

**Corporate Governance Statement in accordance with §§ 289f and 315d
Handelsgesetzbuch (German Commercial Code, HGB)**

**A. Declaration by the Executive Board and the Supervisory Board in
accordance with § 161 Aktiengesetz (German Stock Corporation Act, AktG)**

In December 2019, the Executive Board and Supervisory Board of Beiersdorf AG issued the Declaration of Compliance with the recommendations of the German Corporate Governance Code in the version dated February 7, 2017, (the Code) for fiscal year 2019 in accordance with § 161 AktG. Beiersdorf AG fulfills all the recommendations made in the Code with one exception, as well as all the suggestions with a small number of exceptions.

The 2019 Declaration of Compliance was also made permanently accessible to the public on the company's website at www.beiersdorf.com/declaration_of_compliance.

**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 AktG**

In fiscal year 2019, 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 February 7, 2017, with one exception:

In accordance with section 4.2.3 (2) sentence 6 of the German Corporate Governance Code, the amount of remuneration of Executive Board members should be capped, both overall and with respect to the variable remuneration components.

The remuneration of the Executive Board members is limited by such a cap. The Enterprise Value Component granted to the members of the Executive Board, alongside the regular, variable remuneration, which is based on voluntary personal investment by the Executive Board members concerned (Covered Virtual Units), participates in positive and negative changes in the enterprise value and is not capped in respect of increases in value. The Supervisory Board considers it appropriate that 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. The Supervisory Board and Executive Board have resolved to declare a corresponding deviation from the recommendation of the German Corporate Governance Code.

Hamburg, December 2019

For the Supervisory Board

Prof. Dr. Reinhard Pöllath

Chairman of the Supervisory Board

For the Executive Board

Stefan De Loecker

Chairman of the Executive Board

Dessi Temperley

Member of the Executive Board

B. Corporate governance practices of Beiersdorf AG and the Group

Beiersdorf AG and the Group (Consumer and tesa) pursue the following key corporate governance practices:

Compliance

For Beiersdorf AG and the Beiersdorf Group (including tesa), compliance with the law and internal guidelines is an essential prerequisite for successful and sustainable business. The Executive Boards of Beiersdorf AG and tesa SE have issued Compliance Principles, which can be found at www.beiersdorf.com/investors/corporate-governance/compliance-principles and www.tesa.com/about-tesa/responsibility/strategy-management. Based on our compliance risk analyses, extensive antitrust, anti-corruption, and data-protection compliance programs have been implemented among other measures in order to safeguard compliance. Numerous internal guidelines and processes for preventing legal violations in these areas in particular have been issued. Employees and managers receive awareness-raising information and support on these topics through regular training and a wide variety of advisory offerings.

Indications of potential compliance violations are followed up consistently. Appropriate measures are taken to prevent and sanction wrongdoing, taking into account the principle of proportionality. In order to gather information about potential compliance violations, Beiersdorf provides employees with a number of reporting channels. In most countries, these also include a whistleblowing platform for the Consumer Business Segment, which is operated by a provider that is independent from Beiersdorf. tesa has put in place internal reporting channels for this purpose as well as the option of external reporting through an ombudsperson. The Compliance functions at Beiersdorf and tesa use a range of tools – not least Group-wide reporting – to support the Executive Board and managers in the continuous control, monitoring, and development of the compliance management system and safeguarding of general compliance.

Further detailed information on the compliance management system is available in the Beiersdorf Sustainability Report at www.beiersdorf.com/sustainability_review and in the tesa Sustainability Report at www.tesa.com/en/about-tesa/responsibility.

Code of Conduct

The success of Beiersdorf AG and the Beiersdorf Group (including tesa) is based on the trust placed in us by consumers, customers, investors, and employees. That is why high standards are set when it comes to responsibility – both for the company and for each individual. Beiersdorf's Codes of Conduct lay down these standards in a binding set of guidelines that are to be used worldwide. The objectives are to help employees implement the key principles and values of our company in their everyday working life and to show them how to handle potential issues or difficult situations that affect our business practices or our dealings with each other.

The Beiersdorf and tesa Codes of Conduct are available online at www.Beiersdorf.com/investors/corporate-governance/code-of-conduct and www.tesa.com/about-tesa/responsibility/strategy-management.

Sustainability

Sustainable corporate governance involves minimizing social and environmental risks and leveraging new market opportunities in such a way that value is generated for the company – not just in the short term, but also and above all in the medium and long term. Beiersdorf recognized at an early stage the importance of taking responsibility and continuously improving on what it has already achieved. Our “We care.” sustainability strategy for the Consumer Business Segment focuses on the areas that contribute to the company’s success and that are relevant to our stakeholders: “Products,” “Planet,” and “People.” In fiscal year 2019, we again made significant progress in making products and processes more sustainable, in getting our employees actively involved, and in further increasing our corporate social responsibility.

Sustainability is also part and parcel of tesa’s business processes. The focus is on four strategic action areas: environment, employees, products, and society. In 2019, tesa again used targeted measures to achieve a reduction in specific CO₂ emissions per metric ton of end product. It invested in the professional and personal development and in the health and safety of its employees, made manufacturing processes and product ranges more sustainable, and made a positive contribution to society with its social engagement.

The issue of sustainability has now been incorporated even more deeply into the business strategies of the two business segments. In 2019, both business segments began to revise their strategic agendas on sustainability.

With the entry into force of the *CSR-Richtlinie-Umsetzungsgesetz* (CSR Directive Implementation Act, *CSR-RUG*), we are required to supplement our existing financial reporting with information on key non-financial aspects of our business activities in relation to environmental, employment, and social issues, respect for human rights, and combating corruption. On March 3, 2020, we will therefore publish the combined, separate non-financial report of the Beiersdorf Group (Consumer and tesa Business Segments) and of Beiersdorf AG in accordance with § 289b (3) *HGB* in conjunction with § 315b (1), (3) *HGB* (CSR Report), which will be contained in our Sustainability Report, on our website at www.beiersdorf.com/sustainability_review.

Further information can be found in the “Sustainability” section of the Beiersdorf AG Annual Report and online at www.beiersdorf.com/sustainability and www.tesa.com/about-tesa/responsibility.

Human Resources Policies

Beiersdorf’s success hinges to a large extent on the hard work, skills, and commitment of its employees. More than 19,000 people all around the world contribute to this success every day by putting their specialist expertise, commitment, and ideas into practice in their field. In doing so, they act as an important stimulus for improvements and innovations.

At Beiersdorf, viable and robust human resources work with a long-term focus is based on both the C.A.R.E.+ strategy, which highlights people as a critical factor for ensuring the sustained success of the company, and on our core values. All of Beiersdorf's human resources decisions are guided by the Core Values, which are shared by all employees across hierarchies, functions, and countries.

In this context, Beiersdorf aims to promote a working environment where employees can be deployed and continually developed to make the best possible use of their skills and potential. Beiersdorf expects managers to motivate their employees to achieve top performances. Instilling excellent leadership skills in the management team is key to this. This encourages employee commitment and helps Beiersdorf establish itself as one of the most attractive employers in the consumer goods industry.

tesa is an expert for adhesive technology, offering its customers innovative solutions and outstanding service. The company's success is materially attributable to the skills of its employees and their willingness to continuously develop them further. Qualified employees who contribute actively to helping us extend our position as one of the leading companies in adhesive technology are the key to the successful implementation of our business strategy. This is why our human resource strategy is oriented toward winning and retaining well-trained, committed employees for our company and continually increasing our great attractiveness as an employer through appropriate measures. Beyond this, it tesa's express aim to promote a corporate culture that strengthens performance, teamwork, cross-functional cooperation and internationalization.

Detailed information can be found under "People at Beiersdorf" in the Annual Report of Beiersdorf AG.

Risk Management

Risk management at Beiersdorf AG and the Beiersdorf Group is an integral part of central and local planning, management, and control processes, and conforms to consistent standards across the Group. Our open communications policy, the risk inventory carried out at regular intervals, and the planning and management system ensure that our risk situation is presented transparently.

Further information can be found in the "Risk Report" section of the Beiersdorf AG Annual Report and in the Annual Report of tesa SE.

C. Information on Executive and Supervisory Board working practices at Beiersdorf AG, as well as on the composition and working practices of their committees; corporate governance

I. Management Structure

Beiersdorf AG is governed by German stock corporation, capital market, and codetermination law, among other things, as well as by its Articles of Association. The company has a dual management and supervisory structure consisting of the Executive Board and the Supervisory Board, as is customary in Germany. The

Annual General Meeting acts as the decision-making body for shareholders and is responsible for taking fundamental decisions by the company. These three bodies are all dedicated in equal measure to the good of the company and the interests of the shareholders.

II. Supervisory Board

Beiersdorf AG's Supervisory Board consists of 12 members. Half of these are elected by the Annual General Meeting in accordance with the *Aktiengesetz* (German Stock Corporation Act, *AktG*) and half by the employees in accordance with the *Mitbestimmungsgesetz* (German Codetermination Act, *MitbestG*); all members are elected for a period of five years. The most recent regular election took place in fiscal year 2019. The regular term of office of all current Supervisory Board members will expire at the end of the Annual General Meeting resolving on the approval of their activities for fiscal year 2023. The shareholder representatives of the new Supervisory Board were elected individually at the Annual General Meeting in April 2019. No former Executive Board members of Beiersdorf AG currently serve as Supervisory Board members.

The Supervisory Board appoints, advises, and supervises the Executive Board as laid down by the law, the Articles of Association, and the bylaws. The Supervisory Board and Executive Board work closely together for the good of the company and to achieve sustainable added value. In accordance with the bylaws for the Executive Board, certain decisions of fundamental importance are subject to Supervisory Board approval. The bylaws for the Supervisory Board are available on the company's website at www.beiersdorf.com/Bylaws_Supervisory_Board.

The Supervisory Board regularly makes decisions at its meetings on the basis of detailed documents. The Supervisory Board members may also participate in the meetings via conference calls or video conferencing; however, this is not the norm. The Supervisory Board also meets regularly without the Executive Board to discuss Executive Board and Supervisory Board matters along with strategy, planning, and business performance. Meetings are regularly discussed in advance; partially by the employee and shareholder representatives separately. The Supervisory Board is informed in a regular, timely, and comprehensive manner about all relevant matters. In addition, the Chairman of the Executive Board informs the Chairman of the Supervisory Board regularly and in a timely manner (including between meetings) about important transactions, and liaises with him on important decisions. The Chairman of the Supervisory Board coordinates the work of the Supervisory Board, chairs its meetings, and represents the interests of the Supervisory Board externally. The Chairman is in principle also willing to discuss Supervisory Board-related topics with investors.

The Supervisory Board regularly evaluates, including with the help of an external consultant, how effectively the Board and its committees are performing their tasks and decides on measures to improve this performance (efficiency audit and self-assessment). In spring 2019, the Supervisory Board began planning another efficiency audit and has been conducting this since the fall of 2019 with the support of an external consultant. An evaluation of responses from the Supervisory Board, Executive Board, and Executive Committee, concerning the work of the full Board

and committees and the cooperation between the Supervisory Board and Executive Board, was presented and discussed on December 3, 2019. This included a comparison with other companies. A Supervisory Board meeting will be held in the first half of 2020 to discuss the findings of the interviews that the consultant is currently conducting with everyone involved.

The members of the Supervisory Board ensure that they have sufficient time at their disposal to fulfill their duties and are personally responsible for ensuring they receive the necessary training and further education. The company provides them with appropriate support, such as in the form of internal training events on topics relevant to Supervisory Board work and information on changes in legislation and developments. There is also a thorough onboarding of new members of the Supervisory Board.

The company's D&O insurance policy also covers the members of the Supervisory Board. The deductible amounts to 10% of any damage incurred, up to one-and-a-half times the fixed annual remuneration of the Supervisory Board member.

a) Composition, Profile of Skills and Expertise, and Implementation Status

In December 2018, the Supervisory Board again discussed the concrete company-specific objectives and the profile of skills and expertise for its composition. These objectives reflect the company's international activities, potential conflicts of interest, the number of independent Supervisory Board members, regular limits on age and length of membership for Supervisory Board members, and diversity – especially an appropriate degree of female representation. According to its profile of skills and expertise the Supervisory Board members must collectively possess the knowledge, skills, and professional experience required to properly perform the Board's duties. The objectives and profile of skills and expertise form part of the diversity policy for the composition of the Supervisory Board. They initially apply until the end of 2021 and will be taken into account in future proposals for election as they have been in the past.

International Focus

All members of the Supervisory Board must be open to the company's international orientation. At least three members should embody this in concrete terms and should therefore have particular international experience due to their activities abroad or their background, for example. At least two members with international experience should be shareholder representatives.

Women

The Supervisory Board's goal is to further strengthen the number and position of women on the Supervisory Board and to achieve a target of at least four female members. At least two women should be shareholder representatives. As a listed company subject to codetermination on a basis of parity, the Supervisory Board needs to be comprised of 30% women and men, respectively, under statutory law.

Regular Limits on Age and Length of Membership

According to the Supervisory Board bylaws, members should normally retire at the Annual General Meeting following their 72nd birthday, and at the latest after a term of office of 20 years. The goal for the Supervisory Board's composition is that different age groups are adequately represented. The term of office of each Supervisory Board member is disclosed on the company's website at www.Beiersdorf.com/Boards.

Independent Focus

The Supervisory Board should include what it considers to be an appropriate number of independent members, taking into account the ownership structure. A Supervisory Board member is not considered to be independent in particular if he or she or a close family member has personal or business relations with the company, its Executive Board, a controlling shareholder, or an enterprise associated with the latter which may cause a material and not merely temporary conflict of interests. The Supervisory Board considers it to be adequate if at least eight of its members are independent. In this context, it assumes that the employee representatives are to be considered independent within the meaning of the Code. With respect to the shareholder representatives, considering the fact that Beiersdorf AG is a dependent company within the meaning of § 17 (1) AktG, the Supervisory Board considers it to be adequate if at least two of its members are independent.

Potential Conflicts of Interest

The Supervisory Board's objective with respect to independence also takes potential conflicts of interest on the part of its members into account. All members of the Supervisory Board must inform the Supervisory Board, by way of communication addressed to the Chairman of the Supervisory Board, of any conflicts of interest, in particular those relating to a consulting function or directorship with clients, suppliers, lenders, or competitors of the company. Members of the Supervisory Board must resign their office if faced with material and not merely temporary conflicts of interest. Where involvement of the Supervisory Board is not already required by statutory law, material transactions between the Group and members of the Supervisory Board and their related parties require the approval of the Supervisory Board and must comply with the standards customary in the sector.

Profile of Skills and Expertise

The Supervisory Board ensures that its members collectively have the knowledge, skills, and professional experience needed to properly perform their duties. In addition to the concrete objectives for its composition, the Supervisory Board has prepared a profile of skills and expertise setting out the particular personal and professional skills and expertise required. In terms of their expertise, the members must collectively be familiar with the sector in which the company operates; in addition, at least one member must have expertise and experience in each of the following areas: accounting and finance; consumer goods, retail and sales channels; international markets (including emerging markets); beauty and body care; brand development and management; personnel development and support; corporate organization; corporate governance and supervisory law; risk management, internal control systems, compliance and auditing; innovation management and research and

development; digital, data management, and information technology; sustainability and corporate social responsibility. The Supervisory Board's aim is that all these areas of expertise should be represented among its members in as balanced a way as possible, thereby complementing one another. In addition to this, every Supervisory Board member should meet the necessary general and personal requirements for fulfilling their duties in terms of education, international professional orientation, international diversity, seniority, reliability, diligence, and availability to the required and appropriate extent.

Diversity Officers

Two Supervisory Board members have been appointed as diversity officers in order to develop the targets further and promote diversity on the Supervisory Board: Martin Hansson and Prof. Manuela Rousseau. Their role is to support the Supervisory Board at every intended election of a shareholder representative to the Supervisory Board, or of a committee member, and to issue a statement together with the Chairman of the Supervisory Board regarding the proposals for election made by the Nomination Committee responsible for this, after consultation with the remaining members of the Supervisory Board.

Implementation Status of Targets and the Profile of Skills and Expertise

In addition to a balanced mix of professional skills within the Supervisory Board as a whole, diversity is an important criterion for the selection of Supervisory Board and committee members in the company's best interests. There are currently five female Supervisory Board members in total: Prof. Manuela Rousseau, Regina Schillings, and Kirstin Weiland as employee representatives, and Dr. Dr. Christine Martel and Hong Chow as shareholder representatives. The statutory gender quota for the Supervisory Board's composition has therefore been fulfilled. In addition to their particular professional skills, all the shareholder representative members embody the idea of international orientation by virtue of their background or extensive international experience.

Three-quarters of the members of the Supervisory Board are independent, and at least one-half of the shareholder representatives. The Supervisory Board assumes, as a highly precautionary measure, that a Supervisory Board member with relations to the controlling shareholder should not be regarded as independent. Notwithstanding this, the Supervisory Board believes that relations to the controlling shareholder do not in themselves pose the risk of a material and permanent conflict of interest; rather, it assumes that the company's interests will largely coincide with those of its majority shareholder in those cases in which their business activities do not overlap. The Supervisory Board therefore assumes that, among the shareholder representatives, at least the following active members are independent from both the controlling shareholder and the company and Executive Board: Hong Chow, Dr. Dr. Christine Martel (the Chair of the Audit Committee), and Frédéric Pflanz. In addition, the Supervisory Board takes the view that, alongside Martin Hansson, the Chairman of the Supervisory Board and Presiding Committee Prof. Reinhard Pöllath should be regarded as independent from the company and Executive Board, despite his more than 12 years of service on the Supervisory Board. The Supervisory Board believes that the Chairman of the Supervisory Board's long-standing, company-specific

experience and expertise is conducive to the goals of advising and supervising the Executive Board and coordinating the Supervisory Board's work in a lasting and objective manner. Moreover, given his length of service, there are no circumstances in his specific case that might cause a material and not merely temporary conflict of interests.

Two Supervisory Board members, Michael Herz and Prof. Reinhard Pöllath, have exceeded the regular age limit set out in the bylaws of the Supervisory Board. One Supervisory Board member, Prof. Manuela Rousseau, has exceeded the regular term of office. Given their knowledge and experience, the Supervisory Board has decided to make a reasonable exception for these members from the regular limits on age and length of membership. The regular limits on age and length of membership and the rules governing potential conflicts of interest were otherwise complied with. All members of the Supervisory Board also fulfill the necessary personal competence requirements for their tasks. Moreover, the Supervisory Board members are collectively familiar with the sector in which the company operates. In addition, the fields of required expertise are each represented by at least one member.

b) Committees

The work of the Supervisory Board is performed at, and outside of, the meetings of the full Board as well as in the committees. The committee chairs report to the Supervisory Board on the work of their committee. This report is provided no later than at the Supervisory Board meeting following the relevant committee meeting. The Supervisory Board has formed the following six committees:

Presiding Committee

The Presiding Committee is composed of the Chairman of the Supervisory Board, two additional shareholder representatives, and one employee representative. The Committee prepares meetings and human resources decisions and decides – subject to the resolution of the full Board specifying the total remuneration – in place of the full Board on the contracts of service and pension agreements for members of the Executive Board and on other issues involving the Executive Board. Finally, it can make decisions on transactions requiring Supervisory Board approval in those cases in which the Supervisory Board cannot pass a resolution in time. The members of the Presiding Committee are as follows: Prof. Dr. Reinhard Pöllath (Chair), Martin Hansson, Michael Herz, Thorsten Irtz (until April 17, 2019), Prof. Manuela Rousseau (since April 17, 2019).

Audit Committee

The Audit Committee is composed of the Chairman of the Supervisory Board, two shareholder representatives, and two additional employee representatives. At least one member of the Audit Committee is an independent member of the Supervisory Board who has special expertise and experience in accounting, internal control mechanisms, and auditing. This requirement is met in particular by the Chair of the Audit Committee, Dr. Dr. Christine Martel. The Audit Committee prepares decisions of the Supervisory Board, in particular on the annual and consolidated financial statements (including CSR reporting), the proposal to the Annual General Meeting on

the election of the auditors, and the agreement with the auditors (issuing the audit engagement, stipulating the areas of emphasis of the audit, and agreeing on the fee) and provides corresponding recommendations to the Supervisory Board. Regular discussions with the auditors additionally take place outside the meetings on relevant topics. The Audit Committee also monitors the auditor's independence, looks at the additional services that the auditor provides in accordance with the guidelines set by the committee for approving non-audit services, and regularly evaluates the quality of the audit. It advises and supervises the Executive Board on questions relating to accounting and the effectiveness of the internal control system, the risk management system, and the internal audit system. In addition, it discusses the half-year reports and quarterly statements with the Executive Board before their publication. The members of the Audit Committee are as follows: Dr. Dr. Christine Martel (Chair), Reiner Hansert, Martin Hansson, Tomas Nieber (until April 17, 2019), Prof. Dr. Reinhard Pöllath, Regina Schillings (since April 17, 2019).

Finance Committee

The Finance Committee is composed of the Chairman of the Supervisory Board, two additional shareholder representatives, and two employee representatives. It monitors corporate policy in the areas of finance, financial control, tax, and insurance. It decides in place of the Supervisory Board on approval for raising and granting loans, on the assumption of liability for third-party liabilities, and on investment transactions. In addition, the Finance Committee advises and supervises the Executive Board on compliance and on all items assigned to it by the full Board in general or in individual cases. The members of the Finance Committee are as follows: Martin Hansson (Chair), Reiner Hansert, Dr. Dr. Christine Martel, Tomas Nieber (until April 17, 2019), Prof. Dr. Reinhard Pöllath, Regina Schillings (since April 17, 2019).

Personnel Committee

The Personnel Committee comprises a total of six members representing shareholders and employees. It regularly discusses long-term succession planning for the Executive Board (including the remuneration structure). It addresses the diversity policy for the Executive Board's composition along with the manner of its implementation. It also proposes a target for the proportion of women on the Executive Board as well as a deadline for achieving this. The members of the Personnel Committee are as follows: Martin Hansson (Chair), Hong Chow, Reiner Hansert, Olaf Papier (since April 17, 2019), Prof. Dr. Reinhard Pöllath (since April 17, 2019), Prof. Manuela Rousseau (until April 17, 2019), Kirstin Weiland (since April 17, 2019).

Mediation Committee

The Mediation Committee required under codetermination law consists of the Chairman of the Supervisory Board and the Deputy Chairman, as well as one member elected from among the employee representatives and one member elected from among the shareholder representatives. It makes proposals on the appointment of Executive Board members if the requisite two-thirds majority is not reached during the first ballot. The members of the Mediation Committee are as follows: Prof. Dr.

Reinhard Pöllath (Chair), Reiner Hansert (until April 17, 2019), Martin Hansson, Thorsten Irtz (until April 17, 2019), Olaf Papier (since April 17, 2019), Prof. Manuela Rousseau (since April 17, 2019).

Nomination Committee

The Nomination Committee is composed of the Chairman of the Supervisory Board and three additional shareholder representatives. It suggests candidates to the Supervisory Board for proposal for election to the Annual General Meeting. The members of the Nomination Committee are as follows: Prof. Dr. Reinhard Pöllath (Chair), Hong Chow, Martin Hansson, Dr. Dr. Christine Martel.

The composition of the Supervisory Board and its committees can also be found at www.beiersdorf.com/boards. Up-to-date resumés of the Supervisory Board members can also be found at the web address above.

III. Executive Board

The Executive Board manages the company on its own responsibility and conducts the company's business. It is obliged to act in the company's best interests and is committed to increasing its sustainable enterprise value. It performs its management duties as a collegiate body with collective responsibility.

The members of the Executive Board are appointed by the Supervisory Board. The duties of the Executive Board are broken down by functions and regions. The allocation of areas of responsibility to the individual Executive Board members is set out in the schedule of responsibilities, which constitutes part of the bylaws for the Executive Board.

The Executive Board develops the corporate goals and the Group's strategy, agrees them with the Supervisory Board, ensures their implementation, and regularly discusses their implementation status with the Supervisory Board. It is responsible for managing and monitoring the Group, for corporate planning including annual and multi-year planning, and for preparing the quarterly statements, the half-year reports, and the annual and consolidated financial statements. It is also responsible for Group financing. In addition, the Executive Board is responsible for ensuring adequate risk management and risk control, and for ensuring that all statutory provisions and internal corporate guidelines are observed, and works to ensure that Group companies abide by them (compliance), including through an appropriate compliance management system tailored to the risk situation, the principles of which are disclosed in the Sustainability Report. It provides the Supervisory Board with regular, timely, and comprehensive reports on all issues that are of relevance for the company, including explanations for discrepancies between the actual course of business and the planning and targets. Certain Executive Board measures and transactions that are of particular significance for the company require the approval of the Supervisory Board or its committees.

The Executive Board passes resolutions in regular meetings that are chaired by the Chairman of the Executive Board. The members of the Executive Board work together in a collegial manner and inform one another on an ongoing basis about important measures and events in their areas of responsibility.

Executive Board members disclose potential conflicts of interest to the Supervisory Board without delay and inform their colleagues on the Executive Board. Material transactions between the company and members of the Executive Board and their related parties require the approval of the Supervisory Board and must comply with the standards customary in the sector. Sideline activities also require the approval of the Supervisory Board.

The company has taken out a D&O insurance policy for the members of the Executive Board that provides for a deductible in the amount of 10% of any damage incurred, up to one-and-a-half times the fixed annual remuneration of the Executive Board member concerned.

D. Information on targets for the proportion of women on the Executive Board; diversity policy for the composition of the Executive Board and succession planning

The Supervisory Board has discussed the diversity of the Executive Board in detail in recent years, both in a general sense and in specific cases. Effective June 30, 2017, the Supervisory Board set a target of 10% for the proportion of women on the Executive Board in accordance with § 111 (5) *AktG*, to be achieved by no later than June 30, 2022. With the appointment of Dessi Temperley as an Executive Board member, this target has been fulfilled since July 2018.

The Supervisory Board continues to seek appropriate representation of women on the Executive Board in the course of any membership changes. It is planned to support this aim using various measures, and especially through clearly communicating a commitment to promoting women in leadership positions, providing systematic personal development measures for women in management (e.g. training courses, coaching, mentoring), changing recruitment and appointment processes, and establishing and promoting networking opportunities for women. Additionally, two Supervisory Board members have been appointed as diversity officers in order to advance and promote diversity on the Executive Board (Martin Hansson and Prof. Manuela Rousseau). Before the appointment of an Executive Board member, the diversity officers give their view together with the Chairman of the Supervisory Board after consulting the remaining Supervisory Board members. A Personnel Committee has also been established. Among other things, this committee works on the diversity policy for the Executive Board, including the manner of its implementation.

Another aspect of the diversity policy is that the Executive Board members should collectively have extensive relevant international experience from their years of working abroad or their special expertise in Beiersdorf's key international markets. The bylaws for the Executive Board stipulate that the members of the Executive Board should not normally be aged more than 63 years. All incumbent members of the Executive Board met these criteria in 2019. The full Supervisory Board and/or the Personnel Committee will consider further diversity-related criteria for the composition of the Executive Board if it regards them as appropriate and expedient.

The Supervisory and Executive Boards together ensure long-term succession planning. The Personnel Committee in particular discusses succession planning (including the remuneration structure) on a regular basis, taking into account the company's management planning. In 2019, the Personnel Committee addressed, among other things, the recruitment process, the leadership culture, diversity, and the impact of the C.A.R.E.+ strategy on the company's human resources policies. Some of these discussions involved external consultants. The issue of succession planning is also incorporated into target-setting for the Executive Board's variable remuneration. In practice, succession planning works on the basis of a group of potential candidates chosen from the two most senior management levels below the Executive Board by the Executive Board member for Human Resources in consultation with global management teams. A Diversity & Inclusion Committee has also been created, comprising the Supervisory Board's diversity officers, the Executive Board member for Human Resources, and other managers from within the company. The aim of the Diversity & Inclusion Committee is to promote and reinforce a diverse corporate culture through various initiatives and key activities.

E. Information on targets for the proportion of women at senior management levels of Beiersdorf AG

In accordance with § 76 (4) AktG, the Executive Board of Beiersdorf AG sets targets for the proportion of women at the first two management levels below the Executive Board. These two management levels are determined based on the existing reporting lines at Beiersdorf AG below the Executive Board. The target for the proportion of women is 35% at the first management level and 50% at the second management level, to be achieved by no later than June 30, 2022. At year-end 2019, the proportion of women was 31% at the first management level and 48% at the second management level. Compared with the previous year, we further increased the proportion of women at the first management level significantly (end of 2018: 24%) and maintained the proportion of women at the second management level (end of 2018: 48%).

Our strategy for promoting women at Beiersdorf aims to have a growing number of female candidates for senior management positions and the Executive Board. We develop lasting measures such as the enCOURAGE program to enhance our female employees' potential and leadership skills. Healthy competition for appointment to the small number of senior management positions will enable us to reach our ambitious targets at the two most senior managerial levels.

Above and beyond the statutory requirements that apply to Beiersdorf AG, Beiersdorf has set itself global targets for the share of women internationally in the three highest Management Groups (MG 1–3) in the Consumer Business Segment. By June 30, 2022, a target of 35% women is to be achieved in MG 1–3. As of year-end 2019 the proportion of women was maintained at previous year's level (30%).

F. Information on the minimum proportion of women and men on the Supervisory Board of Beiersdorf AG; diversity policy for the composition of the Supervisory Board

As a listed company subject to codetermination on a basis of parity, Beiersdorf AG must have a Supervisory Board comprised in accordance with § 96 (2) *AktG* of at least 30% women and 30% men. Since the 2019 Annual General Meeting, the Supervisory Board has consisted of five women (42%) and seven men (58%). Three of the five women are employee representatives (50% of employee representatives) and the other two are shareholder representatives (33% of shareholder representatives).

The diversity policy for the composition of the Supervisory Board is based on the concrete company-specific objectives for its composition and on the profile of required skills and expertise defined by the Supervisory Board in line with the recommendations of the German Corporate Governance Code (see section B above). These objectives reflect the company's international activities, potential conflicts of interest, the number of independent Supervisory Board members, regular limits on age and length of membership for Supervisory Board members, and diversity – especially an appropriate degree of female representation. The Supervisory Board has also specified in its profile of skills and expertise that it must collectively possess the knowledge, personal skills, and professional expertise required to properly perform its duties.

The Supervisory Board and Nomination Committee took these criteria into account in the candidate proposals for the elections at the 2019 Annual General Meeting. Two Supervisory Board members have also been appointed as diversity officers in order to advance and promote diversity on the Supervisory Board.

The Supervisory Board has fulfilled the 30% target it set itself for the proportion of women since the 2019 Annual General Meeting. With the exception of compliance with the regular age limit in two specific cases and the regular length of membership in one specific case, the Supervisory Board complied with all the targets for its composition and all the requirements for its profile of skills and expertise in fiscal year 2019.