs

- Project- and topic-based discussions and 1:1 dialogue

We are also active in various networks and cooperative endeavors, such as FONAP, AIM-PROGRESS, EPAA, FEA etc.

G4-27

Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.

—

We have identified issues that are key to our stakeholders and which contribute to the success of the company. These key material issues are covered in our “We care.” strategy and our sustainability reporting.

One result of our materiality analysis, for example, was that all stakeholders (i.e. both internal and external) identified the topic of “Customer Health and Safety” as the most important aspect. We will therefore provide significantly more information on the various aspects of this topic, both in our sustainability report and on our website.

A current issue that has been raised by consumers, NGOs and the media in recent years is the use of micro plastics in cosmetic products. We have therefore decided to proactively replace all polyethylene particles in our products by the end of 2015. More information can be found here:

[Beiersdorf FAQ.](#)

There are a number of other topics that we discuss with stakeholders in various ways, so as to respond to their concerns.

Report Profile

G4-28

Reporting period (such as fiscal or calendar year) for information provided.

—

The reporting period is the calendar year 2014.

G4-29

Date of most recent previous report (if any).

—

Our Sustainability Review 2013 was published in March 2014.

G4-30

Reporting cycle (such as annual, biennial).

—

Beiersdorf AG has an annual reporting cycle.

G4-31

Provide the contact point for questions regarding the report or its contents.

—

Contact us at:

[Beiersdorf Contact Sustainability](#)

G4-32

- a) Report the ‘in accordance’ option the organization has chosen.
- b) Report the GRI Content Index for the chosen option (see tables below).
- c) Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be “in accordance” with the Guidelines.

—

This GRI Index was prepared based on the Sustainability Reporting Guidelines G4 “Core” option and incorporates reporting on the material aspects.

The Content Index indicates where G4 disclosures are addressed:

[Table of Contents](#)

Beiersdorf AG’s Annual Report is externally assured. The GRI Index 2014 and the standalone Sustainability Review 2014 are not externally assured.

G4-33

- a) Report the organization’s policy and current practice with regard to seeking external assurance for the report.
- b) If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.
- c) Report the relationship between the organization and the assurance providers.
- d) Report whether the highest governance body or senior executives are involved in seeking assurance for the organization’s sustainability report.

—

External assurance of the Sustainability Review was not conducted.

Governance

G4-34

Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.

—

Beiersdorf AG has a dual management and supervisory structure consisting of the Executive Board and the Supervisory Board, in accordance with German Stock Corporation, capital market, and codetermination law. The Executive Board manages the company on a group-wide basis under its own responsibility and conducts the company's business. The Supervisory Board appoints the Executive Board, advises it on the management of the company, and supervises the conduct of the company's business as laid down by the law, the Articles of Association, and the bylaws. The Supervisory Board has formed the following five committees:

- Presiding Committee
- Audit Committee
- Finance Committee
- Mediation Committee
- Nomination Committee

For more information, including details on the committees of the Supervisory Board, see:

[Beiersdorf Management Structure](#)

[Beiersdorf Corporate Governance Statement](#)

Ethics and Integrity

G4-56

Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.

—

Beiersdorf stands for reliable brands with high quality standards. Acting responsibly is an inherent part of our corporate culture and the basis of the trust that customers, consumers and shareholders bestow upon us daily. Accepting responsibility also means acting lawfully. Compliance – abiding by laws and internal guidelines – is a matter of course, with tradition at Beiersdorf. The Executive Board of Beiersdorf AG drafted Compliance Principles to emphasize the importance of compliance:

[Beiersdorf Compliance Principles](#)

Furthermore, Beiersdorf AG has implemented a Code of Conduct (CoC) as a binding guideline for each individual employee as well as the Executive Board, in order to integrate the company values into everyday working life:

[Beiersdorf Code of Conduct](#)

It sets the standard for expected behavior on a broad array of legal and ethical topics, including for example (but not limited to) prohibition of corruption, the fair competition requirement, commitment to product safety and quality, and responsibility towards society.

Only by guaranteeing that our suppliers also take social, environmental and economic responsibility can we offer our consumers fully sustainable products. Thus, as part of our sustainable sourcing strategy we have also implemented a Code of Conduct for our suppliers:

[Beiersdorf Sustainability Responsible Sourcing](#)

Group-wide compliance programs and compliance management processes further enhance these strong commitments. Put briefly, with a focus on competition compliance and corruption prevention this means:

- Under its Anti-Corruption Guideline Beiersdorf employees are prohibited to offer, promise or give personal benefits to holders of public office. Commercial bribery is equally ruled out and strict guidance is provided on such issues as gifts, conflicts of interest and invitations.
- A set of Competition Compliance Guidelines sets standards and procedural safeguards for potentially sensitive competition issues such as contact with competitors.
- Training – from customized workshops to classic classroom training courses in local languages and e-learning courses – are provided to those employees with potential exposure to such issues.
- The Compliance Management System Responsible of each Management Unit is in charge of implementing these programs in the respective affiliates, while the Corporate Compliance Management Function (a distinct part of Corporate Legal Affairs) provides expert support and legal advice, and plays a key role in monitoring the effective implementation of the programs and their constant improvement.
- Corporate Auditing performs regular compliance audits as an integral part of their auditing program.

Hints and audit findings (e.g. provided through the implemented whistleblowing channels) regarding potential compliance infringements are followed up (if appropriate, with remedies).

III. Specific Standard Disclosures

Economic

DMA - Disclosures on Management Approach EC

Beiersdorf AG is listed in the German prime standard DAX.

Business and strategy

Beiersdorf is a global leader in the consumer goods industry with over 17,000 employees in more than 150 affiliates worldwide. We have two separate business segments – the Consumer Business Segment and the tesa Business Segment. The Consumer Business Segment, whose strong brands focus on the international skin and body care markets, is our main business.

Beiersdorf aims to be the No. 1 skin care company in its relevant categories and markets. The company's Blue Agenda clearly defines the way to achieving this long-term objective.

It consists of the following strategic focuses:

- Strengthening our brands – first and foremost NIVEA
- Increasing our innovative power
- Expanding our presence in the emerging markets and consolidating our market position in Europe
- The people at Beiersdorf

Beiersdorf continued to make substantial progress towards these objectives in 2014 – something that is also reflected in the key figures. Beiersdorf recorded sustainable, profitable growth and saw a further increase in sales and earnings. This was achieved by increasing our share of a market that grew by about 3%.

Regarding the key figures for fiscal year 2014 please refer to our [Beiersdorf Key Figures](#)

Economic Performance

G4-EC1

Direct economic value generated and distributed.

—

For our economic value generated and distributed please refer to our Annual Report:

- Key figures overview (incl. tesa):
[Beiersdorf Key Figures](#)
- Results of operations Consumer:
[Beiersdorf Results of Operations Consumer](#)
- Sales figures per geographical region: results of operations (incl. tesa):
[Beiersdorf Regional Reporting](#)
- Notes to the Income Statement (incl. tesa):
[Beiersdorf Notes Income Statement](#)
- Employees and Personnel expenses (incl. tesa):
[Beiersdorf Employee Expenses](#)

G4-EC2

Financial implications and other risks and opportunities for the organization's activities due to climate change.

—

Climate change is one reason for resource scarcity. Therefore we constantly seek to find saving potentials in our energy use to reduce greenhouse gas emissions (GHG). We also work to decrease our water consumption and waste production. We set ourselves the goal of generating 50% of our sales from products with a significantly reduced environmental impact by 2020 (basis 2011). Furthermore we aim to reduce our CO₂ emissions by 30% per product sold by 2020 (basis 2005).

We analyze site-specific risks, e.g. flooding, within the scope of our risk management; however, complexity precludes a precise statement of the financial implications.

Find more information here:

[Beiersdorf Sustainability Why Planet](#)

G4-EC3

Coverage of the organization's defined benefit plan obligations.

—

[Beiersdorf Provisions](#) (incl. tesa, pages 7-12)

Procurement Practices

EC9

Proportion of spending on local suppliers at significant locations of operation.

Our definition of locally sourced is based on spent responsibility, i.e. the procurement function, which is responsible for managing suppliers and negotiating contracts. Approximately 20% of our spent is managed locally. “Local” based on spent responsibility does however not match the geographical definition of local. Even those suppliers managed by the corporate or regional procurement functions normally have sites located in proximity to the operations they serve. Beiersdorf works whenever possible with direct material suppliers that comply with the Beiersdorf Manufacturing Footprint. This allows us to draw some 85% of our packaging and raw materials from suppliers that produce within the region or country where the respective Beiersdorf production site is located.

Environmental

G4-DMA Disclosures on Management Approach EN

Our sustainability strategy “We care.” supports Beiersdorf’s business goals and enables us to continuously reduce our environmental footprint. At the same time we are working to ensure that we give something back to both our employees and society as a whole.

Our global sustainability commitment is directly managed by the Executive Board, which played an instrumental role in the development of the sustainability strategy and is responsible for its execution. The strategy is managed and monitored by the Corporate Sustainability department, whose head reports directly to the Member of the Executive Board responsible for Human Resources, Corporate Communications & Sustainability.

Our 2020 ambitious commitments are designed to ensure that we focus on those areas where we as a company have the greatest impact. These commitments provide us with a clear direction and enable us to strive for a better performance.

Beiersdorf 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 for our environmental reporting and the steering of our sustainability strategy. A data management system is used to systematically collect and process data on environmental protection and occupational safety issues. It is centrally monitored and reviewed. The employees responsible for data collection and transfer are regularly trained 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.

We also implemented a new corporate sustainability reporting system in order to improve our data quality and coverage and to restructure our annual GRI reporting.

The data covers our production sites and offices including data on third party production, as well as data on emissions from company vehicles, business travel and third party finished product transport. Like last year, emissions from our own production entities, leased and owned offices and company vehicles are reported under scope 1 and 2. Emissions from business travel, downstream third party finished product transport and third party finished product production are reported under scope 3. Our fixed base year is 2005. Developments since 2005 or previous years' data are calculated without recalculations or base year adjustments.

Due to enhanced data quality and calculation improvements some of the EN indicators are not comparable to the reports of the previous years.

Emission calculation of our Global Warming Potential (GWP) is based on the Greenhouse Gas Protocol.

Aspect: Materials

Aspect-specific DMA guidance

As a producer of cosmetic products, we use materials as ingredients, for packaging and to facilitate processes. We develop, manufacture and market our consumer products in accordance with principles that ensure their safety and promote well-being, do not endanger the environment and therefore do justice to the trust placed in us. Furthermore, we aim to reduce the amount of materials used. For our packaging in particular, we focus on reducing material use while maintaining stability and quality.

Our “Raw Materials Policy”, which we developed in 2006, documents our careful handling of raw materials and lays down internationally standardized criteria for their selection.

More at:

[Beiersdorf Sustainability Raw Materials](#)

All our raw materials pass through a multi-stage selection process, which involves our experts across a number of specialist functions.

If data leads to reassessment of a material, the necessary measures are implemented within an appropriate time frame. Potential consequences range from the immediate discontinuation of use and the recall of affected products, through to replacement with more suitable materials over a longer period.

G4-EN1

Materials used by weight or volume.

Calculation is based on primary data for our externally sourced materials used to produce our Consumer Business products in our own production sites. The only exclusion is packaging material, which refers to all packaging used for sold product. Each material category includes renewable and non-renewable materials.

Materials used		unit
Packaging materials	125,071.07	t
Formula raw-materials	474,337.86	t
Production materials	2,493.59	t
Others	517.00	t

G4-EN2

Percentage of materials used that are recycled input materials.

—

Percentage of recycled materials: 23.26%

Recycled input material used in own production based on measurements.

In most cases a differentiation between renewable and non-renewable materials is not available.

Aspect: Energy

Aspect-specific DMA Guidance

Describe whether the organization is subject to any country, regional, or industry regulations and policies for energy. Provide examples of such regulations and policies.

—

We cannot manufacture our products without consuming energy, even if our Consumer Business is not as energy intensive as others. Naturally, Beiersdorf complies with relevant energy legislation, but we are not subject to any specific requirements from authorities.

We systematically develop solutions to reduce energy usage and convert to more environmentally friendly sources where technically feasible. Beiersdorf's "Blue Building" program for constructing and using buildings as well as "Green Travel & IT" are management approaches to enhance sustainable energy use. The major energy-related activities are measured and managed within our corporate "Planet" target.

Energy efficiency is one of the key measures for every production site and we have established a "Blue Production Center" program to address the efficient use of energy and more sustainable energy sources. In particular we have begun implementing an energy data management system and our production sites in Germany were ISO 50001 (International Organization for Standardization) certified in 2014.

G4-EN3

Energy consumption within the organization.

—

The tables show our scope 1 and 2 energy consumption (own production, leased / owned offices, leased / owned vehicles). Sold energy is not applicable. Mobile energy data refers to available fuel consumption data. Distance based vehicle data is included in emission calculations only.

We apply the greenhouse gas emissions (GHG) methodology, using the Intergovernmental Panel on Climate Change (IPCC) calculation factors. Figures are based on primary data of energy bills, without assumptions and conversions.

Scope 1		
Stationary energy		unit
Petrol / Gasoline	1,307.46	GJ
Diesel	5,974.21	GJ
Fuel oil	2,814.74	GJ
Liquid Petroleum Gas (LPG)	8,970.01	GJ
Natural gas	416,373.73	GJ
On site produced renewable energy	5,689.06	GJ
Total	441,129.21	GJ

Scope 1		
Mobile energy		unit
Non-renewable fuel	156,967.21	GJ
Renewable fuel	6,896.16	GJ
Total	163,863.37	GJ

Scope 2		
Stationary energy		unit
Electricity purchased	410,564.56	GJ
Steam consumption	50,264.83	GJ
Cooling consumption	4,186.80	GJ
District heating	1,731.36	GJ
Total	466,747.55	GJ

G4-EN4

Energy consumption outside of the organization.

—

The table shows our scope 3 energy consumption for our outsourced finished product production volume (category one). Figures are based on primary data of our key suppliers (3PM), without assumptions and conversions. We apply the GHG methodology, using the IPCC calculation factors. Transport activities are not reported in units of energy due to methodology limitations, but emissions are published.

Additional energy consumption outside the organization was not identified as material.

3PM		unit
Total energy consumption	411,436.80	GJ

G4-EN5

Energy intensity.

—

Results refer to scope 1 and 2 energy as reported in EN3 (inside the organization). Calculation is based on data genuinely measured. References (ratio denominator) are shown in the tables. Office and production areas are defined as building complexes, which means that e.g. warehouses or R&D centers located next to an office or production site are included. Employees include supervised workers. Mobile energy is based on mobile fuel consumption only, distance data is excluded.

Offices		unit
Direct energy / m ²	282.29	MJ/m ²
Indirect energy / m ²	295.69	MJ/m ²
Energy / m ²	577.99	MJ/m ²

Production incl. administration		unit
Direct energy / 1000 finished products	135.45	MJ/m ²
Indirect energy / 1000 finished products	143.54	MJ/m ²
Energy / 1000 finished products	278.99	MJ/m ²

Beiersdorf		unit
Mobile energy / employee	14,244.89	MJ/employee

G4-EN6

Reduction of energy consumption.

—

Beiersdorf's "Blue Building" program for constructing and using buildings aims at sustainably managing the entire lifecycle of its owner-occupied properties. This includes saving energy and conserving resources, while also providing an attractive and healthy work environment for all employees. Since 2012, one of the key criteria for all major real estate projects is certification in accordance with standards for sustainable building. This year we are not able to present numbers, but for later reporting periods we are working on quantification of our "Blue Building" projects.

Aspect: Water

Aspect-specific DMA Guidance

—

Water is used in our production processes, and is also contained in our consumer products. Water is a scarce resource. We believe that the water consumed in our processes should be used as efficiently as possible. We are constantly working to reduce the water consumption in our production processes, in our buildings and in other areas of consumption. In 2014, we launched our global water strategy with local targets and projects, which is included in our sustainability management processes. Project-based and annual measurements ensure successful implementation.

G4-EN8

Total water withdrawal by source.

—

The table shows the water amounts used in our productions, offices and at our key suppliers (3PM) based on primary data.

Water withdrawal	Production incl. administration	Offices	3PM	unit
Municipal water supplies or other water utilities	1,232,467.15	75,016.95	573,504.46	m ³
Ground water	218,994.00	796.45	112,960.82	m ³
Rainwater	0	1,448.60	0	m ³
Surface water	0	1,019.00	11,830.00	m ³
Wastewater taken from other organizations	3,640.00	1,220.00	1.60	m ³
Total water consumption	1,455,101.15	79,501.00	698,296.88	m³

G4-EN9

Water sources significantly affected by withdrawal of water.

—

In 2014, we started reporting the local water risks for all our production sites. We decided to use the World Resources Institute (WRI) Aqueduct Water Risk Atlas.

WRI developed the Aqueduct Water Risk Atlas, which includes 12 global indicators and maps of water-related risk. We use this information to prioritize action and to improve our water management in the production sites.

Aqueduct's Water Risk Atlas mapping tool includes indicators of water quantity, water variability, water quality, public awareness of water issues, access to water, and ecosystem vulnerability (e.g. threatened amphibians). It also considers the projected change in baseline water stress that is based on three different scenarios of climate change and socio-economic development created by the IPCC: the A2, A1B, and B1 scenario.

G4-EN10

Percentage and total volume of water recycled and reused.

—

The table shows recycled and reused water amounts for our production based on primary data.

Production incl. administration		unit
Recycled and reused water	15,967.30	m ³
Percentage of recycled and reused water	1.10	%

Aspect: Biodiversity

Aspect-specific DMA Guidance

Describe the organization's strategy for achieving its policy on biodiversity management. An example of this is the integration of biodiversity considerations in analytical tools, such as environmental site impact assessments.

—

Securing biodiversity is the key to preserving a healthy environment for the generations to come. Our potential impact on biodiversity mainly resides in the base materials for the raw materials we use in our products. Therefore all our raw materials pass through a multi-stage selection process, which involves our experts across a number of specialist functions. Our "Raw Materials Policy", which we developed in 2006, documents our careful handling of raw materials and lays down internationally standardized criteria for their selection. As reported in EN 12 we already took action in key impact areas to reduce our biodiversity impact. Biodiversity is managed in our Corporate Sustainability department and connected to the Procurement department. Another aspect of our biodiversity management is interaction with key suppliers to address biodiversity in the value chain. For example, we use collaborative platforms to further drive the responsible cultivation of palm oil directly in our supply chain. In the coming years we plan to expand our biodiversity management.

G4-EN11

Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.

—

We do not operate any sites in or adjacent to protected areas.

G4-EN12

Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.

—

Although our own operations are not located in or adjacent to protected areas, we are aware that in our material supply chain we might have some impact on biodiversity. Wherever we become aware of such impact we take appropriate action. In our upstream supply chain we see one impact in relation

with the palm-kernel-based ingredients, and thereby the indirect impact of palm oil cultivation. Our activities and measures to promote responsibly cultivated palm kernel oil in our products are documented on our website

[Beiersdorf Sustainability Raw Materials](#) and on www.RSPO.org.

Another area with potential negative impact on biodiversity lies in the fact that we use paper packaging. We have transitioned many of our folding boxes to FSC certified cardboard, our stationary paper and our shipping cartons are primarily based on recycled paper. Find more information on our FSC certified cardboard here:

[Beiersdorf Sustainability Packaging](#)

Although the impact from plastic particles in cosmetics on the environment is generally viewed to be minor, we have decided to replace the polyethylene particles in our products to contribute to the protection of the environment. We registered concerns about dangers to biodiversity from micro plastics, and have therefore decided to discontinue the use of micro plastics by the end of 2015.

Further information on this topic can be found here:

[Beiersdorf Sustainability Raw Materials](#)

Aspect: Emissions

Aspect-specific DMA Guidance

Explain whether the organization is subject to any country, regional, or industry regulations and policies for emissions. Provide examples of such regulations and policies.

—

Beiersdorf complies with energy- and emission-relevant legislation. Specific requirements, for example local authority permits for thermal combustion / exhaust air treatment are in place in Hamburg.

Our emissions strategy follows our 2020 “Planet” target: "By 2020 we aim to reduce our CO₂ emissions by 30% per product sold compared to 2005." We have expanded the scope of our CO₂ emission mapping and actions to apply beyond our own production sites and include categories such as warehousing, transport, third-party manufacturing, as well as employee travel and offices.

The chosen consolidation approach for emission accounting is operational control. Calculation of emissions for our Global Warming Potential (GWP, 100 years (CO₂e)) is based on the Greenhouse Gas Protocol, referencing IPCC and International Energy Agency (IEA) data as reported in the “Emission-Factors-from-Cross-Sector-Tools” (August 2012). Emissions from transport activities are based on EcoTransIT in compliance with the DIN EN 16258 for finished product transport, as well as on Global Warming Potentials referring to lifecycle-based GaBi Software data and IPCC for business travel. Data sources are internal systems and AirPlus credit card reports. Calculations are performed on measured and calculated activity data. Offsets are not applied.

G4-EN15

Direct greenhouse gas (GHG) emissions (scope 1).

—

The table shows our scope 1 greenhouse gas emissions (own production, leased / owned offices) referring to the direct energy consumptions reported in EN3. Company vehicle emissions are based on fuel consumptions reported in EN3 and calculations on driven distances (not included in EN3). The amounts are reported in carbon equivalents. The figures are based on primary data, without assumptions and conversions.

Calculation of emissions for our Global Warming Potential (GWP, 100 years (CO₂e)) is based on the Greenhouse Gas Protocol, referencing IPCC and IEA data as reported in the “Emission-Factors-from-Cross-Sector-Tools” (August 2012).

Our scope 1 greenhouse gas emissions for production, calculated from measured data per piece, are down by ~46% compared to our base year 2005. The chosen consolidation approach for emissions is operational control. No significant structural changes occurred, therefore no base year restatement is applied.

Scope 1 GHG emissions	Production incl. administration	Offices	unit
Direct energy consumption	21,413.42	3,323.19	t CO ₂ e
Petrol / Gasoline	51.60	39.56	t CO ₂ e
Diesel	330.98	114.27	t CO ₂ e
Fuel oil	209.62	0.15	t CO ₂ e
Liquid Petroleum Gas (LPG)	551.16	16.24	t CO ₂ e
Natural gas	20,270.06	3,152.96	t CO ₂ e
Company vehicle emissions	1,158.10	10,519.33	t CO ₂ e
Total	22,475.99	13,019.47	t CO₂e

G4-EN16

Energy indirect greenhouse gas (GHG) emissions (scope 2).

—

The table shows our scope 2 greenhouse gas emissions (own production, leased / owned offices, leased / owned vehicles) referring to the indirect energy consumptions reported in EN3. Amounts are reported in carbon equivalents. Figures are based on primary data from energy bills, without assumptions and conversions. Calculation of emissions for our Global Warming Potential (GWP, 100 years (CO₂e)) is based on the Greenhouse Gas Protocol, referencing IPCC and IEA data as reported in the “Emission-Factors-from-Cross-Sector-Tools” (August 2012).

Our scope 2 greenhouse gas emissions for production, calculated from measured data per piece, are down by ~31% compared to our base year 2005. The chosen consolidation approach for emissions is operational control. No significant structural changes occurred, therefore no base year restatement is applied.

Scope 2 GHG emissions	Production incl. administration	Offices	unit
Electricity purchased	49,271.06	7,518.07	t CO ₂ e
District heating	0	130.39	t CO ₂ e
Steam consumption	3,785.60	0	t CO ₂ e
Electricity for mobile energy	0	0.33	t CO ₂ e
Total	53,056.66	7,648.47	t CO₂e

G4-EN17

Other indirect greenhouse gas (GHG) emissions (scope 3).

The table shows our scope 3 greenhouse gas emissions 2014 (outsourced finished product production, downstream transport and business travel). Amounts are reported in carbon equivalents. The chosen consolidation approach for emissions is operational control. Figures are based on primary data from energy bills, without assumptions and conversions. Calculation of emissions for our Global Warming Potential (GWP, 100 years (CO₂e)) is based on the Greenhouse Gas Protocol, referencing IPCC and IEA data as reported in the “Emission-Factors-from-Cross-Sector-Tools” (August 2012).

Emissions from transport activities are based on EcoTransIT in compliance with the DIN EN 16258 for purchased downstream finished product transport as well as on Global Warming Potentials referencing the British Department for Environment, Food and Rural Affairs (Defra) and IPCC for business travel. Data sources are internal systems and AirPlus credit card reports. Calculations are based on measured and calculated activity data, where applicable data is available. For our base year 2005 we did not have sufficient scope 3 data, therefore in 2014 we are unable to report any scope 3 reductions.

Scope 3 GHG emissions 3PM		unit
Direct energy consumption	16,145.70	t CO ₂ e
Indirect energy consumption	17,136.27	t CO ₂ e
Total	33,281.97	t CO₂e

Scope 3 GHG emissions Beiersdorf		unit
Business travel	11,767.64	t CO ₂ e
Finished product transportation	43,319.14	t CO ₂ e

G4-EN18

Greenhouse gas (GHG) emissions intensity.

—
The scope 1 & 2 calculation of emissions for our Global Warming Potential (GWP, 100 years (CO₂e)) is based on the Greenhouse Gas Protocol, referencing IPCC and IEA data as reported in the “Emission-Factors-from-Cross-Sector-Tools” (August 2012). All ratios are based on genuinely covered and measured data.

The denominators are:

- Production: produced pieces
- Offices portfolio: square meters
- Vehicles: Beiersdorf employees

Production incl. administration		unit
Scope 1 GHG emissions / 1000 products	8.11	kg CO ₂ e
Scope 2 GHG emissions / 1000 products	20.11	kg CO ₂ e
Total	28.22	kg CO ₂ e

Offices		unit
Scope 1 GHG emissions / m ²	13.48	kg CO ₂ e
Scope 2 GHG emissions / m ²	31.03	kg CO ₂ e
Total	44.52	kg CO ₂ e

Beiersdorf		unit
Company vehicle emissions / employee	809.36	kg CO ₂ e

G4-EN21

NO_x, SO_x, and other significant air emissions.

—

Other material air emissions occur due to our finished product transport activities outside the company. This are primarily NO_x, SO_x and Particles (PM10). The reported amounts are calculated using or in accordance with EcoTransIT in compliance with DIN EN 16258.

The following transport modes are covered: road, rail, plane, maritime shipping and inland shipping. Calculations are based on Wheel-to-Wheel (WTW) data including load factor specifications. All data refers to internally available information.

Business travel is not included.

Scope 3		unit
Finished product transportation	69.64	t SO ₂ e
Finished product transportation	151.42	t NO ₂
Finished product transportation	7.02	t PM10

Aspect: Effluents and Waste

Aspect-specific DMA Guidance

—

Today, production processes use materials as ingredients, for packaging and to facilitate processes. This generates different types of waste. The wide range of materials increases the complexity and effort needed for recycling. We believe that all substances should be disposed of in the most environmentally responsible manner possible. We strive to keep material usage and process waste to a minimum whilst maintaining stability and quality. Minimizing waste is only the first step, but where waste cannot be eliminated, the aim is to reuse and recycle it. This will enable us to work in a cost-effective and sustainable manner. To achieve this we are pursuing our policy of “avoid, reduce, reuse and recycle” and working closely with our supply chain partners to identify and eliminate waste wherever possible. Waste targets such as "Zero landfill Europe" are embedded and managed within our corporate sustainability management processes.

More at:

[Beiersdorf Sustainability Waste](#)

G4-EN22

Total water discharge by quality and destination.

—

We do not differentiate between planned and unplanned water discharges, therefore the amounts indicated refer to measured /estimated discharges based on invoices of water suppliers for our production and offices, if that data is available. Quality results are based on measurement under accepted external standards. The methods of our internal wastewater treatment plants fulfil local legal requirements concerning discharge parameters. The reported wastewater amounts for our key suppliers are also shown.

Water discharge	Beiersdorf	3PM	unit
Municipal sewer	626,607.07	242,335.93	m ³
Surface waters	36,084.00		m ³
Groundwater	137,685.00		m ³
Gardening	71,454.20		m ³
Discharged by other means (e.g. own waste water treatment plant)	29,843.00		m ³
Water and wastewater discharge	901,673.27	242,335.93	m ³

G4-EN23

Total weight of waste by type and disposal method.

Our internal waste disposal standards determine the waste disposal methods considering local legal requirements. The amounts indicated are based on invoices and estimations for our production and offices. The reported waste amounts for our key suppliers are also shown.

Hazardous waste	Beiersdorf	3PM	unit
Recycling	516.97		t
Landfilling	82.68		t
Recovery (energy recovery)	37.04		t
Incineration (including mass burn)	532.80		t
Physical-chemical treatment	1,336.27		t
Other (e.g. soil washing)	86.88		t
Total weight of hazardous waste	4,377.47	1,102.27	t

Non-hazardous waste	Beiersdorf	3PM	unit
Recycling	9,303.35		t
Landfilling	1,590.91		t
Re-use	367.83		t
Composting	2,926.58		t
Recovery (energy recovery)	502.47		t
Incineration (including mass burn)	2,810.29		t
On-site storage	60.80		t
Physical-chemical treatment	1,757.31		t
Other (e.g. anaerobic digestion)	641.56		t
Total weight of non-hazardous waste	38,908.56	4,060.44	t

G4-EN25

Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.

We do not import or treat hazardous waste under Basel Convention Annex I, II, III, and VIII.

Aspect: Products and Services

Aspect-specific DMA Guidance

—

We are a global manufacturer of high-quality skin care products with over 130 years of research expertise. This know-how is and always has been the main driver for our success. Our target is to continue providing high-quality, trustworthy products, whilst decreasing our environmental impact. We incorporate sustainability criteria into our research, the procurement of raw materials, and the development of new products. Our global “Products” target promotes optimizations and enables us to steer our processes.

G4-EN27

Extent of impact mitigation of environmental impacts of products and services.

—

[Beiersdorf Sustainability Why Products](#)

Aspect: Compliance

Aspect-specific DMA Guidance

—

Compliance with national and international laws and regulations secures our business. Therefore, environmental compliance aspects are included in our audit scheme and supplier Code of Conduct (CoC). We ensure compliance with our global standards by using the internal “Environmental Protection and Safety Management Audit Scheme” – ESMAS for short. Since 2013 we have relied on a global certification provider to implement the ESMAS audits in our factories. ESMAS is based on the internationally recognized ISO 14001 and OHSAS 18001 (Occupational Health and Safety Assessment Series) standards.

See also: GRI Aspect Supplier Environmental Assessment

G4-EN29

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.

—

We did not have any significant fines or non-monetary sanctions in 2014.

Aspect: Transport

Aspect-specific DMA Guidance

The transport of our products plays an important role in our business. Without global logistics we would not be able to deliver our products to consumers worldwide. As part of our efforts to introduce more environmentally friendly logistics processes, we have optimized container loading, truck capacity utilization, and transport routes. We use the EcoTransIT tool to measure our European greenhouse gas emissions from transport. In 2015 we plan to expand our emission management globally. Transport activities are embedded in our corporate sustainability management approach and covered within our “Planet” target.

G4-EN30

Significant environmental impacts of transporting products and other goods and materials used for the organization’s operations, and transporting members of the workforce.

Significant transport emissions identified under our financial control approach are generated by product transport, employee travel and staff commuting. Staff commuting is included in "vehicle impacts" integrated under scope 1. Amounts are reported in carbon equivalents. The chosen consolidation approach for emissions is operational control. Emissions from transport activities are based on EcoTransIT in compliance with DIN EN 16258 for purchased downstream finished product transport as well as on Global Warming Potentials referencing Defra and IPCC for business travel. Data sources are internal systems and AirPlus credit card reports. Mitigation activities are implemented, such as intermodal transport and truck efficiency for product transport as well as global communication platforms and online meeting opportunities to reduce business travel.

Scope 1		unit
Company vehicle emissions	11,677.43	t CO ₂ e

Scope 3		unit
Business travel	11,767.64	t CO ₂ e
Finished product transportation	43,319.14	t CO ₂ e

Aspect: Overall

Aspect-specific DMA Guidance

In a business environment characterized by economic uncertainty, social pressures and environmental challenges, we strive to grow in a responsible manner. With our “We care.” sustainability strategy we

support our business goals whilst continuously reducing our environmental footprint. At the same time we are working to ensure that we give back to people both inside and outside the company.

Environmentally responsible action also has financial implications, such as extra expenditures in investments or environmental management cost.

Measuring environmental mitigation and protection expenditures allows us to assess the efficiency of our environmental initiatives and identify future cost implications related to environmental hotspots.

G4-EN31

Total environmental protection expenditures and investments by type.

—

Environmental protection expenditures		unit
Expenditures for waste disposal, emissions treatment and remediation	3.33	Mio. EUR
Prevention and environmental management costs	6.84	Mio. EUR
Total	10.18	Mio. EUR

Aspect: Supplier Environmental Assessment

Aspect-specific DMA Guidance

Describe the systems used to screen new suppliers using environmental criteria. List the environmental criteria used to screen new suppliers. Environmental criteria or environmental impact assessments may cover aspects under the Environmental Category.

Describe processes used, such as due diligence, to identify and assess significant actual and potential negative environmental impacts in the supply chain. Negative impacts include those that are either caused or contributed to by the organization, or that are linked to its activities, products, or services by its relationship with a supplier.

Describe how the organization identifies and prioritizes suppliers for assessment of environmental impacts. Assessments may be informed by audits, contractual reviews, two-way engagement, and grievance and complaint mechanisms.

Describe actions taken to address the significant actual and potential negative environmental impacts identified in the supply chain. Explain if the actions are intended to prevent, mitigate, or remediate the impacts. Actions taken may include the adjustment of the organization's procurement practices, the adjustment of performance expectations, capacity building, training, changes to processes and terminating the relationship with a supplier.

Describe how expectations are established and defined in contracts with suppliers to promote the prevention, mitigation, and remediation of significant actual and potential negative environmental impacts (including targets and objectives).

Describe whether suppliers are incentivized and rewarded for the prevention, mitigation, and remediation of significant actual and potential negative environmental impacts.

Describe practices for assessing and auditing suppliers and their products and services using environmental criteria.

List the type, system, scope, frequency, current implementation of assessment and audit, and which parts of the supply chain have been certified and audited. Assessments and audits of suppliers and their products and services using environmental criteria may be undertaken by the organization, by a second party or by a third party.

Describe the systems in place to assess the potential negative impacts of terminating a relationship with a supplier as a result of environmental impact assessment, and the organization's strategy to mitigate these impacts.

—

We establish long-term relations with our suppliers. We deal with them fairly and reliably, to our mutual benefit. At the same time, we attach great importance to suppliers meeting our high standards, such as those concerning quality, good working conditions, and responsible environmental protection. These standards form the basis for a partnership that lasts many years – and that justifies consumers' confidence in our products. An international, cross-functional team developed a global supplier management concept. This provides for continuous supplier assessment – including the extent to which they take sustainability aspects into account. The assessments are managed using the internal “Sourcefinder” internet platform and the international collaboration platform “Sedex” (Supplier Ethical Data Exchange), which foster clear improvement in data transparency throughout the group. More information on the activities of “Sedex” can be found here: www.sedexglobal.com.

We have also developed a Code of Conduct for Suppliers, which sets out harmonized and binding criteria for responsible action. This is designed to ensure that our suppliers meet the same standards in

the area of sustainability that apply to us. The Code of Conduct covers issues such as corruption and human rights as well as environmental protection. We have developed an appropriate system with which we can monitor our suppliers' compliance with the Code of Conduct and regulate how we deal with deviations.

G4-EN32

Percentage of new suppliers that were screened using environmental criteria.

—

In 2014, we started the implementation of a global environmental supplier screening program including a supplier Code of Conduct. Next year we will be able to provide initial results.

G4-EN33

Significant actual and potential negative environmental impacts in the supply chain and actions taken.

—

In 2014, we started the implementation of a global environmental supplier screening program including a supplier Code of Conduct. Next year we will be able to provide initial results.

Aspect: Environmental Grievance Mechanisms

Aspect-specific DMA Guidance

Describe the availability and accessibility of grievance mechanisms and remediation processes for environmental impacts, including along the organization's supply chain, and the involvement of stakeholders in monitoring their effectiveness. Stakeholders involved in monitoring the effectiveness of the organization's grievance mechanisms and remediation processes may include suppliers and local community and workers' representatives.

List the types of training on the availability and accessibility of grievance mechanisms and remediation processes.

—

Having a clear commitment to act in a responsible manner, a process for addressing weaknesses and findings is an essential part of an effective environmental management system.

At our sites, we try to fit in with the local environment as well as we can.

- Before constructing new premises, we conduct comprehensive location analyses in consultation with local authorities.
- At existing sites, we make constant efforts to minimize our impact on the local environment.
- An emergency and environmental management strategy is implemented at all sites.

At every site we maintain close relationships with our neighborhood and local authorities. We also offer targeted contact options on our local and corporate websites. Any grievance reaching us via any of these channels is addressed and followed up for resolution.

G4-EN34

Number of grievances about environmental impacts filed addressed, and resolved through formal grievance mechanisms.

—

Results refer to available regional data, evaluated in our annual sustainability reporting. In 2014, we did not register any grievances.

Social: Labor Practices and Decent Work

G4-DMA Disclosures on Management Approach LA

Beiersdorf's Human Resources (HR) practices follow three basic operating principles. Firstly, the continuous strengthening of global HR standards and processes. Secondly, the delegation of decision-making to the lowest possible level, encouraging local HR professionals to take ownership and initiative. Thirdly, building and sustaining a long-term trustful relationship with the company's employees and their representatives.

The Blue Agenda emphasizes the importance of the people at Beiersdorf for the company's long-term success: they manage strong brands, develop innovative products and inspire consumers around the world.

Therefore, strengthening an engaging working environment remained a top priority also in 2014, including the following focus areas:

- Introducing Beiersdorf's Core Values as long-term company culture project
- Sustaining the efforts to foster an open feedback culture
- Extending diversity engagement
- Supporting company-wide social collaboration
- Improving Beiersdorf's global talent management system
- Introducing a new leadership development architecture

Beiersdorf's four Core Values – Care, Simplicity, Courage and Trust – are deeply rooted in its more than 130 years of corporate history. The employees' high level of identification with these values provides an excellent opportunity to debate, review, and improve leadership quality and management effectiveness. 2014 marked the starting year of this long-term culture project with the active participation of all units and all employees. The Core Values have also already been incorporated into Beiersdorf's continuous "Employee Dialog" process and its global leadership development programs.

Beiersdorf conducted its global employee engagement survey for the second time in 2014. This year, a record 92% of employees took part in the survey and the overall employee engagement index increased significantly against the previous year. Results were openly presented throughout the company and discussed in more than 1,000 teams, with follow-up activities being facilitated and their implementation monitored by the local HR departments.

Diversity is a strong asset that contributes to Beiersdorf's global success. In 2014, Beiersdorf continued its systematic global diversity action program launched in 2013.

On gender diversity, Beiersdorf's mentoring and networking programs promoting women's career development continued into a second wave. In practice, the first examples of job sharing at managerial level have been progressing successfully. Beiersdorf is well on its way to increasing the percentage of women in management positions in Germany to 30% by 2020: At the end of 2014, this figure stood at 27.5% (previous year: 25.5%).

On international diversity, Beiersdorf further increased the number of international employees at its Hamburg headquarters to 13% by the end of 2014 (previous year: 12%). The number of senior

managers with international experience remained on a high level: about half of them have long-term overseas working experience.

In 2013, Beiersdorf created BluePlanet – an internal platform for communication and collaboration that makes cross-border and cross-functional teamwork more efficient. In its first full year, BluePlanet has already become a vital part of employees’ work life, with an average of 6,000 active users per month.

Global talent management is a strategic priority: talent and people development is an integral part of every Executive Board meeting. Talent development at Beiersdorf consists of a variety of face-to-face exchanges such as coaching, mentoring, or round table events. In addition, annual “Talent Days” are held in which young executives discuss current business issues directly with the Executive Board. In 2014, process integration was the centerpiece of improvement initiatives: Firstly, the integration of all essential aspects of career development into one documented process chain covering performance, potential, individual development, and career planning. Secondly, the integration of local, regional, and global activities, creating a single, streamlined global process.

Beiersdorf’s leadership development concept consists of on-the-job learning, mentoring and coaching, and classroom training elements. It puts particular emphasis on authenticity and self-reflection, decoding leadership into the management of human relationships. In 2014, two newly-designed development programs were launched in conjunction with the Core Value initiative: a “Base Camp” for first-time leaders and a “Step-up Camp” for middle and senior level managers. Both programs combine face-to-face modules with complementary coaching and experiential learning in-between over a total period of six months, and also closely involve the participants’ team leaders.

Aspect: Employment

Aspect-specific DMA Guidance

Describe actions taken to determine and address situations where work undertaken within the organization’s supply chain does not take place within appropriate institutional and legal frameworks. Work taking place within an appropriate institutional and legal framework will usually entail a recognized employment relationship with an identifiable and legally recognized employer.

Describe actions taken to determine and address situations where persons working for suppliers are not provided the social and labor protection that they are entitled to receive by national labor law.

Describe actions taken to determine and address situations where working conditions in the organization’s supply chain did not meet international labor standards or national labor law. Conditions of work include compensation, working

time, rest periods, holidays, disciplinary and dismissal practices, maternity protection, the workplace environment, occupational health and safety, the quality of living accommodations where provided, and welfare matters such as safe drinking water, canteens and access to medical services.

Describe actions taken to determine and address situations where work undertaken within the organization’s supply chain is inadequately remunerated. Adequately remunerated work means that wages and compensation for a standard working week, excluding overtime, meet legal and industry minimum standards and are sufficient to meet the basic needs of workers and their families and provide some discretionary income.

Actions taken to address situations where work is inadequately remunerated may include:

- Dialogue with suppliers regarding the relationship of the prices paid to suppliers and the wages paid to workers
- Changes to the organization's procurement practices
- Support for collective bargaining to determine wages
- Determining the extent that overtime is used, whether it is mandatory, and whether it is compensated at a premium rate

Describe actions taken to determine and address situations of disguised employment relationships where workers in the organization's supply chain are falsely considered to be self-employed or where there is no legally recognized employer.

Describe actions taken to determine and address situations where work undertaken within the organization's supply chain performed at home is not performed subject to a legally recognized contract.

—

Our employees are vital to our success. They manage strong brands, develop innovations, and enthuse consumers around the world with high-quality products. The Human Resources department's forward-looking activities aim to support the strategic goals from Beiersdorf's Blue Agenda.

Within our human resource policy we clearly define the cornerstones for our HR Management. These include guidelines on staff development, organization, compensation, social Integration as well as on communication and leadership.

We offer our employees a fair and adequate compensation. It is based on the value of the position, individual achievements and conditions of the market. This principle is defined in our personnel policy and is the basis for our compensation systems.

Wherever we are in the world, our responsibility for our employees extends far beyond the legal requirements. We offer our employees, independent of the employment level, extensive additional benefits.

These benefits vary from affiliate to affiliate, but are of a very high level overall. Employees on temporary contracts receive part of the voluntary and social benefits.

In our Code of Conduct for Suppliers, Beiersdorf defines the requirements which are to be met by all suppliers. Its content is inspired by International Labor Organization (ILO), Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines. An introduction to our Code of Conduct for Suppliers and the Codes of Conduct for our employees and our suppliers can be found at:

[Beiersdorf Sustainability Responsible Sourcing](#)

G4-LA2

Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operations.

—

Wherever we operate around the world, our responsibility to our employees extends far beyond legal requirements. We offer our employees extensive additional benefits regardless of their level in the hierarchy.

These benefits vary from affiliate to affiliate, but are of a very high level overall. Employees on temporary contracts receive partial voluntary and social benefits.

G4-LA3

Return to work and retention rates after parental leave, by gender.

—

The return to work rate after parental leave is 98.6% for women and 97.7% for men (based on all employees of Hamburg affiliates who returned from parental leave in 2014).

The retention rate after parental leave for both female and male employees is 100% (retention rate is for minimum continuance of twelve months at Beiersdorf after parental leave; based on employees who returned from parental leave in 2013).

Parental leave	No. of employees	Employees on parental leave (%)
Employees entitled to parental leave	129	
Employees on parental leave	103	80%
Male employees entitled to parental leave	42	
Male employees on parental leave	16	38%
Female employees entitled to parental leave	87	
Female employees on parental leave	87	100%

Aspect: Labor/Management Relations

G4-LA4

Minimum notice periods regarding operational changes, including whether it is specified in collective agreements.

—

The employer keeps employee representative bodies informed of significant operational changes in compliance with corporate and legal regulations. In Germany we provide timely information to employee representatives in the respective committees of the Works Council of the company.

For cross-border matters, the European Dialogue is responsible for employees in Europe.

Aspect: Occupational Health and Safety

Aspect-specific DMA Guidance

Describe programs related to assisting workforce members, their families, or community members regarding serious diseases, including whether such programs involve education and training, counseling, prevention and risk control measures, or treatment.

—

Our commitment to Occupational Health and Safety extends beyond our workforce to those of our suppliers. To achieve this we continuously monitor and review the working conditions and practices at all our sites. We ensure that our production facilities are equipped with the latest safety features. In addition, our employees receive regular training in occupational safety.

Medical support is provided to employees in various manners, determined by location. In general these programs are piloted at country level and then adapted to local needs by each organizational unit.

Since January 2014, all functions which focus on healthcare at Beiersdorf headquarters in Hamburg have been coordinated under one umbrella, “good4me” - Health Management. By combining the activities of the in-company Medical Services, Health Promotion, Social Services, Occupational Health and Safety, Catering, Beiersdorf’s company health insurance, and the Beiersdorf Sports Association, we have created a truly integrated approach which is able to provide and deliver more effective and targeted healthcare support to all our employees.

G4-LA6

Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region, and by gender.

Occupational Health and Safety aspects are included in our annual sustainability reporting. Employees as well as supervised workers working in production sites and the covered office locations are included in the results provided, corresponding to the scheduled working hours. GRI indicator definitions are applied. The Accident Frequency Rate corresponds to the GRI Injury Rate. The LA6 Injury Rate is calculated based on scheduled work time and the OHSAS factor. We did not have any fatalities.

		unit
Accident Frequency Rate (AFR)	0.73	%
Lost Day Rate (LDR)	16.26	%
Absentee Rate (AR)	0.07	%
Commuting accidents	63	
Occupational accidents resulting in absenteeism of more than one working day	106	
Occupational accidents NOT resulting in absenteeism of more than one working day	248	
Scheduled working hours	28,891,634.11	h

G4-LA7

Workers with high incidence or high risk of diseases related to their occupation.

—

We did not have job positions which are exposed to high incidence or high risk of disease.

Aspect: Training and Education

G4-LA9

Average hours of training per year per employee by gender, and by employee category.

—

Intensive employee training was also a focus of our human resources effort in 2014. Instructions tailored to practical applications defined targeted training and continuing education for skilled and managerial staff. This was supplemented by training in Occupational Health and Safety.

At present we do not have any global figures for this dimension.

G4-LA10

Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.

—

All employees - whether they work in projects or a functional or managerial role - can pursue continuing education. Many affiliates offer local training courses open for all employees. Also, Beiersdorf has a corporate training program with seminars offered to certain groups of employees (e.g. for senior leaders) on a global scale.

Beiersdorf offers special local training exclusively targeting staff of age 50 or more.

Beiersdorf offers a long-term working time account that provides the opportunity to leave work before retirement.

Ranging from movement and relaxation programs to stress management and nutrition tips, the portfolio offered by Beiersdorf Health Promotion is highly attractive and truly diverse. These preventative measures also have the purpose of maintaining employability.

G4-LA11

Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.

—

All employees receive a performance appraisal and feedback about opportunities for their development in an annual review. This form of employee review has been conducted at Beiersdorf for over 40 years. Since 2006, the performance appraisal has been enhanced worldwide with a uniform process to identify and promote potential. This process is continually updated. Following the most recent fundamental process change and implementation in 2013, the first complete global cycle for the new process was successfully completed in 2014.

Aspect: Diversity and Equal Opportunity

G4-LA12

Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.

—

Currently, our Executive Board is exclusively male.

Our Supervisory Board comprises 75% men and 25% women.

At executive level (levels 1+2), the proportion is 72.5% male and 27.5% female.

Aspect: Supplier Assessment for Labor Practices

Aspect-specific DMA Guidance

Describe the systems used to screen new suppliers using labor practices criteria. List the labor practices criteria used to screen new suppliers. Labor practices criteria or assessments of impacts for labor practices may cover:

- Employment practices
- Health and safety practices
- Incidents (such as of verbal, psychological, physical, or sexual abuse, coercion or harassment)
- Industrial relations
- Wages and compensation
- Working hours

Describe processes used, such as due diligence, to identify and assess significant actual and potential negative impacts for labor practices in the supply chain. Negative impacts include those that are either caused or contributed to by the organization, or that are linked to its activities, products or services by its relationship with a supplier.

Describe how the organization identifies and prioritizes suppliers for assessment of impacts for labor practices. Assessments may be informed by audits, contractual reviews, two-way engagement, and grievance and complaint mechanisms.

Describe actions taken to address the significant actual and potential negative impacts for labor practices identified in the supply chain. Explain if the actions are intended to prevent, mitigate, or remediate the impacts. Actions taken may include the adjustment of the organization's procurement practices, the adjustment of performance expectations, capacity building, training, changes to processes and terminating the relationship with a supplier.

Describe how expectations are established and defined in contracts with suppliers to promote the prevention, mitigation, and remediation of significant actual and potential negative impacts for labor practices (including targets and objectives).

Describe whether suppliers are incentivized and rewarded for the prevention, mitigation, and remediation of significant actual and potential negative impacts for labor practices.

Describe practices for assessing and auditing suppliers and their products and services using labor practices criteria.

List the type, system, scope, frequency, current implementation of assessment and audit, and which parts of the supply chain have been certified and audited. Assessments and audits of suppliers and their products and services using labor practices criteria may be undertaken by the organization, by a second party or by a third party.

Describe the systems in place to assess the potential negative impacts of terminating a relationship with a supplier as a result of assessing impacts for labor practices, and the organization's strategy to mitigate these impacts.

—

With our supply chains becoming more diverse and more local, respecting and securing employment rights is fundamental also to our supplier base. Our awareness of our responsibility within our supply chain led us to define a Code of Conduct for Suppliers that each material or service supplier is required to sign. The Code of Conduct is based on ILO conventions and includes clauses addressing employment practices (exclusion of forced labor, disciplinary measures, and child labor), anti-corruption, occupational health and safety, working hours, remuneration, freedom of association and collective bargaining, and anti-discrimination.

Currently 80% of our global spent is covered by the CoC, which defines clear expectations that exceed in part those of national law.

We start from two complementary sets of tools to assess our suppliers:

Firstly, we are a member of "Sedex" and use the supplier screening and risk assessment techniques available on the "Sedex" platform.

Suppliers are asked to register on "Sedex" and to respond to the Self-Assessment Questionnaire (SAQ) for initial assessment. If we become aware of any non-compliance on the part of our suppliers with national law or our CoC, we respond immediately. The supplier is requested to take corrective action. If the breach of the CoC continues, escalation steps are initiated, which could ultimately lead to contract cancellation.

Secondly, we look for synergies in the management of responsible sourcing through our membership in AIM Progress. Collaborative approaches are based on mutual recognition of audit protocols as well as on joint supplier capability building. Audits conducted at our suppliers' sites that are based on audit protocols of one of the AIM Progress members within the mutual recognition group are recognized, which ensures that auditing procedures with our suppliers are kept to the minimum required. Audits that we initiate are based on the "Sedex Members Ethical Trade Audit" (SMETA) 4-pillar audit protocol covering labor rights, health and safety, environmental management, and business ethics. Corrective action plans are developed for all audit findings and their execution is monitored via ongoing supplier talks. Suppliers that do not take sufficient action towards remediation are addressed with an escalation process which could ultimately lead to contract cancellation.

Our systematic risk assessment and code enforcement will start in 2015.

Our supplier Code of Conduct is part of the contractual framework of our supplier contracts. For existing contracts, the supplier CoC was added to the framework post-signature, while all new contracts include the CoC in the initial overall contractual framework. The Code of Conduct acceptance rate is one performance indicator used by our procurement organization.

Having now reached an acceptance rate of 80% spent coverage (across all spent categories), enforcement of the CoC including specific performance criteria will be established in 2015.

Our approach to CoC enforcement will also build on our membership in AIM Progress. The objectives of AIM Progress and its members are to build supply chain capability of running effective and robust responsible sourcing programs, to effectively ensure compliance within the programs and to drive continuous improvement. Collaborative supplier capability programs are executed within this framework, which also aim to train suppliers with regard to common issues of non-compliance.

G4-LA14

Percentage of new suppliers that were screened using labor practices criteria.

—

Enforcement of our responsible sourcing program will be fully established in the course of 2015. We do not yet have summarized reporting on assessed suppliers. However, we do already have certain self-assessments and audit results available that we will use for our risk screening in 2015.

G4-LA15

Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.

—

There are 22,000 Beiersdorf suppliers subject to impact assessments for labor practices. The number of suppliers refers to supplier sites, not to suppliers. As our supplier Code of Conduct is valid for our entire supplier base we potentially address all our sites with impact assessment. The first step of the assessment is a risk assessment, which identifies a smaller number of suppliers that will be subject to a more detailed assessment based on SAQ, existing audit documentation and potentially additional audits. This assessment process will be launched in 2015. Therefore, no significant potential or actual negative impacts have been identified yet.

We did not have any cases of termination of a supplier relationship in 2014.

Social: Human Rights

G4-DMA Disclosures on Management Approach HR

Due to the international nature of its business, Beiersdorf frequently comes into contact with different cultures, laws, and specific local conditions. What is considered to be the norm and polite in one country may be interpreted very differently in another country. Even within a single company, instructions may differ from area to area. Despite diversity, there are some statutory provisions whose content is almost identical across different countries and which Beiersdorf is bound to obey. Beiersdorf developed a Code of Conduct for Employees and a Code of Conduct for Suppliers to better clarify these provisions, reduce uncertainties in daily work, and stipulate the Beiersdorf principles, as well as to comply with legal obligations.

Our Codes of Conduct describe the principles that form the basis for our decisions and actions for all employees and suppliers worldwide.

Their content is inspired by the ILO, Global Compact principles and OECD Guidelines. An introduction to our Code of Conduct for Suppliers and both Codes of Conduct can be found at:

[Beiersdorf Sustainability Responsible Sourcing](#)

Aspect: Investment

Aspect-specific DMA Guidance

Describe strategies for extending applicable policies and procedures to external parties, such as joint ventures and subsidiaries.

Describe the use of human rights criteria or clauses in contracts, including the types of clauses and the types of contracts and agreements in which they are commonly applied (such as investments, joint ventures).

For our suppliers, we have developed a Code of Conduct, which sets out harmonized and binding criteria for responsible action. It is designed to ensure that our suppliers meet the same standards in the area of sustainability that are binding for us. In 2014 we achieved our overall target of having 80% of our spent covered by our supplier CoC. We have developed an appropriate system with which we can monitor our suppliers' compliance with the Code and will deploy that system fully in 2015.

G4-HR2

Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.

—

We do not offer specific human rights training, however we do train our procurement staff in particular on the Code of Conduct for Employees and on the Code of Conduct for Suppliers via the procurement academy.

Aspect: Non-discrimination

G4-HR3

Total number of incidents of discrimination and corrective actions taken.

—

As a company that operates around the globe, diversity is an important value for us and for the future of our company. Our activities in this area are grouped under the company-wide program “One Team. Living Diversity”. This program focuses on gender diversity and internationalization.

In 2012, we signed the “German Charter of Diversity”. This initiative aims to ensure that diversity is recognized, valued and included in the German working culture – irrespective of gender, nationality, ethnic origin, religion, disability, age, or sexual orientation. This charter is one of several that exist throughout Europe. Since 2010 these charters have been coordinated by the EU via a Europe-wide network.

Within the context of the DAX 30 “Women in Leadership” initiative, Beiersdorf has voluntarily committed itself to increasing the number of women in leadership positions to 30% in 2020. In reporting year 2014 we increased the percentage of women in leadership positions to 27.5%.

An introduction to our Code of Conduct and the Code of Conduct itself can be found at:
[Beiersdorf Sustainability Responsible Sourcing](#)

An introduction to our “One Team. Living Diversity” program can be found at:
[Beiersdorf Sustainability Diversity](#)

Under our strong devotion to diversity, we do not tolerate any form of discrimination, whether due to gender, age, physical appearance or origin. This antidiscrimination principle is firmly established in our company-wide human resources policy and Code of Conduct. Possible individual cases of discrimination are managed with the utmost seriousness and are not tolerated. However, global figures are not available.

Aspect: Freedom of Association and Collective Bargaining

Aspect-specific DMA Guidance

Describe the policy or policies which may be considered likely to affect employees' decisions to join a trade union, or to bargain collectively.

—

Beiersdorf's human resources policies have a clear target: strengthening the fundamentals of an engaging working environment. Building and sustaining a long-term relationship of trust with the company's employees and their representatives is one of our basic operating principles working towards this target. Areas where we have particularly close interaction with our employee representatives include:

Compensation: We offer our employees fair and adequate compensation, based on the value of the position, individual achievements and market conditions. This principle is defined in our personnel policy and is the basis for our compensation systems.

Performance Management: A global company like Beiersdorf needs modern and effective performance management. This is a strategic business process designed to achieve a high performance orientation at all levels throughout the world. It fosters the identification and development of world-class and diverse talents to ensure sustainable business success. For us "performance" means far more than just "meeting the numbers". When we talk about performance, we always mean two distinct but interrelated aspects: The first aspect describes **WHAT** to achieve. The second describes **HOW** to achieve the **WHAT**, i.e. the extent to which the behavioral expectations founded on our Core Values Care, Trust, Simplicity and Courage are being met.

Employee Engagement: A key means of enhancing Beiersdorf's corporate culture lies in fostering a culture of candid and honest feedback. The introduction of a global feedback process is particularly worth mentioning: **TEAMVOICE 2013** was the first global employee survey of all Beiersdorf companies, and was conducted in collaboration with an international market and opinion research company. This process of assessing and defining action plans for continuous improvement became an integral part of our management tools. The aim of this dialog is to foster openness and trust at team level, strengthening long-term employee engagement.

G4-HR4

Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.

—

There has not been any such case.

More at:

[Beiersdorf Sustainability Responsible Sourcing](#)

Aspect: Child Labor

G4-HR5

Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.

—

We do not tolerate child labor be it directly or indirectly related to our activities.

More at:

[Beiersdorf Sustainability Responsible Sourcing](#)

Aspect: Forced and Compulsory Labor

G4-HR6

Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.

—

We do not tolerate any form of forced or compulsory labor in direct or indirect association with our activities.

More at:

[Beiersdorf Sustainability Responsible Sourcing](#)

Aspect: Assessment

G4-HR9

Total number and percentage of operations that have been subject to human rights reviews or impact assessments.

—

Human rights are addressed in our Code of Conduct. We do not run human rights assessment programs at our own operations, however if we become aware of any breaches of the CoC we treat them with the utmost seriousness and zero tolerance.

Aspect: Supplier Human Rights Assessment

Aspect-specific DMA Guidance

Describe the systems used to screen new suppliers using human rights criteria. List the human rights criteria used to screen new suppliers. Human rights criteria or human rights impact assessments may cover:

- Child labor
- Discrimination
- Forced or compulsory labor
- Freedom of association and collective bargaining
- Indigenous rights
- Security practices

Describe processes used, such as due diligence, to identify and assess significant actual and potential negative human rights impacts in the supply chain. Negative impacts include those that are either caused or contributed to by the organization, or that are linked to its activities, products, or services by its relationship with a supplier.

Describe how the organization identifies and prioritizes suppliers for assessment of human rights impacts. Assessments may be informed by audits, contractual reviews, two-way engagement, and grievance and complaint mechanisms.

Describe actions taken to address the significant actual and potential negative human rights impacts identified in the supply chain. Explain if the actions are intended to prevent, mitigate, or remediate the impacts. Actions taken may include the adjustment of the organization's procurement practices, the adjustment of performance expectations, capacity building, training, changes to processes and terminating the relationship with a supplier.

Describe how expectations are established and defined in contracts with suppliers to promote the prevention, mitigation, and remediation of significant actual and potential negative human rights impacts (including targets and objectives).

Describe whether suppliers are incentivized and rewarded for the prevention, mitigation, and remediation of significant actual and potential negative human rights impacts.

Describe practices for assessing and auditing suppliers and their products and services using human rights criteria.

List the type, system, scope, frequency, current implementation of assessment and audit, and which parts of the supply chain have been certified and audited. Assessments and audits of suppliers and

their products and services using human rights criteria may be undertaken by the organization, by a second party or by a third party.

Describe the systems in place to assess the potential negative impacts of terminating a relationship with a supplier as a result of human rights impact assessment, and the organization's strategy to mitigate these impacts.

—

For our suppliers, we have developed a Code of Conduct which sets out harmonized and binding criteria for responsible action. It is designed to ensure that our suppliers meet the same standards in the area of sustainability that are binding for us. The Code of Conduct is based on ILO conventions and includes clauses on employment practices (exclusion of forced labor, disciplinary measures, and child labor), anti-corruption, occupational health and safety, working hours, remuneration, freedom of association and collective bargaining and anti-discrimination. In 2014 we have achieved our overall target of having 80% of our spent covered by our supplier CoC.

We start from two complementary sets of tools to assess our suppliers:

Firstly we are a member of "Sedex" and use the supplier screening and risk assessment techniques available on the "Sedex" platform. Secondly we look for synergies in the management of responsible sourcing through our membership in AIM Progress. The areas of collaboration are mutual recognition of audit protocols and joint supplier capability building. Audits conducted at our suppliers' sites based on an audit protocol of one of the AIM Progress members within the mutual recognition group are recognized, thus ensuring that auditing efforts at our suppliers are kept to the minimum required. Audits which are initiated by us are based on the SMETA 4-pillar audit protocol covering labor rights, health and safety, environmental management and business ethics. For all audit finding corrective action plans are developed and their execution is the subject of ongoing supplier talks. Suppliers that do not take sufficient remediation action are dealt with in an escalation process which could ultimately lead to contract cancellation. However, systematic risk assessment and code enforcement will only start in 2015. Nevertheless, if we become aware of any supplier non-compliance with national law or our Code we take action immediately.

Our CoC is part of the contractual framework of our supplier contracts. For existing contracts the supplier CoC was included in the framework post-signature, while all new contracts have the CoC included in the initial overall contractual framework. The Code of Conduct acceptance rate is one performance indicator used by our procurement organization.

Having now reached an acceptance rate of 80% expenditure coverage (across all categories), enforcement on the CoC including specific performance criteria will be established in 2015.

Our approach to CoC enforcement will also build on our membership in AIM Progress. The objectives of AIM Progress and its members are to build supply chain capability for running effective and robust responsible sourcing programs, to effectively ensure compliance within the programs and to drive continuous improvement. Within this framework, collaborative supplier capability programs are being executed and also designed to train suppliers with regards to common issues of non-compliance.

G4-HR10

Percentage of new suppliers that were screened using human rights criteria.

—

The enforcement of our responsible sourcing program will be fully established in the course of 2015. We do not yet have summarized reporting on assessed suppliers. However we already have some self-assessments and audit results available which we will use for our risk screening in 2015. Enforcement

will also include screening of new suppliers via release audits for selected markets and sourcing categories.

G4-HR11

Significant actual and potential negative human rights impacts in the supply chain and actions taken.

—

We did not identify suppliers with significant negative human rights impacts in 2014. We did not have any case of termination of a supplier relationship in 2014.

Enforcement of our responsible sourcing program will be fully established in the course of 2015. We do not yet have summarized reporting on assessed suppliers. However we already have some self-assessments and audit results available which we will use for our risk screening in 2015.

Social: Society

G4-DMA Disclosures on Management Approach SO

For Beiersdorf, care is not limited to the aspect of skin care alone but is one of our four Core Values and therefore inherent to our culture. It encompasses caring for our employees, but also for the communities in which we operate; in short: caring for people. These programs are bundled within our "People" field of activity under the umbrella of our "We care." sustainability strategy. Our community engagement programs are generated in alignment with our global brands and are adapted locally to fit to community needs.

Based on the principle of "helping people to help themselves", Beiersdorf supports social initiatives that align with the company values and build on its brands' core strengths. These social initiatives are part of Beiersdorf's "We care." global sustainability strategy and are targeted at achieving the ambitious commitment in the focus area "People": By 2020, Beiersdorf aims to reach one million families and improve their lives.

Targeted Occupational Health and Safety programs ensure our employees' well-being wherever we operate. Through our Code of Conduct scheme we also require our suppliers to ensure that Occupational Health and Safety systems are in place.

Wherever we operate factories, we ensure that our environmental and safety measures meet or exceed standards through our group-wide "Environmental Protection and Safety Management Audit Scheme", which is developed in accordance with ISO 14001 and OHSAS 18001. External auditors regularly verify the effective implementation of the scheme in operations.

Acting lawfully is an inherent part of Beiersdorf's corporate culture and one of its Core Values. Accordingly, the Executive Board of Beiersdorf has set up Beiersdorf Compliance Principles that expressly bestow upon each employee the requirement and duty to abide by all applicable laws and internal guidelines and upon management the responsibility to ensure such compliance.

The Beiersdorf Code of Conduct was established as a binding guideline for each individual employee as well as the Executive Board in order to integrate these company values into everyday working life. It sets the standard for expected behavior on a broad array of legal and ethical topics, including for example (and not limited to) prohibition of corruption, requirement of fair competition, the commitment to product safety and quality and responsibility towards society.

Group-wide compliance programs and compliance management processes further reinforce these strong commitments. With a focus on competition compliance and corruption prevention this means in brief:

- Under its Anti-Corruption Guideline Beiersdorf employees are prohibited to offer, promise or give personal benefits to holders of public office. Commercial bribery is also ruled out and strict guidance is provided on such issues as gifts, conflicts of interest and invitations.
- A set of Competition Compliance Guidelines sets standards and procedural safeguards for potentially competition sensitive issues such as contact with competitors.

- Training – from customized workshops to classic classroom training courses in local language and e-learnings – are provided to those employees with potential exposure to such issues.
- Compliance Management System Responsible of each Management Unit is in charge of implementing these programs in the respective affiliate, while the Corporate Compliance Management Function (a distinct part of corporate Legal Affairs) provides expert support and legal advice and plays a key role in monitoring effective implementation of the programs and their constant improvement.
- Corporate Auditing performs regular compliance audits as an integral part of their auditing program.
- Hints and audit findings (e.g. provided through the implemented whistleblowing channels) regarding potential compliance infringements are followed up (if appropriate, with remedies).

Aspect: Local Communities

Aspect-specific DMA Guidance

Describe:

- References and statements regarding the collective rights of local communities
- How both women and men are engaged in local communities
- How works councils, occupational health and safety committees or other independent employee representation bodies are empowered to deal with, and have dealt with, impacts on local communities.

—

We maintain open communication and long-term cooperation with our stakeholders. This approach leads to informing the public swiftly and comprehensively of any new developments as they happen.

We are in a constant dialog with stakeholders and structure our business activities so as to ensure an overall optimized social impact.

At our sites, we try to fit in as well as we can with the local environment.

- Before constructing new premises, we conduct comprehensive location analyses in consultation with local authorities.
- At existing sites, we make constant efforts to minimize our impact on the local environment.
- An emergency and environmental management strategy is implemented at all sites.
- Comprehensive analyses and social plans are drawn up before any divestments are made.

We also understand our national social initiatives as a way of engaging with local communities. While these initiatives follow a global approach, their specific focus and implementation are always based on local requirements, especially the local social need. We support these causes via targeted in-kind and financial donations, as well as social sponsoring, when one of our brands is incorporated. In order to ensure the consistency and quality of our initiatives, all projects must satisfy the following strategic criteria:

- Brand fit
- Local social relevance
- Long-term approach
- Measurable impact

G4-SO1

Percentage of operations with implemented local community engagement, impact assessments, and development programs.

—

We support the local social initiatives that are relevant to the communities in which we operate by actively involving our employees. In 2014, the second edition of the global employee charity program “NIVEA Family Days” once again enabled employees all over the world to deliver financial and in-kind support to local families in need. Activities ranged from collecting clothes, non-perishable foods or toys to providing hands-on support.

The “NIVEA Family Days” are part of NIVEA's global social commitment “NIVEA cares for family”. For more information, please visit

[Beiersdorf Corporate Social Responsibility](#)

G4-SO2

Operations with significant potential or actual negative impacts on local communities.

—

We did not have operations with actual or potential negative impacts on local communities in 2014.

Aspect: Anti-Corruption

Aspect-specific DMA Guidance

Describe the organization's risk assessment procedures for corruption, including the criteria used in the risk assessment (such as location, activity, and sector).

—

Compliance Risk Assessments (CRA) are carried out regularly as a key element of our Compliance Management System (CMS). Assessment of compliance risks is fundamental to developing an adequate compliance program.

Corruption is an essential part of the compliance risk areas which are evaluated in our CRA process. Our Compliance Risk Assessment includes two steps, where first, a risk map of all compliance risk areas is drawn up, and second, major risk areas are examined in more detail. The risk assessment is carried out e.g. through interviews, workshops and/or by using other available information. The criteria used in the CRA include for example Corruption Perception Index, former proceedings or incidents, business model, location, net sales, legal framework, degree of staff turnover, etc. Both likelihood and severity of potential compliance risks are evaluated in this procedure. The CRA also encompasses an analysis of existing and further necessary countermeasures to mitigate compliance risks. The results of the Compliance Risk Assessment are used to evaluate possible areas for improvement of our corporate and local compliance programs.

Aspect-specific Guidance for G4-DMA-b.

Describe how the organization identifies and manages conflicts of interest that employees or persons linked to the organization's activities, products or services may have.

Conflicts of interest for the highest governance body are covered in G4-41.

Describe how the organization ensures that charitable donations and sponsorships (financial and in-kind) that are made to other organizations are not used as a disguised form of bribery. Recipients of charitable donations and sponsorships (financial and in-kind) may include not-for profit organizations, religious organizations, private organizations and events.

Describe the extent to which communication and training on anti-corruption is tailored to those governance body members, employees, and business partners that have been identified as having a high risk of incidents of corruption.

Describe at which stage the training on anti-corruption for governance body members, employees, and business partners is provided (such as when new employees join the organization, when relationships with new business partners are established) and the frequency of the training (such as annually, biannually).

Describe the collective action activities to combat corruption in which the organization participates, including:

- The strategy for collective action activities
- A list of collective action initiatives in which the organization participates
- A description of the main commitments of these initiatives

Conflicts of interest: Beiersdorf AG has implemented an internationally applicable Anti-Corruption Guideline. Conflicts of interest have specifically been integrated into this guideline as well as into the training materials to lay out clear rules for our employees and management and to be as transparent as possible in each individual case.

Any matters outside of the working environment that could possibly influence business decision-making by Beiersdorf employees must be promptly disclosed to the company superior. This includes personal and business relations and obligations on the part of employees to suppliers or other business partners. The superior then decides on adequate measures. The Compliance office is available for support.

Donations and sponsorships: We make appropriate monetary and non-cash donations solely for the promotion of projects related to the areas of education, family, and culture. We do not make any financial donations to political parties or similar institutions, or to individuals. Before making donations, we naturally perform a thorough check of the respective institutions.

We intend to review current processes and develop an even more comprehensive guideline.

Communication on and training in anti-corruption: Corruption Prevention Training is a key element of the Beiersdorf Corruption Prevention Compliance Program.

All employees and governance body members with a corruption risk exposure (target group) are trained on a regular basis. Our training courses are based on our Anti-Corruption Guideline and include topics such as: bribery of non-officials, bribery of public officials, facility payments, receiving gratuities, conflicts of interest, red flags, whistleblowing systems.

All employees within the target group receive a first-time training when they are new to the company or new on the job and refresher training every two years. We offer classic classroom training in the respective local language as well as e-learning.

In addition, we carry out target-group specific workshops for high risk areas, such as procurement or sales. Members of the Executive Board and Supervisory Board regularly receive training and briefings on compliance topics.

Beiersdorf AG does not yet participate in any collective action to combat corruption.

G4-S04

Communication and training on anti-corruption policies and procedures.

—

All answers under G4-S04 refer to Beiersdorf worldwide. We cannot provide a regional split.

Business partners:

In individual potentially risk-prone cases, business partners are informed about our anti-corruption policies and procedures. A standardized procedure for communication to business partners has not yet been implemented.

Governance body members:

Anti-corruption policies and procedures as part of the Beiersdorf Corruption Prevention Program have been communicated comprehensively to governance body members worldwide.

Employees:

Our employees have been informed comprehensively on anti-corruption policies and procedures with the exception of our new sites which have already started the implementation process or will follow in 2015.

Corruption prevention training as part of the Beiersdorf Corruption Prevention Program has been rolled-out group-wide. About 40% of our worldwide employees (about 80% of the target group) and governance body members have received anti-corruption training.

Aspect: Anti-Competitive Behavior

G4-S07

Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.

—

During the reporting period, group companies have been involved in antitrust-related investigations in Belgium and France. The investigation in France ended with a fining decision (settlement).

Aspect: Compliance

G4-SO8

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.

—

Acting in compliance with applicable laws, regulations and other requirements is inherent to our management principles as well as our company values “Trust” and “Care”.

For further information, please, refer to our Annual Report:

[Beiersdorf Risk Report](#)

[Beiersdorf Other Financial Obligations](#)

[Beiersdorf Liabilities](#)

Aspect: Supplier Assessment for Impacts on Society

Aspect-specific DMA Guidance

Describe the systems used to screen new suppliers using criteria for impacts on society. List the criteria used to screen new suppliers for impacts on society. Criteria or assessments for impacts on society may cover Aspects under the Society sub-Category.

Describe processes used, such as due diligence, to identify and assess significant actual and potential negative impacts on society in the supply chain. Negative impacts include those that are either caused or contributed to by the organization, or that are linked to its activities, products, or services by its relationship with a supplier.

Describe how the organization identifies and prioritizes suppliers for assessment of impacts on society. Assessments may be informed by audits, contractual reviews, two-way engagement, and grievance and complaint mechanisms.

Describe actions taken to address the significant actual and potential negative impacts on society identified in the supply chain. Explain if the actions are intended to prevent, mitigate, or remediate the impacts. Actions taken may include the adjustment of the organization’s procurement practices, the adjustment of performance expectations, capacity building, training, changes to processes and terminating the relationship with a supplier.

Describe how expectations are established and defined in contracts with suppliers to promote the prevention, mitigation, and remediation of significant actual and potential negative impacts on society (including targets and objectives).

Describe whether suppliers are incentivized and rewarded for the prevention, mitigation, and remediation of significant actual and potential negative impacts on society.

Describe practices for assessing and auditing suppliers and their products and services using criteria for impacts on society.

List the type, system, scope, frequency, current implementation of assessment and audit, and which parts of the supply chain have been certified and audited. Assessments and audits of suppliers and their products and services using criteria for impacts on society may be undertaken by the organization, by a second party or by a third party.

Describe the systems in place to assess the potential negative impacts of terminating a relationship with a supplier as a result of assessing impacts on society, and the organization's strategy to mitigate these impacts.

—

For our suppliers, we have developed a Code of Conduct which sets out harmonized and binding criteria for responsible action. It is designed to ensure that our suppliers meet the same standards in the area of sustainability that are binding for us.

We start from two complementary set of tools to screen our suppliers:

Firstly, we are a member of "Sedex" and use the supplier screening and risk assessment techniques available on the "Sedex" platform. Secondly, we look for synergies in the management of responsible sourcing through our membership in AIM Progress. The areas of collaboration are mutual recognition of audit protocols and joint supplier capability building. Audits conducted at our suppliers' sites based on audit protocol of one of the AIM Progress members within the mutual recognition group are recognized, thus ensuring that auditing efforts at our suppliers are being kept to the minimum required. Audits which are initiated by us are based on the SMETA 4-pillar audit protocol covering labor rights, health and safety, environmental management and business ethics. For all audit findings, corrective action plans are developed and their execution is the subject of ongoing supplier talks. Suppliers that do not take sufficient remediation activities are addressed with an escalation process. This process will be fully deployed in 2015.

Our supplier Code of Conduct is part of the contractual framework of our supplier contracts. For existing contracts the supplier CoC was included in the framework post-signature, while all new contracts have the CoC included in the initial overall contractual framework. The Code of Conduct acceptance rate is one performance indicator used by our procurement organization.

Having now reached an acceptance rate of 80% spent coverage (across all categories), enforcement of the CoC including specific performance criteria will be established in 2015.

Our approach to CoC enforcement will also build on our membership in AIM Progress. The objectives of AIM Progress and its members are to build supply chain capability for running effective and robust responsible sourcing programs, effectively ensure compliance within the programs and drive continuous improvement. Collaborative supplier capability programs are being executed within this framework, and also aim to train suppliers with regard to common issues of non-compliance.

G4-SO10

Signification actual and potential negative impacts on society in the supply chain and actions taken.

—

Having now achieved 80% acceptance across all our spent categories, we are launching our program to audit suppliers with regard to our supplier CoC in 2015. We currently respond to any arising complaints with immediate audits and/or supplier development and define corrective action plans.

In 2014, however, we did not have any complaints and did not identify significant actual or potential negative impacts in our supply chain.

Social: Product Responsibility

G4-DMA Disclosures on Management Approach PR

Beiersdorf Quality Policy

Our Business

We develop, produce and market branded products of high quality.

Our Objective

Our goal is consumer and customer satisfaction as the basis for our business. This comprises compliance with our internal and external quality standards, as well as legal and regulatory requirements. All our employees focus on the fulfillment of the requirements from our consumers, customers and markets.

Our Policy

Uncompromising quality is a comprehensive success factor of our Beiersdorf strategy for attaining the company goals. Our understanding of “quality” goes beyond actual product quality and includes all quality aspects of the company’s performance. We regard quality as a dynamic process of continuous improvement in all activities to increase consumer and customer satisfaction and cost competitiveness.

This Beiersdorf Quality Policy defines top management’s commitment to quality and is being implemented in all areas of the company via the Beiersdorf Quality Management System in accordance with internationally accepted standards.

We commit ourselves to complying with the binding requirements in our Quality Management System and to continually improving them for all core processes and for all associated management and support processes.

All our employees are committed to our quality policy. Regular training ensures that adequate qualifications are constantly brought up to date.

We only collaborate with reliable suppliers and ensure that they adopt our quality management standards.

Aspect: Customer Health and Safety

Aspect-specific DMA Guidance

In each of the following life cycle stages, describe whether the health and safety impacts of products and services are assessed for improvement:

- Development of product concept
- Research and development
- Certification
- Manufacturing and production
- Marketing and promotion
- Storage distribution and supply
- Use and service
- Disposal, reuse, or recycling

—

Raw materials for cosmetic products have to pass a multi-stage selection process involving our experts in a number of specialist functions before they are utilized in our products.

All of our finished cosmetic products are subject to a stringent safety assessment from our toxicological experts before being released to the market.

More at:

[Beiersdorf Product Development](#)

[Beiersdorf Sustainability Why Products](#)

G4-PR1

Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.

—

All finished cosmetic products must undergo a release by experts on product safety. A comprehensive global complaint reporting and management system enables us to identify potential for product improvement.

More at:

[Beiersdorf Product Development](#)

Aspect: Product and Service Labelling

Aspect-specific DMA Guidance

Describe organization-wide practices in place to assess and maintain customer satisfaction. These may include:

- The frequency of measuring customer satisfaction
- Standard requirements regarding methodologies of surveys
- Mechanisms for customers to provide feedback

—

Consumer and customer satisfaction is the basis for our business. We are in constant dialog with our consumers, enabling us to address their needs during product development. We use internationally valid processes and an active network of Consumer Interaction Managers to guarantee compliance with uniform high quality standards regarding consumer contacts in the markets. Among other things, this framework ensures quick reaction times, qualified responses to all types of queries, and the constructive handling of complaints. In addition, complaints worldwide are evaluated centrally, their causes analyzed, and optimization measures implemented.

G4-PR3

Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements.

—

We comply with all legal regulations regarding necessary product and service information.

- All products are marked and labeled according to local legislation. For example, information about ingredients in cosmetic products is provided directly on the product packaging using the "International Nomenclature of Cosmetic Ingredients" (INCI) as required by the cosmetics regulations. All other legal requirements, such as information about the responsible person or place of manufacture, are executed according to applicable law.
- If necessary, usage instructions or warnings for specific products are provided on the products, for example the labeling of aerosol sprays containing propane or butane with the "extremely flammable" hazard symbol.
- A Product Information File for each cosmetic product as requested by European law including a safety report is stored. A notification of each cosmetic product as requested by European law is implemented.
- Additionally, users can find all information about our products' proper use, effects and ingredients at the different brand websites, e.g. www.NIVEA.com, www.Hansaplast.com and www.Eucerin.com
- Partners in the logistics chain are automatically provided with all necessary reference data for the execution of logistics processes.
- Bulk and finished products are ranked according to the applicable dangerous goods regulations. They are packaged and labeled in compliance with regulations for transport.
- For drivers transporting dangerous goods, we utilize the instructions in writing made available by the UN containing information and safety instructions e.g. concerning characteristics, necessary equipment, emergency measures, etc.

Aspect: Marketing Communications

G4-PR 6

Sale of banned or disputed products.

—

Beiersdorf complies with existing laws and regulatory requirements in all markets. Therefore the product formulations may vary from each other and theoretically certain products might not be sold in other markets.

There are sporadic questions of stakeholders, consumers and public opinion leader concerning our products, particularly with regard to ingredients, environmental and social topics.

Beiersdorf engages in an intensive exchange with its stakeholders, including with regard to critical topics. We refer to the indicators G4-16 and G4-24 - G4-27 for further information.

Aspect: Compliance

G4-PR 9

Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

—

Acting in compliance with applicable laws, regulations and other requirements is inherent to our management principles as well as our company values “Trust” and “Care”.

For further information, please, refer to our Annual Report:

[Beiersdorf Risk Report](#)