



# Werfen Sustainability Report

# 2019





## Letter from the President

I am pleased to present the 2019 Werfen Sustainability Report, the first in our history since we proudly decided to join the United Nations Global Compact as signatory members in 2020.

The report details our performance and achievements over the past year, as well as our most significant challenges.

Werfen is committed to world development, contributing to sustainable social and economic growth in the regions where we operate. Year-after-year, we have gained the trust and respect of our people, customers and partners.

We share the Global Compact principles in alignment with our core values and mission of improving laboratory medicine worldwide. The purpose of this report is to demonstrate our commitment to a better world.

Sincerely

**Marc Rubiralta**  
**President**

# Ten Principles of the UN Global Compact

By becoming a signatory member to the UN Global Compact in 2020, Werfen commits to implementing the Ten Principles of this UN initiative. This expresses our intent to make them part of our strategic vision, organizational culture and day-to-day operations. We also aim to advance the broader development goals of the United Nations.

Werfen supports the UN Global Compact as an integral part of our company values in favor of world development and as a differentiator for our customers, employees and partners. WerfenLife SA will officially become a participant, and all Werfen companies will adhere to the same principles promoted by the Global Compact.

Read more and see the Werfen signatory member report on the Official UN Global Compact web site.  
[sustainability@werfen.com](mailto:sustainability@werfen.com)

## Human Rights

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights.

**Principle 2:** Make sure that they are not complicit in human rights abuses.

## Labor

**Principle 3 :** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

**Principle 4 :** The elimination of all forms of forced and compulsory labor.

**Principle 5 :** The effective abolition of child labor.

**Principle 6 :** The elimination of discrimination in respect of employment and occupation.

## Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges.

**Principle 8:** Undertake initiatives to promote greater environmental responsibility.

**Principle 9:** Encourage the development and diffusion of environmentally friendly technologies.

## Anti-Corruption

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals. We welcome feedback on its contents.

# The Sustainable Development Goals we have committed to

The UN Sustainable Development Goals (SDGs) establish a framework for building a more inclusive and sustainable world. They also provide Werfen with the opportunity to deepen our collaboration with our stakeholders. We are uniquely positioned to contribute to achieving the 17 SDGs by proactively managing our internal operations and supply chain, corporate social responsibility programmes, and diversity and inclusion practices. More importantly, we can generate the greatest impact through the products, solutions and services we offer our healthcare customers.





## Our stakeholders

Owners

Employees

Authorities

Citizens

Customers

Internal customers

Banks

Regulatory Bodies / Health Authorities

End-user

Suppliers



Stakeholders' level of expectations

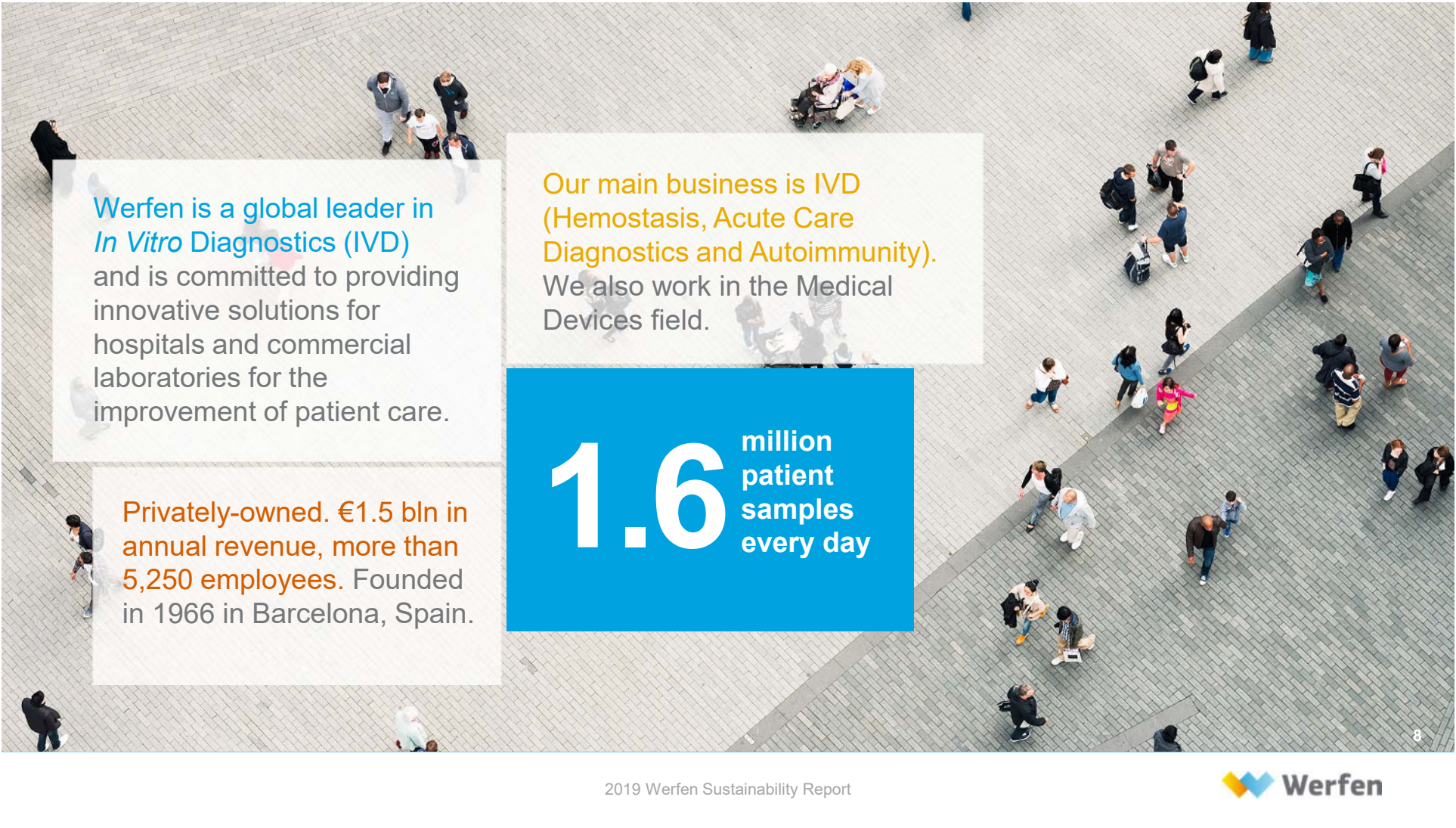


# Prioritizing the SDGs

All of the SDGs are important to Werfen, but we must prioritize them in line with the expectations of our stakeholders.

# Werfen overview





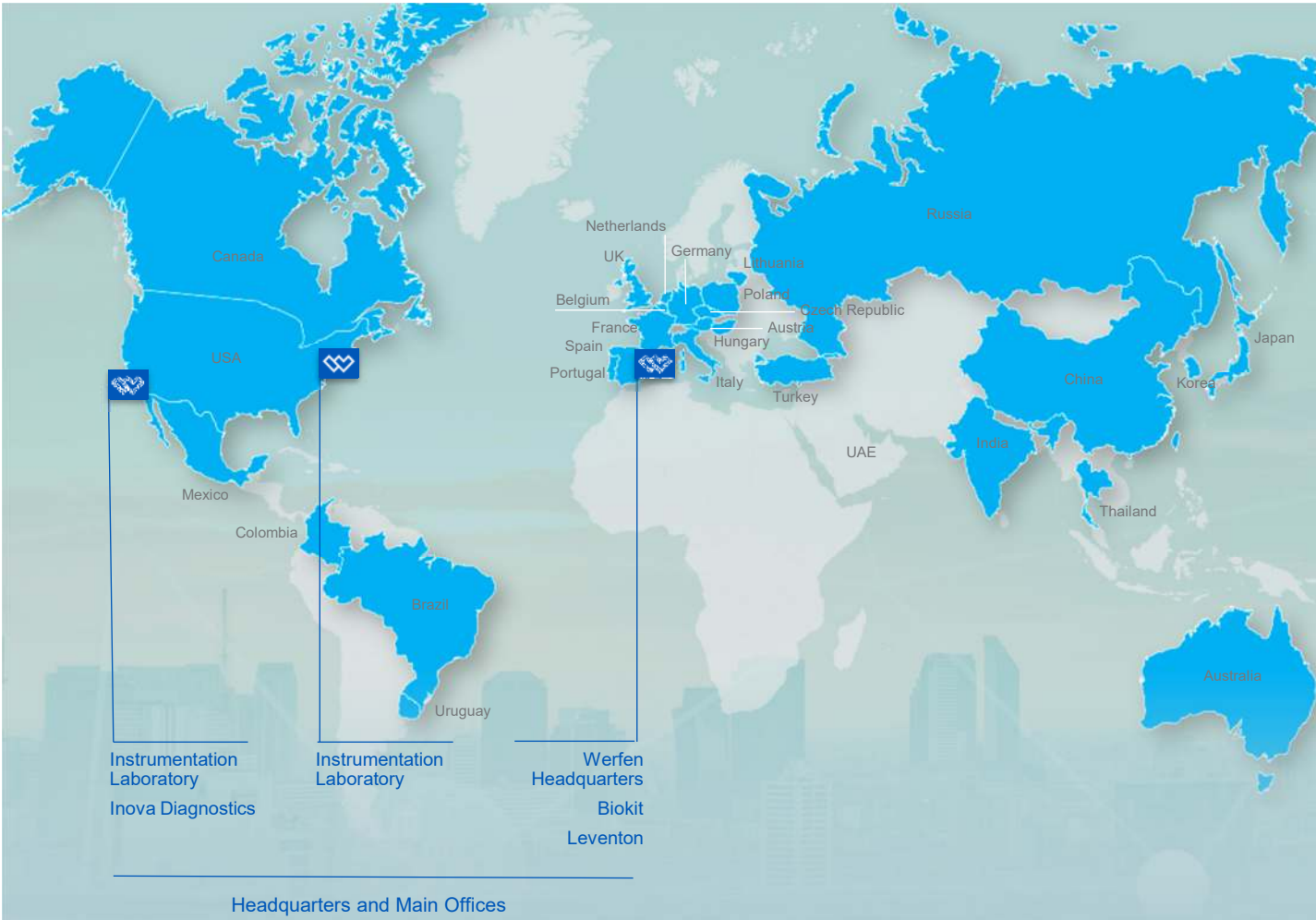
Werfen is a global leader in *In Vitro* Diagnostics (IVD) and is committed to providing innovative solutions for hospitals and commercial laboratories for the improvement of patient care.

Our main business is IVD (Hemostasis, Acute Care Diagnostics and Autoimmunity). We also work in the Medical Devices field.

Privately-owned. €1.5 bln in annual revenue, more than 5,250 employees. Founded in 1966 in Barcelona, Spain.

**1.6** million patient samples every day





# Worldwide Operations

Direct presence in nearly 30 countries and more than 100 territories via distributors.

Headquarters and Main Offices

# Our progress with the SDGs

1 NO POVERTY



## Status

Employees in Spain support UN initiative

To kick-off the holiday season our colleagues in Spain donated their time in support of the United Nations #Companies4SGDs campaign. More than 150 companies around the world support this global initiative, which seeks to eradicate poverty, protect the planet and assure prosperity for all by 2030.

Some 95 colleagues participated in various activities, ranging from cooking for people who are physically or mentally disabled, to coaching women preparing to return to workforce, spending time with the elderly, working with the homeless and removing waste from local beaches.

These unique experiences brought our people together as a team and allowed our colleagues from different departments to get to know each other. They also strengthened our commitment as corporate citizens.

## Goal



Target achieved

Support United Nations  
#Companies 4SGDs



2  
ZERO  
HUNGER



## Status

The Ronald McDonald House (USA)

Every day The Ronald McDonald House Charities (RMHC) provides lodging, meals, a family care center, education, and a home-away-from-home for families with children being treated for serious, often life-threatening conditions at local hospitals.

The generosity of volunteers and donors make it all possible. In return, guest families are asked to make a donation for each night's stay to help continue operations for future guest families.

When one of its own, Catherine and Aaron Llanes, were in need of RMHC's services – colleagues from Inova Diagnostics Quality Assurance and Regulatory Affairs (QA&RA) rose to the occasion.

The team of volunteers assembled 96 Welcome Bags for families like the Llanes' to make them feel at home during their stay at RMHC. The reusable cloth bags contained toiletries, as well as puzzles, activity books, card games and a stuffed toy to help pass the time.



## Goal



Target achieved

Join RMHC action



## Status

The contribution of our colleagues and partners in the EEMEA Area (Eastern Europe, Middle East, Africa, India) has reached €12,000 of the final shared target of €22,000.

In the first phase of this fundraising campaign, our employees, partners and their collaborators raised €8,000, and Werfen EEMEA has donated an additional €4,000 for the first mission.

The second phase, to raise €22,000, will keep the campaign open to fund the second mission thanks to the EEMEA Ecosystem (Werfen, EEMEA employees and EEMEA Partners).

The ultimate objective of achieving the target of €22,000 is to sponsor one mission to Egypt and one to Morocco (funding for one is already in place and fundraising is ongoing for the other).

The result of these two missions will impact the lives of more than 20 children and their families, with many more being screened and diagnosed.

Goal



Target achieved

€12,000



## Status

### Training and education

Training is key at Werfen. In 2019, a total of 21,318 training actions were carried out, offering an estimated 593,000 hours of preparation (20,080 actions and more than 420,000 hours in 2018).

To offer comparative information based on uniform criteria, the total training hours in 2018 have been re-estimated using the new calculation method for estimating training hours **defined at the Werfen level for 2019**.

In addition, 94,000 hours of training related to regulatory compliance was conducted in 2019.

## Goal



Target achieved

More than 420,000 hours





## Status

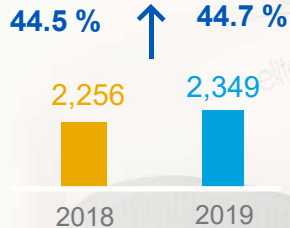
### Promoting gender equality

We promote non-discrimination by reason of birth, race, gender, sexual orientation, religion, opinion or any other personal or social condition of our employees, as well as equality of opportunity among them.

**Certain shared formal values exist that foster respect and counter discrimination, and various formal action protocols protect employees in the event of any kind of harassment.** The Werfen Code of Ethics describes the standards all of our employees are expected to meet at all times in this respect.

In 2019, We continued implementing actions regarding equality between women and men, aimed at compliance with local laws.

### Female Employees



## Goal



Target achieved

More than 44.5% women



## Status

The electric power supply for our corporate headquarters building(\*) in Barcelona comes from sustainable clean energies.

(\*) The building has 24 floors and is 107 meters in height.

## Goal



Target achieved

100%



## Status

**The most critical and significant aspects of our colleagues' safety, health and well-being are the catalyst for all of our planning and development activities.** The following statements from our Code of Ethics on health and safety at work demonstrate our strategic and unwavering commitment:

- Developing actions aimed at complying with local legislation in this regard.
- Ensuring that any potential risk situation that may affect employees or safety in our facilities is notified, assessed and managed as efficiently as possible.
- Striving to maintain a risk-free working environment by integrating occupational risk prevention and measures to protect and promote health and well-being into our business management.

Absence from work amounted to 207,109 hours in 2019 (against 242,674 in 2018).

### Goal



Target achieved

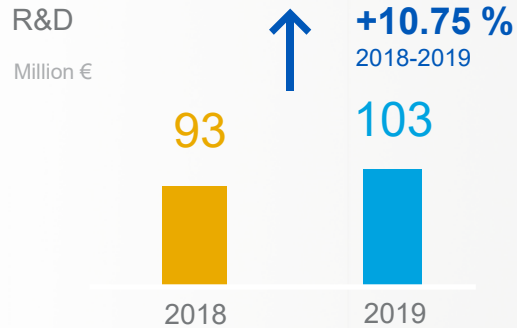
Fewer than  
242,674 hours'  
absence from work



## Status

We have an R&D department at all of our manufacturing sites, and consider this is as one of the most important processes in the lifecycle of our products.

R&D spend in 2018 was €93 million, increasing to €103 million in 2019.



**Goal** 

Target achieved

€93 million  
invested in R&D



10 REDUCCIÓN DE LAS DESIGUALDADES



## Status

We promote non-discrimination by reason of birth, race, gender, sexual orientation, religion, opinion or any other personal, or social condition, or circumstance of its employees. We also promote equality of opportunity among our people, paying special attention to diversity and the inclusion of people with disabilities.

Our companies have in-house processes that encourage employees to apply for internal vacancies, regardless of gender. These processes foster diversity and the transfer of talent among our companies. We have shared, formal values that promote respect and counter discrimination, and various formal action protocols protect employees in the event of any kind of harassment. In this respect our Code of Ethics describes the standards all Werfen employees are expected to meet at all times.

In the framework of our commitments in the area of diversity, our goal is to avoid physical barriers to facilitate effective integration of employees with disabilities. In 2019, the average number of people with some form of disability was 29.

Since 2016, Werfen has had an Ethical Channel in place as an additional mechanism of risk control. This means of direct, confidential communication is available to all employees to enquire about matters of compliance or report possible breaches of the Code of Ethics or the internal policies it develops.

No inequality-related complaints were received in 2019.

Goal



Target achieved

0 Inequality complaints



## Status

1. Divert at least 5% of the baseline weight of cafeteria food waste to composting at our Bedford site.
2. Provide lab-specific training sessions on waste minimization and recycling programmes at our Bedford site.
3. Target: approx. 36,300 kg of waste sent to conversion facility. Program: Contract with waste disposal vendor to divert waste from landfill to conversion facility (Orangeburg site).
4. Comply with 1 of the 3 plans to minimize packaging waste at our distribution center in Spain.
5. Reduce electricity consumption in Kwh/sqm x delivery note in our distribution center in Spain.
6. Reduce water consumption in m3/sqm x person in our distribution center in Spain.

## Results

52%

Sessions in Nov and  
Dec 2019

67,000 kg burned to  
produce electricity

1/3

0.00030

0.00010





## Status

Our distribution hub in Spain, was ISO 14001 certified in 2004, becoming the first company with environmental certification at Werfen.

For the **past two years** we have been taking different actions to comply with all international and local environmental regulations. We aim to track CO2 emissions with the goal of reducing them in the near future.

**Track the carbon footprint (kg CO2 eq / number of delivery notes) at our distribution centre in Spain.**

### Goal



Target achieved

86.46 kg CO2 eq.

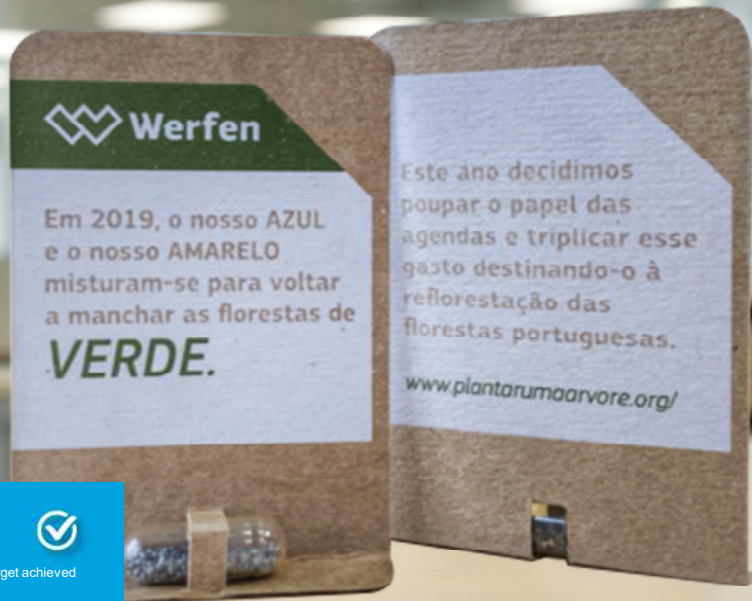




## Status

In response to the 2019 forest fires in Portugal, we decided to stop giving notebooks as merchandizing gift for clients in the country in an effort to protect the country's woodlands. Instead, it donated to Plantar Uma Árvore, an organization dedicated to the preservation and reforestation of the damaged forests in Portugal.

These donations resulted in the planting of almost 700 trees, which will be cared for over the next five years. To commemorate this, Werfen created "earth pills" for each of its clients—capsules packed with plant seeds and with the inscription "In 2019, our blue and yellow join forces to color the forests green again"



## Goal



Target achieved

Planting 700 trees  
and cared for next  
5 years



## Status

All Werfen companies seek to ensure that ethical and legal commitments regarding corruption are also adopted by third parties that collaborate with them.

In this respect, and in order to foster an ethical culture, good business practice and prevention of corruption among our business partners, Werfen has launched a training program, based on courses in electronic format. Take-up of this program has been initiated by various distributors from EEMEA and Latin America, and we expect it to be extended to other areas in the world in 2020.

Since 2016, Werfen has applied a due diligence procedure for business partners which defines their obligations and the company admissions policy. These requirements are expanded on in the anti-corruption policy and the prevention of money laundering policy. To date, some 80% of our business partners have been evaluated through this process.

Contributions made to foundations and non-profit organizations in 2019 amounted to approximately €5.9 million (€5.7 million in 2018).

## Goal



Target achieved

2019 Anti-corruption  
training plan



## Status

The UN Global Compact supports UN efforts to end extreme poverty, fight inequality and address climate change. The Werfen Values fully support its spirit and goals.

### **DELIVERY OF RESULTS**

**Quality & Excellence, With A Customer Focus**

### **LEADERSHIP AND MANAGEMENT**

**Teamwork Meets Innovation**

### **INTEGRITY**

**Honesty, Humillity and Respect for People**



# Sustainability for a better world



# Thank you