

# Re-Think our Future

Sustainability Report 2020 Bayer Switzerland







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### 1 Editorial

# Re-Think our Future: The future is in our hands

Climate change is the biggest challenge we have ever faced in human history. Water shortages, the loss of biodiversity and extreme weather events are just three of the many consequences of climate change. At the same time, the world's population continues to grow and is aging, which means that consumer and healthcare needs are increasing. Nevertheless, poverty, disease and hunger are not disappearing and threaten to become even worse.

According to the Intergovernmental Panel on Climate Change, we have ten years to stave off the worst consequences of climate change. This vital decade and thus also our greatest opportunity is ready to be seized – because the future is in our hands.

#### Sustainability as a Guiding Light for our Actions

At Bayer, we are constantly striving to develop new solutions for a better life. Sustainability has thus been a key element of the corporate strategy and an integral component of our actions since 2020. In compliance with the United Nations Sustainable Development Goals, we have drawn up a defined timetable for all of our sustainability goals up to 2030.

Bayer has tied the variable compensation of the Board of Management and managerial staff to the sustainability goals in order to increase commitment to their achievement. Our climate protection goals have also been reviewed and confirmed by the Science Based Targets initiative. In so doing, we are all making a contribution toward the limiting of global warming to 1.5 °C and to the fulfillment of the Paris Agreement. Furthermore, we have undertaken to achieve the "Net-Zero Emissions" climate goal by 2050.

#### **Re-Think our Future**

This year at Bayer Switzerland, we founded the Swiss Sustainability Council, which is committed to implement the global requirements locally. Our own local Sustainability Report allows us to transparently provide information about our actions and the effects of our business activities on humans and the environment.

Our local activities are carried out in line with the motto "Re-Think our Future". We all need to change the way in which we think in order to sustainably change our future. This is



because, in principle, everything is reliant on protecting the climate: our prosperity, our health and the future of our democracy.

#### We Are All the Climate

Climate change is real and we can all do something to combat it. The achievement of an emission-free future is not a utopian task. For this reason, we are launching a pilot project this year, together with the "eevie – your climate Guide" app.

eevie helps every one of us to reduce our individual carbon footprint by analyzing our behavior from an environmental perspective. As an environment coach, the app increases our awareness for sustainable living. Those who make habits more sustainable are rewarded with trees that are planted as part of a reforestation project with the Eden Reforestation Foundation. We are thus balancing – together with our team – the unavoidable carbon footprint of our employees.

#### **Broad Commitment for a Better Life**

As defined by our "Health for all, Hunger for none" vision and our "Science for a better life" mission, we are also supporting social organizations, for example the Schtifti Foundation's Gorilla support and training program, Schweizer Jugend forscht ("Swiss Youth in Science") and the Basel Cancer League.



With "Science for a better life", we want to contribute to a world

- diseases are not only treated, but effectively prevented or
- people are able to truly look after their health
- enough food is produced for all, while the natural resources of our planet are respected
- success in business goes hand in hand with sustainability. Driving change is what counts. And that is what spurs us on day after day at Bayer. We all are the climate and we all need to make a contribution toward rethinking the future.

In this spirit, best regards

CEO Bayer Switzerland

"We need to rethink our future. Respect for diversity, care for the environment and commitment to sustainable development are the value compass for our future. What is needed is an adaptation of the concept of 'growth' to values such as 'quality of life' and 'ecology'. For this reason, sustainability is a central element of Bayer's corporate strategy and an integral part of the way we do business."

# 2 About this Report

Bayer Switzerland is publishing a Sustainability Report for the first time in order to provide information about the fundamental economic, social and environmental effects of its business activities.

The Sustainability Report allows Bayer Switzerland to provide a transparent insight into its sustainability strategy and measures. It supplements the nonfinancial statement pursuant to the CSR Directive Implementation Act integrated into the combined management report of the Annual Report 2020 of the Bayer Group.

#### **Reporting Period and Limitations**

This Sustainability Report presents the main progress made and our key figures in 2020. All of the information in this document refers to the activities carried out by Bayer Switzerland. If this is not the case, it will be indicated accordingly. The reporting period is the financial year 2020. The reference data for all data and facts is December 31, 2020.

The Sustainability Report of the Bayer Group <a href="https://www.bayer.com/en/sustainability/reporting-principles">www.bayer.com/en/sustainability/reporting-principles</a> covers the following content:

- The companies
- Governance
- Product stewardship
- Procurement
- Human rights

## In the Performance Report of Bayer Switzerland, we report on the following themes:

- About Bayer Switzerland
- Employees
- Inclusion & Diversity
- Environment and Safety
- Social Engagement

In the interests of legibility, we have avoided gender-based overlaps in the text as well as naming the legal form of the companies. This report is written in German, French and English.



#### **Reporting Method**

The sustainability reporting of Bayer Switzerland is aligned to the guidelines of the Global Reporting Initiative (GRI). This report has been prepared in accordance with the GRI Standards: "core" option.

#### **Materiality Analysis**

We have also reviewed to what extent our core business impacts globally relevant environmental and sustainability agreements and how we can integrate goals from the Paris Agreement and the United Nations Sustainable Development Goals (SDGs 2030) into our strategies. Many of our company's identified priorities correlate with the UN Sustainable Development Goals, as we show in this report.





#### **Key Issues**

Within the analysis, the following areas came to the fore as being particularly relevant for Bayer Switzerland. The topics have also been structured in line with the Bayer Group reporting requirements:

#### **Bayer Switzerland**

- About Bayer in Switzerland

#### **Employees**

- Employee Data
- Fair Compensation
- Learning and Training
- Work-Life Integration
- Safety and Health at Work

#### **Inclusion & Diversity**

#### **Environment and Safety**

- Energy Management and Sustainable Sources
- Emissions into the Air
- Waste Disposal and Recycling
- Water and Wastewater
- Plant Safety

#### **Social Engagement**

- Our Donations
- Charitable Activities
- Sponsoring

# 3 Sustainability Strategy

As Bayer, we are active worldwide and act consistently in line with our corporate purpose "Science for a better life". Derived from this, the principle of sustainability is firmly enshrined in our strategy, processes and guidelines.

To ensure that we can help provide a good life on a healthy planet, we promote science and innovation. And always with the aim of living according to our "Health for all, hunger for none" vision. All of the employees at Bayer are called upon to align our actions with this vision.

The Corporate Sustainability Committee (CSC) draws up the sustainability strategy and activities across the Group. In Switzerland, the Swiss Sustainability Council (SSC) manages the local activities at the head office in Basel. We summarize these under the claim "Re-Think our Future".

#### **Our Contribution to the SDGs**

In accordance with our organization's strategy, we are committed to achieving the United Nations Sustainable Development Goals (SDGs). Bayer Switzerland focuses on selected SDGs with the largest effect on humankind, the environment and society. At the same time, we can achieve the greatest impact with these goals because of our business.



#### Global Focus SDGs and our Contribution

Bayer Switzerland focuses on the following SDGs:









Globally, Bayer is also committed to achieving the following SDGs:









# The Sustainability Goals of the Bayer Group

In 2020, the variable remuneration of the Board of Management and management is aligned to the sustainability goals. These goals are quantifiable and are independently audited.

We have already set ourselves the goal of increasing the proportion of women in senior management to at least 33 percent by 2025 and to 50 percent by 2030.

Our climate goal is in line with the targets set by the Paris Agreement to limit global warming to 1.5°C. This was confirmed by the Science Based Targets initiative in summer 2020.

We have also undertaken to comply with the "Net-Zero Emissions" climate goal by 2050.

We have established an external Sustainability Board featuring leading experts, who are now in regular contact with the Board of Management.

### Basel

International Headquarters of the Consumer Health division

EMEA Headquarters of the Crop Science division

Headquarters of the global Pharmaceuticals therapeutic areas oncology, ophthalmology and hematology

Headquarters of The Climate Corporation AG

Group management functions such as Finance, HR, Purchasing, Legal and Compliance, IT

# Muttenz

Bayer Crop Science Switzerland AG

International Crop Science production site

# Zollikofen

Bayer (Schweiz) AG

Marketing and Sales Crop Science for the Swiss Market

# Zurich

Head office of Bayer (Schweiz) AG

The Pharmaceuticals and Consumer Health divisions for the local market with the following functions Marketing and Sales, Clinical Research, Medical Affairs and Regulatory Affairs



# 4 About Bayer in Switzerland

Bayer has been operating in Switzerland since 1954 and is an important employer and economic factor. We have three national subsidiaries – Bayer (Schweiz) AG, Bayer Consumer Care AG and Bayer Crop Science Schweiz AG – and a total of four locations. The locations operate on both the local and international markets. In addition to the Swiss business, various international Bayer functions came to Switzerland over the years.

#### Pharmaceuticals. Innovating tomorrow.

Demographic change has repercussions for the health care system. The number of patients with chronic conditions and multiple morbidities is on the rise. At the same time, people are taking a more active role in managing their own health. With our innovative products, we seek to achieve therapeutic benefits for patients, while at the same time satisfying the growing requirements of physicians and health insurers. In addition to the local business based in Zurich, the global headquarters for the therapeutic areas of oncology, ophthalmology and hematology is located in Basel since 2012/2013.

#### Bayer operates in the following therapeutic areas in Switzerland

- Eye disorders
- Women's health
- Hematology
- Cardiovascular disease
- Infectious diseases
- Cancer
- High blood pressure in the lungs
- Men's health
- Neurology
- Radiology

#### Consumer Health. Innovation for a healthy life.

Bayer Consumer Health mainly comprises over-the-counter (OTC) products for maintaining and improving consumer health and well-being. In addition to the Swiss business based in Zurich, the global headquarters of the Consumer Health Division, which is led by Heiko Schipper, a member of the Board of Management of Bayer AG, have been located in Basel since 2016. Bayer offers more than 170 products worldwide for self-medication and care in the following areas:

- Skin protection and care
- Nutritional supplement
- Pain
- Digestive health
- Cough and cold
- Allergies



#### Crop Science. Innovations for a growing population.

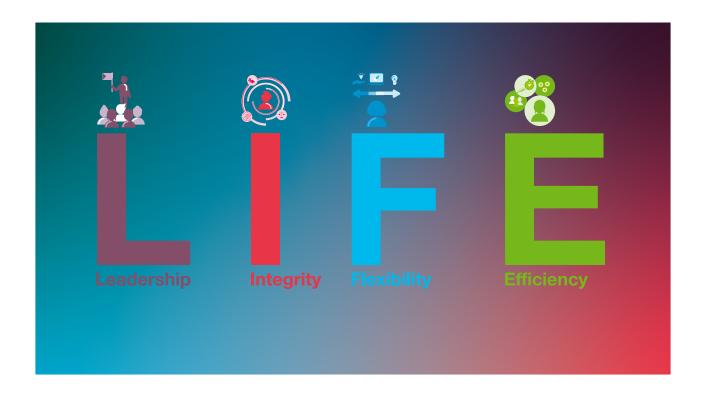
Bayer aims to drive forward the next generation of farming. We help both large and small farms so that they can meet the population's demand for food and animal feed despite limited natural resources. Bayer produces intermediates for fungicides for global distribution in Muttenz and the Crop Science Division's marketing and sales for the Swiss agricultural business are based in Zollikofen. Since 2019, the EMEA headquarters of the Crop Science Division have been located in Basel.

In addition, Basel is also the headquarters of The Climate Corporation AG. Climate Corporation's mission is to help farmers sustainably increase their productivity with digital tools. The Climate FieldView<sup>TM</sup> platform uses detailed imagery and data layers to provide farmers with analysis and recommendations based on weather modeling, agronomic modeling and seamless data integration.

#### 4.1 Country Leadership Team

The businesses in Switzerland are managed by the Country Leadership Team Switzerland:

- Axel Steiger, CEO Bayer Switzerland
- Niklaus Knuchel, Country Division Head Crop Science Switzerland
- George Fatouros, Country Division Head Consumer Health Switzerland
- Florian Ibe, Country Division Head Pharmaceuticals Switzerland
- Jacqueline Pelous, Head HR Switzerland
- Nicole Borel, Head Communications & Public Affairs Switzerland
- Marco Berchner, Head HSE & Real Estate Switzerland
- Pascal Bürgin, Head Law, Patents & Compliance Switzerland
- Thomas Wessa, Head Production Site Bayer Crop Science Schweiz AG
- Gerald Auer, Head of Finance, Crop Science EMEA
- Steffen Roellinger, Clinical Operations Pharmaceuticals
- John Koelink, Head Product Supply Consumer Health



# 5 Employees

The knowledge and commitment of our employees are key to the success of Bayer. We≈value that our employees are always able to develop constantly and in a wide range of areas, and that they feel at ease and appreciated by us as an employer.

We are guided by our company values (LIFE) and always maintain open dialogs. With the "Fairness and Respect at the Workplace" code of conduct, every employee is protected against discrimination, harassment and retaliation.

Human Resources (HR) is committed to ensuring that this code of conduct is adhered to and empowers the organization to do so. Specialized organizational units are responsible for the operational design, implementation and steering of the global processes.

#### **Our Company Values**

LIFE stands for our values and management principles by which we act. LIFE stands for Leadership, Integrity, Flexibility and Efficiency.

#### Digitalization

Digitalization provides a huge opportunity – for us, too. Our HR department is already using robot-control process automation systems and artificial intelligence in a wide range of processes. In this way, talented candidates can be identified internally and externally with greater efficiency and effectiveness, for example. The program suggests suitable candidates based on their

qualifications and experience, who are subsequently invited to a one-on-one interview by the recruiter, HR business partner or manager. Our recruitment process has become more effective thanks to digitalization.

Our HR department regularly conducts digital development training for our team. The aim is to improve the automation and forecasting of staffing through digitalization.

#### 5.1 Employee Data

As at December 31, 2020, Bayer Switzerland employed 1568 people across various divisions and organizations. On average, our employees work at Bayer Switzerland for 10.2 years. In total, 121 new employees were hired at Bayer in Switzerland in 2020.

The staff turnover rate at Bayer in Switzerland was 16 percent and includes all employer- and employee-driven terminations, internal transfers to other Bayer entities abroad, retirements and deaths.

Employees	2020
Total number of employees	1,568
Employees by Division	
Pharmaceuticals	406
Crop	392
Consumer Health	575
Enabling Function	195
Employees by Gender	
Women	709
Men	859
Employees by Corporate Function	
Sales & Marketing	334
GA, Enabling, CPL	373
R&D	263
Supply Chain	354
Production	244
Nationalities	
Number of nationalities	62
New employees	2020
New employees	121
Women	62
Men	59
New employees aged 50 or older	18
New employees under 30 years old	20
New employees aged between 30 and 49 years old	83
Staff turnover	2020
Staff turnover	253
Women	134
Men	119
New employees aged 50 or older	68
New employees under 30 years old  New employees aged between 30 and 49 years old	26 159
rvew employees aged between 30 and 49 years old	109



#### **Demographics**

The employment environment at Bayer is aimed to be optimal for every stage of our employees' lives. That is why we provide health and sports programs, flexible worktime models and knowledge management, among other things.

Employees by age structure	2020
Average age in years	42
Men aged under 20	1
Women aged under 20	_
Men aged between 20 and 29	53
Women aged between 20 and 29	45
Men aged between 30 and 39	267
Women aged between 30 and 39	260
Men aged between 40 and 49	303
Women aged between 40 and 49	259
Men aged between 50 and 59	203
Women aged between 50 and 59	125
Men aged 60 and above	33
Women aged 60 and above	19





Employees from individual areas can build up their expertise in functional academies, such as the "Finance Academy". We currently have more than 40 of these functional academies and training organizations.

Since 2018, our employees have also been able to make use of an extensive e-learning library. All of our employees have thus had free 24/7 access to content that meets their needs and have been able to put together an individually tailored learning plan.

#### 5.2 Fair Compensation

Bayer enacts uniform standards to ensure that employees are fairly compensated throughout the Group. Our performance and responsibility-related compensation combines a base salary with elements based on the company's success, plus additional benefits. This is regularly reviewed so that we can remain competitive internationally. We pay men and women equally and inform our employees transparently about the overall structure of their compensation. Our "Total Rewards" corporate policy specifies the global requirements for compensation.

Bayer Switzerland had the parity of pay between men and women analyzed in 2020. It was confirmed that there is a parity of pay, taking into account various factors such as professional experience, qualifications, length of service and position category.

#### 5.3 Learning and Training

With the Bayer Academy, we offer our employees a varying continuing education program. The Bayer Academy has been bestowed with multiple international awards and provides both professional training and systematic management development.

#### 5.4 Work-Life Integration

We offer our employees flexible working hours and support in caring for children and close relatives. Our commitment in this area goes beyond the statutory requirements.

In the reporting year, part-time employees accounted for around 179 (11%) members of our workforce.

Part-time	2020
Part-time male employees	26
Part-time female employees	153
work on a full-time basis	89%
work on an 80-90% basis	5.6%
work on an 60-70% basis	2.8%
work on a 50% basis or less	2.5%





#### **Working Hours, Vacations and Parental Leave**

Here at Bayer Switzerland, we work a 40-hour week. Employees have between 25 and 30 vacation days per year, depending on their age. The following rules applied for all parents in 2020:

- Maternity leave: 20 weeks (statutory 14 weeks)
- Paternity leave: 20 working days within one year (statutory 10 days)

#### Flexible Working Hours Models

Whenever possible, we want to allow our employees to work flexibly so that they can have the necessary freedom for themselves. We firmly believe that flexibility breeds innovation and allows our employees to focus on what really matters – in line with our mission: "Science for a better life."

For example, our employees can – in accordance with the respective supervisor and in line with the legal requirements – choose independently how and where they want to work. And because the office is more than just a workplace and can even be described as a social eco-system, we have set up flexible and innovative office concepts in Basel and Zurich which satisfy the new hybrid working situation.

In addition to this daily flexibility, we also offer various working models, including home office, the purchase of additional vacation days, sabbaticals, part-time working and job sharing.

#### Job Advertisements with the "80-100%" Suffix

We support flexible working, where possible, through the "80 to 100 percent" job model. HR managers will actively discuss the options with applicants, with both parties agreeing to the percentage of working time that meets both parties' needs.



#### 5.5 Safety and Health at Work

The well-being and safety of our employees at work and on the road is a top priority for us. Bayer Switzerland is committed to this with regular campaigns, activities and events.

Occupational safety and the protection of the health of our employees and the employees of our service partners, who work under Bayer's direct supervision include

- the prevention of occupational accidents and diseases
- the assessment of potential hazards
- comprehensive risk management

Occupational accidents 2020

- the creation of a healthy working environment

Our SAFE campaign regularly highlights key points that are often missed in everyday work. In addition, our HSE (Health, Safety and Environment) department looks at the most common causes of accidents and initiates various actions to prevent them in the future. The most common cause of accidents at Bayer Switzerland in 2020 was tripping on the stairs.

Total Bayer Switzerland	2
Production site Muttenz	1
Basel office site (home office)	1
Type of accidents	2020
In traffic and transport	0
Production site Muttenz	0
Contact with chemicals	0
Movement (tripping on stairs)	2
Mechanical work	0
Other	0

#### Safety Day

With a positive safety culture, we can prevent or at least reduce accidents. For this reason, we organize an annual global safety day to promote safe behavior inside and outside the office environment. By means of an evacuation drill, we practice procedures and can take possible corrective action. The Bayer Global Safety Day includes various courses such as: First Aid Refresher or fire-fighting courses, as well as a Townhall Meeting with annually changing safety topics. From 2021, the day will change from "Global Safety Day" to "Health & Safety Day".

#### First aid training

It is our duty to ensure that sufficient first aiders are available at our locations in the event of an emergency. In addition to trained medical staff who volunteer as emergency responders, our facility management and reception team is trained in first aid (IVR 1+2). Furthermore, we have set up an emergency response team consisting of volunteers. They have been trained in evacuation and can participate in IVR 1 training. This is how we make our working environment as safe as possible.

#### Mental health

2020

It is important for each of us to take time to understand our needs, look after our wellbeing and support each other to stay motivated, focused & efficient. The coronavirus pandemic, and the associated home office, has presented many people with additional challenges. At Bayer Switzerland, we support our employees with so-called Mental Health and Resilience trainings and also work together with ICAS, an external partner. ICAS offers personalized employee support. This includes professional support and expert information on personal and work-related issues that can affect work performance as well as health, mental and emotional well-being.

#### **Exercise and fitness**

A healthy workplace also includes exercise and fitness. Our employees benefit from joint sports activities and offers. With our MOVE! program, we offer a wide range of sporting activities in everyday life – from basketball and badminton to beach volleyball and running. MOVE! is not only suitable for experienced athletes, but also for beginners. Within the framework of MOVE! we are able to financially support charitable projects every year thanks to Run for Charity and our MOVE! endurance athletes.



We also contribute CHF 250 to the fitness subscription or other fitness activities of our permanent employees. We provide fresh fruit, drinks, kitchen facilities and in-house showers. As part of our long-term strategy, we regularly conduct health risk assessments within the company to reduce any stress factors. We also offer all employees the opportunity to receive a seasonal flu vaccination.

#### **Ergonomic work**

We also attach great importance to ergonomic work. For this reason, all workstations are equipped with two monitors, a height-adjustable desk and individually adjustable office chairs. For the correct workstation set-up, we offer an ergonomics guide, as well as videos, so that all employees can adjust their workstations in a way that is conducive to good health. In addition, we have implemented an intelligent lighting system at the Basel site, which controls the warmth of the light: cooler light in the morning and warmer light in the evening to support relaxation.

In order to ensure ergonomic working in the home office due to COVID-19, Bayer in Switzerland financed the purchase of IT equipment (e.g. monitors, printers) for employees. In addition, surplus office chairs and high tables were sold cheaply at an internal flea market.

# In the home office, too

The COVID-19 pandemic has shown us how important exercise and fitness are for mental health. For this reason, we have set up a digital health program to strengthen both physical and mental health. Since November 2020, there have been virtual MOVE! Home Sessions, which our employees can attend directly from their home office.



# 6 Inclusion and Diversity

We are convinced that mixed teams with different personalities work better together, make better decisions and achieve better results. This is because diversity facilitates innovation and at the same time helps us to better understand the diversity of our clientele, patients and consumers around the world. For us, inclusion and diversity are more than just topics covered in guidelines and speeches – we live up to our promise: "we make the mix work."

Day after day, we find that differences in age, descent, age, nationality, sexual orientation, physical abilities, ways of thinking and in backgrounds enrich our working environment.

A local Inclusion & Diversity (I&D) Council oversees local activities. It comprises representatives from the divisions, locations and country organizations.

#### Our strategy

In September 2019, Bayer defined a new I&D strategy and made the creation of a more inclusive working environment a strategic priority. Our strategy is based on four pillars. We have defined what each pillar means for us at Bayer Switzerland: "Our goal is to bring together different perspectives, levels of professional experience, lifestyles and cultures to create a working environment that is based on trust and respect."

#### Culture

We actively integrate our employees and managerial staff and together create a more inclusive working environment and an open mindset.

#### **Talent**

Through our processes and decisions, we find and support the right talents, regardless of their skin color, religion, gender, age, nationality, physical ability, gender identity, gender expression and sexual orientation. Our aim is to create equal opportunities for everyone.

#### Company

We are committed to having diverse and inclusive customers and suppliers, as this is a key growth factor for our business.

#### **Brand**

We promote our engagement – both internally and externally – in order to create trust. Our employees proudly reflect the society we live in and demonstrate the value of diverse thinking in delivering best-in-class solutions.

#### **Employee networks**

We can promote inclusion and diversity more strongly via employee networks. For example, through the Business Resource Groups (BRGs), the purpose of which is to facilitate networking and thus also the exchange of ideas between and support of employees within the Group. They provide the different stakeholders with a voice, both internally and externally.



#### **BLEND**

BLEND aims to be the point of contact to which every employee can raise LGBT(+)-related questions at the workplace. We are networking with colleagues in Switzerland to promote this initiative further and are working with other companies in Switzerland so that we can learn from one another. BLEND is committed to ensuring that Bayer continues to review its corporate guidelines relating to LGBT(+) employees. The goal is as simple as it is obvious: equal treatment for everyone.



#### **ENABLE**

The aim of the ENABLE employee network is to promote equal opportunities for everyone and create a more inclusive work-place that supports people with disabilities. The Group is committed to paving the way for a better understanding of the needs of our employees with disabilities as well as those of our customers and patients. This is because it is not the disability that matters, but the abilities instead.



#### **FAMILY CONNECTIONS**

This employee network wants to create an environment in which every professional and family obligation can be carried out to the full extent. FAMILY CONNECTIONS offers employees support and solutions to harmonize personal and professional responsibilities and attain the best quality of life. This is done by creating a forum for parents to share ideas and solutions and identify opportunities.



#### **GROW**

GROW stands for Growing Representation & Opportunities for Women. Our vision is for women to be equally represented at all levels, to take on leadership roles and to be recognized, and for men to be advocates for this equality. We set up initiatives to promote an accountable and inclusive culture that champions women's growth and their achievements.





#### Peer coaching

As part of its ongoing I&D efforts, Bayer Switzerland has set up peer coaching groups as a development opportunity for women at different stages in their lives. To this end, we are creating platforms on which business coaches and respected managerial staff can share their knowledge and experiences as mentors and offer support.

#### Promoting women within the company

Bayer advocates the promotion of gender equality. We have endeavored for many years to achieve a better gender balance in management. The proportion of women in management is reviewed every year. Women currently hold 53 percent of management positions and around 35 percent of senior management positions at Bayer Switzerland.

Overview of gender distribution in Switzerland	2020
Men	859 (55%)
Women	708 (45%)
Employee structure figures for Bayer Switzerland	2020
Upper management	
(management level VS3 and above)	304
Men	199 (65%)
Women	105 (35%)
Middle management	
(management level VS2 - VS1.1)	838
Men	397 (47%)
Women	441 (53%)
Specialists (collective agreements and	
non-managerial grades)	415
Men	260 (65%)
Women	155 (35%)

# 7 Environment and Safety

Climate change is an environmental factor that is essential for us as a globally active company. It has an impact on our customers, our employees, our management, our suppliers and the environment in which we operate. For Bayer, the protection of the environment and the safety of our employees and the people living in the neighborhood of our sites are of the highest priority.

We are committed to taking into account the key points in the area of health, safety and environmental protection in our daily activities. Following a clearly defined process, we establish action plans to continuously reduce our environmental impact. The Enabling Function HSE (Health, Safety and Environment) is responsible for managing and monitoring these plans, as is the case in Switzerland.

At our production site in Muttenz, this is managed and controlled by the QHSE (Quality, Health, Safety and Environment) department. Based on international ISO standards, an HSE management system is implemented to ensure compliance with safety standards. Reporting and analysis of occupational accidents are ensured by a globally applicable approach.

The same approaches are also taken at our office locations in Basel and Zurich.



# 7.1 Energy Management and Sustainable Sources

The processes in production and the depth of our value chain have a major influence on our energy requirements. For example, the extraction of raw materials for crop protection products and the preparation and further processing of these in pre-production are particularly energy intensive. The total energy consumption of Bayer Switzerland in 2020 was 389.6 terajoules (108 million kWh).

#### **Production site Muttenz**

With 384.7 terajoules (107 million kWh) last year, our production facility in Muttenz is the big energy consumer in our system. For this reason, we are committed and motivated to constantly save energy. Together with the Energy Agency of the Swiss Private Sector. (Energie-Agentur der Wirtschaft, EnAW), we have set these target areas in order to improve every year:

- Energy use
- CO<sub>2</sub> intensity and reduction
- Energy reduction
- Energy efficiency

We do not currently use green electricity for production and heating. This will change: Bayer's global goal is to rely 100 percent on green power by 2030. We also want to achieve this at our production site in Muttenz. We are already using energy from more sustainable sources – for example, steam from waste incineration in or hot water from GETEC PARK.SWISS AG and steam condensate from production for heating.



#### **Basel site**

The office location in Basel had an energy consumption of 4.6 terajoules (1.3 million kWh) last year. For heating, we currently obtain district heating in a mix of:

- 44% waste incineration (CO<sub>2</sub> neutral, 50% of the waste is biodegradable, such as our Naturesse coffee cups)
- 35% natural gas
- 17% wood combustion (CO<sub>2</sub> neutral, thanks to wood from local, sustainable cultivation)
- 3% sewage sludge
- 1% heating oil

We are examining whether the share from CO<sub>2</sub>-neutral sources of 61 percent can be further increased.

Since January 2021, we have been sourcing in Basel energy exclusively from renewable sources in Switzerland. Since March 2021, this has also been the case in our offices in Zurich.

The site in Basel has a rainwater collection system, so the collected water can be used for the sprinkler system. Thanks to the weather station, the heating and ventilation system at the same location can be optimally adjusted to the current conditions and energy can be saved. The data from this station is also used to control window blinds in perfect harmony with the weather. In addition, there are motion detectors in all rooms and at the workplaces that control the brightness as needed.

# At Bayer Switzerland, we are aiming for climate neutrality by 2030.

#### Sites in Zurich and Zollikofen

In Zurich and Zollikofen, we currently have no insight into energy use due to the conditions on site (in Zurich, for example, we only rent individual spaces). We are working on analyzing the values and optimizing them according to our goals.

#### 7.2 Emissions into the Air

At Bayer Switzerland, we are aiming for climate neutrality by 2030. To achieve this, we are relying on three strategic levers: process innovations, more efficient plants and building technology, and the implementation and optimization of energy management systems.

The largest share of emissions at Bayer in Switzerland is generated in production in Muttenz: in 2020 it was 5,876 tonnes and 99.8 percent of this was  $CO_2$ .

In Muttenz, we produce active ingredients and intermediates for crop protection products that are used worldwide. The infrastructure includes:

- two multi-purpose chemical plants
- a tank farm
- several warehouses
- a process development laboratory
- several quality control laboratories
- one administration building

The Muttenz production site is certified according to these four ISO standards:

- Environment ISO 14001
- Energy Management ISO 50001
- Occupational Health and Safety ISO 45001
- Quality ISO 9001

Through the ISO certification, we ensure the responsible, efficient and sustainable use of our resources. The quality of the products, safety during production and transport, occupational and plant safety, the health of the employees and the flawless handling of business processes are important prerequisites for climate neutrality.



#### Fleet management

The average  $CO_2$  emissions of the Swiss company car fleet in December 2020 was 139 g  $CO_2$  per kilometer and the value for newly registered vehicles in 2020 was 144 g  $CO_2$  per kilometer. This year, we will completely rework our car policy and adjust our vehicle selection. In the future, the management will exclusively use electric and hybrid electric vehicles and these will also be prioritized for our field employees. We support the installation of the necessary infrastructure – both at the office locations as well as at the home of employees with company cars.

#### **Business travel**

We travel significantly less than in the past due to the coronavirus pandemic and thanks to the technological/digital improvements. Above all this benefits our health, protects the environment and saves costs. Online meetings, including video are our first choice – especially for internal meetings. Business trips are still important for meetings in which face-to-face interactions add significant value such as customer meetings, 3<sup>rd</sup> party audits, or for global/regional leaders that must also connect with their teams physically from time to time. We only travel when it is absolutely necessary.

Heavy metals in production – such as copper or zinc – are almost completely recovered and therefore do not become waste materials.

#### **GETEC PARK.SWISS AG**

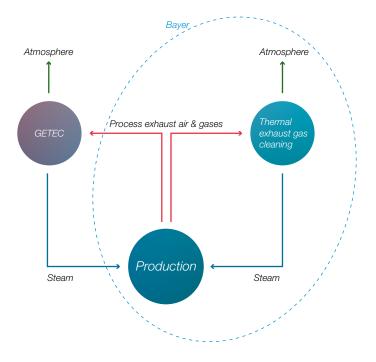
The industrial park GETEC PARK.SWISS AG in Muttenz offers comprehensive waste management. Waste incineration is used to generate energy and to mineralize industrial waste. Hazardous and industrial waste is incinerated, generating heat in the form of steam, hot water and warm water.

#### 7.3 Waste Disposal and Recycling

Our systematic waste management enables us to keep the consumption of materials as well as the disposal quantities at the lowest possible level. Our targeted waste separation, safe disposal methods and economically appropriate recycling processes contribute to the same goal.

Waste quantity in tonnes	2020
Production site Muttenz	24,189
- Hazardous waste	24,176
- Non-hazardous waste	13
Office site Basel	15

We do not have any figures for the Zollikofen and Zurich locations.





#### Thermal waste gas purification plant Muttenz

The thermal waste gas purification plant with steam generator is used for the incineration of waste gas and waste air streams generated at the site during the production of crop protection products and intermediate products. The pollutant composition requires flue gas denitrification (SNCR) and flue gas scrubbing to comply with the limit values. To minimize the support fuel natural gas, substitute fuel is also burned.

#### Recycling

By eliminating PET bottles in all our meeting rooms, we have drastically reduced our PET quantity within two years. In 2018, the amount was still 3,670 kilograms, which was reduced by 20 percent to 2,889 kilograms in 2019. In 2020, the rate was still 411 kilograms – the decrease is largely due to the COVID-19 pandemic.

We have introduced professional recycling stations and central printer rooms in the Basel offices. This has simplified recycling and minimized air pollution and noise emissions in the offices thanks to the central printer stations.

At the production site in Muttenz, 394 tonnes of metal and zinc salts were recycled in 2020.







#### 7.4 Water and Wastewater

At the production site in Muttenz, the cooling water for production is treated in cooling towers (hybrid coolers) on the roof and fed into a closed circuit from there. In 2020, we installed an additional fourth cooling tower.

The office location in Basel used around 55 percent less water in 2020 than in the previous year due to the COVID-19 pandemic. The water comes from local groundwater and Rhine water sources.

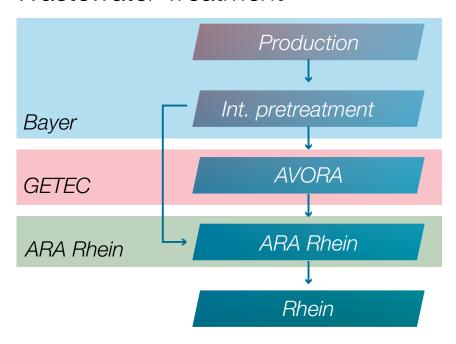
Water consumption in million liters	2020
Production site Muttenz	3,195
Office location Basel	2

We do not have any figures for the Zollikofen and Zurich sites.

#### **Wastewater treatment**

At our production site in Muttenz, we use various purification processes and treatment steps for the wastewater. Depending on the ingredients, we combine the processes so that the wastewater is discharged in compliance with the law and directives. Wastewater treatment almost always begins with internal pre-treatment in the production building. For example, solvents are recycled, or pollutants eliminated through distillation or extraction. At the production site in Muttenz, in 2020 206 million liters of water were professionally treated.

### Wastewater Treatment



Our laboratory at the Muttenz site tests the wastewater for constituents and biodegradability so that we can decide how to dispose of it properly: directly to ARA Rhein for final biological cleaning or first to AVORA for further pretreatment.

## Wastewater pretreatment AVORA (GETEC PARK.SWISS AG)

Since 1990, AVORA has specialized in the pretreatment of industrial wastewater containing substances that are difficult or impossible to degrade in biological treatment plants. Such wastewaters are pretreated in such a way that the legal requirements for biological carbon elimination as well as the limitation of heavy metals and individual substances are safely met.

## ARA Rhein industrial wastewater treatment plant (Pratteln)

ARA Rhein is responsible for the treatment of municipal and industrial wastewater. Since 2001, it has been an independent joint-stock company owned by the Canton of Basel-Land and the regional industry, including Bayer CropScience Schweiz AG. ARA Rhein purifies around 2.5 billion liters of wastewater per year from industrial sources in a multi-stage process – chemically and biologically. Thanks to the multi-stage treatment, it enables the chemical and pharmaceutical industry in the region to produce in an environmentally friendly way.



#### 7.5 Plant Safety

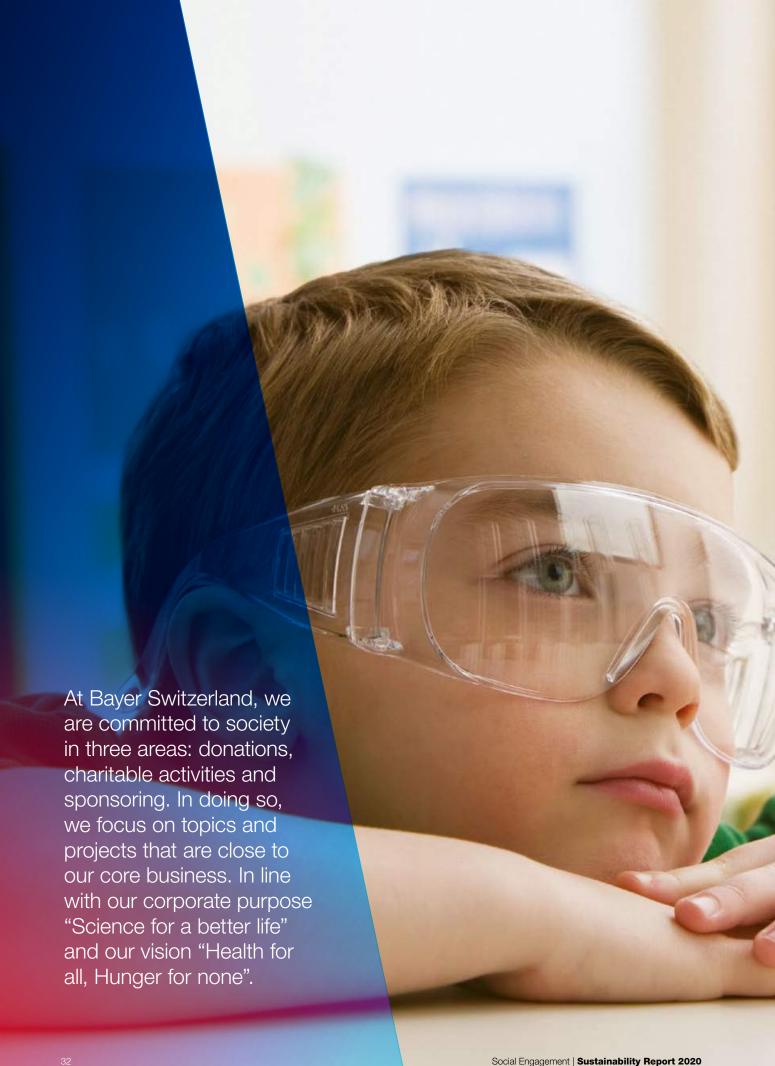
We want to design and operate our processes and production facilities so safely that no unacceptable risks arise for employees, the environment or the neighborhood. We therefore rely on an effective system that ensures process and plant safety. In this way, we identify, reduce or eliminate operational risks and limit their potential impact.

We continuously train our employees in their skills and invest in a safety culture. At our Swiss sites, we comply with the globally applicable Group regulations on process and plant safety. These prescribe uniform processes and standards for risk assessment and corresponding safety measures.

#### Responsibilities and verification

Clearly defined responsibilities distributed among different organizational units enable us to guarantee a high level of safety at our facilities. Operational responsibility for the safe operation of the production facilities lies with the plant management.

Protection concepts are reviewed every five years. As an early indicator for plant safety incidents, we at Bayer have been using the globally standardized Process Safety Incident Rate (PSI rate) since 2019, which is integrated into the Group-wide safety reporting system. The PSI rate is calculated using the number of so-called PSI events in relation to 200,000 working hours. A PSI event is understood to be the unintentional escape of chemical substances or energies from their initial enclosure, such as pipelines, pumps, tanks or barrels. In this case, a defined threshold value is exceeded.





# 8 Social Engagement

#### 8.1 Our Donations

#### **Basel Cancer League**

As Bayer Switzerland, we have been supporting the Basel Cancer League since 2014. This partnership is particularly important to us: because as a highly respected institution, the Cancer League understands the challenges for sick people and for society.

Our donation helped to finance an information and meeting center at Petersplatz in Basel. Many cancer patients are out of therapy after completing treatment, some are cured and yet not healthy. Unfortunately, there is no offer for these patients in the Basel region that helps them to find their way back into everyday life. This center provides them and their relatives with a broad and high-quality psychosocial offer to meet the emotional and social needs as well as the demand for information about the disease.

#### **Swiss Youth Research Foundation**

As Bayer Switzerland, we have been contributing to the Swiss Youth Research Foundation (Schweizer Jugend forscht) since 2019. This well-established foundation aims to awaken young people's interest in science and encourage them to conduct independent research. And we are happy to support them in this.

#### Verein Gassenküche Basel

The Gassenküche in Basel offers people in need a free breakfast or dinner for only CHF 3. Around 200 guests are served per day. The Gassenküche Basel association comprises about 50 volunteers and is financially supported by us.

#### Sozialwerk Pfarrer Sieber

Since 1988, the Sozialwerk Pfarrer Sieber has been putting all its energies into supporting people in need with the aim of reintegrating them into social structures as well as possible. Around 180 employees and an additional 350 volunteers are committed to helping people in need. And as Bayer Switzerland, we also make our contribution to the social welfare organization.

#### Theodora Foundation

The Consumer Health Division is also working with the Theodora Foundation. This foundation aims to brighten the daily lives of children in hospitals and specialized institutions through joy and laughter. To this end, the foundation organizes and finances weekly visits by professional artists – the dream doctors.

#### **Donations during COVID-19**

As Bayer Switzerland, we supported the Basel-Stadt Medical Service and the Cantonal Crisis Management Team during the COVID-19 pandemic.

#### **Debra Switzerland**

Our Consumer Health Division supports DEBRA Switzerland in 2021 as part of a partner program. DEBRA Switzerland has been the patient organization for people suffering from the congenital, currently incurable skin disease epidermolysis bullosa (EB) since 1998. The foundation advises and supports those affected as well as their relatives.

#### **Schtifti Foundation**

The Schtifti Foundation's health promotion and education program "Gorilla" advocates for a youth that takes responsibility for itself and the environment. We support this commitment so that the young generation is actively sensitized about topics such as healthy nutrition, sustainability, food waste and consumer behavior.

In 2021, we will use our donation to fund workshops as part of the Quims program, which supports schools with many pupils from immigrant and socially disadvantaged families and families with a foreign mother tongue.

Overview of donations in CHF	2020
Basel Cancer League	30,000
Swiss Youth Research Foundation	25,000
Verein Gassenküche Basel	15,641
Sozialwerk Pfarrer Sieber	10,022
Theodora Foundation	10,000
Medical Service Basel-Stadt (COVID-19	
pandemic, neighborhood assistance for	
hospitals in BS and BL)	8,273
Cantonal Crisis Management	
Basel-Stadt (COVID-19 pandemic,	
neighborhood assistance for hospitals in	
BS and BL)	8,826
Glückskette (COVID-19)	15,000
Total donations 2020	122,762

#### 8.2 Charitable Activities

#### **Swiss Red Cross**

Twice a year, we work closely with the Swiss Red Cross to provide life-saving blood donations for the blood bank in Basel together with our employees. At the same time, you can register as a blood stem cell donor.

#### **Eden Reforestation Foundation**

The Eden Reforestation Foundation is a non-profit organization that restores natural landscapes destroyed by deforestation in developing countries. In 2021, we will launch a pilot project at Bayer Switzerland together with the app "eevie – your climate guide". We want to raise awareness among our employees and help them reduce their own carbon footprint and monitor their own behavior from an environmental perspective. The principle is simple: those who make their habits more sustainable are rewarded with points. We redeem the points collected by the entire Bayer Switzerland team and support the reforestation projects of the Eden Reforestation Foundation. In this way, we balance – together with our team – the unavoidable carbon footprint of our employees.

#### **National Clean-Up Day**

From 2021, we as Bayer Switzerland will participate in the national Clean-Up Day in September. Switzerland's Clean-Up Day is embedded in the international "Let's Do it!" movement founded in 2008, which campaigns worldwide to clean up the social problem of littering.

#### 8.3 Sponsoring

#### **Fondation Beyeler**

As Bayer Switzerland, we have been a proud partner of the Fondation Beyeler, one of the world's most important museums for modern and contemporary art, since 2007. What connects us: Like Bayer, the Fondation Beyeler always thinks beyond borders, with the aim of bringing works of art and viewers together.

#### Sm'Aesch Pfeffingen

Sm'Aesch Pfeffingen is a volleyball club based in Aesch and Pfeffingen, which was formed by the merger of the clubs VBC Aesch and VBC Pfeffingen. We have supported the regional club since 2019.



# 9 GRI Content Index

This report is based on the Bayer Group Sustainability Report 2020 and was prepared in accordance with the GRI standards. Only the information specific to the GRI Index on Bayer Switzerland is recorded here – as a supplement to the index of the global Sustainable Development Report.

www.bayer.com/en/media/sustainability-reports

#### General Disclosures: GRI 101 Foundation 2016

GRI Standard	Disclosure	Page number(s)
GRI 102: General Disclosures 2016	Organizational profile	
	102-1 Name of the organization	6
	102-2 Activities, brands, products, and services	11, 12
	102-3 Location of headquarters	10
	102-4 Location of operations	10
	102-5 Ownership and legal form	
	102-6 Markets served	11, 12
	102-7 Scale of the organization	13
	102-8 Information on employees and other workers	13, 14
	102-11 Precautionary Principle or approach	18, 19, 31
	102-12 External Initiatives	26, 27, 33, 34
	Strategy	
	102-14 Statement from senior decision-maker	4, 5
	102-15 Key impacts, risks, and opportunities	8, 9
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	13, 20, 21
	Governance	
	102-18 Governance structure	12
	Reporting practice	
	102-45 Entities included in the consolidated financial statements	6
	102-46 Defining report content and topic boundaries	6, 7
	102-47 List of material topics	7
	102-50 Reporting period	6
	102-52 Reporting cycle	bi-yearly
	102-53 Contact point for questions regarding the report	
	102-54 Claims of reporting in accordance with the GRI Standards	6
	102-55 GRI content index	36

#### Material Topics: GRI 200 Economic Standard Series

Disclosure	Page number(s)
103-1 Explanation of the material topic and its boundary	8
103-2 The management approach and its components	8
103-3 Evaluation of the management approach	9
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	15
	103-1 Explanation of the material topic and its boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach  202-1 Ratios of standard entry level wage by gender compared to local

#### Material Topics: GRI 300 Environmental Standards Series

GRI Standard	Disclosure	Page number(s)
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	8, 24
	103-2 The management approach and its components	8, 24
	103-3 Evaluation of the management approach	9, 24
GRI 301: Materials 2016	301-1 Materials used by weight or volume	26
	301-2 Recycled input materials used	26
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	8, 24
	103-2 The management approach and its components	8, 24
	103-3 Evaluation of the management approach	9, 24
GRI 302: Energy 2016	302-1 Energy consumption within the organization	24, 25, 26
Water and Effluents		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	8, 24
	103-2 The management approach and its components	8, 24
	103-3 Evaluation of the management approach	9, 24
GRI 303: Water and Effluents 2016	303-1 Interactions with water as a shared resource	29, 30
	303-2 Management of water discharge-related impacts	29, 30
	303-3 Water withdrawal	29, 30
	303-4 Water discharge	29, 30
	303-5 Water consumption	29, 30
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	8, 24
	103-2 The management approach and its components	8, 24
	103-3 Evaluation of the management approach	9, 24
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	25, 26

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	8
	103-2 The management approach and its components	
	103-3 Evaluation of the management approach	9, 26
	306-01 Waste generation and significant waste-related impacts	26, 27
	306-02 Management of significant waste-related impacts	26
	306-03 Waste generated	26, 27
	306-04 Waste diverted from disposal	26, 27
	306-05 Waste directed to disposal	26, 27

#### Material Topics: GRI 400 Social Standards Series

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Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	3
	103-2 The management approach and its components	3
	103-3 Evaluation of the management approach	9, 14
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	13, 14
	401-3 Parental leave	17
Occupational Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	3
	103-2 The management approach and its components	3
	103-3 Evaluation of the management approach	9, 18
	403-01 Occupational health and safety management system	18, 19
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	403-03 Occupational health service	18, 19
	403-04 Worker participation, consultation and communication on occupational health and safety	18, 19
	403-05 Worker training on occupational health and safety	18
	403-06 Promotion of worker health	18, 19
	403-07 Prevention and migration of occupational health and safety impacts directly linked by business relationships	18, 19
	403-08 Workers covered by an occupational health and safety management system	18, 19
	403-09 Work-related injuries	18
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	}
	103-2 The management approach and its components	3
	103-3 Evaluation of the management approach	9, 15
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	15
	404-2 Programs for upgrading employee skills and transition assistance programs	15, 20
Diversity and Equal Opportunity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	3
	103-2 The management approach and its components	8
	103-3 Evaluation of the management approach	9, 20
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	14, 20
	405-2 Ratio of basic salary and remuneration of women to men	15, 16
Local Communities		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	3
	103-2 The management approach and its components	3
	103-3 Evaluation of the management approach	9, 33
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	33, 34

