

# Non-financial Group statement

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# Responsibility at Sartorius

## Sustainability Management

Sartorius is an internationally leading partner to the biopharmaceutical industry. With our technologies, we help researchers and engineers achieve faster, easier progress in the life sciences and bioprocess technology, thus enabling the development of new and better treatments and vaccines and affordable medical care.

Many people in industrialized countries suffer from diseases for which there is as yet no effective treatment. These include cancer, dementia and autoimmune diseases as well as congenital metabolic disorders and infectious diseases. At the same time, many diseases that would have proved fatal just a few generations ago can now be cured or treated effectively. Combined with declining birth rates, this has led to an aging society in industrialized countries where people are expected to remain fit and healthy for as long as possible.

In developing and emerging countries, the availability and affordability of healthcare is well below the standards in industrialized nations: more than half the world's population has either no or inadequate access to medical care. For every second child, initial immunization is an unachievable goal, and it is estimated that 1.5 million children under the age of five die from diseases from which they could be protected with vaccinations.

The purpose of our business is to help our customers develop and manufacture biotechnology-based drugs and vaccines and, in doing so, enable the development and safe production of vaccines and biopharmaceutical medicines to treat serious and, in some cases, rare diseases. The United Nations' sustainability goal 'Good Health and Well-Being' is thus an integral part of our core business.

As a company with a tradition spanning 150 years, sustainability is firmly embedded at many levels in our business. To us, it means operating responsibly over the long term – with respect to customers, employees, investors, business partners and society as a whole. Likewise, it entails handling natural resources responsibly. Sustainable action also means remaining agile and constantly asking ourselves how we can respond to the changing world and make a positive contribution. This concerns the continued development of our business activities just as much as living up to our corporate responsibilities.

As in the previous year, 2021 was once again dominated by the coronavirus pandemic. The pandemic is a challenge facing society as a whole; at the same time, it highlights how Sartorius directly contributes to the goal of "healthy lives and well-being for all at all ages:" with its products and process knowledge, Sartorius is involved in many of the worldwide vaccine projects to combat coronavirus.

Optimization of processes and methods throughout the entire value chain can also make a contribution towards sustainability – this mainly includes the consideration of sustainability in procurement, product development and production. Our product portfolio includes consumables such as filters, pipette tips, cell culture media and bags. These sterile products for use in biopharmaceutical research and development have significant benefits compared to reusable products. Nevertheless, we see potential to reduce our use of natural resources in this area.

In addition, we do believe it is important that we play our part in helping to reduce global warming. In the future, we aim to continue growing strongly while substantially lowering our carbon footprint. To this end, we once again compiled a detailed breakdown of our carbon footprint and refined our targets in the year under review. In our opinion, it is appropriate to focus on CO<sub>2</sub> emission intensity, as this indicator enables a comparison of the CO<sub>2</sub> emissions of various companies as well as with economic and international indicators and targets. Correspondingly, our new climate target is to reduce CO<sub>2</sub> emission intensity, which is defined as the ratio of

CO<sub>2</sub> emissions to revenue. With our new target, which is to lower this indicator by an average of roughly 10 percent per annum, we are exceeding the current ambitions of the European Union and the Science Based Targets initiative.

## Stakeholder Involvement

Sartorius engages in a very close, ongoing dialog with its stakeholders, using this exchange to regularly discuss aspects of sustainability.

We define stakeholders as those persons, companies, institutions and interest groups that are able to influence the success of the Sartorius Group or are affected by the actions of our company. In particular, such stakeholders are our customers, employees, investors, suppliers and business partners, as well as neighboring companies and local residents.

In the reporting year, we had intensive discussions about the subject of sustainability with our customers. During many meetings, we discussed the expectations of our customers and continued cooperation projects. In the reporting year, Sartorius strengthened its dialog with its own staff with two major surveys involving employees.

The results of the stakeholder dialog were discussed in the Corporate Sustainability Steering Committee and, in this way, are taken into account in Sartorius' strategy process. This Committee, which is chaired by the CEO, meet at least once a year.

Sartorius has its performance with respect to its environmental, social and governance-related business practices gauged by means of various sustainability analyses and ratings. In the EcoVadis Rating, Sartorius achieved silver level and, with this score, positioned itself among the best 17 percent of the companies assessed. Sartorius was given an A in the MSCI Sustainability Rating. Sartorius was also given a CDP score of B-.

## About the Non-Financial Group Statement

Sartorius defined non-financial indicators that enable assessment of the impact of its business activities on stakeholders, the environment and society.

This non-financial Group statement was prepared in accordance with the disclosures set out in Section 315b and 315c in conjunction with Sections 289c to 289e of the German Commercial Code (HGB). Pursuant to Section 315b, Subsection 1, Sentence 3 HGB, reference is also made to individual non-financial aspects contained elsewhere in the Group Management Report.

Orientation for the non-financial Group statement is provided by the reporting framework developed by the Global Reporting Initiative (GRI) – the Sustainability Reporting Standards – so that we can ensure transparency and comparability.

The reporting period for the non-financial Group statement is the fiscal year, the reporting cycle is annual. Unless otherwise indicated, the employee-related data covers all Sartorius companies. Unless otherwise specified, the environmental indicators encompass all our production companies, representing 77% of the total headcount.

This non-financial Group statement was audited by KPMG AG Wirtschaftsprüfungsgesellschaft in the form of an audit with limited assurance. The submission of this non-financial Group statement releases our subgroup Sartorius Stedim Biotech S.A. from the obligation of creating its own non-financial statement.

## Organizational Profile

We refer to the Group Management Report, pages 24 to 39, sections “Structure and Management of the Group”, “Group Business Development”, and “Business Model, Strategy and Goals”. We also refer to the Opportunity and Risk Report on page 70 and the Notes on page 157.

## Materiality Analysis

Our considerations with regard to materiality are based on the term used in the European CSR Directive Implementation Act (CSR-RUG). We also take our stakeholders’ considerations into account.

We conducted comprehensive materiality analyses in 2017 and 2018 to determine the material topics for the business activities of the Sartorius Group.

For reporting in the year under review, we assessed discussions with customers and investors, taking into account the views of managers in Sales, Product Marketing, Research & Development, Production, Purchasing, Quality Management, Legal & Compliance and Corporate Communications. The Executive Board confirmed the results of this process.

In terms of changes in the material topics compared to the previous year, the aspects “water and effluents” and “waste” were also identified as material. As such, the material topics for Sartorius are as follows:

1. Advance innovation and, as a result, contribute to improved medical care and promote employment and good working conditions through growth.
2. Find and retain employees, protect their health and safety and promote their continuous development.
3. Responsible corporate governance and compliance and respect for human rights throughout the supply chain.
4. Protect the environment by reducing emissions, optimizing the use of water, reducing waste and assuming responsibility for our products throughout their life cycles.

## Risk Management

Sartorius is responsible towards its employees, the environment, and society. This responsibility must be perceived throughout the entire supply chain. In particular, the company’s actions with regard to environmental matters, employee and social aspects, anti-corruption and bribery issues and respect for human rights can lead to non-financial risks. This is why Sartorius strives to consider risks that have an impact on the company, but what is more, to examine the risks Sartorius poses for its environment with its business operations as well.

Risks can occur especially in connection with the manufacture of sterile products used in bioprocesses, since this can require the use of plastics, energy and solvents. Non-financial risks can also occur through the procurement of materials. This is why, when Sartorius is choosing partners and suppliers, it pays particular attention that statutory and ethical rules are complied with.

In the reporting year, no non-financial risks were identified that would have to be reported according to CSR-RUG.

The requirements defined in the German CSR Directive Implementation Act (CSR-RUG) are the basis of the ESG risk analysis. Sartorius aims for the greatest possible integration of risk management processes in the company.

## Reporting pursuant to the EU Taxonomy

Developed by the European Commission, the European Green Deal seeks to facilitate the transition to a competitive, resource-efficient and climate-neutral European economy. It is a central plank of the European Union's climate policy and encompasses a variety of measures in the areas of energy supply, transport, retail, industry, agriculture and forestry, and financial market regulation.

The EU taxonomy has been established as part of the European Green Deal. The taxonomy aims to direct private capital toward sustainable investments. The idea is that a common classification system for environmentally sustainable activities across all sectors will boost transparency and standardization, thereby limiting the risk of greenwashing. The mandatory reporting requirements introduced for publicly traded companies in this area are designed to enable recipients to compare the sustainability of different business models.

Six environmental objectives are set out in Article 9 of the Taxonomy Regulation:

- Climate change mitigation
- Climate change adaptation
- The sustainable use and protection of water and marine resources
- The transition to a circular economy
- Pollution prevention and control
- The protection and restoration of biodiversity and ecosystems

In respect of the 2021 reporting year, disclosures are only made at this stage in respect of the first two objectives, "climate change mitigation" and "climate change adaptation." On the basis of relief granted by the EU, the first step is to identify taxonomy-eligible economic activities for these objectives and then report on the shares of total revenue and capital/operating expenditure accounted for by these activities. Eligible for taxonomy are those economic activities that are stipulated and described in the delegated act and that are relevant for the stated environmental objectives.

The calculation of the relevant indicators is performed on the basis of the International Financial Reporting Standards applicable to the consolidated financial statements and includes all fully consolidated Group companies. Total revenue corresponds to the value stated for the financial year in question on the statement of profit or loss. Total capital expenditure is defined as the sum total of gross additions to tangible and intangible assets in the reporting year. Acquired goodwill is not included. Total operating expenditure includes all direct, non-capitalized costs in connection with research and development, renovation measures, short-term leases and maintenance and repair.

As the acts published so far in relation to the taxonomy regulation only include activities that are particularly relevant to climate change mitigation and climate change adaptation, this spectrum only includes the business activities of a limited section of the economy. With the regulation as it stands, no revenue-relevant economic activities were classified for Sartorius and no taxonomy-eligible revenue was identified. When the

reporting obligation is extended to include the remaining environmental objectives, additional economic activities will be included within the taxonomy regulation. Depending on the specific provisions of the regulation, it may be the case that taxonomy-eligible revenues are identified for Sartorius in the financial years ahead.

The analysis of our economic activities in the area of capital expenditure has come to the conclusion that some 60% of our investments are in non-taxonomy-eligible economic activities and some 40% are in taxonomy-eligible economic activities. This indicator shows the share of the aforementioned capital expenditure (additions to assets) that relates to the acquisition of products and services from a taxonomy-eligible economic activity and that is listed in Annex I (material contribution to climate change mitigation) of the delegated regulation. This primarily relates to construction activities for the purpose of expanding our production capacity at multiple locations.

Furthermore, non-taxonomy-eligible operating expenses account for 82% of our total operating expenses, with taxonomy-eligible operating expenses accounting for 18% of total operating expenses. This indicator shows the share of the aforementioned operating expenses that relates to the acquisition of products and services from a taxonomy-eligible economic activity and that is listed in Annex I (material contribution to climate change mitigation) of the delegated regulation. In particular, this category includes renovation and maintenance costs in the area of buildings, along with leasing expenses. The majority of the reportable total operating expenses in the 2021 financial year related to research and development expenses that are not currently eligible for taxonomy.

Starting in the 2022 financial year, the relevant economic activities and reporting obligations will be extended. As described above, all six environmental objectives stipulated in the taxonomy regulation will then become relevant. The taxonomy eligibility of the economic activities identified also needs to be verified. This is done using the so-called “technical screening criteria,” which comprise three components: firstly, the activities must make a substantive contribution to one of the environmental objectives. Secondly, they must do no significant harm (DNSH) to any of the other environmental objectives. Thirdly, they must meet minimum safeguards (pursuant to the OECD Guidelines on Multinational Enterprise, the UN Guiding Principles on Business and Human Rights, the ILO core labor standards and the International Bill of Human Rights). Analysis is still ongoing on the impacts of these changes on our future reporting.

The FAQ published by the EU Commission on February 2, 2022 on the interpretation of certain legal provisions of the delegated act on disclosure requirements under article 8 of the EU Taxonomy Regulation is not taken into account in this non-financial group statement due to its short-term nature.

## Sustainable Development Goals

Sartorius is a signatory to the United Nations Global Compact and supports the 2030 agenda for a sustainable global economy.

The United Nations developed 17 Sustainable Development Goals (SDGs). The governments of all member states have adopted the SDGs; however, their success is largely dependent on the actions and cooperation of everyone involved – especially on the commitment of the private sector. Sartorius accepts this responsibility.

To determine which SDGs are related to Sartorius’ business activities, we also conducted a comprehensive materiality analysis in 2018. Sartorius regards nine SDGs as important in connection with its business operations.



**Good health and well-being** is - according to the United Nations - considered one of the basic human rights and is a major indicator of sustainable development. It is our mission and our core business to help improve the health of more people. Consequently, good health and well-being are at the heart of our attempts to achieve more sustainability and our corporate purpose directly addresses one of the Sustainable Development Goals.

**Quality education** empowers people to improve their political, social and economic situations. According to the United Nations it is a basic human right and a requirement for sustainable development. We contribute to this by continuously training our employees and through many forms of support for young scientists.

**Gender equality** is not only a UN human right, it is also a lever for economic growth. It gives women better access to education, medical care and financial resources. We support equality in our own business activities and expect our business partners to behave accordingly.

**Access to clean drinking water** was in 2008 recognized as a human right by the United Nations. Within the scope of our product stewardship, we try to keep the water consumption of our products as low as possible throughout their entire life cycle. We also make sure that our business partners also handle water and wastewater responsibly.

**Decent work and economic growth** are an urgent sustainability goal, as more than 60% of all workers worldwide do not have an employment contract and fewer than 45% of all workers are employed on a full-time, permanent basis. Bad working conditions are often associated with poverty, discrimination and inequality and mainly affect groups of people such as women, people with a disability, young people and migrants. Therefore, at all process stages, we make sure that no human rights are endangered at any point within our supply chain.

**Industry, innovation and infrastructure:** this SDG aims to expand scientific research in all countries throughout the world. While Sartorius does not have a direct influence on the areas of infrastructure or sustainable industrialization, it does contribute in a wide variety of ways to achieve this innovation goal. By having our production sites serve as centers of competence, we develop scientific expertise at many sites across the globe. Our promotion of young people helps us spread and network the scientific basis worldwide and, as a result, strengthen future innovation activities.

**Responsible consumption and production** means, among other things, the transition to a circular economy. Sterile plastic products are a key component of Sartorius' product portfolio – for a good reason: the properties of these products are beneficial for the patients at the end of the supply chain, for the environment and for the basic availability and development of innovative medical care. At the same time, single-use products inevitably raise the question of the product's end of life. We are addressing this issue and considering the end of life of our products as well as their overall ecological footprint.

**Action to combat climate change** is taken within the company and also in our supply chain. Human-induced climate change is one of the greatest challenges of our time. It requires action from everyone concerned, especially the private sector. A key issue is to reduce emissions of CO<sub>2</sub> and other greenhouse gases. We accept this responsibility within the scope of our climate strategy.

**Partnerships to achieve aims** are a standard approach for Sartorius. We especially strengthen our innovation activities through partnerships and cooperation agreements. Achieving sustainability targets requires a cooperation approach because they concern the entire supply chain and success can be achieved only through cooperation with customers, suppliers, contractual partners and science.



# Innovation & Social Contribution



## Why it's important

Our corporate mission is to promote scientific progress in the life sciences, which in turn supports the development of new vaccines, more effective therapies and affordable medical care. In the year under review, as in the previous year, the importance of this mission for society as a whole was underlined by the biotechnology sector's contribution towards fighting the Covid-19 pandemic.

The biopharmaceutical market is rapidly developing – it is an area in which scientific breakthroughs leading to new therapies occur at a high rate. At the same time, it still takes about ten years to develop a new pharmaceutical drug and this remains cost-intensive. Our aim is to help our biopharmaceutical customers develop and produce biopharmaceuticals more efficiently.

From day one of its incorporation, Sartorius has worked to maintain an open exchange with the scientific community and, in this way, has driven forward scientific insights and precisely tailored product development. Our goal is to promote scientific thinking and working in society, creating a broader basis for future research and development.

## Our approach

In collaboration with expert scientific groups worldwide, the company's research and development activities are aimed at making a contribution so that new active pharmaceutical ingredients are discovered faster and drugs can be produced efficiently. In this way, we want to bring about benefits for society, support sustainable development and, at the same time, strengthen the company's growth.

The innovation activities of the Sartorius Group are based on three pillars: first, specialized in-house product development, second, research cooperation agreements with partners such as scientific institutions and, third, integration of complementary technologies through acquisitions. While product development is assigned to the respective board members, Corporate Research works across the different divisions under the control of the CEO.

Sartorius is involved in many research partnerships covering a wide range of subjects. Forms of collaboration vary from single cooperation agreements to partnerships with institutes and scientific facilities. Both of these make up about 40% of the cooperation agreements. Sartorius also carries out research work in consortia, to which the company contributes its own scientific findings.

Often, new approaches arise from the interdisciplinary collaboration of various experts. Because of this, our approach is to bring experts from science startups and industry together and encourage networking and the sharing of ideas. This is conducive to the generation of new and creative ideas and thus supports scientific progress.

Supporting young scientists is important to us, as this creates the basis for scientific progress in the future.

## Our performance

In past years, technologies from Sartorius have been used in the development and production of vaccines to combat various diseases, such as Ebola, Zika and H1N1. In the reporting year, the company's products and process knowledge made a significant contribution towards fighting the Covid-19 pandemic: Sartorius is involved in most vaccine projects throughout the world.

In accordance with its innovation concept, Sartorius strengthened its position with acquisitions during the year under review. Details about these acquisitions and corresponding expansion of the product portfolio and service spectrum can be found on pages 25 ff of the Group Management Report. Pages 33 ff of the Group Management Report contain information about our research and development activities.

By expanding its research cooperation agreements, Sartorius supports the development and production of biopharmaceuticals worldwide and, hence, improves the availability of innovative medical care in the long term. We also seek to improve the sustainability of our products through cooperation agreements. More information about product stewardship can be found in the Environment section from page 144.

In the year under review, Sartorius also engaged in various partnerships and cooperations, both with other companies and with scientific institutions.

A partnership between Sartorius and RoosterBio – a provider of cell banks, media and bioprocess systems – aims to combine technologies and tools in a way that facilitates the faster, more effective and more cost-efficient development of stem cells and therapies. The two companies wish to harness the data from the partnership to provide shared learning and development resources for the growing cell and gene therapy sector.

In tandem with BRAIN Biotech AG, headquartered in Germany, Sartorius is researching and adapting the pioneering CRISPR–Cas genome editing nuclease for specific applications in life sciences. Genome editing enables targeted and pinpoint insertion, deletion and modification within the genome of a living organism. In terms of biopharmaceuticals, these genetic scissors could pave the way for new therapies, thereby increasing the chances of a cure for many different illnesses, such as cancer, neurodegenerative diseases, and hereditary diseases.

Sartorius has entered into a partnership with McMaster University in Hamilton, Canada, with the aim of improving the production process for antibody- and virus-based treatments for illnesses such as COVID-19, cancer and genetic disorders. Initially scheduled to run for four years, this partnership intends to generate highly effective research that will make treatments available on a wider scale and innovative medications more affordable.

Sartorius supports the Penn State University, where it is helping the Sartorius Cell Culture Facility become a reality. As the twelfth core facility of the Huck Institutes of the Life Sciences, this laboratory is part of a collaborative biotechnology ecosystem. These facilities are available to researchers from across Penn State, as well as other academic and commercial researchers. They not only contain equipment that is effectively out of reach for smaller laboratories on account of its complexity and cost level, but also offer the expertise required to operate such equipment.

In partnership with the French 3D Innovation Lab program, a technology platform for innovations in bioscience and health care, the Université de Lyon and Sartorius will set up a shared 3D bioprinting laboratory. Sartorius will provide expertise and equipment, e.g. automated high-throughput bioreactor systems, high-speed virus quantification devices, and in-depth knowledge of polymer science in terms of health-care

applications. Technology will make it possible to develop systems for the bioproduction of therapeutic agents based on the 3D bioprinting of cell tissue.

Live-cell imaging using artificial intelligence (AI) can help to convert large quantities of visual data into biological insights in an automated process. In order to develop more precise AI models, Sartorius has instigated the “Cell Instance Segmentation Challenge” on Kaggle, the world’s largest online community for data scientists and machine learning experts. As part of this project, more than 1,700 data scientists are working together to help researchers gain better insights from their experiments. Ultimately, this could lead to new treatments for millions of people with certain conditions.

In the year under review, Sartorius also initiated the LifeScience Xplained | Sartorius Award for New Communication with a prize of €10,000. The 2021 winner received the award in recognition of the creative and entertaining videos on his YouTube channel “M.E.G.A.,” where he shares his knowledge of molecular biology in an engaging and easy-to-understand way.

# Employees



## Finding and Retaining Talented Staff

### Why it's important

Sartorius is growing strongly. We continually gain talented and well-qualified employees and build their loyalty to ensure the success of the company in the future as well. In the process, one particular challenge all over the world is to recruit experienced specialists for the company. Currently, 13,832<sup>1</sup> employees contribute to Sartorius' success. Continuing professional development, assumption of responsibility and opportunities to advance within the company are important for our employees' satisfaction. These competences safeguard their employability and open up new professional prospects for them.

As a globally operating company, we do business in many different regions and markets. Sartorius employees from 110 countries work together. The interplay of a variety of perspectives and experiences helps us understand our customers better, develop tailored solutions and remain competitive in a global economy. We believe that a working environment of mutual trust, appreciation and respect brings the best work results and increases our employees' motivation and creativity as well as their loyalty.

### Our approach

To acquire personnel, our approach is to focus on the things that are important for existing and potential employees and make them known throughout the world. According to our analysis, all of them are factors that are likely to create trust in the future: the company's brand leadership, its sales growth and margin development, its internationality and innovation activities and – last but not least – the individual's opportunities for development within the company. A meaningful mission and the perceptible assumption of social responsibility are also important for many job applicants.

Sartorius has hired 4,381 new employees since January 2021. On account of rapid growth, the previous onboarding process was optimized in order to induct new employees quickly and efficiently. Effective onboarding is designed to ensure that new employees quickly feel included within the Sartorius team so that they can make a positive contribution from day one.

We strive to offer our employees good working conditions to encourage them to apply their skills in the best possible manner. The approaches that we pursue throughout the Group are defined in our policy on work practices and social standards. To improve the accuracy of its measures to create good working conditions, Sartorius conducts two global employee surveys each year. Known as "Pulse Checks," these surveys are conducted each spring and each fall, addressing a range of topics such as employees' perception of the corporate and leadership culture, of their own workplace and work satisfaction in general. All employees are asked to suggest improvements. By virtue of this regular and systematic feedback on leadership culture and

<sup>1</sup> The following employee figures include all employees of the Sartorius Group except for apprentices, interns, permanent absent employees and employees in the leave-of-absence phase of partial retirement. Numbers are reported as head counts.

working conditions, executives and the HR department can respond swiftly and initiate any necessary improvement measures. We believe there is considerable potential in discussing the results within individual teams and jointly devising suggested improvements.

Annual performance reviews between employees and their managers also provide a forum for discussing performance, targets and individual development opportunities. In the year under review, the performance development process was conducted digitally with the support of the system. This approach improves the consistency and transparency of the process in terms of setting and agreeing expectations for each HR development cycle; it also makes it possible to agree individual development plans for employees that foster their continued development.

Our employees should be able to develop personally and professionally throughout their professional lives. We firmly believe that all employees have their own talents and that they can contribute these talents in a variety of useful ways. We have therefore expanded our learning opportunities to include digital self-study offerings accessible to all employees and have added online seminars to the portfolio in order to be able to offer a broader selection of content.

In our view, ensuring effective leadership at all levels of the organization is central to supporting our further growth ambitions. In 2021, we focused on top-level employees and executives and will further expand the scope in 2022.

To create the same opportunities for people regardless of their life situations, we have installed a flexible work scheduling model at many of our companies. Employees are often able to take advantage of flextime, part-time and teleworking options.

In addition to flexible work schedules, our response to the need for work-life balance includes child care opportunities in Göttingen. Here, for example, there are offers for children during school vacations, and a day care center is available close to the company on the Sartorius Campus. As an inclusive day care center, it is also open to children with disabilities. It's part of our corporate culture that fathers also take family leave at Sartorius.

Measures that promote equal opportunity in our company include the creation of transparency on salary structures. The majority of salaries at the German companies are linked to the rates agreed with the IG Metall trade union, with some paid in accordance with rates established for IG Bergbau, Chemie, Energie. The remuneration paid to employees in France and Austria is also based on trade union rates. Using the union rates makes our remuneration more transparent.

Works councils or other legally mandated bodies represent the interests of the workforce. In Germany, there is also a Group works council comprising members of the local works councils at all operating companies.

## Our performance

To us, education is a valuable asset, and we consider it part of our corporate responsibility to support it and make it accessible within our sphere of influence.

During the reporting year, 167,600 hours were invested in training measures – on average 12.2 training hours per employee<sup>1</sup>.

### Average Training Hours by Region and Gender<sup>1,2</sup>

	EMEA	Americas	Asia   Pacific	Total
Women	11.4	13.7	16.0	12.5
Men	11.3	13.7	13.2	12.1
<b>Total</b>	<b>11.3</b>	<b>13.7</b>	<b>14.2</b>	<b>12.2</b>

<sup>1</sup> Reports for 2021.

<sup>2</sup> Companies acquired during the year are not included and, in accordance with the reporting guidelines, are only reported in the next reporting year. Companies that were consolidated last year report in full this year.

Over the past five years, Sartorius has recruited 10,447 new employees. At the end of the reporting year, women made up 39.3% of the total workforce, which is a slight increase over the previous year.

In the reporting year, 7.0% or 973 people worked part-time at the Sartorius Group, 372 more than in 2020; most of them are in Germany.

### New Hires by Region, Gender and Age Group<sup>1,2</sup>

	EMEA	Americas	Asia   Pacific	Total
<b>Women</b>	<b>1,043</b>	<b>524</b>	<b>250</b>	<b>1,817</b>
≤ 29 years	558	226	107	891
30 - 49 years	416	219	142	777
≥ 50 years	69	79	1	149
<b>Men</b>	<b>1,564</b>	<b>616</b>	<b>384</b>	<b>2,564</b>
≤ 29 years	687	266	156	1,109
30 - 49 years	758	263	222	1,243
≥ 50 years	119	87	6	212
<b>Total</b>	<b>2,607</b>	<b>1,140</b>	<b>634</b>	<b>4,381</b>

<sup>1</sup> Reports for 2021.

<sup>2</sup> Employee figures are shown as headcount.

The success of our measures to create a positive working environment is reflected in permanently low attrition rates. Excluding expired fixed-term contracts, Sartorius had an attrition rate of 8.4% in the reporting year, or 1.3 percentage points above the already low level of the prior year.

As a result of the consistently high number of new hires, the average seniority decreased slightly. In 2021, about 60% of all employees had been with Sartorius for fewer than five years, while around a seventh had been with the company for 15 years or more.

<sup>1</sup> Companies acquired during the year are not included and, in accordance with the reporting guidelines, are only reported in the next reporting year. Companies that were consolidated last year report in full this year.

Fluctuation by Region, Gender and Age Group<sup>1,2,3</sup>

	EMEA	Americas	Asia   Pacific	Total
<b>Women</b>	<b>321</b>	<b>116</b>	<b>87</b>	<b>524</b>
≤ 29 years	158	28	32	218
30 - 49 years	109	53	52	214
≥ 50 years	54	35	3	92
<b>Men</b>	<b>371</b>	<b>126</b>	<b>145</b>	<b>642</b>
≤ 29 years	142	17	32	191
30 - 49 years	148	64	105	317
≥ 50 years	81	45	8	134
<b>Total</b>	<b>692</b>	<b>242</b>	<b>232</b>	<b>1,166</b>

1 Reports for 2021.

2 Employee figures are shown as headcount.

3 Without expired fixed term contracts.

Due to the significance for the development of the company, the number of employees at Sartorius is very relevant and is reported regularly by management. More information about "Employees" can be found in the Group Management Report on page 48.

## Occupational Health and Safety

### Why it's important

Our employees' safety is our responsibility. The health of our employees is also important to us as a company, which is why we offer support in the form of a variety of preventative health care offers.

As in the previous year, the reporting year was shaped by the Covid-19 pandemic, which created particular demands on the organization of workplace health and safety. The existence of a solid occupational safety organization proved to be a substantial benefit in overcoming the resulting challenges.

### Our approach

Sartorius has high safety standards to minimize job-related medical conditions, risks to health, and potential causes of industrial accidents. The basic principles and core policies on occupational safety and health protection are defined throughout the Sartorius Group in its corporate policy on workplace safety and health. Occupational safety and the preservation and promotion of the good health of all employees are very important to Sartorius, and management actively encourages them.

Planned, mandatory employee training on topics of occupational health and safety and environmental protection ensure that our staff members recognize risks and avoid them accordingly. Sartorius analyzes all accidents regularly and derives accident prevention measures from them that can also be used for other sites. At our local Group locations, work safety committees confer regularly to discuss measures that promote health and prevent work-related accidents, and inform management of the results of their analysis.

At the Aubagne site, for instance, a cross-unit team works to improve occupational safety and reduce work-related accidents. Since employee behavior plays a key role in many of the work-related accidents, in addition to making technical improvements the team plans to raise awareness with regard to safety among employees.

More than 1,000 employees – most of them from areas with a higher risk potential – have already taken part in training sessions since the new workshops to raise safety awareness were initiated in 2020. In addition, first aiders took part in a full-day training course to minimize risks. Workshops are offered especially to managers to prepare them so that they can improve safety management in their teams.

The Group's corporate health management policy addresses both the physical and psycho-social elements of health to enhance employee performance and motivation, ensure their employability and reduce illness-related costs. Most sites have an in-house medical service. In addition, an external provider is on hand to offer psychological help on any work-related and indeed personal matter. Staff can reach the service via a hotline.

One of our two companies in Beijing, one of our companies in Shanghai and one of our two companies in Bengaluru are certified in accordance with ISO 45001.

Employees from external companies also work for Sartorius, for example, cleaning staff and construction companies. Their safety is also important to us. This is why contractors' employees receive occupational safety instructions before they begin their work. These instructions specifically mention how incidents and accidents can be reported.

During the Covid-19 pandemic, two considerations especially shaped our actions: first, protecting the health of our more than 13,000 employees. Second, maintaining our business operations, on the one hand, to be able to support our customers and, on the other, to ensure our own financial stability. In view of the fact that many of our customers are involved in the development and production of vaccines against the coronavirus, Sartorius has a special social responsibility. It is therefore not an option to reduce personnel in production in order to improve infection protection or to shut down parts of our operations. On the contrary, production was actually expanded.

Our well-established occupational safety processes put us in a position where we could respond quickly and extensively to these special challenges during the Covid-19 pandemic. A crisis team comprising members from different units and the Executive Board works on a corporate level to monitor and assess the situation constantly and introduce appropriate measures if necessary. Several teams also work on a local level.

To protect employees, social distancing rules were put in place at a very early stage and business trips were almost completely stopped. Face masks and visors are provided at the sites.

In conjunction with local vaccination centers, Sartorius has already administered more than 7,000 coronavirus vaccinations.



## Our performance

In comparison to the previous year, the number of recordable work-related injuries increased marginally. Given the significant increase in the number of hours worked, this represents a positive development that is also reflected in the relative frequency of work-related injuries, which fell. Due to the pandemic, employees mostly worked from home. However, work in production and logistics increased during the reporting year. There were no accidents with fatalities or other serious outcomes at any of our sites.

Sartorius already received awards at several sites for its safety concept during the Covid-19 pandemic in 2020. Sartorius was the first company in Tunisia to get the Apave Certification Safe & Clean Label for its actions to protect the health and safety of its employees during the pandemic. The site in Bangalore was also commended for its safety concept: the Confederation of Indian Industries (CII) awarded 'Gold' for the measures.

### Work-Related Injuries<sup>1,2</sup>

	2021	2020
Recordable work-related injuries (employees)	151	145
Relative frequency of work-related injuries per 1,000,000 theoretical working hours (employees)	6.3	8.2
Work-related injuries with a serious outcome <sup>3</sup>	0	0
Fatal occupational accidents	0	0

1 Companies acquired during the year are not included and, in accordance with the reporting guidelines, are only reported in the next reporting year. Companies that were consolidated last year report in full this year.

2 The following employee figures include all employees of the Sartorius Group except for apprentices, interns, permanent absent employees and employees in partial retirement. Employee figures are shown as headcount.

3 An accident with a serious outcome is an accident in which the injured person is not rehabilitated at all or not until six months after the accident.

# Responsible Business Practices



## Compliance

### Why it's important

We regard compliance with applicable laws as self-evident. Beyond this, we have set ourselves the standard of managing our company with integrity.

We are committed to upholding internationally recognized human and labor rights as a basis of our worldwide business operations. A significant task in this regard is to create a common understanding of fair working conditions – at all our sites and in the supply chain.

### Our approach

Sartorius conducts its business in compliance with globally accepted ethical standards and applicable national legal requirements. The German Corporate Governance Code defines requirements for management boards and supervisory boards including their interaction with regard to transparency, accounting and auditing and the conduct of annual general meetings. Legal Affairs & Compliance reports to the CEO and informs the Supervisory Board and the Audit Committee. Sartorius follows the rules and recommendations of the German Corporate Governance Code in its current version of December 16, 2019, with the exceptions stipulated in the current Declaration of Compliance.

We intend to ensure that our Supervisory and Executive Board members, management and employees comply with all legal regulations and codes, and act according to our internal guidelines. The Legal Affairs & Compliance department is responsible for legal consulting, internal auditing, data protection, anti-corruption, customs and export control.

A dedicated team has the task of implementing and enforcing all Group compliance topics. The Sartorius Code of Conduct defines the requirements we place on our employees with respect to responsible conduct. The code helps employees act ethically and in accordance with the law in their daily work. In everything they do, employees are required to ask themselves the following questions: Are my actions legal? Does my conduct correspond to our values and guidelines? Is it free of personal interests (that are not covered by labor-law regulations)? Will it stand up to public scrutiny? The Code of Conduct covers compliance with international social and environmental standards, general rules of conduct and dealing with conflicts of interest.

The Anti-Corruption Code forms the basis for raising employee awareness about corruption risks. It is also a guideline, instruction manual and aid in taking the necessary action to both prevent and fight corruption at specific companies or in specific sectors. An anti-corruption officer has been appointed by Group management as a contact person for corruption prevention. This officer pursues his or her duties independently.

We ensure that our employees are familiar with the Anti-Corruption Code and the Code of Conduct by asking all employees worldwide every year to take part in an online training course and complete a test at the end of it. The course teaches employees how to deal with ethically or legally problematic situations.

A complaint system ensures that employees and external third parties can report cases of damaging conduct, such as corruption, discrimination or sexual harassment. The compliance team can be contacted face-to-face, via a telephone hotline, the department's electronic mailbox or – in the case of anonymous reports – the whistleblower system. The relevant contact options are listed on the intranet and are thus published company-wide. They are also available on the company's website and can thus be accessed by external persons concerned.

A Global Regulatory Affairs Committee – comprising representatives from Compliance, Regulatory Affairs, Quality, Product Development, Procurement, EHS, Corporate Sustainability and others – meets regularly, monitors new legislative initiatives on an interdepartmental basis and puts corresponding structures in place within the company.

## Our performance

During the period under review, 9,341 employees from 35 countries completed training on the Anti-Corruption Code and 9,143 employees from 35 countries completed training on the Code of Conduct. The hours spent on training amounted to 4,571 for the Code of Conduct and 4,670 for the Anti-Corruption Code. Compliance training courses are currently available in German, English, French and Chinese.

No significant fines or non-monetary penalties resulting from violations of laws or regulations were imposed in the reporting year. Two suspected cases of corruption were reported, one of which is still being investigated and one of which has already been deemed unsubstantiated/unproven.

Two suspected cases of discrimination were reported during the period under review. No cases of discrimination were determined during the reporting period.

## Supply Chain

### Why it's important

Respect for human rights, the maintenance of high environmental standards and good, safe and fair working conditions for the production of our products is important to us, and apply to sites outside our own production as well. With more than 8,000 suppliers in more than 40 countries and a purchasing volume that corresponds to about 40% of our sales revenue<sup>1</sup>, it is obvious that our upstream supply chain is important for us to implement these goals.

The assumption of responsibility in global supply chains is also governed by a growing number of laws and requirements. In particular, the German Act on Corporate Due Diligence in Supply Chains, which was passed by the German parliament in July 2021, seeks to improve the international human rights situation by setting out requirements for the responsible management of supply chains. This Act comes into effect for German-based companies with more than 3,000 employees on January 1, 2023.

<sup>1</sup> Revenue and purchasing volume in 2021.

Moreover, the value chains for pharmaceuticals are very sensitive and are the focus of many stakeholders. In particular, patients at the end of the supply chain are dependent on their medications being available and safe at all times.

## Our approach

Since January 2020, we have been verifying suppliers' compliance with our sustainability requirements via an external evidence-based ESG assessment, as well as in-house ESG quick checks. In the year under review, we have been working to set up a comprehensive risk management system and design new processes in order to be able to meet and document the requirements of the new Supply Chain Act in the near future, but by no later than 2023.

Our Code of Conduct for Business Partners provides the basis for collaboration with our business partners throughout the Group. Our requirements with regard to the environment, social matters and governance are defined in the Code. Since December 2019, acknowledgment of the Code of Conduct is part of the acceptance process for new suppliers. In 2020, we began systematically reviewing whether our existing suppliers have acknowledged the Code and, if not, asking them to do so.

For suppliers who are very relevant for our business processes and/or a high purchasing volume, we work together with the external sustainability assessment platform EcoVadis. The external ESG assessment is based on a self-assessment, a review of the associated documents and information from external sources. EcoVadis reviews 21 indicators in the areas of environment, labor and human rights, ethics and sustainable procurement.

Beginning in 2021, Sartorius quality auditors systematically conducted ESG quick checks within the scope of all planned quality audits in the suppliers' production plants. For this purpose, Sartorius put its sustainability requirements into a questionnaire. This will be provided to suppliers before the audit. During on-site auditing of suppliers' production plants, compliance with the requirements of our Code of Conduct for Business Partners is reviewed on the basis of the questionnaire.

The objective of all measures is to initiate actual improvements in the working, social and environmental standards of our suppliers. Sartorius Management is involved in shaping the process via the Corporate Sustainability Steering Committee and is informed about the progress being made.

We do not establish business relationships with suppliers where we see a considerable risk of child, forced or mandatory labor, other breaches of human rights or negative impacts on society, and will end any existing relationships with such suppliers. This procedure is also defined in our new process for sustainability in the supply chain.

During the Covid-19 pandemic, we are focusing on securing our delivery capabilities. This is very important considering the validated production processes of our customers. This is why we manage stocks of raw materials and finished products actively and maintain high levels of safety stock.

## Our performance

In 2021, we received 110 valid sustainability assessments on our suppliers from EcoVadis, with 165 further assessments currently being prepared. The current evaluations cover roughly a third of our purchasing volume. In 2021, we spoke to suppliers who refused an EcoVadis assessment or whose assessment has expired.

The ESG quick checks performed by Sartorius itself as part of quality audits were still conducted in the year under review despite the coronavirus pandemic, albeit to a reduced extent, with 107 such quick checks completed as of the end of the reporting year.

## Human Rights

### Why it's important

The United Nations Guiding Principles on Business and Human Rights clarify the responsibility of states and businesses to protect and respect human rights. The focus is therefore not only on preventing infringements of human rights, but also the positive contribution that a business can make through its activities that promote the protection of human rights.

Sartorius pursues the goal of taking the highest possible level of care to prevent breaches of human rights within its sphere of influence.

### Our approach

In line with the UN Guiding Principles on Business and Human Rights, we respect and support the implementation of the values of the International Bill of Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, by committing ourselves to regard these internationally recognized human rights as relevant for our operations. We respect the laws of the countries in which we operate.

A Policy Statement on Human Rights has been communicated to employees via the intranet since February 2019 and is also available to all stakeholders on the Internet.

Sartorius' Policy Statement on Human Rights is binding on the entire Group and applies worldwide. It requires all employees to observe appropriate, fair, and lawful conduct towards other employees, business partners, and the local community. We expect our business partners, suppliers, customers and cooperation partners to operate their business in line with correspondingly high ethical standards.

Sartorius' Code of Conduct and the Code of Conduct for business partners address the content of Sartorius' Policy Statement on Human Rights and puts it into concrete terms for everyday work. In annual online training courses about Sartorius' Code of Conduct, Sartorius employees strengthen their knowledge of the content and check it in the subsequent online test.

<sup>1</sup> Revenue and purchasing volume in 2021.

The complaint system described on page 140 ensures that topics with human rights relevance can be reported – even anonymously if the person so wishes.

Existing processes are continuously reviewed and adapted where necessary. An interdisciplinary working group was established in 2021 in order to fulfill the requirements of the new Duty of Care Act to ensure that human rights are observed in global supply chains.

The Executive Board becomes involved in handling reported incidents on a case-by-case basis.

## Our performance

If the company's performance and the success of the concepts in relation to human rights are to be made measurable, it is necessary to define specific quantitative indicators. In this process it is important to consider the influence of factors outside the company's sphere on the indicators. For example, actions by local government heads could be outside Sartorius' sphere of influence.

Sartorius has started defining which indicators could be relevant and reports on these in the respective sections. For our approach, we looked at the entire spectrum of human rights, how they are defined in the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and then considered which of these human rights could be influenced relevantly in the context of our business operations. In the next step, we reviewed our existing reporting system for indicators that would be suitable for making this influence visible. We will complete the analysis in the coming year and then consider including more indicators.

In the reporting year, we report on the right to work in the section on "Finding and Retaining Talented Young Staff" and via the indicator "New Hires by Region, Gender and Age Group". We report on the right to education in the same section via the indicator "Training Hours by Region and Gender". We report on the right to an achievable maximum level of physical and mental health in the sections "Innovation & Social Contribution" and "Occupational Health and Safety" and via the indicator "Work-Related Injuries".

A comprehensive report can also be found in the separately published GRI Report. This is more detailed information that is provided voluntarily.

# Environment



## Energy Consumption and Emissions

### Why it's important

Ongoing climate change already poses a genuine threat to life on our planet. Therefore, halting climate change is a challenge for society as a whole. The heads of state and government of European Union member states agreed in December 2020 to reduce internal EU greenhouse gas emissions by at least 55% compared to 1990 levels by 2030. The European Green Deal also sets a target of EU-wide net zero greenhouse gases by 2050.

Measured in CO<sub>2</sub> equivalents, global greenhouse gas emissions amounted to some 50 billion metric tons in 2019. According to statistics provided by the World Health Organization, the health care sector accounted for four to five percent of this figure. With attributable emissions totaling some 450,000<sup>1</sup> metric tons of CO<sub>2</sub> equivalents in 2019, Sartorius makes up a share of about 0.025% of total emissions of the global health care sector and therefore only has a minor influence. Nonetheless, we see it as our duty to contribute to the attainment of climate targets and will make substantial efforts in this regard, both at our sites worldwide and in our value chain.

### Our approach

As a leading partner of the biopharmaceutical industry, we contribute to achieving the Sustainable Development Goal number three, "Good Health and Well-Being." In the future, we aim to continue growing strongly while substantially lowering our carbon footprint. In our opinion, it is therefore appropriate to focus on CO<sub>2</sub> emission intensity when formulating emissions targets as this indicator enables a comparison of the CO<sub>2</sub> emissions of various companies as well as with economic and international indicators and targets. Correspondingly, our new climate target is to reduce CO<sub>2</sub> emission intensity. For Sartorius, the CO<sub>2</sub> emission intensity – defined as the emissions volume in relation to revenue – stood at approx. 250 g/€<sup>1</sup> in the base year 2019.

We always seek to set targets that are not only ambitious, but that are also realistic and transparent. In respect of our CO<sub>2</sub> emission intensity, we aim to achieve an average reduction of approx. 10% per annum. As such, we are exceeding the ambitious levels of the European Union and the Science Based Targets initiative, which have set targets of approx. 8.5% and 7% respectively.

In order to achieve this reduction, we are focusing on avoiding emissions and on improving the efficiency of processes associated with relevant emissions. This includes emissions generated at our sites, emissions in the upstream and downstream value chain, and switching to emission-free energy sources wherever possible.

The offsetting of emissions, on the other hand, is currently not an area of emphasis, as we regard an actual reduction as more important.

<sup>1</sup> These are own or externally conducted modeling/estimates, which are not based on scientifically founded emission calculations.

Reducing greenhouse gas emissions is a challenge that can only be met through shared endeavors on the part of everyone involved in the value chain, paying due regard to existing interdependencies. When developing our climate targets, it was therefore important to us to create transparency in respect of existing interactions, make any necessary assumptions with care and communicate them openly.

To this end, we once again compiled a detailed breakdown of our carbon footprint as a basis for our targets in the year under review. For consistency reasons, this refined footprint is based on emission data from 2019, the basis year of our current climate strategy. Approximately 10% of the calculated total emissions of roughly 450,000 metric tons of CO<sub>2</sub> equivalents fall within Scopes 1 and 2, i.e. emissions generated directly within the company and emissions from purchased energy such as electricity and gas. The other 90% or so of emissions are generated in the upstream/downstream value chain, meaning that they are either mostly or partly within the sphere of influence of suppliers, transport contractors, and customers. Sartorius is able to influence just under half of these emissions, with the level of influence depending on the individual circumstances concerned.

For companies across all sectors, the calculation of Scope 3 emissions, in particular, is currently subject to fundamental uncertainties and dependent on a series of assumptions and estimates. Ever more accurate calculations by virtue of improved data quality represent a central plank of our approach. This relates not only to information on the carbon footprint of our suppliers, but also on the usage phase of our products and their life cycle end. To ensure comparability of data over time, the ongoing improvements in calculation accuracy may result in retrospective adjustments to reported figures.

## Scopes 1 and 2

Emissions in Scope 1 are direct emissions. They result, for instance, from the use of fossil fuels to generate heat and power at our sites, from CO<sub>2</sub>-equivalent process emissions (e.g. in membrane production) and from the use of company vehicles. Sartorius aims to virtually eliminate Scope 1 emissions from the use of fossil fuels by 2030. The corresponding measures include the large-scale electrification of heat/cool air generation, the use of gas from renewable sources, the gradual conversion of the vehicle fleet to electric vehicles and efficiency improvements in production, with a resulting drop in energy consumption. A small share of current Scope 1 emissions have to be classed as unavoidable. These process emissions, which are directly linked to essential product characteristics, especially in membrane production, cannot be avoided with technological advancement as it stands, although we already almost always operate closed solvent loops.

We plan to virtually eliminate Scope 2 emissions by 2030. These indirect emissions occur during the generation of purchased energy, particularly electricity. It is planned to meet this target by switching to emission-free energy from renewable sources wherever possible. This intended large-scale reduction of emissions is subject to the proviso of emission-free energy being available at our global sites. Sartorius will endeavor to champion the availability of zero-emission energy and support the relevant partners at the various sites with their provision.

For Scopes 1 and 2, Sartorius aims to achieve an average annual reduction in CO<sub>2</sub> emission intensity of approx. 20% in the period until 2030. This equates to the elimination of some 90% of the emission sources in Scopes 1 and 2 and – despite significant corporate growth – a 50% reduction in associated absolute emissions compared to 2019.



### Scope 3

The analysis of Scope 3 emissions is complex and necessitates consideration of numerous interdependencies within the supply chain and requires assumptions to be made. Some 40% of emissions attributable to Sartorius occur in the upstream value chain, i.e. in connection with purchased goods/services and business travel. Some of the ways in which Sartorius is able to influence these emissions include the nature and volume of purchased materials and products, the choice of transport routes and modes of transport, and the number of business trips and their respective itineraries. Emissions can be reduced in the medium term through the selection of suppliers. Sartorius works to support suppliers in the development and implementation of sustainability systems that reduce the CO<sub>2</sub>-equivalent emissions intensity in the upstream value chain.

The largest share of emissions attributable to Sartorius – roughly 50% – occurs in the downstream value chain; this includes, among other things, the transportation of our products to customers as part of the products' further use and their disposal at the end of their life cycles. Sartorius can help to lower these emissions, chiefly by means of optimized product and packaging design that improves the products' energy efficiency or facilitates their recycling. However, a large proportion of the emissions in Scope 3 can only be reduced by our customers and transport contractors or in partnership with these actors and/or through a switch to energy from emission-free sources throughout the entire value chain.

Overall, Sartorius aims to reduce Scope 3 emission intensity by about 10% on average per annum in the period until 2030.<sup>1</sup>

### Costs of Reducing Emission Intensity

The Sartorius climate strategy is geared toward environmental targets, not economic ones. As such, we aim to use all available levers to reduce emissions, including those whose expected costs exceed current and anticipated CO<sub>2</sub> offset prices. In total, we expect the annual costs of reducing CO<sub>2</sub>-equivalent emission intensity to amount to roughly 1% of Group revenue over time. On account of considerable differences in the costs of various measures, coupled with the expected dynamic development as regards the price and availability of certain technologies, materials and energy sources, it is currently not possible to be any more precise in respect of the development of these costs over time.

### Relevance to Governance

Starting 2022, CO<sub>2</sub> intensity will be relevant to the governance of the Sartorius Group and will correspondingly form part of management remuneration.

<sup>1</sup> When devising this target, Sartorius not only took into account its own expected growth, but also that of customers, suppliers and transport contractors; it also made certain assumptions on the basis of the correspondingly successful emissions reduction and factored in the effect of a globally evolving energy mix. Specifically, our calculations are based on the assumption that the transport sector will, as required by law, reduce its emissions in absolute terms by 40% by 2030, compared to the 2019 level. In respect of our customers in the biopharmaceutical industry, we anticipate an absolute emissions reduction of approx. 50% based on their communicated targets; for suppliers, we calculate this figure at approx. 20%. Furthermore, we have made conservative growth assumptions of some 3% per annum for suppliers, and some 5% per annum for our customers in the biopharmaceutical industry.

## Our performance

Sartorius has been recording greenhouse gas emissions in line with the Greenhouse Gas Protocol (GHG) global standard since 2013. Accordingly, in addition to the CO<sub>2</sub> emissions, we take account of all climate-relevant gases and report them in CO<sub>2</sub> equivalents (CO<sub>2</sub>eq). Currently, we report direct climate-relevant emissions from our production sites (Scope 1). We also report indirect energy-related emissions resulting from power generation by external energy suppliers (Scope 2). Scope 1 emissions occur through consumption of direct energy sources, such as diesel, fuel oil, natural gas and LPG, and also through process emissions from solvents and refrigerants at our sites in Göttingen and Yauco.

The new CO<sub>2</sub> intensity reduction targets will be used in our planning from Q1 2022. Accordingly, we plan to report the corresponding reductions from the next annual report. We recorded Scope 3 emissions for the purpose of drawing up our new climate strategy. Standardized reporting is expected to follow in 2022.

Our German sites have been using hydroelectric power since the start of the financial year; our French sites have been using green electricity since midway through the year.

### Energy Consumption<sup>1</sup>

	2021	2020
<b>Total energy consumption in MWh</b>	<b>162,340</b>	<b>132,065</b>
Direct energy consumption in MWh	59,301	55,444
Electricity consumption from public grid in MWh	50,020	70,951
Certified green electricity (not included above) in MWh	43,743	-
Others in MWh	9,277	5,670

<sup>1</sup> Production sites acquired during the year are not counted and, in line with the reporting guideline, will be included in the report next year. This includes the production sites in Bielefeld (Germany) and Freiburg (Germany). Sartorius Stedim Data Analytics (Sweden) is not counted, as it is an IT company that does not produce any goods.

### Greenhouse Gases<sup>1</sup>

	2021	2020
<b>Total GHG emissions in t CO<sub>2</sub>eq<sup>2,3</sup></b>	<b>42,506</b>	<b>43,156</b>
Total Scope 1 emissions in t CO <sub>2</sub> eq <sup>4</sup>	19,147	15,277
Total Scope 2 emissions in t CO <sub>2</sub> eq <sup>5</sup>	23,359	27,880

<sup>1</sup> Production sites acquired during the year are not counted and, in line with the reporting guideline, will be included in the report next year. This includes the production sites in Bielefeld (Germany) and Freiburg (Germany). Sartorius Stedim Data Analytics (Sweden) is not counted, as it is an IT company that does not produce any goods.

<sup>2</sup> Emissions in t of CO<sub>2</sub>eq were calculated by using SoFi software supplied by thinkstep. Emission factors from GaBi, Defra and Vfu were used for this.

<sup>3</sup> Companies are integrated into the environmental report for emissions in accordance with the financial control consolidation approach.

<sup>4</sup> Excluding fuel consumption for the company vehicle fleet.

<sup>5</sup> Only location-based factors are used to calculate Scope 2 emissions.

# Product Stewardship

## Why it's important

Environmental responsibility concerns not just our value creation; it has an impact on our products, too.

Sartorius generates almost two thirds of its sales revenue with sterile products that are used in biopharmaceutical research, where they ensure the safety and efficiency of the processes. While filters are cellulose-based, filter housings, bags and pipette tips are made from polymers. Although biopharmaceutical disposable technology makes up just 0.01% of the annual volume of plastic waste, the continuous market growth increasingly raises the issue of responsible handling of materials in this industry too.

Basically, the production and sale of consumables prompts questions about the product end of life. Increasing customer demands and stricter statutory regulations have also resulted in aspects of the circular economy becoming more important.

The processes involved in manufacturing polymers from crude oil, as well as recycling processes, are also energy-intensive. We therefore regard all product responsibility considerations as being closely linked with our climate strategy.

## Our approach

The fact that sterile products are used in the bioprocess represents a crucial ecological benefit, as energy- and water-intensive cleaning processes between production batches are no longer required. As flexible production units take up less space, less energy is also required for the air conditioning units required in the clean room. As a result, the ecological footprint of disposable components is often better than that of reusable stainless steel components. We intend to further optimize the footprint of our products by enhancing the selection and use of materials throughout the value chain. Materials that are designed to be recycled and material flows will play an important role in this regard.

By developing an initiative to reduce plastic use, we are seeking to address the entire value chain: the design of our products and packaging, the associated purchasing of plastic, the plastic waste generated during our own operations and the treatment of our products and packaging at the end of their life cycles.

When developing our products, their functionality and quality are our top priority. Although the use of recycled material in medical products is currently not possible due to quality reasons, it is, for instance, possible to influence the quantity of new plastic used through the design of product dimensions. There is more scope in terms of material selection and dimensions when it comes to packaging design.

Design can also be used to influence the handling of contaminated and non-contaminated products when they reach the end of their life cycle. Alongside the choice of materials, another priority is to simplify sorting and, where applicable, the products' return to suitable recycling methods. It is important to bear in mind that this step lies within the sphere of responsibility of our customers and their competent recycling agencies, meaning that success can only be achieved through cooperation and joint efforts.

In our in-house production, we focus chiefly on reducing waste and rejects, as well as on the improved sorting of plastic waste and therefore on its improved return to recycling systems.

However, sustainability in biotechnological production is not just concerned with the use and recycling of plastics, but also takes into account the efficiency and productivity of processes. For example, technological innovations enable process optimizations in the production of larger volumes of active pharmaceutical ingredients. Sartorius continuously develops its products with this in mind and helps its customers design their production processes in a more sustainable manner. Sartorius deals intensively with the issue of how its customers can produce more sustainably by modifying the process parameters. For this purpose, Sartorius is involved in the National Institute for Innovation in Manufacturing Biopharmaceuticals (NIMBL) and other bodies.

## Our performance

The Sartorius plastic reduction initiative was agreed at the end of October 2020. In the year under review, work was carried out to integrate the targets set within operational divisions. Various projects focused on the reduction of packaging waste, the recycling of production waste and end-of-life-cycle strategies were continued, with new projects initiated.

Sartorius uses ultra-pure plastic film to produce disposable bags for use in bioprocesses. Two of our three film families are suitable for mechanical recycling. At the Aubagne site, waste material produced during bag production is collected, shredded and recycled with the help of external partners.



## Water and Effluents

### Why it's important

Water is the number-one source of life and the basis for nutrition and a healthy life on earth. One of the central challenges of the 21st century is to provide a growing global population with permanent access to clean water in the volumes necessary to meet its basic needs and enable its social and economic development.

The demand for water will rise by approx. 55% by 2050, with more than two billion people already denied access to clean drinking water. By 2030, 700 million people may be forced to leave their homes due to a lack of water.

Some 19% of available water is required by industry. First and foremost, Sartorius uses water in membrane production and filter assembly.

### Our approach

Göttingen and Yauco are the production sites with the highest water consumption, as filter membranes are made there. Larger quantities of water are required, especially for production using the precipitation bath method. Both sites hold ISO 14001 certification. Environmental management covers energy and material consumption, emissions, use of space, waste and effluents. In order to further improve the management of water-related risks and opportunities, the plan is to supplement the ISO standard with an explicit water-related component (ISO 14002-2). Sartorius is happy to get to grips with the expected requirements and proposals in order to implement further effective water-related improvement measures.

Sartorius already attaches considerable importance to the efficient use of water as a resource, as reflected in numerous efficiency measures that are already implemented or planned. Membrane production, for example, largely takes place in closed loops. This means that the water and solvents used are repurified after use. At the main site in Göttingen, the water required for rinsing processes, in particular, is reduced by means of optimized process stages. At the Guxhagen site, a project for the circulation of test water is planned; as a result, it will be possible to store several cubic meters of water on a daily basis, with this water available for reuse.

Apart from optimizing water consumption, Sartorius is also working on the resource-saving sourcing of water. At the Yauco site, a network of roof cisterns collect rainwater that can be used for a variety of applications.

In 2022, Sartorius plans to set out a strategy and concrete targets in order to further optimize the use of water as a resource and therefore further reduce its consumption.

## Our performance

### Water Withdrawal<sup>1,2</sup>

	2021
<b>Total water withdrawal in MI</b>	<b>692.67</b>
Surface water in MI	10.54
Groundwater in MI	18.98
Third-party water in MI	663.16

1 Production sites acquired during the year are not counted and, in line with the reporting guideline, will be included in the report next year. This includes the production sites in Bielefeld (Germany) and Freiburg (Germany). Sartorius Stedim Data Analytics (Sweden) is not counted, as it is an IT company that does not produce any goods.

2 This key indicator is reported in the non-financial statement for the first time. The underlying data for individual locations is an estimate.

### Water Withdrawal in Areas with Water Stress<sup>1,2,3</sup>

	2021
<b>Total water withdrawal in MI</b>	<b>483.09</b>
Surface water in MI	-
Groundwater in MI	3.00
Third-party water in MI	480.09

1 Production sites acquired during the year are not counted and, in line with the reporting guideline, will be included in the report next year. This includes the production sites in Bielefeld (Germany) and Freiburg (Germany). Sartorius Stedim Data Analytics (Sweden) is not counted, as it is an IT company that does not produce any goods.

2 Areas of water stress are assessed based on the World Resources Institute "Aqueduct Water Risk Atlas". We consider areas where water stress is classified as high (40-80%) or extremely high (>80%).

3 This key indicator is reported in the non-financial statement for the first time. The underlying data for individual locations is an estimate.



## Waste

### Why it's important

All kinds of waste are generated at any company. This applies particularly to manufacturing companies. The disposal of operating waste is governed by law and handled differently from country to country. As the handling of hazardous and nonhazardous waste has a considerable influence on its release into air, water and soil – and therefore a direct impact on human health and the environment – well-conceived waste management is a high priority.

On top of waste such as plastic, paper and metal, Sartorius' operations – especially in relation to membrane production in Göttingen and Puerto Rico – also generate hazardous waste. In some cases, contaminated waste is produced in the downstream value chain, i.e. the use of our products by customers and users. This applies in particular to the deployment of our products in biopharmaceutical manufacturing processes.

### Our approach

In respect of waste management, Sartorius works on continuous improvement through a five-step approach to the waste hierarchy. The aim is to conserve resources, avoid pollution and reduce emissions. Two areas of focus for Sartorius are initiatives on waste prevention and recycling.

Sartorius works on waste prevention by improving production processes, e.g. by reducing production waste. This pertains especially to bag, membrane and candle production. Hazardous waste is mainly generated through the use of solvents in membrane production. While our production processes already largely operate on a closed-loop basis, we nonetheless see opportunities to further reduce hazardous waste in relation to the volumes produced.

Recycling represents a further key component of our waste management. In Aubagne, we mechanically recycle production waste on-site. This material can then be used for new applications by different companies. In the context of laboratory scale production in Göttingen, for instance, aluminum shavings are pressed into pellets, enabling them to be deployed elsewhere. By signing the European Plastics Pact, Sartorius has entered into a voluntary commitment to recycle more plastic waste. In order to live up to this aim, plastic waste is separated by type and sent for recycling, particularly at the Göttingen and Guxhagen sites. In 2021, a total of 91 metric tons was recycled.

We are also fine-tuning the design of our products and packaging in order to minimize waste in the downstream value chain. In addition to product dimensions and the choice of materials, the main focus here is to simplify waste sorting and the interchangeability of system components. As the majority of products are contaminated following their use within the biopharmaceutical process, the requirements in terms of recycling are high. Sartorius is actively working on the continued development of advanced recycling methods and the composition of product materials, the aim being to keep these to a minimum and facilitate recycling for customers. Partnerships with customers and disposal contractors are essential in this regard if feasible solutions are to be found and implemented.

To enable all remaining waste – including waste from administrative units – to be properly separated and disposed of, Sartorius has also introduced a color-coded waste separation system in a pilot project in Göttingen.

## Our performance

### Generated waste by composition<sup>1,2</sup>

	2021
<b>Total waste in t</b>	<b>11,295</b>
Of which non-hazardous waste in t	8,060
Of which plastic waste in t	2,087
Of which waste paper in t	1,614
Of which hazardous waste in t	3,235

1 Production sites acquired during the year are not counted and, in line with the reporting guideline, will be included in the report next year. This includes the production sites in Bielefeld (Germany) and Freiburg (Germany). Sartorius Stedim Data Analytics (Sweden) is not counted, as it is an IT company that does not produce any goods.

2 This key indicator is reported in the non-financial statement for the first time. The underlying data for individual locations is an estimate.

### Waste by means of disposal<sup>1,2</sup>

	2021
<b>Recycled waste in t</b>	<b>4,991</b>
Of which non-hazardous waste in t	4,464
Of which hazardous waste in t	527
<b>Disposed of waste<sup>3</sup> in t</b>	<b>6,304</b>
Of which non-hazardous waste in t	3,596
Of which hazardous waste in t	2,708

1 Production sites acquired during the year are not counted and, in line with the reporting guideline, will be included in the report next year. This includes the production sites in Bielefeld (Germany) and Freiburg (Germany). Sartorius Stedim Data Analytics (Sweden) is not counted, as it is an IT company that does not produce any goods.

2 This key indicator is reported in the non-financial statement for the first time. The underlying data for individual locations is an estimate.

3 The disposal methods include incineration with and without energy recovery, landfilling and other means of disposal.



# Report of the Independent Auditor

## Limited Assurance Report of the Independent Auditor on the Non-financial Group Statement

To the Supervisory Board of Sartorius AG, Göttingen

We have performed an independent limited assurance engagement on the Non-financial Group Statement of Sartorius AG, Göttingen, (hereinafter “Company” or “Sartorius AG”) as well as the sections entitled “Structure and Management of the Group” and “Business Model, Strategy and Goals” qualified by way of reference as being part of it (hereinafter “Report”) for the period from January 1 to December 31, 2021.

As disclosed in the Non-financial Group Statement, ESG assessments of suppliers were conducted by EcoVadis and ESG quick checks of suppliers’ production sites were conducted in 2021 as part of quality audits by Sartorius to ensure compliance with the environmental, social and governance standards. The appropriateness and accuracy of the conclusions from the procedures performed was not part of our limited assurance procedures.

## Management’s Responsibility

The management of Sartorius AG is responsible for preparing the Non-financial Group Statement in accordance with sections 315b, 315c in conjunction with sections 289b to 289e of the HGB and with Article 8 of the Regulation on the EU Taxonomy (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (hereinafter “EU Taxonomy Regulation”)) and the delegated acts adopted with reference to it, as well as with the Company’s own interpretation of the formulations and terms included in the EU Taxonomy Regulation and the delegated acts adopted with reference to it, which are disclosed in the section entitled “Reporting pursuant to the EU Taxonomy.”

This responsibility of the Company’s management includes the selection and application of appropriate methods to prepare the Non-financial Group Statement and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. Furthermore, the legal representatives are responsible for the internal controls they deem necessary for the preparation of the Non-financial Group Statement that is free from material misstatements, whether due to fraud or error.

The EU Taxonomy Regulation and the delegated acts adopted with reference to it contain formulations and terms that are still subject to substantial interpretation uncertainty and for which clarifying information has not yet been published in every case. For this reason, the management has put its interpretation of the EU Taxonomy Regulation and the delegated acts adopted with reference to it on record in the section entitled “Reporting pursuant to the EU Taxonomy” of the Non-financial Group Statement. The management is responsible for this interpretation being justifiable. Due to the inherent risk that uncertain legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainty.

## Auditor’s Responsibility

It is our responsibility to express an opinion on the Non-financial Group Statement based on our assurance engagement performed within our limited assurance engagement.

We conducted our assurance engagement in the form of a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" published by the IAASB. Accordingly, we have to plan and perform the assurance engagement in such a way that we obtain limited assurance that no matters have come to our attention that cause us to believe that the Company's Non-financial Group Statement for the period from January 1 to December 31, 2021 has not been prepared, in all material respects, in accordance with sections 315b, 315c in conjunction with 289b to 289e of the HGB and the EU Taxonomy Regulation and the delegated acts adopted with reference to it, as well as management's own interpretation presented in the section entitled "Reporting pursuant to the EU Taxonomy" of the Non-financial Group Statement. We do not, however, issue a separate opinion on each disclosure. In a limited assurance engagement, the assurance procedures are less in scope than in a reasonable assurance engagement and therefore provide substantially less assurance than a reasonable assurance engagement. The choice of assurance procedures is subject to the auditor's professional judgement.

Within the scope of our assurance engagement, we performed, amongst others, the following assurance and other procedures:

- Interviews with employees at Group level who are responsible for the materiality analysis in order to gain an understanding of the processes for identifying material topics and corresponding reporting limits for Sartorius AG
- A risk analysis, including a media search, to identify relevant information on Sartorius AG's sustainability performance in the reporting period
- Assessment of the suitability of internally developed definitions
- Assessment of the design and implementation of systems and processes for the collection, processing and monitoring of disclosures, including data consolidation, on environmental, employee and social matters, respect for human rights, and anti-corruption and bribery matters
- Interviews with employees at Group level who are responsible for determining disclosures on concepts, due diligence processes, results and risks, performing internal control functions and consolidating the disclosures
- Interviews with employees at Group level in order to gain an understanding of the processes for identifying eligible economic activities under the EU Taxonomy
- Inspection of selected internal and external documents
- Analytical procedures for the assessment of data and trends of quantitative disclosures as reported for consolidation at Group level by all sites
- Assessment of local data collection, validation and reporting processes as well as the reliability of reported data based on a sample of the sites in Göttingen and Guxhagen (Germany)
- Assessment of the overall presentation of the disclosures

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the management has to interpret uncertain legal terms. Due to the inherent risk that uncertain legal terms may be interpreted differently, the legal conformity of the interpretation and consequently our assurance engagement in this regard are subject to uncertainty.

In our opinion, we obtained sufficient and appropriate evidence to provide a basis for our opinion.

## Assuring the Independence and Quality of the Auditor

In performing this engagement, we applied the national legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

## Opinion

Based on the assurance procedures performed and the evidence obtained, no matters have come to our attention that cause us to believe that the Non-financial Group Statement of Sartorius AG for the period from January 1 to December 31, 2021 has not been prepared, in all material respects, in accordance with sections 315b, 315c in conjunction with 289b to 289e of the HGB and the EU Taxonomy Regulation and the delegated acts adopted with reference to it, as well as the interpretation presented in the section entitled "Reporting pursuant to the EU Taxonomy" of the combined separate Non-financial Group Statement.

## Restriction of Use/Clause on General Engagement Terms

This assurance report is addressed to the Supervisory Board of Sartorius AG, Göttingen, and intended for its use only. We therefore assume no responsibility with regard to any third parties.

The engagement in the performance of which we provided the above services for the Supervisory Board of Sartorius AG, Göttingen, was governed by the General Engagement Terms for German Public Auditors and Audit Firms (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 ([https://www.kpmg.de/bescheinigungen/lib/aab\\_english.pdf](https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf)). By reading and using the information contained in this assurance report, each recipient confirms notice of the provisions contained therein including the limitation of our liability as stipulated in No. 9 and accepts the validity of the General Engagement Terms with respect to us.

Hanover, February 8, 2022

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Hell

ppa. Dollhofer