Beiersdorf

Executive Board and Supervisory Board

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Declaration by the Executive Board and the Supervisory Board of Beiersdorf Aktiengesellschaft on the Recommendations of the "Government Commission on the German Corporate Governance Code" in accordance with § 161 of the *Aktiengesetz* (German Stock Corporation Act, AktG)

In fiscal year 2021, Beiersdorf Aktiengesellschaft complied with, and continues to comply with, all recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated December 16, 2019, ("Code"), with the following exceptions:

Recommendation B.3

In accordance with Recommendation B.3, Executive Board members shall be initially appointed for a maximum term of three years.

Effective July 1, 2021, the Supervisory Board appointed Mr. Patrick Rasquinet as a member of the Executive Board for a term of four years. Mr. Rasquinet has held various functions at Beiersdorf since 1993, latterly as CEO of La Prairie since 2010, and will continue to hold key functions as the Executive Board member with responsibility for Pharmacy & Selective. As this is an internal appointment to the Executive Board, the Supervisory Board already had a comprehensive picture of Mr. Rasquinet's knowledge and capabilities prior to his initial appointment. In the view of the Supervisory Board, a term of office longer than three years is therefore in the interest of the company.

Moreover, the Supervisory Board appointed Mr. Oswald Barckhahn as a member of the Executive Board effective October 15, 2021, until the end of December 31, 2024. After a transition phase, it is intended that he assume responsibility for the cosmetics business in Europe and North America. In the view of the Supervisory Board, it was in the interest of management continuity that Mr. Barckhahn be appointed at the earliest possible date and that his term of office be aligned with the fiscal years, also in respect of settling his variable compensation. For this reason, slightly exceeding the three-year initial term is also in the interest of the company.

In addition, the Supervisory Board appointed Ms. Grita Loebsack as a member of the Executive Board with responsibility for brand management and digital marketing of NIVEA effective January 1, 2022, for a term of four years. Due to the exceptional importance of the NIVEA brand and in order to secure Ms. Loebsack's expertise long term, in the view of the Supervisory Board it was necessary in the interest of the company to extend her initial appointment to a term of office of four years.

Recommendations G.1 and Section G.I

In accordance with Recommendation G.1, the remuneration system shall, amongst other aspects, define the amount that the total remuneration must not exceed (maximum remuneration).

The remuneration of the Executive Board members was limited in fiscal year 2021 by such a cap in principle. In particular, the compensation system approved by the Annual General Meeting in April 2021 envisages a defined maximum remuneration in compliance with Recommendation G.1 and § 87a (1) sentence 2 no. 1 *AktG*. If, under the old compensation system, there was or is still an Enterprise Value Component for individual members of the Executive Board which is based on voluntary personal investment by the Executive Board members concerned (Covered Virtual Units), it participates in positive and negative changes in the enterprise value and is still not capped in respect of increases in value. In this regard, the Supervisory Board has considered it appropriate that those members of the Executive Board who contribute their own money – comparable to an investment – should be allowed to participate in positive changes in enterprise value without restriction.

In addition, Section G.I of the Code includes a number of further recommendations regarding the remuneration of the Executive Board. In response to the statutory amendments under the Act to Transpose the Second EU Shareholder Rights Directive (SRD II), the revised version of the Code and further factors in the company's interests, the Supervisory Board revised and enhanced the remuneration system for the Executive Board members within the applicable statutory transitory period and submitted it to the 2021 Annual General Meeting for approval. Unless any departure has been expressly explained in this Declaration of Compliance, the new compensation system fully complies with the Code's recommendations. In contrast, the old compensation system that applied before the current compensation system was approved by the 2021 Annual General Meeting did not fully comply with the recommendations in question. That also applies in part to the contracts concluded with Executive Board members before 2021, if they have not yet been adapted to the new compensation system.

Recommendations G.8 and G.12

In accordance with Recommendation G.8, the performance targets or comparison parameters for variable compensation shall not be subsequently amended. Moreover, in accordance with Recommendation G.12, if an Executive Board member's contract is terminated, the disbursement of any remaining variable remuneration components attributable to the period up until the termination of the contract shall be based on the originally agreed targets and comparison parameters as well as the due dates or holding periods stipulated in the contract.

Effective May 1, 2021, Mr. Vincent Warnery was appointed Chief Executive Officer and his contract of service was amended and extended until January 31, 2027. In this connection, his compensation was realigned with the compensation system approved by the 2021 Annual General Meeting and, among other things, it was agreed that the new long-term bonus ("LTP") aligned with strategic targets will be applied. The previous long-term Enterprise Value Component for Mr. Warnery, which was mainly linked to sales and EBIT targets for his former area of responsibility, was settled and will be disbursed early following the 2022 Annual General Meeting. In this regard, the Supervisory Board was of the opinion that aligning his long-term compensation with the company's strategic goals is in the interest of sustainable enterprise performance and that the premature disbursement of the previous Enterprise Value Component associated with this change is appropriate and fair in the context of a uniform incentive and governance.

With the appointment of Mr. Warnery as Chief Executive Officer, the appointment of Mr. Stefan De Loecker was terminated by mutual agreement effective June 30, 2021. In this connection, it was agreed that his long-term Enterprise Value Component would be settled as a lump sum and disbursed early following the 2022 Annual General Meeting. This was done in the interest of a mutually agreed succession to the Chief Executive Officer role. On account of the new long-term compensation linked to the implementation of strategic targets for serving Executive Board members from 2021, the premature settlement of the previous Enterprise Value Component for the former Chief Executive Officer was in the interest of the company, also to ensure a smooth transition to the new incumbent.

Recommendation G.7 sentence 1

In accordance with Recommendation G.7 sentence 1, the Supervisory Board shall define the performance criteria for all variable compensation components for each Executive Board member for the fiscal year ahead.

In line with the compensation system approved by the 2021 Annual General Meeting, the Supervisory Board defined further strategic targets for the LTP that will be valid from fiscal year 2021 at its meeting at the end of August 2021. In light of the fact that the Annual General Meeting did not approve the compensation system until April 2021 and that the Executive Board only finalized multi-year planning for 2021 to 2024 during the current fiscal year, the Supervisory Board considered it appropriate and fair to define the corresponding targets for the long-term compensation only after this has been done – and thus retroactively for the fiscal year 2021. For the aforementioned reasons, the individual targets for the short-term Variable Bonus for 2021 were only finalized and defined in the course of the fiscal year.

Recommendation G.10

In accordance with Recommendation G.10, the Executive Board members' variable remuneration shall be predominantly invested in company shares by the respective Executive Board member or shall be granted predominantly as share-based remuneration, taking the respective tax burden into consideration. Granted long-term variable remuneration components shall be accessible to Executive Board members only after a period of four years.

The variable remuneration for the Executive Board, comprising an annual variable bonus on the one hand and a long-term enterprise value component on the other, will not be invested in shares or share-based instruments but will be paid out solely in cash after the expiry of the applicable bonus period. In this regard, the Supervisory Board believes that, taking due account of the interests of the customers, employees, business partners, shareholders and other stakeholders, the remuneration system and the financial and non-financial performance criteria underlying the variable remuneration offers sufficient incentive for sustainable and value-oriented development of the company notwithstanding the absence of any share-based component. At the same time, the remuneration system generates incentive for the Executive Board to pursue and achieve the goals defined in the company's corporate strategy.

In addition, the long-term variable remuneration components are in principle accessible to Executive Board members only after a period of four years. In individual cases, the long-term variable remuneration within the enterprise value component granted under the old compensation system by a possible increase of Virtual Units during the period of appointment or granted in the form of annually allocated Covered Virtual Units may be accessible prior to the expiry of the four-year period. This applies to those additional Virtual Units or Covered Virtual Units that were only granted, respectively allocated, in the final three years before the expiry of the bonus period for the enterprise value component.

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Ms. Loebsack was also promised a partial payment of her long-term variable remuneration (LTP) for 2024 and thus prior to the expiry of the four-year period. In order to acquire Ms. Loebsack's expertise and to help bolster the contribution she will make to implementing the corporate strategy in the first two years of her term of office, in the view of the Supervisory Board it was necessary to define a shorter-term incentive compensation based on a provisional LTP target achievement.

Hamburg, December 2021

For the Supervisory Board	For the Executive Board	
Prof. Dr. Reinhard Pöllath	Vincent Warnery	Astrid Hermann