



Bausch+Ströbel Sustainability Report 2023

// Taking Responsibility for a Better Future ///



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SUSTAINABLE ACTION: A CENTRAL PILLAR OF BAUSCH+STRÖBEL'S¹ CORPORATE CULTURE

Dear Sir or Madam,

In 2023, the world experienced the highest temperatures on record and saw the highest levels of fossil fuel emissions ever. These are just two of the many warning signs that ought to prompt humanity to rethink and take sustainable action, ensuring a livable future for generations to come.

Sustainability is, of course, not a new concept. When we began the process of drafting our inaugural Sustainability Report in 2022, we established several targets and key areas of emphasis. It became evident that we had been consciously or unconsciously striving toward these goals for several decades.

From our perspective at Bausch+Ströbel, a sustainable and long-term strategy encompassing environmental, economic, and social objectives and activities is crucial to achieving our economic targets. Sustainability is enshrined in our mission statement, and lies at the heart of our values, corporate culture, and performance targets.

The drafting of a Sustainability Report based on GRI standards provided us with the opportunity to gain a comprehensive understanding of our current activities. By reviewing all the areas in which we already incorporate sustainability into our daily operations, we have gone through the process for a second time.

In this report, we also refer to our Corporate Policies, which are available for download on our sustainability website via the reference CP1-XXX.

Today, we take great pride in presenting you with the result: our 2023 Sustainability Report. This report is our starting point for the systematic development and enhancement of our sustainability initiatives.

The report is subdivided into three parts, in keeping with our understanding of sustainability:

Environmental conservation (**ecological**), corporate development (**economic**), personnel development, and cultivating partnership-oriented societal relationships (**social**).

Following an analysis of our company's current situation, we have dedicated substantial efforts to setting targets for our sustainability strategy. In terms of our environmental initiatives, one goal stands out among all the others:

// As a company, we aim to achieve climate neutrality by the year 2030 ///

In the upcoming years, we will steadfastly pursue this objective by progressively rolling out our international carbon balance targets, substituting fossil fuels, and implementing programs dedicated to reducing carbon emissions. From an economic perspective, our foremost priority is to uphold our responsibility as a supportive employer for all our employees in the future. In addition to enhancing employee satisfaction, one of our key aims is to foster

¹The key figures presented in the "BAUSCH+STRÖBEL as a company" section pertain to the entire Bausch+Ströbel Group (global data). Starting from the "Sustainability at BAUSCH+STRÖBEL" section onward, the figures also include BAUSCH+STRÖBEL SE + Co. KG, analogous to those of our Integrated Management System.

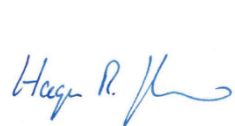
diversity at every organizational level. It is our firm conviction that diversity is an asset to any company, department, and team. In the years ahead, our aim is to be a strong and reliable partner to society, making a valuable contribution to the well-being of everyone (**social**). Hence, we remain firmly committed to a number of initiatives, including a holiday program filled with activities for the children of our employees.

Taken as a whole, the path toward sustainability and resource conservation presents a monumental challenge for society as a whole, and will undoubtedly continue to shape our efforts in the decades to come. We, as a company,

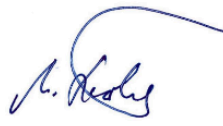
are committed to making a meaningful contribution, both now and in the future.

Finally, we would like to express our sincere thanks to you, our employees, customers, suppliers and business partners, for joining us on this journey to a more sustainable future.

The Management in June 2024



Dr. Hagen Gehringer



Markus Ströbel



Thorsten Bullinger



Bernhard Frisch



Bausch+Ströbel, the Company

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Our Corporate Mission Statement

// As a family business, we are guided in our actions by our values ///

Bausch+Ströbel was founded in 1967 by Wilhelm Bausch, Rolf Ströbel and Siegfried Bullinger. The workforce at our main plant in Ilshofen, Germany, has grown from four employees to over 2,300 since the company's inception. Worldwide, the company now employs more than 2,850 people. Over the past five decades, our family business has evolved into a global market leader in the manufacturing of custom machinery for the pharmaceuticals, cosmetics and other related sectors. Our successful company history is rooted in the culture of mutual respect and teamwork that characterizes our interactions with each other. Each individual employee plays a vital role in contributing to the overall success of the company. We prioritize the success of our employees, understanding it as a fundamental factor for our future; this commitment is reflected in our ongoing investment in both basic and advanced training.

// We are united by our shared values ///

The future success of Bausch+Ströbel depends greatly on values such as trust, fairness, openness, and mutual respect at executive, management, and employee levels, as well as in our interactions with customers, suppliers, and service providers. This guiding principle is central to Bausch+Ströbel's management guidelines and is openly communicated to all employees.

// Our actions are focused on ensuring the sustainability of our company as both an employer and an integral part of our environment ///

Our management systems are vital stepping stones on our journey toward continuous improvement, promoting progress, innovation, and continuity. We are committed to consistently striving for quality and environmental protection, which we aim to achieve by adhering to the ISO 9001, ISO 14001 standards, and in the future, ISO 50001, along with all relevant statutory requirements. We undergo regular audits by an accredited certification body to ensure that these standards are properly applied. Over the years, our primary objective has always been to preserve and advance our collective legacy. Through an ongoing commitment to innovation, we aim to further enhance our products and processes. This commitment is essential for us to establish and expand our technological leadership in this market. Our approach to the utilization of energy and raw materials is both forward-looking and sustainable. We are prudent in our use of available resources and committed to the utilization of solar power and other renewable energy sources. These efforts will be complemented by our plans to achieve certification for compliance with the ISO 50001 standard.

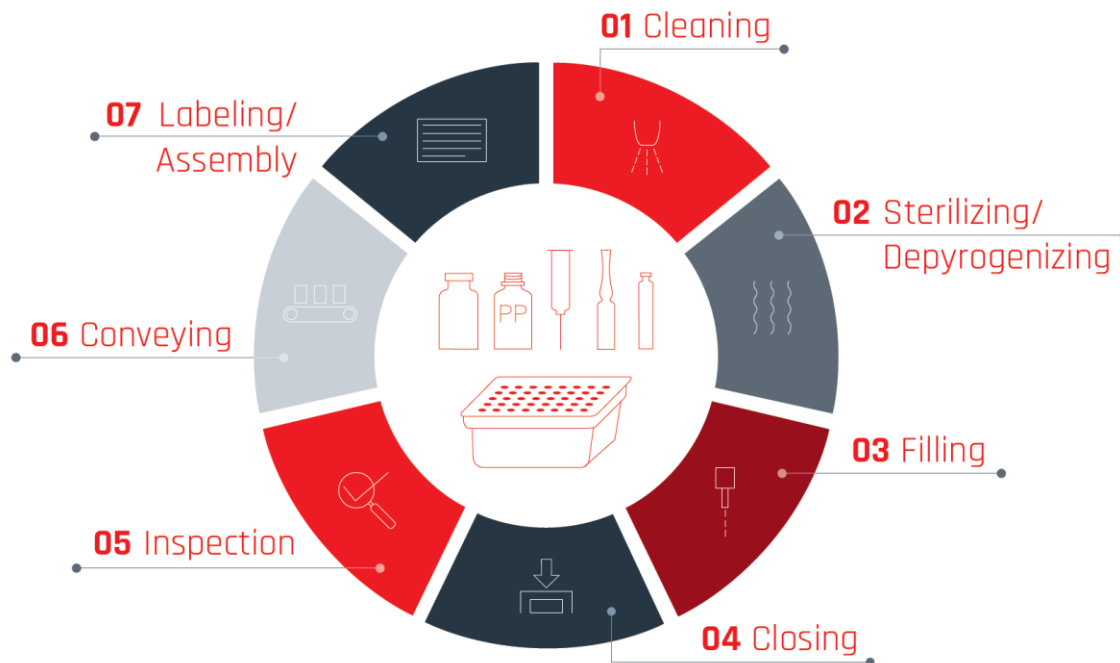
// Our mission is to provide added value for our customers ///

Our primary focus is squarely on meeting the wants and needs of our global customers. Each and every one of our employees embodies our customer- and service-driven philosophy, both internally and externally. Our number one priority is to deliver the best solutions for our customers. When implementing solutions, we collaborate closely with our customers.

Our organizational profile (GRI 102-2, 4, 6)

Starting out as a tiny start-up with just four employees, Bausch+Ströbel has developed into an international group of companies with around 2,850 employees. Today, as a manufacturer of special machines, Bausch+Ströbel is a global market leader in the pharmaceutical packaging sector, and one of the 20 largest industrial companies in the Heilbronn-Franken region.

At Bausch+Ströbel, we design and build customized and user-optimized modular production lines for fully automatic processing.



Bausch+Ströbel offers a diverse range of products, from semi-automatic filling and closing machines tailored for laboratory and galenic applications, to machines catering to medium output requirements, not to mention sophisticated high-performance systems capable of handling up to 60,000 containers per hour. Wilco AG joined the Bausch+Ströbel Group in 2013 and has been instrumental in expanding our portfolio of products and services to include high-precision, fully automated inspection systems.

Lifecycle services

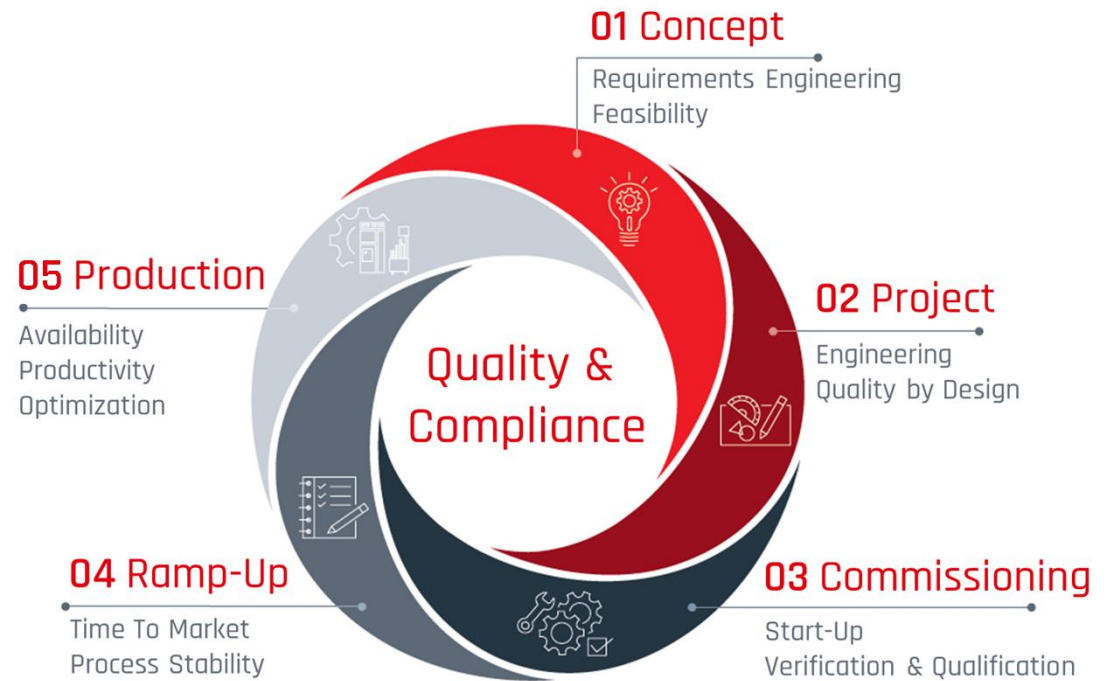
We're not only a technology leader.

With our Lifecycle Services, we provide you with comprehensive support in every phase of your pharmaceutical production process.

From the birth of a new idea, through spare parts management, all the way to optimizing your production workflow.

Our Mission

// Helping to ensure worldwide availability of essential drugs, with a focus on safety, reliability, and affordability. ///



Our customers and markets

Bausch+Ströbel's customers include world-renowned companies from the pharmaceutical sector. With the benefit of our long-standing experience and extensive know-how, we have the capability to develop optimal solutions precisely tailored to meet our customers' exact specifications. To fulfill this objective, our research and development department has a state-of-the-art laboratory facility at its disposal.

While Bausch+Ströbel machines are renowned for their exceptional quality, the scope of the company's offerings goes far beyond that. To maximize the

utilization of available capacity, Bausch+Ströbel also provides a whole range of essential services, extending from systematic maintenance, spare parts, and remote service, to expert training for pharmaceutical plant operators. Complementary to this, the Bausch+ Ströbel Academy offers a wide range of basic and advanced training programs covering subjects such as machine availability and Overall Equipment Effectiveness (OEE). These training courses are tailored to our customers' needs and structured in a modular way.

Executive Board:	Markus Ströbel, Thorsten Bullinger, Dr. Hagen Gehringer, Bernhard Frisch
Founding year:	1967
Number of employees:	approx. 2,850 worldwide, including approx. 2,300 at our Ilshofen site
Production capacity:	approx. 400 machines per year
Turnover:	approx. €440 mill. in 2023
Export share:	over 90 percent. Our main sales markets are the USA, Belgium, and China.
Awards:	e.g. 2011 Global Market Leader Award, 2013 Regional Industry Medal, Interphex Awards in 2016 and 2017
Worldwide:	we're local-based and globally-oriented. We have a presence in over 50 countries, and our machines are operated in more than 100 countries worldwide.

Bausch+Ströbel has strategically formed a globally oriented group of companies to ensure close proximity to our customers, strengthen our market presence, and facilitate swift communication between our customers and our

staff. In addition, we operate a network of over 50 international service and sales offices, strategically positioned to cater to local markets across the globe.

B+S locations in the region





Bausch+Ströbel SE+ Co. KG, headquartered in Ilshofen (Germany), with branches in Neuenstein, Wolpertshausen and Crailsheim
Central Administration, Research and Development, Consulting, Marketing, Engineering, Production, Assembly, and Service Center



Bausch+Ströbel SE + Co. KG, founded in Neuenstein (Germany) in 2021
Engineering, Assembly, Syringe Conditioning



Bausch+Ströbel SE + Co. KG, founded in Büchen (Germany) in 1992
Production, Assembly Center



Bausch+Ströbel Werk Sachsen GmbH+Co. KG, founded in Jahnsdorf (Germany) in 2023
Plant Construction, Engineering, Assembly



Bausch+Stroebe Machine Company, Inc., founded in North Branford, Connecticut (USA), in 1983
Consulting, Marketing, Production, Assembly, Service Center



KyooBe Tech GmbH, Leinfelden-Echterdingen (Germany)
Development and production of irradiation technologies for vaccine manufacturing.



PharmTElligent GmbH, Klagenfurt am Wörthersee (Austria)
Technological Development Center



WILCO AG, Wohlen (Switzerland), acquired in 2012
Development and manufacture of high-precision, fully automatic testing machines for leak testing, visual inspection and spectroscopic systems



Bausch+Ströbel Werk Münsterland GmbH+Co.KG (Germany)
Machine Manufacturing, Construction, Assembly

Ethics and Integrity (GRI 102-16)

As we continue to grow and expand into new markets and countries, the expectations regarding our approach to daily business operations and our interactions with business partners and employees have also evolved. Furthermore, national and international legal requirements are subject to ongoing change.

Our objective is to ensure compliance with the laws and regulations in the countries where we conduct business by establishing **consistent standards** across all our locations. Our **Ethics Guidelines (CP1-007)** and our **Anti-corruption Policy (CP1-004)** are integral to our corporate governance

framework at Bausch + Ströbel. These policies are derived from our internal standards and principles, and align with both national and international standards. These policies encompass all principles and measures designed to ensure that our legal representatives, employees, and third parties consistently **adhere to established rules and regulations**.

In addition to legal compliance, these requirements also emphasize the importance of upholding **our corporate values**. This entails **voluntary obligations** and exercising **self-restraint**, even in situations where the law allows for flexibility or discretion.



Sustainability at Bausch+Ströbel

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Sustainability at BAUSCH+STRÖBEL

As a second-generation family-run company, we have consistently strived to make sustainable, long-term decisions while carefully considering the impact of our actions on future generations. For this reason, values such as "**sustainability**" and "**responsibility**" are firmly rooted in our corporate ethos. Ultimately, we view sustainability as a road map to a future worth living for all generations to come. To ensure the transparency of our actions and enable us to define concrete strategies, at Bausch+Ströbel we have identified three main pillars of sustainability: **Social**, **Economic**, and **Ecological**.

The main objective of conducting a status quo analysis within the context of this sustainability report is to transparently document all measures taken,

benefiting both our organization and all stakeholders involved. This analysis also serves as a foundation for continually enhancing and expanding our portfolio of measures in the future.

Moreover, we have seamlessly integrated the core thematic areas of **quality**, **environment**, **energy**, **occupational safety**, and **continuous improvement** directly into our management system. All our sustainability efforts are aimed at achieving our stated objective of avoiding adverse impacts on both humans and the environment.

Our mission:

// We're not content to merely meet statutory requirements - we want to surpass them ///

How we coordinate our sustainability initiatives within our company

To foster sustainability within our company, we embrace an interdisciplinary approach. Sustainability is a multifaceted topic that impacts various departments within our company, as illustrated in the chart below. The actions taken by each of these departments contribute to enhancing overall sustainability within the company. At the heart of our sustainability efforts lies our sustainability management system, working in conjunction with our quality, environmental and energy management systems. This system acts as a central repository, consolidating the requirements and actions of our various departments into a cohesive overall strategy. Our sustainability management system encourages the active participation of all specialized areas in the development and improvement of our sustainability strategy.

After consistently maintaining ISO 9001 certification for several years, the next logical step was to extend this standardized and recognized management approach to include sustainability management. Keeping this in mind, we obtained independent ISO 14001 certification for our environmental management system in 2023 and plan to pursue ISO 50001 certification for our energy management system in 2024. Additionally, within this framework, stakeholders can report violations of our sustainability efforts through a whistleblower system.

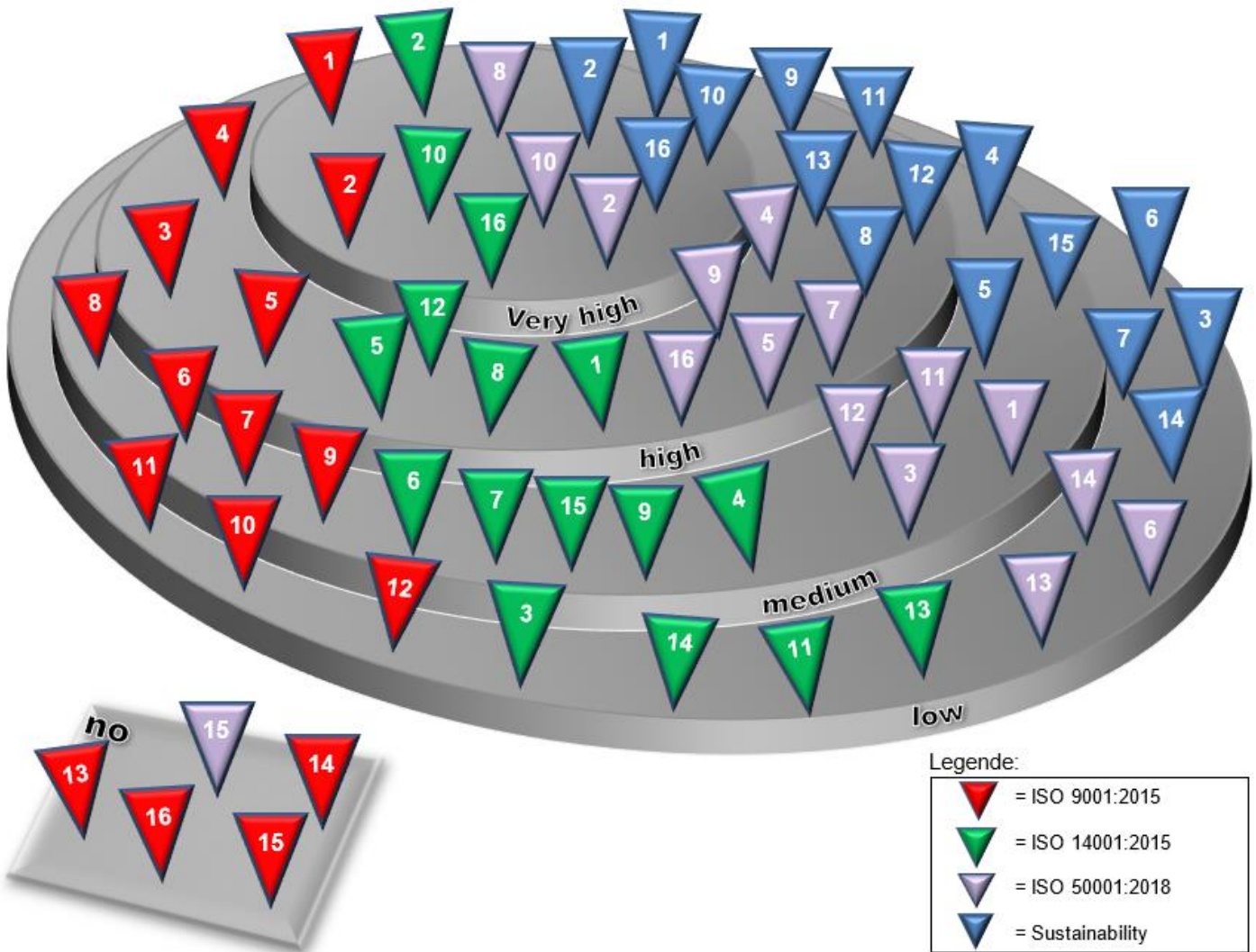
By employing this integrated management policy, we unify the aspects of quality, environment, energy, and sustainability within a comprehensive corporate management system.



Our stakeholders (GRI 102-40)

BAUSCH+STRÖBEL has a number of stakeholders, including both internal and external parties, each with different interests. Consequently, these stakeholders have specific expectations regarding our integrated management system, including such aspects as quality, environment, energy, and sustainability. To develop a materiality matrix, it was crucial to analyze and evaluate the interests of various stakeholders and classify them based on their specific impact.

- 1 = BAUSCH+STRÖBEL employees
- 2 = Customers
- 3 = Supervisory Board
- 4 = Partners
- 5 = Suppliers / service providers
- 6 = BAUSCH+STRÖBEL network
- 7 = Authorities / offices
- 8 = Lawmakers
- 9 = Investors / insurers
- 10 = Executive Board
- 11 = Worker representatives
- 12 = Environment
- 13 = Market
- 14 = Public media
- 15 = Local clubs & associations
- 16 = Society



Sustainability at BAUSCH+STRÖBEL

Our guiding principles for sustainability

Ecology

The crux lies in the responsible utilization of resources and the role our company can play through regenerative energy and sustainable process optimization. We have also prioritized our social responsibility toward future generations and implemented a broad range of measures to minimize our ecological footprint. Bausch+Ströbel's environmental strategy is grounded on three core pillars, as identified in the materiality analysis (cf. p.19):

- + "Active climate protection"
- + "Circular economy"
- + "Water sustainability"

Active climate protection is the defining challenge of our age. Our strategy is oriented toward a broader goal: reducing carbon emissions for society as a whole. Bausch+Ströbel has set a clear objective of transitioning to net-zero emissions across all sites and throughout the entire supply chain, extending to the products we deliver and our customer service.

In a **circular economy**, the objective is to close material cycles as far as possible by reintroducing waste products back into the system as secondary raw materials. "Waste" in this context denotes previously used materials that retain significant value and can be efficiently repurposed, contributing to the conservation of natural resources. At Bausch+Ströbel, our circular economy approach is aimed at maximizing the lifespan of products and optimizing raw material utilization efficiency. In practical terms, this entails minimizing waste through efficient management of our manufacturing processes and

on-site servicing of existing products for our customers. Where this is not possible, we focus on breaking down waste into its basic raw materials, enabling their reuse whenever possible. Waste prevention takes precedence over recycling, and even more so over landfill disposal.

The goal of **water sustainability** is to secure ongoing access to ample supplies of high-quality water in the future. Central to our water sustainability initiatives is the belief that individuals and businesses must shift from viewing water as an infinite resource to taking proactive measures to conserve it (CP1-012). Our efforts in water sustainability are concentrated on reducing water consumption across all areas of the company. This involves avoiding wasteful water practices, optimizing water usage, and closely monitoring the quality of our effluent discharges.

Sustainability at BAUSCH+STRÖBEL

Economy

Our primary objective in sustainable corporate management at Bausch+Ströbel is centered on safeguarding both people and the environment, prioritizing long-term sustainability over short-term profit maximization. A sustainable business is one that strikes the right balance between profit and investment, tradition and innovation. At Bausch+Ströbel, our corporate DNA has always embraced both regionality and globalization. Given

the challenges posed by climate change and rapid social transformation, these values hold greater relevance and importance than ever before. We are unwavering in our commitment to upholding our core values of transparency and regional value creation, in harmony with our employees, nature and society.

Social

As a company, we have an unequivocal obligation to adhere to legal regulations and regulatory requirements. However, we recognize that this is the minimum expected of us in fulfilling our social responsibilities. To us, "responsible and fair corporate governance" signifies conducting our business in accordance with our ethical principles and moral values, including a commitment to respecting human rights, prioritizing occupational health and safety, and prohibiting child labor and discrimination within our sites and among our supplier partners. These principles should consistently guide the actions of our management and employees. These values are not only self-evident but also integral components of our corporate strategy.

// As a sector leader, we are consistent in our approach to implementing our strategies, while actively tackling societal challenges by driving innovation. ///

Together, we can accelerate the societal transformation needed to enhance the well-being of our planet. Bausch+Ströbel, together with its partner companies, strives to continually enhance its products, processes, and services, with a close focus on environmental protection, resource conservation, and carbon emissions reduction. We are also dedicated to meeting occupational health and safety requirements, minimizing accident risks, and addressing social aspects within our global supply chain. We provide the information and resources necessary to support these efforts.

Analysis of key topics (GRI 102-40, 42-44, 46, 47)

The aim of the sustainability analysis was to develop a sustainability management system for B+S. To establish a contextual framework for our key topics, our sustainability strategy was initially built upon three core pillars: economic, environmental, and social. Specifically, the departments mentioned in the section titled "How we coordinate our sustainability initiatives within our company" (cf. p. 15) were actively involved in the strategy development process.

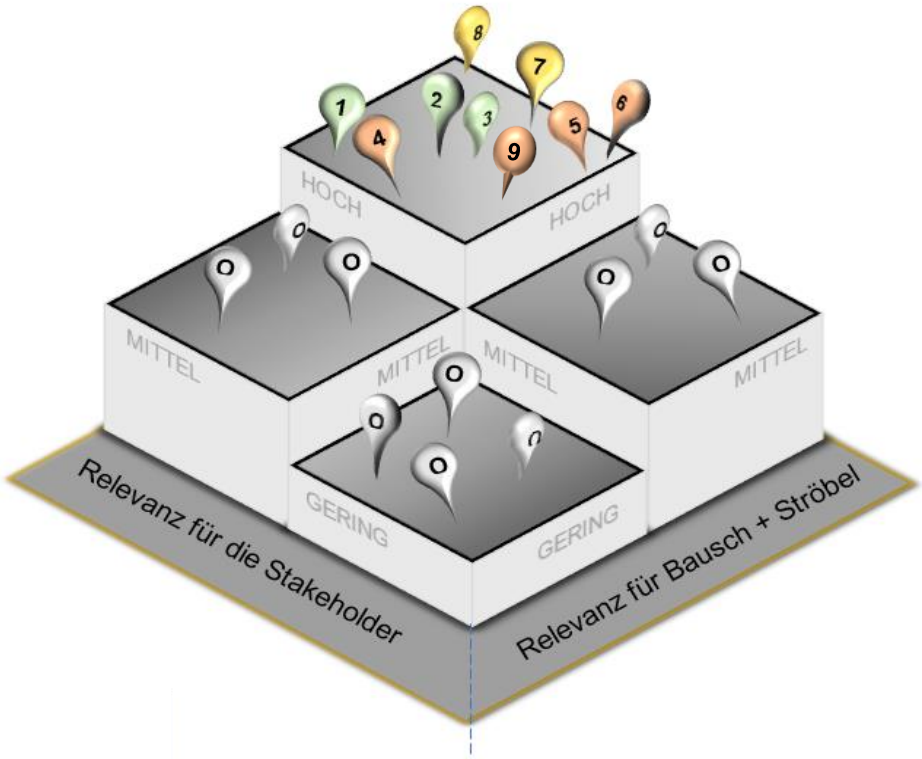
To develop a strategy that aligns with not only our internal requirements but also the preferences of our customers, we prepared a comprehensive document that accounts for both existing customer requirements and market-specific demands.

We also took into consideration the requirements of the EcoVadis rating portal, as well as input from regional stakeholders.

This enabled us to gain valuable insights into key topics, emerging trends, future expectations and developments, as well as customer perceptions of sustainability in general.

Finally, we included in our comprehensive topic analysis the sustainability requirements set by top-level management and the environmental management standards defined in ISO 14001. In the future, we will also incorporate ISO 50001 standards.

The result is the materiality index shown below.



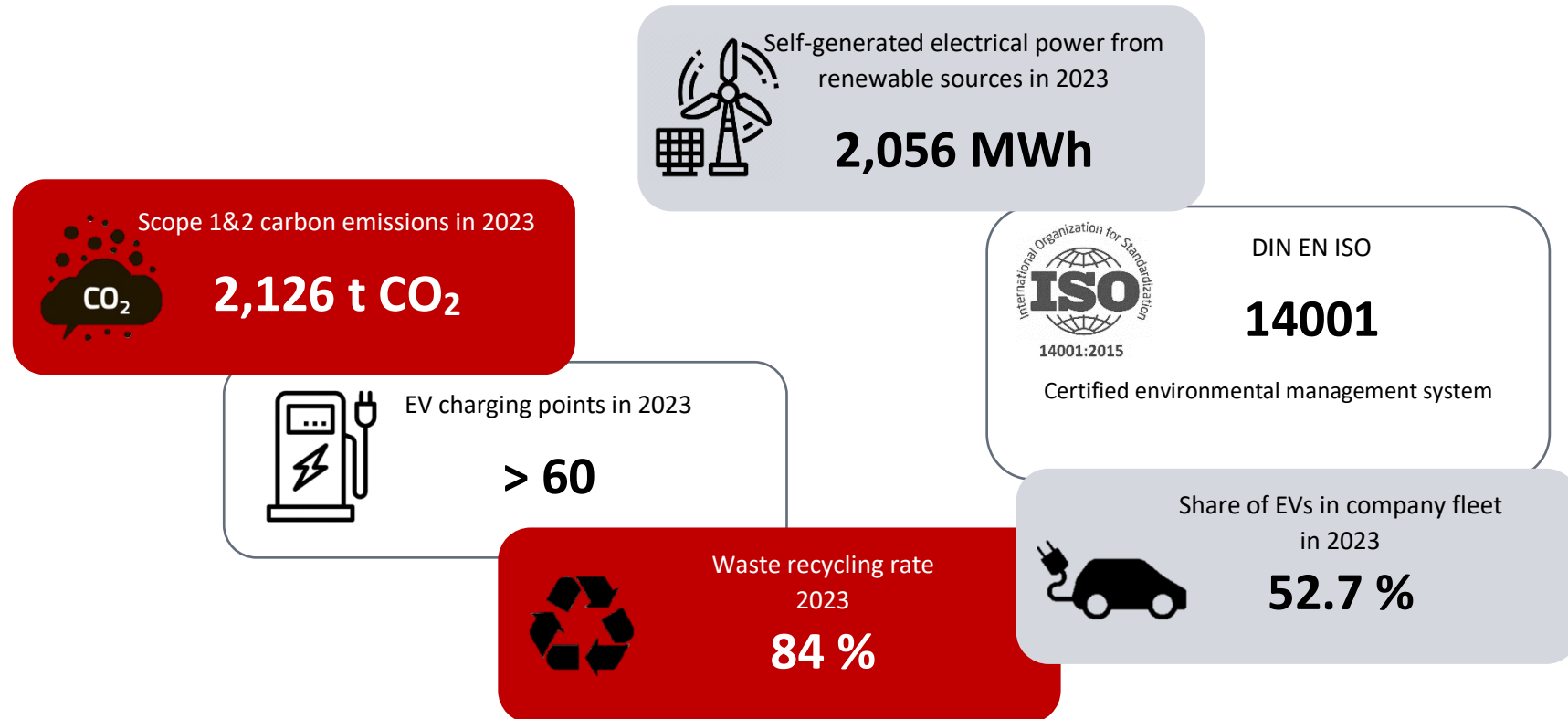
Ecological (1) Circular economy (2) Sustainable water management (3) Carbon footprint reduction	Social (4) Employee involvement (5) Social responsibility & commitment (6) Attractive employer (9) Diversity & inclusion	Economic (7) Dependable business partner (8) Communication & transparency
(0) Non-prioritized topics		



Ecological sustainability

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Key metrics at a glance



Management policy

We view energy and environmental management as integral components of our integrated management system. Our integrated management system also interfaces with our quality management system and our occupational health and safety management system. The overarching objective of all management systems is **continuous improvement**.

Our quality management system has been ISO 9001 certified for several years. In 2023, we obtained ISO 14001 certification for our environmental management system. As always, our objective is to systematically document our resource flows, analyze this data, and utilize it to derive appropriate measures for enhancing efficiency. From a climate and environmental protection perspective, our top priority is to make responsible use of resources of all kinds. Given the significance of energy as both a production and cost factor, the economic and ecological optimization of all energy-related processes is becoming progressively more important in practical applications. At Bausch+Ströbel, these process improvements are especially relevant to production areas with high energy consumption, as well as to the machines we manufacture. Just like us, our customers also share a sense of responsibility for our planet and strive to **conserve energy** whenever possible. To achieve this goal, it is just as crucial to set ambitious savings targets as it is to

foster intensive dialog and active management involvement. This approach applies to the utilization of all resources.

An important initial step towards achieving greater energy efficiency involves obtaining a comprehensive overview of all energy consumers. Thanks to the ongoing expansion of our data acquisition capabilities, we can now accurately determine the energy consumption in most departments within our company. Assessing this data enables us to compare energy consumers based on various key metrics, thereby helping us pinpoint **specific areas for optimization**. Furthermore, our product development department is actively engaged in multiple independent projects focused on innovating more modern and efficient solutions to minimize the energy consumption of our machines in operation at our customers' facilities.

We have decided to progressively expand our management system by integrating the ISO 14001 Environmental Management Systems standard in 2023, followed by the ISO 50001 Energy Management Systems standard in 2024. The basis for this expansion is our well-established ISO 9001 system, which has been in place for decades and has already been implemented across the entire company. The resulting synergy enables us to swiftly and comprehensively raise employee awareness about environmental protection and energy efficiency.

Locations certified as ISO 14001 compliant

	Unit	2023
Bausch+Ströbel SE + Co. KG locations	Number	3
Proportion of which are 14001 certified	%	100

Environmental and climate protection / carbon neutrality

Climate change presents major challenges for the entire world population. The relentless increase in the global average temperature can only be halted through the collective commitment of each and every individual. Hence, it is integral to our corporate responsibility to contribute to environmental and climate protection and to consistently take additional measures toward achieving carbon neutrality. To achieve this, we aim to balance both our direct and indirect emissions, identify areas with potential for improvement, and implement measures to reduce these emissions.

Compared to 2022, we have significantly improved the quality of the data used to calculate our carbon footprint by integrating the energy and resource

consumption data from all our locations. When comparing the data with figures from the previous year, it must be noted that significantly more consumers are included in the total power consumption for 2023 compared to previous years.

It should be emphasized that by switching to green electricity, we have significantly reduced the proportion of conventionally generated electricity. This has led to a notable increase in the proportion of CO₂-neutral energy relative to our total power consumption.

Energy balance for 2021 – 2023 (GRI 302-1) & key energy consumption figures for 2021 – 2023 (GRI 302-3)

	Unit	2023	2022	2021	Change 23 vs. 21
Total energy consumption	KWh	16,838,978	10,973,417	13,247,827	+27.1 %
Total energy consumption per working hour	KWh	5.2	3.7	4.9	+6.1 %
Proportion of which is electric power consumption (total)	KWh	8,551,620	6,736,034	6,371,442	+34.2 %
Proportion of which is power generated from renewable sources	KWh	8,094,512	1,071,045	1,042,610	+676.4%
Proportion of which is power generated from renewable sources	%	95	16	16	+79.0 %
Proportion of which is self-generated power	KWh	2,056,255	1,807,058	2,432,409	-15.5 %
Proportion of which is conventional self-generated power	KWh	457,108	5,664,989	5,328,832	-91.4%
Proportion of which is natural gas / LPG consumption	KWh	6,166,525	4,237,383	6,876,385	-10.3 %
Proportion of which is carbon neutral	%	85	10	8	+77.0 %

As part of our newly established sustainability management system, we are currently reworking our carbon emission strategy to include additional carbon offset measures. The overarching objective of all these measures is to achieve carbon neutrality by 2030. Starting in 2023, we will transition to renewable external power sources. At the start of 2023, we transitioned our

natural gas procurement to sources that ensure CO₂ neutrality through certified offsetting measures.

// Through our consistent use of renewable energy and offsetting unavoidable emissions, we have managed to achieve a significant reduction in our CO₂ emissions compared to the previous year, despite an increase in total energy consumption due to the inclusion of further locations. ///

Emissions balance for 2021 – 2023 (GRI 305-1, 2, 3) & emission levels for 2021 – 2023 (GRI 305-4)

	Unit	2023	2022	2021	Change 23 vs. 21
Own greenhouse gas emissions, total (Scope 1 + 2)	t CO ₂	2126	8342	12118	-82.5 %
Total emissions per employee	t CO ₂ per employee	1.06	4.63	7.13	-82.1 %
Greenhouse gas emissions (Scope 1) Heat, self-generated electrical power and vehicles	t CO ₂	1890	6780	11002	-82.8 %
Scope 1 emissions per employee	t CO ₂ per employee	0.94	3.77	6.47	-85.4 %
Greenhouse gas emissions (Scope 2) Purchased electrical power and district heating	t CO ₂	236	1562	1116	-78.9 %
Scope 2 emissions per employee	t CO ₂ per employee	0.12	0.87	0.66	-82.0 %

ECOWash demonstrates how our products can be used efficiently with the right configuration for resource conservation. Our systems utilize alternative cleaning nozzles that lead to significant improvements, including reducing

water consumption by up to 40% and potentially lowering the use of compressed air by up to 20%. In addition, noise emissions can be minimized while enhancing cleaning quality.

Savings made through the use of ECOWash

	Unit	
Water	%	Up to 40
Compressed air	%	Up to 20

Water sustainability (GRI 303-1, 2)

Water is the most vital resource on our planet. Without water, there is no life. In the light of ongoing climate change and the increasing prevalence of droughts, which have even affected some regions of Germany, we regard it as our responsibility to utilize water in a more sustainable and intelligent manner.

Due to the essential role of water as a cleaning medium for our products during operations, we are continually striving to make enhancements aimed at minimizing water consumption in our machines.

Besides water consumption, water pollution resulting from the discharge of harmful substances is another critical factor that will significantly contribute to a shortage of clean water in the future. In our production process, we exclusively utilize technologies that are completely wastewater-free. For

instance, our upgraded and state-of-the-art electroplating shop operates without generating wastewater.

To better track our future progress, we initiated a comprehensive survey of our water usage in 2022, marking the first time we have done so. This initiative will be expanded to include further buildings in 2023. This enhancement in data quality, achieved by adding more data points, has resulted in reported total consumption figures surpassing last year's levels, much like our energy consumption figures.

Currently, we can only partially document the consumption of water used as a test medium in the trial run process. However, as this water is neither polluted nor contaminated, it can be returned to the ecosystem after use and technical drainage of the test specimens by our external disposal service provider.

Water balance for 2022 – 2023 (GRI 303-3)

	Unit	2023	2022	Change 23 vs. 21
Total water extraction	Thou. m ³	12.3	9.2	+33.7 %
Proportion of which is surface water from lakes, streams and rain	Thou. m ³	0.0	0.0	
Proportion of which is groundwater from our own well	Thou. m ³	0.0	0.0	
Proportion of which is water from third-party sources (water suppliers)	Thou. m ³	12.3	9.2	+33.7 %

Circular economy

In addition to stainless steel and non-ferrous metals, Bausch+Ströbel incorporates various plastics in the manufacturing of its machines and, notably, utilizes the glass from the specimens used in its trial runs. The metal, glass, and plastic waste generated in this process are inevitable yet valuable

resources. Recycling these valuable materials is a key focus for us and a central component of our comprehensive recycling concept. This strategy entails collecting metal, glass, and plastic waste generated during production, sorting it wherever possible, and subsequently processing it for recycling.

Our waste management strategy will enable us to maintain our long-term recycling rate target of over 80%, with plans to further increase this rate even further in the future. We work with local partners to facilitate the transfer of waste materials to specialized disposal companies, aiming to minimize transport distances and the resulting emissions.

Our long-term objective is to continually reduce residual waste by intensifying fractionation and integrating our suppliers and service providers into our

environmental management system through the utilization of easily recyclable transport packaging.

To ensure that our products are disposed of in an environmentally friendly manner at the end of their service life, each instruction manual includes a chapter that describes the disposal process in detail. In addition to general information, specific instructions for individual waste fractions are also provided.

2021 – 2023 waste balance – waste by type and disposal method (GRI 303-3; 306-2)²

	Unit	2023	2022	2021	Change 23 vs. 21
Overall waste volume	t	965.37	948.56	995.11	-3.4 %
Proportion of which is hazardous waste	t	105.46	92.05	105.06	+0.4 %
Proportion of which is non-hazardous waste	t	858.90	856.51	890.05	-4.0 %
Total scrap and metals waste	t	183.66	171.51	190.98	-3.8 %
Total glass waste	t	103.32	156.17	141.09	-26.8 %
Total plastics waste	t	88.42	65.18	75.61	+16.9 %
Total mixed waste	t	94.69	89.50	83.62	+7.4 %
Overall materials recycling rate	%	84	82	81	+3 %

²All specified waste volumes apply to the production and logistics sites in Ilshofen, Neuenstein, Wolpertshausen and Büchen. The sales offices and development centers, consisting solely of office space, were excluded from the analysis due to their low overall relevance

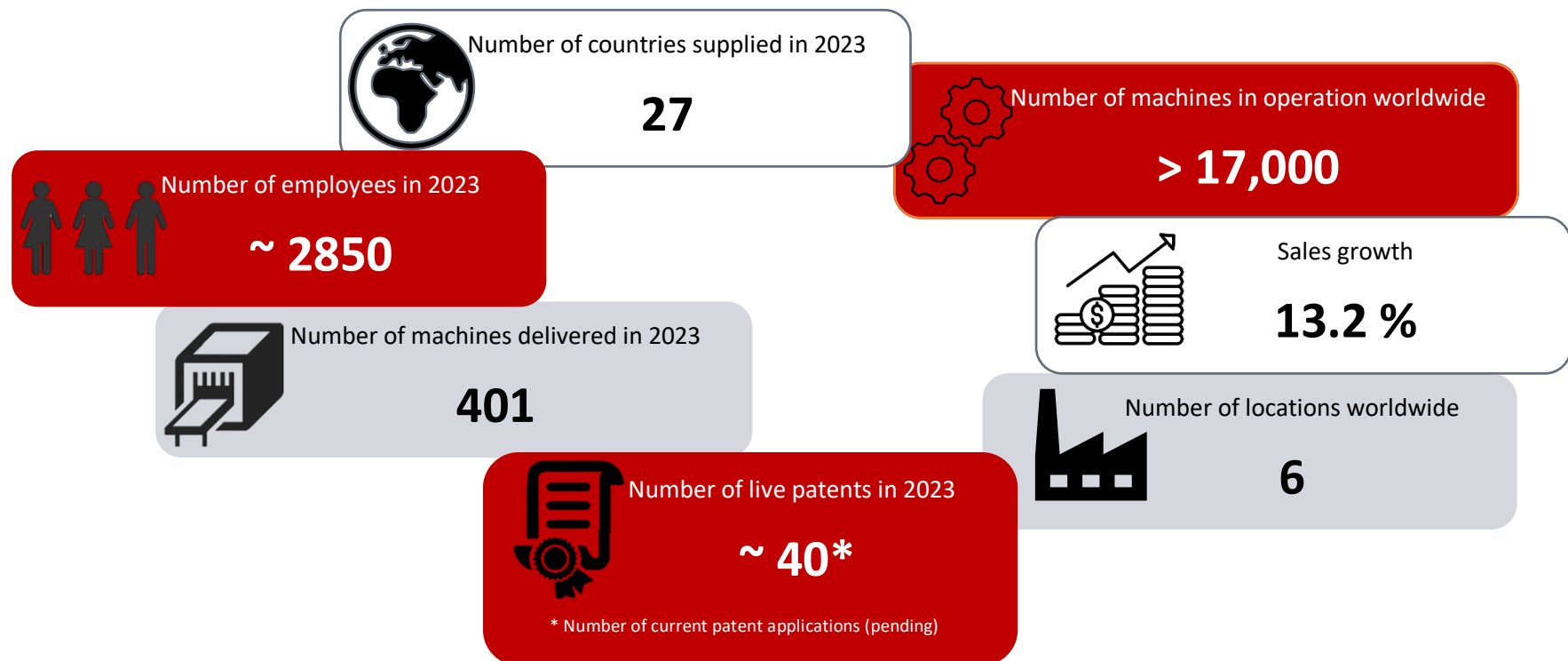


Economic sustainability

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Key metrics at a glance

(NON-FINANCIAL)

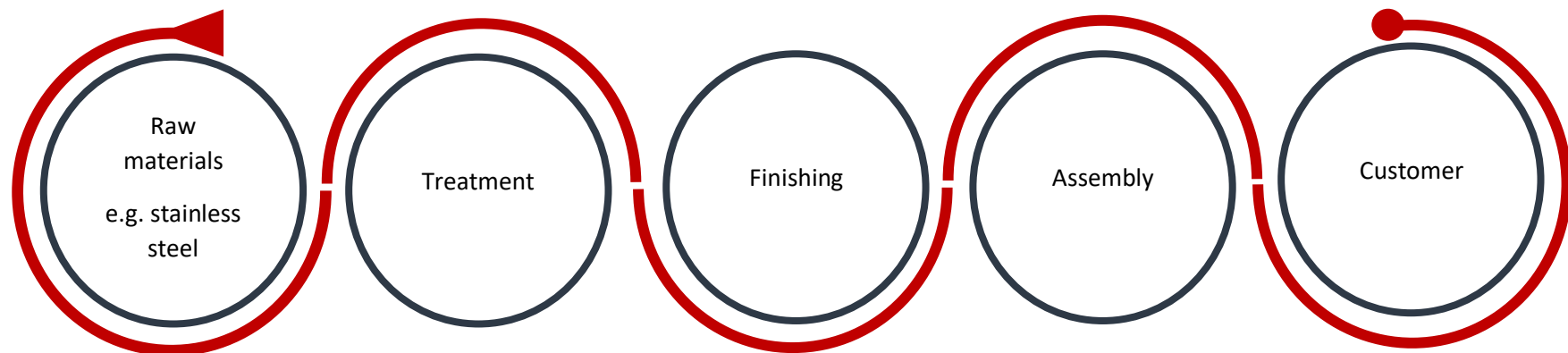


Management policy

Sustainability is an intrinsic part of Bausch+Ströbel's DNA. Sustainability also involves identifying, managing, and optimizing ecological, social, and economic impacts within the supply network. The requirements for supplier management must increasingly align with the demands of our interconnected global world. Cutting-edge technologies are dependent on raw

materials sourced, in part, from critical regions across the globe. Supply chains are affected by factors such as climate change and the growing scarcity of resources. In this context, we have set ourselves the primary objective of achieving climate neutrality within our supply chains by the year 2040.

Sustainable supply chain (GRI 102-9, 10)



Addressing materials originating from conflict areas (GRI 301-1)

There is a rising awareness of violence and human rights violations associated with the extraction of specific minerals from regions designated as "conflict areas," such as the Democratic Republic of Congo (D.R.C.) and its neighboring regions. In consequence of this, the U.S. Securities and Exchange Commission (SEC) was required under the 2010 Dodd-Frank Wall Street Reform and Consumer Protect Act to enact regulations to enforce disclosure requirements for these "conflict minerals". These regulations are applicable to manufacturers who are obligated to report to the SEC and who

manufacture, or have contractual obligations to manufacture, products containing conflict minerals that are deemed "necessary to the functionality or production of such products" (CP1-001).

// Although Bausch+Ströbel is not subject to the reporting requirements of the Dodd-Frank Act, we recognize the importance and significance of these regulations ///

Furthermore, Bausch+Ströbel follows the internationally recognized standards and guidelines for the sourcing of conflict minerals. Although

Bausch+Ströbel does not directly engage in the procurement of these minerals, the company remains vigilant, recognizing that conflict minerals can

potentially enter the supply chain. With this in mind, Bausch+Ströbel aims to source these minerals responsibly.

Supplier management (GRI 308-1, 2; 407; 408; 409; 412-1; 414-2)

Our primary procurement regions are Germany and Europe (**CP1-009**). We also source goods and materials from East Asia, albeit in smaller quantities.

Bausch+Ströbel is dedicated to upholding human rights and will not engage with any suppliers involved in any form of human rights violations. Our Code of Conduct serves as a vital instrument in guaranteeing the sustainability of our supply chain. This code is an integral component of our General Terms and Conditions for the Purchase of Products or Services, encompassing crucial ethical topics such as corporate social responsibility. For instance, the code mandates that our suppliers assume responsibility for the safety and well-being of their employees, proactively engage in environmental preservation efforts, and combat internal corruption within their organizations. Furthermore, the code obliges our suppliers to enhance and refine their

production quality management systems. Our core suppliers are mandated to sign a quality assurance agreement in which they commit to adhering to all legal regulations related to environmental, health, and occupational safety. They are also obligated to minimize the impact of their operations on both people and the environment by implementing suitable additional measures. In this context, we require our suppliers to implement and advance an environmental management system that conforms to ISO 14001 standards. Suppliers with certified environmental, occupational health and safety, and energy management systems in place will receive higher supplier ratings.

Furthermore, all our purchasers receive regular training in sustainable procurement practices.

	Unit	2023	2022	2021	Change 21 vs. 23
Training in sustainable procurement practices for purchasers	%	100	100	100	0 %

We regularly conduct supplier audits to assess compliance with environmental and social criteria, which encompass aspects such as the handling of hazardous materials and on-site working conditions. Should we determine that a supplier's actions are causing adverse environmental effects, we expect the supplier to promptly implement the necessary improvements. Should a supplier fail to enact the required improvements and persist in serious violations

of their environmental obligations, Bausch+Ströbel will terminate its business relationship with that supplier immediately. We are committed to further raising our sustainability standards for our suppliers. This will be implemented through a step-by-step approach, commencing with the incorporation of new clauses into our Code of Conduct pertaining to environmental preservation and social accountability.

Local procurement³ (GRI 204-1)

As a fundamental principle, we are dedicated to global competition and adopt a supplier selection process rooted in a risk-based approach. This approach considers economic, qualitative, and social factors, along with an evaluation of the supplier's production resources. However, for ecological

reasons, we prioritize sourcing necessary materials and services locally whenever feasible. This practice helps minimize long transportation distances and reduces emissions associated with transportation.

Compliance and transparency (GRI 205-2; 412-2)

// All Bausch+Ströbel employees' daily work and behavior are guided by company-wide policies and regulations. We believe that being a trustworthy partner necessitates abiding by the law and adhering to all relevant rules and regulations, along with a commitment to consistent transparency in our interactions with customers, suppliers, and other stakeholders. These principles are deeply embedded in our corporate values, as defined under "Sustainable Orientation". ///

All rules are set out in our globally applicable compliance guidelines, which are mandatory for all employees. To guarantee company-wide familiarity with these guidelines, each employee undergoes regular training. Our compliance guidelines are an integral component of our orientation program for new company employees. This enables us to furnish new team members

with essential knowledge early in the onboarding process. These guidelines are available on our intranet in multiple languages, ensuring that employees can access them at any time. Our compliance system allows us to uphold rules and regulations continuously, thereby safeguarding our employees, all within the spirit of collaboration and partnership.

// Our principles of compliance are clearly defined in our Code of Conduct ///

In the past year, no reports were submitted via our complaints system, which is available on the Bausch+Ströbel website, and there were no confirmed information security incidents or reports filed through whistleblowing procedures.

³In the context of today's globalized world, local procurement entails the acquisition of goods or services either at the national level or within the European Union (EU). This practice aims to minimize the need for these goods or services to cross national borders on their way to their destination, including the borders of the EU and local free trade zones.

	Unit	2023	2022	2021	Change 21 vs. 23
Proportion of workforce which has received compliance training	%	100	100	100	0 %
Reports filed through whistleblowing procedures	Number	0	0	0	0 %
Confirmed information security incidents	Number	0	0	0	0 %
Reports submitted through complaints system	Number	0	0	0	0 %
Known human rights violations ⁴	Number	0	0	0	0 %

Data privacy (GRI 418-1)

We are committed to complying with all relevant data privacy laws and regulations to uphold the highest standards of security in our global electronic information exchange **(CP1-010)**. To accomplish this objective, we employ various tools, including declarations of commitment, confidentiality agreements, works agreements, regular employee training, and annual internal audits. Furthermore, all employees are required to maintain confidentiality as specified in Article 5, paragraph 2, of the General Data Protection Regulation (GDPR). This approach guarantees that personal data is processed only to the extent and in the manner required for our daily business operations.



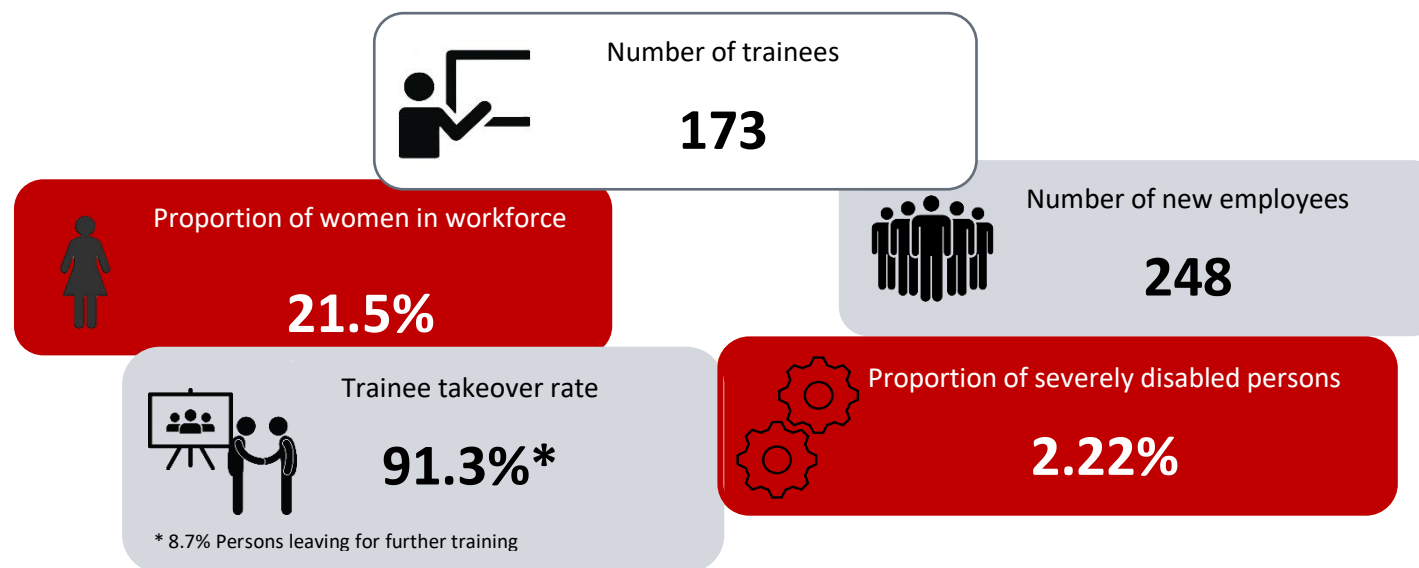
⁴ Slavery, forced labour, and child labor, including its most severe forms



Social sustainability

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Key metrics at a glance (GRI 401; 404-1)



Attractive employer

Our company's most valuable asset is our employees. Our more than 2,850 employees are the driving force behind our performance. Their enthusiasm for Bausch+Ströbel forms the foundation upon which our company's success is built. That's why we provide employees with the space they need to continuously develop their skills in their respective fields of expertise, fostering a working atmosphere that embraces humanity and appreciation. Every successful project is the result of collaboration among individuals.

Remuneration principles (GRI 202-1; 405-2)

Bausch + Ströbel offers all its employees fair compensation based on collective and company agreements, even though we are not part of the collective bargaining system. Ensuring fair compensation that aligns with market standards is just as important to us as adhering to minimum wage legislation. We believe that fair compensation should be determined independently of

Company benefits (GRI 401-2)

Corporate success is always the result of good work. Moreover, good work is always the product of competent and motivated employees. We are firmly committed to being an attractive employer and cultivating an ideal environment for our employees, ensuring that they feel both comfortable and appreciated within the company. To achieve this objective, we provide our employees with a range of company benefits and prioritize achieving a healthy work-life balance.

As a family-owned company, Bausch+Ströbel recognizes the significance of maintaining a healthy balance between work and family life. We encourage and support employees who choose to take parental leave or care leave to attend to their loved ones, and we are pleased to note a growing number of employees availing themselves of this amenity. If employees find themselves



personal factors (**CP1-006**) such as gender, religion, ethnicity, age, disability, or sexual orientation as well as irrespective of country-specific characteristics. Our compensation policy is an integral component of a comprehensive and transparent process aimed at supporting the development of our employees.

in crisis situations and require psychological support, our social officer is readily available to assist them at any time, upon their request.

At Bausch+Ströbel, we offer our employees a wide range of voluntary social and supplementary benefits, which are an integral part of our company's compensation system and are annually negotiated with our works council. For instance, we reward the efforts of our employees through an annual profit-sharing scheme, as well as commemorating special occasions and milestones with both gifts and financial bonuses, not to mention hosting regular holiday programs for our employees' children and organizing company fetes. Furthermore, our employees enjoy access to a modern company restaurant, a discounted company filling station with charging station

infrastructure, and a wide selection of clothing, leisure, and sporting goods available in our BAUSCH+STRÖBEL in-house store.

Our contribution to promoting work-life balance



- + Flexible working time models
- + Working time accounts and flexitime
- + Mobile working
- + Enhanced support for personal advanced training
- + Employee development
- + Holiday programs for employees' children
- + Employee summer fete
- + 30 days of recreational leave
- + 36-hour working week
- + Free after-work health courses
- + Company pension plan offerings

Employee representation (GRI 402-1; 404-3; 407-1)

Our employees have the right to organize themselves in trade unions. We actively collaborate with employee representatives and trade unions in a constructive manner while also coordinating with our works council members. In jointly constituted committees, we routinely provide updates to our employer representatives regarding the company's economic situation and all significant developments. In Germany, the Works Constitution Act (Betriebsverfassungsgesetz) contains detailed provisions governing these matters. We ensure that our employees are notified of upcoming changes and new developments well in advance. To safeguard the well-being of all parties involved, including both employees and the company, we establish comprehensive works agreements covering a wide range of topics.

// Employee integration is the key to our success ///

Our corporate culture is founded on the understanding that our company can only achieve success by fully integrating our employees and harnessing their expertise to drive the company's development. That's why we actively encourage our employees to contribute to shaping BAUSCH+STRÖBEL's future with their ideas. We are convinced that this fosters not only employee satisfaction but also enables us to continue growing as a company. Our employee survey and company suggestion scheme are two ways in which our staff can share their ideas.

Through our company suggestion scheme, we can actively engage all employees in the continuous improvement of our processes and work flows. Suggestions for improvement can be submitted by email or in hard copy.

Incoming suggestions are subsequently assessed for their feasibility and the potential for resulting improvements. When a suggestion for improvement is successfully implemented within the company, we reward idea originators with a special bonus as a token of our appreciation.

Basic and advanced training (GRI 404-2)

Training at BAUSCH+STRÖBEL

Our ambition is to mentor and actively support young individuals throughout their vocational training. We not only place a strong emphasis on enhancing their professional expertise but also on fostering their personal development. We consider ourselves mentors to our trainees and are dedicated to equipping them with the qualifications to operate successfully in both national and international markets once they have completed their training with us. To achieve this objective, we offer training to young individuals in a total of 17 different occupational areas.

What makes an apprenticeship at BAUSCH+STRÖBEL unique and special?

BAUSCH+STRÖBEL offers prospective apprentices a diverse array of training opportunities. Vocational training is not only confined to the company's main site in Ilshofen; it is also available at other production, logistics and sales locations across Germany. Besides apprenticeships, we offer a range of dual vocational training and degree programs. Furthermore, students have the opportunity to participate in internships provided by BAUSCH+STRÖBEL. In

In addition, all of our employees receive regular performance and professional development appraisals through scheduled interviews.



Variety of advanced training



Exciting tasks and projects

2023, we inaugurated a 1,600 m² training center at the Ilshofen site to develop the skilled personnel essential for our future business growth. Our training center simultaneously functions as a central hub for student internships. We also organize a host of training courses and further and advanced training programs.

Key training data from 2021 – 2023

	Unit	2023	2022	2021	Change 23 vs. 21
Apprenticed occupations	Number	17	17	17	0 %
Apprentices	Number	173	167	164	+5.5 %
Retention rate after successful training	%	91.3	100	93	-1.7 %

// We prepare people for tomorrow ///

"The only constant in life is change" is a widely quoted saying that perfectly captures the essence of life. At Bausch+Ströbel, we are also engaged in an ongoing process of change. We drive change by embracing our strengths and constantly striving to improve, with the aim of fostering strong customer relationships with our pharmaceutical production partners. At Bausch+Ströbel, we recognize the need for change. With a collaborative approach involving

our team and customers, our objective is to proactively address and fulfill the evolving needs of our customers, society at large, and the dynamic challenges of the market. This signifies our readiness today to face the challenges of tomorrow. "Our training programs are a vital component of this process" (Kerstin Blum, Director Human Resources).

Diversity and equal opportunities

Diversity in governance and among employees (GRI 405-1)

At BAUSCH+STRÖBEL, we view diversity as an asset, benefiting both society and our company. We treat our employees without prejudice and as equals - regardless of gender and gender identity, nationality and ethnic origin, religion and ideology, disability, age, and sexual orientation. These values are enshrined in our Corporate Ethics Policy(CP1-007).

Our company in Germany employs individuals of 20 different nationalities. This ethnic and cultural diversity presents numerous opportunities and possibilities, but also comes with a corporate responsibility to foster strong relationships across cultural boundaries.

Diversity in governance and among employees from 2021– 2023

	Unit	2023	2022	2021	Change 23 vs. 21
Management positions	Number	173	155	145	+19.3 %
Percentage of women on the Executive Board	%	0	0	0	0 %
Total percentage of women in management positions	%	8.1	5.8	6.2	+1.9 %
Total percentage of women in the workforce	%	21.5	22.0	22.1	-0.6 %
Employees with severe disabilities	Number	50	61	66	-24.2 %
Percentage of employees with severe disabilities	%	2.2	3.0	3.6	-1.4 %

In our industry sector - mechanical engineering - men still traditionally account for a larger share of the workforce than women. Hence, our long-term goal is to continuously increase the proportion of women in our workforce through appropriate measures. We have launched initiatives to attract young women to technical careers, such as targeting trade fairs and information events, providing information about training opportunities at Bausch+Ströbel, and offering female pupils a glimpse into our production facilities on Girl's Day. Our goal is to increase the number of women in middle and upper management positions in the long term by providing individual advancement opportunities to our female employees.

The same principle applies to individuals with severe disabilities. As a company with a primary emphasis on actual production, the majority of positions are not suitable for individuals with disabilities. In departments of the

company where office-based roles are prevalent, we aim to increase opportunities for individuals with disabilities. Nevertheless, in adhering to the principle of equality, we will not engage in any form of discrimination, whether in favor of or against anyone. As a standard practice, we select the most qualified candidates for all positions within our company.

The ongoing process of demographic change presents significant challenges for every company. We are tackling this issue through initiatives promoting both basic and advanced employee training, as well as the transfer of knowledge from experienced staff.

As at 2023, the age distribution at BAUSCH+STRÖBEL's locations across Germany is well balanced and in alignment with current labor market demographics. This is as follows:

Age demographics in 2023

Years	Total containers	Female	Male
16 - 25	431	100	331
26 - 30	348	93	255
31 - 35	300	55	245
36 - 40	220	38	182
41 - 45	162	32	130
46 - 50	141	32	109
51 - 55	183	50	133
56 - 60	139	31	108
61 - 70	82	11	71

Discrimination cases and remedial action taken (GRI 406-1)

Fair and respectful cooperation is a fundamental pillar of our corporate culture and a key component of our strategic orientation in our family-run company. The guidelines for partnership-based conduct in the workplace are codified in a works agreement in accordance with Section 87 Paragraph 1 (1) of the German Works Constitution Act (BetrVG).



Occupational health and safety

Management policy (GRI 406-1, 8)

Our employees are our greatest asset. Their health and motivation are key factors driving our productivity and the quality of our products.

Our occupational safety management system is based on ISO 45001 and enables us to guarantee the practical execution of workplace health and safety measures. Integrating occupational health and safety into our management system allows us to optimize processes and proactively prevent workplace accidents and work-related illnesses.



Accident Figures and Sick Leave Rates from 2021 – 2023

	Unit	2023	2022	2021	Change 23 vs. 21
Total accident rate (LTIR)	LTIR	6.49	7.43	6.25	+3.8 %
Accident rate (LTIR) excluding accidents on the way to and from the workplace	LTIR	4.63	5.40	4.78	-3.1 %
Accident rate (LTIR) – accidents on the way to and from the workplace	LTIR	1.86	2.03	1.47	+26.5 %
Sick leave rate	%	3.5	4.3	2.7	+0.8 %
Days lost due to work-related injuries, fatalities, and occupational illnesses	Number	392	295	217	+80.7 %

Identifying hazards (GRI 403-2)

We conduct risk assessments for specific activities and work equipment in compliance with the German Occupational Health and Safety Act and relevant regulations. To assess the risks involved, we conduct a risk assessment following Nohl's methodology.

This enables us to identify potential hazards before commencing any work activity. We quantify the level of risk by considering both the likelihood of occurrence and the potential extent of damage. Based on this assessment, we can identify, prioritize, and assign any necessary safety precautions to the

relevant individuals, adhering to the STOP principle. After a measure has been completed, the responsible person reviews its effectiveness.



Occupational health care (GRI 403-3)

Our company doctor provides expert support for risk assessments, safety inspections, accident analyses, and other related matters as needed. Employees can seek advice from the company doctor at any time. Preventive care is also provided for specific types of work. The company doctor examines employees and provides advice on issues such as noise. In response to the coronavirus pandemic, we have expanded our preventive health care program to include vaccinations against infectious diseases like influenza.



Promoting health (GRI 403-6)

In addition to mandatory occupational health and safety measures, our employees have access to additional examinations included in both standard and optional preventive health care packages.

Training

Training is provided based on risk assessments and in response to incidents. This training also involves practical exercises, such as high bay warehouse rescues and fire extinguisher handling. Training also covers first aid and the handling of hazardous substances.

Employee participation

Employees actively participate in the preparation of risk assessments. Beyond statutory requirements, this aspect is also defined in ISO 45001, stipulating elements such as health and safety committee meetings, inspections, risk assessments, and a suggestion scheme.

The health and safety committee consists of the employer's representative (or their appointee), two designated works council members, the company

Social dialog

Our employees can contact the works council, youth and trainee representatives, and representatives of employees with disabilities at any time for consultation. These committees are trusted bodies representing the workforce. The Works Council is in regular dialog with the IG Metall labor union.



doctor, the occupational safety consultant, and the safety officer. Depending on the specific issue and its urgency, the disability officer and fire safety officer may need to participate in committee meetings. The employer or their appointed representative makes decisions in consultation with the attendees. The Health and Safety Committee meets at least once every quarter.

Bausch+Ströbel adheres to collective labor agreements, including contracts governing weekly working hours, sick pay, and capital-forming benefits.

	Unit	2023	2022	2021	Change 21 vs. 23
Percentage of workforce represented by employee representatives	%	100	100	100	0 %
Percentage of workforce with contracts based on collective labor agreement	%	100	100	100	0 %

Social commitment

// Thomas Strobl, Minister of the Interior, honors BAUSCH+STRÖBEL as a volunteer-friendly employer ///

At an awards ceremony in Stuttgart in 2018, BAUSCH+STRÖBEL, along with 40 other companies, was honored as a "volunteer-friendly employer dedicated to civil protection" by Baden-Württemberg's Minister of the Interior, Thomas Strobl. Thomas Strobl emphasized, "By presenting this award, we, as a federal state, aim to express our recognition and appreciation for these employers."

BAUSCH+STRÖBEL was nominated for this award by the Schwäbisch Hall District Fire Brigade Association, which had previously honored BAUSCH+STRÖBEL with a plaque inscribed with the dedication, "Partner to the Fire Brigade". This award is given in recognition of employers who support the voluntary work of fire fighters.

We are proud to be able to offer our employees the opportunity to volunteer during working hours. If any of our volunteer fire fighters receive an emergency call, they can promptly interrupt their work to respond to the emergency. We also show our support in various other ways, including offering reserved parking for fire fighters.

// B+S kits out TSV Ilshofen women's football team with shirts ///

For many years now, BAUSCH+STRÖBEL has been supporting the TSV Ilshofen women's football team. BAUSCH+STRÖBEL regularly provides the women footballers with shirts featuring the company logo.



// Don't waste it, donate it: Clothing donation for Kinderhilfe Sighisoara e.V. ///

We used to store sample items and surplus work garments in our clothing warehouse. These were all brand new items too good to throw away, so we asked ourselves: why not donate them to a good cause? The collaboration with Kinderhilfe Sighisoara e.V., a charity based in Gaildorf, was established through personal connections within our board of directors. The mission of this organization is to improve the lives of underprivileged children in Romania through sponsorship projects and material donations. Since then, regular donations of clothing are made to support their cause.

Annex 1: GRI Content Index

This report was prepared in adherence to the guidelines established in the GRI standard.

General remarks / notes:

The purpose of the report is to disclose key figures spanning a three-year period. In one instance, however, this is not possible due to the unavailability of data.

General standard disclosures

GRI indicator	Indicator name	Explanatory notes / reference
Organizational profile		
102-1	Name of organization	
102-2	Activities, markets, products and services	
102-3	Headquarters of the organization:	
102-4	Operating facilities	
102-5	Ownership structure and legal form	
Reporting procedure		
102-46	Procedure for determining report content and defining the scope of topics	
102-47	List of key topics	
102-48	Re-presentation of information	The Sustainability Report 2023 is the second report of its kind to be published by Bausch+Ströbel.
102-49	Changes to the reporting procedure	This report covers data spanning the years 2021 to 2023. Compared to the 2022 report, the current report includes additional key data.
102-50	Reporting period	The reporting period is the year 2023 (01.01.2023–31.12.2023).
102-51	Date of previous report	April 2023 release of 2022 Sustainability Report
102-52	Reporting cycle	In future, Bausch+Ströbel's sustainability report will be published on a biannual basis. However, key figures, data and facts will be reviewed and adjusted annually to ensure that the report is always up to date.
102-53	Contact for queries regarding the report	Sustainability Management, e-mail: Sustainability@bausch-stroeel.de

Specific standard disclosures – Economy

GRI indicator	Indicator name	Explanatory notes / reference
Market presence		
202-1	Gender-disaggregated ratio of the standard entry-level wage to the local statutory minimum wage.	Attractive employer/remuneration principles: page 34
Sourcing practices		
204-1	Share of spending on local suppliers	Sustainable supply chain/local procurement: pages 29/31
Combating corruption		
205-2	Communication and training on anti-corruption policies and procedures	Compliance and transparency: pages 31/32
205-3	Confirmed instances of corruption and corresponding actions taken in response	There were no confirmed instances of corruption during the reporting period. Consequently, no action was needed to be taken.
Materials		
301-1	Materials used by weight or volume	Addressing materials originating from conflict areas: pages 29/30
301-2	Recycled raw materials used	Customer material specifications prohibit the use of recycled materials.

Specific standard disclosures – Ecology

GRI indicator	Indicator name	Explanatory notes / reference
Power		
302-1	Energy consumption within the organization	Renewable energy: page 23
302-3	Energy intensity	Renewable energy: page 23
302-4	Reduction of energy consumption	Renewable energy: page 23
Biodiversity		
304-1	Sites in protected areas	No sites are affected.
304-2	Major impacts of activities, products and services on biodiversity.	BAUSCH+STRÖBEL has assessed the impact of its business activities on the natural environment as part of an internal audit in accordance with DIN EN ISO 14001. The only instances of impacts on biodiversity are during construction projects at our company's locations. We are working to minimize or prevent impacts on biodiversity through regulatory compliance and voluntary measures.
Emissions		
305-1	Direct greenhouse gas emissions (Scope 1)	Carbon neutrality: page 24
305-2	Indirect energy-related greenhouse gas emissions (Scope 2)	Carbon neutrality: page 24
305-3	Other indirect greenhouse gas emissions (Scope 3)	Carbon neutrality: page 24
305-4	Intensity of greenhouse gas emissions	Carbon neutrality: page 24
305-5	Reduction of greenhouse gas emissions	Carbon neutrality: page 24
Waste		
306-2	Waste by type and method of disposal	Environmental and climate protection: page 26
Environmental compliance		
307-1	Non-compliance with environmental laws and ordinances	Environmental and climate protection/compliance: No incidents occurred during the reporting period, resulting in no sanctions or fines imposed on us.
Environmental assessment of suppliers		
308-1	New suppliers assessed according to environmental criteria	Sustainable supply chain: page 30
308-2	Detrimental environmental impacts on the supply chain and measures taken	Sustainable supply chain: page 30

Specific standard disclosures – Social

Employee facts and figures		
401-2	Company benefits	Company benefits: page 35
401-3	Parental leave	Company benefits: page 35
Employee-employer relationship		
402-1	Minimum notice period for operational changes	Employee involvement: page 36
Occupational health and safety		
403-1	Occupational health and safety management system	Occupational health and safety: page 40
403-2	Identifying and assessing risks and investigating incidents	Identifying hazards: page 41
403-3	Occupational health service	Occupational health service: pages 41/42
403-4	Employee involvement, consultation and communication on occupational health and safety	Employee participation: page 42
403-5	Training on occupational health and safety	Training: page 42
403-6	Promoting employee health	Promoting health: Page 42
403-7	Preventing and mitigating occupational health and safety risks associated with business relationships	This aspect of our Compliance Policy is aimed at safeguarding the well-being of all individuals.
403-8	Employees covered by a management system for occupational health and safety	Occupational health and safety: page 40
403-9	Work-related injuries	Occupational health and safety: page 40
403-10	Work-related illnesses	There were no confirmed work-related illnesses during the reporting period.
Basic and advanced training		
404-1	Average number of hours devoted to basic and advanced training per year and per employee	Basic and advanced training: pages 37/38
404-2	Employee skills enhancement and transition support programs	Basic and advanced training: pages 37/38
404-3	Percentage of employees receiving periodic performance and professional development reviews	Employee involvement: page 37
Diversity and equal opportunities		
405-1	Diversity in governance and among employees	Diversity and equal opportunities: pages 38/39
405-2	Ratio of basic salary and remuneration of women to basic salary and remuneration of men	Remuneration principles: page 35
Anti-discrimination		
406-1	Incidents of discrimination and corrective measures taken	Discrimination cases and remedial action taken: page 40 No incidents of discrimination were recorded during the reporting period

Freedom of association and collective bargaining		
407-1	Production sites and suppliers where the right to freedom of association and collective bargaining may be threatened	Compliance and transparency sustainable supply chain: pages 29-32
Child labor		
408-1	Operations and suppliers with a high risk of child labor incidents	Compliance and transparency sustainable supply chain: pages 29-32 The minimum age of employment at Bausch+Ströbel is 16 years. In adherence to our Compliance Policy, we strongly prohibit the use of child labor. In our Code of Conduct, we, therefore, expect our suppliers to respect human rights and refrain from tolerating any human rights violations through the use of child labor.
Forced and compulsory labor		
409-1	Operations and suppliers with a significant risk of child labor incidents	Compliance and transparency sustainable supply chain: pages 29-32 Bausch+Ströbel does not have a presence in emerging markets; thus, the risk of forced or compulsory labor incidents at its operating sites can be regarded as low.
Auditing the observance of human rights		
412-1	Production sites where an audit has been conducted to check for compliance with human rights standards or where a human rights impact assessment has been performed.	Compliance and transparency sustainable supply chain: pages 29-32 No such audit or impact assessment has been performed. This is not necessary for our own production sites, as they strictly adhere to all relevant laws and regulations. For information on our interactions with suppliers, please refer to the "Sustainable supply chain" section.
412-2	Employee training on human rights policy and procedures	Compliance and transparency: pages 31/32
Local communities		
413-1	Operating sites engaged in local community involvement, impact assessments and sponsorship programs	Social commitment: page 43
Social assessment of suppliers		
414-2	Detrimental social impacts on the supply chain and measures taken	Sustainable supply chain/supplier management: page 29/30
Protecting customer data		
418-1	Verified complaints of data security breaches and customer data loss	Data privacy: page 32 No complaints were received, and there were no incidents of customer data loss or theft during the reporting period.
Socio-economic compliance		
419-1	Non-compliance with social and economic laws and regulations	Compliance: No incidents occurred during the reporting period, resulting in no sanctions or fines imposed on us.



Annex 2: Additions in accordance with ISO 14001 : 2015 Chapter 9.3 "Management Review"

1. Status of measures defined in previous management reviews
2. Changes related to:
 - 2.1. External and internal issues relevant to the Environmental Management System
 - 2.2. The requirements and expectations of interested parties, including binding commitments
 - 2.3. Significant environmental aspects
 - 2.4. Risks and opportunities
3. Degree of fulfillment of environmental targets
4. Environmental performance of the organization, including developments in regard to:
 - 4.1. Non-conformities and corrective actions
 - 4.2. Monitoring and assessment results
 - 4.3. Fulfillment of binding commitments
 - 4.4. Audit results
5. Sufficiency of resources
6. Relevant comments from interested parties, including complaints
7. Ongoing improvements

Detailed overview:

1. Status of measures defined in previous management reviews

As our ISO 14001:2015 Environmental Management System will not be fully effective until certification is completed in 2023, no results from previous management reviews were available at the time of this report.

2. Changes related to:

2.1. External and internal issues pertaining to our environmental management system (pages 16 -19)

In 2022, the internal and external issues pertaining to our environmental management system were documented and assessed for the first time as part of the sustainability management materiality analysis, based on the findings of the stakeholder analysis. This assessment will be updated on an annual basis.

2.2. Requirements and expectations of interested parties, including binding commitments (pages 16 -19)

The requirements and expectations of interested parties, including binding commitments, were also documented and assessed as part of the stakeholder analysis. Binding commitments are monitored and managed, firstly, through our external partner UniConsult in Umwelt Online, and secondly, through a commitments management system.

2.3. Key environmental aspects (page 19)

Key environmental aspects were documented and assessed as part of the materiality analysis, and subsequently integrated into our sustainability and environmental management system.

2.4. Risks and opportunities

Risks and opportunities were assessed as part of the ISO 9001 compliance audit and will be further addressed in this report. No major environmental risks were identified. We view the targets we have defined within our sustainability management system and the resulting environmental performance gains as opportunities.

3. Degree of fulfillment of environmental targets

A detailed analysis and assessment of the degree of fulfillment is currently not possible as the targets were not set until the end of 2022, and an evaluation can only be made at year end based on the data provided by external service providers. However, a positive trend has emerged in the defined target areas over the past few years, and we plan to continue monitoring this trend.

Targets set in 2022 include achieving climate neutrality by 2030. In 2023, we took major steps toward this goal by purchasing green electricity and offset gas, significantly reducing our Scope 1 & 2 greenhouse gas (GHG) emissions. The ongoing expansion of our company fleet also contributes to this goal.

4. Environmental performance of the organization, including developments in regard to:

4.1. Non-conformities and corrective actions

No non-conformities were observed in relation to our environmental management system during the reporting period.

4.2. Results of monitoring and tests (pages 20 -26)

The results of monitoring and tests can be found in the individual "Reports of the Officers" and will in future be summarized and evaluated on the KPI Board of the Sustainability Management System.

4.3. Fulfillment of binding commitments

Starting from 2023, the fulfillment of binding commitments will be monitored and managed with external support from UniConsult. To achieve this goal, we have integrated a comprehensive obligations management system, in addition to utilizing UmweltOnline.

4.4. Audit results

The results of the integrated audits, including notes and details of any identified non-conformities, are documented in the audit reports. Remedial measures will be monitored as part of the audit program within our Integrated Management System.

5. Sufficiency of resources

Currently, the resources at our disposal can be considered sufficient. In July 2022, we appointed a Sustainability Manager to oversee and coordinate our sustainability initiatives. Through this measure, environmental management has become an integral component of our management process, complementing our sustainability management system and strategy.

6. Relevant comments from interested parties, including complaints

We have received a number of inquiries about our sustainability strategy from interested parties, specifically our customers. In response to these inquiries, Bausch+Ströbel has implemented a Sustainability Management System with an integrated environmental management framework. The company has also become a member of the Business Initiative for Sustainability in Baden-Württemberg (WIN) and will begin implementing far-reaching initiatives for sustainable environmental protection starting in 2023.

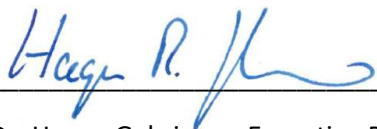
7. Ongoing improvements

Thanks to our participation in WIN and Ratings such as EcoVadis, continuous improvement has become an integral aspect of our environmental management system. In 2023, BAUSCH+STRÖBEL stopped sourcing conventionally produced power entirely. Similarly, through our support of carbon offset projects, we have been exclusively using climate-neutral natural gas for heat generation since then. In addition to adding more charging points for electric vehicles starting in 2022, we are continuously transitioning our company fleet to e-mobility. The improvements achieved through these measures are primarily reflected in our emissions balance, which indicates a quantitative decrease in emissions.

Conclusion and Assessment of our Senior Management

Based on the available data and reports, we have determined that the ISO 14001:2015 management system is fully implemented and effective.

Ilshofen, June 26, 2024



(signed) Dr. Hagen Gehring, Executive Board Technology and Strategy