Simplifying Progress

SRI Presentation
Sartorius AG, February 2020
Disclaimer

This presentation contains statements concerning the future performance of the Sartorius Stedim Biotech Group. These statements are based on assumptions and estimates. Although we are convinced that these forward-looking statements are realistic, we cannot guarantee that they will actually materialize. This is because our assumptions harbor risks and uncertainties that could lead to actual results diverging substantially from the expected ones. It is not planned to update our forward-looking statements. Throughout this presentation, differences may be apparent as a result of rounding during addition.
Agenda

Company Overview and Strategy

Responsibility Overview

ESG Performance
Sartorius at a glance

**Industry focus**
A leading partner of the biopharma industry

**Clear mission**
Making R&D and production processes of innovative biologics more efficient

**Attractive market**
Biopharma market fueled by strong long-term growth drivers

**Strong positioning**
Double-digit market share in key technologies

**Stable business**
Diversified revenue base and high share of recurring revenues

~€1.83 bn
Sales revenue

~14%
Sales CAGR\(^1\) 2014-2019

27.1%
EBITDA margin\(^2\)

>30
Countries

>9,000
Employees

---

Based on FY 2019 figures \(^1\) For continued operations, in constant currencies \(^2\) Excluding extraordinary items
Covering most steps of the biopharma process chain

- Production process design is inalterable for the lifetime of most drugs
- Individually customized production process required for all drugs
- Decisions for process design, and thus supplier selection, are typically made during clinical trials
### Overview and Strategy

**Attractive market environment with strong growth opportunities**

<table>
<thead>
<tr>
<th>Favorable demographics</th>
<th>9bn people by 2050; &gt;2bn 60 yrs or older</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rise of biosimilars</td>
<td>~30% CAGR for biosimilar sales 2018–2022</td>
</tr>
<tr>
<td>Strong R&amp;D pipeline; advances in gene and cell therapy</td>
<td>&gt;40% share of biologics in the pharma R&amp;D pipeline</td>
</tr>
</tbody>
</table>
Overview and Strategy

Sales revenue has more than doubled over the last 5 years

Sales CAGR  +13.8%
EBITDA-margin\(^1\)  +7.4pp

Sales growth and CAGR 2011-18 for continued operations, in constant currencies \(^1\)Excluding extraordinary items
Overview and Strategy

U.S. remains the most important market; China with the highest growth rates

Biologics market growth forecast
CAGR 2018 to 2022, € in billions

- Biologics market in China is at an early stage, but has strong growth potential
- Supportive regulatory environment and solid industry foundation; biopharma considered a priority sector
- Growth of fermentation capacity in China of 80% (2018 to 2022)
Overview and Strategy

Acquisitions strengthen and differentiate the Sartorius portfolio

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>TAP Biosystems</td>
<td>AllPure Technologies</td>
<td>Bio Outsource</td>
<td>Cellca</td>
<td>kSep</td>
<td>Umetrics</td>
<td>Biological Industries</td>
<td>Acquisitions to remain part of strategy</td>
</tr>
</tbody>
</table>
Recent investments: Infrastructure prepared for further growth

**Aubagne, France**
Capacity extension for single-use bag production

**Göttingen, Germany**
Expansion of lab instrument manufacture and extension of capacities for filter production; new Application Center

**Boston, USA**
New bioanalytical and biosafety testing facility

**Beijing & Shanghai, China**
Production of aseptic bags and new center for validation services

**Yauco, Puerto Rico**
Capacities for bag and filter production doubled
### Leading positions in key technology platforms

|Pie charts indicate completeness of product offering|

<table>
<thead>
<tr>
<th>Sartorius</th>
<th>Merck</th>
<th>Pall</th>
<th>Thermo</th>
<th>GE</th>
<th>Top 3 Players</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filtration</td>
<td><img src="#" alt="Yellow Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td>1. Merck</td>
</tr>
<tr>
<td>Fluid Management</td>
<td><img src="#" alt="Yellow Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td>1. Sartorius 2. Thermo Fisher 3. Merck</td>
</tr>
<tr>
<td>Fermentation</td>
<td><img src="#" alt="Yellow Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td>1. Sartorius 2. Thermo Fisher 3. GE</td>
</tr>
<tr>
<td>Purification</td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td>1. GE 2. Merck</td>
</tr>
<tr>
<td>Cell Culture Media</td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td><img src="#" alt="Gray Pie Chart" /></td>
<td>1. Thermo Fisher 2. Merck</td>
</tr>
</tbody>
</table>

1) Danaher announced acquisition of GE Biopharma. Sartorius announced acquisition of select businesses of Danaher Life Science; transaction is subject to Danaher’s successful acquisition of the GE Biopharma business and to approvals from various regulatory authorities.
Overview and Strategy

Limited dependence on individual accounts

Long-term business relationships with leading global (bio-) pharma companies

- More than half of 2018 BPS sales were generated with the Top 50 customers
- No individual customer accounts for more than 5% of BPS sales revenue
- No single drug accounts for more than 3% of BPS sales revenue

Sales to Top 50 customers in 2019, € in millions

- Top 10: ~25%
- 11 to 20: ~40%
- 21 to 30: ~45%
- 31 to 40: ~50%
- 41 to 50: ~55%

Cumulative share
Sartorius 2025 targets and initiatives

Strategic initiatives

Regional
- Participate in strong Chinese market growth
- Continue to outperform the important U.S. market

Portfolio
- Add high-impact innovations, e.g. digital tools
- Enhance process development capabilities
- Expand into adjacent applications

Operations
- Accelerate workflows across the organization through digitalization
- Extend manufacturing base in Asia

2025 targets

Sales revenue
~€4bn

Organic
~2/3

Acquisitions
~1/3

EBITDA margin
~28%
Agenda

Company Overview and Strategy

Responsibility Overview

ESG Performance
Responsibility

Strong company values as the basis of all our activities

**Sustainability**
Growing profitably and acting responsibly towards all stakeholders

**Openness**
Driving change and progress internally and externally

**Enjoyment**
Working in an energetic and rewarding environment
Responsibility

Our corporate responsibility endorsements

Sartorius is a signatory of the United Nations Global Compact and is committed to sustainable global business.

Sartorius is a member of econsense, the Forum for Sustainable Development of German Business.
Responsibility

Our corporate responsibility basics

<table>
<thead>
<tr>
<th>Environment</th>
<th>Social</th>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Environmental Policy</td>
<td>• Policy on Labor Practices</td>
<td>• Anti-Corruption Code</td>
</tr>
<tr>
<td></td>
<td>• Policy on Occupational Safety</td>
<td>• Sustainable Supply Chain Management</td>
</tr>
<tr>
<td></td>
<td>• Human Rights Strategy</td>
<td>• ESG Risk Reporting</td>
</tr>
<tr>
<td></td>
<td>• Code of Conduct</td>
<td>• Corporate Responsibility Steering Committee</td>
</tr>
</tbody>
</table>

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Responsibility

Transparency

Non-financial group statement published in our annual report and externally audited.

- Overall rating: 57 of 100
- Environment: 70
- Labor: 60
- Ethics: 50
- Sustainable procurement: 40

Overall rating SSB: A
Overall rating Group: AA

Overall rating: C
Social governance: C+
Environmental rating: C-
Staff and suppliers: C
Society and product responsibility: C
Products and services: D
Corporate governance and business ethics: B-
Eco-efficiency: A+
We empower scientists and engineers to simplify and accelerate progress in life sciences

- Time savings in drug discovery
- Cost savings in drug production
- Reduced risk of cross-contamination
- Higher flexibility

Responsibility

Our ESG core topic: Better health for more people

New and better therapies and more affordable medicine
Sartorius’ contribution to SDGs

Three-step materiality analysis to determine which SDGs are related to Sartorius business activities

1. Identification of the SDGs that are significant for Sartorius
2. Examination of the relevance of each topic to our business, as well as the potential impacts on people and the environment
3. Determination of whether the impacts are positive or negative and to which degree

Eight SDGs were defined as material in relation to the business activities of Sartorius
Next steps

1. Policy / Strategy / Targets
   - Endorsement
   - Environmental Policy
   - Policy on Labor Practices
   - Policy on Occupational Safety
   - Human Rights Strategy
   - Climate Strategy
   - Plastics Strategy

2. Measures / Management Approach
   - Sustainable Supply Chain Management
   - Non-Financial Risk Management Aspects

3. Results / Communication
   - Non-Financial Group Statement
   - GRI Report
   - UN Communication on Progress
   - ESG Ratings
   - ESG Audits
   - CDP
   - Investor Meetings
   - Home Page
   - Daily / Intranet
Responsibility

Sustainability in the supply chain

Corporate responsibility means taking responsibility for the consequences of our actions – wherever they occur. As a company responsible for purchasing transactions, we shift a part of our environmental and social impacts to others, our suppliers. It is the manufacturing conditions of the materials, products and services that we purchase and their ecological and social impacts that we must consider and take responsibility for. The sustainable management of the supply chain is thus becoming a central component of responsible corporate governance.
Sustainability in the supply chain

CODE OF CONDUCT
Foundation for collaborating with our business partners
• Work practices
• Workplace health / safety
• Environmental standards
• Ethics
• General rules of conduct
• Supplier relationship

RISK MANAGEMENT
Risk-based approach to setting priorities for review
• Location
• Production processes associated with increased risk to environment or employee safety
• Purchasing volume
• Critical products

ASSESSMENTS & AUDITS
Multi-level approach to verify compliance
• ESG self-assessments
• EcoVadis evidence-based assessments
• Sartorius quick checks
• External ESG assessments

CONSEQUENCES
Actively involve with suppliers
• Corrective action
• Instigate actual change for the better
• Terminate business relationship if no improvement is achieved

Responsibility
The world produces more than 400 million tons of plastics every year; biopharma accounts for only 0.008%.

Necessary to differentiate between legitimate and non-legitimate applications for single-use plastics (packaging or products).

Single-use products prevent cross-contamination in life science applications (e.g., blood tests, production of drugs).

Single-use products utilized in biopharmaceutical industry are incinerated after each batch and hence do not end up in the environment.

Plastic single-use products mostly consist of polyolefins, leaving no traces after incineration.
Agenda

Company Overview and Strategy

Responsibility Overview

ESG Performance
Responsible management and long-term value creation

- Energy efficiency
- Water management
- Waste management
- Occupational health & safety
- Employee development
- Labor practices
- Compliance
- Diversity
- Management remuneration

ESG Performance

Economic performance

Environmental performance

Long-term value creation

Social performance

Governance performance
ESG Performance

Certifications

ISO 9001
17 production sites = 90% of employees in production

ISO 14001
6 production sites = 53% of employees in production

ISO 50001
4 German companies = 39% of employees in production

OHSAS 18001
Production site in Beijing

Companies that are not yet certified are managed according to the same high standards.

Yauco, Puerto Rico
Göttingen, Germany
Aubagne, France
Beijing, China
Energy consumption and emissions

- Emissions caused by direct operations are comparably low
- Target: Keep GHG\(^1\) emissions at under proportionate levels with respect to revenue growth
- Primary energy sources include oil and natural gas

Development of GHG emissions

<table>
<thead>
<tr>
<th>Year</th>
<th>GHG emissions in relation to revenue; t/million €</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>27.4</td>
</tr>
<tr>
<td>2016</td>
<td>25.9</td>
</tr>
<tr>
<td>2017</td>
<td>28.1</td>
</tr>
<tr>
<td>2018</td>
<td>27.0</td>
</tr>
<tr>
<td>2019</td>
<td>24.2</td>
</tr>
</tbody>
</table>

Energy consumption

- Direct energy: \(~45\%\)
- Electricity from public grid: \(~51\%\)
- Other: \(~4\%\)

GHG emissions

- Scope 1 emissions: 16,710 t
- Scope 2 emissions: 27,428 t

\(^1\) GHG = Greenhouse Gas Protocol
Water management (2018)

- Most water is used for rinsing in the manufacture of filter membranes acc. to the precipitation bath method in Göttingen
- Water purchased mainly from public supply
- Target: Reduce water consumption in relation to revenue
- Sartorius takes care to reduce water consumption and soil sealing, particularly at plants in baseline water risk areas according to the Aqueduct Water Risk Atlas (Yauco, Bangalore, Beijing)
- Additional system for rainwater use in Yauco and Bangalore

<table>
<thead>
<tr>
<th>Water consumption</th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water consumption</td>
<td>432,971</td>
<td>430,608</td>
</tr>
<tr>
<td>Water consumption / employees</td>
<td>74.7</td>
<td>81.4</td>
</tr>
</tbody>
</table>

Water consumption in relation to revenue; t/million €

- 2014: 371.4
- 2015: 322.4
- 2016: 316.0
- 2017: 306.4
- 2018: 276.5
Waste management (2018)

- Target: Reduce waste in relation to revenue / increase recycling quota
- Hazardous waste mainly from membrane production (evaporation method)
- 3 of 4 evaporation machines in Göttingen
- Organic solvents are recovered and recycled

Recycling

<table>
<thead>
<tr>
<th>Waste for recycling</th>
<th>Waste for disposal</th>
</tr>
</thead>
<tbody>
<tr>
<td>~51%</td>
<td>~49%</td>
</tr>
</tbody>
</table>

Hazardous waste

<table>
<thead>
<tr>
<th>Non hazardous waste</th>
<th>Hazardous waste</th>
</tr>
</thead>
<tbody>
<tr>
<td>~76%</td>
<td>~24%</td>
</tr>
</tbody>
</table>

Classification of waste in Germany (2018)
Single-use technology

Single-use products offer advantages over conventional stainless steel devices

**Social perspective**
- SU products enable manufacturing processes that are safe as cross contamination is avoided
- Processes are scalable and thus flexible and economical

**Environmental perspective**
- Eco-friendly as no energy-intensive steam sterilization and chemical cleaning between batches required
- Ecological footprint considered over whole product lifecycle
- All materials can be safely incinerated and used as energy

<table>
<thead>
<tr>
<th></th>
<th>Construction cost</th>
<th>Time-to-market</th>
<th>Energy cost</th>
<th>Water cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reference SU</td>
<td>-25–35%</td>
<td>-30–50%</td>
<td>-55–65%</td>
<td>-65–75%</td>
</tr>
</tbody>
</table>
ESG Performance

Employees

- More than 1,000 new hires per year
- 108,888 hours of education and training; ~14.7 hours per employee
- Annual performance reviews
- Flextime, part-time, home office

### Fluctuation (2018)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of redundancies</td>
<td>77</td>
<td>78</td>
</tr>
<tr>
<td>Attrition rate excl. expired fixed-term contracts, in %</td>
<td>8.7</td>
<td>8.3</td>
</tr>
<tr>
<td>Attrition rate incl. expired fixed-term contracts, in %</td>
<td>10.2</td>
<td>10.5</td>
</tr>
</tbody>
</table>

### Average seniority

<table>
<thead>
<tr>
<th>Year</th>
<th>Average seniority in years</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>9.5</td>
</tr>
<tr>
<td>2016</td>
<td>8.9</td>
</tr>
<tr>
<td>2017</td>
<td>8.8</td>
</tr>
<tr>
<td>2018</td>
<td>8.3</td>
</tr>
<tr>
<td>2019</td>
<td>8.6</td>
</tr>
</tbody>
</table>

### Type of contract

- Unlimited: 91.4%
- Limited: 8.6%
Diversity

- People from 83 nations; 48 nations at headquarters
- 69% of 1,334 managers are non-German
- 63.2% of the Group’s staff are employed outside Germany
- Target 2022: women in the first and second management tiers >30%

Employees by age (2018)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>16-20 years</td>
<td>0.3%</td>
</tr>
<tr>
<td>21-30 years</td>
<td>25%</td>
</tr>
<tr>
<td>31-40 years</td>
<td>32%</td>
</tr>
<tr>
<td>41-50 years</td>
<td>24%</td>
</tr>
<tr>
<td>51-60 years</td>
<td>16%</td>
</tr>
<tr>
<td>&gt;61 years</td>
<td>3%</td>
</tr>
</tbody>
</table>

Women in overall management roles

- Men: 68%
- Women: 32%

Employees by region

- Asia|Pacific: 15%
- Americas: 17%
- EMEA: 68%
Health & safety

- Risk assessments of workplaces and tailored training
- Work-related accidents up due to a wider definition of accidents to derive improvement measures from less serious incidents as well
- No accidents with serious outcomes or fatal accidents due to high quality of the safety management system
- Corporate health management policy addresses physical as well as psycho-social elements of health
- Mandatory in-house medical service
- External provider offers psychological help for work-related or personal matters

### Accident statistics

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work-related injuries</td>
<td>253</td>
<td>135</td>
</tr>
<tr>
<td>Frequency rate</td>
<td>16.6</td>
<td>10</td>
</tr>
<tr>
<td>Injuries with a serious outcome</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Fatal accidents</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
ESG Performance

Sartorius legal & operational structure

Sartorius Group Legal Setup

Sartorius AG
Stock market listed in Germany

<table>
<thead>
<tr>
<th>Ordinary shares</th>
<th>Preference shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;50% Administered by executor</td>
<td>~91% Free float</td>
</tr>
<tr>
<td>~34% Bio-Rad Laboratories</td>
<td>~9% Treasury shares</td>
</tr>
<tr>
<td>~9% Treasury shares</td>
<td>~5% Family owned</td>
</tr>
<tr>
<td>~5% Family owned</td>
<td>~2% Free float</td>
</tr>
<tr>
<td>~2% Free float</td>
<td>~9% Free float</td>
</tr>
</tbody>
</table>

Sartorius Stedim Biotech S.A.
Stock market listed in France

~74% Sartorius AG
~26% Free float

Other Sartorius Subsidiaries

Bioprocess Solutions Division

Lab Products & Services Division

~74% Other Sartorius Subsidiaries

Sartorius Group Operational Setup

1) Information on shareholdings and shares in free float pursuant to Sections 33 et seq. of the German Securities Trading Act (WpHG). Reporting obligations refer only to ordinary shares and not to non-voting preference shares.
ESG Performance

Legal & operational structure

Sartorius Stedim Biotech S.A.

<table>
<thead>
<tr>
<th>Board of Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>J. Kreuzburg</td>
</tr>
<tr>
<td>Chairman &amp; CEO</td>
</tr>
</tbody>
</table>

Sartorius AG

<table>
<thead>
<tr>
<th>Supervisory Board</th>
<th>Executive Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>50% employee representatives 50% Sartorius AG shareholder representatives</td>
<td>J. Kreuzburg</td>
</tr>
<tr>
<td></td>
<td>CEO</td>
</tr>
</tbody>
</table>
Interlinkage of Sartorius Stedim and Sartorius AG

• In 2007, Stedim Biotech SA merged with the Biotech Division of Sartorius AG, creating Sartorius Stedim Biotech SA with a stock listing in Paris

• Sartorius AG (SAG) owns approx. 74% of the shares and has control of approx. 85% of the voting rights of Sartorius Stedim Biotech (SSB)

• SSB is fully consolidated by SAG

• Debt financing for SSB is conducted through SAG; equity financing for SSB would be done with SSB capital

• Support functions and facilities and associated costs are shared proportionally by both entities

• SSB executive management receives fixed and variable remuneration from SAG, of which a portion is charged to SSB based on his proportional work for this entity
Appendix
Appendix

Share price performance

Share key facts

<table>
<thead>
<tr>
<th>ISIN</th>
<th>Ticker</th>
<th>Number of shares&lt;br&gt;1&lt;sup&gt;st&lt;/sup&gt;</th>
<th>Indices&lt;br&gt;2&lt;sup&gt;nd&lt;/sup&gt;</th>
<th>Market cap.&lt;br&gt;2&lt;sup&gt;nd&lt;/sup&gt;</th>
</tr>
</thead>
</table>
| DE0007165631 (preference share) | DE0007165607 (ordinary share) | 68,388,292 - thereof preference shares: 34,176,068 ordinary shares: 34,212,224 | MDAX | Sartorius Stedim Biotech<br>Prime All Share Index | €14.8bn

1<sup>st</sup> Excluding treasury shares held by Sartorius AG  2<sup>nd</sup> As of February 07, 2020
Appendix

Extract of the Bioprocess Solutions’ product portfolio

Filtration

Purification

Fermentation & Cell Culture Media

Fluid Management
Sartorius 2025 targets and initiatives

Strategic initiatives

Regional
- Participate in strong Chinese market growth
- Continue to outperform the important U.S. market

Portfolio
- Add high-impact innovations, e.g. digital tools
- Enhance process development capabilities
- Expand into adjacent applications

Operations
- Accelerate workflows across the organization through digitalization
- Extend manufacturing base in Asia

2025 targets

~€4bn Sales revenue

~2/3 Organic
~1/3 Acquisitions

~28% EBITDA margin
Appendix

Contacts

Petra Kirchhoff
Head of Corporate Communications & IR
Phone: +49.551.308.1686
E-mail: petra.kirchhoff@sartorius.com

Ben Orzelek
Head of Investor Relations
Phone: +49.551.308.1668
E-mail: ben.orzelek@sartorius.com

Katharina Tillmanns-Pelzer
Corporate Responsibility
Phone: +49.551.308.2893
E-mail: katharina.tillmanns@sartorius.com

Sartorius Corporate Administration GmbH
Otto-Brenner-Straße 20
37079 Goettingen, Germany
www.sartorius.com