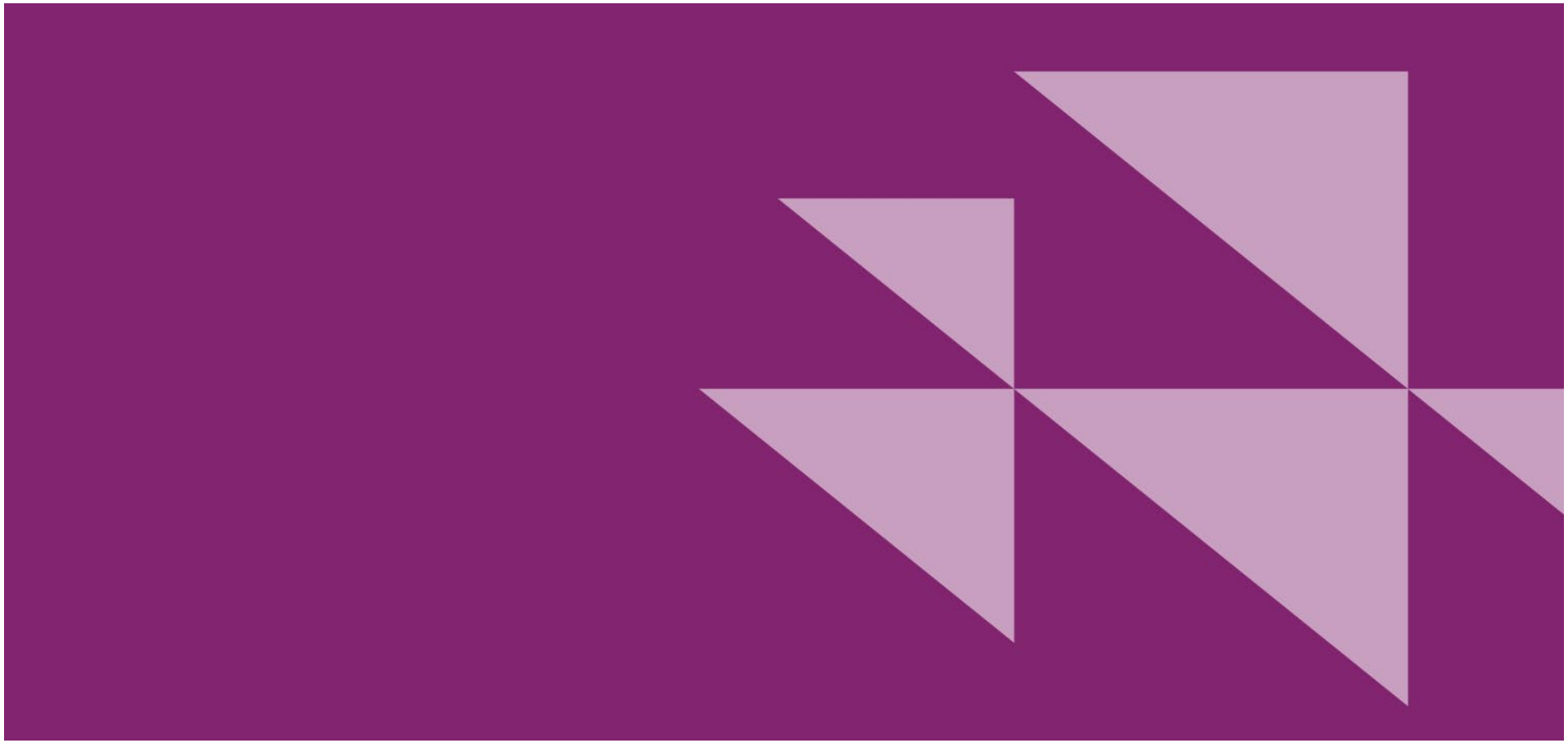
CDP 2024 Questionnaire



1 Introduction

1.1 In which language are you submitting your response?

Select one option
• English

1.2 Select the currency used for all financial information disclosed throughout your response.

Currency
• EUR

1.3 Provide an overview and introduction to your organization.

Organization type	Description of organization
• Publicly traded organization	Bayer is a life science company and a global leader in health and nutrition. Our innovative products support efforts to overcome the major challenges presented by a growing and aging global population. Our work helps prevent, alleviate and treat diseases, empowers people to take better care of their own health needs, and also plays a part in ensuring that enough agricultural products are produced while respecting our planet's natural resources. Our activities are systematically guided by our mission: "Health for all, Hunger for none." We aim to enhance our company's earning power and create value for patients, farmers, consumers, shareholders, employees and society. Innovation, growth and sustainability are integral parts of our strategy. As the parent company of the Bayer Group, Bayer AG – represented by its Board of Management – performs the principal management functions for the entire enterprise. This mainly comprises the Group's strategic alignment, resource allocation and the management of financial affairs and managerial staff, along with the management of the Group-wide operational business of the Crop Science, Pharmaceuticals and Consumer Health divisions. The enabling functions support the operational business. Our company has a global footprint. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. We are reporting according to the financial control approach to provide an accurate picture of Bayer's life science business. **Forward-Looking Statements** This report may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

1.4 State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years	Number of past reporting years you will be providing Scope 1 emissions data for	Number of past reporting years you will be providing Scope 2 emissions data for	Number of past reporting years you will be providing Scope 3 emissions data for
Row 1	12/31/2023	• Yes	• No	• N/A	• N/A	• N/A

1.4.1 What is your organization's annual revenue for the reporting period?

47,637,000,000

1.5 Provide details on your reporting boundary.

Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?	How does your reporting boundary differ to that used in your financial statement?
Yes	N/A

1.6 Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Unique identifier	Does your organization use this unique identifier?	Provide your unique identifier
• ISIN code - equity	• Yes	DE000BAY0017

1.7 Select the countries/areas in which you operate.

Country/area
Dominican Rep., France, Saudi Arabia, Unit.Arab Emir., Argentina, Austria, Australia, Bangladesh, Belgium, Burkina Faso, Bulgaria, Bolivia, Brazil, Canada, Switzerland, Cote d'Ivoire, Chile, China, Colombia, Costa Rica, Curacao, Cyprus, Czechia, Germany, Denmark, Algeria, Ecuador, Egypt, Spain, Finland, United Kingdom, Greece, Guatemala, Hong Kong, Honduras, Croatia, Hungary, Indonesia, Ireland, Israel, India, Italy, Japan, Kenya, Republic Korea, Kasachstan, Lithuania, Luxembourg, Morocco, Malawi, Mexico, Malaysia, Nicaragua, Netherlands, Norway, New Zealand, Panama, Peru, Philippines, Pakistan, Poland, Puerto Rico, Portugal, Paraguay, Romania, Serbia, Russian Fed., Sweden, Singapore, Slovenia, Slovakia, El Salvador, Thailand, Turkey, Taiwan, Rep. Tanzania, Ukraine, United States, Uruguay, Brit.Virgin Is., Vietnam, South Africa, Zambia

1.22 Provide details on the commodities that you produce and/or source.

Commodity	Produced and/or sourced	Commodity value chain	Indicate if you have direct soy and/or embedded soy in your value chain	Indicate if you are providing the total commodity volume that is produced and/or sourced	Total commodity volume (metric tons)	Of the total commodity volume, state how much is embedded soy (metric tons)	Of the total commodity volume, state how much is direct soy (metric tons)	Did you convert the total commodity volume from another unit to metric tons?	Original unit
Palm oil	• Sourced	• Manufacturing	N/A	Yes, we are providing the total volume	11,467	N/A	N/A	No	N/A
Soy	• Sourced	• Manufacturing	• Direct soy only	Yes, we are providing the total volume	9,166	N/A	N/A	No	N/A

Forest risk commodity	Provide details of the methods, conversion factors used and the total commodity volume in the original unit	Form of commodity	% of procure-ment spend	% of revenue depen-dent on commo-dity	In the questionnaire setup did you indicate that you are disclosing on this commodity?	Is this commodity considered significant to your business in terms of revenue?	Please explain
Palm oil	• N/A	• Palm kernel oil derivatives	• <1%	• 11-20%	• Yes, disclosing	• No	Compared to our overall procurement spend, Bayer only sources a small number of palm (kernel) oil derivatives for our businesses (less than 1% of our procurement spend). In the financial year 2023, our revenue from these products represented approximately 20% of our company's total revenue. Bayer is not sourcing palm (kernel) oil directly, but its derivatives produced out of the oil (at the end of a highly complex supply chain, many tier levels, high number of raw materials, many processing sites). Bayer has participated in the Roundtable for Sustainable Palm Oil (RSPO) since 2004. We started to transition our supply chain to RSPO mass balance certified sustainable palm oil in 2021. Though there are various challenges, including the availability of products, we aim for 100% of palm oil derivatives purchased by 2027 to be covered with RSPO mass balance.
Soy	• N/A	• Soy derivatives	• <1%	• 1-10%	• Yes, disclosing	• No	We use SOY DERIVATIVES in a very small number (<1%) of our products (less than 10% of our company's total revenue in 2023). Bayer is not sourcing soy directly, but its derivatives produced out of the oil (at the end of a highly complex supply chain: many tier levels, high number of raw materials, many processing sites). We support the production of sustainable soy via the purchase of credits certified by the Round Table on Responsible Soy (RTRS). Bayer has been a member in the RTRS board since 2017. 100% of our purchases of soy derivatives are covered by RTRS credits. Since 2022, we have also significantly increased our efforts to gain more insights into the value chain, with the result that we can trace approximately 80% of our purchases to a jurisdictional area.

							We assume that most of soy in our supply chain origins from Brazil. This is WHY Bayer is taking the lead to increase SUSTAINABLE SOY FEEDSTOCK with its PRO Carbono Commodities program in Brazil. With our PRO Carbono Commodities program, we intend to create new business models by engaging farmers willing to make the commitment to preserve native vegetation and invest in low-carbon agriculture. We enable measuring and tracking the carbon footprint on a pilot crop of deforestation-free soybean with transparency and traceability of information to validate this innovative product within the chain. The project area covers about 390,000 acres.

1.24 Has your organization mapped its value chains?

Value chain mapped	Value chain stages covered in mapping	Highest supplier tier mapped	Highest supplier tier known but not mapped	Smallholder inclusion in mapping	Description of mapping process and coverage
• Yes, we have mapped or are currently in the process of mapping our supply chain	• Upstream value chain • Downstream value chain	• Tier 2 suppliers	• Tier 4+ suppliers	• Smallholders relevant and included	TOOLS AND METHODS: Our SUPPLIER CODE OF CONDUCT (SCoC) considers the well-established principles of sustainability incl. CLIMATE CHANGE, FORESTS, WATER and BIODIVERSITY. The SCoC promotes the application of broadly recognized sustainability standards and certifications. Sustainability issues are evaluated through an ANNUAL RISK EVALUATION for ALL our TIER 1 suppliers. Identified suppliers (based on country and business category sustainability risks) are validated through an EVIDENCE-BASED ASSESSMENT (EcoVadis) or physical ON-SITE AUDIT (TfS or PSCI). COVERAGE: We have mapped 100% of our Tier 1 suppliers. In the past, we have contacted major palm oil suppliers to further understand their current activities and promote sustainable behavior. Once we have an indication that a palm oil or soy supplier is not complying with our standards, we start to investigate and map the value chain (Tier 1-4+ and smallholders). For example, in 2021 and 2022, we have looked at one refiner (beyond Tier 1 supplier) and which supplier receives palm oil from this refiner. From our assessment of all soy derivative suppliers, only 2 are members of RTRS. 28% of our total volume of purchased palm oil derivatives is RSPO mass balance certified. For both PALM OIL and SOY derivatives, the value chains are complex. As a purchaser of derivatives for selected materials, we are tier six, seven or eight within the value chain. Therefore, mapping is highly complex, and transparency is limited. We are continuously improving our processes and aiming for increased transparency and traceability. Additionally, in response to the EU Deforestation Regulation (EUDR), we are implementing robust strategies to ensure compliance and promote deforestation-free supply chains. We will enforce necessary measures to comply with the EUDR, ensuring traceability to the origin for EUDR-related products, mapping the supply chain beyond Tier 1 suppliers for the relevant commodities and related products listed in Annex I.

Primary reason for not mapping your upstream value chain or any value chain stages	Explain why your organization has not mapped its upstream value chain or any value chain stages

N/A	N/A

1.24.1 Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

Plastics mapping	Value chain stages covered in mapping	End-of-life management pathways mapped	Primary reason for not mapping plastics in your value chain	Explain why your organization has not mapped plastics in your value chain
• No, but we plan to within the next two years	N/A	N/A	• No standardized procedure	Plastic plays an important role as a packaging material in our value chain, both in the supply chain and in the use phase by our customers. Product properties and transport requirements necessitate the use of plastic to ensure both the product properties and the safety for humans and the environment of our diverse product portfolio across the stages of the value chain. Accessibility of packaging data across the value chain requires a standardized approach to the level of transparency required from raw materials, converters, consumers and waste management organisations. As part of emerging regulation and reporting requirements, we plan to map and establish appropriate processes around our main packaging material flows.

1.24.2 Which commodities has your organization mapped in your upstream value chain (i.e., supply chain)?

Commodity	Value chain mapped for this sourced commodity	Highest supplier tier mapped for this sourced commodity	% of tier 1 suppliers mapped	% of tier 2 suppliers mapped	% of tier 3 suppliers mapped	% of tier 4+ suppliers mapped	Highest supplier tier known but not mapped for this sourced commodity
Palm oil	• Yes	• Tier 2 suppliers	100%	1-25%	N/A	N/A	• Tier 4+ suppliers
Soy	• Yes	• Tier 2 suppliers	100%	1-25%	N/A	N/A	• Tier 4+ suppliers

2 Identification, assessment, and management of dependencies, impacts, risks, and opportunities

2.1 How does your organization define short-, medium- and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Time horizon	From (years)	Is your long-term time horizon open ended?	To (years)	How this time horizon is linked to strategic and/or financial planning
Short-term	0	N/A	2	Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM designed to ensure the continued existence and future target attainment of the Bayer Group through the early identification, assessment and treatment of risks. The risk management system is aligned to internationally recognized standards and principles such as the ISO 31000 risk management standard. Our risk management process consists of risk identification, assessment, treatment, reporting as well as process monitoring and improvement. All relevant risks worldwide, incl. environmental risks, are recorded and monitored at an early stage in our risk management system. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence. The likelihood of occurrence is assessed on a scale ranging from very unlikely (<10%), unlikely (10%-30%), possible (30-50%), likely (50-70%), very likely (>70%) over A maximum PERIOD OF 10 YEARS. In our analysis of the effects of climate change, we go beyond the customary enterprise risk management time horizons and instead apply the time horizons detailed here. These include a longer time horizon than our enterprise risk management, considering long-term risks as risks arising between 2036 and 2050. We use the results of our climate change analysis to assess from this perspective the effects on our company and thus the Group's financial position or results of operations.
Medium-term	3	N/A	12	Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM designed to ensure the continued existence and future target attainment of the Bayer Group through the early identification, assessment and treatment of risks. The risk management system is aligned to internationally recognized standards and principles such as the ISO 31000 risk management standard. Our risk management process consists of risk identification, assessment, treatment, reporting as well as process monitoring and improvement. All relevant risks worldwide, incl. environmental risks, are recorded and monitored at an early stage in our risk management system. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence. The likelihood of occurrence is assessed on a scale ranging from very unlikely (<10%), unlikely (10%-30%), possible (30-50%), likely (50-70%), very likely (>70%) over A maximum PERIOD OF 10 YEARS. In our analysis of the effects of climate change, we go beyond the customary enterprise risk management time

				horizons and instead apply the time horizons detailed here. These include a longer time horizon than our enterprise risk management, considering long-term risks as risks arising between 2036 and 2050. We use the results of our climate change analysis to assess from this perspective the effects on our company and thus the Group's financial position or results of operations.
Long-term	13	• No	27	Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM designed to ensure the continued existence and future target attainment of the Bayer Group through the early identification, assessment as well as treatment of risks. The risk management system is aligned to internationally recognized standards and principles such as the ISO 31000 risk management standard. Our risk management process consists of risk identification, assessment, treatment, reporting and process monitoring and improvement. All relevant risks worldwide, incl. environmental risks, are recorded and monitored at an early stage in our risk management system. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence. The likelihood of occurrence is assessed on a scale ranging from very unlikely (<10%), unlikely (10%-30%), possible (30-50%), likely (50-70%), very likely (>70%) over A maximum PERIOD OF 10 YEARS. In our analysis of the effects of climate change, we go beyond the customary enterprise risk management time horizons and instead apply the time horizons detailed here. These include a longer time horizon than our enterprise risk management, considering long-term risks as risks arising between 2036 and 2050. We use the results of our climate change analysis to assess from this perspective the effects on our company and thus the Group's financial position or results of operations.

2.2 Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

Process in place	Dependencies and/or impacts evaluated in this process	Primary reason for not evaluating dependencies and/or impacts	Explain why you do not evaluate dependencies and/or impacts and describe any plans to do so in the future
• Yes	• Both dependencies and impacts	N/A	N/A

2.2.1 Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?	Primary reason for not evaluating risks and/or opportunities	Explain why you do not evaluate risks and/or opportunities and describe any plans to do so in the future	Explain why you do not have a process for evaluating both risks and opportunities that is informed by a dependencies and/or impacts process
• Yes	• Both risks and opportunities	• Yes	N/A	N/A	N/A

2.2.2 Provide details of your organization's process for identifying, assessing and managing environmental dependencies, impacts, risks and/or opportunities.

Environmental issue	Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue	Value chain stages covered	Coverage	Supplier tiers covered	Type of assessment	Frequency of assessment	Time horizons covered	Integration of risk management process
Climate change	• Dependencies • Impacts • Risks • Opportunities	• Direct operations • Upstream value chain • Downstream value chain	• Full	• Tier 1 suppliers	• Qualitative and quantitative	• More than once a year	• Short-term • Medium-term • Long-term	• Integrated into multi-disciplinary organization-wide risk management process
Water	• Dependencies • Impacts • Risks • Opportunities	• Direct operations • Upstream value chain • Downstream value chain	• Full	• Tier 1 suppliers	• Qualitative and quantitative	• More than once a year	• Short-term • Medium-term • Long-term	• Integrated into multi-disciplinary organization-wide risk management process
Forests	• Dependencies • Impacts • Risks • Opportunities	• Direct operations • Upstream value chain • Downstream value chain	• Full	• Tier 1 suppliers • Tier 2 suppliers	• Qualitative and quantitative	• More than once a year	• Short-term • Medium-term • Long-term	• Integrated into multi-disciplinary organization-wide risk management process
Biodiversity	• Impacts	• Direct operations	• Full	N/A	• Qualitative and quantitative	• Every three years or more	• Short-term • Medium-term	N/A

Environmental issue	Location-specificity used	Tools and methods used	Risk types and criteria considered	Partners and stakeholders considered	Has this process changed since the previous reporting year?
Climate change	• Site-specific • Local • Sub-national • National	Commercially/publicly available tools • LEAP (Locate, Evaluate, Assess and Prepare) approach, TNFD • TNFD – Taskforce on Nature-related Financial Disclosures • Trase • Other commercially/publicly available tools, please specify: EcoVadis, SEDEX, WRI Aqueduct, WWF Biodiversity Risk Filter, WWF Water Risk Filter Enterprise Risk Management • Enterprise Risk Management • ISO 31000 Risk Management Standard International methodologies and standards • IPCC Climate Change Projections	Acute physical • Cyclones, hurricanes, typhoons • Drought • Flood (coastal, fluvial, pluvial, ground water) • Heat waves • Heavy precipitation (rain, hail, snow/ice) Chronic physical • Changing precipitation patterns and types (rain, hail, snow/ice) • Increased severity of extreme weather events • Soil erosion • Water availability at a basin/catchment level • Water stress Policy • Carbon pricing mechanisms	• Customers • Employees • Investors • Local communities • NGOs • Regulators • Suppliers	• No

		• ISO 14001 Environmental Management Standard • Life Cycle Assessment Other • Desk-based research • External consultants • Internal company methods • Materiality assessment • Partner and stakeholder consultation/analysis • Scenario analysis	• Changes to international law and bilateral agreements Market • Other market, please specify: monitoring of supply availability e.g. through natural disaster index Reputation • Increased partner and stakeholder concern and partner and stakeholder negative feedback • Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress) Technology • Transition to lower emissions technology and products Liability • Non-compliance with regulations		
Water	• Site-specific • Local • Sub-national • National	Commercially/publicly available tools • EcoVadis • WRI Aqueduct • WWF Water Risk Filter Enterprise Risk Management • Enterprise Risk Management • ISO 31000 Risk Management Standard International methodologies and standards • IPCC Climate Change Projections Databases • FAO/AQUASTAT • Regional government databases Other • Desk-based research • External consultants • Internal company methods • Materiality assessment • Partner and stakeholder consultation/analysis • Scenario analysis • Other, please specify: on-site audits	Acute physical • Cyclones, hurricanes, typhoons • Drought • Flood (coastal, fluvial, pluvial, ground water) • Heat waves • Heavy precipitation (rain, hail, snow/ice) Chronic physical • Water availability at a basin/catchment level • Water stress • Water quality at a basin/catchment level • Increased ecosystem vulnerability Policy • Changes to international law and bilateral agreements • Introduction of regulatory standards for previously unregulated contaminants Market • Availability and/or increased cost of raw materials • Inadequate access to water, sanitation, and hygiene services (WASH) Reputation • Increased partner and stakeholder concern and partner and stakeholder negative feedback	• Customers • Employees • Investors • Local communities • Indigenous peoples • NGOs • Regulators • Suppliers • Water utilities at a local level • Other water users at the basin/catchment level	• No

		• Decision Support Tool to reduce runoff from agricultural fields	• Stakeholder conflicts concerning water resources at a basin/catchment level • Impact on human health Technology • Transition to water efficient and low water intensity technologies and products Liability • Non-compliance with regulations		
Forests	• Local • National • Not location specific	Commercially/publicly available tools • WWF Biodiversity Risk Filter • Other commercially/publicly available tools, please specify: EcoVadis Enterprise Risk Management • Enterprise Risk Management • ISO 31000 Risk Management Standard Other • Desk-based research • Materiality assessment • Partner and stakeholder consultation/analysis • Internal company methods • Other, please specify: a) benchmarking and interaction with peer companies; b) external reports and assessments	Acute physical • Drought Chronic physical • Changing temperature (air, freshwater, marine water) • Increased ecosystem vulnerability • Water stress Policy • Changes to international law and bilateral agreements • Changes to national legislation Market • Availability and/or increased cost of certified sustainable material • Availability and/or increased cost of raw materials • Changing customer behavior • Leakage markets Reputation • Other reputation, please specify: Brand damage related to forests risk commodities Technology • Data access/availability and monitoring systems Liability • Other liability, please specify: Corruption	• Customers • Employees • Investors • Local communities • Indigenous peoples • NGOs • Regulators • Suppliers • Other commodity users/producers at a local level	• No
Bio-diversity	• Site-specific	Commercially/publicly available tools • IBAT – Integrated Biodiversity Assessment Tool	N/A	• NGOs • Regulators	• No

Environmental issue	Further details of process

Climate Change	Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM, which is aligned to internationally recognized standards and principles such as the ISO 31000 risk management standard. Our risk management process consists of risk identification, assessment, treatment, reporting and process monitoring and improvement. All relevant risks worldwide, incl. climate change-related risks, are recorded and monitored at an early stage in our risk management system. The risks are monitored CONTINUOUSLY by the risk owners in the operational divisions and functions. The risk portfolio is reviewed REGULARLY by the Bayer Assurance Committee. Within our integrated holistic risk management system, the impact of each risk is rated according to quantity and/or quality. The QUANTITATIVE ASSESSMENT reflects the possible loss of cash flow. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence The potential impact is determined on a scale from moderate (> EUR 150-250 million), medium (> EUR 250-750 million), significant (> EUR 750-1,500 million), major (> EUR 1,500-2,500 million) to severe (> EUR 2,500 million). Regarding our Product Supply function, a potential impact of EUR 7 million cash flow is regarded to be SUBSTANTIVE. A QUALITATIVE ASSESSMENT is based on criteria such as the impact on our strategy or reputation, the potential loss of stakeholder confidence, and the potential impact on people and/or the environment. The higher rating, qualitatively or quantitatively, determines the overall assessment. The likelihood of occurrence is assessed on a scale ranging from very unlikely (<10%), unlikely (10%-30%), possible (30-50%), likely (50-70%), very likely (>70%) over A maximum PERIOD OF 10 YEARS. Risks are classified as high, medium or low. The risk owners decide on the treatment strategy taking into account also already established risk management measures also referred to as mitigation activities. General options for risk management measures are risk avoidance, risk reduction, risk transfer and risk acceptance. DETAILS: Climate-related risks that apply to individual facilities are evaluated within our HSE management process. Potential physical risks related to climate change are covered and monitored by Bayer`s Emergency Response System, which is a mandatory element of the integrated HSE management system at Bayer`s production sites. Climate-related risks that apply especially to our Crop Science downstream business and therefore to the farmers and agricultural practices for the future are evaluated by a cross-functional team within Crop Science Strategic Planning & Insights, Crop Experts and Public Affairs, Sustainability & Safety employees. We have set up a wide framework based on TCFD, workshops, assessments and data modelling to identify risks and opportunities. E.g., natural disasters are part of the risk identification process within the sites by our Product Supply function concerning our Pharmaceutical and Consumer Health divisions. Crop Strategy and Segment/Asset Managers CONTINUOUSLY monitor market developments, megatrends and customer needs to identify and adjust research targets together with R&D. Potential climate-related risks and opportunities are reported to the Head of Public Affairs, Sustainability & Safety and the Head of Environment, Social & Governance (ESG) who are accountable for their identification and evaluation.
Water	Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM, which is aligned to internationally recognized standards and principles such as the ISO 31000 risk management standard. Our risk management process consists of risk identification, assessment, treatment, reporting and process monitoring and improvement. All relevant risks worldwide, incl. water-related risks, are recorded and monitored at an early stage in our risk management system. The risks are monitored CONTINUOUSLY by the risk owners in the operational divisions and functions. The risk portfolio is reviewed REGULARLY by the Bayer Assurance Committee. Within our integrated holistic risk management system, the impact of each risk is rated according to quantity and/or quality. The risk owners decide on the treatment strategy taking into account already established risk management measures also referred to as mitigation activities. General options for risk management measures are risk avoidance, risk reduction, risk transfer and risk acceptance. For details on the quantitative and qualitative assessment see row “Climate Change” above. DETAILS: Water-related risks that apply to individual facilities are evaluated within our HSE management process. Potential physical risks related to water are covered and monitored by Bayer`s Emergency Response System, which is a mandatory element of the integrated HSE management system at Bayer`s production sites. We have set up a wide framework based on TCFD, workshops, assessments and data modelling to identify risks and opportunities. E.g., natural disasters are part of the risk identification process within the sites by our Product Supply function concerning our Pharmaceutical and Consumer Health divisions. Crop Strategy and Segment/Asset Managers CONTINUOUSLY monitor market developments, megatrends and customer needs to identify and adjust research targets together with R&D. Potential water-related risks and opportunities are reported to the Head of Public Affairs, Sustainability & Safety and the Head of ESG, who are accountable for their identification and evaluation. For upstream and downstream the coverage of the assessment is not full: -Integrated risk management systems across the value chain.

	-Full coverage of relevant environmental sites and following HSE management systems. - Partial coverage of upstream suppliers (<25% to keep consistency with previous reports) and following Supply Code of Conduct and Supply chain risk scoring framework which includes water-related risks.
Forests	Bayer has implemented a holistic and INTEGRATED Enterprise RISK MANAGEMENT SYSTEM (ERM) designed to ensure the continued existence and future target attainment of the Group through the early identification, assessment and treatment of risks. All relevant risks worldwide, incl. FOREST-related risks, are recorded and monitored at an early stage in our risk management system. Within our integrated holistic risk management system, the impact of each risk is rated according to quantity and/or quality (for more details see row "Climate Change"). The risk owners in the operational divisions and functions CONTINIOUSLY monitor the development of risks and consider a wide range of resources including benchmarking and interactions with peers as well as industry initiatives and focus organizations. Our different SUSTAINABILITY POLICIES (e.g. deforestation policy and Supplier Code of Conduct) initiate a risk assessment and define mitigation actions. Bayer is actively engaging with stakeholders, e.g. in conversations, on how to become more sustainable and setting high standards to our own production, stewardship approaches and initiatives for sustainable agriculture. We are actively MONITORING CURRENT REGULAR CHANGES and work towards sustainable value chains together with internal cross functional teams and external suppliers. MOST SIGNIFICANT ISSUES: **Regulation** We support regulatory improvements and have set up a cross-functional team to address new requirements for example from the EU Deforestation Regulation (EUDR). We are evaluating which requirements and actions can be implemented in our value chain. In response to the EUDR, we are implementing robust strategies to ensure compliance and promote deforestation-free supply chains; as well as enforcing necessary measures to comply with the EUDR, ensuring traceability to the origin for EUDR-related products. **Quality and availability of forests risk commodities:** Palm oil and soy derivatives can be hard to replace with regards to our products and THUS some of them are considered essential. In particular, the availability of certified palm oil is limited. Industrial marketing and sourcing managers CONTINUOUSLY monitor market developments and indicate upcoming risks. This assessment is done across the value chain. We have established quality teams on all levels and sites across the company. We support current regulatory improvements and have set up a cross functional team to address new requirements i.e. from the EUDR. We are closely evaluating which requirements and actions we can implement. Due to the complexity of the supply chain for soy derivatives and related lack of data regarding sourcing areas, we consider the availability of SUSTAINABLE and conversion-free SOY FEEDSTOCK that is traceable along the entire value chain as most significant. This is WHY Bayer has started the PRO Carbono Commodity program in Brazil in 2023 to help food chain companies with monitoring, reporting and verification of sustainable and deforestation-free soybean. In 2024, we were able to expand this program to Argentina. We will also ensure sustainable and deforestation-free seed production in our Brazilian seed supply chain. As of 2023, we were able to apply and monitor 15 socio-environmental assessment parameters to our commercial soybean and corn seed supply chain. This monitoring covers 100% of our Agroeste seed production area (Bayer direct brand) and 70% of our own corn seed production - compared to 50% in 2022.
Biodiversity	Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM, which is aligned to internationally recognized standards and principles such as the ISO 31000 risk management standard. Our risk management process consists of risk identification, assessment, treatment, reporting and process monitoring and improvement. All relevant risks worldwide, incl. biodiversity-related risks, are recorded and monitored at an early stage in our risk management system. The risks are monitored CONTINUOUSLY by the risk owners in the operational divisions and functions. The risk portfolio is reviewed REGULARLY by the Bayer Assurance Committee. Within our integrated holistic risk management system, the impact of each risk is rated according to quantity and/or quality. The QUANTITATIVE ASSESSMENT reflects the possible loss of cash flows. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence The potential impact is determined on a scale from moderate (> EUR 150-250 million), medium (> EUR 250-750 million), significant (> EUR 750-1,500 million), major (> EUR 1,500-2,500 million) to severe (> EUR 2,500 million). Regarding our Product Supply function, a potential impact of EUR 7 million cash flow is regarded to be SUBSTANTIVE. A QUALITATIVE ASSESSMENT is based on criteria such as the impact on our strategy or reputation, the potential loss of stakeholder confidence, and the potential impact on people and/or the environment. The higher rating, qualitatively or quantitatively, determines the overall assessment. The likelihood of occurrence is assessed on a scale ranging from very unlikely (<10%), unlikely (10%-30%), possible (30-50%), likely (50-70%), very likely (>70%) over A maximum PERIOD OF 10 YEARS. Risks are classified as high, medium or low. The risk owners decide on the treatment strategy taking into account also already established risk management measures also referred to as mitigation activities. General options for risk management measures are risk avoidance, risk reduction, risk transfer and risk acceptance

	When planning new production sites, Bayer takes into account that they must not be set up in areas that are statutorily protected with regard to their natural characteristics, biodiversity or other factors. Using the international Integrated Biodiversity Assessment Tool (IBAT), we conducted a comparison of the geographical coordinates of our 553 production sites, plant breeding stations and research sites in 2020 with those of internationally recognized protected areas (such as ASEAN Heritage Parks, Wetlands of International Importance according to the Ramsar Convention, Specially Protected Areas of Mediterranean Importance according to the Barcelona Convention, UNESCO-MAB Biosphere Reserves and World Heritage Sites). The comparison showed that 30 of our sites are located within six kilometers of such protected areas.

2.2.7 Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed	Description of how interconnections are assessed	Primary reason for not assessing interconnections between environmental dependencies, impacts, risks and/or opportunities	Explain why you do not assess the interconnections between environmental dependencies, impacts, risks and/or opportunities
• Yes	METHODOLOGY To assess interconnections between environmental dependencies, impacts, risks and/or opportunities, Bayer follows a systematic and comprehensive approach. This involves several steps and methodologies: MATERIALITY ANALYSIS: We determine the expectations and requirements of the various stakeholders using a materiality analysis that surveys managerial staff from various areas of the company world-wide and representatives of important stakeholder groups. The results thereof reveal relevant issues and the latest developments, along with sustainability-related opportunities and risks, and help us to assess these accordingly. The survey of external stakeholders also reflects how our sustainability performance is perceived, which enables us to identify weaknesses and areas for improvement. At the next stage, Bayer managers supplement the assessment of issues of relevance from an external perspective with an estimation of the impact the company has on the environment, employees and health in each respective topic area. Finally, the issues prioritized on this basis are approved by the Board of Management. RISK & OPPORTUNITY (R&O) management system: As part of our GROUP-WIDE R&O management system, we identify how both risks and opportunities could affect the company, and we assess the likelihood and potential impact on business operations. On a product level, we use LIFE CYCLE ASSESSMENT (LCA) to evaluate impacts of our products throughout their entire life cycle. Furthermore, our ENVIRONMENTAL MANAGEMENT SYSTEMS comply with international standards such as ISO 14001 which helps us to systematically manage and improve environmental performance. In addition, our INTEGRATED REPORT enables us to provide a holistic view on company performance, including environmental issues. Our nonfinancial Group TARGETS and KPIs through 2023 help us track our performance. Also, our continuous investment in technology and innovation for sustainable solutions enables us to unlock environmental opportunities. By integrating these steps and methodologies, we assess and manage the interconnections between environmental dependencies, impacts, risks and opportunities.	N/A	N/A

2.3 Have you identified priority locations across your value chain?

Identifi-cation of priority locations	Value chain stages where priority locations have been identified	Types of priority locations identified	Description of process to identify priority locations	Will you be disclosing a list/spatial map of priority locations?	Provide a list and/or spatial map of priority locations	Primary reason for not identifying priority locations	Explain why you do not identify priority locations
• Yes, we have identified priority locations	• Direct operations	Sensitive locations • Areas important for biodiversity • Areas of limited water availability, flooding, and/or poor quality of water • Areas of importance for ecosystem service provision Locations with substantive dependencies, impacts, risks, and/or opportunities • Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water • Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity	WATER We aim to identify potential for improvement, particularly in water-scarce areas or in areas threatened by water scarcity, and to use as little water there as possible. These regions in which water consumption exceeds the available renewable surface and groundwater resources were identified using the Aqueduct Water Risk Atlas of the World Resources Institute (WRI). We used three million cubic meters of water overall in these regions in 2023 (2022: three million cubic meters), accounting for about 5% of our total water use. Climate change will further exacerbate the problem of water scarcity in various regions of the Earth in the future. To avert future and current risks for our sites and the local communities, we aim to establish suitable water management systems at all relevant sites that will be threatened by water scarcity by 2030. We identify such sites using the base scenario of the World Resources Institute (WRI). The relevant Bayer sites here are all locations with annual energy consumption of at least 1.5 terajoules that also account for at least 0.1% of our global water consumption. FORESTS & BIODIVERSITY In most regions across the world, forests play a critical role in balancing ecosystems and mitigating climate change, as they provide habitat for many species, enable water and soil conservation and are important for maintaining ecosystem services and carbon stocks. Scientists also point to an important interdependence of agricultural activity with relation to forests. Based on these considerations, we launched the global initiative **"Bayer Forest Protection,"** which aims to increase our positive impact on the agricultural chain and take a leading role in the conservation of forests and biomes. Brazil is the first country where we develop this program since it holds important environmental assets, such as the Cerrado and Amazon biomes, which are among the largest biomes in Brazil and have one of the highest rates of conversion of native vegetation to other land uses. Moreover, Brazil is accountable for a large share of the global production of food and raw materials, such as soybeans, maize and cotton, and we believe we can contribute together with farmers and other partners to an agricultural transformation that protects Brazilian forests.	• Yes, we will be disclosing the list/geospatial map of priority locations	Bayer_CDP_Water Priority Sites	N/A	N/A

2.4 How does your organization define substantive effects on your organization?

Effect type	Type of definition	Indicator used to define substantive effect	Change to indicator	% change to indicator	Absolute increase/ decrease figure	Metrics considered in definition	Application of definition
Risks	• Qualitative • Quantitative	• Other, please specify: Cash flow, and/or effect on our strategy or reputation, the potential loss of stakeholder confidence, as well as potential impact on people and/or the environment	• Absolute increase	N/A	7,000,000	• Time horizon over which the effect occurs • Likelihood of effect occurring	A) DIRECT OPERATIONS AND VALUE CHAIN Bayer DEFINES a risk as having a SUBSTANTIVE FINANCIAL IMPACT, if the identified risk is relevant for the respective risk owner and/or function. DETAILS: Risks are classified as high, medium or low to assess their materiality regarding the overall risk portfolio. Impact is rated according to quantity and/or quality. The quantitative assessment reflects the possible loss of cash flows. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence. The likelihood of occurrence is assessed on a scale ranging from very unlikely (<10%), unlikely (10%-30%), possible (30-50%), likely (50-70%), very likely (>70%) over a period of 10 years. The potential impact is determined on a scale from moderate (> EUR 150-250 million), medium (> EUR 250-750 million), significant (> EUR 750-1,500 million), major (> EUR 1,500-2,500 million) to severe (> EUR 2,500 million). Lower thresholds apply for the divisions, with regard to our division Consumer Health, a potential impact of EUR 30 MILLION CASH FLOW is regarded to be substantive and monitored in the database, or with regard to our Product Supply Function, a potential impact of EUR 7 MILLION CASH FLOW is regarded to be substantive. Risks are reviewed in our risk management system, incl. climate change, forests and water-related risks. B) SUPPLIERS Suppliers have the potential to have a SUBSTANTIVE IMPACT on the business if they are classified as strategically important or potential high-risk suppliers. Strategically important suppliers are defined as suppliers that have a major influence on business, incl. procurement spend and long-term collaboration prospects (3-5 years). The risk definition for potential high-risk suppliers is based on country and business category sustainability risks, including a detailed view of the risks in the categories environment (e.g. climate and energy), social standards (e.g. child labor) and corporate governance (e.g. data protection). The risk categorization is based on an internationally recognized classification of country risks such as that applied by the World Bank and of category risks such as that employed by the United Nations. Data is reviewed and updated continuously. Strategically important and potentially high-risk suppliers' sustainability performanceis evaluated via assessments and on-site audits.
Opportunities	• Qualitative • Quantitative	• Other, please specify: Cash flow	• Absolute increase	N/A	10,000,000	• Time horizon over which the	We identify opportunities as part of the annual planning cycle, during which we analyze internal and external factors that may affect our business. These may be factors of a social, economic or environmental nature, for example. Our planning process starts with a comprehensive analysis of the markets. We build on this by analyzing the respective market environments to identify opportunities. These

						• effect occurs • Likelihood of effect occurring	analyses are based on different time periods since trends or developments may impact our business over the short, medium or long term. In addition, we identify and leverage opportunities as part of our regular business operations and through our daily observation of internal processes and markets. Depending on developments, factors affecting our business, such as market risks, may result in either risks or opportunities.

2.5 Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

Identification and classification of potential water pollutants	How potential water pollutants are identified and classified*	Please explain
• Yes, we identify and classify our potential water pollutants	For ALL products we determine Predicted No Effect Concentrations (PNEC), widely accepted as safe levels for the ecological integrity of water bodies. PNEC are based on experimental data, reflect the ecotoxicological profile of the products and can range from few ng/m³ to several g/m³. Experimental studies and derivation of PNEC values follows INTERNATIONAL GUIDELINES (OECD) and SECTORIAL RULES AND REGULATIONS (ECHA, EFSA, EMA). PNEC are the basis for our environmental risk-assessmentsfollowing a STEPWISE APPROACH: Define the ecotoxicological profile of our Active Ingredients (AI), Develop specific PNEC, Set voluntary internal discharge limits, If our emissions can potentially cause a PNEC exceedance a risk mitigation roadmap must be developed. All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes according to our POLICIES (HSE key requirements, Group regulation on safe design and operation of processes and plants). METRICS + INDICATORS to identify pollutants in our CORPORATE DIRECTIVE ON THE ASSESSMENT OF CHEMICAL SUBSTANCES: ALL substances with ANNUAL VOLUME > 1 t require a comparable minimum data set with: physical, chemical, toxicological, and ecotoxicological data (e.g. melting point, boiling point, density, vapor pressure, solubility, flash point); potential for irritation, mutagenicity, sensitization, acute aquatic toxicity, biodegradation; and carcinogenic, teratogenic, or reproduction-impacting effects.	n/a

2.5.1 Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category	Description of water pollutant and potential impacts	Value chain stage	Actions and procedures to minimize adverse impacts	Please explain
• Pesticides	Our products (Plant Protection Products and Pharmaceuticals) are designed to have an impact on the metabolisms of living organisms and must be managed adequately to prevent adverse environmental impacts.	• Direct operations • Upstream value chain	• Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience	HOW RISKS ARE MANAGED WITH THE SELECTED PROCEDURES: 1. At all our production and formulation facilities, we set voluntary internal discharge limits for our Active Ingredients in order to comply with safe levels in the water bodies. 2. All our facilities comply with strict safety standards as described in our HSE Key Requirements.

	Pesticides The use of our plant protection products according to label is considered to be safe for animals and plants in aqueous ecosystems, as evaluated in the authorization process by the relevant authorities. We support safe and label-compliant use of our products by stewardship activities (e.g. training of users, provision of best practice instructions, technical solutions). Uncontrolled release of pesticides from production and formulation facilities could lead to local hotspots with concentrations above the widely accepted safe levels (i.e. PNECs) and therefore cause local negative impacts on the ecological integrity of our water bodies.	• Downstream value chain	• Beyond compliance with regulatory requirements • Implementation of integrated solid waste management systems • Industrial and chemical accidents prevention, preparedness, and response • Provision of best practice instructions on product use • Reduction or phase out of hazardous substances • Requirement for suppliers to comply with regulatory requirements • Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements	3. All solid waste is handled in a safe way according to standards described in our HSE Key Requirements. 4. All our facilities have detailed, state-of-the-art programs for accident prevention, preparedness, and response, as described in our HSE Key Requirements 5. Detailed instructions on product use can be found on the packaging label. 6. Our Supplier Code of Conduct requires suppliers to comply with all regulatory requirements. 7. All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes, either in our own treatment facilities or in third-party facilities. With these measures we prevent risks coming from uncontrolled outlets and ensure safe discharges. MEASURING AND EVALUATING SUCCESS: Success is defined as compliance with our HSE requirements. In accordance with the Group Regulation on HSE Management and HSE Key Requirements, our sites must have in place an HSE management system that complies with recognized international standards (e.g. ISO 14001 and ISO 45001). Furthermore, 80% of our business activity is to be covered by external certification to the above standards by the end of 2025.
• Other synthetic organic compounds	Our products (Plant Protection Products and Pharmaceuticals) are designed to have an impact on the metabolisms of living organisms and must be managed adequately to prevent adverse environmental impacts. Other synthetic compounds Although the largest contribution to the occurrence of pharmaceuticals in the environment comes from patient excetion and improper disposal of unused medicines (and is therefore not in our hands), uncontrolled release from production and formulation facilities could lead to local hotspots with concentrations above the widely accepted safe levels (i.e. PNECs) and therefore cause local negative impacts on the ecological integrity of our water bodies.	• Direct operations • Upstream value chain • Downstream value chain	• Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience • Beyond compliance with regulatory requirements • Implementation of integrated solid waste management systems • Industrial and chemical accidents prevention, preparedness, and response • Provision of best practice instructions on product use • Requirement for suppliers to comply with regulatory requirements • Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements	HOW RISKS ARE MANAGED WITH THE SELECTED PROCEDURES: 1. At all our production and formulation facilities, we set voluntary internal discharge limits for our Active Ingredients in order to comply with safe levels in the water bodies. 2. All our facilities comply with strict safety standards as described in our HSE Key Requirements. 3. All solid waste is handled in a safe way according to standards described in our HSE Key Requirements. 4. All our facilities have detailed, state-of-the-art programs for accident prevention, preparedness, and response, as described in our HSE Key Requirements 5. Detailed instructions on product use can be found on the packaging label. 6. Our Supplier Code of Conduct requires suppliers to comply with all regulatory requirements. 7. All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes, either in our own treatment facilities or in third-party facilities. With these measures we prevent risks coming from uncontrolled outlets and ensure safe discharges. MEASURING AND EVALUATING SUCCESS: Success is defined as compliance with our HSE requirements. In accordance with the Group Regulation on HSE Management and HSE Key Requirements, our sites must have in place an HSE management system that complies with recognized international standards (e.g. ISO 14001 and ISO 45001).

				Furthermore, 80% of our business activity is to be covered by external certification to the above standards by the end of 2025.

3 Disclosure of dependencies, risks, and opportunities

3.1 Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Environmental issue	Environmental risks identified	Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain	Please explain
Climate change	• Yes, both in direct operations and upstream/downstream value chain	N/A	N/A
Forests	• Yes, only in our upstream/downstream value chain	• Environmental risks exist, but none with the potential to have a substantive effect on our organization	We have not identified any forest-related risk with a substantive effect on our direct operations in the reporting year. We use PALM KERNEL OIL DERIVATIVES and SOY DERIVATIVES in a very small number (<1% each) of our products. Therefore, they do not have any substantive effect on our direct operations.
Water	• Yes, both in direct operations and upstream/downstream value chain	N/A	N/A
Plastics	• No	• Evaluation in progress	We are planning a comprehensive plastic-related risk assessment, as plastic packaging is relevant in our value chain. For example, crop protection products need to be handled with special care to ensure safe storage, transport and use. To ensure that products and their packaging are also handled carefully at the end of their life cycle, we engage in various waste management programs under national extended producer responsibility schemes.

3.1.1 Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Risk 1

part 1

Environmental issue the risk relates to	Risk identifier	Commodity	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/area where the risk occurs	River basin where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Climate change	• Risk 1	• Not applicable	Policy • Carbon pricing mechanisms	• Direct operations	• Austria • Belgium • Bulgaria • Croatia • Czechia • Denmark • Finland • France • Germany • Greece • Hungary • Italy • Ireland • Lithuania • Luxembourg • Netherlands • Norway • Poland • Portugal • Romania • Slovenia • Slovakia • Spain • Sweden	N/A	Countries and regions like EU and China are committed to limit global warming by reducing greenhouse gas emissions. The EU Emissions Trading System (ETS) is the main regulatory framework that poses a risk to European industry. A further increase in carbon prices is expected through the reduction in the number of carbon allowances (EUA) on the market. In the long-term, a further impact on the ETS factor is expected from the framework for the EU Roadmap 2030. Further price increases are likely to occur due to recent developments in climate and energy politics. In order to prevent 'carbon leakage', which is the transfer of production to countries with less stringent emission rules in place, the EU is discussing CARBON BORDER ADJUSTMENT mechanisms. This new mechanism would place a carbon price on imports of certain goods from outside the EU. The EU ETS could influence Bayer directly from own CHP plants with less free-allocated EUA's and indirectly through our energy industry. As a globally operating company with a widely diversified value chain, the carbon border adjustment mechanisms would affect Bayer in its direct operations and procurement. The additional carbon price on imports could increase the price of primary purchasing products. Overall, the degree to which Bayer is affected is rather minor. As a life science company, we don't have any energy intensive production in the EU.	• Increased direct costs

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• The risk has already had a substantive effect on our organization in the reporting year	N/A	• Low	In light of this risk, the EU ETS has already influenced Bayer directly and indirectly: directly from own CHP plants with less free-allocated EUA's (financial COSTS amount to EUR 25-30 million per year depending on the market price of the EUA) and indirectly through our energy industry. As a globally operating company with a widely diversified value chain, the carbon border adjustment mechanisms would affect Bayer in its direct operations and its procurement. The additional carbon price on imports could increase the price of primary purchasing products. Overall, the degree to which Bayer is affected is rather minor. As a life science company we don't have any energy intensive production in the EU.	N/A	• Yes

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)	Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
20,000,000	N/A	N/A	N/A	N/A	N/A	N/A

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1 moderate (> EUR 150-250 million), 2 medium (> EUR 250-750 million), 3 significant (> EUR 750-1,500 million), 4 major (> EUR 1,500-2,500 million) to 5 severe (> EUR 2,500 million). The corresponding quantitative assessment is shown in brackets. This risk is below the ERM threshold and therefore not included in our ERM. The impact of this risk is increased prices for our purchased energy due to a continuous tightening of the EU ETS. ii) CALCULATION: Between 2021 and 2024, Bayer expects total costs of EUR 60-80 million due to the possible continuous tightening of the EU ETS (calculation: expected price of EU ETS allowances x t CO2e for which allowances need to be purchased). This calculation is based on internal emission regulations of the respective sites and the assumption that an increase in the price of emission allowances will initially rise to EUR 100 per ton during this period, which was reached for the first time in February 2023. In the reporting year, financial COSTS amounted to ca. EUR 20 million. The average price of EU ETS allowances in 2023 was EUR 83.66 per t CO2e. Simplified, financial costs can be CALCULATED as follows: EUR 83.66 x 240,000 t CO2 = EUR 20 million. iii) ASSUMPTIONS: To estimate costs due to the possible continuous tightening of the EU ETS for the period from 2021 to 2024, we assume that the political decision makers are aiming for a certificate price of around EUR 130 per ton for the needs-based management of energy production. For 2023, costs were reported according to actual costs incurred by the EU ETS. Overall, the indirect impact of the EU ETS should remain relatively low as Bayer has invested heavily in energy efficiency measures in the past.	Engagement • Engage with regulators/ policy makers	21,900,000	a) The total investment costs for the energy efficiency and emissions reduction initiatives of Bayer AG that were implemented in 2023 amount to EUR 11.1 million. b) In 2023, the costs incurred at our liaison offices in Europe for human resources, material and projects totaled approx. EUR 3.0 million in Germany and EUR 7.8 million in the European Union. Bayer's EU lobbying work also included climate-related discussions. CALCULATION OF TOTAL COSTS (a+b): 11.1+3.0+7.8=EUR 21.9 million	To reduce the magnitude of climate-related regulatory risks Bayer is investing in energy efficiency in its own operations and is engaged in a constructive dialogue with policy makers. a) CASE STUDY: Situation: Bayer is committed to limit global warming by reducing greenhouse gas emissions, which are contributing to changes in the earth's climate. Task: Further reduction of emissions from own operations is required. Action: Bayer is implementing more efficient production processes, thereby reducing emissions in its own operations. FOR EXAMPLE, efficiency measures in 2023 included process optimizations in several sites e.g. regarding heat recovery, efficiency of water distillation, steam or natural gas consumption, or HVAC and building energy management systems optimization. Result: In 2023, Bayer implemented energy efficiency and emissions reduction projects that resulted in an overall reduction of ca 54,000 metric tons in Scope 1 and 2 emissions. To achieve an absolute reduction in our remaining emissions, we intend to invest €500 million in renewable energies and in increasing the energy efficiency of our facilities and buildings by 2030. b) CASE STUDY: Situation: The EU has agreed on and published the European Green Deal to accelerate transformation towards a net-zero future and committed to be climate neutral in 2050. In line with this, legislative discussions in the EU are expected to further increase requirements. Task: Engagement in a constructive dialogue with policy makers is required. Action: Bayer is closely monitoring the policy debate concerning the EU ETS and other regulatory frameworks worldwide. This allows Bayer to anticipate regulatory trends which can help to reduce the magnitude of climate-related regulatory risks. Result: National liaison offices are key touchpoints between the company and political stakeholders (implemented and ongoing).

Risk 2 in the CDP system

part 1

Environmental issue the risk relates to	Risk identifier	Commo-dity	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/ area where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Forests	• Risk4	• Soy	Market • Lack of availability and/or increased cost of certified sustainable material	• Upstream value chain	• Argentina • Brazil	CONTEXT DESCRIPTION: Bayer uses SOY DERIVATIVES in a very small number of our products (at the end of a highly complex supply chain). Less than 10% of Bayer's total revenue is dependent on these derivatives. Our consumption volume in 2023 was 9,166 t of which 83% was purchased from RTRS certified suppliers. We support the production of sustainable soy via the purchase of credits certified by the Round Table on Responsible Soy (RTRS). Bayer has been a member in the RTRS board since 2017, and 100% of our purchases of soy derivatives are covered by RTRS credits. Since 2022, we have also significantly increased our efforts to gain more insights into the value chain, with the result that we can trace approximately 80% of our purchases to a jurisdictional area. However, within our supply chain for SOY DERIVATIVES, we face challenges of limited availability of DCF-verified soy. In addition, the tracking of products along the supply chain until soy plantation remains a challenge for Bayer BECAUSE as a purchaser of soy derivatives, we are tier six, seven or eight within the value chain. ORGANIZATION-SPECIFIC DETAILS: As a consequence of limited availability of certified sustainable, in particular DCF-certified, soy and limited traceability until the source of origin, Bayer is exposed to potential impacts on its reputation. Moreover, Bayer is exposed to potential legal risks such as co-responsibility for actions conducted by third parties.	• Brand damage

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Medium-term	• About as likely as not	• Low	N/A	IMPACT ON THE ORGANIZATION: As a consequence of limited availability of certified sustainable, in particular DCF-certified, soy and limited traceability until the source of origin, Bayer is exposed to potential impacts on its reputation. Moreover, Bayer is exposed to potential legal risks such as co-responsibility for actions conducted by third parties. However, Bayer uses SOY DERIVATIVES in a very small number of our products (at the end of a highly complex supply chain). Less than 10% of Bayer's total revenue is dependent on these derivatives.	• Yes

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)	Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	50,000,000	100,000,000	N/A	N/A

part 4

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1 moderate (> EUR 150-250 million), 2 medium (> EUR 250-750 million), 3 significant (> EUR 750-1,500 million), 4 major (> EUR 1,500-2,500 million) to 5 severe (> EUR 2,500 million). The corresponding quantitative assessment is shown in brackets. This risk is below ERM threshold and therefore not included in our ERM. ii) CALCULATION: Quantifying losses due to reputational issues are always subject to very high uncertainty. We are therefore currently unable to provide a specific potential financial impact figure. However, we can state a range that is linked to the level of "low" magnitude, that we report in 2.4 to have a value of >EUR 50-100 million. For example, if brand damage would lead to a decrease in our stock price, this estimation would translate into an effect on the company's market capitalization by approx. 0.2% (based on year-end 2023 market capitalization of 33.00 € billion). CALCULATION: Market Cap. (EUR 33.00 billion) x 0.2% = EUR 66 Mio. Any negative impacts on top might impact the soy market in a negative way. Therefore, we are building up sustainable and innovative systems for regenerative agriculture.	Compliance, Monitoring and targets • Greater traceability of commodities	300,000	To strengthen our commitments, we have budgeted at least EUR 300,000 to purchase RTRS credits and therefore directly spend money on supporting sustainable production within the value chain. On top we engage with various stakeholders and have established a team within sustainable procurement. We estimate that the sustainable soy market will grow within the next years. Unsustainable behaviour will cause significant damage to the market and to an individual company. Therefore, we estimate our sales growth and our activities within the purchasing to be the basis for our calculation.	Bayer is taking a proactive strategy to not only mitigate the identified risks, but to increase both certified sustainable soy feedstock in the market and solutions for traceability along the entire value chain. In 2021, we started the PRO Carbono program with 1,900 Brazilian soy growers and more than 160 farmers in Argentina to increase productivity in the field and enhance carbon sequestration in the soil by intensifying regenerative agricultural practices. Based on these learnings, we launched the PRO Carbono Commodities in Brazil in 2023. The initiative brings the guarantee that production was carried out in a deforestation-free area. It is a solution designed to address the challenges of the supply chain toward decarbonization, while also recognizing and connecting with forest preservation efforts. The project area covers about 393,000 acres, with about 222,000 acres of protected forest and about 150,000 acres having their soybean carbon footprint calculated through a tool (PRO Carbono Footprint calculator) co-developed with our partner Embrapa. The ongoing expansion of PRO Carbono Commodities is expected to not only improve our company's reputation in the long-term, but also to significantly increase SUSTAINABLE SOY FEEDSTOCK and its TRACEABILITY along the entire value chain. Our current estimates suggest that the resulting carbon capture improvements to soil health could result in more than 10% yield and 6% profitability increases. Participants have access to exclusive benefits from partner companies, such as access to differentiated credit from banks and discounts or early access on the purchase of inputs.

Risk 3 in the CDP system

part 1

Environmental issue the risk relates to	Risk identifier	Commodity	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/ area where the risk occurs	River basin where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Water	• Risk 6	• Not applicable	Policy • Introduction of regulatory standards for previously unregulated contaminants	• Direct operations	• Germany	• Other, please specify: all EU basins	Increasing requirements for the use of crop protection, pharmaceutical or chemical products under the EU Green Deal for existing and upcoming EU Directives may lead to restrictions in some uses and an increasing need for measures to reduce the concentration of respective active ingredients mainly in surface water. This might impact individual Bayer products. This discussion is relevant for whole Europe with specific aspects (like trace substances) for Germany where Bayer's headquarter is located. Restrictive regulations for active ingredients might lead to limitation or even ban of use. A thorough internal Bayer analysis came to the result that pharma active substances are out of scope, a prohibition on certain active ingredients for Crop Science would require the replacement or exchange of these active ingredients in our products. This would require, in most countries, a new registration of the product. The risk could have a significant impact on our product portfolio. Moreover, the risks could generate significant sales losses. To manage and minimize the risk an internal high level Steering Committee has been implemented.	• Constraint to growth

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Medium-term	• Unlikely	• Medium	N/A	EFFECT ON BAYER: Restrictive regulations for active ingredients might lead to limitation or even ban of use. A thorough internal Bayer analysis came to the result that pharma active substances are out of scope, a prohibition on certain active ingredients for Crop Science would require the replacement or exchange of these active ingredients in our products. This would require, in most countries, a new registration of the product. The risk could have a significant impact on our product portfolio. Moreover, the risks could generate significant SALES LOSSES. To manage and minimize the risk an internal high level Steering Committee has been implemented.	• Yes

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)	Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	750,000,000	1,500,000,000	N/A	N/A

part 4

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1 moderate (> EUR 150-250 million), 2 medium (> EUR 250-750 million), 3 significant (> EUR 750-1,500 million), 4 major (> EUR 1,500-2,500 million) to 5 severe (> EUR 2,500 million). The corresponding quantitative assessment is shown in brackets. This risk is assessed qualitatively with 3 significant. The range of this scale (> EUR 750-1,500 million) determines the minimum and the maximum anticipated effect if the risk was assessed financially. ii) CALCULATION During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning water cannot be singled out easily from the overall risk related to intensified regulations due to climate change conventions that could constrain growth and thus, have not been evaluated stand alone. During our risk assessment, it was concluded that the primary potential impact cannot be evaluated financially. Following our risk analysis method, the risk was evaluated qualitatively with regard to reputational effects and sustainability and was classified as risk with significant impact (=medium impact according to CDP drop down options). For risks that can be evaluated quantitatively, risks with significant impact are defined to have a financial impact of EUR 750 million - EUR 1.500 million. Therefore, we came up with an estimated financial impact between EUR 750 million and EUR 1,500 million for this risk. This represents between 3.3% - 6.4% of CropScience sales, which is in the range of a significant impact of our ERM (EUR 750-1,500 million): MIN: EUR 23,270 million x 3.3% = EUR 768 million MAX: EUR 23,270 million x 6.4% = EUR 1,489 million.	• Engage with regula-tors/ policy-makers	10,800,000	As Bayer's EU lobbying work also included water-related discussions (zero pollution ambition), we added the costs incurred at our liaison offices in Europe in 2023 to estimate the costs of our engagement with policy makers in the EU: Including human resources, material and project expenses, the costs incurred at our liaison offices totaled approximately EUR 3.0 million in Germany and EUR 7.8 million in the EU (CALCULATION of total costs: 3+7.8=10.8 m). The costs represent 2023 costs and are recurring each year.	Bayer has built management structures to participate actively in the discussion on EU level and to evaluate the associated risks internally as well as defining mitigation measures. Bayer was involved in the national dialogue on trace substances under the patronage of the German environmental ministry. The process is now implemented with a German trace substance center defining in regular rhythm substances of concern with a follow up via round-table formats. Stakeholders from water management, environmental authorities and associations, health services providers and industry develop measures that aim to reduce the discharge of relevant trace substances. The objective is to develop a strategy for preventing the water-impacting effects of selected chemicals. Bayer is also engaging with the EU Commission on the topic. Active pharmaceutical ingredients (API) can enter the environment through human or animal excreta, improper disposal or during production. Surface waters are particularly relevant. Pharmaceuticals and Consumer Health carry out ecotoxicological investigations of pharmaceutical residues and degradation products to assess the potential environmental impact of these products. In connection with the approval process for human pharmaceuticals in Europe and the US, an environmental risk assessment takes place for all new active ingredients. To our knowledge, the existing concentrations of individual API in drinking water do not have any relevant adverse effects on human health. On the basis of its report on mixtures of API in drinking water published in 2017, the WHO currently does not identify any immediate health risks and sees no need to act in the short term. To further guarantee the safety of drinking water resources partly against the background of a potential increase in the use of pharmaceuticals, the WHO recommends that this issue be observed

Timescale: Our ERM takes a long-term perspective e.g. likelihood of occurrence is calculated based on a period of 10 years.				comprehensively over a longer period of time. Bayer is actively participating in the stakeholder dialogue.

Risk 4 in the CDP system

part 1

Environmental issue the risk relates to	Risk identifier	Commo-dity	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/area where the risk occurs	River basin where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Climate change	• Risk 2	• Not appli-cable	Chronic physical • Changing precipitation patterns and types (rain, hail, snow/ice)	• Down-stream value chain	• Argentina • Belgium • Brazil • China France • Germany • India • Mexico • Spain • United States of America	• N/A	All climate models anticipate a significant impact on the climate and climatic conditions. Based on current actions a warming of 2.7°C until 2100 is projected. Impacts will arise due to changing conditions for current crops in one region but also where what is grown in the future. The IPCC report and the data describe the implications of climate change with increased temperatures and on the water cycle. Long-term climate changes, whose intensity can vary according to region, present a challenge in particular for the agriculture industry. There are increasing risks of harvest losses, harvest quality and thus for the agricultural value chain as a whole. With a changing water cycle, impacts on precipitation times, soil moisture, intensities and many more impacts, agriculture will change. The markets in which our division Crop Science operates are highly impacted by changing climate patterns, including the water cycle. Climate change also means water challenges, and this especially holds true for agriculture. We are conducting long term yield impact studies with cross functional teams to understand impacts on agriculture activities and current technologies. In some parts of the world, we also experience water restrictions due to changing water cycles. These examples highlight how farmers, and by extension the Bayer Group, are affected by chronic climate pattern changes. NOTE: The risk applies globally. To ensure readability, we selected our 10 largest countries.	• Decreased revenues due to reduced demand for products and services

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Long-term	• About as likely as not	• Medium-high	N/A	The markets in which our division Crop Science operates are highly impacted by changing climate patterns, including the water cycle. Climate change also means water challenges, and this especially holds true for agriculture. The overarching risk Climate Change has the potential to negatively impact our Crop Science business. The potential impact of this risk is a REDUCED DEMAND for products and services, a NEGATIVE ANNUAL SALES GROWTH RATE in total for all our Crop Science products and services at a global level, which could persist over several years. Changing climatic patterns and therefore impacts on water cycles are one driver of this overarching risk. We have already experienced impacts within the last years. According to external data, climate change already has a yearly market impact of 1 – 2%. Crop Science sales account for approx. 49% of the total Bayer Group sales with EUR 23,270 million in 2023. We are conducting long term yield impact studies with cross functional teams to understand impacts on agriculture activities and current technologies. One example is agriculture in California where a significant amount of water during the rainy season comes from the snow in the mountains. As the temperature is rising and watercycles are changing, precipitation might stay at the same level, but time and condition will change (rain instead of snow). In some parts of the world, we also experience water restrictions due to the changing water cycles. These examples highlight how farmers in particular, and by extension the Bayer Group, are affected by chronic climate pattern changes. According to external expert judgement, it is likely that climatic patterns are about to increase in speed and intensity within the next years. Thus, risks also pose opportunities where innovation can mitigate those risks for growers.	• Yes

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)	Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	N/A	N/A	250,000,000	750,000,000

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1 moderate (> EUR 150-250 million), 2 medium (> EUR 250-750 million), 3 significant (> EUR 750-1,500 million), 4 major (> EUR 1,500-2,500 million) to 5 severe (> EUR 2,500 million). The corresponding quantitative assessment is shown in brackets. This risk is assessed qualitatively with 2 medium. The range of this scale (250m€ to 750m€ CF impact) determines the minimum and the maximum anticipated effect if the risk was assessed financially. ii) CALCULATION: We have made a calculation for the entire risk and climate modeling to get a better understanding. Calculation can only be provided with limited accuracy as we are looking until 2050 or longer. Following our risk analysis method, the risk was evaluated qualitatively and was classified as a risk with medium impact. The equivalent financial impact is EUR 250-750 million. This is in line with external market assumptions which assumes that Climate Change already had a market impact of 1-2%. If total CropScience sales are multiplied by 1% or 2%, this results in EUR 230-465 million per year, which is in the range of a medium impact in our ERM (EUR 250-750 million): MIN: EUR 23,270 million x 1% = EUR 232.7 million MAX: EUR 23,270 million x 2% = EUR 465.4 million. iii) ASSUMPTIONS: During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning climate on our business cannot be singled out easily from the overall global effects which are closely linked together. And thus, have not been evaluated stand alone at this point. A more detailed quantification will be developed as part of the further implementation of TCFD recommendations as requested by our investors.	Diversification • Develop new products, services and/or markets	1,896,000,000	Bayer's 2023 R&D investment of EUR 1.896 billion in our Crop Science division points to a robust innovation pipeline spanning seeds and trait technologies, crop protection and digital solutions. Specific allocations of R&D expenses cannot be disclosed for competitive reasons. Climate change is an important factor for our business strategy and respective R&D efforts. R&D investments of the CropScience division represent 35.3% of total R&D expenses of Bayer AG as shown by the following BREAKDOWN OF THE COST CALCULATION: 35.3% x EUR 5.371 billion = EUR 1.896 billion.	The Crop Science division mitigates the risk through the use of innovation, technology and adaptation. We globally diversify our business, build up strong supply chains, integrate climate assessments into global sales and operational planning processes and closely monitor market tendencies. Weather and climate aspects are taken into account when evaluating risks, aligning business strategy and focusing R&D efforts. CASE STUDY: In the Mekong delta of Vietnam, salt seawater is increasingly penetrating into inland areas through rivers and ditches and destroying rice harvests. The problem has become a serious threat: as the world's second-biggest rice exporter, Vietnam plays a key role in feeding the world population. The situation in the delta has deteriorated dramatically. The region has suffered from meager seasonal rainfalls. Dams hold back some of the nutrient-rich water that travels down the Mekong. Saltwater moves up the Mekong delta further and further inland. Action: Bayer's research helps farmers in the delta: during the development of new hybrid rice varieties, the company modifies the seed's properties to meet the specific needs of rice growers. Bayer developed Arize hybrid, which is less susceptible to disease and higher yielding. It also tolerates a higher salt content in water. As a seed producer, we want to develop plants with increased resistance against climate impacts and mitigate climate change. That includes dry seeded rice that releases less greenhouse gases and saves water at the same time. Also, the new variety needs to adapt to changed soil / water conditions. Through breeding, plant biotechnology and genome editing, we have succeeded in developing seed varieties that enable dry seeded rice that has multiple benefits. Our Arize® hybrid rice is meant to be dry seeded – improving production and reducing GHG emissions by 19% compared to other traditional open-pollinated varieties of rice. We intend to increase adoption in the coming years.

Risk 5 in the CDP system

part 1

Environmental issue the risk relates to	Risk identifier	Commodity	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/area where the risk occurs	River basin where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Climate change	• Risk 3	• Not applicable	Acute Physical • Heat wave	• Downstream value chain	• Argentina • Belgium • Brazil • China France • Germany • India • Mexico • Spain • United States of America	• N/A	All climate models anticipate an increase in volatility and strength of extreme weather conditions. Short-term (extreme) weather conditions and long-term climate changes, whose intensity can vary according to region, present a challenge in particular for the agriculture industry. These acute physical impacts are very difficult to predict and to prepare for. There are increasing risks of harvest losses, harvest quality, commodity prices, infestation levels and thus negative impacts for the agricultural value chain as a whole. The markets in which our division Crop Science operates are highly cyclical and volatile due to seasonal and economic fluctuations of external factors such as weather, infestation levels, technology adoption, planting decisions, harvest quantity and quality, commodity price fluctuations, and others. Extreme weather will have and already had effects on Crop Science sales. According to external expert judgement, it is likely that extreme weather conditions are about to increase in frequency in connection with climate change. Thus, risks also pose opportunities where innovation can mitigate those risks for growers. PLEASE NOTE: The risk applies globally. To ensure readability, we selected our 10 largest countries.	• Decreased revenues due to reduced demand for products and services

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• medium-term	• About as likely as not	• Medium-high	N/A	The markets in which our division Crop Science operates are highly cyclical and volatile due to seasonal and economic fluctuations of external factors such as weather, infestation levels, technology adoption, planting decisions, harvest quantity and quality, commodity price fluctuations, and other. Crop Science sales account for approx. 49% of the total Bayer Group sales with EUR 23,270 million. Extreme weather will have and already had effects on Crop Science SALES. In 2019, extreme weather conditions in the United States in the first half of the year, led to lower sales at soybean seed & traits and herbicides. In 2019, Crop Science also recorded a sharp decline in business at herbicides in Australia and in China, as a result of the dry weather. In 2022 a short-term agricultural drought has impacted the harvest in some parts of Italy where harvest was significantly impacted of almost all crops. This led to various indirect effects, especially on liquidity, contracts, commodity prices. These examples	• Yes

				highlight how farmers in particular, and by extension the Bayer Group, are affected by volatile weather conditions. According to external expert judgement, it is likely that extreme weather conditions are about to increase in frequency in connection with climate change. Thus, risks also pose opportunities where innovation can mitigate those risks for growers. This risk is part of our seasonal and economic fluctuations risk. The potential financial impact figure range relates to the overarching risk. Other risks include extreme weather conditions such as storms, flooding, droughts or fires, which lead to harvest losses, or pests and diseases or other impacts which destroy harvests.	

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)	Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	750,000,000	1,500,000,000	N/A	N/A

part 4

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1 moderate (> EUR 150-250 million), 2 medium (> EUR 250-750 million), 3 significant (> EUR 750-1,500 million), 4 major (> EUR 1,500-2,500 million) to 5 severe (> EUR 2,500 million). The corresponding quantitative assessment is shown in brackets. This risk is assessed qualitatively with 3 significant. The range of this scale (750m€ to 1,500m€ CF impact) determines the minimum and the maximum anticipated effect if the risk was assessed financially. The overarching risk of seasonal and economic fluctuations could negatively affect our Crop Science business. The potential impact of this risk is a reduced demand for products and impacts liquidity of the value chain, a negative annual sales growth rate in total for all our Crop Science products and services at global level, which arise in different areas of the world. Volatile weather conditions – which are anticipated to increase in frequency due to climate change, are one driver of this overarching risk. ii) CALCULATION:	Diversification • Develop new products, services and/or markets	1,896,000,000	Bayer's 2023 R&D investment of EUR 1.896 billion in our Crop Science points to a robust innovation pipeline spanning seeds and trait technologies, crop protection and digital solutions. Specific allocations of R&D expenses cannot be disclosed for competitive reasons. Climate change is an important factor for our business strategy and	The Crop Science division mitigates the risk of seasonal and economic fluctuations through global diversification of its business, strong supply chain management, the global sales and operational planning processes and close monitoring of market tendencies. Weather and climate aspects are taken into account when evaluating risks for its business, aligning business strategy and focusing R&D efforts. On an operational level we are building on regenerative agriculture which is more resistant with regards to acute events. Short-term (extreme) weather conditions and long-term climate changes, whose intensity can vary according to region, present a challenge particularly for the agriculture industry. Harvest losses can be expected if adaptation to changing conditions is inadequate. We want to enable farmers to react better and more quickly to extreme weather conditions with our Climate FieldView™ digital farming platform. This comprehensive digital product offering is promoted to farmers helping to improve yields, creating substantial advantages for the environment as well as to cope with extreme weather events and changing conditions. Climate FieldView™ is currently available in North and South America, Turkey, South Africa, Australia and Europe.

We have made a calculation for the entire risk of economic and seasonal fluctuations. Calculation can be provided for seasonal and economic fluctuations risk. Following our risk analysis method, the risk was evaluated and was classified as a risk with significant impact (EUR 750-1,500 million). This represents between 3.3% - 6.4% of CropScience sales, which is in the range of a significant impact of our ERM (EUR 750-1,500 million): MIN: EUR 23,270 million x 3.3% = EUR 768 million MAX: EUR 23,270 million x 6.4% = EUR 1,489 million. iii) ASSUMPTIONS: During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning weather/climate on our business cannot be singled out easily from the overall global effects which are closely linked together. And thus, have not been evaluated stand alone at this point. A more detailed quantification will be developed as part of the further implementation of TCFD recommendations as requested by our investors.			respective R&D efforts. R&D investments of the CropScience division represent 35.3% of total R&D expenses of Bayer AG as shown by the following BREAKDOWN OF THE COST CALCULATION: 35.3% x EUR 5.371 billion = EUR 1.896 billion.	All climate models anticipate an increase in extreme weather conditions. Losses in the US due to bent plants amount to between 5 and 25% a year depending on the severity of weather events. As a seed producer, we want to develop plants with increased resistance against extreme weather conditions. That includes short-stature corn that is less susceptible to storms. Through breeding, plant biotechnology and genome editing, we have succeeded in developing seed varieties that enable the growth of shorter corn plants that have the potential to not bend or break as easily as corn plants of regular height in the presence of strong winds or heavy rain. We intend to commercialize short-stature corn in the coming years.

Risk 6 in the CDP system

part 1

Environmental issue the risk relates to	Risk identifier	Commodity	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/area where the risk occurs	River basin where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Water	• Risk 5	• Not applicable	Reputation • Increased partner and stakeholder concern or negative partner and stakeholder feedback	• Direct operations	• India	• Other, please specify: GHAAS Basin3349	Pollution due to chemical residues in water is a general problem in several countries, e.g. in India, and not a specific Bayer problem. This circumstance might be picked up by the media or NGOs, drawing public attention to the topic. With the zero liquid discharge strategy of the Indian government this risk is especially relevant in India. Not meeting the wastewater quality norms would lead to a stoppage of production by the State Pollution Control Board. Our facilities in India installed online analyzers for monitoring critical parameters at the final WWTP (wastewater treatment plant) outlet, which are linked to the Pollution Control Board server with live data upload and automatically shut off the discharge valve in case of exceeding the limits. Thus, we see no risk of discharging any wastewater not meeting the norm. However, we believe that there is a reputational risk related to water pollution in India. If the topic receives high media coverage, this could affect our brand image, even if our own production wastewater is not affected. We thoroughly analyze Bayer's exposure to risks incl. water via our ERM, which reviews the risk portfolio twice a year. Pollution due to water discharges has not been identified as a risk. Based on internal discussions with the Corporate Health, Safety and Environment Dpt. (HSE) and our global water risk assessment, we identified a low reputational risk with brand damage as primary impact.	• Brand damage

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Medium-term	• About as likely as not	• Low	N/A	With the zero liquid discharge strategy of the Indian government this risk is especially relevant in India. Not meeting the wastewater quality norms would lead to a stoppage of production by the State Pollution Control Board. Our facilities in India installed online analyzers for monitoring critical parameters at the final WWTP (wastewater treatment plant) outlet, which are linked to the Pollution Control Board server with live data upload and automatically shut off the discharge valve in case of exceeding the limits. Thus, we see no risk of discharging any wastewater not meeting the norm. However, we believe that there is a reputational risk related to water pollution in India. If the topic receives high media coverage, this could affect our brand image, even if our own production wastewater is not affected. If the case of brand damage occurs, this could lead to a decline in demand for our products. Depending on the extent of the reputational damage and the decline in demand, this could lead to a suboptimal workload at our production sites and thus to INCREASED COSTS.	• Yes

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)	Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	33,000,000	66,000,000	N/A	N/A

part 4

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1 moderate (> EUR 150-250 million), 2 medium (> EUR 250-750 million), 3 significant (> EUR 750-1,500 million), 4 major (> EUR 1,500-2,500 million) to 5 severe (> EUR 2,500 million). The corresponding quantitative assessment is shown in brackets. This risk is below ERM threshold and therefore not included in our ERM. ii) CALCULATION Brand damage could have an impact on our stock price. For example, we estimated an impact of a 0.1 – 0.2% decrease of our stock price, which would affect the company's market capitalization at a min. of EUR 33 Mio. and a max. of around EUR 66 million based on year-end 2023 market capitalization (33 € billion). MIN Impact on Market Cap: Market Cap. ofEUR 33 billion) x 0.1% = EUR 33 Mio. MAX Impact on Market Cap: Market Cap. of EUR 33 billion) x 0.2% = EUR 66 Mio. TIMESCALE: As financial markets can react quickly, we assume a medium-term timescale for this effect.	• Engage with local communities	0	There are no specific costs related to this response strategy as the above measures are part of the normal operating procedures and HSE management at our sites.	RESPONSE STRATEGY: Bayer is actively engaged in a continuous dialogue with stakeholders including e.g. employees, customers, neighbors, NGOs, politicians and the general public. We are actively participating in stakeholder panels e.g. at river-basin level or irrigation boards. ACTIONS: In India, we are actively participating in the industry forum of the Estate. Waste management incl. water and wastewater are part of the agenda points for various site level meetings and interactions. The site conducts training on the subject as part of the ISO 14001 activities. Every employee from each level takes part and contributes to the subject and improvement measures. To create awareness for water management, various boards are displayed at prominent locations across the site. Furthermore, we take action to ensure the correct application of our products. Other relevant actions are the comprehensive monitoring systems at this site to ensure appropriate reaction times and risk management responses. The entire volume of the generated industrial wastewater is pumped to the WWTP for treatment through a ground pipeline. There is a holding capacity of several days between receipt of generated process wastewater in the WWTP and discharge after biological treatment and final discharge. This provides ample scope for action even in worst case scenario of failure in treatment process. TIMEFRAME OF IMPLEMENTATION: This is an ongoing effort which is reviewed continuously to ensure an appropriate risk management.

Risk 7

part 1

Environmental issue the risk relates to	Risk identifier	Commodity	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/area where the risk occurs	River basin where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Water	• Risk 7	• Not applicable	Reputation • Increased partner and stakeholder concern or negative	• Upstream value chain	• India	• Other, please specify: Several basins	From the perspective of the Bayer Group as a whole, there is a risk that our partners, such as suppliers, do not pay due attention to our requirements concerning ethics, compliance and sustainability. This risk is linked to the industry Bayer forms part of and not specifically to Bayer alone (it is also a more global than country specific topic). Clear sustainability criteria and standards are in place for our supply chain on both a global and regional level. Nevertheless, materialized sustainability risks of one or more suppliers could potentially lead to a significant	• Brand damage

			partner and stakeholder feedback				social, ethical or environmental impact with negative media coverage. For example, low enforcement of wastewater standards for pharmaceutical or chemical suppliers could potentially lead to incidences of increased respective concentrations of harmful substances in water bodies and potentially in drinking water. Such an event took place in India in 2019, there was a spill-over related to suppliers of several companies in the industry. After diligent investigations by Bayer, it was confirmed that Bayer suppliers were not affected. A sustainability issue at a supplier company may lead to negative media coverage, affecting public opinion, Bayer's image and perception by stakeholders. Consequences could be a potential reputational impact, increased organizational effort or interruption of supply as we can't use the supplier any longer.	

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Medium-term	• About as likely as not	• Medium	N/A	EFFECT ON BAYER: A sustainability issue at a supplier company may lead to negative media coverage, affecting public opinion, Bayer's image and perception by stakeholders. Consequences could be a potential reputational impact, increased organizational effort or interruption of supply as we can't use the supplier any longer.	• Yes

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term – minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term – minimum (currency)	Anticipated financial effect figure in the medium-term – maximum (currency)	Anticipated financial effect figure in the long-term – minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	750,000,000	1,500,000,000	N/A	N/A

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1 moderate (> EUR 150-250 million), 2 medium (> EUR 250-750 million), 3 significant (> EUR 750-1,500 million), 4 major (> EUR 1,500-2,500 million) to 5 severe (> EUR 2,500 million). The corresponding quantitative assessment is shown in brackets. This risk is assessed qualitatively with 3 significant. The range of this scale (> EUR 750-1,500 million) determines the minimum and the maximum anticipated effect if the risk was assessed financially. ii) CALCULATION: During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning water cannot be singled out easily from the overall risk related to our external suppliers and thus, has not been evaluated stand alone. In addition to the financial assessment, following our risk analysis method, the risk was evaluated qualitatively and was classified as risk with “significant” impact according to Bayer’s risk methodology (= medium impact according to CDP drop down options). For risks that can be evaluated quantitatively, risks with significant impact are defined to have a financial impact of EUR 750 million to EUR 1,500 million. Therefore, we came up with an equivalent financial impact between EUR 750 million and EUR 1,500 million for this risk. This represents between 1.6% - 3% of Bayer Group sales, which is in the range of a significant impact of our ERM (EUR 750-1,500 million): MIN: EUR 47,637 million x 1.6% = EUR 762 million MAX: EUR 47,637 million x 3% = EUR 1,429 million. Timescale: Our risk management takes a long-term perspective e.g. likelihood of occurrence is calculated based on a period of 0 years.	Compliance, monitoring and targets • Improve monitoring of upstream and downstream activities	220,000	To estimate the reported costs, we summed up the membership fees for the two supplier initiatives and the interface to EcoVadis and CDP Supply Chain. In 2023, we spent about EUR 120,000 for membership fees for supplier initiatives and EcoVadis and CDP Supply Chain and about EUR 100,000 on initiatives related to the engagement with suppliers and their assessment and audits in relation to sustainability topics, including water. In addition, we conduct internal HSE audits, PSCI audits and supplier-paid TfS audits and EcoVadis assessments. As these are part of our regular HSE management or paid by suppliers, we do not include them as extra costs. CALCULATION: 120,000 € + 100,000 € = 220,000 €	RESPONSE STRATEGY: Our Supplier Code of Conduct (SCoC) and our sustainability contract clause are the main strategy to protect us against sustainability related supplier risks, e.g. it contains aspects related to water management and responsible water use. The SCoC is an important component for supplier selection and evaluation like sustainability online assessments and on-site audits. ACTIONS: Via the 4-Step-Management Approach the adherence of the supplier to the SCoC is monitored. The sustainability clause in our procurement contracts and legal documents is embedded in our ordering system and contract center and made mandatory. The Sustainability Supplier Development Framework foresees strict consequence management in case of critical results and non-compliance of a supplier and besides milder measurements goes as far as phasing out suppliers. This Sustainability Supplier Development Process and consequence management are bound to strict timeframe and are interlinked with the evaluation cycle (1 year re-evaluation period for critical findings and 3-year re-evaluation period for milder findings). TIMEFRAME OF IMPLEMENTATION: In 2023, Bayer requested 1.46% (ca. 1,252 out of 85,895 suppliers), representing approx. 50% of the total procurement spend, to report on water management. Through partnerships, we further drive those topics. Supplier evaluation was conducted by a leading web-based service provider of sustainability performance evaluations (EcoVadis) for sustainability performance monitoring. Besides, the main initiatives in which we foster the engagement with suppliers and their evaluation in relation to sustainability topics are “Together for Sustainability” and the “Pharmaceutical Supply Chain Initiative”.

3.1.2 Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Environmental issue	Financial metric	Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)	% of total financial metric vulnerable to transition risks for this environmental issue	Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)	% of total financial metric vulnerable to physical risks for this environmental issue	Amount of CAPEX in the reporting year deployed towards risks related to this environmental issue	Explanation of financial figures
Climate change	• OPEX	20,000,000	• Less than 1%	0	• Less than 1%	N/A	RATIONALE: Risk 1: Countries and regions like EU and China are committed to limit global warming by reducing greenhouse gas emissions. The EU Emissions Trading System (ETS) is the main regulatory framework that poses a risk to the European industry. A further increase in carbon prices is expected through the reduction in the number of carbon allowances (EUA) on the market. Further price increases are likely to occur due to recent developments in climate and energy politics. For BAYER, the impact of this risk is increased prices for our purchased energy due to a continuous tightening of the EU ETS. CALCULATION APPROACH: 20 Mio. € (financial effect of exemplary transitional risk) / 7,204Mio. € (Total OPEX 2023) = 0.28% ASSUMPTIONS: Between 2021 and 2024, Bayer expects total costs of EUR 60-80 million due to the possible continuous tightening of the EU ETS. This calculation is based on internal emission regulations of the respective sites and the assumption that an increase in the price of emission allowances will initially rise to EUR 100 per ton during this period. For the first time, this threshold was reached in February 2023. In the reporting year, financial COSTS amounted to EUR 20 million based on this calculation. To estimate costs due to the possible continuous tightening of the EU ETS for the period from 2021 to 2024, we assume that the political decision makers are aiming for a certificate price of around EUR 130 per ton for the needs-based management of energy production. Overall, the indirect impact of the EU ETS should remain relatively low as Bayer has invested heavily in energy efficiency measures in the past.

Forests	• Other, please specify: effect on brand damage and thus potentially revenue	50,000,000	• Less than 1%	0	• Less than 1%	N/A	RATIONALE: Risk 4: As a consequence of limited availability of certified sustainable, in particular DCF-certified, soy and limited traceability until the source of origin, Bayer is exposed to potential impacts on its reputation. CALCULATION APPROACH: Quantifying losses due to reputational issues are always subject to very high uncertainty. We are therefore currently unable to provide a specific potential financial impact figure. However, we can state a range that is linked to the level of "low" magnitude, that we report in 2.4 to have a value of >EUR 50-100 million. Any negative impacts on top might impact the soy market in a negative way. Therefore, we are building up sustainable and innovative systems for regenerative agriculture. 50 Mio. € (financial effect of transition risk) / 47,637 Mio. € (Total Revenue 2023) = 0.1%.
Water	• Other, please specify: effect on brand damage or constraint to growth and thus potentially revenue	750,000,000	• 1-10%	0	• Less than 1%	N/A	RATIONALE: Bayer has identified several WATER-related transitional risks such as increased stakeholder concers and new regulations for previously unregulated contaminants. For example, pollution due to chemical residues in water is a general problem in several countries. This circumstance might be picked up by the media or NGOs, drawing public attention to the topic (Risk 5). Low enforcement of wastewater standards for pharmaceutical or chemical suppliers could potentially lead to incidences of increased respective concentrations of harmful substances in water bodies and potentially in drinking water (Risk 7). Both of these risks could lead to negative media coverage, potentially damaging Bayer's brand. Another risk could be restrictive regulations for active ingredients that might lead to limitation or even ban of use (Risk 6). CALCULATION APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1 moderate (> EUR 150-250 million), 2 medium (> EUR 250-750 million), 3 significant (> EUR 750-1,500 million), 4 major (> EUR 1,500-2,500 million) to 5 severe (> EUR 2,500 million). The corresponding quantitative assessment is shown in brackets. WATER-related transitional risks are assessed qualitatively, with 3 significant for risks 6 and 7 (risk 5 being below ERM threshold). The range of this scale (> EUR 750-1,500 million) determines the minimum and the maximum anticipated effect if the risk was assessed financially.

							750 Mio. € (financial effect of water-related transitional risks in our ERM) / 47,637 Mio. € (Total Revenue 2023) = 1.6% ASSUMPTIONS: During our risk assessment, it was concluded that the potential impact of the specific parts of the risks concerning water cannot be singled out easily from the overall risks related to intensified regulations or increased stakeholder concerns and thus, have not been evaluated stand alone. During our risk assessment, it was concluded that the primary potential impact cannot be evaluated financially. Following our risk analysis method, the risk was evaluated qualitatively with regard to reputational effects and sustainability.
Climate Change	• Revenue	0	• Less than 1%	250,000,000	• Less than 1%	N/A	RATIONALE: Risk 2: The overarching risk Climate Change has the potential to negatively impact our Crop Science business. The potential impact of this risk is a reduced demand for products and services, a negative annual sales growth rate in total for all our Crop Science products and services at global level. Changing climatic patterns and therefore impacts on water cycles are one driver of this overarching risk. We have already experienced impacts within the last years. According to external data, climate change already has a yearly market impact of 1 – 2%. Risk 3: The markets in which our division Crop Science operates are highly cyclical and volatile due to seasonal and economic fluctuations of external factors. Extreme weather will have and already had effects on Crop Science sales. According to external expert judgement, it is likely that extreme weather conditions are about to increase in frequency in connection with climate change. CALCULATION APPROACH: 250 Mio. € (financial effect of Climate Change representing 1-2% impact on Crop Science sales) / 47,637 Mio. € (Total Revenue 2023) = 0.52% ASSUMPTIONS: We assessed physical risks related to Climate Change qualitatively within our integrated Risk Management System. During our risk assessment, it was concluded that the potential impact of the specific parts of both risks concerning weather/climate on our business cannot be singled out easily from the overall global effects which are closely linked together. And thus, have not been evaluated stand alone at this point. To determine the proporation of our revenue vulnerable to the effects of Climate Change we are therefore following external data, assuming that Climate Change already has a market impact of at least 1% as reported in Risk 2.

3.2 By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/ Area &River basin	Value chain stages where facilities at risk have been identified in this river basin	Number of facilities within direct operations exposed to water-related risk in this river basin	% of your organization's total facilities within direct operations exposed to water-related risk in this river basin	Number of facilities within downstream value chain exposed to water-related risk in this river basin	Number of facilities in upstream value chain exposed to water-related risk in this river basin	% organi-zation's total global revenue that could be affected	Please explain
Chile • Other, please specify: Maipo, North Chile, Pacific Coast	• Direct operations	1	• Less than 1%	N/A	N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as "large user" when they use >0.1% of our total water use. Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Spain • Other, please specify: Tagus 2, Tagus	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as "large user" when they use >0.1% of our total water use.

							Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Spain • Other, please specify: Spain, South and East Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
South Africa • Orange	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use.

							Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Mexico • Other, please specify: Ameca / Ixtapa, Pacific Central Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
China • Other, please specify: Ziya He, Interior; Guangting Shuiku	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use.

							Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Mexico • Other, please specify: Lerma / Toluca, Rio Lerma	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2022, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Mexico • Balsas	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use.

							Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Mexico • Other, please specify: Lerma / Salamanca, Rio Lerma	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Chile • Other, please specify: Maipo, North Chile, Pacific Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use.

							Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Chile • Rapel	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
India • Other, please specify: Sarya, India West Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use.

							Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Brazil • Other, please specify: Rio de Janeiro Coast, Uruguay - Brazil, South Atlantic Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Peru • Other, please specify: Ica, Peru, Pacific Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use.

							Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Italy • Other, please specify: Garigliano, Italy, West Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: "high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as "large user" when they use >0.1% of our total water use. Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the Overall Water Risk Indicator or "extremely high" in the Baseline Water Stress Indicator) and are defined as "large water users" (>0.1% of Bayer's total water use). Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2023, the Bayer Group comprised 340 consolidated companies in 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.

3.3 In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment

• No	N/A	To identify and monitor water-related environmental or compliance issues, we reviewed answers provided by our sites for Bayer's Annual Report regarding the corresponding GRI indicators for environmental compliance as well as their answers in internal tools such as BaySIS, where we report "environmental incidents". "Environmental incidents" are defined as incidents in the course of our business activities that result in the release of substances into the environment. Factors that determine whether there is a reporting obligation include, in particular, the nature and quantity of the substance, the amount of damage caused or any consequences for nearby residents. In accordance with our internal voluntary commitment, we report any leakage of substances with a high hazard potential from a quantity of 100 kg upward. Based on this review, no relevant environmental incident related to water was identified.

3.5 Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

- Yes

3.5.1 Select the carbon pricing regulation(s) which impacts your operations.

- EU ETS

3.5.2 Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

System name	% of Scope 1 emissions covered by the ETS	% of Scope 2 emissions covered by the ETS	Period start date	Period end date
EU ETS	13	0	01/01/2023	12/31/2023

Allowances allocated	Allowances purchased	Verified Scope 1 emissions in metric tons CO2e	Verified Scope 2 emissions in metric tons CO2e	Details of ownership	Comment
191,000	0	242,000	0	• Facilities we own and operate	Bayer complies with the EU ETS by keeping sufficient allowances. Additional allowances will be bought if our own allowances do not meet the needs under regulatory national calculation.

3.5.4 What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

STRATEGY FOR COMPLYING WITH THE REGULATIONS:
Bayer's strategy to make sure we comply with the EU ETS is to keep sufficient allowances. Additional allowances will be bought if our own allowances do not meet the needs under regulatory national calculation. FOR EXAMPLE, we appraise our situation in terms of allowances for each year. We match our expected requirements of allowances against our expected apportionment and our sizeable buffer to decide whether there is a need to buy additional allowances.
Furthermore, Bayer has introduced an ambitious GHG emission reduction strategy. Our ambitious GHG reduction plan helps to comply with the EU ETS and to manage risks that arise from this scheme and potential future emission cap-and-trade systems.

APPLICATION OF THE STRATEGY:
As written above, in the light of the EU ETS Bayer set ambitious reduction plans and targets to secure our ongoing compliance, starting in 2007 with the Bayer Climate Program. This was a game changer to bundle our expertise in providing climate change mitigation and adaptation solutions, to improve our CO2 footprint and to increase awareness of climate change issues. Company-wide communication and implementation has fostered broad resource efficiency initiatives.
RESULTS & TIMESCALES OF ACTIONS:
1) Despite significantly expanding production, we reduced our absolute GHG emissions significantly between 1990 and 2015 by more than 20%. Setting GHG EMISSION REDUCTION TARGETS and driving initiatives to achieve them have become an integral part of Bayer's sustainability strategy.
2) After already achieving our 2020 targets in 2019, we JOINED THE SCIENCE BASED TARGETS INITIATIVE. We committed to ambitious emissions reduction targets which were approved through the Science Based Targets initiative (SBTi) by setting a science-based target in line with a 1.5°C future. We aim to make our own production sites climate-neutral by 2030 and therefore developed a net zero roadmap to achieve our ambitious climate targets. This roadmap comprises various measures in the areas of energy & efficiency, governance and offsetting. To implement our long-term climate strategy, our focus lies on reducing the greenhouse gas emissions associated with our operations and on the resilience of our business fields. To achieve an absolute reduction in our remaining emissions, we intend to invest EUR 500 million through 2030 in renewable energies and in increasing the energy efficiency of our facilities and buildings. We are investing in process innovations, more efficient facilities and building technology, as well as in the implementation and optimization of energy management systems, particularly at our production sites.
3) Furthermore, we are aligning our capital expenditures to our goal of achieving net zero greenhouse gas emissions by 2050. This is in line with the international goal of limiting global warming to 1.5°C. To drive this transition, we have established an internal CO2 price of EUR 100 per metric ton of CO2 for the calculation of our capital expenditure projects. In line with this, Bayer has developed and set itself the targets to reduce absolute Scope 1 and Scope 2 GHG emissions by 42 % by 2029 from a 2019 base year and to reduce absolute Scope 3 GHG emissions from purchased goods and services, capital goods, fuel and energy related activities, upstream transportation & distribution, and business travel by 12.3 % by the end of 2029 from a 2019 base year. These targets aim to keep Bayer's emissions from Scope 1 and 2 in line with a global temperature raise below 1.5°C and its emissions from Scope 3 in line with a global temperature raise below 2°C.
These targets reflect our contribution to climate protection and support our strategy for complying with the EU ETS. Target achievement at the end of 2023 was 48% for our Scope 1 and 2 target and ca 35% for our Scope 3 target.

3.6 Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Environmental issue	Environmental opportunities identified	Primary reason why your organization does not consider itself to have environmental opportunities	Please explain
Climate change	• Yes, we have identified opportunities, and some/all are being realized	• N/A	N/A
Forests	• Yes, we have identified opportunities, and some/all are being realized	• N/A	N/A
Water	• Yes, we have identified opportunities, and some/all are being realized	• N/A	N/A

3.6.1 Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Opportunity 1

part 1

Environmental issue the opportunity relates to	Opportunity identifier	Commodity	Opportunity type and primary environmental opportunity driver	Value chain stage where the opportunity occurs	Country/area where the opportunity occurs	River basin where the opportunity occurs	Organization specific description	Primary financial effect of the opportunity
Climate change	Opp1	• Not applicable	Products and services • Development of new products or services through R&D and innovation	• Downstream value chain	• Argentina • Bangladesh • Belgium • Brazil • Canada • China France • Germany • India • Mexico • Spain • United States of America	N/A	The agricultural business is strongly tied to the climate. Droughts and precipitation extremes can have severe effects on yields. A climate change-induced change in the frequency of extreme weather events can lead to an increased demand for products with the capacity to adapt to extreme conditions. This increasing demand is especially relevant for existing Crop Science products and products in early research phases. Bayer is investing in research contributing to the alleviation of the agronomic consequences of changing weather patterns, primarily related to an increased occurrence of extreme weather events such as floods, droughts, heat, cold or storms. These factors cause abiotic stress to plants and are responsible for significant yield losses. Bayer is developing and providing technologies that reduce the detrimental effects of biotic and abiotic stress influences during agricultural production. E.g., Bayer is investing in using precision breeding technologies to develop new varieties of crops tailored to grow well in diverse growing conditions. In our state-of-the-art glasshouse facility in Arizona we can simulate growing conditions to accelerate the development of tailored plant varieties for optimized yield and biotic and abiotic stress resistance.	• Increased revenues resulting from increased demand for products and services

							Bayer commercialized a flood resistant hybrid rice variety in Bangladesh and is working on salinity resistant rice varieties that allow growing in densely populated low land deltas invaded by rising sea level and typhoons.	

part 2

Time horizon over which the opportunity is anticipated to have a substantive effect on the organization	Likelihood of the opportunity having an effect within the anticipated time horizon	Magnitude	Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period	Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effects of the opportunity?
• Long-term	• Virtually certain (99-100%)	• Low	N/A	Financial implications apply to Crop Science as a whole affecting sales of EUR 23.2 billion in 2023, of which Seed & Traits has a major impact with EUR 10.2 billion. PLEASE NOTE: This opportunity applies globally. To ensure readability of this report, we selected our 10 largest countries of operation and the countries mentioned in the opportunity descriptions in the column “country/area where the opportunity occurs”.	• Yes

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term - minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term - minimum (currency)	Anticipated financial effect figure in the medium-term - maximum (currency)	Anticipated financial effect figure in the long-term - minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	N/A	N/A	50,000,000	100,000,000

part 4

Explanation of financial effect figures	Cost to realize opportunity	Explanation of cost calculation	Strategy to realize opportunity
i) APPROACH: Financial implications apply to Crop Science as a whole affecting sales of EUR 23.27 billion in 2023, of which Seed & Traits has a major impact with EUR 10.2 billion. ii) CALCULATION: This expected growth is, amongst others, influenced by the climate. We expect growth of the crop protection demand by 0.5 – 1.0 % (compared to 2023). Related to our Seed & Traits business, this would translate into minimum ca. EUR 50 million and maximum EUR 100 million additional revenues.	350,000,000	Total investments into the agricultural Leaps portfolio amounted to ca. EUR 350 million with ~EUR 225 million until 2020, and ~EUR	To exploit these opportunities Bayer works on solutions supported by breeding, trait and biological solutions. In 2023, Crop Science invested EUR 1,896 million (2022: EUR 2,876 million) in R&D, which was 35.3% of R&D spending in the Bayer Group and equivalent to approx. 10% of Crop Science sales. Through our venture capital arm Leaps by Bayer, we invest in disruptive innovations in the areas of health and agriculture. The investment activities of Leaps by Bayer are focused on applying and further developing new technologies with the potential to solve some of humankind’s most pressing

MIN impact: Seed & Traits sales EUR 10 billion * 0,5% = EUR 50 million MAX impact: Seed & Traits Sales EUR 10 billion * 1% = EUR 100 million iii) ASSUMPTIONS: For Crop Science, we expect a growth forecast for the seeds and crop protection market for 2024 of ~2%. 0.5 % - 1 % is therefore a conservative assumption. One of the most promising solutions to support a sustainable rice production is direct seeded rice. Direct seeded rice is a technology-driven and less resource-intensive cultivation system. Moving from traditional transplanted puddled rice cultivation to direct seeded rice can help farmers reduce water use by up to 40% and can reduce greenhouse gas emissions by up to 45% (by reducing methane emissions from the flooded rice fields). We are building entire systems driven by climate-resilient rice hybrids, a high-performing crop protection portfolio, and digital advisory and machinery services. Furthermore, we are offering potential additional revenue streams from carbon certificates through our Bayer Carbon Initiative to incentivize farmers to adopt direct seeded rice cultivation systems – in line with Bayer's approach to regenerative agriculture. India is the focus of Bayer's approach. Direct seeded rice has the potential to be transformational, as DSR acreages are estimated to grow at 8-10% CAGR, driven by labor & water shortage. Governments of northern Indian states have announced that they will incentivize farmers to switch to direct seeded rice. By 2030, Bayer plans to bring the direct seeded rice system to one million hectares in India, supporting over one million early-adopter smallholder rice farmers through our DirectAcres program. Already underway, the DirectAcres program has seen considerable success, with 99% of participating Indian farmers achieving successful plant establishment compared to rice grown using the conventional transplanted method in 2022.		125 million from 2021-2023. Cost calculation: EUR 225 m + EUR 125 m = EUR 350 million.	problems and thus also make an important contribution to the Sustainable Development Goals of the United Nations. Total investments into the agricultural Leaps portfolio amounted to ca. EUR 350 million with ~EUR 225 million until 2020, and ~EUR 125 million from 2021-2023. In the area of agriculture, Leaps participated in a financing round for ChrysaLabs Inc., Canada, a startup which combines AI with a sampling probe in order to provide real-time measurements of soil nutrients, delivering findings faster and more cost-effectively than is possible with conventional methods. In addition, the Crop Science Division announced a new collaboration with Oerth Bio LLC, United States, a company already listed in the Leaps portfolio, at the beginning of the year. The new collaboration is aimed at developing environmentally friendly crop protection products using Oerth's PROTAC™ protein degradation technology. Furthermore, the Leaps portfolio company Pairwise Plants LLC, United States, entered into a new five-year cooperation agreement with the Crop Science Division to jointly optimize gene-edited short-stature corn. The upcoming collaboration between Pairwise and Bayer will be focused on optimizing and enhancing gene-edited short-stature corn for future use in Bayer's Preceon™ Smart Corn System. Short-stature corn – with a targeted height of 30 to 40 percent less than traditional corn – is an innovative new approach to growing corn and offers a number of sustainability benefits, including protections from crop loss due to increasingly severe weather events and extreme winds brought about by climate change.

Opportunity 2

part 1

Environmental issue the opportunity relates to	Opportunity identifier	Commodity	Opportunity type and primary environmental opportunity driver	Value chain stage where the opportunity occurs	Country/area where the opportunity occurs	Organization specific description	Primary financial effect of the opportunity
Forests	Opp2	• Soy	Markets • Increased demand for certified and sustainable materials	• Direct operations	• Argentina • Brazil	Bayer purchases SOY DERIVATIVES in a very small number for our products. Less than 10% of Bayer's total revenue is dependent on these derivatives. Our consumption volume in 2023 was 9,199 t of which 83% was purchased from RTRS certified suppliers. We support the production of sustainable soy via the purchase of credits certified by the Round Table on Responsible Soy (RTRS). Bayer has been a member in the RTRS board since 2017, and 100% of our purchases of soy derivatives are covered by RTRS credits. Bayer has committed to source 100% RTRS certified soy derivatives each year. However, the availability of low carbon and DCF-certified soy still is limited in the market. EXPECTED BENEFITS: Bayer considers INCREASED DEMAND FOR CERTIFIED MATERIALS as an opportunity BECAUSE we expect this market pull to improve forest protection related to soy production on a large scale in the future. We anticipate a positive benefit on our reputation as COMPANY-WIDE.	• Increased revenues resulting from increased demand for products and services

part 2

Time horizon over which the opportunity is anticipated to have a substantive effect on the organization	Likelihood of the opportunity having an effect within the anticipated time horizon	Magnitude	Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period	Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effects of the opportunity?
• Medium-term	• Likely (66-100%)	• Medium-high	N/A	Bayer considers INCREASED DEMAND FOR CERTIFIED MATERIALS as an opportunity BECAUSE we expect this market pull to improve forest protection related to soy production on a large scale in the future. We anticipate a positive benefit on our reputation. Bayer's commitment to sourcing 100% RTRS certified soy derivatives, representing about 9% of our total revenue, is a strategic move that enhances our financial stability by mitigating regulatory and reputational risks. Our sustainable sourcing, particularly in the soy supply chain, not only aligns with our vision of "Health for all, Hunger for none" but also supports long-term business growth by ensuring compliance with evolving regulatory landscapes, like the EU Deforestation Regulation (EUDR), and enhancing our brand reputation.	• Yes

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term - minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term - minimum (currency)	Anticipated financial effect figure in the medium-term - maximum (currency)	Anticipated financial effect figure in the long-term - minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	50,000,000	500,000,000	N/A	N/A

part 4

Explanation of financial effect figures	Cost to realize opportunity	Explanation of cost calculation	Strategy to realize opportunity
Quantifying potential financial impacts on sales in this case is always subject to very high uncertainty. We are therefore currently unable to provide a specific potential financial impact figure. However, we can state a range that is linked to the level of "medium-high" magnitude, which compares to our impact definitions moderate to medium reported above to have a value in this case of >EUR 50-500 million. This represents an increase in total revenue between 0.1% and 1%. CALCULATION: MINIMUM: EUR 47,637 million (BAG total revenue 2023) x 0.1% = EUR 47.6 MAXIMUM: EUR 47,637 million x 1% = EUR 476.4 million	100,000,000	We are spending EUR 100 million over the next 8 years to support sustainable and innovative methodologies. This includes traceability technologies, innovative practices on the field, certification activities and engagement with various partners in the value chain incl. RTRS and farmers.	Bayer is taking a proactive strategy to realize the identified opportunity of increased demand for certified materials. We launched the PRO Carbono program in Brazil in 2021, where more than 1,900 farmers across 16 different states began participating – totaling over 540,000 acres. **The growers implement regenerative agricultural practices** **in their fields to increase carbon in the soil while also increasing their crop yield. In addition to reaping the direct benefits of greater soil fertility, participating farmers have access to carbon analysis, technical consultants and professional agronomists.** Our current estimates suggest that the resulting carbon capture improvements to soil health could result in more than 10% yield and 6% profitability increases. Participants have access to exclusive benefits from partner companies, such as access to differentiated credit from banks and discounts or early access on the purchase of inputs. In Argentina, we also launched the PRO Carbono program where more than 160 farmers have started to participate since 2021, now reaching 40,000 acres under sustainable practices. In addition to this program, in May 2023 Bayer delivered the first load of Brazilian soybeans with a traceable, deforestation-free carbon footprint. Titled PRO Carbono Commodities, this initiative stems from our global program to protect forests and other natural vegetation. The carbon footprint data was measured by a carbon calculator (PRO Carbono Footprint), which we are developing initially for soybean cultivation in the tropical zone in a joint effort between Bayer and Embrapa. We expect to have an accurate carbon footprint calculation based on primary data for the 4 million bags or 240,000 tons of soybeans produced.

Opportunity 3

part 1

Environmental issue the opportunity relates to	Opportunity identifier	Commodity	Opportunity type and primary environmental opportunity driver	Value chain stage where the opportunity occurs	Country/area where the opportunity occurs	River basin where the opportunity occurs	Organization specific description	Primary financial effect of the opportunity
Water	Opp3	• Not applicable	Products and services • Increased sales of existing products/ services	• Down-stream value chain	• India • Ethiopia • Kenya • Mozambique • Nigeria • South Africa • United Republic of Tanzania • Uganda	• Other, please specify: Several river basins in the selected countries	Bayer helps farmers cultivate more food for a growing population while at the same time reducing the environmental impact of agriculture. The Crop Science division by Bayer offers farmers tailored products, training and promotes water-saving cultivation systems. EXAMPLES: • In 2022-23 we conducted a pilot study to measure the sustainability impact of the Better Life Farming (BLF) ecosystem on water, CO2 emissions, Crop Protection Environmental Impact Reduction and soil health. We are looking at 6 BLF farms and 8 non-BLF farms in Uttar Pradesh, India, to see how the solutions and trainings will impact water consumption, and the other factors listed • Bayer is a key partner in the TELA Maize project introducing drought-tolerant maize for smallholder farmers in Africa. Under moderate drought conditions the TELA Maize improves the plant's water use efficiency to get more crop per drop and increase yields 8 to 15 percent. Drought-tolerant TELA Maize helps farmers adapt to drier conditions caused by climate change and manage their risk of crop loss.	• Increased revenues resulting from increased demand for products and services

part 2

Time horizon over which the opportunity is anticipated to have a substantive effect on the organization	Likelihood of the opportunity having an effect within the anticipated time horizon	Magnitude	Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period	Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effects of the opportunity?
• Long-term	• Likely (66–100%)	• High	N/A	FINANCIAL IMPLICATIONS apply to Crop Science SALES affecting Crop Science as a whole with sales of EUR 23.27 billion in 2023 of which crop protection has a major impact with EUR 11 billion. Our offerings of products/services helping farmers to use water more efficiently are contributing to this growth.	• Yes

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term - minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term - minimum (currency)	Anticipated financial effect figure in the medium-term - maximum (currency)	Anticipated financial effect figure in the long-term - minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	N/A	N/A	55,000,000	110,000,000

part 4

Explanation of financial effect figures	Cost to realize opportunity	Explanation of cost calculation	Strategy to realize opportunity
CALCULATION APPROACH: FINANCIAL IMPLICATIONS apply to Crop Science as a whole with sales of EUR 23.27 billion in 2023 of which crop protection has a major impact with EUR 11 billion. Sales at Crop Science declined by 3.7% (Fx & portfolio adj.) to €23,270 million in 2023, mainly due lower prices for our glyphosate-based products as a result of reduced prices for generics. Amid an inflation-driven market environment, the rest of our portfolio saw a positive price development overall, driven by innovative products and higher commodity prices. We expect the global seed and crop protection market to recover in 2024, with moderate growth of approximately 2%. The continued organic growth of the crop protection segments, especially insecticides, is driving the growth of the overall crop protection market. A continued growth of the crop protection demand by 0.5% - 1 % (conservative assumption given the market growth) would translate into EUR 55-110 million additional revenues. Our offerings of products/services helping farmers to use water more efficiently are contributing to this growth. CALCULATION: MINIMUM: EUR 11 billion (Crop protection sales 2023) x 0.5% = EUR 55 million MAX: EUR 11 billion x 1% = EUR 110 million.	1,896,000,000	To take advantage of product opportunities, Bayer is involved in R&D and provides crop protection products to address climate-related challenges. Bayer contributes with a state-of-the-art research environment which include state of the art laboratories, a global testing network, and leading data science platforms. Bayer's 2023 R&D investment of EUR 1.896 billion in our Crop Science division, leading to a robust innovation pipeline spanning seeds and trait technologies, crop protection and digital solutions. Specific allocations of R&D expenses cannot be disclosed for competitive reasons. R&D investments of the CropScience division represent 35.3% of total R&D expenses of Bayer AG as shown by the following BREAKDOWN OF THE COST CALCULATION: 35.3% x EUR 5.371 billion = EUR 1.896 billion.	To realize this opportunity, Crop Science has an excellent position to offer products and services that support improved cultivation techniques and thus improve water management in agriculture. Intensive agriculture with high yields per hectare of farmland is a crucial factor for ensuring the continued availability of high-quality and affordable food. Bayer helps farmers cultivate more food for a growing population while at the same time reducing the environmental impact of agriculture. Crop Science offers farmers tailored products, trainings and promotes water-saving cultivation systems. EXAMPLES: In 2022-23 we conducted a pilot study to measure the sustainability impact of the Better Life Farming (BLF) ecosystem on water, CO2 emissions, Crop Protection Environmental Impact Reduction and soil health. We are looking at 6 BLF farms and 8 non-BLF farms in Uttar Pradesh, India, to see how the solutions and trainings will impact water consumption and the other factors. Bayer is a key partner and contributor in the TELA Maize project introducing drought-tolerant maize for smallholder farmers in Africa. Under moderate drought conditions the TELA Maize improves the plant's water use efficiency to get more crop per drop and increase yields 8 to 15%. Drought-tolerant TELA Maize helps farmers adapt to drier conditions caused by climate change and manage their risk of crop loss. Direct Seeded Rice (DSR) is a technology-driven and less resource-intensive cultivation system compared to traditional transplanted puddled rice. The change in cultivation practice can reduce WATER USE by up to 40% (no water flooding in rice field) and GHG emissions due to less methane emissions from flooded fields. DSR has the potential to be transformational, as DSR acreages are estimated to grow at 8-10% CAGR, driven by labor & water shortage. Governments of northern Indian states have announced that they will incentivize farmers to switch to DSR. By 2030, Bayer plans to bring DSR to 1 million hectares in India, supporting over 1 million early-adopter smallholder rice farmers through our DirectAcres program. Already underway, the DirectAcres program has seen considerable success, with 99% of participating Indian farmers achieving successful plant establishment in 2023. We plan to introduce DirectAcres in other countries in Asia/Pacific.

Opportunity 4

part 1

Environmental issue the opportunity relates to	Opportunity identifier	Commodity	Opportunity type and primary environmental opportunity driver	Value chain stage where the opportunity occurs	Country/area where the opportunity occurs	River basin where the opportunity occurs	Organization specific description	Primary financial effect of the opportunity
Climate change	Opp4	• Not applicable	Products and services • Development of new products or services through R&D and innovation	• Down-stream value chain	• United States of America	N/A	Bayer identified food protection and security as one of the major climate-change risks that farmers are facing. Bayer's Preceon™ Smart Corn System (SCS) includes a new plant type with greater resistance against climate threats (SHORT-STATURE CORN), as well as digitally enabled agronomic recommendations that drive precision and efficiency. Among others, trials for short-stature corn hybrids indicate a greater tolerance to high winds and other climatic stresses, while offering a potential of higher yields. According to the US Dep, of Agriculture climate change is likely to diminish continued progress on global food security through production disruptions that lead to local availability limitations and price increases, supply chain disruptions, and diminished food safety, among others. Weather related yield loss due to lodging and greensnap, and thus revenue. Therefore, demand for products to resist climate threats will rise in affected regions. In light of the increase in demand for these types of crops, Bayer is making efforts in technology behind short-stature corn. Bayer is working on several approaches to enable this product concept: breeding trait (closest to market introduction), biotechnology trait (in collaboration with BASF, in the advanced testing stage), and gene editing (discovery phase). Leveraging all three approaches to short-stature corn, Bayer anticipates the product concept could have a fit on more than 220 million global acres in the coming years.	• Increased revenues resulting from increased demand for products and services

part 2

Time horizon over which the opportunity is anticipated to have a substantive effect on the organization	Likelihood of the opportunity having an effect within the anticipated time horizon	Magnitude	Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period	Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effects of the opportunity?
• Medium-term	• Very likely (90-100%)	• High	N/A	According to the US Dep, of Agriculture climate change is likely to diminish continued progress on global food security through production disruptions that lead to local availability limitations and price increases, supply chain disruptions, and diminished food safety, among others. Weather related yield loss due to lodging and greensnap, and thus REVENUE. Therefore, demand for products to resist climate threats will rise in affected regions.	• Yes

				Future financial implications for Bayer will be affected by an increase in demand for the Preceon™ Smart Corn System. Farmer demand will be driven by protection from yield loss, in season access, improving precise management, and increased yield potential through digitally enabled agronomic recommendations.	

part 3

Financial effect figure in the reporting year (currency)	Anticipated financial effect figure in the short-term - minimum (currency)	Anticipated financial effect figure in the short-term – maximum (currency)	Anticipated financial effect figure in the medium-term - minimum (currency)	Anticipated financial effect figure in the medium-term - maximum (currency)	Anticipated financial effect figure in the long-term - minimum (currency)	Anticipated financial effect figure in the long-term – maximum (currency)
N/A	N/A	N/A	1,000,000,000	1,500,000,000	N/A	N/A

part 4

Explanation of financial effect figures	Cost to realize opportunity	Explanation of cost calculation	Strategy to realize opportunity
i) APPROACH: Future financial implications for Bayer will be affected by an increase in demand for the Smart Corn System. Farmer demand will be driven by protection from yield loss, in season access, improving precise management, and increased yield potential through digitally enabled agronomic recommendations. ii) CALCULATION: Preceon has the potential to attain more than 1.5 billion euros in peak sales and the opportunity to reach more than 220 million acres globally. This represents ca. 6.5% of CropScience sales: MAX: EUR 23,270 million x 6.5% = EUR 1.5 billion MIN: EUR 23,270 million x 4.3% = EUR 1 billion iii) ASSUMPTIONS: Bayer's 2023 Groundbreaker trials in the U.S., which included 365 growers, resulted in more than 80 percent reporting they would plant Preceon Smart Corn again. The targeted	1,896,000,000	COST CALCULATION: To take advantage of product opportunities, Bayer is involved in R&D and provides seeds and traits to address climate solutions. Bayer contributes with a state-of-the-art research environment which include state of the art laboratories, a global testing network, and leading data science platforms. Bayer's 2023 R&D investment of EUR 1.896 billion in our Crop Science division is unparalleled in the industry, leading to a robust innovation pipeline spanning seeds and trait technologies, crop protection and digital solutions. Specific allocations of R&D expenses cannot be disclosed for competitive reasons.	To take advantage of product opportunities, Bayer is involved in R&D and provides seeds and traits to address climate solutions. Bayer has been working since 2010 on short-stature corn to enable the Preceon™ Smart Corn System. The Preceon™ Smart Corn System has the potential to transform how corn is produced globally. It is an integrated system designed to address grower challenges, support higher yield potential, and sustainability at the same time. Combining new corn technologies with digital solutions, data-driven decision-making, modern and efficient management practices, a partnership approach, and potentially new business strategies such as outcome-based models, it is the next evolution of growing corn. Assuming successful progress in the deployment of these traits, a new solution effective in controlling crop loss such as greensnap, stalk lodging, and root lodging could be available for use alongside other important tools to improve the impact of climate- related problems. Additionally, short stature corn allows growers to take advantage of the most progressive and efficient fertility management strategies and techniques. The Preceon™ Smart Corn System from Bayer and the introduction of short stature corn hybrids (within the system) through breeding innovations will mark a transformation in how corn is produced. The Preceon™ Smart Corn System works by combining three innovative elements into one working system: 1. Short stature corn hybrids offer strong protection against the elements and greater application flexibility. 2. FieldView™ digital insights give data-driven recommendations to maximize performance in the field.

commercial launch of the conventional breeding short-stature corn approach earlier in 2024 is also paralleled with progress on the biotech version which has now advanced to R&D phase 4. Bayer expects the biotech version to be available in 2027. Furthermore, the company is working on a gene-edited version of Preceon in partnership with Pairwise to appeal to various global markets. Gene editing will also enable faster innovation and development cycles going forward.		R&D investments of the CropScience division represent 35.3% of total R&D expenses of Bayer AG as shown by the following BREAKDOWN OF THE COST CALCULATION: 35.3% x EUR 5.371 billion = EUR 1.896 billion.	3. Tailored hands-on support from Bayer and participating Dealers and Seedsmen will bring farmers reliable support to help maximize the Preceon™ Smart Corn System. At the heart of the Preceon™ Smart Corn System are short stature corn hybrids that are designed to P.A.Y. farmers back by delivering: • Protection from crop yield loss due to increased lodging and greensnap tolerance in high winds and challenging weather conditions. • Access all season long for more timely, precise application of crop protection and other inputs with standard harvest equipment. • Yield potential through increased opportunity to optimize crop inputs, planting densities and field placement.

3.6.2 Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Environmental issue	Financial metric	Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)	% of total financial metric aligned with opportunities for this environmental issue	Explanation of financial figures
Climate change	• Revenue	1,500,000,000	• 1-10%	RATIONALE: Opportunity 1: The agricultural business is strongly tied to the climate. Droughts and precipitation extremes can have severe effects on yields. A climate change-induced change in the frequency of extreme weather events can lead to an increased demand for products with the capacity to adapt to extreme conditions. This increasing demand is especially relevant for existing Crop Science products and products in early research phases. Bayer is investing in research contributing to the alleviation of the agronomic consequences of changing weather patterns, primarily related to an increased occurrence of extreme weather events such as floods, droughts, heat, cold or storms. These factors cause abiotic stress to plants and are responsible for significant yield losses. Bayer is developing and providing technologies that reduce the detrimental effects of biotic and abiotic stress influences during agricultural production. E.g., Bayer is investing in using precision breeding technologies to develop new varieties of crops tailored to grow well in diverse growing conditions. Opportunity 2: Bayer's Preceon™ Smart Corn System (SCS) includes a new plant type with greater resistance against climate threats (SHORT-STATURE CORN), as well as digitally enabled agronomic recommendations that drive precision and efficiency. CALCULATION: Preceon has the potential to attain more than 1.5 billion euros in peak sales and the opportunity to reach more than 220 million acres globally. This represents ca. 6.5% of CropScience and 3% of total Bayer Group sales: 1,500 Mio. € / 47,637 Mio. € (Bayer revenue 2023) = 3% ASSUMPTIONS: Bayer's 2023 Groundbreaker trials in the U.S., which included 365 growers, resulted in more than 80 percent reporting they would plant Preceon Smart Corn again. The targeted commercial launch of the conventional breeding short-stature corn approach earlier in 2024 is also paralleled with progress on the biotech version which has now advanced to R&D phase 4.

				Bayer expects the biotech version to be available in 2027. Furthermore, the company is working on a gene-edited version of Preceon in partnership with Pairwise to appeal to various global markets. Gene editing will also enable faster innovation and development cycles going forward.
Forests	• Revenue	50,000,000	• Less than 1%	RATIONALE: Bayer supports the production of sustainable soy via the purchase of credits certified by the Round Table on Responsible Soy (RTRS). We consider INCREASED DEMAND FOR CERTIFIED MATERIALS as an opportunity BECAUSE we expect this market pull to improve forest protection related to soy production on a large scale in the future. CALCULATION: Quantifying potential financial impact figure in this case is always subject to very high uncertainty. We are therefore currently unable to provide a specific potential financial impact figure. However, we can state a range that is linked to the level of "medium-high" magnitude, which compares to our impact definitions moderate to medium reported above to have a value in this case >EUR 50 million. 50 Mio. € / 47,637 Mio. € = 0.1%
Water	• Revenue	55,000,000	• Less than 1%	RATIONALE: Bayer helps farmers cultivate more food for a growing population while at the same time reducing the environmental impact of agriculture. The Crop Science division by Bayer offers farmers tailored products, trainings and promotes water-saving cultivation systems. For example, in 2022-23 we conducted a pilot study to measure the sustainability impact of the Better Life Farming (BLF) ecosystem on water, CO2 emissions, Crop Protection Environmental Impact Reduction and soil health. We are looking at 6 BLF farms and 8 non-BLF farms in Uttar Pradesh, India, to see how the solutions and trainings will impact water consumption, and the other factors listed. Bayer is a key partner in the TELA Maize project introducing drought-tolerant maize for smallholder farmers in Africa. Under moderate drought conditions the TELA Maize improves the plant's water use efficiency to get more crop per drop and increase yields 8 to 15 percent. Drought-tolerant TELA Maize helps farmers adapt to drier conditions caused by climate change and manage their risk of crop loss. CALCULATION: FINANCIAL IMPLICATIONS apply to Crop Science as a whole with sales of EUR 23.27 billion in 2023 of which crop protection has a major impact with EUR 11 billion. We expect the global seed and crop protection market to recover in 2024, with moderate growth of approximately 2%. The continued organic growth of the crop protection segments, especially insecticides, is driving the growth of the overall crop protection market. A continued growth of the crop protection demand by 0.5% - 1 % (conservative assumption given the market growth) would translate into EUR 55-110 million additional revenues. Our offerings of products/services helping farmers to use water more efficiently are contributing to this growth. 55 Mio. € / 47,637 Mio. € = 0.1%

Governance – Module 4

4.1 Does your organization have a board of directors or an equivalent governing body?

Board of directors or equivalent governing body	Frequency with which the board or equivalent meets	Types of directors your board or equivalent is comprised of	Board diversity and inclusion policy	Briefly describe what the policy covers	Attach the policy (optional)
• Yes	• More frequently than quarterly	• Executive directors or equivalent • Non-executive directors or equivalent • Independent non-executive directors or equivalent	• Yes, and it is publicly available	Pursuant to Section 76, 3a of the German Stock Corporation Act (AktG), the Supervisory Board must ensure that the Board of Management includes at least one woman and at least one man if it consists of three or more members. An additional aspect is diversity. Without basing selection decisions on this aspect in individual cases, the Supervisory Board aims to ensure that different age groups are adequately represented on the Board of Management, while also taking into account the experience required for a position on the Board of Management. The composition of the Board of Management should adequately reflect the company's international operations. The Supervisory Board therefore endeavors to include on the Board of Management several members of different nationalities or with an international background. The Supervisory Board also strives to ensure diversity with regard to the educational and professional backgrounds of the members of the Board of Management. The Supervisory Board has also resolved to pursue diversity in its composition, for instance with regard to age, gender, education and professional background. The Supervisory Board endeavors to ensure that members collectively possess the necessary expertise, skills and professional experience to properly perform their duties. This includes key sustainability aspects for the company, such as climate protection and biodiversity. Please see attachment (Bayer Annual Report 2023, pp. 118-120), for further information.	Bayer Annual Report

4.1.1 Is there board-level oversight of environmental issues within your organization?

Environmental issue	Board-level oversight of this environmental issue	Primary reason for no board-level oversight of this environmental issue	Explain why your organization does not have board-level oversight of this environmental issue
Climate Change	• Yes	n/a	n/a
Forests	• Yes	n/a	n/a
Water	• Yes	n/a	n/a
Biodiversity	• Yes	n/a	n/a

4.1.2 Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Environ-mental issue	Positions of individuals or committees with accountability for this environmental issue	Positions' accountability for this environmental issue is outlined in policies applicable to the board	Policies which outline the positions' accountability for this environmental issue	Frequency with which this environmental issue is a scheduled agenda item	Governance mechanisms into which this environmental issue is integrated	Please explain
Climate Change	• Chief Sustainability Officer (CSO)	• Yes	• Board mandate	• Scheduled agenda item in every board meeting (standing agenda item)	• Overseeing the setting of corporate targets • Monitoring progress towards corporate targets • Reviewing and guiding annual budgets • Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities • Overseeing and guiding the development of a business strategy • Monitoring supplier compliance with organizational requirements • Approving and/or overseeing employee incentives • Overseeing and guiding the development of a climate transition plan • Monitoring the implementation of a climate transition plan • Overseeing and guiding public policy engagement • Overseeing and guiding acquisitions, mergers, and divestitures • Overseeing and guiding major capital expenditures	i) WHO BRIEFS THE BOARD ON WHAT: In REGULAR JOUR FIXES, the CSO and the Head of Public Affairs, Science, Sustainability & HSE (PASS&HSE) discuss operational topics in the field of sustainability, incl. climate-related issues. Climate-related strategic decisions are brought up in board discussions by the Head of PASS&HSE or the CSO as needed. In REGULAR MEETINGS of the Board of Management, the Sustainability Council, the Supervisory Board and the ESG Committee, the Group-wide sustainability strategy incl. climate-related issues is discussed. In addition, the Head of PASS&HSE informs the board about environmental KPIs incl. climate-related KPIs and target achievement in the context of the annual board meeting dedicated to the approval of our Annual Report. The Head of PASS&HSE monthly reports HSE KPIs to the CSO. As our Crop Science business has major dependencies and potentials for climate the division Head of Crop Science brings up climate-related topics. ii) CLIMATE ISSUES AS SCHEDULED AGENDA ITEMS: The Chairman of the Board of Management holds direct responsibility for climate protection in his role as CSO. In keeping with their level of importance, climate-related topics and Bayer's climate strategy were discussed at two meetings of the Board of Management, one meeting of the Supervisory Board and both meetings of the ESG Committee of the Supervisory Board in 2023 iii) CONTRIBUTION TO BOARD OVERSIGHT: The governance mechanisms selected contribute to an informed view of the board on climate-related issues and ensure a coherent and Group-wide response. EXAMPLE 1: The CSO decides on our climate targets. By 2024, we aim to reduce our own Scope 1 + 2 emissions by 20% and our Scope 3 emissions by 6% (rel. to 2019) in line with the reduction pathway of our Science Based Target. By 2029, we aim to reduce GHG emissions from relevant Scope 3 categories by an absolute 12.3% (compared to the 2019 base year in accordance with the criteria set out by the Science Based Targets initiative). To effectively steer and reduce these emissions in the upcoming years, we initiated a new program in 2023 to drive supply chain decarbonization **(Scope**

					• Overseeing and guiding scenario analysis	**3 Decarbonization Accelerator),** including experts from all divisions and relevant enabling functions. Through the reporting of climate-related KPIs described above, the board can ensure a group-wide response in case of any deviations of CO2 emissions or energy efficiency KPIs from the target values. EXAMPLE 2: Our Group Regulation on Sustainability defines sustainability's importance at Bayer and according to which standards and with which roles and responsibilities sustainability is managed. The Group Regulation was approved by the Chairman of the Board of Management, who is also the CSO, and is valid throughout the Group. PLEASE NOTE: Due to errors in the CDP ORS, the governance mechanism "Overseeing and guiding value chain engagement" could not be selected in the previous column.
Forests	• Chief Sustainability Officer (CSO)	• Yes	• Board mandate	• Scheduled agenda item in some board meetings – at least annually	• Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities • Overseeing the setting of corporate targets • Monitoring progress towards corporate targets • Overeseeing and guiding the development of a business strategy • Monitoring the implementation of the business strategy • Overseeing and guiding acquisitions, mergers, and divestitures • Overseeing and guiding major capital expenditures • Reviewing and guiding annual budgets • Reviewing and guiding innovation/R&D priorities • Approving and/or overseeing employee incentives • Other, please specify: Reviewing and guiding business plans, Reviewing and guiding corporate responsibility strategy,	FOREST-RELATED RESPONSIBILITIES: The highest level of responsibility for FOREST-related issues lies with Bayer's CEO who also functions as Bayer's Chief Sustainability Officer (CSO). As CSO he is RESPONSIBLE FOR THE GROUP-WIDE SUSTAINABILITY PROGRAM INCLUDING CLIMATE-RELATED TARGETS AND MEASURES with a linkage to FOREST. In his role as CSO, the CEO is supported by the Public Affairs, Science, Sustainability & HSE (PASS & HSE) enabling function. i) WHO BRIEFS THE BOARD ON WHAT: In REGULAR JOUR FIXES, the Chief Sustainability Officer (CSO) and the Head of Public Affairs, Science, Sustainability & HSE (PASS & HSE) discuss operational topics in the field of sustainability, incl. forest-related issues. Forest-related strategic decisions are brought up in board discussions by the Head of PASS & HSE or by the CSO as needed. In REGULAR MEETINGS of the Board and the Supervisory Board the group-wide sustainability strategy incl. forest-related issues is discussed. In addition, the CSO and the CFO are informed several times e.g., by the Annual Report taskforce during the reporting cycle. The Head of PASS & HSE monthly reports HSE KPIs to the CSO. As our Crop Science Business has major dependencies and potentials for forest the division Head of Crop Science brings up environmental related topics. ii) CONTRIBUTION TO BOARD OVERSIGHT: The governance mechanisms selected contribute to an informed view of the Board and ensure a coherent and Group-wide response, if needed. iii) EXAMPLE: In 2023, the Board of Management was involved in decisions related to the Bayer Forest Protection initiative, which aims to increase our positive impact on the agricultural chain and take a leading role in the conservation of forests. Brazil is the first country in which we are developing this program, since it holds important environmental assets, such as the Cerrado, the Amazon rainforest and other habitats.

					Reviewing and guiding major plans of action • Overseeing and guiding public policy engagement	PLEASE NOTE: Due to errors in the CDP ORS, the governance mechanism "Overseeing and guiding value chain engagement" could not be selected in the previous column.
Water	• Chief Sustainability Officer (CSO)	• Yes	• Board mandate	Scheduled agenda item in every board meeting (standing agenda item)	• Monitoring progress towards corporate targets • Overseeing the setting of corporate targets • Overseeing and guiding acquisitions, mergers, and divestitures • Overseeing and guiding major capital expenditures • Approving and/or overseeing employee incentives • Reviewing and guiding annual budgets • Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities • Overseeing and guiding the development of a business strategy • Reviewing and guiding innovation/R&D priorities • *Other, please specify:* Reviewing and guiding business plans; Reviewing and guiding major plans of action; Setting performance objectives; Reviewing and guiding corporate responsibility strategy, Monitoring implementation and performance • Overseeing and guiding public policy engagement • Overseeing and guiding scenario analysis	i) WHO BRIEFS ON WHAT: Water-related strategic decisions are brought up in board discussions by the Head of Public Affairs, Science, Sustainability & HSE (PASS&HSE) or the CSO as needed. The Head of PASS&HSE informs the board about environmental KPIs incl. water-related KPIs and target achievement in the context of the annual board meeting dedicated to the approval of our Annual Report (AR). The CSO and the CFO are informed several times by the AR taskforce during the reporting cycle from Aug to Feb. The Head of PASS&HSE monthly reports HSE KPIs to the board. EXAMPLE: Our new Water Stewardship Strategy, which had been approved by the Board of Management, was launched at the UN Water Conference in New York in March 2023. All relevant risks, including water-related risks, are monitored by our integrated risk management system and are regularly reviewed by the Bayer Assurance Committee. The Committee is chaired by the Chief Financial Officer and meets twice a year. The results are reported to the Board of Management and approved by the Board of Management for publication in Bayer's AR. In 2023, the Board approved the integration of water quality and quantity into business decisions and processes that will be rolled out from 2024 onwards. We will develop a methodology to place value on water and in-corporate it into investment processes. ii) CONTRIBUTION TO BOARD OVERSIGHT: The governance mechanisms selected contribute to an informed view of the board on water-related issues and ensure a coherent and Group-wide response, if needed. Examples: Through the reporting of water-related KPIs, the board can ensure a Group-wide response in case of any deviations of water parameters from the required values. Through the integration of water-related issues in major investment decisions, the regular review of water-related risks, and the integration of water-related issues in the review of strategic decisions or R&D priorities, the board can ensure e.g. an adequate inclusion of water risks and opportunities in our business, sustainability or risk management strategy. E.g. all capital expenditures above EUR 10 million undergo an ecological assessment; CAPEX above EUR 20 million go into the board. Another example of a water-related board decision was the decision to sign the WASH Pledge as part of our sustainability strategy. PLEASE NOTE: Due to errors in the CDP ORS, the governance mechanism "Overseeing and guiding value chain engagement" could not be selected in the previous column.

Bio-diversity	• Chief Sustainability Officer (CSO)	• Yes	• Board mandate	• Scheduled agenda item in some board meetings – at least annually	• Monitoring progress towards corporate targets • Overseeing the setting of corporate targets • Overseeing and guiding acquisitions, mergers, and divestitures • Overseeing and guiding major capital expenditures • Approving and/or overseeing employee incentives • Reviewing and guiding annual budgets • Reviewing and guiding the assessment process for dependencies, impacts,risks, and opportunities • Overseeing and guiding the development of a business strategy • Reviewing and guiding innovation/R&D priorities • Overseeing and guiding public policy engagement • Overseeing and guiding scenario analysis	The highest level of responsibility for sustainability issues incl. biodiversity lies with Bayer's CEO who also functions as Bayer's Chief Sustainability Officer (CSO). As CSO he is RESPONSIBLE FOR THE GROUP-WIDE SUSTAINABILITY PROGRAM INCLUDING ACTIVITIES FOCUSING ON THE RESPONSIBLE USE OF NATURAL RESOURCES TO CONSERVE AND PROTECT ECOSYSTEMS, SPECIES AND GENETIC BIODIVERSITY. In his role as CSO, the Chairman of the Board of Management is supported by the Public Affairs, Science & Sustainability (PASS) enabling function. He is the superior of the Head of Public Affairs, Science & Sustainability who is responsible for Bayer's sustainability strategy including Bayer`s BIODIVERSITY STRATEGY. Relevant topics in the field of sustainability incl. biodiversity topics are discussed during their regular meetings. Biodiversity is an interdisciplinary topic that affects several areas of Bayer as well as our entire value chain. Therefore, activities at Bayer focus on the responsible use of natural resources to conserve and protect ecosystems, species and genetic biodiversity. Active ingredients for pharmaceutical development and the agriculture sector benefit especially from biodiversity conservation and enhancement. We have spelled out this stance in our Position on Conservation and Restoration of Biodiversity in Agriculture and Forestry. Bayer is committed to the objectives of the United Nations' Convention on Biological Diversity (CBD), including the fair and equitable sharing of benefits arising from the utilization of genetic resources, as well as the International Treaty on Plant Genetic Resources for Food and Agriculture of the FAO, which prescribes the balanced and fair division of use of genetic resources. Deforestation is one of the climate change and biodiversity loss drivers, with complex root causes and land use dynamics. Globally, Bayer has made a public commitment for net-zero deforestation in its supply chain and aspires to become a positive impact generator on nature by assuming a leading role on forest protection. EXAMPLE In 2023, we launched the Bayer Forest Protection initiative, which aims to increase our positive impact on the agricultural chain and take a leading role in the conservation of forests. Brazil is the first country in which we are developing this program, since it holds important environmental assets, such as the Cerrado, the Amazon rainforest and other habitats. PLEASE NOTE: Due to errors in the CDP ORS, the governance mechanism "Overseeing and guiding value chain engagement" could not be selected in the previous column.

4.2 Does your organization's board have competency on environmental issues?

Environ-mental issue	Board level competency on this environmental issue	Mechanisms to maintain an environmentally competent board	Environmental expertise of the board member	Primary reason for no board-level competency on this environmental issue	Explain why your organization does not have a board with competence on this environmental issue
Climate Change	• Yes	• Consulting regularly with an internal, permanent, subject-expert working group • Engaging regularly with external stakeholders and experts on environmental issues • Integrating knowledge of environmental issues into board nominating process • Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi) • Having at least one board member with expertise on this environmental issue	Experience • Executive-level experience in a role focused on environmental issues • Management-level experience in a role focused on environmental issues • Staff-level experience in a role focused on environmental issues • Active member of an environmental committee or organization	n/a	n/a
Forests	• Yes	• Consulting regularly with an internal, permanent, subject-expert working group • Engaging regularly with external stakeholders and experts on environmental issues • Integrating knowledge of environmental issues into board nominating process • Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi) • Having at least one board member with expertise on this environmental issue	Experience • Executive-level experience in a role focused on environmental issues • Management-level experience in a role focused on environmental issues • Staff-level experience in a role focused on environmental issues • Experience in the environmental department of a government (national or local) • Active member of an environmental committee or organization	n/a	n/a
Water	• Yes	• Consulting regularly with an internal, permanent, subject-expert working group • Engaging regularly with external stakeholders and experts on environmental issues • Integrating knowledge of environmental issues into board nominating process • Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi) • Having at least one board member with expertise on this environmental issue	Experience • Executive-level experience in a role focused on environmental issues • Management-level experience in a role focused on environmental issues • Staff-level experience in a role focused on environmental issues • Active member of an environmental committee or organization	n/a	n/a

4.3 Is there management-level responsibility for environmental issues within your organization.

Environmental issue	Management-level responsibility for this environmental issue	Primary reason for no management-level responsibility for environmental issues	Explain why your organization does not have management-level responsibility for environmental issues

Climate Change	• Yes	n/a	n/a
Forests	• Yes	n/a	n/a
Water	• Yes	n/a	n/a
Biodiversity	• Yes	n/a	n/a

4.3.1 Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Environ-mental issue	Position of individual or committee with responsibility	Environmental responsibilities of this position	Reporting line	Frequency of reporting to the board on environmental issues	Please explain
Climate Change	Executive level • Chief Sustainabili-ty Officer (CSO)	• Assessing future trends in environmental dependencies, impacts, risks, and opportunities • Assessing environmental dependencies, impacts, risks, and opportunities • Managing environmental dependencies, impacts, risks, and opportunities • Setting corporate environmental policies and/or commitments • Monitoring compliance with corporate environmental policies and/or commitments • Setting corporate environmental targets • Measuring progress towards environmental corporate targets • Measuring progress towards environmental science-based targets • Managing public policy engagement related to environmental issues • Managing value chain engagement related to environmental issues • Managing engagement in landscapes and/or jurisdictions • Managing supplier compliance with environmental requirements • Conducting environmental scenario analysis • Developing a climate transition plan • Implementing a climate transition plan	• Reports to the board directly	• More frequently than quarterly	As Bayer's CEO, the CSO is the Chairman of the Board of Management. In this position, he and the other Board members report to the Supervisory Board. The CEO is the direct superior of the Head of Public Affairs, Science, Sustainability&HSE (PASS&HSE). There are regular meetings with the Head of PASS&HSE, in which sustainability topics are discussed. This POSITION WAS SELECTED on management-level for oversight of all climate-related issues to ensure that climate-related targets and measures are monitored and driven on Group-level to ensure a comprehensive and cohesive approach. The CSO carries DIRECT RESPONSIBILITY FOR the Group-wide sustainability program incl. CLIMATE-RELATED TARGETS AND MEASURES. For example, the CSO decided to switch Bayers fleet set up to electric vehicles and approves the Group Regulation on Sustainability. The CSO is CONTINUOUSLY INFORMED ABOUT THE STATUS OF CLIMATE-RELATED TARGETS AND MEASURES during his regular meetings with the Head of PASS&HSE. The Head of PASS&HSE is the direct superior of the ESG Head (Environment, Sustainability, Governance), who is responsible for the day-to-day management of climate-related targets and measures, their monitoring, reporting and verification of related milestones. The Head of PASS&HSE and the ESG Head initiated a SUSTAINABILITY DECISION COMMITTEE in 2021, which is the central body to align on Bayer's ambitious sustainability approach and oversee its implementation. It complements the existing PRODUCT SUPPLY COMMITTEE that is responsible for decision making for technical sustainability and HSE matters. The CSO is informed about the outcome of the meetings. During the official sign-off process of the Annual and Sustainability Report, the CSO is RESPONSIBLE FOR the non-financial section including our CLIMATE-RELATED REPORTING. The CSO is further informed on progress on climate related KPI as they are part of the board compensation targets. The CSO is also responsible for SIGNING OFF BAYER'S CDP RESPONSE.

		• Developing a business strategy which considers environmental issues • Implementing the business strategy related to environmental issues • Managing acquisitions, mergers, and divestitures related to environmental issues • Managing major capital and/or operational expenditures relating to environmental issues • Managing annual budgets related to environmental issues • Managing priorities related to innovation/low-environmental impact products or services (including R&D) • Managing environmental reporting, audit, and verification processes • Providing employee incentives related to environmental performance			
Forests	Executive level • Chief Sustainability Officer (CSO)	• Assessing environmental dependencies, impacts, risks, and opportunities • Managing environmental dependencies, impacts, risks, and opportunities • Setting corporate environmental policies and/or commitments • Setting corporate environmental targets • Measuring progress towards environmental corporate targets • Managing public policy engagement related to environmental issues • Managing value chain engagement related to environmental issues • Implementing the business strategy related to environmental issues • Managing acquisitions, mergers, and divestitures related to environmental issues • Managing major capital and/or operational expenditures relating to environmental issues • Providing employee incentives related to environmental performance	• Reports to the board directly	• Annually	The top level of responsibility is held by the Chairman of the Board of Management (BoM) in his role as CSO together with the entire BoM. An external Sustainability Council (SC) provides the BoM with constructive criticism in all sustainability matters. The Public Affairs, Science, Sustainability & HSE (PASS & HSE) enabling function helps the CSO and the BoM to identify risks and opportunities, develop strategies and define targets and guidelines for sustainability management, and ensures the governance of all sustainability issues incl. FOREST. The CSO is CONTINUOUSLY INFORMED ABOUT THE STATUS OF CLIMATE-RELATED TARGETS AND MEASURES incl. FOREST-RELATED ISSUES during his regular meetings with the Head of PASS & HSE, who monitors all relevant topics in the field of sustainability. The Head of PASS & HSE is an expert in the field of sustainability incl. FOREST with 25 years of experience. Today he is part of the UN Climate and Water Leaders of the World Meterological Organization (WMO). The CSO is responsible for our sustainability strategy, which includes forest-related activities including global carbon offsetting. Bayer's offsetting supports reforestation and other carbon compensation programs. In our SC we have an expert within sustainability incl. FOREST with more than 30 years of experience. His focus is among others in biodiversity science and policy, including as Executive Secretary of the UN Convention on Biological Diversity and as National Secretary for Biodiversity and Forests in Brazil's Ministry of the Environment. He also holds numerous positions in national and international NGOs and committees. During the official sign-off process of the Annual and Sustainability Report, the CSO is RESPONSIBLE FOR the non-financial section including our FOREST-RELATED REPORTING. The CSO is also responsible for SIGNING OFF BAYER'S CDP RESPONSE.

Water	Executive level • Chief Sustainability Officer (CSO)	• Assessing future trends in environmental dependencies, impacts, risks, and opportunities • Assessing environmental dependencies, impacts, risks and opportunities • Managing environmental dependencies, impacts, risks and opportunities • Setting corporate environmental targets • Measuring progress towards environmental corporate targets • Developing a business strategy which considers environmental issues • Managing annual budgets related to environmental issues • Managing major capital and/or operational expenditures related to environmental issues • Managing acquisitions, mergers, and divestitures related to environmental issues • Providing employee incentives related to environmental performance • Managing public policy engagement related to environmental issues • Managing value chain engagement related to environmental issues • Implementing the business strategy related to environmental issues • Conducting environmental scenario analysis	• Reports to the board directly	• More frequently than quarterly	As Bayer's CEO, the CSO is the Chairman of the Board of Management. In this position, he and the other Board members report to the Supervisory Board. The CEO is the direct superior of the Head of Public Affairs, Science, Sustainability & HSE (PASS&HSE). There are regular meetings with the Head of PASS&HSE, in which sustainability topics are discussed. The Head of PASS&HSE is the direct superior of the ESG Head (Environment, Sustainability & Governance), who is responsible for the day-to-day management of sustainability-related targets and measures, their monitoring, reporting and verification of related milestones. i) WATER-RELATED TOPICS REPORTED TO THE BOARD: In REGULAR MEETINGS of the BoM, the Supervisory Board and the Sustainability Council the Group-wide sustainability strategy incl. water-related issues is discussed. Target achievement is reported ANNUALLY to the BoM in a REGULAR BOARD MEETING. The Head of PASS&HSE and the ESG Head initiated a SUSTAINABILITY DECISION COMMITTEE in 2021, which is the central body to align on Bayer's ambitious sustainability approach and oversee its implementation. It complements the existing PRODUCT SUPPLY COMMITTEE that is responsible for decision making for technical sustainability and HSE matters. The CSO is informed about the outcome of the meetings. ii) WATER-RELATED RESPONSIBILITIES: The CSO is responsible for the Group-wide sustainability program incl. water-related targets and measures and for fulfilling Bayer's commitment to the CEO Water Mandate. He signs off the CDP Report, the sustainability section in our Annual Report and our Sustainability Report, including all water-related information. Furthermore, the CSO decided to join the Water Resilience Coalition, substantiating the ambitions of the CEO Water Mandate at the private-sector level. The BoM approved our new Water Stewardship Strategy launched at the UN Water Conference in New York 2023.
Bio-diversity	Executive level • Chief Sustainability Officer (CSO)	• Managing environmental dependencies, impacts, risks, and opportunities • Setting corporate environmental policies and/or commitments • Setting corporate environmental targets • Measuring progress towards environmental corporate targets	• Reports to the board directly	• Annually •	The highest management level of responsibility for sustainability issues incl. biodiversity lies with Bayer's CEO who also functions as Bayer's CSO. As CSO he is RESPONSIBLE FOR THE GROUP-WIDE SUSTAINABILITY PROGRAM INCLUDING ACTIVITIES FOCUSING ON THE RESPONSIBLE USE OF NATURAL RESOURCES TO CONSERVE AND PROTECT ECOSYSTEMS, SPECIES AND GENETIC BIODIVERSITY. In this position, he and the other Board members report to the Supervisory Board. The CSO is supported by the Public Affairs, Science & Sustainability (PASS) enabling function. He is the superior of the Head of Public Affairs, Science & Sustainability who is responsible for Bayer's sustainability strategy including Bayer`s BIODIVERSITY STRATEGY. Relevant topics in the field of sustainability incl. biodiversity topics are discussed during their regular meetings. The Head of PASS&HSE is the direct superior of the ESG Head, who is responsible for the day-to-day management of sustainability-related targets and measures, their monitoring, reporting and verification of related milestones. During the official sign-off process of the Annual and Sustainability Report, the CSO is RESPONSIBLE FOR the non-financial section including our reporting on biodiversity.

					The CSO is also responsible for SIGNING OFF BAYER'S CDP Report including all sections on biodiversity. Biodiversity is an interdisciplinary topic that affects several areas of Bayer as well as our entire value chain. Therefore, activities at Bayer focus on the responsible use of natural resources to conserve and protect ecosystems, species and genetic biodiversity. Active ingredients for pharmaceutical development and the agriculture sector benefit especially from biodiversity conservation and enhancement. We have spelled out this stance in our Position on Conservation and Restoration of Biodiversity in Agriculture and Forestry. Bayer is committed to the objectives of the United Nations' Convention on Biological Diversity (CBD).

4.5 Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Environ-mental issue	Provision of monetary incentives related to this environmental issue	% of total C-suite and board-level monetary incentives linked to the management of this environmental issue	Please explain
Climate Change	• Yes	20	For employees responsible for our climate-related strategy or management, climate-related issues form part of the variable salary component. Also, sustainability criteria including climate action measures are additional criteria for individual one-time payments (Top Performance Award). Non-financial targets constitute components of the short-term and long-term variable compensation of the Board of Management (BoM). E.g., as part of the short-term variable compensation, one of the BoM's team targets in 2023 was: Keep our sustainability pledge to achieve a lasting impact. One of the subject areas for individual targets for BoM member W. Baumann in 2023 was: Actively manage sustainable performance and capital market communication. In 2021, the BoM decided to adapt the long-term incentive (LTI) of eligible managers to the LTI of the BoM. This means that 20% of LTI of eligible managers incl. the BoM is linked to the Group sustainability targets including climate targets.
Forests	• Yes	20	For employees responsible for our forest-related strategy or management, forest-related issues form part of the variable salary component. Also, sustainability criteria are additional criteria for individual one-time payments (Top Performance Award). Non-financial targets constitute components of the short-term and long-term variable compensation of the Board of Management (BoM). E.g., as part of the short-term variable compensation, one of the BoM's team targets in 2023 was: Keep our sustainability pledge to achieve a lasting impact. One of the subject areas for individual targets for BoM member W. Baumann in 2023 was: Actively manage sustainable performance and capital market communication. In 2021, the BoM decided to adapt the long-term incentive (LTI) of eligible managers to the LTI of the BoM. This means that 20% of LTI of eligible managers incl. the BoM is linked to the Group sustainability targets.
Water	• Yes	20	For employees responsible for our water management, water-related criteria form part of the variable salary component. Also, sustainability criteria are additional criteria for individual one-time payments (Top Performance Award). Non-financial targets constitute components of the short-term and long-term variable compensation of the Board of Management (BoM). E.g., as part of the short-term variable compensation, one of the BoM's team targets in 2023 was: Keep our sustainability pledge to achieve a lasting impact. One of the subject areas for individual targets for BoM member W. Baumann in 2023 was: Actively manage sustainable performance and capital market communication. In 2021, the BoM decided to adapt the long-term incentive (LTI) of eligible managers to the LTI of the BoM. This means that 20% of LTI of eligible managers incl. the BoM is linked to the Group sustainability targets.

4.5.1 Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Environ-mental issue	Position entitled to monetary incentive	Incen-tives	Performance metrics	Incentive plan the incentive are linked to	Further details of incentives	How the position's incentive contributes to the achievement of your environmental commitments and/or climate transition plan
Climate Change	Board or executive level • Chief Sustainability Officer (CSO)	• Bonus - % of salary	Targets • Progress towards environmental targets • Achievement of environmental targets • Reduction in absolute emissions in line with net-zero target Strategy and financial planning • Board approval of climate transition plan Emission reduction • Implementation of an emissions reduction initiative Resource use and efficiency • Energy efficiency improvement	• Both Short-Term and Long-Term Incentive Plan, or equivalent	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements. In 2023, the CSO received the majority of his remuneration as a variable income component consisting of short-term and long-term incentives. Within the short-term incentives, the performance of board members of Bayer AG is evaluated individually with regard to the performance in their respective areas of responsibility. The CSO is ACCOUNTABLE FOR THE AREA OF SUSTAINABILITY. His individual target attainment is determined by the Supervisory Board. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative targets in areas such as innovation progress or safety, compliance and sustainability goals. Team targets are agreed to reflect the collective responsibility of the members of the Board of Management as a governance body. In 2023, one of these team targets was: Keep our sustainability pledge to achieve a lasting impact. One of the subject areas for individual targets for BoM member W. Baumann in 2023 was: Actively manage sustainable performance and capital market communication. This includes e.g. ambitious climate measures to become a completely climate-neutral company by 2030. Since 2021, sustainability is also part of the long-term incentives for all board members including the CSO. Therefore, the Supervisory Board defines sustainability targets including our CLIMATE TARGETS over a 4-year span. These targets are incorporated into the long-term incentives with a weighting of 20%. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the	Our sustainability pledge to achieve a lasting impact is part of the team targets reflecting the collective responsibility of the members of the Board of Management. In addition, all members of the Board of Management are set individual targets tailored to their respective areas of responsibility. Target attainment is evaluated individually following the end of the fiscal year. The attainment levels for the team and individual targets are evaluated by the Supervisory Board. The multiplier applied to the attainment of the financial targets can range from 0.8 to 1.2 for each individual Board of Management member. The Supervisory Board defines specific sustainability goals for the four-year performance period that are taken into account with a weighting of 20%. Sustainability goals at both divisional and Group level can be taken into account. In setting the sustainability goals, the Supervisory Board took care to ensure that these are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed. In 2019, we announced a comprehensive package of measures and sustainability targets, pursuing our sustainability targets with the same vigor as our financial targets. Bayer has introduced compensation methods and link these also to sustainability goals to strengthen our sustainability culture. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative and quantitative targets in areas such as innovation progress or safety, compliance and sustainability goals incl. CLIMATE-RELATED ISSUES. Incentives are set up to reach the business and sustainability objectives. During the short- and long-term planning process this is regularly reviewed. The

					management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.	indicators were chosen BECAUSE they are essential to achieve our CLIMATE-RELATED TARGETS. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.
Forests	Board or executive level ● Chief Sustainability Officer (CSO)	● Bonus - % of salary	Resource use and efficiency ● Eliminating deforestation and conversion of other natural ecosystems in direct operations and/or other parts of the value chain	● Both Short-Term and Long-Term Incentive Plan, or equivalent ●	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements. For all board members, sustainability goals incl. FOREST-RELATED GOALS are part of the long-term variable cash compensation/incentives (LTI) with a weighting of 20%. All LTIs are based on a 4-year performance period. The targets used in the long-term incentive system are aimed at incentivizing long-term value creation. The Supervisory Board determines a minimum value, a target corridor and a maximum value for the individual sustainability goals. In setting the sustainability goals, the Supervisory Board took care to ensure that these are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed. Sustainability is also part of the short-term variable cash compensation for all board members. Team targets are agreed to reflect the collective responsibility of the Board of Management as a governance body. As outlined in the Compensation Report 2023, sustainability targets for board members included “Keep our sustainability pledge to achieve a lasting impact“. One of the subject areas for individual targets for BoM member W. Baumann in 2023 was: Actively manage sustainable performance and capital market communication. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.	Within our sphere of influence, Bayer seeks to address the drivers of deforestation and forest degradation. Therefore, we have stated our commitments in our Position on Deforestation and Forest Degradation. To achieve our commitments, we have launched the Bayer’s Forest Protection Program which includes targets and measures. All selected performance indicators contribute to achieve our targets. In 2019, we announced a comprehensive package of measures and sustainability targets, pursuing our sustainability targets with the same vigor as our financial targets. Bayer has introduced compensation methods and link these also to sustainability goals to strengthen our sustainability culture. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative and quantitative targets in areas such as innovation progress or safety, compliance and sustainability goals incl. FOREST-RELATED ISSUES. Incentives are set up to reach the business and sustainability objectives. During the short- and long-term planning process this is regularly reviewed. The indicators were chosen BECAUSE they are essential to achieve our FOREST-RELATED TARGETS. EXAMPLE: The incentives have impacted Bayer’s strategy in launching new business models such as the PRO Carbono Commodities program. Building new sustainable business models is a key component of Bayers sustainability strategy.

Water	Board or executive level • Chief Sustainability Officer (CSO)	• Bonus - % of salary	Strategy and financial planning • Other, strategy and financial planning-related metrics, please specify: Suitable water management systems at all relevant sites that are or will be threatened by water scarcity by 2030; Company performance against sustainability indexes with water-related factors (e.g., DJSI, CDP Water Security score, etc.) Resource use and efficiency • Improvements in water efficiency – direct operations Pollution • Improvements in waste water quality – direct operations Policies and commitments • Increased access to workplace WASH - direct operations • Increased access to workplace WASH - upstream value chain	• Both Short-Term and Long-Term Incentive Plan, or equivalent	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative targets such as innovation or safety, compliance and sustainability targets. “. Sustainability is part of the short-term variable cash compensation for all board members. Team targets are agreed to reflect the collective responsibility of the Board of Management as a governance body. As outlined in the Compensation Report 2023, sustainability targets for board members included “Keep our sustainability pledge to achieve a lasting impact“.One of the subject areas for individual targets for BoM member W. Baumann in 2023 was: Actively manage sustainable performance and capital market communication. Since 2021, sustainability is also part of the long-term incentives for all board members including the CSO. Therefore, the Supervisory Board defines sustainability targets over a 4-year span. These targets are incorporated into the long-term incentives with a weighting of 20%. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.	Within the short-term variable compensation (incentivizing operational success and profitable growth), one of the team targets for the Board of Management and individual target of our CSO in 2023 integrates sustainability, which includes our water strategy and commitments. In 2019, we announced our new sustainability strategy, pursuing our sustainability targets with the same vigor as our financial targets. These indicators were chosen to establish a sustainable water management: a balance between consumption and availability, as well as the optimal conservation of water resources. Our WATER MANAGEMENT SYSTEMS are designed individually on the basis of a detailed local risk analysis. We aim to identify potential for improvement particularly at sites located in water-scarce areas or in areas identified as being threatened by water scarcity and use as little water there as possible. We offer EMPLOYEE TRAINING IN WATER MANAGEMENT and participate in round tables with regulatory authorities and residents. Bayer has introduced compensation methods and link these also to sustainability goals to strengthen our sustainability culture. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative and quantitative targets in areas such as innovation progress or safety, compliance and sustainability goals incl. WATER-RELATED ISSUES. Incentives are set up to reach the business and sustainability objectives. During the short- and long-term planning process this is regularly reviewed. Company performance against sustainability indexes with water-related factors (e.g., DJSI, CDP Water Security score 2023, etc.) is considered an important control mechanism.

			(excluding direct operations) Engagement ● Implementation of employee awareness campaign or training program on environmental issues			
Climate Change	Board or executive level ● Board/Executive Board	Bonus - % of salary	Targets ● Progress towards environmental targets ● Achievement of environmental targets ● Reduction in absolute emissions in line with net-zero target Strategy and financial planning ● Board approval of climate transition plan Emission reduction ● Implementation of an emissions reduction initiative Resource use and efficiency ● Energy efficiency improvement	Both Short-Term and Long-Term Incentive Plan, or equivalent	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative targets in areas such as innovation progress or safety, compliance and sustainability goals. Team targets are agreed to reflect the collective responsibility of the members of the Board of Management as a governance body. In 2023, one of these team targets was: Keep our sustainability pledge to achieve a lasting impact. This includes e.g. ambitious climate measures to become a completely climate-neutral company by 2030. Since 2021, sustainability is also part of the long-term incentives for all board members. Therefore, the Supervisory Board defines sustainability targets including our CLIMATE TARGETS over a 4-year span. These targets are incorporated into the long-term incentives with a weighting of 20%. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.	Our sustainability pledge to achieve a lasting impact is part of the team targets reflecting the collective responsibility of the members of the Board of Management. In addition, all members of the Board of Management are set individual targets tailored to their respective areas of responsibility. Target attainment is evaluated individually following the end of the fiscal year. The attainment levels for the team and individual targets are evaluated by the Supervisory Board. The multiplier applied to the attainment of the financial targets can range from 0.8 to 1.2 for each individual Board of Management member. The Supervisory Board defines specific sustainability goals for the four-year performance period that are taken into account with a weighting of 20%. Sustainability goals at both divisional and Group level can be taken into account. In setting the sustainability goals, the Supervisory Board took care to ensure that these are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed. In 2019, we announced a comprehensive package of measures and sustainability targets, pursuing our sustainability targets with the same vigor as our financial targets. Bayer has introduced compensation methods and link these also to sustainability goals to strengthen our sustainability culture. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative and quantitative targets in areas such as innovation progress or safety, compliance and sustainability goals incl. CLIMATE-RELATED ISSUES. Incentives are set up to reach the business and

						sustainability objectives. During the short- and long-term planning process this is regularly reviewed. The indicators were chosen BECAUSE they are essential to achieve our CLIMATE-RELATED TARGETS. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.
Climate Change	Senior-mid management • Management group	Bonus - % of salary	Targets • Progress towards environmental targets • Achievement of environmental targets • Reduction in absolute emissions in line with net-zero target Emission reduction • Implementation of an emissions reduction initiative Resource use and efficiency • Energy efficiency improvement	Both Short-Term and Long-Term Incentive Plan, or equivalent	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements. For employees responsible for our climate-related strategy or management, climate-related issues form part of the variable salary component. Also, sustainability criteria including climate action measures are additional criteria for individual one-time payments (Top Performance Award). Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative targets in areas such as innovation progress or safety, compliance and sustainability goals. Team targets are agreed to reflect the collective responsibility of the members of the Board of Management as a governance body. In 2023, one of these team targets was: Keep our sustainability pledge to achieve a lasting impact. One of the subject areas for individual targets for BoM member W. Baumann in 2023 was: Actively manage sustainable performance and capital market communication. This includes, e.g. ambitious climate measures to become a completely climate-neutral company by 2030. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.	Our sustainability pledge to achieve a lasting impact is part of the team targets reflecting the collective responsibility of the members of the Board of Management. The Supervisory Board defines specific sustainability goals for the four-year performance period that are taken into account with a weighting of 20%. In 2019, we announced a comprehensive package of measures and sustainability targets, pursuing our sustainability targets with the same vigor as our financial targets. Bayer has introduced compensation methods and link these also to sustainability goals to strengthen our sustainability culture. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative and quantitative targets in areas such as innovation progress or safety, compliance and sustainability goals incl. CLIMATE-RELATED ISSUES. Incentives are set up to reach the business and sustainability objectives. During the short- and long-term planning process this is regularly reviewed. The indicators were chosen BECAUSE they are essential to achieve our CLIMATE-RELATED TARGETS. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.
Forests	Board or executive level • Board/Executive board	• Bonus - % of salary	Resource use and efficiency • Eliminating deforestation and conversion of	• Both Short-Term and Long-Term Incentive	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions,	Within our sphere of influence, Bayer seeks to address the drivers of deforestation and forest degradation. Therefore, we have stated our commitments in our Position on Deforestation and Forest Degradation. To achieve our commitments, we have launched the

			other natural ecosystems in direct operations and/or other parts of the value chain	Plan, or equivalent	corporate functions and business services performance and by the individual employee's achievements. For all board members, sustainability goals incl. FOREST-RELATED GOALS are part of the long-term variable cash compensation/incentives (LTI) with a weighting of 20%. All LTIs are based on a 4-year performance period. The targets used in the long-term incentive system are aimed at incentivizing long-term value creation. The Supervisory Board determines a minimum value, a target corridor and a maximum value for the individual sustainability goals. In setting the sustainability goals, the Supervisory Board took care to ensure that these are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed. Sustainability is also part of the short-term variable cash compensation for all board members. Team targets are agreed to reflect the collective responsibility of the Board of Management as a governance body. As outlined in the Compensation Report 2023, sustainability targets for board members included "Keep our sustainability pledge to achieve a lasting impact". Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.	Bayer's Forest Protection Program which includes targets and measures. All selected performance indicators contribute to achieve our targets. In 2019, we announced a comprehensive package of measures and sustainability targets, pursuing our sustainability targets with the same vigor as our financial targets. Bayer has introduced compensation methods and link these also to sustainability goals to strengthen our sustainability culture. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative and quantitative targets in areas such as innovation progress or safety, compliance and sustainability goals incl. FOREST-RELATED ISSUES. Incentives are set up to reach the business and sustainability objectives. During the short- and long-term planning process this is regularly reviewed. The indicators were chosen BECAUSE they are essential to achieve our FOREST-RELATED TARGETS. EXAMPLE: The incentives have impacted Bayer's strategy in launching new business models such as the PRO Carbono Commodities program. Building new sustainable business models is a key component of Bayers sustainability strategy.
Forests	Senior-mid management • Management group	• Bonus - % of salary	Resource use and efficiency • Eliminating deforestation and conversion of other natural ecosystems in direct operations and/or other parts of the value chain	• Both Short-Term and Long-Term Incentive Plan, or equivalent	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements. For employees responsible for our forest-related strategy or management, forest-related issues form part of the variable salary component. Also, sustainability criteria are additional criteria for individual one-time payments (Top Performance Award). For all board members, sustainability goals incl. FOREST-RELATED GOALS are part of the long-term variable cash compensation/incentives (LTI) with a	Within our sphere of influence, Bayer seeks to address the drivers of deforestation and forest degradation. Therefore, we have stated our commitments in our Position on Deforestation and Forest Degradation. To achieve our commitments, we have launched the Bayer's Forest Protection Program which includes targets and measures. All selected performance indicators contribute to achieve our targets. In 2019, we announced a comprehensive package of measures and sustainability targets, pursuing our sustainability targets with the same vigor as our financial targets. Bayer has introduced compensation methods and link these also to sustainability goals to strengthen our sustainability culture. Board members are

					weighting of 20%. All LTIs are based on a 4-year performance period. The targets used in the long-term incentive system are aimed at incentivizing long-term value creation. The Supervisory Board determines a minimum value, a target corridor and a maximum value for the individual sustainability goals. In setting the sustainability goals, the Supervisory Board took care to ensure that these are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.	incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative and quantitative targets in areas such as innovation progress or safety, compliance and sustainability goals incl. FOREST-RELATED ISSUES. Incentives are set up to reach the business and sustainability objectives. During the short- and long-term planning process this is regularly reviewed. The indicators were chosen BECAUSE they are essential to achieve our FOREST-RELATED TARGETS. EXAMPLE: The incentives have impacted Bayer's strategy in launching new business models such as the PRO Carbono Commodities program. Building new sustainable business models is a key component of Bayers sustainability strategy.
Water	Board or executive level ● Chief Financial Officer (CFO)	● Bonus - % of salary	Strategy and financial planning ● Other, strategy and financial planning-related metrics, please specify: Suitable water management systems at all relevant sites that are or will be threatened by water scarcity by 2030; Company performance against sustainability indexes with water-related factors (e.g., DJSI, CDP Water Security score, etc.) Resource use and efficiency	● Both Short-Term and Long-Term Incentive Plan, or equivalent	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative targets such as innovation or safety, compliance and sustainability targets. ". Sustainability is part of the short-term variable cash compensation for all board members. Team targets are agreed to reflect the collective responsibility of the Board of Management as a governance body. As outlined in the Compensation Report 2023, sustainability targets for board members included "Keep our sustainability pledge to achieve a lasting impact". Since 2021, sustainability is also part of the long-term incentives for all board members. Therefore, the Supervisory Board defines sustainability targets over a 4-year span. These targets are incorporated into the long-term incentives with a weighting of 20%. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.	Within the short-term variable compensation (incentivizing operational success and profitable growth), one of the team targets for the Board of Management in 2023 integrates sustainability, which includes our water strategy and commitments. In 2019, we announced our new sustainability strategy, pursuing our sustainability targets with the same vigor as our financial targets. These indicators were chosen to establish a sustainable water management: a balance between consumption and availability, as well as the optimal conservation of water resources. Our WATER MANAGEMENT SYSTEMS are designed individually on the basis of a detailed local risk analysis. We aim to identify potential for improvement particularly at sites located in water-scarce areas or in areas identified as being threatened by water scarcity and use as little water there as possible. We offer EMPLOYEE TRAINING IN WATER MANAGEMENT and participate in round tables with regulatory authorities and residents. Bayer has introduced compensation methods and link these also to sustainability goals to strengthen our sustainability culture. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative and quantitative targets in areas such as innovation progress or safety, compliance and sustainability goals incl. WATER-RELATED ISSUES. Incentives are set up

			• Improvements in water efficiency – direct operations Pollution • Improvements in waste water quality – direct operations Policies and commitments • Increased access to workplace WASH - direct operations • Increased access to workplace WASH - upstream value chain (excluding direct operations) Engagement • Implementation of employee awareness campaign or training program on environmental issues			to reach the business and sustainability objectives. During the short- and long-term planning process this is regularly reviewed. Company performance against sustainability indexes with water-related factors (e.g., DJSI, CDP Water Security score 2023, etc.) is considered an important control mechanism.
Water	Senior-mid management • Management group	• Bonus - % of salary	Strategy and financial planning • Other, strategy and financial planning-related metrics, please specify: Suitable water management systems at all relevant sites that are or will be threatened by water scarcity by 2030; Company	• Both Short-Term and Long-Term Incentive Plan, or equivalent	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements. For employees responsible for our water management, water-related criteria form part of the variable salary component. Also, sustainability criteria are additional criteria for individual one-time payments (Top Performance Award). Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative targets such as innovation or safety, compliance and sustainability	In 2019, we announced our new sustainability strategy, pursuing our sustainability targets with the same vigor as our financial targets. These indicators were chosen to establish a sustainable water management: a balance between consumption and availability, as well as the optimal conservation of water resources. Our WATER MANAGEMENT SYSTEMS are designed individually on the basis of a detailed local risk analysis. We aim to identify potential for improvement particularly at sites located in water-scarce areas or in areas identified as being threatened by water scarcity and use as little water there as possible. We offer EMPLOYEE TRAINING IN WATER MANAGEMENT and participate in round tables with regulatory authorities and residents.

			performance against sustainability indexes with water-related factors (e.g., DJSI, CDP Water Security score, etc.) Resource use and efficiency ● Improvements in water efficiency – direct operations Pollution ● Improvements in waste water quality – direct operations Policies and commitments ● Increased access to workplace WASH - direct operations ● Increased access to workplace WASH - upstream value chain (excluding direct operations) Engagement ● Implementation of employee awareness campaign or training program on environmental issues		targets. Sustainability is part of the short-term variable cash compensation for all board members. Team targets are agreed to reflect the collective responsibility of the Board of Management as a governance body. As outlined in the Compensation Report 2023, sustainability targets for board members included "Keep our sustainability pledge to achieve a lasting impact". Since 2021, sustainability is also part of the long-term incentives for all board members. Therefore, the Supervisory Board defines sustainability targets over a 4-year span. These targets are incorporated into the long-term incentives with a weighting of 20%. Bayer puts great emphasis on consistency in short- and long-term incentives between the BoM and the management/employees. With this approach, Bayer ensures that all employees are rewarded and steered into the same direction and that interests are aligned.	Bayer has introduced compensation methods and link these also to sustainability goals to strengthen our sustainability culture. Board members are incentivized on the attainment of sustainability KPIs. The variable compensation is based on the attainment of qualitative and quantitative targets in areas such as innovation progress or safety, compliance and sustainability goals incl. WATER-RELATED ISSUES. Incentives are set up to reach the business and sustainability objectives. During the short- and long-term planning process this is regularly reviewed. Company performance against sustainability indexes with water-related factors (e.g., DJSI, CDP Water Security score 2023, etc.) is considered an important control mechanism.

4.6 Does your organization have an environmental policy that addresses environmental issues?

Does your organization have any environmental policies?	Primary reason for not having an environmental policy	Explain why you do not have an environmental policy
• Yes	n/a	n/a

4.6.1 Provide details of your environmental policies.

Environmental issue covered	Level of coverage	Value chain stages covered	Explain the coverage	Environmental policy content	Indicate whether your environmental policy is in line with global environmental treaties or policy goals	Public availability	Attach the policy
• Climate Change • Forests • Water • Biodiversity	• Organization-wide	• Direct operations • Upstream value chain • Downstream value chain • Portfolio	We publicly communicate commitments related to climate change, forests, water and biodiversity in Bayer's "CORPORATE POLICY SUSTAINABILITY". This Policy outlines the role of sustainability at Bayer as well as clear standards, roles & responsibilities in sustainability management throughout the entire organization. The policy is applicable for EVERY BAYER EMPLOYEE. ALL CORE PROCESSES are in scope. With our SUPPLIER CODE OF CONDUCT, we extend our GROUP-WIDE sustainability policy to our SUPPLIERS. In order to communicate environmental specific commitments and targets, Bayer has published the following policies, positions and internal regulations – that cover our OWN OPERATIONS AND PRODUCT PORTFOLIO, OUR DIRECT SUPPLIERS AND OUR DOWNSTREAM VALUE CHAIN:	Environmental commitments • Commitment to comply with regulations and mandatory standards • Commitment to take environmental action beyond regulatory compliance • Commitment to engage in integrated, multi-stakeholder landscape (including river basin) initiatives to promote shared sustainability goals • Commitment to implementation of nature-based solutions that support landscape restoration and long-term protection of natural ecosystems • Commitment to respect legally designated protected areas • Commitment to stakeholder engagement and capacity building on environmental issues Climate-specific commitments • Commitment to 100% renewable energy • Commitment to net-zero emissions Forests-specific commitments • Commitment to best management practices for soils and peat • Commitment to conduct or support restoration and/or compensation to remedy for past deforestation or conversion • Commitment to facilitate the inclusion of smallholders into the value chain • Commitment to no land clearance by burning or clearcutting • Commitment to no-conversion of natural ecosystems by target date, please specify: Bayer has committed to help 100 million smallholder farmers increase their livelihood in farming. We believe that the increase in productivity will decrease the need to convert forest into agricultural land.	• Yes, in line with the Paris Agreement • Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation	• Publicly available	• Bayer Sustainability Policy • Bayer Supplier CoC • Bayer_Position_Global_Climate_Policy_FIN.pdf • Renewable Electricity Quality and Portfolio Definition • Position on Deforestation and Forest Degradation • Bayer Water Position Update • Position on biodiversity • HSE Key Requirements • Group Regulation on Safe Design and Operation of Processes and Plants

			1. Global climate policy position 2. Renewable Electricity Quality and Portfolio Definition 3. Position on Deforestation and Forest Degradation 4. Water Position 5. HSE Key Requirements 6. Group Regulation on on Safe Design and Operation of Processes and Plants 7. Conservation and Restoration of Biodiversity in Agriculture and Forestry	• Commitment to no-deforestation by target date, please specify: Bayer aims for net-zero deforestation in its supply chain. We are committed to using Bayer's expertise and technologies to support Brazil's goal of restoring 12 million hectares of native forest by 2030. Water-specific commitments • Commitment to reduce or phase out hazardous substances • Commitment to control/reduce/eliminate water pollution • Commitment to reduce water consumption volumes • Commitment to reduce water withdrawal volumes • Commitment to safely managed WASH in local communities • Commitment to the conservation of freshwater ecosystems • Commitment to water stewardship and/or collective action • Other water-related commitment, please specify: Water efficiency in agriculture Social commitments • Adoption of the UN International Labour Organization principles • Commitment to promote gender equality and women's empowerment • Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities • Commitment to respect internationally recognized human rights • Commitment to secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities' Additional references/Descriptions • Acknowledgement of the human right to water and sanitation • Description of dependencies on natural resources and ecosystems • Description of impacts on natural resources and ecosystems • Description of environmental requirements for procurement • Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns • Description of renewable electricity procurement practices • Recognition of environmental linkages and trade-offs • Reference to timebound environmental milestones and targets			• Bayer Responsible Care

4.10 Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Are you a signatory or member of any environmental collaborative frameworks or initiatives?	Collaborative framework or initiative	Describe your organization's role within each framework or initiative
• Yes	• CEO Water Mandate • Climate Action 100+ • Roundtable on Sustainable Palm Oil (RSPO) • Science-Based Targets Initiative (SBTi) • UN Global Compact • Water Resilience Coalition • WBCSD Forests Solutions Group • Other, please specify: Business Ambition for 1,5°, Matopiba Coalition, CEBDS, Brazilian Coalition for Climate, Forest and Agriculture, Xingu 2030, Brazilian Forest Code, Coalizão Brazil, RTRS, ICC, Climate Connection, Imagine, ABAG, Insper, Leaf Coalition, , Vision for Adapted Crops and Soils (VACS), International Rice Informatics Consortium (IRIC), Growing Matters, e Sustainable Agriculture Initiative (SAI)	Among others, we are signatory member of the following collaborative frameworks and initiatives:Business Ambition for 1.5C: Bayer has undertaken to achieve a net zero target for greenhouse gas emissions throughout the entire value chain by 2050 or earlier. As an external expression of commitment to net zero greenhouse gas emissions, the company also signed the Business Ambition for 1.5 °C, a campaign of the SBTi in partnership with the UN Global Compact and the We Mean Business Coalition. Climate Action 100+: In line with our goals, we critically scrutinize our memberships in relevant industry associations and their positions as regards climate policy measures. The analysis forms the basis for Bayer's further efforts to advocate for scientifically founded policies to combat climate change through its member associations. In developing this approach, we have worked together with Climate Action 100+, an investor initiative that cooperates with the world's biggest industrial companies on the issue of climate change. UN Global Compact, CEO Water Mandate, Caring for Climate: Bayer has been among the first signatories of the United Nations Global Compact and their 10 principles in 2000. Bayer will continue to show the way as a LEAD company in the United Nations Global Compact. We believe the UNGC plays an important role in the delivery of the Sustainable Development Goals and that multisector engagement is crucial to do so. Over the past decade we have steadily expanded our commitment to the Global Compact. For example, we became a signatory to the CEO WATER MANDATE and the Caring for Climate initiative. And we have signed the Women's Empowerment Principles, a set of seven principles governing gender equality that sum up how women can be strengthened in the workplace, on the employment market and in the community. In 2019, we joined the Science Based Target Initiative and thus support ambitious goals with respect to the protection of water resources and the climate. Science-Based Targets Inititive (SBTi) Climate change affects us all and is one of the greatest challenges that humankind will face in the future. Bayer considers climate protection and the related reduction of greenhouse gas emissions to be a top priority. We support the Paris Agreement and the objective of limiting global warming to 1.5 °C relative to the preindustrial level. The Science Based Targets initiative (SBTi) has validated our target and confirms our contribution to fulfilling the Paris Agreement. CEO Water mandate, Water resilience coalition: Bayer has a strong network through its participation in various initiatives. These include the Water Resilience Coalition. We want to support these strong partnerships to ensure the engagement of the private sector in the upcoming water debate. Bayer continues to support the CEO WATER MANDATE of the UN Global Compact with the goal of working with key stakeholders to develop sustainable strategies for water usage. We are also a member of the WATER RESILIENCE COALATION (WRC), which concretizes and complements the ambitions of the CEO Water Mandate at a private-sector level. Roundtable on Sustainable Palm Oil (RSPO) Bayer has participated in the Roundtable for Sustainable Palm Oil (RSPO) since 2004. We started to transition our supply chain to RSPO mass balance certified sustainable palm oil in 2021. Though there are various challenges, including the availability of products, we aim for 100% of palm oil derivatives purchased by 2027 to be covered with RSPO mass balance.

4.11 In the reporting year, did your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment	Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals	Global environmental treaties or policy goals in line with public commitment or position statement	Attach commitment or position state-ment	Indicate whether your organization is registered on a transparency register	Types of transparency register your organization is registered on	Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization	Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan
• Yes, we engage directly with policy makers • Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation	• Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals	• Paris Agreement • Kunming-Montreal Global Biodiversity Framework • Sustainable Development Goal 6 on Clean Water and Sanitation	**Climate change**: Bayer_Position_Global_Climate_Policy_FIN.pdf **Forest:** Position on Deforestation and Forest Degradation **Water**: Bayer's Water Position (2021)	• Yes	• Mandatory government register • Voluntary government register	We make detailed disclosures on, for example, material and project expenses and headcount of the essential political liaison offices in the transparency registers of the **German Parliament**, the **European institutions (ID: 3523776801-85)** and the **USCongress**, for instance. We also report data for countries in which there is no legal disclosure obligation.	Bayer`s organizational processes are designed to ensure a common approach for all direct and indirect engagement activities, consistent with our Sustainability Strategy - across divisions and geographies. To ensure transparency in our collaboration with stakeholders and political decision-makers, we proactively publish our global policy positions, e.g. on climate policy. Our global climate policy position is in line with our climate commitments, in line with the Paris Agreement and the SBTI. Sustainability is a core element of our Group Strategy and is the direct responsibility of the Chairman of the Board of Management (BoM). In his role as Chief Sustainability Officer, he is supported by the Public Affairs, Science, Sustainability & HSE (PASS&HSE) function, which is responsible, inter alia, for the outreach to political stakeholders, the development of sustainability strategies and management systems. The close interaction between Public Affairs and Sustainability ensures alignment and consistency with regard to our climate, water, and forest commitments also in direct and indirect interactions with political stakeholders across the globe. Operational implementation takes place in the divisions and along the value chain. Reviewing and revising regulations and internal audits ensure our management systems are continuously improved and aligned with the respective requirements. The organizational setup guarantees maximum consistency of sustainability commitments and political engagement strategies, both directly and indirectly. In addition, Bayer critically scrutinize its memberships in relevant industry associations and their positions regarding e.g. climate policy measures. To ensure transparency in this connection, we started publishing an Industry Association Climate Review in 2021 and a short Engagement Update in 2022 that was followed by a comprehensive review in Q4/2023.

							In 2020, Bayer established an independent Sustainability Council (SC) to advise the BoM and the organization in all sustainability matters. The SC comprises internationally recognized experts representing a broad range of expertise, differing geographical origin and different genders. Besides supporting the further development of Bayer's business strategy as regards sustainability, another goal for the SC is to promote cooperation with networks in society, education, industry and politics.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the environment	Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the environment
n/a	n/a

4.11.1 On what policy, law, or regulation that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

ENG 1

Specify the policy, law, or regulation on which your organization is engaging with policy makers	Environmental issues the policy, law, or regulation relates to	Focus area of policy, law, or regulation that may impact the climate	Geographic coverage of policy, law, or regulation	Country/area/region the policy, law, or regulation applies to	Your organization's position on the policy, law, or regulation
Adjustments to the German Building Code (BauGB) to further expand investments in renewable energies	• Climate Change	Energy and renewables • Renewable energy generation	• National	• Germany	• Support with no exceptions

Details of any exceptions and your organization's proposed alternative approach to the policy, law or regulation	Type of direct engagement with policy makers on this policy, law, or regulation	Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)	Explain the relevance of this policy, law or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement and how you measure the success of your engagement	Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals	Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation
n/a	• Ad-hoc meetings • Discussion in public forums • Submitting written	0	In the wake of Germany's critical gas supply situation resulting from Russia's invasion of Ukraine and the sanctions imposed by EU countries against Russia, Bayer strongly advocates for legislative changes to accelerate the expansion of renewable energies in Germany in line with our goal of becoming climate neutral in its operations by 2030. Besides mid- and long-term energy policy initiatives, however, all levers that can be used in the short-term need to be deployed to enable rapid gas savings through the use of alternative energy sources. Bayer sees key levers in the following points, e.g.:	• Yes, we have evaluated, and it is aligned	• Paris Agreement

	proposals/ inquiries		- To further expand investments in renewable energies, such as photovoltaic plants, it is not sufficient to use the existing regulatory process compiled by regional plan, land-use plan, and land-development plan exclusively. Rather, more flexible procedures are needed for the creation of plants and facilities for the generation of renewable energies. - Approving renewable energies on time: Following the public-law considerations of “nature on time”, the idea of “renewable energies on time” could be well combined with legally effective land-development plans for commercial and industrial areas, which have not or only partially been implemented structurally so far, as well as in outdoor areas. Bayer supports regulatory frameworks and policy initiatives that both promote innovative low carbon and carbon neutral products, processes, value chains, and business models and strengthen industry competitiveness. Renewable energies are the basis for climate-neutral production. Climate neutrality will be achieved to a large extent by switching from fossil fuels to renewable energies. To foster the energy transition, governments need to ensure cost competitive alternatives to fossil fuels, to guarantee supply security of renewable energies, and to ensure the availability of adequate systems for purchasing renewable energies.		

ENG 2

Specify the policy, law, or regulation on which your organization is engaging with policy makers	Environmental issues the policy, law, or regulation relates to	Focus area of policy, law, or regulation that may impact the climate	Geographic coverage of policy, law, or regulation	Country/area/ region the policy, law, or regulation applies to	Your organization’s position on the policy, law, or regulation
Development of the U.S. Security Exchange Comission ESG rule	• Climate Change	Environmental impacts and pressures • Emissions – CO2	• National	• US	• Support with no exceptions

Details of any exceptions and your organization’s proposed alternative approach to the policy, law or regulation	Type of direct engagement with policy makers on this policy, law, or regulation	Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)	Explain the relevance of this policy, law or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement and how you measure the success of your engagement?	Indicate if you have evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals	Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation
n/a	• Regular meetings • Ad-hoc meetings • Discussion in public forums	0	In the U.S., all our lobbying activity on climate change at the federal level has been publicly disclosed through the Secretary of the Senate and Clerk of the House. In 2023, we have engaged with stakeholders primarily concerning the SEC’s rules for ESG accounting and reporting. Bayer supported the SEC’s draft rule and the final rule and advocated for consistent rules to enable frameworks for sustainable investing. Bayer supports regulatory frameworks and policy initiatives that both promote innovative low carbon and carbon neutral products, processes,	• Yes, we have evaluated, and it is aligned	• Paris Agreement

	• Participation in working groups organized by policy makers • Responding to consultations • Submitting written proposals/ inquiries		value chains, and business models and strengthen industry competitiveness. It is crucial to maintain the openness of innovative ideas and to support new technologies. The transformation to carbon neutrality catalyzes the development of a range of new technologies, business models, and operational practices in industry and agriculture. It is our conviction that innovation for climate mitigation and adaption should be inclusive of all promising technologies. Openness – supported by a diversity of tools and methods and careful consideration of individual trade-offs and synergies that relate to specific local environments – strengthens resilient networks. A successful transformation requires an integrated consideration of social, environmental, and economic needs. Decisions on the use of technology for mitigation should be based on an integrated analysis of social, environmental, and economic risks and benefits. Social acceptance is essential and prerequisite to secure both social inclusion and competitiveness future prosperity. Climate neutrality should be embedded into both industry and agriculture policy strategies to transform into a climate-neutral and sustainable economy while preserving competitiveness at the same time. Action plans to establish additional incentive mechanisms for good practices supporting GHG emission reduction targets in industry and agriculture are widely and globally necessary. Country-based measures always need to be in line with WTO framework and further international agreements.		

ENG 3

Specify the policy, law, or regulation on which your organization is engaging with policy makers	Environmental issues the policy, law, or regulation relates to	Focus area of policy, law, or regulation that may impact the climate	Geographic coverage of policy, law, or regulation	Country/area/region the policy, law, or regulation applies to	Your organization's position on the policy, law, or regulation
Green Claims Directive	• Climate Change	Transparency and due diligence • Transparency requirements • Verification and audits	• Regional	• EU27	Support with minor exceptions

Details of any exceptions and your organization's proposed alternative approach to the policy, law or regulation	Type of direct engagement with policy makers on this policy, law, or regulation	Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)	Explain the relevance of this policy, law or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement and how you measure the success of your engagement?	Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals	Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Support of the Commission proposal and the Council position, partly support of the Parliament position: Regarding the Parliament position, Bayer believes it is important to ensure responsible use of carbon credits in Green Claims instead of prohibiting certain uses as Parliament proposes.	• Ad-hoc meetings • Submitting written proposals/inquiries	0	The policy does not impact our commitment. The commitment did not inform our engagement. Success is measured by checking if positions are aligned with the Bayer position.	• Yes, we have evaluated, and it is aligned	• Paris Agreement

4.11.2 Provide details of your indirect engagement on policy, law or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

ENG INDIRECT TRADE ASSOCIATION 1

Type of indirect engagement	Type of organization or individual	State the organization or position of individual	Trade association	Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position	Indicate whether your organization's position is consistent with the organization or individual you engage with
• Indirect engagement via a trade association	n/a	n/a	Europe • German Chemical Industry Association (VCI)	• Climate change • Forests • Water	• Mixed

Indicate whether your organization attempted to influence the organization or individual's position in the reporting year	Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position	Funding figure your organization provided to this organization or individual in the reporting year, (currency)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment	Indicate if you have you evaluated whether your organization's engagement is aligned with global environmental treaties or policy goal	Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation
• Yes, and they have changed their position	i) POSITION OF THE ASSOCIATION: The VCI acknowledges the commitment of the chemical industry in Germany to sustainability and promotes the sustainable development in companies. The VCI holds the position that, with its products and with its efficient co-generation plants, the chemical industry is contributing to sustainable development. Furthermore, the VCI is committed to international standards for sustainability and works closely with global organizations for the promotion of sustainable development, climate mitigation and resource efficiency. ii) CONSISTENCY:	2,500,000	The value in the funding of ca EUR 2.5 million represents an approximation of the membership fees. The funding is the membership fee which is determined based on the revenue of the given year. We are part of the association since the VCI is the main chemical association in Germany and it therefore represents	• Yes, we have evaluated, and it is aligned	• Paris Agreement • Kunming-Montreal Global Biodiversity Framework • Sustainable Development Goal 6 on Clean Water and Sanitation • Another global environmental treaty or policy goal, please specify: Nagoya Protokoll

	In 2023, Bayer published a comprehensive update of it´s Industry Association Climate Review. The report compares the climate policy positions of our industry associations with our own climate goals. As our industry associations represent us in the public debate, we disclose where we agree with these positions and where they diverge from ours. 1. Two key criteria were used to gauge scope for alignment, with sub-criteria for consideration: Explicitly publicly support alignment with the Paris Agreement (or not) 2. Does not contravene relevant policies that Bayer has **In case of the VCI, the positions of VCI and Bayer are PREDOMINANTLY ALIGNED. Partial misalignment exists in criteria 1.3 and 2.4.** iii) ATTEMPT TO INFLUENCE: Instances of misalignment between Bayer's climate policy positions and those of an association identified in our assessment will make that organization a priority for Bayer to engage with. In this process of engagement Bayer will examine and understand differences in the policy positions. Furthermore, Bayer will seek to take a more active role to influence a change in policy at the association. Part of this was a change from partial misalignment to alignment on criteria 2.5. (Acknowledgement of climate-related trade measures within the rules-based international trade system). Bayer is involved with the VCI regarding important issues related to the German chemical industry and is influencing the association through active involvement in relevant committees and working groups. Bayer's former CEO served as vice-president of the VCI until October 2023, since October 2023 CEO Bill Anderson joined the presidium of VCI. Bayer chairs the VCI Trace substances working group, which was involved in the National Water Dialogue with the Federal Ministry of Environment. VCI also released a position on BIODIVERSITY supporting the objectives of the Global Biodiversity Framework.		the industry interests towards politicians, authorities, and other relevant stakeholders. Furthermore, it offers a platform for best practice sharing within the industry.		

Type of indirect engagement	Type of organization or individual	State the organization or position of individual	Trade association	Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position	Indicate whether your organization's position is consistent with the organization or individual you engage with
• Indirect engagement via a trade association	n/a	n/a	Europe • Federation of German Industries (BDI)	• Climate change	• Mixed

Indicate whether your organization attempted to influence the organization or individual's position in the reporting year	Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position	Funding figure your organization provided to this organization or individual in the reporting year, (currency)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment	Indicate if you have you evaluated whether your organization's engagement is aligned with global environmental treaties or policy goal	Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation
• Yes, and they have changed their position	i) POSITION OF THE ASSOCIATION: The BDI generally supports ambitious and effective climate protection in Germany, the EU and worldwide. The BDI is strongly involved in the discussions regarding resource efficiency in the circular economy. ii) CONSISTENCY: In 2023 Bayer published an Industry Association Climate Report. This report compares the climate policy positions of our industry associations with our own climate goals. As our industry associations represent us in the public debate, we disclose where we agree with these positions and where they diverge from ours. Two key criteria were used to gauge scope for alignment, with related sub-criteria for consideration: 1. Explicitly publicly support alignment with the Paris Agreement (or not) 2. Does not contravene relevant policies that Bayer has For further details regarding sub-criteria please see the full report. **The positions of BDI and Bayer are ALIGNED.** iii) ATTEMPT TO INFLUENCE: Bayer is involved with the BDI on issues important to the German industry, including climate change related issues. Bayer's former CEO Werner Baumann served as member of the Presidential Board of the BDI in 2023, followed by CEO Bill Anderson at the end of 2023.	1	There is no direct membership fee to the BDI since the sector specific industry associations such as the VCI are member of the BDI. We are engaged in the association since the BDI is an important industry association in Germany and it therefore represents interests towards politicians, authorities, and other relevant stakeholders. Furthermore, it offers a platform for best practice sharing within the industry. [Please note: funding figure (amount: 1) was only added in order to be able to provide this explanation, it is actually 0]	• Yes, we have evaluated, and it is aligned	• Paris Agreement

Type of indirect engagement	Type of organization or individual	State the organization or position of individual	Trade association	Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position	Indicate whether your organization's position is consistent with the organization or individual you engage with
• Indirect engagement via a trade association	n/a	n/a	North America • US Chamber of Commerce	• Climate change	• Mixed

Indicate whether your organization attempten to influenc the organization or individual's position in the reporting year	Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position	Funding figure your organization provided to this organization or individual in the reporting year, (currency)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment	Indicate if you have you evaluated whether your organization's engagement is aligned with global environmental treaties or policy goal	Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation
• Yes, and they have changed their position	i) POSITION OF THE ASSOCIATION: The Chamber (USCC) supports U.S. participation in the Paris Agreement. It calls on policymakers to rise to the challenge of climate change by leveraging business leadership and expertise, America's energy edge, and ability to innovate. USCC believes that an effective climate policy should leverage the power of business, maintain U.S. leadership in climate science, embrace technology and innovation to manage climate risks and reduce GHG emissions, aggressively pursue greater energy efficiency, promote climate resilient infrastructure, support trade in U.S. climate technologies and products, and encourage international cooperation. ii) CONSISTENCY: Two key criteria were used to gauge scope for alignment, with related sub-criteria for consideration: 1. Explicitly publicly support alignment with the Paris Agreement (or not) 2. Does not contravene relevant policies that Bayer has For further details regarding sub-criteria please see C-FI and the full report. The next review takes place in Q4/2023. **The positions of the Chamber and Bayer are PREDOMINANTLY ALIGNED. Material misalignment exists in 1.2 and partial misalignment in 2.3.** There are some noticeable changes in the position and communication of the association, such as a stronger focus on reducing greenhouse gas emissions at the	450,000	Besides interests in general industry topics such as innovation and trade we are also participating in the U.S. Chamber of commerce for special topics such as US China engagements, sustainability, data protection and regulatory coherence. Annual funding amouts to ca USD 500,000.	• Yes, we have evaluated, and it is aligned	• Paris Agreement

	pace of innovation like renewables, hydrogen, carbon capture and removal among others, that are seen as enormous opportunities. However, the U.S. Chamber still does not publicly support the net zero target. Bayer position: Bayer supports a just approach to the transition to net zero; however, delaying actions that will enforce reductions of GHG emissions risks missing the crucial deadlines outlined in the Paris Agreement. Bayer's position is that enforcement measures, as well as voluntary reductions and technological innovations can all play a role in the transition to a net zero world. iii) ATTEMPT TO INFLUENCE: Bayer works collaboratively with the U.S. Chamber to clarify and explain nuance around policy positions and to encourage positive steps for climate-change technologies whenever possible. In addition, we have asked them to highlight their commitment to the Paris Agreement and to create a common set of standards for companies before they offer any criticisms.				

ENG INDIRECT TRADE ASSOCIATION 4

Type of indirect engagement	Type of organization or individual	State the organization or position of individual	Trade association	Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position	Indicate whether your organization's position is consistent with the organization or individual you engage with
• Indirect engagement via a trade association	n/a	n/a	North America • Other trade association in North America, please specify: CropLife America	• Climate change	• Mixed

Indicate whether your organization attempten to influenc the organization or individual's position in the reporting year	Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position	Funding figure your organization provided to this organization or individual in the reporting year, (currency)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment	Indicate if you have you evaluated whether your organization's engagement is aligned with global environmental treaties or policy goal	Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation
• Yes, and they have changed their position	i) POSITION OF THE ASSOCIATION: CropLife America (CLA) supports environmental policies that are based on sound science, best practices and maintain farmers and companies' competitive advantage. CLA has no	1,300,000	We are part of the association since CLA is one of the main agricultural associations	• Yes, we have evaluated, and it is aligned	Paris Agreement

	official position but supports the science behind climate change and the role of agriculture and plant science to reduce emissions and build climate resiliency. ii) CONSISTENCY: In 2023 Bayer published an Industry Association Climate Review. This report compares the climate policy positions of our industry associations with our own climate goals. As our industry associations represent us in the public debate, we disclose where we agree with these positions and where they diverge from ours. Two key criteria were used to gauge scope for alignment, with related sub-criteria for consideration: 1. Explicitly publicly support alignment with the Paris Agreement (or not) 2. Does not contravene relevant policies that Bayer has For further details regarding sub-criteria please see the full report. **The positions of CLA and Bayer are PREDOMINANTLY ALIGNED. Partial misalignment exists in criteria 1.1., 1.2. and 2.1.** iii) ATTEMPT TO INFLUENCE: Instances of misalignment between Bayer's climate policy positions and those of an association identified in our assessment will make that organization a priority for Bayer to engage with. In this process of engagement Bayer will examine and understand differences in the policy positions. Furthermore, Bayer will seek to take a more active role to influence a change in policy at the association. Bayer is involved with CropLife America on issues important to the crop industry, including climate change. The President of North America Crop Science serves as Board Member of CropLife America.		in America which represents the industry interests towards politicians, authorities, and other relevant stakeholders. Furthermore, it offers a platform for best practice sharing within the industry. Annual funding in EUR amounts to ca EUR 1.3 million.		

ENG INDIRECT TRADE ASSOCIATION 5

Type of indirect engagement	Type of organization or individual	State the organization or position of individual	Trade association	Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position	Indicate whether your organization's position is consistent with the organization or individual you engage with

• Indirect engagement via a trade association	n/a	n/a	Europe • Other trade association in Europe, please specify: Agrofarma (Italy)	• Climate change	• Mixed

Indicate whether your organization attempten to influenc the organization or individual's position in the reporting year	Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position	Funding figure your organization provided to this organization or individual in the reporting year, (currency)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment	Indicate if you have you evaluated whether your organization's engagement is aligned with global environmental treaties or policy goal	Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation
• Yes, and they have changed their position	i) POSITION OF THE ASSOCIATION: While the association understands the need to reduce the environmental impact of industry practices and the necessity of policy changes with respect to this issue it showed in the past no explicit commitment or positions to climate goals but changed that in regards to most of relevant criteria. ii) CONSISTENCY: Two key criteria were used to gauge scope for alignment, with related sub-criteria for consideration: 1. Explicitly publicly support alignment with the Paris Agreement (or not) 2. Does not contravene relevant policies that Bayer has For further details regarding sub-criteria please see the full report. **The positions of Agrofarma and Bayer are PREDOMINANTLY ALIGNED. Partial misalignment exists in criteria 1.1.** Details on partial misalignment 1.1: Association position in 2021: The association acknowledges the fight against climate change and the reduction of GHG emissions, they do emphasize the relevancy of the industry's competitiveness regarding possible legislation. Bayer position: As a science-based company, Bayer has recognized the risks posed by global climate change. We aim to continuously reduce GHG emissions within our company and along our entire value chain in accordance with the UN SDGs and the Paris Agreement to limit global warming to 1.5 degrees Celsius. We are dedicated to supporting and enabling a climate policy that is in harmony with our ambitious climate targets	176,000	The value of ca EUR 176,000 in the funding represents an approximation of the membership fees. We are participating in the association because Agrofarma is the main association representing the producers of crop protection products in Italy.	• Yes, we have evaluated, and it is aligned	• Paris Agreement

	and therefore advocate for decarbonization measures in line with meeting the goals of the Paris Agreement. This means we seek to actively support regulatory frameworks and policy initiatives that both promote innovative low carbon and carbon neutral products, processes, value chains and business models, and strengthen industry competitiveness. iii) ATTEMPT TO INFLUENCE: Instances of misalignment between Bayer's climate policy positions and those of an association identified in our assessment will make that organization a priority for Bayer to engage with. Bayer will seek to take a more active role to influence a change in policy at the association. To further increase our opportunities to drive change, the country's business leader for Bayer Crop Science has assumed the role of Vice President of Agrofarma in 2022, which allowed us to provide a more leading role within both associations to increase awareness and advocacy for climate-friendly policies.				

ENG INDIRECT TRADE ASSOCIATION 6

Type of indirect engagement	Type of organization or individual	State the organization or position of individual	Trade association	Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position	Indicate whether your organization's position is consistent with the organization or individual you engage with
• Indirect engagement via a trade association	n/a	n/a	South America • Other trade association in South America, please specify: AmCham Mexico	• Climate change	• Mixed

Indicate whether your organization attempten to influenc the organization or individual's position in the reporting year	Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position	Funding figure your organization provided to this organization or individual in the reporting year, (currency)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment	Indicate if you have you evaluated whether your organization's engagement is aligned with global environmental treaties or policy goal	Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation
• Yes, and they have changed their position	i) POSITION OF THE ASSOCIATION: The association acknowledges climate goals, however mostly for competitiveness reasons rather than to advocate for climate. ii) CONSISTENCY:	160	The value in the funding represents an approximation of the membership fees (ca 3,000 Peso).	• Yes, we have evaluated, and it is aligned	• Paris Agreement

	In 2023 Bayer published an Industry Association Climate Review. This report compares the climate policy positions of our industry associations with our own climate goals. As our industry associations represent us in the public debate, we disclose where we agree with these positions and where they diverge from ours. Two key criteria were used to gauge scope for alignment, with related sub-criteria for consideration: 1. Explicitly publicly support alignment with the Paris Agreement (or not) 2. Does not contravene relevant policies that Bayer has For further details regarding sub-criteria please see the full report. **The positions of AmCham and Bayer are PARTIALLY MISALIGNED. Partial misalignment exists in criteria 1.1., 1.3., 2.1. and 2.3.** Details on partial misalignment 1.1: AmCham is supportive of Paris agreement but mostly uses it as an argument to ensure competitiveness between public and private sector rather than to advocate for climate. Bayer position: As a science-based company, Bayer has recognized the risks posed by global climate change. We aim to continuously reduce GHG emissions within our company and along our entire value chain in accordance with the UN SDGs and the Paris Agreement to limit global warming to 1.5 degrees Celsius. We are dedicated to supporting and enabling a climate policy that is in harmony with our ambitious climate targets and therefore advocate for decarbonization measures in line with meeting the goals of the Paris Agreement. This means we seek to actively support regulatory frameworks and policy initiatives that both promote innovative low carbon and carbon neutral products, processes, value chains and business models, and strengthen industry competitiveness. iii) ATTEMPT TO INFLUENCE: Instances of misalignment between Bayer's climate policy positions and those of an association identified in our assessment will make that organization a priority for Bayer to engage with. In this process of engagement Bayer will examine and understand differences in the policy positions. Furthermore, Bayer will seek to take a more active role to influence a change in policy at the association.		We are participating in the association as it gives us a lot of interactions with other companies related to agriculture and pharma as well as sustainability objectives in the country. There are a lot of companies that, even though their corporate offices are in other countries, participate in this chamber, as long as they have offices in the USA which allows industry exchanges.		

ENG INDIRECT TRADE ASSOCIATION 7

Type of indirect engagement	Type of organization or individual	State the organization or position of individual	Trade association	Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position	Indicate whether your organization's position is consistent with the organization or individual you engage with
• Indirect engagement via a trade association	*n/a*	*n/a*	Asia and Pacific • Federation of Indian Chambers of Commerce and Industry (FICCI)	• Climate change	• Mixed

Indicate whether your organization attempten to influenc the organization or individual's position in the reporting year	Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position	Funding figure your organization provided to this organization or individual in the reporting year, (currency)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment	Indicate if you have you evaluated whether your organization's engagement is aligned with global environmental treaties or policy goal	Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation
• Yes, and they have changed their position	i) POSITION OF THE ASSOCIATION: The association acknowledges the need of the reduction of GHG emissions, the transition to net zero and the importance of new technologies. It changed it´s reluctant position and is now supporting the goals of the Paris Agreement. ii) CONSISTENCY: Two key criteria were used to gauge scope for alignment, with related sub-criteria for consideration: 1. Explicitly publicly support alignment with the Paris Agreement (or not) 2. Does not contravene relevant policies that Bayer has For further details regarding sub-criteria please the full report. **The positions of FICCI and Bayer are PREDOMINANTLY ALIGNED. Partial misalignments exist in criteria 2.3.** As a science-based company, Bayer has recognized the risks posed by global climate change. We aim to continuously reduce GHG emissions within our company and along our entire value chain in accordance with the UN SDGs and the Paris Agreement to limit global warming to 1.5 degrees Celsius. We are dedicated to supporting and enabling a climate policy that is in harmony with our ambitious climate targets and therefore advocate for decarbonization measures in line with meeting the goals of the Paris Agreement. This means we seek to actively support regulatory frameworks and policy initiatives that both promote innovative low carbon and carbon	10,000	The value in the funding of ca EUR 10,000 represents an approximation of the membership fees. We are members of this association to get access to high-level dignitaries in order to engage in the political process. Furthermore, it is a platform that allows industry exchange, collaboration and thought leadership.	• Yes, we have evaluated, and it is aligned	• Paris Agreement

	neutral products, processes, value chains and business models, and strengthen industry competitiveness. iii) ATTEMPT TO INFLUENCE: Instances of misalignment between Bayer's climate policy positions and those of an association identified in our assessment will make that organization a priority for Bayer to engage with. In this process of engagement Bayer will examine and understand differences in the policy positions. Furthermore, Bayer will seek to take a more active role to influence a change in policy at the association. To further increase our opportunities to drive change, Bayer has recently increased its engagement in FICCI's environment sub-committee.				

ENG INDIRECT OTHER 1

Type of indirect engagement	Type of organization or individual	State the organization or position of individual	Trade association	Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position	Indicate whether your organization's position is consistent with the organization or individual you engage with
• Indirect engagement via other intermediary organization or individual	• Private Company	POLITICO, a global nonpartisan politics and policy news organization, launched in Europe in April 2015. POLITICO Europe is a subsidiary of Axel Springer SE.	n/a	• Climate change • Forests	• Consistent

Indicate whether your organization attempten to influenc the organization or individual's position in the reporting year	Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position	Funding figure your organization provided to this organization or individual in the reporting year, (currency)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment	Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goal	Global environmental treaties or policy goals aligned with your organization's engagement on policy, law or regulation
• No, we did not attempt to influence their position	We sponsored or co-organized jointly with POLITICO Europe events and media content (videos, photo essay). As sponsored content is produced by an advertiser or POLITICO's commercial department with no input from POLITICO journalists, it is not a POLITICO editorial product, and Bayer has full control over the content. To our knowledge,	300,000	We sponsored or co-organized jointly with POLITICO Europe events and media content (videos, photo essay). Annual sponsoring amounts to ca EUR 300,000. As the world faces mounting crises – climate change, lack of food availability, energy security, biodiversity loss, water shortages – Bayer wants to show how innovation & innovators are helping to tackle these challenges and shaping a better future for people and planet.	• Yes, we have evaluated, and it is aligned	• Paris Agreement • Kunming-Montreal Global Biodiversity Framework • Another global environmental treaty or policy goal: please specify: EU Green Deal goals

	POLITICO does not have an explicit position on CLIMATE CHANGE or FORESTS and Bayer has full control over the content published. Therefore, we chose “consistent” in column 6.		Developed content and events can be found at https://www.politico.eu/sponsored-content/drive-sustainable-progress-hub.		

ENG INDIRECT OTHER 2

Type of indirect engagement	Type of organization or individual	State the organization or position of individual	Trade association	Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position	Indicate whether your organization's position is consistent with the organization or individual you engage with
• Indirect engagement via other intermediary organization or individual	• Other, please specify: business network founded on the initiative of the Federation of German Industries	econsense - a German business network founded on the initiative of the Federation of German Industries with the goal to provide a dialogue platform and think tank to advance sustainable development in business	n/a	• Climate change • Forests	• Consistent

Indicate whether your organization attempten to influenc the organization or individual’s position in the reporting year	Describe how your organization’s position is consistent with or differs from the organization or individual’s position, and any actions taken to influence their position	Funding figure your organization provided to this organization or individual in the reporting year, (currency)	Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment	Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goal	Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

• Yes, we publicly promoted their current position	Bayer actively contributes to the work, participating in the econsense clusters Climate, nature/biodiversity and human rights, to promote sustainability in the business community and enable best-practice sharing for a dialogue with stakeholders in politics, science and business. Policy-related focus topics were the analysis of the European Green Deal and the German Climate Protection Law, the implementation of TCFD recommendations, particularly, scenario analysis, and the development of science-based targets. Econsence also points out the importance of BIODIVERSITY. After the global community has adopted the Global Biodiversity Framework (GBF) at the biodiversity conference in Kunming and Montreal at the end of 2022, it is now up to both states and corporates to contribute to nature protection. Companies are asked to analyze, assess and report on their dependencies, impacts, risks and opportunities related to nature loss – not just by regulation, but increasingly also by investors and civil society. At the moment, we are witnessing the formation of an ecosystem of initiatives, standards, providers and tools such as the Taskforce on Nature-Related Financial Disclosure (TNFD) or the Science-Based Targets Network (SBTN).	20,500	Bayer is an active member of econsense. Focus topics were the analysis of the European Green Deal and the German Climate Protection Law, the implementation of TCFD recommendations, particularly, scenario analysis, and the development of science-based targets. The disclosed figure of ca EUR 20,500 is an approximate value.	• Yes, we have evaluated, and it is aligned	• Paris Agreement • Kunming-Montreal Global Biodiversity Framework

4.12 Have you published information about your organization's response to environmental issues for this reporting year in places other than in your CDP response?

- Yes

4.12.1 Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Publication	Standard or framework the report is in line with	Environmental issues covered in publication	Status of the publication	Content elements	Page/Section reference	Attach the relevant publication	Comment
• In mainstream reports, in line with environmental disclosure standards or frameworks	• GRI • IFRS • TCFD	• Climate change • Forests • Water • Biodiversity	• Complete	• Content of environmental policies • Governance • Dependencies & Impacts • Risks & Opportunities • Strategy • Value chain engagement • Emissions figures • Emission targets • Water accounting figures	Chapter 1.8 of Bayer's Annual report 2023 (p. 63-74) includes Bayer's GHG EMISSIONS PERFORMANCE, ENERGY CONSUMPTION, WATER ACCOUNTING FIGURES, and VALUE CHAIN ENGAGEMENT related to REFORESTATION and FOREST conservation projects. Bayer's Combined Management Report (p. 33-34) includes a description of our sustainability strategy and governance incl. climate related DEPENDENCIES & IMPACTS and our EMISSION TARGETS. On pages 101-116, relevant RISKS and OPPORTUNITIES are reported.	Bayer Annual Report 2023	Bayer's Annual Report includes descriptions of our sustainability approach. This is integrated in Bayer's Management Report and verified by Deloitte as part of the assurance process of Bayer's Annual Report 2023. The sustainability information integrated in the report includes the content elements described in column 5.
• In voluntary sustainability reports	• N/A	• Climate change • Forests • Water • Biodiversity	• Complete	• Content of environmental policies • Governance • Public policy engagement • Dependencies & Impacts • Risks & Opportunities • Strategy • Value chain engagement • Emissions figures • Emission targets • Commodity volumes • Water accounting figures • Water pollution indicators • Other, please specify: Environmental incidents	P. 5-19: sustainability STRATEGY incl. DECARBONIZATION targets, WATER STEWARDSHIP P. 20: Sustainability GOVERNANCE (P. 123-135: GHG EMISSIONS TARGETS, PERFORMANCE and response to CLIMATE CHANGE. P. 128ff: Climate-related RISKS AND OPPORTUNITIES P. 136-144: WATER ACCOUNTING FIGURES, WATER POLLUTION INDICATORS and ENVIRONMENTAL INCIDENTS P. 52: VALUE CHAIN ENGAGEMENT regarding FOREST preservation. P.77-81: DEPENDENCIES AND IMPACTS related to biodiversity and our ENVIRONMENTAL POLICY for FORESTS	Bayer Sustainability Report 2023	With the Sustainability Report, Bayer aims to provide transparent and in-depth insights into both its sustainability strategy and its sustainability performance. The report supplements the non-financial statement pursuant to the CSR Directive Implementation Act (CSR-RUG) that is published in the combined management report of the Annual Report 2023. This Sustainability Report is verified by Deloitte with limited assurance.

• In voluntary sustainability reports	• N/A	• Climate change • Forests • Water • Biodiversity	• Complete	• Content of environmental policies • Governance • Public policy engagement • Dependencies & Impacts • Risks & Opportunities • Strategy • Value chain engagement • Emissions figures • Emission targets • Water accounting figures • Water pollution indicators	The Bayer's Crop Science Sustainability Progress Report discloses on CLIMATE CHANGE: P. 61ff. measures and solutions to achieve our TARGET to reduce GHG of crop production by 30% by 2030 BIODIVERSITY and FORESTS: P. 87-97: DPENDENCIES & IMPACTS, RISKS AND OPPORTUNITIES, VALUE CHAIN ENGAGEMENT and our progress to Biodiversity and FOREST PROTECTION WATER: P. 98-111: CONTENT OF OUR WATER POLICY and our efforts to reduce water consumption and improve water efficiency in Agriculture	BAYER CROP SCIENCE SUSTAINABILITY PROGRESS REPORT 2023	The Crop Science Sustainability Progress Report complements our annual Bayer Sustainability Report. It focuses on the Crop Science division's specific contributions toward shaping a sustainable future for agriculture. While climate change is a huge concern for our world – and with farmers on the front lines – agriculture impacts our environment in other ways too, such as contributing to biodiversity decline, excessive water use and pollution, as well as health and safety issues. These diverse challenges form the basis for our sustainability focus areas – each of which is the theme of a dedicated chapter in the report. The Progress Report underscores our commitment to transparency, partnership and dialogue.
• Other, please specify: Sustainability Website https://www.bayer.com/en/sustainability/climate-protection	• N/A	• Climate change • Forests • Water • Biodiversity	• Complete	• Content of environmental policies • Governance • Public policy engagement • Dependencies & Impacts • Risks & Opportunities • Strategy • Value chain engagement • Emissions figures • Emission targets	On our Sustainability Websites, Bayer discloses information on STRATEGY, TARGETS, IMPACTS, GOVERNANCE and POLICIES regarding CLIMATE PROTECTION, WATER STEWARDSHIP, BIODIVERSITY and FOREST-related issues. For all environmental issues, a separate Document is attached.	<pdf printout of the website>	With the Sustainability Website, Bayer aims to provide transparent and in-depth insights into both its sustainability strategy and its sustainability performance. The website supplements the non-financial reporting in our Annual Report and the Sustainability Report. The website is used to communicate updates on our sustainability activities swiftly.

Module 5 - Business strategy

5.1 Does your organization use scenario analysis to identify environmental outcomes?

Environmental issue	Use of scenario analysis	Frequency of analysis	Primary reason why your organization has not used scenario analysis	Explain why your organization has not used scenario analysis
Climate change	• Yes	• Annually	n/a	n/a
Forests	• No, and we do not plan to within the next two years	• N/A	• Not an immediate strategic priority	While Bayer is not a forest holder, we are deeply committed to environmental sustainability and responsible resource management. The development of a forest-specific scenario analysis has not yet been prioritized. This is primarily because our current sustainability efforts are concentrated on areas where we have identified the most significant opportunities for impact, based on our business operations and the needs of our stakeholders. Nonetheless, we assess impact of climate for our upstream value chain.
Water	• Yes	• Annually	n/a	n/a

5.1.1 Provide details of the scenarios used in your organization's scenario analysis.

1: Climate change

Environmental issue this scenario has been used to analyze	Scenario used	Scenario used SSPs used in conjunction with scenario	Approach to scenario	Scenario coverage	Risk types considered in scenario	Temperature alignment of scenario
Climate change	Climate transition scenarios • IEA NZE 2050	• N/A	• Qualitative and quantitative	• Organization-wide	• Acute physical • Chronic physical • Policy • Market • Technology	• 1.5°C or lower
Climate change	Physical climate scenarios • Customized publicly available climate physical scenario, please specify: IPPC	• N/A	• Qualitative and quantitative	• Organization-wide	• Acute physical • Chronic physical • Policy • Market • Technology	• 3.5ºC - 3.9ºC

		AR6, WBCSD model, NGFs scenarios and IEA NZE 2050, IEA B2DS, IEA 2DS, IEA 450, IEA SDS					

Reference year	Timeframes covered	Driving forces in scenario	Assumptions, uncertainties and constraints in scenario	Rationale for choice of scenario
2021	• 2025 • 2030 • 2040 • 2050 • 2060 • 2070 • 2080 • 2090 • 2100	Local ecosystem asset interactions, dependencies and impacts • Changes to the state of nature • Climate change (one of five drivers of nature change) Finance and insurance • Other finance and insurance driving forces, please specify: commodity prices, carbon pricing and taxation Stakeholder and customer demands • Consumer sentiment • Consumer attention to impact Regulators, legal and policy regimes • Global regulation • Political impact of science (from galvanizing to paralyzing) • Level of action (from local to global)	i) IDENTIFICATION OF SCENARIO: We have chosen to build on the Assessment Report 6 of the IPCC, especially the "Green Road" SSP1-1.9. In addition to the AR6, we have included various sources like the WBCSD model, NGFS and IEA scenarios for transitional risks. This scenario is marked by the rapid implementation of ambitious and globally coordinated climate-related laws and rules that can also include transformational requirements and new regulations for companies in the short term. The rapid reduction in GHG emissions leads to less severe weather- and climate-related effects. ii) PARAMETERS AND KEY ASSUMPTIONS: - Average mean temperature rise by 1.6°C between 2041-2060; 2081--2100: 1.4°C (best estimate). - Full decarbonization by 2050 (reduction of 90% CO2e compared to 2019). Carbon capture with high permanency at competitive cost and at scale available in 2040. - High transitional impacts across the world leading to a higher pressure to change and innovate business towards a net zero society. - Lower physical impacts. - Quick technological advances incl. hydrogen and electrification, energy demand increases by 4 times. - Fast growth of alternative fuels. First generation biofuels act as transition technology. - Population growth reaches 8.5 billion by 2050. Focus on SDGs, inequality is reduced and emphasis on human well-being. - Food systems move on accelerated path towards low-GHG emission systems incl. changes in animal feedstock, lower food waste and changing diets. - Full circularity, less resource intensive consumption. iii) ANALYTICAL CHOICES: Climate change already today has an impact on our business and our value chains. We have identified 10 climate impact drivers of materiality for Bayer and prepared deep dive materials to evaluate impact and relevance: - Transitional: 1) laws, regulations, policies, 2) carbon taxation/pricing, carbon border adjustments & offsetting, 3)	RATIONALE: GREEN ROAD (SSP1-1.9): The scenario was selected BECAUSE it shows high transitional impacts for us and in the business areas where we are active. ROCKY ROAD (SSP3-7.0): The scenario was selected BECAUSE it assesses physical risks and regional differences, as we assume that countries/regions develop differently, which are relevant for us and the business areas where we are active. For both scenarios we project similar physical impacts until 2040. FOCAL QUESTIONS: With both scenarios we wanted to understand the transition, acute physical and chronic physical impacts, which might result in risks and opportunities for Bayer. Climate change already today has an impact on our business and our value chains. We have identified 10 different climate impact drivers of materiality for Bayer and prepared deep dive materials to evaluate impact and relevance. The goal of the analysis is to identify the relevance and change potential as pertains to Bayer and our fields of business and to determine further activities. TRANSITION IMPACT DRIVERS: 1) laws, regulations, policies: change in regulations covering the food and health sector, e.g., increased food chain policies, product registrations 2) carbon taxation/pricing, carbon border adjustments & offsetting: change in carbon pricing, taxation of carbon and tariffs for different regions 3) agricultural innovation and practices to mitigate climate risks 4) commodity prices: change in commodity prices due to regulations and/or climate change impacts 5) end customer, costumer & markets: changing consumer preferences and change in sales due to new/lost customers as a result of change in the environmental performance or change of the environment as such, increased legislative and economic pressures for customers/farmers/ distributors 6) food security: due to growing population agriculture will need to transition to systems that are more productive, use inputs more

		Relevant technology and science ● Other relevant technology and science driving forces, please specify: agricultural innovation	agricultural innovation and practices, 4) commodity prices, 5) end customer, costumer & markets, 6) food security - Acute physical: 7) extreme weather events - Chronic physical: 8) permanent water cycle, 9) diseases, 10) temperature Example: we have described regulations to be introduced to decarbonize agricultural value chains incl. behaviour change, waste streams and agricultural methods. We go beyond the customary ERM time horizons and instead apply the following: short-term (2023–2025), mid-term (2026–2035), long-term (2036–2050).	efficiently, and are more resilient to risks, shocks and long-term climate variability ACUTE PHYSICAL: 7) extreme weather events: increased frequency and severity of hurricanes, floods, tornadoes, extreme precipitation, extreme wind, hail, dust storms, heat waves, fire CHRONIC: 8) permanent water cycle: impacts on the water cycle incl. changes in precipitation patterns, water scarcity and droughts 9) diseases: changes in disease distribution (crop and vector-borne diseases) 10) temperature: rising mean temperatures
2021	● 2025 ● 2030 ● 2040 ● 2050 ● 2060 ● 2070 ● 2080 ● 2090 ● 2100	Local ecosystem asset interactions, dependencies and impacts ● Changes to the state of nature ● Climate change (one of five drivers of nature change) Finance and insurance ● Other finance and insurance driving forces, please specify: commodity prices, carbon pricing and taxation Stakeholder and customer demands ● Consumer sentiment ● Consumer attention to impact Regulators, legal and policy regimes ● Global regulation ● Level of action (from local to global)	i) IDENTIFICATION OF SCENARIO: We have chosen to build on the Assessment Report 6 of the IPCC, especially the “Rocky Road” SSP3-7.0. The selected scenario assesses physical risks and regional differences, as we assume that countries/regions develop differently. In this scenario, we expect less ambitious laws and provisions that vary widely from one region to another. That leads to a slower pace of emissions reduction and thus more intensive weather- and climate-related changes in all regions of the world. The varying levels of ambition also lead to additional trade barriers that can be manifested in measures such as a Carbon Border Adjustment Mechanism (CBAM). ii) PARAMETERS AND KEY ASSUMPTIONS WITH MATERIAL IMPACT: - Average mean temperature increase between 2041 and 2060: 2.1°C; in 2100: 3.6°C (best estimate). - Significant amount of GHG are still emitted into the atmosphere. - No-additional-climate-policy scenario; lower and regional different transitional impacts (governments partially fail to introduce strict policies). - High physical impacts (increased acute and chronic physical changes with knock on effects). - Innovation continues as today. Lack of push and additional investments for fast adaptation of green innovative technology. - High population growth (10 billion by 2050), inequalities persist or worsen over time. - Unequal food security on current levels of diets, low-GHG emission food systems only partially implemented. - Limited circularity improvements, resource intensive consumption continues to significant extent. iii) ANALYTICAL CHOICES:	RATIONALE: GREEN ROAD (SSP1-1.9): The scenario was selected BECAUSE it shows high transitional impacts for us and in the business areas where we are active. ROCKY ROAD (SSP3-7.0): The scenario was selected BECAUSE it assesses physical risks and regional differences, as we assume that countries/regions develop differently, which are relevant for us and the business areas where we are active. For both scenarios we project similar physical impacts until 2040. FOCAL QUESTIONS: With both scenarios we wanted to understand the transition, acute physical and chronic physical impacts, which might result in risks and opportunities for Bayer. Climate change already today has an impact on our business and our value chains. We have identified 10 different climate impact drivers of materiality for Bayer and prepared deep dive materials to evaluate impact and relevance. The goal of the analysis is to identify the relevance and change potential as pertains to Bayer and our fields of business and to determine further activities. TRANSITION IMPACT DRIVERS: 1) laws, regulations, policies: change in regulations covering the food and health sector, e.g., increased food chain policies, product registrations 2) carbon taxation/pricing, carbon border adjustments & offsetting: change in carbon pricing, taxation of carbon and tariffs for different regions 3) agricultural innovation and practices to mitigate climate risks 4) commodity prices: change in commodity prices due to regulations and/or climate change impacts 5) end customer, costumer & markets: changing consumer preferences and change in sales due to new/lost customers as a

		Relevant technology and science • Other relevant technology and science driving forces, please specify: agricultural innovation	Climate change already today has an impact on our business and our value chains. We have identified 10 different climate impact drivers of materiality for Bayer and prepared deep dive materials to evaluate impact and relevance: - Transitional: 1) laws, regulations, policies, 2) carbon taxation/pricing, carbon border adjustments & offsetting, 3) agricultural innovation and practices, 4) commodity prices, 5) end customer, costumer & markets, 6) food security - Acute physical: 7) extreme weather events - Chronic physical: 8) permanent water cycle, 9) diseases, 10) temperature Example: we use water scarcity models to see how water cycles change at our sites but also at our customers to generate actionable insights. We go beyond the customary Enterprise Risk Management time horizons and instead apply the following: short-term (2023–2025), mid-term (2026–2035), long-term (2036–2050).	result of change in the environmental performance or change of the environment as such, increased legislative and economic pressures for customers/farmers/ distributors 6) food security: due to growing population agriculture will need to transition to systems that are more productive, use inputs more efficiently, and are more resilient to risks, shocks and long-term climate variability ACUTE PHYSICAL: 7) extreme weather events: increased frequency and severity of hurricanes, floods, tornadoes, extreme precipitation, extreme wind, hail, dust storms, heat waves, fire CHRONIC: 8) permanent water cycle: impacts on the water cycle incl. changes in precipitation patterns, water scarcity and droughts 9) diseases: changes in disease distribution (crop and vector-borne diseases) 10) temperature: rising mean temperatures

2: Water

Environmental issue this scenario has been used to analyze	Scenario used	Scenario used SSPs used in conjunction with scenario	Approach to scenario	Scenario coverage	Risk types considered in scenario	Temperature alignment of scenario
Water	Water scenarios • WRI Aqueduct	• N/A	• Qualitative and quantitative	• Organization-wide	• Acute physical • Chronic physical	• N/A
Water	Water scenarios • Customized publicly available water scenario, please specify: IPPC AR6, WWF Water Risk Filter, WBCSD scenarios	• N/A	• Qualitative and quantitative	• Organization-wide	• Acute physical • Chronic physical	• N/A

Reference year	Timeframes covered	Driving forces in scenario	Assumptions, uncertainties and constraints in scenario	Rationale for choice of scenario
2021	• 2025 • 2030 • 2040 • 2050	Local ecosystem asset interactions,	Climate change will further exacerbate the problem of water scarcity in various regions of the Earth. 1) We have chosen to build on the Assessment Report 6 of the IPCC, the “Green Road” SSP1-1.9 and the “Rocky Road” SSP3-7.0. The selected scenarios show on one hand high transitional impacts relevant for us and on the other side high	Climate change will further exacerbate the problem of water scarcity in various regions of the Earth in the future. To avert future and current risks for our sites and the local communities, we met our goal in 2023 of

	• 2060 • 2070 • 2080 • 2090 • 2100	dependencies and impacts • Changes to the state of nature • Number of ecosystems impacted • Climate change (one of five drivers of nature change)	physical impacts. 2) Furthermore, we used the Aqueduct Water Risk Atlas to identify all our sites that are located in areas threatened by water scarcity by 2030. 3) We have developed agriculture- and forestry-specific scenario descriptions together with a WBCSD working group. PARAMETERS AND KEY ASSUMPTIONS: Rocky Road assumes an average global temperature rise of around 2.1°C between 2041 and 2060, and a likely rise of 3.6°C between 2081 and 2100. We expect less ambitious laws and provisions that vary widely from one region to another. That leads to a slower pace of emissions reduction and thus more intensive weather- and climate-related changes in all regions of the world. ANALYTICAL CHOICES: Climate change already today has an impact on our business and our value chains. We have identified 10 different climate impact drivers of materiality for Bayer and evaluated impact and relevance: - Transitional: 1) laws, regulations, policies, 2) carbon taxation/pricing, carbon border adjustments & offsetting, 3) agricultural innovation and practices, 4) commodity prices, 5) end customer, costumer & markets, 6) food security - Acute physical: 7) extreme weather events - Chronic physical: 8) permanent water cycle, 9) diseases, 10) temperature Example: we use water scarcity models to see how water cycles change at our and our customer sites to generate actionable insights. Climate change will manifest in a changing water cycle, with high impact on agriculture. Therefore, we have rated the impacts on water both acute and chronic as high. We used the Aqueduct Water Risk Atlas to identify all our sites that are located in areas threatened by water scarcity by 2030. We apply following time horizons: short-term (2021–2025), mid-term (2026–2035), long-term (2036–2050).	establishing suitable water management systems at all relevant sites that will be threatened by water scarcity by 2030. We identify such sites using the base scenario of the World Resources Institute (WRI). Climate change is already affecting water access for people around the world, causing more severe droughts, impacting food security, precipitation and surface water flows projected to become more variable over most land regions within seasons. We identified 10 different climate impact drivers of materiality for Bayer and prepared deep dive materials. One of them is the PERMANENT WATER CYCLE: Impacts on the water cycle incl. changes in precipitation patterns & water scarcity and droughts. Water and temperature changes are the core of climate impacts for the agricultural sector. The long-term natural and physical effects of climate change will impact particularly the permanent water cycle (for example through a transition to a wetter or a drier climate or a delay in the monsoon season), the spread of diseases or insect pests, and further coupling effects of temperature changes. Already today and increasingly in the next years we will experience the physical impacts. The impact of water cycle is higher in the Rocky Road scenario both due to higher temperature increase and stronger impacts on the water cycle as well as due to stronger conflicts around water usage. To inform our decision making and our capacity to develop innovative products, we are setting up our own climate models. Outcomes of these models are directly integrated into decision making, strategies and development of new products, e.g. direct seeded rice, a cropping system that not only reduces water requirements but also optimizes GHG emissions.
2021	• 2025 • 2030 • 2040 • 2050 • 2060 • 2070 • 2080 • 2090 • 2100	Local ecosystem asset interactions, dependencies and impacts • Changes to the state of nature • Number of ecosystems impacted	Climate change will further exacerbate the problem of water scarcity in various regions of the Earth. 1) We have chosen to build on the Assessment Report 6 of the IPCC, the “Green Road” SSP1-1.9 and the “Rocky Road” SSP3-7.0. The selected scenarios show on one hand high transitional impacts relevant for us and on the other side high physical impacts. 2) Furthermore, we used the Aqueduct Water Risk Atlas to identify all our sites that are located in areas threatened by water scarcity by 2030. 3) We have developed agriculture- and forestry-specific scenario descriptions together with a WBCSD working group. PARAMETERS AND KEY ASSUMPTIONS:	Climate change will further exacerbate the problem of water scarcity in various regions of the Earth in the future. To avert future and current risks for our sites and the local communities, we met our goal in 2023 of establishing suitable water management systems at all relevant sites that will be threatened by water scarcity by 2030. We identify such sites using the base scenario of the World Resources Institute (WRI). Climate change is already affecting water access for people around the world, causing more severe droughts, impacting food security, precipitation and

		• Climate change (one of five drivers of nature change)	Rocky Road assumes an average global temperature rise of around 2.1°C between 2041 and 2060, and a likely rise of 3.6°C between 2081 and 2100. We expect less ambitious laws and provisions that vary widely from one region to another. That leads to a slower pace of emissions reduction and thus more intensive weather- and climate-related changes in all regions of the world. ANALYTICAL CHOICES: Climate change already today has an impact on our business and our value chains. We have identified 10 different climate impact drivers of materiality for Bayer and evaluated impact and relevance: - Transitional: 1) laws, regulations, policies, 2) carbon taxation/pricing, carbon border adjustments & offsetting, 3) agricultural innovation and practices, 4) commodity prices, 5) end customer, costumer & markets, 6) food security - Acute physical: 7) extreme weather events - Chronic physical: 8) permanent water cycle, 9) diseases, 10) temperature Example: we use water scarcity models to see how water cycles change at our and our customer sites to generate actionable insights. Climate change will manifest in a changing water cycle, with high impact on agriculture. Therefore, we have rated the impacts on water both acute and chronic as high. We used the Aqueduct Water Risk Atlas to identify all our sites that are located in areas threatened by water scarcity by 2030. We apply following time horizons: short-term (2021–2025), mid-term (2026–2035), long-term (2036–2050).	surface water flows projected to become more variable over most land regions within seasons. We identified 10 different climate impact drivers of materiality for Bayer and prepared deep dive materials. One of them is the PERMANENT WATER CYCLE: Impacts on the water cycle incl. changes in precipitation patterns & water scarcity and droughts. Water and temperature changes are the core of climate impacts for the agricultural sector. The long-term natural and physical effects of climate change will impact particularly the permanent water cycle (for example through a transition to a wetter or a drier climate or a delay in the monsoon season), the spread of diseases or insect pests, and further coupling effects of temperature changes. Already today and increasingly in the next years we will experience the physical impacts. The impact of water cycle is higher in the Rocky Road scenario both due to higher temperature increase and stronger impacts on the water cycle as well as due to stronger conflicts around water usage. To inform our decision making and our capacity to develop innovative products, we are setting up our own climate models. Outcomes of these models are directly integrated into decision making, strategies and development of new products, e.g. direct seeded rice, a cropping system that not only reduces water requirements but also optimizes GHG emissions.

5.1.2 Provide details of the outcomes of your organization's scenario analysis.

Environmental issue	Business processes influenced by your analysis of the reported scenarios	Coverage of analysis	Summarize the outcomes of the scenario analysis and any implications for other environmental issues
Climate change	• Risk and opportunities identification, assessment and management • Strategy and financial planning • Resilience of business model and strategy • Capacity building • Target setting and transition planning	• Organization-wide	All our business areas are impacted by climate change resulting in opportunities and risks for Bayer, influencing strategic planning, the resilience of our business model and strategy, capacity building and target setting. HOW THE RESULTS OF OUR SCENARIO ANALYSIS INFORMED OUR RISK AND OPPORTUNITY ANALYSIS AND CORRESPONDING ACTIONS: i) TRANSITION IMPACT DRIVERS: Based on the Paris Agreement, the most important countries and regions in which Bayer operates have committed to limiting global warming by reducing their greenhouse gas (GHG) emissions. One example is the EU Green Deal, with the goal to accelerate the transition to an emissions-free future and achieve climate neutrality by 2050. The EU is expected to further increase costs for the emission of GHG e.g. through the EU ETS, adjust financing incentives e.g. through EU taxonomy and drive forward technological changes. China has committed to attaining net-zero emissions by 2060 and is expected to introduce further regulations. Through our strategy for decarbonization, we are reducing the risk of additional costs. We continuously analyze the effects of regulatory changes on our business. E.g. national and international CO2 reduction targets could lead to the abandonment of fossil fuels and impact the demand for fuels from biomass (biofuels). This could lead to either increased or reduced demand for biofuels. This decision could impact our sales markets, as some of our customers grow corn for the production of biofuels. As one of the world's biggest CO2 emitters, the agriculture industry can also play a key part in protecting the climate and thus mitigating climate risks – e.g. through the capture of CO2 in farmland. ii) PHYSICAL IMPACT DRIVERS Taking account of weather and climate effects is particularly important in the Crop Science Division and is included in both strategic planning and the assessment of the seasonal business risk. All climate models anticipate an increase in extreme weather conditions that present an elevated risk of crop losses and therefore also pose risks for the agricultural value chain as a whole. Despite all precautions, operations at our sites or those of our customers may be disrupted and crop failures may occur as a result of extreme weather events and natural disasters. In the IPCC forecasts, the intensity of such events varies widely from one region to the next. However, climate change can also create opportunities. Bayer's product range and innovative capability – particularly in the agricultural value chain – will create a foundation for leveraging new options and sales opportunities in the future against the background of climate change. As a seed producer, we already offer plants with increased resistance to extreme weather conditions. That includes short-stature corn that is less susceptible to storms. We also enable farmers to react better and more quickly to extreme weather conditions with our FieldView™ digital farming platform. The long-term natural and physical effects of climate change will have a particular impact on the permanent water cycle, the spread of diseases and insect pests, and further coupling effects of temperature changes. These effects will be particularly relevant for our agricultural business. We develop strategies to help farmers increase their resilience against the effects of climate change. At the same time, we want to help farmers reduce their own GHG emissions and cultivate healthy crops. As there are no uniform solutions in agriculture, farmers need numerous options from which they can select the most suitable for their fields and the prevailing local conditions. In addition, health risks such as cardiovascular disease can also intensify due to hotter summer months or more frequent heatwaves. This could create increased demand for products for cardiovascular disease or nutritional supplements. HOW RESULTS INFORM DECISIONS AND ACTIONS IN 2023: We looked at the climate-related risks and opportunities from various perspectives to integrate them into our strategy and to describe future challenges and opportunities as accurately as possible to derive short-, medium- and long-term mitigation measures. For EXAMPLE, in 2023 we decided to revise our SBTI targets. We also help to increase the resilience of our customers against the

			effects of climate change. The Crop Science Division announced a new collaboration with Oerth Bio LLC, United States at the beginning of the year. The new collaboration is aimed at developing environmentally friendly crop protection products using Oerth's PROTAC™ protein degradation technology. Furthermore, the Leaps portfolio company Pairwise Plants LLC, United States, entered into a new five-year cooperation agreement with the Crop Science Division to jointly optimize gene-edited short-stature corn.
Water	• Risk and opportunities identification, assessment and management • Strategy and financial planning • Resilience of business model and strategy • Capacity building • Target setting and transition planning	• Organization-wide	COMPANY-SPECIFIC DESCRIPTION: Climate change is already affecting water access for people around the world, causing more severe droughts, impacting food security, precipitation and surface water flows projected to become more variable over most land regions within seasons. We identified 10 different climate impact drivers of materiality for Bayer and prepared deep dive materials. One of them is the PERMANENT WATER CYCLE: Impacts on the water cycle incl. changes in precipitation patterns & water scarcity and droughts. Water and temperature changes are the core of climate impacts for the agricultural sector. The long-term natural and physical effects of climate change will impact particularly the permanent water cycle (for example through a transition to a wetter or a drier climate or a delay in the monsoon season), the spread of diseases or insect pests, and further coupling effects of temperature changes. Already today and increasingly in the next years we will experience the physical impacts. The impact of water cycle is higher in the Rocky Road both due to higher temperature increase and stronger impacts on the water cycle as well as due to stronger conflicts around water usage. These effects will become particularly relevant for our agricultural business. Due to the permanency of the challenges, risks and opportunities are balanced, as innovation can be adapted successfully. Already today we experience chronic changes in the water cycle and increased costs for water. HOW RESULTS INFORM DECISIONS AND ACTIONS: Taking account of water-related weather and climate effects is particularly important in the Crop Science Division and is included in both strategic planning and the assessment of the seasonal business risk. For EXAMPLE, to unlock the opportunity for increased sales of existing products and services, Bayer helps farmers cultivate more food for a growing population while at the same time reducing the environmental impact of agriculture. The Crop Science division by Bayer offers farmers tailored products, training and promotes water-saving cultivation systems. In 2023, we conducted a pilot study to measure the sustainability impact of the Better Life Farming (BLF) ecosystem on water, CO2 emissions, Crop Protection Environmental Impact Reduction and soil health. We are looking at 6 BLF farms and 8 non-BLF farms in Uttar Pradesh, India, to see how the solutions and trainings will impact water consumption, and the other factors listed. FINANCIAL IMPLICATIONS apply to Crop Science SALES affecting Crop Science as a whole with sales of EUR 23.27 billion in 2023 of which crop protection has a major impact with EUR 11 billion. Our offerings of products/services helping farmers to use water more efficiently are contributing to this growth.

5.2 Does your organization's strategy include a climate transition plan?

Transition plan	Publicly available climate transition plan	Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion	Description of activities included in commitment and implementation of commitment	Explain why your organization does not explicitly commit to cease all spending on and revenue generation from activities that contribute to fossil fuel expansion	Mechanism by which feedback is collected from shareholders on your transition plan	Description of feedback mechanism
Yes, we have a climate transition plan which aligns with a 1.5°C world	• Yes	• Yes	Bayer is committed to phasing out all capital expenditure in new unabated carbon intensive assets or products. Bayer AG aims to achieve a balance between immediate operational needs and long-term sustainability goals, ensuring a smooth and feasible transition towards a more sustainable future without abrupt disruptions to its business model. COMMITMENT TO SUSTAINABLE PRACTICE Bayer AG has made various commitments to sustainability, such as reducing greenhouse gas emissions and improving energy efficiency. The company emphasizes a gradual transition towards more sustainable practices rather than an abrupt cessation of all fossil fuel-related activities. REGULATORY ENVIRONMENT The economic and regulatory environment in which Bayer operates may also influence its approach. Companies often need to navigate complex regulatory landscapes and economic realities that may not allow for an immediate end to all fossil fuel-related spending TRANSITION PLAN Rather than making an explicit commitment to cease all spending on fossil fuel expansion, Bayer may prioritize long-term transition plans that involve	N/A	• We have a different feedback mechanism in place	In 2023, we engaged in intensive discussions with stakeholder groups to receive feedback on our climate transition plan: DIALOGUE WITH INVESTORS and ESG RATING AGENCIES The capital markets' increasing interest in sustainability is reflected in our dialogue with institutional investors. In 2023, we once again engaged in intensive dialogue with the capital market regarding various environmental, social and governance (ESG) issues. The focus here was on the issues of climate protection, biodiversity, safe product use particularly with regard to crop protection, corporate governance and access to medicines by people in low- and middle-income countries (LMICs). Through targeted discourse with ESG rating agencies, we aim to achieve an objective assessment of our company while also raising potential identified in this way. DIALOGUE WITH SUPPLIERS AND CONTRACTORS We participate in international initiatives and collaborations as well as we engage in major climate conferences on CLIMATE PROTECTION such as World Economic Forum (WEF) Annual Meeting in Davos, Switzerland (Zero Hunger Pledge); our participation in the Economist Sustainability Week and the Climate Week in New York, United States. DIALOGUE WITH CUSTOMERS We engage in comprehensive information programs and training on various CLIMATE PROTECTION issues with our customers. INDEPENDENT SUSTAINABILITY COUNCIL:

			phased reductions in fossil fuel use and increased investments in sustainable technologies and practices.			A major element of our intensified sustainability efforts is the independent Sustainability Council that we have established. The Sustainability Council advises the Board of Management on the further development of its business strategy as regards sustainability and with respect to what contribution R&D can make to sustainability. In addition, we have led various live discussions on socially relevant issues on LinkedIn – including in areas where Bayer is viewed critically. These discussions focused on themes such as climate change, biodiversity, water, diversity, equity and inclusion (DE&I) and sustainable economic activity.

Frequency of feedback collection	Description of key assumptions and dependencies on which the transition plan relies	Description of progress against transition plan disclosed in current or previous reporting period	Attach any relevant documents which detail your transition plan (optional)	Other environmental issues that your climate transition plan considers	Explain how the other environmental issues are considered in your climate transition plan	Primary reason for not having a climate transition plan that aligns with a 1.5°C world	Explain why your organization does not have a transition plan that aligns with a 1.5°C world
• More frequently than annually	Bayer's transition plan relies on key assumptions and dependencies that we identify within our climate scenarios. Based on the Paris Agreement, the most important countries and regions in which Bayer operates have committed to limiting global warming by reducing their GHG emissions. One example is the EU's Green Deal, with the goal to accelerate the transition to an emissions-free future and achieve climate neutrality by 2050. Also, China has committed to attaining net-zero emissions by 2060 and is therefore expected to introduce further regulations. **GREEN ROAD (SSP1-1.9)**	We have developed a net-zero roadmap to achieve our ambitious climate targets. This roadmap comprises various measures in the areas of energy and efficiency, governance and certificates. To implement our long-term climate strategy, we focus on reducing the greenhouse gas emissions associated with our operations and on strengthening the resilience of our business areas. ELECTRICITY FROM RENEWABLE ENERGIES By 2029, we intend 100% of the electricity we purchase to be derived from renewable sources. In 2023, we pressed ahead with the conversion of our Group-wide electricity procurement, and renewable energies now account for 35.4% of our total purchased elec- tricity volume (2022: 32.6%). For EXAMPLE, in 2023, we invested in photovoltaic systems or concluded long-term supply agreements with producers of electricity generated from renewable energies for sites in Australia, China, India, Mexico, Thailand and the United States.	• Bayer AG transition and transforma-tion plan • Sustainability Report 2023 • Sustainability Council Report 2023	• No other environ-mental issue considered	N/A	**n/a**	**n/a**

	The Green Road scenario assumes a rise in average global temperature compared with the preindustrial age of 1.6 °C by between 2041 and 2060. Between 2081 and 2100, the temperature is likely to have risen by 1.4 °C compared with the preindustrial age. This scenario is marked by the rapid implementation of ambitious and globally coordinated climate-related laws and rules that can also include transformational requirements and new regulations for companies in the short term. The rapid reduction in greenhouse gas emissions leads to less severe weather- and climate-related effects. In 2023, we changed our Green Road scenario from SSP1-2.6 to SSP1-1.9, to be in line with requirements from TCFD. This did not result in any relevant changes to our risks and opportunities analysis. **Rocky Road (SSP3-7.0)** The Rocky Road scenario assumes the rise in average global temperature compared with the preindustrial age to be around 2.1 °C by between 2041 and 2060, and probably 3.6 °C by between 2081 and 2100. In this scenario, we expect less ambitious laws and provisions that vary widely from one region to another. That leads to a slower pace of emissions reduction and thus more intensive weather- and climate-related changes in all regions of the world. The varying levels of ambition also lead to additional trade barriers that can be manifested in	INVESTMENT IN ENERGY EFFICIENCY AND RENEWABLE ENERGIES To achieve an absolute reduction in our remaining emissions, we intend to invest €500 million in renewable energies and in increasing the energy efficiency of our facilities and buildings by 2030. Capital expenditure projects are underway at various sites to advance the use of climate-neutral technologies such as geothermal energy or emissions-free steam production. At our site in Beijing, China, the first part (3,000 m2) of a 1MW photovoltaic system was built and connected to the grid. In 2024, we plan to build an additional 9,000 m2. FLEET By 2030, we aim for our fleet of currently around 25,000 vehicles to consist entirely of electric vehicles wherever this is technically and economically feasible. // Bayer joined the EV100 initiative of the Climate Group and has validated its activities according to the criteria of that initiative. In 2023, implementation began in 48 countries (including Germany) that account for around 81% of our vehicle fleet. Including vehicles that have already been ordered, the proportion of hybrid and electric vehicles in our fleet is approximately 18%. CLIMATE NEUTRALITY Bayer aims to achieve climate neutrality at all its own sites (comprises direct emissions [Scope 1] and indirect emissions [Scope 2, market-based] from Bayer sites whose annual energy consumption exceeds 1.5 terajoules) by 2030. By 2030, the remaining greenhouse gas emissions of our own operations will be fully offset by purchasing carbon certificates from verified climate protection projects, especially in the areas of for-est conservation and agriculture. However, our focus is on further reducing our emissions. For EXAMPLE, In 2023, we additionally supported projects that enabled more than 600,000 metric tons of greenhouse gas emissions in CO2 equivalents to be avoided or reduced. For example, we financed reforestation and forest conservation projects in Brazil, Cambodia, Indonesia, Laos, Nicaragua and Uruguay.					

	measures such as a Carbon Border Adjustment Mechanism (CBAM).						

5.3 Have environmental risks and opportunities influenced your strategy and/or financial planning?

Environmental risks and/or opportunities have affected your strategy and/or financial planning	Business areas where environmental risks and/or opportunities have affected your strategy	Primary reason why environmental risks and/or opportunities have not affected your strategy and/or financial planning	Explain why environmental risks and/or opportunities have not affected your strategy and/or financial planning
• Yes, both strategy and financial planning	• Products and services • Upstream/downstream value chain • Investment in R&D • Operations	n/a	n/a

5.3.1 Describe where and how environmental risks and opportunities have influenced your strategy.

Business area	Effect type	Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area	Description of influence
Products and services	• Risks • Opportunities	• Climate change • Forests • Water	1) CLIMATE-related mid- to long-term weather trends influence our Crop Science business and are considered when formulating crop strategies. Bayer has identified food security and climate change as two of the world's biggest megatrend challenges of our times. Leading the future of regenerative agriculture is a key strategic direction for Bayer CropScience. Regenerative Agriculture is defined by Bayer as "producing more and restoring more". Bayer is supporting food security and securing farm incomes while aiming to deliver net benefits to nature. Bayer publicly commits to: (1) minimizing the climate footprint of farming, (2) reducing the environmental impact of crop protection, (3) enabling smallholder farmers and (4) improving water use. Bayer is helping farmers to increase productivity and incomes with climate adaptation solutions. Examples include Bayers investments into: The Preceon Smart Corn System, Hybrid wheat, Direct Seeded Rice (DSR), CoverCress for Biofuels, Next gen breeding tech (NGT), Biotechnology, Nitrogen Efficiency, Biologicals, Environmental Impact Reduction of new crop protection products, Carbon farming, Digital and data solutions. 2) WATER resource considerations such as the development of drought-tolerant plant varieties are factored into new product development. For example, Bayer developed hybrid rice seeds that withstand abiotic and biotic challenges and is developing, within Direct Acres program, a rice cropping system powered by direct seeding with significant impact on reducing water use and lowering GHG emissions. 3) We have launched the global initiative "Bayer FOREST Protection" in 2023. The aim is to increase our positive impact on the agricultural chain and taking a leading role in FORESTS AND BIOMES PROTECTION. We aim to create new tools to encourage forest protection, through which we intend to establish new commercial incentives, improve our internal policies and traceability systems, and expand our participation in multi-sectoral coalitions to build collective actions. We have invested to build commercial business models through which we support growers to produce low-carbon, deforestation-free grains and create opportunities for industry to achieve their goals to either reduce or offset carbon emissions.

			As part of its Forest Protection strategy, Bayer aims for net-zero deforestation in its supply chain – and will encourage our licensees to do the same. As the most prominent example, we will ensure 100% compliance with the Brazilian Forest Code in our Brazilian production fields. As of 2023, we were able to apply and monitor 15 socio-environmental assessment parameters to the commercial soybean and corn seed supply chain. This monitoring covers 100 % of our Agroeste seed production area (Bayer direct brand) and 70 % of our own corn seed production- compared to 50 % in 2022.
Upstream/ downstream value chain	• Risks • Opportunities	• Climate change • Forests • Water	1) For Bayer, CLIMATE-related supply chain risks are low due to our sustainability-oriented supplier management, storage strategies to mitigate supply fluctuations and our diversified supplier base. Currently, there is no indication that risks due to climate change-related weather extremes increase relevantly at supplier sites. 2) From a seed production standpoint, we manage risk from DROUGHT by mainly contracting on irrigated hectares and geographical allocation by spreading production in different regions. This can also include winter production (counter season). Bayer monitors suppliers and the risk of extreme weather events which might affect them. With the help of a supply chain transparency tool, such risks are identified for individual suppliers. It provides a strong visibility of our supply network, including sub-tier suppliers and allows Bayer to get important information on its global supply chain in order to better assess its vulnerability to natural disasters and other risks. The tool enables risk assessments for each individual supplier regarding environmental, financial, safety and labor regulations. A natural disaster index indicates the risk related to extreme weather events, such as floods, cyclones or hurricanes. Through a large database of online sources, the system detects earliest indicators of company-specific risks and monitors those. Real-time alerts on potentially disrupting events as well as potentially affected materials and products allow Bayer a proactive risk assessment. 3) Through the establishment of sustainability goals, we included FOREST-RELATED ISSUES in our long-term non-financial business objectives. For instance, we set the target for ZERO NET DEFORESTATION in our supply chain – and will encourage our licensees to do the same. As the most prominent example, we will ensure 100% COMPLIANCE WITH THE BRAZILIAN FOREST CODE in our production fields. We are committed to using Bayer's expertise and technologies to support Brazil's goal of restoring twelve million hectares of native forest by 2030. Creating Value for Standing Forest After the successful pilot of our PRO Carbono Commodities program involving 10 farmers and nearly 160 k ha within the Cerrado and Amazon biomes, we were able to expand this program to the states of Minas Gerais and Mato Grosso do Sul. The goal for the second year of this collaboration with ADM is to further reduce the carbon footprint of soybean production and monitor zero deforestation. We also launched the PRO Carbono Commodities program in Argentina with agribusiness company Viterra to measure the carbon footprint of deforestation-free soybeans across one million hectares. This initiative aims to engage over 300 producers, incorporating extensive data collection, quality control, and third-party audits, ultimately rewarding sustainable soy production. To date, we have over 50 farmers registered in the program.
Investment in R&D	• Risks • Opportunities	• Climate change • Forests • Water	Our R&D is influenced by climate- and water-related opportunities: Crop Science invested significantly in climate-related R&D and is working on the marketing of climate-related solutions that help plants cope with external stress factors, e.g. flooding. In all crops where we have a breeding program, we strive to develop seeds that will perform at a high level in a variety of abiotic environments, e.g. we have been the first company in Bangladesh to introduce submergence tolerant hybrid rice seeds allowing growers to cultivate rice in flood prone areas during wet season. We have in our R&D pipeline sustainable solutions for advancing a net-zero carbon future for agriculture. Among them are substantial strategic investments in digital tools for carbon sequestration measurement and more precise planting and input application. In Biotech and Breeding we invest in next-generation herbicide-tolerant traits and germplasm to support no-till / conservation tillage systems, as well as new crop systems like The Preceon Smart Corn System, providing more resilience to wind and extreme weather stresses. In Australia, we launched Mateno™ Complete, a grass and broadleaf weed pre-emergent and early post-emergent herbicide for use in wheat and barley, given growers the necessary tools to increase productivity and protect yield. We also have in our R&D pipeline a new herbicide molecule which is the first mode of action in post emergence weed control in 30 years. It allows use in various market

			segments, beyond traditional nonselective use, and has the potential to build on number one position in global herbicides (project is currently in phase 3). Bayer has the ambition to contribute to a more water resilient agriculture, starting with rice, the third most important crop in agriculture after wheat and maize. Half of the world's population relies on rice, which has a huge water footprint: it represents up to 30% of the world's total water withdrawals, and 10% of global GHG emissions from agriculture. In Asia, cultivating rice accounts for 40% of all freshwater withdrawals. Bayer is committed to improving water use per kilogram of crop by 25% by 2030 through the transformation of rice-cropping systems for our smallholder customers in the relevant regions where Bayer operates, starting in India (base year calculated with data from 2021, validation process still ongoing). Through this commitment we strive to create significant impact at scale. Over the next five years, the Amazon Research Institute (IPAM) and the Woodwell Climate Research Center will delve into the interrelationship between agriculture and natural vegetation conservation in the Amazon and Cerrado biomes. With a BRL 9.9 million investment from Bayer, the researchers will assess the value of the ecosystem services that forests, and regenerative agricultural practices provide to agriculture. This research will contribute to improve landscape planning, helping farmers support FOREST CONSERVATION.
Operations	• Risks • Opportunities	• Climate change • Forests • Water	In 2019, we have JOINED THE SCIENCE BASED TARGETS INITIATIVE and set ourselves the target to signficantly reduce our emission by 2030. In 2020, we decided to set the target to achieve net-zero GHG emissions including our entire value chain by 2050 or sooner and signed the Business Ambition for 1.5°C. Within its Corporate Health, Safety and Sustainability Roadmap, Bayer sets specific goals to operationalize its objectives, including goals to assess and mitigate the risk of soil/groundwater contamination at all sites worldwide, and standards for wastewater emissions. This way, sustainability is integrated into our long-term business objectives, leading to projects with sustainability and business relevance. In 2022, a new, state-of-the-art iron(III) chloride recycling plant was inaugurated at the Bayer Crop Science site in Dormagen. The new plant will reduce waste in fungicide production by 95 percent. In addition, saline wastewater will no longer have to be treated in the future. This saves 22,000 tons of caustic soda, which was previously needed to neutralize the wastewater. The resulting reduction in the use of raw materials and auxiliaries reduces the annual CO2 footprint by around 9,000 tons. In Dormagen, Bayer has thus successfully implemented the world's first plant with closed-loop recycling as our company's lighthouse project. The recycling plant is part of a comprehensive EUR 180 million investment in environmental protection, production expansions, safety and recycling at the Dormagen site. We analyze potential impact of water scarcity on our global production network on a 2030 horizon and beyond. We take pro-active actions by ensuring that all relevant sites in potentially water scarce areas by 2030 have effective water management in place. We commit to the CEO Water Mandate and are a member of the Water Resilience Coalition (supplements CEO Water Mandate) and WMO Water and Climate Leaders group. We have launched the global initiative "Bayer FOREST Protection" in 2023. The aim is to increase our positive impact on the agricultural chain and taking a leading role in FORESTS AND BIOMES PROTECTION. We aim to create new tools to encourage forest protection, through which we intend to establish new commercial incentives, improve our internal policies and traceability systems, and expand our participation in multi-sectoral coalitions to build collective actions.

5.3.2 Describe where and how environmental risks and opportunities have influenced your financial planning.

Financial planning elements that have been affected	Effect type	Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements	Description how environmental risks and/or opportunities have affected these financial planning elements
• Revenues • Direct costs • Indirect costs • Capital expenditures • Capital allocation	• Risks • Opportunities	Climate change	DIRECT and INDIRECT COSTS have been impacted for some facilities, BECAUSE the regulatory risks we have identified have been implicitly considered in our projections for the development of our energy cost within the financial budget that is developed during our financial planning cycle and approved in our Operational Planning Conference with a TIME HORIZON of 3 years. Relevant in this context are the risks from current legislative discussions in the EU which are expected to further increase carbon prices. In this respect, the EU Emissions Trading Scheme (ETS) is the main regulatory framework that poses a risk to European industry. The EU ETS could influence Bayer indirectly, through our supply chain with regard to energy supply, as we expect the prices for our purchased energy to rise and also directly, through our own energy generation facilities participating in the EU ETS. CAPITAL EXPENDITURES AND ALLOCATIONS have been impacted for some product lines, BECAUSE climate-related opportunities have factored into strategic decisions in Crop Science product lines. E.g. Bayer is investing in research addressing the agronomical consequences of changing weather patterns, primarily related to an increased occurrence of extreme weather events. The transformation section of our Transition and Transformation Plan explores our strategic initiatives in our businesses, Our efforts in breeding plants that can safeguard yields and enable them to thrive in a rapidly changing climate are part of our broader commitment to sustainability and innovation in agriculture. Examples are Next gen breeding tech (NGT) as well as biotechnology. This includes Bayer's investments into: Short stature corn, Hybrid wheat, Direct seeded rice. We are shaping the development of a rice cropping system powered by direct seeding. The change in the cultivation practice from transplanting rice to direct seeded rice can reduce farm labor requirement significantly, reduce water use by up to 40% (no standing water in rice field) and GHG emissions by up to 45% (by reducing methane emissions from flooded rice fields), as well as improve soil health. With regenerative agriculture, regenerative new markets and adjacencies are opening up. Examples for climate change mitigation are CoverCress for Biofuels, Nitrogen Efficiency, Carbon farming. Another example is the insecticide Confidor™ Stress Shield™ which improves the resilience of crops against other abiotic stresses such as increased salinity.
• Revenues • Direct costs • Indirect costs • Capital expenditures • Capital allocation	• Risks • Opportunities	Forests	Through the establishment of sustainability goals, we included forest-related topics in our financial planning. As stated above, forest-related issues, as part of climate change considerations, are factored into new product development and therewith have an impact on our strategy and financial planning for achieving long-term business objectives. Sustainability is anchored within our core business strategy; therefore, this is an integral part of our financial planning. Bayer's 2023 R&D investment of EUR 1.896 billion in our Crop Science division is unparalleled in the industry, leading to a robust innovation pipeline spanning seeds and trait technologies, crop protection and digital solutions. We promote the sustainable intensification of farming through innovative, ever more productive crops. This allows farmers to produce more food from the same amount of farmland. In this way, we play an important role in reducing deforestation.

			Sustainability, including forest-related issues are integrated into our financial planning, e.g. Certificates, reforestation projects (carbon removal projects). We have committed to offset remaining emissions by 2030 and finance offsets already today. Based on our business purpose, we focus on nature-based solutions relating to forest and agriculture. Further information can be found in our offsetting approach: https://www.bayer.com/en/sustainability/climate-protection. Another example of how forest-related issues are integrated in bayer''s financial planning is our our carbon sequestration program which includes sustainable agricultural practices but also forest protection elements. This program is at the core of our financial planning as we are building new business models around this.
• Revenues • Direct costs • Indirect costs • Capital expenditures • Capital allocation	• Risks • Opportunities	Water	Water issues integrated into financial planning, e.g. investment decisions, especially include water use and emissions into water. Water resource considerations are factored into location planning for new operations impacting our investment decisions. According to Bayer's ecological assessment of new investments guideline, all investments above EUR 10 million must be evaluated with regard to their environmental impact. The assessment includes both a product and process evaluation. The process evaluation assesses the impacts of the new investment projects on organisms and the local environment which are specific to the location and the facility (e.g. Water use and emissions into water). The outcome is an improved risk assessment at site level to secure long-term investments. As mentioned above, water resource considerations are factored into new product development and have an impact on the rollout of new products and services with new sales potentials. For instance, Bayer developed and offers hybrid rice seeds that withstand abiotic and biotic challenges like stress and submergence. This helps safeguarding and increasing yields significantly and consequently improving livelihoods in countries that are struck by weather-related calamities. Bayer is also developing a rice cropping system powered by direct seeding which reduces water requirements and promotes convenience for ageing farmers and optimizes GHG emissions, especially methane.

5.4 In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

Identification of spending/revenue that is aligned with your organization's climate transition	Methodology or framework used to assess alignment with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy*
• Yes	• A sustainable finance taxonomy	• At both the organization and activity level

5.4.1 Quantify the amount and percentage share of your spending/revenue that is aligned with your organization's climate transition.

Methodology or framework used to assess alignment	Taxonomy under which information is being reported*	Objective under which alignment is being reported*	Indicate whether you are reporting eligibility information for the selected objective	Financial metric	Amount of selected financial metric that is aligned in the reporting year (currency)
• A sustainable finance taxonomy	• EU Taxonomy for Sustainable Activities	• Total across climate change mitigation and climate change adaption	• Yes	• Revenue/ Turnover	0
• A sustainable finance taxonomy	• EU Taxonomy for Sustainable Activities	• Climate change mitigation	• Yes	• CAPEX	0

• A sustainable finance taxonomy	• EU Taxonomy for Sustainable Activities	• Total across climate change mitigation and climate change adaption	• Yes	• OPEX	0

Percentage share of selected financial metric aligned in the reporting year (%)	Percentage share of selected financial metric planned to align in 2025 (%)	Percentage share of selected financial metric planned to align in 2030 (%)	Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)	Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)	Details of the methodology or framework used to assess alignment with your organization's climate transition
0	0	0	0	0	REMARK: Figure 0 provided in "Percentage share of selected financial metric planned to align in 2025 (%)" and figure 0 provided in "Percentage share of selected financial metric planned to align in 2030 (%)" are provisional figures in order to be able to report entirely. We are currently developing EU taxonomy-eligible and taxonomy-aligned disclosure. Forecasts for 2025 and 2030 cannot be provided at this time. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. We also take into account the FAQ documents published by the European Commission. A portion of our core business became taxonomy-eligible for the first time through the passage of Delegated Regulation (EU) 2023/2486 of June 27, 2023, due to an economic activity "manufacture of medicinal products" which can contribute to the environmental objective pollution prevention and control. Sales of the Pharmaceuticals and Consumer Health divisions can be attributed to this economic activity. The determination of taxonomy-eligible sales takes place at product level. According to our interpretation, sales generated from medicinal products that are merely resold, repackaged or mixed are not taxonomy- eligible. Taxonomy-eligible sales amounted to €18,299 million in 2023 (2022: €0 million), and taxonomy-non- eligible sales amounted to €29,338 million (2022: €50,739 million). The proportion of taxonomy-eligible sales was thus 38.4% (2022: 0%). Due to the simplified reporting requirements for 2023 with respect to the four environmental objectives to be applied for the first time, there are no taxonomy-aligned sales to disclose. As reported in Bayer's Annual Report 2023, the taxonomy-eligible sales are completely assigned to the environmental objective "pollution prevention and control". There are no taxonomy-eligible sales that contribute to the objectives of climate change mitigation and adaptation.
0	0	0	2.2	97.8	REMARK: Figure 0 provided in "Percentage share of selected financial metric planned to align in 2025 (%)" and figure 0 provided in "Percentage share of selected financial metric planned to align in 2030 (%)" are provisional figures in order to be able to report entirely. We are currently further developing EU taxonomy-eligible and taxonomy-aligned disclosure. Forecasts for 2025 and 2030 cannot be provided at this time. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. We also take into account the FAQ documents published by the European Commission. Capital expenditure in 2023 comprised investments in tangible and intangible assets before depreciation, amortization, impairments, and remeasurements. Also included were investments in tangible and intangible assets due to business combinations. The taxonomy-eligible capital expenditure is determined by linking the capital expenditure undertaken with the taxonomy-eligible products (Category a). Capital expenditure that cannot be clearly assigned is taken into consideration on the basis of allocation keys. Capital expenditures for the purchase of products from taxonomy-eligible economic activities or individual measures to reduce greenhouse gas emissions (Category c) are also included in this figure.

					No taxonomy alignment review was undertaken in 2023 for the economic activity “manufacture of medicinal products.” Furthermore, at present there is no process for reliably verifying the acquisition of taxonomy-aligned products in Category c. The procedure for the remaining capital expenditure in connection with the environmental objective climate change mitigation is described below. We examine whether or not an economic activity contributes substantially to climate change mitigation based on the individual asset. To rule out significant harm being caused to other environmental objectives, we assess the respective criteria at various levels. The criteria for climate change adaptation are assessed at site level, while in some cases highly granular requirements for the other environmental objectives are examined at the individual asset level. Compliance with the minimum safeguards is examined at Group level, taking into account existing corporate policies and risk management processes with respect to human rights, compliance, anticorruption and other aspects. We incurred taxonomy-eligible capital expenditure (CapEx) of €543 million in 2023 (2022: €390 million). Taxonomy-non-eligible capital expenditure amounted to €2,798 million (2022: €3,250 million). The proportion of taxonomy-eligible capital expenditure therefore came to 16.3% (2022: 10.7%). We were once again unable to identify any taxonomy-aligned capital expenditure (2022: €0 million). Our proporation of taxonomy-eligible capital expenditure of 16.3% is distributed across the different environmental objectives as follows: a) Climate change mitigation: 2.2% taxonomy-eligible CAPEX b) Climate change adaptation: 0% taxonomy-eligible CAPEX c) Pollution prevention and control: 14.1% taxonomy-eligible CAPEX.
0	0	0	0	0	REMARK: Figure 0 provided in “Percentage share of selected financial metric planned to align in 2025 (%)” and figure 0 provided in “Percentage share of selected financial metric planned to align in 2030 (%)” are provisional figures in order to be able to report entirely. We are currently further developing EU taxonomy-eligible and taxonomy-aligned disclosure. Forecasts for 2025 and 2030 cannot be provided at this time. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. We also take into account the FAQ documents published by the European Commission. Our operating expenditure with respect to research and development, short-term leasing, and maintenance and repair amounted to €7,204 million in 2023 (2022: €7,460 million). Taxonomy-eligible operating expenditure amounted to €161 million (2022: €0 million), and taxonomy-non- eligible operating expenditure amounted to €7,043 million (2022: €7,460 million). The proportion of taxonomy-eligible operating expenditure therefore came to 2.2% (2022: 0%). Due to the simplified reporting requirements for 2023 with respect to the four environmental objectives to be applied for the first time, there is no taxonomy-aligned operating expenditure to disclose. As reported in Bayer’s Annual Report 2023, the taxonomy-eligible operating expenditures are completely assigned to the environmental objective “pollution prevention and control”. There are no taxonomy-eligible operating expenditures that contribute to the objectives of climate change mitigation and adaptation.

5.4.2 Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Economic activity	Taxonomy under which information is being reported	Taxonomy alignment	Financial metric(s)	Types of substantial contribution	Taxonomy-aligned turnover from this activity in the reporting year (currency)	Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year*	Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year*
• Renovation of existing buildings	• EU Taxonomy for Sustainable Activities	• Taxonomy-eligible but not aligned	• CAPEX	n/a	n/a	n/a	n/a
• Renewal of waste water collection and treatment	• EU Taxonomy for Sustainable Activities	• Taxonomy-eligible but not aligned	• CAPEX	n/a	n/a	n/a	n/a
• Transport by motorbikes, passenger cars and light commercial vehicles	• EU Taxonomy for Sustainable Activities	• Taxonomy-eligible but not aligned	• CAPEX	n/a	n/a	n/a	n/a
• Installation, maintenance and repair of energy efficiency equipment	• EU Taxonomy for Sustainable Activities	• Taxonomy-eligible but not aligned	• CAPEX	n/a	n/a	n/a	n/a
• Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy	• EU Taxonomy for Sustainable Activities	• Taxonomy-eligible but not aligned	• CAPEX	n/a	n/a	n/a	n/a

performance of buildings							
• Acquisition and ownership of buildings	• EU Taxonomy for Sustainable Activities	• Taxonomy-eligible but not aligned	• CAPEX	n/a	n/a	n/a	n/a

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year*	Taxonomy-eligible but not aligned turnover from this activity in the reporting year (currency)*	Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year*	Taxonomy-eligible, alignment not assessed turnover from this activity as % of total turnover in reporting year	Taxonomy-aligned CAPEX from this activity in the reporting year (currency)*	Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year*	Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year*	Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year*
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (currency)*	Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year	Taxonomy-eligible, alignment not assessed CAPEX associated with this activity as % of total CAPEX in the reporting year	Taxonomy-aligned OPEX from this activity in the reporting year (currency)*	Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year*	Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year*	Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year*	Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (currency)*
19,000,000	0.6%	n/a	n/a	n/a	n/a	n/a	n/a
3,000,000	0.1	n/a	n/a	n/a	n/a	n/a	n/a
32,000,000	1.0	n/a	n/a	n/a	n/a	n/a	n/a

1,000,000	0	n/a	n/a	n/a	n/a	n/a	n/a
0	0	n/a	n/a	n/a	n/a	n/a	n/a
16,000,000	0.5	n/a	n/a	n/a	n/a	n/a	n/a

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year*	Taxonomy-eligible, alignment not assessed OPEX with this activity as % of total OPEX in the reporting year	Calculation methodology and supporting information	Substantial contribution criteria met	Details of substantial contribution criteria analysis	Do no significant harm requirements met	Details of do no significant harm analysis
n/a	n/a	Capital expenditure in 2023 comprised investments in tangible and intangible assets before depreciation, amortization, impairments, and remeasurements. The taxonomy-eligible capital expenditure is determined by linking the capital expenditure undertaken with the taxonomy-eligible products (Category a). Capital expenditure that cannot be clearly assigned is taken into consideration on the basis of allocation keys. Capital expenditures for the purchase of products from taxonomy-eligible economic activities or individual measures to reduce greenhouse gas emissions (Category c) are also included in this figure. No taxonomy alignment review was undertaken in 2023 for the economic activity “manufacture of medicinal products.” Furthermore, at present there is no process for reliably verifying the acquisition of taxonomy-aligned products in Category c. The procedure for the remaining capital expenditure in connection with the environmental objective climate change mitigation is described below. We examine whether or not an economic activity contributes substantially to climate change mitigation based on the individual asset. To rule out significant harm being caused to other environmental objectives, we assess the respective criteria at various levels. The criteria for climate change adaptation are assessed at site level, while in some cases highly granular requirements for the other environmental objectives are examined at the individual asset level.	• Yes	Company activities are assessed for taxonomy eligibility based on the economic activities described in Annexes I and II to the Delegated Act of June 4, 2021, and Annexes I through IV to the Delegated Act of June 27, 2023. To avoid double-counting, results are documented for example at product master data level. Taxonomy alignment is evaluated based on the technical screening criteria for each economic activity, which are also defined in the aforementioned Annexes. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. The FAQ documents published by the European Commission as of December 31, 2023, were duly taken into account.	• Yes	To rule out significant harm being caused to other environmental objectives, we assessed the respective criteria at various levels. The criteria for climate change adaptation were assessed at site level, while the in some cases highly granular requirements for the other environmental objectives were examined at the individual asset level.

		Compliance with the minimum safeguards is examined at Group level, taking into account existing corporate policies and risk management processes with respect to human rights, compliance, anticorruption and other aspects.				
n/a	n/a	Capital expenditure in 2023 comprised investments in tangible and intangible assets before depreciation, amortization, impairments, and remeasurements. The taxonomy-eligible capital expenditure is determined by linking the capital expenditure undertaken with the taxonomy-eligible products (Category a). Capital expenditure that cannot be clearly assigned is taken into consideration on the basis of allocation keys. Capital expenditures for the purchase of products from taxonomy-eligible economic activities or individual measures to reduce greenhouse gas emissions (Category c) are also included in this figure. No taxonomy alignment review was undertaken in 2023 for the economic activity “manufacture of medicinal products.” Furthermore, at present there is no process for reliably verifying the acquisition of taxonomy-aligned products in Category c. The procedure for the remaining capital expenditure in connection with the environmental objective climate change mitigation is described below. We examine whether or not an economic activity contributes substantially to climate change mitigation based on the individual asset. To rule out significant harm being caused to other environmental objectives, we assess the respective criteria at various levels. The criteria for climate change adaptation are assessed at site level, while in some cases highly granular requirements for the other environmental objectives are examined at the individual asset level. Compliance with the minimum safeguards is examined at Group level, taking into account existing corporate policies and risk management processes with respect to human rights, compliance, anticorruption and other aspects.	• Yes	Company activities are assessed for taxonomy eligibility based on the economic activities described in Annexes I and II to the Delegated Act of June 4, 2021, and Annexes I through IV to the Delegated Act of June 27, 2023. To avoid double-counting, results are documented for example at product master data level. Taxonomy alignment is evaluated based on the technical screening criteria for each economic activity, which are also defined in the aforementioned Annexes. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. The FAQ documents published by the European Commission as of December 31, 2023, were duly taken into account.	• Yes	To rule out significant harm being caused to other environmental objectives, we assessed the respective criteria at various levels. The criteria for climate change adaptation were assessed at site level, while the in some cases highly granular requirements for the other environmental objectives were examined at the individual asset level.
n/a	n/a	Capital expenditure in 2023 comprised investments in tangible and intangible assets before depreciation, amortization, impairments, and remeasurements. The taxonomy-eligible capital expenditure is determined by linking the capital expenditure undertaken with the taxonomy-eligible products (Category a). Capital expenditure that cannot be clearly assigned is taken into consideration on the basis of allocation keys. Capital	• Yes	Company activities are assessed for taxonomy eligibility based on the economic activities described in Annexes I and II to the Delegated Act of June 4, 2021, and Annexes I through IV to the Delegated Act of June 27, 2023. To avoid double-counting, results are documented for	• Yes	To rule out significant harm being caused to other environmental objectives, we assessed the respective criteria at various levels. The criteria for climate change adaptation were assessed

		expenditures for the purchase of products from taxonomy-eligible economic activities or individual measures to reduce greenhouse gas emissions (Category c) are also included in this figure. No taxonomy alignment review was undertaken in 2023 for the economic activity “manufacture of medicinal products.” Furthermore, at present there is no process for reliably verifying the acquisition of taxonomy-aligned products in Category c. The procedure for the remaining capital expenditure in connection with the environmental objective climate change mitigation is described below. We examine whether or not an economic activity contributes substantially to climate change mitigation based on the individual asset. To rule out significant harm being caused to other environmental objectives, we assess the respective criteria at various levels. The criteria for climate change adaptation are assessed at site level, while in some cases highly granular requirements for the other environmental objectives are examined at the individual asset level. Compliance with the minimum safeguards is examined at Group level, taking into account existing corporate policies and risk management processes with respect to human rights, compliance, anticorruption and other aspects.		example at product master data level. Taxonomy alignment is evaluated based on the technical screening criteria for each economic activity, which are also defined in the aforementioned Annexes. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. The FAQ documents published by the European Commission as of December 31, 2023, were duly taken into account.		at site level, while the in some cases highly granular requirements for the other environmental objectives were examined at the individual asset level.
n/a	n/a	Capital expenditure in 2023 comprised investments in tangible and intangible assets before depreciation, amortization, impairments, and remeasurements. The taxonomy-eligible capital expenditure is determined by linking the capital expenditure undertaken with the taxonomy-eligible products (Category a). Capital expenditure that cannot be clearly assigned is taken into consideration on the basis of allocation keys. Capital expenditures for the purchase of products from taxonomy-eligible economic activities or individual measures to reduce greenhouse gas emissions (Category c) are also included in this figure. No taxonomy alignment review was undertaken in 2023 for the economic activity “manufacture of medicinal products.” Furthermore, at present there is no process for reliably verifying the acquisition of taxonomy-aligned products in Category c. The procedure for the remaining capital expenditure in connection with the environmental objective climate change mitigation is described below.	• Yes	Company activities are assessed for taxonomy eligibility based on the economic activities described in Annexes I and II to the Delegated Act of June 4, 2021, and Annexes I through IV to the Delegated Act of June 27, 2023. To avoid double-counting, results are documented for example at product master data level. Taxonomy alignment is evaluated based on the technical screening criteria for each economic activity, which are also defined in the aforementioned Annexes. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. The FAQ documents published by the European Commission as of	• Yes	To rule out significant harm being caused to other environmental objectives, we assessed the respective criteria at various levels. The criteria for climate change adaptation were assessed at site level, while the in some cases highly granular requirements for the other environmental objectives were examined at the individual asset level.

		We examine whether or not an economic activity contributes substantially to climate change mitigation based on the individual asset. To rule out significant harm being caused to other environmental objectives, we assess the respective criteria at various levels. The criteria for climate change adaptation are assessed at site level, while in some cases highly granular requirements for the other environmental objectives are examined at the individual asset level. Compliance with the minimum safeguards is examined at Group level, taking into account existing corporate policies and risk management processes with respect to human rights, compliance, anticorruption and other aspects.		December 31, 2023, were duly taken into account.		
n/a	n/a	Capital expenditure in 2023 comprised investments in tangible and intangible assets before depreciation, amortization, impairments, and remeasurements. The taxonomy-eligible capital expenditure is determined by linking the capital expenditure undertaken with the taxonomy-eligible products (Category a). Capital expenditure that cannot be clearly assigned is taken into consideration on the basis of allocation keys. Capital expenditures for the purchase of products from taxonomy-eligible economic activities or individual measures to reduce greenhouse gas emissions (Category c) are also included in this figure. As explained in the previous section, no taxonomy alignment review was undertaken in 2023 for the economic activity “manufacture of medicinal products.” Furthermore, at present there is no process for reliably verifying the acquisition of taxonomy-aligned products in Category c. The procedure for the remaining capital expenditure in connection with the environmental objective climate change mitigation is described below. We examine whether or not an economic activity contributes substantially to climate change mitigation based on the individual asset. To rule out significant harm being caused to other environmental objectives, we assess the respective criteria at various levels. The criteria for climate change adaptation are assessed at site level, while in some cases highly granular requirements for the other environmental objectives are examined at the individual asset level. Compliance with the minimum safeguards is examined at Group level, taking into account existing corporate policies and risk management processes with respect to human rights, compliance, anticorruption and other aspects.	• Yes	Company activities are assessed for taxonomy eligibility based on the economic activities described in Annexes I and II to the Delegated Act of June 4, 2021, and Annexes I through IV to the Delegated Act of June 27, 2023. To avoid double-counting, results are documented for example at product master data level. Taxonomy alignment is evaluated based on the technical screening criteria for each economic activity, which are also defined in the aforementioned Annexes. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. The FAQ documents published by the European Commission as of December 31, 2023, were duly taken into account.	• Yes	To rule out significant harm being caused to other environmental objectives, we assessed the respective criteria at various levels. The criteria for climate change adaptation were assessed at site level, while the in some cases highly granular requirements for the other environmental objectives were examined at the individual asset level.

n/a	n/a	Capital expenditure in 2023 comprised investments in tangible and intangible assets before depreciation, amortization, impairments, and remeasurements. The taxonomy-eligible capital expenditure is determined by linking the capital expenditure undertaken with the taxonomy-eligible products (Category a). Capital expenditure that cannot be clearly assigned is taken into consideration on the basis of allocation keys. Capital expenditures for the purchase of products from taxonomy-eligible economic activities or individual measures to reduce greenhouse gas emissions (Category c) are also included in this figure. No taxonomy alignment review was undertaken in 2023 for the economic activity "manufacture of medicinal products." Furthermore, at present there is no process for reliably verifying the acquisition of taxonomy-aligned products in Category c. The procedure for the remaining capital expenditure in connection with the environmental objective climate change mitigation is described below. We examine whether or not an economic activity contributes substantially to climate change mitigation based on the individual asset. To rule out significant harm being caused to other environmental objectives, we assess the respective criteria at various levels. The criteria for climate change adaptation are assessed at site level, while in some cases highly granular requirements for the other environmental objectives are examined at the individual asset level. Compliance with the minimum safeguards is examined at Group level, taking into account existing corporate policies and risk management processes with respect to human rights, compliance, anticorruption and other aspects.	• Yes	Company activities are assessed for taxonomy eligibility based on the economic activities described in Annexes I and II to the Delegated Act of June 4, 2021, and Annexes I through IV to the Delegated Act of June 27, 2023. To avoid double-counting, results are documented for example at product master data level. Taxonomy alignment is evaluated based on the technical screening criteria for each economic activity, which are also defined in the aforementioned Annexes. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. The FAQ documents published by the European Commission as of December 31, 2023, were duly taken into account.	• Yes	To rule out significant harm being caused to other environmental objectives, we assessed the respective criteria at various levels. The criteria for climate change adaptation were assessed at site level, while the in some cases highly granular requirements for the other environmental objectives were examined at the individual asset level.

Minimum safeguards compliance requirements met	Attach any supporting evidence
• Yes	Bayer Annual Report 2023
• Yes	Bayer Annual Report 2023
• Yes	Bayer Annual Report 2023
• Yes	Bayer Annual Report 2023
• Yes	Bayer Annual Report 2023
• Yes	Bayer Annual Report 2023

5.4.3 Provide any additional contextual and/or verification/assurance information relevant to your organization's taxonomy alignment.

Details of minimum safeguards analysis	Additional contextual information relevant to your taxonomy accounting	Indicate whether you will be providing verification/assurance information relevant to your taxonomy alignment in question 13.1	Please explain why you will not be providing verification/assurance information relevant to your taxonomy alignment in question 13.1
Compliance with the minimum safeguards was examined at Group level, taking into account existing corporate policies and risk management processes with respect to human rights, compliance, anticorruption and other aspects.	Our sustainability targets help us to realize our vision of "Health for all, hunger for none". In addition, we also report on other nonfinancial aspects. For 2023, we are required to disclose the proportion of turnover (sales), capital expenditure (CapEx), and operating expenditure (OpEx) in the reporting period that is EU taxonomy-eligible and taxonomy-aligned with regard to the environmental objectives climate change mitigation and climate change adaptation. For the four additional environmental objectives sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems, by contrast, we are only required to disclose taxonomy-eligible turnover, capital expenditure and operating expenditure. Company activities are assessed for taxonomy eligibility based on the economic activities described in Annexes I and II to the Delegated Act of June 4, 2021, and Annexes I through IV to the Delegated Act of June 27, 2023. To avoid double-counting, results are documented for example at product master data level. Taxonomy alignment is evaluated based on the technical screening criteria for each economic activity, which are also defined in the aforementioned Annexes. We use our own interpretation when applying the EU taxonomy as definitions are not yet available and the wording used is unclear. The FAQ documents published by the European Commission as of December 31, 2023, were duly taken into account.	● Yes	n/a

5.9 What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Water-related CAPEX (+/- % change)	Anticipated forward trend for CAPEX (+/- % change)	Water-related OPEX (+/- % change)	Anticipated forward trend for OPEX (+/- % change)	Please explain
-20	-5	0	0	i) According to Bayer's Ecological Assessment of New Investments Guideline, all investments above EUR 10 million must be evaluated with regard to their environmental impact. The assessment includes a product and process evaluation. The process evaluation assesses the impacts of new investment projects, considering specific conditions at the location/facility. CAPEX decreased by approx. 20% due to a similar decrease of overall investments. Projects such as the renewal of a wastewater treatment facility in EMEA were completed. CAPEX is anticipated to further decrease by approx. 5% in 2024 as volume of CAPEX projects decreases.

				ii) OPEX was primarily for - sourcing water, - operating cooling and process water systems and - treating process wastewater incl. pre-treatment. As anticipated, OPEX has remained at the same level in 2023 as total water use and discharge have not changed materially. No significant changes are expected in 2024.

5.10 Does your organization use an internal price on environmental externalities?

Use of internal pricing of environmental externalities	Environmental externality priced	Primary reason for not pricing environmental externalities	Explain why your organization does not price environmental externalities	Other environmental externalities priced	Further details of other environmental externalities priced
• Yes	• Carbon	n/a	n/a	• n/a	n/a

5.10.1 Provide details of your organization's internal price on carbon.

Type of pricing scheme	Objectives for implementing internal price	Factors considered when determining the price	Calculation methodology and assumptions made in determining the price	Scope(s) covered	Pricing approach used – spatial variance	Indicate how and why the price is differentiated	Pricing approach used – temporal variance	Indicate how you expect the price to change over time*
• Shadow price	• Conduct cost-benefit analysis • Drive energy efficiency • Drive low-carbon investment • Incentivize consideration of climate-related issues in decision making • Incentivize consideration of climate-related issues in risk assessment • Identify and seize low-carbon opportunities • Influence strategy and/or financial planning • Setting and/or achieving of climate-related policies and targets • Other, please specify: Change internal behavior	• Alignment to international standards • Alignment to scientific guidance • Alignment with the price of a carbon tax • Alignment with the price of allowances under an Emissions Trading Scheme • Benchmarking against peers • Cost of required measures to achieve emissions reduction targets • Price with substantive impact on business decisions • Price/cost of voluntary carbon offset credits • Social cost of climate-related impact	Bayer is committed to phasing out all capital expenditure in new unabated carbon intensive assets or products. We align our capex spending with our ambition to achieve net zero GHG emissions by 2050, in line with the global goal to limit global warming to 1.5C. Bayer plans to invest EUR 500 million in energy efficiency and climate-friendly measures until 2030. To anticipate climate-related business risks and opportunities and drive internal change, we have set ourselves an internal carbon price of €100 per metric ton when calculating our capital expenditure projects. This incentive applies to all CO^2 emission reduction initiatives with the exception of emissions from purchased electricity, which are to become zero with the 2030 target of 100% purchased electricity from renewable sources. Reduction of electricity consumption nevertheless continues as part of the company's improvement and cost management measures. When fixing the internal price at EUR 100 per ton, Bayer took into consideration cost abatement curves for emission reduction, costs for high-quality energy attribute certificates for renewable gas, and energy taxation trends. The price and the framework of the incentive scheme will be reviewed after two years to ensure effectiveness and revalidate market assumptions. This shadow pricing approach improves the net present value (NPV) of climate-friendly projects and gives them a higher priority.	• Scope 1 • Scope 2	• Uniform	n/a	• Static	n/a

Minimum actual price	Maximum actual price used	Business decision-making	Internal price is mandatory within	% total emissions in the reporting	Pricing approach is monitored and	Details of how the pricing approach is monitored and evaluated to achieve your objectives

used (currency per metric ton CO2e)	(currency per metric ton CO2e)	processes this internal carbon price is applied to	business decision-making processes	year in selected scopes this internal price covers	evaluated to achieve objectives	
100	100	• Capital expenditure • Operations	• Yes, for all decision-making processes	100	• Yes	Bayer is committed to phasing out all capital expenditure in new unabated carbon intensive assets or products. We align our capex spending with our ambition to achieve net zero GHG emissions by 2050, in line with the global goal to limit global warming to 1.5C. Bayer plans to invest EUR 500 million in energy efficiency and climate-friendly measures until 2030. To anticipate climate-related business risks and opportunities and drive internal change, we have set ourselves an internal carbon price of €100 per metric ton when calculating our capital expenditure projects. This incentive applies to all CO^2 emission reduction initiatives with the exception of emissions from purchased electricity, which are to become zero with the 2030 target of 100% purchased electricity from renewable sources. Reduction of electricity consumption nevertheless continues as part of the company's improvement and cost management measures. The price and the framework of the incentive scheme WILL BE REVIEWED AFTER TWO YEARS to ensure effectiveness and revalidate market assumptions. COMPANY-SPECIFIC DESCRIPTION OF HOW THE INTERNAL PRICE ON CARBON IS USED: The CO2-price on investment projects was implemented in 2020. As a tool to steer sufficient investment into sustainable alternatives, Bayer decided to apply a cross-divisional stimulus to CAPEX projects with an incentive of EUR 100 per metric ton of reduced or avoided CO2e emissions. By applying this incentive in NPV / DCF calculations, the payback time is shortened, and projects which reduce / avoid CO2e emissions become financially competitive with other projects. A technical procedure "Sustainability in Investment Project Approvals" provides details on formal integration into CAPEX project approvals. First evaluations show that the incentive is well accepted and adopted by all functions and divisions. Example 1: A project to install a new wastewater evaporator at one site was approved following the new procedure. The project appeared especially attractive with a payback including the incentive of 1.7 years compared with a payback without the incentive of 4.3 years. Example 2: A project to install an economizer at a boiler at one site was approved following the new procedure. The project appeared especially attractive with a payback including the incentive of 2.1 years compared with a payback without the incentive of 4.9 years.

5.11 Do you engage with your value chain on environmental issues?

Value chain stakeholder	Engaging with this stakeholder on environmental issues	Environmental issues covered	Primary reason for not engaging with this stakeholder on environmental issues	Explain why you do not engage with this stakeholder on environmental issues
Suppliers	• Yes	• Climate change • Forests • Water	n/a	n/a
Smallholders	• Yes	n/a	n/a	n/a
Customers	• Yes	• Climate change • Water	n/a	n/a
Investors and shareholders	• Yes	• Climate change • Water	• n/a	n/a
Other value chain stakeholders	• Yes	• Water	n/a	n/a

5.11.1 Does your organization assess and classify your suppliers according to dependencies and/or impacts on the environment?

Environmental issue covered	Assessment of supplier dependencies and/or impacts on the environment	Criteria for assessing supplier dependencies and/or impacts on the environment	% Tier 1 suppliers assessed	Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment	% Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment	Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment
Climate change	• Yes, we assess the dependencies and/or impacts of our suppliers	• Contribution to supplier-related Scope 3 emissions	• 51-75%	We nominated suppliers for an EcoVadis assessment and a TfS- or PSCI-audit (a) because of the sustainability risk scoring (considering the sustainability risks of country as well as of the sub-category to which the purchased material belongs to) or (b) because of the strategic importance of the supplier. 2) CDP Supply Chain: We invite: (a) top-GHG-emitting suppliers, (b) strategically important suppliers, (c) suppliers that are active in relevant sustainability initiatives to disclose.	• 1-25%	339

Forests	• Yes, we assess the dependencies and/or impacts of our suppliers	• Dependence on commodities • Impact on deforestation or conversion of other natural ecosystems	• 100%	100% of our direct suppliers must submit our sustainable supplier questionnaire. As we understand that various suppliers operate with different standards, we reached out to all our 40 PALM OIL derivatives suppliers to understand their level of certification and other activities. We are following up during supplier dialogues to build up capacities, understand activities and increase certification of production. We also reached out to the top suppliers providing approx. 80% of our SOY consumption.	• 26-50%	31
Water	• Yes, we assess the dependencies and/or impacts of our suppliers	• Basin/landscape condition • Dependence on water • Impact on water availability • Other, please specify: Procurement spend	• 51-75%	We nominated suppliers for an EcoVadis assessment and a TfS- or PSCI-audit (a) because of the sustainability risk scoring (considering the sustainability risks of country as well as of the sub-category to which the purchased material belongs to) or (b) because of the strategic importance of the supplier. The combination of category and country risk, combined with the THRESHOLD of an annual spend of €500,000, identifies Bayer's high sustainability risk suppliers.	• 1-25%	339

5.11.2 Does your organization prioritize which suppliers to engage with on environmental issues?

Environmental issue covered	Supplier engagement prioritization on this environmental issue	Criteria informing which suppliers are prioritized for engagement on this environmental issue	Primary reason for no supplier prioritization on this environmental issue	Please explain
Climate change	• Yes, we prioritize which suppliers to engage with on this environmental issue	• In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change	• N/A	Because we cannot interact with all suppliers, we select relevant suppliers to be evaluated. For climate-related evaluation, we use two main approaches: 1) Our Supplier Sustainability Evaluation (SSE) instruments: SSE consist of EcoVadis assessments and Sustainability Audit protocols from the Together for Sustainability (TfS) initiative and the Pharmaceutical Supply Chain Initiative (PSCI). We nominated suppliers for an EcoVadis assessment and a TfS-audit or PSCI-audit (a) because of the sustainability risk scoring (considering the sustainability risks of country as well as of the sub-category to which the purchased material belongs to) or (b) because of the strategic importance of the supplier. In 2023, Bayer assessed: 1,118 suppliers via EcoVadis, 134 suppliers via sustainability audits. EcoVadis includes in its assessment climate- and energy-related but also deforestation and water-related aspects. The audit criteria cover the issues from our Bayer SCoC, which includes a section on "Natural Resource Conservation and Climate Protection". 2) CDP Supply Chain Engagement:

				Bayer is a lead member of the CDP SC initiative. We invite: (a) top-GHG-emitting suppliers, (b) strategically important suppliers, (c) suppliers that are active in relevant sustainability initiatives to disclose to us.
Forests	• Yes, we prioritize which suppliers to engage with on this environmental issue	• In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to forests	N/A	We nominated suppliers for an EcoVadis assessment and a TfS-audit or PSCI-audit (a) because of the sustainability risk scoring (considering the sustainability risks of country as well as of the sub-category to which the purchased material belongs to) or (b) because of the strategic importance of the supplier. In 2023, Bayer assessed: 1,118 suppliers via EcoVadis, 134 suppliers via sustainability audits. EcoVadis includes in its assessment climate-, energy-related, deforestation and water-related aspects. The audit criteria cover the issues from our Bayer SCoC, which includes a section on “Natural Resource Conservation and Climate Protection”. 100% of our direct suppliers must submit our sustainable supplier questionnaire. COMMODITY: PALM OIL Supply chain mapping: As we understand that various suppliers operate with different standards, we have reached out to all our 40 palm oil derivatives suppliers to understand their level of certification and other activities. The move towards RSPO Mass Balance for palm oil derivatives is one step on this path. We are following up during supplier dialogues to build up capacities, understand activities and increase certification of the production. COMMODITY: SOY Supply chain mapping: We have reached out to the top suppliers providing approx. 80% of our soy consumption. With regards to EU Deforestation Regulation (EUDR), we have sent out a new questionnaire to suppliers in 2024.
Water	• Yes, we prioritize which suppliers to engage with on this environmental issue	• In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to water	• N/A	Because we cannot interact with all suppliers, we select relevant suppliers to be evaluated. Our Supplier Sustainability Evaluation (SSE) instruments consist of EcoVadis assessments and Sustainability Audit protocols from the Together for Sustainability (TfS) initiative and the Pharmaceutical Supply Chain Initiative (PSCI). We nominated suppliers for an EcoVadis assessment and a TfS-audit or PSCI-audit (a) because of the sustainability risk scoring (considering the sustainability risks of country as well as of the sub-category to which the purchased material belongs to) or (b) because of the strategic importance of the supplier. In 2023, Bayer assessed: 1,118 suppliers via EcoVadis, 134 suppliers via sustainability audits. EcoVadis includes in its assessment climate-, energy-related, deforestation and water-related aspects. The audit criteria cover the issues from our Bayer SCoC, which includes a section on “Natural Resource Conservation and Climate Protection”.

5.11.5 Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Environmental issue	Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process	Policy in place for addressing supplier non-compliance	Comment (optional)
Climate change	• Yes, environmental requirements related to this environmental issue are included in our supplier contracts	• Yes, we have a policy in place for addressing non-compliance	Sustainability and the principles outlined in the Bayer Supplier Code of Conduct - incl. CLIMATE CHANGE-related issues - are part of our strategic and normative compass. We are setting clear guardrails on a sustainable cooperation with our suppliers and are expecting our suppliers to follow the same principles as outlined in the Bayer Supplier Code of Conduct.
Forest	• Yes, environmental requirements related to this environmental issue are included in our supplier contracts	• Yes, we have a policy in place for addressing non-compliance	Sustainability and the principles outlined in the Bayer Supplier Code of Conduct - incl. FOREST related issues - are part of our strategic and normative compass. We are setting clear guardrails on a sustainable cooperation with our suppliers and are expecting our suppliers to follow the same principles as outlined in the Bayer Supplier Code of Conduct.
Water	• Yes, environmental requirements related to this environmental issue are included in our supplier contracts	• Yes, we have a policy in place for addressing non-compliance	Sustainability and the principles outlined in the Bayer Supplier Code of Conduct - incl. WATER related issues - are part of our strategic and normative compass. We are setting clear guardrails on a sustainable cooperation with our suppliers and are expecting our suppliers to follow the same principles as outlined in the Bayer Supplier Code of Conduct.

5.11.6 Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance mechanisms in place.

Environmental issue	Environmental requirement	Mechanisms for monitoring compliance with this climate-related requirement	% tier 1 suppliers by procurement spend required to comply with this environmental requirement	% tier 1 suppliers by procurement spend in compliance with this environmental requirement	% tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue required to comply with this environmental requirement	% tier 1 suppliers with substantive environmental dependencies and/or impacts related to this environmental issue that are in compliance with this environmental requirement	% tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement
Climate change	• Setting a science-based emissions reduction target	• Grievance mechanism/ Whistleblowing hotline • Off-site third-party audit • Supplier self-assessment	• 100%	• 76-99%	• N/A	N/A	• 100%
Forests	• No deforestation or conversion of other natural ecosystems	• Certification • Grievance mechanism/ Whistleblowing hotline	• 100%	• 76-99%	• 100%	• 76-99%	• N/A

Water	• Setting and monitoring water pollution-related targets	• Grievance mechanism/ Whistleblowing hotline • On-site third-party audit • Supplier self-assessment	• 100%	• 76-99%	• 100%	• 76-99%	• N/A
Climate change	• Implementation of emissions reduction initiatives	• Grievance mechanism/ Whistleblowing hotline • Off-site third-party audit • Supplier self-assessment	• 100%	• 76-99%	• N/A	• N/A	• 100%
Climate change	• Purchasing of low-carbon or renewable energy	• Grievance mechanism/ Whistleblowing hotline • Off-site third-party audit • Supplier self-assessment	• 100%	• 76-99%	• N/A	• N/A	• 100%
Climate change	• Setting a low-carbon or renewable energy target	• Grievance mechanism/ Whistleblowing hotline • Off-site third-party audit • Supplier self-assessment	• 100%	• 76-99%	• N/A	• N/A	• 100%
Climate change	• Waste and resource reduction and material circularity	• Grievance mechanism/ Whistleblowing hotline • Off-site third-party audit • Supplier self-assessment	• 100%	• 76-99%	• N/A	• N/A	• 100%
Forests	• Compliance with an environmental certification, please specify: RSPO mass balance certified sustainable palm oil; RTRS credits for sustainable soy	• Certification • Grievance mechanism/ Whistleblowing hotline	• 100%	• 76-99%	• 100%	• 76-99%	• N/A
Water	• Setting and monitoring withdrawal reduction targets	• Grievance mechanism/ Whistleblowing hotline • On-site third-party audit • Supplier self-assessment	• 100%	• 76-99%	• 100%	• 76-99%	• N/A
Water	• Total water withdrawal volumes reduction	• Grievance mechanism/ Whistleblowing hotline • On-site third-party audit • Supplier self-assessment	• 100%	• 76-99%	• 100%	• 76-99%	• N/A
Water	• Other, please specify: Complying with going beyond water-related regulatory requirements,	• Grievance mechanism/ Whistleblowing hotline • On-site third-party audit • Supplier self-assessment	• 100%	• 76-99%	• 100%	• 76-99%	• N/A

	reducing water demands in water-stressed basins						

% tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement	Response to supplier non-compliance with this environmental requirement	% of non-compliant suppliers engaged	Procedures to engage non-compliant suppliers	Comment
• 76-99%	• Retain and engage	• 100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC), which is, amongst others, based on the United Nations Global Compact, the International Bill of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the UNGPs, the Rio Declaration on Environment and Development, the UN Convention Against Corruption, the Convention on Biological Diversity, the UN Framework Convention on Climate Change. The code is integrated into every Purchasing Order and part of our contracts – it has been updated and enhanced in 2022, with a special strengthening of all climate protection relevant topics. Bayer works continuously to strategically evolve sustainability topics in procurement. In 2022, we continued to ensure that all strategically important suppliers had to present an EcoVadis rating of at least 45 of 100 points ("green" assessment) or a comparable sustainability audit (TfS or PSCI) result. Since 2021, furthermore, potential new suppliers with a high inherent sustainability risk and procurement spend of more than EUR 250,000 have been examined in advance with regard to sustainability aspects. Bayer is a lead member of the CDP SC initiative. In 2023, we invited 332 corporations, equaling 2,131 Bayer-suppliers, to disclose to us: (a) top-GHG-emitting suppliers, (b) strategically important suppliers, (c) suppliers that are active in relevant sustainability initiatives.
• N/A	• Retain and engage	• 100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC). The code is integrated into every Purchasing Order and part of our contracts – it has been updated and enhanced in 2022, with a special strengthening of all climate protection relevant topics and with regards to FORESTS: Suppliers are expected to protect natural ecosystems from deforestation, forest con- version, or land conversion. Suppliers shall undertake best efforts to aim for zero net deforestation. Suppliers shall undertake best efforts to aim for a sustainable production when agricultural feedstocks or forestry feedstocks are impacted. Suppliers shall undertake best efforts to have management systems in place when using forest-risk commodities (or deforestation-prone products), like palm (kernel) oil, soy or other agricultural or forestry feedstocks. Such system can be based on a widely accepted third-party verified certification scheme and enable transparency as well as traceability along the value chain. If suppliers source materials which contain palm (kernel) oil or derivatives of it, suppliers shall ensure that at least ‘mass balance’ - certified sustainable palm (kernel) oil is sourced. The certification shall be in line with the criteria of the Roundtable on Sustainable Palm Oil (RSPO), or an equivalent scheme.
• N/A	• Retain and engage	• 100%	• Assessing the efficacy and efforts of non-compliant supplier actions through	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC), The code is integrated into every Purchasing Order and part of our contracts. Water-related requirements include the following:

			consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.
• 76-99%	• Retain and engage	• 100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC), which is, amongst others, based on the United Nations Global Compact, the International Bill of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the UNGPs, the Rio Declaration on Environment and Development, the UN Convention Against Corruption, the Convention on Biological Diversity, the UN Framework Convention on Climate Change. The code is integrated into every Purchasing Order and part of our contracts – it has been updated and enhanced in 2022, with a special strengthening of all climate protection relevant topics. Bayer works continuously to strategically evolve sustainability topics in procurement. In 2022, we continued to ensure that all strategically important suppliers had to present an EcoVadis rating of at least 45 of 100 points ("green" assessment) or a comparable sustainability audit (TfS or PSCI) result. Since 2021, furthermore, potential new suppliers with a high inherent sustainability risk and procurement spend of more than EUR 250,000 have been examined in advance with regard to sustainability aspects. Bayer is a lead member of the CDP SC initiative. In 2023, we invited 332 corporations, equaling 2,131 Bayer-suppliers, to disclose to us: (a) top-GHG-emitting suppliers, (b) strategically important suppliers, (c) suppliers that are active in relevant sustainability initiatives.
• 76-99%	• Retain and engage	• 100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC), which is, amongst others, based on the United Nations Global Compact, the International Bill of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the UNGPs, the Rio Declaration on Environment and Development, the UN Convention Against Corruption, the Convention on Biological Diversity, the UN Framework Convention on Climate Change. The code is integrated into every Purchasing Order and part of our contracts – it has been updated and enhanced in 2022, with a special strengthening of all climate protection relevant topics. Bayer works continuously to strategically evolve sustainability topics in procurement. In 2022, we continued to ensure that all strategically important suppliers had to present an EcoVadis rating of at least 45 of 100 points ("green" assessment) or a comparable sustainability audit (TfS or PSCI) result. Since 2021, furthermore, potential new suppliers with a high inherent sustainability risk and procurement spend of more than EUR 250,000 have been examined in advance with regard to sustainability aspects. Bayer is a lead member of the CDP SC initiative. In 2023, we invited 332 corporations, equaling 2,131 Bayer-suppliers, to disclose to us: (a) top-GHG-emitting suppliers, (b) strategically important suppliers, (c) suppliers that are active in relevant sustainability initiatives.

• 76-99%	• Retain and engage	• 100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC), which is, amongst others, based on the United Nations Global Compact, the International Bill of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the UNGPs, the Rio Declaration on Environment and Development, the UN Convention Against Corruption, the Convention on Biological Diversity, the UN Framework Convention on Climate Change. The code is integrated into every Purchasing Order and part of our contracts – it has been updated and enhanced in 2022, with a special strengthening of all climate protection relevant topics. Bayer works continuously to strategically evolve sustainability topics in procurement. In 2022, we continued to ensure that all strategically important suppliers had to present an EcoVadis rating of at least 45 of 100 points ("green" assessment) or a comparable sustainability audit (TfS or PSCI) result. Since 2021, furthermore, potential new suppliers with a high inherent sustainability risk and procurement spend of more than EUR 250,000 have been examined in advance with regard to sustainability aspects. Bayer is a lead member of the CDP SC initiative. In 2023, we invited 332 corporations, equaling 2,131 Bayer-suppliers, to disclose to us: (a) top-GHG-emitting suppliers, (b) strategically important suppliers, (c) suppliers that are active in relevant sustainability initiatives.
• 76-99%	• Retain and engage	• 100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC), which is, amongst others, based on the United Nations Global Compact, the International Bill of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the UNGPs, the Rio Declaration on Environment and Development, the UN Convention Against Corruption, the Convention on Biological Diversity, the UN Framework Convention on Climate Change. The code is integrated into every Purchasing Order and part of our contracts – it has been updated and enhanced in 2022, with a special strengthening of all climate protection relevant topics. Bayer works continuously to strategically evolve sustainability topics in procurement. In 2022, we continued to ensure that all strategically important suppliers had to present an EcoVadis rating of at least 45 of 100 points ("green" assessment) or a comparable sustainability audit (TfS or PSCI) result. Since 2021, furthermore, potential new suppliers with a high inherent sustainability risk and procurement spend of more than EUR 250,000 have been examined in advance with regard to sustainability aspects. Bayer is a lead member of the CDP SC initiative. In 2023, we invited 332 corporations, equaling 2,131 Bayer-suppliers, to disclose to us: (a) top-GHG-emitting suppliers, (b) strategically important suppliers, (c) suppliers that are active in relevant sustainability initiatives.
• N/A	• Retain and engage	• 100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC). The code is integrated into every Purchasing Order and part of our contracts – it has been updated and enhanced in 2022, with a special strengthening of all climate protection relevant topics and with regards to FORESTS: Suppliers are expected to protect natural ecosystems from deforestation, forest con- version, or land conversion. Suppliers shall undertake best efforts to aim for zero net deforestation. Suppliers shall undertake best efforts to aim for a sustainable production when agricultural feedstocks or forestry feedstocks are impacted. Suppliers shall undertake best efforts to have management systems in place when using forest-risk commodities (or deforestation-prone products), like palm (kernel) oil, soy or other agricultural or forestry feedstocks. Such system can be based on a widely accepted third-party verified certification scheme and enable transparency as well as traceability along the value chain. If suppliers source materials which contain palm (kernel) oil or

			• Providing information on appropriate actions that can be taken to address non-compliance	derivatives of it, suppliers shall ensure that at least ‘mass balance’ - certified sustainable palm (kernel) oil is sourced. The certification shall be in line with the criteria of the Roundtable on Sustainable Palm Oil (RSPO), or an equivalent scheme.
• N/A	• Retain and engage	• 100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC), The code is integrated into every Purchasing Order and part of our contracts. Water-related requirements include the following: Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.
N/A	Retain and engage	100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC), The code is integrated into every Purchasing Order and part of our contracts. Water-related requirements include the following: Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.
N/A	Retain and engage	100%	• Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics • Developing quantifiable, time-bound targets and milestones to bring	The core principles of our sustainability requirements are established in the Bayer Supplier Code of Conduct (SCoC), The code is integrated into every Purchasing Order and part of our contracts. Water-related requirements include the following: Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special

			• suppliers back into compliance • Providing information on appropriate actions that can be taken to address non-compliance	attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.

5.11.7 Provide further details of your organization's supplier engagement on environmental issues.

Climate change

Environmental issue covered	Commodity	Action driven by supplier engagement	Type and details of engagement	Upstream value chain coverage	% of tier 1 suppliers by pocurement spend covered by engagement
Climate change	n/a	• Emissions reduction	Capacity building • Provide training, support and best practices on how to measure GHG emissions • Provide training, support and best practices on how to set science-based targets Financial incentives • Feature environmental performance in supplier awards scheme Information collection • Collect GHG emissions data at least annually from suppliers Innovation and collaboration • Collaborate with suppliers on innovative business models and corporate renewable energy sourcing mechanisms	• Tier 1 suppliers	• 51-75%

% of tier 1 supplier-related scope 3 emissions covered by engagement	% tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement	Number of tier 2+ suppliers engaged	Describe the engagement and explain the effect of your engagement on the selected environmental action	Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue	Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action
• 51-75%	• *N/A*	N/A	i) MEASURES OF SUCCESS AND THRESHOLD: We set ambitious targets and measure TARGET FULFILLMENT. TARGET #1: We have a Science-Based Target (SBT) to reduce our absolute GHG supply chain emissions (Scope 3) by 12.3% till end of 2029 (base year 2019). TARGET #2: All strategically important suppliers have to present an EcoVadis rating of at least 45 of 100 points or a comparable result in a TfS or	• Yes, please specify the environmental requirement: Emissions reduction	• Yes

			PSC audit. Potential new suppliers with a high inherent sustainability risk and procurement spend of more than EUR 250,000 are examined in advance with regard to sustainability aspects. ii) IMPACT OF ENGAGEMENT: TARGET #1: Scope 3emissions fell by 0.53 million t CO2e (a decrease of 6.0% compared with 2022). TARGET #2: We align our procurement and supplier management processes to ambitious ethical, social and environment-related principles. We expect our suppliers to observe these principles and support them in doing so. SSE and CDP Supply Chain results are used as KPI on internal procurement scorecards. The EcoVadis assessments and sustainability audits are analyzed to identify specific improvement measures. In case suppliers had received a critical result, Bayer requests that the suppliers remedy the identified weaknesses within an appropriate timeframe based on specific action plans., Bayer is a member of the working group of TfS initiative “GHG Scope 3 Emissions”. This group aims to standardize the calculation of product carbon footprints (PCF) for the chemical industry. Via the CDP SC initiative we asked in 2023 our top-GHG-emitting suppliers and our strategically important suppliers to disclose to us their climate program and GHG data. We hosted supplier webinars together with CDP and focused our engagement on 11 KPIs from the CDP questionnaire. Those suppliers, which we evaluated in 2023, received a personalized feedback e-mail in which we laid out our perception of their performance with respect to those 11 KPIs. We included a guidance how the supplier can improve and will evaluate in the next reporting cycle. If a supplier is in breach of one of the principles set out in our current SCoC and cannot agree on an improvement plan or does not implement it, Bayer reserves the right to end the commercial relationship. iii) EXAMPLE: Our monthly monitoring shows that 687 (2022: 676) of 1,252 (2022: 1,258) Bayer suppliers assessed via EcoVadis or audited via TfS or PSCI improved their sustainability performance in 2023.		

Forest – Palm Oil

Environmental issue covered	Commodity	Action driven by supplier engagement	Type and details of engagement	Upstream value chain coverage	% total procurement spend covered by engagement
Forest	• Palm oil	• No deforestation and/or conversion of other natural ecosystems	Capacity building • Develop or distribute resources on how to map upstream value chain • Provide training, support and best practices on how to mitigate environmental impact	• Tier 1 suppliers • Tier 2 suppliers	• 51-75%

			• Other capacity building activity, please specify: Offering on-site training and technical assistance, Workshops, Sustainable Agricultural Competence Center Information collection • Collect environmental risk and opportunity information at least annually from suppliers • Other information collection activity, please specify: Supplier questionnaires on ES indicators, supplier audits Innovation and collaboration • Engage with suppliers to advocate for policy or regulatory change to address environmental challenges		

% of tier 1 supplier-related scope 3 emissions covered by engagement	% tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement	Number of tier 2+ suppliers engaged	Describe the engagement and explain the effect of your engagement on the selected environmental action	Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue	Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action
• N/A	• 1-25%	1	i) MEASURES OF SUCCESS AND THRESHOLD: 100% of our direct suppliers must submit our sustainable supplier questionnaire. ii) IMPACT OF ENGAGEMENT: **Supply chain mapping:** As we understand that various suppliers operate with different standards, we have started a project to assess the current activities regarding palm oil derivatives of each Tier 1 supplier. During the last months of 2020 and the first months in 2021, we have reached out to all our 40 palm oil derivatives suppliers to understand their level of certification and other activities. The move towards RSPO Mass Balance for palm oil derivatives is one step on this path. We are following up during supplier dialogues to build up capacities, understand activities and increase certification of the production. **On-site training:** In addition, we reach out via our supplier manager and via our local teams in the countries. This program is especially designed for farmers in the countries. We offer a wide range of activities. In 2023, approx. 2,800,000 smallholder farmers in Indonesia were engaged via our smallholder activities. iii) EXAMPLE In the area of palm oil, Bayer supports the certified sustainable production of these raw materials. Bayer is a member of the renowned organization RSPO and purchase Mass Balance Certificates. As we only purchase plant oil derivatives, the value chains are complex. The Supplier Code of Conduct (SCoC) takes into account the well-established principles of sustainability incl. FOREST that also have been incorporated in some important internal regulations at the Bayer Group: a) Sustainability is a key element of Bayer's values and forms an integral part of our business strategy.	• Yes, please specify the environmental requirement: No deforestation and/or conversion of other natural ecosystems, Natural ecosystem restoration and long-term protection	• Yes

			b) With its Sustainable Development Policy, Bayer has clearly defined its commitment to the principles of sustainable development. c) Bayer's Group-wide Human Rights Position underscores its efforts to uphold internationally recognized principles in the areas of human rights and working conditions. d) The Corporate Compliance Policy outlines key legal and ethical areas. Our activities are aligned with the elements of the Accountability Framework. e) With the Position on Deforestation and Forest Degradation Bayer wants to make a significant contribution not only to protecting existing forests, but also helping to restore lost forest land.		

Water

Environmental issue covered	Commodity	Action driven by supplier engagement	Type and details of engagement	Upstream value chain coverage	% total procurement spend covered by engagement
Water	n/a	• Total water withdrawal volumes reduction	Capacity building • Provide training, support and best practices on how to mitigate environmental impact Financial incentives • Feature environmental performance in supplier awards scheme • Provide financial incentives to encourage progress against water withdrawal targets • Include long-term contracts linked to environmental commitments • Other financial incentive, please specify: Incentivize demonstrable progress against targets on water withdrawals in your supplier relationship management Information collection • Collect environmental risk and opportunity information at least annually from suppliers • Collect water quality information at least annually from suppliers (e.g., discharge quality, pollution incidents, hazardous substances)	• Tier 1 suppliers	• 51-75%
Water	n/a	• Waste and resource reduction and improved end-of-life management	Capacity building • Provide training, support and best practices on how to mitigate environmental impact Financial incentives • Feature environmental performance in supplier awards scheme • Provide financial incentives to encourage progress against water withdrawal targets • Include long-term contracts linked to environmental commitments • Other financial incentive, please specify: Incentivize demonstrable progress against targets on water withdrawals in your supplier relationship management Information collection • Collect environmental risk and opportunity information at least annually from suppliers	• Tier 1 suppliers	• 51-75%

			Collect water quality information at least annually from suppliers (e.g., discharge quality, pollution incidents, hazardous substances)		

% of tier 1 supplier-related scope 3 emissions covered by engagement	% tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement	Number of tier 2+ suppliers engaged	Describe the engagement and explain the effect of your engagement on the selected environmental action	Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue	Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action
• N/A	• 1-25%	N/A	i) MEASURES OF SUCCESS AND THRESHOLD: TO MEASURE THE SUCCESS, Bayer is keeping track of the suppliers' sustainability performance All strategically important suppliers have to present an EcoVadis rating of at least 45 of 100 points or a comparable result in a TfS or PSC audit. Furthermore, potential new suppliers with a high inherent sustainability risk and procurement spend of more than EUR 250,000 are examined in advance with regard to sustainability aspects. ii) IMPACT OF ENGAGEMENT: We align our procurement and supplier management processes to ambitious ethical, social and environment-related principles. We expect our suppliers to observe these principles, too, and we support them in doing so. To enable its efforts, Bayer has joined several initiatives. The EcoVadis assessments and sustainability audits are analyzed to identify specific improvement measures. In case suppliers had received a critical result, Bayer requests that the suppliers remedy the identified weaknesses within an appropriate timeframe based on specific action plans. If a supplier is in breach of one of the principles set out in our current SCoC and cannot agree on an improvement plan or does not implement it, Bayer reserves the right to end the commercial relationship. EXAMPLE: Our monthly monitoring shows that 687 (2022: 676) of 1,252 (2022: 1,258) Bayer suppliers assessed via EcoVadis or audited via TfS or PSCI improved their sustainability performance in 2023.	• Yes, please specify the environmental requirement: Adherence to Supplier Code of Conduct	• Yes
• N/A	• 1-25%	N/A	i) MEASURES OF SUCCESS AND THRESHOLD: TO MEASURE THE SUCCESS, Bayer is keeping track of the suppliers' sustainability performance All strategically important suppliers have to present an EcoVadis rating of at least 45 of 100 points or a comparable result in a TfS or PSC audit. Furthermore, potential new suppliers with a high inherent sustainability risk and procurement spend of more than EUR 250,000 are examined in advance with regard to sustainability aspects. ii) IMPACT OF ENGAGEMENT: We align our procurement and supplier management processes to ambitious ethical, social and environment-related principles. We expect our suppliers to observe these principles, too, and we support them in doing so. To enable its efforts, Bayer has	• Yes, please specify the environmental requirement: Adherence to Supplier Code of Conduct	• Yes

			joined several initiatives. The EcoVadis assessments and sustainability audits are analyzed to identify specific improvement measures. In case suppliers had received a critical result, Bayer requests that the suppliers remedy the identified weaknesses within an appropriate timeframe based on specific action plans. If a supplier is in breach of one of the principles set out in our current SCoC and cannot agree on an improvement plan or does not implement it, Bayer reserves the right to end the commercial relationship. EXAMPLE: Our monthly monitoring shows that 687 (2022: 676) of 1,252 (2022: 1,258) Bayer suppliers assessed via EcoVadis or audited via TfS or PSCI improved their sustainability performance in 2023.		

Forest continued – Palm Oil and Soy

Environmental issue covered	Commodity	Action driven by supplier engagement	Type and details of engagement	Upstream value chain coverage	% total pro-curement spend covered by engagement
Forest	• Palm oil	• Natural ecosystem restoration and long-term protection	Capacity building • Develop or distribute resources on how to map upstream value chain • Provide training, support and best practices on how to mitigate environmental impact • Other capacity building activity, please specify: Offering on-site training and technical assistance, Workshops, Sustainable Agricultural Competence Center Information collection • Collect environmental risk and opportunity information at least annually from suppliers • Other information collection activity, please specify: Supplier questionnaires on ES indicators, supplier audits Innovation and collaboration Engage with suppliers to advocate for policy or regulatory change to address environmental challenges	• Tier 1 suppliers • Tier 2 suppliers	• 51-75%
Forest	• Soy	• No deforestation and/or conversion of other natural ecosystems	Capacity building • Develop or distribute resources on how to map upstream value chain • Provide training, support and best practices on how to mitigate environmental impact • Other capacity building activity, please specify: Offering on-site training and technical assistance Information collection • Collect environmental risk and opportunity information at least annually from suppliers • Collect targets information at least annually from suppliers • Other information collection activity, please specify: Supplier questionnaires on ES indicators, supplier audits Innovation and collaboration	• Tier 1 suppliers • Tier 2 suppliers	• 51-75%

			• Engage with suppliers to advocate for policy or regulatory change to address environmental challenges		
Forest	• Soy	• Natural ecosystem restoration and long-term protection	Capacity building • Develop or distribute resources on how to map upstream value chain • Provide training, support and best practices on how to mitigate environmental impact • Other capacity building activity, please specify: Offering on-site training and technical assistance Information collection • Collect environmental risk and opportunity information at least annually from suppliers • Collect targets information at least annually from suppliers • Other information collection activity, please specify: Supplier questionnaires on ES indicators, supplier audits Innovation and collaboration Engage with suppliers to advocate for policy or regulatory change to address environmental challenges	• Tier 1 suppliers • Tier 2 suppliers	• 51-75%

% of tier 1 supplier-related scope 3 emissions covered by engagement	% tier 1 suppliers with substantive impacts and/or dependencies related to this environmental issue covered by engagement	Number of tier 2+ suppliers engaged	Describe the engagement and explain the effect of your engagement on the selected environmental action	Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue	Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action
N/A	• 1-25%	1	i) MEASURES OF SUCCESS AND THRESHOLD: 100% of our direct suppliers must submit our sustainable supplier questionnaire. ii) IMPACT OF ENGAGEMENT: **Supply chain mapping:** As we understand that various suppliers operate with different standards, we have started a project to assess the current activities regarding palm oil derivatives of each Tier 1 supplier. During the last months of 2020 and the first months in 2021, we have reached out to all our 40 palm oil derivatives suppliers to understand their level of certification and other activities. The move towards RSPO Mass Balance for palm oil derivatives is one step on this path. We are following up during supplier dialogues to build up capacities, understand activities and increase certification of the production. **On-site training:** In addition, we reach out via our supplier manager and via our local teams in the countries. This program is especially designed for farmers in the countries. We offer a wide range of activities. In 2023, approx. 2,800,000 smallholder farmers in Indonesia were engaged via our smallholder activities. iii) EXAMPLE In the area of palm oil, Bayer supports the certified sustainable production of these raw materials. Bayer is a member of the renowned organization RSPO and purchase Mass Balance Certificates. As we only purchase plant oil derivatives, the value chains are complex. The Supplier Code of Conduct (SCoC) takes into account the well-established	• Yes, please specify the environmental requirement: No deforestation and/or conversion of other natural ecosystems, Natural ecosystem restoration and long-term protection	Yes

			principles of sustainability incl. FOREST that also have been incorporated in some important internal regulations at the Bayer Group: a) Sustainability is a key element of Bayer's values and forms an integral part of our business strategy. b) With its Sustainable Development Policy, Bayer has clearly defined its commitment to the principles of sustainable development. c) Bayer's Group-wide Human Rights Position underscores its efforts to uphold internationally recognized principles in the areas of human rights and working conditions. d) The Corporate Compliance Policy outlines key legal and ethical areas. Our activities are aligned with the elements of the Accountability Framework. e) With the Position on Deforestation and Forest Degradation Bayer wants to make a significant contribution not only to protecting existing forests, but also helping to restore lost forest land.		
• N/A	• 1-25%	1	i) MEASURE OF SUCCESS AND THRESHOLDS: **Sustainable supplier questionnaire**: The majority of our direct suppliers (above 75%) must submit our sustainable supplier questionnaire. We continue to engage with suppliers to understand activities and gain insights into the supply chain. **Supply chain mapping:** We have reached out to the top suppliers providing approx. 80% of our soy consumption. **On-site training:** In addition, we reach out via our supplier manager, our business developing teams and via our local teams in the countries. **RTRS Engagement:** Via our RTRS engagement and various initiatives like the PRO Carbono Commodities program, we engage with our suppliers and value chain partners to drive sustainable production and certification. ii) IMPACT OF ENGAGEMENT: In the area of soy Bayer supports the certified sustainable production of these raw materials as a purchaser of soy derivatives, which is especially important in Southeast Asia and South America. Bayer is a member of the renowned organization RTRS and purchase so-called "credits" according to the quantities we use. As we only purchase soy derivatives, the value chains are complex. The Supplier Code of Conduct (SCoC) takes into account the well-established principles of sustainability incl. FOREST that also have been incorporated in some important internal regulations at the Bayer Group: a) Sustainability is a key element of Bayer's values and forms an integral part of our business strategy. b) With its Sustainable Development Policy, Bayer has clearly defined its commitment to the principles of sustainable development. c) Bayer's Group-wide Human Rights Position underscores its efforts to uphold internationally recognized principles in the areas of human rights and working conditions. d) The Corporate Compliance Policy outlines key legal and ethical areas. Our activities are aligned with the elements of the Accountability Framework.	• Yes, please specify the environmental requirement: No deforestation and/or conversion of other natural ecosystems, Natural ecosystem restoration and long-term protection	• Yes

			e) With the Position on Deforestation and Forest Degradation Bayer wants to make a significant contribution not only to protecting existing forests, but also helping to restore lost forest land.		
N/A	• 1-25%	1	i) MEASURE OF SUCCESS AND THRESHOLDS: **Sustainable supplier questionnaire**: The majority of our direct suppliers (above 75%) must submit our sustainable supplier questionnaire. We continue to engage with suppliers to understand activities and gain insights into the supply chain. **Supply chain mapping:** We have reached out to the top suppliers providing approx. 80% of our soy consumption. **On-site training:** In addition, we reach out via our supplier manager, our business developing teams and via our local teams in the countries. **RTRS Engagement:** Via our RTRS engagement and various initiatives like the PRO Carbono Commodities program, we engage with our suppliers and value chain partners to drive sustainable production and certification. ii) IMPACT OF ENGAGEMENT: In the area of soy Bayer supports the certified sustainable production of these raw materials as a purchaser of soy derivatives, which is especially important in Southeast Asia and South America. Bayer is a member of the renowned organization RTRS and purchase so-called “credits” according to the quantities we use. As we only purchase soy derivatives, the value chains are complex. The Supplier Code of Conduct (SCoC) takes into account the well-established principles of sustainability incl. FOREST that also have been incorporated in some important internal regulations at the Bayer Group: a) Sustainability is a key element of Bayer’s values and forms an integral part of our business strategy. b) With its Sustainable Development Policy, Bayer has clearly defined its commitment to the principles of sustainable development. c) Bayer’s Group-wide Human Rights Position underscores its efforts to uphold internationally recognized principles in the areas of human rights and working conditions. d) The Corporate Compliance Policy outlines key legal and ethical areas. Our activities are aligned with the elements of the Accountability Framework. e) With the Position on Deforestation and Forest Degradation Bayer wants to make a significant contribution not only to protecting existing forests, but also helping to restore lost forest land.	• Yes, please specify the environmental requirement: No deforestation and/or conversion of other natural ecosystems, Natural ecosystem restoration and long-term protection	• Yes

5.11.8 Provide details of any environmental smallholders engagement activity

Commodity	Type and details of smallholder engagement approach	Number of smallholders engaged	Effect of engagement and measures of success

Palm oil	Capacity building • Offer on-site technical assistance and extension services • Organize capacity building events Financial incentives • Provide financial incentives for certified products Innovation and collaboration • Other innovation and collaboration, please specify: Investing in pilot projects Other, please specify • Other, please specify: Providing agricultural inputs	5300000	i) THRESHOLD FOR MEASURE OF SUCCESS: More than 500 million smallholder farmers provide 80% of the food for communities in Asia, Africa, and South America. Our products already support around 53 million smallholder farmers in LMICs. At Bayer, we want to empower more than 100 MILLION SMALLHOLDER FARMERS BY 2030 in low- and middle-income countries through our products, services, and partnerships. We aim to empower them through partnerships and innovative solutions that expand agricultural know-how to address their issues. We believe intensification of land use enabled by modern agriculture decrease the pressure to have more arable land for the need to increase food production. ii) IMPACT OF ENGAGEMENT: To achieve our goal, we particularly engage with smallholders in training programs. a) Training programs, like BayG.A.P., teach smallholder farmers how to implement good agricultural practices, agriculture practices, including safe use of pesticides, compliance with international trade rules, and how to access local partnerships and outreach efforts. Bayer offers targeted training measures worldwide with a focus on countries where no, or only limited legal requirements, such as certification schemes for operators, are in place. Through the BayG.A.P. program, we trained small and medium-scale farmers in 16 countries to implement sustainable farming standards and principles of good agricultural practices in 2023. We also added two new value chain solutions that are being piloted in Ecuador and India, with the aim of improving market access for farmers with local supermarkets, reaching more than 200 farmers. Additionally, we have expanded our training portfolio with a new training on Regenerative Agriculture. b) With our ForwardFarming and our smallholder engagement programs, Bayer trains and educated farmers with sustainable practices, protecting people, preserving the environment, and improving the crop. c) On global level, we have around 50 fully dedicated or part-time Food Chain managers. These experts want to broaden our network and bring its benefits to more people — particularly in helping cultivate new opportunities for smallholder by capacity building, technology access, certification support and market linkage. PLEASE NOTE: As the CDP System only allows 7-digit-values, we reported 5.3 instead of 53 million.
Soy	Capacity building • Offer on-site technical assistance and extension services • Organize capacity building events Financial incentives • Long-term contracts linked to no-deforestation or no-conversion commitments • Provide financial incentives for certified products Innovation and collaboration • Other innovation and collaboration, please specify: Investing in pilot projects Other, please specify	5300000	i) THRESHOLD FOR MEASURE OF SUCCESS: More than 500 million smallholder farmers provide 80% of the food for communities in Asia, Africa, and South America. Our products already support around 53 million smallholder farmers in LMICs. At Bayer, we want to empower more than 100 MILLION SMALLHOLDER FARMERS BY 2030 in low- and middle-income countries through our products, services, and partnerships. Intensive agriculture with high yields per hectare of farmland is a crucial factor for ensuring the continued availability of high-quality and affordable food. Agricultural intensification leads to less land being required for the same amount of agricultural output. While agricultural yields have grown by 60% over the past 40 years, the amount of agricultural land has increased by only 5%. This productivity increase was substantially enabled by technological developments in the areas of plant breeding and – since the 1990s – plant biotechnology as well as by management practices such as fertilization, irrigation and crop protection. ii) IMPACT OF ENGAGEMENT: To achieve our goal, we particularly engage with smallholders in training programs. a) Through the BayG.A.P. program, we trained small and medium-scale farmers in 16 countries to implement sustainable farming standards and principles of good agricultural practices in 2023. We also added two new value chain solutions that are being piloted in Ecuador and India, with the aim of improving market access for farmers with local supermarkets, reaching more than 200 farmers. Additionally, we have expanded our training portfolio with a new training on Regenerative Agriculture. b) ForwardFarming and our smallholder engagement programs, Bayer trains and educated farmers with sustainable practices, protecting people, preserving the environment, and improving the crop. c) Through our Better Life Farming Program, we furthermore support smallholders in the different areas of the world. d) On global level, we have around 50 fully dedicated or part-time Food Chain managers. These experts want to broaden our network and bring its benefits to more people — particularly in helping cultivate new opportunities for smallholder by capacity building, technology access, certification support and market linkage.

	• Other, please specify: Providing agricultural inputs		PLEASE NOTE: As the CDP System only allows 7-digit-values, we reported 5.3 instead of 53 million.

5.11.9 Provide details of any environmental engagement activity with other stakeholder in the value chain.

Environ-mental issue	Type of stakeholder	Type and details of engagement	% of stakeholder type engaged	% stakeholder-associated scope 3 emissions	Rationale for engaging these stakeholders and scope of engagement	Effect of engagement and measures of success
Climate change	• Customers	Education/Information sharing • Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services	• 100%	• Less than 1%	Global agriculture and food systems are confronted with major challenges, such as climate change, water scarcity and population growth. Intensive agriculture with high yields per hectare of farmland is a crucial factor for ensuring the continued availability of high-quality and affordable food. Agricultural intensification leads to less land being required for the same amount of food produced. Digital technologies play an important role here, as do improved seed and good agricultural practices. RATIONALE: According to a report of the Intergovernmental Panel on Climate Change (IPCC), agriculture, forestry and other land use account for about 22% of all greenhouse gas (GHG) emissions worldwide. The role we can play in protecting the climate is enormous. That's why we are doing everything in our power to fully exhaust decarbonization potential in farming and to make it more efficient and resilient. With the help of new processes, GHG emissions from farming can not only be reduced, but can also be captured in the soil. Tremendous, still largely untapped potential exists here. We create financial incentives that will enable farmers to tap into this potential in the future. SCOPE OF ENGAGEMENT: To achieve our target, we foster the adoption of climate-smart practices and technologies by our farming customers. These include high-yielding crop genetics, crop protection products, precision irrigation systems, soil management tactics through no-till and cover crops, crop rotation, root health, fertilization management, microorganisms and inoculants, a switch to dry-seeded rice, and digital and precision farming tools. Combining	i) THRESHOLD FOR MEASURES OF SUCCESS: By 2030, we aim to enable our farming customers to reduce their on-field GHG emissions per mass unit of crop produced by 30% compared to the overall base-year emission intensity, which includes the weighted emission intensities of 18 crop-country combinations. Base years are defined for each crop-country combination, using data from harvest year 2020, 2021 or 2022 depending on data availability. This reduction target applies to the highest GHG-emitting crop systems in the regions Bayer serves (with the exception of the crop-country combinations Italy-Corn and Spain-Corn that were not selected based on these factors but were included because data were already available). Our major focus lies on soybeans and corn in the US, Brazil and Argentina, paddy rice in India, and wheat, cotton and oilseed rape/canola in various regions. To measure progress against our target, we use representative samples of Bayer's customers' field-level data from a third-party market research data provider (Kynetec UK Ltd.) obtained in interviews with randomly selected farmers. ii) IMPACT OF ENGAGEMENT: Our GLOBAL CARBON PROGRAM offers farmers in Latin America, North America, Europe and Asia financial incentives to apply climate-friendly methods and capture GHG in the soil. So far, ca. 21,000 growers from 10 countries - participated in the Bayer Carbon Program (3.5m paid acres, 23 programs / projects, 16 companies).

					different levers can lead to customized profitable tailored solutions for our farming customers. To learn how to scale the adoption of climate-smart practices and solutions, create new value streams for our farming customers and business opportunities for ourselves, and at the same time benefit the environment, Bayer is driving the implementation of CARBON FARMING INITIATIVES in every region we serve. We promote the sustainable intensification of farming through innovative, more productive crops. This allows farmers to produce more food from the same amount of farmland. Currently, Bayer does not report emissions associated with our customer engagement. We are preparing to report related Scope 3 emissions in the future. As we did not calculate the exact emissions associated with our engagement, we take a cautious approach and selected <1%.	
Water	• Customers	Education/Information sharing • Educate and work with stakeholders on understanding and measuring exposure to environmental risks • Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services • Share information about your products and relevant certification schemes	• 1-25%	• N/A	Agriculture accounts for 70% of global freshwater withdrawal and is expected to increase to 84% until 2050. Crop Science engages with participants in the food value chain such as farmers, the processing industry, exporters and dealers to ensure the safe handling of crop protection products, esp. in countries without statutory requirements or certification for users, to protect water bodies and to promote sustainable agriculture. Through targeted training courses, we show farmers, seed treatment professionals, distributors and other users how to use our products both effectively and safely to maintain healthy plants and thereby increase the yield and quality of their harvested goods. Our objective is to continuously increase the outreach of our training activities through more widespread use of digital media. The training courses cover aspects such as the safe handling of our products during use, transport, storage and disposal, the correct use of protective clothing and equipment, and first aid measures in the event of emergencies. The BayG.A.P. Service program offers a broad set of services for growers and food value chain companies around training, verification, traceability, and labelling enabling growers to successfully implement good agricultural practices. BayG.A.P. guides farmers on how to reduce the environmental footprint of farming. We support grower's education in sustainable water use to decrease	THRESHOLD FOR SUCCESS We focused our training activities on countries where there are no statutory certification requirements for farmers concerning the safe handling of crop protection products. Most of the people trained were in Asia, followed by Africa and Latin America. Our partnerships allow us to increase the reach of the activities and conduct joint events, e.g. with universities, information centers or local, regional and international associations. To MEASURE SUCCESS, we track the reach of our trainings and partnerships related to #of contacts and #of growers enrolled in the BayG.A.P. program. By end of 2025 we aim to train 1.25 million farmers and field workers worldwide. IMPACT: In 2023, we continued to offer virtual training activities that we had widely introduced during the COVID-19 pandemic and resumed on-site training wherever possible. The flexible approach and use of digital tools enabled us to reach almost 5.3 million external contacts worldwide (farmers, field workers, distributors, retailers and other stakeholders), including around four million smallholder farmers. Crop Science has initiated 382 food value chain partnership

					their water consumption footprint and avoid water contamination.	initiatives in 35 countries and 62 crops. 957,104 growers worldwide have been enrolled in BayG.A.P. training on food safety, sustainable, and regenerative agriculture. Topics covered amongst a holistic set of good agricultural practices include water & irrigation management as well as pollution & runoff prevention.
Water	Other value chain stakeholder, please specify: seed growers	Innovation and collaboration • Collaborate with stakeholders on innovations to reduce environmental impacts in products and services	• 76-99%	N/A	Water is an important factor for seed production. In order to deliver high quality seeds in sufficient amount to growers, sufficient water supply is required. However, both deficit irrigation or excessive water could affect yield and quality of the crops. Along the years the collaboration with seed growers to implement new technology in modern irrigation methods and irrigation management systems, has been key to ensure the conservation of water resources while improving yield and quality of the crops, which translate in higher profit for the grower while sustaining water resources. Crop Science is DIRECTLY COLLABORATING with seed growers across our supply chain to do a transition to more efficient irrigation methods, e.g., from furrow to drip irrigation and application of water management methods. We also INNOVATE in the use of irrigation management systems (e.g., scheduling services, prescriptive services). These systems allow our seed growers to irrigate where and when it is needed, increasing the irrigation efficiency, and thus conserving water resources. We have reached high maturity in the use of efficient irrigation methods and the use of management systems in seed growers' fields, and we continue our activities focused on collaboration with smallholder farmers that grow our seeds, especially in LMIC. In Mexico, which is a country with high water stress according to the WRI Aqueduct tool, the local team has been working with growers in increasing the water application efficiency in the cultivated areas.	THRESHOLD FOR MEASURES OF SUCCESS: In Mexico, the local team has stablished the goal to reach 76% of water application efficiency in cultivated areas of seed growers, using modern irrigation methods and irrigation management systems. IMPACT OF ENGAGEMENT: In Mexico, the local team has been able to increase the water application efficiency by 16% in 2023 (baseline 2020) in cultivated areas of seed growers. Currently the average water application efficiency in cultivated areas is 72%.
Climate Change	• Investors and shareholders	Education/Information sharing • Share information about your products and relevant	• 100%	• None	Information about our Climate-related performance and initiatives is published in relevant publications available to ALL investors and shareholders e.g. our Annual Report, Sustainability Report, TCFD Report and our website. In 2023, we once again engaged in intensive dialogue with the capital market regarding ESG issues. The focus was on climate protection, biodiversity, safe product use particularly regarding crop protection, corporate	i) THRESHOLD FOR MEASURES OF SUCCESS: As a measure of success, we are tracking our shareholder base as well as the order books when it comes to new bond issuances. We also engage our investors to better understand their sustainable investment approaches. Moreover, we also measure our performance in relevant sustainability ratings and an rankings. Many investors make use

		certification schemes • Share information on environmental initiatives, progress and achievements			governance and access to medicines by people in low and middle-income countries. RATIONALE: Bayer actively engages ESG minded investors on topics of interest and concern. The company tries to offer all reasonable formats, incl. bilateral dialogues that are valuable and necessary to consider individual perspectives. We see huge opportunities in engaging multiple investors simultaneously to get different views to the table and to facilitate constructive and outcome-based discussions. With our engagements we aim to improve mutual understanding, thus supporting Bayer to progress in line with investor expectations, to strengthen trust in the investor sphere, and to facilitate further ESG-based investments in the capital markets. SCOPE: We engaged in numerous conversations with investors regarding sustainability issues in 2023. In addition to bilateral investor conversations, conferences and roadshows, we hosted two webinars during which we provided information on current topics. Here, we feel it is important to bring in experts from the divisions and central functions as this helps give capital market participants a deeper understanding of the various topics while also providing a direct channel for investors to communicate their needs to the company. In addition, we advocate for a climate position in line with our ambitious targets and demand that our partners undertake action to reduce GHG emissions in accordance with the Paris Agreement. We published a detailed list of our climate policy lobbying activities. In line with our goals, we critically scrutinize our memberships in relevant industry associations and their positions as regards climate policy measures on a regular basis. The analysis forms the basis for Bayer's further efforts to advocate for scientifically founded policies to combat climate change through member associations. In developing this approach, we worked together with Climate Action 100+, an investor initiative that cooperates with the world's biggest industrial companies on the issue of climate change.	of ESG ratings and include the results in their analysis whether a company can be selected as "sustainable" and therefore in the decision making whether to invest in a company – or not. ii) IMPACT OF ENGAGEMENT: As outcome of our investor engagement, we extended transparency in our Sustainability Report, our Transparency webpage and launched the Bayer Political Advocacy Transparency Report. Our Crop Science division enhanced disclosure on product stewardship and launched the Bayer Crop Science Sustainability Progress Report in 2022. With respect to the ESG ratings, our biggest accomplishment was being upgraded to "Prime" by ISS ESG. Overall, we have a good performance rating profile that reflects our ongoing transparency efforts. However, we continue to see room for improvement as regards certain ESG ratings on controversial issues, with occasional unfavorable ratings for topics such as glyphosate and GMOs. We have been disclosing publicly to CDP since 2007 and have continuously achieved a leadership rating for our Climate performance, receiving an A- in 2023.
Water	• Investors and shareholders	Education/Information sharing • Share information	• 100%	• N/A	Information about our Water-related performance and initiatives is published in relevant publications available to ALL investors and shareholders e.g. our Annual Report, Sustainability Report, TCFD Report and our website.	i) MEASURES OF SUCCESS: As a measure of success, we are tracking our shareholder base as well as the order books when it comes to new bond issuances. We also engage our investors to better understand their sustainable

		about your products and relevant certification schemes • Share information on environmental initiatives, progress and achievements			In 2023, we once again engaged in intensive dialogue with the capital market regarding environmental, social and governance (ESG) issues. The focus was on the issues of climate protection, biodiversity, safe product use particularly with regard to crop protection, corporate governance and access to medicines by people in low and middle-income countries (LMICs). RATIONALE: Bayer actively engages ESG minded investors on topics of interest and concern. For this purpose, the company tries to offer all reasonable formats, including bilateral dialogues that are valuable and necessary to consider individual perspectives. In addition, we see huge opportunities in engaging multiple investors simultaneously to get different views to the table and to facilitate constructive and outcome-based discussions. With our engagements we aim to improve mutual understanding, thus supporting Bayer to progress in line with investor expectations, to strengthen trust in the investor sphere, and to facilitate further ESG-based investments in the capital markets. SCOPE OF ENGAGEMENT: We engaged in numerous conversations with investors regarding sustainability issues in 2023. In addition to bilateral investor conversations, conferences and roadshows, we also hosted two webinars during which we provided information on current topics. Here, we feel it is important to bring in experts from the divisions and central functions as this helps give capital market participants a deeper understanding of the various topics while also providing a direct channel for investors to communicate their needs to the company.	investment approaches. We also measure our performance in relevant sustainability ratings and rankings. Many investors make use of ESG ratings and include the results in their analysis whether a company can be selected as “sustainable” and therefore in the decision making whether to invest in a company – or not. ii) IMPACT: As outcome of our investor engagement, we extended transparency in our Sustainability Report, our Transparency webpage and launched the Bayer Political Advocacy Transparency Report. Our Crop Science division enhanced disclosure on product stewardship and launched the Bayer Crop Science Sustainability Progress Report in 2022. With respect to the ESG ratings, our biggest accomplishment was being upgraded to “Prime” by ISS ESG. Overall, we have a good performance rating profile that reflects our ongoing transparency efforts. However, we continue to see room for improvement as regards certain ESG ratings on controversial issues, with occasional unfavorable ratings for topics such as glyphosate and GMOs. We have been disclosing publicly to CDP since 2007, with our first CDP Water report in 2010, when CDP first started its Water Disclosure. We have continuously achieved a leadership rating for our Water performance, receiving an A- in 2023.

Module 6 – Environmental Performance – Consolidation Approach

6.1 Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Environmental issue	Consolidation approach used	Provide the rationale for the choice of consolidation approach
Climate change	• Financial control	We have used the same consolidation approach as in our financial accounting to be consistent with our Annual Report and our Sustainability Report in line with the EU CSRD.
Forests	• Financial control	We have used the same consolidation approach as in our financial accounting to be consistent with our Annual Report and our Sustainability Report in line with the EU CSRD.
Water	• Financial control	We have used the same consolidation approach as in our financial accounting to be consistent with our Annual Report and our Sustainability Report in line with the EU CSRD.
Plastics	• Financial control	We have used the same consolidation approach as in our financial accounting to be consistent with our Annual Report and our Sustainability Report in line with the EU CSRD.
Biodiversity	• Financial control	We have used the same consolidation approach as in our financial accounting to be consistent with our Annual Report and our Sustainability Report in line with the EU CSRD.

Module 7 – Environmental Performance – Climate Change

7.1 Is this your first year of reporting emissions data to CDP?

- No

7.1.1 Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?	Name of organization(s) acquired, divested from, or merged with	Details of structural change(s), including completion dates
Row 1	• Yes, an acquisition	Blackford Analysis Ltd., UK	On February 13, 2023, we completed the acquisition of 100% of the shares in Blackford Analysis Ltd., United Kingdom, a global provider of radiology AI platform technology. Blackford provides platform infrastructure and access to a rich clinical application (ClinApp) ecosystem focused on medical imaging and analytics. The acquisition follows a development and license agreement between the two companies in 2020 that laid the foundation for Bayer's recently launched medical imaging platform, Calantic™ Digital Solutions. The acquired companies are assigned to the Pharmaceuticals segment.

7.1.2 Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	• No	N/A

7.1.3 Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	• No, because the impact does not meet our significance threshold	• N/A	We strive to continuously improve the transparency and accuracy of our emissions accounting methodology implement improvements as they become available to us. According to our base year recalculation policy we have evaluated that the changes/adjustments do not influence our baseline emissions. A recalculation therefore was not necessary. The significance threshold applied for determining base year recalculations is 5%.	• Yes

			Although baseline was not recalculated, for Scope 3 emissions, previous year emissions were slightly adjusted.	

7.2 Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

7.3 Describe your organization's approach to reporting Scope 2 emissions.

	Scope 2, location-based	Scope 2, market-based	Comment
Row 1	We are reporting a Scope 2, location-based figure	We are reporting a Scope 2, market-based figure	n/a

7.4 Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

- No

7.5 Provide your base year and base year emissions.

Scope	Base year end	Base year emissions (metric tons CO2e)	Methodological Details
Scope 1	12/31/2019	2,080,000	RATIONALE Direct emissions result from our own power plants, vehicles, waste incineration plants and production facilities (Scope 1). In line with the GHG Protocol, we also report the direct emissions that arise through the generation of energy that we sell to other companies as a site service. MEASUREMENT APPROACH All divisions, business units, regions and corporate functions within the entire Bayer Group have been taken into scope. The process of calculating GHG emissions from SCOPE 1 can be described with the following four basic steps. Step 1 is to adjust the environmental questionnaire in our internal data collection system (BaySIS) according to internal and external requirements, guidelines and standards. Persons responsible for data entry at the sites are trained on existing and new content and prepared for data collection and calculation. Step 2 is to collect the activity data. The data are collected globally via questionnaires from all environmentally relevant sites, i.e. all organizational units with a minimum net energy usage of 1.5 tera Joule per year, in order to quantify our total GHG impact. Step 3 is to compile the emission factors, which helps to convert activity data into GHG emissions data in step 4. Available emission factors used are fuel- and/or site-specific and follow the recommendations of the GHG protocol. Step 4 is to calculate inventory result by multiplying the activity data obtained from step 2 with the emissions factors from step 3. Results are verified and reviewed in an internal control process. EXAMPLES FOR EMISSION FACTORS Examples for emission factors are kilograms CO2 emitted per liter of gasoline consumed or electricity consumed. DATA SOURCES

			The following key sources are used in the calculation process: Bayer Site Information System (BaySIS), Department for Environment, Food & Rural Affairs (DEFRA), estell (multi-regional environmentally extended input output (EEIO) database based on the input-output table of the OECD with additional inputs from BEA, World Bank indicators and EXIOBASE), GaBi 2020 Product Sustainability Database, Intergovernmental Panel on Climate Change (IPCC), International Energy Agency (IEA) and The European Chemical Industry Council (CEFIC)
Scope 2 (location-based)	12/31/2019	1,770,000	RATIONALE In line with the GHG Protocol, we report indirect emissions (Scope 2) according to both the location-based and the market-based methods. Indirect emissions result from the procurement of electricity, steam and cooling energy (Scope 2). For Bayer, the market-based method of the GHG Protocol most reliably reflects the values for Scope 2 emissions and the success of emissions reduction measures, so we apply emissions volumes calculated using this method when calculating the total and specific greenhouse gas emissions. MEASUREMENT APPROACH All divisions, business units, regions and corporate functions within the entire Bayer Group have been taken into scope. The process of calculating GHG emissions from SCOPE 2 can be described with the following four basic steps. Step 1 is to adjust the environmental questionnaire in our internal data collection system (BaySIS) according to internal and external requirements, guidelines and standards. Persons responsible for data entry at the sites are trained on existing and new content and prepared for data collection and calculation. Step 2 is to collect the activity data. The data are collected globally via questionnaires from all environmentally relevant sites, i.e. all organizational units with a minimum net energy usage of 1.5 tera Joule per year, in order to quantify our total GHG impact. Step 3 is to compile the emission factors, which helps to convert activity data into GHG emissions data in step 4. Available emission factors used are fuel- and/or site-specific and follow the recommendations of the GHG protocol. Step 4 is to calculate inventory result by multiplying the activity data obtained from step 2 with the emissions factors from step 3. Results are verified and reviewed in an internal control process. EXAMPLES FOR EMISSION FACTORS Examples for emission factors are kilograms CO2 emitted per liter of gasoline consumed or electricity consumed. DATA SOURCES The following key sources are used in the calculation process: Bayer Site Information System (BaySIS), Department for Environment, Food & Rural Affairs (DEFRA), estell (multi-regional environmentally extended input output (EEIO) database based on the input-output table of the OECD with additional inputs from BEA, World Bank indicators and EXIOBASE), GaBi 2020 Product Sustainability Database, Intergovernmental Panel on Climate Change (IPCC), International Energy Agency (IEA) and The European Chemical Industry Council (CEFIC)
Scope 2 (market-based)	12/31/2019	1,680,000	RATIONALE In line with the GHG Protocol, we report indirect emissions (Scope 2) according to both the location-based and the marketbased methods. Indirect emissions result from the procurement of electricity, steam and cooling energy (Scope 2). For Bayer, the market-based method of the GHG Protocol most reliably reflects the values for Scope 2 emissions and the success of emissions reduction measures, so we apply emissions volumes calculated using this method when calculating the total and specific greenhouse gas emissions. MEASUREMENT APPROACH All divisions, business units, regions and corporate functions within the entire Bayer Group have been taken into scope. The process of calculating GHG emissions from SCOPE 1 can be described with the following four basic steps. Step 1 is to adjust the environmental questionnaire in our internal data collection system (BaySIS) according to internal and external requirements, guidelines and standards. Persons responsible for data entry at the sites are trained on existing and new content and prepared for data collection and calculation. Step 2 is to collect the activity data. The data are collected globally via questionnaires from all environmentally relevant sites, i.e. all organizational units with a minimum net energy usage of 1.5 tera Joule per year, in order to quantify our total GHG impact.

			Step 3 is to compile the emission factors, which helps to convert activity data into GHG emissions data in step 4. Available emission factors used are fuel- and/or site-specific and follow the recommendations of the GHG protocol. Step 4 is to calculate inventory result by multiplying the activity data obtained from step 2 with the emissions factors from step 3. Results are verified and reviewed in an internal control process. EXAMPLES FOR EMISSION FACTORS Examples for emission factors are kilograms CO2 emitted per liter of gasoline consumed or electricity consumed. DATA SOURCES The following key sources are used in the calculation process: Bayer Site Information System (BaySIS), Department for Environment, Food & Rural Affairs (DEFRA), estell (multi-regional environmentally extended input output (EEIO) database based on the input-output table of the OECD with additional inputs from BEA, World Bank indicators and EXIOBASE), GaBi 2020 Product Sustainability Database, Intergovernmental Panel on Climate Change (IPCC), International Energy Agency (IEA) and The European Chemical Industry Council (CEFIC)
Scope 3 category 1: Purchased goods and services	12/31/2019	6,621,000	“estell 6” is applied to calculate all relevant GHG emissions for purchased goods and services. estell is a model that is based on a detailed multi-regional environmentally extended input output (EEIO) database (see GHG Protocol-Scope 3 Standard, chapter 7) developed by the consulting firm Systain. (i) Data sources: Activity data are taken from the procurement system of Bayer as purchasing volumes in euros, differentiated by cost types and country of origin. To determine emissions from purchased goods and services, all purchase volumes have been considered except capital goods, fuel & energy, transport, business travel and waste related cost types. estell’s emission factors are based on the input-output table of the OECD (https://www.oecd.org/sti/ind/inter-country-input-output-tables.htm) with additional inputs from BEA (www.bea.gov), World Bank indicators and EXIOBASE (www.exiobase.eu). The emission factors include all upstream (cradle-to-gate) emissions of all the relevant process steps for each good or service. The model focuses on emissions caused by primary inputs. Primary inputs are production related inputs and transports. Non-production related inputs are excluded to exclude emission sources with negligible potential to influence GHG reductions (see Scope 3 Accounting and Reporting Standard, p.31, minimum boundary) and to align the system boundary to approaches based on life-cycle assessment (LCA). (ii) Methodologies: To determine the emissions, procurement volumes by cost type and country are allocated to economic sectors and multiplied with estell’s emission factors for each unit of demand in every economic sector and region. In 2021 we enhanced the embedded price-adjustment approach to mitigate inflation. The model uses GWP values from IPCC’s AR 5 (2013) for a 100-year time horizon including carbon feedback.
Scope 3 category 2: Capital goods	12/31/2019	508,000	“estell 6” is applied to calculate all relevant GHG emissions for capital goods. estell is a model that is based on a detailed multi-regional environmentally extended input output (EEIO) database (see GHG Protocol-Scope 3 Standard, chapter 7) developed by the consulting firm Systain. (i) Data sources: Activity data are taken from the procurement system of Bayer as purchasing volumes in euros, differentiated by cost types and country of origin. To determine emissions from capital goods, only purchasing volumes from according cost types (taxonomy of Bayer) have been considered. estell’s emission factors are based on the input-output table of the OECD (https://www.oecd.org/sti/ind/inter-country-input-output-tables.htm) with additional inputs from BEA (www.bea.gov), World Bank indicators and EXIOBASE (www.exiobase.eu). The emission factors include all upstream (cradle-to-gate) emissions of all the relevant process steps for each good or service. The model focuses on emissions caused by primary inputs. Primary inputs are production related inputs and transport. Non-production related inputs are excluded to exclude emission sources with negligible potential to influence GHG reductions (see Scope 3 Accounting and Reporting Standard, p.31, minimum boundary) and to align the system boundary to approaches based on life-cycle assessment (LCA). (ii) Methodologies: To determine the emissions, procurement volumes by cost type and country are allocated to economic sectors and multiplied with estell’s emission factors for each unit of demand in every economic sector and region. In 2021 we enhanced the embedded price-adjustment approach to mitigate inflation. The model uses GWP values from IPCC’s AR 5 (2013) for a 100-year time horizon including carbon feedback.

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)	12/31/2019	728,000	In this category, Bayer considers GHG emissions from (A) Upstream emissions of purchased fuels and (B) Upstream emissions of purchased electricity and thermal energies (E+T); (C) Transmission and Distribution (T+D) losses are considered by the emission factors applied in (A) and (B). (i) Data types and sources: (A) Bayer retrieved the energy consumption (TJ) per primary energy source (internal energy generation and vehicle fleet consumption) type as well as purchased E+T from its Bayer site information system (BaySIS). BaySIS collects environmental related primary data at the sites. Emission factors for fuels, electricity grid mixes and thermal energies are taken from Sphera's latest GaBi product sustainability database. Those emission factors include already T+D losses of fuel, electricity and steam provision. As far as possible national specific emission factors are used, if those are not available regional or global factors were used. (ii) Methodologies: The methodology used is based on the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Using the average data method, the emissions are calculated by applying associated emission factors to specific activity data.
Scope 3 category 4: Upstream transportation and distribution	12/31/2019	656,000	Here we consider GHG emissions for up- and down-stream which Bayer has directly ordered and paid: (A) all in- and out-bound cargo-transport based emissions and (B) warehousing and logistic services. (i) Data sources: (A) Calculations are based on mass-related transport data taken from SAP Business Warehouses and SAP, JDA TMS and other data sources for the respective divisions globally. Bayer uses the CEFIC Recommended Emission Factors (Measuring and Managing CO_2 Emissions of European Chemical Transport, Edinburgh, 2010) and commercial tools (e.g., Google Geo Tools) for distance calculations enabling accurate assumptions in the relevant mode of transports. (B) For warehousing and logistic services Bayer used procurement spend in euros, as used for calculating scope 3.1 'Purchased goods and services' and 3.2 'Capital goods' category. (ii) Methodologies: (general) Bayer does not own or control vehicles or facilities from which sold products are transported or distributed. Following the GHG Protocol's "Technical Guidance for Calculating Scope 3 Emissions (version 1.0)" for this category 9 (Downstream Transportation and Distribution) (page 102), Bayer's outbound transportation and distribution services that are purchased by us are excluded from category 9 and included in category 4. (A) Bayer used the CEFIC methodology and the GHG Protocol Standard to calculate upstream transportation emissions by multiplying metric tons of transported goods from our SAP and JDA systems by the calculated distance per shipment (based on ZIP based geo-data-based distance computing or calculated or estimated with a commercial tool) to obtain ton-km associated with transport operations (mode of transport). This figure is then multiplied by default average emission factors [g CO2/ton-km] for the specific mode of transport. (B) As for 3.1/3.2 the "estell 6" model is applied to calculate emissions from warehousing and logistic services.
Scope 3 category 5: Waste generated in operations	12/31/2019	337,000	Bayer separates GHG emissions resulting from waste treated by third parties into (A) incineration, (B) landfill, (C) recycling and (D) other; plus (E) emissions from wastewater treatment. (i) Data sources: The amount of waste (activity data) treated by third parties for the different treatment methods is retrieved from our site information system BaySIS. The combustion factor for incineration (A) is calculated as a weighted average of waste specific emission factors either generated based on site specific waste information or literature data. These specific emission factors are based on carbon content or heating value of the waste. The emission factors for waste from landfill (B), other (D) and for wastewater (E) are calculated based on IPCC's AR 5 (2013). (C) In line with the IPCC, Bayer uses an emissions factor of 0 for recycled waste. (ii) Methodologies: The methodology used is based on the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Using the average data method, the emissions are calculated by applying associated emission factors to each waste treatment category. (A) To calculate the emissions associated with incineration, the total amount of waste in this category is multiplied by the average carbon content related combustion emission factor. (B) To calculate the emissions resulting from waste treated in landfills, the total amount of waste in this category is multiplied by the dedicated emissions factor. (C) Emissions from recycling are treated as 0. (D) The small amount of waste which does not fall into categories (A), (B) or (C) is conservatively calculated using the same methodology as for incinerated waste (A). (E) A site-specific analysis of the share of wastewater treated by third parties is performed based on information from BaySIS; the emissions are calculated according to IPCC guidelines based on the effluent organic carbon (resulting in CH_4 emissions) and nitrogen (resulting in N_2O emissions) loads which are retrieved from BaySIS.

Scope 3 category 6: Business travel	12/31/2019	303,000	We calculated GHG emissions for three main modes of transport: (A) air travel, (B) rental cars, and (C) train travel. (i) Data sources: (A) Air travel emissions are calculated according to the DEFRA methodology including radiative force (RF). Data (flight miles, departure/arrival destinations, passenger class) are supplied by our global travel agencies. (B) GHG emissions are directly calculated by our relevant rental car companies, covering the main share of Bayer's global rental car travel emissions. (C) Selected rail providers share with Bayer the GHG footprint for our business trips. Data from other rail carriers is only limited/fragmented available so far. For rest of the world, we calculated the GHG emissions using the expense share of the railway volume. (ii) Methodologies: The methodology used is based on the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. We used primary data to the largest extent and only extrapolated if needed. (A) Flight data from travel agencies are imported into the Business Travel Analyzer tool and clustered according to travel distance (domestic, intracontinental, intercontinental) and service class (economy, premium economy, business, first). Miles traveled in each cluster are multiplied by the corresponding DEFRA emission factor. For data consistency reasons, DEFRA factors with RF are used. (B) GHG emissions are directly calculated by the rental car companies. (C) The total emissions are calculated as a sum of emissions provided by the rail providers and an estimation for the rest of world. For the latter, passenger-kilometers are estimated and then multiplied the latest emission factors available from Sphera's GaBi product sustainability database.
Scope 3 category 7: Employee commuting	12/31/2019	122,000	(i) Data sources: Bayer data on total number of employees and employee distribution per region, Bayer data on corporate fleet size, publicly available information on commuting patterns (distance and mode of transport) for Germany and the United States, emission factors from Sphera's latest GaBi product sustainability database. (ii) Methodologies: For two of Bayer's four regions an employee commuting footprint has been calculated, i.e. Europe/Middle East/Africa and North America. For the first using data for Germany and for the second using data from the United States. The remaining two regions are an equally weighted average of Germany and the United States. Calculations followed the GHG Protocol standard and guidance. To avoid double counting, Bayer deducts from its total number of employees the number of cars from its corporate fleet. The emissions caused from these by Bayer employees are already included in Bayer's reported Scope 1 emissions.
Scope 3 category 8: Upstream leased assets	12/31/2019	0	PLEASE NOTE: As explained in 7.8, this category is considered as not relevant for Bayer. Therefore, no base year emissions have been assessed. As the CDP Online Response System does not allow to select "not relevant" in this question, we selected the same base year as for our overall Scope 3 emissions inventory and reported "0" emissions in the previous column.
Scope 3 category 9: Downstream transportation and distribution	12/31/2019	0	PLEASE NOTE: As explained in 7.8, this category is considered as not relevant for Bayer. Therefore, no base year emissions have been assessed. As the CDP Online Response System does not allow to select "not relevant" in this question, we selected the same base year as for our overall Scope 3 emissions inventory and reported "0" emissions in the previous column.
Scope 3 category 10: Processing of sold products	12/31/2019	0	PLEASE NOTE: As explained in 7.8, this category is considered as not relevant for Bayer. Therefore, no base year emissions have been assessed. As the CDP Online Response System does not allow to select "not relevant" in this question, we selected the same base year as for our overall Scope 3 emissions inventory and reported "0" emissions in the previous column.
Scope 3 category 11: Use of sold products	12/31/2019	0	PLEASE NOTE: As explained in 7.8, this category is considered as not relevant for Bayer. Therefore, no base year emissions have been assessed. As the CDP Online Response System does not allow to select "not relevant" in this question, we selected the same base year as for our overall Scope 3 emissions inventory and reported "0" emissions in the previous column.

Scope 3 category 12: End of life treatment of sold products	12/31/2019	718,000	To calculate emissions from end-of-life treatment of sold products, only packaging materials are considered. Further potential GHG emissions resulting from our products would be accounted under category 11 (use of sold products), as the products of Bayer's life-science businesses (pharmaceuticals, consumer health products, crop protection products, and seeds) do not undergo a dedicated end-of-life treatment. (i) Data sources: Activity data are taken from the procurement system of Bayer; from this the actual purchased quantities of packaging materials were obtained. Emissions factors are taken from Sphera's latest GaBi product sustainability database, considering material-specific combustion factors. (ii) Methodologies: To calculate emissions from end-of-life treatment of sold packaging materials, packaging materials are clustered, then quantities are multiplied with the emission factors from Sphera's latest GaBi product sustainability database.
Scope 3 category 13: Downstream leased assets	12/31/2019	0	PLEASE NOTE: As explained in 7.8, this category is considered as not relevant for Bayer. Therefore, no base year emissions have been assessed. As the CDP Online Response System does not allow to select "not relevant" in this question, we selected the same base year as for our overall Scope 3 emissions inventory and reported "0" emissions in the previous column.
Scope 3 category 14: Franchises	12/31/2019	0	PLEASE NOTE: As explained in 7.8, this category is considered as not relevant for Bayer. Therefore, no base year emissions have been assessed. As the CDP Online Response System does not allow to select "not relevant" in this question, we selected the same base year as for our overall Scope 3 emissions inventory and reported "0" emissions in the previous column.
Scope 3 category 15: Investments	12/31/2019	0	PLEASE NOTE: As explained in 7.8, this category is considered as not relevant for Bayer. Therefore, no base year emissions have been assessed. As the CDP Online Response System does not allow to select "not relevant" in this question, we selected the same base year as for our overall Scope 3 emissions inventory and reported "0" emissions in the previous column.
Scope 3: Other (upstream)	12/31/2019	0	PLEASE NOTE: As explained in 7.8, this category is considered as not relevant for Bayer. Therefore, no base year emissions have been assessed. As the CDP Online Response System does not allow to select "not relevant" in this question, we selected the same base year as for our overall Scope 3 emissions inventory and reported "0" emissions in the previous column.
Scope 3: Other (downstream)	12/31/2019	0	PLEASE NOTE: As explained in 7.8, this category is considered as not relevant for Bayer. Therefore, no base year emissions have been assessed. As the CDP Online Response System does not allow to select "not relevant" in this question, we selected the same base year as for our overall Scope 3 emissions inventory and reported "0" emissions in the previous column.

7.6 What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Year	Gross global Scope 1 emissions (metric tons CO2e)	End date	Methodological Details
Reporting year	1,890,000	N/A	RATIONALE Direct emissions result from our own power plants, vehicles, waste incineration plants and production facilities (Scope 1). In line with the GHG Protocol, we also report the direct emissions that arise through the generation of energy that we sell to other companies as a site service. Consequently, the figures for direct emissions of the Bayer Group are higher than the actual emissions resulting from Bayer's business activities alone. In 2023, 97.2% of direct greenhouse gas emissions were carbon dioxide emissions. Other greenhouse gases such as nitrous oxide, partially fluorinated hydrocarbons and methane made a negligible contribution to direct greenhouse gas emissions. MEASUREMENT APPROACH The process of calculating GHG emissions from SCOPE 1 can be described with the following four basic steps. Step 1 is to adjust the environmental questionnaire in our internal data collection system (BaySIS) according to internal and external requirements, guidelines and standards. Persons responsible for data entry at the sites are trained on existing and new content and prepared for data collection and calculation. Step 2 is to collect the activity data. The data are collected globally via questionnaires from all environmentally relevant sites, i.e. all organizational units with a minimum net energy usage of 1.5 tera Joule per year, in order to quantify our total GHG impact. Step 3 is to compile the emission factors, which helps to convert activity data into GHG emissions data in step 4. Available emission factors used are fuel- and/or site-specific and follow the recommendations of the GHG protocol. Step 4 is to calculate inventory result by multiplying the activity data obtained from step 2 with the emissions factors from step 3. Results are verified and reviewed in an internal control process. EXAMPLES FOR EMISSION FACTORS Kilograms CO2 emitted per liter of gasoline consumed or electricity consumed. DATA SOURCES The following key sources are used in the calculation process: Bayer Site Information System (BaySIS), Department for Environment, Food & Rural Affairs (DEFRA), estell (multi-regional environmentally-extended input output (EEIO) database based on the input-output table of the OECD with additional inputs from BEA, World Bank indicators and EXIOBASE), GaBi 2020 Product Sustainability Database, Intergovernmental Panel on Climate Change (IPCC), International Energy Agency (IEA) and The European Chemical Industry Council (CEFIC)

7.7 What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Year	Gross global Scope 2, location-based emissions (metric tons CO2e)	Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)	End date	Methodological details
Reporting year	1,650,000	1,110,000	N/A	RATIONALE In line with the GHG Protocol, we report indirect emissions (Scope 2) according to both the location-based and the market-based methods. Indirect emissions result from the procurement of electricity, steam and cooling energy (Scope 2). For Bayer, the market-based method of the GHG Protocol most reliably reflects the values for Scope 2 emissions and the success of

				emissions reduction measures, so we apply emissions volumes calculated using this method when calculating the total and specific greenhouse gas emissions. MEASUREMENT APPROACH All divisions, business units, regions and corporate functions within the entire Bayer Group have been taken into scope. The process of calculating GHG emissions from SCOPE 2 can be described with the following four basic steps. Step 1 is to adjust the environmental questionnaire in our internal data collection system (BaySIS) according to internal and external requirements, guidelines and standards. Persons responsible for data entry at the sites are trained on existing and new content and prepared for data collection and calculation. Step 2 is to collect the activity data. The data are collected globally via questionnaires from all environmentally relevant sites, i.e. all organizational units with a minimum net energy usage of 1.5 tera Joule per year, in order to quantify our total GHG impact. Step 3 is to compile the emission factors, which helps to convert activity data into GHG emissions data in step 4. Available emission factors used are fuel- and/or site-specific and follow the recommendations of the GHG protocol. Step 4 is to calculate inventory result by multiplying the activity data obtained from step 2 with the emissions factors from step 3. Results are verified and reviewed in an internal control process. EXAMPLES FOR EMISSION FACTORS Examples for emission factors are kilograms CO2 emitted per liter of gasoline consumed or electricity consumed. DATA SOURCES The following key sources are used in the calculation process: Bayer Site Information System (BaySIS), Department for Environment, Food & Rural Affairs (DEFRA), estell (multi-regional environmentally extended input output (EEIO) database based on the input-output table of the OECD with additional inputs from BEA, World Bank indicators and EXIOBASE), GaBi 2020 Product Sustainability Database, Intergovernmental Panel on Climate Change (IPCC), International Energy Agency (IEA) and The European Chemical Industry Council (CEFIC).

7.8 Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Scope 3 category	Evaluation status	Emissions in reporting year (metric tons CO2e)	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Please explain
Purchased goods and services	Relevant, calculated	6,520,000	• Spend-based method • Average spend-based method	0	"estell 6" is applied to calculate all relevant GHG emissions for purchased goods and services. estell is a model that is based on a detailed multi-regional environmentally extended input output (EEIO) database (see GHG Protocol-Scope 3 Standard, chapter 7) developed by the consulting firm Systain. (i) Data sources: Activity data are taken from the procurement system of Bayer as purchasing volumes in euros, differentiated by cost types and country of origin. To determine emissions from purchased goods and services, all purchase volumes have been considered except capital goods, fuel & energy, transport, business travel and waste related cost types. estell's emission factors are based on the input-output table of the OECD (https://www.oecd.org/sti/ind/inter-country-input-output-tables.htm) with additional inputs from BEA (www.bea.gov), World Bank indicators and EXIOBASE (www.exiobase.eu). The emission factors include all upstream (cradle-to-gate) emissions of all the relevant process steps for each good or service.

					The model focuses on emissions caused by primary inputs. Primary inputs are production related inputs and transport. Non-production related inputs are excluded to exclude emission sources with negligible potential to influence GHG reductions (see Scope 3 Accounting and Reporting Standard, p.31, minimum boundary) and to align the system boundary to approaches based on life-cycle assessment (LCA). (ii) Methodologies: To determine the emissions, procurement volumes by cost type and country are allocated to economic sectors and multiplied with estell's emission factors for each unit of demand in every economic sector and region. In 2021 we enhanced the embedded price-adjustment approach to mitigate inflation. The model uses GWP values from IPCC's AR 5 (2013) for a 100-year time horizon including carbon feedback.
Capital goods	Relevant, calculated	490,000	• Spend-based method • Average spend-based method	0	"estell 6" is applied to calculate all relevant GHG emissions for capital goods. estell is a model that is based on a detailed multi-regional environmentally extended input output (EEIO) database (see GHG Protocol-Scope 3 Standard, chapter 7) developed by the consulting firm Systain. (i) Data sources: Activity data are taken from the procurement system of Bayer as purchasing volumes in euros, differentiated by cost types and country of origin. To determine emissions from capital goods, only purchasing volumes from according cost types (taxonomy of Bayer) have been considered. estell's emission factors are based on the input-output table of the OECD (https://www.oecd.org/sti/ind/inter-country-input-output-tables.htm) with additional inputs from BEA (www.bea.gov), World Bank indicators and EXIOBASE (www.exiobase.eu). The emission factors include all upstream (cradle-to-gate) emissions of all the relevant process steps for each good or service. The model focuses on emissions caused by primary inputs. Primary inputs are production related inputs and transport. Non-production related inputs are excluded to exclude emission sources with negligible potential to influence GHG reductions (see Scope 3 Accounting and Reporting Standard, p.31, minimum boundary) and to align the system boundary to approaches based on life-cycle assessment (LCA). (ii) Methodologies: To determine the emissions, procurement volumes by cost type and country are allocated to economic sectors and multiplied with estell's emission factors for each unit of demand in every economic sector and region. In 2021 we enhanced the embedded price-adjustment approach to mitigate inflation. The model uses GWP values from IPCC's AR 5 (2013) for a 100-year time horizon including carbon feedback.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	540,000	• Average data method • Fuel-based method	0	In this category, Bayer considers GHG emissions from (A) Upstream emissions of purchased fuels and (B) Upstream emissions of purchased electricity and thermal energies (E+T); (C) Transmission and Distribution (T+D) losses are considered by the emission factors applied in (A) and (B). (i) Data types and sources: (A) Bayer retrieved the energy consumption (TJ) per primary energy source (internal energy generation and vehicle fleet consumption) type as well as purchased E+T from its Bayer site information system (BaySIS). BaySIS collects environmental related primary data at the sites. Emission factors for fuels, electricity grid mixes and thermal energies are taken from Sphera's latest GaBi product sustainability database. Those emission factors include already T+D losses of fuel, electricity and steam provision. As far as possible national specific emission factors are used, if those are not available regional or global factors were used. (ii) Methodologies: The methodology used is based on the GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Using the average data method, the emissions are calculated by applying associated emission factors to specific activity data.

Upstream transporta-tion and distribution	Relevant, calculated	700,000	• Average data method • Distance-based method • Spend-based method • Average spend-based method	0	Here we consider GHG emissions for up- and down-stream which Bayer has directly ordered and paid: (A) all in- and out-bound cargo-transport based emissions and (B) warehousing and logistic services. (i) Data sources: (A) Calculations are based on mass-related transport data taken from SAP Business Warehouses and SAP, JDA TMS and other data sources for the respective divisions globally. Bayer uses the CEFIC Recommended Emission Factors (Measuring and Managing CO2 Emissions of European Chemical Transport, Edinburgh, 2010) and commercial tools (e.g., Google Geo Tools) for distance calculations enabling accurate assumptions in the relevant mode of transports. (B) For warehousing and logistic services Bayer used procurement spend in euros, as used for calculating scope 3.1 'Purchased goods and services' and 3.2 'Capital goods' category. (ii) Methodologies: (general) Bayer does not own or control vehicles or facilities from which sold products are transported or distributed. Following the GHG Protocol's "Technical Guidance for Calculating Scope 3 Emissions (version 1.0)" for this category 9 (Downstream Transportation and Distribution) (page 102), Bayer's outbound transportation and distribution services that are purchased by us are excluded from category 9 and included in category 4. (A) Bayer used the CEFIC methodology and the GHG Protocol Standard to calculate upstream transportation emissions by multiplying metric tons of transported goods from our SAP and JDA systems by the calculated distance per shipment (based on ZIP based geo-data-based distance computing or calculated or estimated with a commercial tool) to obtain ton-km associated with transport operations (mode of transport). This figure is then multiplied by default average emission factors [g CO2/ton-km] for the specific mode of transport. (B) As for 3.1/3.2 the "estell 6" model is applied to calculate emissions from warehousing and logistic services.
Waste generated in operations	Relevant, calculated	308,000	• Average data method • Waste-type-specific method • Site-specific method	0	Bayer separates GHG emissions resulting from waste treated by third parties into (A) incineration, (B) landfill, (C) recycling and (D) other; plus (E) emissions from wastewater treatment. (i) Data sources: The amount of waste (activity data) treated by third parties for the different treatment methods is retrieved from our site information system BaySIS. The combustion factor for incineration (A) is calculated as a weighted average of waste specific emission factors either generated based on site specific waste information or literature data. These specific emission factors are based on carbon content or heating value of the waste. The emission factors for waste from landfill (B), other (D) and for wastewater (E) are calculated based on IPCC's AR 5 (2013). (C) In line with the IPCC, Bayer uses an emissions factor of 0 for recycled waste. (ii) Methodologies: The methodology used is based on the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Using the average data method, the emissions are calculated by applying associated emission factors to each waste treatment category. (A) To calculate the emissions associated with incineration, the total amount of waste in this category is multiplied by the average carbon content related combustion emission factor. (B) To calculate the emissions resulting from waste treated in landfills, the total amount of waste in this category is multiplied by the dedicated emissions factor. (C) Emissions from recycling are treated as 0. (D) The small amount of waste which does not fall into categories (A), (B) or (C) is conservatively calculated using the same methodology as for incinerated waste (A). (E) A site-specific analysis of the share of wastewater treated by third parties is performed based on information from BaySIS; the emissions are calculated according to IPCC guidelines based on the effluent organic carbon (resulting in CH_4 emissions) and nitrogen (resulting in N_2O emissions) loads which are retrieved from BaySIS.

Business travel	Relevant, calculated	190,000	• Supplier-specific method • Average data method • Distance-based method	5	We calculated GHG emissions for three main modes of transport: (A) air travel, (B) rental cars, and (C) train travel. (i) Data sources: (A) Air travel emissions are calculated according to the DEFRA methodology including radiative force (RF). Data (flight miles, departure/arrival destinations, passenger class) are supplied by our global travel agencies. (B) GHG emissions are directly calculated by our relevant rental car companies, covering the main share of Bayer's global rental car travel emissions. (C) Selected rail providers share with Bayer the GHG footprint for our business trips. Data from other rail carriers is only limited/fragmented available so far. For rest of the world, we calculated the GHG emissions using the expense share of the railway volume. (ii) Methodologies: The methodology used is based on the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. We used primary data to the largest extent and only extrapolated if needed. (A) Flight data from travel agencies are imported into the Business Travel Analyzer tool and clustered according to travel distance (domestic, intracontinental, intercontinental) and service class (economy, premium economy, business, first). Miles traveled in each cluster are multiplied by the corresponding DEFRA emission factor. For data consistency reasons, DEFRA factors with RF are used. (B) GHG emissions are directly calculated by the rental car companies. (C) The total emissions are calculated as a sum of emissions provided by the rail providers and an estimation for the rest of world. For the latter, passenger-kilometers are estimated and then multiplied the latest emission factors available from Sphera's GaBi product sustainability database.
Employee commuting	Relevant, calculated	126,000	• Average data method • Distance-based method	0	(i) Data sources: Bayer data on total number of employees and employee distribution per region, Bayer data on corporate fleet size, publicly available information on commuting patterns (distance and mode of transport) for Germany and the United States, emission factors from Sphera's latest GaBi product sustainability database. (ii) Methodologies: For two of Bayer's four regions an employee commuting footprint has been calculated, i.e. Europe/Middle East/Africa and North America. For the first using data for Germany and for the second using data from the United States. The remaining two regions are an equally weighted average of Germany and the United States. Calculation followed the GHG Protocol standard and guidance. To avoid double counting, Bayer deducts from its total number of employees the number of cars from its corporate fleet. The emissions caused from these by Bayer employees are already included in Bayer's reported Scope 1 emissions.
Upstream leased assets	Not relevant, explanation provided	n/a	n/a	n/a	Bayer's business model is not based on leasing assets, in line with the definition given by the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard" (page 47).
Downstream transportation and distribution	Not relevant, explanation provided	n/a	n/a	n/a	Bayer does not own or control vehicles or facilities from which sold products are transported or distributed. Hence, following the GHG Protocol's "Technical Guidance for Calculating Scope 3 Emissions (version 1.0)" for this category 9 (Downstream Transportation and Distribution) (page 102), Bayer's outbound transportation and distribution services that are purchased by us are included in category 4 (Upstream transportation and distribution).
Processing of	Not relevant, explana-	n/a	n/a	n/a	Bayer's business model is not based on selling intermediate products that require processing by third parties. Hence, following the GHG Protocol's "Technical Guidance for Calculating Scope 3 Emissions (version 1.0)" (page 106), this category 10 (Processing of Sold Products) is not relevant for Bayer. In potential exceptional

sold products	tion provided				cases where downstream emissions associated with sold intermediate products might occur, these downstream emissions are unknown to Bayer and, following section 6.4 of the GHG Protocol's "Corporate Value Chain (Scope 3) Accounting and Reporting Standard", would be eligible for exclusion (page 60).
Use of sold products	Not relevant, explana-tion provided	n/a	n/a	n/a	Bayer does not report emissions from the use of sold products since this category is currently considered as not relevant for Bayer's Scope 3 inventory. A reevaluation of the category showed that no appropriate calculation methods for our product portfolio are available. This category will be re-evaluated in the future as soon as those methods are available.
End of life treatment of sold products	Relevant, calculated	306,000	• Average data method • Waste-type-specific method	0	To calculate emissions from end-of-life treatment of sold products, only packaging materials are considered. Further potential GHG emissions resulting from our products would be accounted under category 11 (use of sold products), as the products of Bayer's life-science businesses (pharmaceuticals, consumer health products, crop protection products, and seeds) do not undergo a dedicated end-of-life treatment. (i) Data sources: Activity data are taken from the procurement system of Bayer; from this the actual purchased quantities of packaging materials were obtained. Emissions factors are taken from Sphera's latest GaBi product sustainability database, considering material-specific combustion factors. (ii) Methodologies: To calculate emissions from end-of-life treatment of sold packaging materials, packaging materials are clustered, then quantities are multiplied with the emission factors from Sphera's latest GaBi product sustainability database.
Down-stream leased assets	Not relevant, explana-tion provided	n/a	n/a	n/a	Scope 3 emissions resulting from downstream leased assets are not reported because this category is not applicable to Bayer. A due-diligence check took place in 2022.
Franchises	Not relevant, explana-tion provided	n/a	n/a	n/a	Scope 3 emissions resulting from franchises are not reported because this category is not applicable to Bayer. A due-diligence check took place in 2022.
Invest-ments	Not relevant, explana-tion provided	n/a	n/a	n/a	Scope 3 emissions resulting from investments are not reported because this category is not applicable to Bayer. A due-diligence check took place in 2022.
Other (upstream)	Not relevant, explana-tion provided	n/a	n/a	n/a	Other upstream emissions are not relevant.

Other (down-stream)	Not relevant, explana-tion provided	n/a	n/a	n/a	Other downstream emissions are not relevant.

7.9 Indicate the verification/assurance status that applies to your reported emissions.

Scope	Verification/assurance status
Scope 1	• Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	• Third-party verification or assurance process in place
Scope 3	• Third-party verification or assurance process in place

7.9.1 Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported emissions verified (%)
• Annual process	• Complete	• Limited assurance	Bayer Sustainability Report 2023	Bayer Sustainability Report 2023: Independent Auditor's Report on a Limited Assurance: p. 163f; Assured Scope 1 emissions on p. 133: 7.4 Greenhouse Gas Emissions	• ISAE3000	100
• Annual process	• Complete	• Limited assurance	Bayer Annual Report 2023	Bayer Annual Report 2023: Independent Auditor's Report: p. 238ff; Assured Scope 1 emissions on p. 34 and 64: 1.8 Environmental Protection and Safety	• ISAE3000	100

7.9.2 Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/ section reference	Relevant standard	Proportion of reported emissions verified (%)
• Scope 2 location-based	• Annual process	• Complete	• Limited assurance	Bayer Sustainability Report 2023	Bayer Sustainability Report 2023: Independent Auditor's Report on a Limited Assurance: p. 163f; Assured Scope 2 location-based emissions p. 133: 7.4 Greenhouse Gas Emissions	• ISAE3000	100
• Scope 2 market-based	• Annual process	• Complete	• Limited assurance	Bayer Sustainability Report 2023	Bayer Sustainability Report 2023: Independent Auditor's Report on a Limited Assurance: p. 163f; Assured Scope 2 market-based emissions p. 133: 7.4 Greenhouse Gas Emissions	• ISAE3000	100
• Scope 2 market-based	• Annual process	• Complete	• Limited assurance	Bayer Annual Report 2023	Bayer Annual Report 2023: Independent Auditor's Report: p. 238; Assured Scope 2 market-based emissions on p. 34 and 64: 1.8 Environmental Protection and Safety	• ISAE3000	100

7.9.3 Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/ section reference	Relevant standard	Proportion of reported emissions verified (%)
• Scope 3: Purchased goods and services • Scope 3: Capital goods • Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) • Scope 3: Upstream transportation and distribution • Scope 3: Waste generated in operations • Scope 3: Business travel • Scope 3: Employee commuting • Scope 3: End-of-life treatment of sold products	• Annual process	• Complete	• Limited assurance	Bayer Sustainability Report 2023	Bayer Sustainability Report 2023: Independent Auditor's Report on a Limited Assurance: p. 163f; Assured Scope 3 emissions p. 134	• ISAE 3000	100
• Scope 3: Purchased goods and services • Scope 3: Capital goods • Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) • Scope 3: Upstream transportation and distribution	• Annual process	• Complete	• Limited assurance	Bayer Annual Report 2023	Bayer Annual Report 2023: "Limited Assurance Report of the Independent Auditor on the Group's Supplemental Non-Financial Reporting in the Combined Management Report": p. 238ff.; Assured Scope 3 emissions on page 64: "Scope 3: Indirect	• ISAE 3000	100

• Scope 3: Waste generated in operations • Scope 3: Business travel • Scope 3: Employee commuting • Scope 3: End-of-life treatment of sold products					emissions from our upstream and downstream value chains (by materiality)" 1.8 Environmental Protection and Safety		

7.10 How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

- Decreased

7.10.1 Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Reason	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	60,000	• Decreased	2.0	i) Calculation: In 2023, we saved 60,000 metric tons CO2e by increasing our consumption of renewable energy. Our total Scope 1 and Scope 2 (market-based) emissions in 2022 were 3,030,000 metric tons CO2e; therefore, we arrived at a reduction of 2.0% = (-60,000 / 3,030,000) * 100.
Other emissions reduction activities	54,000	• Decreased	1.8	i) Calculation: In 2023, approximately 54,000 t CO2e were reduced due to other emissions reduction activities. Our total Scope 1 and Scope 2 (market-based) emissions in the previous year were 3,030,000 t CO2e, therefore we arrived at a reduction of 1.8% through (-54,000 / 3,030,000) * 100 = -1.78%. ii) Explanation: This decrease is due to EMISSION REDUCTION ACTIVITIES. In 2023, emission reduction activities had a positive impact on our emissions performance. Emission reduction activities included process optimizations in several sites e.g. regarding heat recovery, efficiency of water distillation, steam or natural gas consumption, or HVAC and building energy management systems optimization.
Divestment	0	• No change	0	In 2023, no significant divestments with significant impact on our emissions were made.
Acquisitions	0	• No change	0	In 2023, no significant acquisitions with significant impact on our emissions were made.
Mergers	0	• No change	0	In 2023, no significant mergers with significant impact on our emissions took place.
Change in output	84,000	• Increased	2.8%	i) Calculation: In 2023, approximately 84,000 t CO2e were increased due to changes in the product mix and volumes of our sales. Our total Scope 1 and Scope 2 (market-based) emissions in the previous year were 3,030,000 t CO2e, therefore we arrived at an increase of 2.8% through (84,000 / 3,030,000) * 100 = 2.8%.

				ii) Explanation: This increase is due to CHANGES IN THE PRODUCT MIX AND VOLUMES of our sales. Our differentiated product portfolio consists of products with specific CO2e intensities. In 2023, a change in the product mix and volumes of our sales led to an increase of 2.8%.
Change in methodology	0	• No change	0	In 2023, no changes in methodology.
Change in boundary	0	• No change	0	In 2023, no changes in boundaries.
Change in physical operating conditions	0	• No change	0	In 2023, no significant changes in physical operating conditions.
Unidentified	0	• No change	0	In 2023, no unidentified changes.
Other	0	• No change	0	In 2023, no other changes.

7.10.2 Are your emissions performance calculations in 7.10 and 7.10.1 based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

- Market-based

7.12 Are carbon dioxide emissions from biogenic carbon relevant to your organization?

- No

Emissions breakdown

7.15 Does your organization break down its Scope 1 emissions by greenhouse gas type?

- Yes

7.15.1 Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used global warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons in CO2e)	GWP Reference
CO2	1,840,000	IPCC Fifth Assessment Report (AR5 - 100 year)
CH4	3,000	IPCC Fifth Assessment Report (AR5 - 100 year)
N2O	7,000	IPCC Fifth Assessment Report (AR5 - 100 year)
HFCs	39,000	IPCC Fifth Assessment Report (AR5 - 100 year)
PFCs	0	IPCC Fifth Assessment Report (AR5 - 100 year)
SF6	0	IPCC Fifth Assessment Report (AR5 - 100 year)
NF3	0	IPCC Fifth Assessment Report (AR5 - 100 year)
Other, please specify: CCl3F2, CCl2F2, CHClF2, CH3Cl, CH3Br, CCl4	1,000	IPCC Fifth Assessment Report (AR5 - 100 year)

7.16 Break down your total gross global emissions by country/area.

Country/area	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Argentina	63,000	25,000	23,000
Belgium	155,000	8,000	8,000
Brazil	81,000	27,000	18,000
China	1,000	28,000	23,000
France	11,000	2,000	0
Germany	301,000	420,000	251,000
India	26,000	40,000	31,000
Mexico	23,000	23,000	15,000
Spain	9,000	4,000	0
United States of America	1,220,000	1,073,000	741,000

7.17 Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

- By business division

7.17.1 Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric tons CO2e)
Pharmaceuticals	170,000
Consumer Health	20,000
Crop Science	1,550,000
Others: Vehicle fleet, enabling functions	150,000

7.20 Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

- By business division

7.20.1 Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Pharmaceuticals	240,000	100,000
Consumer Health	70,000	50,000
Crop Science	1,310,000	940,000
Others	30,000	20,000

7.22 Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Group of entities	Scope 1 emissions (metric tons CO2e)	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)	Please explain
Consolidated accounting group	1,890,000	1,650,000	1,110,000	All emissions reported in our CDP report are also reported in our annual financial statements. They are therefore 100% allocated to the consolidated accounting group.
All other entities	0	0	0	All emissions reported in our CDP report are also reported in our annual financial statements. There are therefore no emissions that are attributed to any other entities.

7.23 Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

- No

Energy-related activities

7.29 What percentage of your total operational spend in the reporting year was on energy?

- More than 0% but less than or equal to 5%

7.30 Select which energy-related activities your organization has undertaken.

Activity	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	• Yes
Consumption of purchased or acquired electricity	• Yes
Consumption of purchased or acquired heat	• Yes
Consumption of purchased or acquired steam	• Yes
Consumption of purchased or acquired cooling	• Yes
Generation of electricity, heat, steam, or cooling	• Yes

7.30.1 Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Activity	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable + non-renewable) MWh
Consumption of fuel (excluding feedstock)	• LHV (lower heating value)	310,000	4,490,000	4,800,000
Consumption of purchased or acquired electricity	Unable to confirm heating value	1,180,000	2,159,000	3,339,000
Consumption of purchased or acquired heat	Unable to confirm heating value	0	0	0
Consumption of purchased or acquired steam	Unable to confirm heating value	30,000	1,179,000	1,209,000
Consumption of purchased or acquired cooling	Unable to confirm heating value	1,000	177,000	178,000
Consumption of self-generated non-fuel renewable energy	Unable to confirm heating value	4,000	N/A	4,000
Total energy consumption	Unable to confirm heating value	1,525,000	8,005,000	9,530,000

7.30.6 Select the applications of your organization's consumption of fuel.

Fuel application	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	• Yes
Consumption of fuel for the generation of heat	• Yes
Consumption of fuel for the generation of steam	• Yes
Consumption of fuel for the generation of cooling	• Yes
Consumption of fuel for co-generation or tri-generation	• Yes

7.30.7 State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)	Heating value	Total fuel MWh consumed by the organization	MWh fuel consumed for self-generation of electricity	MWh fuel consumed for self-generation of heat	MWh fuel consumed for self-generation of steam	MWh fuel consumed for self-generation of cooling	MWh fuel consumed for self-cogeneration or self-trigeneration	Comment
Sustainable biomass	• Unable to confirm heating value	0	0	0	0	0	0	n/a
Other biomass	• Unable to confirm heating value	310,000	0	0	310,000	0	0	n/a
Other renewable fuels (e.g. renewable hydrogen)	• Unable to confirm heating value	3,000	0	3,000	0	0	0	n/a
Coal	• LHV	151,000	0	0	151,000	0	0	n/a
Oil	• LHV	145,000	1,000	114,000	18,000	0	12,000	n/a
Gas	• LHV	3,382,000	66,000	486,000	825,000	21,000	1,984,000	n/a
Other non-renewable fuels (e.g. non-renewable hydrogen)	• Unable to confirm heating value	812,000	3,000	678,000	38,000	1,000	92,000	n/a
Total fuel	• Unable to confirm heating value	4,803,000	70,000	1,281,000	1,342,000	22,000	2,088,000	n/a

7.30.9 Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Energy Carrier	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	65,000	53,000	4,000	4,000
Heat	1,440,000	1,440,000	0	0
Steam	1,328,000	1,093,000	310,000	310,000
Cooling	1,971,000	1,967,000	0	0

7.30.14 Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Country/ area	Sourcing method	Energy carrier	Low-carbon technology type	Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)	Tracking instrument used	Country/area of origin (generation) of the low-carbon energy or energy attribute	Are you able to report the commissioning or re-powering year of the energy generation facility?	Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)	Comment
Germany	• Physical power purchase agreement (physical PPA) with a grid-connected generator	• Electricity	• Renewable energy mix, please specify: Wind and Hydropower	110,000	• Contract	Germany	• No	n/a	n/a
Netherlands	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Hydropower (capacity unknown)	10,000	• Contract	Netherlands	• No	n/a	n/a
Spain	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Renewable energy mix, please specify: Renewable energy	35,000	• Contract	Spain	• Yes	2022	n/a
Finland	• Unbundled procurement of energy attribute certificates (EACs)	• Electricity	• Hydropower (capacity unknown)	25,000	• GO	Finland	• No	n/a	n/a
Italy	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Hydropower (capacity unknown)	21,000	• Contract	Italy	• No	n/a	n/a

Finland	• Other, please specify: Certificates from energy provider	• Steam	• Renewable energy mix, please specify: Hydropower, Wind, Solar	30,000	• Contract	Finland	• No	n/a	n/a
Romania	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Renewable energy mix, please specify: Renewable energy	10,000	• Contract	Romania	• No	n/a	n/a
Brazil	• Unbundled procurement of energy attribute certificates (EACs)	• Electricity	• Hydropower (capacity unknown)	100,000	• I-REC	Brazil	• Yes	2018	n/a
Guatemala	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Hydropower (capacity unknown)	10,000	• Contract	Guatemala	• No	n/a	n/a
Chile	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Hydropower (capacity unknown)	5,000	• Contract	Chile	• No	n/a	n/a
United States of America	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Renewable energy mix, please specify: Wind, Hydropower, Solar	765,000	• US-REC	United States of America	• Yes	2017	n/a
Switzerland	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Renewable energy mix, please specify: Wind, Hydropower, Solar	20,000	• Contract	Switzerland	• No	n/a	n/a
Colombia	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Hydropower (capacity unknown)	5,000	• Contract	Colombia	• No	n/a	n/a
Turkey	• Unbundled procurement of energy attribute certificates (EACs)	• Electricity	• Solar	5,000	• I-REC	Turkey	• Yes	2020	n/a
People's Republic of China	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Renewable energy mix, please specify: Hydropower, Wind, Solar	10,000	• Contract	People's Republic of China	• No	n/a	n/a

France	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Renewable energy mix, please specify: Hydropower, Wind, Solar	45,000	• Contract	France	• No	n/a	n/a
Argentina	• Retail supply contract with an electricity supplier (retail green electricity)	• Electricity	• Renewable energy mix, please specify: Hydropower, Wind, Solar	5,000	• Contract	Argentina	• No	n/a	n/a

7.30.16 Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Country/area	Consumption of purchased electricity (MWh)	Consumption of self-generated electricity (MWh)	Consumption of purchased heat, steam, and cooling (MWh)	Consumption of self-generated heat, steam, and cooling (MWh)	Total heat/steam/cooling energy consumption (MWh) [Auto-calculated]
Brazil	180,000	0	51,000	400,000	631,000
Chile	5,000	0	0	0	5,000
Colombia	4,000	0	0	0	4,000
Finland	21,000	0	30,000	0	51,000
Germany	450,000	30,000	623,000	524,000	1,627,000
Guatemala	11,000	100	0	10,000	21,100
India	60,000	1,000	0	130,000	191,000
Italy	20,000	100	100	23,000	43,200
Netherlands	10,000	10,000	100	0	20,100
Romania	10,000	0	0	0	10,000

Spain	40,000	500	0	40,000	80,500
Switzerland	20,000	0	92,000	20,000	132,000
United States of America	2,508,000	11,300	590,800	3,353,000	6,463,100

7.45 Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure	Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)	Metric denomi-nator	Metric denomi-nator: Unit total	Scope 2 figure used	% change from previous year	Direction of change	Reason(s) for change	Please explain
0.00006048	3,000,000	• unit total revenue	49,601,000,000	• Market-based	4.71	• De-creased	• Change in renewable energy consumption • Other emissions reduction activities • Change in revenue • Change in physical operating conditions	Bayer's greenhouse gas emissions fell further in 2023 compared to 2022. We succeeded in reducing our own Scope 1 and Scope 2 emissions by 0.9%, or around 28,000 metric tons of CO2 equivalents, particularly by increasing the share of our electricity derived from renewable energies (Scope 2). In the same period, Bayer's currency-adjusted revenue increased by approximately 4%. Therefore, in 2023, Bayer had a decrease of total specific emissions expressed in metric tons CO2e per revenue of 4.71%. Part of this decrease is due to EMISSION REDUCTION ACTIVITIES. In 2023, emission reduction activities had a positive impact on our emissions performance. Emission reduction activities included e.g. energy efficiency improvements in production processes and in buildings. These activities included e.g. optimizations with regard to heat recovery and steam consumption, water system operation, or reduction of leakage. HVAC optimizations and changing of lighting systems also had an influence. Overall Bayer implemented energy efficiency and emissions reduction projects that resulted in an overall reduction of 54,870 metric tons in CO2 emissions in 2023. One reason for this decline is the increased share of electricity purchased from renewable sources (Scope 2: from 32.6% in 2022 to 35.4% in 2023). For example, in 2023, we invested in photovoltaic systems or concluded long-term supply agreements with producers of electricity generated from renewable energies for sites in Australia, China, India, Mexico, Thailand and the United States. By 2029 we want to source 100% electricity from renewable sources.

30,08	3,000,000	• full time equivalent (FTE) employee	99,723	• Market-based	0.64	• In-creased	• Change in renewable energy consumption • Other emissions reduction initiatives • Change in physical operating conditions	Bayer's greenhouse gas emissions fell further in 2023 compared to 2022. We succeeded in reducing our own Scope 1 and Scope 2 emissions by 0.9%, or around 28,000 metric tons of CO2 equivalents, particularly by increasing the share of our electricity derived from renewable energies (Scope 2). In the same period Bayer´s overall number of FTEs decreased by approximately 0.2%. Therefore, in 2023, Bayer had an increase of total specific emissions expressed in metric tons CO2e per FTE of approximately 0.6%. Part of this decrease is due to EMISSION REDUCTION ACTIVITIES. In 2023, emission reduction activities had a positive impact on our emissions performance. Emission reduction activities included e.g. energy efficiency improvements in production processes and in buildings. These activities included e.g. optimizations with regard to heat recovery and steam consumption, water system operation, or reduction of leakage. HVAC optimizations and changing of lighting systems also had an influence. Overall Bayer implemented energy efficiency and emissions reduction projects that resulted in an overall reduction of 54,870 metric tons in CO2 emissions in 2023. One reason for this decline is the increased share of electricity purchased from renewable sources (Scope 2: from 32.6% in 2022 to 35.4% in 2023). For example, in 2023, we invested in photovoltaic systems or concluded long-term supply agreements with producers of electricity generated from renewable energies for sites in Australia, China, India, Mexico, Thailand and the United States. By 2029 we want to source 100% electricity from renewable sources.

7.52 Provide any additional climate-related metrics relevant to your business.

Description	Metric value	Metric numerator	Metric denominator (intensity metric only)	% change from previous year	Direction of change	Please explain
• Waste	1,164,000	tons	n/a	12%	• Increased	The total volume of waste generated rose by 12% in 2023 compared to 2022. This was mainly attributable to production being increased at several sites in North and Latin America and larger volumes therefore being disposed of.
• Other, please specify: Waste used for conversion into energy	121,000	MWh	n/a	9%	• Decreased	Waste used for conversion into energy declined by 9% compared to 2022 but is considered to remain on a stable level.

7.53 Did you have an emissions target that was active in the reporting year?

- Absolute target

7.53.1 Provide details of your absolute emissions target(s) and progress made against those targets.

ABS 1

Target reference number	Is this a science-based target?	Science Based Targets initiative official validation letter	Target ambition	Date target was set	Target coverage	Greenhouse gases covered by target	Scope(s)	Scope 2 accounting method
Abs1	• Yes, and this target has been approved by the Science Based Targets initiative	BAYE-GER-002-OFF Decision Letter	• 1.5°C aligned	20.08.2020	• Organization-wide	• Carbon dioxide (CO2) • Methane (CH4) • Nitrous oxide (N2O) • Hydrofluorocarbons (HFCs) • Perfluorocarbons (PFCs) • Sulphur hexafluoride (SF6) • Nitrogen trifluoride (NF3)	• Scope 1 • Scope 2	• Market-based

Scope 3 category(ies)	End date of base year	Base year Scope 1 emissions covered by target (metric tons CO2e)	Base year Scope 2 emissions covered by target (metric tons CO2e)	Base year Scope 3, Category […] emissions covered by target (metric tons CO2e)* [One column for each Scope 3 category]	Base year total Scope 3 emissions covered by target (metric tons CO2e)	Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
n/a	31.12.2019	2,080,000	1,680,000	n/a	0	3,760,000

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1	Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2	Base year Scope 3, Category […] emissions covered by target as % of total base year emissions in Scope 3, Category […] (metric tons CO 2e) [One column for each Scope 3 category]	Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)	Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100.0	100.0	n/a	n/a	100.0

End date of Target	Targeted reduction from base year (%)	Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]	Scope 1 emissions in reporting year covered by target (metric tons CO2e)	Scope 2 emissions in reporting year covered by target (metric tons CO2e)	Scope 3, Category […] emissions in reporting year covered by target (metric tons CO2e) [One column for each Scope 3 category]	Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
31.12.2029	42.0	2,180,800	1,890,000	1,110,000	n/a	n/a

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)	Land-related emissions covered by target	% of target achieved relative to base year	Target status in reporting year	Explain the reasons for the revision, replacement, or retirement of the target	Explain target coverage and identify any exclusions	Target objective	Plan for achieving target, and progress made to the end of the reporting year	Target derived using a sectoral decarbonization approach	List the emissions reduction initiatives which contributed most to achieving this target
3,000,000	• No, it does not cover any land-related emissions (e.g. non-FLAG SBT)	48.13%	• Underway	N/A	In November 2019, Bayer committed itself to the Science Based Targets initiative (SBTi). In line with this, Bayer has developed and set itself the target “to reduce absolute Scope 1 and Scope 2 GHG emissions by 42 % by 2029 from a 2019 base year.” Bayer achieved the status “target set” by the SBTi in July 2020. This target aims to keep Bayer’s emissions from Scope 1 and 2 in line with a global temperature raise below 1.5°C.	This target aims to keep Bayer’s emissions from Scope 1 and 2 in line with a global temperature raise below 1.5°C to be aligned with the goals of the Paris Agreement of 2015. The focus lies on reducing the greenhouse gas emissions associated with our operations and on the resilience of our business fields.	PLAN TO ACHIEVE THE TARGET: To implement our long-term climate strategy, our focus lies on reducing the greenhouse gas emissions associated with our operations and on the resilience of our business fields. Our roadmap comprises various measures in the areas of energy & efficiency, governance and offsetting. Electricity from renewable energies: by 2029, we intend for 100% of the electricity we purchase to be derived from renewable sources. Investment in efficiency measures and renewable energies: to achieve an absolute reduction in our remaining emissions, we intend to invest EUR 500 million through 2030 in renewable energies and in increasing the energy efficiency of our facilities and buildings. PROGRESS MADE TO THE END OF REPORTING YEAR: Electricity from renewable energies: in 2023, we pressed ahead with the conversion of our Group-wide electricity procurement, and renewable energies now account for 35.4% of our total purchased electricity volume. We have defined specific criteria for the procurement of green electricity and published this information on our website. These criteria include the geographical proximity between power generation locations and Bayer’s sites, the use of new production sources and a focus on wind and solar energy. The criteria are based on the next-generation green power guidelines of the WWF (World Wide Fund for Nature). Investment in efficiency measures and renewable energies: we are investing in process innovations, more efficient facilities and building technology, as well as in the implementation and optimization of	• No	n/a

							energy management systems, particularly at our production sites. Capital expenditure projects are under way at various sites to advance the use of climate neutral technologies such as geothermal energy or emissions-free steam production. ANTICIPATED PROGRESS CURVE: The rate of progress towards the target is anticipated and observed to change from year to year.		

ABS 2

Target reference number	Is this a science-based target?	Science Based Targets initiative official validation letter	Target ambition	Date target was set	Target coverage	Greenhouse gases covered by target	Scope(s)	Scope 2 accounting method
Abs2	• Yes, and this target has been approved by the Science Based Targets initiative	BAYE-GER-002-OFF Decision Letter	• 2°C aligned	20.08.2020	• Organization-wide	• Carbon dioxide (CO2) • Methane (CH4) • Nitrous oxide (N2O) • Hydrofluorocarbons (HFCs) • Perfluorocarbons (PFCs) • Sulphur hexafluoride (SF6) • Nitrogen trifluoride (NF3)	• Scope 3	n/a

Scope 3 category(ies)	End date of base year	Base year Scope 1 emissions covered by target (metric tons CO2e)	Base year Scope 2 emissions covered by target (metric tons CO2e)	Base year Scope 3, Category […] emissions covered by target (metric tons CO2e)* [One column for each Scope 3 category]	Base year total Scope 3 emissions covered by target (metric tons CO2e)	Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
• Category 1: Purchased goods and services • Category 2: Capital goods • Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) • Category 4: Upstream transportation and distribution • Category 6: Business travel"	31.12.2019	n/a	n/a	• Category 1: 6,621,000 • Category 2: 508,000 • Category 3: 728,000 • Category 4: 656,000 • Category 6: 303,000	8,816,000	8,816,000

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1	Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2	Base year Scope 3, Category […] emissions covered by target as % of total base year emissions in Scope 3, Category […] (metric tons CO 2e) [One column for each Scope 3 category]	Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)	Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

n/a	n/a	• Category 1: 66,26 • Category 2: 5,08 • Category 3: 7,29 • Category 4: 6,56 • Category 6: 3,03		88.3	88.3

End date of Target	Targeted reduction from base year (%)	Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]	Scope 1 emissions in reporting year covered by target (metric tons CO2e)	Scope 2 emissions in reporting year covered by target (metric tons CO2e)	Scope 3, Category […] emissions in reporting year covered by target (metric tons CO2e) [One column for each Scope 3 category]	Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
31.12.2029	12.3	7,731,632	n/a	n/a	• Category 1: 6,520,000 • Category 2: 490,000 • Category 3: 540,000 • Category 4: 700,000 • Category 6: 190,000	8,440,000

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)	Land-related emissions covered by target	% of target achieved relative to base year	Target status in reporting year	Explain the reasons for the revision, replacement, or retirement of the target	Explain target coverage and identify any exclusions	Target objective	Plan for achieving target, and progress made to the end of the reporting year	Target derived using a sectoral decarbonization approach	List the emissions reduction initiatives which contributed most to achieving this target
8,440,000	• No, it does not cover any land-related emissions (e.g. non-FLAG SBT)	34.67%	• Underway	N/A	In November 2019, Bayer committed itself to the Science Based Targets initiative (SBTi). In line with this, Bayer has developed and set itself the target “to reduce absolute Scope 3 GHG emissions from purchased goods and services, capital goods, fuel and energy related activities, upstream transportation & distribution, and business travel by 12.3 % by the end of 2029 from a 2019	This target aims to keep Bayer’s emissions from Scope 3 in line with a global temperature raise below 2°C. by reducingScope 3 GHG emissions from purchased goods and	PLAN TO ACHIEVE THE TARGET: We aim to reduce GHG emissions along the value chain through cooperation with suppliers and customers. As the ability of one company on its own to reduce emissions along the value chain is limited, Bayer has joined together with other companies within various initiatives. PROGRESS MADE TO THE END OF REPORTING YEAR: We aim to ascertain the level of GHG emissions and climate risks and develop reduction targets and strategies within the scope of programs such as the Together for Sustainability (TfS) initiative of the chemical	• No	n/a

					base year." Bayer achieved the status "target set" by the SBTi in July 2020. This target aims to keep Bayer's emissions from Scope 3 in line with a global temperature raise below 2°C.	services, capital goods, fuel and energy related activities, upstream transportation & distribution, and business travel.	industry. Bayer heads up the working group to reduce emissions in the supply chain. Our monthly monitoring shows that 687 of 1,252 Bayer suppliers assessed via EcoVadis or audited via TfS or PSCI improved their sustainability performance in 2023. Through the Supply Chain Initiative of CDP, we ask our strategically important suppliers and those who account for a significantly high proportion of our emissions to provide us with more exact emissions data. In 2023, we invited 332 corporations, equaling 2,131 Bayer-suppliers, to disclose to us. We hosted supplier webinars together with CDP and focused our engagement on 11 KPIs from the CDP questionnaire. Those suppliers, which we evaluated in 2023, received a personalized feedback e-mail in which we laid out our perception of their performance with respect to those 11 KPIs. Using the methods of the Supply Chain Initiative, we aim to learn more about the emissions of our suppliers and the share attributable to products and services sourced by us. We also ascertain reduction targets and the use of renewable energies. Furthermore, we aim to identify potential for reducing GHG emissions among our suppliers and incorporate this potential into our supplier development efforts. Bayer is also a member of the EcoTransIT World Initiative. Furthermore, we take advantage of the Pharmaceutical Supply Chain Initiative (PSCI) working group to engage in dialogue within the pharmaceutical industry about measures to reduce Scope 3 emissions. To effectively steer and reduce Scope 3 emissions, we initiated a new program in 2023 to drive supply chain decarbonization **(Scope 3 Decarbonization Accelerator),** including experts from all divisions and relevant enabling functions. ANTICIPATED POGRESS CURVE: The rate of progress towards the target is anticipated and observed to change from year to year.		

ABS 3

Target reference number	Is this a science-based target?	Science Based Targets initiative official validation letter	Target ambition	Date target was set	Target coverage	Greenhouse gases covered by target	Scope(s)	Scope 2 accounting method
Abs3	• No, but we are reporting another target that is science-based	N/A	n/a	20.08.2020	• Organization-wide	• Carbon dioxide (CO2) • Methane (CH4) • Nitrous oxide (N2O) • Hydrofluorocarbons (HFCs) • Perfluorocarbons (PFCs) • Sulphur hexafluoride (SF6) • Nitrogen trifluoride (NF3)	• Scope 1 • Scope 2	• Market-based

Scope 3 category(ies)	End date of base year	Base year Scope 1 emissions covered by target (metric tons CO2e)	Base year Scope 2 emissions covered by target (metric tons CO2e)	Base year Scope 3, Category […] emissions covered by target (metric tons CO2e)* [One column for each Scope 3 category]	Base year total Scope 3 emissions covered by target (metric tons CO2e)	Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
n/a	31.12.2019	2,080,000	1,680,000	n/a	0	3,760,000

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1	Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2	Base year Scope 3, Category […] emissions covered by target as % of total base year emissions in Scope 3, Category […] (metric tons CO 2e) [One column for each Scope 3 category]	Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)	Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100.0	100.0	n/a	n/a	100.0

End date of Target	Targeted reduction from base year (%)	Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]	Scope 1 emissions in reporting year covered by target (metric tons CO2e)	Scope 2 emissions in reporting year covered by target (metric tons CO2e)	Scope 3, Category […] emissions in reporting year covered by target (metric tons CO2e) [One column for each Scope 3 category]	Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
31.12.2024	20.0	3,008,000	1,890,000	1,110,000	n/a	n/a

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)	Land-related emissions covered by target	% of target achieved relative to base year	Target status in reporting year	Explain the reasons for the revision, replacement, or retirement of the target	Explain target coverage and identify any exclusions	Target objective	Plan for achieving target, and progress made to the end of the reporting year	Target derived using a sectoral decarbo-nization approach	List the emissions reduction initiatives which contributed most to achieving this target
3,000,000	• No, it does not cover any land-related emissions (e.g. non-FLAG SBT)	101.06%	• Achieved	N/A	In November 2019, Bayer committed itself to the Science Based Targets initiative (SBTi). In line with this, Bayer has developed and set itself the target “to reduce absolute Scope 1 and Scope 2 GHG emissions by 42 % by 2029 from a 2019 base year.” Bayer achieved the status “target set” by the SBTi in July 2020. This target aims to keep Bayer’s emissions from Scope 1 and 2 in line with a global temperature raise below 1.5°C. By 2024, as an INTERIM TARGET, we want to reduce our Scope 1 and Scope 2 emissions by 20%.	This target aims to keep Bayer’s emissions from Scope 1 and 2 in line with a global temperature raise below 1.5°C to be aligned with the goals of the Paris Agreement of 2015. The focus lies on reducing the greenhouse gas emissions associated with our operations and on the resilience of our business fields.	N/A	• No	By 2029, we intend for 100% of the electricity we purchase to be derived from renewable sources. Investment in efficiency measures and renewable energies: to achieve an absolute reduction in our remaining emissions, we intend to invest EUR 500 million through 2030 in renewable energies and in increasing the energy efficiency of our facilities and buildings. PROGRESS MADE TO THE END OF REPORTING YEAR: Electricity from renewable energies: in 2023, we pressed ahead with the conversion of our Group-wide electricity procurement, and renewable energies now account for 35.4% of our total purchased electricity volume. We have defined specific criteria for the procurement of green electricity and published this information on our website. These criteria include the geographical proximity between power generation locations and Bayer’s sites, the use of new production

									sources and a focus on wind and solar energy. The criteria are based on the next-generation green power guidelines of the WWF (World Wide Fund for Nature). Investment in efficiency measures and renewable energies: we are investing in process innovations, more efficient facilities and building technology, as well as in the implementation and optimization of energy management systems, particularly at our production sites. Capital expenditure projects are under way at various sites to advance the use of climate neutral technologies such as geothermal energy or emissions-free steam production.

ABS 4

Target reference number	Is this a science-based target?	Science Based Targets initiative official validation letter	Target ambition	Date target was set	Target coverage	Greenhouse gases covered by target	Scope(s)	Scope 2 accounting method
Abs4	• No, but we are reporting another target that is science-based	N/A	n/a	20.08.2020	• Organization-wide	• Carbon dioxide (CO2) • Methane (CH4) • Nitrous oxide (N2O) • Hydrofluorocarbons (HFCs) • Perfluorocarbons (PFCs) • Sulphur hexafluoride (SF6) • Nitrogen trifluoride (NF3)	• Scope 3	n/a

Scope 3 category(ies)	End date of base year	Base year Scope 1 emissions covered by target (metric tons CO2e)	Base year Scope 2 emissions covered by target (metric tons CO2e)	Base year Scope 3, Category […] emissions covered by target (metric tons CO2e)*	Base year total Scope 3 emissions covered by target (metric tons CO2e)	Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

				[One column for each Scope 3 category]		
• Category 1: Purchased goods and services • Category 2: Capital goods • Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) • Category 4: Upstream transportation and distribution • Category 6: Business travel	31.12.2019	n/a	n/a	• Category 1: 6,621,000 • Category 2: 508,000 • Category 3: 728,000 • Category 4: 656,000 • Category 6: 303,000	8,816,000	8,816,000

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1	Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2	Base year Scope 3, Category […] emissions covered by target as % of total base year emissions in Scope 3, Category […] (metric tons CO 2e) [One column for each Scope 3 category]	Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)	Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
n/a	n/a	• Category 1: 66,26 • Category 2: 5,08 • Category 3: 7,29 • Category 4: 6,56 • Category 6: 3,03	88.3	88.3

End date of Target	Targeted reduction from base year (%)	Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]	Scope 1 emissions in reporting year covered by target (metric tons CO2e)	Scope 2 emissions in reporting year covered by target (metric tons CO2e)	Scope 3, Category […] emissions in reporting year covered by target (metric tons CO2e) [One column for each Scope 3 category]	Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
31.12.2024	6.0	8,287,040	n/a	n/a	• Category 1: 6,520,000 • Category 2: 490,000 • Category 3: 540,000 • Category 4: 700,000 • Category 6: 190,000	8,440,000

Total emissions in	Land-related emissions	% of target	Target status in	Explain the reasons for	Explain target coverage and	Target objective	Plan for achieving target, and progress made to the end of the reporting year	Target derived	List the emissions

reporting year covered by target in all selected scopes (metric tons CO2e)	covered by target	achieved relative to base year	reporting year	the revision, replacement, or retirement of the target	identify any exclusions			using a sectoral decarbonization approach	reduction initiatives which contributed most to achieving this target
8,440,000	• No, it does not cover any land-related emissions (e.g. non-FLAG SBT)	71.08%	• Underway	N/A	In November 2019, Bayer committed itself to the Science Based Targets initiative (SBTi). In line with this, Bayer has developed and set itself the target "to reduce absolute Scope 3 GHG emissions from purchased goods and services, capital goods, fuel and energy related activities, upstream transportation & distribution, and business travel by 12.3 % by the end of 2029 from a 2019 base year." Bayer achieved the status "target set" by the SBTi in July 2020. This target aims to keep Bayer's emissions from Scope 3 in line with a global temperature raise below 2°C. By 2024, as an INTERIM TARGET, we want to reduce our	This target aims to keep Bayer's emissions from Scope 3 in line with a global temperature raise below 2°C. by reducing Scope 3 GHG emissions from purchased goods and services, capital goods, fuel and energy related activities, upstream transportation & distribution, and business travel.	PLAN TO ACHIEVE THE TARGET: We aim to reduce greenhouse gas emissions along the upstream and downstream value chain through cooperation with suppliers and customers. PROGRESS MADE TO THE END OF REPORTING YEAR: We aim to ascertain the level of greenhouse gas emissions and climate risks and develop reduction targets and strategies within the scope of programs such as the Together for Sustainability (TfS) initiative of the chemical industry or Pharmaceutical Supply Chain Initiative (PSCI). Bayer heads up the working group to reduce greenhouse gas emissions in the supply chain. Our monthly monitoring shows that 687 (2022: 676) of 1,252 (2022: 1,258) Bayer suppliers assessed via EcoVadis or audited via TfS or PSCI improved their sustainability performance in 2023. Through the Supply Chain Initiative of CDP, we ask our strategically important suppliers and those who account for a significantly high proportion of our emissions in the value chain to provide us with more exact greenhouse gas emissions data. In 2023, we invited 332 corporations, equaling 2,131 Bayer-suppliers, to disclose to us: (a) top-GHG-emitting suppliers, (b) strategically important suppliers, (c) suppliers that are active in relevant sustainability initiatives. We hosted supplier webinars together with CDP and focused our engagement on 11 KPIs from the CDP questionnaire. Those suppliers, which we evaluated in 2023, received a personalized feedback e-mail in which we laid out our perception of their performance with respect to those 11 KPIs.	• No	n/a

					Scope 3 emissions by 6%.		By 2029, we aim to reduce GHG emissions from relevant Scope 3 categories by an absolute 12.3% (compared to the 2019 base year in accordance with the criteria set out by the Science Based Targets initiative). To effectively steer and reduce these emissions in the upcoming years, we initiated a new program in 2023 to drive supply chain decarbonization (Scope 3 Decarbonization Accelerator), including experts from all divisions and relevant enabling functions. Through the reporting of climate-related KPIs described above, the board can ensure a group-wide response in case of any deviations of CO2 emissions or energy efficiency KPIs from the target values. ANTICIPATED POGRESS CURVE: The rate of progress towards the target is anticipated and observed to change from year to year.		

ABS 5

Target reference number	Is this a science-based target?	Science Based Targets initiative official validation letter	Target ambition	Date target was set	Target coverage	Greenhouse gases covered by target	Scope(s)	Scope 2 accounting method
Abs5	• No, but we are reporting another target that is science-based	N/A	• N/A	01.12.2023	• Organization-wide	• Carbon dioxide (CO2) • Methane (CH4) • Nitrous oxide (N2O) • Hydrofluorocarbons (HFCs) • Perfluorocarbons (PFCs) • Sulphur hexafluoride (SF6) • Nitrogen trifluoride (NF3)	• Scope 1 • Scope 2	• Market-based

Scope 3 category(ies)	End date of base year	Base year Scope 1 emissions covered by target (metric tons CO2e)	Base year Scope 2 emissions covered by target (metric tons CO2e)	Base year Scope 3, Category […] emissions covered by target (metric tons CO2e)* [One column for each Scope 3 category]	Base year total Scope 3 emissions covered by target (metric tons CO2e)	Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
N/A	31.12.2019	2,080,000	1,680,000	N/A	0	3,760,000

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1	Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2	Base year Scope 3, Category […] emissions covered by target as % of total base year emissions in Scope 3, Category […] (metric tons CO 2e) [One column for each Scope 3 category]	Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)	Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100.0	100.0	N/A	N/A	100.0

End date of Target	Targeted reduction from base year (%)	Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]	Scope 1 emissions in reporting year covered by target (metric tons CO2e)	Scope 2 emissions in reporting year covered by target (metric tons CO2e)	Scope 3, Category […] emissions in reporting year covered by target (metric tons CO2e) [One column for each Scope 3 category]	Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
31.12.2035	49.95%	1,881,880	1,890,000	1,110,000	N/A	N/A

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)	Land-related emissions covered by target	% of target achieved relative to base year	Target status in reporting year	Explain the reasons for the revision, replacement, or retirement of the target	Explain target coverage and identify any exclusions	Target objective	Plan for achieving target, and progress made to the end of the reporting year	Target derived using a sectoral decarbonization approach	List the emissions reduction initiatives which contributed most to achieving this target
3,000,000	• No, it does not cover any land-related emissions (e.g. non-FLAG SBT)	40.47%	• Underway	N/A	As a science-based company, Bayer has recognized the risks posed by global climate change. We aim to continuously reduce GHG emissions within our company and along our entire value chain in accordance with the UN SDGs and the Paris Agreement to limit global warming to 1.5 degrees Celsius. To hold off some of the worst climate impacts, and avoid irreversible damage to our societies, economies and the natural world, we must	This target aims to keep Bayer's emissions from Scope 1 and 2 in line with a global temperature raise below 1.5°C to be aligned with the goals of the Paris Agreement of 2015. The focus lies on reducing the greenhouse	PLAN TO ACHIEVE THE TARGET: To implement our long-term climate strategy, our focus lies on reducing the greenhouse gas emissions associated with our operations and on the resilience of our business fields. Our roadmap comprises various measures in the areas of energy & efficiency, governance and offsetting. Electricity from renewable energies: by 2029, we intend for 100% of the electricity we purchase to be derived from renewable sources. Investment in efficiency measures and renewable energies: to achieve an absolute reduction in our remaining emissions, we intend to invest EUR 500 million through 2030 in renewable energies and in increasing the energy efficiency of our facilities and buildings.	• No	N/A

					hold temperature rise to 1.5°C above pre-industrial levels. This requires halving greenhouse gas emissions by 2030 and hitting net-zero emissions by 2050. We have set ourselves the target to reach science-based net-zero GHG emissions including our entire value chain by 2050 or sooner and signed the Business Ambition for 1.5°C. By 2035 as an INTERIM TARGET, we want to reduce our Scope 1 and Scope 2 emissions by 50%.	gas emissions associated with our operations and on the resilience of our business fields.	PROGRESS MADE TO THE END OF REPORTING YEAR: Electricity from renewable energies: in 2023, we pressed ahead with the conversion of our Group-wide electricity procurement, and renewable energies now account for 35.4% of our total purchased electricity volume. We have defined specific criteria for the procurement of green electricity and published this information on our website. These criteria include the geographical proximity between power generation locations and Bayer's sites, the use of new production sources and a focus on wind and solar energy. The criteria are based on the next-generation green power guidelines of the WWF (World Wide Fund for Nature). Investment in efficiency measures and renewable energies: we are investing in process innovations, more efficient facilities and building technology, as well as in the implementation and optimization of energy management systems, particularly at our production sites. Capital expenditure projects are under way at various sites to advance the use of climate neutral technologies such as geothermal energy or emissions-free steam production. ANTICIPATED PROGRESS CURVE: The rate of progress towards the target is anticipated and observed to change from year to year.		

7.54 Did you have any other climate-related targets that were active in the reporting year?

- Target(s) to increase or maintain low-carbon energy consumption or production
- Net-zero target(s)
- Other climate-related target(s)

7.54.1 Provide details of your target(s) to increase or maintain low-carbon energy consumption or production.

Target reference number	Date target was set	Target coverage	Target type: energy carrier	Target type: activity	Target type: energy source
Low1	20.08.2020	• Organization-wide	• Electricity	• Consumption	• Renewable energy sources only

End date of base year	Consumption or production of selected energy carrier in base year (MWh)	% share of low-carbon or renewable energy in base year	End date of target	% share of low-carbon or renewable energy at end date of target	% share of low-carbon or renewable energy in reporting year	% of target achieved relative to base year
31.12.2019	48,333	2	31.12.2029	100	35.4	34.08%

Target status in reporting year	Explain the reasons for the revision, replacement, or retirement of the target	Is this target part of an emissions target?	Is this target part of an overarching initiative?	Science Based Targets initiative official validation letter	Explain target coverage and identify any exclusions	Target objective	Plan for achieving target, and progress made to the end of the reporting year	List the actions which contributed most to achieving this target
• Underway	N/A	Abs1 Yes, this target is part of our emissions reduction target to reduce absolute Scope 1 and Scope 2 GHG emissions by 42 % by 2029 from a 2019 base year (see target Abs1 in question C4.1a). This target aims to keep Bayer's emissions from Scope 1 and 2 in line with a global temperature raise below 1.5°C.	• No, it's not part of an overarching initiative	N/A	In 2019, Bayer set and published the target to achieve 100% climate-neutral operations through energy efficiencies, shift to green energy, and compensation. This includes our low-carbon energy consumption target to increase our share of renewable energy purchase to 100%. We aim to achieve this through renewable PPA´s (Power Purchase Agreement) wherever possible. EAC (Energy Attribute Certificate) purchases will be used for the remaining electricity (approx. 10%).	This target aims to keep Bayer's emissions from Scope 1 and 2 in line with a global temperatur e raise below 1.5°C." by 2029, we intend for 100% of the electricity we purchase to be derived from renewable sources.	PLAN TO ACHIEVE THE TARGET: To implement our long-term climate strategy, our focus lies on reducing the greenhouse gas emissions associated with our operations and on the resilience of our business fields. Our roadmap comprises various measures in the areas of energy & efficiency, governance and offsetting. Electricity from renewable energies: by 2029, we intend for 100% of the electricity we purchase to be derived from renewable sources. PROGRESS MADE TO THE END OF REPORTING YEAR: In 2023, we pressed ahead with the conversion of our Group-wide electricity procurement, and renewable energies now account for 35.4% of our total purchased electricity volume. We have defined specific criteria for the procurement of green electricity and published this information on our website. These criteria include the geographical PROXIMITY between power generation locations and Bayer's sites, the use of new production sources (ADDITIONALITY) and a focus on wind and solar energy. The criteria are based on the next-generation green power guidelines of the WWF (World Wide Fund for Nature). To monitor and track Bayer's activities and progress different performance indicators have been defined,	n/a

							e.g. % of renewable electricity with grid connection: target 50% (addressing proximity) or % of renewable electricity coming from investments younger than 15 years upon conclusion of the contract: target 50% (addressing additionality).	

7.54.2 Provide details of any other climate-related targets, including methane reduction targets.

Target reference number	Date target was set	Target coverage	Target type: absolute or intensity	Target type: category & Metric (target numerator if reporting an intensity target)	Target denominator (intensity targets only)
Oth1	10.12.2019	• Business division	• Intensity	Beyond Value Chain Mitigation target • GHG emissions reductions and removals	• Other, please specify: Per kg crop produced on the field in major agricultural markets

End date of base year	Figure or percentage in base year	End date of target	Figure or percentage at end date of target	Figure or percentage in reporting year	% of target achieved relative to base year
31.12.2019	100	31.12.2030	70	100	0

Target status in reporting year	Explain the reasons for the revision, replacement, or retirement of the target	Is this target part of an emissions target?	Is this target part of an overarching initiative?	Science Based Targets initiative official validation letter	Please explain target coverage and identify any exclusions	Target objective	Plan for achieving target, and progress made to the end of the reporting year	List the actions which contributed most to achieving this target
• Underway	N/A	• No, this target is not part of our emissions target.	• No, it's not part of an overarching initiative	N/A	In 2019, we set the goal to help reduce in-field emissions of our farming customers per kg of crop produced in our key markets by 30% till 2030. To this end, Bayer will help farmers apply more sustainable practices, such as reducing tillage to help sequester carbon in the soil and ensuring the more precise use of	This target aims to further reduce Bayer's methane emissions in the downstream value chain. The focus lies on reducing methane emissions associated with farming practices of our customers.	PLAN TO ACHIEVE THE TARGET: In addition to our commitments to carbon neutrality for own operations, we aim to enable our farming customers to reduce their greenhouse gas emissions per kilogram of crop produced by 30% through 2030. This applies for the highest greenhouse gas emitting crop systems and in the regions Bayer serves with its products. Therefore, our focus lies on soy and corn in the United States, Brazil and Argentina, paddy rice in India, and wheat, cotton and oilseed rape/canola in various geographies. The scope of our efforts is focused on emissions of major greenhouse gases: carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O) from field operations.	n/a

					crop protection and fertilizer (helping to reduce GHG emission) through product innovation and digital tools. Base year and target figures are representing the in-field GHG footprint of our farming customer across key markets in scope, with estimated total emissions of 100 million t CO2e.		PROGRESS MADE TO THE END OF REPORTING YEAR: To achieve our target, we foster the adoption of climate-smart practices and technologies by our farming customers. These include high-yielding crop genetics, crop protection products, precision irrigation systems, soil management tactics through no-till and cover crops, crop rotation, root health, fertilization management, microorganisms and inoculants, a switch to dry-seeded rice, and digital and precision farming tools. To learn how to scale the adoption of climate-smart practices, create new value streams for our farming customers and business opportunities for ourselves, and at the same time benefit the environment, Bayer is driving the implementation of Carbon Farming Initiatives in every region we serve: North America: In the U.S., the Bayer PRO Carbono rewards farmers for adopting climate-smart practices. Growers can receive guaranteed payments based on the adoption of these practices and the number of acres enrolled per year. Latin America: As part of the Bayer Carbon Program, farmers in Brazil who fulfill the requirements, such as social and environmental compliance, and adopt climate-smart practices, are eligible for soil collection and analyses with our partner, Embrapa. The effort was launched in 2021 with approximately 1,800 farmers (over 200,000 acres). Europe: Bayer launched its decarbonization program for agriculture in 2021. We are engaging in open discussions with key regional, local and global food chain partners. Asia/Pacific: Flooded paddy rice has been identified as a significant contributor to emissions of methane. As part of the India Sustainable Rice project started in 2021, Bayer is evaluating greenhouse gas emissions reduction potential in the cultivation of rice.	

7.54.3 Provide details of your net-zero target(s).

Target reference number	Date target was set	Target coverage	Targets linked to this net zero target	End date of target for achieving net zero	Is this a science-based target?	Science Based Targets initiative official validation letter	Scopes	Greenhouse gases covered by target	Explain target coverage and identify any exclusions	Target objective	Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?
NZ1	20.08.2020	• Organization-wide	• Abs1 • Abs2 • Abs3 • Abs4	31.12.2050	• Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years	N/A	• Scope 1 • Scope 2 • Scope 3	• Carbon dioxide (CO2) • Methane (CH4) • Nitrous oxide (N2O) • Hydrofluorocarbons (HFCs) • Perfluorocarbons (PFCs) • Sulphur hexafluoride (SF6) • Nitrogen trifluoride (NF3)	As a science-based company, Bayer has recognized the risks posed by global climate change. We aim to continuously reduce GHG emissions within our company and along our entire value chain in accordance with the UN SDGs and the Paris Agreement to limit global warming to 1.5 degrees Celsius. To hold off some of the worst climate impacts, and avoid irreversible damage to our societies, economies and the natural world, we must hold temperature rise to 1.5°C above pre-industrial levels. This requires halving greenhouse gas emissions by 2030 and hitting net-zero emissions by 2050. We have set ourselves the target to reach science-based net-zero GHG emissions including our entire value chain by 2050 or sooner and signed the Business Ambition for 1.5°C.	This target aims to keep Bayer's emissions from Scope 1 and 2 in line with a global temperature rise below 1.5°C. and emissions from Scope 3 in line with a global temperature raise below 2°C.	Yes

Do you plan to mitigate emissions beyond your value chain?	Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?	Planned milestones and/or near-term investments for neutralization at the end of the target	Describe the actions to mitigate emissions beyond your value chain	Target status in reporting year	Explain the reasons for the revision, retirement, or replacement of the target	Process for reviewing target
• Yes, and we have already acted on this in the	• Yes, we plan to purchase and cancel carbon credits for neutralization at the end of the target	Bayer has undertaken to achieve a net zero target for greenhouse gas emissions throughout the entire value chain by 2050 or earlier. As an external expression of commitment to net zero	At Bayer, our priority is emission reduction. Nevertheless, we have decided to go beyond and complement our emission reduction	• Under way	N/A	In 2019, Bayer made a commitment to establish ambitious climate targets addressing our own

reporting year		greenhouse gas emissions, the company also signed the Business Ambition for 1.5°C, a campaign of the SBTi in partnership with the U.N. Global Compact and the We Mean Business Coalition. On our way to net zero, we aim to achieve climate neutrality at all our own sites by 2030. We align our CAPEX spending with our ambition to achieve net zero GHG emissions by 2050, in line with the global goal to limit global warming to 1.5C. Bayer plans to invest EUR 500 million in energy efficiency and climate-friendly measures until 2030. We also engage in innovative lighthouse projects to foster techniques for long-term carbon removal. To anticipate climate-related business risks and opportunities and drive internal change, we have set ourselves an internal carbon price of EUR 100 per metric ton when calculating our capital expenditure projects. This incentive applies to all CO2 emission reduction initiatives with the exception of emissions from purchased electricity, which are to become zero with the 2030 target of 100% purchased electricity from renewable sources. To achieve climate neutrality, we will offset our own emissions (Scope 1 and 2) that still remain following reduction through technological measures and cannot be avoided (such as greenhouse gas emissions generated by chemical processes) by purchasing certificates from climate protection projects that meet recognized quality standards. These projects need to have a connection to our own business. Here as well, we have established specific criteria for our own procurement of certificates from climate protection projects. In this process, we focus on nature-based climate solutions, preferably concerning forestry and agriculture projects. We will also invest in innovative projects to promote the development of voluntary carbon markets. We report on our website on our strategy and the projects we support. We offset more than 600,000 metric tons of our greenhouse gas emissions in 2023 by financing reforestation and forest conservation	with an ambitious offsetting strategy relying mainly on nature-based offsets as these are crucial to avoiding the most catastrophic impacts of climate change and have various co-benefits (water, communities, etc.). Additionally, we are investing in selected lighthouse projects to support innovative technologies and fight the climate crisis. We aim to enable our farming customers to reduce their on-field greenhouse gas emissions per mass unit of crop produced by 30% by 2030 compared to the overall base year emission intensity. Since 2021, we have been conducting detailed climate change impact assessments across our organization with a special focus on agriculture. The transformation is directly anchored within the business areas and our Crop Science Strategy department. Our vision is powered by innovation engines, with a special focus on Breeding and Regenerative Agriculture with a focus on a systemic change. As leaders in agriculture, we have a unique opportunity to restore nature and scale regenerative agriculture practices. These adjacent opportunities can significantly reduce CO2e emissions while creating new business opportunities for farmers who produce feed, food, fuel and fiber. We are actively innovating and providing solutions to support global mitigation efforts, including scaling and fostering systems that support the adoption of smart climate practices (such as no-till, crop rotation, cover crops, etc.) in			emissions (Scope 1 & 2) as well as those within our value chain (Scope 3). To ensure the credibility of these targets, they have been validated by the Science Based Targets initiative (SBTi). As part of the SBTi's requirements, companies must revalidate their targets every five years. Consequently, we submitted our target update in January 2024. Over the past year, a cross-divisional and functional team has diligently worked on the target revalidation process, receiving full support from our CEO, Bill Anderson. As part of this revalidation, we have submitted our specified long-term Net Zero target. In alignment with the SBTi's minimum requirements, we have committed to achieving a reduction of at least 90% of our emissions across the entire value chain by 2050, using 2019 as our baseline year. This represents a significant milestone for several reasons: it enables us to continue our decarbonization efforts while also maintaining the trust of our investors. Moreover, it demonstrates to our customers in the Crop Science sector that we are not merely making promises; we are actively engaging in meaningful

		projects, for example in Brazil, Guatemala, Indonesia, Nicaragua, Peru, Zambia and Zimbabwe.	agriculture; helping farmers provide feedstock to support biofuel production in order to phase out fossil fuel; and advancing precision agriculture innovation.			actions within a framework that signals demand for our innovations and opens new avenues for profitability.

7.55 Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

- Yes

7.55.1 Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

Stage of development	Number of initiatives	Total estimated annual CO2e savings in metric tons CO2e (only for rows marked *)
Under investigation	397	N/A
To be implemented*	201	365,971
Implementation commenced*	304	676,264
Implemented*	215	114,276
Not to be implemented	223	N/A

7.55.2 Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category	Initiative type	Estimated annual CO2e savings (metric tons CO2e)	Scope(s) or Scope 3 category(ies) where emissions savings occur	Voluntary/ Mandatory	Annual monetary savings (unit currency – as specified in C0.4)	Investment required (unit currency – as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency in buildings	Building Energy Management Systems (BEMS)	4,507	Scope 2 (market-based)	Voluntary	413,772 €	1,982,320 €	4-10 years	11-15 years	In 2023, several projects have been implemented around Building Energy Management Systems, e.g. optimization of the refrigeration system or humidity control, start up and shut down procedures to reduce energy use or adjustment of operating times for house vacuum pumps.
Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)	2,343	Scope 2 (market-based)	Voluntary	806,401 €	1,537,937 €	1-3 years	16-20 years	In 2023, several projects have been implemented with HVAC-optimizations e.g. reducing HVAC operating time through improved control strategies, adjusting temperature set points and control bands of heating/cooling system, or optimization of chilling water system.
Energy efficiency in buildings	Lighting	503	Scope 2 (market-based)	Voluntary	124,041 €	481,975 €	4-10 years	11-15 years	In 2023, several projects have been implemented to increase lighting efficiency e.g. by replacing inefficient lighting with LED and by installing automatic lighting controls.
Energy efficiency in buildings	Maintenance program	8	Scope 2 (market-based)	Voluntary	4,623 €	42,715 €	4-10 years	21-30 years	In 2023, maintenance programs were ongoing improving emissions and efficiency e.g. by replacing or retiring old power transformers.
Energy efficiency in production processes	Compressed air	617	Scope 1	Voluntary	60.909 €	65.360 €	1-3 years	11-15 years	In 2023, several projects have been implemented to improve compressor operation e.g. through leak detection and repairs or upgrading to optimally sized air compressors.
Energy efficiency in	Cooling technology	43	Scope 1	Voluntary	7.997 €	33.484 €	4-10 years	11-15 years	In 2023, several projects have been implemented such as modulating the

production processes									cooling water system operation or switching to low GWP refrigerants.
Energy efficiency in production processes	Process optimization	20,821	Scope 1	Voluntary	2,754,173 €	3,651,223 €	1-3 years	11-15 years	In 2023, several projects have been implemented to optimize production processes at individual sites e.g. optimizing water destillation, adjusting regulating valves on bypass lines of dryers, or implementing waste heat recovery systems.
Energy efficiency in production processes	Wastewater treatment	272	Scope 2 (market-based)	Voluntary	900,000 €	1,532,811 €	1-3 years	11-15 years	In 2023, projects have been implemented to optimize wastewater treatments e.g. reduce steam usage wastewater or optimizing effluent recuperation to dissolvers.
Energy efficiency in production processes	Other, please specify: Boilers & Steam	22,656	Scope 1	Voluntary	1,155,861 €	219,789 €	<1 year	6-10 years	In 2023, several projects have been implemented to improve steam consumption or optimizing natural gas consumption.
Low-carbon energy consumption	Low-carbon electricity mix	59,405	Scope 2 (market-based)	Voluntary	0 €	0 €	No payback	Ongoing	In 2023, several sites started to purchase low-carbon electricity or increased their share of low-carbon electricity.
Low-carbon energy generation	Solar PV	2,003	Scope 2 (market based)	Voluntary	568,365 €	930,559 €	1-3 years	21-30 years	In 2023, projects have been implemented to install PV panels for own electricity consumption.
Transportation	Company fleet vehicle replacement	123	Scope 1	Voluntary	803 €	0 €	<1 year	6-10 years	In 2023, several projects have been implemented to increase the number of electric or hybrid vehicles in the organization's vehicle fleet.
Waste reduction and material circularity	Waste reduction	853	Scope 3 category 5: Waste generated in operations	Voluntary	758,023 €	573,137 €	<1 year	Ongoing	In 2023, several projects have been implemented to reduce waste e.g. through the extension of expiration datess for purification assemblies, installation of hand dryers in washrooms or drinking water stations to reduce plastic bottle waste.
Company policy or behavioral change	Resource efficiency	121	Scope 1	Voluntary	38,617 €	80,000 €	1-3 years	Ongoing	In 2023, several projects have been implemented to improve resource efficiency through behavioral change e.g. improving our carbon footprint by eco-

									pasture of our open fields (i.e. using animals to mow less often) or replacing climate system priming.

7.55.3 What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Employee engagement	Most global production plants with 85% of energy consumption are staffed with Site Energy Officers who are in charge of managing energy efficiency tasks and the energy management systems. We are also lowering emissions in non-productive areas. These include our Sustainable Fleet initiative and infrastructure of charging stations. Bike sharing and car sharing for all employees have also been launched. At some sites public transport season tickets are available at reduced rates.
Internal incentives/recognition programs	Emission reduction activities are also driven by energy targets within individual performance targets that are set to determine the variable salary component as part of our short-term incentive program. Also, emission reductions are driven by our internal employee ideas pool, which rewards ideas for improving energy efficiency.
Internal price on carbon	Bayer plans to invest EUR 500 million in energy efficiency measures until 2030. To steer investments, an internal CO2 incentive of EUR 100 per ton of CO2 has been included in the cost calculation of CapEx projects.

7.74 Do you classify any of your existing goods and/or services as low-carbon products?

- Yes

7.74.1 Provide details of your products and/or services that you classify as low-carbon products.

Example # 1:

Level of aggregation	Taxonomy used to classify product(s) or service(s) as low-carbon	Type of product(s) or service(s)	Description of product(s) or service(s)	Have you estimated the avoided emissions of this low-carbon product(s) or service(s)	Methodology used to calculate avoided emissions	Life cycle stage(s) covered for the low-carbon product(s) or services(s)
• Group of products or services	• Other, please specify: Internal evaluation in accordance with standardized taxonomies	Other: • Other, please specify: Agricultural practices	Among other technologies, the Climate FieldView™ digital agriculture platform provides farmers with centralized field data management and visualization to optimize fertility and seeding management. In addition, Data Manager, a new feature, scheduled for a U.S. release in 2024, provides operational and field-level practice data in a single place regardless of the source used at collection. NO TILLAGE: Soil health depends on the continued capacity of soil to function as a living ecosystem. Tillage can contribute to soil erosion and is an environmental problem worldwide. Tillage releases CO2 from the	• Yes	• Other, please specify: Internal calculation in accordance with best practice calculation methods (e. g. Cool Farm Tool) and scientific studies	• Gate-to-gate

			ground. Conservational tillage helps sequester carbon in the soil and therefore mitigate climate change, support soil health and improve food security COVER CROPS: Cover crops are species of grass, small grains, legumes or brassicas grown for seasonal protection and/or soil improvement. Cover crops provide valuable biomass to the soil when left on the field and capture carbon. N-FERTILIZER; Bayer has a partnership with VariMax, a new Nitrogen Tool for FieldView™ customers. The N-CHECK Nitrogen Management tool provides real-time nitrogen prescriptions, using actual data from farmers' crops and fields to produce a specific application recommendation.			

Functional unit used	Reference product/service or baseline scenario used	Life cycle stage(s) covered for the reference product/service or baseline scenario	Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario	Explain your calculation of avoided emissions, including any assumptions	Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year
Applying CLIMATE-SMART AGRICULTURAL PRACTICES (on a one hectar field over a whole year) vs. Applying conventional agricultural practices (on a one hectar field over a whole year) Measuring effects in kg	Conventional agricultural practices. Tillage: It involves mechanically turning the soil which can contribute to soil erosion, releases CO2 and is an environmental problem worldwide. Fuel used for tillage also contributes to carbon emissions. Leave fields fallow: Without cover crops, no additional carbon is captured and the soil is prone to erosion and CO2 release. N-fertilizer use: Without active management use of nitrogen fertilizers is less efficient and leads to more nitrous oxide emissions.	• Gate-to-gate	2.861	PLEASE NOTE: We do not disclose information for particular business for competitive reasons. Therefore, the stated % of REVENUE GENERATED from low-carbon products DOES NOT reflect our current share of revenue from low-carbon products, as we cannot disclose this specific information. CALCULATION OF AVOIDED EMISSIONS: To estimate avoided emissions, we refer to the scientific paper from McNunn et al. (2020): County-scale GHG reductions corresponding with a conversion from conventional tillage to no-tillage practices are estimated to be have a mean reduction potential of 1,477 kg CO2e per ha per yr (SOC, N2O, and CH4 flux reductions of 945, 549, -17 kg CO2e per ha per yr, respectively, where a negative reduction indicates an increase in emissions) with a standard deviation of 605 kg CO2e per ha per yr. Additionally, the adoption of cover crops is predicted to provide a mean reduction of 678 kg CO2e per ha per yr (SOC, N2O, and CH4 flux reductions of 824, -173, 26.7 kg CO2e per ha per yr, respectively), and improved N-fertilizer timing is estimated to mitigate 413 kg CO2e per ha per yr (SOC, N2O, and CH4 flux reductions of 75, 337, 1 kg CO2e per ha per yr, respectively). The adoption of multiple CSA practices is estimated to have the greatest mean reduction potential of 2,861 kg CO2e per ha per yr (SOC, N2O, and CH4 flux reductions of 2,210, 611, 39 kg CO2e per ha per yr, respectively). Use of the spatially explicit subfield modeling approach based on	1

CO2 per year and hectar.				public data provides a relatively low-cost approach for strategically targeting CSA practices to agricultural regions where adoption is most impactful (McNunn et al., 2020).	

Example # 2:

Level of aggregation	Taxonomy used to classify product(s) or service(s) as low-carbon	Type of product(s) or service(s)	Description of product(s) or service(s)	Have you estimated the avoided emissions of this low-carbon product(s) or service(s)	Methodology used to calculate avoided emissions	Life cycle stage(s) covered for the low-carbon product(s) or services(s)
• Group of products or services	• Other, please specify: Internal evaluation in accordance with standardized taxonomies	Other: • Other, please specify: ANSAL tomato seed	We offer innovative solutions to help farmers reduce food loss and waste on and beyond the farm. For example, Ansal® is a tomato variety with great shelf life and fruit firmness. These characteristics contribute to lower postharvest losses in India from about 20-25% to less than 8-10%, resulting in ~20% less kg of CO2e per kg of marketable crop (versus the same leading competitor variety), as more food reaches the end consumer (a climate impact analysis by the Wageningen University using the Agro-Chain Greenhouse Gas Emissions (ACE) calculator). This innovation placed Bayer among the 20 most climate friendly companies in 2021 (by European Seeds Magazine). We sell Ansal® in 16 countries in Africa and Asia Pacific, helping smallholder farmers to access innovative vegetable seeds.	• Yes	Other, please specify: A climate impact analysis by the Wageningen University using the Agro-Chain Greenhouse Gas Emissions (ACE) calculator	• Gate-to-gate

Functional unit used	Reference product/service or baseline scenario used	Life cycle stage(s) covered for the reference product/service or baseline scenario	Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario	Explain your calculation of avoided emissions, including any assumptions	Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year
kg CO2e, per kg ANSAL tomato sold to consumer	kg CO2e, per kg Reference Competitor Hybrid Variety tomato sold to customer	• Gate-to-gate	0.00005	PLEASE NOTE: We do not disclose information for particular business for competitive reasons. Therefore, the stated % of REVENUE GENERATED from low-carbon products DOES NOT reflect our current share of revenue from low-carbon products, as we cannot disclose this specific information. CALCULATION OF AVOIDED EMISSIONS: In a 2019 case study by Wageningen University for Bayer, using product performance data from 2013-2017 from ~65 Bayer internal trials and post-harvest data from ~60	1

				growers and ~10 dealers and exporters for the south and west India markets, only about 8-10% of Ansal produce was estimated to be lost in the postharvest chain. Using the ACE calculator to calculate the product life cycle, Wageningen University determined that, such a reduction in post-harvest losses could result in ~20% less kg of CO2e per kg of marketable crop.vs. the same leading competitor variety, as more food reaches the end consumer (https://cgspace.cgiar.org/handle/10568/106161) The ACE calculator stated that ANSAL tomato had a marketed food product CLIMATE IMPACT of 0.189 kg CO2e, per kg sold on market versus 0.239 kg CO2e, per kg sold on market for the Reference Competitor Hybrid Variety. This results in the approximately ~ 20% less kg of CO2e (0.05 kg CO2e = 0.00005 t CO2e) per kg of marketable crop.vs. the same leading competitor variety. (Sustainability | Free Full-Text | Trade-Off Analyses of Food Loss and Waste Reduction and Greenhouse Gas Emissions in Food Supply Chains (mdpi.com)) A WBCSD Case Study on the tomato hybrid Ansal is publicly available at: https://www.bayer.com/sites/default/files/Case%20Study%20-%20Tackling%20Food%20Loss%20and%20Waste.pdf	

7.79 Has your organization canceled any project-based carbon credits within the reporting year?

- Yes

7.79.1 Povide details of the project-based carbon credits canceled by your organization in the reporting year.

PROJECT 1

Project type	Type of mitigation activity	Project description	Credits canceled by your organization from this project in the reporting year (metric tons CO2e)	Purpose of cancellation	Are you able to report the vintage of the credits at cancellation?	Vintage of credits at cancellation
• Agriculture	• Carbon Removal	PROJECT NAME: Rio Anapu-Pacaja REDD Project (ID: 2252) GEOGRAPHIC LOCATION: Brazil, State of Para, micro region of Porte METHODOLOGY USED: Protection of highly critical regions of the Brazilian Amazon including support of locals to gain land tenure documents. FURTHER EXPLANATION: The Rio Anapu-Pacaja REDD Carbon Credit Project in Portel, Para is protecting 165,707 hectares in a highly critical region of the Brazilian Amazon. The high levels of land grabbing, land conflict and instability in the region has allowed the project to strongly	50,000	• Voluntary offsetting	• Yes	2017

		focus on bringing stability to all the areas that surround the project area by paying for and helping the local residents known as Riverine people to gain land tenure documents and eventually full freehold title deeds. The project also provided cook stoves to 50 families with the goal to help further families as carbon credit sales take place.					

Were these credits issued to or purchased by your organization?	Carbon-crediting program by which the credits were issued	Method the program uses to assess additionality for this project	Approaches by which the selected program requires this project to address reversal risk	Potential sources of leakage the selected program requires this project to have assessed	Provide details of other issues the selected program requires projects to address	Please explain
• Purchased	• VCS (Verified Carbon Standard)	• Consideration of legal requirements • Investment analysis • Barrier analysis	• Monitoring and compensation	• Activity-shifting	VCS quality assurance principles ensure that projects are: Additional: Projects must exceed the likeliest "business-as-usual" scenario and demonstrate that GHG emission reductions or removals would not occur without revenue from the sale of VCUs. Real and measurable: Projects must apply an approved methodology to ensure net GHG emission reductions or removals which must have already taken place, and are measurable. Conservative: Projects must use conservative assumptions, values and procedures to ensure emission reductions are not overstated. Permanent: Projects in the Agriculture, Forestry, and Other Land Use (AFOLU) sector must ensure GHG removals are not lost due to unforeseen events such as fire or disease. Independently Verified: Projects must contract an approved validation/verification body (VVB) to confirm that the project design meets VCS criteria and that all GHG emission reductions or removals are quantified according to VCS requirements. Uniquely numbered and transparently listed: Projects must register with the Verra Registry	RATIONALE: At Bayer, our priority is emission reduction. Nevertheless, we have decided to go beyond and complement our emission reduction with an ambitious offsetting strategy relying mainly on nature-based offsets as these are crucial to avoiding the most catastrophic impacts of climate change and have various co-benefits (water, communities, etc.). DETAILS ON PROJECT SELECTION: As the carbon offsetting market evolves to meet increased corporate demand, important questions are surfacing about market design and integrity. We need to make decisions on what credits to buy without harmonized standards to ensure carbon integrity. Bayer has defined a clear set of rules for its projects to ensure high quality impacts, that we will constantly improve and further develop our approach. The criteria are publicly available at Bayer's Offsetting Approach 2024.

					operator to ensure each VCU is assigned a unique serial number and listed on the Verra Registry.	

PROJECT 2

Project type	Type of mitigation activity	Project description	Credits canceled by your organization from this project in the reporting year (metric tons CO2e)	Purpose of cancellation	Are you able to report the vintage of the credits at cancellation?	Vintage of credits at cancellation
• Community projects •	• Carbon Removal	PROJECT NAME: Southern Cardamom REDD+ Project (ID: 1748) GEOGRAPHICAL LOCATION: Cambodia, Koh Kong Province METHODOLOGY USED: The Southern Cardamom REDD+ Project (SCRP) is an initiative designed to promote climate change mitigation and adaptation, maintain biodiversity and create alternative livelihoods under the United Nations scheme of Reducing Emissions from Deforestation and forest Degradation (REDD+). FURTHER INFORMATION: The 445,339 ha SCRP encompasses parts of Southern Cardamom National Park and Tatai Wildlife Sanctuary and will protect a critical part of the Cardamom Mountains Rainforest Ecoregion – one of the 200 most important locations for biodiversity conservation on the planet. The Project will directly support the livelihoods of 21 villages in nine communes around the perimeter of the project area. Eight additional villages in 4 communes are eligible to receive educational scholarships. These communities represent approximately 3,957 families and 16,495 individuals. The Project's climate benefits include the avoided emission of approximately 12 million t CO2e during this first monitoring period and over 115,000 million t CO2e over the lifetime of the Project. The Project will generate substantial community and biodiversity co-benefits. New and sustainable livelihood opportunities, such as direct employment, alternative income generating activities (IGAs) and initiatives to stimulate investment in businesses will be designed to reduce pressure on the environment while significantly increasing community well-being. Additional programs will address food security, improve health and education facilities, as well as raise environmental awareness. Biodiversity co-benefits will be achieved through greater protection of the ecosystem predominantly by means of increased security and improved monitoring. The Project will also be protecting critical habitat for significant populations of many IUCN listed species, including Asian	25,000	• Voluntary offsetting	• Yes	2017

		elephant, Asiatic black bear, sun bear, large spotted civet, clouded leopard, and dhole, as well as the critically endangered reptiles. Siamese crocodile and Southern River terrapin.					

Were these credits issued to or purchased by your organization?	Carbon-crediting program by which the credits were issued	Method the program uses to assess additionality for this project	Approaches by which the selected program requires this project to address reversal risk	Potential sources of leakage the selected program requires this project to have assessed	Provide details of other issues the selected program requires projects to address	Please explain
• Purchased	• VCS (Verified Carbon Standard)	• Consideration of legal requirements • Investment analysis • Barrier analysis	• Monitoring and compensation	• Activity-shifting	VCS quality assurance principles ensure that projects are: Additional: Projects must exceed the likeliest "business-as-usual" scenario and demonstrate that GHG emission reductions or removals would not occur without revenue from the sale of VCUs. Real and measurable: Projects must apply an approved methodology to ensure net GHG emission reductions or removals which must have already taken place and are measurable. Conservative: Projects must use conservative assumptions, values and procedures to ensure emission reductions are not overstated. Permanent: Projects in the Agriculture, Forestry, and Other Land Use (AFOLU) sector must ensure GHG removals are not lost due to unforeseen events such as fire or disease. Independently Verified: Projects must contract an approved validation/verification body (VVB) to confirm that the project design meets VCS criteria and that all GHG emission reductions or removals are quantified according to VCS requirements. Uniquely numbered and transparently listed: Projects must register with the Verra Registry operator to ensure each VCU is	RATIONALE: At Bayer, our priority is emission reduction. Nevertheless, we have decided to go beyond and complement our emission reduction with an ambitious offsetting strategy relying mainly on nature-based offsets as these are crucial to avoiding the most catastrophic impacts of climate change and have various co-benefits (water, communities, etc.). DETAILS ON PROJECT SELECTION: As the carbon offsetting market evolves to meet increased corporate demand, important questions are surfacing about market design and integrity. We need to make decisions on what credits to buy without harmonized standards to ensure carbon integrity. Bayer has defined a clear set of rules for its projects to ensure high quality impacts, that we will constantly improve and further develop our approach. The criteria is publicly available at Bayer's Offsetting Approach 2024.

					assigned a unique serial number and listed on the Verra Registry.	

PROJECT 3

Project type	Type of mitigation activity	Project description	Credits canceled by your organization from this project in the reporting year (metric tons CO2e)	Purpose of cancellation	Are you able to report the vintage of the credits at cancellation?	Vintage of credits at cancellation
• Reforestation	• Carbon Removal	PROJECT NAME: Carbono La Puya y San Lorenzo (ID: 5) GEOGRAPHIC LOCATION: Colombia, Cordoba, Los Córdobas METHODOLOGY USED: CCB - M/UT/F-A01: Methodology To Implement GHG Removal Projects Through Reforestation, Forest Restoration and the Establishment of Woody Crops. FURTHER EXPLANATION: Establishment of 175.47 hectares of commercial forest plantation areas with Tectona grandis in the municipality of Los Córdobas (Córdoba). The Puya and San Lorenzo Carbon Climate Change Mitigation Project (PMCC) covers a total area of 175.21 hectares destined for reforestation activities that aim to capture carbon dioxide from the atmosphere in an accreditation period of 20 years.	19,025	• Voluntary offsetting	• Yes	2022

Were these credits issued to or purchased by your organization?	Carbon-crediting program by which the credits were issued	Method the program uses to assess additionality for this project	Approaches by which the selected program requires this project to address reversal risk	Potential sources of leakage the selected program requires this project to have assessed	Provide details of other issues the selected program requires projects to address	Please explain
• Purchased	• Other regulatory carbon crediting program, please specify: Colombian Institute of Technical Standards and CertificationICONTEC	• Consideration of legal requirements • Investment analysis • Barrier analysis	• Monitoring and compensation	• Activity-shifting	The ICONTEC team identified seven (7) findings during the verification, among which, three (3) were requests for corrective action (SAC) and four (4) requests for clarification (SA). All seven (7) were satisfactorily addressed by the project proponent during the verification process guaranteeing that the documentation is in line with the reference and were resolved through communications or meetings between the two parties.	RATIONALE: At Bayer, our priority is emission reduction. Nevertheless, we have decided to go beyond and complement our emission reduction with an ambitious offsetting strategy relying mainly on nature-based offsets as these are crucial to avoiding the most catastrophic impacts of climate change and have various co-benefits (water, communities, etc.).

					Additionally, an opportunity for improvement was established in which it is suggested to leave in observations the changes or modifications that occur in and/or during the assembly of the plots. Likewise, improve compliance with the protocol defined for the assembly and establishment of project plots, given that although in this case, the occurrence of what was evidenced in the field does not alter the quantification of carbon, nor does it turn out to be a significant error that affects the project or overestimate the net removals of the project, it may affect it when the evidenced facts become repetitive.	DETAILS ON PROJECT SELECTION: As the carbon offsetting market evolves to meet increased corporate demand, important questions are surfacing about market design and integrity. We need to make decisions on what credits to buy without harmonized standards to ensure carbon integrity. Bayer has defined a clear set of rules for its projects to ensure high quality impacts, that we will constantly improve and further develop our approach. The criteria is publicly available at Bayer's Offsetting Approach 2024.

PROJECT 4

Project type	Type of mitigation activity	Project description	Credits canceled by your organization from this project in the reporting year (metric tons CO2e)	Purpose of cancellation	Are you able to report the vintage of the credits at cancellation?	Vintage of credits at cancellation
• Reforestation	• Carbon Removal	PROJECT NAME: Carbono Paja Perdida (ID: 4) GEOGRAPHIC LOCATION: Colombia, Antioquia, San Juan de Urabá METHODOLOGY USED: CCB - M/UT/F-A01: Methodology To Implement GHG Removal Projects Through Reforestation, Forest Restoration and the Establishment of Woody Crops FURTHER EXPLANATION: Establish 194.38 hectares of commercial forest plantations with Tectona grandis and Gmelina arborea in the municipality of San Juan de Urabá (Antioquia).	28,638	• Voluntary offsetting	• Yes	2022

Were these credits issued to or purchased by your organization?	Carbon-crediting program by which the credits were issued	Method the program uses to assess additionality for this project	Approaches by which the selected program requires this project to address reversal risk	Potential sources of leakage the selected program requires this project to have assessed	Provide details of other issues the selected program requires projects to address	Please explain
• Purchased	• Other regulatory carbon crediting program, please specify: ICONTEC	• Consideration of legal requirements • Investment analysis • Barrier analysis	• Monitoring and compensation	• Activity-shifting	The ICONTEC team identified nine (9) findings during the verification, among which, four (4) were requests for corrective action (SAC) and five (5) requests for clarification (SA). The nine (9) were satisfactorily addressed by the project proponent during the verification process guaranteeing that the documentation is in line with the reference and were resolved through communications or meetings between the two parties. Annex 1 of this report describes the findings and responses given by the project manager to each of the requests for corrective actions, requests for clarification and requests for future actions, generated by the audit team during the verification, as well as the conclusion of their status. VERIFICATION AUDIT REPORT FOR PROJECTS Additionally, an	RATIONALE: At Bayer, our priority is emission reduction. Nevertheless, we have decided to go beyond and complement our emission reduction with an ambitious offsetting strategy relying mainly on nature-based offsets as these are crucial to avoiding the most catastrophic impacts of climate change and have various co-benefits (water, communities, etc.). DETAILS ON PROJECT SELECTION: As the carbon offsetting market evolves to meet increased corporate demand, important questions are surfacing about market design and integrity. We need to make decisions on what credits to buy without

					opportunity for improvement was established in which it is suggested to leave in observations the changes or modifications that occur in and/or during the assembly of the plots. Likewise, improve compliance with the protocol defined for the assembly and establishment of project plots, given that although in this case, the occurrence of what was evidenced in the field does not alter the quantification of carbon, nor does it turn out to be a significant error.	harmonized standards to ensure carbon integrity. Bayer has defined a clear set of rules for its projects to ensure high quality impacts, that we will constantly improve and further develop our approach. The criteria is publicly available at Bayer's Offsetting Approach 2024.

PROJECT 5

Project type	Type of mitigation activity	Project description	Credits canceled by your organization from this project in the reporting year (metric tons CO2e)	Purpose of cancellation	Are you able to report the vintage of the credits at cancellation?	Vintage of credits at cancellation
• Peatland protection and restoration	• Carbon Removal	PROJECT NAME: The Katingan Restoration and Conservation Project ('The Katingan Project') GEOGRAPHIC LOCATION: Indonesia, Katingan and Kotawaringin Timur in Central Kalimantan Province FURTHER EXPLANATION: The Katingan Restoration and Conservation Project ('The Katingan Project') protects and restores 149,800 hectares of peatland ecosystems, to offer local communities sustainable sources of income, and to tackle global climate change. The project lies within the districts of Katingan and Kotawaringin	157,337	• Voluntary offsetting	• Yes	2017

Were these credits issued to or purchased by your organization?	Carbon-crediting program by which the credits were issued	Method the program uses to assess additionality for this project	Approaches by which the selected program requires this project to address reversal risk	Potential sources of leakage the selected program requires this project to have assessed	Provide details of other issues the selected program requires projects to address	Please explain
• Purchased	• VCS (Verified Carbon Standard)	• Consideration of legal requirements • Investment analysis • Barrier analysis	• Monitoring and compensation	• Activity-shifting	VCS quality assurance principles ensure that projects are: Additional: Projects must exceed the likeliest "business-as-usual" scenario and demonstrate that GHG emission	RATIONALE: At Bayer, our priority is emission reduction. Nevertheless, we have decided to go beyond and

					reductions or removals would not occur without revenue from the sale of VCUs. Real and measurable: Projects must apply an approved methodology to ensure net GHG emission reductions or removals which must have already taken place and are measurable. Conservative: Projects must use conservative assumptions, values and procedures to ensure emission reductions are not overstated. Permanent: Projects in the Agriculture, Forestry, and Other Land Use (AFOLU) sector must ensure GHG removals are not lost due to unforeseen events such as fire or disease. Independently Verified: Projects must contract an approved validation/verification body (VVB) to confirm that the project design meets VCS criteria and that all GHG emission reductions or removals are quantified according to VCS requirements. Uniquely numbered and transparently listed: Projects must register with the Verra Registry operator to ensure each VCU is assigned a unique serial number and listed on the Verra Registry.	complement our emission reduction with an ambitious offsetting strategy relying mainly on nature-based offsets as these are crucial to avoiding the most catastrophic impacts of climate change and have various co-benefits (water, communities, etc.). DETAILS ON PROJECT SELECTION: As the carbon offsetting market evolves to meet increased corporate demand, important questions are surfacing about market design and integrity. We need to make decisions on what credits to buy without harmonized standards to ensure carbon integrity. Bayer has defined a clear set of rules for its projects to ensure high quality impacts, that we will constantly improve and further develop our approach. The criteria is publicly available at Bayer's Offsetting Approach 2024.

PROJECT 6

Project type	Type of mitigation activity	Project description	Credits canceled by your organization from this project in the reporting year (metric tons CO2e)	Purpose of cancellation	Are you able to report the vintage of the credits at cancellation?	Vintage of credits at cancellation
• Afforestation	• Carbon Removal	PROJECT NAME: 'El Arriero' Afforestation on Degraded Grasslands Under Extensive Grazing Project (ID: 961) GEOGRAPHIC LOCATION: Uruguay, El Arriero METHODOLOGY USED: Planted forests removed carbon dioxide from the atmosphere and stored it in different carbon pools (living above-ground and below-ground biomass, soil, litter and dead wood). FURTHER EXPLANATION: The project comprises a total of 5,377 ha of land previously under extensive grazing by beef cattle, on which afforestation for obtaining high-value, long-lived timber products and for sequestering large amounts of carbon dioxide from the atmosphere will be established.	210,000	• Voluntary offsetting	• Yes	2018

Were these credits issued to or purchased by your organization?	Carbon-crediting program by which the credits were issued	Method the program uses to assess additionality for this project	Approaches by which the selected program requires this project to address reversal risk	Potential sources of leakage the selected program requires this project to have assessed	Provide details of other issues the selected program requires projects to address	Please explain
• Purchased	• VCS (Verified Carbon Standard)	• Consideration of legal requirements • Investment analysis • Barrier analysis	• Monitoring and compensation	• Activity-shifting	VCS quality assurance principles ensure that projects are: Additional: Projects must exceed the likeliest "business-as-usual" scenario and demonstrate that GHG emission reductions or removals would not occur without revenue from the sale of VCUs. Real and measurable: Projects must apply an approved methodology to ensure net GHG emission reductions or removals which must have already taken place, and are measurable. Conservative: Projects must use conservative assumptions, values and procedures to ensure emission reductions are not overstated. Permanent: Projects in the Agriculture, Forestry, and Other Land Use (AFOLU) sector must ensure GHG removals are not lost due to unforeseen events such as fire or disease.	RATIONALE: At Bayer, our priority is emission reduction. Nevertheless, we have decided to go beyond and complement our emission reduction with an ambitious offsetting strategy relying mainly on nature-based offsets as these are crucial to avoiding the most catastrophic impacts of climate change and have various co-benefits (water, communities, etc.). DETAILS ON PROJECT SELECTION:

					Independently Verified: Projects must contract an approved validation/verification body (VVB) to confirm that the project design meets VCS criteria and that all GHG emission reductions or removals are quantified according to VCS requirements. Uniquely numbered and transparently listed: Projects must register with the Verra Registry operator to ensure each VCU is assigned a unique serial number and listed on the Verra Registry.	As the carbon offsetting market evolves to meet increased corporate demand, important questions are surfacing about market design and integrity. We need to make decisions on what credits to buy without harmonized standards to ensure carbon integrity. Bayer has defined a clear set of rules for its projects to ensure high quality impacts, that we will constantly improve and further develop our approach. The criteria is publicly available at Bayer's Offsetting Approach 2024.

PROJECT 7

Project type	Type of mitigation activity	Project description	Credits canceled by your organization from this project in the reporting year (metric tons CO2e)	Purpose of cancellation	Are you able to report the vintage of the credits at cancellation?	Vintage of credits at cancellation
• Forest ecosystem restoration	• Emissions reduction	PROJECT NAME: Redd Project in Brazil Nut Concessions (ID: 868) GEOGRAPHIC LOCATION: Madre De Dios, Peru METHODOLOGY USED: The Rainforest Community Project brings together hundreds of local families and small-scale concession holders which harvest Brazil nuts in the Peruvian Amazon. Through investment from the project, these nuts can be sustainably harvested, processed and sold directly to international export markets for the first time. FURTHER EXPLANATION: The project provides a viable alternative to deforestation in providing sustainably generated income for local communities. Experience in past decades shows that better access increases deforestation for agriculture and illegal logging. This project comprises of two forestry concessions that are managed in line with Forestry Stewardship Council (FSC) guidelines. The concessions stretch over 100,000 hectares covered by dense rainforest. Effective surveillance of this area to prevent illegal dwelling and destructive forest use is only possible with the support of carbon certificate revenues.	10,000	• Voluntary offsetting	• Yes	2016

Were these credits issued to or purchased by your organization?	Carbon-crediting program by which the credits were issued	Method the program uses to assess additionality for this project	Approaches by which the selected program requires this project to address reversal risk	Potential sources of leakage the selected program requires this project to have assessed	Provide details of other issues the selected program requires projects to address	Please explain
• Purchased	• VCS (Verified Carbon Standard)	• Consideration of legal requirements • Investment analysis • Barrier analysis	• Monitoring and compensation	• Activity-shifting	VCS quality assurance principles ensure that projects are: Additional: Projects must exceed the likeliest "business-as-usual" scenario and demonstrate that GHG emission reductions or removals would not occur without revenue from the sale of VCUs. Real and measurable: Projects must apply an approved methodology to ensure net GHG emission reductions or removals which must have already taken place, and are measurable. Conservative: Projects must use conservative assumptions, values and procedures to ensure emission reductions are not overstated. Permanent: Projects in the Agriculture, Forestry, and Other Land Use (AFOLU) sector must ensure GHG removals are not lost due to unforeseen events such as fire or disease. Independently Verified: Projects must contract an approved validation/verification body (VVB) to confirm that the project design meets VCS criteria and that all GHG emission reductions or removals are quantified according to VCS requirements. Uniquely numbered and transparently listed: Projects must register with the Verra Registry operator to ensure each VCU is assigned a unique serial number and listed on the Verra Registry.	RATIONALE: At Bayer, our priority is emission reduction. Nevertheless, we have decided to go beyond and complement our emission reduction with an ambitious offsetting strategy relying mainly on nature-based offsets as these are crucial to avoiding the most catastrophic impacts of climate change and have various co-benefits (water, communities, etc.). DETAILS ON PROJECT SELECTION: As the carbon offsetting market evolves to meet increased corporate demand, important questions are surfacing about market design and integrity. We need to make decisions on what credits to buy without harmonized standards to ensure carbon integrity. Bayer has defined a clear set of rules for its projects to ensure high quality impacts, that we will constantly improve and further develop our approach. The criteria is publicly available at Bayer's Offsetting Approach 2024.

PROJECT 8

Project type	Type of mitigation activity	Project description	Credits canceled by your organization from this project in the reporting year (metric tons CO2e)	Purpose of cancellation	Are you able to report the vintage of the credits at cancellation?	Vintage of credits at cancellation
• Agriculture	• Carbon Removal	PROJECT NAME: Nori GEOGRAPHIC LOCATION: USA METHODOLOGY USED: The Bayer AG Crop Science Division has enabled a carbon removal offset project with the Seattle-based company Nori. This collaboration marks the introduction of Bayer-owned third party verified and quantified Nori Regenerative Tonnes into a public market through Nori's platform. FURTHER EXPLANATION: Bayer supports farmers through the ForGround platform to adopt sustainable farming practices such as cover cropping and conservation tillage. Each Regenerative Tonne represents approximately 1 tonne of carbon removed from the atmosphere and stored in the soil for 10+ years, in addition to supporting soil restoration and climate-positive co-benefits.	100,000	• Voluntary offsetting	• Yes	2023

Were these credits issued to or purchased by your organization?	Carbon-crediting program by which the credits were issued	Method the program uses to assess additionality for this project	Approaches by which the selected program requires this project to address reversal risk	Potential sources of leakage the selected program requires this project to have assessed	Provide details of other issues the selected program requires projects to address	Please explain
• Purchased	• Other private carbon crediting program, please specify: Nori (Nori Removal Tons)	• Other, please specify: temporal and financial additionality	• Monitoring and compensation • Temporary crediting	• Activity-shifting • Market leakage	In the Nori program, only adopting new practices in croplands that remain cropland, or substituting perennial grasses or woody biomass in wetlands, riparian or buffer zones that were previously cropped, will be eligible activities. Because the conversion of forests or grasslands to cropland results in significant net CO2 releases to the atmosphere, croplands that were converted from forests or grasslands after December 31, 1999 are not eligible. To supply in the Nori marketplace, farmers must meet the following criteria: adopted regenerative ag practices within the last 10 years, croplands are located in the US, farmers have quality farm management records, digital field boundaries can be provided for the fields that are enrolled, the land doesn't have Conservation Reserve Program in its historical land use since 2000. The following regenerative agricultural practices are	RATIONALE: At Bayer, our priority is emission reduction. Nevertheless, we have decided to go beyond and complement our emission reduction with an ambitious offsetting strategy relying mainly on nature-based offsets as these are crucial to avoiding the most catastrophic impacts of climate change and have various co-benefits (water, communities, etc.).

					accepted: improvement of soil health and carbon storage by infusing diverse nutrients into the soil and slowing soil erosion; minimization of soil disruption; longer growing seasons through the addition of cover crops and crop biodiversity. By accounting for the ownership of the Regenerative Tonnes on the blockchain, Nori eliminates the double-counting problem that has plagued past attempts at creating healthy carbon offsets markets. Nori partners with companies that make carbon quantification tools (CQTs) with rigorous scientific backing in order to model how much carbon was removed. In the case of farmlands, these models work by comparing farmers' new sustainable practices to their previous farming methods. Nori works with independent, third-party verifiers with experience and accreditation working on Greenhouse Gas (GHG) emissions reduction projects. Farmers are paired with a verifier to review their carbon removal data and supply any additional evidence required, and the verifier submits a report of their findings to Nori. When sold, every certificate of carbon removal will be attached with a copy of this report.	DETAILS ON PROJECT SELECTION: As the carbon offsetting market evolves to meet increased corporate demand, important questions are surfacing about market design and integrity. We need to make decisions on what credits to buy without harmonized standards to ensure carbon integrity. Bayer has defined a clear set of rules for its projects to ensure high quality impacts, that we will constantly improve and further develop our approach. The criteria is publicly available at Bayer's Offsetting Approach 2024.

Modul 8 | Environmental Performance - Forests

8.1 Are there any exclusions from your disclosure of forests-related data?

Commodity	Exclusion from disclosure
Palm oil	• No
Soy	• No

Commodity volume data

8.2 Provide a breakdown of your disclosure volume per commodity.

Commodity	Disclosure volume (metric tons)	Volume type	Produced volume (metric tons)	Sourced volume (metric tons)
Palm oil	11,467	• Sourced	N/A	11,467
Soy	9,166	• Sourced	N/A	9,166

8.5 Provide details on the origins of your sourced volumes.

Commodity	Country/ Area of origin	First level administrative division	Specify the states or equivalent jurisdictions	Volume sourced from country/area of origin (metric tons)	Source	List of supplier production and primary processing sites: names and locations (optional)	Please explain
Palm oil	• Indonesia	• Unknown	N/A	1,881	• Contracted suppliers (manufacturers)	N/A	Bayer is not sourcing palm (kernel) oil directly, but its derivatives produced out of the oil (at the end of a highly complex supply chain). As such, we are facing a very complex and fragmented supply chain with limited transparency (many tier levels, high number of raw materials, many processing sites). Bayer has participated in the Roundtable for Sustainable Palm Oil (RSPO) since 2004. We started to transition our supply chain to RSPO mass balance certified sustainable palm oil in 2021. Though there are various challenges, including the availability of products, we aim for 100% of palm oil derivatives purchased by 2027 to be covered with RSPO mass balance.

							METHOD USED TO MEASURE % OF TOTAL CONSUMPTION VOLUME: On a regular basis we are reaching out to all suppliers who potentially supply us with plant-based oils, to receive a confirmation that the supplier delivers us palm oil or palm oil ingredients. Additionally, we request from the supplier further information about certification and policies. We created a database with all relevant information. We have and continue to negotiate new contracts with suppliers who can offer Mass Balance certified palm oil derivatives. We are continuously working to increase the transparency and traceability into the value chain. We have made substantial progress with our supplier engagement; this is how we were able to understand country level. At this point in time, we were not able to gain further information from our supplier on the state or jurisdictional origin. Our aim for the next years is to intensify this exchange and to increase transparency as well as traceability.
	• Malaysia	• Unknown	N/A	1,881	• Contracted suppliers (manufacturers)	N/A	Bayer is not sourcing palm (kernel) oil directly, but its derivatives produced out of the oil (at the end of a highly complex supply chain). As such, we are facing a very complex and fragmented supply chain with limited transparency (many tier levels, high number of raw materials, many processing sites). Bayer has participated in the Roundtable for Sustainable Palm Oil (RSPO) since 2004. We started to transition our supply chain to RSPO mass balance certified sustainable palm oil in 2021. Though there are various challenges, including the availability of products, we aim for 100% of palm oil derivatives purchased by 2027 to be covered with RSPO mass balance. METHOD USED TO MEASURE % OF TOTAL CONSUMPTION VOLUME: On a regular basis we are reaching out to all suppliers who potentially supply us with plant-based oils, to receive a confirmation that the supplier delivers us palm oil or palm oil ingredients. Additionally, we request from the supplier further information about certification and policies. We created a database with all relevant information. We have and continue to negotiate new contracts with suppliers who can offer Mass Balance certified palm oil derivatives. We are continuously working to increase the transparency and traceability into the value chain. We have made substantial progress with our supplier engagement; this is how we were able to understand the country level. At this point in time, we were not able to gain further information from our supplier on the state or jurisdictional origin. Our aim for the next years is to intensify this exchange and to increase transparency as well as traceability.
	• Unknown origin	N/A	N/A	7,705	• Contracted suppliers (manufacturers)	N/A	Bayer is not sourcing palm (kernel) oil directly, but its derivatives produced out of the oil (at the end of a highly complex supply chain). As such, we are facing a very complex and fragmented supply chain with limited transparency (many tier levels, high number of raw materials, many processing sites). Bayer has participated in the Roundtable for Sustainable Palm Oil (RSPO) since 2004. We started to transition our supply chain to RSPO mass balance certified sustainable palm oil in 2021. Though there are various challenges,

							including the availability of products, we aim for 100% of palm oil derivatives purchased by 2027 to be covered with RSPO mass balance. METHOD USED TO MEASURE % OF TOTAL CONSUMPTION VOLUME: On a regular basis we are reaching out to all suppliers who potentially supply us with plant-based oils, to receive a confirmation that the supplier delivers us palm oil or palm oil ingredients. Additionally, we request from the supplier further information about certification and policies. We created a database with all relevant information. We have and continue to negotiate new contracts with suppliers who can offer Mass Balance certified palm oil derivatives. We are continuously working to increase the transparency and traceability into the value chain. We have made substantial progress with our supplier engagement; this is how we were able to understand the country level. At this point in time, we were not able to gain further information from our supplier on the state or jurisdictional origion. Our aim for the next years is to intensify this exchange and to increase transparency as well as traceability.
Soy	• Brazil	• Unknown	N/A	7,535	• Contracted suppliers (manufacturers)	N/A	We use soy derivatives in a very small number of our products (at the end of a highly complex supply chain). As such, we are facing a very complex and fragmented supply chain with limited transparency (many tier levels, high number of raw materials, many processing sites). In the areas of soy, we support the certified sustainable production of these raw materials as a purchaser of plant oil derivatives, which is especially important in South America. We are member of the renowned organization “Round Table on Responsible Soy” (RTRS) and purchase so-called “credits” according to the quantities we use. The financial value of these credits rewards farmers who undertake to grow soy in a legal and ecologically, socially and economically sustainable way and who demonstrate this as part of an audited certification process. METHOD USED TO MEASURE % OF TOTAL CONSUMPTION VOLUME: On a regular basis we are reaching out to all suppliers who potentially supply us with plant-based oils, to receive a confirmation that the supplier delivers us soy ingredients. Additionally, we request from the supplier further information about certification and policies. We created a database with all relevant information. It needs to be recognized that the transparency for derivatives is less for soy compared to palm oil. Bayer is actively engaged in the RTRS community to increase transparency. On the local level, we have started projects to support certification of sustainable soy production. First results of our enhanced soy activities are improved supplier interactions and increasing understanding of our footprint. Based on this, we assume that at least 76% of the soy derivative is coming from Brazil. This is WHY Bayer is taking the lead to increase SUSTAINABLE SOY FEEDSTOCK with the PRO Carbono Commodity program in Brazil. In May 2023 Bayer delivered the first load of Brazilian soybeans with a traceable,

							deforestation-free carbon footprint. Titled PRO Carbono Commodities, this initiative stems from our global program to protect forests and other natural vegetation. The carbon footprint data was measured by a carbon calculator (PRO Carbono Footprint), which we are developing initially for soybean cultivation in the tropical zone in a joint effort between Bayer and Embrapa. We expect to have an accurate carbon footprint calculation based on primary data for the 4 million bags or 240,000 tons of soybeans produced.
	• Unknown origin	N/A	N/A	1,631	• Contracted suppliers (manufacturers)	N/A	We use soy derivatives in a very small number of our products (at the end of a highly complex supply chain). As such, we are facing a very complex and fragmented supply chain with limited transparency (many tier levels, high number of raw materials, many processing sites). In the areas of soy, we support the certified sustainable production of these raw materials as a purchaser of plant oil derivatives, which is especially important in South America. We are member of the renowned organization “Round Table on Responsible Soy” (RTRS) and purchase so-called “credits” according to the quantities we use. The financial value of these credits rewards farmers who undertake to grow soy in a legal and ecologically, socially and economically sustainable way and who demonstrate this as part of an audited certification process. METHOD USED TO MEASURE % OF TOTAL CONSUMPTION VOLUME: On a regular basis we are reaching out to all suppliers who potentially supply us with plant-based oils, to receive confirmation that the supplier delivers us soy ingredients. Additionally, we request from the supplier further information about certification and policies. We created a database with all relevant information. It needs to be recognized that the transparency for derivatives is less for soy compared to palm oil. Bayer is actively engaged in the RTRS community to increase transparency. On the local level, we have started projects to support certification of sustainable soy production. First results of our enhanced soy activities are improved supplier interactions and increasing understanding of our footprint. Challenges remain to gain a better understanding and better data from our suppliers. Up to this point, 24% of our consumption volumes remain of unknown origin. This is WHY Bayer is taking the lead to increase SUSTAINABLE SOY FEEDSTOCK with the PRO Carbono program in Brazil. In May 2023 Bayer delivered the first load of Brazilian soybeans with a traceable, deforestation-free carbon footprint. Titled PRO Carbono Commodities, this initiative stems from our global program to protect forests and other natural vegetation. The carbon footprint data was measured by a carbon calculator (PRO Carbono Footprint), which we are developing initially for soybean cultivation in the tropical zone in a joint effort between Bayer and Embrapa. We expect to have an accurate carbon footprint calculation based on primary data for the 4 million bags or 240,000 tons of soybeans produced.

8.6 Does your organization produce or source palm oil derived biofuel?

- No

8.7 Did your organization have a no-deforestation or no-conversion target, or any other targets for sustainable production/ sourcing of your disclosed commodities, active in the reporting year?

Commodity	Active no-deforestation or no-conversion target	No-deforestation or no-conversion target coverage	Primary reason for not having an active no-deforestation or no-conversion target in the reporting year	Explain why you did not have an active no-deforestation or no-conversion target in the reporting year	Other active targets related to this commodity, including any which contribute to your no-deforestation or no-conversion target	Primary reason for not having other active targets in the reporting year	Explain why you did not have other active targets in the reporting year
Palm oil	• No, but we plan to have a no-deforestation or no-conversion target in the next two years	N/A	• Other, please specify: Though there are various challenges, including the availability of products, we aim for at least 90% of palm oil derivatives purchased by 2027 to be covered with RSPO mass balance	We are highly engaged in the respective supply chain to drive no deforestation and no conversion targets and activities. At this point the supply chains are not able to provide us no deforestation and no conversion ingredients. Therefore, it is difficult to set a specific target and a target date. We are producing healthcare and agricultureal goods and decided to do everything what we can to drive no deforestation and no conversion goods. We have clearly defined expectations to suppliers in our supplier code of conduct to: Suppliers are expected to protect natural ecosystems from deforestation, forest conversion, or land conversion. Suppliers shall undertake best efforts to aim for zero net deforestation. And to have management systems. For ourselves we want to promote sustainable production and therefore have decided to set a target on at least 90% Mass Balance certification until 2027. With the current EU DR regulation, we are currently revising our targets and activities. Compared to our overall procurement spend, Bayer only sources a small number of palm (kernel) oil derivatives for our businesses (less than 1% of our procurement spend). A detailed and comprehensive traceability of the origin of these already processed products is generally not possible. Within our area of influence, including working with our farmer customers and within our supply chain, we seek to address the drivers of deforestation and forest degradation. We want to make a significant contribution not only to protecting existing forests, but also helping to restore lost forest land. We do not have all the solutions to challenges as big as deforestation. However, we continuously expand our collaborations with relevant local and regional organizations that complement our technologies with their knowledge and networks. We also participate in coalitions across the value chain with the objective to achieve net zero deforestation.	• Yes, we have other targets related to this commodity	N/A	N/A

Soy	• No, but we plan to have a no-deforestation or no-conversion target in the next two years	N/A	• Other, please specify: Though there are various challenges, including the availability of products, we aim countinue to have 100% of our purchase of soy derivatives are coverd by RTRS credits	We are highly engaged in the respective supply chain to drive no deforestation and no conversion targets and activities. At this point the supply chains are not able to provide us no deforestation and no conversion ingredients. Therefore, it is difficult to set a specific target and a target date. We are producing healthcare and agricultureal goods and decided to do everything what we can to drive no deforestation and no conversion goods. We have clearly defined expectations to suppliers in our supplier code of conduct to: Suppliers are expected to protect natural ecosystems from deforestation, forest conversion, or land conversion. Suppliers shall undertake best efforts to aim for zero net deforestation. And to have management systems. For ourselves we want to promote sustainable production and therefore have decided to set a target on at least 90% Mass Balance certification until 2027. With the current EU DR regulation, we are currently revising our targets and activities. Compared to our overall procurement spend, Bayer only sources a small number of SOY derivatives for our businesses (less than 1% of our procurement spend). A detailed and comprehensive traceability of the origin of these already processed products is generally not possible. Within our area of influence, including working with our farmer customers and within our supply chain, we seek to address the drivers of deforestation and forest degradation. We want to make a significant contribution not only to protecting existing forests, but also helping to restore lost forest land. We do not have all the solutions to challenges as big as deforestation. However, we continuously expand our collaborations with relevant local and regional organizations that complement our technologies with their knowledge and networks. We also participate in coalitions across the value chain with the objective to achieve net zero deforestation.	• Yes, we have other targets related to this commodity	N/A	N/A

8.7.2 Provide details of other targets related to your commodities, including any which contribute to your no-deforestation or no-conversion target, and progress made against them.

Commodity	Target reference number	Target contributes to no-deforestation or no-conversion target reported in 8.7	Target coverage	Commodity volume covered by target (metric tons)	Category of target & Quantitative metric	Traceability point	Third-party certification scheme*	Date target was set
Palm oil	• Target 1	N/A	• Organization-wide (including suppliers)	• Total commodity volume	Third-party certification • % of volume third-party certified	N/A	Chain-of-custody certification • RSPO Mass Balance	31.12.2021

Soy	• Target 2	N/A	• Organization-wide (including suppliers)		• Total commodity volume	Third-party certification • % of volume third-party certified	N/A	Chain-of-custody certification • Other chain-of-custody certification, please specify: RTRS Credits		31.12.2017	

End date of base year	Base year figure	End date of target	Target year figure	Reporting year figure	Target status in reporting year	% of target achieved relative to base year	Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target	Explain target coverage and identify any exclusions	Plan for achieving target, and progress made to the end of the reporting year	List the actions which contributed most to achieving or maintaining this target	Further details of target
31.12.2020	0	31.12.2027	100	28	• Under-way	[Auto-calculated]	• Sustainable Development Goals • Other, please specify: Roundtable on Sustainable Palm Oil (RSPO)	WHY PARTICULAR TARGET WAS CHOSEN: In 2021, Bayer has decided to move from the credit system towards the RSPO Supply Chain Certification, the RSPO Mass Balance Certification BECAUSE we support the certified sustainable production of these raw materials as a purchaser of plant oil derivatives, which is especially important in Southeast Asia but also other regions. We are member of the renowned organization “Roundtable on Sustainable Palm Oil” (RSPO)	PLAN TO ACHIEVE THIS TARGET: In 2021, we have reviewed our activities, revised our strategy, and included the Accountability Framework as a fundamental tool for further developments. We are continuously working to increase the transparency and traceability into the value chain. We have made substantial progress with our supplier engagement. We have intensified our engagement with suppliers to communicate our sustainability goals clearly, emphasizing the importance of RSPO MB certification. As stated in the Supplier Code of Conduct (SCoC). Furthermore, we are a RSPO member and advocate to raising awareness of sustainable palm oil.	N/A	In 2021, 1% of our purchased quantities were RSPO Mass Balance certified. In 2023, we have achieved 28% Mass Balance certification. We have been reaching out to all our suppliers to change contracts and include the requirements to deliver Mass Balance. Only a limited number of suppliers can deliver Mass Balance quality.

									At this point in time, we were not able to gain further information from our supplier on the state or jurisdictional origin. Our aim for the next years is to intensify this exchange and to increase transparency as well as traceability. We continue to work closely with our suppliers and develop together the capabilities to achieve the target.		
31.12. 2022	0	31.12. 2023	100	100	• Achie-ved	100%	• Sustainable Development Goals • Other, please specify: Zero net/gross deforestation	In 2023, we purchased for 100% of our quantities RTRS Credits and therefore reached our target. WHY PARTICULAR TARGET WAS CHOSEN: With regard to soy derivatives, we support the certified sustainable production of these raw materials as a purchaser of soy derivatives, which is especially important in South America. We are member of the renowned organization Round Table on Responsible Soy" (RTRS) and purchase so-called "credits" according to the quantities we use. The financial value of these credits rewards farmers who undertake to grow soy in a legal and ecologically, socially and	N/A	Strategic Membership and Participation: Bayer's active membership in the Round Table on Responsible Soy (RTRS) has been fundamental. By engaging with RTRS, we align ourselves with a network of stakeholders committed to responsible soy production, sharing best practices and contributing to the development of sustainable standards. Purchasing RTRS Credits: Our approach to supporting sustainable soy production involves purchasing RTRS	OUTLOOK: Bayer's devision Crop Science also cooperates with the RTRS to continue providing mutual support in the certification of Brazilian soybean producers according to the high ecological, social and economic criteria of the RTRS. With our PRO Carbono Commodity initiative, Bayer will help increase DCF-certified soy feedstock in the future. As an agricultural company we focus especially on the fields.

								economically sustainable way and who demonstrate this as part of an audited certification process. In our engagement we focus on activities with the highest value. As a purchaser of derivatives, we therefore focus on our engagements within the value chain and continue to collaborate with our suppliers to increase sustainabie production and once available we would like to switch towards a supply chain certification scheme.		Credits equivalent to the total quantity of soy derivatives we use. This mechanism directly incentivizes farmers who adhere to legal, ecological, social, and economic sustainability criteria, as verified through a rigorous certification process. **Supplier Engagement:** We have intensified our collaboration with suppliers to promote the importance of sustainable soy production as stated in the Supplier Code of Conduct (SCoC)	Through our country organization, we establish contact with farmers and mills to purchase the credits from, therefore we ensure that the financial value of the credits directly arrive and supports sustainable behavior. At the same time, Bayer supports RTRS with local activities and partnerships along the value chain to promote certification as well as execute projects.

8.8 Indicate if your organization has a traceability system to determine the origins of your sourced volumes and provide details of the methods and tools used.

Commodity	Traceability system	Methods/tools used in traceability system	Description of methods/tools used in traceability system	Primary reason your organization does not have a traceability system	Explain why your organization does not have a traceability system
Palm oil	• Yes	• Chain-of-custody certification • Value chain mapping • Supplier engagement/ communication	In 2020, Bayer has started to reach out to all suppliers of palm oil derivatives to understand the capabilities, certification, policies and point of origin. At the current point of disclosure, we have advanced with many suppliers and understand the country of origin. The % of total consumption volume stated in 8.5 are the result of our engagement project. In the future years, we will try to intensify our efforts. Additionally, for the supplier engagement project, we have sound policies, supplier audits, Supplier Code of Conduct,	• N/A	• N/A

			development interactions in place. We face some limitations, as our suppliers are not able to provide us with comprehensive information due to the complex supply chain. Regarding the EU Deforestation Regulation (EUDR) we will have a software system to trace and assess if the origins are deforestation free and if production is aligned with national regulation.		
Soy	• Yes	• Chain-of-custody certification • Value chain mapping • Supplier engagement/ communication	In 2022, we have reached out to the main supplier of our soy derivatives to understand the capabilities, certification, policies and point or origin. At the current point of the disclosure, we can only disclose on the country level. Therefore, we achieved progress regarding traceabilty, but this needs to be accelerated. This is WHY Bayer launched the PRO Carbono Commodities program in 2022. The shipment of soybean produced with a measured footprint is audited by Bureau Veritas, as an independent third party, and delivered to ADM with origin qualification, containing traceable information on production and calculation of emissions, and in accordance with socio-environmental standarts. In this way, it includes assessment of non-overlapping with indigenous or quilombola lands and conservation units, slave labor list, list of areas embargoed by environmental authorities (IBAMA, SEMA, and ICMBio), as well as environmental compliance with the Forest Code and assessments from the Rural Environmental Registry (CAR). By providing traceability information via QR code, Bayer provides greater transparency about the origin of the grains for the entire chain, going beyond what is available in the market so far. Regarding EU Deforestation Regulation (EUDR) we will have a software system to trace and assess if the origins are deforestation free and if production is aligned with national regulation.	• N/A	• N/A

8.8.1 Provide details of the point to which your organization can trace its sourced volumes.

Commodity	% of sourced volume traceable to production unit	% of sourced volume traceable to sourcing area and not to production unit	% sourced volume traceable to country/area of origin and not to sourcing area or production unit	% of sourced volume traceable to other point (i.e., processing facility/first importer) not in the country/area of origin	% of sourced volume from unknown origin	% of sourced volume reported
Palm oil	0	0	33	0	67	*[Auto-calculated]*
Soy	0	0	82	0	18	*[Auto-calculated]*

Deforestation- and- conversion free (DCF) status metrics and methods to determine DCF

8.9 Provide details of your organization's assessment of the deforestation-free (DF) or deforestation- and conversion-free (DCF) status of its disclosed commodities.

Commodity	DF/DCF status assessed for this commodity	% of disclosure volume determined as DF/DCF in the reporting year	% of disclosure volume determined as DF/DCF through a third-party certification scheme providing full DF/DCF assurance	% of disclosure volume determined as DF/DCF through monitoring of production unit	% of disclosure volume determined as DF/DCF through monitoring of sourcing area	Is a proportion of your disclosure volume certified through a scheme not providing full DF/DCF assurance?	Primary reason for not assessing DF/DCF status	Please explain
Palm oil	• No, but we plan to do so within the next two years	N/A	N/A	N/A	N/A	• Yes	• Other, please specify: We are not forest holder and lack of transparency in value chain.	While we are not forest holder, we assume that the PALM OIL DERIVATIVES, which we are purchasing from big global companies, are free of deforestation or conversion. We reviewed that our suppliers have set themselves a framework and internal policies, additionally they comply with our Supplier Code of Conduct rules. In 2023, 90% of the consumption volume is coming from suppliers which are RSPO members. Most of the remaining volumes are from very small distributors without individual verification but mainly selling products from the certified companies. Therefore, our purchases should be largely deforestation and conversion free. In case we receive information and indication of non-compliance, we are following up with suppliers. TO CLARIFY WHY we report that 0% of reported volume has been verified as DCF:

								Particularly as a purchaser of derivatives, we often find ourselves positioned as the fifth or eighth link within the processing chain. This placement inherently limits our visibility into the entire supply chain. We are continuously improving our processes and aiming for increased transparency and traceability. The move towards RSPO Mass Balance for palm oil derivatives is one step on this path.
Soy	• No, but we plan to do so within the next two years	N/A	N/A	N/A	N/A	• Yes	• Other, please specify: We are not forest holder and lack of transparency in value chain.	While we are not forest holder, we assume that the SOY DERIVATIVES, which we are purchasing from big global companies, are free of deforestation or conversion. We reviewed that our suppliers have set themselves a framework and internal policies, additionally they comply with our Supplier Code of Conduct rules. In 2023, 83% of the consumption volume is coming from suppliers who are RTRS certified. Most of the remaining volumes are from very small distributors without individual verification but mainly selling products from the certified companies. Therefore, our purchases should be largely deforestation and conversion free. In case we receive information and indication of non-compliance, we are following up with suppliers. TO CLARIFY WHY we report that 0% of reported volume has been verified as DCF: Particularly as a purchaser of derivatives, we often find ourselves positioned as the fifth or eighth link within the processing chain. This placement inherently limits our visibility into the entire supply chain. We are continuously improving our processes and aiming for increased transparency and traceability. This is WHY Bayer is taking the lead to increase SUSTAINABLE SOY FEEDSTOCK with the PRO Carbono Commodity program. We launched the PRO Carbono program in Brazil in 2021, where more than 1,900 farmers across 16 different states began participating – totaling over 540,000 acres. The growers implement regenerative agricultural practices in their fields to increase carbon in the soil while also increasing their crop yield. In addition to reaping the direct benefits of greater soil fertility, participating farmers have access to carbon analysis, technical consultants and professional agronomists**.** Our current estimates suggest that the resulting carbon capture improvements to soil health could result in more than 10% yield and 6% profitability increases. In May 2023 Bayer delivered the first load of Brazilian soybeans with a traceable, deforestation-free carbon footprint. Titled PRO Carbono Commodities, this initiative stems from our global program to protect forests and other natural vegetation. The carbon footprint data was measured by a carbon calculator (PRO Carbono Footprint), which we are developing initially for soybean cultivation in the tropical zone in a joint effort between Bayer and Embrapa. We expect to have an

								accurate carbon footprint calculation based on primary data for the 4 million bags or 240,000 tons of soybeans produced.

8.9.2 Provide details of third-party certification schemes not providing full DF/DCF assurance.

Commodity	Third-party certification scheme not providing full DF/DCF assurance	% of disclosure volume certified through scheme not providing full DF/DCF assurance	Additional control methods in place to determine DF/DCF status of volumes certified through scheme not providing full DF/DCF assurance	Comment	Certification documentation
Palm oil	• RSPO - Mass Balance	28	• No	ACTIONS TO IMPROVE OR MAINTAIN THE THIRD-PARTY CERTIFICATION SYSTEM: As a purchaser of plant oil derivatives, we support the certified sustainable production of these raw materials, which is especially important in Southeast Asia. We are member of the renowned organization “Roundtable on Sustainable Palm Oil” (RSPO) and we purchase RSPO Mass Balance (RSPO MB) certified palm oil. The system rewards farmers and the supply chain who undertake to grow palm oil in a legal and ecologically, socially and economically sustainable way and who demonstrate this as part of an audited certification process. We yearly review our activities regarding the RSPO membership. 2021 marked the transition year for Bayer. We have reviewed our activities, revised our strategy, and included the Accountability Framework as a fundamental tool for further developments. We have decided to move from the credit system towards the RSPO Supply Chain Certification, primarily the RSPO Mass Balance Certification and we are continuing our supplier interactions. We have set ambitious targets and continue to engage with our suppliers. In 2023, we have achieved 28% of RSPO MB. This is a great achievement with respect to the current market environment, still this must be accelerated. We are facing various difficulties along the way, especially with regards to the availability of certified materials. OUTLOOK: We are continuously working to increase transparency and traceability into the value chain and have made substantial progress with our supplier engagement. At this point in time, we were not able to gain further information from our supplier on the country, state or jurisdictional origin. Our aim for the next years is to intensify this exchange and to increase transparency as well as traceability. Due to EU Deforestation Regulation (EUDR) there will be more transparency in the value chain in the future, where we will be able to trace to land plot of the origin.	
Soy	• Other chain-of-custody certification,	100	• No	ACTIONS TO IMPROVE OR MAINTAIN THE THIRD-PARTY CERTIFICATION SYSTEM: As a purchaser of soy derivatives, we support the certified sustainable production of these raw materials, which is especially important in South	

	please specify: RTRS credit			America. We are member of the renowned organization “Round Table on Responsible Soy” (RTRS) and purchase so-called “credits” according to the quantities we use. We yearly review our activities regarding the RTRS membership and book & claim process certification as well as our product portfolio and volumes. Since availability of certified sustainable soy still is limited and the complex value chain remains challenging for traceability in our suppy chain, Bayer is pionieering new business models to increase certified sustainable soy feedstock. We are continuously improving our processes and aiming for increased transparency and traceability. This is WHY Bayer is taking the lead to increase SUSTAINABLE SOY FEEDSTOCK with the PRO Carbono Commodity program. We launched the PRO Carbono program in Brazil in 2021, where more than 1,900 farmers across 16 different states began participating – totaling over 540,000 acres. The growers implement regenerative agricultural practices in their fields to increase carbon in the soil while also increasing their crop yield. In addition to reaping the direct benefits of greater soil fertility, participating farmers have access to carbon analysis, technical consultants and professional agronomists**.** Our current estimates suggest that the resulting carbon capture improvements to soil health could result in more than 10% yield and 6% profitability increases. In May 2023 Bayer delivered the first load of Brazilian soybeans with a traceable, deforestation-free carbon footprint. Titled PRO Carbono Commodities, this initiative stems from our global program to protect forests and other natural vegetation. The carbon footprint data was measured by a carbon calculator (PRO Carbono Footprint), which we are developing initially for soybean cultivation in the tropical zone in a joint effort between Bayer and Embrapa. The shipment of soybean produced with a measured footprint is audited by Bureau Veritas and delivered to ADM with origin qualification, containing traceable information on production and calculation of emissions, and in accordance with socio-environmental standards. We expect to have an accurate carbon footprint calculation based on primary data for the 4 million bags or 240,000 tons of soybeans produced.	

8.10 Indicate whether you have monitored or estimated the deforestation and conversion of other natural ecosystems footprint for your disclosed commodities.

Commodity	Monitoring or estimating your deforestation and conversion footprint	Primary reason for not monitoring or estimating deforestation and conversion footprint	Explain why you do not monitor or estimate your deforestation and conversion footprint
Palm oil	• No, but we plan to monitor or estimate our deforestation and conversion footprint in the next two years	No standardized procedure	While we are not forest holder, we assume that the PALM OIL DERIVATIVES, which we are purchasing from big global companies, are free of deforestation or conversion. We reviewed that our suppliers have set themselves a framework and internal policies, additionally they comply with our Supplier Code of Conduct rules.

			We are member of the renowned organization “Roundtable on Sustainable Palm Oil” (RSPO) and we purchase RSPO Mass Balance (RSPO MB) certified palm oil. In 2023, 90% of the consumption volume is coming from suppliers which are RSPO member. Most of the remaining volumes are from very small distributors without individual verification but mainly selling products from certified companies. Therefore, our purchases should be largely deforestation and conversion free. In case we receive information and indication of non-compliance, we are following up with suppliers. Due to EU Deforestation Regulation (EUDR) there will be more transparency in the value chain in the future, where we will be able to trace to land plot of the origin.
Soy	• No, but we plan to monitor or estimate our deforestation and conversion footprint in the next two years	No standardized procedure	While we are not forest holder, we assume that the SOY DERIVATIVES, which we are purchasing from big global companies, are free of deforestation or conversion. We reviewed that our suppliers have set themselves a framework and internal policies, additionally they comply with our Supplier Code of Conduct rules. We are member of the renowned organization “Round Table on Responsible Soy” (RTRS) and purchase so-called “credits” according to the quantities we use. In 2023, 83% of the consumption volume is coming from suppliers who are RTRS certified. Most of the remaining volumes are from very small distributors without individual verification but mainly selling products from certified companies. Therefore, our purchases should be largely deforestation and conversion free. In case we receive information and indication of non-compliance, we are following up with suppliers. Due to EU Deforestation Regulation (EUDR) there will be more transparency in the value chain in the future, where we will be able to trace to land plot of the origin.

8.11 For volumes not assessed and determined as deforestation- and conversion-free (DCF), indicate if you have taken actions in the reporting year to increase production or sourcing of DCF volumes.

Commodity	Actions taken to increase production or sourcing of DCF volumes
Palm oil	• Yes
Soy	• Yes

8.11.1 Provide details of actions taken in the reporting year to assess and increase production/sourcing of deforestation- and conversion-free (DCF) volumes.

Commodity	Action type	% of disclosure volume that is covered by this action	Indicate whether you had any major barriers or challenges related to this action in the reporting year	Main measures identified to manage or resolve the challenges	Provide further details on the actions taken, their contribution to achieving DCF status, and any related barriers or challenges
Palm oil	• Working with smallholders	100%	• Yes	• Greater stakeholder engagement and collaboration • Greater supplier awareness/engagement • Greater transparency • Increased demand for certified products • Involvement in multi-stakeholder initiatives	While we are not forest holder, we assume that the PALM OIL DERIVATIVES, which we are purchasing from big global companies, are free of deforestation or conversion. We reviewed that our suppliers have set themselves a framework and internal policies, additionally they comply with our Supplier Code of Conduct rules. We are member of the renowned organization “Roundtable on Sustainable Palm Oil” (RSPO) and we purchase RSPO Mass Balance (RSPO MB) certified palm oil. In 2023, 90% of the consumption volume is coming from suppliers which are RSPO member. Most of the remaining volumes are from very small distributors without individual verification but mainly selling products from the certified companies. Therefore, our purchases should be largely deforestation and conversion free. In case we receive information and indication of non-compliance, we are following up with suppliers. We have been piloting the Science Based Target Network (SBTN) land use approach with our consumption data from 2022. We have joined the SBTN to reduce our ecological footprint and further develop methodologies. We currently face three challenges for our PALM OIL DERIVATIVES a) we lack commodity specific data on sourcing locations, b) methodologies need to be enhanced and c) interpretation of results. Due to EU Deforestation Regulation (EUDR) there will be more transparency in the value chain in the future, where we will be able to trace to land plot of the origin.
Soy	• Working with smallholders	100%	• Yes	• Greater community support to facilitate sustainable agriculture	While we are not forest holder, we assume that the SOY DERIVATIVES, which we are purchasing from big global companies, are free of deforestation or conversion. We reviewed that our suppliers have set themselves a framework and internal policies, additionally they comply with our Supplier Code of Conduct rules. We are member of the renowned organization “Round Table on

				• Greater stakeholder engagement and collaboration • Greater supplier awareness/engagement • Greater transparency • Increased demand for certified products • Investment in monitoring tools and traceability systems • Improvement in data collection and quality	Responsible Soy" (RTRS) and purchase so-called "credits" according to the quantities we use. In 2023, 83% of the consumption volume is coming from suppliers who are RTRS certified. Most of the remaining volumes are from very small distributors without individual verification but mainly selling products from the certified companies. Therefore, our purchases should be largely deforestation and conversion free. In case we receive information and indication of non-compliance, we are following up with suppliers. Furthermore, as part of our Forest Protection Strategy, our PRO Carbono Commodities Program currently includes soybean production by Brazilian growers and agricultural companies in the state of Mato Grosso, within the Cerrado and Amazon biomes. As a prerequisite for taking part in this initiative, farmers may not work on agricultural fields that have been converted from natural vegetation in the last 10 years, even if legally authorized. Additionally, farmers in the program commit to conserving the surplus of natural vegetation on their properties. In turn, farmers stay on top of innovations and trends, experience new market opportunities and get public- ity for the good practices they already apply. A total area of 159,000 hectares is enrolled in this program – with 90,000 hectares of corresponding native vegetation. For more information about this program and our Forest Protection Strategy, please see the Crop Science Sustainability Progress Report. Due to EU Deforestation Regulation (EUDR) there will be more transparency in the value chain in the future, where we will be able to trace to land plot of the origin.

8.14 Indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards, and provide details.

Assess legal compliance with forest regulations	Aspects of legislation considered	Procedure to ensure legal compliance	Indicate if you collect data regarding compliance with the Brazilian Forest Code	Please explain
• Yes, from suppliers	• Land use rights • Environmental protection • Forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting • Third parties' rights • Labor rights	• Supplier self-declaration	• Yes	DESCRIPTION OF THE PROCEDURES FOLLOWED TO ENSURE LEGAL COMPLIANCE: At Bayer we firmly believe that compliance is our license to operate worldwide. We expect all our suppliers to adhere to all applicable laws, compliance regulations, ethical expectations, and regulations. Procurement includes our Corporate Compliance Policy in addition to local legal requirements, contractual obligations, and corporate regulations. On top of this, we go beyond legal compliance and require all our suppliers to ensure adherence to the Bayer Supplier Code of Conduct. Focusing on compliant behavior at an early stage of the business enables us to operate successfully and sustainably. We all share the aim of providing people with innovative solutions that improve the quality of life. Further information can be found at our compliance website: https://www.bayer.com/en/corporate-compliance/corporate-compliance-policy. METHODS AND TOOLS: We have sound policies and procedures in place to set up contracts with our suppliers. The central piece of our contracts is to ensure legal compliance and adherence to mandatory standards. On top of

	• Human rights protected under international law • The principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples • Tax, anti-corruption, trade and customs regulations			this, we go beyond legal compliance and require all our suppliers to ensure adherence to the Bayer Supplier Code of Conduct. Bayer evaluates sustainability supplier performance by means of EcoVadis online assessments and through audits conducted by both external and Bayer auditors. The audit criteria included both the specifications of our Supplier Code of Conduct and the industry-specific requirements of industry initiatives such as TfS and PSCI. Palm Oil: The switch towards the RSPO Mass Balance Certification will allow us to further follow up with our suppliers and understand the exposure to deforestation. Soy: We support the production of sustainable soy via the purchase of credits certified by the Round Table on Responsible Soy (RTRS). EXPLANATION WHY THE PROCEDURES IN PLACE ARE SUFFICIENT TO ENSURE LEGAL COMPLIANCE: Despite our contracts securing legal compliance of our suppliers, part of our Supplier Code of Conduct is, that also suppliers shall implement effective management systems and a governance structure to facilitate compliance with all applicable laws and promote continuous improvement with respect to the expectations set forth in this Supplier Code of Conduct. We source our palm oil derivatives and soy derivatives from the major suppliers who are all very active with regards to sustainability. All other supplier relationships and contracts are based on legal compliance, mandatory standards and our Supplier Code of Conduct. As we only have traceability for the countries Indonesia and Malaysia, we answer this question with that specific focus.

8.15 Do you engage in landscape (including jurisdictional) initiatives to progress shared sustainable land use goals?

Engagement in landscape/jurisdictional initiatives	Primary reason for not engaging in landscape/jurisdictional initiatives	Explain why your organization does not engage in landscape/jurisdictional initiatives
• Yes, we engage in landscape/ jurisdictional initiatives	N/A	N/A

8.15.1 Indicate the criteria you consider when prioritizing landscapes and jurisdictions for engagement in collaborative approaches to sustainable land use and provide an explanation.

Criteria for prioritizing landscapes/jurisdictions for engagement	Explain your process for prioritizing landscapes/jurisdictions for engagement
• Ability to contribute to/ build on existing landscape/jurisdictional initiatives • Access to new markets • Commodity sourcing footprint • Organization has operational presence in area • Current and future sourcing risk • Opportunity to build resilience at scale • Opportunity for increased human well-being in area	DEFORESTATION is one of the drivers of climate change and biodiversity loss, with complex root causes and land use dynamics. Globally, Bayer has made a public commitment that aims for net-zero deforestation in its supply chain. Brazil is accountable for a large share of the global production of food and raw materials, especially when it comes to the production chain of grains and fibers, such as soybeans, corn and cotton, where we believe we can contribute together with farmers and other partners to the transformation of agriculture as part of the solution.

• Opportunity to increase market access for smallholders and local communities • Opportunity to participate in new markets or financing mechanisms for the agricultural sector • Opportunity to protect and restore natural ecosystems • Recognized as priority landscape by credible multi-stakeholder groups or industry platforms • Response to regulation • Response to voluntary sectoral agreement • Risk of biodiversity loss • Risk of deforestation, forests/land degradation, or conversion of other natural ecosystems • Risk of human rights issues • Risk of issues related to land tenure rights • Risk of supplier non-compliance in area • Risk of water stress • Stakeholder/investor request • Supply of commodities strategically important	We want to prove that agribusiness can be part of the solution in the fight against climate change and in the challenge of preserving biomes. The sector plays a relevant role by sequestering carbon in the soil and by being able to reduce its own emissions, which in turn has an impact on the reduction of the industry's carbon footprint. In 2023, Bayer launched the Bayer Forest Protection initiative, which aims to increase positive impact on the agricultural chain and takes a leading role in the conservation of forests. Brazil is the first country in which Bayer is developing this program, since it holds important environmental assets, such as the Cerrado, the Amazon rainforest and other habitats. • The first pillar is dedicated to creating new tools that enable forest protection, through which we intend to establish new commercial incentives, improve the implementation of our own objectives and traceability systems and expand our participation in multi-sectoral coalitions to build collective action. • In the second pillar, we aim to create value for existing forests together with partners who are committed to conserving native vegetation. We have established a research investment effort to broaden the scientific knowledge of the interconnection between agriculture and forest conservation. In addition, we have invested in another front to build commercial business models through which we support growers to produce low-carbon, deforestation-free grains and create opportunities for industry to achieve their goals to either reduce or offset carbon emissions.

8.15.2 Provide details of your engagement with landscape/jurisdictional initiatives to sustainable land use during the reporting year.

Landscape/ Jurisdiction ID	Name of initiative	Country/area	Name of landscape or jurisdiction area	Attach public information about the initiative (optional)	Indicate if you can provide the size of the area covered by the initiative	Area covered by the initiative (ha)	Type of engagement
LJ1	Bayer/Cefetra partnership	• Brazil	Cerrado	Food chain leaflet: The Brazilian Soy Initiative	• Yes	198,000	• Partner: Shares responsibility with other stakeholders to manage and implement actions. • Implementer: Executes actions based on the collective goals

Engagement start year	Engagement end year	Estimated investment over the project period	Landscape goals supported by engagement	Organization actions supporting initiative	Types of partners engaged in the initiative design and implementation	Description of engagement
2015	• Not defined	30,000	Environmental • Avoided deforestation/conversion of other natural ecosystems and/or decreased degradation rate	Participate in planning and multi-stakeholder alignment • Collaborate on landscape sustainability assessments through participatory mapping • Identify and act on opportunities for pre-competitive collaboration with your sector	• Producers • Private sector	Bayer and Cefetra estabilied a partnership since 2015 to implement CRS (Certified Responsible soya), Cefetra´s own certification based on RTRS. In 2020 Bayer and Cefetra expanded the program, and we were able to originate 100,000 tons of credits in RTRS soybeans in areas with NO land conversion in the last

			• Decreased ecosystem degradation rate • Forest fires monitored and prevented • Natural ecosystems conserved and/or restored Social • Implementation of livelihood activities/practices that reduce pressure on forests • Improved business models that enable inclusion (including smallholders) • Improved capacity for community engagement in multi-stakeholder processes • Improved standard of living, especially for vulnerable and/or marginalized groups • Respect, protect, and fulfil human rights • Rights to land and resources recognized and protected, and related conflicts reduced Production • Reliable commodity traceability and landscape monitoring/data collection system	• Identify and map stakeholders (including vulnerable and/or marginalized groups) and encourage their engagement in multi-stakeholder processes Support and incentivize sustainable production and community land use practices • Capacity building for farmers, smallholders and local communities to implement good agricultural practices (including improved efficiency, crop diversification and adoption of certification) • Other actions relating to supporting and incentivizing sustainable production and community land use practices, please specify: Bayer subsidizes 50% of the auditing process to obtain the certification by the Round Table on Responsible Soy Association (RTRS) to the main seed-producing pole in the country. Link value chain action to landscape/jurisdictional initiative through private sector collaboration • Collaborate on commodity traceability • Use preferential sourcing to support landscape/jurisdictional initiatives that are demonstrating progress		20 years achieving since then new standards of Sustainability. We organize an event with farmers as part of the program every March, providing them with a certificate signed by Bayer and Cefetra. During this event, Cefetra launches the prices for both certifications, Bayer explains regenerative agriculture practices, and Control Union discusses compliance with the certifications. We engage with this and other commercial leaders based on Cefetra's purchasing interests, as Cefetra is focusing on sourcing from regions with significant deforestation to incentivize reduced deforestation efforts. We hold meetings every 2 weeks with the Cefetra and Bayer commercial teams to follow up on farmers' adoption. Once a farmer agrees to participate, our sales representative sends their name to Control Union, which then schedules the auditing.

Collective monitoring framework used to measure progress towards landscape goals and actions	State the achievements of your engagement so far, and how progress is monitored*	Claims made	Type of claim made	Provide further details on your claim
• Yes, progress is collectively monitored using a shared external framework, please specify: Yes, progress is monitored using an internally defined framework	Bayer, together with its partner in this project, achieved sustainable actions and raised the awareness of farmers regarding the importance of the CRV and RTRS certification. Every year we managed to include new farmers in the Program. In 2023, 12 new farms were included, and the total amount was 767,000 tons of certified soybeans.	• No, we are not making any claims, and we do not plan to within the next two years	N/A	N/A

	132,000 hectares of the area covered by the initiative were certified with CRV (Cefetra own certification) and 66,000 hectares with RTRS (total: 198,000 hectares).			

8.15.3 For each of your disclosed commodities, provide details on the disclosure volume from each of the landscapes/jurisdictions you engage in.

Landscape/jurisdiction ID	Does any of your produced and/or sourced commodity volume originate from this landscape/jurisdiction, and are you able/willing to disclose information on this volume?	Commodity	% of disclosure volume from this landscape/jurisdiction
LJ1	• No, we do not produce/consume from this landscape/jurisdiction	N/A	N/A

8.16 Do you participate in any other external activities to support the implementation of policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains?

- Yes

8.16.1 Provide details of the external activities to support the implementation of your policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains.

Commodity	Activities*	Country/Area*	Subnational area*	Provide further details of the activity
Palm oil	• Engaging with non-governmental organizations	• Not applicable	• Not applicable	BAYER'S ROLE IN THIS ACTIVITY: As a leading player in the agricultural industry, Bayer participates in various external activities, initiatives as well as engages with policy makers around the world, e.g., we participate in the UN Global Compact, a strategic initiative for companies that undertake to align their business activities and strategies with ten universally recognized principles in the areas of human rights, labor standards, environmental protection and the fight against corruption. Bayer was one of the first signatories in 2000. Bayer believes in the interaction and collaboration of recognized sustainability standards and initiatives to further drive sustainable development. Therefore, we engage in a number of initiatives, e.g., Global Reporting Initiative, Science Based Targets Initiative as well as in the Roundtable on Sustainable Palm Oil. Additionally, within various industry platforms and associations we engage in different governmental and non-governmental initiatives, one recent example was our statement the new EU-deforestation regulation. On the local level, we engage with various local as well as global foundations e,g. GATES foundation to support local communities. All our engagements support sustainable actions to safeguard stable, long-term growth for our company and make a positive value contribution to society, this includes forest-related topics. FIT WITH ENVIRONMENTAL STRATEGY OF THE COMPANY: During a regular dialogue with associations, we build up and update our strategy as a company. Sustainability is a core part of our business strategy. We believe in this partnership approach to further develop in different areas. Our climate strategy is

				a result of the interaction with the Science Based Targets initiative. One building block of this climate strategy are removal and offsetting projects where we support biodiversity and forests. On the other side as part of our social commitments we have set out a target to support 100 million smallholders by 2030. A result of these engagements should be the decrease of pressure on ecosystems.
Palm oil	• Other, please specify: Engaging with policymakers or governments	• Other, please specify: EU	• Not applicable	BAYER'S ROLE IN THIS ACTIVITY: We have been actively engaging with policy makers and industry associations regarding the proposed EU regulation to stop deforestation. We highly support the engagement and continue to engage in this process. FIT WITH ENVIRONMENTAL STRATEGY OF THE COMPANY: Sustainability is an essential component of our corporate strategy, our business activities, our corporate values and the way in which we operate our businesses. Sustainability is at the center of our corporate vision "Health for all, hunger for none" and comprises the following three core elements for all divisions: 1) Inclusive growth and value added for society 2) Reduction of our ecological footprint 3) Responsible business practices along our value chain Forests play a vital role in mitigating climate change, fostering biodiversity, and enabling water and soil conservation. Millions of people rely on forests for food security, livelihoods and energy sources. As part of our commitment to the SDG #15 Life on Land, we aim to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. Reaching a net zero climate target is deeply interlinked with no deforestation and therefore also with sustainable supply chain. Only if we have a profound regulation, we will stop deforestation and benefit the environment.
Soy	• Engaging with non-governmental organizations	• Not applicable	• Not applicable	BAYER'S ROLE IN THIS ACTIVITY: As a leading player in the agricultural industry, Bayer participates in various external activities, initiatives as well as engages with policy makers around the world. EXAMPLE RTRS: One Bayer representative is part of the RTRS Executive Board. In this position Bayer ensures wide recognition, enhancement and sustainable development of RTRS. We fully support RTRS and try to find new partners and establish projects to promote the standards of the RTRS https://responsiblesoy.org/quienes-somos?lang=en#comite Bayer believes in the interaction and collaboration of recognized sustainability standards and initiatives to further drive sustainable development. Therefore, we engage in a number of initiatives, e.g., Global Reporting Initiative, Science Based Targets initiative as well as in the Roundtable on Sustainable Soy. Additionally, within various industry platforms and associations we engage in different governmental and non-governmental initiatives, one recent example was our statement the new EU-deforestation regulation. On the local level, we engage with various local as well as global foundations e,g. GATES foundation to support local communities. FIT WITH ENVIRONMENTAL STRATEGY OF THE COMPANY: During a regular dialogue with associations, we build up and update our strategy as a company. Sustainability is a core part of our business strategies. We believe in this partnership approach to further develop in different areas. Our climate strategy is a result of the interaction with the Science Based Targets initiative. One building block of this climate strategy are removal and offsetting projects where we support biodiversity and forests. On the other side as part of our social commitments we have set out a target to support 100 million smallholders. A result of these engagements should be the decrease of pressure on the ecosystem. With the PRO Carbono Commodities program we are now going even beyond and ensuring sustainable businesses and yields for farmers.

				ENGAGEMENT with RTRS: Especially in soy we have a wide established cooperation within the industry and with RTRS to certify sustainable production and increase sustainability in the agricultural sector. Here we design and execute projects for example in the food partnership program.
Soy	• Other, please specify: Engaging with policymakers or governments	• Other, please specify: EU	• Not applicable	BAYER'S ROLE IN THIS ACTIVITY: We have been actively engaging with policy makers regarding the proposed EU regulation to stop deforestation. We highly support the engagement and continue to engage in this process. FIT WITH ENVIRONMENTAL STRATEGY OF THE COMPANY: Sustainability is an essential component of our corporate strategy, our business activities, our corporate values and the way in which we operate our businesses. Sustainability is at the center of our corporate vision "Health for all, hunger for none" and comprises the following three core elements for all divisions: 1) Inclusive growth and value added for society 2) Reduction of our ecological footprint 3) Responsible business practices along our value chain Forests play a vital role in mitigating climate change, fostering biodiversity, and enabling water and soil conservation. Millions of people rely on forests for food security, livelihoods and energy sources. As part of our commitment to the SDG #15 Life on Land, we aim to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. Reaching a net zero climate target is deeply interlinked with no deforestation and therefore also with sustainable supply chain. Only if we have a profound regulation, we will stop deforestation and benefit the environment.

8.17 Is your organization supporting or implementing project(s) focused on ecosystem restoration and protection?

- Yes

8.17.1 Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

Project reference	Project type	Expected benefits of project	Is this project originating any carbon credits?	Description of project	Where is the project taking place in relation to your value chain?	Start year
• Project 1	• Reforestation	• Carbon credits gained • Compliance with certification • Compliance with regulation • Net gain in biodiversity and ecosystem integrity	• Yes	PRIMARY MOTIVATION: RevitaBayer is an initiative from our Bayer South America Logistics team that started in 2013 (formerly RevitaMon) that has the objectives of reducing the environmental impact caused by our distribution operations, to engage as well as educate communities and to create sociocultural value to suppliers. The initiative went beyond Brazilian borders, reaching Argentina in 2017, the year in which it was also recognized with the HSE (Global Safety and Health Awards) award. Initially focused on the compensation of CO2 emited from our transportation activities, the program expanded in 2020 to a broader perspective and now embraces actions to also minimize emissions by adopting good practices around	• Project based in area with direct operations	2013

		• Reduce/halt biodiversity loss • Restoration of natural ecosystem(s)		energy efficiency in both transportation and warehousing, such as load and network optimization, warehouse eco-building, etc. Trees are planted and financed by suppliers, proportionally to their operation size. Suppliers receive bonus at their performance evaluation, are mentioned in communication materials and sustainable action is a criterion for supplier selection.		

Target year	Project area to date (Hectares)	Project area in the target year (Hectares)	Country/Area	Latitude	Longitude
• Indefinitely	870	870	• Brazil	12	39

Monitoring frequency	Total investment over the project period (currency)	For which of your expected benefits are you monitoring progress?	Please explain
• Six-monthly or more frequently	500,000	• Compliance with regulation • Reduce/halt biodiversity loss	RevitaBayer seeks to reinvigorate and revitalize degraded environmental areas, planting several native trees in the regions. The planting target is calculated based on the number of kilometres driven and the types of vehicles used by each carrier in the previous year. REVITA project expanded in 2020 to a broader perspective and embraces actions to also reduce emissions by adopting good practices around energy efficiency in both transportation and warehousing, such as load and network optimization, eco-driving, warehouse eco-building, etc. In the program, more than 166,000 trees have been planted since it started. As this program takes place all over the countries Brazil and Argentina only one location was used for the longitude and latitude. Further Information can be found here: https://www.bayer.com/en/file/164076/download?token=_fk-Xtdn

9.1 Are there any exclusions from your disclosure of water-related data?

- No

9.2 Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water aspect	% of sites/ facilities/ operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volume	• 100%	• Continuously	Online monitoring. Water withdrawals are typically measured with flow meters, which are permanently installed and measure continuously. Alternatively, withdrawals are calculated from operational data of calibrated pumps.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. 2) CENTRAL: Total water withdrawals are monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide monitoring tool with direct access for the individual sites. See also Additional Information in question 13.2. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.
Water withdrawals – volumes by source	• 100%	• Continuously	Online monitoring. Water withdrawals are typically measured with flow meters, which are permanently installed and measure continuously. Alternatively, withdrawals are calculated from operational data of calibrated pumps.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. 2) CENTRAL: Water withdrawal volumes by source are monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide monitoring tool with direct access for the individual sites. See also Additional Information in question 13.2. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions
Water withdrawals quality	• 76-99 %	• Daily	Lab analysis. Essential quality parameters of withdrawals are determined by means of laboratory tests.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks. Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Parameters are measured to determine water quality as needed, e.g. to prevent unnoticed effects on plant breeding and to guarantee high quality standards of health care products. Sites with own wells monitor

				groundwater salinization if relevant. When dependent on third party supply, we rely on the contractually agreed quality controls. As we are not able to guarantee 100% coverage (76-99 % selected). Adherence to legal regulations is checked regularly e.g. through our internal (HSE) audits. 2) CENTRAL: We do not monitor this aspect via “BaySIS”, due to local specifics of the topic.
Water discharges – total volume	• 100%	• Continuously	Online monitoring. Water discharges are typically measured with flow meters, which are permanently installed and measure continuously.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. 2) CENTRAL: Total water discharges are monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide monitoring tool with direct access for the individual sites. See also Additional Information in question 13.2. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.
Water discharges – volumes by destination	• 100%	• Continuously	Online monitoring. Water discharges are typically measured with flow meters, which are permanently installed and measure continuously.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. 2) CENTRAL: Water discharges by destination are monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide monitoring tool with direct access for individual sites. See also Additional Information in question 13.2. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.
Water discharges – volumes by treatment method	• 100%	• Continuously	Online monitoring. Water discharges are typically measured with flow meters, which are permanently installed and measure continuously.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. 2) CENTRAL: Water discharges by treatment method are monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide monitoring tool with direct access for individual sites. See also Additional Information in question 13.2. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.
Water discharge quality – by standard effluent parameters	• 100%	• Daily	Lab analysis. Essential quality parameters of discharges are determined by means of laboratory tests.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity).

				Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. Standard effluent parameters are typically monitored daily to comply with discharge permits. 2) CENTRAL: Water discharge quality is monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM “BaySIS”. See also Additional Information in question 13.2. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	• 100%	• Daily	Lab analysis. Essential quality parameters of discharges are determined by means of laboratory tests.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. Emissions to water are typically monitored daily to comply with discharge permits. 2) CENTRAL: Water discharge quality is monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM “BaySIS”. See also Additional Information in question 13.2. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.
Water discharge quality – temperature	• 100%	• Continuously	Online monitoring. Temperature measuring devices are typically permanently installed and measure continuously.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Discharge temperatures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING each time that water is discharged. Often, our online monitoring system is directly connected to monitoring systems of local authorities. Control measurements are conducted by the local authorities at least TWICE PER YEAR. Internally, adherence to legal regulations is checked regularly in our internal (HSE) audits which take place every 3 years. 2) CENTRAL: We do not monitor this aspect via “BaySIS”, due to local specifics of the topic.
Water consumption – total volume	• 100%	• Continuously	Online monitoring Water consumptions are typically measured with flow meters, which are permanently installed and measure continuously.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity). Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. 2) CENTRAL: Total water consumption is monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide monitoring tool with direct access for the individual sites. See also Additional Information in question 13.2. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.

Water recycled/reused	• 100%	• Continuously	Online monitoring Water recycles are typically measured with flow meters, which are permanently installed and measure continuously.	1) SITES: Water-related key performance indicators are REGULARLY measured and monitored through WATER MANAGEMENT SYSTEMS (WMS), which are installed at ALL environmentally relevant SITES based on the main parameters of water supply and disposal as well as local risks (esp. with regards to water scarcity) Monitoring INTERVALS range from continuous to daily, monthly to annually, depending on the key performance indicator and type of site. Key figures are monitored directly at our sites via CONTINUOUS ONLINE MONITORING. Often, our online monitoring system is directly connected to monitoring systems of local authorities. 2) CENTRAL: Water recycled or reused is monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide monitoring tool with direct access for individual sites. See also Additional Information/question 13.2. Regular monitoring allows us to set respective targets in sites with relevant water parameters and to initiate corrective actions.
The provision of fully-functioning, safely managed WASH services to all workers	• 76-99%	• Daily	Assessment. As part of our standard procedures, the provisioning of fully functioning WASH services is regularly checked.	Health and safety of employees are very important aspects for Bayer. As highlighted in our Water Position, we use our local presence to support projects providing access to clean water and sanitation to our employees and the communities in which we operate. Bayer is committed to the UN CEO Water Mandate and in 2021 actively participated in the Human Rights and WASH Working Group. 1) SITES: All our production sites provide fully functioning WASH services to all workers, and we estimate these sites to represent over 95% of Bayer's total water usage. Since our operations include many small Crop Science farming sites worldwide and audits are conducted on a random basis, we are not able to guarantee 100% coverage. 2) CENTRAL: We constantly monitor and assess our HSE performance including the existence of fully functioning WASH services through our audits worldwide, according to ANNUAL HSE audit programs as defined on a risk-based approach.

9.2.2 What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

Water aspect	Volume (megaliters/ year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	53,307	• About the same	• Other, please specify: no significant changes in business activities and the number of sites remained unchanged	• Lower	• Increase/ decrease in efficiency	In 2023, total water withdrawal was ABOUT THE SAME as last year DUE TO the fact that there were no significant changes in business activities and the number of sites remained unchanged. Total withdrawals comprise groundwater, surface water, drinking water supply, rainwater, externally purified wastewater and third parties. Volumetric data have been compiled from our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%

						Please note that differences between volumes of water withdrawn, consumed and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges (C (18,453) ≠ W (53,307) - D (34,919), the deviation is less than 1%.
Total discharges	34,919	• About the same	• Other, please specify: no significant changes in business activities and the number of sites remained unchanged	• Lower	• Increase/ decrease in efficiency	In 2023, total water discharges from production were ABOUT THE SAME as last year as there are no significant changes in business activities and the number of sites remained unchanged. Please note: In 2023, we are including sanitary wastewater discharge into our overall discharge. Water discharges are expected to decrease IN THE FUTURE because Bayer works continuously on reducing the discharges. Total discharges comprise process wastewater as well as once-through and circulation cooling water. All discharge categories are differentiated between with and without subsequent treatment. Volumetric data have been compiled from our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% Please note that differences between volumes of water withdrawn, consumed, and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges (C (18,453) ≠ W (53,307) - D (34,919), the deviation is less than 1%.
Total consumption	18,453	• About the same	• Other, please specify: no significant changes in business activities and the number of sites remained unchanged	• About the same	• Maximum potential volume reduction already achieved	In 2023, total water consumption was ABOUT THE SAME as last year DUE TO the fact that there were no significant changes in business activities and the number of sites remained unchanged. Water consumption is expected to stay about the same IN THE FUTURE as no significant changes are expected. Total consumption comprises irrigation activities and water used in utility processes on site (e.g. evaporation loss in cooling tower, water for steam generation, water in product sold, blow down losses). Volumetric data have been compiled from our central BAYER SITE INFORMATION SYSTEM "BaySIS". BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% Categories of consumption are mostly based on aggregation of local measurements or based on local calculations depending on individual infrastructure of reporting sites. All sites are required to report a water balance in equilibrium with a tolerance range of +/- 5 % in order to account for potential inaccuracy of measurement devices. Please note that differences between volumes of water withdrawn, consumed and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses

						due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy and the above-described tolerance range for reported water balances. This is why total water consumption does not exactly equal total water withdrawals minus discharges (C (18,453) ≠ W (53,307) - D (34,919), the deviation is less than 1%.

9.2.4 Indicate whether water is withdrawn from areas with water stress, provide the volume, how it compares with the previous reporting year, and how it is forecasted to change.

Withdrawals are from areas with water stress	Volume withdrawn from areas with water stress (megaliters)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	% of total withdrawals that are withdrawn from areas with water stress	Identification tool	Please explain
• Yes	• 2,567	• Lower	• Increase/ decrease in efficiency	• Lower	• Increase/ decrease in efficiency	• 4.82%	• WRI Aqueduct	APPLICATION OF TOOL TO EVALUATE WHETHER WATER HAS BEEN WITHDRAWN FROM STRESSED AREAS: To identify the sites in water-scarce regions, we have applied the Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool (thresholds:"high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator). We analyzed all sites worldwide which are considered environmentally relevant and thus monitored in our central BAYER SITE INFORMATION SYSTEM "BaySIS". The threshold for reporting in BaySIS is an energy consumption of 1.5 TJ. From BaySIS, we mapped the total water use to each site that was located in a water-scarce region according to the WRI Aqueduct analysis and defined those sites as "large user", which used more than 0.1% of our total water use. In this process 15 Bayer sites were identified based on 2023 data which are located in a water-scarce region and are relevant for our water-risk analysis. These sites have the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct ("high" and "extremely high" in the overall water risk indicator or "extremely high" in the baseline water stress indicator) and are defined as "large water users" (>0.1% of Bayer's total water use). At the beginning of 2024 we re-evaluated all sites to align our reporting with the updated version of the WRI Aqueduct Water Risk Atlas and the EU CSRD, using the latest available data from August 2023. In this process, we also revisited our methodology. From 2024 onwards, we will identify the sites in areas at high water stress applying the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool

								(threshold: “high” or “extremely high” and define those sites as “large user”, which used more than 50 Tm³ of water withdrawal). REDUCTION OF WITHDRAWALS FROM AREAS WITH WATER STRESS: In 2023, water withdrawals of the five largest sites located in water-scarce regions DECREASED by 6.6%. We aim to identify potential for improvement particularly at sites located in water-scarce areas or in areas identified as being threatened by water scarcity and use as little water there as possible. By the end of 2020, we had already established water management systems at all relevant sites in regions threatened by water scarcity. We are aware that climate change will further exacerbate the problem of water scarcity in the future.

9.2.7 Provide total water withdrawal data by source.

Source	Relevance	Volume (megaliters/ year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	• Relevant	11,235	• About the same	• Other, please specify: no significant changes of business activities and the number of sites remained unchanged	i) Water withdrawal from FRESH SURFACE WATER IS RELEVANT as it is VITAL for cooling purposes, production processes as well as irrigation of fields and greenhouses for seed production. Clean water is a limiting factor for our production and THUS considered essential. E.g. if the water has a high concentration of salt, it will not be appropriate for cooling purposes due to its corrosive characteristics to pipes. ii) In 2023, total water withdrawal from fresh surface water remains about the same compared to previous year due to the fact that there are no significant changes of business activities. iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM “BaySIS”. It is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%
Brackish surface water/Seawater	• Not relevant	N/A	• N/A	• N/A	As in previous years, brackish surface water was NOT RELEVANT in 2023 BECAUSE we did not use brackish surface water in our operations. As described above, brackish water is not suitable for our production. E.g. if the water has a high concentration of salt, it will not be appropriate for cooling purposes due to its corrosive characteristics to pipes. This is also the reason WHY (non-) usage is consistent with the previous year and is expected to stay the same for our operations IN THE FUTURE.

Groundwater – renewable	• Relevant	21,310	• About the same	• Other, please specify: no significant changes of business activities and the number of sites remained unchanged	i) Groundwater is RELEVANT BECAUSE we have own wells in many sites for our own water supply. ii) In 2023, total water withdrawal from groundwater was ABOUT THE SAME compared to 2022. This is DUE TO the fact that there were no significant changes of business activities, and the number of sites remained unchanged. iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%
Groundwater – non-renewable	• Not relevant	N/A	• N/A	• N/A	As in previous years, non-renewable groundwater was NOT RELEVANT in 2023 BECAUSE we do not use non-renewable groundwater in our operations. We do not have any sites in regions with non-renewable groundwater aquifers. This is also the reason WHY (non-) usage is consistent with the previous year and is expected to stay the same for our operations IN THE FUTURE.
Produced/Entrained water	• Relevant	743	• About the same	• Other, please specify: no significant changes of business activities and the number of sites remained unchanged	i) Water from produced water / process water is RELEVANT BECAUSE we extract produced water from our raw materials and from production processes. ii) In 2023, total water withdrawal from produced water / process water was ABOUT THE SAME compared to 2022 DUE TO the fact that there were no significant changes of business activities, and the number of sites remained unchanged. iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%
Third party sources	• Relevant	20,019	• About the same	• Other, please specify: no significant changes of business activities and the number of sites remained unchanged	i) Water from third party sources is RELEVANT BECAUSE we withdraw water from third parties for drinking water in most sites. In addition, water from third party sources is used for production. ii) In 2023, total water withdrawal from third party sources remains ABOUT THE SAME compared to 2022 DUE TO the fact that there were no significant changes of business activities, and the number of sites remained unchanged iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15%

					Much lower / higher: >=15%

9.2.8 Provide total water discharge data by destination.

Destination	Relevance	Volume (megaliters/ year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	• Relevant	24,902	• About the same	• Other, please specify: no significant changes of business activities and the number of sites remained unchanged	i) Discharges to fresh surface water are RELEVANT in sites where water can be directly returned to the natural water cycle after treatment in our own treatment plants or without treatment (after being carefully tested and categorized as environmentally safe according to official provisions). All wastewater is subject to strict controls before it is discharged. Around 32% of all water used by Bayer is cooling water that does not come into contact with products. It can be returned to the water cycle without further treatment in line with relevant official permits. ii) In 2023, total water discharged to fresh surface water remains ABOUT THE SAME compared to 2022 DUE TO the fact that there were no significant changes of business activities, and the number of sites remained unchanged Note: We further align our water reporting with CDP requirements and have been reporting since 2022 once-through and circulation cooling water as discharge to fresh surface water. iii) For definitions see 13.2
Brackish surface water/ seawater	• Relevant	167	• Much Lower	• Other, please specify: on a very low level and the change in absolute values is still considered to be insignificant	i) Discharges to brackish surface water/seawater are RELEVANT BECAUSE we have sites located at the coast which discharge some of their used water into the sea after treatment in our own water treatment plants or after careful analysis, during which it is categorized as environmentally safe according to official provisions and returned to the natural water cycle. ii) In 2023, total water discharges to brackish surface water/seawater were MUCH LOWER compared to 2022. This is DUE TO the fact that the share of release to brackish or sea surface water is consistently on a very low level and the change in absolute values is still considered to be insignificant. There were no significant changes of business activities, and the number of sites remained unchanged. iii) Monitoring and threshold definition see 13.2.
Groundwater	• Relevant	2,111	• Lower	• Increase/decrease in business activity	i) Discharges to groundwater are RELEVANT because in some sites we operate absorption wells. After being carefully tested and categorized as environmentally safe according to official provisions, the water seeps into the ground, permeates the soil and finally refills the groundwater. For the sake of balanced reporting the stated volume of 2,111 megaliters/year includes other discharge categories that did not match any other listed category such as groundwater formations, absorption wells, seepage, and others. ii) In 2023, total water discharges to groundwater were Lower compared to 2022 DUE TO decrease of activity of relevant sites. iii) Monitoring and threshold definition see 13.2.

Third-party destinations	• Relevant	7,726	• Higher	• Change in accounting methodology	i) Water discharges to third-party destinations are RELEVANT as the water is discharged to treatment plants before it can be led back to the environment. All wastewater is subject to strict controls before it is discharged into the various disposal channels. Discharges to third parties include wastewater that after treatment may be used in other organizations or is re-entering the water use in Bayer facilities. ii) In 2023, total water discharges to third party destinations were HIGHER compared to 2022 DUE TO the fact that there is a change in accounting methodology and we now account for sanitary water discharged under discharge to third party destinations. iii) Monitoring and threshold definition see 13.2.

9.2.9 Within your direct operations, indicate the highest level(s) to which you treat your discharge.

Highest level of treatment within direct operations	Relevance of treatment level to discharge	Volume (megaliters/ year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	• Relevant	6,101	• About the same	• Other, please specify: no significant changes of business activities and the number of sites remained unchanged	• 1-10	i) RATIONALE FOR TREATMENT LEVEL: Several Bayer facilities have to meet strict water quality targets, thus requiring tertiary treatment within Bayer operated water treatment plants. At all those sites, we apply biological denitrification/nitrification to remove nitrogen and phosphorus. Many sites apply additional treatment steps such as coagulation, sedimentation, activated carbon adsorption and ion exchange. All wastewater is subject to strict controls before it is discharged into the various disposal channels. ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years. iii) Tertiary treatment is RELEVANT because our wastewater contains contaminants that have to be removed before discharge. iv) In 2023, tertiary treatment water discharges were ABOUT THE SAME compared to 2022. This is DUE TO the fact that there were no significant changes in business activities and the number of sites remained unchanged and no major changes in the infrastructure of sites occurred. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%

						v) Water discharges from tertiary treatment are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.
Secondary treatment	• Relevant	8,374	• About the same	• Other, please specify: no significant changes of business activities and the number of sites remained unchanged	• 11-20	i) RATIONALE FOR TREATMENT LEVEL: Several Bayer facilities have to meet strict water quality targets, thus requiring secondary treatment within Bayer operated water treatment plants. All wastewater is subject to strict controls before it is discharged into the various disposal channels. ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years. iii) Secondary treatment is RELEVANT because our wastewater contains contaminants that have to be removed before discharge. iv) In 2023, secondary treatment water discharges were ABOUT THE SAME compared to 2022. This is DUE TO the fact that there were no significant changes of business activities, and the number of sites remained unchanged and no major changes in the infrastructure of sites occurred. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% v) Water discharges from secondary treatment are expected to increase IN THE FUTURE as return to previous years' activities is expected in the production processes.
Primary treatment only	• Relevant	2,362	• About the same	• Other, please specify: no significant changes of business activities and the number of sites remained unchanged	• 11-20	i) RATIONALE FOR TREATMENT LEVEL: Operations with primary treatment only represent a minor portion of Bayer sites because most wastewater streams are treated further. ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years. iii) Primary treatment is RELEVANT. iv) In 2023, primary treatment water discharges were ABOUT THE SAME compared to 2022. This is DUE TO the fact that there were no significant changes of business activities, and the number of sites remained unchanged and no major changes in the infrastructure of sites occurred. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15%

						Much lower / higher: >=15% v) Water discharges from primary treatment are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.
Discharge to the natural environment without treatment	• Relevant	1,176	• Much higher	• Other, please specify: on a low level and the change in absolute values is still considered to be insignificant	• 1-10	i) RATIONALE FOR TREATMENT LEVEL: All wastewater is subject to strict controls before it is discharged into the various disposal channels. Following careful analysis this volume was categorized as not environmentally hazardous according to official provisions and returned to the natural water cycle. ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years. iii) Water discharges to the natural environment without treatment are less RELEVANT. iv) In 2023, water discharges to the natural environment without treatment were MUCH HIGHER compared to 2022 DUE TO adjustments in our control and measurement systems in some sites, while operations remain the same. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% v) Water discharges to the natural environment without treatment are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.
Discharge to a third party without treatment	• Relevant	6,894	• Much higher	• Increase/decrease in business activity	• 81-90	i) RATIONALE FOR TREATMENT LEVEL: Many sites do not have wastewater treatment within direct operations, but discharge their wastewater to third party facilities, e.g. wastewater treatment plants or incinerators. All wastewater is subject to strict controls before it is discharged into the various disposal channels. ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years. iii) Water discharges to third party destinations without treatment are RELEVANT. iv) In 2023, water discharges to third party destinations without treatment were MUCH HIGHER compared to 2022. This is DUE TO the fact that there were minor changes in business activities but the number of sites remained unchanged and no major changes in the infrastructure of sites occurred. Thresholds applied for comparison with previous reporting year:

						About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% v) Water discharges to third parties without treatment are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.
Other	• Relevant	10,012	• Lower	• Increase/decrease in business activity	• 1-10%	i) RATIONALE FOR TREATMENT LEVEL: 28.7% of water discharged by Bayer is cooling water that does not come into contact with products. It can be returned to the water cycle without further treatment in line with official permits. Evaporation explains the difference between water withdrawn for cooling and cooling water returned as discharge. ii) COMPLIANCE WITH REGULATORY AND/OR VOLUNTARY STANDARDS: Adherence to legal regulations is checked regularly e.g. through our internal HSE Audits and internal audits from the site which take place every 1-3 years. Furthermore, in an ongoing project, Bayer has established voluntary internal standards for active ingredients (AI). Around 90% of the AI emissions already assessed are below these internal standards. We will work towards meeting the internal standards for all emissions in the next years. iii) Other discharges are RELEVANT. iv) In 2023, other water discharges were LOWER compared to 2022. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% v) Other water discharges are expected to stay about the same IN THE FUTURE as no significant changes are expected in the production processes.

9.2.10 Provide details of your organization's emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	List the specific substances included	Please explain
616.54	• Nitrates • Phosphates • Priority substances listed under the EU Water Framework Directive	Nitrogen, Phosphorus, Cadmium, Mercury, Nickel, Lead	Emissions to water in the reporting year (metric tonnes): Nitrogen: 318 metric tonnes Phosphates: 298 metric tonnes Cadmium: 0.03 metric tonnes Mercury: 0.00085 metric tonnes Nickel: 0.49 metric tonnes Lead: 0.02 metric tonnes

			The nitrogen is a measure out of the complete nitrogen (nitrate (NO3-), nitrite (NO2-) and ammonia (NH3)) content expressed as Nitrogen (Ninorg). Amount of phosphorus (inorganic + organic) in wastewater includes all phosphorous contained in inorganic and organic phosphorus compounds, dissolved, or bound to particles. Wastewater at our sites is subject to strict monitoring before it is discharged into the various disposal channels. Compliance with internal and external thresholds is regularly monitored, is overseen by supervisory authorities and external assessors and is also reviewed at regular intervals during on-site audits by internal experts.

Facility-level water accounting & Verification

9.3 In your direct operations and upstream value chain, what is the number of facilities where you have identified substantive water-related dependencies, impacts, risks, and opportunities?

Value chain stage	Identification of facilities in the value chain stage	Total number of facilities identified	% of facilities in direct operations that this represents	Please explain
Direct operations	• Yes, we have assessed this value chain stage and identified facilities with water-related dependencies, impacts, risks, and opportunities	15	1-25	The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. Applying these thresholds to all environmentally-relevant sites worldwide, 15 Bayer sites were identified based on 2023 data as having the potential to have a substantive impact on the business as they are located in a region considered at water risk according to WRI Aqueduct (”high” and “extremely high” in the Overall Water Risk Indicator or “extremely high” in the Baseline Water Stress Indicator) and are defined as “large water users” (>0.1% of Bayer’s total water use).
Upstream value chain	• No, we have not assessed this value chain stage for facilities with water-related dependencies, impacts, risks, and opportunities, and are not planning to do so in the next 2 years	N/A	N/A	We are currently not assessing individual supplier facilities with regard to water-related dependencies, impacts, risks, and opportunities. The core principles of our sustainability requirements for suppliers are established in the Bayer Supplier Code of Conduct (SCoC), Water-related requirements include the following: Suppliers shall undertake reasonable efforts to have a management system in place to reduce water consumption in their own operations and their value chains. The way suppliers use water for their operations should not have any negative effect on the availability and quality of water for the environment and neighboring communities. Suppliers shall undertake reasonable efforts to give special attention to water-scarce areas or areas threatened by water scarcity as defined by the World Resource Institute. Suppliers shall undertake reasonable efforts to monitor site water usage, quality, and discharges. Suppliers shall undertake reasonable efforts to continuously improve water reuse, recycling, reduction, and wastewater treatment. Bayer expects its suppliers to also develop a water stewardship strategy.

9.3.1 For each facility referenced in 9.3, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility 1

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River Basin	Latitude	Longitude	Located in area with water stress
• Facility 1	• Viluco	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Chile: Other, please specify: Maipo, North Chile, Pacific Coast	-33.79631	-70.77345	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
133	About the same	0	0	126	0	0	7

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
1	Much higher	0	0	0	1

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
133	About the same	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 128

		2023: 133 (comparison with previous year: about the same, +4%) **Discharges**: 2022: 1 2023: 1 (comparison with previous year: about the same, 0%) **Consumption**: 2022: 127 2023: 133 (comparison with previous year: about the same, +4%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%

Facility 2

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 2	• Alcala de Henares	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Spain: Other, please specify: Tagus 2, Tagus	40.488394	-3.390308734	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
71	• Higher	0	0	0	0	0	71

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
48	• Higher	0	0	0	48

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
23	• Higher	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 63 2023: 71 (comparison with previous year: higher, +12%) **Discharges**: 2022: 43 2023: 48 (comparison with previous year: higher, +12%) **Consumption**: 2022: 20 2023: 23 (comparison with previous year: higher, +14%)

		Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%

Facility 3

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 3	• El Ejido	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Spain: Other, please specify: Spain, South and East Coast	36.724435	-2.772505	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
75	• About the same	0	0	0	0	0	75

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
1	• Much lower	0	0	0	1

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
73	• About the same	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 76 2023: 75 (comparison with previous year: about the same, -2%)

		Discharges: 2022: 2 2023: 1 (comparison with previous year: much lower, -37%) **Consumption**: 2022: 74 2023: 73 (comparison with previous year: about the same, -1%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%

Facility 4

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 4	• Petit	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• South Africa: Orange	-26.12621	28.44881	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
119	• Much higher	0	0	119	0	0	0

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
7	• Much higher	0	0	0	7

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
113	• Much higher	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator).

		In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 76 2023: 119 (comparison with previous year: much higher, +57%) **Discharges**: 2022: 1 2023: 7 (comparison with previous year: much higher, +609%) **Consumption**: 2022: 75 2023: 113 (comparison with previous year: much higher, +51%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% Please note that differences between volumes of water withdrawn, consumed, and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges.

Facility 5

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 5	• San Juan de Abajo	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Mexico: Other, please specify: Ameca / Ixtapa, Pacific Central Coast	20.790748	-105.204344	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
69	• About the same	0	0	69	0	0	0

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
1	• About the same	0	0	0	1

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
69	• About the same	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 70 2023: 69 (comparison with previous year: about the same, -2%) **Discharges**: 2022: 1 2023: 1 (comparison with previous year: about the same, 0%) **Consumption**: 2022: 69 2023: 69 (comparison with previous year: about the same, -1%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% Please note that differences between volumes of water withdrawn, consumed, and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges.

Facility 6

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 6	• Beijing	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• China: Other, please specify: Ziya He, Interior; Guangting Shuiku	39.795777	116.507611	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
37	• Much lower	1	0	0	0	0	36

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
17	• Higher	0	0	0	17

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
20	• Much lower	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2021: 54 2022: 59 2023: 37 (comparison with previous year: much lower, -38%) **Discharges**: 2022: 16 2023: 17 (comparison with previous year: higher, +5%) **Consumption**: 2022: 43 2023: 20 (comparison with previous year: much lower, -54%)

		In 2023, Beijing site decreased production volume resulting in lower water withdrawal and consumption. Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%

Facility 7

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 7	• Lerma	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Mexico: Other, please specify: Lerma / Toluca, Rio Lerma	19.28872	-99.535833	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
100	• Lower	0	0	100	0	0	0

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
74	• Much lower	0	0	28	46

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
25	• Much higher	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C):

		2022: 112 2023: 100 (comparison with previous year: lower, -11%) **Discharges**: 2022: 107 2023: 74 (comparison with previous year: much lower, -30%). The generation of wastewater decreased considerably because the site stopped producing in the months of April, May and June 2023 to execute projects and update equipment on the production lines. **Consumption**: 2022: 5 2023: 25 (comparison with previous year: much higher, +400%). The increase is due to a reporting error in 2022 (true 2022 value measured: 25.7). Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%

Facility 8

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 8	• Tlaxcala	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Mexico: Balsas	19.308497	-98.391946	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
142	• Higher	0	0	142	0	0	0

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
67	• Much higher	8	0	0	59

Total water consumption) at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain

78	• About the same	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 134 2023: 142 (comparison with previous year: higher, +6%) **Discharges**: 2022: 57 2023: 67 (comparison with previous year: much higher, +18%) **Consumption**: 2022: 77 2023: 78 (comparison with previous year: about the same, +2%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15 Please note that differences between volumes of water withdrawn, consumed, and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges.

Facility 9

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 9	• La Charca	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Mexico: Other, please specify: Lerma / Salamanca, Rio Lerma	20.42381	-101.059221	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
126	• Much higher	0	0	126	0	0	0

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
9	• Lower	0	0	0	9

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
117	• Much higher	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 100 2023: 126 (comparison with previous year: much higher, +26%) **Discharges**: 2022: 10 2023: 9 (comparison with previous year: lower, -11%) **Consumption**: 2022: 90 2023: 117 (comparison with previous year: much higher, +30%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%

Facility 10

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 10	• Melipilla	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Chile: Other, please specify: Maipo, North Chile, Pacific Coast	-33.677121	-71.151965	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
51	• Much lower	27	0	22	0	0	2

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
2	• Much lower	0	0	0	2

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
49	• Much lower	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 66 2023: 51 (comparison with previous year: much lower, -23%) **Discharges**: 2022: 7 2023: 2 (comparison with previous year: much lower, -73%) **Consumption**: 2022: 59 2023: 49 (comparison with previous year: much lower, -18%) Thresholds applied for comparison with previous reporting year: About the same: <5%

		Lower / Higher: 5%<15% Much lower / higher: >=15%

Facility 11

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 11	• Santa Julia	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Chile: Rapel	-34.10511033	-70.76775327	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
263	• Much lower	0	0	263	0	0	0

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
28	• About the same	0	0	0	28

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
238	• Much lower	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 315 2023: 263 (comparison with previous year: much higher, -17%) **Discharges**: 2022: 28 2023: 28 (comparison with previous year: about the same, -2%) **Consumption**: 2022: 287 2023: 238 (comparison with previous year: much lower, -17%)

		Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% Please note that differences between volumes of water withdrawn, consumed, and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges.

Facility 12

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 12	• Vapi	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• India: Other, please specify: Sarya, India West Coast	20.368748	72.93512	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
463	• Lower	6	0	0	0	0	457

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
170	• Much lower	0	0	0	170

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
282	• Lower	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 541

		2023: 463 (comparison with previous year: lower, -14%) **Discharges**: 2022: 231 2023: 170 (comparison with previous year: much lower, -27%) **Consumption**: 2022: 310 2023: 282 (comparison with previous year: lower, -9%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% Please note that differences between volumes of water withdrawn, consumed, and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges.

Facility 13

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 13	• Belford Roxo	• Direct operations	• Risks	Yes, withdrawals and discharges	n/a	• Brazil: Other, please specify: Rio de Janeiro Coast, Uruguay - Brazil, South Atlantic Coast	-22.7665	-43.392301	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
508	• About the same	484	0	0	0	0	24

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
234	• Much higher	234	0	0	0

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
274	• Much lower	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 491 2023: 508 (comparison with previous year: about the same, +3%) **Discharges**: 2022: 172 2023: 234 (comparison with previous year: much higher, +36%) **Consumption**: 2022: 319 2023: 274 (comparison with previous year: much lower, -14%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15%

Facility 14

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 14	• Ica	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Peru: Other, please specify: Ica, Peru, Pacific Coast	-13.9837644	-75.80566565	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
400	• Lower	0	0	400	0	0	0

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
7	• Much lower	0	0	0	7

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
389	• About the same	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 420 2023: 400 (comparison with previous year: lower, -5%) **Discharges**: 2022: 15 2023: 7 (comparison with previous year: much lower, -50%) **Consumption**: 2022: 405 2023: 389 (comparison with previous year: about the same, -4%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% Please note that differences between volumes of water withdrawn, consumed, and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges.

Facility 15

Facility reference number	Facility name (optional)	Value chain stage	Dependencies, impacts, risks, and/or opportunities identified at this facility	Withdrawals or discharges in the reporting year	Reason for no withdrawals and/or discharges	Country/Area & River basin	Latitude	Longitude	Located in area with water stress
• Facility 15	• Latina and Sicily	• Direct operations	• Risks	• Yes, withdrawals and discharges	n/a	• Italy: Other, please specify: Garigliano, Italy, West Coast	41.467567	12.903597	• Yes

Total water withdrawals at this facility (megaliters)	Comparison of total withdrawals with previous reporting year	Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes	Withdrawals from brackish surface water/seawater	Withdrawals from groundwater - renewable	Withdrawals from groundwater - non-renewable	Withdrawals from produced/entrained water	Withdrawals from third party sources
13	• Much lower	6	0	5	0	0	2

Total water discharges at this facility (megaliters)	Comparison of total discharges with previous reporting year	Discharges to fresh surface water	Discharges to brackish surface water/seawater	Discharges to groundwater	Discharges to third party destinations
2	• About the same	1	0	0	1

Total water consumption at this facility (megaliters)	Comparison of total consumption with previous reporting year	Please explain
11	• Much lower	TOOL USED TO CLASSIFY THE LOCATION OF THE FACILITY AS WATER STRESSED: The Overall Water Risk Indicator and the Baseline Water Stress Indicator from the WRI Aqueduct Water Tool have been used to measure if a site is located in a water-scarce region (threshold: ”high” and “extremely high” in the overall water risk indicator or “extremely high” in the baseline water stress indicator). In BaySIS, we monitor the annual water use of all environmentally relevant sites. We define them as “large user” when they use >0.1% of our total water use. **Withdrawals** (W=D+C): 2022: 54; 2023: 13 (-77%). Water for irrigation of agricultural areas has been less than past year, due to very efficient drop irrigation and on-going tranformation with less crop surfaces cultivated in open fields and similar reduction in Spring cycle in greenhouses **Discharges** 2022: 2; 2023: 2 (+2%) **Consumption**: 2022: 52; 2023: 11 (-79%) Thresholds applied for comparison with previous reporting year: About the same: <5% Lower / Higher: 5%<15% Much lower / higher: >=15% Please note that differences between volumes of water withdrawn, consumed, and discharged can be explained, for example, by quantities of water used as raw materials in products, unquantified losses due to evaporation, leaks and volumes of condensate generated through the use of steam as a source of energy. This is why total water consumption does not exactly equal total water withdrawals minus discharges.

9.3.2 For the facilities in your direct operations referenced in 9.3.1, what proportion of water accounting data has been third party verified?

Water aspect	% verified	Verification standard used	Please explain
Water withdrawals – total volumes	• 76-100	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the reasonable assurance for the Bayer Sustainability Report 2023, incl. the following procedures:	N/A

		recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	
Water withdrawals – volume by source	• 76-100	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2023, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A
Water withdrawals – quality by standard water quality parameters	• Not verified	N/A	Water withdrawals quality is measured as needed at the sites, e.g. water withdrawals quality is highly relevant for our health care and our breeding sites. We do not monitor, and therefore also not verify, the quality of water withdrawals via our central Bayer Site Information System “BaySIS”. This is BECAUSE the relevant regulations related to water withdrawal quality requirements differ widely. We do not plan to centrally verify water withdrawals quality in the next two years, as this is a very local topic.
Water discharges – total volumes	• 76-100	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the reasonable assurance for the Bayer Sustainability Report 2023, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A
Water discharges – volume by destination	• 76-100	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2023, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A
Water discharges – volume by final treatment level	• 76-100	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2023, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A
Water discharge quality – quality by	• 76-100	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2023, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data	N/A

standard water quality parameters		and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	
Water consumption – total volume	• 76-100	Standard: ISAE 3000; Methodology: The auditor Deloitte has verified water data as part of the limited assurance for the Bayer Sustainability Report 2023, incl. the following procedures: recording of systems and processes for collection, analysis, validation and aggregation of data and their documentation on a sample basis; site visits; analytical procedures. Scope: Global: Water data is measured at site level and monitored annually at global level in our central Bayer Site Information System.	N/A

9.5 Provide a figure for your organization's total water withdrawal efficiency.

Revenue (currency)	Total water withdrawal efficiency	Anticipated forward trend
47,637,000,000	893,634.98	Our withdrawal efficiency is expected to stay ABOUT THE SAME IN THE FUTURE as no significant changes are expected in our business activities.

9.13 Do any of your products contain substances classified as hazardous by a regulatory authority?

Products contain hazardous substances	Comment
• Yes	N/A

9.13.1 What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?

Regulatory classification of hazardous substances	% of revenue associated with products containing substances in this list	Please explain
• Annex XVII of EU REACH Regulation	• Less than 10%	Based on the classification of CLP some of our products (mainly pesticides) include classified substances, which are always handled in agreement with the regulatory requirements. In addition, sectorial regulation (e.g. EU 1107) takes this into consideration in a risk assessment. All of our plant protection products fulfill all regulatory obligations under PPP Regulation, and by extension under EU REACH Regulation considered to be the world's most stringent when it comes to the handling of chemicals. The vast majority of our products do not contain SVHC at all and this is similar to other regulations. Several substances have a classification under CLP. CLP provides the basis on a hazard profile and then specific authorization is taking place.

9.14 Do you classify any of your current products and/or services as low water impact?

Products and/or services classified as low water impact	Definition used to classify low water impact	Please explain
• Yes	Direct Seeded Rice (DSR) is a technology-driven and less resource-intensive cultivation system compared to traditional transplanted puddled rice. The change in the cultivation practice from transplanting rice to direct seeding rice can REDUCE WATER USE by up to 40% (no water flooding in rice field) and lead to reduced GHG emissions (by up to 45%), potential improvements of soil health, low cost of cultivation, early crop maturity, potential carbon credit generation. DSR can also reduce farmers' dependence on manual labor by up to 50%. CLASSIFICATION LOW-WATER IMPACT AND THRESHOLD: The low-water impact applies to the use of our product (in the value chain). Focus is on the WATER USAGE for cultivation of rice (quantity and intensity of water usage especially in water-stressed regions). In conventional rice cultivation, the rice is transplanted and the fields are flooded. Direct Seeded Rice is a technology-driven and less resource-intensive cultivation system. Moving from traditional transplanted puddled rice cultivation to direct seeded rice can help farmers reduce water use by up to 40% and greenhouse gas emissions by up to 45% (by reducing methane emissions from the flooded rice fields). We consider any IMPROVEMENT (THRESHOLD) IN WATER USE WITH DSR compared to conventional cultivation methods as a low-water impact/benefit. Bayer is committed to improving water use per kilogram of crop by 25% by 2030 through the transformation of rice-cropping systems for our smallholder customers in the relevant regions where Bayer operates, starting in India. Transplanted rice uses in average between 12.5 and 15.5 million liters per hectare (2,500-3,000 liters of water per kg yield). DSR has the potential to reduce water use by up to 40 percent. This represents between 5 and 6.2 million liters of water saving per hectare of rice cultivated. Reducing the amount of water needed for irrigation also has a direct effect on the amount of diesel or electricity needed to pump and channel water creating an additional positive impact on the environment. India is the focus of Bayer's approach. Direct seeded rice has the potential to be transformational, as DSR acreages are estimated to grow at 8-10% CAGR, driven by labor & water shortage. Governments of northern Indian states have announced that they will	Bayer is building entire systems driven by climate-resilient rice hybrids, a high-performing crop protection portfolio, and digital advisory and machinery services. Furthermore, we are offering potential additional revenue streams from carbon certificates through our Bayer Carbon Program to incentivize farmers to adopt direct seeded rice cultivation systems – in line with Bayer's approach to regenerative agriculture. This will reduce farmers' dependence on manual labor, optimize water use for growing rice and reduce GHG emissions, especially methane. While we lead this transformation, Bayer will collaborate and partner with other stakeholders covering strategic and operational elements. This entire approach will place Bayer in a unique position to truly shape and transform the future of rice cultivation into a more

	incentivize farmers to switch to direct seeded rice. By 2030, Bayer plans to bring the direct seeded rice system to one million hectares in India, supporting over one million early-adopter smallholder rice farmers through our DirectAcres program. Already underway, the DirectAcres program has seen considerable success, with 99% of participating Indian farmers achieving successful plant establishment compared to rice grown using the conventional transplanted method in 2022. We plan to introduce DirectAcres in other rice-growing countries in Asia/Pacific.	climate friendly, digitally savvy sustainable agriculture.

9.15 Do you have any water-related targets?

- Yes

9.15.1 Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

Category of target	Target set in this category	Please explain
Water pollution	• Yes	N/A
Water withdrawals	• Yes	N/A
Water, Sanitation, and Hygiene (WASH) services	• Yes	N/A
Other	• Yes	N/A

9.15.2 Provide details of your water-related targets and the progress made.

Target Water Pollution I

Target reference number	Target coverage	Category of target & Quantitative metric	Date target was set
• Target 1	• Organization-wide (direct operations only)	Water pollution • Reduction in concentration of pollutants	01.01.2020

End date of base year	Base year figure	End date of target year	Target year figure	Reporting year figure	Target status in reporting year	% of target achieved relative to base year	Global environmental treaties/initiatives/ frameworks aligned with or supported by this target
31.12.2019	0	31.12.2023	90	90	• Achieved	100	• Sustainable Development Goal 6

Explain target coverage and identify any exclusions	Plan for achieving target, and progress made to the end of the reporting year	Actions which contributed most to achieving or maintaining this target	Further details of target
To underline the commitments in Bayer's GLOBAL Water Position, Bayer strives to extend COMPANY-WIDE pollution prevention, e.g. by	N/A	i) PROGRESS INDICATORS: We track the progress in terms of the PERCENTAGE OF ACTIVE INGREDIENTS (AI) THAT HAVE PASSED THE	IMPLEMENTATION: Our risk assessments are based on site-specific assumptions for AI emissions

implementing our procedure for the evaluation of Active Ingredients (AI) in manufacturing wastewater. IMPORTANCE FOR BAYER: Water quality is very important for us as well as the achievement of water security, taking into consideration our total discharges of 34,919 megaliters in 2023. Due to different regional standards, Bayer sets its own targets for AI in manufacturing wastewater. This improved wastewater quality that goes beyond compliance protects Bayer from public discussions about water pollution.		RISK ASSESSMENT as key indicator for the progress of implementation. ii) The THRESHOLD FOR SUCCESS is the establishment and company-wide implementation of the threshold values related to AI concentration levels. The goal is to complete assessments of effluent/wastewater of 90% of our manufactured and formulated AI by the end of 2023. iii) PROGRESS: All sites have until 2023 to complete their assessments from July 2020 on. As of December 2023, we had around 80% of all evaluations done, with 90% of the results being positive. Re-evaluations must be done after 5 years or any major operation changes.	and PNECs (Predicited No Effect Concentrations derived from ecotoxicological studies), according to a guideline by AESGP, EFPIA and Medicines for Europe. These assessments are the basis for defining new threshold values of AI emissions and for enhancements of effluent treatment where needed, e.g. by applying alternative means of disposing of product-containing wastewater such as incineration, distillation or chemical treatment.

Target Water Pollution II

Target reference number	Target coverage	Category of target & Quantitative metric	Date target was set
• Target 2	• Product level	• Reduction of hazardous substance use	10.12.2019

End date of base year	Base year figure	End date of target year	Target year figure	Reporting year figure	Target status in reporting year	% of target achieved relative to base year	Global environmental treaties/initiatives/ frameworks aligned with or supported by this target
31.12.2018	246.21	31.12.2030	172.35	216.66	• Underway	40	• Sustainable Development Goal 6

Explain target coverage and identify any exclusions	Plan for achieving target, and progress made to the end of the reporting year	Actions which contributed most to achieving or maintaining this target	Further details of target

Bayer adopted a methodology for crop protection environmental impact reduction (CP EIR) and made a commitment to reducing the environmental impact of our crop protection products. Specifically, we aim to reduce the treated-area-weighted environmental impact per hectare of Bayer's global crop protection portfolio by 30% by 2030 against a 2014–2018 average baseline. All Bayer crop protection product applications that are characterizable by PestLCI and USEtox® and used in the field globally, are in the scope of our commitment to reducing the environmental impact of our global crop protection portfolio.	Based on the data collected between 2018 to 2022, Bayer has reduced the treated-area-weighted environmental impact per hectare of our global crop protection portfolio by 12% against the 2014 – 2018 baseline. The reduction was mainly the result of changes in our crop protection product portfolio in recent years. New innovative products being launched will help us to reduce our CP impact further.	N/A	For the EIR target, we are using two externally developed consensus models: PestLCI has been developed and established by the Technical University of Denmark (DTU) in coopera-tion with other institutes and organizations since 2006. PestLCI estimates the quantity of an active ingre-dient emitted into the surrounding environment with the application of a crop protection product in the field, taking into account all contributing processes. This model and its underlying methodology is public-ly accessible through the Technical University of Denmark (https://orbit.dtu.dk/en/publications). USEtox® has been developed under the auspices of UNEP-SETAC in cooperation with various universities and institutions since 2008. USEtox® determines concentrations in the surrounding environment and the potential impact the crop protection products could have on the aquatic ecosystems (defined as the potential effect on nontarget aquatic organisms). USEtox® is also recommended by the European Commission as a model for the analysis of products' life cycles and environmental footprint.

Target Water Withdrawals

Target reference number	Target coverage	Category of target & Quantitative metric	Date target was set
• Target 3	• Product level	Water withdrawals • Reduction in total water withdrawals	01.01.2022

End date of base year	Base year figure	End date of target year	Target year figure	Reporting year figure	Target status in reporting year	% of target achieved relative to base year	Global environmental treaties/initiatives/ frameworks aligned with or supported by this target
31.12.2021	100	31.12.2030	75	100	• Underway	0%	• Sustainable Development Goal 6

Explain target coverage and identify any exclusions	Plan for achieving target, and progress made to the end of the reporting year	Actions which contributed most to achieving or maintaining this target	Further details of target
Bayer is committed on driving positive change in water productivity in water scarce regional cropping systems - starting with rice where we commit to improve water use per kg of crop by 25% in 2030 by transforming rice cropping system for our smallholder customers in the relevant regions where Bayer operates. Cultivated on 160 M hectares, rice is the third most grown crop in the world and a staple food for more than half the world's population who depend on it as their	Over the next two decades, moving to a more economically viable and sustainable rice production method will be inevitable if we are to ensure its availability, mitigate climate change and improve the quality of life of smallholder rice farmers around the world. One of the most promising solutions to these challenges is Direct Seeded Rice (DSR) which can enable a shift from a conventional	N/A	Intensity target (figures in %)

main source of daily nutrition. It is grown by 150 million smallholders worldwide and constitutes a source of livelihood for millions of farmers and their families. Rice has a considerable environmental footprint; it represents 12 % of methane emissions worldwide and uses up to 30% of the world water withdrawals. When we zoom in more closely to Asia as the major rice production region, the numbers are more staggering as 80% of the water withdrawal is used by agriculture ~ 50% of which is for rice production.	resource intensive system (land, water, energy and labor intensive) to a more modern, technology driven cultivation system. We want to use our leadership and expertise in Crop Protection, Seeds and Digital Farming Solutions to shape the transition to DSR by developing a crop system able to transform rice cultivation, tailored to farmers' needs, able to generate value for our business and optimize the water footprint of rice production.		

Target Water, Sanitation, and Hygiene (WASH) services

Target reference number	Target coverage	Category of target & Quantitative metric	Date target was set
• Target 4	• Organization-wide (direct operations only)	Water, Sanitation, and Hygiene (WASH) services • Increase in the proportion of employees using safely managed sanitation services, including a hand-washing facility with soap and water	01.01.2022

End date of base year	Base year figure	End date of target year	Target year figure	Reporting year figure	Target status in reporting year	% of target achieved relative to base year	Global environmental treaties/initiatives/ frameworks aligned with or supported by this target
31.12.2021	97	31.12.2030	100	98	• Underway	33.33	• Sustainable Development Goal 6

Explain target coverage and identify any exclusions	Plan for achieving target, and progress made to the end of the reporting year	Actions which contributed most to achieving or maintaining this target	Further details of target
Bayer is committed to providing safe drinking water, sanitation and hygiene (WASH) to all employees at its sites. Bayer will further expand its engagement to selected communities where Bayer operates. Within the Water Resilience Coalition WRC (leadership platform of the CEO Water Mandate), Bayer actively participates in the workstream WASH4WORK. All our production sites provide fully functioning WASH services to all workers, and we estimate these sites to represent over 95% of Bayer's total water usage. Since our operations include many small Crop Science farming sites worldwide and audits are conducted on a random basis, we are not able to guarantee 100% coverage yet.	We constantly monitor and assess our HSE performance including the existence of fully functioning WASH services through our audits worldwide, according to annual HSE audit programs as defined on a risk-based approach. Based on our audit experience we have estimated the figures. It's important to note that, as a company operating within the pharmaceutical industry, we are subject to stringent regulations that mandate the provision of full WASH services in ALL our production facilities. PROGRESS: In 2023, we conducted a survey to assess WASH activities of our sites in APAC and LATAM. 2023 activities included for example the installation of drinking water systems, water purifiers, community volunteering or educational programs. Through partnerships, we further drive WASH topics. Supplier evaluation was conducted by "Together for Sustainability" (TfS) and the "Pharmaceutical Supply Chain Initiative" (PSCI). WASH topics are also included in our Supplier Code of Conduct.	N/A	SPECIFIC EXAMPLES of avtivities during the reporting year: In CHINA, Bayer volunteers provided water conservation topic online courses to schools in remote areas through Bayer "Cloud-based Education Class" STEAM program. In INDONESIA, Bayer provided access to clean water (Communal Water Station) for about 600 residents. In ARGENTINA (Conusur), we installed a a reverse osmosis filter to provide drinking water & Training of a community leader, who will be in charge of distributing the water. Moreover, we provided training for families in the community to promote hygiene and water care habits. In BRAZIL, we planted 150 seedlings to protect springs in the Pequis neighborhood and gave talks about the importance of water in hour

			homes and business with the community. In COLOMBIA, Bayer volunteers joined a Beach Cleaning Day.

Target Other

Target reference number	Target coverage	Category of target & Quantitative metric	Date target was set
• Target 5	• Organization-wide (direct operations only)	Monitoring of water use • Other monitoring water use, please specify: % of sites with water management systems in stressed areas by 2030 (validated)	01.01.2021

End date of base year	Base year figure	End date of target year	Target year figure	Reporting year figure	Target status in reporting year	% of target achieved relative to base year	Global environmental treaties/initiatives/ frameworks aligned with or supported by this target
31.12.2020	0	31.12.2023	100	100	• Achieved and maintained	N/A	• Sustainable Development Goal 6

Explain target coverage and identify any exclusions	Plan for achieving target, and progress made to the end of the reporting year	Actions which contributed most to achieving or maintaining this target	Further details of target
In 2020, our target to establish water management at all sites in (current) water-scarce areas was achieved. As water is a local issue, our individual sites have set local targets. In 2021, Bayer used the Aqueduct Water Risk Atlas to ascertain whether all our sites that are located in areas threatened by water scarcity by 2030 have a water management system. We set the target, that by 2023, 100% of these sites have established suitable water management systems.	N/A	Using a monitoring tool developed by Bayer, the corporate Public Affairs, Science, Sustainability & HSE (PASS&HSE) function analyzes the site data at corporate level including a site-specific risk review and progress analysis. At the end of 2023, 100% of the relevant sites had an established water management system, validated by a systematic evaluation by an external consultant.	N/A

Module 11 – Environmental Performance – Biodiversity

11.2 What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

Actions taken in the reporting period to progress your biodiversity-related commitments	Type of action taken to progress biodiversity-related commitments*
• Yes, we are taking actions to progress our biodiversity-related commitments	• Land/water protection • Land/water management • Education & awareness • Other, please specify: Stewardship such as Bayer ForwardFarming, BayerG.A.P. and Better Life Farming

11.3 Does your organization use biodiversity indicators to monitor performance across its activities?

Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
• Yes, we use indicators	• Other, please specify: Environmental Impact Reduction (EIR)

11.4 Does your organization have activities located in or near to areas important for biodiversity in the reporting year?

Type of area important for biodiversity	Indicate whether any of your organization's activities are located in or near to this type of area important for biodiversity	Comment
Legally protected areas	• No	Bayer uses the international Integrated Biodiversity Assessment Tool (IBAT), we conducted a comparison of the geographical coordinates of our 553 production sites, plant breeding stations and research sites in 2020 with those of internationally recognized protected areas within a six km distance.
UNESCO World Heritage sites	• Yes	Bayer uses the international Integrated Biodiversity Assessment Tool (IBAT). We conducted a comparison of the geographical coordinates of our 553 production sites, plant breeding stations and research sites in 2020 with those of internationally recognized protected areas within a six km distance.
UNESCO Man and the Biosphere Reserves	• Yes	Bayer uses the international Integrated Biodiversity Assessment Tool (IBAT). We conducted a comparison of the geographical coordinates of our 553 production sites, plant breeding stations and research sites in 2020 with those of internationally recognized protected areas within a six km distance.
Ramsar sites	• Yes	Bayer uses the international Integrated Biodiversity Assessment Tool (IBAT). We conducted a comparison of the geographical coordinates of our 553 production sites, plant breeding stations and research sites in 2020 with those of internationally recognized protected areas within a six km distance.

Key Biodiversity Areas	• No	Bayer uses the international Integrated Biodiversity Assessment Tool (IBAT). We conducted a comparison of the geographical coordinates of our 553 production sites, plant breeding stations and research sites in 2020 with those of internationally recognized protected areas within a six km distance.
Other areas important for biodiversity	• No	Bayer uses the international Integrated Biodiversity Assessment Tool (IBAT). We conducted a comparison of the geographical coordinates of our 553 production sites, plant breeding stations and research sites in 2020 with those of internationally recognized protected areas within a six km distance.

11.4.1 Provide details of your organization's activities in the reporting year located in or near to areas important for biodiversity.

Types of area important for biodiversity	Protected area category (IUCN classification)	Country/area	Name of the area important for biodiversity	Proximity	Area of overlap (hectares)	Briefly describe your organization's activities in the reporting year located in or near to the selected area
• Ramsar Sites	N/A	Australia	Moreton Bay	• Up to 10 km	N/A	Crop Science production site Pinkenba
• Ramsar Sites	N/A	Belgium	Schorren van de Beneden Schelde	• Up to 10 km	N/A	Crop Science production site Antwerp
• UNESCO World Heritage site	N/A	Brazil	Parque Nacional do Iguaçu	• Up to 10 km	N/A	Crop Science R&D site Cascavel AD
• UNESCO Man and the Biosphere Reserve	N/A	Brazil	Cerrado	• Up to 10 km	N/A	Crop Science R&D site Luis Eduardo Magalhaes AD and Crop Science Agricultural and Breeding station site Porto Nacional
• UNESCO Man and the Biosphere Reserve	N/A	Brazil	Caatinga	• Up to 10 km	N/A	Crop Science Agricultural and Breeding station site Petrolina
• UNESCO Man and the Biosphere Reserve	N/A	Brazil	Pantanal	• Up to 10 km	N/A	Crop Science Agricultural and Breeding station site Rondonopolis
• UNESCO Man and the Biosphere Reserve	N/A	Canada	Long Point Biosphere Reserve	• Up to 10 km	N/A	Crop Science R&D site Guelph
• UNESCO Man and the Biosphere Reserve	N/A	Colombia	Sierra Nevada de Santa Marta	• Up to 10 km	N/A	Crop Science production site Barranquilla

• UNESCO Man and the Biosphere Reserve	N/A	Costa Rica	Cordillera Volcanica Central	• Up to 10 km	N/A	Consumer Health production site Heredia
• UNESCO Man and the Biosphere Reserve	N/A	Finland	Archipelago Sea Area	• Up to 10 km	N/A	Pharmaceuticals production site, Turku and Turku PM Department
• Ramsar Sites	N/A	France	Etangs palavasiens	• Up to 10 km	N/A	Crop Science Agricultural and Breeding station site Mauguio - Montahut
• UNESCO Man and the Biosphere Reserve	N/A	Germany	Flusslandschaft Elbe	• Up to 10 km	N/A	Consumer Health production site Bitterfeld -Wolfen
• Ramsar Sites	N/A	Italy	Biviere di Gela	• Up to 10 km	N/A	Crop Science Agricultural and Breeding station site Acate
• UNESCO Man and the Biosphere Reserve	N/A	Italy	Valle del Ticino	• Up to 10 km	N/A	Pharmaceuticals production site Garbagnate Milanese
• Ramsar Sites	N/A	Italy	Lago di Fogliano	• Up to 10 km	N/A	Crop Science Agricultural and Breeding station site Latina Station
• Ramsar Sites	N/A	Mexico	Parque nacional Cañón del Sumidero	• Up to 10 km	N/A	Crop Science seed production site Chiapas
• Ramsar Sites	N/A	Mexico	Ciénegas de Lerma Mexico	• Up to 10 km	N/A	Consumer Health production site Lerma
• UNESCO Man and the Biosphere Reserve	N/A	Mexico	La Primavera	• Up to 10 km	N/A	Crop Science seed production site Zapopan
• Ramsar Sites	N/A	Netherlands	Markermeer	• Up to 10 km	N/A	Crop Science production site Enkhuizen
• UNESCO Man and the Biosphere Reserve	N/A	South Africa	Magaliesberg Biosphere Reserve	• Up to 10 km	N/A	Crop Science production site / Brits
• Ramsar Sites	N/A	South Africa	Blesbokspruit	• Up to 10 km	N/A	Crop Science production site / Nigel
• UNESCO Man and the Biosphere Reserve	N/A	South Africa	Gouritz Cluster Biosphere Reserve	• Up to 10 km	N/A	Crop Science seed production site / Oudtshoorn

• UNESCO Man and the Biosphere Reserve	N/A	Spain	Cabo de Gata-Nijar	• Up to 10 km	N/A	Crop Science Agricultural and Breeding station site / Almeria
• Ramsar Sites	N/A	Spain	Paraje Natural Punta Entinas-Sabinar	• Up to 10 km	N/A	Crop Science Agricultural and Breeding station site / El Ejido
• Ramsar Sites	N/A	USA	San Francisco Bay Estuary	• Up to 10 km	N/A	Pharmaceuticals production site / Berkeley and Pharmaceuticals R&D sites Emeryville CA & San Francisco
• UNESCO Man and the Biosphere Reserve	N/A	USA	Jornada Experimental Range	• Up to 10 km	N/A	Crop Science Agricultural and Breeding station site / Dona Ana County

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity	Mitigation measures implemented within the selected area	Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A

• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A
• Not assessed	N/A	N/A

Module 13 – Further information & sign off

13.1 Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

Other environmental information included in your CDP response is verified and/or assured by a third party	Primary reason why other environmental information included in your CDP response is not verified and/or assured by a third party	Explain why other environmental information included in your CDP response is not verified and/or assured by a third party
• Yes	n/a	n/a

13.1.1 Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Environmental issue for which data has been verified and/or assured	Disclosure module and data verified and/or assured	Verification/ assurance standard	Further details of the third-party verification/assurance process	Attach verification/ assurance evidence/ report (optional)

• Climate change
• Forests
• Water
• Biodiversity
	Identification, assessment, and management of dependencies, impacts, risks, and opportunities
	• Identification, assessment, and management processes
	• Identification of priority locations
		General standards
		• ISAE 3000
			The selected information was included in Bayer's Sustainability Report 2023. Deloitte performed a limited assurance engagement on the information in the sustainability report 2023 of Bayer AG in accordance with the International Standard on Assurance Engagements 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised), developed and approved by the IAASB (see p. 163f.).
			Within the scope of the limited assurance engagement, Deloitte performed the following procedures and other work:
			// Gaining an understanding of the structure of the sustainability organization, and of the stakeholders' engagement
			// Remote site audits for several sites as part of an investigation into
			the processes for collecting, analyzing and aggregating selected data
			// Inquiries of relevant personnel involved in the preparation of the sustainability report about the preparation process and about the internal control relating to this process
			// Identification of potential risks of material misstatement concerning the information in the sustainability report
			// Analytical evaluation of the information in the sustainability report
			// Comparison of disclosures with corresponding data in the consolidated financial statements, the annual financial statements and the combined management report
			// Assessment of the presentation of the information.
				Bayer Sustainability Report 2023

• Climate change • Forests • Water • Biodiversity	Governance • Environmental policies	General standards • ISAE 3000	The selected information was included in Bayer's Sustainability Report 2023. Deloitte performed a limited assurance engagement on the information in the sustainability report 2023 of Bayer AG in accordance with the International Standard on Assurance Engagements 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised), developed and approved by the IAASB (see p. 163f.). Within the scope of the limited assurance engagement, Deloitte performed the following procedures and other work:	Bayer Sustainability Report 2023

			// Gaining an understanding of the structure of the sustainability organization, and of the stakeholders' engagement
			// Remote site audits for several sites as part of an investigation into
			the processes for collecting, analyzing and aggregating selected data
			// Inquiries of relevant personnel involved in the preparation of the sustainability report about the preparation process and about the internal control relating to this process
			// Identification of potential risks of material misstatement concerning the information in the sustainability report
			// Analytical evaluation of the information in the sustainability report
			// Comparison of disclosures with corresponding data in the consolidated financial statements, the annual financial statements and the combined management report
			// Assessment of the presentation of the information.	

• Climate change
• Forests
• Water
	Business strategy
	• Scenario analysis
	• Supplier compliance with environmental requirements
	• Sustainable finance taxonomy aligned spending/revenue
		General standards
		• ISAE 3000
			The selected information was included in Bayer's Sustainability Report 2023 and Annual Report 2023:
			Deloitte performed a limited assurance engagement on the information in the sustainability report 2023 of Bayer AG in accordance with ISAE 3000 (Revised) (see p. 163f.).
			Within the scope of the limited assurance engagement, Deloitte performed the following procedures and other work:
			// Gaining an understanding of the structure of the sustainability organization, and of the stakeholders' engagement
			// Remote site audits for several sites as part of an investigation into
			the processes for collecting, analyzing and aggregating selected data
			// Inquiries of relevant personnel involved in the preparation of the sustainability report about the preparation process and about the internal control relating to this process
			// Identification of potential risks of material misstatement concerning the information in the sustainability report
			// Analytical evaluation of the information in the sustainability report
			// Comparison of disclosures with corresponding data in the consolidated financial statements, the annual financial statements and the combined management report
			// Assessment of the presentation of the information.
			
			In addition, Deloitte performed a limited assurance engagement on the following information in the combined management report of Bayer AG for the financial year from January 1 to December 31, 2023, in accordance with ISAE 3000:
			// Nonfinancial Group Targets Through 2030
			// Disclosures on the implementation of the Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 under the subsection "EU taxonomy", included in the combined management report in section 1.8.
				Bayer Sustainability Report 2023

• Climate change	Environmental performance – Climate change
	• Base year emissions
	• Electricity/Steam/ Heat/Cooling consumption
	• Emissions breakdown by business division
		General standards
		• ISAE 3000
			The selected information was included in Bayer's Sustainability Report 2023 and Annual Report 2023:
			Deloitte performed a limited assurance engagement on the information in the sustainability report 2023 of Bayer AG in accordance with ISAE 3000 (Revised) (see p. 163f.).
			Within the scope of the limited assurance engagement, Deloitte performed the following procedures and other work:
			// Gaining an understanding of the structure of the sustainability organization, and of the stakeholders' engagement
			// Remote site audits for several sites as part of an investigation into
			the processes for collecting, analyzing and aggregating selected data
			// Inquiries of relevant personnel involved in the preparation of the sustainability report about the preparation process and about the internal control relating to this process
			// Identification of potential risks of material misstatement concerning the information in the sustainability report
			// Analytical evaluation of the information in the sustainability report
				Bayer Sustainability Report 2023

	• Methane emissions
	• Progress against targets
	• Renewable Electricity/Steam/ Heat/Cooling consumption
	• Target-setting methodology
	• Waste data
	• Year on year change in absolute emissions (Scope 1 and 2)
	• Year on year change in absolute emissions (Scope 3)
	• Year on year change in emissions intensity (Scope 1 and 2)
	• Year on year change in emissions intensity (Scope 3)
			// Comparison of disclosures with corresponding data in the consolidated financial statements, the annual financial statements and the combined management report
			// Assessment of the presentation of the information.
			
			In addition, Deloitte performed a limited assurance engagement on the following information in the combined management report of Bayer AG for the financial year from January 1 to December 31, 2023, in accordance with ISAE 3000:
			// Nonfinancial Group Targets Through 2030
			// Disclosures on the implementation of the Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020, on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 under the subsection “EU taxonomy”, included in the combined management report in section 1.8.	

• Water	Environmental performance – Water security
	• Emissions to water in the reporting year
	• Facilities with water-related dependencies, impacts, risks and opportunities
	• Volume withdrawn from areas with water stress (megaliters)
	• Water consumption– total volume
		General standards
		• ISAE 3000
			The selected information was included in Bayer’s Sustainability Report 2023.
			Deloitte performed a limited assurance engagement on the information in the sustainability report 2023 of Bayer AG in accordance with the International Standard on Assurance Engagements 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised), developed and approved by the IAASB (see p. 163f.).
			Within the scope of the limited assurance engagement, Deloitte performed
			the following procedures and other work:
			// Gaining an understanding of the structure of the sustainability organization, and of the stakeholders’ engagement
			// Remote site audits for several sites as part of an investigation into
			the processes for collecting, analyzing and aggregating selected data
			// Inquiries of relevant personnel involved in the preparation of the sustainability report about the preparation process and about the internal control relating to this process
			// Identification of potential risks of material misstatement concerning the information in the sustainability report
			// Analytical evaluation of the information in the sustainability report
			// Comparison of disclosures with corresponding data in the consolidated financial statements, the annual financial statements and the combined management report
			// Assessment of the presentation of the information.
				Bayer Sustainability Report 2023

	• Water discharges– total volumes • Water discharges – volumes by destination • Water discharges – volumes by treatment method • Water withdrawals– total volumes • Water withdrawals – volumes by source			

• Forest	Environmental performance – Forests
	• Ecosystem restoration and long-term protection projects
		General standards
		• ISAE 3000
			The selected information was included in Bayer's Sustainability Report 2023. Deloitte performed a limited assurance engagement on the information in the sustainability report 2023 of Bayer AG in accordance with ISAE 3000 (Revised) (see p. 163f.). Within the scope of the limited assurance engagement, Deloitte performed the following procedures and other work:
			// Gaining an understanding of the structure of the sustainability organization, and of the stakeholders' engagement
			// Remote site audits for several sites as part of an investigation into the processes for collecting, analyzing and aggregating selected data
			// Inquiries of relevant personnel involved in the preparation of the sustainability report
			// Identification of potential risks of material misstatement concerning the information in the sustainability report
			// Analytical evaluation of the information in the sustainability report
			// Comparison of disclosures with corresponding data in the consolidated financial statements, the annual financial statements and the combined management report
			// Assessment of the presentation of the information.
			
			OTHER FOREST VERIFICATION STANDARDS:
			VCS & CCB/ REDD+:
			Example from a Brazilian forest project: This project focuses on the protection of accessible and inaccessible forest areas. To achieve permanent surveillance, the project employs local village members who live within the project region. To qualify them, they receive special training in forest management and monitoring. Regular reports will locate existing agricultural areas to identify areas that may have been newly deforested.
			
			Bureau Veritas and Rural Environmental Registry (CAR)
			PRO Carbono Commodities: The shipment of soybean produced with a measured footprint is audited by Bureau Veritas and delivered to ADM with origin qualification, containing traceable information on production and calculation of emissions, and in accordance with socio-environmental standards.
				Bayer Sustainability Report 2023

13.2 Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Further information for 2.2.2 (FORESTS):

Understanding the value of tropical forests and regenerative agriculture

From 2023 to 2027, the Amazon Research Institute (IPAM) and the Woodwell Climate Research Center will delve into the interrelationship between agriculture and natural vegetation conservation in the Amazon and Cerrado biomes. With a 1.7 million € investment from Bayer, the researchers will assess the value of the ecosystem services that forests, and regenerative agricultural practices provide to agriculture. This research will contribute to improve landscape planning, helping farmers support forest conservation.

FURTHER INFORMATION FOR 2.5:

The corporate directive on the assessment of chemical substances aligns with international regulations, including the EU's REACH and CLP regulations, ensuring substances are properly classified, labeled, and registered before being marketed. Safety data sheets (SDS) play a crucial role in communicating hazard information, adhering to the Globally Harmonized System (GHS) for classification and labeling. Additionally, the directive emphasizes compliance with national chemical inventories and registration requirements across various countries, ensuring a global standard for chemical assessment and pollution identification.

Further information for 3.1.1 and 3.6.1:

As a globally operating company, several risks and opportunities apply worldwide. As it is not possible to select “global” in the CDP Online Response System (ORS) this year, we selected our 10 largest countries of operation in the column “country/area where the risk/opportunity occurs”.

FURTHER INFORMATION FOR 5.11.9:

In addition to our climate-related customer engagement, we are also engaging in multi-stakeholder initiatives to raise awareness about the challenges and solutions within the area of agriculture and climate change.
SCOPE OF ENGAGEMENT
a) Bayer collaborates with organizations and stakeholders representing every link in the food value chain, as a lighthouse project of the World Economic Forum's (WEF) CEO Action Group to deliver on the European Green Deal. The ‘Carbon+ Farming Journey’ project takes a farmer-centric approach with partners focused on increasing the uptake of regenerative and climate-smart agriculture practices, identifying the roadblocks to adoption, designing solutions with economic, practical and ecological benefits to farmers. It will also work to develop financial tools to empower farmers in managing transition risk and recommend the right set of farmer incentives. The **European Carbon+ Farming Coalition** is an ecosystem of partners from 9 sectors (farmers associations, agribusiness, banking, digital, insurance, academic research, food processors, non-governmental organizations, and international organizations). In 2022, the coalition designed and implemented a survey that asked farmers from seven countries, making up a majority of the EU farmer base, about the main barriers to scaling climate-smart agricultural solutions. These included: challenging farm economics, lack of awareness, uneven technology adoption, and fragmentation of policies at the national level. Based on these findings, The EU Carbon+ Farming Coalition is committed to accelerating the feasibility and impact of the climate-smart transition through flagship initiatives.
b) The **World Business Council for Sustainable Development (WBCSD)** is a global multi-stakeholder platform, CEO-led of over 200 of the world’s leading sustainable businesses working collectively to accelerate the system transformations needed for a net-zero, nature positive, and more equitable future. The goal is to standardize the calculation of a product-related carbon footprint (PCF) for the chemical industry. At the same time, an approach is being developed within the value chain. The plan is to advance work with the Partnership for Carbon Transparency of WBCSD.
c) Bayer is active in the **Sustainable Markets Initiative (SMI)** and the **Agricultural Climate Markets Collaborative of the Keystone Policy Center**, in which supply chain participants, nongovernmental organizations and competitors are represented.
THRESHOLD FOR MEASURES OF SUCCESS
A report from the World Economic Forum with Deloitte and NTT Data finds that if farmers are supported to take climate-smart actions, by 2030 the EU could reduce its agricultural GHG emissions by an estimated 6%, restore soil health of over 14% of its total agricultural land, and add between EUR 1.9 billion and EUR 9.3 billion annually to farmers’ incomes. Through Bayer’s involvement in multi-stakeholder initiatives, we aim to contribute to sustainable agricultural solutions. The THRESHOLD for success is our CONTINUED AND ACTIVE INVOLVEMENT in multi-stakeholder initiatives to develop sustainable solutions.
iv) IMPACT OF ENGAGEMENT
b) Our WBCSD involvement reinforces our mission as a company that acts sustainably. We have developed agriculture- and forestry-specific scenario descriptions together with a working group of the WBCSD. c) Bayer contributed to two crucial results of these groups that are intended to create more transparency and understanding regarding approaches for regenerative farming and financial compensation for ecosystem services.

FURTHER INFORMATION FOR 7.16 and 7.30.16:

Bayer operates in 80 countries worldwide, of which 10 countries account for 96% of Bayer’s CO2e emissions (Scope 1 and Scope 2, market-based, combined). In previous years, the emissions from the remaining 70 countries, which account for 4% of Bayer’s total emissions, have been consolidated in “Rest of World” to focus our reporting on the most significant sources of emissions. As the newly introduced CDP Online Response System does not provide the possibility to report a consolidated value for the remaining 70 countries in question 7.16 yet, we consolidated these emissions within the row for the United States of America (which alone accounts for 62% of Bayer’s total emissions). In detail, the following emissions from the remaining 70 countries are included within the US values: 41,000 t CO2e Scope 1, 85,000 t CO2e Scope 2, location-based / 63,000 t CO2e Scope 2, market-based.

The same approach has been pursued for question 7.30.16. The following energy values from the remaining 70 countries are included within the US values: a) consumption of purchased electricity: 208,000 MWh, b) consumption of self-generated electricity: 11,200 MWh, c) consumption of purchased heat, steam, and cooling: 20,800 MWh, d) consumption of self-generated heat, steam, and cooling: 543,000 MWh.

FURTHER INFORMATION FOR 8.9.2:

SOY:
With a traceability system via QR Code and blockchain, Bayer provides greater transparency about the origin of the grains for the entire chain, going beyond what is currently available on the market.
OUTLOOK:
Starting next crop season, we will be able to make low-carbon products with a measured footprint available to the market. We will do this on a large scale, based on our knowledge of the soy business, and we will go a step further, through traceability, to analyze the emissions of the commodities delivered. By doing so, we can clearly see our impact on the value chain, enabling growers to reduce emissions on their farms through sustainable agriculture. As we are purchasing only soy derivatives, we cannot purchase the volumes which are certified under the PRO Carbono Commodities program.

Due to EU Deforestation Regulation (EUDR) there will be more transparency in the value chain in the future, where we will be able to trace to land plot of the origin.

FURTHER INFORMATION FOR 9.2:

2) CENTRAL: Relevant water aspects are monitored ANNUALLY via our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide monitoring tool with direct access for individual sites. The system encompasses automated controls and different workflows that have to be followed to ensure data quality. In BaySIS, all sites that are considered environmentally relevant according to pre-defined parameters ANNUALLY report water-related key performance indicators BECAUSE we consider them important for our environmental management.

FURTHER INFORMATION FOR 9.2.8:

iii) All volumes are measured and monitored in our central BAYER SITE INFORMATION SYSTEM “BaySIS”. BaySIS is a company-wide measurement and monitoring tool with both data supply and direct access for the individual sites as well as centralized controlling. Thresholds applied for comparison with previous reporting year: About the same: <5%; Lower / Higher: 5%<15%; Much lower / higher: >=15%

FURTHER INFORMATION FOR 9.13:

Our products may contain hazardous substances due to the inherent properties required for their intended use in healthcare and agriculture. These substances are utilized because of their specific beneficial effects, such as combating diseases, pests, or providing essential functionality in complex chemical processes. The presence of hazardous substances is carefully managed and justified by the need to achieve desired outcomes in product efficacy and safety for humans and the environment. Bayer adheres to strict regulatory frameworks like the REACH Regulation (EC) No. 1907/2006 and CLP regulation in the EU, and global Chemical Legislations ensuring comprehensive assessment, classification, registration, and communication of chemical substance risks. This includes detailed documentation of substance properties, toxicological, and ecotoxicological data to ensure responsible handling, usage, and disposal. The company's commitment to safety and environmental protection is demonstrated through its Corporate Directive on the Assessment of Chemical Substances, which mandates global standards for evaluating and managing the risks associated with hazardous substances in its products.

13.3 Provide the following information for the person that has signed off (approved) your CDP response.

Job title	Corresponding job category
Bayer AG Chairman of the Board of Management (CEO)	• Board chair

13.4 Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

- Yes, CDP may share our Disclosure Submission Lead contact details with the Pacific Institute