

Science for a **better life**

Gender Pay Gap Report

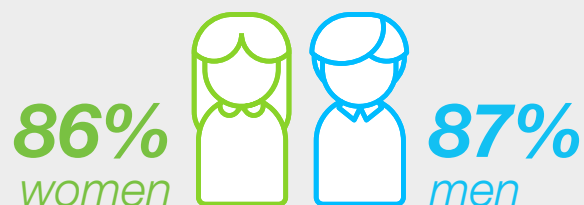
2018

*This report details our
April 2018 results and focus areas
to ensure gender equality.*

March 2019



Science knows no boundaries... neither do we



*"I have enough say in
how I do my job."**

At Bayer we push boundaries to find solutions to some of the world's biggest challenges. We make this possible by uniting a broad spectrum of talented people, who bring a diversity of ideas, innovation and product solutions and improve our understanding of different communities.

We believe in opportunity, regardless of gender. We are serious about moving to gender parity and are seeing some encouraging results:

- // 75% of 2018 graduate intake are women
- // 59% of job promotions go to women
- // 40% of UK leadership team are women

We will not rest, because there's much more to do...

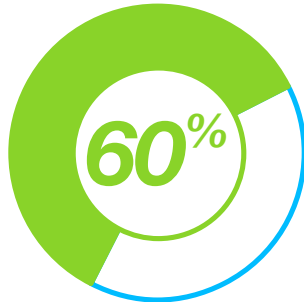
We will create a more gender balanced workforce by identifying and introducing smarter ways to attract, retain and develop female employees. We will address the gender pay gap through insight, analysis and inclusion plans that will be delivered across the organisation.

We are committed to making a Bayer career a rewarding one, with family-friendly policies and flexible working to make sure working parents can continue to build their careers. And this year we will go further as we create a new programme, Women in Leadership, with a clear objective of putting more women in leadership roles.

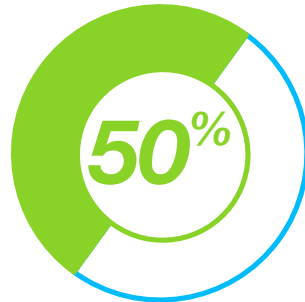
This work forms part of a wider diversity & inclusion commitment, which also includes ethnicity, disability and LGBT+. We aim to include ethnicity and disability pay gap information in next year's report.

Because no matter who you are, if you have the passion to innovate, we will give you the power to change the way we do things. There are no boundaries at Bayer.

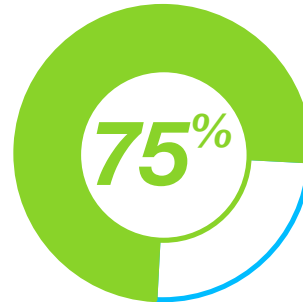
Our progress shows promise for the future



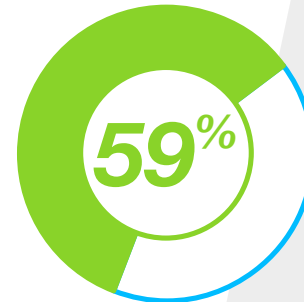
60% of new starters are women



50% of 2018 apprentices are women



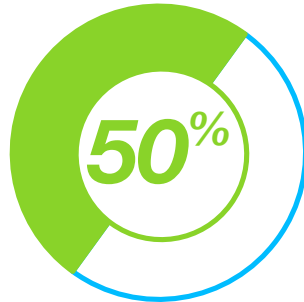
75% of 2018 graduate intake are women



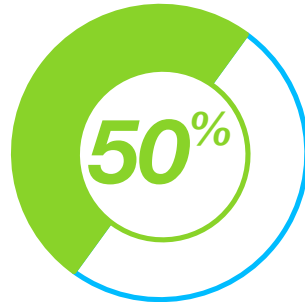
59% of job promotions go to women



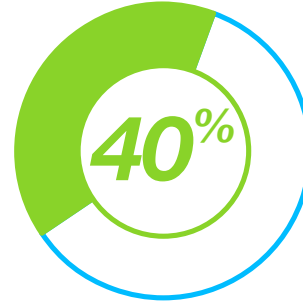
balance in employee engagement*



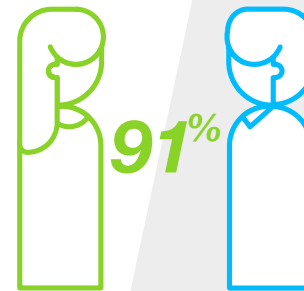
50% of emerging talent and early leadership are women



50% of senior leadership are women



40% of UK leadership team are women



91% of women agree that their manager treats them with respect*



80% of women agree that people at Bayer are treated fairly regardless of sex*

● Women
● Men

*Independently measured by Great Place to Work® Institute, Trust Index® survey, November 2018

Promise for the future

At Bayer, we have a passion to innovate. Nowhere is that more evident than in our people, engaged in creating diversity and inclusion across the organisation. They will make our strategy of 'Attract, Develop, Retain' a reality.



*Everyone can make a change and a positive impact. Right now I'm leading the **Women in Leadership** initiative. It starts in 2019 and will help women working at Bayer to unlock our potential – our belief in ourselves – to have the courage to be the best we can be."*

Emma-Dee Greenwood

Shopper Marketing

*"Bayer's **open, transparent approach** to performance, development and recognition helps us, as leaders role model the behaviours that will strengthen our inclusive culture. Further, developing and promoting inclusive leadership behaviours will be a key focus through 2019 and, with ever more gender parity in our leaders of tomorrow, we will achieve a gender balance in the UK leadership team."*

Sree Kurdikar

CFO

*"**Baylab, our free laboratory for schools, embodies our commitment to education in STEM* subjects. In the 2017/18 school year alone, more than 2,600 students of all ages visited us and left inspired by the possibilities of science and innovation.**"*



Emma Schierbaum

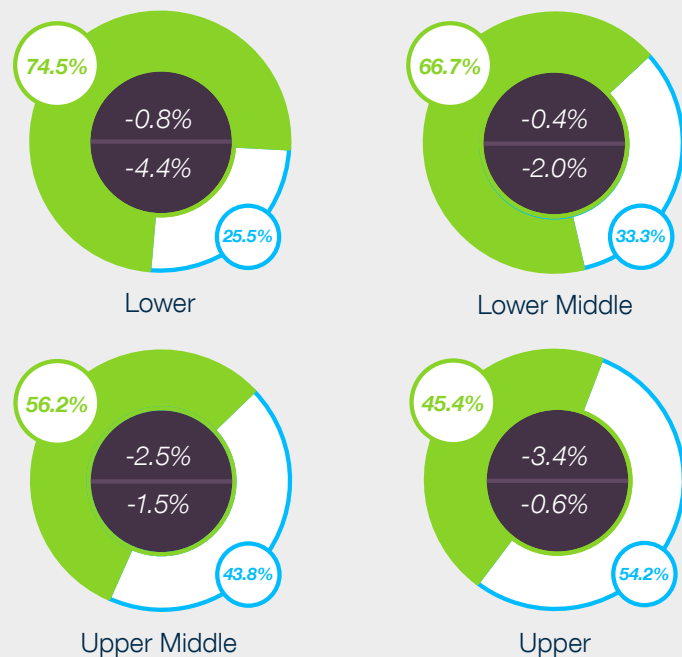
Baylab Manager

*Science, Technology, Engineering, and Mathematics

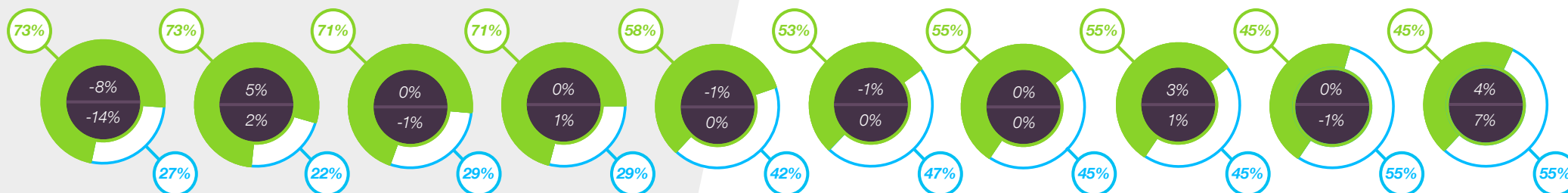


Our gender pay gap

Percentage of women and men in each quartile of Bayer's pay structure



Percentage of women and men in each decile of Bayer's pay structure



This chart shows the proportion of males and females in each pay decile, left to right from lowest to highest paid

● Women
● Men
● Median pay gap
● Mean pay gap



Mean and median pay and bonus gaps

	Mean	Median
Gender pay gap	16.5%	18.7%
Gender bonus gap	30.5%	45.9%



Proportion of employees receiving a bonus

	Female	Male
Proportion of employees receiving a bonus	80.3%	79.1%

- in favour of women + in favour of men

This data is the percentage of men and women receiving pay and a bonus in the twelve month period up to the snapshot date of 5 April 2018.

Calculating the gender pay gap



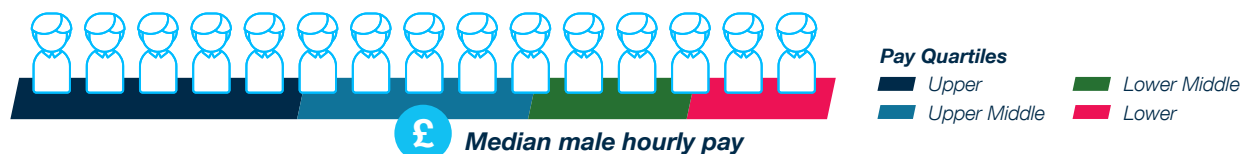
Calculating the mean gender pay gap



The mean gap of 16.5%

is the percentage difference between £ and £

Calculating the median gender pay gap



Pay Quartiles

- Upper
- Upper Middle
- Lower Middle
- Lower

The median gap of 18.7%

is the percentage difference between £ and £



UK national average pay gap* **18.4%**

What is a gender pay gap?

UK companies with more than 250 employees are required to publish their gender pay gap, the difference in the average hourly wage of all men and women across a workforce. It is expressed as a percentage of male employee's hourly pay and is reported on a mean and median basis.

Nationally the main reason for the pay gap is that more men are likely to hold senior positions.

The gender pay gap is not the same as unequal pay, which is paying men and women differently for performing the same work. This has been unlawful since 1970.

Calculating the mean and median

Calculations of mean and median pay, and quartile and decile pay bands, are based on data from April 2018 only, including ordinary pay and bonus pay.

The **median gender pay gap** and bonus pay gap, each male and female employee's hourly pay is listed in order from highest to lowest. The median gender pay gap is the difference in pay between the female in the middle of their list and the male in the middle of their list. As illustrated, the median for women falls in the lower middle quartile and for men in the upper middle quartile.

The **mean gender pay gap** and bonus pay gap shows the difference in average hourly rate of pay between men and women.

Ordinary pay is not limited to basic pay, but also includes other types of pay including any allowances. It doesn't include pay for overtime, pay relating to redundancy/termination of employment or the value of benefits which are not in the form of money.

Bonus pay includes any additional pay relating to profit sharing, productivity or performance, whether this is in the form of money or vouchers. In our case, the vast majority of bonus pay is in the form of our annual Short Term Incentive programme, but we do also have other incentives, such as sales incentives. Calculations of mean and median bonus pay use all bonus pay from the twelve months ending on 5 April 2018.

*April 2017, Office for National Statistics data



This report was approved by Bayer plc Chief Executive Officer and Head of Human Resources and is a true and accurate representation of gender pay in Bayer plc.



Lars Bruening
CEO, Bayer plc



Phil Sharp
Head of Human Resources

