



Bayer Australia Pay Equity Statement

2023-2024 Reporting Period

Bayer reports¹ a 4.4% average total remuneration gender pay gap, and 3.1% median pay gap in its 2023-2024 WGEA survey.

About Bayer

Bayer is a life sciences company with a 150-year history, specializing in health and agriculture. With a local presence in Australia since 1897, our company is dedicated to addressing some of the most significant challenges of our time—from climate change and caring for growing and aging populations to improving food security and productivity.

At Bayer, we are committed to fostering a diverse, inclusive, and equitable workplace. We strive to create a culture where everyone is valued and empowered to be the best version of themselves.

WGEA Pay Gap

In Australia, where we employ over 600 people, we are making significant progress towards our diversity, equity and inclusion goals, particularly in the important area of pay equity. The average total remuneration gender pay gap for Bayer Corporate Group is 4.4%, and the median pay gap is 3.1%.

Our current pay gap performance reflects workforce participation along with workforce distribution across management and non-management roles, with the largest gaps relating to roles within general management, clerical and administration, and technicians or trade-based roles. Our commitment is to continue striving for pay equity across our organization, at all levels and roles, regardless of gender. We will endeavor to close the gender parity gap across all aspects of pay and benefits.

Factors Driving the Gender Pay Gap at Bayer

- 1. Gender Distribution in Roles:** The significant disparity in gender representation between managerial and non-managerial roles contributes to the pay equity gap. At Bayer, 51% of managerial roles are held by men, while a higher percentage (69%) of non-managerial roles are occupied by women. This contrasts with the comparison group, where 53% of managerial roles are filled by men, and 52% of non-managerial roles are held by women, indicating a less pronounced gender imbalance.
- 2. Role Segregation:** The concentration of women in non-managerial roles, which typically offer lower pay compared to managerial positions, exacerbates the overall pay gap. The higher proportion of women in lower-paying non-managerial roles at Bayer compared to the comparison group indicates a systemic issue in role assignment that affects average and median pay.
- 3. Promotion and Advancement Opportunities:** The underrepresentation of women in managerial roles may reflect challenges to promotion and advancement within the organization. If women are less likely to be promoted to higher-paying managerial positions, this can perpetuate the pay gap, as seen by the 51% moderate male dominance in managerial roles at Bayer.

¹ Bayer Australia WGEA survey submission (2024)

4. **Pay Review:** Data was captured as of 30 March 2024. Since this time a significant effort has been made to identify pay gap cases and use the available budget to bridge those gaps. Based on updated analysis, the pay gap should be less and comparable to our comparison group in the 2024-2025 reporting period.
5. **Cultural and Societal Influences:** Broader societal and cultural factors influencing career choices and opportunities for women may also play a role. Gender biases and stereotypes can affect hiring, promotion, and pay decisions, leading to a persistent pay equity gap as evidenced by the statistics at Bayer compared to the comparison group.

Bayer's Actions to Close the Pay Equity Gap

- // **Global Annual Pay Equity Review:** In 2023, Bayer launched and maintains an AI-led study to review adjusted pay equity across employees in 23 countries, including Australia. This study uses pay data, excluding variables such as education level, role, division, length of service, and time in position, to identify and close potential gaps. For Bayer Australia, the adjusted pay gap was 1.2% in 2023 and 0.62% in 2024. The next review is due in May 2025 and will help monitor and respond to changes in pay gaps continuously.
- // **Annual Pay Equity Analysis:** On an annual basis Bayer conducts pay equity analysis by division, function and group wide. In addition, performance outcomes by gender (including performance reviews and bonus payments) are analyzed annually to identify areas of focus. The analysis enables action planning to occur and for corrective actions to be taken to close gaps.
- // **Objective Role Evaluation:** To ensure roles are objectively defined, Bayer Australia adopts a robust methodology and participates in regular market salary surveys. In addition, a clear salary framework is implemented to ensure fair and equitable compensation decisions are made. Bayer uses the Korn Ferry Hay Group method for job evaluation and participates in the Mercer Total Remuneration Survey to benchmark salaries against industry standards.
- // **Diverse Talent Attraction & Development:** A number of targeted campaigns were developed in 2023-2024 to attract diverse talent and enhance workplace diversity. This was supported by ensuring a diverse selection panel and clear performance criteria to remove bias. Across ANZ, Bayer launched the 'Women in STEM' initiative to attract more female candidates to science and technology, along with the 'Women in Ag' initiative to promote career pathways to women in the agriculture sector. Bayer also uses psychometric testing to remove bias and ensure assessment is comprehensive against the core skills and competencies of the role.
- // **Flexible & Hybrid Working Arrangements:** Bayer offers hybrid and flexible working arrangements to accommodate diverse needs. Our work started prior to COVID when we introduced our *Working @Bayer* Policy which accommodates both informal and formal flexible working arrangements. Bayer employees can choose to work remotely up to two days a week and have flexible start and finish times to better balance their personal and professional lives.
- // **Psychosocial Safety and Sexual Harassment:** Bayer has a no tolerance policy on prohibiting and preventing sexual harassment in the workplace. On an annual basis employees are required to complete Fairness, Respect at Work training and informed about the correct procedures to report any concerns. A focus on psychosocial safety was implemented in 2023-2024 to ensure our workplace creates an inclusive environment and removes barriers that impact the wellbeing, mental and physical aspects of work. In addition, Bayer introduced domestic violence leave for employees.

- // **Parental Leave Benefits:** In 2023-2024 Bayer reviewed its existing parental leave policy enabling all parents to access 12 weeks paid parental leave regardless of whether the child is by birth or adoption. As leaders in women's health, we recognize the devastating impact of still birth on families and support all employees through this loss with paid and unpaid access to resources and care. A large focus has been on supporting male employees to take up the full allocation of parental leave and we have seen the rates of access increase in the last 1-2 years since our efforts.
- // **GROW Women at Bayer:** Our employees have access to the Growing Representation & Opportunities for Women (GROW) Employee Resource Group (ERG) which provides mentoring and champions the growth and achievement of women at Bayer. The GROW team brings gender equality forward at Bayer by providing access to community including events and upskilling measures, raising awareness among our senior management, aligning with HR on the overall DE&I efforts and shaping and arousing discussions on gender parity in general.

At Bayer, we believe in fostering a diverse, inclusive, and equitable workplace. We recognize that achieving pay equity is not just a goal but an ongoing journey that requires continuous effort and vigilance.

We are dedicated to taking proactive measures, and we are committed to holding ourselves accountable, making meaningful progress, and setting a standard for others to follow.

Together, we will continue to work towards a future where equal pay is the norm and all individual's contributions are valued equally.