Sartorius

Sustainability Report 2023

Combined for Sartorius Group and Sartorius Stedim Biotech Subgroup

Based on GRI, UN Global Compact, TCFD and SDG

SARTORIUS

Simplifying Progress

1870	Founded by Florenz Sartorius, headquartered in Göttingen, Germany
60+	Production and sales sites worldwide
>14,600	Employees
~16%	Sales CAGR 2013–2023
+7.8pp	Change in underlying EBITDA margin 2013–2023
~€20.5bn	Sartorius AG market capitalization; listed on the DAX and TecDAX

Sales growth for continued operations, underlying = excluding extraordinary items

Strong Presence in All Major Biopharma Markets

Innovative Solutions for Better Medications

With its pioneering spirit and a profound understanding of customer requirements, Sartorius has evolved throughout its 150-year history into a key partner for biopharmaceutical research and the industry. Our goal is to make complex and expensive development of biotech medicines and their production safer and more efficient. We cover the entire value-added chain of the biopharmaceutical industry and help with our products and services to ensure that novel therapies and vaccines reach the market faster and are accessible to more people worldwide.

Mission

We empower scientists and engineers to simplify and accelerate progress in life science and bioprocessing, enabling the development of new and better therapies and more affordable medicine.

Vision

We are a magnet and dynamic platform for pioneers and leading experts in our field. We bring creative minds together for a common goal: technological breakthroughs that lead to better health for more people.

Bioprocess Solutions

In the Bioprocess Solutions Division, Sartorius offers a broad product portfolio that covers all steps in the production of a biopharmaceutical. The company has held leading market positions for years in its core technologies, such as filtration, fermentation, cell cultivation, and fluid management.

We Operate in Two Divisions with a Clear Focus on the Life Science Industry

79%
Bioprocess Solutions Division

21%
Lab Products & Services Division

~85%
with life science customers

Lab Products & Services

The Lab Products & Services Division offers laboratories in the pharmaceutical and biopharmaceutical industries as well as at academic research institutes innovative solutions for bioanalytics, in addition to premium laboratory products, consumables, and services. Sartorius is among the market leaders in laboratory balances, pipettes, and lab consumables.

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Report Profile

Reporting framework
Sartorius has been reporting on sustainability topics in various formats for more than ten years. This is the fourth independent sustainability report of the Sartorius Group. The report covers the 2023 financial year from January 1 to December 31, 2023. The information relates to the scope of consolidation of the Sartorius Group (see page 192 seq. in the Annual Report), unless otherwise stated in the relevant place. The main topics of the reporting are derived from the strategic sustainability topics defined in the 2022 financial year:

- Climate protection,
- Materials and circularity,
- Water and effluents,
- Social responsibility,
- Corporate governance and
- Sustainability in the supply chains.

Sartorius sustainability reporting concept
This sustainability report, in particular the "Group Management Report" chapter, is based on the contents of the Annual report. All specific sustainability indicators are compiled in the "Group Sustainability Indicators" chapter. In the "Indices" chapter, the reported content is placed in the context of relevant reporting standards, guidelines and principles. These include the GRI standards, the principles of the UN Global Compact, the disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the United Nations Sustainable Development Goals.

Reporting on the Sartorius Stedim Biotech S.A. subgroup
This sustainability report refers to the Sartorius Group and thus includes the subgroup of Sartorius Stedim Biotech S.A in the descriptions of the group management report. The subgroup's specific sustainability indicators are listed separately in the "Information on Sartorius Stedim Biotech Subgroup" chapter.

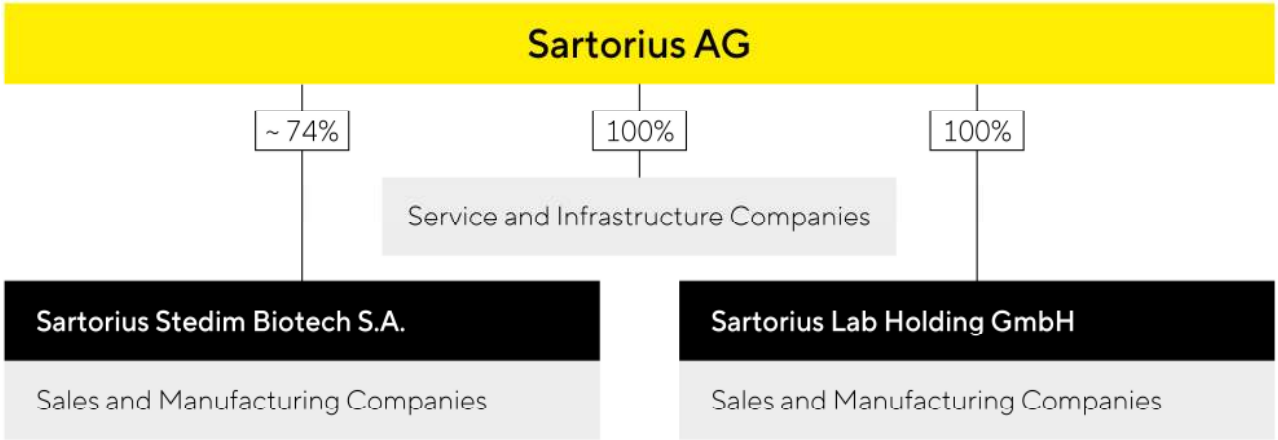
Audited content
The content presented in the "Group Management Report" section was audited by KPMG AG Wirtschaftsprüfungsgesellschaft as part of the audit of the annual statements, with the exception of the subsection "Corporate Governance Report". The respective auditor's reports can be found on pages 142 seq., 174 seq. and 244 seq. of the Annual Report. The pages of unaudited content in this report are highlighted in light yellow in the following sections.

SARTORIUS

Group Management Report

01

Structure and Management of the Group



Group Legal Structure

Sartorius is a globally operating company with subsidiaries in more than 30 countries. The holding company Sartorius AG is the parent corporation of the Sartorius Group. The corporation is headquartered in Göttingen, Germany, and is listed on the German Stock Exchange.

Sartorius manages its bioprocess business as a legally independent subgroup, whose parent corporation is Sartorius Stedim Biotech S.A., which is listed on Euronext Paris. As of December 31, 2023, Sartorius AG held around 74% of the shares of Sartorius Stedim Biotech S.A. The Group's lab business is legally combined in a further subgroup, whose parent company is Sartorius Lab Holding GmbH, in which Sartorius AG holds a 100% stake.

The consolidated financial statements include Sartorius AG and all major affiliates in which Sartorius AG has a controlling interest pursuant to IFRS 10.

Organization and Management of the Group

The Group's central management entity is the Executive Board of Sartorius AG. In collaboration with the Supervisory Board, the Executive Board defines the Group's strategy, is responsible for the operational management of the Group, and controls the distribution of resources within the organization.

The Sartorius Group conducts its operating business in two divisions: Bioprocess Solutions and Lab Products & Services. The divisions each combine their respective businesses for the same fields of application and customer groups and share part of the infrastructure and central services.

To align the business as closely as possible with customers' needs, the company's organizational structure is tailored based on the two divisions. All operational functions, such as Sales and Marketing and Production, including production-related functions, as well as Product Development, are organized by division. Administrative functions, support functions, and the Corporate Research unit operate across divisions.

Implementing the Group's various strategies and projects at the local level is the responsibility of the national affiliates. The management bodies of the local companies run their organizations in accordance with the applicable statutory provisions, Articles of Association, and rules of procedure, and in keeping with the principles of corporate governance that apply throughout the Sartorius Group worldwide.

Changes in the Group Portfolio

Sartorius expanded the product portfolio of the Bioprocess Solutions Division in the reporting year by acquiring the French company Polyplus through its Sartorius Stedim Biotech S.A. subgroup, which is listed in France. The transaction was completed in July 2023 once the required approvals by the authorities had been granted.

Polyplus is a provider of innovative cell and gene therapy technologies. Established in 2001, the company is based in Strasbourg, France, with sites in France, Belgium, the United States, and China, employing around 270 people. The transfection reagents developed and produced by Polyplus are success-critical components in the manufacture of viral vectors used in cell and gene therapies as well as other new medical therapy methods. The company has recently enlarged its focus beyond this field and, through acquisitions in adjacent technologies, such as plasmid development and protein and plasmid manufacture, expanded its offering for gene therapies and genetically modified cell therapies.

Moreover, in June 2023, Sartorius – through the Sartorius Stedim Biotech subgroup – acquired Sartonet Seperasyon Teknolojileri Anonim Şirketi, which is based in Istanbul, Türkiye. The company imports and distributes the products of the Sartorius Group in Türkiye and in addition, offers its pharmaceutical customers a wide range of services, such as process development, technical support, calibration, and training. Sartonet had around 40 employees at the acquisition date.

Financial Controlling and Key Performance Indicators

The Sartorius Group is managed using a number of key performance indicators, which are also decisive for the determination of the variable remuneration component for the Executive Board and managers.

A key management parameter that Sartorius uses to measure the development of its size is currency-adjusted growth of sales revenue, i.e., sales in constant currencies. The key indicator for managing profitability is the adjusted EBITDA margin, which is based on EBITDA adjusted for extraordinary items, i.e., underlying EBITDA.

With regard to the Sartorius Group's debt financing capacity, the ratio of net debt to underlying EBITDA serves as the key metric. It is calculated as the ratio of net debt to underlying EBITDA for the last twelve months, including the pro forma amount contributed by acquisitions for this period. Furthermore, the CAPEX ratio, i.e., capital expenditures in proportion to sales revenue, represents a key control parameter.

In addition, the following financial and non-financial indicators are reported on a regular basis:

- Order intake
- Relevant net profit | Earnings per share
- Annual net profit | Earnings per share
- Equity ratio
- Net working capital
- Net cash flow from operating activities
- Number of employees
- Employee Net Promoter Score (ENPS)
- Reduction of CO_2 emission intensity

The annual financial forecast that is published at the beginning of a fiscal year for the Group and the divisions refers, as a rule, to the development of sales revenue and of the underlying EBITDA margin. The expected Capex ratio, as well as a forecast for the ratio of net debt to underlying EBITDA, is additionally indicated for the Group.

Business Model, Strategy, and Goals

As a leading partner of life science research and the biopharmaceutical industry, Sartorius helps its customers in the development and manufacture of biotech medications and vaccines – from the initial idea in the lab to commercial-scale production.

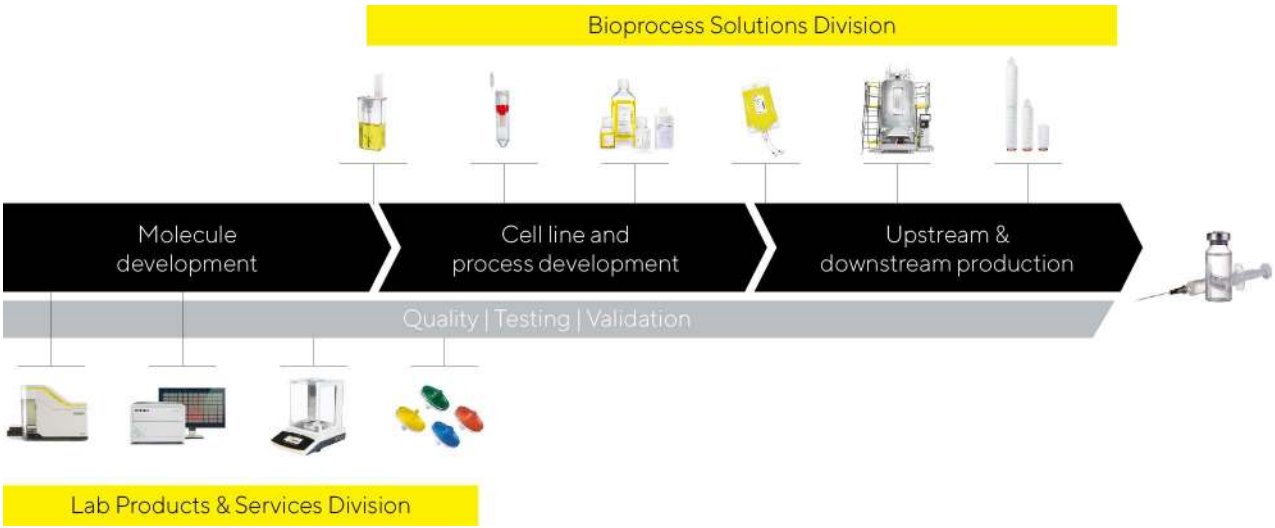
Biopharmaceuticals are integral components of advanced medicine and are used to treat many illnesses, mostly of a serious nature. However, long development times and complex production make these medications very expensive. This leads to high healthcare costs in industrialized countries and to the situation that patients in less developed countries are often excluded from treatment with such drugs. The development of a biopharmaceutical medication is a long haul: It takes more than ten years on average to bring a new drug out on the market, costing more than two billion euros. On top of this, biotechnological manufacturing processes for such high-tech medications are demanding and must be developed individually for each biologic compound. As a pioneer and technology leader in the biopharma sector, Sartorius with its products and services is enabling its customers to make their research, development, and production processes easier and more efficient so that advanced therapeutics can reach the market faster and become accessible for more people worldwide. Therefore, the United Nations' sustainability goal "Good Health and Well-Being" is an integral component of Sartorius' business model.

The maturity and intensity of competition in this comparably young industry are successively increasing. To support customers in meeting this challenge, Sartorius is constantly developing its portfolio further. A key competitive advantage is the broad understanding of applications based on its clear focus on the sector. The company is thoroughly familiar with customers' value-added chains and understands the interaction of the employed systems particularly well. A further success factor of the company is that it offers highly differentiating technologies. The innovative power rests on three pillars: the company´s own specialized product development, alliances with partners, and the integration of innovations through acquisitions.

With the biopharma industry, Sartorius is focusing on an attractive market that is characterized by strong growth momentum in view of long-term trends and significant innovative strength. Medical progress provides positive impetus, leading to the discovery and approval of new biopharmaceuticals. The biopharmaceutical industry is thus increasingly relying on advanced therapies, such as cell and gene therapeutics and biotech tissue products. Further primary growth drivers are a growing world population and an increase in age-related diseases in industrialized countries. In addition, rising incomes in emerging countries are leading to improved access to healthcare and rising demand for medications. Biosimilars, the generic versions of reference biologics that have lost their patent protection, account for a share of the biopharma market that is currently still small but especially fast-growing. As a result of these factors, the volumes of biotech medications and the demand for the appropriate production technologies are steadily increasing, with market growth largely independent of business cycles.

In the following, the positioning and strategy of the company's two divisions, Bioprocess Solutions and Lab Products & Services, are outlined.

Strategic Focus on Biopharma Applications from Molecule Development to Production of Biopharmaceuticals



Bioprocess Solutions

In the Bioprocess Solutions Division, Sartorius offers a broad portfolio of products that focuses on all major steps in the manufacture of a biopharmaceutical, as well as in process development as prerequisite procedures. The product range includes cell lines, cell culture media, and other components for the development and manufacture of advanced therapies, bioreactors, a wide range of products for the separation, purification, and concentration of biological intermediates and finished products, as well as solutions for their storage and transportation. Sartorius also offers data analytics software for modeling and optimizing processes of biopharmaceutical development and production. In its core technologies, the company has leading market positions with high double-digit market shares.

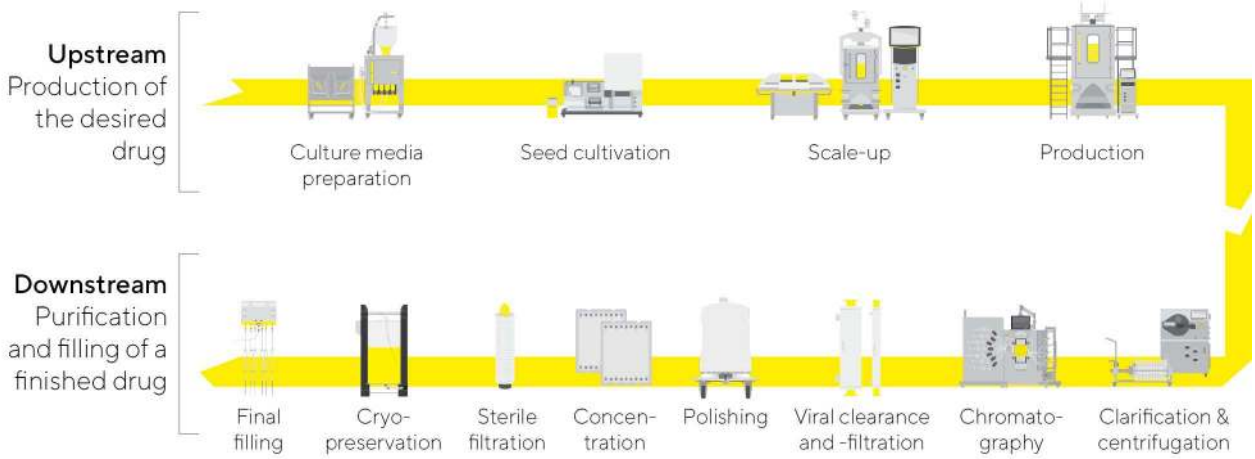
The breadth of the company's product portfolio is one of the key factors that differentiates it from many of its competitors. Sartorius can provide customers with complete process solutions from a single source, as well as assist with preceding project planning, process integration, and subsequent validation. The company's products are used in the manufacture of all classes of medical drugs, from vaccines and monoclonal antibodies to advanced viral vector-based gene therapeutics.

Recurring business with sterile single-use products accounts for about three-quarters of the division's sales revenue. These offer customers cost advantages, flexibility, and less resource usage, and thus a better ecological footprint compared with conventional processes employing reusable stainless steel components. The high share of recurring revenues is also bolstered by the strict regulatory requirements on the part of the customers. Because health authorities validate production processes as an integral part of an application for approval of a new medical drug, the components initially validated can be replaced only at considerable expense once they have been approved. Beyond this, the company's broad and stable customer base that is primarily addressed directly through a specialized sales force also contributes to this favorable risk profile.

The division's strong strategic positioning and the above-average expansion of the sector are a good foundation for profitable growth in the future as well.

Information on the business development of this division is given in the chapter Business Development of Bioprocess Solutions.

Innovative Technologies for All Phases of Biopharmaceutical Drug Production



Schematic illustration

Lab Products & Services

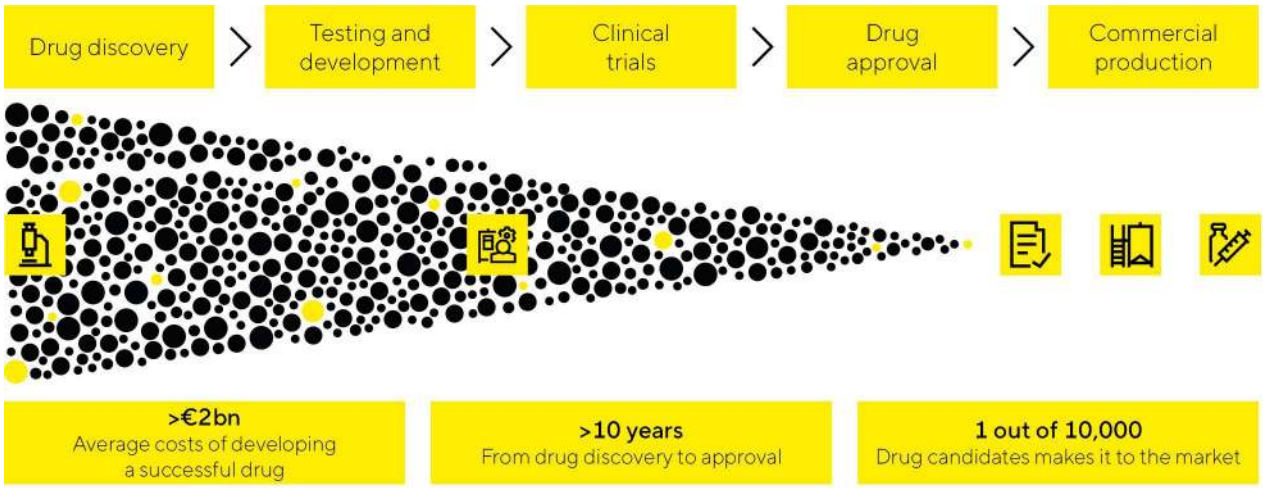
Over the past years, the Lab Products & Services Division has increasingly concentrated on the high-growth biopharmaceutical industry. With its products, the division addresses pharmaceutical and biotech research laboratories as well as academic research institutes. Sartorius supplies scientists and laboratory staff with the instruments and consumables they need to make their research and quality control easier and faster. For example, the company provides life science customers with innovative systems for bioanalytics to enable them to automate key analytical steps in the development of molecules, cell lines, and processes: Steps which earlier were mostly carried out manually. In this way, considerably larger quantities of samples can be examined and extensive sets of data generated and evaluated within a short time, substantially accelerating the identification of suitable drug candidates or cell clones. This contributes to the acceleration of the protracted timelines of drug development and increases the efficiency of R&D labs in the biopharmaceutical industry.

Beyond this, the division offers a wide range of premium laboratory instruments for sample preparation – such as laboratory balances, pipettes, and lab water systems – as well as consumables, such as filters and microbiological test kits. In these product categories, Sartorius has leading market positions and significant market shares. The company's solutions are designed to boost the efficiency and productivity of routine yet quality-critical lab processes and industry-specific workflows. Aside from serving the needs of the biopharmaceutical industry, this portfolio is also tailored to quality control labs in the chemical and food industries.

With its innovative technology platforms for bioanalytics and its comprehensive portfolio for sample preparation, the Lab Products & Services Division has a strong foundation for further significant organic growth. Due to economies of scale and product mix effects, growth is projected to be accompanied by a continuous increase in profitability.

Information on the business development of this division in 2023 is provided in the section entitled Business Development of the Lab Products & Services Division.

Focus on Solutions to Improve the Protracted, Expensive, and Inefficient Process of Medical Drug Development



Based on the data of the Tufts Center for the Study of Drug Development and the Association of the British Pharmaceutical Industry.

Global Presence

Americas

Puerto Rico – Yauco
USA – Albuquerque (NM), Ann Arbor (MI), Arvada (CO), Fremont (CA), Hopkinton (MA), Marlborough (MA), New Oxford (PA)

Asia | Pacific

China – Peking, Shanghai
India – Bangalore

Europe | Middle East | Africa

Finland – Helsinki, Kajaani
France – Aubagne, Cergy, Lourdes, Pompey, Strasbourg
Germany – Bielefeld, Freiburg, Göttingen, Guxhagen, Jena, Ulm
Israel – Beit Haemek
Russia – St. Petersburg
Slovenia - Ajdovščina
Switzerland – Tagelswangen
Tunisia – Mohamdia
United Kingdom – Havant, Nottingham, Royston, Stonehouse

Medium-term Planning until 2025 and 2028

In 2018, Sartorius presented its medium-term planning up to 2025, according to which sales revenue was projected at €4 billion with an underlying EBITDA margin of 28%. These targets were raised twice in the following years and most recently envisaged sales revenue of around €5.5 billion with an underlying EBITDA margin of around 34%. Against the backdrop of the weaker than expected market situation in the entire life science sector following the pandemic and the resulting temporary decline in sales and earnings, a review of the medium-term targets was announced in October 2023. The new medium-term ambition until 2028 communicated at the end of January 2024 replaces the previous planning until 2025.

Sartorius intends to continue its profitable growth path in the long term and expects to grow faster than the market. According to the new medium-term targets, the Group plans to achieve average annual sales revenue growth in the low-teens percentage range over the five-year period to 2028 of which acquisitions are anticipated to contribute around a fifth. The underlying EBITDA margin is also expected to increase and reach around 34% in 2028. The margin targets include expenses of around 1 percent of Group sales revenue for measures to reduce the company's CO_2 emission intensity.

In terms of its two segments, Sartorius expects the Bioprocess Solutions division to grow on average in the low- to mid-teens percentage range per year between now and 2028 with an underlying profit margin of around 36%. The Lab Products & Services division is projected to expand at an average annual rate by a mid to high single-digit percentage with a margin of 28% in 2028.

All forecasts are based on constant currencies, as in the past years. Management points out that the industry has become increasingly dynamic and volatile in recent years. In addition, uncertainties due to the shifting geopolitical situation, such as various countries' nascent decoupling tendencies, are playing an increasing role. This results in increased uncertainty when forecasting business figures.

These targets are being implemented by various growth initiatives with the following focal points:

Expansion of the Product Portfolio

Sartorius has a broad product portfolio that is aligned with the value chain of the biopharma industry, and that the company is continuously expanding. The focus is on products that offer solutions for customers' needs and make the company's offering even more attractive from the customer's perspective. Aside from its own research and development activities and strategic partnerships, acquisitions that are complementary to or extend the company's strengths appropriately will remain part of the portfolio strategy of both divisions. Due to high innovation dynamics, the company considers further additions to be possible on an ongoing basis across the entire breadth of the product portfolio. When identifying suitable companies, Sartorius considers the following criteria in particular: complementarity of technologies to its existing portfolio; strong market positioning, for example, through innovative products with unique selling propositions; integration capability; appropriate valuation; and growth and profitability profile.

Regional Growth Initiatives

Sartorius continued to expand its production capacity in the reporting year. Capital expenditures totaled approximately €559.7 million in 2023 and were used to expand sites in Germany, France, Puerto Rico, the USA, and South Korea, among other countries.

North America and Asia are the key focal areas of the regional growth strategy. The USA is the world's largest market for bioprocess equipment and laboratory products. Yet because it is home to the company's main competitors for both company divisions, Sartorius formerly had lower market share in this region than in Europe and Asia. By systematically strengthening its sales and service capacities, Sartorius has gained market share in the USA in recent years.

In Asia, one focus is on the construction of a new production facility in South Korea, which offers excellent growth prospects with its dynamically expanding biopharma market.

Optimization of Work Processes

Sufficient production capacity and a powerful supply chain are an essential foundation for future growth. In recent years, Sartorius has substantially expanded its capacities for nearly all product groups at various Group sites in order to optimize delivery times and reliably maintain delivery capability, even in the event of local transport restrictions.

Sartorius is driving forward digitalization and automation in many areas to further accelerate and enhance processes and, wherever meaningful, to standardize such processes throughout the Group.

This also includes extending the company's activities in the areas of e-commerce, digital marketing, and analytics, as well as on the topic of IT security.

Research and Development

The Sartorius Group conducts its product development in its two divisions; Bioprocess Solutions and Lab Products & Services. A more detailed explanation of the focal points of product development can be found in the sections on the divisions.

The Group-wide Corporate Research function conducts cross-divisional research and development with a view to long-term technological topics and works in close cooperation with external partners. Its most important task and objective consists of identifying and developing key technologies and application fields of the future. In addition to collaborating closely with customers, research institutes, and start-ups, Corporate Research pursues its own research activities in selected fields. This includes, for example, innovative technologies and methods for the development and production of new therapeutic approaches, new functionalities, and improved material properties – including with a view to their sustainability – or the use of artificial intelligence in biopharmaceutical research and production.

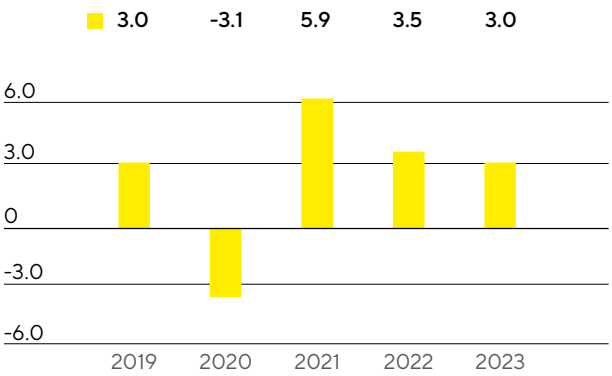
Macroeconomic Environment and Conditions in the Sectors

The Sartorius Group is active in sectors that differ in their dependence on the economy. The Bioprocess Solutions Division, for instance, operates in an environment that is largely independent of economic fluctuations. The Lab Products & Services Division, in contrast, is partly active in sectors whose development is more strongly affected by economic factors.

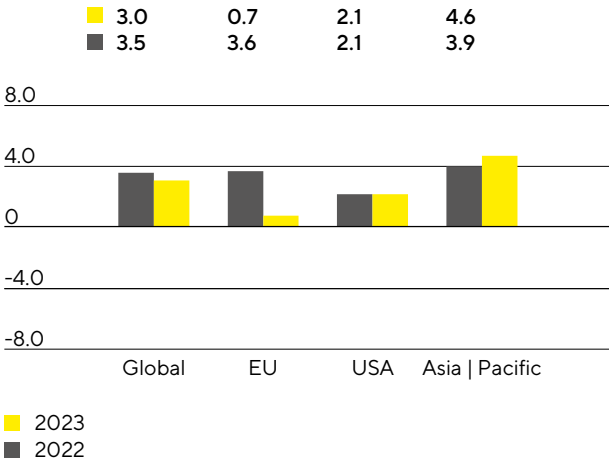
Muted Growth Momentum in the Global Economy

The growth momentum of the global economy continued to slow further in 2023, although there were regional differences in performance. The slowdown was more pronounced in industrialized countries, particularly the eurozone, than in emerging and developing countries. According to estimates by the IMF, global gross domestic product rose by 3.0% (2022: +3.5%) in the reporting period, with industrialized nations recording growth of 1.5% (2022: +2.6%), while the increase in emerging and developing countries was 4.0% (2022: +4.1%). Factors with a dampening effect included cyclical drivers, such as tighter monetary policy, a decline in investment activity, and fewer fiscal policy measures to support the economy. Structural causes, such as increasing geo-economic fragmentation, also had a negative impact on business sentiment and trading activity. Despite the deteriorating conditions, the labor markets proved generally resilient in 2023, and inflationary pressures abated in the course of the year.

Global Development GDP (2019 to 2023)
in %



Gross Domestic Product by Region
in %



Source: International Monetary Fund

According to the IMF, the European Union's economy contracted by 0.7% (2022: +3.6%). Germany recorded a decline of 0.5% (2022: +1.8%), while France's economic output was up 1.0% (2022: +2.5%), and the UK, another core European market, expanded by 0.5% (2022: +4.1%).

The United States, the world's largest economy, posted a 2.1% year-on-year increase in GDP in 2023.

In the Asia | Pacific economic region, GDP grew by 4.6% (2022: +3.9%). India again recorded the sharpest increase in this region in the reporting year, with growth of 6.3% (2022: +7.2%). China's economy added 5.0% (2022: +3.0%), although this fell short of original expectations. South Korean economic output rose by 1.4% (2022: +2.6%), and economic activity in Japan increased by 2.0% (2022: +1.0%).

Exchange Rate and Interest Rate Trends

In addition to the euro, the currencies relevant to the Sartorius Group include the U.S. dollar in particular, as well as a number of other currencies, such as the British pound, the Singapore dollar, the South Korean won, the Japanese yen, the Chinese renminbi, and the Swiss franc.

Exchange Rates against the Euro

	Year-End Exchange Rates		Average Exchange Rate	
	2023	2022	**2023**	2022
U.S. dollar	1.10650	1.06695	1.08152	1.05351
British pound	0.86910	0.88584	0.86989	0.85265
Singapore dollar	1.46070	1.43060	1.45250	1.45160
South Korean won	1,428.67000	1,344.77000	1,412.18659	1,357.87961
Japanese yen	156.81000	140.73000	152.01230	138.04150
Chinese renminbi	7.86730	7.36960	7.66229	7.08120
Swiss franc	0.92662	0.98370	0.97178	1.00486

The European Central Bank raised its key interest rate several times in the reporting year to 4.50% by the end of 2023. The three-month EURIBOR – i.e., the rate of interest on fixed-term deposits denominated in euros in interbank business – stood at 3.9% as of December 31, 2023 (December 31, 2022: 2.1%).

Sources: International Monetary Fund: World Economic Outlook, October 2023; Bloomberg; www.euribor-rates.eu.

Conditions in the Sectors

Sartorius' key customer groups include the biopharmaceutical and pharmaceutical industries as well as public research institutions. In addition, the company's customers include quality control laboratories in the chemical and food industries. Accordingly, the progress of the Group's business depends on developments in these industries.

Subdued Development of the Biopharmaceutical Market

After continuous – and in some cases significant – expansion in the global pharmaceutical market in prior years, growth stagnated in 2023 according to EvaluatePharma. Even revenue generated with biopharmaceuticals, which commonly increases faster than that generated by the pharmaceutical market as a whole, remained constant at around $436 billion. This was primarily due to lower sales of coronavirus vaccines and therapeutics, which fell by more than half in the reporting year from the previous level of $100 billion. Biopharma's share of the total pharmaceutical market was unchanged at around 39%.

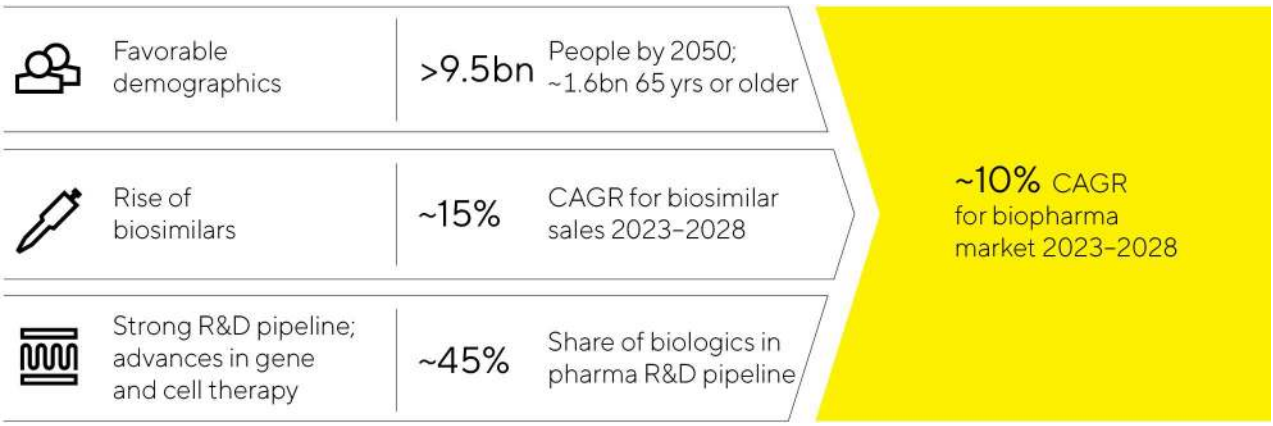
The leading manufacturers of bioprocess technology recorded declining sales in 2023 and repeatedly lowered their growth forecast communicated at the start of the year. The influencing factors were of a temporary nature and included in particular the sharp decline in Covid-19-related business and the reduction of elevated inventory levels. In addition, production levels at some biopharma companies were relatively low, and investment activity was generally subdued after several years of intensive capacity expansion. Towards the end of the third quarter, the order situation recovered for some companies, and a gradual improvement in the business situation is expected for 2024.

The growth of the biopharma market fundamentally depends more on medium- to long-term trends than on short-term economic developments. Significant impetus here is provided by the globally increasing demand for drugs and the approval and market launch of innovative biopharmaceuticals. Other growth factors are the extension of the range of indications for already approved medications and their further market penetration. The number of new biopharmaceutical approvals by the U.S. Food and Drug Administration (FDA) remained high in the year under review, at 42 (2022: 31).

The growing significance and acceptance of biologics is reflected not only in their increasing share of sales revenue within the global pharmaceutical market but also in the development activities of the pharmaceutical industry. For example, biopharmaceutical compounds account for around 45% of the R&D pipeline. A growing number of active substances manufactured using biotech production methods is being approved for the treatment of rare illnesses that have been incurable so far. In this context, the pharmaceutical industry is increasingly focusing on advanced therapies, such as cell and gene therapeutics and biotechnologically processed tissue products. In 2023, more than 1,600 clinical trials with such treatment approaches were conducted, meaning that this area offers significant growth potential over the medium to long term. The rising number of approved biopharmaceuticals and an increasing variety of therapy types and substance classes, coupled with growing demand for medications, are the main drivers for the worldwide increase in production capacities for biopharmaceuticals.

Biosimilars, the generic versions of reference biologics that have lost their patent protection, are also playing an increasingly important role in the biotechnology market. According to market studies, their sales volume in 2023 remained modest at an estimated $29 billion, but is expanding at faster rates than the biopharma market as a whole. The market is expected to continue to grow strongly during the years to come, owing to the expiration of several patents for high-selling biopharmaceuticals and an increasing number of new approvals of biosimilars and market launches. Particularly in the USA, where development has been comparatively slow due to regulatory, patent law-related, and marketing hurdles, market penetration is expected to accelerate significantly in the next few years. A compound annual growth rate of around 15% is expected globally through 2028.

Attractive Market Environment with Good Growth Prospects



Laboratory Market Continues to Grow

The global laboratory market had a total value of around $84 billion in the reporting year and, according to estimates by various market observers, is growing at an average annual rate of around 5% over the long term. Market growth is related, among other things, to the levels of research and development spending in the individual end markets, which is partly linked to economic development.

However, this applies to a lesser extent to labs in the pharmaceutical and biopharma industries, the leading customer groups for laboratory instruments and consumables: In this industry, demand is more strongly influenced by fundamental growth drivers, such as continuous research to find new active pharmaceutical ingredients. According to EvaluatePharma, sector-specific research spending increased by 7% to $262 billion in 2023. The investment focus is on the automation of process workflows and innovative analytical instruments that are equipped with enhanced or novel functionalities. Products from the field of bioanalytics, for example, have above-average growth rates within the laboratory market, and demand in the life science sector is generally growing faster than in other industries. In view of the above-average growth in previous years, this customer segment trended weaker in the reporting year, and the majority of leading suppliers of laboratory instruments and consumables recorded declines in sales revenue. In addition to the high basis for comparison, the reasons cited include restrained investment activity in the current interest rate environment, the persistently muted funding environment, especially for small and medium-sized biotech companies, and severe market weakness in China. Declining demand for Covid-19 test components also had a dampening effect.

Research and quality-assurance labs in the chemical and food industry are another customer group. This segment's demand for laboratory products depends in part on economic trends. Additional momentum can also be generated in this sector by regulatory changes, such as stricter requirements for quality control tests in the food industry. Despite a weaker macroeconomic environment, demand from industrial end markets was generally robust in 2023 according to several leading laboratory product manufacturers.

Academic and public-sector research institutions also use laboratory instruments and consumables manufactured by Sartorius. Growth in demand is related to such factors as government budgets and funding programs, all of which can vary from one country to another. In the USA, the National Institutes of Health (NIH) is the leading government agency for biomedical research and also the world's largest research funding agency. The NIH's budget has increased steadily over the past ten years, rising again by about 6.5% in the reporting year. The proposed budget for 2024 includes another slight increase. The European Union has likewise continuously scaled up its research spending in past budget cycles. Around €95.5 billion of research and innovation funding is to be provided in the period from 2021 to 2027, an increase of 19% compared with the previous program. Many manufacturers of laboratory products recorded robust demand from academic and public research institutions in the reporting year.

Competitive Position

The competitive environment of the Bioprocess Solutions Division is characterized by relatively high entry barriers arising in part from the biopharmaceutical industry's strong degree of regulation and its technological complexity. In this environment, the Bioprocess Solutions Division operates as a total solutions provider, covering the core process steps in biopharmaceutical production and preceding process development. It has leading market positions in key technologies, especially in the areas of bioreactors, filtration, and the transportation and storage of liquids. The Bioprocess Solutions Division's principal competitors are certain business units of Danaher Corporation, Merck KGaA, and Thermo Fisher Scientific Inc.

The Lab Products & Services Division is positioned as a premium provider of laboratory instruments. It serves both R&D laboratories and quality control laboratories with a focus on the biopharmaceutical industry. The division's product range includes laboratory balances, pipettes, and instruments for bioanalytics, as well as a wide range of lab consumables. The division ranks among the leading providers worldwide in most of these areas. Major competitors include certain divisions of Danaher Corporation, Merck KGaA, and Thermo Fisher Inc. Among these competitors are also Mettler-Toledo Intl. Inc. for laboratory balances in particular; Eppendorf AG for pipettes; and companies such as Agilent Technologies Inc., Becton Dickinson Co., and PerkinElmer Inc. for cell analytics.

Sources: BioPlan: 20th Annual Report and Survey of Biopharmaceutical Manufacturing Capacity and Production, April 2023; Evaluate Pharma: World Preview 2023, August 2023; Alliance for Regenerative Medicine: Sector Snapshot, August 2023; citeline: Pharma R&D Annual Review 2023, May 2023; Markets and Markets: Biosimilars Market – Forecast to 2028, 2023; SDi: Global Assessment Report 2023, June 2023; www.fda.gov

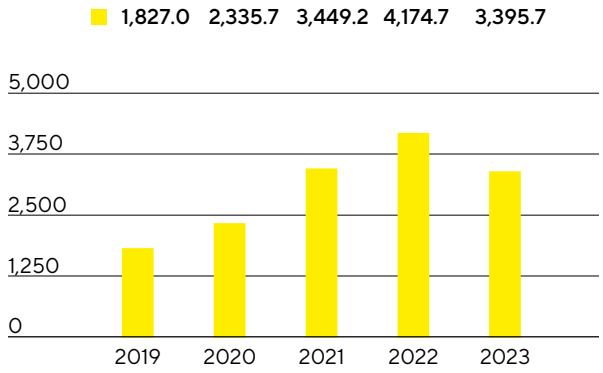
Group Business Development

Sales Revenue and Order Intake

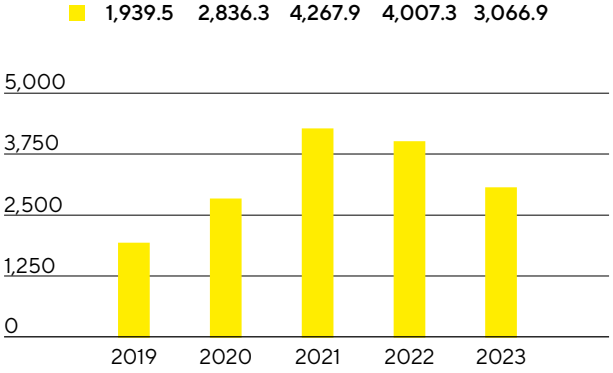
Following the strong additional growth momentum in the years 2020 to 2022 due to the pandemic-related extraordinary business and inventory buildup by customers, particularly in the Bioprocess Solutions division and to a lesser extent in the laboratory business, the temporary normalization of demand expected by the company management set in during the reporting year. This was more pronounced than anticipated at the beginning of the year, and the reduction in customer inventories also lasted longer than expected, which led to numerous forecast revisions across the entire life science sector. Business development was also impacted by a pronounced market weakness in China and the discontinuation of business with Russian customers. Against this backdrop, Group sales revenue fell by 16.6% in constant currencies[1] to €3,395.7 million; reported by -18.7%. This includes a growth contribution from acquisitions of around 1.5 percentage points[2]. Excluding the pandemic-related business, the decline in constant currencies was around 12%.

The temporarily weaker market environment was also reflected in order intake[3], which decreased by 21.5% in constant currencies to €3,066.9 million (reported: -23.5%). In line with progress made by customers in reducing their inventories, business began to recover at the end of the third quarter, resulting in order intake being slightly higher than sales revenue in both divisions and the Group in the fourth quarter.

Sales Revenue 2019 to 2023
€ in millions



Order Intake 2019 to 2023
€ in millions



Sales Revenue and Order Intake

€ in millions	**2023**	2022	in % reported	in % cc[2]
Sales revenue	3,395.7	4,174.7	–18.7	–16.6
Order intake	3,066.9	4,007.3	–23.5	–21.5

1 Figures given in constant currencies eliminate the impact of changes in exchange rates by applying the same exchange rate for the current and the previous period.
2 Organic: Organic growth figures exclude the impact from changes in exchange rates and changes in the scope of consolidation.
3 Order intake: All customer orders contractually concluded and booked during the respective reporting period.

Temporarily Muted Development in Both Divisions

Both divisions recorded a decline in sales revenue in fiscal 2023 due to the temporarily weaker market environment. In the Bioprocess Solutions division, which offers a wide array of innovative technologies for the manufacture of biopharmaceuticals and vaccines, sales revenue decreased by 17.6% in constant currencies to €2,678.2 million (reported: -19.5%). This includes about 2 percentage points of non-organic growth from acquisitions. Excluding the pandemic-related business, the decline was slightly above 12% in constant currencies.

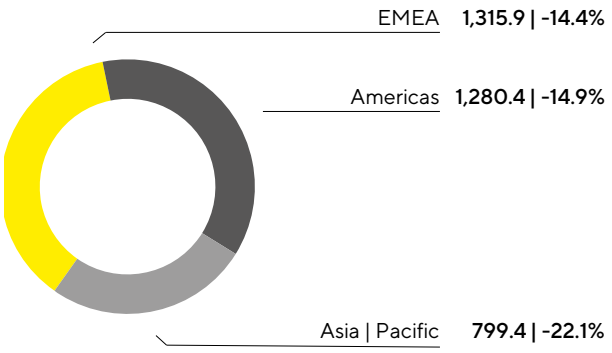
Sales revenue in the Lab Products & Services division, which specializes in life science research and pharmaceutical laboratories, stood at €717.5 million, a decline of 12.7% in constant currencies (reported: -15.4%) compared to the high level of the prior-year period. Excluding the Covid-19-related business, sales revenue would have declined by slightly below 11% in constant currencies.

Sales by Division

€ in millions	**2023**	2022	in % reported	in % cc
Bioprocess Solutions	2,678.2	3,326.5	–19.5	–17.6
Lab Products & Services	717.5	848.2	–15.4	–12.7

General Market Weakness Affects All Business Regions

Sales Revenue and Growth[1] by Region[2]
€ in millions, unless otherwise specified



1 Constant currencies: Figures given in constant currencies eliminate the impact of changes in exchange rates by applying the same exchange rate for the current and the previous period.
2 Acc. to customer location.

In terms of regional development, sales revenue declined in all regions due to the normalization of demand and the pandemic-related high prior-year base. The EMEA region recorded a decline of 14.4% to €1,315.9 million, to which the discontinuation of business with Russian customers contributed around 3 percentage points. This region accounted for 39% of total Group sales at the end of the year. From a divisional perspective, sales in the Bioprocess Solutions division fell more sharply (-16.8%) than in the Lab Products & Services division (-4.1%) due to the extraordinary situation following the pandemic described above.

In the Americas region, sales amounted to €1,280.4 million (-14.9%), which corresponds to around 38% of total Group revenue. While the bioprocess division recorded a decline of 13.3%, primarily due to the reduction in inventories and lower investment activity by customers in the USA, the business volume in the laboratory division fell by 21.1% impacted by the reluctance to invest, particularly among pharmaceutical customers in the bioanalytical instruments product area.

The reduction in inventories by customers and the reluctance to invest and purchase were even more noticeable in China and led to a significant decline in sales. This development also had a significant impact on business in the Asia | Pacific region as a whole, which amounted to €799.4 million (-22.1%) and thus accounted for a good 23% of total Group revenue. Sales in the Bioprocess Solutions division fell by 25.1% and in the Lab Products & Services division by 12.4%.

All growth rates for the regional development are in constant currencies unless otherwise stated.

Sales by Region

€ in millions	**2023**	2022	in % reported	in % cc[2]
EMEA	1,315.9	1,550.6	–15.1	–14.4
Americas	1,280.4	1,543.8	–17.1	–14.9
Asia	Pacific	799.4	1,080.3	–26.0	–22.1

Costs and Earnings

The cost of sales fell by 8.4% to €1,828.6 million in the reporting year. The respective cost of sales ratio was 53.8%, compared to 47.8% in the previous year. The decline was mainly due to the lower business volume and negative product mix effects.

At €634.4 million, selling and distribution costs were slightly higher than in the previous year (€632.5 million), while the ratio of these costs to sales revenue increased year on year to 18.7% (previous year: 15.1%) in connection with the decline in sales. Research and development expenses fell by 4.7% to €170.8 million in the reporting year; the corresponding R&D ratio was 5.0% (previous year: 4.3%). Administrative expenses amounted to €214.3 million (previous year: €213.6 million), and the administrative expense ratio was 6.3% in 2023 (previous year: 5.1%). Extraordinary items explicitly attributable to the functional areas are reported in the respective functional area since the 2023 reporting year. The previous year's figures were restated accordingly.

Expenses and income that could not be allocated to a functional area were recognized in the balance of other operating income and expenses which amounted to -€43.7 million in 2023 after -€88.1 million in the previous year and included net expenses of -€16.4 million (previous year: -€51.0 million) from valuation effects and the realization of currency hedges, in particular due to the development of the U.S. dollar exchange rate.

EBIT fell by 52.7% year on year to €503.9 million; the corresponding margin was 14.8% (previous year: 25.5%). This development was mainly due to the decline in gross profit, which was only partially offset by a reduction in operating costs.

The financial result amounted to -€118.0 million in 2023, compared to €116.9 million in the previous year. This includes non-cash-effective income of €71.5 million, predominantly from the reporting date valuation of the share-based earn-out liability in connection with the acquisition of BIA Separations (previous year: €148.9 million). After adjustment for this effect, the increase in remaining net financing expenses resulted, among other things, from the increased debt in connection with the most recent acquisitions.

In the reporting year, tax expenses amounted to €95.9 million (previous year: €268.6 million). In relation to the reported earnings before taxes, the tax rate was 24.8% (previous year: 22.7%).

Net profit for the period fell by 68.2% to €290.0 million (previous year: €913.1 million).

Net profit attributable to shareholders of Sartorius AG was €205.2 million (-69.7%; previous year: €678.1 million). Non-controlling interest stood at €84.9 million (previous year: €235.0 million), which essentially reflected shares in Sartorius Stedim Biotech S.A. not held by the Sartorius Group.

Statement of Profit or Loss

€ in millions	**2023**	2022	Δ in %
Sales revenue	3,395.7	4,174.7	–18.7
Cost of sales	–1,828.6	–1,996.6	8.4
Gross profit on sales	**1,567.1**	**2,178.1**	**–28.1**
Selling and distribution costs	–634.4	–632.5	–0.3
Research and development costs	–170.8	–179.2	4.7
General administrative expenses	–214.3	–213.6	–0.4
Other operating income and expenses	–43.7	–88.1	50.4
Earnings before interest and taxes (EBIT)	**503.9**	**1,064.8**	**–52.7**
Financial income	103.9	198.2	–47.6
Financial expenses	–221.8	–81.3	–172.8
Financial result	**–118.0**	**116.9**	**–200.9**
Profit before tax	**385.9**	**1,181.7**	**–67.3**
Income taxes	**–95.9**	**–268.6**	**64.3**
Net profit for the period	**290.0**	**913.1**	**–68.2**
Attributable to:			
Equity holders of Sartorius AG	205.2	678.1	–69.7
Non-controlling interest	84.9	235.0	–63.9

Extraordinary items are reported within functional expenses as of fiscal 2023. Prior-year figures were restated accordingly.

Underlying EBITDA

The Sartorius Group uses underlying EBITDA – earnings before interest, taxes, depreciation, and amortization and adjusted for extraordinary items – as its key profitability indicator to provide a better picture of its operating development, also in an international comparison.

Reconciliation from EBIT to Underlying EBITDA

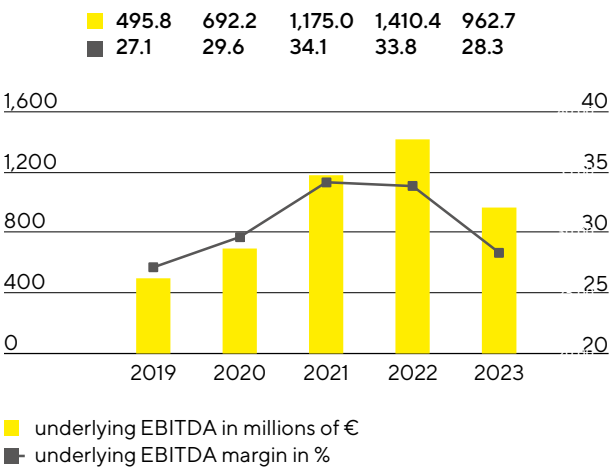
€ in millions	**2023**	2022
EBIT	503.9	1,064.8
Extraordinary items	116.5	60.4
Amortization | depreciation	342.3	285.3
Underlying EBITDA	962.7	1,410.4

Extraordinary Items

In millions of €	**2023**	2022
M&A projects | integration costs	–22.9	–16.1
Structuring measures	–80.5	–29.6
Other	–13.1	–14.7
Total	**–116.5**	**–60.4**

Mainly as a result of the lower volume development, underlying EBITDA decreased by 31.7% to €962.7 million; the resulting margin was 28.3% (previous year: 33.8%). Negative product mix effects also had a dampening effect, as the reduction in inventories on the customer side particularly affected demand for higher-margin consumables and led to a lower share of such products in total sales. Price effects on the procurement and customer sides largely offset each other.

Underlying EBITDA[1] and Margin



1 Underlying EBITDA: Earnings before interest, taxes, depreciation, and amortization and adjusted for extraordinary items.

Underlying EBITDA by Division

	Underlying EBITDA € in millions	Underlying EBITDA margin in %
Group	**962.7**	**28.3**
Bioprocess Solutions	782.3	29.2
Lab Products & Services	180.3	25.1

Underlying EBITDA of the Bioprocess Solutions division amounted to €782.3 million (-34.2%) as a result of the volume development and product mix effects, resulting in a margin of 29.2% (previous year: 35.7%).

Underlying EBITDA of the Lab Products & Services division fell by 18.8% to €180.3 million. At 25.1%, the corresponding margin was moderately below the previous year's figure of 26.2%.

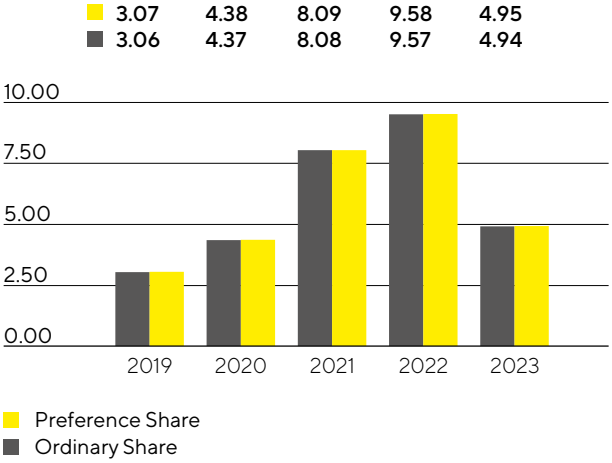
Relevant Net Profit

The relevant net profit attributable to the shareholders of Sartorius AG fell by 48.3% to €338.5 million compared to the previous year. This figure is the basis for determining the profit to be appropriated, is calculated by adjusting for extraordinary items and eliminating amortization, and is based on the normalized financial result and the normalized tax rate. Underlying earnings per ordinary share decreased by 48.4% to €4.94 (previous year: €9.57) and per preference share by 48.3% to €4.95 (previous year: €9.58).

€ in millions	**2023**	2022
EBIT	503.9	1,064.8
Extraordinary items	116.5	60.4
Amortization	133.5	104.5
Normalized financial result[1]	–146.3	–38.7
Normalized income tax (27%)[2]	–164.0	–321.6
Underlying earnings	443.5	869.4
Non-controlling interest	–105.0	–214.0
Underlying earnings after taxes and non-controlling interest	338.5	655.4
Underlying earnings per share		
per ordinary share (in €)	4.94	9.57
per preference share (in €)	4.95	9.58

1 Financial result adjusted for valuation effects from the subsequent measurement of contingent purchase price liabilities as well as for effects of foreign currency translation and hedging.
2 Income tax considering the average expected Group tax rate, based on the underlying profit before tax.

Underlying Earnings per Share[1]
in €



1 After non-controlling interest, adjusted for extraordinary items and amortization, as well as based on the normalized financial result and the normalized tax rate.

Research and Development

Sartorius continuously expands its product portfolio by investing in both the new and further development of its products, as well as in the integration of new technologies through alliances. In 2023, the company recognized €170.8 million for research and development (R&D) as a direct expense compared to €179.2 million in the previous year (-4.7%). The R&D ratio of expenses to sales revenue was 5.0% (previous year: 4.3%).

The International Financial Reporting Standards (IFRS) require certain development costs to be capitalized on the statement of financial position and then to be amortized over subsequent years. In the reporting year, capitalized R&D increased to €100.3 million compared with €81.7 million the year before. This equates to a share of 37.0% (previous year: 31.3%) of the Group's total R&D expenses. Scheduled amortization related to capitalized development costs totaled €30.0 million in 2023 (previous year: €23.9 million). Total research and development costs, including capitalized development costs, amounted to €271.1 million (previous year: €260.9 million). At 8.0%, the resulting gross R&D ratio[1], which includes all innovation-related expenses, was higher than the previous year's figure of 6.2%.

Sartorius pursues a strategic intellectual and industrial property rights policy across its divisions to protect its expertise. The Group systematically monitors compliance with these rights on a cost|benefit basis to determine which specific individual rights are to be maintained.

In 2023, Sartorius filed a total of 301 applications for intellectual and industrial property rights (previous year: 261). As a result of these applications, including those of prior years, 435 patents and trademarks during the reporting year (previous year: 353) were issued. As of the reporting date, the company had a total of 7,260 patents and trademarks in its portfolio (previous year: 6,421).

1 Gross R&D ratio: Sum of research and development expenses recognized in profit or loss and development costs recognized in the balance sheet in relation to sales revenue.

Investments

In the reporting year, Sartorius continued to invest considerably in the expansion of new capacities in all regions. In addition to significantly expanding production capacities, the investment program aims to further diversify the production network and make it more flexible. In line with the company's expansion plans, some expansion projects were completed in 2023. Further projects will be completed in the current year or in subsequent years.

At €559.7 million, capital expenditures in 2023 were slightly higher than the previous year's figure of €522.6 million, as planned. The corresponding Capex ratio[1] rose to 16.5% (previous year: 12.5%) due to the decline in Group sales revenue.

The company's largest investment projects in the reporting year included the expansion of membrane manufacturing capacities and new laboratory space for product development in Göttingen, Germany.

At its site in Yauco, Puerto Rico, a production line for cell culture media was set up and put into operation in 2023.

Sartorius made further substantial investments in additional clean room space for the manufacture of sterile disposables at its site in Aubagne, France, in the reporting year.

In Ann Arbor, Michigan, USA, Sartorius invested in the construction of a new center of excellence in the field of bioanalytics, including research laboratories and production capacity.

In the Asia|Pacific region, the company invested considerably in Songdo, South Korea, where construction work began on a plant for cell culture media production and sterile consumables processing. In addition, Sartorius plans to build a technology center for customer consulting and product demonstrations as well as laboratory space at the new site, which is located in the middle of a biopharma park.

Production capacities were also expanded at other locations. For example, the company carried out expansion projects at other sites in Germany as well as in the USA, the UK, and Slovenia.

1 Capital expenditures in relation to sales revenue.

Employees

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

As of December 31, 2023, Sartorius had a total of 14,614 employees in 37 countries worldwide. This was 1,328 employees or 8.3% less than on December 31, 2022. Sartorius had increased headcount in previous years in connection with the significant growth in sales revenue. However, it adjusted the size of the workforce during the reporting period in response to the changing demand levels and reduced capacity requirement. A considerable portion of the peak headcount involved temporary employment contracts. In the reporting year, 264 employees joined the Group as a result of acquisitions.

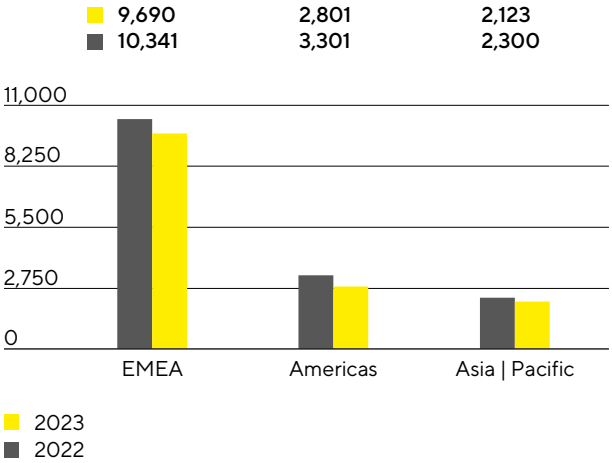
Employees

	2023	2022	Change in %
Group	14,614	15,942	-8.3
Bioprocess Solutions	11,293	12,560	-10.1
Lab Products & Services	3,321	3,382	-1.8

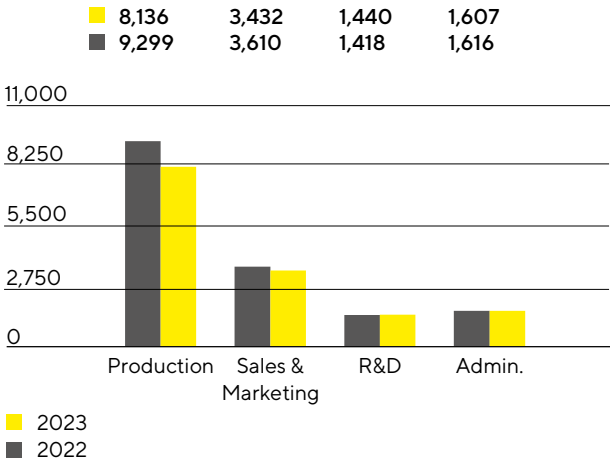
The Bioprocess Solutions division had 11,293 employees at the end of the reporting year (previous year: 12,560). The Lab Products & Services division had 3,321 employees (previous year: 3,382).

The employees of the central administrative functions were allocated to the divisions on the basis of their activities.

Employees by Region



Employees by Function



The number of employees in the EMEA region fell by around 6.3% in 2023 versus December 2022, taking the figure to 9,690. In Germany, Sartorius had 5,004 employees at the end of the reporting year, which corresponds to 34.2% of the total workforce.

In the Americas, Sartorius had 2,801 employees as of December 31, 2023, representing a drop of 15.1%. The number of employees in the Asia | Pacific region fell by 7.7% to 2,123.

At the end of 2023, approximately 56% of all Sartorius employees worked in production. At 8,136, the number of employees in this area decreased by 12.5% year over year.

At the end of the year, 3,432 people were employed in marketing and sales, representing a decrease of 4.9% and a share of around 23% of the total workforce.

Almost 10% of all employees worked in R&D. This corresponded to a year-on-year increase of 22 individuals or 1.6%, bringing the total number of employees to 1,440.

As of the reporting date, 1,607 people worked in administrative positions. This corresponds to a decrease of 0.6% compared with the same date of the previous year and to 11% of all Sartorius employees.

Further information on employees can be found in the Group's Non-Financial Statement.

Net Worth and Financial Position

Cash Flow

Cash flow from operating activities rose by 16.3% to €853.6 million (previous year: €734.2 million) despite the decline in earnings. The increase resulted primarily from the reduction of working capital. While Sartorius had increased inventories as planned in 2022 and previous years to secure supply ability in view of the temporary tensions in supply chains, these were significantly reduced in 2023. In addition, lower tax payments also had a positive effect.

Based on fundamentally intact growth drivers in the end markets and its medium-term growth targets, Sartorius continued its investment program to expand and diversify its production capacities, although the pace of implementation of individual measures was slowed down in view of the temporarily weaker demand. Cash outflows from investing activities decreased slightly by 1.9% to €582.4 million (previous year: -€593.8 million). Due to acquisition-related expenses of €2,240.9 million (previous year: €536.1 million), primarily in connection with the acquisition of Polyplus, a provider of innovative technologies for cell and gene therapies, cash flow from investing activities and acquisitions rose to -€2,823.3 million (previous year: -€1,129.9 million).

Primarily driven by the placement of bonds with a volume of €3 billion, cash flow from financing activities amounted to €2,165.7 million (previous year: €209.9 million). This also included dividend payments for the 2022 financial year in the amount of €134.4 million (previous year: €118.1 million).

Cash Flow Statement

€ in millions	**2023**	2022
Cash flow from operating activities	853.6	734.2
thereof change in net working capital	171.6	–300.1
Cash flow from investing activities and acquisitions	–2,823.3	–1,129.9
Cash flow from financing activities	2,165.7	209.9
Cash and cash equivalents	379.2	165.9
Gross debt	5,311.4	2,541.2
Net debt	4,932.1	2,375.3

Consolidated Statement of Financial Position

The balance sheet total of the Sartorius Group was €9,755.3 million as of the end of fiscal 2023 and thus €2.777.6 million higher than the prior-year level. This increase is largely due to the rise in non-current assets by €2,843.9 million to €7,798.5 million, mainly due to the increase in goodwill, other intangible assets, and property, plant, and equipment as a result of the acquisition of Polyplus and by the continuation of the investment program. At €1,956.9 million, current assets were slightly below the previous year's figure of €2,023.2 million, mainly driven by the reduction in trade receivables and a reduction in inventories, which were offset by an increase in cash and cash equivalents. Working capital amounted to €1,387.3 million as of December 31, 2023 (previous year: €1,663.5 million).

Key Figures for Working Capital

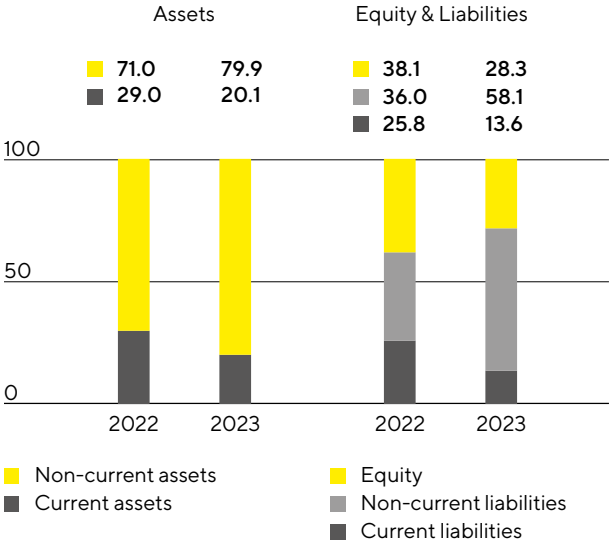
In days		2023	2022
Days inventory outstanding			
Inventories | Sales revenue[1]	x 360	109	101
Days sales outstanding			
Trade receivables | Sales revenue[1]	x 360	37	41
Days payables outstanding			
Trade payables | Sales revenue[1]	x 360	52	47
Net working capital days			
Net working capital[2] | Sales revenue[1]	x 360	93	95

1 Including pro forma sales of recent acquisitions.
2 Sum of inventories and trade receivables less the trade payables.

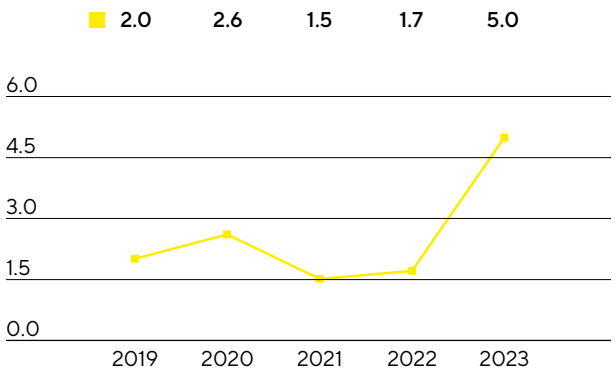
Equity grew by €98.5 million to €2,757.4 million. The equity ratio[1] was 28.3% (previous year: 38.1%).

The Group's non-current liabilities increased from €2,515.5 million to €5,667.9 million in the reporting year due to the issue of bonds with a volume of €3 billion. In addition to financing the Polyplus acquisition, a smaller portion of the funds was used to repay current financial liabilities or was held in cash. As a result, current liabilities fell by €473.3 million to €1,330.0 million. The decrease in trade payables also had a positive effect.

Balance Sheet Structure
in %



Ratio of Net Debt to Underlying EBITDA[2]



1 Equity in relation to the balance sheet total.
2 Quotient of net debt and underlying EBITDA over the past 12 months, including the pro forma amount contributed by acquisitions for this period.

Gross debt rose to €5,311.4 million at the end of the 2023 reporting year relative to €2,541.2 million in fiscal 2022 and is comprised of liabilities to banks, including bonds, promissory note loans ("Schuldscheindarlehen"), as well as lease liabilities. The increase is essentially due to the aforementioned bond placements. Net debt,

defined as gross debt less cash and cash equivalents, increased from €2,375.3 million in the previous year to €4,932.1 million.

In relation to the debt financing capacity of the Sartorius Group, the ratio of net debt to underlying EBITDA is a key metric. It is defined as the quotient of net debt and underlying EBITDA over the past 12 months, including the pro forma amount contributed by acquisitions for this period. Following the completion of the Polyplus acquisition and the investments made in the reporting year, the ratio of net debt to underlying EBITDA as at December 31, 2023, was, as expected, at a higher level of 5.0 (previous year: 1.7). This figure is expected to be significantly reduced in 2024, to which a strong expected cash flow as well as the further reduction of inventories and lower investments in capacity expansions should contribute.

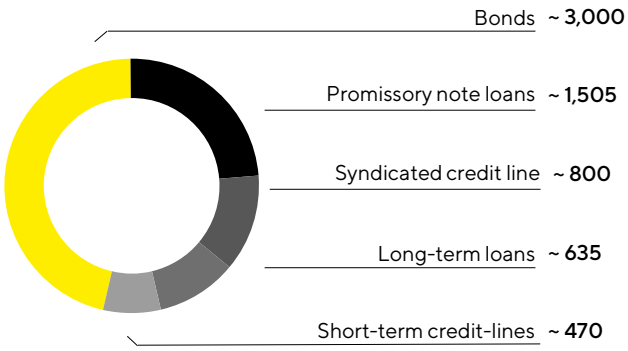
Reconciliation

€ in millions	**2023**	2022
Gross debt	5,311.4	2,541.2
- Cash & cash equivalents	379.2	165.9
Net debt	4,932.1	2,375.3
Underlying EBITDA (12 months)	962.7	1,410.4
+ Pro forma EBITDA from acquisitions (12 months)	14.7	11.7
Pro forma underlying EBITDA	977.4	1,422.1
Ratio of net debt to underlying EBITDA	5.0	1.7

Financing | Treasury

Sartorius covers its operational and strategic financing needs through a combination of operating cash flows and the assumption of short-, medium- and long-term financial liabilities. The major debt financing instruments are shown in the graphic below.

Main Financing Instruments
€ in millions



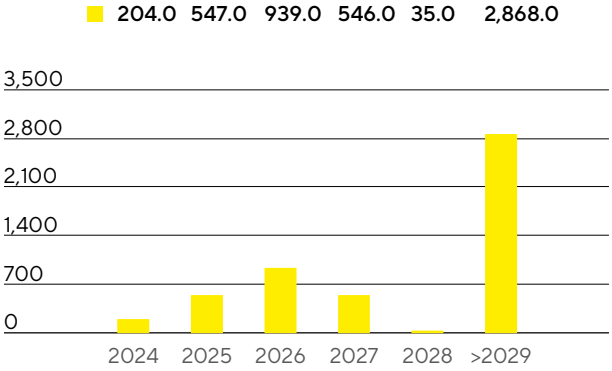
A major pillar in the financing mix is a syndicated credit line of €800 million with a remaining term until May 2028 and an extension option. In addition, Sartorius has various short-term credit lines totaling around €470 million. As of December 31, 2023, the total volume of all available and unused credit lines amounted to €1,270 million.

Corporate financing was supplemented in the reporting year by the placement of bonds with a volume of €3 billion. The issue comprised four tranches with terms of 3 to 12 years and coupons of between 4.25% and 4.875%. The net proceeds from the bond issue were used to repay the bridge financing for the acquisition of Polyplus and for general corporate purposes. In this context, Sartorius received a credit rating from a rating agency for the first time in the reporting year. The S&P Global Rating gave Sartorius an investment grade rating (BBB).

In addition, Sartorius has issued several promissory note loans ("Schuldscheindarlehen") with a total outstanding volume of €1,505 million. There are also several short- and long-term loans in place that total around €635 million and are being used in part for the expansion of production capacities.

At around 85%, the majority of the aforementioned financing instruments was concluded at fixed interest rates. The maturity profile of the Group's financing instruments is broadly diversified.

Maturity Profile of the Financing Facilities[1]
€ in millions



1 As of December 31, 2023, major financing instruments.

Due to its global business activities, Sartorius is exposed to the usual fluctuations in foreign exchange rates, which it hedges by forward contracts. At the end of 2023, foreign exchange contracts amounted to a volume of approximately €625 million, with a market value of €4.9 million.

Business Development of Bioprocess Solutions

Business performance reflects temporarily weaker market environment after the pandemic

Temporary decline in sales and earnings

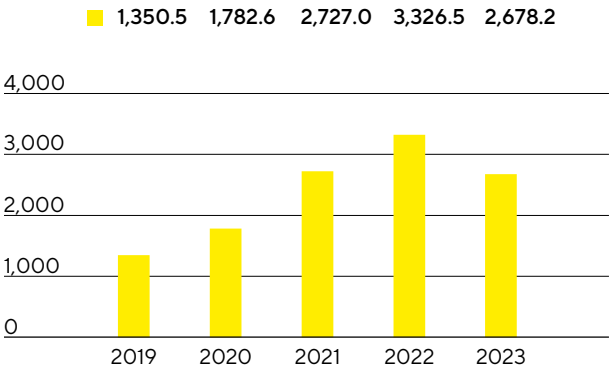
Moderate recovery in order intake since the end of the third quarter

Division sales	Order intake	Underlying EBITDA margin
€2,678.2m	€2,404.1m	29.2%
In constant FX: -17.6%	In constant FX: -21.1%	-6.5 percentage points

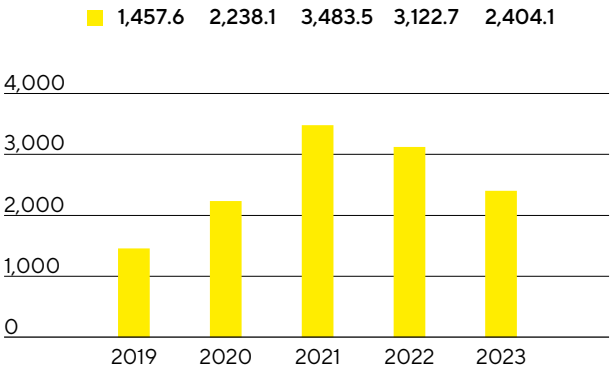
Sales Revenue and Order Intake

Following the exceptionally high growth in 2020 to 2022 due to the pandemic, the Bioprocess Solutions division recorded softer customer demand in the reporting year, as anticipated. In particular, the longer and more pronounced than originally expected reduction in customer inventories following the end of the pandemic impacted business development and led to lower demand for consumables, such as sterile single-use bags and filters. Other industry-wide factors also had a dampening effect, such as relatively low production levels, the largely discontinued business with Russian customers, and an overall muted investment activity on the part of customers, primarily in China and the USA. Sales revenue fell by 17.6% to €2,678.2 million (reported: -19.5%). This includes around 2 percentage points of non-organic growth from acquisitions. Excluding the Covid-19-related business, the decline stood slightly above 12% in constant currencies.

Sales Revenue 2019 to 2023
€ in millions



Order Intake 2019 to 2023
€ in millions



Sales Revenue and Order Intake

€ in millions	**2023**	2022	in % reported	in % cc[1]
Sales revenue	2,678.2	3,326.5	–19.5	–17.6
Order intake	2,404.1	3,122.7	–23.0	–21.1

1 In constant currencies.

In view of the normalization of demand and a high prior-year base due to the pandemic, sales revenue declined in all regions. In the EMEA region, which accounted for around 39% of the division's sales, revenues fell by 16.8% to €1,042.2 million compared to the previous year, which was significantly influenced by business with vaccine manufacturers. In the Americas region, sales amounted to €1,047.8 million (-13.3%) against the backdrop of low investment activity by customers in the USA. The region's share of divisional sales was 39%. The Asia-Pacific region, which accounted for 22% of the division's sales, performed significantly weaker due to a marked reluctance to invest on the part of pharmaceutical customers, mainly in China. At €588.2 million, sales were down 25.1% on the previous year. (All growth rates for the regional development are in constant currencies unless otherwise stated.)

The temporarily weaker market environment was even more clearly reflected in order intake, which decreased by 21.1% to €2,404.1 million (reported: -23.0%). In line with progress made by customers in reducing their inventories, business began to recover at the end of the third quarter, so that order intake was slightly above sales revenue in the fourth quarter.

Sales by Region

€ in millions	**2023**	2022	in % reported	in % cc[2]
EMEA	1,042.2	1,260.5	–17.3	–16.8
Americas	1,047.8	1,240.8	–15.6	–13.3
Asia | Pacific	588.2	825.2	–28.7	–25.1

Earnings

Mainly as a result of the lower volume development, underlying EBITDA decreased by 34.2% to €782.3 million, resulting in a margin of 29.2% (previous year: 35.7%). Negative product mix effects also had a dampening effect, as the reduction in inventories on the customer side particularly affected demand for higher-margin consumables and led to a lower share of such products in total sales. Price effects on the procurement and customer sides largely offset each other.

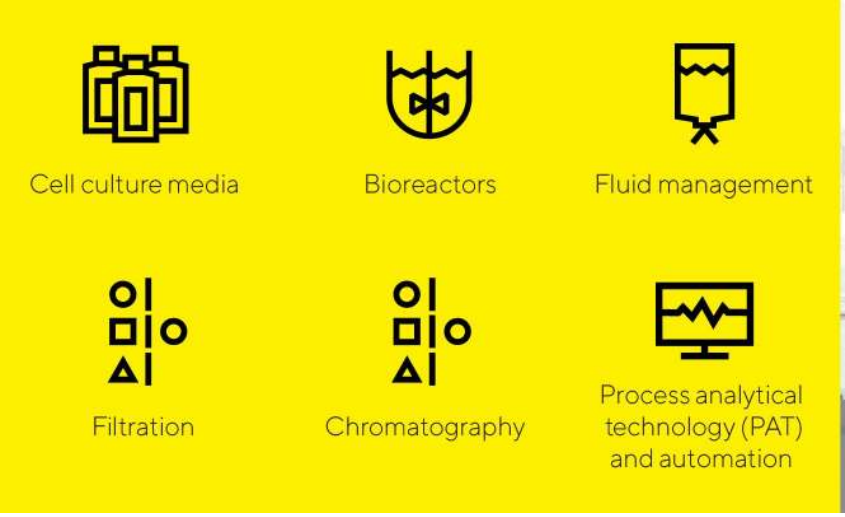
Underlying EBITDA and EBITDA Margin

	2023	2022
Underlying EBITDA in millions of €	782.3	1,188.4
Underlying EBITDA margin in %	29.2	35.7

In the year under review, the Bioprocess Solutions division recorded extraordinary items of -€103.5 million compared to -€46.5 million in the previous year. These items predominantly consisted of expenses in connection with the most recent acquisitions as well as expenses for various corporate projects and structuring measures.

Products and Sales

The Bioprocess Solutions Division markets products and services for the entire value chain in biopharmaceutical production and preceding process development. The division's portfolio includes cell lines, cell culture media, bioreactors, a wide range of products for separation, purification, and concentration, and products and systems for storage and transportation of intermediate and finished biological products.



As a result of the acquisition of the French company Polyplus, Sartorius has significantly expanded the product portfolio of its Bioprocess Solutions Division in the area of cell and gene therapies. Polyplus develops and produces high-quality, GMP-compliant transfection as well as DNA and RNA delivery reagents and plasmid DNA. These components are success-critical in the manufacture of viral vectors used in cell and gene therapies as well as other new medical therapy methods. The solutions from Polyplus are highly complementary to the portfolio created by Sartorius in recent years, which now comprises various cell culture media, other critical raw materials, and purification technologies for the development and manufacture of advanced therapies.

In the area of filtration, the Bioprocess Solutions Division introduced a new platform for the large-scale manufacture of biopharmaceuticals, which can be preconfigured with a wide range of filter types. The platform is suitable for a large number of separation steps, from cell culture media to virus depletion to subsequent sterile filtration; it is particularly user-friendly in its handling and achieves significant cuts in production times. In addition, a high-throughput tool for clarifying and purifying monoclonal antibodies was launched; it helps customers speed up the preparation of small cell culture samples for downstream analysis in cell line development. Moreover, a system was introduced that allows single-use bags to be filled evenly at the same time, for example, with cell culture media for the manufacture of cell therapies, thus accelerating the filling process significantly.

Sales Activities

The Bioprocess Solutions Division markets most of its product portfolio directly. Sales activities for key accounts are coordinated and supported by global key account management.

Communication with customers via on-site visits is now supplemented by digital channels: Many contacts with customers are made through digital communication tools. Videoconferencing and augmented reality are used for such direct interactions, for example, when demonstrating products, conducting training sessions,

and bringing systems into service. Another focus aimed at strengthening the sales force is on expanding the company's international presence and on continually enhancing sales efficiency, for example, with product and application training or further specialized training for employees.

Product Development

Development activities at Sartorius essentially focus on technology areas such as membranes, which are the core component of the filter products; diverse technology platforms, such as sterile containers for fluid management in biopharmaceutical processes and sensors; and control technologies for processes such as fermentation. Additional focal areas comprise developments in materials and components that include plastics, elastomers, and intelligent polymers; expanded data analysis; cell line development; and critical media components for protein-based, viral, and so-called advanced therapies.

Product development is aimed at expanding the existing portfolio on a complementary basis and further enhancing the range of integrated complete solutions for the manufacture of biopharmaceuticals – from the early phase of development to commercial production.

The largest product development site is located in Göttingen, Germany, where a new product development building began its operations in the reporting year. Further important activities take place in France, India, the United States, and the UK, as well as in Sweden, Israel, Slovenia, and other locations in Germany.

Production and Supply Chain Management

The Bioprocess Solutions Division has a very well developed global production network that was expanded at several sites in the reporting year. The largest production facilities are located in Germany, France, and Puerto Rico. Beyond these locations, this division also manufactures in the UK., Switzerland, Tunisia, India, the United States, China, Israel, and Slovenia. The most recent acquisition has added sites in France, Belgium, the United States, and China.

In the reporting year, Sartorius expanded its plant in Puerto Rico by adding a production facility for cell culture media. The new facility allows the company to supply, from its plant in Yauco, high-quality cell culture media in powder form, which are used in the manufacture of therapeutic proteins and other modalities. Production in Yauco is focused on customers in the Americas region.

Moreover, construction started in Freiburg im Breisgau, Germany, on a center of excellence for the development and production of quality-critical reagents for the cell and gene therapy market. The new building will increase the existing production of cytokines and growth factors and significantly expand research and development. The building is scheduled for completion in 2025, and production is expected to start in 2026.

The supply chain situation continued to ease in 2023 compared with previous years. Delivery times for most products have normalized, and the availability of electronic components and some chemical raw materials also improved over the course of the year.
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Business Development of Lab Products & Services

Development reflects temporarily weaker market environment

Profitability at a robust level despite decline in sales revenue

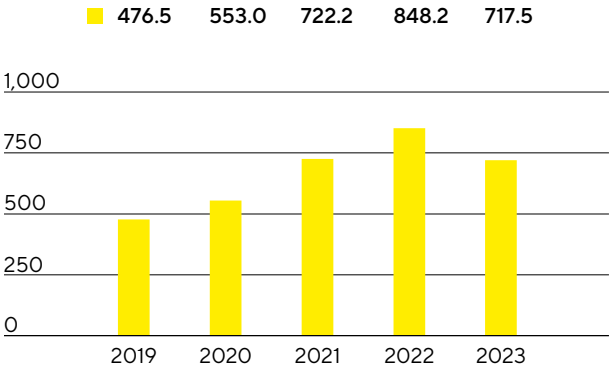
Order intake picks up again slightly over the course of the fourth quarter

Division sales	Order intake	Underlying EBITDA margin
€717.5m	€662.8m	25.1%
In constant FX: -12.7%	In constant FX: -22.7%	-1.1 percentage points

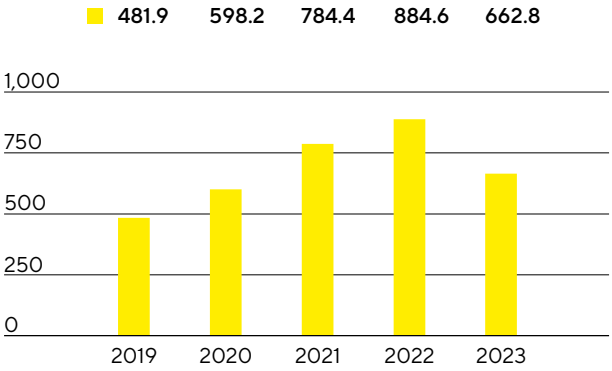
Sales Revenue and Order Intake

The Lab Products & Services division recorded sales revenue of €717.5 million, a decline of 12.7% in constant currencies (reported: -15.4%) compared to the high level of the prior year. Excluding the pandemic-related business, which in the laboratory division primarily comprised membranes for Covid-19 test kits and pipette consumables, sales revenue would have declined by slightly below 11% in constant currencies. After business with bioanalytical instruments for pharmaceutical applications in particular had expanded significantly in previous years, a marked reluctance to invest on the part of this customer group led to a drop in sales in the reporting year. This affected both larger customers and smaller biotech companies, for whom the funding environment had deteriorated significantly compared to the pandemic years.

Sales Revenue 2019 to 2023
€ in millions



Order Intake 2019 to 2023
€ in millions



Sales Revenue and Order Intake

€ in millions	**2023**	2022	in % reported	in % cc[1]
Sales revenue	717.5	848.2	–15.4	–12.7
Order intake	662.8	884.6	–25.1	–22.7

1 In constant currencies.

Following the strong development in the previous year, sales in the Americas region fell by 21.1% to €232.6 million, so that this region accounted for 32% of the division's sales. In particular, demand for bioanalytical instruments was weaker following the high growth rates of previous years. Sales in the EMEA region, which accounted for around 38% of the division's sales, declined moderately by 4.1% to €273.7 million. The Asia | Pacific region, which contributed 30% to the Lab Products & Services division's business, decreased by 12.4% to €211.2 million, primarily due to a significant drop in sales in China. (All growth rates for the regional development are in constant currencies unless otherwise stated.)

The dampening impact of these factors was even more pronounced on order intake, which stood at €662.8 million (in constant currencies: -22.7%; reported: -25.1%), while business picked up slightly over the course of the fourth quarter, resulting in order intake being moderately higher than sales revenue.

Sales by Region

€ in millions	2023	2022	in % reported	in % cc[2]
EMEA	273.7	290.1	–5.7	–4.1
Americas	232.6	303.0	–23.2	–21.1
Asia	Pacific	211.2	255.1	–17.2	–12.4

Earnings

The underlying EBITDA of the Lab Products & Services Division declined by 18.8% to €180.3 million. At 25.1%, the corresponding margin stood only slightly below the level of the prior-year period (26.2%). Price effects on the procurement and customer sides largely offset each other.

Underlying EBITDA and EBITDA Margin

	2023	2022
Underlying EBITDA in millions of €	180.3	222.0
Underlying EBITDA margin in %	25.1	26.2

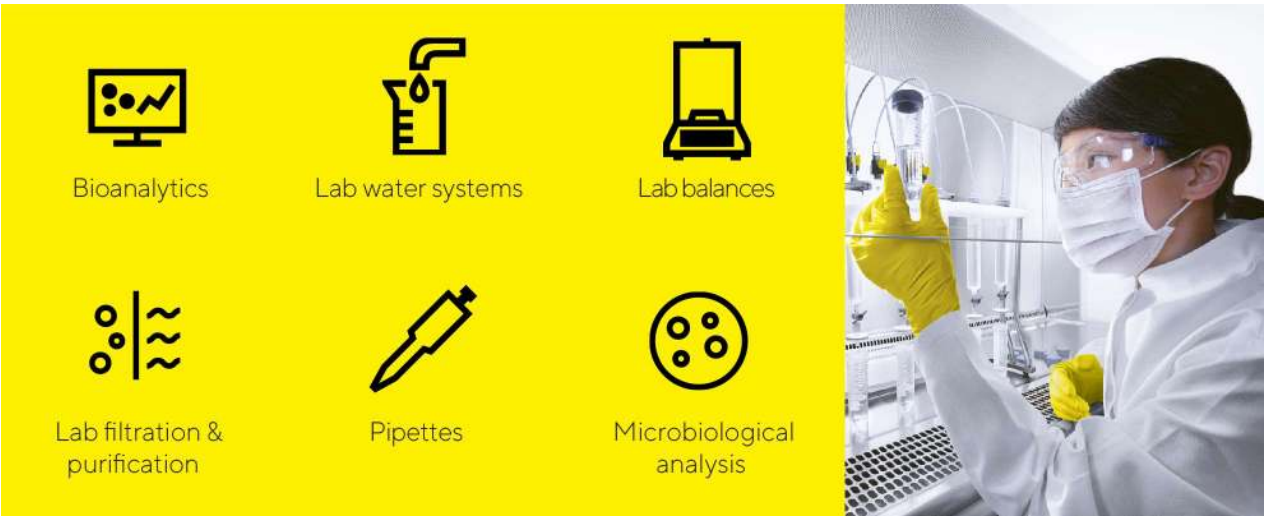
The Lab Products & Services Division recorded extraordinary items of –€13.0 million in the reporting year relative to –€13.9 million a year ago. These items resulted primarily from expenses for various corporate projects and structuring measures.

Products and Sales

The Lab Products & Services Division focuses with its products on research laboratories in the pharmaceutical and biopharmaceutical industries as well as on academic research institutes.

In the area of bioanalytics, the division offers life science customers innovative systems for cell analysis. These greatly accelerate the otherwise time-intensive discovery of medical drug candidates by automating and digitalizing core steps in analysis. Automated analysis, selection, and isolation of cells enable customers, moreover, to significantly reduce time to result as well as cost in cell line development and antibody discovery.

In addition, the product range of the Lab Products & Services Division includes a broad array of premium laboratory instruments for sample preparation, such as laboratory balances and lab water systems, as well as lab consumables, such as filters and microbiological test kits. This Sartorius portfolio is tailored to the biopharmaceutical industry and additionally focuses on research and quality control labs in areas such as the chemical and food industries.



In the area of bioanalytics, the division launched a new software module for a live cell imaging system in the reporting year, which allows customers to process data in accordance with the FDA's rules for electronic records and signatures. By cooperating with an industry partner in the area of proteins, the division in July expanded its fast-growing portfolio for stem cell and organoid research by adding animal-free growth factors and cytokines, with the aim of enabling rapid progress in the discovery of new cell models.

Another product brought to market was a new version of an electronic pipette, which allows data to be recorded in real time and enables integration with other equipment, thereby improving productivity and data quality. A new premium laboratory balance was also introduced, which offers customers improved adaptability to ambient factors, such as temperature, humidity, and atmospheric pressure; intuitive cleaning processes; and flexible hardware upgrades.

The services offered by the Lab Products & Services Division cover the entire life cycle of laboratory instruments, from device installation and commissioning to validation, calibration, verification, and regular maintenance to repair. These services are not limited to Sartorius instruments alone; they are offered to a partial extent for devices from other manufacturers as well. This extensive range enables customers to minimize the number of service providers they use and to reduce complexity and costs.

Beyond this, Sartorius application laboratories in all regions offer customers the opportunity to test Sartorius products, even using their own samples, and to take training courses.

Sales Activities

The division mostly distributes its bioanalytics offering directly, while standard instruments and consumables are also offered through laboratory distributors. The focus is on further expanding the direct channels, including online business with customers in the life science industry. In aligning its activities, the division is increasingly using digital channels.

Aside from extending sales structures, the company also concentrates on the ongoing enhancement of sales efficiency, in part through the creation of synergies between the two divisions. This gives the Lab Products & Services Division access to customers of the Bioprocess Solutions Division, which in turn can also open up new sales opportunities.

Product Development

The division has extensive technological expertise in the areas of bioanalytics, laboratory instruments, and laboratory consumables. Software and hardware advancements in the company's cell analysis products create many new evaluation opportunities for our customers. They are the foundation for the development of new tools capable of processing and visualizing vast quantities of data appropriately based on specific applications. Compliance with regulatory requirements is critical for the company's customers. Product development priorities for Sartorius therefore include data management, connectivity, and process automation.

Most of the research and development for the Lab Products & Services Division is conducted at Group headquarters in Göttingen, Germany, where a new product development building opened in the reporting year. Sartorius also carries out R&D activities at its sites in the USA, Finland, the UK, India, and China.

Production and Supply Chain Management

The Lab Products & Services Division operates plants in Germany, China, Finland, the UK, and the USA. These plants serve as centers of competence and tend to focus on one product group or a small set of product groups. In 2023, for example, laboratory balances were manufactured in Germany and China, pipettes in Finland, and bioanalytical systems in the USA and China. Microbiological test kits are produced in the UK, and most membrane-based products in Germany.

Capacity expansions at the site in Ann Arbor, Michigan, USA, progressed as scheduled in 2023. Measuring 12,000 square meters, this ultra-modern facility is intended to meet growing demand for the division's products and services and combine different functions, such as the operational area for bioanalytical devices, customer and repair service, and product development. Completion is scheduled for 2024.

The supply chain situation continued to ease in 2023 compared with previous years. The availability of electronic components continued to pose a challenge, but improved over the course of the year.

Assessment of Economic Position

After the pandemic-related extraordinary business and inventory buildup by customers led to strong additional growth momentum in the years 2020 to 2022, particularly in the Bioprocess Solutions division and to a lesser extent in the laboratory business, the temporary normalization of demand expected by the company management set in during the reporting year. This was more pronounced than anticipated at the beginning of the year, and the reduction in customer inventories also lasted longer than expected, which led to numerous forecast revisions across the entire life science sector. Business development was also impacted by a pronounced market weakness in China and the discontinuation of business with Russian customers. Against this backdrop, the company management lowered its growth and earnings forecast for both divisions and the Group in June and October 2023. In line with progress made by customers in reducing their inventories, business began to recover at the end of the third quarter, so that order intake was slightly above sales revenue in the fourth quarter. The company management therefore expects profitable growth for 2024.

Group sales revenue decreased by 16.6% in constant currencies to €3,395.7 million in 2023. The Group's earnings margin, measured on the basis of underlying EBITDA, stood at 28.3%. The forecast given in October for a decline in sales revenue of around 17% with profitability of just over 28% was therefore achieved.

In the Bioprocess Solutions division, sales revenue fell by 17.6% in constant currencies to €2,678.2 million and achieved an underlying EBITDA margin of 29.2%. The results were therefore in line with the October guidance, which forecasted a decline in sales of around 18% with an earnings margin of just over 29%.

With a decline in sales revenue of 12.7% in constant currencies to €717.5 million and an earnings margin of 25.1%, business development in the laboratory division was also in line with the latest forecast. Accordingly, a drop in sales of around 13% and an underlying EBITDA margin of just over 25% had been expected.

The ratio of net debt to underlying EBITDA rose to 5.0 in the reporting year, mainly due to the financing of the Polyplus acquisition, and corresponded to the forecast value of slightly above 5.

In line with its ambitious medium-term growth targets, Sartorius further expanded its production capacities in the reporting year, with the ratio of capital expenditures (Capex) to sales revenue reaching 16.5%; the forecast was for a figure of slightly above 17%.

Projected | Actual Comparison for the Year 2023

	Actual 2022	Guidance January 2023	Guidance June 2023	Guidance October 2023	Actual **2023**
Sartorius Group					
Sales growth[1]	15.0%	Low single-digit percentage range	Decline in the low to mid-teens percentage range	~-17%	- 16.6%
Underlying EBITDA margin in %	33.8%	Around prior-year level	~30%	Slightly above 28%	28.3%
Net debt to underlying EBITDA	1.7	~1.5[2]	Slightly above 4[2]	Slightly above 5[2]	5.0
Capex ratio	12.5%	~12.5%	~15%	Slightly above 17%	16.5%
Sartorius Divisions					
Bioprocess Solutions					
Sales growth[1]	15.9%	Low single-digit percentage range	Decline in the low to mid-teens percentage range	~-18%	- 17.6%
Underlying EBITDA margin in %	35.7%	Around prior-year level	~31%	Slightly above 29%	29.2%
Lab Products & Services					
Sales growth[1]	11.5%	Mid single-digit percentage range	Decline in the low single-digit percentage range to stable	~-13%	- 12.7%
Underlying EBITDA margin in %	26.2%	Around prior-year level	~26%	Slightly above 25%	25.1%

1 In constant currencies.
2 Possible acquisitions are not considered.

Opportunity and Risk Report

Principles

Every business activity entails opportunities and risks that have to be managed.

The skill with which this is done is a decisive success factor in determining the future development of a company's shareholder value.

The point of risk management is not to always eliminate every risk possible; rather, Sartorius' approach is to intentionally take a certain measure of risk in its business activities in order to be successful in unlocking opportunities. In this endeavor, it is important to keep risks contained within acceptable limits and to control them carefully. Through appropriate guidelines, the company ensures that risk assessments are taken into account in the decision-making processes from the very beginning.

At Sartorius, identification and management of opportunities and risks is a cross-functional component of Group management. To this extent, the risk management organization reflects a global functional organization in the two divisions of Bioprocess Solutions; and Lab Products & Services, and in the supporting functions as well. Individuals heading a functional area of the Group companies are each responsible for their own management of opportunities and risks. In addition, the Finance department assumes responsibility for central risk management and is responsible for regular reporting and the further development of the risk management system as a whole.

Managing Opportunities

Opportunity management centers on the analysis of target markets and sector environments, as well as the assessment of trends, both of which give strong indications as to future business opportunities. One of the key roles of the relevant managers is to identify potential for development, which initially takes place at the local rather than the central level. Particularly the market-facing functions, such as strategic marketing and product management in each of the two divisions, play a leading role in this respect. These areas are supported by the central Business Development unit, which is responsible for market monitoring, data analysis, and the implementation of strategic projects.

As a partner to the biopharmaceutical and laboratory industries, Sartorius operates in future-oriented and high-growth sectors. The significant opportunities generated by the various market and technology trends are described in detail in the sections entitled "Conditions in the Sectors" and "Outlook for the Sectors".

The company´s own assessments rank Sartorius as one of the global market leaders in many subsegments and product areas. Based on its quality products, high degree of brand awareness, and established customer relationships, the company has excellent opportunities to stabilize and further expand its leading market position. The corresponding divisional strategies, as well as growth opportunities and initiatives based on these strategies, are outlined in the sections "Strategy of the Bioprocess Solutions Division" and "Strategy of the Lab Products & Services Division".

Risk Management

Organization

Overall responsibility for an effective risk management system lies with the Executive Board. Coordinating and developing this system and combined risk reporting are the responsibilities of the Finance department, while the particular functional areas are responsible for identifying and reporting individual risks, as well as for assessing their potential impact and for taking the appropriate countermeasures.

The Supervisory Board of Sartorius AG monitors the effectiveness of the risk management system, with the preparatory work being performed by the Audit Committee of this board. While carrying out their statutory audit mandate for the annual financial statements and consolidated financial statements, the independent auditors assess whether the early warning system in place is capable of prompt identification of risks that could jeopardize the future of the company. Finally, the Internal Audit department regularly reviews the effectiveness of the risk management system. The key results of these audits are discussed by the Executive Board, Supervisory Board, and Audit Committee. Any adjustments to the risk management system are then implemented by the central risk management team.

Insurance

To the extent possible and financially reasonable, Sartorius has taken out insurance policies to cover a large number of risks. Among other risks, these insurance policies include coverage against risks relating to product liability, property damage, business interruption, cybersecurity, transport, and material and pecuniary damages, and provide comprehensive coverage for legal costs. An independent department working in conjunction with an external insurance broker regularly reviews the nature and extent of the insurance protection and makes any adjustments as necessary.

When choosing insurers, the company particularly considers the credit rating of these entities as potential contractual partners and aims to achieve a high degree of diversity in order to mitigate the related risks.

Risk Management System and Risk Reporting

The risk management system of the Sartorius Group is documented in a Risk Management Handbook that applies throughout the entire Group and includes definitions of the framework, the structural organization, processes, risk reporting and monitoring, and controls of the effectiveness of the risk management system. This Handbook is based on the ISO 31000 "Risk management – Guidelines" standard and the COSO standard (COSO = Committee of Sponsoring Organizations of the Treadway Commission). There are also a number of other sources that contain stipulations for handling risks, including the Articles of Association and rules of procedure of the Group companies and other guidelines. The Group's dynamic performance over the past few years as well as increasing regulatory and customer requirements necessitate the ongoing refinement of these guidelines and specifications.

The reporting process in the risk categories described below establishes the rules for the ongoing review and reporting of information regarding risk situations. If any specific risks are discernible, these are documented with respect to their assessment, probability of occurrence, and measures to be taken to eliminate such risks or to mitigate their impact. In addition, as soon as these risks reach defined size criteria, they are reported to the central risk management system. As a matter of policy, assessment of risks is governed by the remaining

net risk, i.e., taking any risk-mitigating measures into account. The central risk management system aggregates the risk reports and provides regular reports to the Executive Board and the Supervisory Board on the risk situation of the Group. This reporting also includes a comparison of the risk portfolio with the Group's risk-bearing capacity as determined on the basis of rolling liquidity planning. An urgent reporting procedure is in place to ensure that the Executive Board of Sartorius AG receives all of the necessary details without delay when a new or emerging significant risk to the Group's net worth, financial position, and/or profitability is identified.

In order to provide a logical structure for the individual risks, Sartorius has defined four main risk categories: external risks, operating risks, financial risks, and compliance risks. Each main category is divided into several subcategories that are described in the following sections.

Sartorius has created a risk matrix that categorizes the probability of occurrence and potential impact on net profit into specific classes as follows:

Probability of Occurrence	
Remote	< 10%
Possible	10% - 50%
Probable	50% – 75%
Very likely	> 75%

Significance	
In millions of €	Impact on Earnings
Insignificant	< 10
Moderate	10 – 50
Significant	50 – 100
Critical	> 100

These two elements are combined to form the following matrix that indicates the importance of the individual risks for the Group:

> 75%	Low	Medium	High	High
50% – 75%	Low	Medium	Medium	High
10% – 50%	Low	Medium	Medium	Medium
< 10%	Low	Low	Medium	Medium
Probability of occurrence | impact	< €10 million	€10 – €50 million	€50 – €100 million	> €100 million

External Risks

The effects of the coronavirus pandemic temporarily had a significant impact on Sartorius' business performance. As one of the leading bioprocess technology providers, the Group was able to help manage the pandemic by supplying products used in the manufacture of coronavirus vaccines and test components and achieved significant growth in sales revenue in 2021 and 2022. In 2023, the running down of stocks by many customers combined with the significant reduction in coronavirus-related business led to a double-digit decline in orders and sales revenue.

Since the beginning of Russia's attack on Ukraine, Sartorius has suspended all business activities in Russia that are not related to humanitarian medical products. Sales generated in Russia have subsequently fallen significantly with moderate impacts on the Group. The Group has taken a wide range of measures to tackle the war's indirect effects, such as inflation, disrupted supply chains, and potential gas and energy shortages. Price increases were agreed on the customer side to compensate for the rise in procurement costs. The Group's German sites have largely succeeded in making themselves independent of Russian gas supplies, for instance by creating the technical conditions necessary in order to switch to oil. Safety stocks from suppliers with energy-intensive production processes were increased.

Overall, the direct and indirect effects of the war in Ukraine on the Group's future business performance are not considered material. As the war is ongoing and it is impossible to reliably assess the further development of the conflict as well as its indirect effects, this situation remains subject to a high degree of uncertainty.

Sartorius operates a production facility for cell culture media in Beit Haemek in northern Israel. While most of the hostilities since the attack by Hamas have been concentrated on the Gaza Strip, southern Israel, and the Tel Aviv area, the situation in the northern border region also remains tense. Production at the site, transport, and logistics have so far been maintained. A further escalation of the conflict in Israel or the wider region could lead to temporary production stoppages. To strengthen resilience and safeguard the reliability of deliveries, the Group is working to build backup capacity for products that are currently only manufactured at this location. The overall business volume of products manufactured in Israel is noncritical for the Group (<1% of the Group's total sales revenue).

Alongside the conflicts mentioned above, other events such as natural disasters may impact the Group's business activities. The largest sites in Germany and France do not face any major risks in this regard, while the production plants in Puerto Rico and in Fremont, California, are exposed to the risks of severe hurricanes or earthquakes and could be impacted accordingly. A wide range of products for the U.S. market are produced particularly at the Puerto Rico production plant, meaning that large-scale damage here could have considerable impact on consolidated earnings. To mitigate the associated risks, Sartorius applies the highest possible safety standards when constructing buildings and explicitly takes potential risk scenarios into account when defining strategies with regard to warehousing and the international production network.

Since the Group companies operate globally and have international interdependencies, punitive tariffs and trade conflicts can have negative effects on the Group's business activities. To reduce any possible impacts, various measures are currently being reviewed, such as an extension of our supplier network. The political developments in some countries, such as China, could in future lead to decoupling tendencies or restrictions on the business activities of foreign enterprises.

Owing to the concentration of its business activities in the life science sector, the effect of general economic developments on Sartorius is lower than average. The Lab Products & Services Division is susceptible to business cycles in certain areas that can pose a risk to its growth. This division's increasing focus on the biopharma sector, however, significantly reduces these risks.

Overall, the relevance of geopolitical risks to the Group's business activities has increased significantly in recent years and resulted in greater volatility of the Group's business results. The Group monitors developments in this regard and, where possible, initiates risk mitigation measures at an early stage.

Operating Risks and Opportunities

At Sartorius, value creation extends from procurement through production to distribution. Problems within this workflow can have consequential effects, including canceled or delayed deliveries. The Group's supply chain management system ensures that all of the processes along the entire value chain are analyzed and

managed in order to largely minimize the risks in this context. On the other hand, the Group's high level of internationalization, for example, unlocks a number of opportunities. The individual risks and opportunities within the value chain are presented in detail below.

Procurement Risks and Opportunities

Sartorius purchases a wide range of raw materials, components, parts, and services from suppliers and is consequently exposed to the risks of unexpected delivery bottlenecks and/or price increases. The global economic environment resulted in price increases in virtually every area in 2022 and 2023. Price effects on the procurement and customer sides largely offset each other, meaning that inflation had no material negative impact on profitability.

In the field of supplier management, powerful tools and robust processes have been implemented in recent years to manage risks and ensure supply continuity. Important measures to reduce potential supply bottlenecks include maintaining safety stock levels and identifying alternative materials or suppliers. From the Group perspective, there is no material dependency on individual suppliers. In addition, the Group regularly conducts supplier audits and carefully monitors the delivery status and inventory levels of critical raw materials.

Sartorius actively manages procurement risks due to a possible shortage of raw materials or components on the market. By concluding binding purchase agreements with suppliers and/or seeking alternatives within the supplier network, Sartorius can reduce their impact and largely secure continuous supply. In 2023, the Group saw a normalization of global supply chains in many areas following the supply shortages for raw materials and components that had resulted from the coronavirus pandemic and the war in Ukraine.

In addition, Sartorius evaluates its supplier base in accordance with legal requirements – for example under Germany's Supply Chain Due Diligence Act – and with regard to compliance with internal and external sustainability standards. In the event of deviations, the process provides for a variety of measures that are coordinated with the suppliers in question.

Production Risks and Opportunities

Sartorius manufactures a significant share of its products in-house with a high degree of vertical integration, for example filters and laboratory balances. For other products, such as bioreactors, the Group works with suppliers, which means that some of the production risks can be shifted to external third parties. Where Sartorius manufactures products itself, the Group also bears the associated risks of capacity bottlenecks or overcapacity, production downtimes, excessive reject rates, and high levels of tied-up working capital, as well as dependency on individual manufacturing sites.

Careful planning of production capacities using versatile machines and semi-automated individual workstations, in conjunction with flextime work schedules and continuous monitoring of production processes, can limit these risks. Moreover, Sartorius' global manufacturing network enables the Group to compensate for any capacity bottlenecks by shifting production to other regional plants as well as to limit the Group's dependency on individual local manufacturing sites. High volatility in demand, such as that seen since the beginning of the coronavirus pandemic, may nevertheless lead to over- or underuse of production capacity with corresponding positive or negative impacts on productivity.

Highly flammable or explosive substances are used in some production areas. The improper handling of such materials can result in significant damage to property and business interruptions. The Group has taken all necessary organizational and structural measures at the affected locations to mitigate this risk as much as possible.

Sartorius considers it an opportunity that investments in global infrastructure and production resources have afforded the Group a high degree of flexibility in manufacturing operations and that the Group is capable of meeting customer requirements and regulatory standards with respect to business continuity concepts. In addition, this approach ensures that international production sites can concentrate on specific manufacturing technologies, leveraging regional cost advantages as a result. Continuous improvements in manufacturing, such as the simplification of processes, as well as increased automation and digitalization, also help to further increase efficiency.

Sales and Distribution Risks and Opportunities

The Group uses a variety of channels to sell and distribute products around the world. Possible risks include unexpected changes in the demand structure, for example, due to consolidations in the markets served by Sartorius, increasing price pressure, or failure to comply with supply agreements entered into with customers. The funding environment for small biotech companies has deteriorated since the end of the pandemic, resulting in lower demand from this customer group in both divisions. Should this trend continue, it could affect the Group's growth forecasts. The fall in demand with the decline in Covid-19-related additional business and the reductions in inventory levels previously raised by customers are likely to affect the industry's performance only temporarily. The Group regards the fundamental growth drivers as intact and expects profitable growth again in the coming years (see the sections entitled "Conditions in the Sectors" and "Outlook for the Sectors" and the Forecast Report in the next section).

Sartorius uses targeted market analyses to try to identify trends in demand in individual submarkets at an early stage so that it can react accordingly. Technical innovations and the fact that a large number of our products are used in validated production processes in the biopharmaceutical industry reduce the Group's exposure to the risk of growing price pressure. Distribution logistics have been optimized in recent years through the establishment and use of central warehouses, thus limiting the corresponding risks.

Geopolitical crises often lead to trade restrictions or sanctions for certain products in individual countries or regions. A tightening of sanctions in the current conflicts or the adoption of further restrictions, for example due to new crises, may therefore more extensively limit the Group's sales opportunities.

Opportunities arise in the area of sales and distribution when the increasing breadth of the product range – in both the bioprocess and lab segments – puts the Group in a position to sell new products to existing customers. Furthermore, opportunities arise for Sartorius from its generally long-term business relationships and its global presence. Finally, the product range is being continuously expanded through acquisitions, which has recently resulted in an increased portfolio for customers particularly in the cell and gene therapeutics segment, which is seeing above-average growth. The market for new modalities such as cell and gene therapeutics, which is being addressed by many of the recently acquired technologies (cell culture media, growth factors, albumin, transfection reagents), is expected to see growth rates well into double digits in percentage terms, offering opportunities for the future development of the Group.

Sartorius sources its key customers from the pharmaceutical, chemical, and food industries and from research and educational institutions in the public sector. These customers are usually relatively large organizations that have been in existence for some time and have strong credit ratings and correspondingly low credit risks. Most of the Group's business areas have a highly diversified customer base, so the Group as a whole is not dependent on individual key accounts to any significant degree.

Competitive Risks and Opportunities

Sartorius has a leading competitive position in its core technologies and competes with mainly larger rivals sharing its status as a globally operating company. As the Group serves a large number of customers from highly regulated sectors, such as the pharmaceutical and food industries, and the technology barriers to market entry are fairly high, Sartorius regards the probability of new competitors emerging in the short term as relatively low.

The fact that many of the Group's products are used in validated processes, especially those in the biopharmaceutical industry, reduces the risk of losing significant market share within a short time frame. Conversely, the hurdles faced by Sartorius in winning clients from competitors in this industry are also higher.

Further risks could arise from a change in the competitive environment, such as further consolidation in the markets or new competitors, for example in China. Sartorius has been continuously making acquisitions in recent years, thus further strengthening its market position and opening up new potential synergies.

Quality Risks and Opportunities

Customers use Sartorius products in a wide range of critical production processes, including the manufacture of vaccines, medications, foods, and chemicals, and in research and development laboratories. Risks in this context primarily involve the failure to meet defined quality criteria, affecting the performance of the supplied products and leading to losses on the part of customers, for which Sartorius may be held liable in the form of damages. Particularly where the manufacture of vaccines or medications is concerned, the resulting damage on the customer side can be significant even where the loss of production volumes is small.

Through extensive quality controls and the use of modern manufacturing techniques, including in classified clean room environments where required, Sartorius ensures that all of its products meet the highest standards of quality and the stringent regulatory requirements. These manufacturing methods and processes are subject to constant review as part of improvement processes and are constantly optimized as requirements evolve. Quality controls are carried out both within the manufacturing processes and as part of test procedures on the end products. This ensures that critical or essential product specifications are continuously achieved. A rigorous product release process also ensures that only products that meet agreed upon specifications are actually shipped.

The effectiveness of the existing quality systems has been confirmed by the successful completion of regular customer audits, as well as by certifications to ISO 9001 and, where applicable, to ISO 13485. Irrespective thereof, product liability risks are insured to a significant extent.

Sartorius is continuously expanding its product portfolio with new technologies and applications, not only through its own developments but also through alliances with partners. To ensure that the partners meet the high quality standards, a strict qualification process has been put in place. Where necessary, the Group also helps its partners improve their quality systems.

In addition, Sartorius has established a traceability system that enables the Group to efficiently identify and, if required, recall an entire production batch immediately. This minimizes the consequences if a defect or nonconforming component is discovered in a product. A complaint management system is used to process and systematically document customer feedback in a timely manner, ensuring that Sartorius efficiently analyzes reported cases and initiates the necessary measures.

In the sectors in which the Group is active, quality requirements are growing more and more stringent all the time, not least as a result of increasing requirements regarding protection of medical patients and on product safety by regulatory authorities. There is a risk that new regulations may be overlooked or be difficult to implement. For Sartorius, this also unlocks opportunities by putting up further barriers to entry for potential market players. The reason is that challenging quality demands represent a considerable barrier to entry for potential new competitors and provide stimulus for further technical innovation. Moreover, through the Group's work on professional committees and membership in industry associations and standards committees, Sartorius actively takes part in drafting new standards and guidelines and is able to identify these emerging requirements at an early stage and prepare accordingly.

Research and Development Risks and Opportunities

Sartorius devotes a considerable share of its resources to research and development. Potential risks in this area may arise from development results that diverge from market needs or application requirements and from exceeding planned development deadlines and budgets. The Group mitigates these risks by continuously monitoring trends and extensive proof-of-concept activities on the one hand, and through project management, intensive development controlling, and the early involvement of customers in the development process on the other. In particular, Sartorius ensures that proofs-of-concept and product designs are always reviewed promptly with regard to how well they meet customers' needs so products can be adapted accordingly as required. Continuously tracking technology trends and competitive activities, as well as filing patents at an early stage, ensures that the Group has an appropriate technology and marketing position.

Intensive collaboration with partners who are among the global market and opinion leaders in their fields enables Sartorius to develop particularly innovative products. In areas such as membrane technology and plastics technology, sensors and biopharmaceutical process engineering, and analytic technologies for laboratory applications, the expertise of Sartorius specialists puts the Group at the very forefront of global research and development worldwide, presenting Sartorius with an opportunity to turn this technical knowledge into potential sales and an even stronger market position. The combination of different innovative activities in a separate Corporate Research Department enables the Group to identify promising developments at universities, startups and at customers' plants and ensure that all relevant IP positions are secured in advance.

Acquisition Risks and Opportunities

By nature, acquisitions provide many opportunities, such as sales growth, extension of the product portfolio, and development of new markets. At the same time, the purchase and sale of companies or parts of companies entail a number of typical risks, such as incorrect valuation assumptions, insufficient usage of anticipated synergy effects, or unsuccessful integration.

The Group takes a number of measures to mitigate these risks. These include performing a thorough due diligence review of important areas and carrying out comprehensive analysis of the market concerned. Furthermore, external consultants and experts are integrated into the purchase or sales processes as required. Sartorius especially focuses on drafting transaction contracts so that they adequately counter such risks, especially by incorporating clauses assuring specific characteristics or by including contractual warranty or guarantee provisions as well as agreements regarding mechanisms for adjustment of the purchase price or liability clauses. Appropriate insurance policies are taken out when necessary.

Immediately after an acquisition has taken place, an integration phase is initiated in which any potential risks can likewise be detected as early as possible and prevented or minimized by taking the appropriate counteractions. A Post Merger Integration (PMI) Office was established as an independent function in the Business

Process Management Department to ensure the efficiency of the integration process and minimization of the associated risks.

Sartorius has made major acquisitions in recent years, particularly in cell and gene therapy. In 2023, the Group acquired Polyplus, a leading developer and producer of high-quality transfection and other DNA/RNA vector reagents and plasmid DNA. The purchase price of this transaction was around €2.4 billion (including liabilities assumed). This, combined with further acquisitions of companies working on crucial components for the development and production of advanced therapies (e.g., Biological Industries Israel, CellGenix, Xell, Albumedix) and downstream solutions for the manufacture of gene therapeutics (BIA Separations), means that the Group sees itself as well positioned in the dynamically growing field of cell and gene therapies.

At the same time, net debt and interest expenses have risen significantly. If the business areas addressed by the acquisitions (e.g., cell and gene therapeutics) do not develop as expected or the acquisitions cannot be adequately integrated, this may significantly affect the Group's credit rating and therefore its development.

Personnel Risks and Opportunities

As an innovative technology group, Sartorius employs a large percentage of highly qualified people. This entails the risk that Sartorius may not be able to hire appropriate employees in the future or may lose high performers currently working for the company. The increasing volatility of the business in recent years poses big challenges for the integration and familiarization of new employees (growth scenario). It also demands major flexibility and the ability to efficiently and effectively implement organizational changes.

Sartorius strives to retain employees in key positions and talented individuals over the long term by offering performance-based compensation models, targeted training opportunities, attractive fringe benefits, and by highlighting interesting development prospects. In this context, the Group particularly continued to enhance staff development initiatives and management programs. The success of these measures is reflected in the low attrition rates seen in recent years. In certain cases, employment contracts contain a clause prohibiting any move to a direct competitor.

Sartorius is countering demographic change primarily by training junior employees and promoting continuous learning for every employee, accompanied by appropriate performance development processes. This, in turn, creates opportunities for the Group, as training its own employees ensures that Sartorius can meet its own demand for qualified personnel.

In order to smoothly onboard new employees and ensure an appropriate transfer of knowledge, the Group has developed and implemented specific onboarding processes for employees and managers. In addition, Sartorius uses a digital HR platform that supports secure and stable processes and enables decisions to be made on the basis of high-quality data.

IT Risks and Opportunities

The Sartorius Group's business processes are supported by a wide array of specific IT systems and software applications. The technical IT infrastructure and global integration of Sartorius sites play a decisive role in the operation and optimization of business processes.

However, the growing dependency on these systems also entails risks. Among other threats, cyberattacks pose a major hazard that can lead to considerable disruption and interruption to business processes. In the

worst case, such attacks could result in uncontrolled loss of data, data manipulation, and downtime or failure of applications, systems, and equipment.

To minimize these risks, the Group invests continuously in new and reliable technologies and ensures the secure operation of applications, systems, and equipment. In the past fiscal year, certification to ISO 27001 and the associated creation of a management system for information security marked another important step in ensuring the secure operation of the global IT infrastructure and application landscape.

Sartorius works with certified IT security partners to develop strategic solutions for IT security and efficiency and regularly tests the security of systems and equipment.

In response to dynamic risks and threats, additions and amendments to the security strategy are constantly integrated and implemented in the system and application landscape. These measures offer reliable protection and enable us to identify potential threats at an early stage and respond quickly and appropriately.

Sartorius involves employees in the security strategy both by offering basic training and by regularly providing easy-to-implement but effective strategies for staying safe when using information technology. Employees are encouraged to report suspicious activities directly to the IT Department for further investigation.

Financial Risks and Opportunities

The global nature of the Sartorius Group's operations entails that its business activities are inevitably exposed to financial risks. The most significant of these are exchange rate risks, interest rate risks, liquidity risks, and tax risks. Conversely, financial risks, most notably exchange rate risks and interest rate risks, are balanced by opportunities of approximately equal magnitude.

Exchange Rate Risks and Opportunities

As a consequence of its global business activities, Sartorius is exposed to risks arising from fluctuations in foreign exchange rates. Since around two-thirds of the Group's consolidated sales revenue is generated in foreign currencies and, in turn, approximately two-thirds of this total revenue in foreign currencies is in U.S. dollars or in currencies pegged to the U.S. dollar, Sartorius is positively or negatively impacted by currency effects when converting the currencies of balance sheet items and profit or loss items, respectively. Other currencies relevant to the Sartorius Group are the British pound, the Singapore dollar, the South Korean won, the Japanese yen, the Chinese renminbi, and the Swiss franc.

The Group's global production network enables Sartorius to offset the majority of sales revenues generated in foreign currencies within the Group against costs likewise incurred in foreign currency. For example, Sartorius manufactures many products for the North American market locally, and is not disadvantaged on the cost side in competing with U.S. rivals, insofar as this risk is concerned.

Sartorius continuously calculates its risk exposure with a cash flow at-risk model in order to evaluate and steer the remaining risk based on the expected net exposure for the next 12 months and to take into consideration hedging transactions already executed. This is the basis used to decide whether to employ additional derivative financial instruments, especially spot, forward, and swap transactions, to adjust for maximum loss. Further details on currency hedging can be found in the notes to the consolidated financial statements in section 37.

Interest Rate Risks and Opportunities

Sartorius has concluded fixed interest agreements for almost 85% of its loans outstanding so that any changes in the interest rate will have only a limited effect on consolidated earnings. The remaining portion of the financing instruments outstanding as of the reporting date is subject to variable interest rates on the basis of a short-term money market rate. Sartorius constantly monitors interest rate trends and the Group's interest rate exposure and arranges for hedging transactions where it is considered necessary and financially advisable to do so for individual loans. The Group did not hold any interest rate derivatives as of December 31, 2023 (see also section 38 in the notes to the consolidated financial statements).

Liquidity Risks and Opportunities

Sartorius operates an active central liquidity management system in order to minimize the liquidity risks in the individual Group companies on the one hand and to optimize the Group's net interest income on the other. A variety of long-term and short-term financing instruments are used for this purpose. With regard to the maturities of loans, Sartorius generally adopts a risk-averse approach.

In September 2023, the Sartorius Group issued long-term, unsecured fixed-interest bonds with a total volume of €3 billion. The bonds had maturities of between three and 12 years and interest rates ranging from 4.375% to 4.875%. The proceeds were used particularly to repay the bridge financing for the Polyplus acquisition and additionally for general corporate purposes.

A syndicated credit line of €800 million, which can be drawn down and repaid at short notice, and several smaller bilateral credit lines at individual Group companies are used to secure short-term liquidity. Furthermore, cash pooling agreements between selected Group companies are primarily used to manage liquidity across the Group, ensuring that available liquidity is used efficiently.

There are currently no financing agreements that require the Group to comply with financial key ratios, so-called financial covenants.

Tax risks

Sartorius and its subsidiaries do business across the globe and are therefore subject to the tax laws and regimes of various countries. Changes in tax laws, rulings by the courts, and interpretation of the law by the fiscal authorities or courts in these countries can result in additional tax expenses and payments and thus also affect the corresponding tax items in the statements of financial position and profit or loss.

The central Group Tax Department, which is supported by external consultants in the respective countries, continuously monitors and analyzes the tax environment in order to manage the resulting risks.

In 2021, the OECD published detailed rules on implementing the reform of the international tax system, which is designed to ensure that multinationals are subject to a minimum tax rate of 15%. The minimum tax rate will apply to multinational enterprises with revenues of over €750 million and will therefore have implications for the Group. Based on the information currently available about the implementation of these rules in the principal countries where the Group operates, the impacts are expected to be small. . According to current analyses, the Group companies in Ireland (nominal tax rate 12.5%) could be affected.

Compliance Risks

Regulatory Risks

As a partner to the biopharmaceutical and healthcare industries, Sartorius is also affected by regulatory changes in these sectors. The primary risk in this context is the possibility of regulatory authorities, such as the U.S. Food & Drug Administration (FDA), the European Medicines Agency (EMA), or other national or international bodies, taking a more restrictive approach to the approval of new drugs or medical devices of our customers. Given the breadth of the Group's product portfolio, there are a growing number of relevant regulations to comply with. These include official requirements, such as from the Environmental Protection Agency or Department of Agriculture in the USA or the equivalents of these authorities in other countries. Global initiatives to reduce or even ban the use of certain chemicals (e.g., PFAS) can have considerable impacts on numerous of the Group's products, their applications, and the availability of crucial raw materials.

Failure on the part of Sartorius' customers to adequately comply with the regulations in force at any given time could delay approval processes or even reduce the number of newly approved drugs and thus also worsen the Group's future prospects in the medium term. With regard to its own products, the Group is also subject to extensive approval, registration, and reporting obligations in numerous countries. Failure to comply with the often complex requirements could result in sales or import bans as well as penalties. The functions responsible for regulatory affairs at Sartorius monitor the affected markets and assess whether the Group needs to make any changes to its processes.

In recent years, regulations on environmental, social, and governance aspects have been stepped up. These areas play an important role in companies' reputation. As the manufacturer of numerous plastic products with production sites around the globe, Sartorius faces a variety of challenges. Environmental and sustainability aspects are therefore playing an increasingly important role in many business processes at Sartorius. For more information on these topics, please see the non-financial Group statement.

Environmental Risks from the Production Process

Sartorius uses a wide range of raw materials and supplies in its manufacturing process, including chemicals, plastics, metals, electronic components, and packaging. Some production processes create solvent waste, which must be recycled and disposed of in line with certain rules and regulations. In this context, there is a risk of the Group not complying with the legal requirements in this area. Environmental damage may harm Sartorius' reputation and have legal or financial repercussions. To further increase the Group's agility in fulfilling the legal regulations and industry expectations, platforms for managing environmental, health, and safety data need continuous improvement.

Responsibility for compliance with all applicable regulations lies with the sites and business units. The Environment, Health, and Safety Department offers them support and conducts audits. In order to manage environmental issues and mitigate risks, Sartorius has established environmental management systems (according to ISO 14001:2015) for both divisions. Most of the Group's large production sites, including several in Germany, France, India, Puerto Rico, and China, are certified to ISO 14001:2015. These locations have suitable measures in place to ensure compliance with legal and internal requirements and to implement sustainable technical innovations so as to improve environmental aspects in production processes.

Risks from Legal Disputes

Litigation risks for Sartorius can arise from pending or forthcoming legal disputes or from administrative proceedings. All judicial or extrajudicial disputes are attended to by the company's own attorneys and legal experts, who engage external lawyers as needed.

At present, there are no pending or discernible legal disputes or proceedings whose occurrence is deemed at least possible that lack any cost coverage allowances in the statement of financial position and that could have a substantial negative impact on the Group.

Assessment of the Overall Risk Situation and Risk Outlook

Where feasible, the Group adopted countermeasures and/or made risk provisions in the balance sheet during the reporting year to cover all discernible risks within the Sartorius Group, specifically those risks that had a defined probability of occurrence and the potential to materially affect the Group's net assets, financial position, and/or results of operations.

For the purposes of this report, Sartorius has assessed the probability of occurrence of risks as shown below and, in the adjacent columns, classified their particular significance for the entire Group.

Risk Category	Probability of Occurrence	Significance	Total Impact	Total Impact (Previous Year)
External risks	Probable	Significant	Medium	Medium
Operating risks				
Procurement risks	Possible	Significant	Medium	Medium
Production risks	Possible	Significant	Medium	Medium
Sales and distribution risks	Possible	Significant	Medium	Medium
Competitive risks	Possible	Moderate	Medium	Medium
Quality risks	Remote	Significant	Medium	Medium
Research and development risks	Possible	Significant	Medium	Medium
Acquisition risks	Possible	Significant	Medium	Medium
Personnel risks	Possible	Significant	Medium	Medium
IT risks	Possible	Significant	Medium	Medium
Financial risks				
Exchange rate risks	Probable	Moderate	Medium	Medium
Interest rate risks	Probable	Moderate	Medium	Medium
Liquidity risks	Remote	Moderate	Low	Low
Tax risks	Possible	Moderate	Medium	Medium
Compliance risks				
Regulatory risks	Possible	Significant	Medium	Medium
Environmental risks from the production process	Remote	Moderate	Low	Low
Litigation risks	Possible	Moderate	Medium	Medium

Following a detailed analysis of the overall risk situation, there are no risks discernible or foreseeable in the future from today's perspective that could jeopardize the Group's continued existence as a going concern. The overall risk situation remained largely stable in the past fiscal year. However, the direct and indirect risks from ongoing or potentially newly emerging geopolitical crises have increased further.

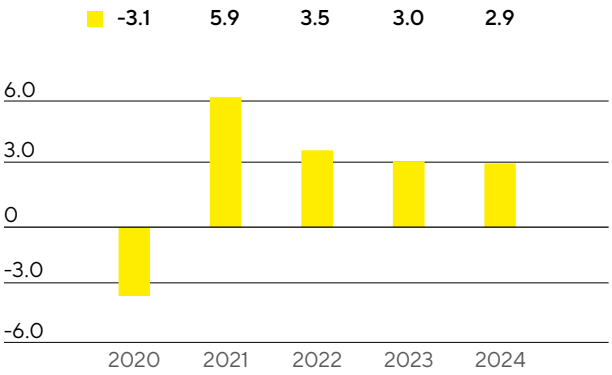
Forecast Report

Future Macroeconomic Environment

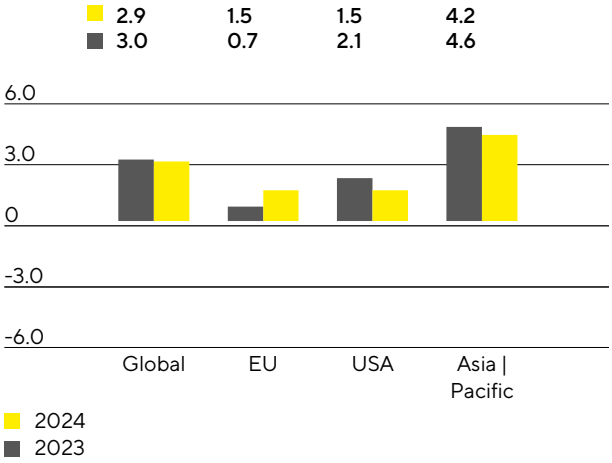
The International Monetary Fund (IMF) expects the global economy to expand by 2.9% in the current year and therefore at a rate below the historical average (2023: +3.0%). Growth in industrialized countries is expected at 1.4% (2023: +1.5%), while the forecast for emerging and developing countries is unchanged at 4.0%. The economic environment continues to be characterized by numerous risk factors, including a possible increase in raw material and food prices as a result of geopolitical tensions, persistently high inflation rates, which could necessitate central banks to further tighten monetary policy, as well as limited options for economic stimulus measures given high sovereign debt levels. The potential spread of China's real estate crisis also poses risks to global economic growth.

The IMF expects growth of 1.5% for the EU in 2024, compared with 0.7% in 2023. In Germany, Europe's largest economy, economic output is expected to increase by 0.9% (2023: -0.5%), while other European economies that are important for Sartorius, such as France and the United Kingdom, are also likely to expand, with growth rates of 1.3% (2023: +1.0%) and 0.6% (2023: +0.5%), respectively.

Global Development GDP
in %



Gross Domestic Product by Region
in %



Source: International Monetary Fund

Based on current estimates, the U.S. economy is expected to expand by 1.5% in 2024 (2023: +2.1%).

The Asia | Pacific economic region is forecast to grow by around 4.2% (2023: +4.6%), with GDP in China expected to increase by 4.2% (2023: +5.0%) and in India by 6.3% (2023: +6.3%). Other countries in this region that are important for Sartorius are also expected to grow. South Korea's GDP is forecast to go up by 2.2% (2023: +1.4%) and Japan's by 1.0% (2023: +2.0%).

Exchange and Interest Rate Trends

The sharp rise in inflation has led to a more restrictive monetary policy and central banks raising key interest rates almost everywhere in the world since 2022. Based on expert estimates, key interest rates are not expected to rise further in 2024 and are likely to be cut moderately in the second half of the year. Key interest rates in the European Monetary Union are expected to decrease from 4.50% at the end of 2023 to up to 3.8% in 2024. The U.S. Federal Reserve is forecast to cut the key interest rate to an estimated 4.45% by the end of 2024.

Inflation expectations for both the eurozone and the United States are 2.7% for 2024.

The market consensus on the exchange rate of the euro to the U.S. dollar for the course of 2024 is that it will range between 1.07 euros to the U.S. dollar and 1.11 euros to the U.S. dollar.

Sources: International Monetary Fund, World Economic Outlook, October 2023; Bloomberg, 2023.

Outlook for the Sectors

Biopharmaceutical Industry Expected to Grow

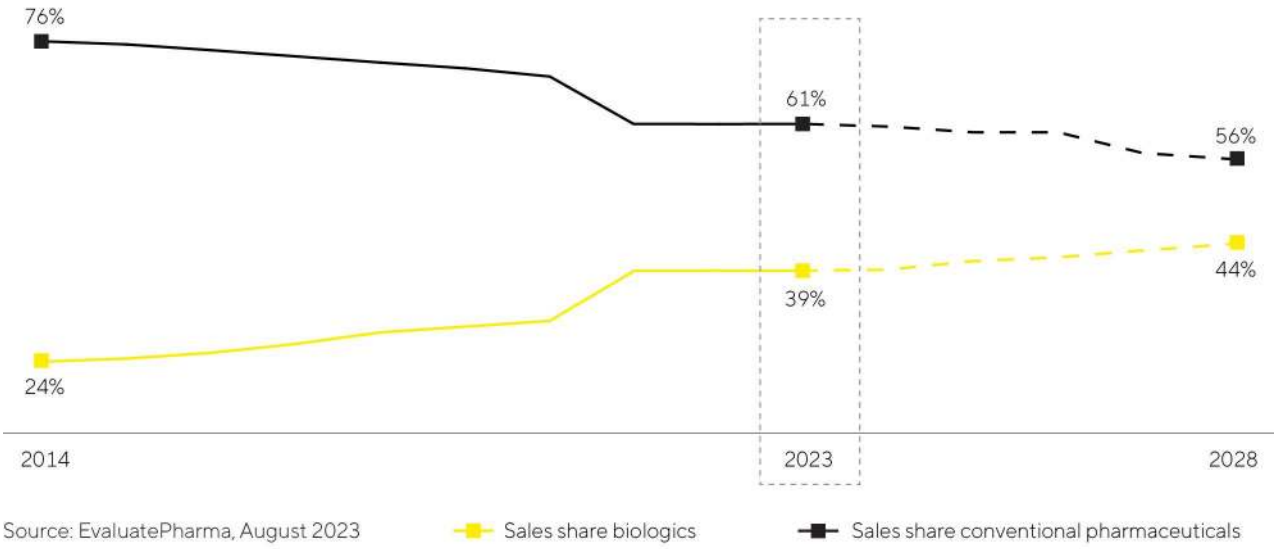
Strong, long-term trends drive growth in the pharmaceutical industry, which is almost entirely independent of business cycles. A number of different studies estimate that the global pharmaceutical market will grow by between 3% and 6% annually in the period up to 2027. Within the pharmaceutical market, the biopharma segment has been enjoying particularly strong performance for years and will continue to outperform the market according to various forecasts. Average annual growth is expected to be around 10% in the coming years. The market is anticipated to have a total value of around $695 billion in 2028, which means that the share of biological medications and vaccines as a percentage of total revenue in the global pharmaceutical market could rise from the current 39% to 44%.

Growth is driven in particular by the increasing demand for medications from the growing and aging global population as well as the great catch-up potential and improved access to biopharmaceuticals in emerging markets. In addition, the number of approved biopharmaceutical medications is steadily increasing. Of the estimated 20,000+ medications in R&D pipelines, almost 45% are based on biological manufacturing processes. For example, biopharmaceuticals are increasingly being used in yet-to-be fully explored therapeutic areas and in the treatment of rare diseases that have so far been incurable. The pharma industry is increasingly concentrating on advanced therapies such as cell and gene therapeutics or biotechnologically processed tissue products. In 2023, more than 1,600 clinical trials with such treatment approaches were conducted, meaning that this area offers significant growth potential over the medium to long term. Innovative types of therapy for regenerative medicine and new substance classes, such as antibody-drug conjugates (ADCs) or mRNA-based drugs, are increasing the number and range of approved biopharmaceuticals in the long term and necessitating investments in innovative production technologies. As a result, they are key growth drivers.

Biosimilars, i.e., generic versions of reference biologics with comparable or better efficacy or fewer side effects than the original compounds, are also playing an increasingly important role in the growth of the biotechnology market. Current estimates indicate that by 2028, the market could grow by an annual average of around 15% and reach a total value of approximately $67 billion. The significantly lower prices of biosimilars, particularly in emerging and developing countries, are creating new, affordable therapy options and are projected to result in increased demand and rising production volume. The development of national production capacities to

meet the growing demand for medications is receiving political support in these countries and is fueling the establishment of local biotech companies. The biosimilars market in industrialized countries is also likely to expand considerably in the coming years due to the expiration of patents for high-selling biopharmaceuticals and an increasing number of approved biosimilars. While such generic medications have been widely used in Europe for many years and have been able to gain significant market share in some areas, progress in the USA has been rather slow until now due to regulatory, patent law-related, and marketing hurdles. In the next few years, however, the trend toward increased usage of biosimilars is likely to accelerate.

Biopharmaceuticals Are Gaining Importance – Growing Share of Sales in the Global Pharmaceutical Market



The biopharmaceutical industry must meet growing demand for medications while producing an increasing number of approved medications and ensuring new types of therapy. Therefore, industry observers expect that worldwide bioreactor capacities will continue to expand in the years to come. At the same time, the industry faces rising cost pressure. This increases the significance of innovations for boosting flexibility and efficiency in biopharmaceutical research and production. In the future, the biopharmaceutical market will shift away from a low number of especially high-selling medications that account for a majority of total production volume toward an expanding range of products for smaller groups of patients. Technological progress leads to ongoing improvements in the productivity of biopharmaceutical production processes. Therefore, according to the research and consulting institute BioPlan, many manufacturers will likely rely increasingly on flexibly usable single-use technologies for the commercial production of many new medications. Particularly in the case of relatively small batches, single-use technologies already ensure more cost-effective production than conventional stainless steel units and have a better environmental footprint. To master these challenges, more and more pharmaceutical companies are relying on digitalization and automation as well as innovative software solutions for controlling and optimizing their processes. A further trend is process intensification, in which several process steps, called unit operations, are interconnected, which, among other things, enables greater product quantities to be manufactured faster while achieving higher quality.

Further Growth Expected in the Laboratory Market

Various market observers expect the market for laboratory instruments and consumables to grow by around 5% annually in the next few years and to reach a total value of around $103 billion in 2027.

Regarding end markets, the greatest dynamics will probably continue to be generated by the pharmaceutical and biopharma industries, in particular, as a result of continuous research into and approval of new medications, the high momentum of scientific and technological innovations, and strong growth in China. For instance, EvaluatePharma expects sector-specific research spending to increase annually by 3.6% during the period from 2023 to 2028. According to market studies, the product area of bioanalytical instruments should particularly benefit from this and further grow at an above-average rate within the laboratory market. According to leading providers of laboratory instruments, demand for laboratory products in the pharmaceutical and biopharmaceutical industries is expected to expand moderately in 2024, despite the encouraging medium-term outlook. The reasons cited include restrained investment activity in the current interest rate environment, the persistently muted funding environment, especially for small and medium-sized biotech companies, and severe market weakness in China.

Budget increases for academic and public-sector research institutions should continue to act as a growth driver in some countries, while the projected slowdown in global economic growth poses risks to demand from industrial end markets. Market observers continue to expect China and India to generate the highest growth rates in the medium term. Stricter regulatory requirements in a range of industries are also stimulating increased demand for instruments used in sample analysis and quality control. In addition, investments in laboratory infrastructure are becoming more attractive, especially in China, as a result of government-supported efforts to promote innovativeness in several key industries. In previous years, this had entailed a rise in the share of global R&D spending attributable to China.

Sources: BioPlan: 20th Annual Report and Survey of Biopharmaceutical Manufacturing Capacity and Production, April 2023; Evaluate Pharma: World Preview 2023, August 2023; Alliance for Regenerative Medicine: Sector Snapshot, August 2023; citeline: Pharma R&D Annual Review 2023, May 2023; Markets and Markets: Biosimilars Market – Forecast to 2028, 2023; SDi: Global Assessment Report 2023, April 2023; www.fda.gov

Outlook for 2024

Based on the slight recovery in demand since the end of the third quarter of 2023 and the market outlook forecast by industry observers, Sartorius expects to grow profitably in 2024 and beyond. Due to inventory optimization measures at customers that have not yet been fully completed, the company projects business momentum to increase gradually in the course of the year, resulting in a rather moderate first half of 2024. In addition, business performance could also be affected by increasing geopolitical tensions and economic slowdowns in some regions.

Against this backdrop of still somewhat unstable market trends and therefore limited visibility, management forecasts an increase in Group sales revenue in the mid to high single-digit percentage range, with a non-organic contribution accounting for around 1.5 percentage points. In terms of profitability, management anticipates the underlying EBITDA margin to rise to slightly more than 30%, compared with the prior-year figure of 28.3%. At around 13%, the ratio of capital expenditures to sales revenue is expected to be below the 2023 figure of 16.5%. Excluding possible capital measures and/or acquisitions, the ratio of net debt to underlying EBITDA is projected to be at around 4.

For the Bioprocess Solutions division, management expects a gradual continuation of the demand recovery and an increase in sales revenue in the mid to high single-digit percentage range, including a contribution of acquired businesses of around 2 percentage points. The underlying EBITDA margin is projected to be over 31%, compared with the prior-year figure of 29.2%. The above-average profitability of the Polyplus business will have a slightly positive effect on the margin development.

Business in the Lab Products & Services division depends to an extent on economic conditions and a series of indicators currently pointing to a subdued development in key economic regions. Against this backdrop and despite the observed recovery trends, management predicts a subdued sales revenue increase in the low single-digit percentage range and an underlying EBITDA margin at around the previous year's level of 25.1%.

All forecasts are based on constant currencies, as in the past years. Management points out that the industry has become increasingly dynamic and volatile in recent years. In addition, uncertainties due to the shifting geopolitical situation, such as various countries' nascent decoupling tendencies, are playing an increasing role. This results in increased uncertainty when forecasting business figures.

Description of the Key Features of the Internal Control System

In relation to the Group Accounting Process (Section 289(4) and Section 315(4) of the German Commercial Code [HGB])

Definitions and Elements of the Internal Control System at the Sartorius Group

The internal control system (ICS) of Sartorius AG and the Sartorius Group encompasses all of the principles, procedures, and measures adopted to ensure the organizational implementation of management decisions. The main priority of the system as it relates to Sartorius AG's and the Group's accounting process is to verify that accounting is cost-efficient and formally correct and that it complies with the applicable legal provisions.

The internal control system of Sartorius AG and of the Sartorius Group consists of a combination of process-integrated and non-process-integrated monitoring measures. The process-integrated safeguarding measures are organizational measures on the one hand, and control measures on the other. The Supervisory Board, specifically in this case the Audit Committee of Sartorius AG, and the Group Auditing Department are involved in the Sartorius Group's internal control system through their non-process-integrated audit activities. The Audit Committee regularly reviews quarterly reports in addition to the annual financial statements of the parent corporation and the consolidated annual financial statements.

Moreover, to ensure systematic, early identification of risks across the entire Group, a "monitoring system for early group-wide detection of risks with the potential to jeopardize the company's continued existence" as defined in Section 91(2) of the German Stock Corporation Law (AktG) is in place at the Sartorius Group. The efficacy of the early risk detection system, which the Sartorius Group adapts promptly in response to any relevant changes in circumstances, is assessed by the independent auditors of Sartorius AG in accordance with Section 317(4) of the German Commercial Code (HGB). An integral component of this system is also operational risk management, which involves activities such as the transfer of risk to insurance companies through coverage for damage and liability risks, and the arrangement of suitable hedges to limit currency risks and interest rate risks.

Organizational Measures

Accounting processes are strictly organized according to the principle of segregation of functions and comply with the "four-eyes" principle – i.e., review by at least two individuals, also referred to as the dual-review or multiple-review principle. Duties and responsibilities are clearly assigned to different specialized departments and companies. The separation of administrative, executive, settlement, and approval functions reduces the possibility of fraud. It also continues to play a significant role in ensuring that any possible errors are discovered early and any potential misconduct is prevented.

The IT applications used in the company's accounting processes have access restrictions, which allow only authorized persons to have controlled access to the accounting system and data. Each access right is assigned specifically according to the tasks to be performed and is subject to annual review. Furthermore, the dual-review principle is also applied in IT process design and the assignment of access rights.

In addition, defined written local and global operating procedures exist that are regularly updated and communicated throughout the Group. The scope of regulation of the Group accounting guidelines extends to the central definition of valuation rules and parameters, among other aspects. Additional data for the presentation of external information in the notes to the financial statements and in the Group management report is also prepared and aggregated at Group level.

Continuous coordination of internal accounting during the year for planning and control with external accounting contributes significantly to the quality of Group financial reporting. Reporting itself is done through a standardized reporting system implemented throughout the Group. This system visualizes all consolidation processes. Internal controls on the one hand, and the Group auditors of Sartorius AG on the other, ensure that Group financial reports are accurately generated from the consolidated Group companies' financial statements.

The employees involved in the accounting process meet qualitative standards and receive regular training. The Group Financial Reporting Department assists the local units in resolving complex accounting issues, such as measuring fair value, to ensure consistent and accurate reporting in the consolidated financial statements. Complex evaluations, such as actuarial calculations and company valuations or purchase price allocations, are assigned to specialized service providers who involve the respectively qualified in-house staff.

Control Measures

Comprehensive control activities are performed by managers and staff to ensure effective and reliable accounting. As a result, this ensures compliance with legal requirements and internal guidelines as well as properly conducted business transactions. Examples of such control activities include the analysis of situations and developments with reference to specific key indicators. Moreover, every month individual reporting units comment on and explain special characteristics or variances using Group-wide standardized analytical tools as the basis. Further specific control activities performed to ensure effective and reliable Group accounting encompass the analysis and, where applicable, correction of the individual financial statements submitted by the Sartorius Group companies. A large number of automated control mechanisms already incorporated into the consolidated reporting system enable erroneous information to be identified and corrected at Group level. Impairment tests are conducted centrally for assets and/or cash-generating units considered material from the Group's perspective in order to ensure that consistent, standardized evaluation criteria are applied.

The Group Auditing Department draws up a risk-based audit plan annually and reviews in spot checks whether basic legal requirements and internal group guidelines are complied with for the entire control and risk management system of the Group. This monitoring function covers, in particular, audits of the functional efficiency and effectiveness of defined control measures. The results of these audits are reported directly to the audited departments and units, making it possible to efficiently remedy any identified deficiencies and to further enhance the company’s internal control system (ICS). The Executive Board and the Supervisory Board regularly receive reports on audit activities.

The main rules governing the organization of the internal control system are defined in a manual based on business processes. This manual combines all ICS-relevant requirements that Group management considers of material importance into one standardized document and will be supplemented by further appropriate rules as necessary.

Qualifying Statements

The internal control and risk management system enables the complete recording, processing, and evaluation of company-related matters on the basis of the organizational, control, and monitoring structures defined in the Sartorius Group, as well as their accurate presentation in Group accounting. Yet it must be considered that an internal control system, regardless of its design, cannot guarantee absolute certainty with regard to the correct and complete recording of facts in the consolidated financial statements.

The statements made relate solely to the subsidiaries included in the consolidated financial statements of Sartorius AG, provided that this parent company has direct or indirect control over such subsidiaries within the meaning of the international accounting standards.

Corporate Governance Report

The following content was not included in the audit of the Group Management Report and the Non-financial Group Statement.

Corporate governance aligned with the interests of stakeholders, lawful and responsible conduct, and constructive cooperation between the managerial bodies and within the company in a spirit of mutual trust constitute the essential cornerstones of Sartorius' corporate culture.

The Executive Board and the Supervisory Board report in the following declaration on the company's corporate governance pursuant to Section 289f of the German Commercial Code ("HGB").

Declaration of Compliance with Corporate Governance

Declaration of the Executive Board and of the Supervisory Board of Sartorius AG Concerning the Recommendations of the Government Commission on the German Corporate Governance Code Pursuant to Section 161 of the German Stock Corporation Law ("Aktiengesetz"):

The Executive Board and the Supervisory Board declare that Sartorius AG complied in the period since last year's Declaration of Compliance was issued on December 8, 2022, and will continue to comply in the future, with the recommendations made by the Government Commission on the German Corporate Governance Code (GCGC) as of April 28, 2022, as published by the Federal Ministry of Justice in the official section of the Federal Gazette on June 27, 2022, with the following exception:

In divergence from the Recommendation pursuant to G.10, sentence 1 of the GCGC, the variable remuneration of the members of the Executive Board – except for that of the Executive Board Chairman – consists only to a non-predominant extent of share-based remuneration components. The Supervisory Board believes that the existing structure of the variable remuneration, which corresponds to the remuneration system approved by the Annual General Meeting, also achieves an incentive structure geared to the sustainable and long-term development of the Company.

Göttingen, December 7, 2023

For the Supervisory Board	For the Executive Board
Dr. Lothar Kappich	Dr. Joachim Kreuzburg

Further Remarks Concerning Corporate Governance

Sartorius AG is a joint stock corporation founded under German law and headquartered in Göttingen, Germany. With the Annual General Meeting, Supervisory Board; and Executive Board, it has three corporate managerial bodies whose tasks and powers are essentially derived from the German Stock Corporation Law ("Aktiengesetz", abbreviated in German as "AktG") and the company's Articles of Association.

As owners of the company, the shareholders exercise their rights at its Annual General Meeting, where they decide, in particular, on the appropriation of profits, measures concerning share capital, amendments to the Articles of Association, formal approval of the actions taken by the Supervisory Board and the Executive Board, and the appointment of statutory auditors, as well as electing shareholder representatives to the Supervisory Board. The Annual General Meeting is held at least once a year within the first eight months of the respective fiscal year.

In managing the company, the Supervisory Board and the Executive Board perform their tasks in a dual management system, each with separate duties and powers.

The Supervisory Board appoints members to the Executive Board, determines their compensation and monitors and advises the Executive Board in its management of the company. The Supervisory Board is not authorized to take any operational management measures for the business. The Supervisory Board's rules of procedure are published on the company's website.

The Executive Board is responsible for independently managing the company. In particular, it defines corporate strategy, coordinates and agrees on this approach with the Supervisory Board, and implements such corporate strategy. In line with established reporting obligations, the Executive Board regularly informs the Supervisory Board promptly and comprehensively, and requests the latter's approval for certain key business transactions.

Composition and Operating Mode of the Supervisory Board and Its Committees

The Supervisory Board has an equal number of shareholder representatives and employee representatives: six shareholder representatives elected by the Annual General Meeting and six employee representatives elected according to the German Codetermination Law ("Mitbestimmungsgesetz"). The members serve a regular term of office of five years. Members can be reelected.

The Supervisory Board Chairman coordinates the work of the Supervisory Board, convenes the meetings, and chairs them. Furthermore, he is the first individual for the Executive Board to contact and externally represents the matters of the Supervisory Board.

The Supervisory Board holds at least two meetings every six months. This board has established four committees: the Executive Task Committee, the Audit Committee, the Conciliation Committee, and the Nomination Committee. The Executive Task Committee, Audit Committee, and Conciliation Committee each have four members, consisting of an equal number of shareholder representatives and employee representatives. The Executive Task Committee and Audit Committee hold regular meetings; the Conciliation Committee and the Nomination Committee meet only as necessary.

Audit Committee

Chair:
Prof. Dr. Klaus Rüdiger Trützschler

Other members:
Dr. Lothar Kappich
Dietmar Müller
Manfred Zaffke

Duties:
The Audit Committee supports the Supervisory Board in performing its supervisory function.

It must include at least one member of the Supervisory Board with expertise in the field of accounting and at least one other member with expertise in the field of auditing.

The Chairman of the Audit Committee, Prof. Dr. Klaus Trützschler, is independent and has expertise in the fields of accounting, auditing, and risk management thanks to his many years of service as Chief Financial Officer, Audit Committee member, and professor of business administration. In addition, Professor Trützschler actively follows current developments in the field of sustainability regulation and reporting and contributes this expertise to the Audit Committee and the Supervisory Board of Sartorius AG.

As a further member of the Audit Committee, Dr. Lothar Kappich has particular knowledge and experience in the application of accounting principles and internal control procedures from his professional practice as a controller, general manager, and management consultant. Dr. Kappich also possesses expertise in the fields of sustainability reporting and auditing.

Executive Task Committee

Chair:
Dr. Lothar Kappich

Other members:
Annette Becker
Prof. Dr. Klaus Rüdiger Trützschler
Manfred Zaffke

Duties:
The Executive Task Committee carries out preparatory work for resolutions and issues to be addressed in the meetings of the Supervisory Board. It also oversees the preparations for appointments, including the compensation and employment contract conditions of members of the Executive Board. The Executive Task Committee regularly discusses long-term succession planning for the Executive Board.

Nomination Committee

Members:
Dr. Lothar Kappich
Dr. Daniela Favoccia
Prof. Dr. Klaus Rüdiger Trützschler

Duties:
The Nomination Committee consists of three members representing the shareholders. Its task is to suggest suitable candidates to the Supervisory Board for its election proposals to the Annual General Meeting for the shareholder representatives on the Supervisory Board. In doing so, it takes into account the goals regarding the Board's composition.

Conciliation Committee
Chairman:
Dr. Lothar Kappich

Other members:
Annette Becker
Prof. Dr. Klaus Rüdiger Trützschler
Manfred Zaffke

Duties:
The Conciliation Committee meets if the majority required in connection with the appointment of members to the bodies authorized to represent the company for legal purposes is not reached.

Further information on the number and agenda of the individual meetings of the Supervisory Board and its committees as well as individual meeting attendance in the reporting year can be found in the Supervisory Board's report. The Supervisory Board carries out an assessment annually to determine how effectively the board as a whole and its committees fulfill their tasks. In the reporting year, this self-assessment (efficiency audit) was completed with external support on the basis of an extensive questionnaire. In addition to answering the questions, the respondents had options to give further comments and suggestions regarding Supervisory Board work. The results of this survey were presented in anonymized form in December 2023 and discussed within the Supervisory Board. Further information on the results of the self-assessment in 2023 are contained in the Report of the Supervisory Board.

Appointment Objectives for the Supervisory Board in terms of Areas of Expertise and Diversity

Members of the Supervisory Board of Sartorius AG are to be appointed such that they, on the whole, have the knowledge, skills, and experience that are necessary to perform the Board's duties properly.

For this purpose and based on the recommendations of the German Corporate Governance Code, the Supervisory Board decided on the following appointment objectives:

- Diversity: The members of the Supervisory Board should have complementary professional profiles and international experience. In view of achieving an appropriate gender balance, the legal quotas of at least 30% women and at least 30% men apply to the Sartorius Supervisory Board. The shareholder representatives and the employee representatives decided to fulfill these legal targets separately. Further details can be found in the Supervisory Board's competence profile.

- Age limit: A fundamental age limit of 70 applies to members of the Supervisory Board at the time they are elected. The age limit may be waived in individual cases, provided there are no reservations about the suitability of the persons proposed and their election is expedient to the interests of the company in spite of the age limit being exceeded.

- Maximum number of mandates / time resources: A Supervisory Board member who is not a member of the management board of a listed company is not to hold more than five Supervisory Board

positions at external listed companies or perform comparable functions; in this regard, the chairmanship of a Supervisory Board counts twice. A Supervisory Board member who is a member of the management board of a listed company must not hold more than two Supervisory Board positions at external listed companies or perform comparable functions, and must not chair the Supervisory Board at an external listed company. Regardless of other mandates held, care must be taken that every member has enough time to fulfill his or her mandate in the Supervisory Board of Sartorius AG.

- Independence: According to the GCGC, the Supervisory Board should include an appropriate number of shareholder representatives, but no less than four independent members. The ownership structure is to be taken into account. In the opinion of the shareholder representatives on the Supervisory Board, Prof. Dr. David Ebsworth, Dr. Daniela Favoccia, Ilke Hildegard Panzer, Frank Riemensperger, and Prof. Dr. Klaus Rüdiger Trützschler are independent members of the Supervisory Board. As the executor for the community of heirs of Horst Sartorius, Dr. Lothar Kappich is to be regarded as dependent upon the controlling shareholder. However, his mandate as executor and as the representative of the majority of the voting rights does not imply a lack of independence from the company or its Executive Board, The shareholder representatives on the Supervisory Board regard Dr. Kappich as independent despite the fact that he has been a Supervisory Board member since April 2007 and therefore more than 12 years. In their view, his long-standing membership in itself does not give rise to any substantial and not merely temporary conflict of interests. In his duties, Mr. Kappich has demonstrated the necessary critical distance in order to properly advise and monitor the company and its Executive Board in every respect. The Supervisory Board also considers Prof. Dr. Klaus Rüdiger Trützschler, who has been a Supervisory Board member for more than 12 years, to be independent within the meaning of C. 6 and C. 7 of the GCGC. Prof. Dr. Trützschler has no personal or business relationship with Sartorius AG or its Executive Board that could give rise to substantial and not merely temporary conflicts of interest. For the purpose of assessing the independence of board members, the Supervisory Board is of the view that all relevant circumstances should be examined as a whole. In the case of Prof. Dr. Trützschler, the sole factor of his long tenure is weighed up against his long-standing experience and expertise in the fields of accounting, auditing, risk management and sustainability. His record shows that he exercises his office as a member of the Supervisory Board and as Chairman of the Audit Committee in an exemplary manner, at all times fulfilling his role as a critical observer and experienced counsel for the Executive Board.

- Former members of the Executive Board: No more than two former members of the Sartorius Executive Board are to serve simultaneously on the Supervisory Board.

- Function at competitor companies: Members of the Supervisory Board should not hold any board function or consulting mandate at companies that are important competitors of Sartorius AG, and should not be in a personal relationship with an important competitor.

- In addition, the Supervisory Board has defined a competence profile. The members of the Supervisory Board should have experience in the life science sector as well as knowledge of key competitors and a basic understanding of marketing and sales strategies.

- Members of the Supervisory Board should have knowledge of technologies and products relevant to the Group as well as experience in the fields of innovation processes and research & product development, especially in the biopharmaceutical sector.

- Members of the Supervisory Board should have expertise in the international markets relevant to the Sartorius Group.

- Members of the Supervisory Board need to have in-depth knowledge of financial business processes and competences in financial controlling and risk management; at least one member of the Supervisory Board must have expert knowledge of accounting and at least one further member of the Supervisory Board expert knowledge of auditing (Section 100, Subsection 5 of AktG). Accounting and auditing activities also include sustainability reporting and its audit.

- Members of the Supervisory Board should have in-depth knowledge of law and compliance, in particular expertise in the areas of capital markets and corporate law. In addition, members should have knowledge and experience in the field of corporate governance.

- The Board should have in-depth knowledge of and experience in human resources issues, in particular in the fields of international human resources planning as well as executive recruitment and succession planning.

- The Supervisory Board should have in-depth knowledge of the Sartorius organizational structure and processes in order to be able to take the employees' perspective into account.

- Members of the Supervisory Board should have experience in the areas of digitalization and data-based business models.

- Furthermore, there should be sufficient sustainability/ESG and CSR expertise on the Board.

- The Supervisory Board should also always include members with international experience or backgrounds.

According to the Supervisory Board's self-assessment, the members on its board meet the diversity and competency requirements. In addition, the board meets the appointment objectives described above.

	L. Kappich	M. Zaffke	A. Becker	D. Ebsworth	D. Favoccia	P. Kirchhoff
Corporate governance and strategy development	■	■		■	■	
Customer-specific perspectives				■		
Technology and product development				■		
International markets				■		■
Financial economy	■	■		■		■
Corporate and capital market law					■	■
Human resources	■	■	■	■		
Employee-specific perspectives		■	■			■
Digitalization			■			
Competence sustainability and regulatory affairs	■				■	■
International experience or life backgrounds				■	■	

	D. Müller	I. Panzer	H. Ritzau	K. Trützschler	F. Riemensperger	S. Wirth
Corporate governance and strategy development		■		■	■	■
Customer-specific perspectives	■	■	■			
Technology and product development		■			■	
International markets		■			■	
Financial economy	■			■		
Corporate and capital market law				■		
Human resources		■		■	■	■
Employee-specific perspectives	■		■			■
Digitalization		■	■		■	
Competence sustainability and regulatory affairs				■		
International experience or life backgrounds		■			■	

Competency profile
With a view to achieving an equal gender balance, the Supervisory Board meets the quota of 30% set for the underrepresented gender. The Supervisory Board includes a total of seven men (around 58%), of whom four are shareholder representatives and three are employee representatives. In addition, five women (around 42%) are members of this board, among them two representatives of the shareholders and three representatives of the employees. As a result, the gender quota requirements are met on both sides of Supervisory Board representation and on the full Supervisory Board itself.

To facilitate comparison of the appointment objectives, brief resumés of the Supervisory Board members are available on the Sartorius website.

Provision of Information to the Supervisory Board

The Executive Board provides the Supervisory Board with all the information needed for the Supervisory Bord to effectively monitor the Executive Board's management of the company. To ensure appropriate information provision, the Supervisory Board receives monthly reports that show the course of business at the level of the Group, divisions and regions along with developments in the key performance indicators for Sartorius. In addition, an overview of the past quarter is shown before every meeting, and any deviations from the previous year and from the planning are explained. The reporting package also regularly includes a capital market report, which sets out the performance of Sartorius shares including prices and company valuations relative to competitors as well as an overview of analyst assessment and recommendations. Once a year as a rule, the Executive Board reports verbally and in writing on the budget for the next fiscal year, including operational planning, financial planning, investment planning and HR planning, and on the medium-term planning for the company's development. Also at least once a year, the Executive Board explains the status and development of any legal risks and comments on the risk situation, on risk management, on significant compliance cases and on compliance management. The relevant Supervisory Board committees also discuss these risk management- and compliance-related topics on a quarterly basis and are provided for this purpose with relevant written and verbal information. Furthermore, the Executive Board reports to the Supervisory Board on all transactions requiring the latter's approval under the rules of procedure. These particularly include acquisition and divestment projects, capital measures, major investments and restructuring projects. The reports and proposed resolutions are prepared such that the Supervisory Board has the opportunity, before the relevant transactions are carried out, to thoroughly consider the proposed measure and its implications, give its view and take an informed decision. The Supervisory Board is also promptly informed as necessary of other important events and developments that could have a noticeable effect on Sartorius' position. If it is not possible to report directly in a Supervisory Board meeting, corresponding special reports are provided to the Chairman of the Supervisory Board. The Chairman then decides on how to involve the Supervisory Board in this matter. The committee chairpersons also independently set further reporting requirements for the Executive Board within their areas of responsibility. The Executive Board decides on the form and presentation of the reports to the Supervisory Board.

Details on the content of these reports in the relevant fiscal year and their discussion in the Supervisory Board can be found in the Report of the Supervisory Board Chairman.

Composition and Operating Mode of the Executive Board

The Executive Board of Sartorius AG manages the company under its own responsibility, with the goal of increasing the company's value over the long term. It develops the company's strategy, coordinates it with the Supervisory Board, and ensures that this strategy is implemented effectively. Beyond that, the rules of procedure for the Executive Board define the legal transactions requiring approval by the Supervisory Board in order

for such transactions to be effected. The Executive Board is responsible for compliance with all provisions of the law and the company's internal policies, as well as for appropriate risk management.

Decision-making by the Executive Board is done at its regular meetings, which are convoked and conducted by the Chairman. Other specialists and managers are invited as necessary to provide advice.

The Executive Board members are jointly responsible as a collegiate body for matters of special significance. In all other respects, each member independently manages the area of the company to which he or she has been assigned in accordance with the distribution-of-business plan, and the Chairman must be informed of all material transactions and events.

Composition of the Executive Board, Diversity and Competency Requirements

In the opinion of the Supervisory Board, the basic qualification criteria for appointments to positions on the Executive Board are professional qualifications for heading each particular area of responsibility, a proven track record along the individual's career path, and impressive managerial skills. In addition, the Supervisory Board also considers the aspect of diversity in its appointment decisions. Therefore, the Supervisory Board strives to appoint people with complementary profiles, professional and personal life experiences and in different age brackets to the Executive Board. Moreover, the latter board is required to have broad international experience.

The Supervisory Board deals regularly with succession planning for the Executive Board in its Executive Task Committee and in its plenary sessions. To identify special talent within the company, promising junior staff are invited to make presentations to the Supervisory Board on specific topics.

An Executive Board member must not be older than 65 years of age at the time of his or her appointment. This age limit can be waived in individual cases, provided there are no reservations about the suitability of the person proposed and his or her appointment is expedient to the interests of the company in spite of the age limit being exceeded.

As of the editorial deadline for this report, the Executive Board of Sartorius AG consisted of two men and one woman. Before the Chief Financial Officer Rainer Lehmann left the Board at the end of October 2023, it consisted of three men and one woman.

Name	Position	Year of birth	First appointed	End of current appointment period
Dr. Joachim Kreuzburg (Chairman)	Chairman of the Board Chief Financial Officer (interim basis until March 31, 2024)	1965	2002	November 10, 2025
Dr. René Fáber	Full member, responsible for the Bioprocess Solutions division	1975	2019	December 31, 2026
Dr. Alexandra Gatzemeyer	Full member, responsible for the Lab Products & Services division	1979	2023	April 30, 2026

At its meeting on August 3, 2023, the Supervisory Board elected Dr. Florian Funck as an Executive Board member effective April 1, 2024. In the period from November 2023 to the end of March 2024, the Finance board division is being managed on an interim basis by the Chairman of the Executive Board.

The statutory participation requirement pursuant to Section 76(3a) AktG, which came into force in August 2022, applies to the number of women on the Executive Board. With the appointment of Dr. Alexandra Gatzemeyer to the Executive Board, the statutory participation requirement has been implemented.

Regarding the future appointment of women to the Executive Board of Sartorius AG as well, the Supervisory Board supports the activities of the Executive Board to further increase the percentage of female executives at the management levels subordinate to the Executive Board in the company. The Executive Task Committee and the full Supervisory Board regularly receive reports on the development of the proportions of women in senior-level management positions.

First and Second Management Levels Below the Executive Board

In March 2022, the Executive Board set a target of one-third women to be achieved at both the first and second management levels by the deadline of December 31, 2025. As of the December 31, 2023 reporting date, the proportion of women at both levels was around 31% (first management level: 5 women | 11 men; second management level: 30 women | 66 men), putting it within range of the targets set by the Executive Board.

It should be noted that owing to the relatively small number of managers at the first level, even individual personnel changes can lead to sizable swings in this percentage. The integration of acquired companies has frequently led to fluctuations in the past, and this effect cannot be ruled out for the future.

Remuneration Report | Remuneration Policy

The remuneration report for fiscal 2023 and the auditor's notice in accordance with Section 162 AktG, the compensation policy currently in place as approved by the Annual General Meeting on March 29, 2023, pursuant to Section 87a, Subsections 1 and 2, sentence 1, AktG, and the resolution approved by the Annual General Meeting on March 29, 2023, on the remuneration pursuant to Section 113, Subsection 3, AktG are publicly accessible at www.sartorius.de/Compliance.

Further Corporate Governance Practices

Risk Management, Internal Monitoring System and Compliance Management System

Conscientious management of commercial risks is a key principle of good corporate governance. Sartorius AG and the Group have at their disposal enterprise-wide and company-specific reporting and control systems designed to facilitate the recording, assessment and management of commercial risks. These systems are developed and adapted continuously as conditions evolve. The Executive Board informs the Supervisory Board regularly of existing risks and their development. The Audit Committee is concerned, in particular, with monitoring of the following: the accounting process including reporting; the efficacy of the internal control system; risk management and the internal auditing system; compliance; and the independent statutory audit. Details on risk management are presented in the Opportunity and Risk Report.

The internal control system (ICS) is based on the principles, guidelines, and measures introduced by the Executive Board that are aimed at the organizational implementation of the Executive Board's decisions. They include the management of risks and opportunities relating to the achievement of business objectives, ensuring that internal and external accounting is accurate and reliable, and compliance with the legal rules and regulations relevant to Sartorius. This also includes sustainability aspects, which are continuously refined and updated on the basis of regulatory requirements.

All of the Sartorius Group's functions are integrated into a global matrix organization and are part of the ICS. The scope of activities each function is responsible for performing varies and depends, among other aspects, on the specific risks associated with the function. Each function's management is required to implement an appropriate and effective ICS in its area of responsibility, based on the methodology that is mandatory throughout the Group.

Overall responsibility for the ICS lies with the Executive Board. The Sartorius Group's individual functions support the Executive Board in creating and maintaining appropriate and effective processes for implementing, monitoring, and reporting on internal control activities.

Extensive control activities are carried out by managers and employees within each function's individually defined processes to ensure that the processes are reliable and effective. As a result, this ensures compliance with legal requirements and internal guidelines as well as properly conducted business transactions. Examples of such control activities include the analysis of situations and developments with reference to specific key indicators. Based on the defined control mechanisms, errors can be identified and corrected at the Group level. In addition, the Group Auditing Department draws up a risk-based audit plan each year and reviews in spot checks whether basic legal requirements and internal group guidelines are complied with for the Group's entire control and risk management system. This monitoring function covers, in particular, audits of the functional efficiency and effectiveness of defined control measures. The results of these audits are reported directly to the audited functions, making it possible to efficiently remedy any identified deficiencies and to further enhance the company's internal control system (ICS). The Executive Board and the Supervisory Board regularly receive reports on audit activities. The main rules governing the organization of the ICS are defined in a manual based on business processes. This manual combines all ICS-relevant requirements that Group management considers of material importance into one standardized document and will be supplemented by further appropriate rules as necessary.

Part of the ICS is also a compliance management system that is valid worldwide. The Sartorius Group's compliance management system is designed to ensure the adherence to statutory and regulatory requirements in order to protect the company from sanctions, financial losses and reputational damage. It also contributes to the quality of Sartorius products and the long-term success of the company. To ensure compliance at the Sartorius Group, Sartorius has implemented a Group-wide standard, which is documented in a Compliance Management Manual. This manual summarizes the responsibilities and authority of the individual functions and defines processes for efficient cooperation between these functions.

In this context, Sartorius has introduced various preventive guidelines. The Sartorius Code of Conduct defines the responsible conduct expected from all employees of the Sartorius Group and provides guidance for employees, for example in relation to human rights, international social and environmental standards, conflicts of interest and other general standards, and helps them act law-abidingly and ethically in their day-to-day work. Sartorius has also implemented an Anti-Corruption Code. This is intended to serve as a basis for raising awareness among all employees of the dangers posed by corruption and also to act as an aid and guide to combating corruption. It includes rules on the handling of gifts, for example. The company ensures that employees are familiar with the content of both codes by offering them mandatory online training every year.

Sartorius also expects its business partners to comply with internationally recognized social and environmental standards, to follow the law, adhere to the principles of fair competition and respect human rights. These requirements are set out in the Code of Conduct for Business Partners.

A complaint system ensures that everyone, whether inside or outside Sartorius, can report identified or reasonably suspected breaches of applicable laws, standards, regulations and internal guidelines. For this purpose, Sartorius provides various reporting channels, which are available around the clock in various languages and can also be used anonymously if preferred. The compliance team can be contacted in person, via the hotline, by e-mail or via the whistleblower system. The reporting channels can be found on Daily (intranet) and on the public website.

The Executive Board is not aware of any circumstances that would speak against the suitability and effectiveness of the risk management system and the ICS.

Further information can be found in the "Description of the Key Features of the Internal Control System" section and on the company's website at www.sartorius.com.

Transparency

Sartorius AG places great importance on disclosing consistent and complete information promptly. Information about the economic position of the Group and new developments is consequently released regularly, without delay, as it becomes known in order to inform capital market participants and interested members of the public at large. The annual report, first-half financial report, and quarterly reports are published within the time frames specified for this purpose. Current developments and material events are publicized as press releases and, where appropriate, ad hoc announcements. This information is usually made available in German and English simultaneously and published via suitable media and on the internet. Capital market participants remain in close contact with the company's investor relations team. Investors and analysts are provided information on current and future business performance in conference calls held in conjunction with the respective quarterly reporting. Sartorius regularly participates in roadshows and investor conferences and holds its own capital market events.

The chief recurring events and publications, such as the Annual General Meeting, the annual report and the interim reports, are listed on a financial calendar that may be viewed at any time on the Group website.

Share Trading Activities of Supervisory and Executive Board Members

A statement of transactions conducted in 2023 by Executive and Supervisory Board members on their own account in accordance with Article 19 of Regulation (EU) 596/2014 (Market Abuse Regulation) is published on the Sartorius website.

As executor of the estate of Horst Sartorius, the Supervisory Board Chairman, Dr. Lothar Kappich, holds around 50.1% of the ordinary shares issued by the company. Beyond this, there is no notifiable possession of shares or financial instruments by members of the Executive Board or Supervisory Board consisting directly or indirectly of more than 1% of the shares issued by the company.

Accounting and Independent Statutory Audit

The consolidated financial statements and the Group Management Report, as well as the consolidated interim financial statements and reports, are prepared in accordance with the International Financial Reporting Standards (IFRS) as they are to be applied within the EU, and according to the commercial law regulations to be applied under Section 315e, Subsection 1, of the German Commercial Code, HGB. The annual financial statements of Sartorius AG are prepared in accordance with German commercial law, HGB. The consolidated financial statements and the annual financial statements are prepared by the Executive Board, audited by the independent auditors elected by the Annual General Meeting, and approved by the Supervisory Board.

It has been agreed with the independent auditors that they will notify the Supervisory Board directly of any potential disqualification or bias issues and any material findings and incidents identified during the audit. This also encompasses the corporate governance reporting duties pursuant to Section 161 of the German Stock Corporation Law (Aktiengesetz).

The Supervisory Board | The Executive Board

Non-financial Group Statement

The following section is the Non-financial Group Statement prepared for the Sartorius Group by Sartorius AG for fiscal year 2023 and hereinafter referred to as the "Non-financial Statement." The submission of this statement exempts the Sartorius Stedim Biotech S.A. subgroup from the obligation to prepare its own non-financial statement.

The information presented in the Non-financial Statement did not form part of the audit of the Group Management Report and was subject to a separate limited assurance engagement performed by KPMG AG Wirtschaftsprüfungsgesellschaft.

Notes on Reporting

This statement was prepared in accordance with sections 315b and 315c in conjunction with 289c to 289e of the German Commercial Code (HGB). The indicators were calculated based on international frameworks such as the GRI and Greenhouse Gas Protocol.

The material topics subject to reporting requirements are derived from the results of a materiality analysis, which the Executive Board has verified for fiscal year 2023. This analysis is based on the strategic sustainability topics defined in fiscal 2022, which have been assessed with regard to their relevance for the sustainability matters addressed in the German Commercial Code (HGB).

The policies requiring presentation under Section 289c(3) of the German Commercial Code (HGB) for the material topics, including due diligence processes and the outcomes of the policies, relate to the Group as defined by the scope of consolidation for financial reporting, except where otherwise indicated.

The data provided serve to quantify the Group's performance and do not constitute performance indicators relevant to company management within the meaning of Section 289c(3) of the German Commercial Code (HGB).

Prior-year data was taken from the 2022 Non-financial Statement where available. Adjustments to prior-year data were made on the basis of materiality assessment and are indicated where applicable. These relate to the proportion of water from water stress areas (see the "Water and Wastewater" section).

Sustainability reporting in this Non-financial Statement is supplemented by the Sustainability Report of the Sartorius Group, which is prepared based on the GRI Standards. The Sustainability Report for the past fiscal year will be published in the first quarter of 2024.

Sustainability Management

Business Model

Information on the Group's business model can be found in the section "Business Model, Strategy and Goals".

Sartorius operates in the life science sector – more precisely, in the field of medical biotechnology. As a partner to the biopharmaceutical industry, the Group manufactures products and process technologies that are used in the development and production of biological medicines and vaccines to prevent and treat diseases, some of which were previously incurable. In this context, the Group places a particular focus on innovations that make it possible to increase the safety, speed, and efficiency of the development and production process for such active ingredients. This allows new therapies to be made available earlier, at lower prices and to a larger number of patients. The company's purpose therefore involves contributing to people's health and well-being and thus to the achievement of global sustainability goals.

Sustainability Ambition and Strategy

As a signatory to the United Nations Global Compact, Sartorius is committed to complying with certain social and environmental standards when conducting its business activities. The aim is to identify and assess adverse impacts that are arising or may arise throughout the upstream and downstream value chain as a result of business operations and, based on this, to prevent or mitigate significant adverse impacts and provide remediation where they occur. The addition of sustainability aspects as a new element of corporate management is a long-term transformation and requires ongoing dialogue, coordination and close collaboration with relevant stakeholders along the value chain.

The company's key stakeholders principally include customers and business partners, employees, investors and local residents near Sartorius sites. Particularly in the case of customers, Sartorius uses a range of formats to remain in constant dialogue regarding sustainability aspects of products, decarbonization and climate neutrality, and other environmental and social standards. Employees, investors and suppliers are regularly informed about relevant sustainability targets, measures and results. Sartorius was in constant discussion with analysts and investors in the reporting year as part of its regular capital market communication and SRI conferences. A virtual capital market tutorial also took place, focused on the company's decarbonization strategies and measures. The sustainability strategy was discussed with selected suppliers at a supplier day. In addition, Sartorius is involved in industry associations such as BioPhorum, NIMBL and PSCI on sustainability-related topics and actively shapes industry initiatives.

Sartorius defined the following strategic sustainability topics for the Group back in fiscal 2022, taking its key stakeholders' concerns into account:

- Climate
- Materials and circularity
- Water and wastewater
- Social responsibility
- Corporate governance

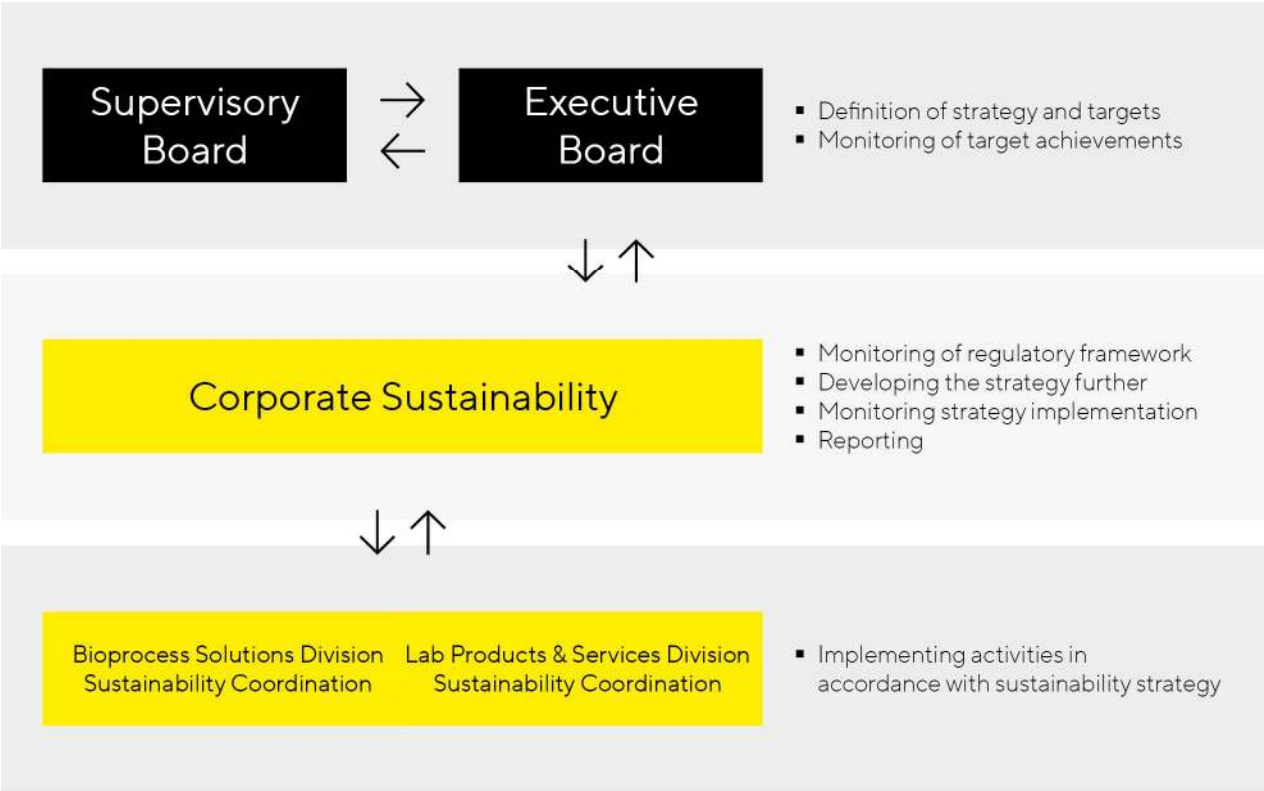
- Sustainability in the supply chains

Organization, Management and Reporting

Sustainability at Sartorius is a topic in the responsibility of the Executive Board Chairman. The Executive Board adopts the sustainability strategy and, together with the Supervisory Board, monitors its implementation, the achievement of targets, and the effectiveness of the company's sustainability-related due diligence system. The Group function Corporate Sustainability, whose management reports directly to the Executive Board Chairman, is responsible for developing the sustainability strategy and for operational implementation of measures to fulfill sustainability guidelines and standards in the Group. Other tasks include monitoring regulation, overseeing adherence to corporate due diligence requirements and sustainability reporting.

Responsibility for implementing the strategy and the measures it contains lies with the divisions. Committees to coordinate and implement sustainability measures were established in both divisions during the reporting year.

Sustainability organization



1 Performed by the "BPS Sustainability" function
2 Performed by various individual sustainability roles

In fiscal 2023, Sartorius began building a global reporting system, through which the required sustainability data of the Group companies will be collected, monitored and reported via a centralized IT application. In view of the introduction of European sustainability reporting standards, Sartorius is enhancing its reporting and internal control system to further increase data quality.

Risks are identified through the central risk management system. Information on risks can be found in the Opportunity and Risk Report. No risks within the meaning of Section 289c(3) were identified in fiscal year 2023.

External Sustainability Performance Ratings and Capital Market Indices

Sartorius AG and the subgroup Sartorius Stedim Biotech S.A. are regularly analyzed and evaluated with regard to their sustainability performance. The results of these analyses feed into the development of policies for managing material sustainability topics.

Latest Company Ratings

Company	Rating	Publication	Results
Sartorius AG	CDP	14.12.2022	B
Sartorius AG	EcoVadis	31.05.2023	60/100 (77th percentile) – silver
Sartorius AG	ISS ESG	01.09.2023	C
Sartorius Stedim Biotech S.A.	ISS ESG	01.09.2023	C+ (Prime)
Sartorius AG	Morningstar | Sustainalytics	07.03.2023	17,7 (Low risk)
Sartorius Stedim Biotech S.A.	Morningstar | Sustainalytics	14.07.2023	14,9 (Low risk)
Sartorius AG	MSCI ESG	17.08.2023	AA
Sartorius Stedim Biotech S.A.	MSCI ESG	25.08.2023	BBB

Concepts and Results for the Strategic Sustainability Topics

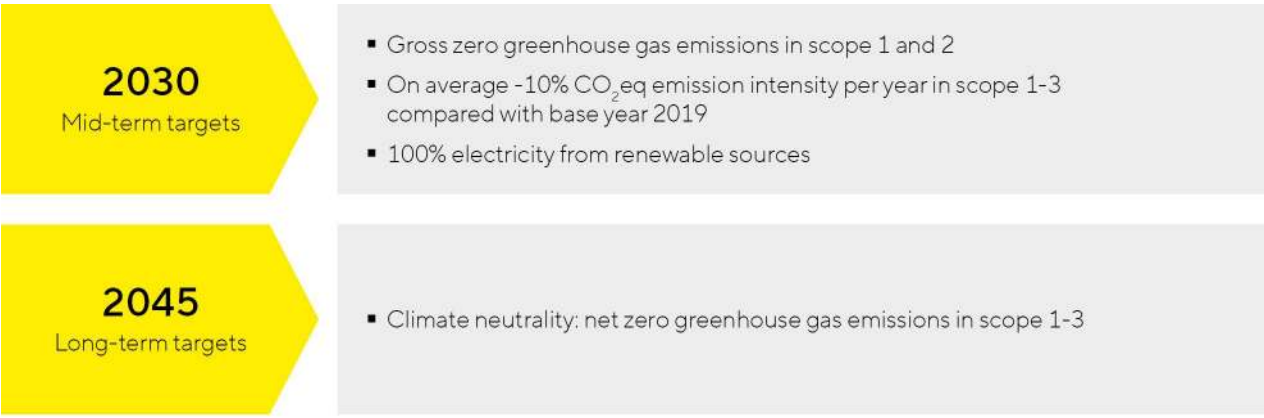
Climate

Ambition
Sartorius' business activities do not belong to the greenhouse gas-intensive economic sectors. However, Sartorius regards climate change mitigation as a task for the whole of society and therefore as a material topic for sustainability management. This also involves reducing or avoiding the potential risks of climate change for the company itself. The company is aiming to make its business activities net climate neutral by 2045. This is to be achieved through continuous decarbonization along the value chain and the removing of unavoidable residual emissions in line with the Paris Agreement.

Concept and Due Diligence Processes
In fiscal 2021, the Group set itself the target of reducing CO_2eq emission intensity by an average of 10% per year by 2030 in comparison with the base year 2019. Sartorius defines this indicator as adjusted greenhouse gas (GHG) emissions by market-based calculation per net turnover in g CO_2eq/€ based on the Accounting and Reporting Standards of the GHG Protocol. It includes Scope 1, 2 and 3 under the GHG Protocol. The adjustment means that in the "Purchased goods and services" GHG category it accounts only for the goods and services actually consumed for the manufacture of Sartorius' products and services sold during the fiscal year. This indicator forms part of the long-term variable remuneration components for the Executive Board and management.

The Group has also set a target of cutting its avoidable, energy consumption-related gross Scope 1 and 2 emissions to zero by 2030. Process emissions generated during membrane production are currently deemed unavoidable based on the technology available at present

Overview of climate targets at Sartorius



In the reporting year, the company also committed to preparing medium-term, science-based climate targets, which will be validated by the independent Science Based Targets Initiative (SBTi). The targets are due to be submitted to the SBTi by October 2025.

Sartorius already identified a range of decarbonization levers along the value chain back in 2021. These particularly include product design, the associated energy efficiency and selection of materials, and the Group's transport activities. The company is currently working on a concrete transition plan. As a first step, it was decided in the reporting year to switch all electricity consumption to renewable sources by 2030.

Results of the Concept

GHG balance sheet

Total gross GHG emissions (Scope 1, 2 and 3) according to a market-based calculation amounted to 898,898 t CO_2eq in fiscal 2023 (previous year: 1,137,703 t CO_2eq; base year: 573,539 t CO_2eq). This represents a reduction of 21.2% compared with the prior year and an increase of 56.4% compared with the 2019 base year. The bulk of the emissions (currently around 96%) result from activities associated with the upstream and downstream value chain (Scope 3). Approximately 68% are attributable to the upstream value chain and approximately 27% to the downstream value chain. The year-on-year reduction in gross GHG emissions was due in particular to purchasing- and transport-related GHG emissions (purchased goods and services, upstream transportation and distribution and downstream transportation and distribution), which fell by 38.9% and 42.8% respectively. This is explained by a decline in operating expenditures for production-related goods and services as well as a more precise reporting system in fiscal year 2023.

Capital goods are one of the largest drivers of total GHG emissions. The GHG emissions resulting from investment in capital goods increased sharply in comparison with the prior year (approximately 76.4%) and base year (approximately 356.7%). This was related particularly to the Group's increased construction activities. The increase versus the prior year is also attributable to a more precise reporting system. Emissions from investment in capital goods have therefore developed since 2019 from the fourth-largest into the third-largest contributor to total emissions.

Gross Scope 1 GHG emissions amounted to 13,103 t CO_2eq (previous year: 17,939 t CO_2eq, base year: 13,529 t CO_2eq), equal to a fall of 27.0% compared with the previous year and 3.1% compared with the base year. Gross Scope 2 GHG emissions by market-based calculation amounted to 26,823 t CO_2eq (previous year: 28,714 t CO_2eq, base year: 25,777 t CO_2eq), equal to a decrease of 6.6% compared with the previous year and an increase of 4.1% compared with the base year. The year-on-year changes were attributable in particular to the slightly reduced total energy consumption and the associated reduction in fossil fuels (see the "Energy Consumption" section).

Total gross GHG emissions were equal to total net GHG emissions in the 2023 reporting year, as no negative GHG emissions (carbon removal) could be offset. Carbon removal is an important GHG neutralization measure under the Paris Agreement. It involves permanently removing GHG emissions from the atmosphere using biological, chemical and physical methods.

GHG intensity by market-based calculation, defined as gross GHG emissions per net turnover, amounted to 0.000264 t CO_2eq/€ (previous year: 0.000273 t CO_2eq/€, base year: 0.000314 t CO_2eq/€). This represents a reduction of 3.3% compared with the prior year and 15.7% compared with the 2019 base year. Various factors affected the change in intensity. Both GHG emissions and turnover were lower than in the previous year.

GHG Balance Sheet [1,2]

	2023	2022	Base year: 2019
Gross GHG emissions - scope 1 in t CO_2eq[5, 6]	**13,103 [3]**	**17,939 [4]**	**13,529 [4]**
Share of Scope 1 GHG emissions under regulated emission trading schemes in %	0	0	0
Gross GHG emissions - scope 2 - location-based calculation in t CO_2eq	**48,388 [3]**	**53,886 [4]**	**30,689 [4]**
Gross GHG emissions - scope 2 - market-based calculation in t CO_2eq[7]	**26,823 [3]**	**28,714 [4]**	**25,777 [4]**
Gross GHG emissions - scope 3 in t CO_2eq	**856,972**	**1,091,050**	**534,233**
Category 1: Purchased goods and services in t CO_2eq	318,901	521,912	238,446
Category 2: Capital goods in t CO_2eq	168,488 [8]	95,492	36,892
Category 3: Fuel- and energy-related activities (not included in scope 1 and 2) in t CO_2eq	7,297 [3]	11,323 [4]	6,553 [4]
Category 4: Upstream transportation and distribution in t CO_2eq	73,625	128,734	57,426
Category 5: Waste generated in operations in t CO_2eq	5,699 [3]	9,235 [4]	4,021 [4]
Category 6: Business travel in t CO_2eq	21,065	21,067	26,093
Category 7: Employee commuting in t CO_2eq [9]	18,027	22,053	15,019
Category 8: Upstream leased assets in t CO_2eq	0	0	0
Category 9: Downstream transportation and distribution in t CO_2eq	6,258	10,942	4,881
Category 10: Processing of sold products in t CO_2eq [10]	0	0	0
Category 11: Use of sold products in t CO_2eq [11]	185,564	222,138	108,626
Category 12: End-of-life treatment of sold products in t CO_2eq	52,049	48,153	36,276
Category 13: Downstream leased assets in t CO_2eq	0	0	0
Category 14: Franchises in t CO_2eq	0	0	0
Category 15: Investments in t CO_2eq [12]	0	0	0
Total gross GHG emissions (scope 1, 2 and 3) - location-based calculation in t CO_2eq	**918,463**	**1,162,875**	**578,451**
Total gross GHG emissions (scope 1, 2 and 3) - market-based calculation in t CO_2eq[7]	**896,898**	**1,137,703**	**573,539**
Total GHG removals in t CO_2eq	0	0	0
Total net GHG emissions (scope 1, 2 and 3) - location-based calculation in t CO_2eq	**918,463**	**1,162,875**	**578,451**
Total net GHG emissions (scope 1, 2 and 3) - market-based calculation in t CO_2eq[7]	**896,898**	**1,137,703**	**573,539**
Gross GHG intensity - location-based calculation per net turnover in t CO_2eq / €	**0.000270**	**0.000279**	**0.000317**
Gross GHG intensity - market-based calculation per net turnover in t CO_2eq / €[7]	**0.000264**	**0.000273**	**0.000314**

1 The data presented contain uncertainties. The data, and particularly the figures for individual categories, should currently be seen merely as an indication with respect to Scope 3 emissions. Explanations on greenhouse gas accounting, including the data concepts and calculation methods applied, can be found on page 148 et seq. of the Non-financial Statement.
2 Preparation based on GHG Protocol (Corporate Accounting and Reporting Standard 2004 and Corporate Value Chain (Scope 3) Accounting and Reporting Standard 2011).
3 Excluding the Polyplus companies newly acquired in the reporting year.
4 Based on data reported by production sites and some administrative sites; excluding companies newly acquired in the reporting year.
5 Excluding GHG emissions from fleet fuel consumption.
6 Fugitive emissions data currently only collected in Göttingen and Yauco.
7 If a contract-specific emission factor was not available for the market-based calculation method, the location-based emission factor was used in accordance with the GHG Protocol.

8 The figure for 2023 is not fully comparable with the prior-year figures, since the basis for calculation was expanded for 2023 and now extends to total capital expenditures. As a result of materiality analyses for total GHG emissions, the prior-year figures have not been adjusted.
9 Excluding GHG emissions from commuting by trainees, interns and contingent workers.
10 In accordance with the GHG Protocol, this category is reported with 0 t CO_2eq because Sartorius cannot currently account for it appropriately given the wide range of potential options available for further processing the Group's products, each of which has its own specific GHG profile, and because, according to an estimate, it is also not material to the Group's overall GHG accounting.
11 GHG accounting currently covers only products that require electricity to use.
12 This category is reported with 0 t CO_2eq, as the most relevant shareholding from a GHG perspective has been classified as not material in the financial reporting for fiscal 2023, and the GHG emissions related to this shareholding have also been assessed as not material to the Group's overall GHG accounting, according to an estimate.

CO_2 Emission Intensity

In fiscal year 2023, CO_2 emission intensity, defined as adjusted GHG intensity (i.e. gross GHG emissions per net turnover – market-based calculation), amounted to 272 g CO_2eq/€ (previous year: 256 g CO_2eq/€; base year: 308 g CO_2eq/€). This represents a 6.3% increase over the prior year and an 11.4% reduction from the base year. The changes were due to stock movements. The average annual reduction in CO_2eq emission intensity from the base year therefore amounted to 3.1% in the reporting year.

CO_2-Emission Intensity

	2023	2022	Base year: 2019
Adjusted gross GHG intensity - market-based calculation per net turnover in g CO_2eq / €[1]	272	256	308
Average annual reduction compared to the base year 2019 in % (strategic consideration)	3.1	6.0	n. r.

1 For "adjusted GHG intensity: gross GHG emissions per net turnover – market-based calculation," the GHG category "Purchased goods and services" accounts only for the goods and services actually consumed for the manufacture of Sartorius' products and services sold during the fiscal year. The data are therefore adjusted for inventories.

Energy Consumption

Total energy consumption fell by 2.2% to 196,403 MWh in fiscal 2023 (previous year: 200,715 MWh) and was therefore on a level with the prior year. The share of renewable energy increased by just under four percentage points to 35.5% (previous year: 31.7%). This is explained particularly by the lower total energy consumption and associated reduction in fossil fuels. Two locations switched to renewable energy. The Bangalore site now draws electricity from renewable sources, and the Göttingen site uses geothermal heating. The Group-wide degree of coverage with certified energy management systems in accordance with ISO 50001 as of December 31, measured against the number of employees, stood at 27.0% (previous year: 27.1%), putting it on a level with the prior year. Within the scope of the site-specific energy management systems in accordance with ISO 50001, energy flows such as the energy sources used and energy consumers as well as the energy efficiency status of the largest energy-consuming systems/facilities and processes/activities are systematically identified and evaluated. The data collected can then be used to develop measures that support the reduction of Scope 1 and Scope 2 GHG emissions and to measure their success.

Indicators Energy [1,2]

	2023[3]	2022[4]
Total energy consumption in MWh	**196,403**	**200,715**
Renewable energy consumption in MWh	**69,712**	**63,546**
Purchased certified renewable electricity in MWh	65,594	62,256
Self-generated solar energy in MWh	2,089	697
Purchased geothermal energy in MWh	441	594
Self-generated geothermal energy in MWh	1,589	n. a.
Other renewable energy in MWh	0	0
Non-renewable energy consumption in MWh	**126,691**	**137,169**
Purchased natural gas in MWh	53,884	60,774
Purchased non-renewable electricity in MWh	57,599	53,422
Purchased district heating in MWh	8,925	10,653
Purchased diesel in MWh	4,459	8,797
Purchased heating oil in MWh	1,199	2,490
Purchased district cooling in MWh	625	815
Purchased LPG in MWh	0	218
Total share of renewable energy in %	**35.5**	**31.7**
Certified management systems according to ISO 50001 - Employee coverage as of 31.12. in %	**27.0**	**27.1**

1 Preparation of the indicators was based on the GRI Standards.
2 Excluding fleet fuel consumption
3 Excluding the Polyplus companies newly acquired in the reporting year.
4 The data for fiscal 2022 were taken from the 2022 Non-financial Statement.

Materials and Circularity

Ambition

Sartorius sources a wide range of raw materials, consumables and supplies in order to manufacture its products and product packaging. This includes, in particular, plastic, metal and electronic components as well as chemicals. The aim of a circular economy is to decouple economic growth from environmental impacts by recycling materials, i.e. not only reducing the consumption of resources but also simultaneously reducing the generation of waste, pollution and greenhouse gas emissions. The company's aspiration formulated in 2023 is to minimize the disposal of recyclable waste and optimize resource use along the value chain.

Concept and Due Diligence Processes

Given their advantages for efficiency, flexibility and patient safety, single-use products made from plastic based primarily on fossil resources have become established in the biopharmaceutical industry. Examples include sterile filters, bags and tubes. Single-use products currently contribute around 60-70% of Group sales revenue and are the focus of the current business strategy. By law, these products normally have to be incinerated as contaminated waste at the end of their life. For this reason, and given the high quality standards for medical products, closed-loop operations pose significant challenges to the industry and to Sartorius.

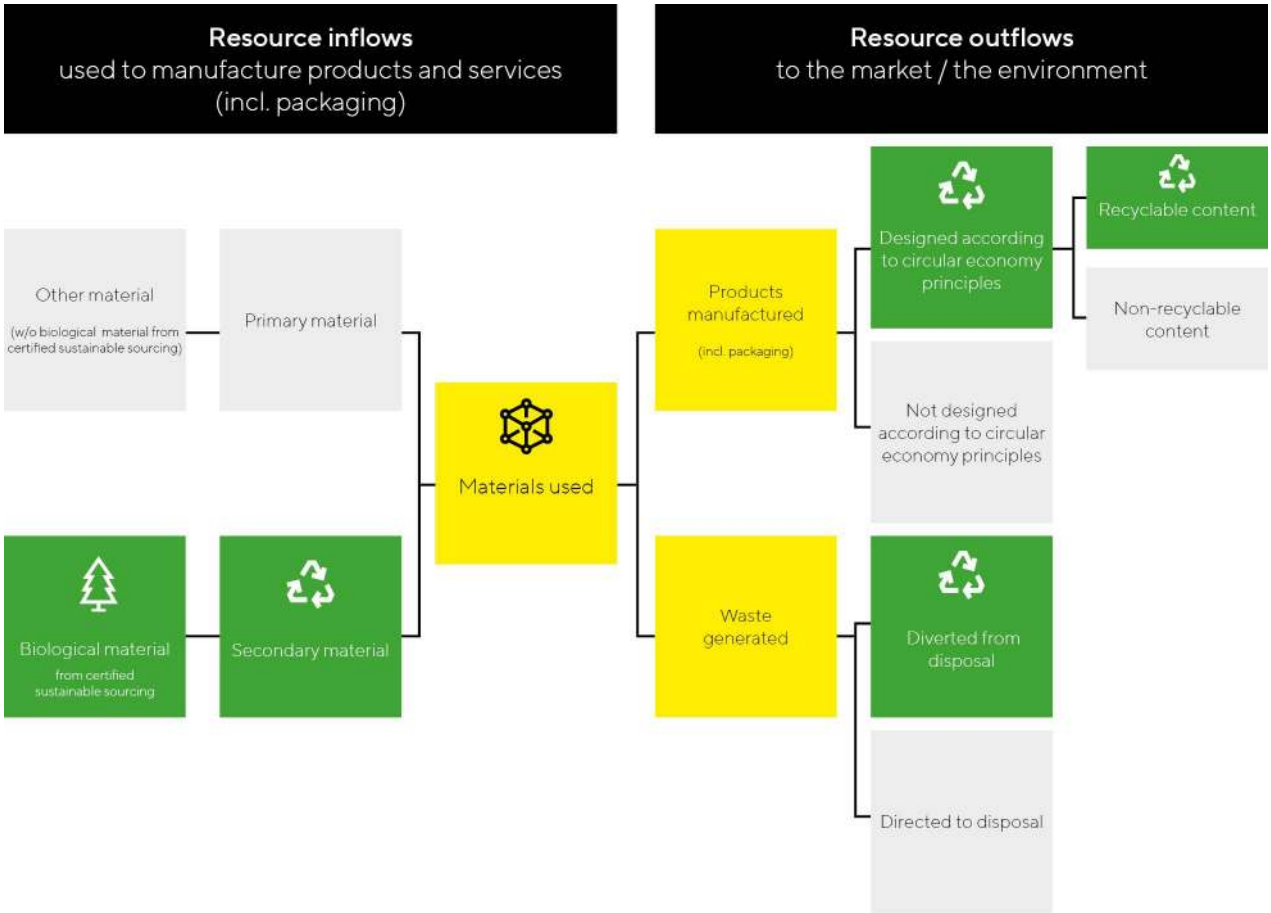
To achieve the best-possible market acceptance for a circular portfolio, Sartorius is in dialogue with its customers and is involved in industry associations such as BioPhorum and BPSA. Compared with other industries, the plastic waste generated by biopharmaceutical products has a lower volume, meaning that the economic and environmental aspects of a disposal infrastructure need to be balanced.

Despite the challenges that exist, Sartorius sees potential to improve resource use along the value chain. In the reporting year, the Executive Board therefore set the Group target for 2030 of generating at least 75% of

the Group's sales revenue with products designed according to principles of circularity. This includes product and transport packaging. The principles of circular design include promoting longer durability, reusability, repairability, disassembly, (re)processing, recycling, the return of materials to the biological cycle, and other ways of improving the use of the product or material based on the circular economy.

A detailed implementation plan is currently being worked out. The company will start by driving the creation of Group-wide data transparency around resource flows. A multi-year master data program was launched in the reporting year to initiate the first steps toward accounting for the inflow and outflow of resources at the company.

Creating Data Transparency – Accounting for the Inflow and Outflow of Resources in the Group



Conducting life cycle assessments is another key measure for quantifying the environmental impacts of products, packaging and processes and identifying potential for improvement. Sustainability experts in the operating divisions began these analyses in the reporting year, focusing on particularly relevant products and product groups.

Operational waste is to be avoided right from the production process by reducing or reusing scraps. This primarily applies to bag, membrane and filter cartridge production. The relevant sites have established an operational waste management system for this purpose. The Executive Board adopted a target in the reporting year of sending zero operational waste to landfill by 2030.

Overview of Circularity Targets at Sartorius

2030

- At least 75% of Group sales revenue with products designed according to circularity criteria (including product and transport packaging)
- Zero operational waste to landfill

Results of the Concept

The total volume of waste generated fell by 46.2% to 10,003 t (previous year: 18,581 t). This was due to a particular effect at the Yauco site in Puerto Rico. In the previous year, the site arranged for the disposal of large volumes of stored wastewater, which therefore no longer counted toward the reporting year figure. The volume of waste classified as hazardous under local legislation fell by 40.9% to 2,121 t (previous year: 3,593 t). Hazardous waste is primarily generated in membrane production due to the use of solvents. The change in this figure was primarily attributable to a production-related decrease in Yauco and in Göttingen, Germany. In Yauco, hazardous waste was also reduced by expanding the operation of the distillation plant. The proportion of non-recycled waste was 53.8% (previous year: n.a.). The total waste recycling rate therefore came to 46.2% (previous year: 28.8%), representing a year-on-year increase. This development was also related to the particular effect in Yauco mentioned above, which resulted in an increased total waste volume and therefore a lower recycling rate in the previous year.

Plastic waste represents 12% of the total waste volume. It declined by 43.8% to 1,188 t (previous year: 2,113 t). The plastic recycling rate fell by 6.5 percentage points to 68.9% (previous year: 75.4%). This trend resulted from lower production and therefore a reduced volume of plastic waste. The Aubagne site in France accounted for the largest share of the reduction.

Indicators Waste Generated [1]

	2023[2]	2022[3]
Total waste generated in t	**10,003**	**18,581**
Waste diverted from disposal	**4,625**	**n. a.**
Hazardous waste	**409**	**3,593**
Preparation for reuse	0	n. a.
Recycling[4]	409	456
Other recovery processes	0	n. a.
Non-hazardous waste	**4,216**	**14,988**
Preparation for reuse	0	n. a.
Recycling[4]	4,216	4,894
Other recovery processes	0	n. a.
Waste for disposal	**5,377**	**n. a.**
Hazardous waste [5]	**1,712**	**n. a.**
Incineration	1,363	n. a.
Landfill	0	n. a.
Other recovery processes	350	n. a.
Non-hazardous waste	**3,665**	**n. a.**
Incineration	741	n. a.
Landfill	1,465	n. a.
Other recovery processes	1,459	n. a.
Proportion of non-recycled waste in %	**53.8%**	**n. a.**

1 Preparation of the indicators was based on the GRI Standards.
2 Excluding the Polyplus companies newly acquired in the reporting year.
3 The data for fiscal 2022 were taken from the 2022 Non-financial Statement.
4 Recycling is defined as the processing of products, components and materials for reuse.
5 Waste is classified as hazardous in accordance with the respective local legislation.
Group Sales Revenue from Circular Products

Group Sales Revenue from Circular Products

	2023	2022
Group sales with products designed for circularity, € in millions	n. a.	n. a.

A data concept to determine Group sales revenue from products whose design is based on circularity is currently being worked on. Sartorius introduced this new indicator in fiscal year 2023 to measure the achievement of the 2030 Group targets described above. Therefore, no figure is yet available for the reporting year.

Landfill Rate

Landfill Rate[1]

	2023	2022
Operational waste for landfill in %	14.6	n. a.

1 Excluding the Polyplus companies newly acquired in the reporting year.

The landfill rate in fiscal year 2023 was 14.6% (previous year: n.a.). Sartorius introduced this indicator in fiscal year 2023 to measure the achievement of the 2030 Group targets described above.

Water and Wastewater

Ambition

At Sartorius, water is primarily used in the Bioprocess Solutions Division for membrane production and modification. The manufacturing processes for membranes and membrane products are optimized to minimize the use of rinsing water. Organic solvents are processed and for the most part, recycled. The goal is to ensure compliance with applicable regulations during the use and handling of hazardous materials and to continuously improve recycling rates and the management of solvent residues in wastewater. The company aims to avoid the use of critical substances when developing new products.

Concept and Due Diligence Processes

At the membrane-production sites in Göttingen, Germany, and Yauco, Puerto Rico, distillation plants are operated that enable almost full recycling of solvents from the production process for own reuse. For solvents not recycled in this process, the disposal by external service providers is arranged. Production wastewater is pre-treated in line with legal thresholds and discharged into the sewage system or processed further by external service providers.

EHS managers at the sites are responsible for local environmental management. Within the framework of the local environmental management systems, the company regularly identifies and analyzes environmental aspects in order to draw up improvement measures.

Results of the Concept

Water withdrawals for fiscal 2023 totaled 699,562 m^3 (previous year: 701,568 m^3) and therefore remained steady with the prior year. There were multiple contributory effects, resulting for example from new acquisitions, declines in production and increased reporting, which canceled each other out. The bulk of total water withdrawal (96.0%) came from public water supplies (previous year: 95.9%). A steady share of 12.9% of total water withdrawal came from water stress areas (previous year: 12.7%). The prior-year figure has been adjusted from 67.6% down to 12.7% due to new classifications by the World Resources Institute.

As of December 31, the degree of coverage with certified environmental management systems in accordance with ISO 14001, measured against the number of employees, stood at 50.6% (previous year: 53.6%). The reduction was due to the lower total number of employees.

Indicators Water [1]

	2023[2]	2022[3]
Total water withdrawal in m^3	**699,562**	**701,568**
Third-party water in m^3	671,825	672,630
Ground water in m^3	15,973	19,119
Surface water in m^3	11,764	9,820
Total water withdrawal from water stress areas in %[4]	**12.9**	**12.7[5]**
Certified management systems according to ISO 14001 – Employee coverage as of 31.12. in %	**50.6**	**53.6**

1 Preparation of the indicators was based on the GRI Standards.
2 Excluding the Polyplus companies newly acquired in the reporting year.
3 The data for fiscal 2022 were taken from the 2022 Non-financial Statement.
4 Water withdrawals from areas under water stress are defined as those from areas where the level of water stress has been classified as "high" (40 – 80%) or "very high" (> 80%) according to the Aqueduct Water Risk Atlas published by the World Resources Institute (WRI).
5 The prior-year figure was adjusted from 67.7% to 12.7% due to the use of the updated World Resources Institute (WRI) "Aqueduct Water Risk Atlas" (Version 4.0).

Social Responsibility

Ambition
In light of the Group's intended development and in the context of demographic change, Sartorius needs to recruit and retain talented employees. To this end, creating an attractive, fair and safe working environment is key. As a signatory to the UN Global Compact, the Group is committed to respecting fundamental human rights within its own sphere of influence.

Concept and Due Diligence Processes
Human Rights and Labor Standards

The Group has made a policy statement on respect for human rights and a position statement on labor and social standards and occupational health and safety available to all employees worldwide on the intranet. Sartorius is committed to upholding human rights and labor standards that include the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, in particular the Universal Declaration of Human Rights, the UN International Covenant on Civil and Political Rights and the UN International Covenant on Economic, Social and Cultural Rights, the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The Sartorius Code of Conduct sets binding minimum standards for law-abiding and ethical conduct throughout the Group, which also include Group-wide labor standards.

Implementation of these labor standards is overseen by various functions at different levels at Sartorius. For example, the Environment, Health, and Safety (EHS) Department coordinates the global concepts in the field of occupational health and safety. Individual sites have also introduced specific management systems in accordance with ISO 45001.

The company monitors compliance with the provisions of the Code as part of its compliance management system, for example through regular internal audits by the Group Auditing Department. Once a year, a report is submitted to the responsible Supervisory Board committee. Further information on the compliance management system can be found in the corporate governance statement.

Compliance with the human rights requirements set out in the Sartorius Code of Conduct is also verified by external audits performed by an accredited organization in accordance with the standards of the Pharmaceutical Supply Chain Initiative (PSCI). The PSCI has established itself as an initiative in the pharmaceutical industry to promote sustainability throughout the value chain. In a rolling process, five sites selected on the basis of risk are chosen for audit each year.

Employees also have the ability to report human rights and labor standards violations at any time to the appropriate manager, employee representatives, compliance officer, or via the compliance or whistleblower hotline as well as anonymously via the whistleblower portal.

Diversity

As a signatory to the Diversity Charter, Sartorius is committed to promoting workforce diversity beyond these basic labor standards. Company-wide networks have been established in this context, such as an LGBTQ Alliance and the Sartorius Business Women Association (SBWA) to achieve gender parity in management positions.

Employability

Sartorius is committed to promoting its employees' ongoing personal and professional development and has also enshrined this in its management guidelines.

Annual performance reviews between employees and their managers provide a forum for discussing performance, targets and individual development opportunities. The company offers a wide range of training opportunities across the Group, such as management development and mentoring programs, self-learning opportunities, and also opportunities to work abroad.

Satisfaction

Within the framework of a global employee survey conducted twice a year, the Group regularly determines its employees' overall opinion of the company and its leadership culture, the workplace, and job satisfaction in general, for example.

The employee net promoter score, which measures the extent to which employees would recommend Sartorius as an employer, forms part of the short-term variable remuneration components for the Executive Board and management. Sartorius has set itself the goal of achieving an average annual score of 35.

Results of the Concept

In fiscal 2023, Sartorius had a total of 14,614 employees, 8.3% fewer than in the previous year (15,942). Sartorius had increased headcount in previous years in connection with the significant growth in sales revenue. However, it adjusted the size of the workforce during the reporting period in response to the changing demand levels and reduced capacity requirement. Similarly to the prior year, 38.7% of the workforce were women (previous year: 38.9%) and the majority of employees were between the ages of 30 and 49, accounting for 61.7% of the workforce (previous year: 58.8%). The average age and length of employment were almost unchanged from the previous year, at 40.2 years (previous year: 39.2) and 7.5 years (previous year: 6.6), respectively. A total of 4.7% of employees worked part-time, a similar figure to the previous year (5.6%).

In fiscal 2023, five external sustainability-related site audits were carried out in accordance with PSCI standards. The percentage of employees covered by these site audits stood at 17.1% (previous year: 38.5%). Four of the audits assessed compliance with human rights aspects. This corresponded to a coverage of 10.4%. In both cases, the lower percentage of total employees covered was due to the fact that three sites belonging to a single company were audited. In the previous year, the audits took place at different companies.

Certified occupational safety management systems covered 6.6% of employees (previous year: 6.9%). Across the Group, 4.5 work-related injuries occurred per million hours worked (previous year: 5.8). This means that 1.3 fewer injuries occurred per million hours worked than in the previous year. The number of work-related injuries is subject to normal variation and partly outside of Sartorius' control. Three work-related injuries with serious consequences were documented in fiscal 2023 (previous year: 3). These are defined as work-related injuries that cause, or are likely to cause, more than six months of lost time. As in the prior year, none of the work-related injuries were fatal (previous year: 0).

Training hours totaled 276,758 hours (previous year: 232,699), an increase of 18.9%. This equated to an average of 19.4 training hours per employee, which was also higher than the previous year's figure (14.8 hours). Increased use of digital training opportunities contributed to this.

The fluctuation rate increased to 14.0% (previous year: 9.2%), and the new hires rate decreased to 5.9% (previous year: 22.9%). The higher fluctuation rate was due to targeted programs to adjust the personnel requirements to changing demand. The reduced capacity requirement resulted in a lower rate of new hires.

The employee net promoter score for the year stood at 3.1 on average, a significant drop from the previous year (29.2). The annual target of 35, which is relevant for remuneration purposes, was therefore not achieved. Various human resources measures had to be taken in 2023 (see also the explanations below regarding the fluctuation rate and rate of new hires) in response to the changed market dynamics. Designed to ensure the company's long-term profitability, these measures are having a short-term impact on the main drivers of the employee net promoter score.

Indicators Social Responsibility

	2023	2022[1]
Total employees as of 31.12.[2]	**14,614**	**15,942**
Women in %	38.7	38.9
Age group ≤ 29 years in %	16.4	20.8
Age group 30 -49 years in %	61.7	58.8
Age group ≥ 50 years in %	21.9	20.4
Part-time in %	4.7	5.6
Average age	40.2	39.2
Women in management positions in %	32.3	32.9
Average years of tenure as of 31.12.[2]	**7.5**	**6.6**
Women	7.1	6.1
Men	7.8	6.8
< 5 years in %	55.1	61.1
5 -15 years in %	30.3	25.5
> 15 years in %	14.7	13.4
External sustainability-related site audits (PSCI audits)	**5**	**5**
Employee coverage in %	17.1	38.5
Certified management systems according to ISO 45001 - Employee coverage as of 31.12. in %	**6.6**	**6.9**
Work-related injuries [3, 4, 5]	**122**	**159**
Work-related injuries per million hours worked [3, 4, 5, 6]	**4.5**	**5.8**
Work-related injuries with a serious outcome [3, 4, 5, 7]	**3**	**3**
Fatal work-related injuries [3, 4, 5]	**0**	**0**
Total training hours [8]	**27,758**	**232,699**
Total average training hours per employee [8]	**19.4**	**14.8**
Women	18.8	15.2
Men	19.7	14.5
Total fluctuation rate in %[9]	**14.0**	**9.2**
Women	15.3	10.1
Men	13.2	8.5
Age group ≤ 29 years in %	23.9	13.3
Age group 30 -49 years in %	11.9	7.8
Age group ≥ 50 years in %	12.4	8.9
Total new hires rate in %[10]	**5.9**	**22.9**
Women	6.4	24.2
Men	5.6	22.1
Age group ≤ 29 years in %	14.1	44.2
Age group 30 - 49 years in %	4.7	20.1
Age group ≥ 50 years in %	3.0	9.4
Employee Net Promoter Score	**3.1**	**29.2**

1 The data for fiscal 2022 were taken from the 2022 Non-financial Statement.
2 Refers to all active employees excluding vocational trainees, interns, contingent workers and inactive employees.
3 Preparation of the indicators was based on the GRI Standards.
4 This figure includes all work-related injuries that go beyond requiring basic first aid, i.e., requiring a visit to the doctor. It does not include commuting injuries. The figure relates to all employees who have an employment contract with Sartorius.
5 Excluding the Polyplus companies newly acquired in the reporting year
6 Hours worked relate to all active employees excluding vocational trainees, interns and contingent workers
7 Serious work-related injuries are those that have caused or will cause more than 6 months of lost time.
8 Relates only to companies that were fully consolidated for the full year.
9 The fluctuation includes voluntary, neutral and involuntary departures from the Group. It does not include exits due to temporary contracts or moves to other parts of the Group.
10 The figures for new hires solely include the hiring of employees who did not previously have a contract with a Sartorius company as well as the conversion of contracts of trainees and contingent workers to permanent employment.

Corporate Governance

Ambition

Corporate governance aligned with the interests of stakeholders, lawful and responsible conduct, and constructive collaboration between the managerial bodies and within the company in a spirit of mutual trust constitute the essential cornerstones of Sartorius' corporate culture.

Concept and Due Diligence Processes

Corporate governance is based on the requirements defined in the German Stock Corporation Act ("Aktiengesetz") and the recommendations of the Corporate Governance Code.

Through its Group-wide compliance management system, Sartorius aims to ensure that board members, executives and employees comply with all legal regulations and codes and perform their activities in accordance with the company's internal guidelines. A Compliance Management Manual was introduced in the reporting year, summarizing the responsibilities and authority of individual functions and setting out the processes for efficient collaboration between them. The basic principles of the compliance management system are explained in the corporate governance statement.

The issue of anti-corruption is also a central component of the compliance management system. The related requirements employees must comply with are laid out in a dedicated Anti-Corruption Code, and employees regularly receive training focused specifically on the Code's contents.

Results of the Concept

In fiscal 2023, 11,570 employees (previous year: 11,883 employees) completed the Code of Conduct training and 11,490 employees (previous year: 12,154 employees) completed the Anti-Corruption Code training. This represents 81.1% and 80.5% of the total employees, respectively (previous year: 75.6% and 77.4%). The higher percentage is due to the lower total number of employees.

Indicators corporate governance

	2023[1]	2022[2]
Employees who completed training on Code of Conduct	**11,570**	**11,883**
Employee coverage in %	81.1	75.6
Employees who completed training on anti-corruption code	**11,490**	**12,154**
Employee coverage in %	80.5	77.4

1 Excluding the companies newly acquired or founded in the reporting year.
2 The data for fiscal 2022 were taken from the 2022 Non-financial Statement.

Sustainability in the Supply Chain

Ambition

Sartorius expects its suppliers to follow and promote sustainability standards and to require the same of their own suppliers.

Concept and Due Diligence Processes

Our fundamental sustainability requirements were laid out in our Code of Conduct for Business Partners, which was updated in September 2022 with respect to some human rights issues in the context of the implementation of Germany's Supply Chain Due Diligence Act (LkSG) and published in a new version.

This Code of Conduct has been binding for new suppliers since 2022 and should also be signed by existing suppliers.

A standardized, multi-stage process is in place to assess supplier sustainability. This is based on internal and external information and requires corrective measures to be taken in the event of non-compliance. In the Bioprocess Solutions Division, a risk committee has been set up, which receives regular reports on the results and decides on the action to be taken.

The supplier evaluation process involves reviewing compliance with sustainability requirements using self-assessments based on standardized questionnaires via recognized providers. For selected suppliers, Sartorius engages external, independent on-site sustainability audits by external third parties. Furthermore, sustainability aspects form part of the on-site quality audits conducted by Sartorius itself.

The purchasing departments are responsible for ensuring that the Code of Conduct for Suppliers is binding and for verifying compliance with the requirements. The quality departments are responsible for carrying out the quality audits.

In addition, Sartorius maintains a continuous dialogue with suppliers to promote their commitment to sustainability issues.

Results of the Concept

In November 2023, the Bioprocess Solutions Division held a workshop with almost 20 selected international suppliers at its main site in Göttingen. Among other issues, the participants discussed the topics of climate change mitigation and the implementation of Germany's Supply Chain Due Diligence Act (LkSG) so as to make further progress in these areas.

As of December 31, 2023, 2,675 suppliers had signed the Sartorius Code of Conduct (previous year: 441). This number includes all documents newly signed since October 1, 2022, which largely relate to the updated Code of Conduct from 2022 and in some cases to the previous Code of Conduct from 2019 and mutual recognition of equivalent codes of conduct. This equated to a 45% coverage of the purchasing volume (previous year: 12%). Signing of the Code of Conduct was accelerated in the reporting year. In addition, the company has received a total of 1,779 valid sustainability-related supplier self-assessments (previous year: 654). This equated to 51% coverage of the purchasing volume, a similar figure to the previous year (49%).

Furthermore, the company carried out 62 of its own quality-related supplier audits, which included sustainability aspects (previous year: 125). This was 50% fewer than in the previous year, since the suppliers undergoing an audit were selected for the first time via a risk-based method using the results of the sustainability assessment process described above. In the reporting year, as in the previous year, no external sustainability audits were yet carried out at any suppliers' sites. The initial focus was instead on other aspects of the due diligence system described above.

Indicators Supply Chain

	2023	2022[1]
Suppliers having signed the Code of Conduct for Business Partners 2023[2]	**2,675**	**441**
Coverage purchasing volume in %	45	12
Sustainability-related supplier self-assessments as of 31.12.[2,3]	**1,779**	**654**
Coverage purchasing volume as of 31.12. in %[3]	51	49
External sustainability-related supplier audits	**0**	**0**
Coverage purchasing volume in %	0	0
Own quality-related supplier audits, which include sustainability aspects	**62**	**125**

1 The data for fiscal 2022 were taken from the 2022 Non-financial Statement.
2 Figures take account of all suppliers entered in the ERP system on the purchasing side. Subsidiaries are covered by the parent company. This number includes all documents newly signed since October 1, 2022, which largely relate to the updated Code of Conduct from 2022 and in some cases to the previous Code of Conduct from 2019 and mutual recognition of equivalent codes of conduct.
3 Includes available sustainability-related self-assessments via recognized providers that, according to the platform, are valid as of the reporting date or whose validity date is not older than two years, provided a defined minimum score was achieved across all topics

Disclosures Pursuant to the EU Taxonomy Regulation

The following disclosures constitute the disclosures required of the Sartorius Group in accordance with Article 8 of Regulation (EU) 2020/852 ("EU Taxonomy Regulation") for fiscal 2023.

The EU taxonomy is a classification system for determining environmentally sustainable economic activities in the real economy, combined with specific disclosure requirements for companies. These relate to taxonomy-aligned turnover, capital expenditures and operating expenditures with respect to the EU's six environmental objectives: 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, and the protection and restoration of biodiversity and ecosystems.

For the first time, companies are required for fiscal year 2023 to disclose taxonomy-eligible turnover, capital expenditures and operating expenditures for all environmental objectives. In this context, the economic activities described in the Delegated Acts are considered to be taxonomy-eligible, as they make a substantial contribution to the achievement of the EU's environmental objectives. In accordance with the simplified procedure, taxonomy alignment continues to be disclosed only for the environmental objectives of climate change mitigation and climate change adaptation. Economic activities that meet the technical screening criteria and the minimum safeguards criteria are considered to be taxonomy-aligned.

Special Notes on Reporting

Legal Framework
Preparation of the required disclosures was associated with uncertainties for Sartorius, in particular because a number of unanswered questions currently still exist regarding the definition of taxonomy-eligible economic activities and the interpretation of the technical screening criteria and minimum safeguard criteria, which have not yet been conclusively answered by the European Commission. The company has taken information into account that was available through January 31, 2024.

Materiality approach
Capital expenditures and operating expenditures in category c were reported on the basis of materiality thresholds. Economic activities comprising less than 1% of the total taxonomy-eligible capital and operating expenditures were reported as non-taxonomy-eligible and therefore not assessed for taxonomy alignment.

Since Sartorius did not recognize any capital expenditures and only immaterial operating expenditures for the activities in the nuclear energy and fossil gas sectors described in Delegated Regulation (EU) 2022/1214, the reporting pursuant to Annex II of Commission Delegated Regulation (EU) 2021/2178 does not apply. The corresponding template can be found in the "Annex to the Key Performance Indicators under the EU Taxonomy Regulation" section.

Procedure for Determining Taxonomy Alignment ("Compliance Assessment")
Sartorius used a three-step process to determine which turnover, capital expenditures, and operating expenditures were taxonomy-aligned:

- **Determination of Generally Taxonomy-Eligible Economic Activities:** The process of determining the Group's economic activities that are generally taxonomy-eligible was carried out separately for the breakdown of turnover as well as capital expenditures and operating expenditures. The results are each described in the following sections on taxonomy-aligned turnover, capital expenditures, and operating expenditures, respectively.

- **Assessment of Compliance with the Technical Screening Criteria:** Compliance with the technical screening criteria, which include assessing whether the contribution to an EU environmental objective is substantial ("Substantial contribution" – SC) and whether the other EU environmental objectives are not significantly harmed ("Do no significant harm" – DNSH), was determined by means of a survey of the relevant Group companies. The results are described in each of the following sections.

- **Assessment of Compliance with the Minimum Safeguards:** Sartorius assessed and determined compliance with the minimum safeguards criteria based on the recommendations contained in the *Final Report on Minimum Safeguards* published by the European Platform on Sustainable Finance in October 2022 for the following four topics as follows:

- **Taxes:** In this regard, the Group refers in particular to the existing Group-wide risk management system, which is described in the "Opportunity and Risk Report" section. Responsibility for tax compliance generally lies with the local management of the individual Group companies. These are supported by both local tax consulting firms and the central Group Tax Department. A system of various measures, such as monitoring local regulations (filing deadlines, tax rates, etc.) and tax risks, ensures that information is collected within the Group and reported to the Executive Board accordingly.

- **Corruption and Bribery:** The Group refers to the existing Group-wide compliance management system, which is described in the "Corporate Governance Report".

- **Fair Competition:** The Group refers to the existing Group-wide compliance management system, which is described in the "Corporate Governance Report" section.

- **Human Rights:** With respect to the required human rights due diligence system in accordance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, the Group refers to the existing measures for its own sites and direct and indirect suppliers described in this Non-financial Statement, which can be found in the "Social Responsibility" and "Sustainability in the Supply Chain" sections, respectively. Sartorius' human rights due diligence system does not extend to customer relationships, as the Group has not identified any relevant areas of risk stemming from its products and services. Since the taxonomy-aligned capital expenditures and operating expenditures reported below for fiscal 2023 relate to Germany, Sartorius has assessed and determined the effectiveness of the system exclusively within this framework.

Avoiding Double Counting

With legislation having expanded the list of taxonomy-eligible economic activities, Sartorius is required to report on taxonomy-eligible turnover for the first time in fiscal year 2023. Since this relates exclusively to a single environmental objective – transition to a circular economy – rather than to multiple environmental objectives, the possibility of double counting in turnover reporting is ruled out.

In the reporting year, capital and operating expenditures included, for the first time, expenditures related to taxonomy-aligned economic activities (category a capital and operating expenditures). These expenditures at Sartorius are contributing to the transition to a circular economy. Capital and operating expenditures in the reporting year also included spending related to the acquisition of products from taxonomy-eligible economic activities (category c). Data collection was therefore designed to distinguish between the two types of expenditure and avoid double counting in expenditure reporting.

Key Performance Indicators under the EU Taxonomy Regulation

In the following tables, Sartorius summarizes the proportion of its turnover, capital expenditures and operating expenditures attributable to taxonomy-eligible and taxonomy-aligned economic activities in fiscal year 2023.

Turnover, capital expenditures and operating expenditures attributable to EU Taxonomy Regulation in FY 2023

Indicator/ Environmental target	Activity	**Taxonomy-eligible and -aligned**	Taxonomy-eligible, but not -aligned	Taxonomy non-eligible
Turnover		**n. a.** [1]	**39%**	**61%**
Circular economy	Manufacture of electronic equipment	n. a. [1]	29%	
Circular economy	Repair services	n. a. [1]	7%	
Circular economy	Spare parts sales	n. a. [1]	1%	
Circular economy	Provision of IT data-driven solutions	n. a. [1]	1%	
Capital expenditures		**5%**	**22%**	**73%**
Climate protection	Acquisition and ownership of buildings	5%	12%	
Climate protection	Vehicle leasing	0%	1%	
Circular economy	Manufacture of electronic equipment	n. a. [1]	8%	
Circular economy	Repair services	n. a. [1]	1%	
Circular economy	Provision of IT data-driven solutions	n. a. [1]	1%	
Operating expenditures		**2%**	**40%**	**58%**
Climate protection	Acquisition and ownership of buildings	2%	17%	
Climate protection	Vehicle leasing	0%	2%	
Circular economy	Manufacture of electronic equipment	n. a. [1]	11%	
Circular economy	Provision of IT data-driven solutions	n. a. [1]	11%	

1 As it was not yet mandatory to assess the taxonomy alignment of these activities for fiscal year 2023, no data are yet available.

Detailed information on the individual key performance indicators including the relevant economic activities can be found in the section "Notes of the Key Performance Indicators under the EU Taxonomy Regulation" and the official templates in the section "Annex to the Key Performance Indicators under the EU Taxonomy Regulation."

Notes of the Key Performance Indicators under the EU Taxonomy Regulation

Turnover from Taxonomy-Eligible and Taxonomy-Aligned Economic Activities
The turnover pursuant to the EU Taxonomy Regulation corresponds to the figure reported in the Statement of Profit or Loss for the fiscal year in question, which was determined on the basis of the International Financial Reporting Standards (IFRS) applicable to the consolidated financial statements.

The legislation expanded the list of taxonomy-eligible economic activities in the reporting year. Based on this list, the Sartorius Group generates turnover from the following taxonomy-eligible economic activities set out in the Delegated Act on the transition to a circular economy:

- Activity 1.2: Manufacture of electrical and electronic equipment
- Activity 5.1: Repair, refurbishment and remanufacturing
- Activity 5.2: Sale of spare parts
- Activity 4.1: Provision of IT/OT data-driven solutions and software

In accordance with the applicable simplified procedure, the presentation of taxonomy-aligned turnover in fiscal year 2023 continues to relate only to the environmental objectives of climate change mitigation and climate change adaptation. Accordingly, taxonomy-aligned turnover accounted for 0% of total consolidated turnover in fiscal 2023 (previous year: 0%). The Delegated Acts on climate change mitigation and climate change adaptation applicable to these objectives currently address only particularly climate-relevant economic activities, with which the Group does not generate any sales revenue.

Capital Expenditures for Taxonomy-Eligible and Taxonomy-Aligned Economic Activities
Capital expenditures in accordance with the EU Taxonomy Regulation consisted of gross additions to tangible and intangible fixed assets in the reporting year, including additions from business acquisitions. In this context, goodwill is not taken into account. Capital expenditures were measured on the basis of the International Financial Reporting Standards (IFRS) applicable to the consolidated financial statements. Capital expenditures correspond to the sum of the amounts recognized in the notes to the consolidated financial statements from investment and additions from acquisitions which are presented in the sections "15. Other intangible assets", "16. Property, plant and equipment", and "17. Leases.

In relation to taxonomy-eligible turnover, Sartorius calculated category a capital expenditures in the reporting year for the first time. There are currently no category b capital expenditures – i.e. that are part of a plan to expand taxonomy-aligned economic activities or to transform taxonomy-eligible into taxonomy-aligned economic activities ("CapEx plan"). As in the previous year, the company has also recognized category c capital expenditures for the acquisition of products and services relating to taxonomy-eligible economic activities from the Delegated Act on climate change mitigation and climate change adaptation:

- Activity 6.5: Transport by motorbikes, passenger cars and light commercial vehicles
- Activity 7.7: Acquisition and ownership of buildings

In accordance with the applicable simplified procedure, the presentation of taxonomy-aligned capital expenditures in fiscal year 2023 continues to relate only to the environmental objectives of climate change mitigation and climate change adaptation. Accordingly, there was no assessment of compliance with the technical screening criteria for category a capital expenditures in fiscal 2023.

Sartorius' assessment of compliance with the technical screening criteria for acquired taxonomy-eligible economic activities (category c) resulted in the conclusion that the taxonomy-eligible amounts for Activity 6.5 cannot be designated as taxonomy-aligned due to a lack of information supporting compliance with the DNSH criteria for the EU environmental objective "pollution prevention and control." Capital expenditures on vehicles already include numerous electric cars. This means that the company has met key EU taxonomy criteria, for example with regard to CO_2 emissions. Sartorius could not, however, provide full evidence that other requirements, including the mandatory EU tire labels, had been met.

With respect to Activity 7.7, compliance with the technical screening criteria could only be determined for the company's buildings in Germany. This assessment was carried out on the basis of existing and planned certifications by the German Sustainable Building Council (DGNB) and energy performance certificates, among other data. Sartorius was able to successfully evaluate the SC and DNSH criteria for most of the buildings in Germany.

As such, taxonomy-aligned capital expenditures accounted for 5% of all capital expenditures in fiscal 2023 (previous year: 13%) and have therefore fallen year on year. This was attributable in particular to the acquisition of Polyplus (see the Business Combinations section), which significantly increased total capital expenditures as the denominator and therefore reduced the relative share of the taxonomy-aligned expenditure. Lower investment in buildings compared with the previous year also played a role.

Operating expenditures for Taxonomy-Eligible and Taxonomy-Aligned Economic Activities

Operating expenditures as defined in the EU Taxonomy Regulation include all direct, non-capitalized costs associated with research and development, renovation measures, short-term leases, and maintenance and repair.

In relation to taxonomy-eligible turnover, Sartorius calculated category a operating expenditures in the reporting year for the first time. There are currently no category b operating expenditures. As in the previous year, the company has also recognized category c operating expenditures for the acquisition of products and services relating to taxonomy-eligible economic activities from the Delegated Act on climate change mitigation and climate change adaptation:

- Activity 6.5: Transport by motorbikes, passenger cars and light commercial vehicles
- Activity 7.7: Acquisition and ownership of buildings

The associated operating expenditures were allocated based on the capital expenditures determined to be taxonomy-aligned. At Sartorius, these only include the costs associated with renovating and maintaining buildings.

As such, taxonomy-aligned operating expenditures accounted for 2% of all operating expenditures in fiscal 2023 (previous year: 1%).

Annex to the Key Performance Indicators under the EU Taxonomy Regulation

Templates in accordance with Annex I to Delegated Regulation (EU) 2021/2178

Proportion of turnover from products or services associated with taxonomy-aligned economic activities

FY 2023					Substantial contribution criteria					
Row number	Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
1	**A. TAXONOMY-ELIGIBLE ACTIVITIES**									
2	**A.1. Environmentally sustainable activities (taxonomy-aligned)**									
3	Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0 € in mill.	0%	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.
4	of which enabling		0 € in mill.	0%	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.
5	of which transitional		0 € in mill.	0%						
6	**A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)**									
7	Manufacture of electrical and electronic equipment	CE 1.2	994,0 € in mill.	29%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
8	Provision of IT/OT data-driven solutions	CE 4.1	44,4 € in mill.	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
9	Repair, refurbishment and remanufacturing	CE 5.1	229,4 € in mill.	7%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
10	Sale of spare parts	CE 5.2	50,1 € in mill.	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
11	**Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)**		**1.318 € in mill.**	**39%**	**0%**	**39%**	**0%**	**0%**	**0%**	**0%**
12	**A. Turnover of taxonomy-eligible activities (A.1 + A.2)**		**1.318 € in mill.**	**39%**	**0%**	**39%**	**0%**	**0%**	**0%**	**0%**
13	B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
14	**Turnover of Taxonomy-non-eligible activities**		**2.078 € in mill.**	**61%**						
15	**Total**		**3.396 € in mill.**	**100%**						

	DNSH-criteria ("Does Not Significantly Harm")									
Row number	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) turnover, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
1										
2										
3	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	0%		
4	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	n.r.	0%	E	
5								0%		T
6										
7								n.r.		
8								n.r.		
9								n.r.		
10								n.r.		
11								n.r.		
12								n.r.		

Y – Yes, taxonomy-eligible activity and taxonomy-aligned with the relevant environmental objective
N – No, taxonomy-eligible activity but not taxonomy-aligned with the relevant environmental objective
N/EL – 'Not eligible', activity not taxonomy-eligible for the relevant environmental objective
CE – Circular economy

Proportion of CapEx from products or services associated with taxonomy-aligned economic activities

FY 2023					Substantial contribution criteria					
Row number	Economic activities (1)	Code (2)	CapEx (3)	Proportion of CapEx (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
1	**A. TAXONOMY-ELIGIBLE ACTIVITIES**									
2	**A.1. Environmentally sustainable activities (taxonomy-aligned)**									
3	Acquisition and ownership of buildings	CCM 7.7	77.9 € in mill.	5%	Y	N	N/EL	N/EL	N/EL	N/EL
4	CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		77.9 € in mill.	5%	5%	0%	0%	0%	0%	0%
5	of which enabling		77.9 € in mill.	5%	5%	0%	0%	0%	0%	0%
6	of which transitional		0 € in mill.	0%						
7	**A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)**									
8	Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	12.4 € in mill.	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
9	Acquisition and ownership of buildings	CCM 7.7	194.5 € in mill.	12%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
10	Manufacture of electrical and electronic equipment	CE 1.2	119.0 € in mill.	8%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
11	Provision of IT/OT data-driven solutions	CE 4.1	16.4 € in mill.	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
12	Repair, refurbishment and remanufacturing	CE 5.1	9.4 € in mill.	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
13	**CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)**		**351.6 € in mill.**	**22%**	**13%**	**0%**	**0%**	**0%**	**10%**	**0%**
14	**A. CapEx of taxonomy-eligible activities (A.1 + A.2)**		**429.6 € in mill.**	**27%**	**18%**	**0%**	**0%**	**0%**	**10%**	**0%**
15	B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
16	**CapEx of Taxonomy-non-eligible activities**		**1,133.6 € in mill.**	**73%**						
17	**Total**		**1,563.1 € in mill.**	**100%**						

	DNSH-criteria ("Does Not Significantly Harm")									
Row number	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) CapEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
1										
2										
3	Y	Y	Y	Y	Y	Y	Y	13%	E	
4	Y	Y	Y	Y	Y	Y	Y	13%		
5	Y	Y	Y	Y	Y	Y	Y	13%	E	
6								0%		T
7										
8								1%		
9								21%		
10								0%		
11								0%		
12								0%		
13								22%		
14								35%		

Y – Yes, taxonomy-eligible activity and taxonomy-aligned with the relevant environmental objective
N – No, taxonomy-eligible activity but not taxonomy-aligned with the relevant environmental objective
N/EL – 'Not eligible', activity not taxonomy-eligible for the relevant environmental objective
CE – Circular economy

Proportion of OpEx from products or services associated with taxonomy-aligned economic activities

	FY 2023				Substantial contribution criteria					
Row number	Economic activities (1)	Code (2)	OpEx (3)	Proportion of OpEx (4)	Climate change mitigation (5)	Climate change adaption (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
1	**A. TAXONOMY-ELIGIBLE ACTIVITIES**									
2	**A.1. Environmentally sustainable activities (taxonomy-aligned)**									
3	Acquisition and ownership of buildings	CCM 7.7	2.9 € in mill.	2%	Y	N	N/EL	N/EL	N/EL	N/EL
4	CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		2.9 € in mill.	2%	2%	0%	0%	0%	0%	0%
5	of which enabling		2.9 € in mill.	2%	2%	0%	0%	0%	0%	0%
6	of which transitional		0 € in mill.	0%						
7	**A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)**									
8	Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	3.7 € in mill.	2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
9	Acquisition and ownership of buildings	CCM 7.7	26.5 € in mill.	17%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
10	Manufacture of electrical and electronic equipment	CE 1.2	17.3 € in mill.	11%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
11	Provision of IT/OT data-driven solutions	CE 4.1	17.0 € in mill.	11%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
12	**OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)**		**64.5 € in mill.**	**40%**	**19%**	**0%**	**0%**	**0%**	**22%**	**0%**
13	**A. OpEx of taxonomy-eligible activities (A.1 + A.2)**		**67.4 € in mill.**	**42%**	**21%**	**0%**	**0%**	**0%**	**22%**	**0%**
14	B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
15	**OpEx of Taxonomy-non-eligible activities**		**92.5 € in mill.**	**58%**						
16	**Total**		**159.9 € in mill.**	**100%**						

	DNSH-criteria ("Does Not Significantly Harm")									
Row number	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned (A.1) or -eligible (A.2) OpEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
1										
2										
3	Y	Y	Y	Y	Y	Y	Y	1%	E	
4	Y	Y	Y	Y	Y	Y	Y	1%		
5	Y	Y	Y	Y	Y	Y	Y	1%	E	
6								0%		T
7										
8								2%		
9								16%		
10								0%		
11								0%		
12								18%		
13								19%		

Y – Yes, taxonomy-eligible activity and taxonomy-aligned with the relevant environmental objective
N – No, taxonomy-eligible activity but not taxonomy-aligned with the relevant environmental objective
N/EL – 'Not eligible', activity not taxonomy-eligible for the relevant environmental objective
CE – Circular economy

Templates in accordance with Annex XII to Delegated Regulation (EU) 2021/2178

Template 1: Activities in the nuclear energy and fossil gas sectors

	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	no
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	no
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	no
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	no
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	no
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	no

Templates 2-5:

not relevant

Notes on the Calculation of GHG Emissions

Applied Standards

Accounting for GHG emissions is based on the GHG Protocol's 2004 Corporate Accounting and Reporting Standard and 2011 Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Reporting is based on the mandatory disclosures set out therein. Operational control was selected as the consolidation approach.

Data Concepts

The data concepts used in fiscal 2023 are described in more detail below for each GHG category. These concepts were unchanged from the previous year.

Scope 1
Fuel consumption and fugitive emissions for solvents and refrigerants were multiplied by a specific emission factor.

Scope 2
The consumption of electricity, heating, and cooling was multiplied by a specific emission factor.

Scope 3

- **Category 1: "Purchased goods and services"**

- The weight or grouped operating expenditures for purchased goods and services was multiplied by a specific emission factor.

- The "Adjusted gross GHG intensity per net turnover – market-based calculation" (also referred to as "CO_2 emission intensity," see "Climate" section) accounts in the "Purchased goods and services" GHG category only for the goods and services actually consumed for the manufacture of Sartorius' products and services sold during the fiscal year. This means that the data have been adjusted for warehouse inventories.

- **Category 2: "Capital goods"**

  The grouped capital expenditures for goods and services were multiplied by a specific emission factor.

- **Category 3: "Fuel- and energy-related activities (not included in Scope 1 and 2)"**

  The fuel and energy consumption used to calculate Scope 1 and 2 GHG emissions was each multiplied by specific emission factors.

- **Category 4: "Upstream transportation and distribution"**

  GHG emissions reported by the largest carriers were accounted for and logistics expenditures not covered by this method were multiplied by an average spend-based emission factor.

- **Category 5: "Waste generated in operations"**

  The amount of waste generated was multiplied by emission factors specific to each material and method of disposal.

- **Category 6: "Business travel"**

  The recorded train, airplane, and rental car routes as well as the number of nights spent in hotels were each multiplied by specific emission factors. Routes and nights spent in hotels that were not recorded were estimated in each case and also multiplied by a specific emission factor.

- **Category 7: "Employee commuting"**

  The average distance employees commuted per day was extrapolated based on the number of employees and scaled using on-site attendance days and estimated work weeks, and the result was multiplied by emission factors specific to each method of transportation.

- **Category 8: "Upstream leased assets"**

  No GHG emissions (0 t CO_2eq) are reported in the category "Upstream leased assets" because energy consumption is fully controlled by Sartorius and the corresponding emissions are therefore already presented in Scope 1 and 2.

- **Category 9: "Downstream transportation and distribution"**

  GHG emissions accounted for in the "Upstream transportation and distribution" category were multiplied by an estimated factor for the ratio of paid to unpaid transportation activities to customers in a warehouse selected based on data availability.

- **Category 10: "Processing of sold products"**

  In accordance with the GHG Protocol, no GHG emissions (0 t CO_2eq) are reported in the "Processing of sold products" category because Sartorius cannot currently account for these emissions appropriately given the wide range of potential options available for further processing the Group's products, each of which has its own specific GHG profile, and because, according to an estimate, they are also not material to the Group's overall GHG accounting.

- **Category 11: "Use of sold products"**

  Turnover generated with energy-consuming product groups was multiplied by specific energy factors determined on the basis of representative products. The resulting total energy consumption of the products sold was multiplied by a global emission factor for electricity.

- **Category 12: "End-of-life treatment of sold products"**

  Sartorius applied the global disposal method mix to the estimated weight of products sold (see the "What a waste 2.0" study, 2018 World Bank Report) and multiplied each by emission factors specific to the material and the disposal method.

- **Category 13: "Downstream leased assets"**

  No GHG emissions (0 t CO_2eq) are reported in the category "Downstream leased assets" because energy consumption is fully controlled by Sartorius and the corresponding emissions are therefore already presented in Scope 1 and 2.

- **Category 14: "Franchises"**

  No GHG emissions (0 t CO_2eq) are reported in the "Franchises" category because Sartorius does not currently distribute its products through franchises.

- **Category 15: "Investments"**

  No GHG emissions (0 t CO_2eq) are reported in the "Investments" category, as the relevant shareholdings from a GHG perspective have been classified as not material in the financial reporting for fiscal 2023, and the GHG emissions related to this shareholdings have also been assessed as not material to the Group's overall GHG accounting, according to an estimate.

Emission Factors

Emission factors from various external providers and databases were used for GHG accounting, as were self-calculated average factors. The providers, databases and self-calculated average factors were unchanged from the previous year.

Emission factors applied in FY 2023

	Scope 1	Scope 2	Scope 3
Defra (version 12, 07/2023)	X		X
MLC (version 16.0, 10/2023)	X	X	X
VfU (version 03/2022)	X		
Ecoinvent (version 3,9, 2022)			X
EPA (version 5.0, 05/2023)			X
EPA – spend based (2020)			X
GHG Protocol (version 19.0, 04/2023)			X
IEA (version 6, 2024)			X
Ecometrica (Version 2022)			X
Self-calculated average factors			X

Inflation was not taken into account in calculating expenditure- and turnover-based GHG emissions. This affects the categories "Purchased goods and services," "Capital goods," "Upstream transportation and distribution," "Downstream transportation and distribution," "Use of sold products" and "End-of-life treatment of sold products." The aim here is to avoid distorting the reported turnover figure used to calculate GHG intensity.

Additional Remarks

Sartorius currently treats the GHG emissions calculated using the data concepts described above as merely an indication, since they are largely based on modeling that involves various assumptions and estimates. The accuracy of GHG accounting will be gradually improved further in the coming years so as to enable better management of emissions. This will involve switching from the expenditure-based calculation method to a more specific, driver-based calculation method, particularly affecting the largest GHG categories in the upstream value chain: "Purchased goods and services" and "Upstream transportation and distribution."

Remuneration Report

1. Main Features of the Remuneration Policy for the Executive Board

A. Main Features of the Remuneration Policy and Contribution Toward Promoting the Corporate Strategy and Long-Term Development of the Company

The remuneration policy for the Executive Board was revised by the Supervisory Board and approved by the Annual General Meeting on March 29, 2023. It aims to remunerate the members of the Executive Board appropriately in line with their tasks and responsibilities and to directly consider the performance of each member of the Executive Board and the success of the company. For this reason, the remuneration policy includes both short-term and long-term variable remuneration components in addition to fixed remuneration components.

The company strategy seeks to achieve profitable growth and a sustained, long-term increase in the value of the company. This strategy is the basis from which the structure of the remuneration policy is derived for the Executive Board of Sartorius AG: The short-term variable remuneration depends on annual corporate targets that are aligned with key performance indicators for profitable growth of the company. Long-term remuneration is based on corporate objectives that reflect the sustainable long-term growth of the Group and the long-term performance of the share price, which directly mirrors the development of the company's value. As a result, the company's remuneration policy creates incentives to promote the long-term and positive sustainable development of the company.

The policy for remuneration of the Executive Board members is designed to be simple, clear and understandable. It meets the requirements of the German Stock Corporation Law ("Aktiengesetz" abbreviated as "AktG") as well as the recommendations of the German Corporate Governance Code ("**GCGC**") with the exception of any divergences explained in the Declaration of Compliance with the Recommendations of the GCGC as amended from time to time. The existing divergences in the reporting year from the recommendations of the applicable GCGC in the area of remuneration are given below.

B. Details of the Remuneration Policy

		Remuneration components	Structure of the remuneration components		Maximum bonus (in % of the target amount)	Maximum remuneration	Further benefits
Fixed		Fixed remuneration	Basic remuneration + Fringe benefits		100%	Maximum amount of all cash remuneration components for the respective fiscal year	Compensation for post-contractual non-competition clause (50% of most recent remuneration)
Variable	Cash	Retirement benefits	Basic amount		100%		
			Additional amount (matching contribution)		120%		
		Short-term variable remuneration	Sales revenue | Order intake (Group and/or division)	40%	120%		Clawback
			Underlying EBITDA (Group and/or division)	40%			
			Ratio of net debt to underlying EBITDA (Group and/or division)	10%			
			Employee Net Promotor Score (Group and/or division)	10%			
		Long-term variable remuneration	Consolidated net profit	25%	120%		Severance cap in the event of early contract termination
			Reduction of CO_2-equivalent emission intensity	25%	120%		
			Phantom stock units	50%	250%		
	Shares / Share-based payment		Share-based payment		One-time allotment; afterwards, no measurement of inflow	+ Proportional grant date fair value of share-based payment for the respective fiscal year	Extraordinary performance

I. Remuneration Components

1. Overview of the Individual Remuneration Components

Remuneration consists of fixed and variable components. The fixed components are the fixed annual salary and fringe benefits. The variable performance-based components are comprised of short-term components with a one-year assessment basis and of long-term components with a multi-year assessment basis. In addition, there are pension commitments, which depend, among other things, on the amount of the own contribution made by the respective Executive Board member in the form of deferred compensation for variable remuneration components, and which are therefore also variable.

2. Fixed Remuneration Components

a) Fixed Annual Remuneration

Fixed annual remuneration is cash compensation related to a specific fiscal year, and is based in particular on the area of duties and responsibilities of the respective Executive Board member. This fixed annual remuneration is paid in twelve monthly installments.

b) Fringe benefits

Beyond the remuneration components stated above, the members of the Executive Board receive the following fringe benefits: each member is entitled to use a company car that can also be utilized for private purposes and to be covered by accident insurance taken out in the respective Executive Board member's name as a beneficiary. Moreover, for Executive Board members residing outside Germany – namely Rainer Lehmann and John Gerard Mackay in the 2023 reporting year – the costs for taking flights home and running two households as well as the costs associated with said activities were also paid by the company as fringe benefits until the respective member left the Executive Board.

In addition, the company maintains a D&O insurance policy concluded for Executive Board members as beneficiaries. The respective insurance premiums are not of a remunerative nature and are therefore not recognized as salary expenses.

3. Variable Performance-Based Remuneration Components

a) Short-Term Variable Remuneration with a One-Year Assessment Basis

In addition to the fixed remuneration components, all Executive Board members are entitled to receive short-term variable remuneration with a one-year assessment basis.

Target Parameters

The short-term variable remuneration with a one-year assessment basis consists of four individual components that relate to the subordinate financial targets: average of sales revenue and order intake, underlying EBITDA, ratio of net debt to underlying EBITDA, and the employee net promoter score (ENPS), a measure of how likely employees would be to recommend Sartorius to others as an employer.

These subordinate targets are key control elements for profitable growth as well as for a sustainable and long-term increase in the value of the company and serve to implement the overarching strategic goals of the Group.

Measurement of Target Achievement and Payment

For each target parameter, the Supervisory Board has defined a formula that is used to calculate the amount to be paid out according to the degree of target achievement for the associated individual component. For each of these components, the Supervisory Board also sets (i) a minimum target to be achieved below which the amount that will be paid out is zero, and (ii) a maximum target to be achieved above which the amount that will be paid out will no longer increase. Therefore, the amount paid out for each subordinate target is capped at the maximum percentage of the individual target amount. This cap is currently 120% for all subordinate targets.

For each of the individual components of short-term variable remuneration with a one-year assessment basis, the Supervisory Board sets a separate individual target amount for every Executive Board member before the beginning of a fiscal year. This target amount is used as the basis to determine the specific amount to be paid out according to the particular target achievement of the relevant subordinate target for the fiscal year in question. The targets are weighted for the individual Executive Board members according to their area of responsibility and relate to the divisions and/or to the Group, respectively.

The Supervisory Board derives each target value of the subordinate financial targets from the approved annual budget for a respective fiscal year and determines the degree of target achievement by comparing it with the actual result reported in the company's consolidated financial statements audited and approved for the respective fiscal year. When it comes to the non-financial target parameters, the degree of target achievement is determined by comparing the target values set by the Supervisory Board with the respective actual results. The Supervisory Board ensures the comparability of target and actual figures by taking account of factors that were not included in operational planning. In fiscal year 2023, these related to the acquisition of Polyplus, which was completed in July 2023.

Annual short-term variable remuneration is calculated for a fiscal year ended and paid in the following fiscal year.

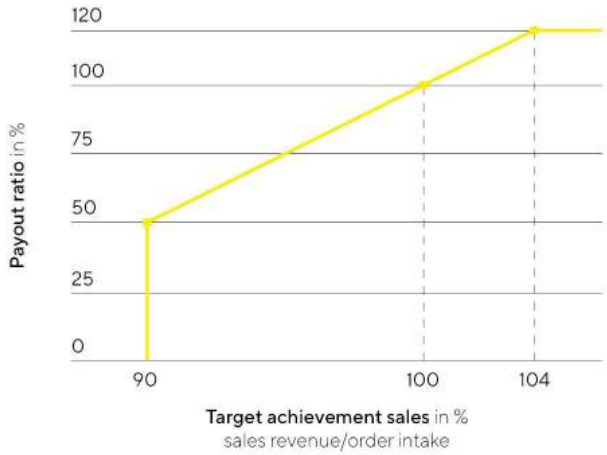
The subordinate targets within the short-term variable remuneration are weighted for the Executive Board members as follows:

Subordinate Target	Executive Board Chairman | Chief Financial Officer	Executive Board Members with Division Responsibility
Related to the Sartorius Group		
Average calculated from sales revenue | order intake	40%	10%
Underlying EBITDA	40%	10%
Ratio of net debt to underlying EBITDA	10%	10%
Employee Net Promoter Score (ENPS)	10%	3%
Related to the particular division		
Average calculated from sales revenue | order intake	--	30%
Underlying EBITDA	--	30%
Employee Net Promoter Score (ENPS)	--	7%

Subordinate Target "Average of Sales Revenue | Order Intake"

The subordinate target "Average of Sales Revenue | Order Intake" is a key performance indicator of growth and is derived from the budget for the Group or division, respectively. Target achievement is 100% if the actual figure for the average of sales revenue | order intake equals the target amount. The minimum target achievement is 90% of the target amount, and this amount is capped at 104%. If 90% of the target amount is achieved, 50% of the associated individual target sum will be paid out; if the target is achieved at less than 90%, no payment is rendered for this subordinate target. If 104% of the target amount is achieved, an amount equal to 120% of the corresponding individual target amount will be paid out; if the target is achieved in excess of this percentage, this will not further increase the amount to be paid out. Intermediate values are interpolated linearly. Target achievement is measured on the basis of actual sales and order intake in constant currencies, as reported in the company's consolidated financial statements audited according to the defined audit focal points and approved. The figures were adjusted for effects from the acquisition of Polyplus during the reporting year. For fiscal year 2023, the target amount for the Group was €4,106 million. The Bioprocess Solutions Division had a target of €3,216 million and the Lab Products & Services Division a target of €890 million.

Sales revenue | Order intake



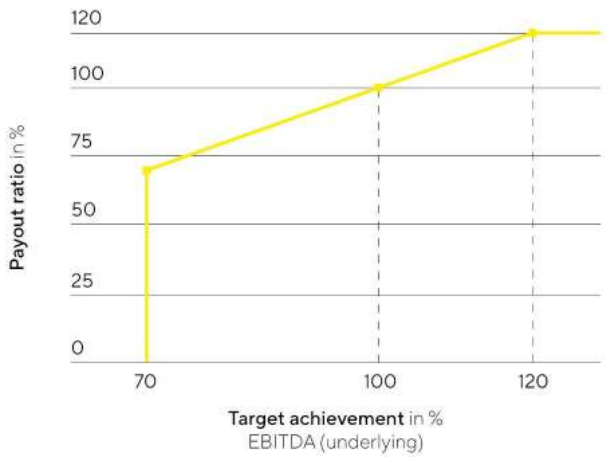
Due to the company's performance in 2023, the amounts achieved for the "Average of Sales Revenue | Order Intake" subordinate target in the Group and in the two divisions – Bioprocess Solutions and Lab Products & Services – were below 90% of the target value. At the Group level, target achievement stood at 79.62% of the target value, resulting in a payout rate of 0% for the Chairman of the Executive Board and the Chief

Financial Officer. In the Bioprocess Solutions Division, target achievement stood at 79.60% of the target value, corresponding to a payout rate of 0%, and in the Lab Products & Services Division at 79.71%, corresponding to a payout rate of 0%, resulting in no payout to the respective board member responsible for the division.

Subordinate Target "Underlying EBITDA"

The subordinate target "Underlying EBITDA" is a key indicator of the Group's profitability, which can also be used to present the Group's operating performance in a more comparable way internationally. Underlying EBITDA represents earnings before interest, taxes, depreciation, and amortization adjusted for extraordinary effects. The target is derived from the budget and is defined by the Supervisory Board for the Group or division, respectively. Target achievement is 100% if the actual figure for underlying EBITDA equals this defined target amount. The minimum target achievement is 70% of the target amount, and this amount is capped at 120%. The level of the bonus payment is linear to the level of target achievement; i.e., if 70% of the subordinate target is achieved, 70% of the related individual target amount will be paid out, or if 120% of the target is achieved, 120% of the related individual target amount will be paid out. If the target is achieved at less than 70%, no payment will be made for this subordinate target. By contrast, if the target is achieved by 120% or more, this will not further increase the amount to be paid out. If the target is achieved at less than 70%, no payment will be made for this subordinate target. By contrast, if the target is achieved by 120% or more, this will not further increase the amount to be paid out. Target achievement is measured on the basis of the actual underlying EBITDA figure, as reported in the company's consolidated financial statements audited according to the defined audit focal points and approved, as well as by taking into account current exchange rates. The target value for the Group in fiscal year 2023 was €1,448 million. The Bioprocess Solutions Division had a target of €1,210 million and the Lab Products & Services Division a target of €238 million.

Underlying EBITDA

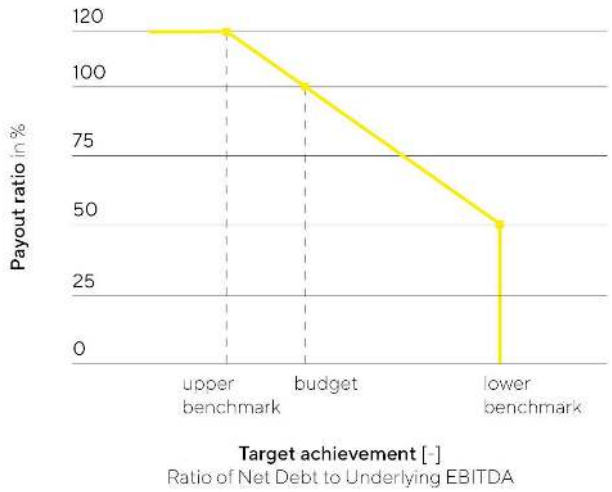


In fiscal 2023, target achievement for the subordinate target "Underlying EBITDA" stood at 64.68% of the respective target value for the Group as a whole, 62.62% for the Bioprocess Solutions Division and 75.18% for the Lab Products & Services Division, which translates into payout rates of 0% for the Group, 0% for the Bioprocess Solutions Division and 75.18% for the Lab Products & Services Division, for payment to the members of the Executive Board in accordance with the respective weighting of the subordinate targets.

Subordinate Target "Ratio of Net Debt to Underlying EBITDA"

The subordinate target "Ratio of Net Debt to Underlying EBITDA" is a key financial ratio regarding the Group's debt financing capacity. This ratio is calculated as the quotient of net debt and underlying EBITDA. The target is derived from the budget and is defined by the Supervisory Board for the Group. Target achievement is 100% if the actual figure for the ratio of net debt to underlying EBITDA equals this defined target amount. The level of the bonus paid lies between 50% and 120% of the respective subordinate target amount. If the target ratio is reached, the bonus level to be paid is 100%. If net debt to underlying EBITDA is above the target ratio, the bonus level will decrease proportionately down to 50% if the maximum amount defined by the Supervisory Board for the ratio of net debt to underlying EBITDA is reached. If the ratio exceeds this maximum amount, no bonus will be paid for this subordinate target. By contrast, if net debt to underlying EBITDA is below the target ratio, the bonus amount is capped at 120%, with the associated ratio of net debt to underlying EBITDA derived mathematically on a linear proportional basis from the maximum and target values for this ratio as defined by the Supervisory Board. Target achievement is measured on the basis of the actual ratio of net debt to underlying EBITDA as reported in the company's consolidated financial statements audited according to the defined audit focal points and approved, taking into account current exchange rates and the inflows and outflows entailed by strategic (capital) measures such as acquisitions, provided that such inflows and outflows are not included in the target ratio. The target in fiscal year 2023 was 1.43.

Ratio of Net debt to Underlying EBITDA

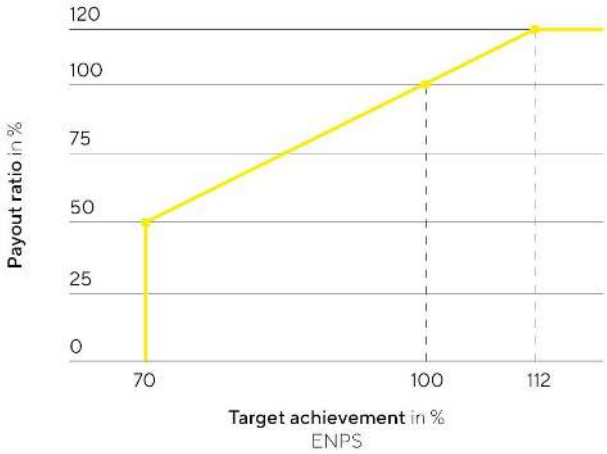


In fiscal 2023, target achievement for the subordinate target "Ratio of Net Debt to Underlying EBITDA" stood at 0%, resulting in no payout for this subordinate target.

Subordinate Target "Employee Net Promoter Score (ENPS)"

The subordinate target "Employee Net Promoter Score (ENPS)" refers to the non-financial component of employee satisfaction. The focus is on a high or competitive recommendation rate, which is currently polled twice a year within the scope of global employee surveys. The target is defined by the Supervisory Board for the Group or division, respectively. Target achievement is 100% if the actual average ENPS from the two polls equals the target amount defined by the Supervisory Board. The minimum target achievement is 70% of the target amount, and this amount is capped at 120%. The level of the bonus payment is linear to the level of target achievement; i.e., if 70% of the subordinate target is achieved, 50% of the related individual target amount will be paid out, or if 112% of the target is achieved, 120% of the related individual target amount will be paid out. If the target is achieved at less than 70%, no payment will be made for this subordinate target. By contrast, if the target is achieved by 112% or more, this will not further increase the amount to be paid out. Target achievement is measured on the basis of the actual value achieved. The Supervisory Board set a target of 35 for the Employee Net Promoter Score in fiscal year 2023.

Employee Net Promoter Score (ENPS)



In fiscal 2023, target achievement for the subordinate target "Employee Net Promoter Score (ENPS)" stood at 8.81% of the target value for the Group as a whole, -21.69% for the Bioprocess Solutions Division, and 71.47% for the Lab Products & Services Division, which translates into payout amounts of 0% for the Group, 0% for the Bioprocess Solutions Division and 52.50% for the Lab Products & Services Division, for payment to the members of the Executive Board in accordance with the respective weighting of the subordinate targets.

b) Long-Term Variable Remuneration Components

In the reporting year, the long-term variable remuneration components for all members of the Executive Board consisted of the following three individual components: Each individual component is based on the development of consolidated net profit, the reduction in CO_2 emissions intensity and the development of the Sartorius AG preference share price over a four-year assessment period. As a result, the long-term variable remuneration components are also aligned with target parameters that measure profitable growth and a sustainable and long-term increase in the value of the company and the achievement of the climate targets derived from the company's sustainability strategy, and thus serve to implement the company's overarching strategic objectives.

The aforementioned long-term variable remuneration components are weighted as follows: 25% each for consolidated net profit and reduction in CO_2-equivalent emission intensity and 50% for the phantom stock plan. For each of the individual components, a separate individual target amount is set for each Executive Board member, on the basis of which the specific payment amount is determined in each case based on the level at which the associated targets were achieved for the relevant fiscal years.

The Executive Board Chairman Dr. Joachim Kreuzburg was additionally granted share-based compensation as a further long-term variable remuneration component. The long-term increase in the value of the company as an overriding strategic objective of the company is also promoted by this share-based compensation and the participation provided by this in the development of the price of the company's shares. The respective long-term variable remuneration components together generally represent the majority of the variable compensation components for each Executive Board member.

The "consolidated net profit" and "reduction in CO_2-equivalent emissions intensity" components of long-term variable remuneration are each weighted at 25%. In contrast, the "development of preference share price" component of long-term variable remuneration is weighted at 50%. As a result, the share-based portion of variable remuneration, in deviation from Recommendation G.10, sentence 1 of the GCGC, does not, in principle, constitute the predominant portion of Executive Board members' variable remuneration. The Supervisory

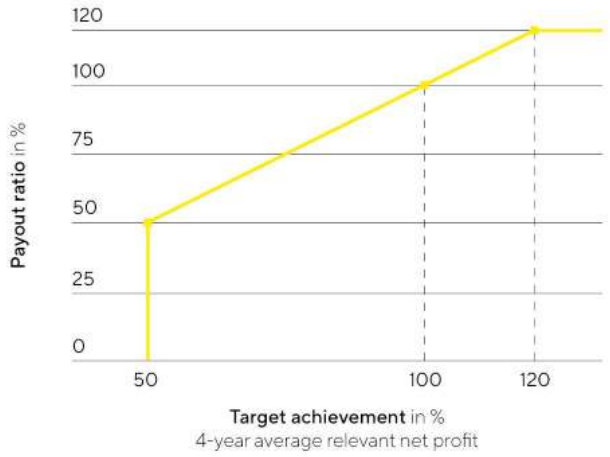
Board believes that even with the current weighting, an incentive structure is achieved which is geared to the sustainable and long-term development of the company. In the case of the Chairman of the Executive Board, however, his variable remuneration is predominantly share-based in view of the additional share component granted, in line with this Recommendation. In the reporting year, the Supervisory Board decided in future to make use of the possibility of also providing a share-based component to all members of the Executive Board.

Consolidated Net Profit

The individual component based on consolidated net profit has an assessment period of four consecutive fiscal years (until 2021: three consecutive fiscal years) and begins with the fiscal year in which the tranche in question is granted. A new tranche is granted on a rolling basis for each fiscal year. The payout amount for the respective tranche is based on the total target achievement for the respective measurement period, which corresponds to the average target achievement for each of the four fiscal years of the relevant measurement period. For each fiscal year, the Supervisory Board annually defines a target for consolidated net profit in euros. To determine the level of target achievement for a fiscal year, the consolidated net profit that is reported in the company's consolidated financial statements audited according to the defined audit focal points and approved and excluding amortization (impairment of the value of intangible assets due to business combinations pursuant to IFRS 3) is compared with the respective target set by the Supervisory Board. For this component, which is designed to make the calculation more objective, the Supervisory Board in fiscal year 2023 mainly took into account the acquisition of Polyplus and the funding of this transaction.

The amount paid out is determined on the basis of the individual target amount and the formula defined by the Supervisory Board. It establishes (i) a minimum target achievement level of 50%, below which the payout is zero, and (ii) a maximum target achievement level, above which the payout amount no longer increases. Therefore, the amount paid out for this remuneration target is capped at the maximum percentage of the individual target amount. This cap currently stands at 120% for all individual target amounts and is reached at a target achievement level of 120%. This remuneration component is generally paid after the end of the last fiscal year of the assessment period for the tranche in question, which was four years for tranches granted in the reporting year and three years for tranches granted in previous years.

Average net profit



Up to and including fiscal year 2021, in order to balance out the payout amounts over time, a partial payment was paid out in the amount of 50% of the payout amount, determined on the basis of the level of target achievement for the first fiscal year of the assessment period of a tranche in each case, based on the individual subordinate target amount. This partial payment only still applied to Rainer Lehmann, whose contract predates the new remuneration policy coming into effect as it pertains to this component. Such a partial amount is calculated and paid out at the end of the first fiscal year of a respective assessment period based on the

company's consolidated financial statements audited according to the defined audit focal points and approved. Any overpayment as a result of these partial payments will be offset against other remuneration components once the total target achievement level has been determined after the third or fourth fiscal year of the relevant assessment period.

Target achievement for the "consolidated net profit" component for fiscal 2023 stood at 0% of the target value. For the 2021 to 2023 multi-year assessment period, the target achievement level stands at 90.7%, meaning that a payout of 90.7% less the partial payment granted in 2021 will apply for this three-year period. The complete target achievement for the multi-year assessment period beginning in 2023 cannot be determined until the consolidated financial statements audited and approved for 2026 are available.

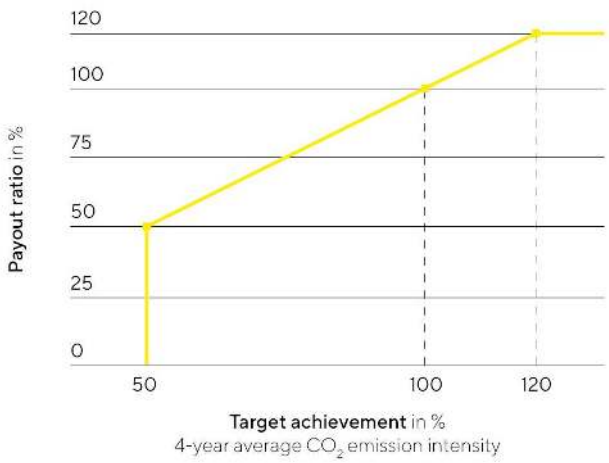
Reduction CO_2-emission intensity

The individual component related to the reduction in CO_2 emission intensity has an assessment period of four fiscal years and begins with the fiscal year in which the tranche in question is granted. A new tranche is granted on a rolling basis for each fiscal year. The amount paid out for a particular tranche depends on the individual target amount and target achievement for the respective assessment period. The Supervisory Board sets a target value for each tranche for the reduction in CO_2 emission intensity during the assessment period. This is based on the relevant target value from the company's sustainability strategy (from the previous year's audited Non-financial Group Statement) and is currently 10% per fiscal year. To determine the target achievement of this parameter, the final value used is based on the actual value of the CO_2 emission intensity reached in the last fiscal year of the respective four-year assessment period for the corresponding tranche, as reported in the respective audited Non-financial Group Statement. Corrections are made to base effects and recording inaccuracies to take into account progress in the quality of available data.

The amount paid out is determined on the basis of the individual target amount and the formula defined by the Supervisory Board. It establishes (i) a minimum target achievement level of 50%, below which the payout is zero, and (ii) a maximum target achievement level, above which the payout amount no longer increases. Therefore, the amount paid out for this remuneration target is capped at the maximum percentage of the individual target amount. This cap stands at 120% and is reached at a target achievement level of 120%.

This remuneration component is paid out after the end of the fourth fiscal year of the assessment period for the tranche in question.

CO_2 emission intensity



Target achievement for the multi-year assessment period beginning in 2023 cannot be determined until the audited and approved consolidated financial statements for 2026 are available.

Development of the Preference Share Price (Phantom Stock Plan)

As the third individual component of long-term variable compensation, Executive Board members receive virtual shares, known as phantom stock units. Through the issue of such phantom shares, Executive Board members are treated as if they were owners of a certain number of preference shares in Sartorius AG, without, however, being entitled to receive dividends. The development of the value of these phantom stocks is linked with the development of the Sartorius preference share; both increases and decreases in the share price are taken into account. Later, the value of these phantom stocks is assessed based on the share price at the time, and its equivalent is paid out in cash, provided that the associated conditions are met. Phantom stocks cannot be traded and do not confer any rights to purchase shares.

According to the Sartorius phantom stock plan, each Executive Board member is credited at the beginning of every year with phantom stock units valued at an agreed monetary value. The value of these phantom stocks can be paid out only as an entire annual tranche. Payment can be requested at the earliest after a period of four years and no later than after eight years. If a member is appointed to the Executive Board during a year, this member will be assigned phantom stock units retroactively as of the beginning of this fiscal year (pro rata temporis, if applicable).

An Executive Board member is entitled to receive payment for phantom stock units only if the share price at the time of such payment request has appreciated at least 7.5% per year relative to the time the phantom stock units were assigned or if the share price outperformed the TecDAX as a comparative index. In addition, the value of the phantom stock units must be at least 50% of the grant value. The phantom stock plan rules out subsequent changes to the parameters used for comparative stock valuation.

Assignment of these phantom stock units and later payment of their monetary equivalent depend on the mean value calculated from the average prices of the Sartorius AG preference share, with said prices quoted in the closing auction of Xetra trading on the Frankfurt Stock Exchange (or a corresponding successor trading system) over the last 20 days of trading of the previous year (in the case of granting) or over the last 20 days of trading prior to submission of a payment request (in the case of payment). This serves to compensate for any short-term fluctuations in the share prices.

The payout amount is capped at a maximum of 2.5 times the share price at the time the phantom stock units were granted, based in each case on the individual annual tranche.

Under the current terms of the phantom stock plan, payment for phantom stock is blocked for the four weeks preceding the scheduled publication date of quarterly results and for the 30 calendar days before the scheduled publication of the half-year results and preliminary year-end results, as well as for 20 days of trading on the stock exchange following the actual publication of quarterly and preliminary year-end results. These blackout periods are intended to ensure that payments are only made during periods in which the most recent business results have already been processed in the capital market and the regular publication of further business results is still sufficiently far in the future.

The fair value grant price for this remuneration component is €356.09 for 2023. Target achievement for this subordinate target is reported in the remuneration report after vesting or exercise by the Executive Board members; i.e., between 2027 and 2031.

Share-Based Payment

In December 2019, Dr. Joachim Kreuzburg was additionally granted share-based payment in connection with the fourth extension of his appointment as a member and Chairman of the Executive Board as well as CEO. This was in the form of company shares with a grant date fair value totaling €5.0 million (based on the share price as of December 5, 2019, as the grant date); this corresponds to a pro-rated grant date fair value of €1.0 million for each year of his new five-year term of appointment. For this purpose, a corresponding number

of treasury shares (27,570 treasury shares in total), consisting of equal proportions of the company's own preference shares and own ordinary shares, were transferred to Dr. Joachim Kreuzburg at the beginning of his new term in November 2020. The shares granted are subject to a holding period that will end on November 10, 2024. Should Dr. Joachim Kreuzburg leave the company prior to November 11, 2022, at his own request, his entitlements to be granted said shares by transfer shall lapse in their entirety. If Dr. Joachim Kreuzburg leaves the company after November 10, 2022, and before November 11, 2024, at his own request, half of his entitlements to be granted said shares shall lapse. For the purpose of the target total remuneration, the shares granted for Dr. Joachim Kreuzburg's current five-year term of appointment are recognized at their pro-rated grant date fair value for each year of his term of appointment. Dr. Joachim Kreuzburg sold a total of 20,000 preference shares on November 14, 2022. This reported transaction was published on the Sartorius AG website.

Dr. Alexandra Gatzemeyer and Dr. René Fáber were granted share-based remuneration in December 2023 in the form of company shares, which were transferred effective January 1, 2024. Dr. Alexandra Gatzemeyer was granted 1,496 ordinary shares at an exercise price of €234.00 and 1,186 preference shares at an exercise price of €295.10 for a contract period of two years and four months. The shares granted are subject to a holding period that will end on December 31, 2027. Should Dr. Alexandra Gatzemeyer leave the company prior to December 31, 2024, at her own request, her entitlements to be granted said shares by transfer shall lapse in their entirety. If Dr. Alexandra Gatzemeyer leaves the company after December 31, 2024, and before April 30, 2025, at her own request, half of her entitlements to be granted said shares shall lapse. Dr. René Fáber was granted 1,923 ordinary shares at an exercise price of €234.00 and 1,525 preference shares at an exercise price of €295.10 for a contract period of three years. The shares granted are subject to a holding period that will end on December 31, 2027. Should Dr. René Fáber leave the company prior to June 30, 2025, at his own request, his entitlements to be granted said shares by transfer shall lapse in their entirety. If Dr. René Fáber leaves the company after June 30, 2025, and before December 31, 2025, at his own request, half of his entitlements to be granted said shares shall lapse.

4. Pension Commitments

The members of the Executive Board generally receive pension commitments as defined-contribution plans for their first reappointment. At the request of the Executive Board member concerned, the company will take out an insurance policy for the term of their employment contract and pay the particular benefit contributions into this insurance policy. The pension contribution consists of a base amount of 14% of the respective member's annual fixed remuneration. If desired, the Executive Board member in question can pay in an additional 7% of the gross amount paid to the Executive Board member in the fiscal year in question as short-term variable compensation and as long-term variable compensation attributable to net profit as a personal contribution by way of deferred compensation. If a member of the Executive Board exercises this right, the company will in turn make an additional contribution in the same amount (known as a matching contribution benefit). For the purpose of determining the target total compensation and the relative share of the pension commitments in a member's target total remuneration, only the basic amount to be paid by the company and the matching benefit contribution were taken into account (based on 100% target achievement of the relevant variable remuneration components).

Pursuant to the insurance terms and conditions, the pension benefit can be granted in the form of a retirement pension or a lump-sum payment for reaching the regular retirement age or needing to retire due to disability, as well as in the form of surviving dependents' benefits for widows and orphans, according to which particular option an Executive Board member elects. The company does not guarantee the paid-in capital or an annual interest rate.

Furthermore, an earlier pension agreement granted to Dr. Joachim Kreuzburg provides that he will receive a monthly pension dependent on the basic salary of a German federal civil servant classified as grade 10 of salary class B for ministry officials according to the Federal Civil Service Remuneration Act ("Bundesbesoldungsgesetz") in the respective version applicable. With each full year of service on the Executive Board, 5% of his full pension will be vested until his fully vested pension will have been reached after 20 years. In this case, these retirement benefits will have been fully vested, taking his years of service on the Executive Board into account, at the end of December 31, 2021. His retirement benefits will be granted in the form of a pension in the cases where he reaches the regular retirement age or needs to retire due to disability, as well as in the form of a pension for widows and orphans and shall correspond to 70% of the monthly pension benefits of a German federal civil servant classified as grade 10 of salary class B for ministry officials according to the Federal Civil Service Remuneration Act ("Bundesbesoldungsgesetz"). These additional pension commitments are considered in the determination of Dr. Joachim Kreuzburg's target total remuneration and of the relative proportion of his pension commitments in his target total remuneration along with the respective employee benefit expense attributable thereto.

The regular retirement age for all pension commitments is 65. There are no early retirement regulations, except in the case of disability.

5. Other Remuneration Components

The remuneration policy provides that the Supervisory Board may grant special compensation at its reasonable discretion for extraordinary performance by a member of the Executive Board. This option was not used in the reporting year.

II. Target Total Remuneration; Relative Percentages of Fixed and Variable Remuneration Components

The Supervisory Board determines a specific target total remuneration for each Executive Board member. The target total remuneration is the sum of all remuneration components relevant for total remuneration. For the variable components, the target amount is taken as a basis in each case of 100% target achievement, provided that a target is measured. In the case of share-based compensation, which is granted as an additional variable remuneration component only to the Executive Board Chairman, the prorated grant date fair value (= €1.0 million annually) is recognized for each year of the Chairman's associated contract term to ensure transparent and traceable reporting for the purposes of target total remuneration. Regarding pension commitments, it is further assumed that the Executive Board members will exercise their right to receive deferred compensation of their variable remuneration components (based on 100% achievement of targets) to the maximum extent permitted and that the company will therefore also pay each member a corresponding additional amount as a matching contribution.

For the Executive Board Chairman, the relative percentage of fixed remuneration components (fixed annual salary and fringe benefits) is roughly 29% and the percentage of the variable remuneration components as a whole roughly 62% of his target total remuneration. The proportion of short-term (target) compensation in his target total remuneration is roughly 17% and that of long-term (target) compensation in his target total remuneration roughly 45%. Pension commitments for the Executive Board Chairman currently account for roughly 9% of his target total remuneration.

For the other Executive Board members, the relative percentage of the fixed remuneration components (fixed annual salary and fringe benefits) is between 37% and 42% of their respective total target remuneration and the percentage of all variable remuneration components between roughly 51% and 60% of their corresponding target total remuneration. In this context, short-term (target) compensation accounts for between roughly 21% and 25% of total target compensation, while long-term (target) compensation accounts for between roughly 30% and 35% of total target compensation. Pension commitments currently account for between 7% and roughly 8% of total target compensation.

The defined relative proportions of the remuneration components correspond in their respective amounts to the requirements of the relevant remuneration policy.

III. Reclaiming or Reducing Variable Remuneration (Clawback)

All Executive Board employment contracts contain provisions specifying that the company is entitled to reclaim from Executive Board members variable remuneration components already paid out to them in the following cases described:

1. Performance Clawback

If the entitlement to payment of annual short-term variable remuneration and of remuneration with a multi-year assessment basis in relation to the individual component of consolidated net profit is based on audited and approved consolidated financial statements that were objectively incorrect and therefore had to be subsequently corrected in accordance with the relevant accounting standards, and if no or a lower entitlement to payment of variable remuneration components would have arisen based on the corrected audited consolidated financial statements, the company may reclaim the corresponding amount of overpayment from the respective Executive Board member.

2. Compliance Clawback

If an Executive Board member commits, either through gross negligence or willful intent, any dereliction of the duty to exercise the skill and care of a prudent manager faithfully complying with his or her duties in accordance with Section 93, Subsection 1, of the German Stock Corporation Law "AktG," the company shall be entitled to reclaim from the respective Executive Board member the full or partial repayment of the annual short-term variable remuneration paid out to him for the respective assessment period in which the breach of duty occurred, the remuneration with a multi-year assessment basis related to the individual component of the consolidated net profit, and of the liquidated phantom stock units and/or to declare that member's forfeiture with respect to tranches of phantom stock units yet to be granted.

The Executive Board member shall not be obligated to reimburse the company if more than three years have elapsed as counted from the payment of the respective variable remuneration components up to the time a claim against said member for reimbursement is asserted. The objection of disenrichment in accordance with Section 818, Subsection 3, of the German Civil Code "BGB" is excluded under the remuneration policy. The right to claim damages pursuant to Section 93 AktG shall remain unaffected.

3. Exercise

In fiscal 2023, none of the conditions for reclaiming or reducing remuneration under these clawback provisions existed. Accordingly, no use was made of this right to exercise a clawback option.

IV. Remuneration-Related Legal Transactions

1. Terms and Prerequisites for Termination of Remuneration-Related Legal Transactions

The employment contracts of Executive Board members are concluded for the term of their respective appointments. Initial appointments are each for a maximum of three years; extensions of an appointment term are for up to five years.

The current terms of the employment contracts of the incumbent members of the Executive Board are as follows:

- Dr. Joachim Kreuzburg: November 10, 2025
- Dr. René Fáber: December 31, 2026
- Dr. Alexandra Gatzemeyer: April 30, 2026

Termination of their employment contracts by giving due and proper notice is excluded. For this reason, an employment contract of an Executive Board member can only be terminated by mutual agreement based on a termination agreement or by termination for good cause with immediate effect. The company may terminate an Executive Board member's employment contract for good cause defined by the German Stock Corporation Law "AktG" as "grave cause," particularly in the event that the Supervisory Board revokes this member's appointment for said grave cause pursuant to Section 84, Subsection 3 AktG. In this case, the statutory periods of notice pursuant to Section 622 of the German Civil Code "BGB" shall apply, unless there is also a compelling reason ("good cause") for termination without notice pursuant to Section 626 of BGB.

Rainer Lehmann and John Gerard Mackay left the Executive Board during the reporting year.

Rainer Lehmann stepped down from the Executive Board early, effective October 31, 2023. The variable remuneration for fiscal year 2023 is calculated pro rata temporis, and the payout dates for the variable remuneration remain unchanged. Phantom stocks granted from previous fiscal years' tranches will remain and will be paid out after vesting or exercise. No settlement payment was agreed.

John Gerard Mackay stepped down from the Executive Board early, effective June 15, 2023. The calculation and payout dates for the variable remuneration for fiscal year 2023 remain unchanged. Phantom stocks granted from previous fiscal years' tranches will remain and will be paid out after vesting or exercise. No settlement payment was agreed.

2. Severance Payments

The employment contracts for Executive Board members provide that a member will receive a severance payment in the event the company terminates the employment contract of said member with immediate effect, provided that said member is not responsible for any grave cause or compelling reason warranting said termination ahead of the regular contract expiration date. The maximum severance payment equals two years' remuneration (including variable components), but no more than the amount of remuneration that would be payable until the end of the contract term.

Furthermore, in the event of early termination of employment on the Executive Board by mutual agreement, the company may also grant, or agree to grant, severance payments, the amount of which shall be limited, in turn, to a maximum of two years' remuneration and shall not compensate for more than the remaining term of the member's employment contract.

3. Non-Competition Clause

The Executive Board employment contracts provide for a post-contractual non-competition clause for a duration of up to two years upon termination of employment with the company. In the event that this non-competition clause is not waived or is nullified, half of the remuneration last paid by the company shall be granted to the respective Executive Board member as compensation for non-competition throughout the non-competition period. Any severance to be paid in connection with the termination of an employment contract to an Executive Board member shall be deducted in full from said compensation for non-competition in accordance with Recommendation G.13 of the GCGC dated December 16, 2019, provided that the employment contracts concerned have been extended after the GCGC had entered into force.

V. Procedure for Establishing, Implementing and Reviewing the Remuneration Policy

The Supervisory Board establishes and regularly reviews the remuneration policy for the Executive Board. The Executive Task Committee of the Supervisory Board prepares the remuneration policy for approval by the full Supervisory Board and makes the respective suggestions.

In the process, the Supervisory Board also reviews the appropriateness of such remuneration in comparison to the remuneration of the Executive Board within the peer group of the company (horizontal appropriateness). The peer group is defined by the Supervisory Board and/or its Executive Task Committee and is adapted

as necessary. In 2022, the Supervisory Board conducted a benchmarking analysis of Executive Board remuneration with the assistance of a neutral external remuneration consultant and, in this context, reviewed and reconstituted the peer group. In determining the composition of the peer group, the Supervisory Board identified domestic and foreign companies that are comparable to the company in terms of industry, size and sales. This updated peer group currently includes the following companies: Beiersdorf, Carl Zeiss Meditec, Drägerwerk, Gerresheimer, Qiagen, Symrise, SYNLAB, bioMérieux, Coloplast, Eurofins Scientific, Lonza Group, Smith&Nephew, Steris and UCB.

In establishing the remuneration for the Executive Board members, the Supervisory Board further considers both the compensation of senior management and that of the remaining workforce in relation to the German Group companies (vertical appropriateness). For these purposes, the Supervisory Board defines senior management as the group of executives of the first two management levels below the Executive Board. The Supervisory Board looks not only at the current compensation ratio, but also at how it has developed over time.

If necessary, the Supervisory Board will engage an independent compensation consultant to review vertical and horizontal appropriateness; this was last carried out in 2022. Furthermore, the Supervisory Board also considers the requirements of the German Corporate Governance Code when determining and reviewing the remuneration of the Executive Board.

Any conflict of interest in the establishment, implementation and review of the remuneration policy shall be treated by the Supervisory Board in the same way as other conflicts of interest in the person of a Supervisory Board member. The Supervisory Board member concerned is therefore required to disclose any conflict of interest to the Chairman of the Supervisory Board and will not participate in the adoption of resolutions or in the deliberations concerned. Disclosure of any conflicts of interest at an early stage ensures that the decisions of the Supervisory Board are not influenced by inappropriate considerations.

The current Executive Board members' employment contracts already complied with the new remuneration policy in the reporting year, with only a few deviations as explained above. Insofar as discrepancies between the Executive Board employment contracts and the Executive Board remuneration policy still exist beyond the current year – this relates only to the partial payment for the consolidated net profit component of long-term variable remuneration and the lack of offsetting of the severance payment in the case of Rainer Lehmann – the Supervisory Board will examine, in consultation with the Executive Board member concerned, to what extent and, if applicable, from what period onwards an adjustment can be made. As long as such discrepancies continue to exist, they will be presented in the company's Remuneration Report.

VI. Compliance with the Maximum Remuneration Limits for the Executive Board

Executive Board remuneration is capped in two respects. Under the new remuneration policy, the total remuneration consisting of a fixed salary including fringe benefits, employee benefit expense, and the short-term and long-term variable remuneration components for a fiscal year – irrespective of whether it is paid in the fiscal year in question or at another time – is limited to a maximum gross amount of €6 million for the Executive Board Chairman and €3 million for each of the other Executive Board members. The maximum remuneration covers the maximum possible non-performance-related fixed and performance-related variable remuneration components, including employee benefit expense. Benefits in kind granted as fringe benefits are recognized at their value for income tax purposes. Regarding the share-based compensation of the Executive Board Chairman, this compensation paid as part of his maximum remuneration is calculated based on the pro-rated grant value attributable to one year.

For all current Executive Board members, the individual components of their remuneration are already structured so that the total remuneration granted to each respective Executive Board member for a fiscal year – regardless of whether it is paid in the fiscal year in question or at another time – does not exceed the maximum remuneration established in the new remuneration policy. For this purpose, a separate maximum amount is set for each of the variable remuneration components. This maximum amount is currently 120% of the target

amount in the case of short-term variable compensation with a one-year assessment basis and 120% of the target amount in the case of the component of long-term variable compensation based on consolidated net profit, and 250% of the granted amount in the case of participation in the phantom stock program. For the purposes of calculating maximum remuneration, the Executive Board Chairman's share-based compensation is taken into account at the prorated grant value attributable to one year and thus at an amount fixed from the outset (see above).

The following table shows the maximum limits for the variable remuneration components and the shares granted. Compliance with the maximum limits for short-term variable remuneration and for the shares granted can be reviewed already for fiscal 2023. For multi-year variable remuneration, compliance with the maximum limits can only be reviewed retroactively as soon as these are vested or phantom stock units are exercised.

	Dr. Joachim Kreuzburg			Dr. René Fáber		
€ in K	Target remuneration	Maximum remuneration	Receipts	Target remuneration	Maximum remuneration	Receipts
Short-term variable remuneration	**640**	**768**	**0**	**375**	**450**	**0**
Long-term variable remuneration	**700**	**1,295**		**525**	**971**	
Consolidated net result 2023 (3 years)	175	210		131	158	
Reduction CO_2-emission intensity (3 years)	175	210		131	158	
Phantom stock plan 2023 (exercisable from 2026)	350	875		263	656	
Shares granted	**1,000**	**1,000**	**1,000**	**-**	**-**	**-**

	Dr. Alexandra Gatzemeyer (as of May 1, 2023)		
€ in K	Target remuneration	Maximum remuneration	Receipts
Short-term variable remuneration	**300**	**360**	**53**
Long-term variable remuneration	**420**	**777**	
Consolidated net result 2023 (3 years)	105	126	
Reduction CO_2-emission intensity (3 years)	105	126	
Phantom stock plan 2023 (exercisable from 2026)	210	525	
Shares granted	**-**	**-**	**-**

	Rainer Lehmann (until Oct. 31, 2023)			John Gerard Mackay (until June 15, 2023)		
€ in K	Target remuneration	Maximum remuneration	Receipts	Target remuneration	Maximum remuneration	Receipts
Short-term variable remuneration	**350**	**420**	**0**	**350**	**420**	**92**
Long-term variable remuneration	**490**	**907**		**490**	**907**	
Consolidated net result 2023 (3 years)	123	147		123	147	
Reduction CO_2-emission intensity (3 years)	123	147		123	147	
Phantom stock plan 2023 (exercisable from 2026)	245	613		245	613	
Shares granted	**-**	**-**	**-**	**-**	**-**	**-**

The amount of the fixed remuneration components and the target and/or grant date amounts of the variable remuneration components for fiscal 2023 were selected for all Executive Board members so that even if the maximum amounts of the variable remuneration components are reached, the total gross amount of fixed and variable remuneration components of each Executive Board member will not exceed the highest sum defined by the maximum remuneration for this reporting year. The following table shows the maximum achievable amounts of the individual compensation components for 2023 and clearly shows that the maximum achievable compensation falls short of the defined maximum compensation of the Supervisory Board pursuant to Section 87a, Subsection 1, sentence 2, item no. 1 of the German Stock Corporation Law (AktG).

€ in K	Dr. Joachim Kreuzburg	Dr. René Fáber	Dr. Alexandra Gatzemeyer (as of May 1, 2023)	Rainer Lehmann (until Oct. 31, 2023)	John Gerard Mackay (until June 15, 2023)
Fixed remuneration	1,060	600	320	467	257
Fringe benefits	15	13	4	101	18
Total non-performance-based remuneration	**1,075**	**613**	**324**	**568**	**275**
Variable performance-based remuneration (1 year)	768	450	360	420	420
Short-term variable remuneration	**768**	**450**	**360**	**420**	**420**
Consolidated net result (3 years)	210	158	126	147	147
Reduction CO_2-emission intensity (3 years)	210	158	126	147	147
Phantom stock plan (4-8 years)	875	656	525	613	613
Long-term variable remuneration	**1,295**	**971**	**777**	**907**	**907**
Shares granted	**1,000**	**0**	**0**	**0**	**0**
Other remuneration component	**0**	**0**	**0**	**0**	**0**
Post-employment benefits	**312**	**105**	**0**	**108**	**108**
Maximum achievable remuneration	**4,450**	**2,139**	**1,461**	**2,003**	**1,710**
Maximum remuneration in accordance with Section 87a para. 1 sent. 2 No. 1 of the German Stock Corporation Act	**6,000**	**3,000**	**3,000**	**3,000**	**3,000**

The final review of compliance with the maximum remuneration for fiscal 2023 will be presented in the remuneration report for the fiscal year in which the last long-term remuneration component was vested and/or exercised. As Sartorius did not have any comparable policy for maximum remuneration in the past, no disclosures on compliance with maximum remuneration can be provided for an earlier business year.

2. Remuneration of the Executive Board Members in the Reporting Year

Total remuneration granted and owed for the active service of all Executive Board members together amounted to €4,889 thousand in 2023, compared with €5,901 thousand in the previous year. The details of the individual remuneration components are described in the following.

Remuneration Granted and Owed to the Executive Board Pursuant to Section 162 of AktG

The following table shows the remuneration granted and owed, pursuant to Section 162 of the German Stock Corporation Act (AktG), to current members of the Executive Board and those who left the Board in 2023. Remuneration is deemed to be owed if it is due but has not yet been paid. In this case, remuneration granted is assumed already at the time service is performed and not only at the point in time of payment. The figures stated for variable remuneration components are the amounts "vested" in the respective fiscal year.

	Dr. Joachim Kreuzburg				Dr. René Fáber			
€ in K	**2023**	**in %**	2022	in %	**2023**	**in %**	2022	in %
Fixed remuneration	1,060	59%	1,000	44%	600	66%	480	45%
Fringe benefits[1]	15	1%	15	1%	13	1%	13	1%
Fixed remuneration	**1,075**	**60%**	**1,015**	**44%**	**613**	**68%**	**493**	**47%**
Variable performance-based remuneration (1 year)[2]	**0**	**0%**	**442**	**19%**	**0**	**0%**	**169**	**16%**
Consolidated net profit (3 years)[3]	295	17%	278	12%	100	11%	130	12%
Phantom stock plan (4-8 years)[4]	413	23%	555	24%	193	21%	266	25%
Components with a long-term incentive effect	**708**	**40%**	**833**	**36%**	**293**	**32%**	**396**	**37%**
Other remuneration component	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**
Defined contribution plans[5]	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**
Total remuneration	**1,783**	**100%**	**2,290**	**100%**	**906**	**100%**	**1,058**	**100%**

	Dr. Alexandra Gatzemeyer (from 01.05.2023)			
€ in K	**2023**	**in %**	2022	in %
Fixed remuneration	320	85%	0	0%
Fringe benefits[1]	4	1%	0	0%
Fixed remuneration	**324**	**86%**	**0**	**0%**
Variable performance-based remuneration (1 year)[2]	**53**	**14%**	**0**	**0%**
Consolidated net profit (3 years)[3]	0	0%	0	0%
Phantom stock plan (4-8 years)[4]	0	0%	0	0%
Components with a long-term incentive effect	**0**	**0%**	**0**	**0%**
Other remuneration component	**0**	**0%**	**0**	**0%**
Defined contribution plans[5]	**0**	**0%**	**0**	**0%**
Total remuneration	**377**	**100%**	**0**	**0%**

	Rainer Lehmann (until Oct. 31, 2023)				John Gerard Mackay (until June 15, 2023)			
€ in K	**2023**	**in %**	2022	in %	**2023**	**in %**	2022	in %
Fixed remuneration	467	44%	460	36%	257	33%	480	37%
Fringe benefits[1]	101	10%	124	10%	18	2%	50	4%
Fixed remuneration	**568**	**54%**	**584**	**46%**	**275**	**36%**	**530**	**41%**
Variable performance-based remuneration (1 year)[2]	**0**	**0%**	**212**	**17%**	**92**	**12%**	**288**	**22%**
Consolidated net profit (3 years)[3]	175	17%	210	17%	100	13%	130	10%
Phantom stock plan (4-8 years)[4]	312	30%	266	21%	193	25%	266	21%
Components with a long-term incentive effect	**487**	**46%**	**476**	**37%**	**293**	**38%**	**396**	**31%**
Other remuneration component	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**
Defined contribution plans[5]	**0**	**0%**	**0**	**0%**	**108**	**14%**	**67**	**5%**
Total remuneration	**1,055**	**100%**	**1,272**	**100%**	**768**	**100%**	**1,281**	**100%**

1 The amounts contributed to D&O insurance totaling €971 K (2022: €871 K) are not included, as these refer to the executive bodies of all companies of the Sartorius Group and are not allocated to the individual insurees.
2 Recognized amount corresponds to actual target achievement.
3 Recognized amount corresponds to actual target achievement of the plan in which a fiscal year ended; i.e., for 2023, consolidated net profits for 2021 – 2023 (2022: consolidated net profits for 2020 - 2022).
4 Fair value at the time granted.
5 Payments for a pension plan.

Until 2021, as part of the remuneration component based on the consolidated net profit of three consecutive fiscal years, each Executive Board member received a partial compensation payment of 50% of their respective target achievement for the first fiscal year under review. Once the total target achievement has been determined after the third fiscal year, final payment is then effected by deducting the particular partial payment already made. The amounts of the partial payments made in total at the end of the reporting year are shown as follows:

€ in K	**2023**	2022
Balance as of Jan. 1 of a fiscal year	769	607
Partial payments deducted	–442	–280
Partial payments effected	0	442
Balance as of Dec. 31 of a fiscal year	**327**	**769**

Remuneration Granted and Owed to Former Executive Board Members

The following table shows the remuneration granted and owed, pursuant to Section 162 of the German Stock Corporation Act (AktG), to former members of the Executive Board. For former Executive Board members who have left the company within the last ten years, information is disclosed by name. For members who left prior to that, only a combined, anonymized figure under "Other" is shown in accordance with Section 162, Subsection 5, sentence 2 AktG.

	Reinhard Vogt (until Dec. 31, 2018)		Other	
€ in K	**2023**	2022	**2023**	2022
Phantom stock plan (4-8 years)[1]	0	188	0	0
Annuity	0	0	528	526
Total remuneration	**0**	**188**	**528**	**526**

1 Fair value at the time granted.

3. Disclosures on Share-Based Payments | Phantom Stock Units

	Number of phantom stock units	Price on assignment in €	Fair value when granted on Jan. 1 of the particular year € in K	Fair value at year-end on Dec. 31, 2022 € in K	**Fair value at year-end on Dec. 31, 2023 € in K**	Paid in fiscal 2023 € in K	Change in value in fiscal 2023 € in K	Status
Dr. Joachim Kreuzburg								
Tranche for fiscal 2019	1,950	113.78	222	555	0	555	0	Paid out in 2023
Tranche for fiscal 2020	1,240	190.30	236	455	413	0	–42	exercisable
Tranche for fiscal 2021	918	354.13	325	315	280	0	–35	Not exercisable
Tranche for fiscal 2022	566	574.61	325	179	145	0	–34	Not exercisable
Sum of the tranches from the previous years	**4,674**		**1,108**	**1,504**	**838**	**555**	**–111**	
Tranche for fiscal 2023	983	356.09	350	0	284	0	–66	Not exercisable
Total sum of tranches	**5,657**		**1,458**	**1,504**	**1,122**	**555**	**–177**	
Dr. René Fáber								
Tranche for fiscal 2019	934	113.78	106	266	0	266	0	Paid out in 2023
Tranche for fiscal 2020	578	190.30	110	212.184	193	0	–20	exercisable
Tranche for fiscal 2021	311	354.13	110	106	94	0	–12	Not exercisable
Tranche for fiscal 2022	365	574.61	210	116	94	0	–22	Not exercisable
Sum of the tranches from the previous years	**2,188**		**536**	**700**	**381**	**266**	**–54**	
Tranche for fiscal 2023	737	356.09	262	0	213	0	–49	Not exercisable
Total sum of tranches	**2,925**		**798**	**700**	**594**	**266**	**–103**	
Dr. Alexandra Gatzemeyer (as of May 1, 2023)								
Tranche for fiscal 2023	393	356.09	140	0	113	0	–27	Not exercisable
Total sum of tranches	**393**		**140**	**0**	**113**	**0**	**–27**	
Rainer Lehmann (until Oct. 31, 2023)								
Tranche for fiscal 2019	934	113.78	106	266	0	266	0	Paid out in 2023
Tranche for fiscal 2020	936	190.30	178	344	312	0	–32	exercisable
Tranche for fiscal 2021	544	354.13	193	186	166	0	–20	Not exercisable
Tranche for fiscal 2022	350	574.61	201	111	90	0	–21	Not exercisable
Sum of the tranches from the previous years	**2,764**		**678**	**907**	**568**	**266**	**–73**	
Tranche for fiscal 2023	573	356.09	204	0	165	0	–39	Not exercisable
Total sum of tranches	**3,337**		**882**	**907**	**733**	**266**	**–112**	

	Number of phantom stock units	Price on assignment in €	Fair value when granted on Jan. 1 of the particular year € in K	Fair value at year-end on Dec. 31, 2022 € in K	**Fair value at year-end on Dec. 31, 2023 € in K**	Paid in fiscal 2023 € in K	Change in value in fiscal 2023 € in K	Status
John Gerard Mackay (until June 15, 2023)								
Tranche for fiscal 2019	934	113.78	106	266	0	266	0	Paid out in 2023
Tranche for fiscal 2020	578	190.30	110	212	193	0	–19	exercisable
Tranche for fiscal 2021	311	354.13	110	106	94	0	–12	nicht ausübbar
Tranche for fiscal 2022	365	574.61	210	116	94	0	–22	nicht ausübbar
Sum of the tranches from the previous years	**2,188**		**536**	**700**	**381**	**266**	**–53**	
Tranche for fiscal 2023	688	356.09	245	0	198	0	–47	Not exercisable
Total sum of tranches	**2,876**		**781**	**700**	**579**	**266**	**–100**	
Reinhard Vogt (until Dec. 31, 2018)								
Tranche for fiscal 2019	661	113.78	75	188	0	188	0	Paid out in 2023
Sum of the tranches from the previous years	**661**		**75**	**188**	**0**	**188**	**0**	

4. Pension Commitments

The projected pension payments, the present value of pension obligations and the service cost are shown in the following table:

	Projected pension payment	Present value of the obligation (IFRS)		Service cost (IFRS)	
€ in K	p.a.	**Dec. 31, 2023**	Dec. 31, 2022	**2023**	2022
Dr. Joachim Kreuzburg	294	4,250	3,959	110	113
Dr. René Fáber	75	354	236	0	0
Rainer Lehmann	17	659	523	0	0
	387	**5,263**	**4,718**	**110**	**113**

In addition, a pension contribution of €199 thousand (2022: €189 thousand) was recognized in 2023 for Dr. Joachim Kreuzburg, a pension contribution of €105 thousand (2022: €247 thousand) for Dr. René Fáber, and a pension contribution of €108 thousand (2022: €96 thousand) for Rainer Lehmann.

5. Comparative Table

€ in K	**2023**	**Change in %**	2022	in %	2021	in %	2020
Managing Board Members							
Dr. Joachim Kreuzburg	1,783	–22%	2,290	–11%	2,585	17%	2,202
Dr. René Fáber	906	–14%	1,058	19%	890	25%	714
Dr. Alexandra Gatzemeyer (as of May 1, 2023)	377		0		0		0
Former Managing Board Members							
Rainer Lehmann (until Oct. 31, 2023)	1,055	–17%	1,272	–1%	1,285	13%	1,138
John Gerard Mackay (until June 15, 2023)	768	–40%	1,281	29%	990	27%	777
Reinhard Vogt	0	–100%	188	–44%	336	–73%	1,246
Other	528	0%	526	2%	517	3%	501
Earnings Development							
Underlying EBITDA in millions of €	963	–32%	1,410	20%	1,175	70%	692
Net profit of Sartorius AG in millions of €	115	–26%	155	278%	41	–64%	113
Average Remuneration of Employees							
Group employees in Germany only	90	6%	85	–4%	89	1%	88

In the presentation of the average remuneration of employees, all people employed by the German companies of the Sartorius Group (except for the Executive Board members) were included. In addition to wages and salaries, average remuneration also includes social security contributions and pension expenses. If employees simultaneously receive remuneration as members of the Supervisory Board of Sartorius AG, this compensation was not considered. Remuneration of part-time employees was extrapolated to full-time equivalents.

6. Main Features of the Remuneration Plan for the Supervisory Board

The remuneration for Supervisory Board members is defined in the Articles of Association of Sartorius AG and comprises fixed remuneration, meeting attendance fees, and reimbursement of out-of-pocket expenses. Members serving as chairperson and vice chairperson of the Supervisory Board receive higher fixed remuneration.

Members and chairpersons of Supervisory Board committees, except for those of Nomination Committee or the committee pursuant to Section 27, Subsection 3, of the German Codetermination Law (MitBestG), are entitled to receive additional annual fixed amounts and meeting attendance fees as well as reimbursement of their out-of-pocket expenses.

In addition, the members of the Supervisory Board are included in a directors and officers (D&O) liability insurance policy taken out by the company, the premiums for which are paid by Sartorius Aktiengesellschaft. This D&O insurance policy covers the legal liability arising from Supervisory Board activities and is taken out at standard market terms and conditions.

In line with prevailing market practice at listed companies in Germany, the remuneration of Supervisory Board members is strictly fixed compensation along with meeting attendance fees and does not include any performance-related components. The Executive Board and Supervisory Board are of the opinion that strictly fixed remuneration for Supervisory Board members is best suited to strengthening the independence of the Supervisory Board and fulfilling the latter's advisory and supervisory functions, which are to be performed independently of the company's success. The amount and structure of Supervisory Board remuneration ensure that the company is able to attract qualified candidates for membership in the company's Supervisory Board; in this way, Supervisory Board remuneration helps sustainably promote the business strategy and the long-term development of the company. The existing remuneration policy especially takes into account Recommendation G.17 and the Suggestion G.18, sentence 1, of the German Corporate Governance Code in the current version as amended.

7. Remuneration Granted and Owed to the Supervisory Board Members

€ in K	2023		2022	
Remuneration for the Supervisory Board Members				
Total remuneration	**1,562**	**100%**	**1,017**	**100%**
Fixed remuneration	994	64%	675	66%
Compensation for committee work	250	16%	120	12%
Meeting attendance fee	234	15%	154	15%
Total remuneration for the Sartorius Stedim Biotech subgroup	84	5%	68	7%
Remuneration from Sartorius Stedim Biotech S.A., Aubagne	84	5%	68	7%

€ in K	2023		2022	
Dr. Lothar Kappich (Chairman)				
Total remuneration	**365**	**100%**	**256**	**100%**
Fixed remuneration	175	48%	135	53%
Compensation for committee work	70	19%	33	13%
Meeting attendance fee	36	10%	20	8%
Remuneration from Sartorius Stedim Biotech S.A., Aubagne	84	23%	68	27%

€ in K	2023		2022	
Manfred Zaffke (Vice Chairman)[1]				
Total remuneration	**201**	**100%**	**134**	**100%**
Fixed remuneration	119	59%	90	67%
Compensation for committee work	50	25%	24	18%
Meeting attendance fee	32	16%	20	15%

€ in K	2023		2022	
Annette Becker[1]				
Total remuneration	**120**	**100%**	**68**	**100%**
Fixed remuneration	70	58%	45	66%
Compensation for committee work	20	17%	9	13%
Meeting attendance fee	30	25%	14	21%

€ in K	2023		2022	
Prof. David Raymond Ebsworth, Ph.D.				
Total remuneration	**82**	**100%**	**54**	**100%**
Fixed remuneration	70	85%	45	83%
Meeting attendance fee	12	15%	9	17%

€ in K	2023		2022	
Dr. Daniela Favoccia				
Total remuneration	**82**	**100%**	**54**	**100%**
Fixed remuneration	70	85%	45	83%
Meeting attendance fee	12	15%	9	17%

€ in K	2023		2022	
Petra Kirchhoff				
Total remuneration	**82**	**100%**	**54**	**100%**
Fixed remuneration	70	85%	45	83%
Meeting attendance fee	12	15%	9	17%

€ in K	2023		2022	
Dietmar Müller[1]				
Total remuneration	**118**	**100%**	**75**	**100%**
Fixed remuneration	70	59%	45	60%
Compensation for committee work	30	25%	15	20%
Meeting attendance fee	18	15%	15	20%

€ in K	2023		2022	
Ilke Hildegard Panzer				
Total remuneration	**82**	**100%**	**54**	**100%**
Fixed remuneration	70	85%	45	83%
Meeting attendance fee	12	15%	9	17%

€ in K	2023		2022	
Frank Riemensperger (as of Mar. 25, 2022)				
Total remuneration	**81**	**100%**	**43**	**100%**
Fixed remuneration	70	86%	35	81%
Meeting attendance fee	11	14%	8	19%

€ in K	2023		2022	
Hermann Jens Ritzau[1]				
Total remuneration	**82**	**100%**	**54**	**100%**
Fixed remuneration	70	85%	45	83%
Meeting attendance fee	12	15%	9	17%

€ in K	2023		2022	
Prof. Dr. Klaus Rüdiger Trützschler				
Total remuneration	**186**	**100%**	**104**	**100%**
Fixed remuneration	70	38%	45	43%
Compensation for committee work	80	43%	39	38%
Meeting attendance fee	36	19%	20	19%

€ in K	2023		2022	
Sabrina Wirth (as of Mar. 25, 2022)[1]				
Total remuneration	**81**	**100%**	**43**	**100%**
Fixed remuneration	70	86%	35	81%
Meeting attendance fee	11	14%	8	19%

Former Supervisory Board Members

€ in K	2023		2022
Karoline Kleinschmidt (until Mar. 25, 2022)[1]			
Total remuneration	**0**	**12**	**100%**
Fixed remuneration	0	10	83%
Meeting attendance fee	0	2	17%

€ in K	2023		2022
Prof. Dr. Thomas Scheper (until Mar. 25, 2022)			
Total remuneration	**0**	**12**	**100%**
Fixed remuneration	0	10	83%
Meeting attendance fee	0	2	17%

1 The employee representatives declared that they donate their Supervisory Board remuneration to the foundation Hans-Böckler-Stiftung according to the guidelines of the German Trade Union Association.

Supervisory Board members who are employees of the Sartorius Group receive compensation that is not related to their service on the Supervisory Board.

8. Comparative Table

€ in K	2023	Change in %	2022	in %	2021	in %	2020
Supervisory Board Members							
Dr. Lothar Kappich (Chairman)	365	43%	256	–2%	261	0%	262
Manfred Zaffke (Vice Chairman)	201	50%	134	–2%	137	–2%	140
Annette Becker	120	76%	68	–3%	70	30%	54
Prof. David Raymond Ebsworth, Ph.D.	82	52%	54	–5%	57	2%	56
Dr. Daniela Favoccia	82	52%	54	–5%	57	2%	56
Petra Kirchhoff	82	52%	54	–5%	57	2%	56
Dietmar Müller	118	57%	75	0%	75	142%	31
Ilke Hildegard Panzer	82	52%	54	–5%	57	2%	56
Frank Riemensperger (as of Mar. 25, 2022)	81	88%	43		0		0
Hermann Jens Ritzau (as of Mar. 1, 2021)	82	52%	54	10%	49		0
Prof. Dr. Klaus Rüdiger Trützschler	186	79%	104	–4%	108	0%	108
Sabrina Wirth (as of Mar. 25, 2022)	81	88%	43		0		0
Former Supervisory Board Members							
Karoline Kleinschmidt (until Mar. 25,2022)	0	–100%	12	–79%	57	2%	56
Prof. Dr. Thomas Scheper (until Mar. 25, 2022)	0	–100%	12	–79%	56	0%	56
Earnings Development							
Underlying EBITDA in millions of €	963	–32%	1,410	20%	1,175	70%	692
Net profit of Sartorius AG in millions of €	115	–26%	155	277%	41	–64%	113
Average Remuneration of Employees							
Group employees in Germany only	90	6%	85	–4%	89	1%	88

In the presentation of the average remuneration of employees, all people employed by the German companies of the Sartorius Group (except for the Executive Board members) were included. In addition to wages and salaries, average remuneration also includes social security contributions and pension expenses. If employees simultaneously receive remuneration as members of the Supervisory Board of Sartorius AG, this compensation was not considered. Remuneration of part-time employees was extrapolated to full-time equivalents.

9. Requirements pursuant to Section 162, Subsection 1, Sentence 2, No. 6 of the German Stock Corporation Act (AktG)

The Annual General Meeting approved the Remuneration Report for fiscal 2022 at the Annual General Meeting on March 29, 2023 with 99.30% of the votes cast.

SARTORIUS

Group Sustainability Indicators

02

Indicators of the Non-financial Group Statement

The following table presents a compilation of the specific sustainability indicators from the non-financial group statement.

Focus topic sustainability / indicator	FY 2019 (base year)	FY 2022	FY 2023
Climate[1,2]			
Gross GHG emissions - scope 1 in t CO_2eq[5,6]	13,529 [4]	17,939 [4]	13,103 [3]
Share of Scope 1 GHG emissions under regulated emission trading schemes in %	0	0	0
Gross GHG emissions - scope 2 - location-based calculation in t CO2eq	30,689 [4]	53,886 [4]	48,388 [3]
Gross GHG emissions - scope 2 - market-based calculation in t CO_2eq[7]	25,777 [4]	28,714 [4]	26,823 [3]
Gross GHG emissions – scope 3 t CO_2eq	534,233	1,091,050	856,972
Category 1: "Purchased goods and services" in t CO_2eq	238,446	521,912	318,901
Category 2: „Capital goods" in t CO_2eq	36,892	95,492	168,488.8
Category 3: „Fuel- and energy-related activities (nicht in Scope 1 und 2 enthalten)" in t CO_2eq	6,553 [4]	11,323 [4]	7,297 [3]
Category 4: „Upstream transportation and distribution" in t CO_2eq	57,426	128,734	73,625
Category 5: „Waste generated in operations" in t CO_2eq	4,021 [4]	9,235 [4]	5,699 [3]
Category 6: „Business travel" in t CO_2eq	26,093	21,067	21,065
Category 7: „Employee commuting" in t CO_2eq[9]	15,019	22,053	18,027
Category 8: „Uptream leased assets" in t CO_2eq	0	0	0
Category 9: „Downstream transportation and distribution" in t CO_2eq	4,881	10,942	6,258
Category 10: „Processing of sold products" in t CO_2eq[10]	0	0	0
Category 11: „Use of sold products" in t CO_2eq[11]	108,626	222,138	185,564
Category 12: „End-of-life treatment of sold products" in t CO_2eq	36,276	48,153	52,049
Category 13: „Downstream leased assets" in t CO_2eq	0	0	0
Category 14: „Franchises" in t CO_2eq	0	0	0
Category 15: „Investments" in t CO_2eq[12]	0	0	0
Total gross GHG emissions (scope 1, 2 and 3) - location-based calculation in t CO_2eq	578,451	1,162,875	918,463
Total gross GHG emissions (scope 1, 2 and 3) - market-based calculation in t CO_2eq[7]	573,539	1,137,703	896,898
Total GHG removals in t CO_2eq	0	0	0
Total net GHG emissions (scope 1, 2 and 3) - location-based calculation in t CO_2eq	578,451	1,162,875	918,463
Total net GHG emissions (scope 1, 2 and 3) - market-based calculation in t CO_2eq[7]	573,539	1,137,703	896,898
Gross GHG intensity - location-based calculation per net turnover in t CO_2eq / €	0.000317	0.000279	0.000270
Gross GHG intensity - market-based calculation per net turnover in t CO_2eq / €[7]	0.000314	0.000273	0.000264
Adjusted gross GHG intensity - market-based calculation per net turnover in g CO_2eq / €[13]	308	256	272

	FY 2019 (base year)	FY 2022	FY 2023
Average annual reduction compared to the base year 2019 in % (strategic consideration)	n.r.	6.0	3.1
Total energy consumption in MWh[14,15,16]	n.r.	200,715	196,403
Renewable energy consumption in MWh	n.r.	63,546	69,712
Purchased certified renewable electricity in MWh	n.r.	62,256	65,594
Self-generated solar energy in MWh	n.r.	697	2,089
Purchased geothermal energy in MWh	n.r.	594	441
Other renewable energy in MWh	n.r.	0	0
Non-renewable energy consumption in MWh	n.r.	137,169	126,691
Purchased natural gas in MWh	n.r.	60,774	53,884
Purchased non-renewable electricity in MWh	n.r.	53,422	57,599
Purchased district heating in MWh	n.r.	10,653	8,925
Purchased diesel in MWh	n.r.	8,797	4,459
Purchased heating oil in MWh	n.r.	2,490	1,199
Purchased district cooling in MWh	n.r.	815	625
Purchased LPG in MWh	n.r.	218	0
Total share of renewable energy in %	n.r.	31.7	35.5
Certified management systems according to ISO 50001 -	n.r.	27.1	27.0
Materials and Circularity			
Total waste generated in t[14,16]	n.r.	18,581	10,003
Waste diverted from disposal	n.r.	n.r.	4,625
Hazardous waste in t[18]	n.r.	3,593	409
Preparation for reuse	n.r.	n.r.	0
Recycling[17]	n.r.	456	409
Other recovery processes	n.r.	n.r.	0
Non-hazardous waste in t[18]	n.r.	14,988	4,216
Preparation for reuse	n.r.	n.r.	0
Recycling[17]	n.r.	4,894	4,216
Other recovery processes	n.r.	n.r.	0
Waste for disposal	n.r.	n.r.	5,377
Hazardous waste [18]	n.r.	n.r.	1,712
Incineration	n.r.	n.r.	1,363
Landfill	n.r.	n.r.	0
Other recovery processes	n.r.	n.r.	350
Non-hazardous waste in t	n.r.	n.r.	3,665
Incineration	n.r.	n.r.	741
Landfill	n.r.	n.r.	1,465
Other recovery processes	n.r.	n.r.	1,459
Proportion of non-recycled waste in %	n.r.	n.r.	53.8
Water and Wastewater			
Total water withdrawal in m^3 [14,16]	n.r.	701,568	699,562
Third-party water in m^3	n.r.	672,630	671,825
Ground water in m^3	n.r.	19,119	15,973
Surface water in m^3	n.r.	9,820	11,764
Total water withdrawal from water stress areas in %[19]	n.r.	12.7 [20]	12.9
Certified management systems according to ISO 14001 - Employee coverage as of 31.12. in %	n.r.	53.6	50.6

	FY 2019 (base year)	FY 2022	FY 2023
Sociale Responsibility			
Total employees as of 31.12. [21]	n.r.	15,942	14,614
Women in %	n.r.	38.9	38.7
Age group ≤ 29 years in %	n.r.	20.8	16.4
Age group 30 -49 years in %	n.r.	58.8	61.7
Age group ≥ 50 years in %	n.r.	20.4	21.9
Part-time in %	n.r.	5.6	4.7
Average age	n.r.	39.2	40.2
Women in management positions in %	n.r.	32.9	32.3
Average years of tenure as of 31.12. [21]	n.r.	6.6	7.5
Women	n.r.	6.1	7.1
Men	n.r.	6.8	7.8
< 5 years in %	n.r.	61.1	55.1
5 -15 years in %	n.r.	25.5	30.3
> 15 years in %	n.r.	13.4	14.7
External sustainability-related site audits (PSCI audits)	n.r.	5	5
Employee coverage in %	n.r.	38.5	17.1
Certified management systems according to ISO 45001 - Employee coverage as of 31.12. in %	n.r.	6.9	6.6
Work-related injuries [14,16,22]	n.r.	159	122
Work-related injuries per million hours worked [14,16,22,23]	n.r.	5.8	4.5
Work-related injuries with a serious outcome [14,16,22,24]	n.r.	3	3
Fatal work-related injuries [14,16,22]	n.r.	0	0
Total training hours [25]	n.r.	232,699	276,758
Total average training hours per employee [25]	n.r.	14.8	19.4
Women	n.r.	15.2	18.8
Men	n.r.	14.5	19.7
Total fluctuation rate in %[26]	n.r.	9.2	14.0
Women	n.r.	10.1	15.3
Men	n.r.	8.5	13.2
Age group ≤ 29 years in %	n.r.	13.3	23.9
Age group 30 -49 years in %	n.r.	7.8	11.9
Age group ≥ 50 years in %	n.r.	8.9	12.4
Total new hires rate in %[27]	n.r.	22.9	5.9
Women	n.r.	24.2	6.4
Men	n.r.	22.1	5.6
Age group ≤ 29 years in %	n.r.	44.2	14.1
Age group 30 -49 years in %	n.r.	20.1	4.7
Age group ≥ 50 years in %	n.r.	9.4	3.0
Employee Net Promoter Score	n.r.	29.2	3.1
Corporate Governance[16]			
Employees who completed training on Code of Conduct	n.r.	11,883	11,570
Employee coverage in %	n.r.	75.6	81.1
Employees who completed training on anti-corruption code	n.r.	12,154	11,490
Employee coverage in %	n.r.	77.4	80.5

	FY 2019 (base year)	FY 2022	FY 2023
Sustainable Supply Chains			
Suppliers having signed the Code of Conduct for Business Partners 2023 [28]	n.r.	441	2,675
Coverage purchasing volume in %	n.r.	12	45
Sustainability-related supplier self-assessments as of 31.12. [28,29]	n.r.	654	1,779
Coverage purchasing volume in %[29]	n.r.	49	51
External sustainability-related supplier audits	n.r.	0	0
Coverage purchasing volume in %	n.r.	0	0
Own quality-related supplier audits, which include sustainability aspects	n.r.	125	62
EU-Taxonomy			
Turnover of taxonomy-aligned activities (A.1.) in million €	n.r.	0	0
Proportion of taxonomy-aligned activities of turnover (A.1.) in %	n.r.	0	0
Turnover of taxonomy-eligible activities (Total A.1. + A.2.) in million €	n.r.	0	1,318
Proportion of taxonomy-eligible activities of turnover (Total A.1. + A.2.) in %	n.r.	0	39
Capital expenditures for taxonomy-aligned activities (A.1.) in million €	n.r.	110.5	77.9
Proportion of taxonomy-aligned activities of capital expenditures (A.1.) in %	n.r.	13	5
Capital expenditures for taxonomy-eligible activities (Total A.1. + A.2.) in million €	n.r.	298.5	429.6
Proportion of taxonomy-eligible activities of capital expenditures (Total A.1. + A.2.) in %	n.r.	34	27
Operating expenditures for taxonomy-aligned activities (A.1.) in million €	n.r.	2.1	2.9
Proportion of taxonomy-aligned activities of operating expenditures (A.1.) in %	n.r.	1	2
Operating expenditures for taxonomy-eligible activities (Total A.1. + A.2.) in million €	n.r.	33.0	67.4
Proportion of taxonomy-eligible activities of operating expenditures (Total A.1. + A.2.) in %	n.r.	19	42

1 The data presented contains uncertainties and, with regard to scope 3 emissions and in particular the values for individual categories, should currently be seen as an indication. Explanations on greenhouse gas accounting, including the data concepts and calculation methods used, can be found on page 148 seq. of the non-financial statement.
2 Based on the GHG Protocol (Corporate Accounting and Reporting Standard 2004 and Corporate Value Chain (scope 3) Accounting and Reporting Standard 2011).
3 excluding the Polyplus companies newly acquired in the reporting year
4 based on the data reported by production sites and some administrative sites; excluding the companies newly acquired in the reporting year
5 excluding GHG emissions from the fuel consumption of the vehicle fleet
6 Recording of fugitive emissions currently only in Göttingen and Yauco
7 If no contract-specific emission factor was available for the market-based calculation method, the location-based emission factor was used in accordance with the GHG Protocol
8 The figure for 2023 is only comparable with the previous year's figures to a limited extent, as the calculation basis for 2023 has been expanded and now covers all capital expenditure. Adjustments to the previous year's figures have not been made due to materiality assessments for total GHG emissions.
9 Excluding GHG emissions from commuting by trainees, interns and temporary workers
10 This category is reported as 0 t CO_2eq in accordance with the GHG Protocol, as it cannot currently be adequately accounted for by Sartorius due to the wide range of potential further processing options for the products, each with their own specific GHG profiles, and, according to an assessment, is also not material for the Group's overall GHG balance.
11 GHG accounting currently only covers products whose use requires electricity.
12 This category is reported as 0 t CO_2eq, as the most relevant company investment from a GHG perspective will be reported in the financial year 2023 has been classified as immaterial in the financial reporting and the GHG emissions associated with this equity investment have also been assessed as immaterial for the overall GHG balance.

13 For the "Adjusted GHG intensity: gross GHG emissions per net sales - market-based calculation", only the goods and services actually consumed to produce the products and services sold in the financial year are accounted for in the GHG category "Purchased goods and services" instead of those purchased. This means that the data is adjusted for inventories.
14 The key figures were prepared in accordance with the GRI Standards.
15 Excluding the fuel consumption of the vehicle fleet
16 excluding the Polyplus companies newly acquired in 2023
17 Recycling is defined as the reprocessing of products, components and materials.
18 Classification as hazardous waste is based on local legislation.
19 Water abstraction from water stress areas is defined as water abstraction that is classified as "high" (40 -80 %) or "very high" (> 80 %) according to the World Resources Institute (WRI) "Aqueduct Water Risk Atlas".
20 The previous year was based on the use of the updated World Resources Institute (WRI) "Aqueduct Water Risk Atlas" (version 4.0) from 67.7 % to 12.7 %.
21 Refers to all active employees excluding trainees, interns, temporary workers and inactive employees.
22 Counts all occupational accidents that go beyond first aid, i.e. where a visit to the doctor is required; excluding commuting accidents; refers to all employees who have an employment contract with Sartorius.
23 Working hours refer to all active employees excluding trainees, interns and temporary workers
24 Serious occupational accidents are those that have caused or will cause more than 6 months of absence.
25 Refers only to companies consolidated for the full year.
26 Employee turnover includes voluntary, neutral and involuntary departures from the Group. Departures due to fixed-term contracts and transfers within the Group are not taken into account.
27 New hires only include hires of employees who did not previously have a contract with a Sartorius company and the conversion of contracts of apprentices, trainees and temporary workers into permanent employment.
28 All suppliers entered in the ERP system on the purchasing side were considered. Subsidiaries are covered by the parent company. This figure includes all newly signed documents since 01.10.2022, most of which relate to the updated Code of Conduct from 2022 and in some cases to the outdated Code of Conduct from 2019 as well as mutual recognitions of equivalent codes of conduct.
29 The available sustainability-related self-disclosures on recognized sustainability platforms that are valid according to the platform on the reporting date or whose validity date is not older than two years were counted, provided that a minimum rating defined across all topics was achieved.

GRI Sustainability Indicators

The following table shows the sustainability indicators according to the GRI standard for the Sartorius Group

Reference	Disclosure		Unit	FY 2022	FY 2023
102-4	Number of countries	Countries with at least one consolidated company of the Sartorius Group	Number	36	37 [1]
102-5	Shareholder Structure	Ordinary shares: Administered by an executor (related to ~34.2 million shares outstanding)	%	~ 55	~ 55
		Ordinary shares: Bio-Rad Laboratories Inc.(related to ~34.2 million shares outstanding)	%	~ 38	~ 38
		Ordinary shares: Free float (related to ~34.2 million shares outstanding)	%	~ 7	~ 7
		Preference shares: Free float (related to ~34.2 million shares outstanding)	%	~ 72	~ 72
		Preference shares: Bio-Rad Laboratories Inc. (related to ~34.2 million shares outstanding)	%	~ 28	~ 28
102-7	Employees	Total number of employees	Number	15,942	14,614
	Revenue	Revenue	€ in mn	4,174.7	3,395.7
		Sales revenue Biopreocess Solutions	€ in mn	3,326.5	2,678.2
		Sales revenue Lab Products & Services	€ in mn	848.2	717.5
	Equity	Equity	€ in mn	2,658.9	2,757.4
	Liabilities	Non-current liabilities	€ in mn	2,515.5	5,667.9
		Current liabilities	€ in mn	1,803.4	1,330.0
	Assets	Non-current assets	€ in mn	4,954.6	7,798.5
		Current assets	€ in mn	2,023.2	1,956.9
	Sales revenues by region	EMEA	€ in mn	1,550.6	1,315.9
		Americas	€ in mn	1,543.8	1,280.4
		Asia | Pacific	€ in mn	1,080.3	799.4
	Employees by region and country	Belgium	Number	56	128
		Germany	Number	5,391	5,004
		Finland	Number	347	289
		France	Number	1,615	1,590
		Ireland	Number	29	27
		Israel	Number	189	168
		Italy	Number	84	84
		Netherlands	Number	40	35
		Austria	Number	31	28
		Poland	Number	20	21
		Russia	Number	125	108
		Sweden	Number	102	89
		Switzerland	Number	137	109
		Slovenia	Number	226	237
		Spain	Number	65	64
		South Africa	Number	11	11

Reference	Disclosure		Unit	FY 2022	FY 2023
		Tunisia	Number	663	546
		Turkey	Anzahl	0	33
		Hungary	Number	16	16
		UK	Number	1,194	1,103
		EMEA Total	Number	10,341	9,690
		Argentina	Number	50	50
		Brazil	Number	55	57
		Canada	Number	43	41
		Mexico	Number	82	76
		Puerto Rico	Number	1,390	979
		USA	Number	1,681	1,598
		Americas Total	Number	3,301	2,801
		Australia	Number	42	43
		China	Number	1,016	895
		Hong Kong	Number	7	6
		India	Number	684	614
		Japan	Number	159	166
		Malaysia	Number	16	16
		Singapore	Number	119	115
		South Korea	Number	204	217
		Taiwan, China	Number	33	32
		Thailand	Number	13	13
		Vietnam	Number	7	6
		Asia| Pacific Total	Number	2,300	2,123
		Total	Number	15,942	14,614
102-8	Employees by Employment Contract by Gender	Unlimited contract (female)	Number	5,491	5,132
		Unlimited contract (male)	Number	8,793	8,344
		Unlimited contract Total	Number	14,284	13,476
		Limited contract (female)	Number	714	523
		Limited contract (male)	Number	944	615
		Limited contract Total	Number	1,658	1,138
		Female Total	Number	6,205	5,655
		Male Total	Number	9,737	8,959
		Total	Number	15,942	14,614
	Employees by Employment Contract by Region	Unlimited contract (EMEA)	Number	9,511	9,242
		Unlimited contract (America)	Number	3,293	2,792
		Unlimited contract (Asia|Pacific)	Number	1,480	1,442
		Unlimited contract Total	Number	14,284	13,476
		Limited contract (EMEA)	Number	830	448
		Limited contract (America)	Number	8	9
		Limited contract (Asia|Pacific)	Number	820	681
		Limited contract Total	Number	1,658	1,138
		EMEA Total	Number	10,341	9,690
		America Total	Number	3,301	2,801
		Asia|Pacific Total	Number	2,300	2,123
		Total	Anzahl	15,942	14,614

Reference	Disclosure		Unit	FY 2022	FY 2023
	Employees by Employment Type by Gender	Full-time (female)	Number	5,627	5,160
		Full-time (male)	Number	9,429	8,768
		Full-time total	Number	15,056	13,928
		Part-time (female)	Number	578	495
		Part-time (male)	Number	308	191
		Part-time total	Number	886	686
		Female total	Number	6,205	5,655
		Male total	Number	9,737	8,959
		Total	Number	15,942	14,614
	Workers That are not Employees by Region	Other employees (EMEA)	Number	543	419
		Other employees (America)	Number	10	11
		Other employees (Asia|Pacific)	Number	4	3
		Other employees Total	Number	557	433
		Contingent Workers (EMEA)	Number	322	151
		Contingent Workers (America)	Number	125	41
		Contingent Workers (Asia|Pacific)	Number	152	113
		Contingent Workers Total	Number	599	305
		EMEA Total	Number	865	570
		America Total	Number	135	52
		Asia|Pacific Total	Number	156	116
		Total	Number	1,156	738
102-41	Employees under collective bargaining agreements	Belgium	%	100	100
		Germany	%	83	82
		Finland	%	96	94
		France	%	100	100
		Ireland	%	0	0
		Israel	%	0	0
		Italy	%	100	100
		Netherlands	%	0	0
		Austria	%	0	0
		Poland	%	0	0
		Russia	%	0	0
		Sweden	%	100	100
		Switzerland	%	0	0
		Slovenia	%	0	0
		Spain	%	95	95
		Südafrika	%	0	0
		Tunisia	%	68	68
		Turkey	%	0	0
		Hungary	%	0	0
		UK	%	0	0
		EMEA Total	%	69	69
		Argentina	%	38	38
		Brazil	%	100	100
		Canada	%	0	0
		Mexico	%	0	0
		Puerto Rico	%	76	72

Reference	Disclosure		Unit	FY 2022	FY 2023
		USA	%	0	0
		Americas Total	%	34	28
		Australia	%	0	0
		China	%	0	0
		Hong Kong	%	0	0
		India	%	11	12
		Japan	%	0	0
		Malaysia	%	0	0
		Singapore	%	0	0
		South Korea	%	0	0
		Taiwan, China	%	0	0
		Thailand	%	0	0
		Vietnam	%	0	0
		Asia|Pacific Total	%	3	4
		Total	%	53	52
302-1	Energy Consumption by energy souces	Total energy consumption	MWh	200,715	196,403 [2]
303-3	Water Withdrawal by water sources	Total water withdrawal	m^3	701,568	699,562 [2]
305	GHG Emissions	Total GHG Emissions	tCO_2eq	1,137,703	896,898 [2]
306	Total waste generation by type	Total waste	t	18,733	10,003 [2]
		Non-hazardous waste	t	14,988	4,216
		Residual waste	t	2,410	2,279
		Plastic waste	t	2,113	1,188
		Paper and cardboard	t	1,567	1,491
		Waste wood	t	1,262	995
		Metal waste	t	392	416
		Mixed recyclable materials	t	73	130
		Electrical and electronic waste	t	26	41
		Organic Waste	t	23	43
		Other Waste	t	7,274	1,301
		Hazardous waste	t	3,593	2,122
	Waste Diverted from Disposal by Composition	Total waste diverted from disposal	t	5,502	4,627
		Non-hazardous waste	t	5,046	4,218
		Residual waste	t	158	333
		Plastic waste	t	1,593	819
		Paper and cardboard	t	1,567	1,468
		Wood Waste	t	1,231	965
		Metal waste	t	392	416
		Mixed recyclable materials	t	73	129
		Electrical and electronic waste	t	26	41
		Organic Waste	t	0	22
		Other Waste	t	7	26
		Hazardous waste	t	456	409
	Waste Directed to Disposal by Composition	Total waste directed to Disposal	t	13,230	5,378
		Non-hazardous waste	t	10,093	3,665
		Residual waste	t	2,252	1,946
		Plastic waste	t	520	369
		Paper and cardboard	t	0	23

Reference	Disclosure		Unit	FY 2022	FY 2023
		Waste wood	t	31	30
		Metal waste	t	0	0
		Mixed recyclable materials	t	0	1
		Electrical and electronic waste	t	0	0
		Organic Waste	t	23	20
		Other Waste	t	7,267	1,276
		Hazardous waste	t	3,137	1,713
	Hazardous Waste Directed to Disposal by Disposal	Total hazardous waste directed to disposal by disposal method	t	3,137	1,712
		Incineration (with energy recovery)	t	1,782	516
		Incineration (without energy recovery)	t	1,236	847
		Landfilling	t	7	0
		Other disposal operations	t	113	350
	Non-Hazardous Waste Directed to Disposal by Disposal Operation	Total non-hazardous waste directed to disposal by disposal method	t	10,094	3,554
		Incineration (with energy recovery)	t	6,850	689
		Incineration (without energy recovery)	t	48	52
		Landfilling	t	1,439	1,454
		Other disposal operations	t	1,757	1,359
401-1	New Hires by Region, Gender and Age Group	Female (EMEA)	Number	855	252
		≤ 29 (EMEA)	Number	352	122
		30–49 (EMEA)	Number	432	113
		≥ 50 (EMEA)	Number	71	17
		Male (EMEA)	Number	1,337	313
		≤ 29 (EMEA)	Number	543	119
		30–49 (EMEA)	Number	707	150
		≥ 50 (EMEA)	Number	87	44
		Total (EMEA)	Number	2,192	565
		Female (Americas)	Number	399	61
		≤ 29 (Americas)	Number	163	21
		30–49 (Americas)	Number	172	29
		≥ 50 (Americas)	Number	64	11
		Male (Americas)	Number	492	109
		≤ 29 (Americas)	Number	186	35
		30–49 (Americas)	Number	229	54
		≥ 50 (Americas)	Number	77	20
		Total (Americas)	Number	891	170
		Female (Asia|Pacific)	Number	248	47
		≤ 29 (Asia|Pacific)	Number	79	15
		30–49 (Asia|Pacific)	Number	165	32
		≥ 50 (Asia|Pacific)	Number	4	0
		Male (Asia|Pacific)	Number	321	76
		≤ 29 (Asia|Pacific)	Number	141	25
		30 (Asia|Pacific)	Number	177	48
		≥ 50 (Asia|Pacific)	Number	3	3

Reference	Disclosure		Unit	FY 2022	FY 2023
		Total (Asia|Pacific)	Number	569	123
		Female (Total)	Number	1,502	360
		≤ 29 (Total)	Number	594	158
		30–49 (Total)	Number	769	174
		≥ 50 (Total)	Number	139	28
		Male (Total)	Number	2,150	498
		≤ 29 (Total)	Number	870	179
		30–49 (Total)	Number	1,113	252
		≥ 50 (Total)	Number	167	67
		Total (Total)	Number	3,652	858
	Employee Turnover by Region, Gender and Age Group	Female (EMEA)	Number	350	457
		≤ 29 (EMEA)	Number	101	94
		30–49 (EMEA)	Number	174	261
		≥ 50 (EMEA)	Number	75	102
		Male (EMEA)	Number	454	615
		≤ 29 (EMEA)	Number	141	138
		30–49 (EMEA)	Number	207	326
		≥ 50 (EMEA)	Number	106	151
		Total (EMEA)	Number	804	1,072
		Female (Americas)	Number	169	302
		≤ 29 (Americas)	Number	56	118
		30–49 (Americas)	Number	74	134
		≥ 50 (Americas)	Number	39	50
		Male (Americas)	Number	211	387
		≤ 29 (Americas)	Number	63	135
		30–49 (Americas)	Number	95	171
		≥ 50 (Americas)	Number	53	81
		Total (Americas)	Number	308	689
		Female (Asia|Pacific)	Number	108	105
		≤ 29 (Asia|Pacific)	Number	24	31
		30–49 (Asia|Pacific)	Number	78	69
		≥ 50 (Asia|Pacific)	Number	6	5
		Male (Asia|Pacific)	Number	167	182
		≤ 29 (Asia|Pacific)	Number	54	57
		30 (Asia|Pacific)	Number	103	115
		≥ 50 (Asia|Pacific)	Number	10	10
		Total (Asia|Pacific)	Number	275	287
		Female (Total)	Number	627	864
		≤ 29 (Total)	Number	181	243
		30–49 (Total)	Number	326	464
		≥ 50 (Total)	Number	120	157
		Male (Total)	Number	832	1,184
		≤ 29 (Total)	Number	258	330
		30–49 (Total)	Number	405	612
		≥ 50 (Total)	Number	169	242
		Total (Total)	Number	1,459	2,048

Reference	Disclosure		Unit	FY 2022	FY 2023
401-3	Employees that took parental leave by Gender andRegion[4]	EMEA (female)	Number	187	206
		Americas (female)	Number	48	45
		Asia|Pacific (female)	Number	36	25
		Total (female)	Number	271	276
		EMEA (male)	Number	243	288
		Americas (male)	Number	62	47
		Asia|Pacific (male)	Number	29	1
		Total (male)	Number	334	336
		EMEA (Total)	Number	430	494
		Americas (Total)	Number	110	92
		Asia|Pacific (Total)	Number	65	26
		Total (Total)	Number	605	612
	Employees That Returned to Work in the Reporting Period After Parental Leave Ended by Gender and Region[4]	EMEA (female)	Number	170	185
		Americas (female)	Number	38	39
		Asia|Pacific (female)	Number	19	29
		Total (female)	Number	227	253
		EMEA (male)	Number	238	256
		Americas (male)	Number	57	52
		Asia|Pacific (male)	Number	28	1
		Total (male)	Number	323	309
		EMEA (Total)	Number	408	441
		Americas (Total)	Number	95	91
		Asia|Pacific (Total)	Number	47	30
		Total (Total)	Number	550	562
	Employees That Returned to Work After Parental Leave Ended That Were Still Employed 12 Months After Their Return to Work by Gender and Region[4]	EMEA (female)	Number	125	140
		Americas (female)	Number	6	26
		Asia|Pacific (female)	Number	20	12
		Total (female)	Number	151	178
		EMEA (male)	Number	202	232
		Americas (male)	Number	1	34
		Asia|Pacific (male)	Number	22	4
		Total (male)	Number	225	270
		EMEA (Total)	Number	327	372
		Americas (Total)	Number	7	60
		Asia|Pacific (Total)	Number	42	16
		Total (Total)	Number	376	448
403-9	Work-Related Injuries[4]	Work-related injuries	Number	159	122
404-1	Average Training Hours by Region and Gender[4]	EMEA (female)	Number	14.7	18.7
		Americas (female)	Number	15.7	20.1
		Asia|Pacific (female)	Number	17.3	17.4

Reference	Disclosure		Unit	FY 2022	FY 2023
		Total (female)	Number	15.2	18.8
		EMEA (male)	Number	15.0	19.1
		Americas (male)	Number	13.8	20.5
		Asia|Pacific (male)	Number	13.6	21.4
		Total (male)	Number	14.5	19.7
		EMEA (Total)	Number	14.9	19.0
		Americas (Total)	Number	14.6	20.3
		Asia|Pacific (Total)	Number	14.9	20.1
		Total (Total)	Number	14.8	19.4
405-1	Members of Governance Bodies by Gender and Age Group[5]	≤ 29 (female)	%	0	0
		30–49 (female)	%	0	100
		≥ 50 (female)	%	0	0
		≤ 29 (male)	%	0	0
		30–49 (male)	%	50	33
		≥ 50 (male)	%	50	67
	Employees by Employee Category, Gender and Age Group	Women (Management)	%	32.9	32.3
		≤ 29 (female) (Management)	%	5.1	3.2
		30–49 (female) (Management)	%	70.2	72.7
		≥ 50 (female) (Management)	%	24.8	24.1
		Men (Management)	%	67.1	67.7
		≤ 29 (male) (Management)	%	3.1	2.3
		30–49 (male) (Management)	%	67.3	67.7
		≥ 50 (male) (Management)	%	29.6	30.0
		Total (Management)	%	15.1	15.9
		Women (Employees)	%	40.0	39.9
		≤ 29 (female) (Employees)	%	25.3	20.8
		30–49 (female) (Employees)	%	55.4	58.4
		≥ 50 (female) (Employees)	%	19.3	20.8
		Men (Employees)	%	60.0	60.1
		≤ 29 (male) (Employees)	%	22.8	17.8
		30–49 (male) (Employees)	%	58.4	61.5
		≥ 50 (male) (Employees)	%	18.9	20.7
		Total (Employees)	%	84.9	84.1
		Women (Total)	%	38.9	38.7
		≤ 29 (female) (Total)	%	22.7	18.5
		30–49 (female) (Total)	%	57.2	60.3
		≥ 50 (female) (Total)	%	20.0	21.3
		Men (Total)	%	61.1	61.3
		≤ 29 (male) (Total)	%	19.4	15.1
		30–49 (male) (Total)	%	59.8	62.6
		≥ 50 (male) (Total)	%	20.7	22.4
		Total (Total)	%	100	100
	Employees with disabilities	Employees with disabilities	Number	289	277

1 Argentina, Australia, Austria, Belgium, Brazil, Canada, China, Denmark, Finland, France, Germany, Hong Kong, Hungary, India, Ireland, Israel, Italy, Japan, Malaysia, Mexico, Netherlands, Poland, Puerto Rico, Russia, Singapore, Slovenia, Spain, South Africa, South Korea, Sweden, Switzerland, Taiwan, Thailand, Tunisia, Turkey, UK, USA, Vietnam Slowenien, Spanien, Südafrika, Südkorea, Taiwan, Thailand, Tunesien, Ungarn, USA, Vereinigtes Königreich, Vietnam

2 For further information, see the "Indicators of the Non-financial Group Statement " on page 148
3 Excluding expiring fixed-term contracts.
4 Excluding the companies newly acquired in the reporting year.
5 Members of the Supervisory Board and the Executive Board as at 31.12.

SARTORIUS

Indices

03

GRI Index

This report was created based on the GRI standards. The following index provides the page references for required disclosures.

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Ecology

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305-4	GHG Emissions Intensity	90 seq.
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103	Management Approach	99 seq.
404-1	Average Hours of Training per Year per Employee	99 seq., 155 seq.
404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	99 seq.
	GRI 405: Diversity and Equal Opportunity 2016	
103	Management Approach	99 seq.
405-1	Diversity of Governance Bodies and Employees	74 seq.
	GRI 406: Non-Discrimination 2016	
103	Management Approach	99 seq.
406-1	Incidents of Discrimination and Corrective Actions Taken	99 seq.
	GRI 412: Human Rights Assessment	
103	Management Approach	99 seq.
412-2	Employee Training on Human Rights Policies or Procedures	103
	GRI 414: Supplier Social Assessment 2016	
103	Management Approach	103 seq.
414-2	Schulungen für Angestellte zu Menschenrechtspolitik und -verfahren	103
	GRI 415: Public Policy 2016	
103	Management Approach	103
415-1	Political Contributions	Keine
	GRI 419: Socioeconomic Compliance 2016	
103	Management Approach	99 seq.
419-1	Non-Compliance with Laws and Regulations in the Social and Economic Area	99 seq.

UN Global Compact Index

The following index presents the sustainability activities described in the context of the principles of the UN Global Compact.

Topic area	Principle	Page
Human Rights	1. Businesses should support and respect the protection of internationally proclaimed human rights	74 seq., 99 seq., 103 seq.
	2. Make sure that they are not complicit in human rights abuses.	74 seq., 99 seq., 103 seq.
Labor	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	74 seq., 99 seq., 103 seq.
	4. The elimination of all forms of forced and compulsory labor.	74 seq., 99 seq., 103 seq.
	5. The effective abolition of child labor.	74 seq., 99 seq., 103 seq.
	6. The elimination of discrimination in respect of employment and occupation.	74 seq., 99 seq., 103 seq.
Environment	7. Businesses should support a precautionary approach to environmental challenges.	87 seq., 90 seq., 99 seq., 103 seq.
	8. Undertake initiatives to promote greater environmental responsibility	87 seq., 90 seq., 99 seq., 103 seq.
	9. Encourage the development and diffusion of environmentally friendly technologies.	11 seq., 87 seq., 90 seq., 99 seq., 103 seq.
Corruption prevention	10. Businesses should work against corruption in all its forms, including extortion and bribery.	99 seq., 103 seq.

TCFD Index

The following index shows the described sustainability activities of the Sartorius Group in the context of the disclosure recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) for climate reporting.

Disclosure	Page
Governance: Disclose the organization's governance around climate related risks and opportunities.	
a) Describe the board's oversight of climate-related risks and opportunities.	52 seq., 88, 90 seq.
b) Describe management's role in assessing and managing climate-related risks and opportunities.	52 seq., 88, 90 seq.
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and longterm.	52 seq.
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	52 seq.
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	52 seq., 90 seq.
Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks.	
a) Describe the organization's processes for identifying and assessing climate-related risks.	52 seq., 90 seq.
b) Describe the organization's processes for managing climate-related risks.	52 seq., 90 seq.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	52 seq., 90 seq.
Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
a) Disclose the metrics used by the organization to assess climaterelated risks and opportunities in line with its strategy and risk management process.	90 seq.
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	90 seq.
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	90 seq.

SDG Index

The following index shows the sustainability activities of the Sartorius Group in the context of the United Nations Sustainable Development Goals (SDGs).

Goal		Page
SDG 3	**Good health and well-being**	11 seq.
SDG 4	**Quality education**	99 seq.
SDG 5	**Gender equality**	99 seq.
SDG 6	**Clean water and sanitation**	98 seq.
SDG 8	**Decent work and economic growth**	99 seq., 103 seq.
SDG 9	**Industry, innovation and infrastructure**	90 seq., 94 seq., 98 seq., 103 seq.
SDG 12	**Responsible consumption and production**	8 seq., 90 seq., 94 seq., 98 seq., 103 seq.
SDG 13	**Climate action**	90 seq., 103 seq.
SDG 17	**Partnerships for the goals**	8 seq., 90 seq., 94 seq., 98 seq., 103 seq.

SARTORIUS

Information on Sartorius Stedim Biotech Subgroup

04

Indicators of the Non-financial Group Statement

The Sartorius Stedim Biotech subgroup falls under the non-financial group statement of Sartorius AG and is exempt from preparing its own non-financial statement. The following table breaks down the specific sustainability indicators from the non-financial group statement for the Sartorius Stedim Biotech subgroup. The GHG emissions in Scope 3 were allocated based on sales.

Focus topic sustainability / indicator	FY 2019 (base year)	FY 2022	FY 2023
Climate[1,2]			
Gross GHG emissions - scope 1 in t CO_2eq[5,6]	11,943 [4]	16,035 [4]	9,926 [3]
Share of Scope 1 GHG emissions under regulated emission trading schemes in %	0	0	0
Gross GHG emissions - scope 2 - location-based calculation in t CO2eq	26,217 [4]	45,929 [4]	38,405 [3]
Gross GHG emissions - scope 2 - market-based calculation in t CO_2eq[7]	22,253 [4]	24,283 [4]	22,937 [3]
Gross GHG emissions – scope 3 t CO_2eq	400,674	872,840	700,146
Category 1: "Purchased goods and services" in t CO_2eq	178,835	417,529	260,542
Category 2: „Capital goods" in t CO_2eq	27,669	76,394	137,654
Category 3: „Fuel- and energy-related activities (nicht in Scope 1 und 2 enthalten)" in t CO_2eq	4,915	9,058	5,962
Category 4: „Upstream transportation and distribution" in t CO_2eq	43,069	102,988	60,152
Category 5: „Waste generated in operations" in t CO_2eq	3,016	7,388	4,656
Category 6: „Business travel" in t CO_2eq	19,570	16,854	17,210
Category 7: „Employee commuting" in t CO_2eq[9]	11,264	17,642	14,728
Category 8: „Uptream leased assets" in t CO_2eq	0	0	0
Category 9: „Downstream transportation and distribution" in t CO_2eq	3,661	8,754	5,113
Category 10: „Processing of sold products" in t CO_2eq[10]	0	0	0
Category 11: „Use of sold products" in t CO_2eq[11]	81,470	177,710	151,606
Category 12: „End-of-life treatment of sold products" in t CO_2eq	27,207	38,523	42,524
Category 13: „Downstream leased assets" in t CO_2eq	0	0	0
Category 14: „Franchises" in t CO_2eq	0	0	0
Category 15: „Investments" in t CO_2eq[12]	0	0	0
Total gross GHG emissions (scope 1, 2 and 3) - location-based calculation in t CO_2eq	438,835	934,804	748,477
Total gross GHG emissions (scope 1, 2 and 3) - market-based calculation in t CO_2eq[7]	434,871	913,158	733,009
Total GHG removals in t CO_2eq	0	0	0
Total net GHG emissions (scope 1, 2 and 3) - location-based calculation in t CO_2eq	438,835	934,804	748,477
Total net GHG emissions (scope 1, 2 and 3) - market-based calculation in t CO_2eq[7]	434,871	913,158	733,009
Gross GHG intensity - location-based calculation per net turnover in t CO_2eq / €	0.000320	0.000281	0.000220
Gross GHG intensity - market-based calculation per net turnover in t CO_2eq / €[7]	0.000317	0.000275	0.000216
Adjusted gross GHG intensity - market-based calculation per net turnover in g CO_2eq / €[13]	n.r.	n.r.	n.r.

	FY 2019 (base year)	FY 2022	FY 2023
Average annual reduction compared to the base year 2019 in % (strategic consideration)	n.r.	n.r.	n.r.
Total energy consumption in MWh[14,15,16]	n.r.	170,318	195,522
Renewable energy consumption in MWh	n.r.	52,859	69,228
Purchased certified renewable electricity in MWh	n.r.	51,759	65,110
Self-generated solar energy in MWh	n.r.	506	2,089
Purchased geothermal energy in MWh	n.r.	594	441
Other renewable energy in MWh	n.r.	0	1,589
Non-renewable energy consumption in MWh	n.r.	117,459	126,294
Purchased natural gas in MWh	n.r.	51,519	53,884
Purchased non-renewable electricity in MWh	n.r.	47,422	57,289
Purchased district heating in MWh	n.r.	6,287	8,872
Purchased diesel in MWh	n.r.	8,792	4,459
Purchased heating oil in MWh	n.r.	2,406	1,199
Purchased district cooling in MWh	n.r.	815	590
Purchased LPG in MWh	n.r.	218	0
Total share of renewable energy in %	n.r.	31.0	35.4
Certified management systems according to ISO 50001 -	n.r.	29.3	29.2
Materials and Circularity			
Total waste generated in t[14,16]	n.r.	16,991	8,555
Waste diverted from disposal	n.r.	n.r.	3,809
Hazardous waste in t[18]	n.r.	n.r.	219
Preparation for reuse	n.r.	n.r.	0
Recycling[17]	n.r.	n.r.	219
Other recovery processes	n.r.	n.r.	0
Non-hazardous waste in t[18]	n.r.	n.r.	3,590
Preparation for reuse	n.r.	n.r.	0
Recycling[17]	n.r.	n.r.	3,590
Other recovery processes	n.r.	n.r.	0
Waste for disposal	n.r.	n.r.	4,746
Hazardous waste [18]	n.r.	n.r.	1,441
Incineration	n.r.	n.r.	1,341
Landfill	n.r.	n.r.	0
Other recovery processes	n.r.	n.r.	100
Non-hazardous waste in t	n.r.	n.r.	3,305
Incineration	n.r.	n.r.	640
Landfill	n.r.	n.r.	1,231
Other recovery processes	n.r.	n.r.	1,433
Proportion of non-recycled waste in %	n.r.	n.r.	55.5
Water and Wastewater			
Total water withdrawal in m^3 [14,16]	n.r.	667,255	699,777
Third-party water in m^3	n.r.	638,317	672,040
Ground water in m^3	n.r.	19,119	15,973
Surface water in m^3	n.r.	9,820	11,764
Total water withdrawal from water stress areas in %[19]	n.r.	11.1	11.5 [20]
Certified management systems according to ISO 14001 - Employee coverage as of 31.12. in %	n.r.	60.4	57.4

	FY 2019 (base year)	FY 2022	FY 2023
Sociale Responsibility			
Total employees as of 31.12. [21]	n.r.	11,934	10,662
Women in %	n.r.	38.9	38.7
Age group ≤ 29 years in %	n.r.	22.9	18.0
Age group 30 -49 years in %	n.r.	58.3	61.8
Age group ≥ 50 years in %	n.r.	18.8	20.3
Part-time in %	n.r.	5.6	4.4
Average age	n.r.	38.5	39.5
Women in management positions in %	n.r.	34.2	33.6
Average years of tenure as of 31.12. [21]	n.r.	5.9	6.9
Women	n.r.	5.6	6.6
Men	n.r.	6.1	7.1
< 5 years in %	n.r.	64.3	57.8
5 -15 years in %	n.r.	24.6	29.8
> 15 years in %	n.r.	11.1	12.4
External sustainability-related site audits (PSCI audits)	n.r.	5	5
Employee coverage in %	n.r.	38.5	17.1
Certified management systems according to ISO 45001 - Employee coverage as of 31.12. in %	n.r.	7.6	7.4
Work-related injuries [14,16,22]	n.r.	141	96
Work-related injuries per million hours worked [14,16,22,23]	n.r.	6.9	5.3
Work-related injuries with a serious outcome [14,16,22,24]	n.r.	2	4
Fatal work-related injuries [14,16,22]	n.r.	0	0
Total training hours [25]	n.r.	175,579	205,697
Total average training hours per employee [25]	n.r.	15.0	19.8
Women	n.r.	15.2	18.4
Men	n.r.	14.8	20.6
Total fluctuation rate in %[26]	n.r.	9.3	16.1
Women	n.r.	10.3	17.6
Men	n.r.	8.7	15.1
Age group ≤ 29 years in %	n.r.	13.3	27.1
Age group 30 -49 years in %	n.r.	8.0	13.5
Age group ≥ 50 years in %	n.r.	8.7	14.1
Total new hires rate in %[27]	n.r.	22.8	5.2
Women	n.r.	24.2	5.7
Men	n.r.	21.9	4.9
Age group ≤ 29 years in %	n.r.	40.7	12.7
Age group 30 -49 years in %	n.r.	19.9	3.9
Age group ≥ 50 years in %	n.r.	10.0	2.5
Employee Net Promoter Score	n.r.	n.r.	n.r.
Corporate Governance[16]			
Employees who completed training on Code of Conduct	n.r.	8,785	8,352
Employee coverage in %	n.r.	74.8	80.3
Employees who completed training on anti-corruption code	n.r.	8,998	8,297
Employee coverage in %	n.r.	76.6	79.8

	FY 2019 (base year)	FY 2022	FY 2023
Sustainable Supply Chains			
Suppliers having signed the Code of Conduct for Business Partners 2023 [28]	n.r.	n.r.	n.r.
Coverage purchasing volume in %	n.r.	n.r.	n.r.
Sustainability-related supplier self-assessments as of 31.12. [28,29]	n.r.	n.r.	n.r.
Coverage purchasing volume in %[29]	n.r.	n.r.	n.r.
External sustainability-related supplier audits	n.r.	0	0
Coverage purchasing volume in %	n.r.	0	0
Own quality-related supplier audits, which include sustainability aspects	n.r.	96	38
EU-Taxonomy			
Turnover of taxonomy-aligned activities (A.1.) in million €	n.r.	0	0
Proportion of taxonomy-aligned activities of turnover (A.1.) in %	n.r.	0	0
Turnover of taxonomy-eligible activities (Total A.1. + A.2.) in million €	n.r.	0	843
Proportion of taxonomy-eligible activities of turnover (Total A.1. + A.2.) in %	n.r.	0	30
Capital expenditures for taxonomy-aligned activities (A.1.) in million €	n.r.	103.1	77.7
Proportion of taxonomy-aligned activities of capital expenditures (A.1.) in %	n.r.	14	5
Capital expenditures for taxonomy-eligible activities (Total A.1. + A.2.) in million €	n.r.	244.1	344.6
Proportion of taxonomy-eligible activities of capital expenditures (Total A.1. + A.2.) in %	n.r.		24
Operating expenditures for taxonomy-aligned activities (A.1.) in million €	n.r.	n.r.	2.5
Proportion of taxonomy-aligned activities of operating expenditures (A.1.) in %	n.r.	n.r.	2
Operating expenditures for taxonomy-eligible activities (Total A.1. + A.2.) in million €	n.r.	n.r.	45.1
Proportion of taxonomy-eligible activities of operating expenditures (Total A.1. + A.2.) in %	n.r.	n.r.	36

1 The data presented contains uncertainties and, with regard to scope 3 emissions and in particular the values for individual categories, should currently be seen as an indication. Explanations on greenhouse gas accounting, including the data concepts and calculation methods used, can be found on page 148 seq. of the non-financial statement.
2 Based on the GHG Protocol (Corporate Accounting and Reporting Standard 2004 and Corporate Value Chain (scope 3) Accounting and Reporting Standard 2011).
3 excluding the Polyplus companies newly acquired in the reporting year
4 based on the data reported by production sites and some administrative sites; excluding the companies newly acquired in the reporting year
5 excluding GHG emissions from the fuel consumption of the vehicle fleet
6 Recording of fugitive emissions currently only in Göttingen and Yauco
7 If no contract-specific emission factor was available for the market-based calculation method, the location-based emission factor was used in accordance with the GHG Protocol
8 The figure for 2023 is only comparable with the previous year's figures to a limited extent, as the calculation basis for 2023 has been expanded and now covers all capital expenditure. Adjustments to the previous year's figures have not been made due to materiality assessments for total GHG emissions.
9 Excluding GHG emissions from commuting by trainees, interns and temporary workers
10 This category is reported as 0 t CO_2eq in accordance with the GHG Protocol, as it cannot currently be adequately accounted for by Sartorius due to the wide range of potential further processing options for the products, each with their own specific GHG profiles, and, according to an assessment, is also not material for the Group's overall GHG balance.
11 GHG accounting currently only covers products whose use requires electricity.
12 This category is reported as 0 t CO_2eq, as the most relevant company investment from a GHG perspective will be reported in the financial year 2023 has been classified as immaterial in the financial reporting and the GHG emissions associated with this equity investment have also been assessed as immaterial for the overall GHG balance.

13 For the "Adjusted GHG intensity: gross GHG emissions per net sales - market-based calculation", only the goods and services actually consumed to produce the products and services sold in the financial year are accounted for in the GHG category "Purchased goods and services" instead of those purchased. This means that the data is adjusted for inventories.
14 The key figures were prepared in accordance with the GRI Standards.
15 Excluding the fuel consumption of the vehicle fleet
16 excluding the Polyplus companies newly acquired in 2023
17 Recycling is defined as the reprocessing of products, components and materials.
18 Classification as hazardous waste is based on local legislation.
19 Water abstraction from water stress areas is defined as water abstraction that is classified as "high" (40 -80 %) or "very high" (> 80 %) according to the World Resources Institute (WRI) "Aqueduct Water Risk Atlas".
20 The previous year was based on the use of the updated World Resources Institute (WRI) "Aqueduct Water Risk Atlas" (version 4.0) from 76.4 % to 11.1 %.
21 Refers to all active employees excluding trainees, interns, temporary workers and inactive employees.
22 Counts all occupational accidents that go beyond first aid, i.e. where a visit to the doctor is required; excluding commuting accidents; refers to all employees who have an employment contract with Sartorius.
23 Working hours refer to all active employees excluding trainees, interns and temporary workers
24 Serious occupational accidents are those that have caused or will cause more than 6 months of absence.
25 Refers only to companies consolidated for the full year.
26 Employee turnover includes voluntary, neutral and involuntary departures from the Group. Departures due to fixed-term contracts and transfers within the Group are not taken into account.
27 New hires only include hires of employees who did not previously have a contract with a Sartorius company and the conversion of contracts of apprentices, trainees and temporary workers into permanent employment.
28 All suppliers entered in the ERP system on the purchasing side were considered. Subsidiaries are covered by the parent company. This figure includes all newly signed documents since 01.10.2022, most of which relate to the updated Code of Conduct from 2022 and in some cases to the outdated Code of Conduct from 2019 as well as mutual recognitions of equivalent codes of conduct.
29 The available sustainability-related self-disclosures on recognized sustainability platforms that are valid according to the platform on the reporting date or whose validity date is not older than two years were counted, provided that a minimum rating defined across all topics was achieved.

GRI Sustainability Indicators

The following table shows the sustainability indicators according to the GRI standard for the Sartorius Stedim Biotech subgroup.

Reference	Disclosure		Unit	FY 2022	FY 2023
102-4	Number of countries	Countries with at least one consolidated company of the Sartorius Group	Number	28	29 [1]
102-5	Shareholder structure	Sartorius AG	%	73.6	73.6
		Free float	%	26.4	26.4
102-7	Employees	Total number of employees	Number	11,934	10,662
	Revenue	Revenue	€ in mn	3,492.7	2,775.5
	Equity	Equity	€ in mn	2,514.2	2,673.2
	Liabilities	Non-current liabilities	€ in mn	1,515.3	4,129.4
		Current liabilities	€ in mn	1,035.9	937.3
	Assets	Non-current assets	€ in mn	3,394.2	6,324.8
		Current assets	€ in mn	1,671.2	1,415.1
	Sales revenues by region	EMEA	€ in mn	1,318.8	1,093.4
		Americas	€ in mn	1,277.8	1,054.0
		Asia | Pacific	€ in mn	896.2	628.1
	Employees by region and country	Austria	Number	17	17
		Belgium	Number	40	111
		Finland	Number	17	15
		France	Number	1,502	1,467
		Germany	Number	3,768	3,385
		Hungary	Number	4	5
		Ireland	Number	24	21
		Israel	Number	162	143
		Italy	Number	44	43
		Netherlands	Number	23	18
		Poland	Number	9	10
		Russia	Number	41	34
		Slovenia	Number	226	237
		Spain	Number	45	42
		Sweden	Number	102	89
		Switzerland	Number	137	109
		Tunisia	Number	663	546
		Turkey	Number	0	33
		UK	Number	1,060	970
		EMEA Total	Number	7,884	7,295
		Puerto Rico	Number	1,390	979
		USA	Number	1,030	965
		America Total	Number	2,420	1,944
		Australia	Number	21	24
		China	Number	610	454
		India	Number	614	549
		Japan	Number	62	64
		Malaysia	Number	5	5

Reference	Disclosure		Unit	FY 2022	FY 2023
		Singapore	Number	88	84
		South Korea	Number	197	211
		Taiwan	Number	33	32
		Asia | Pacific Total	Number	1,630	1,423
		Total	Number	11,934	10,662
102-8	Employees by Employment Contract by Gender	Unlimited contract (female)	Number	4,134	3,798
		Unlimited contract (male)	Number	6,542	6,079
		Unlimited contract Total	Number	10,676	9,877
		Limited contract (female)	Number	512	327
		Limited contract (male)	Number	746	458
		Limited contract Total	Number	1,258	785
		Female Total	Number	4,646	4,125
		Male Total	Number	7,288	6,537
		Total	Number	11,934	10,662
	Employees by Employment Contract by Region	Unlimited contract (EMEA)	Number	7,204	6,924
		Unlimited contract (America)	Number	2,416	1,940
		Unlimited contract (Asia|Pacific)	Number	1,056	1,013
		Unlimited contract Total	Number	10,676	9,877
		Limited contract (EMEA)	Number	680	371
		Limited contract (America)	Number	4	4
		Limited contract (Asia|Pacific)	Number	574	410
		Limited contract Total	Number	1,258	785
		EMEA Total	Number	7,884	7,295
		America Total	Number	2,420	1,944
		Asia|Pacific Total	Number	1,630	1,423
		Total	Number	11,934	10,662
	Employees by Employment Type by Gender	Full-time (female)	Number	4,214	3,776
		Full-time (male)	Number	7,046	6,412
		Full-time total	Number	11,260	10,188
		Part-time (female)	Number	432	349
		Part-time (male)	Number	242	125
		Part-time total	Number	674	474
		Female total	Number	4,646	4,125
		Male total	Number	7,288	6,537
		Total	Number	11,934	10,662
	Workers That are not Employees by Region	Other employees (EMEA)	Number	224	119
		Other employees (America)	Number	0	3
		Other employees (Asia|Pacific)	Number	3	2
		Other employees Total	Number	227	124
		Contingent Workers (EMEA)	Number	305	149
		Contingent Workers (America)	Number	95	22
		Contingent Workers (Asia|Pacific)	Number	136	101
		Contingent Workers Total	Number	536	272
		EMEA Total	Number	529	268
		America Total	Number	95	25

Reference	Disclosure		Unit	FY 2022	FY 2023
		Asia|Pacific Total	Number	139	103
		Total	Number	763	396
102-41	Employees under collective bargaining agreements	Austria	%	0	0
		Belgium	%	100	100
		Finland	%	53	40
		France	%	100	100
		Germany	%	84	83
		Hungary	%	0	0
		Ireland	%	0	0
		Israel	%	0	0
		Italy	%	100	100
		Netherlands	%	0	0
		Poland	%	0	0
		Russia	%	0	0
		Slovenia	%	0	0
		Spain	%	100	100
		Sweden	%	100	100
		Switzerland	%	0	0
		Tunisia	%	68	68
		Turkey	%	0	0
		UK	%	0	0
		EMEA Total	%	68	67
		Puerto Rico	%	76	72
		USA	%	0	0
		Americas Total	%	44	36
		Australia	%	0	0
		China	%	0	0
		India	%	13	14
		Japan	%	0	0
		Malaysia	%	0	0
		Singapore	%	0	0
		South Korea	%	0	0
		Taiwan	%	0	0
		Asia | Pacific Total	%	5	5
		Total	%	54	53
302-1	Energy Consumption by energy souces	Total energy consumption	MWh	170,318	195,522 [2]
303-3	Water Withdrawal by water sources	Total water withdrawal	m^3	667,255	699,777 [2]
305	GHG Emissions	Total GHG Emissions	tCO_2eq	934,804	748,477 [2]
306	Total waste generation by type	Total waste	t	16,991	8,555 [2]
		Non-hazardous waste	t	13,609	6,894
		Residual waste	t	1,748	1,934
		Plastic waste	t	1,826	1,088
		Paper and cardboard	t	1,268	1,158
		Waste wood	t	1,204	963
		Metal waste	t	211	263
		Mixed recyclable materials	t	49	129
		Electrical and electronic waste	t	21	30
		Organic Waste	t	8	29

Reference	Disclosure		Unit	FY 2022	FY 2023
		Other Waste	t	7,274	1,300
		Hazardous waste	t	3,382	1,661
	Waste Diverted from Disposal by Composition	Total waste diverted from disposal	t	4,508	3,809
		Non-hazardous waste	t	4,235	3,590
		Residual waste	t	76	299
		Plastic waste	t	1,425	751
		Paper and cardboard	t	1,268	1,135
		Wood Waste	t	1,178	936
		Metal waste	t	211	263
		Mixed recyclable materials	t	49	129
		Electrical and electronic waste	t	21	30
		Organic Waste	t	0	23
		Other Waste	t	7	24
		Hazardous waste	t	273	219
	Waste Directed to Disposal by Composition	Total waste directed to Disposal	t	12,483	4,746
		Non-hazardous waste	t	9,374	3,304
		Residual waste	t	1,672	1,635
		Plastic waste	t	401	337
		Paper and cardboard	t	0	23
		Waste wood	t	26	27
		Metal waste	t	0	0
		Mixed recyclable materials	t	0	0
		Electrical and electronic waste	t	0	0
		Organic Waste	t	8	6
		Other Waste	t	7,267	1,276
		Hazardous waste	t	3,109	1,442
	Hazardous Waste Directed to Disposal by Disposal	Total hazardous waste directed to disposal by disposal method	t	3,109	1,442
		Incineration (with energy recovery)	t	1,782	516
		Incineration (without energy recovery)	t	1,210	826
		Landfilling	t	7	0
		Other disposal operations	t	110	100
	Non-Hazardous Waste Directed to Disposal by Disposal Operation	Total non-hazardous waste directed to disposal by disposal method	t	9,374	1,433
		Incineration (with energy recovery)	t	6,716	0
		Incineration (without energy recovery)	t	7	0
		Landfilling	t	927	0
		Other disposal operations	t	1,723	1,433
401-1	New Hires by Region, Gender and Age Group	Female (EMEA)	Number	659	175
		≤ 29 (EMEA)	Number	266	96
		30–49 (EMEA)	Number	337	71
		≥ 50 (EMEA)	Number	56	8

Reference	Disclosure		Unit	FY 2022	FY 2023
		Male (EMEA)	Number	982	193
		≤ 29 (EMEA)	Number	404	82
		30–49 (EMEA)	Number	512	85
		≥ 50 (EMEA)	Number	66	26
		Total (EMEA)	Number	1,641	368
		Female (Americas)	Number	303	30
		≤ 29 (Americas)	Number	133	12
		30–49 (Americas)	Number	124	13
		≥ 50 (Americas)	Number	46	5
		Male (Americas)	Number	370	66
		≤ 29 (Americas)	Number	152	22
		30–49 (Americas)	Number	165	32
		≥ 50 (Americas)	Number	53	12
		Total (Americas)	Number	673	96
		Female (Asia|Pacific)	Number	162	29
		≤ 29 (Asia|Pacific)	Number	52	11
		30–49 (Asia|Pacific)	Number	108	18
		≥ 50 (Asia|Pacific)	Number	2	0
		Male (Asia|Pacific)	Number	243	60
		≤ 29 (Asia|Pacific)	Number	105	21
		30 (Asia|Pacific)	Number	136	36
		≥ 50 (Asia|Pacific)	Number	2	3
		Total (Asia|Pacific)	Number	405	89
		Female (Total)	Number	1,124	234
		≤ 29 (Total)	Number	451	119
		30–49 (Total)	Number	569	102
		≥ 50 (Total)	Number	104	13
		Male (Total)	Number	1,595	319
		≤ 29 (Total)	Number	661	125
		30–49 (Total)	Number	813	153
		≥ 50 (Total)	Number	121	41
		Total (Total)	Number	2,719	553
	Employee Turnover by Region, Gender and Age Group	Female (EMEA)	Number	282	384
		≤ 29 (EMEA)	Number	85	83
		30–49 (EMEA)	Number	142	215
		≥ 50 (EMEA)	Number	55	86
		Male (EMEA)	Number	352	499
		≤ 29 (EMEA)	Number	118	122
		30–49 (EMEA)	Number	166	273
		≥ 50 (EMEA)	Number	68	104
		Total (EMEA)	Number	634	883
		Female (Americas)	Number	125	259
		≤ 29 (Americas)	Number	49	108
		30–49 (Americas)	Number	50	111
		≥ 50 (Americas)	Number	26	40
		Male (Americas)	Number	155	337

Reference	Disclosure		Unit	FY 2022	FY 2023
		≤ 29 (Americas)	Number	49	124
		30–49 (Americas)	Number	69	144
		≥ 50 (Americas)	Number	37	69
		Total (Americas)	Number	280	596
		Female (Asia|Pacific)	Number	72	82
		≤ 29 (Asia|Pacific)	Number	18	28
		30–49 (Asia|Pacific)	Number	51	53
		≥ 50 (Asia|Pacific)	Number	3	1
		Male (Asia|Pacific)	Number	127	153
		≤ 29 (Asia|Pacific)	Number	44	54
		30 (Asia|Pacific)	Number	77	94
		≥ 50 (Asia|Pacific)	Number	6	5
		Total (Asia|Pacific)	Number	199	235
		Female (Total)	Number	479	725
		≤ 29 (Total)	Number	152	219
		30–49 (Total)	Number	243	379
		≥ 50 (Total)	Number	84	127
		Male (Total)	Number	634	989
		≤ 29 (Total)	Number	211	300
		30–49 (Total)	Number	312	511
		≥ 50 (Total)	Number	111	178
		Total (Total)	Number	1,113	1,714
401-3	Employees that took parental leave by Gender and Region[4]	EMEA (female)	Number	156	165
		Americas (female)	Number	37	31
		Asia|Pacific (female)	Number	26	16
		Total (female)	Number	219	212
		EMEA (male)	Number	195	200
		Americas (male)	Number	48	34
		Asia|Pacific (male)	Number	28	1
		Total (male)	Number	271	235
		EMEA (Total)	Number	351	365
		Americas (Total)	Number	85	65
		Asia|Pacific (Total)	Number	54	17
		Total (Total)	Number	490	447
	Employees That Returned to Work in the Reporting Period After Parental Leave Ended by Gender and Region[4]	EMEA (female)	Number	133	155
		Americas (female)	Number	28	26
		Asia|Pacific (female)	Number	14	21
		Total (female)	Number	175	202
		EMEA (male)	Number	188	177
		Americas (male)	Number	45	37
		Asia|Pacific (male)	Number	27	1
		Total (male)	Number	260	215
		EMEA (Total)	Number	321	332

Reference	Disclosure		Unit	FY 2022	FY 2023
		Americas (Total)	Number	73	63
		Asia|Pacific (Total)	Number	41	22
		Total (Total)	Number	435	417
	Employees That Returned to Work After Parental Leave Ended That Were Still Employed 12 Months After Their Return to Work by Gender and Region[4]	EMEA (female)	Number	92	108
		Americas (female)	Number	3	18
		Asia|Pacific (female)	Number	16	10
		Total (female)	Number	111	136
		EMEA (male)	Number	147	181
		Americas (male)	Number	1	22
		Asia|Pacific (male)	Number	18	3
		Total (male)	Number	166	206
		EMEA (Total)	Number	239	289
		Americas (Total)	Number	4	40
		Asia|Pacific (Total)	Number	34	13
		Total (Total)	Number	277	342
403-9	Work-Related Injuries[4]	Work-related injuries	Number	141	96
404-1	Average Training Hours by Region and Gender[4]	EMEA (female)	Number	14.7	18.1
		Americas (female)	Number	14.2	19.4
		Asia|Pacific (female)	Number	19.9	18.8
		Total (female)	Number	15.2	18.4
		EMEA (male)	Number	15.5	20.0
		Americas (male)	Number	12.5	20.6
		Asia|Pacific (male)	Number	14.6	23.1
		Total (male)	Number	14.8	20.6
		EMEA (Total)	Number	15.2	19.3
		Americas (Total)	Number	13.2	20.1
		Asia|Pacific (Total)	Number	16.3	21.8
		Total (Total)	Number	15.0	19.8
405-1	Members of Governance Bodies by Gender and Age Group[5]	≤ 29 (female)	%	n.r.	n.r.
		30–49 (female)	%	n.r.	n.r.
		≥ 50 (female)	%	n.r.	n.r.
		≤ 29 (male)	%	n.r.	n.r.
		30–49 (male)	%	n.r.	n.r.
		≥ 50 (male)	%	n.r.	n.r.
	Employees by Employee Category, Gender and Age Group	Women (Management)	%	34.2	33.6
		≤ 29 (female) (Management)	%	5.7	3.5
		30–49 (female) (Management)	%	70.2	73.5
		≥ 50 (female) (Management)	%	24.1	23.0
		Men (Management)	%	65.8	66.4
		≤ 29 (male) (Management)	%	3.9	2.8
		30–49 (male) (Management)	%	68.4	68.8

Reference	Disclosure		Unit	FY 2022	FY 2023
		≥ 50 (male) (Management)	%	27.7	28.4
		Total (Management)	%	15.1	15.9
		Women (Employees)	%	39.8	39.7
		≤ 29 (female) (Employees)	%	28.1	23.1
		30–49 (female) (Employees)	%	53.5	56.8
		≥ 50 (female) (Employees)	%	18.4	20.1
		Men (Employees)	%	60.2	60.3
		≤ 29 (male) (Employees)	%	25.0	19.2
		30–49 (male) (Employees)	%	58.3	62.4
		≥ 50 (male) (Employees)	%	16.7	18.4
		Total (Employees)	%	84.9	84.1
		Women (Total)	%	38.9	38.7
		≤ 29 (female) (Total)	%	25.1	20.4
		30–49 (female) (Total)	%	55.7	59.1
		≥ 50 (female) (Total)	%	19.2	20.5
		Men (Total)	%	61.6	61.3
		≤ 29 (male) (Total)	%	21.5	16.4
		30–49 (male) (Total)	%	59.9	63.5
		≥ 50 (male) (Total)	%	18.5	20.1
		Total (Total)	%	100	100
	Employees with disabilities	Employees with disabilities	Number	210	195

1 Australia, Austria, Belgium, China, Finland, France, Germany, Hungary, India, Ireland, Israel, Italy, Japan, Malaysia, Netherlands, Poland, Puerto Rico, Russia, Slovenia, Sweden, Switzerland, Singapore, Spain, South Korea, Taiwan, Tunisia, Turkey, UK, USA
2 For further information, see "Indicators of the Non-financial Group Statement" on page 171.
3 Excluding expiring fixed-term contracts.
4 Excluding the companies newly acquired in the reporting year.
5 Members of the Supervisory Board and the Executive Board as at 31.12.

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