

Beiersdorf AG
Unnastrasse 48
20245 Hamburg
Germany

Zurich, 10 August 2023

Call for urgent action to reduce plastics from packaging

Dear Mr Pascal, dear Ms Bahr,

As you may be aware, on 3 May 2023, 185 investors overseeing approximately US\$ 10 trillion in assets issued a statement calling for urgent action to reduce plastics from intensive users of plastic packaging.¹

We write to you on behalf of *Inyova AG, Ecofi, Groupe La Française, La Banque Postale Asset Management, NEI Investments, Aviva Investors, Stichting Pensioenfond Hoogovens, Nordea Asset Management, Amundi, Ethos Engagement Pool International, Raiffeisen Schweiz, Ethos Foundation, EOS at Federated Hermes, Pensioenfond Rail & OV, Adrian Dominican Sisters, Portfolio Advisory Board, CommonSpirit Health, Congregation of St. Joseph, Daughters of Charity, Province of St. Louise, Mercy Investment Services, Inc.* as signatories to the statement and managers and holders, and their stewardship representatives, of shares in Beiersdorf to reiterate the messages in the statement as they relate to Beiersdorf.

With this statement, we call on Beiersdorf and your peers in the plastic value chain to significantly step-up efforts to address the plastics crisis through the three actions set out in the statement, as summarised below. We will follow Beiersdorf progress in doing so from public disclosures with utmost interest.

Expectations on lobbying, single-use plastic reduction & hazardous chemical phase-out

As expressed in the statement, the entire plastics lifecycle poses a serious and growing threat to the environment, climate, biodiversity, human rights, and public health. Moreover, as demonstrated by the unprecedented level of investor support received for the statement², the materiality of financial risks linked to plastics is clear and must be proactively addressed to avoid putting long-term value creation and investment returns at risk.

Reducing reliance on single-use plastic packaging and transitioning to circular business models – notably reusable and refillable packaging models – are priority actions to reverse these worrying trends. In the statement, we highlighted three key expectations we have for companies to progress towards these goals:

1. Support ambitious policy for effective outcomes

It is clear that policy and regulation will play a crucial role in facilitating the shift away from intensive use of single-use plastics. In this regard, the Global Plastics Treaty and the European Commission's proposal for a revision of the Packaging and Packaging Waste Regulation represent key opportunities not only to tackle the problem at source, but to provide companies with legislative certainty to invest in solutions and a level playing field to

¹ https://www.vbdo.nl/wp-content/uploads/2023/05/EMBARGO_VBDO_Investor-statement-on-plastics_def.pdf.

² Attracta Mooney and Chris Flood, "Big investors call on companies to slash use of plastics", *Financial Times*, 4 May 2023.

do so. We hope to see similarly ambitious policy proposals emerge in other jurisdictions in time.

We therefore expect that companies support – and do not lobby against – ambitious legislation designed to reduce production and consumption of plastics and boost reuse. Furthermore, we expect that companies ensure that industry associations of which they are members act in accordance with this position.

2. Commit to – and start delivering – absolute reduction of single-use plastic packaging including through implementing reuse systems

We expect companies to establish a clear plan of action to reduce material consumption in absolute terms. This means prioritising the elimination of the need for single-use plastic packaging altogether and not simply switching to other single-use alternatives. Since reusable packaging systems offer a clear pathway to reducing resource use, along with other significant environmental benefits, their implementation should form a key part of corporate plastic reduction plans.

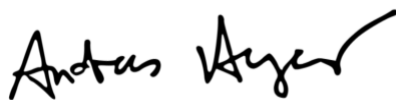
3. Address toxicity in value chains

Hazardous chemicals are now ubiquitous in humans and the environment, and continue accumulating in materials and products. Urgent action must be taken to phase out the use of hazardous substances in order to develop safe circular material systems. As such, we expect companies to commit to identifying and eliminating the use of hazardous substances³ in products and packaging and to publicly report progress in doing so.

Further details and context are included in the statement, attached as an appendix to this letter.

Improving transparency and comparability of data on plastic performance is a key tool for both companies and investors to monitor performance. As such, we expect companies to disclose their plastic-related impacts and recommend that companies report through the newly introduced plastic indicators in CDP's online disclosure platform.⁴

Yours sincerely,



Andreas von Angerer, Head of Impact, Inyova AG

On behalf:

Inyova AG, Ecofi, Groupe La Française, La Banque Postale Asset Management, NEI Investments, Aviva Investors, Stichting Pensioenfond Hoogovens, Nordea Asset Management, Amundi, Ethos Engagement Pool International, Raiffeisen Schweiz, Ethos Foundation, EOS at Federated Hermes, Pensioenfond Rail & OV, Adrian Dominican Sisters, Portfolio Advisory Board, CommonSpirit Health, Congregation of St. Joseph, Daughters of Charity, Province of St. Louise, Mercy Investment Services, Inc.

³ These should include substances listed in the Understanding Packaging Scorecard list of Food Chemicals of Concern, developed on the basis of research and information from leading NGOs and industry associations, periodically updated to reflect the best science available. The chemicals of concern in the UP Scorecard list are divided into three tiers, with Tier 1 representing a shortlist of priority chemicals of concern to avoid, based on broad stakeholder agreement, and Tiers 2 and 3 presenting more extensive sets of chemicals that should not be used in the manufacture of food contact materials.

⁴ <https://www.cdp.net/en/articles/media/cdps-environmental-disclosure-system-opens-for-reporting-on-plastics-for-first-time-at-request-of-investors-with-us130-trillion-in-assets>.