Health for all, Hunger for none

Sustainability Highlight Report 2025

Sustainability at Bayer

In 2025, we developed new ways of collaborating and supported one another through every change. Science and technological progress drive our success and enable the transition to a sustainable economy. A global turning point at the intersection of biology, chemistry and artificial intelligence creates an opportunity to align environmental goals with economic viability. Through our products and activities, we help make farming more sustainable and improve access to nutrition and healthcare – thereby enhancing people's lives. At the same time, we are reducing our own ecological footprint and that of the agricultural sector. This is our focus. 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.

"We are ALL IN for our mission – science has helped us make real progress, not in the abstract, but in ways that matter in fields, clinics and communities."

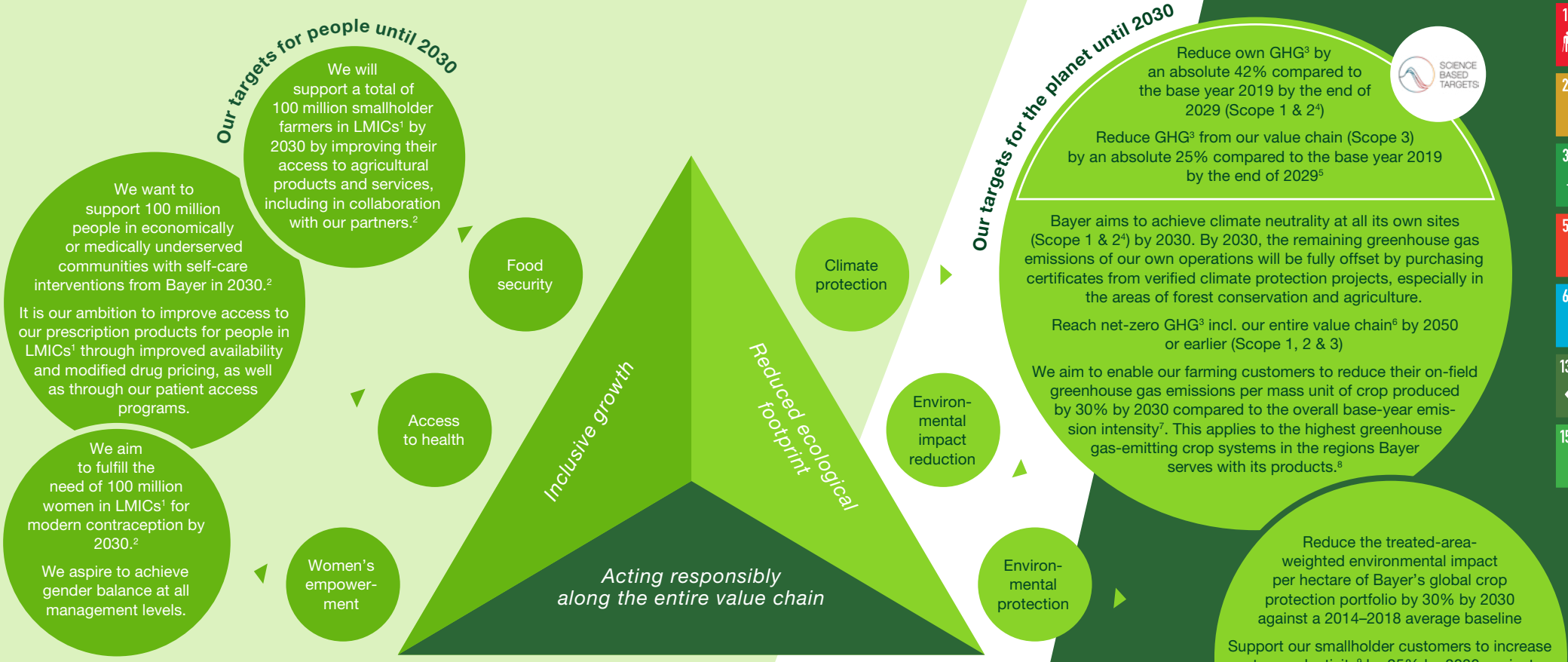
Bill Anderson,
Chairman of the Board of Management (CEO) &
Chief Sustainability Officer (CSO) of Bayer AG

Through our expertise and solutions, we want to make an important contribution to the Sustainability Development Goals (SDGs) – guided by the principles of the UN Global Compact and in keeping with our mission of "Health for all, Hunger for none." You can and should evaluate us based on the ambition again in 2026. By the way, this is what ESG rating agencies are constantly doing, and their assessment results on Bayer are better than ever before.

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, 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.

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.



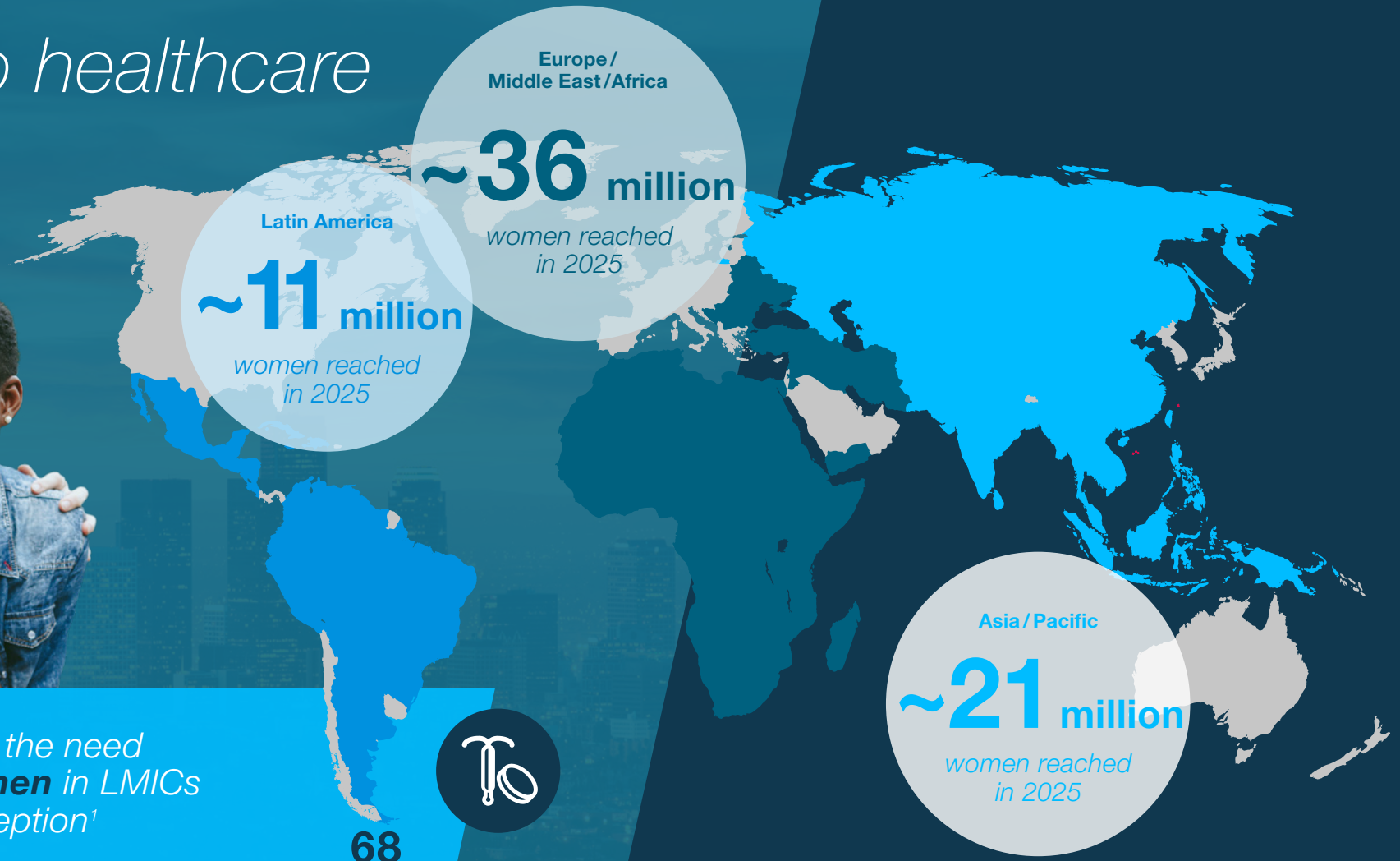
Sustainable Development Goals (SDGs) on which we have the greatest impact through our business activities

Our sustainability strategy is aligned with the global SDGs of the United Nations. From climate action to more sustainable agriculture and food security, from access to healthcare products to empowering women, we are working consistently and purposefully to reduce risks and increase our positive impact.

[1] LMICs: low- and middle-income countries; smallholder farms on <10 ha farm land
[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 (Scope 1) and indirect (Scope 2, market-based) greenhouse gas emissions from Bayer sites with an annual energy consumption exceeding 1.5 terajoules and/or annual water withdrawal greater than or equal to 50 Tm^3.
[5] In accordance with the criteria set out by the Science Based Targets initiative (SBTi) and including all Scope 3 categories. Since we do not engage in franchise activities, category (3.14) is not applicable.
[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 used (kg/m^3).
[10] Our water target is currently focusing on the Bayer DirectAcres Initiative, which aims at supporting farmers in shifting successfully from transplanted puddled rice to mechanized direct seeded rice.
[11] Where safety permits and regulations allow

Access to healthcare

Modern contraception

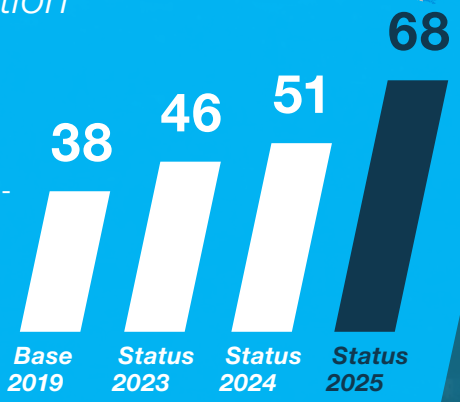


Target 2030: *Fulfill the need of* ***100 million women*** *in LMICs for modern contraception*[1]

Key figure in million

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

Increase due to improved contraceptive availability through partnerships and enhancement of digital initiatives.



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.

Certified as a Carbon Neutral Site under a Costa Rican government program for Scope 2 the largest source of greenhouse gas

Costa Rica is powered by **99%** clean energy, a big step for carbon neutral operations.

Advancing Sustainable Practices

Alajuela, Costa Rica – Climate – Conscious Practices

The site was developed following robust sustainability principles, integrating best practices throughout the design and construction phases of the infrastructure. We operate a state-of-the-art production facility that enables significant progress in our capacity to manufacture long-acting reversible contraceptives, equipped with innovative, automated packaging processes and semi-automated systems to produce pharmaceutical products.

"We ensure that sustainability is embedded in every step of our production. At the same time, this site strengthens our ability to provide affordable, high-quality contraceptives to women in low- and middle-income countries, empowering them to make informed choices and fostering economic development."

Jimmy Suazo, Site Lead, Alajuela, Costa Rica

Fulfill the need of

100 million

women in LMICs for modern contraception

Innovative Production Facility

Boosting Efficiency with Technology

Advanced production technology in Turku — including automation, robotics and digital manufacturing — enables efficient, scalable and carbon neutral production of contraceptives for global distribution. Long-acting reversible contraceptives, based on polymer-based drug delivery technology, are manufactured in Turku and exported to over 130 countries. Turning innovation and technical excellence into concrete solutions is key in helping address the global unmet need for contraception.

"Women's health is in our DNA and heritage. In Turku we combine sustainable, carbon neutral production with operational excellence to ensure a reliable supply of modern contraceptives. The expertise, skills and dedication of our employees ensure consistent, high-quality production at scale that turns innovation into better health outcomes for women and communities across the world."

Tomi Penttilä, Site Lead, Turku Supply Centre, Finland

ISO 14001 Environmental Management // ISO 45001 Occupational Health & Safety Management // ISO 50001 Energy Management

Excellence in HSE

validated by ISO certificates

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

~9 million

people supported in 2025

North America and Latin America

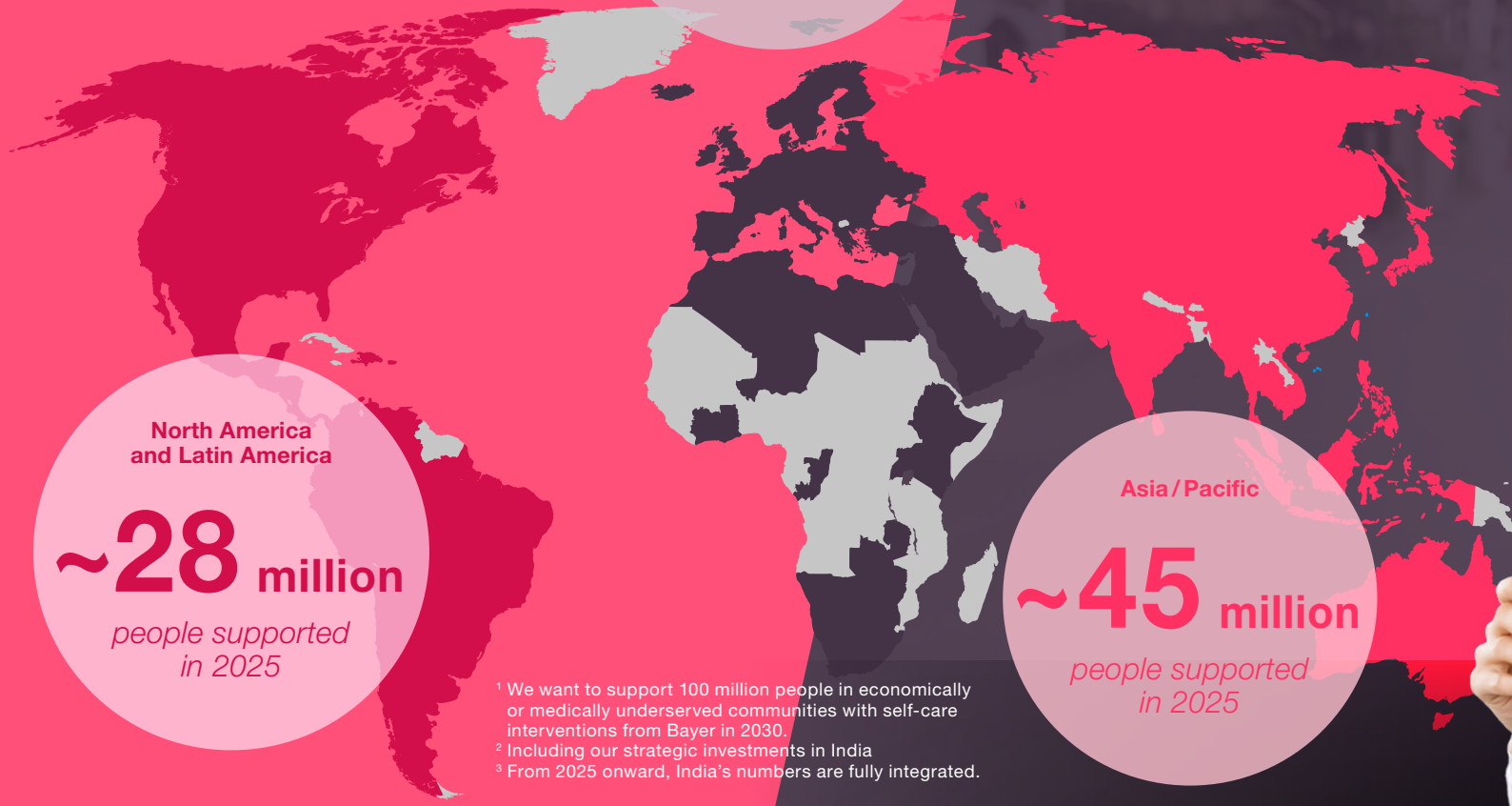
~28 million

people supported in 2025

Asia / Pacific

~45 million

people supported in 2025

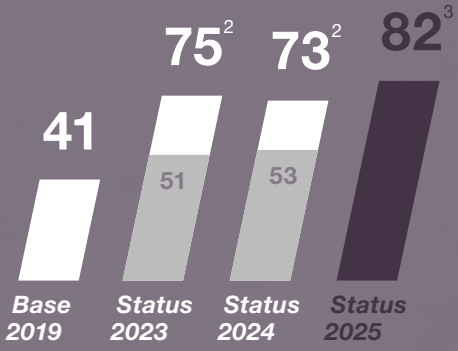


***Target 2030:** Support **100 million people** in economically or medically underserved communities with self-care[1]*

Key figure in million

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

Partnerships: Vitamin Angels, reach52, Mujer360



[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] From 2025 onward, India's numbers are fully integrated.

Food security

Africa / Middle East

~16 million

smallholder farmers reached in 2025

Focus crops: corn, cereals, vegetables, cotton

Asia / Pacific

~35 million

smallholder farmers reached in 2025

Focus crops: rice, vegetables, cotton, corn

Focus crops: corn, vegetables, fruits, potatoes

Latin America

~2 million

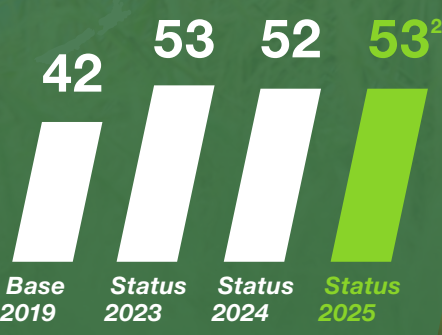
smallholder farmers reached in 2025

By 2050, the global population is projected to grow by around 2 billion, increasing demand for safe and nutritious food. Smallholder farmers in low- and middle-income countries are critical to food security, yet are exposed to climate variability, pests and diseases. Bayer strives to support 100 million smallholder farmers by 2030, improving access to products and services. Through these activities, we aim to enhance smallholder farmers' productivity, resilience and income, and thereby contribute to more secure and sustainable food systems.

Target 2030: *Support* ***100 million smallholder farmers*** *in LMICs*[1]

Key figure in million

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



[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, the biggest contributer to biodiverity loss. 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 2020–2024, Bayer has reduced the treated-area-weighted environmental impact per hectare of our global crop protection portfolio by 14% against the 2014–2018 baseline. The reduction was mainly the result of changes in our crop protection product portfolio in recent years.

Transforming rice cropping

*We aim to support our smallholder customers to increase water productivity[1] by **25%** by 2030 against a 2019–2021 average baseline through the transformation of rice cropping in the relevant geographies where Bayer operates, starting in India[2].*

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 (TPR) 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).

Based on the data collected for the year 2024, he area-weighted water productivity increased by 1%[3] against the 2019–2021 baseline. This improvement is attributed to a reduction of 24% in water use per hectare and to a 12% increase in average yield per hectare in line with the transition from transplanted rice to direct seeded rice (DSR).

[1] Water productivity is defined as kg of crop yield per volume of water used (kg/m³).
[2] Our water target is currently focusing on the Bayer DirectAcres Initiative, which aims at supporting farmers in shifting successfully from transplanted puddled rice to mechanized direct seeded rice.
[3] Target performance progress is based on data collected in 2024. The improvement for the reporting year is calculated by dividing the sum of area-weighted yield for TPR and DSR by the sum of area-weighted total water for TPR and DSR in the reporting year.

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 mitigated through long-term carbon credits. We have also committed to achieving climate neutrality by 2030. This means that we commit to reducing 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 nature-based climate solutions, especially in the areas of reforestation and afforestation.

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 constantly evaluating the most effective projects to reduce our energy consumption and overall GHG emissions through efficiency measures, process and portfolio innovation, and by switching to renewable energies and offsetting our remaining emissions.

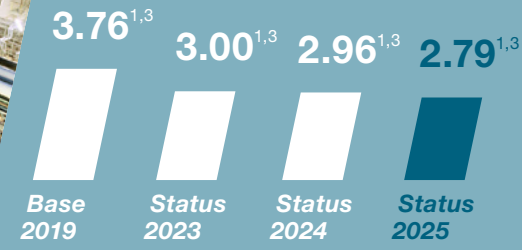
100%

renewable electricity by 2030

2025: 51.2% renewable electricity

Pathway to reduction

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



2029: Reduce emissions by **– 42%**[1,2]

2025: Emissions reduced by 25.9%[1,2]

Joining global efforts to reduce GHG

We aim to reduce our GHG emissions. However, as a manufacturing company, some emissions cannot be avoided. We aim to achieve climate neutrality at our own sites (Scope 1 & 2)[1] by 2030. By 2030, the remaining GHG emissions of our own operations will be fully offset by purchasing certificates from verified nature-based climate protection projects.

Climate neutrality by **2030**

[1] Comprises direct (Scope 1) and indirect (Scope 2, market-based) greenhouse gas emissions from Bayer sites with an annual energy consumption exceeding 1.5 terajoules and/or annual water withdrawal greater than or equal to 50 Tm³

[2] Base year 2019

[3] In million metric tons of CO_2 equivalents (CO_2e)

in 2030 **Climate neutrality**

Climate program

Value chain

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

Clear targets for our value chain

We aim to achieve a 25% reduction in Scope 3 GHG emissions by 2029 (compared to the base year 2019), a target that was revalidated by the SBTi at the end of 2024. This reduction will be based on all Scope 3 categories, thus going beyond the five categories we were using in the last years.

Reduce GHG emissions by 2029 by

–25%[2]

2025: Emissions reduced by 12%[2]

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 intensity[3]. This applies to the highest greenhouse gas-emitting crop systems in the regions Bayer serves with its products[4]. 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 2024 or 2025 (depending on the base year for the respective crop-country combination) the overall customers' greenhouse gas intensity weighted across all crop-country combinations in the scope of our target was reduced by 20% (581 kg CO_2 e/metric ton) compared to the base year of 726 kg CO_2 equivalents per metric ton of crop produced. Key drivers for improvement are primarily due to reduced GHG intensity in India rice and US cotton.

[1] Entire Scope 1, 2 & 3 emissions. Scope 3 includes all categories defined in the GHG Protocol.
[2] Base year 2019
[3] Our reduction target refers to an overall base-year greenhouse gas intensity that includes the weighted emission intensities of 17 crop-country combinations (CCCs). 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.
[4] 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 142 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 **various training programmes**

Flexible
// working hours
// working locations

Mandatory global training on **responsible AI** was completed by 95% of employees in 2025

Over 210 projects with >7,400 hours of company-sponsored *volunteering*

in 2025

44%
women in management

Total

89,237
employees in total

Women: 42.1% *Men: 57.9%*

Transparency is key

ESG rating results

// MSCI Solutions upgrade to "AA" for the first time ever
// Sustainalytics with an improved scoring to 20.2
// ISS ESG confirms "Prime" status by a B– rating

For us, the progress made up until today regarding our ESG ratings results is a very strong signal of the relevance and the acknowledgement of Bayer's sustainability strategy towards investors' and bondholders' investment decisions and it reflects our commitment to sustainability and responsible business practices.

Transparency

We report comprehensively:
// *Impact Report*
// *Sustainability Statement*
// *SASB Index*
// *TCFD Report*
// *SFDR Index*

Compensation

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

"I believe that transparency regarding targets, actions and measures, along with clear communication, is crucial for a successful transformation."

Chitkala Kalidas,
Senior Vice President and Global Head,
Environment, Social & Governance of Bayer AG

Clearly defined roles and responsibilities

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

Facts and Figures

ESG Ratings
above industry average

Strict prohibition of child and forced labor

More than
97%
of our employees completed the Code of Conduct training

Unadjusted
gender pay gap
1.32%

Safety
of our employees is Bayer's priority
// in day-to-day work
// through safety trainings

51%
of total purchased electricity from renewable energy sources

SBTi confirmed
and revalidated our climate targets

More than
11,000
suppliers screened by AI on sustainability criteria

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/sustainabilityreport2025

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