



Epigenetics
Turning back the skin's "age clock"



NIVEA on course for growth



Dermatological skin care For better quality of life



Supply Chain **Expansion for further growth** 



Beiersdorf Campus

Together, we achieve great things



Employee volunteering
CARE BEYOND
SKIN Day

# Future.Ready.

The excellent results for the 2023 fiscal year confirm our strategic direction – and reinforce our vision to become the best skin care company in the world. That is why, in 2023, we invested more than ever before: in research and development, in innovative products, in our brands and production capacities, in sustainability, and in our people.

We are excited about the future.



In 2023, CDP recognized Beiersdorf's commitment to sustainability with a Triple A rating for the second year in a row. This top rating confirms the success of Beiersdorf's sustainability agenda CARE BEYOND SKIN.





#### **Epigenetics**

# Turning back the skin's "age clock"

Skin cell rejuvenation is possible in principle. This is backed up by the results of intensive research in the field of epigenetics conducted by Beiersdorf scientists for over 15 years. The first products with the corresponding active ingredients could soon be on the market.

Dr. Elke Gröninger, Lab Manager Skin Aging, talks with Dr. Marc Winnefeld, Head of the Applied Skin Research Department



#### **Gene reactivation**

Looking young into old age is something many people dream of while knowing it is not possible. But research shows that how we age is by no means predetermined. The assumption that the aging process is solely genetic is also wrong. This is because the appearance of our skin is influenced by many external factors: diet and exercise, stress and sleep patterns, sun exposure and lifestyle, and many other aspects. "And since our skin cells 'use' genes - for example to renew and repair themselves - these external factors also have an effect on the activity of the genes. They can even block or silence genes," explains Dr. Marc Winnefeld, Head of the Applied Skin Research Department at Beiersdorf.

#### **Pioneers of epigenetics**

The good news is that blocked and silenced genes can be reactivated – and thus improve the appearance of the skin again. Exactly how this works is the subject of the research field of epigenetics – a discipline that has been making great strides since the early 2000s.

Beiersdorf is one of the pioneers of epigenetic skin research. Since 2008, an interdisciplinary team of 20 specialists has been looking into epigenetic changes to the skin as it ages. The goal: to use the individual epigenetic pattern to find out which blockages contribute to skin aging and how they can be resolved.

#### **New evolutionary stage**

"In recent years, we have analyzed skin samples from more than 1,000 people and measured over 850,000 methylation sites per person," says Dr. Elke Grönniger, Head of the Skin Aging Laboratory at Beiersdorf. "With the help of these methylation sites, we can find out which blockages are associated with skin aging." The findings were incorporated in an "age clock" of skin cells. This is an algorithm that helps to find skin care solutions with epigenetic active ingredients for skin rejuvenation. Around 50,000 substances and extracts have now been scrutinized to identify and qualify natural active ingredients for skin rejuvenation.

Many scientists associate epigenetics with a new evolutionary stage in antiaging because it makes it possible to fundamentally rejuvenate skin cells, not just compensate for individual deficits. "Research is now within touching distance of a substantial epigenetic rejuvenation of the skin," says Dr. Marc Winnefeld. •

**BEIERSDORF** SKIN AGING LABORATORY

> 1,000 skin samples analyzed

850,000

methylation sites
measured

>50,000 substances and extracts investigated





With the help of a chip, scientists analyze about 850,000 methylation sites in the genome in their research to better understand the blockages that cause skin to age.

#### TWO QUESTIONS ANSWERED BY DR. CATJA PRYKOP

# How does Beiersdorf succeed in translating promising research results into products?

Bringing together people with different expertise and experience and forming interdisciplinary teams is crucial, which is why we always strive for integrated and cross-departmental collaboration. The Early Innovation department, which was set up around two years ago and has around 20 employees, makes a significant contribution in this regard: It analyzes customer needs and which new, relevant technologies can be developed in order to incorporate the research results into an innovation roadmap and thus strategically prepare for market introduction.

# When will Beiersdorf launch the first products based on the findings of epigenetics?

We are planning to launch the first product with corresponding active ingredients in the near future. We will then gradually introduce further products to the market and integrate them into our various ranges.

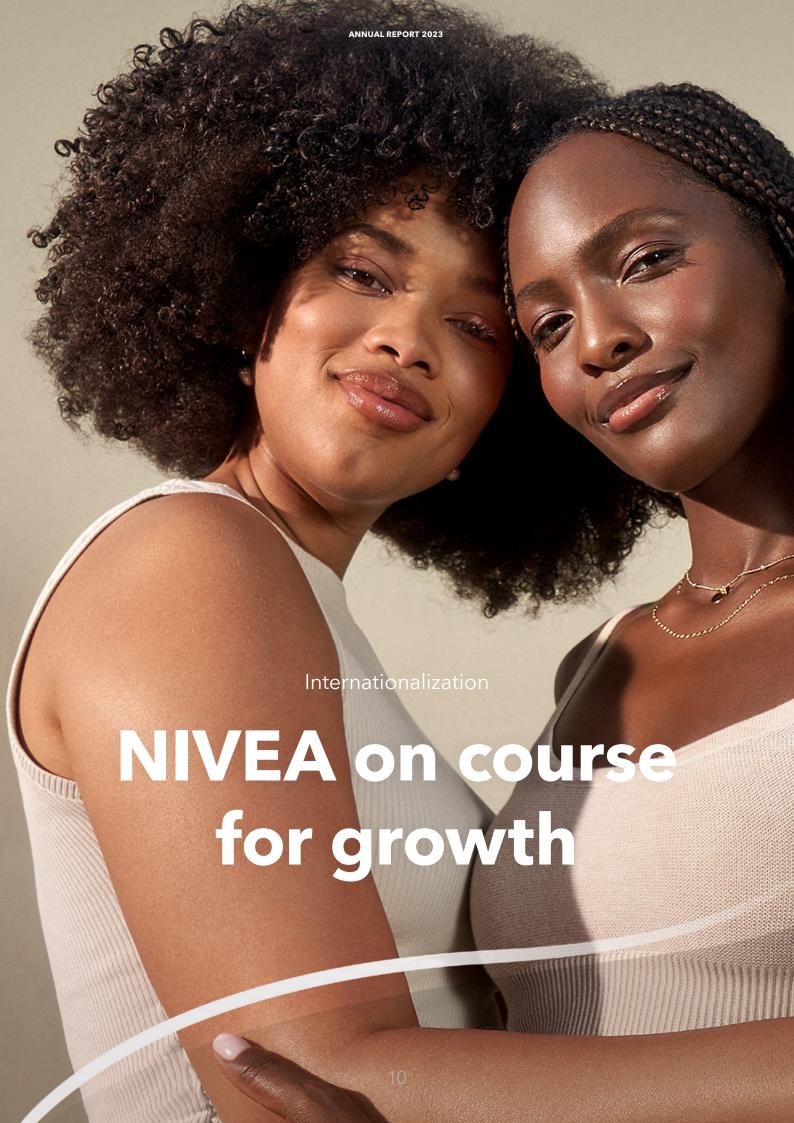
Given the pace of research, we assume that there will be numerous product innovations in the coming years.

Their active ingredients will come ever closer to the goal of not only stopping the aging process, but also actually rejuvenating skin cells. •



We are planning to launch the first product with corresponding active ingredients in the near future.

**Dr. Catja Prykop**Vice President
Farly Innovation



in sales for NIVEA incl. Labello

+16.2%

organic growth for NIVEA incl. Labello and double-digit growth in all regions

**No. 1** 

skin care brand in the world<sup>1</sup>

An icon loved like no other for decades.

A brand that continues to grow. More and more people are putting their faith in NIVEA. This is also increasingly the case for consumers in Africa and Asia.

A look at some exciting regions of the skin care market.

#### SOUTH AFRICA AND NIGERIA

#### Rising purchasing power

"Sales in the sub-Saharan region were unusually high last year. They climbed by more than 60 percent in Nigeria and over 20 percent in South Africa," says Godwin Harrison, the Managing Director of Beiersdorf South Africa. "We think this strong growth will continue in 2024 as well. The growth will be fueled by rising purchasing power and an expanding middle class that loves such brands as NIVEA because these products enable them to look great and feel good."

The most successful product by far: NIVEA Body Lotion. No other country in the world sells as much NIVEA Body Lotion as South Africa. The NIVEA Radiant & Beauty Lotion, a product that was specially developed for the African market and melaninrich skin, is particularly popular.

"In South Africa and Nigeria, 70 percent of the population is younger than 35. This is why we are focusing in particular on this target group and

are increasingly communicating with members of this group via digital media. E-commerce is not yet very well developed, but that will change in the next few years. Major online platforms have announced that they will be investing more in Africa. And, of course, we will be there with NIVEA right from the start."



No other country in the world sells as much NIVEA Body Lotion as South Africa.

**Godwin Harrison** 

Managing Director of Beiersdorf South Africa



#### INDIA

#### **Targeting GenZ**

"We have been active in India for around 20 years and have grown very dynamically in the process," says Sunil Gadgil, the Marketing Director of Beiersdorf in India. "And the next 20 years will also be very dynamic. The Indian market offers all sorts of growth potential to us. In urban India, NIVEA is now one of the most trusted brands in skin care, particularly among young people.

"This is why we think that we have a good opportunity to accelerate the market penetration of our iconic skin care products like NIVEA Soft and NIVEA Body Milk. NIVEA Soft even has the potential to become 'the first skin care product' among India's adolescents. We intend to increase our market share in the body care category, expand our global product range and enter the face care market, an area that is many times larger than the skin care market. We also view the introduction of value-added body care products as a way of offering something extra to our existing customers. In the process, we will focus on having a strong presence in retail stores and in urban markets.

"We are optimally positioned to seize these growth opportunities. After all, NIVEA has tremendous brand value. And our products are designed in the best possible way to satisfy the needs of the Indian market and its huge share of young consumers."



**Sunil Gadgil**Marketing Director
India



Mattanee Nitchote
Head of the NIVEA
Asia Innovation Team

#### NORTH & SOUTH EAST ASIA

#### **Fascinated by beauty**

"Beauty plays a prominent role in the eastern countries of Asia," says Mattanee Nitchote, Head of NIVEA Asia Innovation Team. "Young people in particular invest an enormous amount of time and effort to look as perfect and young as possible. More than in any other region in the world, they are intensively engaged with the products and are impressively well informed about active ingredients and other ingredients used."

Not least because of this, China, Korea, and Japan are among the five largest skin care markets in the world. However, the markets in Thailand and Indonesia are also developing extremely dynamically. This is because many consumers in these countries see a close relationship between good looks and a successful life.

"Market conditions vary greatly from country to country. But all countries have one thing in common: They place a high priority on innovation and highly effective ingredients. This is why we

pick up on trends at an early stage and explain our products intensively on social media. We benefit greatly from our brand in this regard: NIVEA stands for the most sustainable kind of beauty skin care in many Asian countries."



#### **COMMUNITY ENGAGEMENT**

#### "WOMEN IN CIRCULARITY"

Beiersdorf launched an initiative to promote women and improve the recycling infrastructure in Argentina, Ghana, India, and Kenya in 2023. "Women in Circularity" strengthens the circular economy in emerging economies and collects and

recycles around 15,000 metric tons of plastic annually. More than 1,600 women benefit from the initiative by gaining income and development opportunities that strengthen themselves, their families, and their communities.





Learn more about Beiersdorf's sustainability activities under **Women in Circularity** 





#### LIFE-CHANGING POWER

#### **Scientifically proven effect**

"Our game-changing innovations and state-of-the-art science enable us to offer clinically and dermatologically proven skin care solutions that will change lives by treating widespread skin problems," says Dr. Zorica Milinic, the Global Director of Medical Management for Derma at Beiersdorf. "It is a process in which dermatologists play a key role. We work together with them to study the objective condition of the skin before treatment and the improvement of the skin's condition following the application of our dermocosmetic products."

In 2023, about 140 such trials were conducted for Eucerin alone. "This close working relationship with dermatologists is part of Eucerin's DNA," Dr. Zorica Milinic adds. "Eucerin is the first dermocosmetic skin care brand in the world. Its success is based on groundbreaking scientific work and

trail-blazing innovations. This work includes the discovery of Thiamidol, the sole inhibitor that was developed with human tyrosinase." High-performance life-cycle management studies have demonstrated the effectiveness and tolerability of Thiamidol over and over again – a figure that now totals more than 70 clinical trials on more than 7,000 patients of all skin types.

Following the successful introduction of Thiamidol in the anti-pigment, acne, sun and anti-aging series, the active ingredient is increasingly being used in Eucerin body care. "Last year, we achieved our goal of breaking the €1 billion barrier in sales much earlier than planned. We really believe that the rapid-paced growth will continue. And scientific studies and a close working relationship with skin experts from all parts of the world will do their part here as well."



**Dr. Zorica Milinic** Global Director Medical Management Derma



**Ivan Reyes** Head of Derma Latin America



>**€1.2** bn.

in sales

+24%

organic sales growth, doubledigit growth of 20% or more for the third straight year

+39%

organic sales growth in the Latin America region

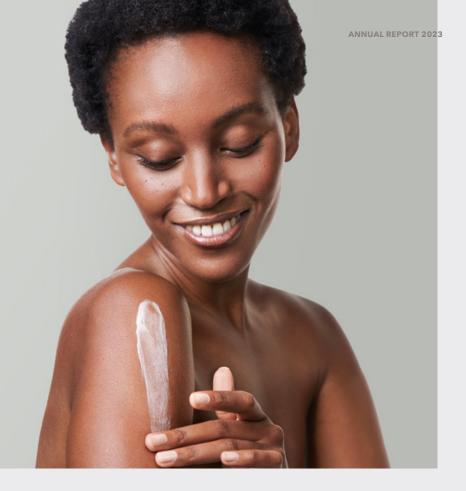


### LATIN AMERICA In the fast lane

We've seen demand for Eucerin and Aquaphor increase considerably across all regions of the world. But the most impressive growth rates have been in Latin America: "With an average yearly growth rate of 30% during the last five years, the Derma business has been overwhelmingly successful here," says Ivan Reyes, Head of Derma Latin America at Beiersdorf. "We expect that this trend will continue for some years to come."

One reason for this is that Latin American consumers really like Eucerin and Aquaphor, particularly in the categories of sun care, hyperpigmentation,

and acne. These are areas where the patented active ingredient Thiamidol plays a key role. Another reason is the tremendous growth potential. Even though Beiersdorf's Derma products are well-established in various regions of Latin America, such countries as Brazil, Mexico, and Colombia have huge growth potential that is just waiting to be tapped. "We intend to accelerate the pace of our Derma business by working closely with dermatologists, conducting digital marketing and e-commerce - and improving the lives of people in Latin America who suffer from skin problems over the long term," Reyes says.



# REFILLS FOR JARS 90 PERCENT LESS PLASTIC A new packaging concept for Eucerin's Hyaluron-Fillers has been developed: When a cream is used up, only the inner jar containing fresh cream will serve as a refill package. The outer jar and lid can be reused. This change will reduce plastic consumption from 89 grams to 8 grams of packaging weight - a reduction of about 90 percent. Another milestone: Since the end of 2023, the entire Eucerin cosmetics range has

# DERMATOLOGICAL SKIN CARE CAN CHANGE LIVES

## The fight against stigmatization

Many people with visible skin ailments suffer exclusion and stigmatization, which may result in considerable psychological and emotional hardship. To change this situation, Beiersdorf's Derma brands have created a social mission: Eucerin and Aquaphor are involved in social projects in 15 countries to improve the lives of people with skin ailments.

A large number of different skin ailments are addressed: In the United States, Beiersdorf is working with the Foundation for Ichthyosis & Related Skin Types (FIRST) to support young adults with ichthyosis. In Italy, the company is collaborating with the International Institute for Social Medicine and Anthropology to provide both dermatological and psychological care to homeless people. And in Germany, Beiersdorf is campaigning to put an end to the stigmatization surrounding psoriasis in an alliance with the Hamburg-Eppendorf University Medical Center and the German Psoriasis Association. •

been free from microplastics<sup>1</sup>.



#### Supply Chain

# Expansion for further growth

Beiersdorf is expanding its production capacity worldwide with record investments. State-of-the-art, sustainable, and modular production increases resilience - and is the basis for continuing the Group's successful course.



Up to 450 million cosmetic products can be made in Leipzig annually - in particular deodorants, hair sprays, and shaving creams for the entire European market and export.



invested by Beiersdorf in its production network since 2018

# Futureoriented production





employees work in Beiersdorf's global supply chain Indonesia, Mexico, Poland, Vietnam: Beiersdorf is investing in the expansion of its plants around the world in order to significantly increase production capacity. This is because products from the brands NIVEA, Eucerin, Hansaplast, La Prairie, tesa, and many more are inspiring more and more people and enjoying strong growth in demand - in all regions of the world.

The Group even opened a completely new production center in Germany in 2023: At almost €300 million, the plant in Leipzig-Seehausen is the largest site investment in Beiersdorf's history. In the immediate vicinity, a hub for Beiersdorf's European supply chain network will also be built by 2027 with an investment volume of over €200 million.

The high level of investment in production and the supply chain is not only intended to meet growing demand. It will also set new standards in efficiency, resilience, and sustainability through the use of digital technologies and modular production principles. •







#### **Innovation and efficiency**

In 2023, Beiersdorf opened a new state-of-the-art production center in Leipzig-Seehausen following 2.5 years of construction. In the future, around 450 million cosmetic products will be manufactured annually on an area covering 32,000 square meters - for the entire European market and for export.

In order to be able to quickly pick up on and implement new innovations, trends, and production processes, production has a modular and flexible structure. A high degree of automation and comprehensive digitalization of all production steps ensure maximum efficiency and productivity. •





#### THE HIGHEST **SUSTAINABILITY STANDARDS**

The sustainable design of the plant in Leipzig will help Beiersdorf achieve the ambitious goals set in the company's sustainability agenda CARE BEYOND SKIN. The facility meets the very highest environmental standards. The plant's new technical capabilities will enable the company to introduce innovative and more sustainable packaging solutions to the marketplace - including aerosol cans made of recycled aluminum.

By using renewable energies and biogas to generate heat, the plant is nearly 100 percent carbon neutral. Valuable resources such as heat, wastewater, and ethanol will be recovered and recycled at the new plant.

The company plans to operate the plant as an Energy+ site and produce more electricity than it uses, thanks in part to photovoltaics.

The new production center in Leipzig has created capacities for further growth of our brands and, at the same time, has set standards in terms of digitalization and sustainability.

> **Dr. Tobias Rhensius** Project Director



As a result, we have achieved gender parity across all management levels - thereby achieving Beiersdorf's gender parity ambition 18 months ahead of schedule.

#### POZNAŃ

### From Poland to the whole world

Doubling production capacity, tripling storage space - all while production continues: Natalia Koryzna remains calm despite this mammoth task. "We have a very experienced, highly qualified team here that always finds practicable solutions and ensures full production efficiency," says the head of Beiersdorf's plant in Poznań, Poland.

The site has been systematically expanded since 2020 and around 150 additional employees have been hired since then. The work should be completed in the coming year. The plant in Poznań will then be one of the largest production units in the entire Group.

"Face care is the heart of our portfolio. It must be continuously improved in order to keep up with the latest trends and set new competitive standards," Natalia Koryzna says. "This is why we have specialized in the introduction and scaling of new compounding technologies and packaging formats. Managing our complex production operation while expanding our location creates a special challenge for us – but it is also a wonderful task."

#### MALANG

# Products for an emerging market

Why was the plant in Malang, Indonesia, expanded?

**Dwi Mudriah:** "Demand for our deodorants and body care products in Indonesia has been growing by around 20 percent annually for years. That is why we increased the plant's compounding and production capacity between 2020 and 2022 by 140 percent. In order to meet the rapidly growing interest in our products, the next expansion is already being planned."

#### Why is it important to make products for Indonesia locally?

**Dwi Mudriah:** "Firstly, the Indonesian government has introduced restrictions on the import of goods, including cosmetics - primarily to protect local manufacturers. Secondly, it allows us to produce more specific products for target groups. This is important because all products for the Indonesian market will have to meet halal requirements by 2026. To achieve this, not only the products but also the production processes must be halal-certified."

# There is an above-average number of women in the supply chain team. Why is that?

**Dwi Mudriah:** "In fact, around 60 percent of my team is female. This is because the proportion of working women in Indonesia is very high. But it is also the result of our efforts to promote diversity. Because time and time again, we find that we are more successful when the perspectives and experiences of different people are brought together."



**Natalia Koryzna** PC Director at Beiersdorf Manufacturing Poznań



**Dwi Mudriah**Supply Chain Director,
Beiersdorf Indonesia

# tesa at the pulse of the regions

tesa\*

tesa is driving forward its international expansion and strengthening its own supply chains: A state-of-the-art site was opened in the Vietnamese port city of Haiphong in October 2023 and the existing site in Sparta, Michigan, in the United States was converted to solvent-free production.

The new tesa site in Haiphong was built in just 18 months. It will produce 40 million square meters of adhesive tape annually, especially for the automotive and electronics industries. "We are proud of what the team has achieved within this ambitious schedule. The site, which was built in accordance with the LEED Gold Standard, has expanded our regional production capacities, meaning that we can supply our customers even

faster and in a more targeted manner. In addition, 50 percent of the products manufactured in Haiphong are water-based adhesives," says Stefan Schmidt, Head of tesa Supply Network.

tesa is also pursuing the goal of more sustainable production at its site in the United States, which has been expanded to a total area of over 16,000 square meters. "Thanks to the new solvent-free production facilities, the tesa site in Sparta has been able to significantly reduce its carbon footprint. This is an important milestone

on the road to climate-neutral production by 2030. In addition, in the new Customer Solution Center, we can test products and application solutions extensively on-site with our North American customers and start production as quickly as possible," adds Schmidt.

The global expansion of the production network is making supply chains more resilient and shorter. Together with international customers and partners, tesa continues to focus on developing innovative and sustainable adhesive solutions for the future.



We are proud of what the team has achieved within this ambitious schedule.

**Stefan Schmidt** Head of tesa Supply Network



Beiersdorf Campus

# Together, we achieve great things

The Beiersdorf Campus, which opened in 2023, is not just a commitment to the Hamburg-Eimsbüttel location. It is also the basis for long-term success and further growth. The goal: mutual inspiration in a creative environment that motivates and supports.



# Looking to the future

The world of work is undergoing profound change. With its future-oriented focus, the Beiersdorf Campus lays the foundation for further growth. It empowers, inspires, and motivates – and thus attracts and retains talent for the future.



Innovation and growth happen when people can develop their full potential, when they communicate with and inspire each other, and when they are enthusiastic and passionate about what they do. The wishes of the employees therefore took center stage during the construction of the Beiersdorf Campus. They were involved in the planning process right from the start, and their wishes and ideas were systematically sought and taken into account.

The result: highly attractive work stations for more discussion, more collaboration, more interaction, and more "looking beyond one's own nose." Workshop areas are a mix of ComSpots, larger event spaces, and rooms for creative work. With names such as "Under Construction," "Garden of Creativity," or "In The Clouds," they offer great scope for inspiration and fresh ideas.







# SUSTAINABILITY – **HEALTHY, ENVIRONMENTALLY FRIENDLY WORKING**

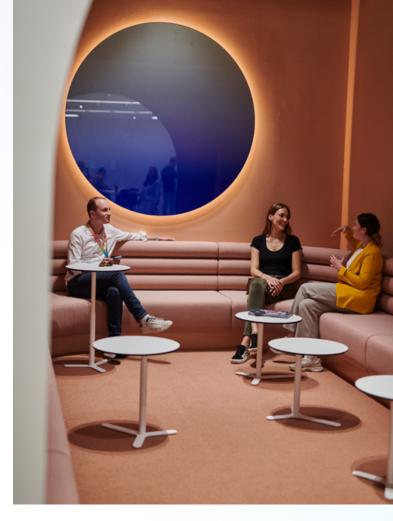
The Beiersdorf Campus sets standards in terms of sustainability. It was designed on the basis of the WELL Building Standard, which focuses on the health and well-being of employees. Numerous criteria have to be met in the design of offices, relaxation spaces, and outdoor facilities, as well as in terms of air and water quality, room and building acoustics, and even low-emission and resource-conserving building materials. The new Group headquarters is

also to receive LEED certification, an internationally recognized sustainability seal for building planning.

The energy is supplied by green power and our own photovoltaic systems. Several buildings are heated with district heating, which is generated in a carbonneutral manner. The outdoor facilities too are geared toward sustainability: from places for shared moments during the workday to wildflower beds for insects.







### Forward-looking tools and methods

The design of the various room modules was consistently geared toward agile working methods, so that employees can choose the appropriate workspaces that are designed for their particular activity or meet their needs. All meeting rooms are equipped for hybrid conferences. State-of-the-art collaboration tools are available in the Collaboration Hub, the central site with 4,000 square meters for collaboration and communication. Room-in-room modules, noisereduced zones, high ergonomic standards, and different furnishings facilitate dynamic work in team neighborhoods.

### Intelligently networked

As a central hub for collaboration across countries, product groups and divisions, the Beiersdorf Campus has a state-of-the-art IT infrastructure that can adapt to rapidly changing technological requirements. It takes into account the increasing use of artificial intelligence as well as mobile working around

the world. The Campus app helps all employees to find their way around and locate and book the rooms, equipment, and desks they need. It even shows how busy individual areas are and where colleagues are located.





51,000 square meters of total space

3,200
working options on Campus

397
rooms for hybrid meetings

#### Employee volunteering

# **CARE BEYOND SKIN Day**

In 2023, Beiersdorf organized its first global volunteering day: CARE BEYOND SKIN Day. All employees were able to spend one workday supporting various social and environmental projects and make a valuable contribution to society and the environment. Thousands of people responded to the call to do something sustainable for the future of the planet and its inhabitants.



#### Canada

Planting trees was one of the most popular activities for employees worldwide, including in Canada.

CARE BEYOND SKIN DAY
AT A GLANCE

>10,000
employees in 68 countries
took part

>50,000
hours worked

> 100 organizations supported



#### Argentina, Chile, Peru

In the three South American countries, employees renovated playgrounds and houses belonging to the SOS Children's Villages organization.



#### **Spain**

In Spain, young people were taught about acne - also to counteract possible stigmatization of people with skin conditions.



#### India

In India, employees worked with the organization Aseema to support children from disadvantaged backgrounds, e.g., by providing career advice



#### **South Africa**

In South Africa, employees supported their long-term partner organization Thanda and helped with the construction, fencing, and planting of playgrounds.



#### **Australia**

In Australia, employees helped the non-profit organization Foodbank pack food parcels for people in need.

# OUR MANAGEMENT TEAM



# Future.Ready. Leadership.

Our Executive Committee is pictured at the heart of our Beiersdorf Campus, in the Collaboration Hub. With over 4,000 square meters featuring state-of-the-art rooms for communication and collaboration, employees in Hamburg use it for meetings, keynotes, and creative workshops. The stage is the ideal platform for inspiring presentations and gatherings.

(from left)

Dr. Gitta Neufang

VP Research & Development

Vincent Warnery
CEO

**Astrid Hermann**Finance, tesa

Patrick Rasquinet
Luxury

Middle row (from left)

Nicola D. Lafrentz Human Resources

Oswald Barckhahn Europe, USA & Canada Top Row (from left)

**Grita Loebsack**NIVEA

Harald Emberger VP Supply Chain, Quality Management

Ramon A. Mirt Emerging Markets

# AT BEIERSDORF WE HAVE BEEN CARING ABOUT SKIN SINCE 1882.

Beiersdorf's success is based on its strong portfolio of internationally leading brands. It is thanks to them that millions of people around the world choose Beiersdorf day after day. Our brands boast innovative strength, outstanding quality, and exceptional closeness to our consumers. By responding quickly and flexibly to regional requirements, we are winning the hearts of consumers in nearly all countries worldwide. Our skin and body care brands form the focus of our successful brand portfolio and each brand serves very different areas: NIVEA is aimed at the mass market, Eucerin at the dermo-cosmetics market, and La Prairie as well as Chantecaille at the selective cosmetics market.

With its Hansaplast, Elastoplast and CURITAS brands, Beiersdorf also has a global presence in the field of plasters and wound care. Renowned brands such as Aquaphor, Coppertone, Labello, 8x4, atrix, Hidrofugal, Maestro, and Florena round off our extensive portfolio in the Consumer Business Segment. Through the tesa brand, which has been managed since 2001 by Beiersdorf's independent tesa subgroup, we also offer highly innovative self-adhesive system and product solutions for industry, craft businesses, and consumers.









