

Science for a **better life**

Gender Pay Gap Report

2020

*This report details our
April 2020 results and our
commitment to Inclusion
and Diversity for our
UK business.*

March 2021





59%

of our workforce are women



52%

*of senior leadership teams are women**



61%

of promotions in 2020 were to women



59%

of our employees receiving an 'exceptional' performance rating in 2020 are women



55%

of new hires are women

Science knows no boundaries...neither do we

At Bayer we believe that diversity is a fact but inclusion is an act. **Inclusion means each one of our employees is welcomed, valued, respected and heard.** We push boundaries to find solutions to some of the world's biggest challenges and we make this possible by uniting a broad spectrum of talented people, who bring diversity of ideas, experiences, innovations and product solutions to achieve our ambition of Health for All, Hunger for None.

Diversity and inclusion is at the heart of our strategic focus globally and is firmly embedded in our LIFE values meaning it will continue to be a crucial part of our success as we look to the future.

We are serious about creating an inclusive culture and believe that our global Inclusion and Diversity strategy, commitment from our global Board of Management and local programmes will enable us to strengthen our culture of inclusivity year on year.

We are pleased with our current progress. In the last 12 months we have undertaken unconscious bias workshops with all senior leaders, reviewed and enhanced our parental leave policies, strengthened our talent review processes and we are proud of how we have supported our employees, regardless of gender, through flexible working during the COVID-19 pandemic. **The wellbeing and engagement of all employees has been and will remain a priority for us.**

*Senior leadership teams are divisional leadership teams across the UK and the Country Leadership Team.

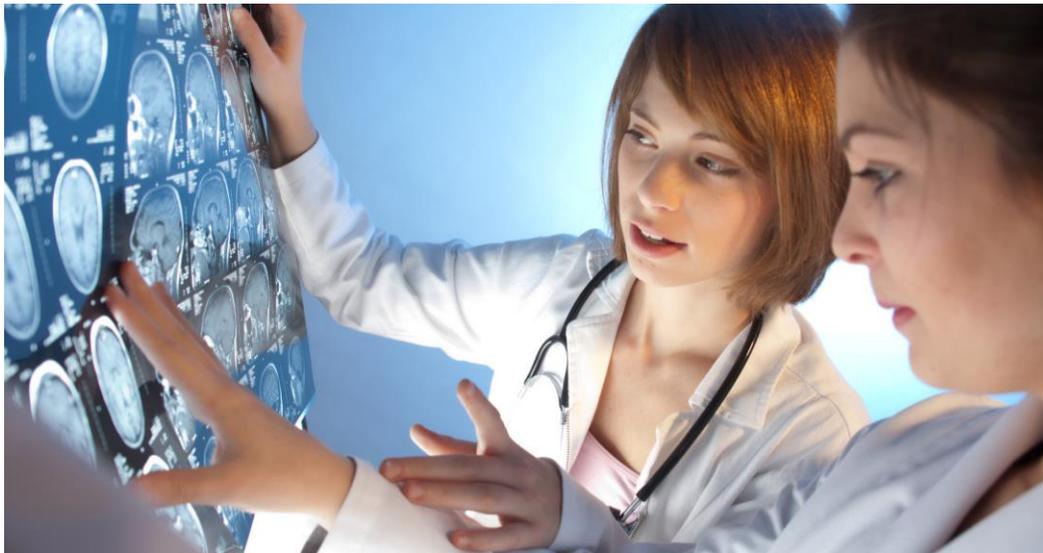
Calculating the Gender Pay Gap

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 2020 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.

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 Calculations of mean and median pay, and quartile and decile pay bands, are based on data from April 2020 only, including ordinary pay and bonus pay.

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 2020.

The Gender Pay Gap and Bayer plc

Bayer has three companies in its UK & Ireland region. Only Bayer plc employs 250 or more people, therefore our reporting is based solely on Bayer plc data at the reporting date of 5 April 2020.

11.7%

Mean gender pay gap

14.8%

Median gender pay gap

20.1%

Mean bonus pay gap

19.4%

Median bonus pay gap

Proportion of women and men receiving a bonus %

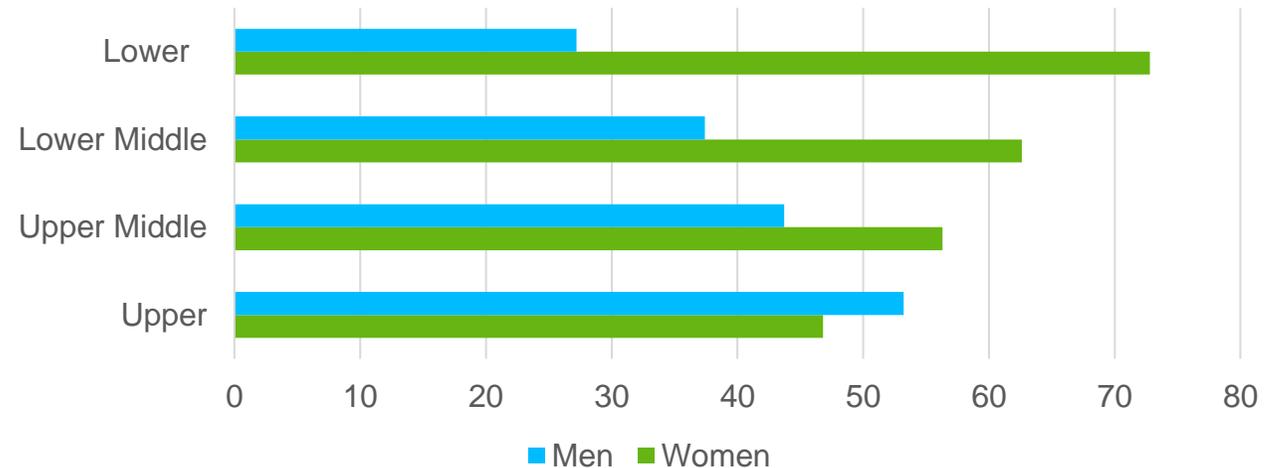


88.7%



89.0%

Population by pay quartiles %



Why does Bayer plc have a pay gap?



Distribution of the workforce

The distribution of our workforce across four quartiles shows that our organisation reflects the societal norm of more women typically occupying roles in the lower quartile brackets. At Bayer we continually look to challenge and change unhelpful societal norms and through our unconscious bias workshops, gender analysis as part of our Talent Management practices and more diverse recruiting – encouraging and promoting more diverse interview panels and candidate slates – we are continuing to see more women being recognised for their performance and appointed into senior positions.

Part time working

At Bayer we have more women in part time positions, something that is common across society, and this impacts our bonus pay gap. We believe that continuing to review and evolve our flexible working practices, as well as enhancing both our maternity and paternity offerings, will continue to help bridge this gap and enable both men and women to take advantage of part time working.

Nature of STEM roles

As is typical with Life Science organisations we sometimes find that women are under-represented in STEM roles and therefore we believe that through our platforms such as BayLab, Early Careers programmes and participation of our senior women leaders at external forums we can encourage under-represented groups to consider a career in science.



Calculating the Gender Pay Gap

We believe that we need to continue to champion and challenge societal norms as a leader in Healthcare. This, alongside our plans to further drive our global Inclusion and Diversity strategy, will enable us to continue to foster a culture that embraces and values the contribution of all our people, whilst also positively impacting our gender pay gap.

We confirm the information in this report is accurate and in line with government regulations.

BAYER:
RESPECTING
YOUR RIGHT
TO BE YOU.



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CFO, Bayer plc



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