

Annual Report 2020



werfen

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President's letter

Dear All,

I feel very privileged to have been a member of the Werfen team in 2020. With humility, passion, dedication, and teamwork our 5,501 employees gave their all, every day, to support healthcare professionals on the frontline of the worst pandemic in recent history.

The last 16-months have been tremendously challenging for the world and its healthcare systems. COVID-19 unquestionably pushed both to their limits. Throughout, Werfen has played a key role, every single day, providing specialized diagnostic solutions which saved lives.

The virus impacted all our departments, in every location. To continuously put forth our best effort -- these many months -- we had to repeatedly reinvent ourselves. I hope our spirit of collaboration and steadfast attitude are evident to you as you read our Annual Report.

Our success was hard-won. It was thanks to the Herculean efforts of every Werfen employee, worldwide, as well as 55-years of solid investment and innovation. We navigated the turmoil of 2020 and emerged stronger than ever.

We are proud of our financial results and even prouder of the key role Werfen played in intensive care units, clinics, hospitals and laboratories around the world.

To strengthen our organization and ensure that it becomes more dynamic, connected, and agile, we have decided to unify under the single brand name of Werfen. After many years, we feel the time is right to introduce a structural change and begin operating as **One Company** under the leadership of CEO Carlos Pascual. To successfully achieve the goals of this transition, our **One Team** culture will be more important than ever. We will leverage our team orientation and spirit of cross collaboration.

We know that to be successful we must rely on the best talent the market has to offer. The challenges and uncertainties we faced in 2020 were an incentive, not a deterrent to welcoming 192 new members to our team; all of whom have a passion for innovation and enduring entrepreneurial spirit. Capital investments, which have increased every year, topped €230 million in 2020; of which €106 million was earmarked for R&D. Despite the numerous challenges, projects moved at a solid pace and our development pipeline looks stronger than ever. Finally, we are actively pursuing new opportunities to enhance our current areas of specialty, and also exploring new disciplines to expand our portfolio of diagnostic specializations.

In closing, it is with sincere gratitude that I thank the entire Werfen team for its outstanding efforts and ongoing commitment to our company and society. 2020 will be remembered for many things, but let's not forget how we all came together to give our very best every day with modesty, innovation, and passion for enhancing patient care around the world.

Sincerely,



Marc Rubiralta
President

CEO message

Dear All,

I am very pleased to share with you some key highlights of 2020 – by any measure – an extraordinary year.

Firstly, and most importantly, the safety of our employees has been and continues to be our number one priority.

And it is thanks to our people that we have been able to deliver our products and solutions to our customers throughout 2020, under very challenging conditions. We were able to maintain the very highest standards of quality and excellence during the pandemic and the decisions taken by healthcare professionals, based on our solutions, positively impacted the quality of patients' lives. We stood ready and we made it part of our mission to contribute significantly to the fight against COVID-19.

In 2020 we discovered that our values, the core of who we are, became a guiding light when we needed them the most. And, if you read our financial results, they were very positive indeed and testimony to the quality, commitment and the extra effort of our employees.

To conclude I would like to tell you about our new logo and image, which brings together all our great people and teams around the world under a single brand.

Our new brand evokes innovation and humanity, two characteristics which typify Werfen and allow us to strengthen our leadership position as a specialized diagnostics company. Let me assure you that we will continue to focus on driving innovation and supporting our customers.

I hope you enjoy our Annual Report and thank you for your interest in knowing more about Werfen.



Carlos Pascual
CEO



01

Who we are

Werfen is a growing, family-owned, innovative company founded in 1966 in Barcelona, Spain. At present, we operate directly in nearly 30 countries and in more than 100 territories through distributors. Our headquarters and technology centers are located in Europe and the United States. In 2020, our revenues were €1.696 billion and the workforce 5,501 strong.



Mission

Our mission is to improve the quality of laboratory medicine worldwide.

Vision

Our vision is to be the first choice of the most advanced laboratory and point-of-care customers worldwide: delivering best-in-class diagnostic solutions for specialized disciplines – through innovation, quality and engagement of the best talent – to enable better patient care and improve healthcare efficiency.



Values

Our Values, which have been guiding us for over 55-years, are the essence of our business that shape who we are, how we work together, and the define the behaviors that drive our success.



Integrity

We strive to demonstrate open, honest and ethical behavior in all dealings with our customers, clients, employees, suppliers, partners, general public and government bodies.

Respect for People

We recognize that people are the most important part of our business. We value the contribution, thoughts, ideas, differences and diversity others bring, and show the utmost respect for everyone we interact with.

Honesty & Humility

We endeavor to be open, honest and reliable and listen to others as we communicate, building trustworthy relationships inside and outside the organization. We aspire to be humble about how we approach our work and our achievements.

Leadership & Management

We seek to inspire and motivate our employees in their work, aligning their objectives and goals with the Vision and Strategy of Werfen, through frequent formal and informal communication.

Teamwork

We understand our unique contribution to the business and we work together to achieve common goals, helping and supporting others along the way and striving for high performance in everything we do.

Innovation

We encourage our employees to execute better or different ways of doing things that derive greater value for our customers and stakeholders, as well as to make processes and systems more efficient and effective.

Delivery of Results

We all take responsibility for the delivery of results and achievement of success at an individual and team level. In knowing what is expected of us, we strive for top performance in everything we do.

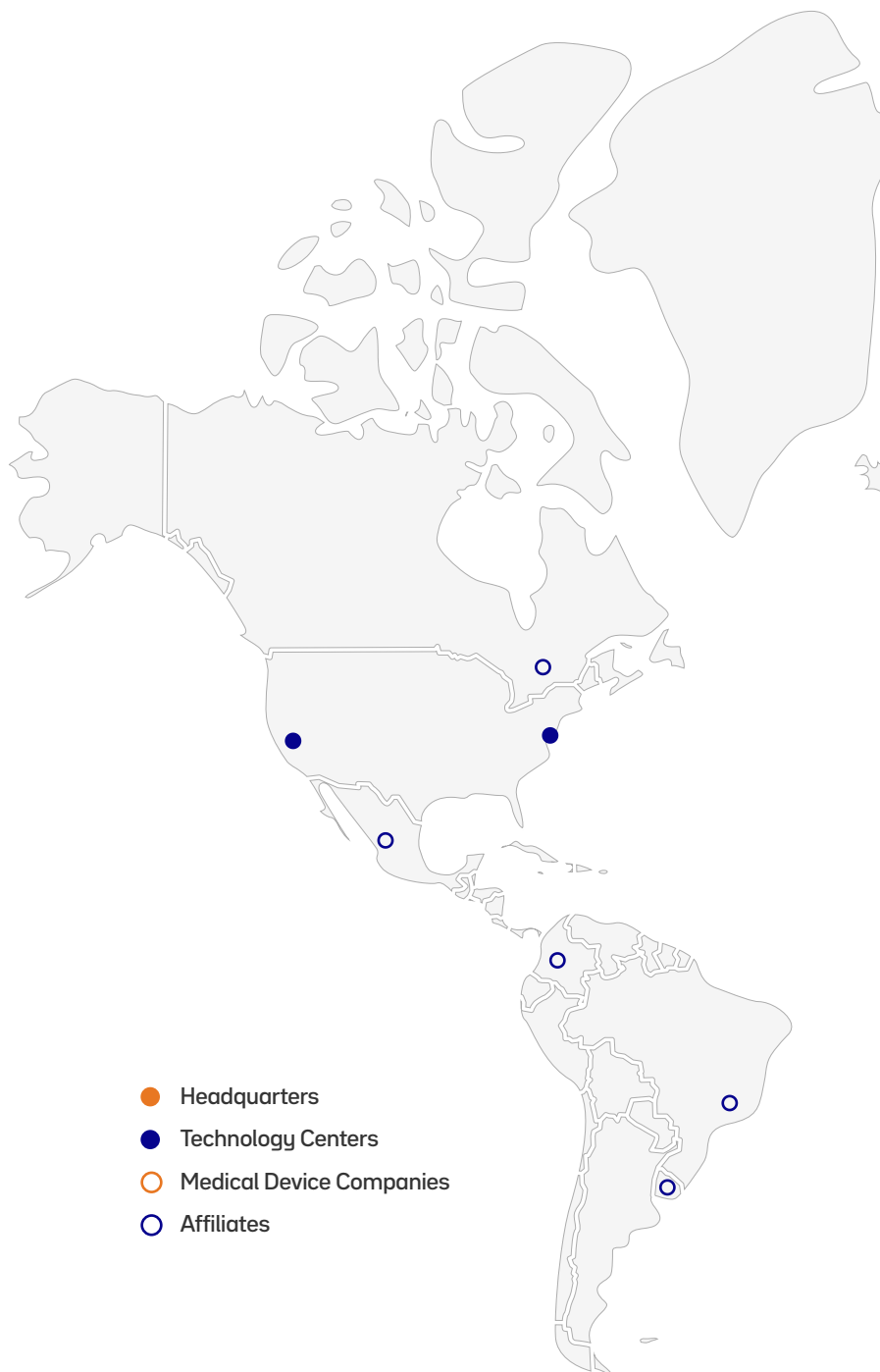
Quality & Excellence

All our business practices, processes and systems are designed to achieve quality results that exceed the expectations of all our stakeholders. We work to the highest standards in everything we do and hold others accountable for ensuring these same levels of excellence.

Customer Focus

We involve our customers through the full product development lifecycle to ensure we deliver true value through our portfolio of solutions; we provide the support they need through constant communication; and we do all of this because behind every blood sample there is a human being.

Werfen around the world



● Headquarters

● Technology Centers

○ Medical Device Companies

○ Affiliates

Headquarters

Barcelona, Spain

Hemostasis and Acute Care Diagnostics

Headquarters and Technology Center:
Bedford, MA, USA

Technology Centers:

Hemostasis and Blood Gas Reagents
Orangeburg, NY, USA

Whole Blood Hemostasis
San Diego, CA, USA

Patient Blood Management
Munich, Germany

Autoimmunity

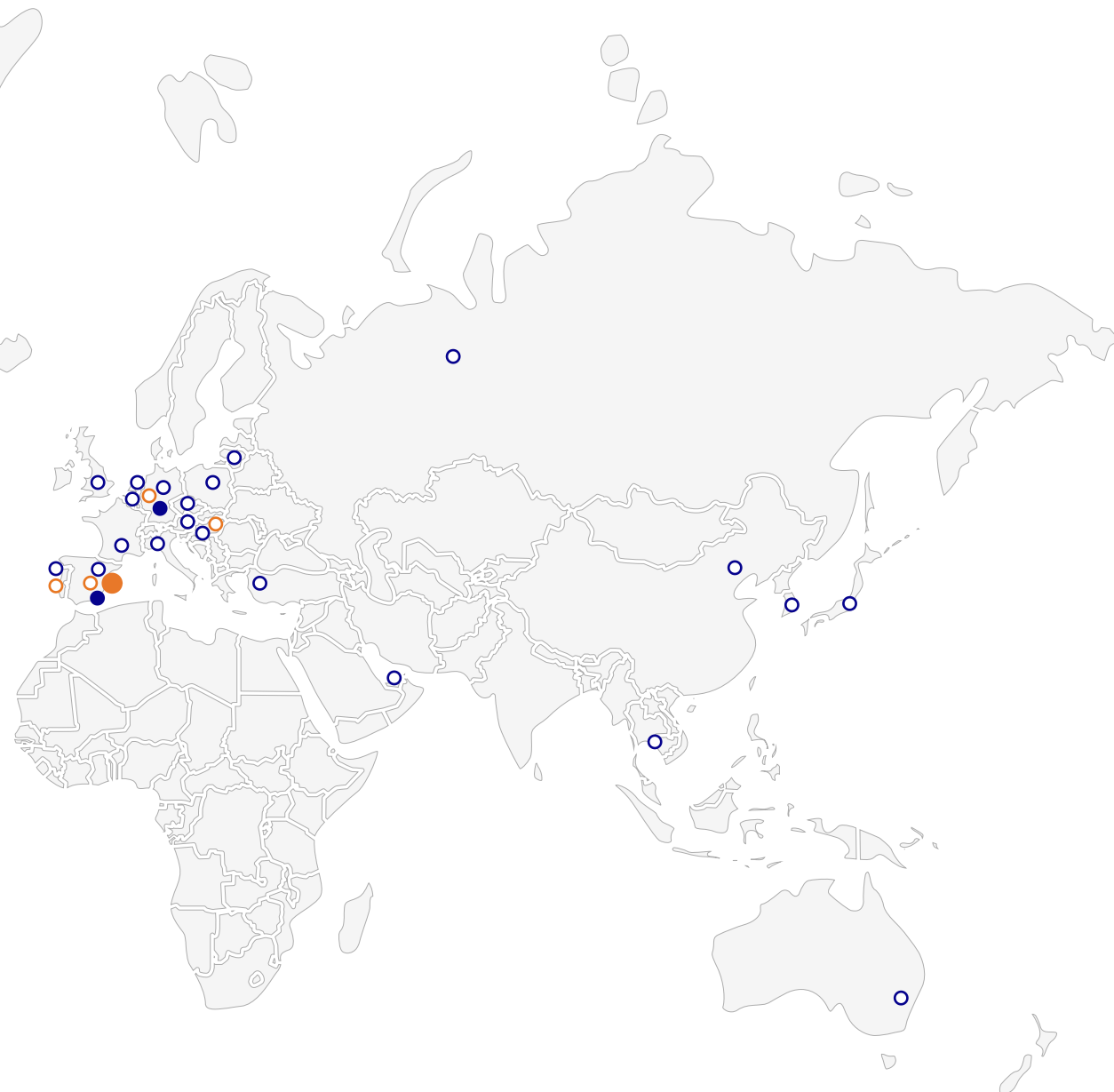
Headquarters and Technology Center:
San Diego, CA, USA

Original Equipment Manufacturing

Technology Center:
Barcelona, Spain

Medical Device Companies

Izasa Medical
Izasa Scientific
Leventon
MC Medical
Nicolai
Comesa Hungary



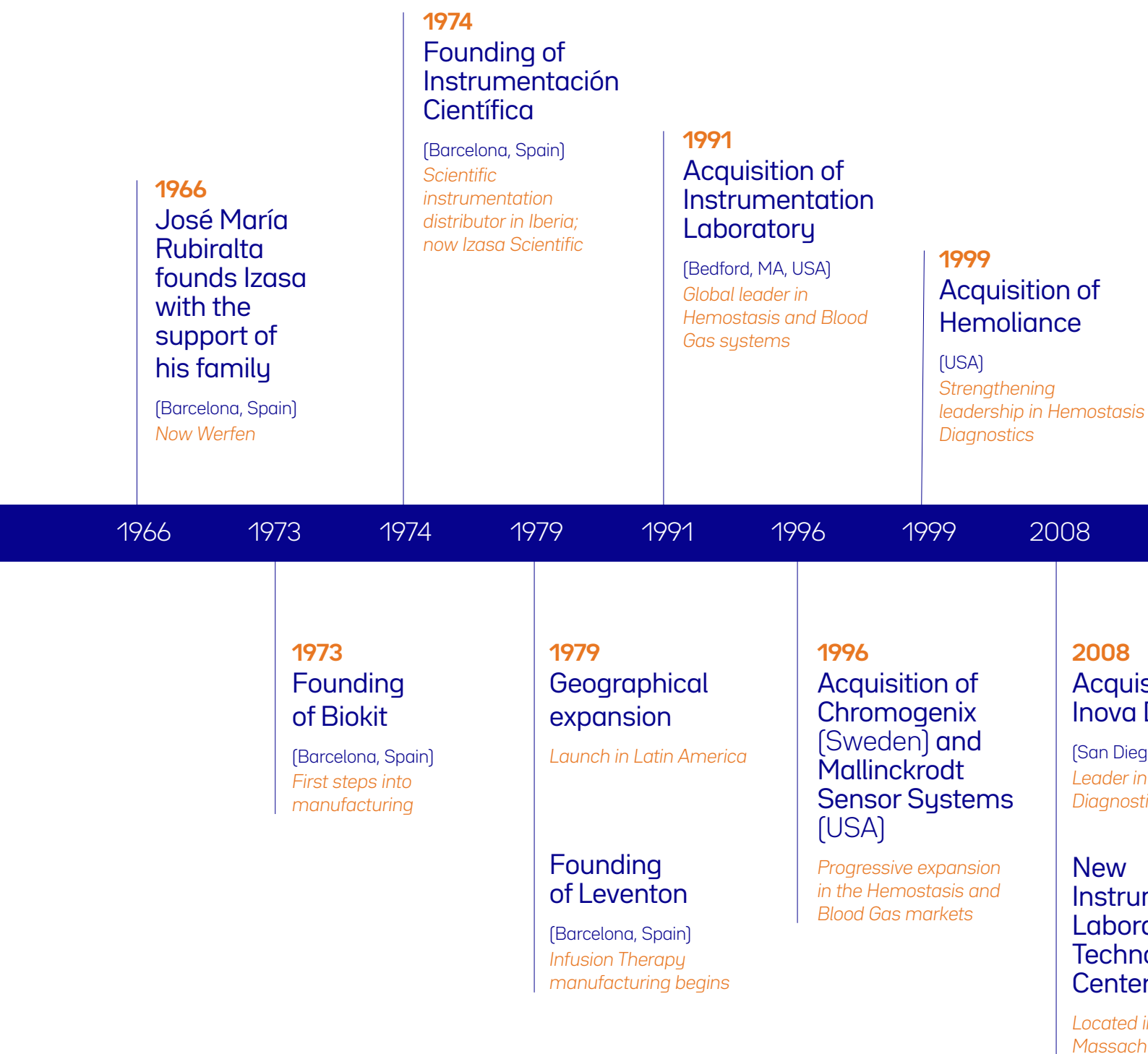
Affiliates

Mexico	Czech Republic
Colombia	Poland
Brazil	Russia
Uruguay	Lithuania
Canada	Turkey
Portugal	Austria
Spain	UAE
Italy	India
France	Thailand
UK	China
Belgium	Korea
Netherlands	Japan
Germany	Australia
Hungary	

5,501 employees



Werfen history





Board of Directors

The primary decision-making body, responsible for the administration and representation of Werfen.



Marc Rubiralta
President

Bachelor of Business Administration;
MBA

- 12 years at Werfen (2009 - present);
- President of Werfen since January 2019



Carlos Pascual
CEO

Master of Law

Master of Business Administration, MBA

- 33 years at Werfen



José Luis Guerrero
CFO

Bachelor of Business Administration;
MBA

- 19 years at Werfen



Jordi Rubiralta
Director

Bachelor of Economics, MBA

- 16 years at Werfen (2003-2018)



José Luis Rubiralta
Director

Bachelor of Economics, MBA

- 10 years at Werfen (2006-2015)



Germán Castejón
Independent Director

Bachelor of Business Administration,
MBA

- 21 years in banking sector
- Expert in the field of Finance and Family Business



Xavier Rubiralta
Director

Bachelor and Master of Biotechnology;
MBA
• 9 years at Werfen (2009 - 2017)



Luis Cantarell
Independent Director

Bachelor of Economics
• 25 years at Nestlé and member of
the Board of Directors
• Expert in Health and Nutrition



Miquel Roca
Non-Director Secretary Director

Corporate Lawyer
• Expert in the field of Law and Family
Business

Our governance

Executive Committee

The Executive Committee is responsible for the day-to-day management of the Company, in line with the strategic guidelines defined by the Board of Directors, and the powers delegated also by the Board of Directors.

- Marc Rubiralta, Chairman
- Carlos Pascual, Member
- José Luis Guerrero, Member

Audit and Control Committee

This committee reports directly to the Board of Directors to monitor and report on activities related to Compliance and the Werfen Code of Ethics, internal and external audit, and risk management.

- José Luis Rubiralta, Chairman
- Jordi Rubiralta, Member
- Xavier Rubiralta, Member
- Miquel Roca, Member
- Germán Castejón, Member

Appointments and Remuneration Committee

This Committee is responsible for informing and assisting the Board of Directors on issues related to its composition, remuneration and fulfillment, succession plans and remuneration of first executives and other issues related to remuneration policies and talent management, as requested by the Board of Directors.

- Marc Rubiralta, Chairman
- Jordi Rubiralta, Member
- Xavier Rubiralta, Member
- Carlos Pascual, Member
- Miquel Roca, Member

Strategy Committee

The primary objective of the Strategy Committee is to assist and advise the Board of Directors of the Company in developing and implementing the Company's long-term strategic plans.

- Germán Castejón, Member
- Luis Cantarell, Member
- Carlos Pascual, Member
- José Luis Guerrero, Member
- Jordi Rubiralta, Member
- Marc Rubiralta, President

José María Rubiralta Award

The José María Rubiralta Award, Werfen's most prestigious honor, is presented annually to an individual or team for their special contributions or outstanding results.



Recipient: Pepe Zamora, Director EEMEI

For our team in Central, Eastern Europe & Russia, Middle East, Africa and India (EEMEI) receiving this award makes us truly proud.

For me this is a huge honor, because I had the pleasure of working with our founder. He gave me the opportunity to grow and, more importantly, he believed in me. He was always supportive and encouraging when the going got tough, reminding me often: 'if you believe in it, you can do it'.

This recognition must serve as a catalyst for our team and partners to implement our strategy: and we know we are on the right track, as we have the full support of the company.

Thanks to José María Rubiralta, Werfen is what it is today. His tenacity brought about our international expansion, something that we may take for granted now, but was a huge step 30-years ago.

I have never met a person with his vision, learning from him that belief, resilience, honesty, humility, quality and passion for what we do, are part of our DNA.

José María Rubiralta was always looking to challenge his boundaries, believing that the human spirit is always the foundation of any great leap.

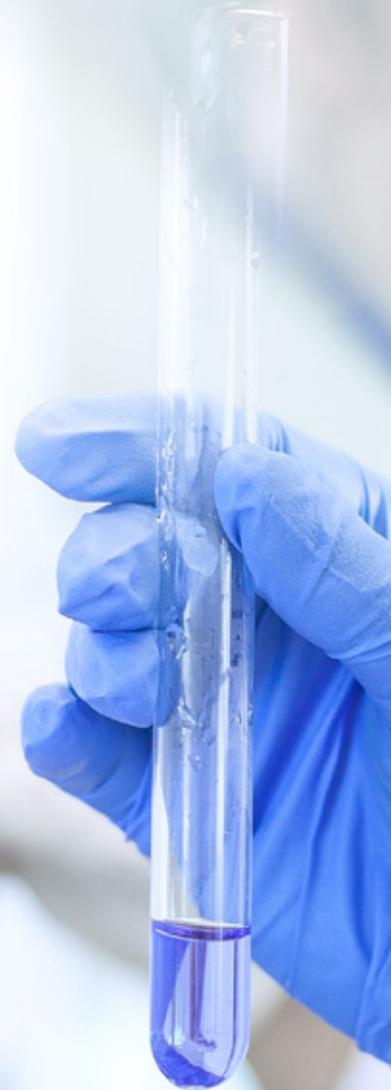
Pepe Zamora
Director EEMEI



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What we do

We are a worldwide leader in specialized diagnostics in the areas of Hemostasis, Acute Care Diagnostics and Autoimmunity. Through our Original Equipment Manufacturing (OEM) business line, we research, develop and manufacture customized assays and biomaterials.





Hemostasis



Giovanni Russi
COO, Hemostasis and Acute Care Diagnostics

- Full commercial release of HemosIL AcuStar ADAMTS13 Activity assay and launch of Ac Accutrak™ 2.0 quality control program.
- *De novo* approval from the US FDA for the HemosIL Liquid Anti-Xa test kit to measure apixaban and release of HemosIL Fibrin Monomer in Japan.
- Record number of HemoCell workcell and HemoHub Intelligent Data Management placements and record sales for HemosIL D-Dimer, HIT and Anti-Xa assays.

As we reflect on 2020, the first word that comes to mind is *resiliency*. Nowhere was this more evident than in the clinicians, laboratorians, and healthcare systems we serve. And with them, throughout our entire organization, from manufacturing and logistics to service and support, Werfen, too, has persevered. We have all faced—and overcome—tremendous challenges, while continuing to pursue the highest quality patient care, every day.

The global pandemic elevated the importance of specialized diagnostic solutions as never before, with Hemostasis, Blood Gas and Viscoelastic testing, key for COVID-19 management. Automation, ease of use, quality management and connectivity became even more essential for healthcare systems as they responded to organizational and workflow changes. And, the reliability of healthcare manufacturers to ensure minimal disruption to the supply chain was vital.

Fortunately, we were able to meet the challenges of the pandemic head on. First and foremost, we successfully maintained operations for all functions, addressing the increased demand for products and services from our customers worldwide, with virtually no interruption. More than 450 million patient samples were tested on our Hemostasis and Acute Care Diagnostic systems in hospitals and labs around the world, and we consistently met quality and reliability goals for more than 65,000 Hemostasis and Acute Care Diagnostic systems in clinical use.

In addition to maintaining continuity for our customers, we initiated or expanded the commercial release of key new products, including the GEM® Premier™, ChemSTAT™ and GEM Hemochron™ 100 systems. And, we received *de novo* marketing authorization from the US Food and Drug Administration (FDA) for the HemosIL® Liquid Anti-Xa test kit to measure apixaban.

2020 was also a record year for shipments of GEM Premier 5000, ACL TOP® Family 50 Series and ROTEM® systems, as well as our HemoCell™ Specialized Automation workcell. Adoption of our data management solutions, G GEMweb® Plus Custom Connectivity and HemoHub™ Intelligent Data Manager set new records.

Industry leading
analyzers, reagents
and data management
solutions



Acute Care Diagnostics

- Acute Care Diagnostics growth driven by GEM Premier 5000 systems; record number of placements of GEM Premier instruments worldwide.
- Full commercial release of GEM Premier ChemSTAT system in Europe and the US, and controlled distribution of GEM Hemochron 100 in the UK.

Our commitment to, and investment in, R&D continued, increasing resources by more than 10% and entering feasibility and/or proceeding with the development of next-generation systems and parameters.

A transformative year for our training, education, and support, we engaged in myriad virtual initiatives, including trainings, demos, educational webinars, congresses and events. We expanded our digital educational and training platform, Werfen Academy, for healthcare providers around the world; and, we leveraged it to facilitate customer operator training. We also increased our emphasis on remote support through ProDx™ Remote Support Suite systems, and other connectivity tools.

Though uncertainty remains high in 2021, we will continue to focus on innovation, quality management, connectivity, advanced service and support and personnel training. Our diversified portfolio of Hemostasis and Acute Care Diagnostics will be critical, for COVID-19 management and beyond, as clinicians and their patients return to routine care.

Through it all, as always, we prioritize continuous quality improvement and innovation, to address the needs of our customers and their patients. We appreciate the trust placed in us and remain dedicated to providing the very best specialized diagnostics.

**Thousands of hospitals
rely on our Acute Care
Diagnostics portfolio**



Autoimmunity



Roger Ingles
COO, Autoimmunity

- Commercialization of QUANTA Flash Circulating Calprotectin assay.
- Limited distribution of Aptiva multi-analyte system and reagents.

In 2020, the Autoimmunity business line was impacted by the COVID-19 pandemic. Traditionally, autoimmune disease testing is not considered urgent and accurately diagnosing patients with autoimmunity typically can take several months, or even years. Many patients had to postpone their visits to physicians for several months, until it was safe for them to return to hospitals and care centers.

We managed these unusual times by continuing to deliver products to customers, and, managing the continued activity in R&D to complete the projects on time. Another important area of activity was leveraging new means of customer outreach. The virtual environment, made possible thanks to IT, allowed us to connect and build even stronger teams internally and externally. We held various training sessions for our staff and affiliates worldwide to strengthen our knowledge base of autoimmunity to better position the business line for the future.

Other virtual activities in 2020 included online congresses and a webinar series developed by Autoimmunity to educate our customers about new biomarkers. One such assay that was commercialized in 2020 was the QUANTA Flash® Circulating Calprotectin assay. Circulating Calprotectin can be useful in stratifying patients with COVID-19 who are more susceptible for ventilation, or for more general indications for inflammation in many autoimmune diseases.

We also started the limited distribution of the Aptiva® multi-analyte system and reagents. Aptiva will be the cornerstone for our success in the future, with the most comprehensive menu of over 60 analytes in advanced stages of development, and over 15 unique and/or proprietary markers. Additionally, we continued to solidify Autoimmunity as a market leader in our industry through continued expansion of our legacy product line such as BIO-FLASH®, ELISA® and immunofluorescence assay (IFA). We launched the Aptiva system and Aptiva Celiac Assay, QUANTA Flash Intrinsic Factor, QUANTA Flash SARS-CoV2 IgG and QUANTA Flash Circulating Calprotectin.

None of our successes over the past year would have been possible without the extremely talented individuals at Autoimmunity. We are *One Team*, committed to helping labs improve the way patients with autoimmune diseases are diagnosed, monitored, and treated, through the systems and reagents offered by the business line.

Market leader
in autoimmunity
through continued
expansion of our
legacy product lines,
such as BIO-FLASH®,
ELISA® and IFA



Original Equipment Manufacturing (OEM)



José Luis Zarroca

COO, Original Equipment Manufacturing

In 2020, despite the challenge of COVID-19, our OEM business line saw double digit growth compared to 2019 year thanks to the strong performance of IVD Biomaterials & Bulks, as well as customized assays developed for third party partners.

According to our customers, we have proved to be a reliable, consistent and flexible partner by meeting their needs in this difficult market environment, managing to supply more than 250 different products around the world and always fulfilling quality requirements in a timely manner.

Additionally, we sped up our virtual mindset transformation through a digital program, allowing us to stay close to our partners and provide on-time support to overcome their challenges, while continuing to build a strong foundation as a Center of Excellence in the field of immunoassays.

- Despite the difficult situation, our partners supported us by continuously managing product supply in a timely manner.
- Lead time to major partners $\geq 95\%$.

**Commercial launch
of seven OEM clinical
chemistry assays
and three OEM
chemiluminescent
immunoassays (CLIA)
assays for a new
platform for a top IVD
manufacturer**



Other businesses

Clinical Software

We are committed to developing and supporting safe, secure, efficient, and innovative clinical applications and laboratory instrumentation systems. Our solutions enhance patient care and facilitate the management of information in hospitals and laboratories around the world.

2020 Highlights

Despite the challenges of working from home from March 2020, the Clinical Software team achieved very good results. Due to its robust infrastructure and planning, the experience and outcome of working from home have been positive. As always, the close collaboration between the Software Development and Quality Assurance/Regulatory Affairs teams was crucial to the success of our projects.

Regarding the project achievements and challenges that Clinical Software has significantly contributed towards, the points to follow are worthy of note:

- AccuTrack 2.0 for quality control peer-group comparison, was released. It is the first Werfen system deployed globally in a cloud-based platform.
- Modulab - this well-known laboratory information system has successfully helped many customers after a doubling of laboratory orders handled by the system, allowing clinicians to treat patients in a timely manner.
- Aptiva® received the European Union's CE Mark and has been released in select territories. Aptiva's comprehensive menu of novel clinically significant biomarkers will help to close the seronegative gap and deliver more complete clinical insights in diagnosing autoimmune disease.

In addition to these achievements, in 2020 a solid test automation strategy was defined, and a dedicated cybersecurity team was formed to work across projects.

Clinical Chemistry

We develop and support safe, efficient, and innovative clinical applications and laboratory instrumentation systems for clinical chemistry and toxicology.

Through our Clinical Chemistry products we offer easy-to-use clinical laboratory instrumentation and reagents for chemistry and pharma-toxicology laboratories. Our unique solutions are used to diagnose conditions, such as diabetes, as well as to identify drug abuse.

Other Specialized Diagnostic products

In addition to our portfolio of proprietary specialized diagnostic products, some of our affiliates, mainly those in Spain, Portugal and Mexico distribute analyzers, reagents and controls from internationally recognized partners. We are proud of these long-standing partnerships which allow us to deliver these products essential to molecular biology, microbiology and applied science.

This segment of our business continues to grow thanks to the specialized, technical and application expertise in our affiliates.

Medical Devices

We distribute both our own and third-party medical devices such as disposables, orthopedic implants, devices for endovascular procedures and solutions for oncology treatment, as well as third-party scientific instrumentation. Through Izasa Scientific we market scientific instrumentation throughout Spain and Portugal for use in multiple applications in the life science, research, environmental control, and pharmaceutical, chemical and agro-food industries.

Medical Devices & Scientific Instrumentation Distribution

2020 was a complex year due to the lockdowns and restrictions on our normal commercial activities due to the pandemic. And while sales of products for diagnostic procedures and non-urgent interventions fell, they were largely offset by sales of products destined to help in the fight against COVID-19.

2020 Highlights

- Izasa Medical, formerly *Izasa Hospital*, provided much needed support to Spanish hospitals, supplying personal protective equipment (PPE) while maintaining our assistance to critical surgical procedures with our team of specialists and technical service.
- Despite the negative impact of COVID-19 in the Industrial Quality Control market in Portugal, Izasa Scientific achieved outstanding results in 2020 mainly thanks to the healthy sales performance in the areas of Life Science and Environment.
- MC Medical, formerly *Medicinália-Cormédica*, dramatically increased its installed base of Hamilton ventilators for ICUs.
- Nicolai continued expanding its presence in the gastrointestinal industry, achieving remarkable growth in this area.

Infusion Therapy

We develop and support safe, efficient, and innovative clinical applications and laboratory instrumentation systems for clinical chemistry and toxicology. Through Leventon, Werfen offers single-use, continuous infusion systems, gravity flow regulators used in hospitals, and infusion pumps used mainly in the treatment of ambulatory patients to promote patient recovery and improve quality of life by increasing patient mobility.

2020 Highlights

- Can Margarit – new facilities: Completed the transfer of the entire elastomeric pump DOSI-FUSER® production process. The transfer of DOSI-FLOW® IV flow regulator will end in 2021.
- Launch of DOSI-FUSER® NRFit™ range, designed to improve patient safety and minimize the risk of administering medications erroneously. We pioneered the introduction of this connector integrated into an elastomeric pump.
- Implementation of new technologies and manufacturing automation, improving product quality in DOSI-FLOW® and DOSI-FUSER®.
- Upgrade of our DOSI-FUSER® website and app, adding new content and new features for the infusion time calculator tool. During COVID-19 digital platforms became essential and www.dosi-fuser.com greatly facilitates information and instructions to end-users, and is very beneficial for our sales network.

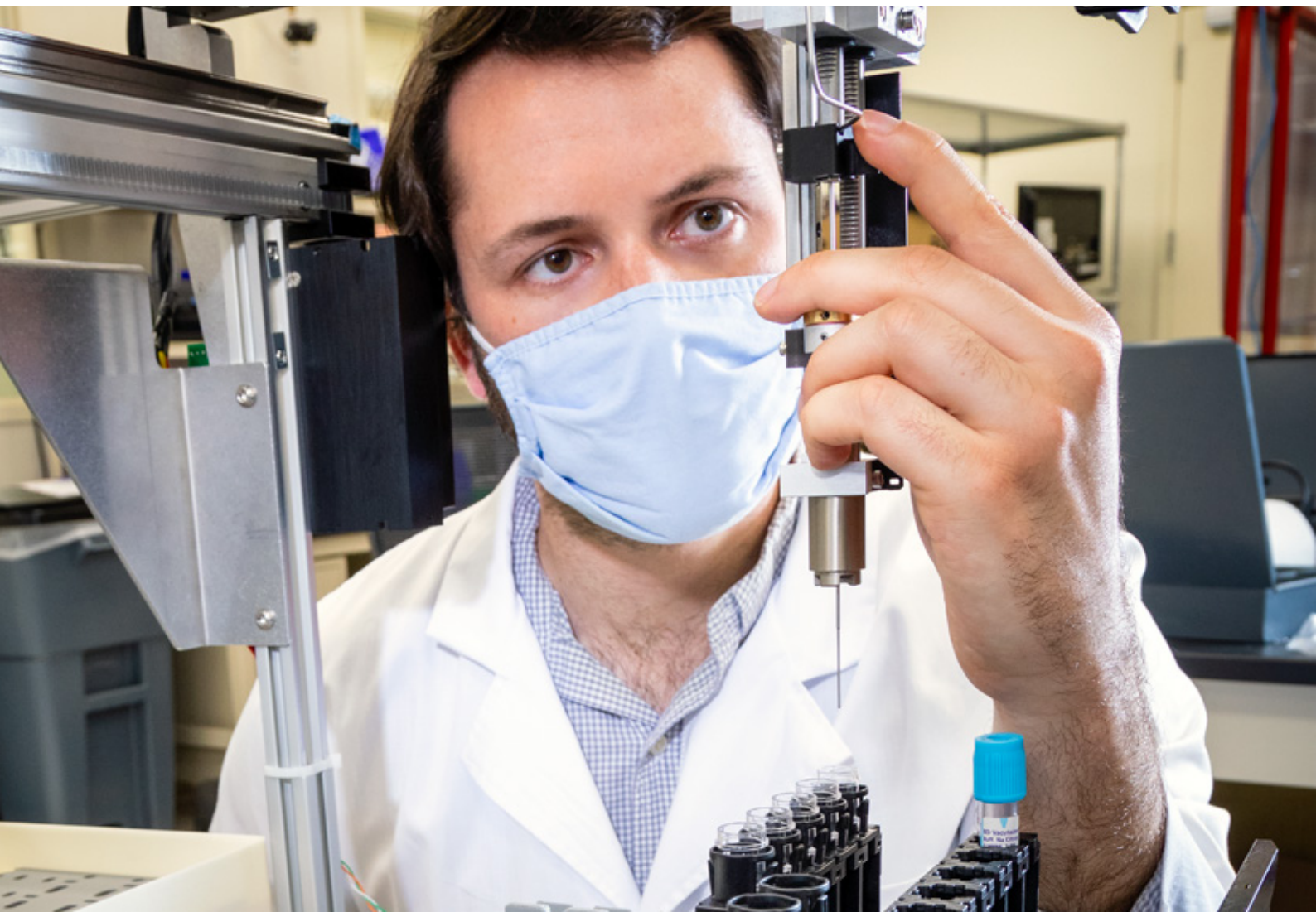
Innovation in R&D

From prototyping to addressing on-market product needs, R&D is the hub of innovation at Werfen. Our passion for R&D sparks the hearts of all our employees and drives us to deliver the best diagnostic solutions to our customers—for the best patient care.

At Werfen our passion for innovation starts with R&D. And with the majority of US News & World Report's best hospitals, as well as many other hospitals around the world, using our diagnostics solutions, we understand the importance of our products in the delivery of the highest quality patient care. This inspires us to continuously improve our systems, reagents and data management solutions, as well as innovating new ones, to expand our impact on diagnostic testing in hospitals around the world.

Our teams are comprised of highly skilled engineers, scientists and expert project managers. To maximize collaboration and efficiency, the majority of our R&D is conducted completely internally. And, leveraging their close proximity to operations—in Bedford, MA, and throughout our technology centers—they optimize product design and efficiency together.

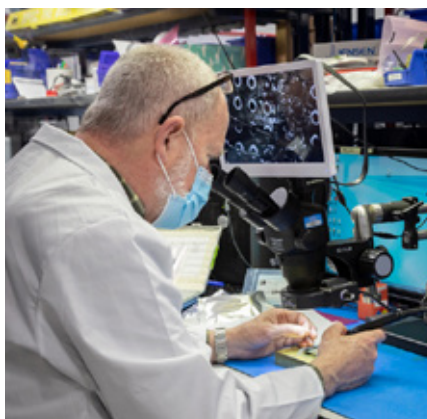
Our approach to R&D is multifaceted, encompassing specialized laboratories and areas of expertise throughout our innovation process. Here are some highlights.





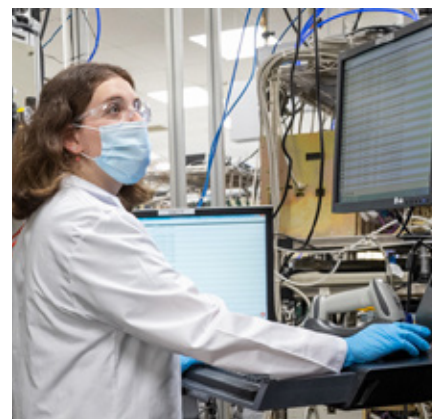
The Model Shop

Located steps away from our instrument designers, our unique model shop creates product prototypes internally, quickly and efficiently. A variety of potential materials are available for experimentation. After rigorous testing, input is applied to create modified prototypes, and the process continues until the ideal form and materials are identified.



Hardware Integration Laboratory

System designs are evaluated in our Hardware Integration Laboratory, where we ensure they meet the highest standards. Prototypes are tested and exposed to a variety of conditions, including the thermal testing chamber, to ensure quality performance in any environment.



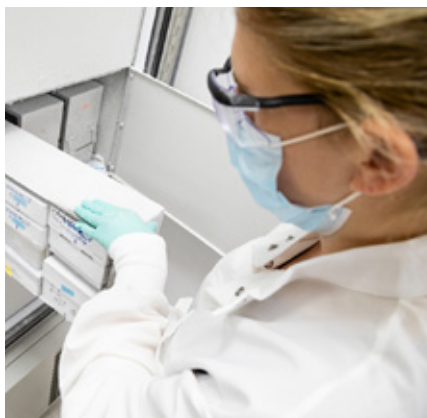
Software Testing Laboratory

Equally important to our solutions is software, designed specifically for each hemostasis system, with customer needs and usability at its core. Hemostasis software is tested with the same rigor applied to our instruments and includes extensive usability research with our customers. This allows us to develop reliable and standardized software solutions with user-friendly interfaces and features.



Analytical Laboratories – Hemostasis and Acute Care Diagnostics

We develop instruments and a broad menu of assays, for a complete product solution. In our analytical laboratories, our highly skilled, quality-driven and metric-focused teams meticulously verify their combined performance. This allows us to offer our customers a family of products that seamlessly work together to produce the highest quality test results, for the highest quality patient care.



HemoCell® Lab

For mid- to the high-volume hemostasis laboratories, we offer the industry-leading HemoCell Specialized Lab Automation, a unique work cell, customized to the individual needs and footprints of each lab, and designed for testing efficiency. Here in our HemoCell laboratory, we test methods for continuous improvement, often inspired by customer feedback. Accessories, such as the status-indicator light pole and rinse manifold, are examples of this, arising from our in-depth R&D process.



Early-Life Monitoring and Systems Engineering

The R&D process doesn't end when a product goes to market. Early-life monitoring and tests by systems engineering of our on-market products can detect performance trends. Customer feedback is crucial to the product life cycle management of all our instruments, software and reagents allowing us to continuously improve the quality of our products.

Commercial Operations & Region Sales

The regions, which include dedicated country-specific teams, are organized into five regions – North America, China, Asia Pacific, EMEA and Latin America.

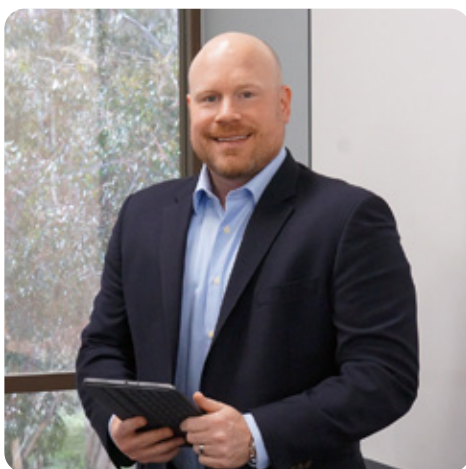


Brian P. Durkin

Vice President, Commercial Operations,
North America, Hemostasis and Acute
Care Diagnostics

Hemostasis and Acute Care Diagnostics

While 2020 presented extraordinary challenges, the Commercial Operations team in North America harnessed their resiliency and achieved extraordinarily positive results. Despite COVID-19 restrictions at customer sites, our Service, Support and Applications groups not only met all customer field requirements, but exceeded expectations, reinforced by extremely positive customer survey results. Through a combination of remote and on-site meetings with customers and prospects, and a boost of ingenuity, our Sales team delivered record instrument and reagent sales in both Hemostasis and Acute Care Diagnostics, led by our flagship ACL TOP® Family 50 Series and GEM® Premier™ Family systems. Ultimately, the combination of best-in-market products, our highly trained and engaged Commercial Operation team, and continued investment in process efficiencies, led to our collective success in 2020.



Bryan Hoenig

Vice President, Commercial Operations,
North America, Autoimmunity

Autoimmunity

In a year that presented unprecedented challenges, we launched an exciting foundation for our future success with Aptiva®, our new multi-analyte system. We initiated the limited distribution of Aptiva in Europe and submitted the system and reagents to the US FDA in late 2020. Through the virtual support of our people, we navigated the difficult year and met the changes and challenges together.

In 2021, we will continue to launch Aptiva in expanded geographies and leverage our focus on IT and artificial intelligence to further define our precision medicine strategy for the future.



Jaume Serra

Vice President, EMEA and Latin America

COVID-19 had a major impact on the regions in 2020, but generally we overcame the challenge and turned it into an opportunity. In addition to our hemostasis and blood gas systems proving critical to treating patients with COVID-19, our offering of best-in-class PCR testing solutions in specific geographies added great value for our customers and patients.

Support activities in the field proved very difficult at the start of the pandemic but stabilized soon thereafter. Face-to-face commercial activities have proven to be more difficult, but our teams have continued to stay close to our customers and present the value of our solutions through remote, hybrid channels. Our overall results were better than ever in 2020.



Gilles Castera

Vice President, China

In 2020, China saw its hospital activity decrease by 20%, due to COVID-19 preventive measures implemented by provincial governments.

Throughout the crisis, especially during the peak winter months, the safety of our staff members and the supply of our products and services to hospitals continued being the priority. Later in the year, the team's high level of commitment led to a strong recovery, growing the number of HemoCell installations by 66% over 2019, while GEM® Premier™ family sales grew by 65% and BIO-FLASH® installations by 20% year-on-year. Worth noting is that 2020 was also a year of intense creativity, particularly for online activities.



Ted Maione

Vice President, Asia Pacific

In 2020 Asia Pacific (APAC) demonstrated that it is the right team, with the right strategy, the best products and the absolute desire to deliver above market growth well into the future. The region, which is comprised of Japan, Korea, Australia and New Zealand, and the South East Asian countries, Hong Kong and Taiwan, had another successful year despite the challenges posed by the pandemic.

APAC is of key importance, as it offers the opportunity for substantial growth over the mid- to long-term. From a financial viewpoint in 2020 we grew sales by 6.5% year-on-year and operating income by 10%, exceeding budget by 5.5%. Additionally, we increased our workforce by 8%, with plans to add another 12% in 2021. We expanded our organization across all geographies and disciplines, with a continued focus on improvements and growth in the areas of clinical specialization for both Acute Care Diagnostics and Autoimmunity. A fair portion of the expansion in APAC was strategically directed toward the Acute Care Diagnostic organizations to optimize for the important synergies of these product lines. We feel strongly that APAC is well positioned to demonstrate the value our products deliver to the market. We are very pleased with our team at all levels and are confident that the team will deliver above market growth well into the future.

Quality Assurance and Regulatory Affairs

Our Quality Policy

Reaching for a higher standard



Marc Bellosta

Vice President, Quality Assurance & Regulatory Affairs, and Sustainability

All our systems, reagents and data management solutions must meet our exceptional standards. We always go the extra mile – across all business lines and geographic areas – making sure we deliver only the best. Werfen has 51 ISO certificates – an indication of our constant commitment to quality, sustainability and our customers.

QA/RA Mission Statement

Facilitate innovation by providing a framework that ensures high product and service quality, while meeting legal and regulatory requirements through collaboration with all interested parties, balancing risks with benefits.



ISO certificates

The International Organization for Standardization (ISO) issues ISO Certificates to ensure the safety, reliability and quality of products and services.

ISO 9001

Ensures that the organization provides products and services that consistently meet customer and regulatory requirements, and that the organization consistently aims to enhance customer satisfaction.

ISO 13485

Ensures that the organization provides medical devices and related services that consistently meet customer and regulatory requirements. All Werfen manufacturing sites are certified with this standard.

ISO 14001

Ensures that the organization strives to manage its environmental responsibilities in a systematic manner and in compliance with international and local environmental regulations.

ISO 27001

It ensures that the organization safeguards the security of assets such as financial information, intellectual property, employee details or information entrusted to you by third parties.

Compliance

This department is responsible for preparing, monitoring, and managing all topics related to compliance and the Werfen Code of Ethics, including adhering to existing internal and external rules and regulations.



Albert Garicano
Compliance Officer

Compliance Officer, Albert Garicano, and our local compliance officers are committed to ensuring that our Code of Conduct is consistently complied with worldwide.

Werfen's mission is to improve the quality of laboratory medicine worldwide. This mission is accomplished through our many affiliates, which foster and promote Werfen Values. However, in many other geographic areas we operate through a wide network of business partners. Our responsibility and commitment to the highest ethical standards does not end with our employees, but also includes those who work on our behalf.

For this reason, in 2020, we launched a new due diligence process to strengthen our compliance program. Covering all aspects of the integrity checks of our business partners, it meets complex international law requirements.

The due diligence process enables us to promptly identify compliance risks, initiate appropriate measures to mitigate them and avert damage to the company.



03

COVID-19

Fighting COVID-19 together

What Werfen did to keep its employees and their families safe, to safeguard jobs and to keep our customers supplied with our essential products, is a very human story about people coming together and taking action during the toughest of times. Here are just some of our stories.





Manufacturing

Recognizing that our products play a key role in patient care throughout the world and are crucial for the management of patients with COVID-19, all of the employees at our five manufacturing sites in the United States and Europe understand our role and are committed to maintaining our customers' operations.



Other than the employees required for on-site manufacturing, distribution or other essential activities, everyone worked from home to isolate the manufacturing operations as much as possible.

In 2020, we saw a significant increase in the demand for our products, most especially for our GEM PAK cartridges used in our GEM® Premier™ systems, and our HemosIL D-Dimer products. We met that demand.

In January 2020, we created a COVID-19 Senior Management team and developed a Readiness Plan, launched shortly thereafter, to help ensure continuity of critical operations.

Our technology centers, located in Massachusetts, California, New York, Munich and Barcelona, continued to operate throughout 2020, producing at maximum capacity, and even expanding it. And key logistic centers continued to operate, as did our Technical Support and Customer Service teams, who worked from home. In addition, our field service and applications teams continued to operate, focusing on the essential service and supporting the needs of our customers.

From the initial outbreak of the pandemic, we increased our level of key raw materials and finished goods inventories worldwide, and directed our suppliers to increase their inventory of critical raw materials. We also relocated critical inventory of finished goods to various locations within North America and other countries, helping to ensure continuity of supply, even in the eventuality of disruptions to our key distribution centers. This was in tandem with revising and updating inventory at our service-parts bank in the United States and Canada. We also revised and updated our Continuity of Operations Plans for our manufacturing sites.

It goes without saying that we extend our most sincere thanks and gratitude to everyone at manufacturing for their Herculean efforts in 2020.

2020 Highlights

- Significant increase in demand for our GEM PAK cartridges and HemosIL D-Dimer reagents which we met.
- Expanded capacity at our critical manufacturing plants.
- Launch and implementation of Readiness Plan to ensure continuity of critical operations.
- Successfully maintained manufacturing, distribution and delivery of our systems, consumables, reagents and services for all our product lines.

Corporate Supply Chain

Because of its central role, Supply Chain has a 360° view of the company and is a strategic part of our business.

2020 truly was a very challenging year for the employees who work in our Corporate Supply Chain. However, even including the 'pandemic effect', the problems arising out of Brexit, combined with the major surge in COVID-19 cases in Europe first and later in North and South America, that brought regional lockdowns and major logistics disruptions, we continued to supply our customers with our essential systems, products, agents and reagents. Without the commitment, dedication and professionalism of all of our people, this would not have been possible, and Werfen owes them a great debt of gratitude.

With the explosion of COVID-19 cases in the spring of 2020 in Italy in the Lombardy region, where our Roncello Logistics Center is located, we were forced to move part of our proprietary product stock to Tarancón, Spain, in readiness to supply our customers in Europe and the EEMEA region in case the supply from Roncello was disrupted. On its own this was a gigantic undertaking, exacerbated by the difficulty in finding flights to import products from Asia and the United States, coupled with an increase of 600% in freight prices. Thanks to the very strict control of our operations and our long-term partnerships with our main couriers and forwarders, our supply chain costs came in under budget for 2020.

In the face of the pandemic, while in the depths of lockdown and working unsociable hours, the team in Spain and Portugal delivered much needed PCR tests from our suppliers in South Korea to hospitals around both countries and we extend sincere gratitude for their efforts.

So, what were the keys to our success during this extraordinary time? Harmonizing our processes, creating priorities, collaborating and communicating within our own team and other Werfen teams, as well as fully informing and engaging with our people, were all key: indicating the strategic importance of supply chain management to our business.

As never before, the tremendous capabilities and resourcefulness of our people came to the fore in 2020.



Jordi Font
Director of Corporate Supply Chain

2020 Highlights

- Start-up of operations in January, 2021 of UK distribution site in Warrington, England, to serve our customers in the UK, given uncertainty of Brexit trade deal terms.
- Closure of our Asia Pacific hub in March 2020 and products now handled from Roncello and Devens, MA (USA) logistics centers.
- Managing significant increase in production, supply and distribution of D-Dimer and GEM® Premier products.
- Managing unprecedented demand for PCR tests in Spain and Portugal.

Staying connected



Lucia del Moral Haworth

VP Global Human Resources and Communications

For the past 20 years scientists had been predicting a global pandemic, but many of us did not think it would happen in our lifetime and that it would have the dramatic consequences that it has had. What we all agree on is that it will go down in history as a singular event that impacted us all.

As we faced the enormity of the situation, our Senior Leaders put together a strategy and an action plan for our business – foremost in our minds was the health and safety of our people and their families. The majority of our frontline staff were sent home and we isolated and introduced shiftwork at our manufacturing, distribution and service departments and provided employees with the necessary protective equipment, so that we could continue to manufacture our life-saving instruments, reagents and cartridges for hospitals and labs around the world. Everyone involved in this mammoth task—and it should be remembered that we fulfilled every order in a timely fashion— is to be congratulated for their courage and resilience.

Our second priority was to ensure that our employees were provided with the resources to do their jobs remotely and to stay in close touch with them. One of our many objectives was to connect with them frequently, through emails, their people managers, and Microsoft Teams meetings. We encouraged formal and informal communications amongst team members and our sites and affiliates came up with different, engaging and very creative ways of staying connected (sharing our favorite songs, engaging in a monthly activity, creating fun department videos featuring all team members, etc).

Back in May 2018, Carlos Pascual, our CEO, had initiated a series of video broadcasts, CEO Talks, in which he spoke about Werfen's strategy, plans, business objectives and our values. During 2020, beginning in March, these talks took on new meaning as he reported on the impact of COVID-19 on our employees and business. He stressed that we had the financial strength to weather the crisis and shared stories from healthcare professionals about how our systems and solutions were helping them make the best possible decisions for their patients. His talks provided our staff with the support, encouragement, and comfort they needed during these extremely difficult times.

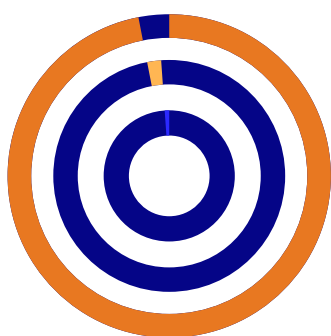
A few months into the crisis we released a survey, addressed to all our employees, to find out how they were coping and to ask what more we could do to support them.

We received an overwhelmingly positive response and found out that our employees were well connected to their line managers and teams and appreciated that they had been provided with the technology they needed to work effectively from home.

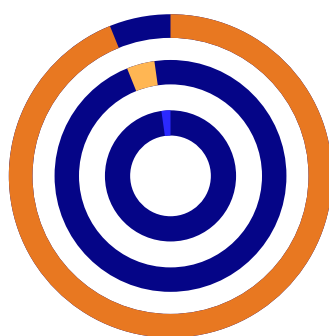
We have received dozens of messages of support from grateful customers praising the efforts of our people. It is Werfen that is indebted to all our employees who went the extra mile for our customers, healthcare professionals and other stakeholders.

We will come out of the pandemic. But we will not forget our valiant people who did so much for society when humanity needed it most.

The majority of respondents believe the safety measures and procedures implemented have been appropriate and have been communicated well.

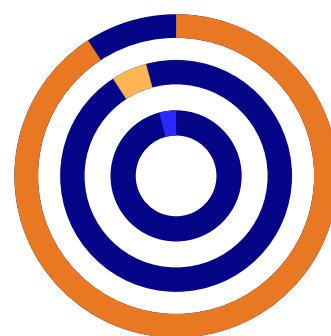


Have the COVID-19 local safety procedures and processes been appropriately communicated to you?
(By local we refer to the Company, Affiliate, warehouse, logistic center, Werfen Tower, etc., where you are located)



Have these safety measures been appropriate?

The majority of respondents say that their manager has kept the team connected and focused during the last few months.



Has your line manager kept the team connected and focused during these last couple of months?

■ Yes ■ No ■ Other

The power of a learning organization

Digital learning initiatives kept our people connected, while learning how to remote work and remain productive.



Krissi Osborn
Senior Global HR Manager

'This was not on my agenda', is one of the thoughts that ran through my head when news broke of the COVID-19 pandemic in March 2020. With our Senior Leaders sending the vast majority of our 5,500 employees around the globe home to work to safeguard their health and welfare, my colleagues and I were faced with the situation of trying to keep our people connected, motivated and productive – online.

Realizing the enormity of the situation, both from a logistics and pedagogic point of view, our Global Human Resources team held a series of online meetings to figure out how to help our people, in very practical ways, to cope with the rigors of remote working and staying connected with one another. We decided to produce a series of online courses, something that was completely new to us. Called *Virtual Classrooms* we launched these courses via our intranet and delivered them on Microsoft Teams.

We started in April, 2020 with: *Introduction to Microsoft Teams and Outlook, Productivity in the Virtual World, Emotional Intelligence in the Workplace and Think Different: Creativity in Your Day to Day*.

The response and feedback we received was truly amazing, with an average of 600 people enrolling in each course and with nearly 2,000 employees registering into at least one of the eventual 11 courses we had throughout 2020. In total, more than 30% of our global workforce participated in one of our Virtual Classroom Sessions.

In parallel, the pandemic accelerated the need for us to develop our own learning platform. Following the success of a pilot project we launched in March 2020, with a series of ten 15-minute courses, we started developing our own learning platform *WeLearn*.

With the goal of supporting our employees in their individual development and career growth, *WeLearn* is an easy-to-navigate digital platform that delivers immediate, virtual learning options with over 150 inspiring, insightful and stimulating proprietary and third-party e-learning courses that teach our people new capabilities and enable their professional development.

As we look forward to 2021 and beyond, there is no doubt that 2020 was the year that Werfen truly reinforced its position as a learning and digital organization.

Field services helping our customers fight the pandemic

Our field service engineers around the world came to the aid of our customers when they needed us most. There are myriad stories of their acts of personal courage, unwavering commitment to our customers and going way beyond what could reasonably be expected of them. Here are just two examples, from the United States and Brazil.



Supporting the US Navy Ship, Mercy, Floating Hospital docked for patient care during the pandemic

Our Applications Consultant and Field Service engineers were called into action on the USNS Mercy, docked in California.

After security checkpoints and hours waiting for negative COVID-19 test results, they boarded and performed maintenance on two ACL Elite® Hemostasis systems, and trained lab staff.

Their work was appreciated and essential to ensure the proper operation and accuracy for critical patient care.

Other contributions to our customers in crisis in the United States:

- Providing 29 loaner GEM® Premier systems and GEM PAKs
- 11 hospitals in New York City
- 16 total in the United States
- Concept to customer delivery in three days

Field services in Brazil helps customer improve D-dimer testing in fight against COVID-19

Because patients who test positive for COVID-19 can have elevated D-dimer levels, fast and reliable D-dimer results are critical. To help achieve this, the Werfen team in Brazil successfully converted several hospitals in important hospital and laboratory networks in the country, to HemosIL® D-Dimer 500 and D-Dimer HS 500 assays.

Many of these hospitals had been using competitor solutions for D-dimer testing which required manual intervention. With HemosIL D-Dimer 500 and D-Dimer HS 500 assays these hospitals could automatically test more samples in less time and therefore boost their efficiency. And with cap-piercing on ACL TOP CTS systems, the need to open potentially contaminated samples was eliminated, enhancing lab technician safety.

As a result of these efforts, patients and laboratorians benefitted from a rapid response to critical diagnostic needs.

Australia

Australia goes remote in a flash



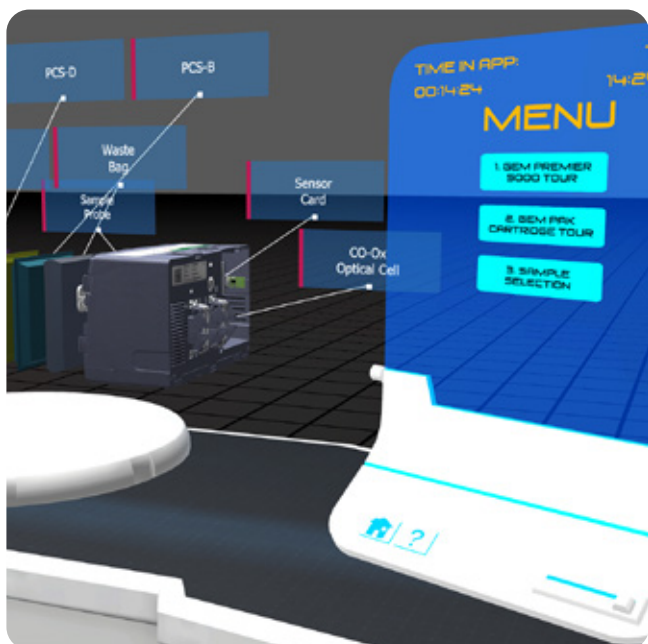
During 2020, we were challenged to find creative ways to continue to provide our customers the very highest level of customer support. We launched *Help Lightning*, a merged reality and virtual interaction application that blends local and remote collaborative video streams to give or receive interactive help anywhere. Combining the power of video calling with real time interaction, this tool was effectively used for both customer training and internal service training.

Natasha Kearey, Clinical Applications Specialist, Acute Care, uses the tool regularly. She shares her experience with a new installation of a ROTEM® *sigma* viscoelastic testing system:

"...the state of Victoria was forced into lockdown, further delivery of face-to-face training was not possible. *Help Lightning* meant that I could 'be there' with the newly trained advanced users in the operating theatre to become comfortable with the ongoing maintenance and quality control for the ROTEM *sigma* system. I was able to freeze the image, draw on the screen, and use my hands in their environment to help with their learning. We were able to pinpoint the exact issue to ensure the engineer would have the right part and avoid multiple call outs. *Help Lightning* can speed up the troubleshooting process especially in situations where more advanced users are not available."

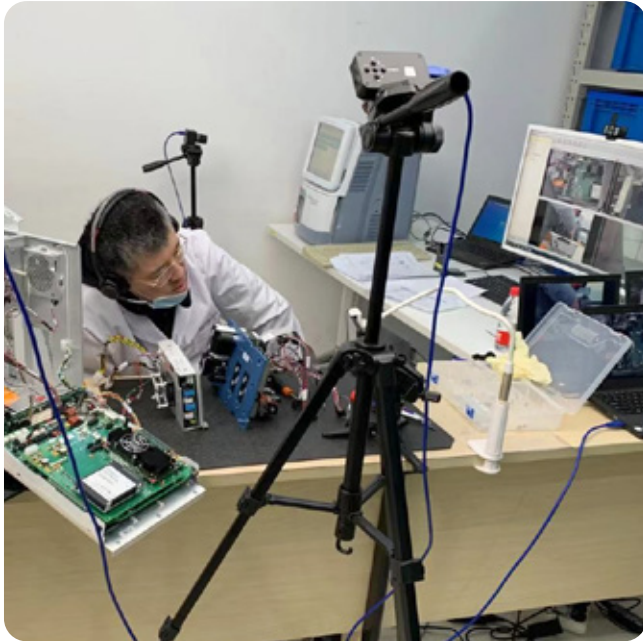
2020 also saw the continuation of the NSW Health Pathology ACL TOP® rollout of 72 systems. *Help Lightning* has helped to support this large group of new operators, dispersed across a large geographic area.

We also pushed the boundaries of innovation in the area of training and ventured into the exciting world of Virtual Reality. We are working in partnership to develop the world's first fully immersive training experience for GEM® Premier™ 5000 system operator training. This new initiative enables users to train independently, in a safe environment, without the need for Werfen's acute care specialists to be on-site. This self-guided experience has been designed for those clinical units where access may be greatly diminished but operator training is still required. This world first initiative is still in development and we look forward to taking this further in 2021.



China

Virtual training for distributors in China



2020 was a challenging year for the whole world. China was the first to be impacted by COVID-19, the first to start working remotely from home, and the first to implement innovative ways to provide support to customers.

GEM® Premier™ 5000 blood systems were introduced in China during the COVID-19 pandemic. To safely, efficiently and intuitively conduct related training for our distributors under such circumstances, the Technical Service department rose to the challenge by setting up a *Remote Service Training Studio*.

In the live training studio, our engineers showcased the daily operation of our instruments in detail, and also demonstrated how to solve problems or issues. They even created 20 video clips to provide our distributors with high-quality remote training material.

We did it together



Jaume Dosta

General Manager, Spain and Portugal

2020 was a highly unusual year for everyone and Spain was no exception. The pandemic took our customers, companies and health authorities by surprise. What made us different is how we reacted to something so unpredictable.

Within 48 hours of learning about the pandemic, we implemented *Home Office*, enabling all of our people to work from home. At the same time, we began to receive numerous requests to supply COVID-19 detection kits, something we did not have in our portfolio. We located suppliers, but in the weeks that followed we discovered that no worldwide supplier could possibly match the demand. The number of orders skyrocketed, at the same time as requests for the installation of more equipment, and requests for on-site support, all while our people were in lockdown, made for a very complex situation. The response of our people was exemplary in the way that we honored our commitments to our customers and to society.

During the pandemic we saw many suppliers struggling to fulfill their commitments, and experiencing constant backlogs. At Werfen we committed to keeping our customers informed of our efforts to supply them with product, while offering the best possible service. As a result, we received multiple expressions of appreciation and gratitude for the support that we have given them.

As we look forward to 2021, against the backdrop of the pandemic, we can look back at the enormous amount of work done by the team to achieve an incredible set of results.

Coming out of COVID-19 stronger, with the help of IT

The COVID-19 pandemic was a severe test for all of us. It was a test of our organization's willingness and ability to adapt to what was a completely unknown phenomenon for us. In hindsight, because of the cumulative measures we undertook over the years to create a system as resistant as possible to incidents, we dealt with the situation extremely effectively.

Almost overnight, the vast majority of our 5,501 colleagues went from working at offices and facilities around the world, to working from home. In response to this, our infrastructure support team provided more than 800 laptops to our employees and we immediately boosted the capacity of our system. Fortunately, there was no discernible drop in performance.

Critically, one year ahead of the pandemic we boosted the quality of our collaboration platform, transitioning to the Microsoft 365 solution, with Teams at its core. We provided training courses in Microsoft 365 to more than 1,500 employees, as well as supporting and promoting the use of these new environments for all internal and external communications. No less important was our role in supporting employees and also during 2020 we launched *WeLearn*, our new learning platform, which has been a tremendous success.

Many of the strengths developed by the IT department in what has been a tumultuous 2020 have been incorporated into a new way of working with other Werfen departments and working hand-in-hand, we will continue to improve our information systems.



Global IT Leaders

Joaquim Barba, IT Organization Director. Toni Ala, IT Systems Director. Olga Furmanowska, IT Analyst Programmer. Toni Ruiz, Deputy CIO. Esteban Escudero, IT Operator. Pablo Penalva, CIO. Josep Viladomat, IT Development Director.

04

Sustainability

In 2020 we marked a milestone in our journey towards a more sustainable future by joining the UN Global Compact, a global community of more than 13,000 companies across 160 countries. It means that we commit to implementing its far-reaching *Ten Principles*, covering: Human Rights, Environment and Anti-Corruption.





Towards a more sustainable future

Werfen joins the UN Global Compact

In 2020, Werfen officially became a signatory member of the UN Global Compact. The UN declared this decade a decade of action for delivery of its SDGs by 2030—and, as a leader in our industry, we responded to this call.

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.

We offer professional opportunities to thousands of people around the world. Through prudent management, we generate the financial resources that it needs to invest for the long-term in new solutions that improve patients' care and customers' effectiveness. Moreover, Werfen is committed to the Sustainable Development Goals (SDGs) as defined by the UN Global Compact.

Ten Principles of the UN Global Compact

We adhere to the same principles promoted by the UN Global Compact. By this, we commit to implementing the *Ten Principles* of this initiative, and to make them part of our strategic vision, organizational culture and day-to-day operations.

For more information on these principles, please visit www.unglobalcompact.org/what-is-gc/mission/principles

“Werfen’s main contribution to society is achieved through its advanced diagnostics equipment and solutions which serve customers and patients in a unique way.”

Marc Rubiralta
President



Our sustainable development goals

The UN Sustainable Development Goals, or 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 SDGs by:

- Proactively managing our internal operations and supply chain;
- Launching Corporate Social Responsibility programs;
- Diversity and Inclusion practices;
- Through the products, solutions, systems and services we offer our customers.

Prioritizing the SDGs

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

Our approach to sustainability

We have an obligation to our employees, our customers, our partners, our communities and the environment to drive our business sustainably.

At Werfen, sustainability is operating our business and satisfying the needs of our employees, partners and customers, now and in the future, without compromising the needs of our planet and our future generations, while remaining profitable.



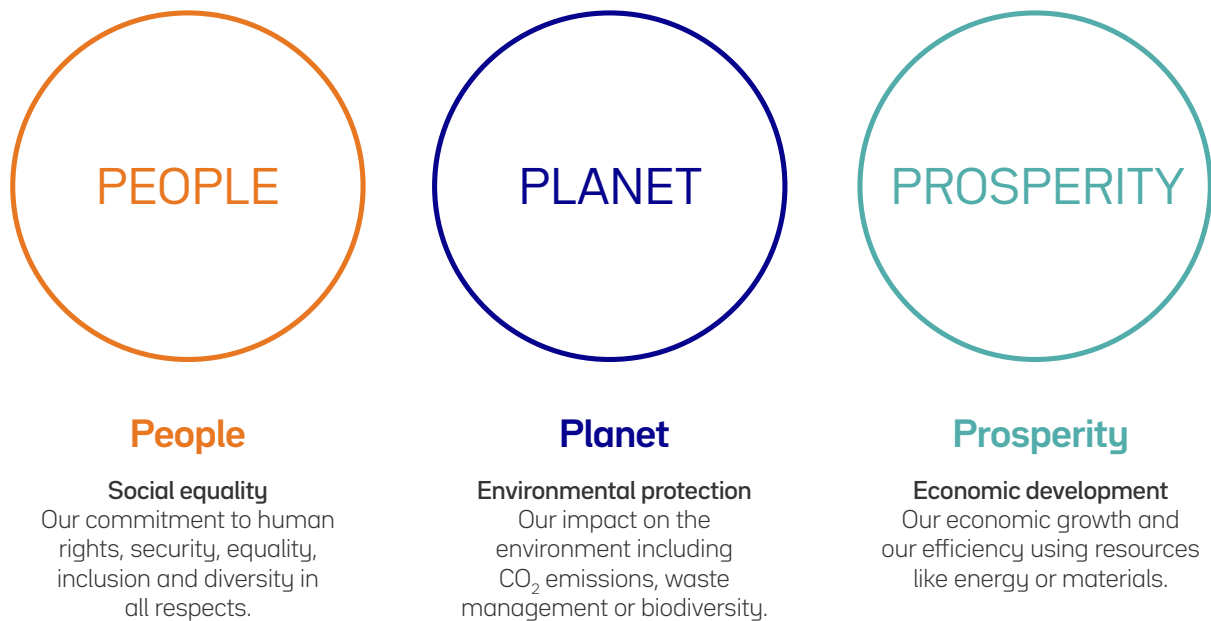


Our sustainability principles

- We believe in the importance of sustainability for people (socially), our planet (environmentally) and our profitability (economically).
- Our Senior Leaders are responsible for enabling employees to contribute to our sustainability objectives and to implement our corporate policy.
- Specifically, we support the *Ten Principles* of the UN Global Compact on: human rights, labor, environment and anti-corruption. We intend to implement these principles.
- We are committed to making the UN Global Compact and its principles part of our values, the strategy, culture and day-to-day operations of our company, and to engage in collaborative projects which advance the broader development goals of the UN, particularly the SDGs.
- We make a clear statement of this commitment in our annual sustainability report to stakeholders and the general public.

The 3 P's of our Sustainability Policy

We are focused on three areas – all equally important and interconnected:



Our Sustainability program

In 2020, Werfen developed a strategic sustainability plan with numerous corporate initiatives, some of which are mentioned in this report. In 2021, our Corporate Social Responsibility (CSR) initiatives will continue but this plan will ramp up with a deeper focus on embedding sustainability internally, in our culture, and embodying it in our values, beliefs and behaviors.

Sustainability Policy

In 2021, we will launch a Sustainability Policy which sets out the principles that govern our business operations.

Sustainability Seeds

As part of an internal campaign, in 2021 we will launch a video series of short, informative, visually impactful episodes that we are calling *Sustainability Seeds*. Each episode will present some insight into sustainability, our efforts, commitments and program. With each one we will plant a seed, and slowly, sustainability will take root.



Together we can make a difference

Our *Together We Can Make a Difference* global campaign, developed by our Global Human Resources department, meant that Werfen would make a 10-fold match of every employee donation. The funds were donated to mainly foodbanks and those tending to the needs of families, people living on their own and the elderly.

The purpose of the campaign was that the help should reach the poorest and most in-need sections of society and it has its roots pre-pandemic, in our people donating their time and actively engaging with society. In the face of the pandemic, in September 2020, we asked our employees for donations from their October, November and December

paychecks. The response was amazing, with some 24% of employees making a donation.

In 2020 Werfen became a signatory to the UN Global Compact, and its seventeen sustainable development goals, among them: No poverty, Zero hunger and Good health & wellbeing. All three are incredibly important to our commitment to our corporate social responsibility goals and our broader aim of reaching out and providing aid to those most in need among the communities in which we work.

Please read on and learn about some of our initiatives.



No poverty

SDG 1. End poverty in all its forms everywhere

Objective in 2020: To undertake specific actions to tackle poverty in at least three different countries.

Result: Achieved. In 2020 we carried out actions in six different countries.

Werfen and Pane Quotidiano, Italy

In September, seeing the social and economic havoc wreaked by COVID-19, the EEMEAI team decided to take action and help the local community. Our attention turned to *Pane Quotidiano* and its free food delivery point which is close to our headquarters in Milan.

Pane Quotidiano ('Daily Bread' NGO), was founded in Milan, Italy in 1898 as a non-religious, non-political, non-partisan and non-profit organization, whose primary objective is the distribution of free food packages and comfort goods to the most in-need sections of the community and anyone who drops-in to its premises.

As a first step, the EEMEAI team donated funds usually earmarked for half term meeting dinners and, starting in September, they collected non-perishable food items and second-hand clothes to be delivered monthly to its headquarters.

EEMEAI is very proud to partner with this charity in Milan and we believe that by working together, we can and do make a difference.



Zero Hunger

SDG 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Objective in 2020: To collaborate in at least two projects to tackle hunger.

Result: Achieved. In 2020 we participated in six initiatives.

Germany & Austria support children in need during the COVID-19 crisis

In the turmoil which visited all of our lives in 2020, our teams in Germany and Austria opted to donate funds to *Deutsches Kinderhilfswerk e.V.*, a charity providing 'Corona Emergency Aid Packages', consisting of 'Tutoring', 'Balanced Nutrition' and 'Digital Learning' elements. An example of the work it does is providing nutritious food for children in schools and daycare after hours. In addition, its Digital Learning package provides families in need with digital learning equipment, including computers and desks. Its Tutoring package meanwhile, includes meetings between private tutors and children, obviously with self-distancing measures in place.

The donations from December 1, 2020 until January 15, 2021 totaled €4,577. Now, more than ever, this money is vital for families in need, especially if the pandemic continues apace.



Good health and well-being

SDG 3. Ensure healthy lives and promote well-being for all at all ages

Objective in 2020: To develop at least two initiatives to improve health and well-being in our communities.

Result: Achieved. We developed 10 health and well-being initiatives.

Hemostasis and Acute Care Diagnostic, United States

With Werfen adding a very generous ten-fold match to each and every donation, a total of more than US\$63,000 was raised in our *Together We Can Make a Difference* initiative. Each of our Hemostasis and Acute Care Diagnostics Technology Centers, in Bedford, MA, San Diego, CA, and Orangeburg, NY, selected a local food bank for their donations. These organizations provide much needed, and greatly appreciated, nourishment to people in their communities.

Autoimmunity gives back, United States

Our Autoimmunity business line has a history of supporting the San Diego, CA community in a variety of ways. Given the devastating impact the COVID-19 pandemic had on San Diego's community and economy, Autoimmunity employees put a priority on giving back during the 2020 holiday season.

The Autoimmunity Events team organized the *Autoimmunity Gives Back* initiative, supporting the San Diego Food Bank. The Jacobs & Cushman San Diego Food Bank is the largest hunger-relief organization in San Diego County. Last year, the food bank distributed 28 million pounds of food. It serves, on average, 350,000 people per month throughout the county.

This local initiative aligned with our global initiative *Together We Can Make a Difference*. Working together, we supported the San Diego Food Bank in three ways. Throughout November and December, we collected hundreds of pounds of non-perishable food to provide to those in need. In December, a team of Autoimmunity employees volunteered at the Food Bank's distribution warehouse, preparing food packages. Working together, they prepared 12,334 meals for families across San Diego County. Finally, 107 employees, along with Werfen's donation match, were able to provide the San Diego Food Bank with a check for almost USD 12,000. For the many San Diego families struggling through the pandemic, our employees embraced these many opportunities to work together to make a difference in our community.

05

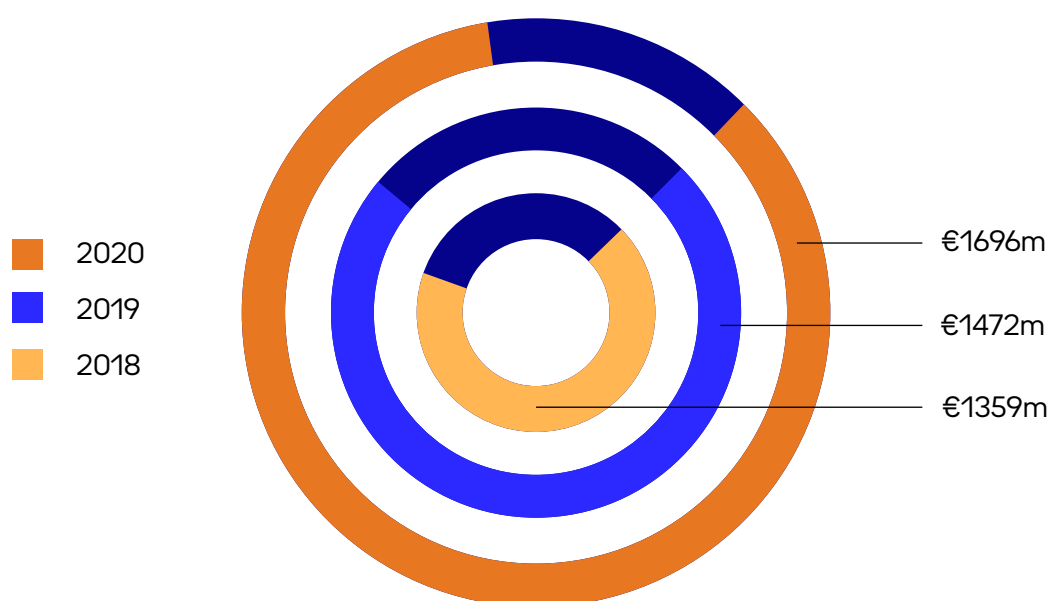
Financials

Sales increased by 15.2% to €1.696 billion in 2020. This growth is derived from our leading position in the detection of diseases with molecular diagnostic tests, as well as our Hemostasis and Acute Care Diagnostics tests in the monitoring of patients with COVID-19.



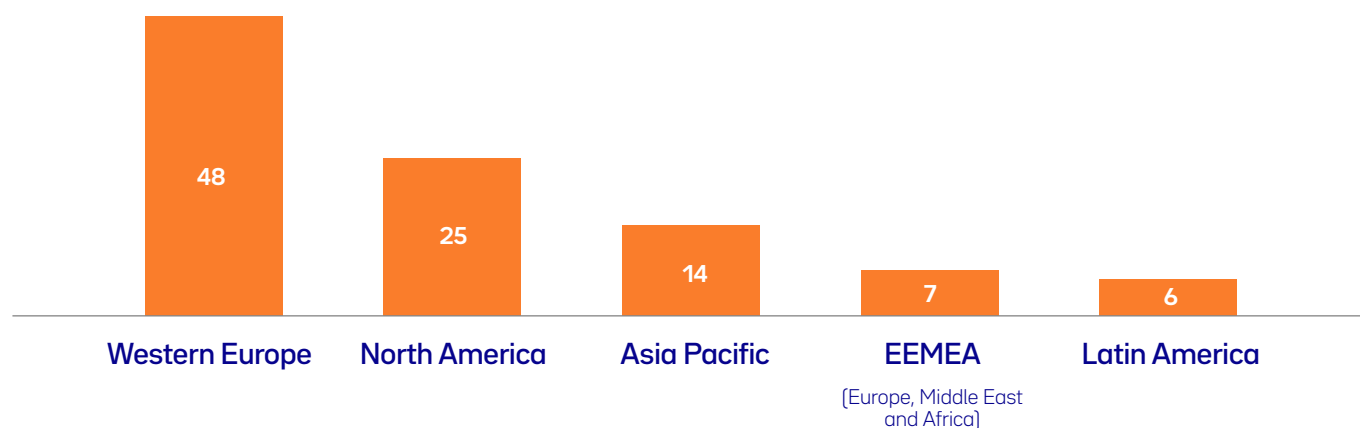
Financials

Total Sales, 2018-2020 (€ millions)



At constant exchange rate

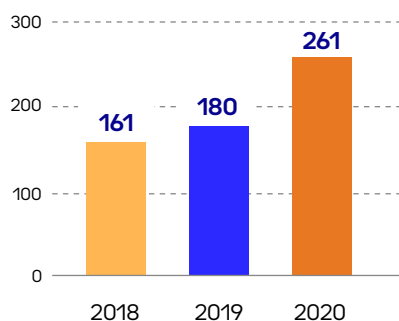
Sales by region (% of Total Sales)



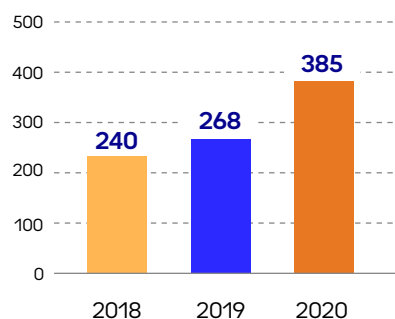
Financial information 2019 and 2020 after adoption of IFRS 16

Key figures, 2018-2020 (€ millions)

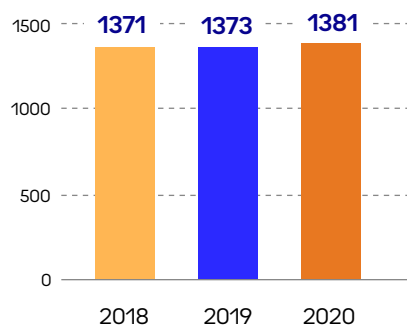
Net Profit



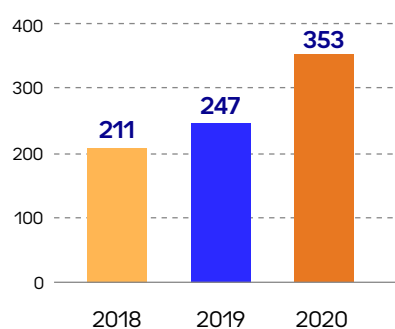
Operating Income



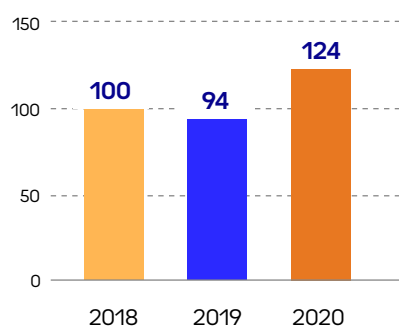
Net Equity



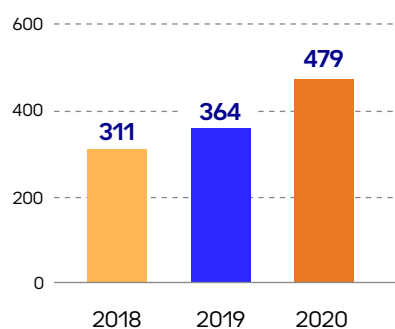
EBIT



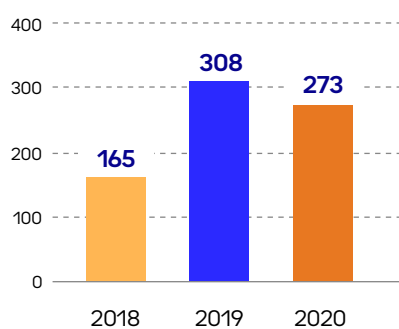
CAPEX



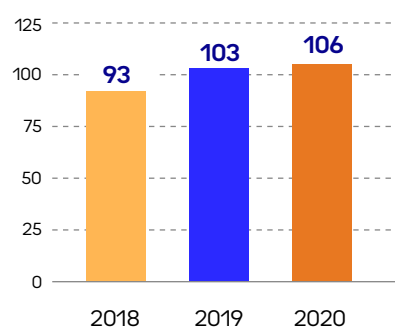
EBITDA



Net Debt position



R&D



Financial information 2019 and 2020 after adoption of IFRS 16

A blurred, high-key photograph of a person's face, likely a woman, occupies the right half of the page. The image is out of focus, showing soft features and light tones. A solid dark blue diagonal shape cuts across the bottom left corner, containing the contact information.

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