

Beiersdorf Australia Ltd

Modern Slavery Statement 2023

Beiersdorf AG

Beiersdorf AG is one of the world's leading companies in the consumer goods industry over the past 142 years, with over 170 international subsidiaries and more than 20,000 employees worldwide, headquartered in Hamburg, Germany.

Beiersdorf AG's Consumer Business Segment has a focus on research and development, and the manufacture and production of skin and body care.

Its name has stood for innovative skin care since 1882. This is our core competency – and we want to deliver added value for our consumers in this area.

Goal: We want to ensure that people all around the world feel good in their skin.

In 2019, we formulated our C.A.R.E.+ business strategy. This describes our strategic priorities and is the means by which we want to secure our competitive, sustainable growth. The strategy focuses on the following areas:

- Fast forward digital transformation
- Win with skin care
- Unlock white spot potential
- Fuel the growth through increased productivity
- Build on strong foundations: Culture – Core Values – Capabilities – Care Beyond Skin

Beiersdorf Australia Ltd

Beiersdorf Australia Ltd (**Beiersdorf**) is a subsidiary of Beiersdorf A.G.

Beiersdorf is headquartered in Sydney, Australia.

At 31 December 2023 it employs 178 people with branches in Melbourne, Australia and Auckland, New Zealand.

Our portfolio comprises the brands of NIVEA (skin and body care products) and Elastoplast (wound care and health care products).

Respect for Human Rights

Beiersdorf actively promotes compliance with laws, codes of conduct, and human rights. This responsibility is deeply anchored in how we see ourselves, as well as in our core values.

We do not tolerate any form of corruption, forced labour, child labour, or discrimination – that applies to our own sites and employees worldwide as well as to all workers along the value chain.

Furthermore, we support the health and safety of employees in the workplace, employees' right to freedom of association, including collective bargaining, and environmental protection.

We are also committed to equal rights and treatment as well as diversity.

Supply Chain Risks

Upholding human rights

We primarily see risks relating to compliance with human rights in purchasing and procurement, for example of raw materials or services – and thus in our supply chains. Our goal is to eliminate or minimize all threats to human rights to the greatest extent possible.

Due to our responsibility as a multinational company that operates across the globe and the legal requirements with respect to human rights due diligence, we reevaluate the risk of human rights violations involving our employees and our supply chain every year.

Risk Mitigation

One of the ways we counter the risk is with a cross-functional task force: Employees from the Procurement, Compliance, Legal, and Sustainability departments in Beiersdorf AG and Beiersdorf prepare company's internal processes for additional requirements arising from this act and other related legislation and requirements in the area of human rights.

In addition, we implement numerous preventive measures when it comes to human rights to reduce negative impacts as far as possible.

Beiersdorf AG is a signatory to the United Nations Global Compact (**UNGC**)

We also steer our own business activities and our collaboration with business partners based on fundamental human rights principles and guidelines. These include the UN Universal Declaration of Human Rights, the International Labour Organization (**ILO**) Conventions, and the OECD Guidelines for Multinational Enterprises.

We rely on long-term relationships with business partners who subscribe to our principles of sustainable and responsible corporate governance and demonstrably act accordingly.

The internal and external codes of conduct for our employees and our suppliers contain binding requirements on upholding human rights, as described below.

Code of Conduct for Business Partners

We require our business partners to meet our standards via the Business Partners Code of Conduct (CoC) and communicate these standards to subcontractors and suppliers along the supply chain and ensure adherence to the CoC.

The CoC commits all business partners with an annual purchasing volume of more than €50,000. The CoC is aligned with our core values described at page 1 of this Modern Slavery Statement, and

establishes uniform, binding criteria for responsible business activities, including critical aspects such as prohibiting corruption, child labour, forced labour, and discrimination as well as promoting occupational health and safety, the right to freedom of association and collective bargaining, and environmental protection.

By review of suppliers under the standards of the CoC, if we identify violations of our standards, we proceed as follows: Our first step is to define mandatory corrective measures for the business partner in question. Should we then be unable to identify any improvements, we reserve the right to terminate the business relationship either temporarily or permanently. In this way, we want to ensure that our business partners live up to their social, environmental, and economic responsibilities.

In 2023, at a worldwide level Beiersdorf AG procured more than 90% of its goods and services through business partners who have explicitly committed to our CoC; and there is a clear aim to increase this share in the future.

Risk Screenings and Audits

In addition, environmental protection and occupational safety audits have been carried out at all Beiersdorf AG consumer facilities since 2013, with the exception of the new facility in Leipzig. The audits take place every three years and are carried out in accordance with our internal Environmental Protection and Safety Management Audit Scheme (**ESMAS**).

This scheme is based on internationally recognized standards such as ISO 14001 (environmental management systems) and DIN ISO 45001 (occupational health and safety management systems).

ESMAS audits verify whether appropriate measures are implemented to guarantee compliance with our globally applicable environmental as well as occupational health and safety standards at our sites.

During the reporting year, Beiersdorf AG's production sites in Tres Cantos, Spain, Poznań, Poland, and Nairobi, Kenya were audited in accordance with the ESMAS scheme. In addition to the ESMAS audits, our facilities in Poznań, Poland, Nairobi, Kenya, and Silao, Mexico were audited by external auditors from Intertek in the reporting year in accordance with the standardized 4-pillar audit protocol of the Sedex Members Ethical Trade Audit (SMETA).

These audits have taken place at all production facilities over the last three years, with the exception of a new facility in Leipzig, Germany. They audits are valid for three years and are repeated at regular intervals.

A risk classification assessment is performed on all of Beiersdorf AG's more than 21,000 direct suppliers, this assessment was last revised in 2023. The risk classification, which has been carried out by the external platform EcoVadis IQ since 2023, examines whether more in-depth screening and thus further measures beyond signing the CoC are required.

The following risks play a role here: country- and industry-specific risks supplied by EcoVadis IQ, the purchasing volume, and an internal prioritisation of all procured product groups. Direct suppliers with a medium risk rating must submit a comprehensive self-disclosure via the Sedex or EcoVadis platforms. On this basis, Beiersdorf AG conducts a more detailed risk assessment, which the Responsible Sourcing team then uses to decide whether a subsequent audit is required.

Direct supplier facilities with a high-risk rating are required to undergo an on-site audit. To ensure objectivity, the audits are carried out by independent certified auditors according to the standardized SMETA 4-pillar audit protocol. The results of the audits highlight concrete challenges and fields for action and serve as a basis for the joint development of action plans with suppliers. In extreme cases, audit results may lead to the termination of business relationships.

Compliance

Compliance means observing legal and commercial provisions and rules – and doing so without compromise.

Each employee of Beiersdorf is expected to adhere to the Employee Code of Conduct (**ECoC**) to ensure compliance with our high standards and to fulfill our social responsibility as a company in the best possible way.

As an overarching value framework, the ECoC is intended to guide everyone at Beiersdorf when carrying out our business activities. On a worldwide basis, it supports all our employees, managers, and corporate bodies in complying with and living by the core principles and values.

As a directive for our actions, the ECoC contributes to affirming our status now and in the future as a trusted partner to our customers, business partners, shareholders, and further stakeholders.

Compliance Management

Beiersdorf AG's Compliance Management System (**CMS**) is based on established standards such as the IDW AsS 980.

Beiersdorf is bound by the CMS, which follows these guiding principles:

- Prevent: Preventive measures are anchored in our management system to avoid wrongdoing
- Detect: We use risk analyses to detect and manage material compliance risks
Additional control instruments help reveal noncompliant behavior.
- React and improve: We penalize any violations of statutory or internal regulations as appropriate in each individual case.

In addition, we continuously develop improvement measures for the entire CMS.

We see our CMS as an important contribution to acting in a sustainable and forward-looking manner and thus living up to our tradition as a reliable and trustworthy company.

Competition law continues to be an important aspect of compliance. The reasons for this are our business models, legal complexity, the continually increasing prosecution activity worldwide, as well as the potential for sanctions by competition regulators. In addition to competition law, preventing corruption and acting in accordance with privacy laws are two other focal points of our Compliance Programs. These Compliance Programs serve to specifically raise the awareness of our relevant employee groups to these topics and to provide them with both the confidence to act and make decisions.

Beiersdorf AG's Corporate Compliance Management departments are responsible for defining, developing, and monitoring the minimum standards for these programs.

Beiersdorf AG has an appointed Compliance Head with local responsibility for Australia and NZ, and the Pacific Islands, tasked with communicating all elements of the Compliance Programs to our employees and ensuring that the Compliance Programs are applied.

Antitrust and Anti-Corruption Guidelines

Beiersdorf AG and Beiersdorf have access to a network of specialised external lawyers, for matters relating to competition law. Alongside practical training and advisory services, the core elements of our Compliance Programs include various guidelines: **Beiersdorf Antitrust Guidelines** contain clear instructions on how to behave in accordance with competition law, rules on contacting and exchanging information with competitors, guidance on communicating with customers on matters such as sales prices as well as basic dos and don'ts.

The **Beiersdorf Anti-Corruption Guidelines** provide guidance on how to handle gifts, product samples, and invitations from and to representatives and employees of other companies or public officials. They also contain information on how to deal with conflicts of interest.

Our employees can find further guidance and information via the relevant Compliance pages on the intranet. Moreover, we use various communication channels such as the intranet and emails to keep employees regularly informed about relevant compliance issues and new developments.

These regular communication and training measures allow us to embed the principles of compliance within our company. To this end, we regularly identify existing and future areas of compliance risk associated with our business models and our geographical positioning in the course of a comprehensive compliance risk assessment.

Corporate Compliance Risk Assessments

Beiersdorf AG's Corporate Compliance Management departments provide support to Beiersdorf in detecting risks that go beyond their own organizational responsibility. In a second step, these risks are assessed and prioritized.

Matters of high priority are analysed for their specific risks so that appropriate countermeasures can be taken.

This is carried out both by Beiersdorf AG and Beiersdorf. The results are communicated to the Executive Board of Beiersdorf AG and used to continuously adjust and improve our global and local Compliance Programs.

If we want our compliance practices to be sustainable and maintain and further promote an open, trusting compliance and communication culture, we need all our employees to be on board and fully committed.

“Speak Up, We Care” Whistleblower Platform

Reporting possible compliance violations and other complaints can be made on an anonymous basis. To this end, Beiersdorf AG has established a reporting system called “Speak up, We Care”, an anonymous whistleblowing platform that can be accessed from anywhere in the world. In addition to any employee, the whistleblower platforms are also open to customers, consumers, suppliers, and other external stakeholders who wish to report possible misconduct. There are also various internal reporting channels, such as central compliance email addresses.

We have processes in place to help us follow up on all reports of misconduct, shed light on the facts of the matter, and take appropriate action following careful consideration. Relevant specialist functions and the Beiersdorf AG Corporate Auditing department can be involved in the investigation.

Monitoring and Reporting

Corporate Auditing is another independent monitoring function within Beiersdorf AG. The department conducts regular audits in both business segments, with compliance-related topics forming an integral part of these audits. In addition, the relevant Corporate Compliance department regularly verifies compliance with centrally defined minimum standards, for example through on-site visits or surveys on the implementation of measures.

We derive further courses of action based on this information and implement appropriate measures. Even outside of the reporting cycles,

Beiersdorf has an obligation to inform the any relevant authorities if necessary and the central Compliance department, of any material compliance incidents.

Beiersdorf continues to gain an understanding and improve on the effectiveness of our CMS by means of regular worldwide compliance reports and annual reporting.

The results of Corporate Auditing activities are reported to the Executive Board and the Supervisory Board of Beiersdorf AG. These reports document compliance incidents as well as the status of global Compliance Programs of Beiersdorf AG’s subsidiaries.

This Modern Slavery Statement has been approved by the Board of Directors of Beiersdorf Australia Ltd.

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Clynton Bartholomeusz

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Clynton Bartholomeusz
Managing Director
Beiersdorf Australia Ltd

20 June 2024