MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT 2024

INTRODUCTION

At Beiersdorf UK Ltd. ("Beiersdorf UK") we want to play an active role in making positive contributions to our society. Beiersdorf UK acknowledges that, as being part of a global corporate organisation, it has a responsicritic valbility to address and seek to eliminate the risk of slavery and human trafficking in its operations. This reflects the company's commitment to human rights, in accordance with the principles outlined in the United Nations Universal Declaration of Human Rights and the UK Modern Slavery Act 2015.

In this statement, we set out Beiersdorf UK's commitment to taking steps to identify and eradicate slavery and human trafficking from its business and from its supply chains. We do not tolerate slavery and human trafficking within the supply chain or within any part of our business.

As required by the UK Modern Slavery Act 2015, this statement reports on the steps Beiersdorf UK and the Beiersdorf group have taken in this regard during the financial year ended 31 December 2024.

STRUCTURE AND SUPPLY CHAINS

Beiersdorf UK, based in Birmingham, is a part of the Beiersdorf group, a global leader in the consumer goods industry. Beiersdorf UK's principal activity is sales, marketing and distribution of products for the care and protection of skin marketed under major brands such as NIVEA, Eucerin and Elastoplast. An overview of where Beiersdorf UK fits within the global business, as well as details of the company's core values and product brands appears in the online company profile. Information about the parent company Beiersdorf AG can be found on its homepage.

Beiersdorf UK is integrated into a supply chain whose processes take place predominantly within Europe. Only a handful of suppliers who directly supply Beiersdorf UK are located outside of Europe. More precisely, in 2024, Beiersdorf UK sourced 85% of the volumes of finished goods from Beiersdorf owned factories and 15% from third-party manufacturers or third-party co-packers. 56% of these volumes were sourced from Germany, 18% from Spain, 15% from Poland, 4% from Italy, 3% from The Netherlands and the remaining 4% from the rest of the world.

Regarding goods and services not directly related to the production of products, 92% of spend was with suppliers located in the UK, 5% with those based in Europe and 3% with suppliers outside of Europe. 70% of spend (41% of suppliers) were covered by the Corporate Procurement (Global and Regional) function and 30% of spend (59% of suppliers) by the Local organisation.

POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

Policy for Employees

All Beiersdorf UK employees (200+) are provided with a <u>Code of Conduct</u> for Employees. The latest version of this Code of Conduct was officially introduced by the Board of Directors to all employees and managers in 2023. In addition, everyone is trained on this policy through e-learning.

The Code of Conduct is designed to help employees to understand the company's principles and to act in accordance with them. Diversity and equal opportunities are an essential part of the Code of Conduct. The Code of Conduct also clearly states that Beiersdorf does not support or tolerate slave labour, child labour or human trafficking. Beiersdorf also stands for fair working conditions and promotes physical and mental health and safety at work.

Beiersdorf as a global company has an established <u>Declaration of Principles on Upholding Human Rights</u>, which sets out our commitment to protecting the rights of all individuals across the value chain. This declaration applies to all our affiliates, including Beiersdorf UK, and covers both our employees and business partners. It serves as a framework of all the steps Beiersdorf takes in preventing human rights violations and is regularly reviewed by Beiersdorf's Corporate Sustainability Department to ensure it remains aligned with international standards. Beiersdorf's Vice President of Corporate Sustainability has ownership for the content within the declaration as well as our processes to safeguard human rights.

Policy for Suppliers

Beiersdorf UK introduced an updated <u>Code of Conduct for Business Partners</u> at the end of 2022, with a compliance measurement beginning in 2023 to transition suppliers to this new, more stringent version which includes reference to regulations against the Modern Slavery Act. Among other things, the Code of Conduct prohibits the use of forced labour, inappropriate disciplinary measures, and child labour within the supply chain. Other minimum employee rights regarding working hours, remuneration and freedom of association are also covered. Targeted suppliers are required to accept the standard set out in the Code of Conduct for Business Partners and inform their employees. Diversity and equal opportunities are an essential part of the new Code of Conduct. Suppliers agree to keep adequate records to demonstrate compliance and agree that Beiersdorf UK or its nominated representative may make announced or unannounced inspections to suppliers' premises to verify compliance. Furthermore, an escalation process has been established through the Global Sustainability team; to be used in case a supplier

refuses to accept the standards set out in Beiersdorf's Code of Conduct for Business Partners.

In 2024, 83% of Beiersdorf UK's spend was with suppliers who have signed our updated 2023 Code of Conduct for Business Partners. Beiersdorf continues the process of transitioning all suppliers to this updated Code of Conduct (2023). Further suppliers have confirmed compliance via individual commitments. Beiersdorf's ambition is to increase year-on-year acceptance of its Code of Conduct for Business Partners among its suppliers.

RISK ASSESSMENT, PREVENTION AND MITIGATION

Beiersdorf UK reviews annually the steps it has taken to address the risks of slavery and human trafficking in its business and supply chain, including the effectiveness of internal processes for reporting and escalation of issues.

Beiersdorf's Corporate Sustainability team annually conducts a risk assessment of all approximately 21,000 direct suppliers of Beiersdorf affiliates, including those who supply Beiersdorf UK. The process consists of appraising the country and industry related risk as well as the individual supplier's significance to Beiersdorf in terms of its expenditure and procurement category. Country and industry specific risk factors are determined by a market leading third-party sustainability risk provider.

The risk screening categorises suppliers into three risk levels: low, medium and high. Direct suppliers rated as medium risk are required to submit a comprehensive external assessment via the Ecovadis platform to enable an even more thorough risk evaluation. The Corporate Sustainability team in Beiersdorf's Headquarters in Hamburg then decides whether a subsequent on-site audit is required. On-site audits, carried out by accredited external auditors commissioned by the supplier, follow the standardized "Sedex Members Ethical Trade Audit" (SMETA) 4-Pillar Audit Protocol – this measure is also required by business partners that are rated as high risk in the initial screening. The audit results highlight specific challenges and any areas where action is required, for which our suppliers then work out corrective action plans with our support. In extreme cases, the audit results may lead to us excluding suppliers from our supply-chain network.

Additionally, Beiersdorf has an Implementation Process with regards to the Code of Conduct for Business Partners which entails risk profiling, risk assessments and audits. This is also described in the Non-financial Statement 2024. Lastly, incidents can be reported on Beiersdorf's incident reporting platform. More information about this can be found on the global website and the platform itself.

DUE DILIGENCE

A substantial share of Beiersdorf's suppliers have been analysed regarding certain criteria also relating to Modern Slavery. All suppliers considered higher risk

committed to follow Beiersdorf's <u>Code of Conduct for Business Partners.</u> Additionally, to drive ethical and sustainable improvements our top critical suppliers agreed to be part of Sedex.

Beiersdorf recognises that supply chains are highly complex and internationally intertwined and takes its responsibilities in these very seriously. Beiersdorf's Code of Conduct aims to prevent misconduct and make clear what we expect from our suppliers in terms of environmental and social responsibility. At the end of 2022, Beiersdorf's Code of Conduct was updated to follow Germany's new Supply Chain Due Diligence Act, as Beiersdorf's headquarters are based there. This law requires large companies to take responsibility for upholding human rights in their supply chains. The Code of Conduct is a binding contractual basis for compliance with human rights between Beiersdorf and its business partners along the entire value chain.

Elsewhere, another session on the Modern Slavery Act and Beiersdorf's Modern Slavery Statement was hosted with all Beiersdorf UK employees during a company presentation in 2024. This presentation also covered updates made in our 2023 statement, how Beiersdorf is committed to opposing modern slavery and human trafficking, as well as awareness of the Modern Slavery Act as a whole.

Additionally, the Beiersdorf group commits to the approach of sustainable development through the Sustainable Development Goals (SDGs) which is part of our sustainable agenda available on the <u>corporate website</u>.

Beiersdorf also requires suppliers to engage the inclusion of modern slavery related questions in our standard tender process and part of supplier selection criteria. The supplier will then provide their modern slavery statements in support of Beiersdorf's commitment to eliminate the risk of slavery and human trafficking with reference to the supply of products and / or services.

Finally, Beiersdorf leverages the synergies of the recognized Sedex, EcoVadis and AIM-Progress collaborative platforms on which further information can be found in the <u>Beiersdorf Non-financial Statement 2024.</u>

KEY PERFORMANCE INDICATORS TO MEASURE EFFECTIVENESS OF STEPS TAKEN

In 2024, 151 suppliers within our supply chains have been audited according to the "Sedex Members Ethical Trade Audit" (SMETA) 4-Pillar Audit Protocol by external auditors. Furthermore, an additional 361 suppliers conducted desktop sustainability assessments via our external partner EcoVadis. Critical non-compliances have been discussed with the suppliers and corrective action plans put in place alongside regular follow ups together with the supplier and auditor. In 2024 Beiersdorf did not have any cases of supplier relationship termination due to a major breach.

Beiersdorf's current initiative is to ensure all suppliers with a yearly spend above €50,000 legally sign our updated <u>Code of Conduct for Business Partners</u>. This is

being spearheaded by a central team within Beiersdorf's headquarters, with local procurement teams support where required. In 2024 and continuing into 2025, it remains a priority focus for Beiersdorf's procurement functions globally. Whilst suppliers may have been previously covered by a prior version of our Code of Conduct, it has been our priority to update this to the latest 2023 version, which resulted in a global Beiersdorf target of 60% of suppliers (that have a spend above €50,000) having signed this updated version by the end of 2024. As of the end of 2024, 72.8% % of Beiersdorf UK's suppliers have signed this updated version which resulted in an improvement of 9% compared to the previous reporting year. Beiersdorf has introduced a new control measure requiring that all business partners globally with an annual business volume exceeding €50,000 have a risk profile generated through the external platform "EcoVadis IQ" during the reporting year. These supplier risk profiles enable prioritised and focused enactment of our sustainability and human rights initiatives. For the year 2024, Beiersdorf successfully achieved this target of 100% coverage for business partners with volumes exceeding €50,000 in the year 2024.

Beiersdorf has ambitious targets relating to compliance of our supply chain with human and labour rights. By 2030, 100% of global expenditure across Beiersdorf will be with suppliers who have signed our <u>Code of Conduct for Business Partners</u>. As of the reporting year 2024, we have achieved 74% of this coverage globally.

TRAINING

It is compulsory for every employee working in Procurement at Beiersdorf to attend an internal Procurement Academy. Training of the <u>Code of Conduct for Business</u> <u>Partners and</u> human rights processes forms part of this.

Since 2020, there has been a Modern Slavery SharePoint on our UK intranet that continues to be updated and promoted as a central source of key information for all Beiersdorf UK employees. It includes our Modern Slavery Statement, year on year improvement and training material.

Future training and education on processes related to the Modern Slavery Act is available to procurement colleagues from industry bodies and networks. Members of the local procurement team attended conferences on combatting modern slavery in 2024, with the knowledge and insights gained then cascaded to the remainder of the procurement team. Furthermore, a presentation on the topic of combatting modern slavery and human trafficking was delivered during a companywide meeting to raise awareness across the wider business to all UK based colleagues. These sessions aim to ensure that all employees understand the importance of ensuring a safe and compliant working environment and our collective responsibility in preventing modern slavery within our supply chains.

In addition, a wider Beiersdorf global initiative was delivered in 2024 that mandated new compulsory e-learnings on Human Rights and Labour Practices for all employees. These trainings focus on educating all colleagues on the risks of modern slavery and human trafficking, as well as ensuring respective labour rights are understood and implemented.

To further our training and education commitments in 2025, we also plan to deliver targeted sessions tailored for our warehouse colleagues at our Distribution Centre in the UK. We recognize the importance of deepening our understanding in this area, as warehouse environments can sometimes present heightened risks of modern slavery. This training will focus on identifying potential indicators of modern slavery and empowering staff to take proactive measures to ensure ethical practices within all our operations.

Looking forward, Beiersdorf remains committed to enhancing employee awareness and understanding of modern slavery and human trafficking. In 2025 we will launch a comprehensive training program on our internal e-learning platform entitled 'Human and Labour Rights in Procurement'. This training has been developed specifically by Beiersdorf, with the first module focusing on risk profiling and aims to further upskill Procurement colleagues in understanding how suppliers are categorised and evaluated on their risk level. It is also designed to provide colleagues with the necessary tools to foster an informed and mindful approach to supplier management, enabling them to effectively address and mitigate modern slavery risks across the supply chain.

CLOSING

This statement was approved by the Board of Beiersdorf UK on the 24th of June 2025. It is made in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes Beiersdorf UK's Modern Slavery and Human Trafficking Statement for the financial year ended 31 December 2024.

Signed

Jennifer Muller

Supply Chain Director Northern Europe On behalf of the Board of Beiersdorf UK Ltd.