

Health for all, Hunger for none

**Sustainability
Highlight Report 2024**



Sustainability at Bayer



*“Let's be clear:
the days of constantly
setting new targets are over.
Now is the time to take
concrete action.”*

Bill Anderson,
Chairman of the Board of Management (CEO) &
Chief Sustainability Officer (CSO) of Bayer AG

Our company set off on a journey to focus the efforts of every Bayer employee solely on our bold mission: **Health for all, Hunger for none.** Those last six words aren't new to anyone who has followed Bayer over the past five years. What's new is the unrelenting focus we're dedicating to them. We want every person, project and process in the company to be centered on that aspirational mission. Through our three divisions – Pharmaceuticals, Consumer Health and Crop Science – we are uniquely positioned to support access to healthcare, food security and climate action and to promote a more sustainable agriculture. Thus, we contribute significantly to achieving the United Nations' Sustainable Development Goals (SDGs).

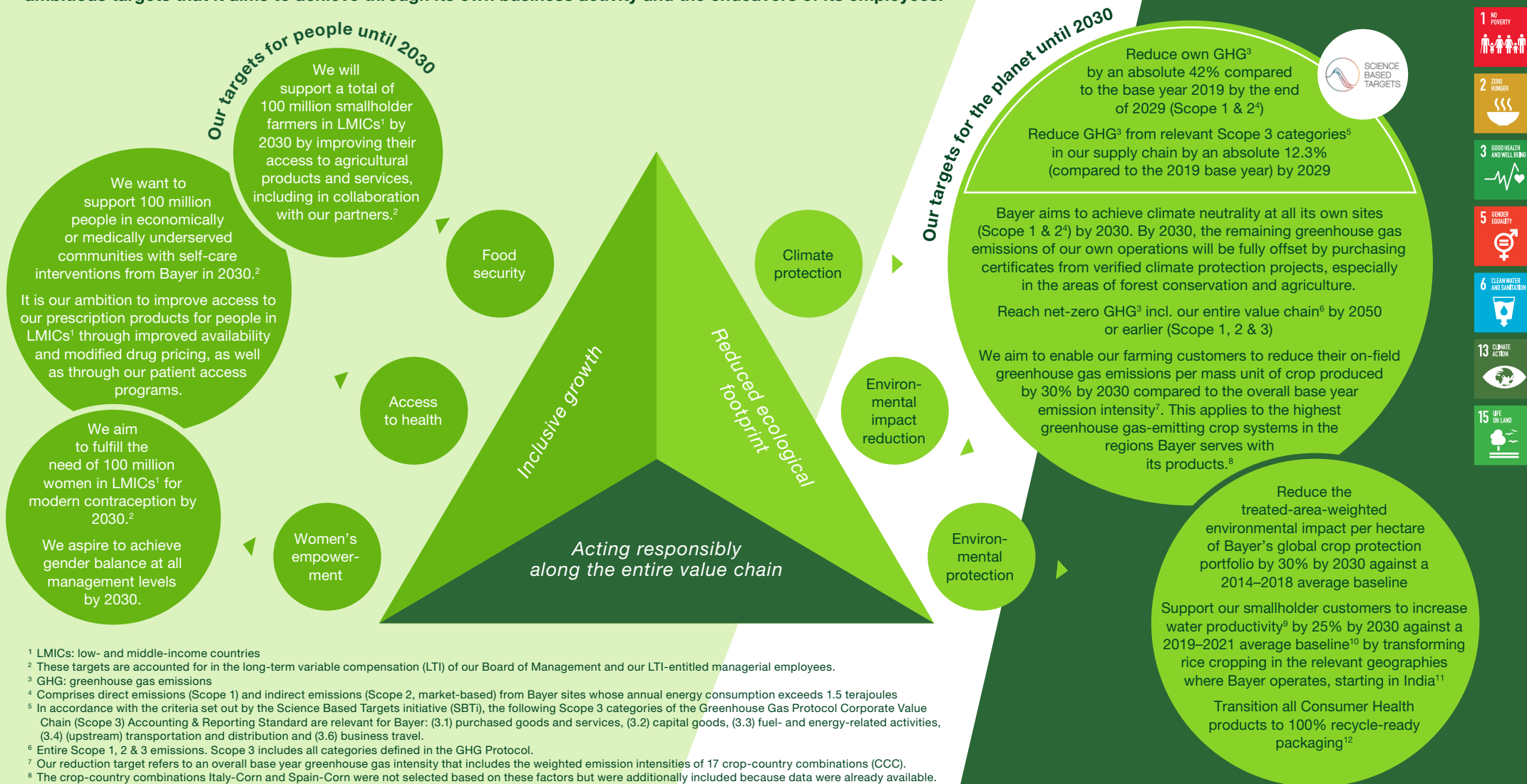
Bayer is dedicated to scientific research and technological progress – that has always been the secret of our company's success, and it is also the key to transitioning to a sustainable economy. And even in turbulent times, we stay on track: We promised to reach our ambitious sustainability targets and continue working toward them. In line with our corporate mission of “Health for all, Hunger for none,” sustainability is central to everything we do and enables us to create inclusive growth and value for society.

But no one can do it all alone. The people of Team Bayer are committed to doing their part. If there's one thing I've witnessed from my colleagues in my first year with the company, it's been their deep passion to benefit people and the earth with their work. Additionally, we believe in and rely on building strong partnerships along our value chains. That's why we collaborate with our partners in initiatives across the globe to achieve our sustainability goals.

Through our expertise and solutions, we want to make an important contribution – guided by the SDGs and the principles of the UN Global Compact. And we report on sustainability in alignment with internationally recognized frameworks and standards.

Health for all, Hunger for none

A growing world population and the increasing burden on natural ecosystems are among the biggest challenges humanity is facing. As a global leader in healthcare and nutrition, Bayer can contribute more than any other enterprise to solving global challenges through its business. With this goal in mind, Bayer is committed to ambitious targets that it aims to achieve through its own business activity and the endeavors of its employees.



¹ LMICs: low- and middle-income countries

² These targets are accounted for in the long-term variable compensation (LTI) of our Board of Management and our LTI-entitled managerial employees.

³ GHG: greenhouse gas emissions

⁴ Comprises direct emissions (Scope 1) and indirect emissions (Scope 2, market-based) from Bayer sites whose annual energy consumption exceeds 1.5 terajoules

⁵ In accordance with the criteria set out by the Science Based Targets initiative (SBTi), the following Scope 3 categories of the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting & Reporting Standard are relevant for Bayer: (3.1) purchased goods and services, (3.2) capital goods, (3.3) fuel- and energy-related activities, (3.4) (upstream) transportation and distribution and (3.6) business travel.

⁶ Entire Scope 1, 2 & 3 emissions. Scope 3 includes all categories defined in the GHG Protocol.

⁷ Our reduction target refers to an overall base year greenhouse gas intensity that includes the weighted emission intensities of 17 crop-country combinations (CCC).

⁸ The crop-country combinations Italy-Corn and Spain-Corn were not selected based on these factors but were additionally included because data were already available.

⁹ Water productivity is defined as kg of crop yield per volume of water applied (kg/m³).

¹⁰ Baseline validation still ongoing

¹¹ Our water target is currently focusing on the DirectAcres Initiative, which aims at supporting farmers shift successfully from transplanted puddled rice to mechanized direct seeded rice.

¹² Where safety permits and regulations allow

Access to healthcare

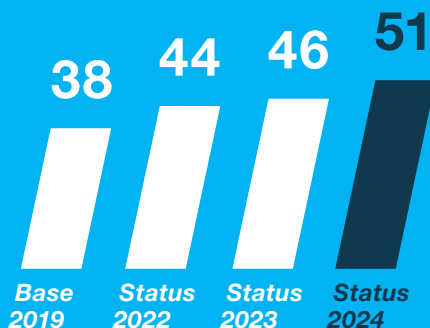
Modern contraception



Target 2030: Fulfill the need of **100 million women** in LMICs for modern contraception¹

Key figure in million

Number of women reached in LMICs who have their need for modern contraception fulfilled due to interventions supported by Bayer



Partnerships: The Challenge Initiative (TCI), World Contraception Day



Europe/
Middle East/Africa

~32 million
women reached
in 2024

Latin America

~9 million
women reached
in 2024

Asia/Pacific

~10 million
women reached
in 2024

We support individual health and well-being. This applies particularly to our world-leading products in women's healthcare, including contraception. Family planning greatly improves the opportunity for girls and young women to complete their education and find employment. This, in turn, contributes to more equality and affluence, which plays a crucial role in improving health, as well as reducing poverty and hunger. Therefore, access to modern contraceptives is essential for future economic and social development.

¹ We aim to fulfill the need of 100 million women in low- and middle-income countries (LMICs) for modern contraception by 2030.

Access to healthcare

Self-care

Over half of the world's population lacks access to basic medical care. That's why we are adapting our brands, products and solutions to meet the medical, pricing, packaging and distribution needs of people in underserved communities. We are developing and expanding our self-care education offerings in order to provide people with the information and tools that they need to make well-founded decisions about their own health and that of their families.

Europe/
Middle East/Africa

~13 million

people supported
in 2024

North America
and Latin America

~26 million

people supported
in 2024

Asia / Pacific

~34 million

people supported
in 2024

¹ We want to support 100 million people in economically or medically underserved communities with self-care interventions from Bayer in 2030.

² Including our strategic investments in India

³ Target-relevant Score

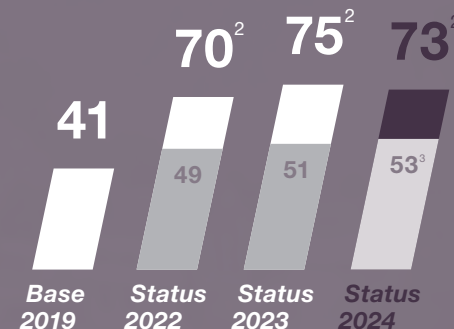


Target 2030: Support **100 million people** in economically or medically underserved communities with self-care¹

Key figure in million

Number of people in economically or medically underserved communities whose self-care is supported by interventions from Bayer

Partnership: Vitamin Angels



Food security

Africa / Middle East

~13 million

smallholder farmers reached in 2024

Focus crops:
corn, cereals,
vegetables,
cotton

Focus crops:
corn, vegetables,
fruits, potatoes

Latin America

~2 million

smallholder farmers reached in 2024

Asia / Pacific

~38 million

smallholder farmers reached in 2024

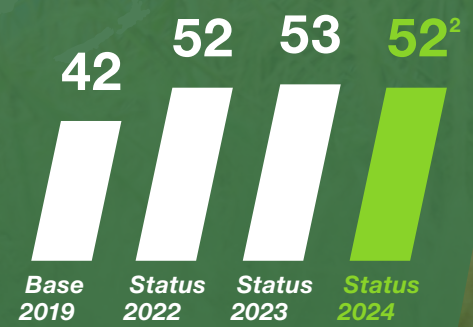
Focus crops:
rice, vegetables,
cotton, corn

Target 2030: Support 100 million smallholder farmers in LMICs¹



Key figure in million

Number of smallholder farmers in LMICs supported by products, services and partnerships



By 2050, the world's population is expected to grow by two billion, all of whom need access to high-quality and nutritious food. In the face of climate variability and evolving pest and disease pressures, we need a food system that is sustainably productive for farmers, consumers and the planet. Bayer helps farmers to cultivate enough food for a growing population, improving food security while at the same time offering solutions to keep agricultural products firm and fresh until they reach the consumer.

¹ We will support a total of 100 million smallholder farmers in low- and middle-income countries (LMICs) by 2030 by improving their access to agricultural products and services, including in collaboration with our partners.
² Calculated according to commercial rounding principles

Crop protection

Environmental Impact Reduction

Reduce the treated-area-weighted environmental impact of Bayer's global crop protection portfolio by 2030 by

– 30%

Crop protection, next to fertilizers and breeding advancements, has helped humanity to feed an ever-growing population while limiting the increase of arable land, which is a vital step in helping minimize land use change. Yet crop protection products do not just increase yield – they also have an environmental impact when applied to fields. The prerequisite for placing crop protection products on the market is clear proof of efficacy, while ensuring no effects on human health and only an acceptable impact on the environment.

Crop protection products are therefore highly regulated by governmental authorities. Bayer consistently seeks to develop and offer crop protection products that have the same or better benefits for farmers, while having less impact on the environment.

We adopted a methodology for crop protection environmental impact reduction and set a target to reduce 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.

Based on the data collected between 2019–2023, Bayer has reduced the treated-area-weighted environmental impact per hectare of our global crop protection portfolio by 13% against the 2014–2018 baseline. The reduction was mainly the result of changes in our crop protection product portfolio in recent years.

¹ Water productivity is defined as kg of crop yield per volume of water applied (kg/m³)

² Baseline validation still ongoing

³ Our water target is currently focusing on the DirectAcres Initiative, which aims at supporting farmers shift successfully from transplanted puddled rice to mechanized direct seeded rice

Transforming rice cropping

We aim to support our smallholder customers to increase water productivity¹ by 25% by 2030 against a 2019–2021 average baseline² by transforming rice cropping in the relevant geographies where Bayer operates, starting in India.³

Rice is one of the most important staple foods for billions of people around the world. But today, a large majority of the world's rice crop is produced using transplanted puddled rice cultivation practices that are especially water- and labor-intensive and contribute to global greenhouse gas emissions. Indeed, rice is responsible for up to 43% of global freshwater use in irrigation and 10 to 12% of global methane emissions.

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).

Climate program

Our own operations

Climate change mitigation and adaptation are a top priority at Bayer. We support the Paris Agreement and the objective of limiting global warming to 1.5 °C relative to the pre-industrial level. We have defined a clear climate strategy and set a target to achieve “net-zero” greenhouse gas (GHG) emissions across our value chain by 2050 reducing emissions by 90% from a 2019 base year. The residual emissions (10%) will be counterbalanced by permanent carbon removal credits. We have also committed to achieve climate neutrality by 2030. This means that we commit to reduce absolute scope 1 and 2 GHG emissions by 42% by 2029 from a 2019 base year. The remaining greenhouse gas emissions of our own operations (Scope 1 & 2) will be fully offset by purchasing certificates from verified climate protection projects, especially in the areas of forest conservation, afforestation and agriculture.

Target to become climate-neutral

Validated by the Science Based Targets initiative (SBTi), we aim to reduce our own GHG emissions by absolute 42% compared to the base year 2019 by the end of 2029 (Scope 1 & 2)¹. We are working to achieve this through efficiency measures, process and portfolio innovation, and by switching to renewable energies and offsetting our remaining emissions.

100%
renewable electricity by 2030
2024: 35.4% renewable electricity

Climate neutrality
by **2030**

Joining global efforts to reduce GHG

We aim to reduce our GHG emissions. But as a manufacturing company, some emissions cannot be avoided. Bayer aims to achieve climate neutrality at all its own sites (Scope 1 & 2¹) by 2030. By 2030, the remaining greenhouse gas emissions of our own operations will be fully offset by purchasing certificates from verified climate protection projects, especially in the areas of forest conservation and agriculture.

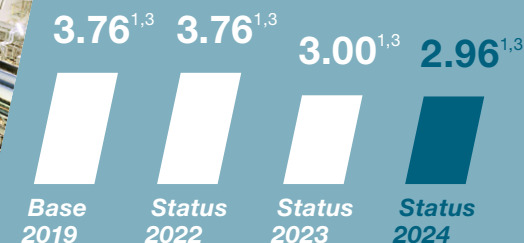
2029: Reduce
emissions by

-42%^{1,2}

2024: Emissions reduced by 21.3%^{1,2}

Pathway to reduction

We focus on reducing GHG emissions associated with our own operations and on strengthening the resilience of our business areas.



¹ Comprises direct emissions (Scope 1) and indirect emissions (Scope 2, market-based) from Bayer sites whose annual energy consumption exceeds 1.5 terajoules

² Base year 2019

³ In million metric tons of CO₂ equivalents (CO₂e)

in **2030** **Climate neutrality**

Climate program

Value chain

A large part of our greenhouse gas (GHG) emissions occurs in our upstream and downstream value chain. To minimize these emissions, innovation and collaboration is key.

Clear targets for our value chain

In the future we want to achieve a 25% reduction in Scope 3 greenhouse gas emissions by 2029 (compared to the base year 2019). This updated target for reducing Scope 3 greenhouse gas emissions was validated by the SBTi at the end of 2024. This reduction will be based on a different number of relevant Scope 3 categories¹ including the upstream and downstream value chain², thus going beyond the five categories we were using in the last years. We will publish more details on this over the course of 2025.

By 2030: Enable our farming customers to reduce their on-field greenhouse gas emissions by

– 30%



Reduce GHG emissions
by 2029 by

– 12.3%^{1,3}

2024: Emissions reduced by 12.7%^{1,3}

Enabling a climate-smart agriculture

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 intensity⁴. This applies to the highest greenhouse gas-emitting crop systems in the regions Bayer serves with its products⁵. To achieve our target, we foster the adoption of regenerative agriculture practices and technologies by our farming customers. Based on the data collected for harvest years 2022 or 2023 (depending on the base year for the respective crop-country combination), our overall customers' greenhouse gas intensity weighted across all crop-country combinations in the scope of our commitment was reduced by 9% against the overall weighted base year greenhouse gas intensity of 726 kilograms CO₂e per metric ton of crop produced. The reduction was mainly driven by lower greenhouse gas intensity for India-Rice.

¹ The reduction is based on the five categories of Scope 3 greenhouse gas emissions according to the GHG Protocol that are relevant for us: (3.1) purchased goods and services, (3.2) capital goods, (3.3) fuel- and energy-related activities, (3.4) upstream transportation and distribution and (3.6) business travel.

² Entire Scope 1, 2 & 3 emissions. Scope 3 includes all categories defined in the GHG Protocol.

³ Base year 2019

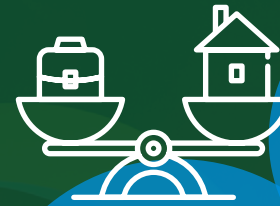
⁴ Our reduction target refers to an overall base year greenhouse gas intensity that includes the weighted emission intensities of 17 crop-country combinations (CCCs). In 2024, the CCC Australia-Cotton was removed from the scope due to the unavailability of data. Base years are defined individually for each CCC, using data from either harvest year 2021 or 2022 depending on the availability of data. Base years were adjusted in 2024 due to additional data requirements based on an updated GHG calculator methodology and lack of data availability from prior years.

⁵ The CCCs Italy-Corn and Spain-Corn were not selected based on these factors but were additionally included because data were already available.

/// ▶ by 2050 Net Zero

Working at Bayer

Bayer employs people from over 145 nations. At Bayer, we are passionate about creating a culture based on fairness and respect. Our employees can positively change the world through their work, in addition to developing themselves further. We want our company to be characterized by inclusion and diversity and to enable people of different backgrounds and skills to generate added value for our world. We offer attractive conditions and wide-ranging individual development opportunities for all employees, and bear responsibility all around the world.



Offering
parental leave
&
supporting **health**
and **well-being**
programs

Flexible

// working hours
// working locations

Safety

of our employees
is Bayer's priority

// in day-to-day work
// through safety
training



99%

employees globally
covered with
health insurance



50%

^{by 2025}

women in
management

2024: 44.1%



Total



94,081

employees in total

Women: 42.1%

Men: 57.9%

Corporate governance

Transparency

- // Transparency is key to maintaining trust.
- // We report comprehensively:
 - // [Impact Report](#)
 - // [Sustainability Statement](#)
 - // [SASB Index](#)
 - // [TCFD Report](#)
 - // [SFDR Index](#)

Corporate governance practices that go beyond the legal requirements are derived from our mission “Health for all, Hunger for none” and our common values. They are summarized in our Code of Conduct addressing topics such as human rights, compliance and fairness and respect at work.

Interaction

- // We are a trusted partner and maintain a constructive interaction with stakeholders at various levels.
- // This includes our partners, social interest groups and financial market participants.
- // We are also in close interaction with ESG rating agencies.

Compensation

Targets for inclusive growth and climate protection are part of the compensation of the Board of Management and entitled managerial employees.

Clearly defined roles and responsibilities

- // The CEO in his role as Chief Sustainability Officer (CSO) is the highest responsible person for sustainability.
- // The ESG Committee of the Supervisory Board oversees and advises the Board of Management on sustainability.
- // An independent external Sustainability Council supports the Board of Management in sustainability matters.



“The exchange with a company’s stakeholders and the understanding of their expectations is key to driving transparency efforts in a meaningful way.”

Matthias Berninger, Executive Vice President and Global Head of Public Affairs, Sustainability & Safety of Bayer AG

Facts and Figures



Over
450 projects with
>27,800 hours of
company-sponsored
volunteering



**SBTi
confirmed**
*and revalidated
our climate targets
in 2024*

Strict
prohibition
on child
and forced
labor

High track
record in
**ESG
Ratings**



More than
144,000 hours
of trainings for new
Human Rights
Policy provided

36%

*procurement spend
with advanced
decarbonization
suppliers*



More than

1,400
*supplier
assessments*



Conversion of fleet to
electric vehicles
by **2030**

Transition all
Consumer Health
products to

100%
*recycle-ready
packaging*

by **2030**



For further details please refer to:

www.bayer.com/sustainabilityreport2024

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This publication 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.