Task Force on Climate-Related Financial Disclosures (TCFD) Report

2025

Health for all, Hunger for none

Bayer reports on Climate Change in accordance with the requirements of the European Sustainability Reporting Standards (ESRS) in our Sustainability Statement in the Annual Report 2025. Bayer also supports the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) with respect to reporting on this topic. In our report, we implement the 11 recommendations of the TCFD in the four categories of Governance, Strategy, Risk Management and Metrics & Targets.

1. Governance

Management's role

The Chairman of the Board of Management (CEO) holds direct responsibility for climate protection in his role as Chief Sustainability Officer (CSO). In keeping with their level of importance, climate-change-related topics and Bayer's climate strategy were discussed at a total of two meetings with the Board of Management in 2025. The topic was also addressed at two meetings of the ESG Committee of the Supervisory Board. In addition, the Supervisory Board received a training session this year.

The attainment of our Group targets for reducing greenhouse gases by 2029 is factored into the long-term compensation (LTI) of the Board of Management and Bayer's LTI-entitled managerial employees. The compensation-relevant target is based on Bayer's necessary contribution to an SBTi-validated scenario. Climate protection is also an integral element of annual variable compensation.

The Chairman of the Board of Management (CEO) is supported in this by the Public Affairs, Science & Sustainability (PASS) Enabling Function and the sustainability departments within the divisions. The divisions handle the operational implementation of the climate protection measures at their sites with the support of the enabling functions. We have formed Group-wide working groups for the strategic and operational implementation of climate-change-related measures and a special working group to analyze various climate scenarios and their impacts on our business. In addition, the Sustainability Council that was established in 2020 advises Bayer in all matters relating to sustainability – including climate protection. In 2025, climate change and the related impacts on and opportunities for Bayer were discussed at two meetings of the Sustainability Council.

The Board of Management of Bayer AG holds overall responsibility for maintaining an effective risk management system. It examines the appropriateness and effectiveness of the risk management system at least once a year, as does the Supervisory Board's Audit Committee. In addition, a corresponding report is provided to the full Supervisory Board. The Bayer Assurance Committee is chaired by the Chief Financial Officer, with a second Board of Management member participating on a rotating basis. Besides ensuring that appropriate action is taken to control any substantial risks, the Bayer Assurance Committee regularly discusses and reviews the risk portfolio and the status of risk control measures. Responsibility for the identification, assessment, treatment and reporting of risks lies with the operational business units in the divisions and enabling functions.

Board's oversight

Bayer AG is subject to German stock corporation law and therefore has a dual governance system consisting of the Board of Management and the Supervisory Board, which manage the company based on a transparent strategy that is geared toward its long-term success and complies with applicable law and ethical standards. The Supervisory Board oversees and monitors the Board of Management. Since 2022, the Supervisory Board has had its own ESG Committee, comprising the Chairman of the Supervisory Board and seven further members of the Supervisory Board to oversee and advise the Board of Management on matters relating to sustainability.

The Board of Management of Bayer AG holds overall responsibility for maintaining an effective risk management system. It examines the appropriateness and effectiveness of the risk management system at least once a year, as does the Supervisory Board's Audit Committee. In addition, a corresponding report is provided to the full Supervisory Board.

In our Annual Report, we report in detail on the main elements of the Bayer Group's corporate governance structures and conformity with the recommendations of the German Corporate Governance Code, relevant corporate governance practices, the composition and procedures of the Board of Management, the Supervisory Board and their committees, and also on compensation in the Compensation Report along with the objectives to be defined and the underlying concepts.

For more information:
// Bayer Annual Report 2025 – A.3.2 Opportunity and Risk Report
// Bayer Sustainability Statement in the Annual Report 2025 – General Information on the Sustainability Statement

2. Strategy

2.1 Strategy, Identification and impacts

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 pre-industrial level. The Science Based Targets initiative (SBTi) has validated our target and confirms our contribution to fulfilling the Paris Agreement. We anticipate that our business areas of healthcare and agriculture will on the one hand be impacted by climate change, but on the other will also be part of the solution. In our Sustainability Statement in the Annual Report 2025 we report on the material Environmental sustainability matters of Climate change:

// Physical climate risk: disruption of the value chain and production processes due to extreme weather events and climate-related natural disasters caused or exacerbated by climate change
// Physical climate risk: decline in demand and associated losses of sales for certain products because the current product range is not fully aligned with the future requirements resulting from the effects of climate change (such as shifts in cultivation regions for certain plants and shifts in demands on products)
// Transitory climate risk: capital expenditure requirement for adaptation of product processes to our reduction targets depending on regulations, legislation or availabilities, e.g. as regards the emission of greenhouse gases during production processes (such as emissions trading systems)

Bayer's updated climate protection strategy is directly related to our double materiality assessment and is based on our scenario analysis. At the core of Bayer's climate strategy is the Transition and Transformation Plan, which was published for the first time in 2024 and represents an update of our climate program from 2020.

Our climate change mitigation strategy is directly related to our double materiality assessment and is based on our scenario analysis. At the core of Bayer's climate strategy is the Transition and Transformation Plan, which was published for the first time in 2024 and represents an update of our climate program from 2020. This plan is geared toward driving forward our climate change mitigation efforts and ensuring that our strategy and business model are commensurate with the goal of a sustainable economy and with limiting global warming to 1.5 °C compared to the preindustrial level in accordance with the Paris Agreement.

Our climate strategy comprises two subject areas – the reduction of greenhouse gas emissions (climate change mitigation) and climate change adaptation, with the latter including the issue of access to our products and services as part of the solution. Both areas are incorporated into our transition and transformation strategies.

Transition: To mitigate climate change, we are pursuing the goal of achieving net zero greenhouse gas emissions (net zero target) by 2050, including the entire value chain[1]. This means an at least 90% reduction in absolute Scope 1, 2 and 3[2] greenhouse gas emissions compared to the base year 2019[3]. We intend to offset the remaining 10% greenhouse gas emissions through long-term emission credits[4]. In our Transition and Transformation Plan, we describe reduction levers, the policy for climate protection certificates, cooperation with special interest groups and the resilience of our value chain.

Transformation: Transformation encompasses the market potentials we see in the areas of healthcare and agriculture as a result of climate change adaptation, access to our products and services, and a socially just transition. At the same time, we aspire to reduce global greenhouse gas emissions from agriculture in the long term with the offer of innovative solutions.

Through our Transition and Transformation Plan, we support the Paris Agreement and the objective of limiting global warming to 1.5 °C compared with the preindustrial level. For more information:

// Bayer Sustainability Statement in the Annual Report 2025 – E1 Climate Change
// Bayer 2025 Impact Report – Chapter 7.2 Climate
// Bayer Transition and Transformation Plan

2.2 Climate scenarios

For several years now, we have conducted a climate-based scenario analysis that covers both physical and transitory climate risks. This analysis encompasses elements of a resilience analysis and enables us to analyze the impacts, risks and opportunities of climate change for our business from various perspectives. In our analysis, we focus on the impacts on our business activities, especially in agriculture. This enables us to assess the findings relative to our company and integrate them into our business strategy, enterprise risk management system and actions. The applied climate scenarios, which assume a rise in and increasing intensity of extreme weather conditions and a shift in climatic zones, are in conformity with the climate-related assumptions in the financial statements. This is evident partly in the fact that potential financial consequences resulting for our sites due to climate-related natural events are hedged through insurance coverage to the extent customary in the industry. At the same time, we demonstrate our understanding of the need to adapt to the impacts of climate change through, for example, our research and development activities for product innovations, which are accounted for accordingly in our financial business planning. We do not currently see any restrictions on the ability to rededicate, modernize or close existing assets, shift product and service portfolios, and retrain the workforce. Indeed, we see possible opportunities for our products and services when they are used by our customers as part of climate adaptation strategies, such as in the seed business.

In 2025, we continued strategically with our established climate-related scenario analysis at a business area level. As part of our continuous improvement process, we will expand this analysis in a targeted manner in the coming years, in particular with regard to the evaluation of the climate resilience of our production sites.

[1] Total Scope 1, Scope 2 and Scope 3 greenhouse gas emissions. 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 whose annual water withdrawal is ≥ 50 Tm^3. Scope 3 includes all categories defined in the GHG Protocol.
[2] When accounting for greenhouse gases, we distinguish between Scope 1 (direct emissions from our own sources), Scope 2 (indirect emissions from the procurement of energy) and Scope 3 (indirect emissions from the entire value chain).
[3] 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 whose annual water withdrawal is ≥ 50 Tm^3. The target includes biogenic, land-related emissions and the degradation of greenhouse gases from bioenergy raw materials. For the calculation of Scope 3 greenhouse gas (GHG) emissions in the base year for the net zero target, we currently use all Scope 3 categories.
[4] The neutralization of the remaining emissions is carried out in accordance with the standards of the Science Based Targets initiative.

In the climate-related scenario analysis, which also covers the resilience of our business fields, we go beyond the 10-year horizon of our ERM system and the horizon of the double materiality assessment, and use the following time horizons:

// Short-term: through 2027
// Medium-term: from 2028 through 2035
// Long-term: from 2036 through 2050

We use the scenarios to understand the impacts of climate change on our business and to identify actions for mitigating climate-related risks and leveraging opportunities. This is how we also measure the future viability of our business areas.

Our scenario analysis, which encompasses elements of a resilience analysis, has a twofold focus:

// Overarching opportunity and risk assessment for the Bayer Group and its individual business areas, including the upstream, downstream and our own value chains
// In our Crop Science Division, we additionally use agricultural climate modeling based on a comprehensive climate change ensemble dataset to inform research, development and product strategies. This includes potential climate effects on breeding programs or the development of long-term regional product placement strategies to safeguard long-term, sustainable and profitable operations for farmers through resilient agricultural systems tailored to local climate and soil conditions.

To conduct the scenario analysis, we deployed a cross-functional and cross-divisional team to evaluate the possible impacts of climate change based on two scenarios. First of all, the scenarios were described, then the most important impact drivers were then established, and, finally, actions were defined to reduce risks and realize opportunities. Examples here include the implementation of our net zero strategy and the focus on our concept of regenerative agriculture.

We have based our scenario descriptions on Assessment Report 6 of the Intergovernmental Panel on Climate Change (IPCC) and supplemented them with further sources relevant to our business areas. The basis comprises the optimistic climate change scenario envisaging warming of below 1.5 °C – the Green Road SSP1-1.9, which equates to the fulfillment of the climate goals of the Paris Agreement (temperature increase of 1.4 °C by 2100 compared with the preindustrial age) – and a high-greenhouse-gas-emission climate scenario that reflects current global behavior – the Rocky Road SSP3-7.0 (temperature increase of 3.6 °C).

Green Road (SSP1-1.9)

// 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

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

In 2025, we also further developed our own agricultural climate model in 2025 by producing a climate change ensemble dataset based on CMIP6 (Coupled Model Intercomparison Project, or CMIP). The goal here is to enhance the usability of climate risks and opportunities in the model.

We use both scenarios, Green Road SSP1-1.9 and Rocky Road SSP3-7.0, to understand the impacts of climate change on our business and to identify measures for mitigating climate-related risks and leveraging opportunities. This is how we also assess the future viability of our business areas. We also further developed our own agricultural climate model in 2025 by producing a climate change ensemble dataset based on CMIP6 (Coupled Model Intercomparison Project, or CMIP). The goal here is to enhance the usability of climate risks and opportunities in the model.

For more information:
// Bayer Sustainability Statement in the Annual Report 2025 – E1 Climate Change
// Bayer Transition and Transformation Plan

2.3 Climate impact drivers

The results and strategic implications of the climate-related scenario analysis are directly fed into our climate strategy and thus into our Transition and Transformation Plan. Based on the scenario description, we have identified 10 impact drivers of materiality to enable us to analyze the impacts transitory and physical changes will have on our business in more detail. The transitory drivers are regulatory requirements, CO_2 prices/taxes and border adjustment, agricultural innovation and cultivation methods, commodity prices, end-consumers and customers, and food security. As regards the physical drivers, we take into account acute extreme weather events and three chronic physical drivers, namely the water cycle, diseases and temperature changes.

Separately, we assess the opportunities and risks associated with the 10 climate impact drivers shown in the graphic – in each case based on the various time horizons and on the Green Road and Rocky Road scenarios.

Below, we provide insight into the assessments of the individual climate impact drivers.

Impact of climate-related matters

Transitory climate impact drivers: Through our strategy for decarbonization, with a focus on reducing greenhouse gas emissions on the pathway to a 1.5 °C scenario, we are reducing the risk of additional costs caused by the expected regulations. At the same time, the rules, innovations and implementation in agriculture are of particular importance. We continuously analyze the further impacts of regulatory changes and integrate them into our business and planning. Depending on the varying scenarios, our customers and value chains will place different demands on our products. Carbon prices not only affect the cost structure of our value chain but could also impact demand for biomass or biofuels. We also analyzed the issues of raw material prices and food security, as high uncertainty is expected here, particularly in a Rocky Road scenario.

Climate Impact Drivers		Short term (2024–2027)		Medium term (2028–2035)		Long term (2035–2050)	
		Risk	Opportunity	Risk	Opportunity	Risk	Opportunity
Transition impact drivers							
Laws, regulations, policies							
Carbon taxation/pricing, carbon border adjustment and offsetting							
Agricultural innovation and practices							
Commodity prices							
End customer/customer/market							
Food security							
Acute physical impact drivers							
Extreme weather events							
Chronic physical impact drivers							
Permanent water cycle							
Diseases							
Temperature							

The Green Road (SSP1-1.9) = The Rocky Road (SSP3-7.0) = Relevance = low high

Acute physical climate impact drivers: Within the context of the scenarios observed, all climate models anticipate an increase in extreme weather conditions (such as drought, heavy rains and storms) that present an elevated risk of crop losses and therefore also pose risks for the agricultural value chain as a whole. In addition to risks, however, climate change can also create opportunities for our business. Our 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. Through breeding, we have succeeded in developing seed hybrids that enable the growth of

shorter corn plants that have the potential to not bend or break (agronomists call this root and stalk lodging) as easily as corn plants of regular height in the presence of strong winds or heavy rain. Losses in the United States due to bent (lodged) plants amount to between 5% and 25% a year, depending on the severity of weather events. We also enable farmers to react better and more quickly to extreme weather conditions with our FieldView™ digital farming platform.

Chronic physical climate impact drivers: Climate change brings a wide range of challenges in the context of chronic physical climate risks, especially for agriculture and human health. In agriculture, long-term effects such as shifts in the water cycle (e.g. wetter or drier climates, delayed monsoon seasons), increased spread of diseases and insect pests, and temperature-driven coupling effects pose significant risks to productivity and thereby to food security. To address these, we are developing strategies that help farmers strengthen their resilience – through advanced climate modeling, tailored agronomic solutions and support for reducing greenhouse gas emissions – while enabling healthy crop cultivation. Recognizing that no one-size-fits-all solution exists in agriculture, we offer a diverse portfolio of options adapted to local conditions. On the health front, climate change may intensify risks such as cardiovascular disease due to hotter summers and more frequent heatwaves. We help tackle these emerging health challenges by advancing innovative therapies and preventive solutions to support climate-resilient healthcare.

For more information:
// Bayer Sustainability Statement in the Annual Report 2025 – E1 Climate Change
// Bayer Transition and Transformation Plan

Integration into the business strategy

The results of the scenario analysis are regularly reviewed within the scope of our ERM system. Mitigation measures are established in the respective divisions or enabling functions. Given our current understanding, our scenario analysis did not identify any business activities that are incompatible with the transition to a climate-neutral economy. We will expand and refine our scenario description and analysis specific to the sites in 2026 and thereafter. At the same time, we are deepening our analytical skills and expanding our climate models, for example to better understand how various climatic zones are changing. We expect this to enable us to optimally describe the challenges and opportunities for the future so that we can deduce short-, medium- and long-term mitigation steps.

With regard to climate change, we have both positive and negative impacts, risks and opportunities. Global agriculture and food systems in particular are confronted with major challenges, such as climate change (particularly through adaptation), water scarcity and population growth. We promote a concept of regenerative agriculture (mainly downstream in our value chain). Our concept of regenerative agriculture is an outcome-based production model based on two key building blocks: productivity, which focuses on helping farms to produce more with less, and regeneration, which focuses on delivering a positive impact on nature. Key outcomes we strive for are yield increase and improved social and economic well-being of farmers and communities, and positive impact on nature. Key outcomes we strive for are yield increase and improved social and economic well-being of farmers and communities, and positive impact on nature, which can be achieved, for instance, by improving soil health, reducing on-field greenhouse gas emissions, and increasing carbon capture to mitigate climate change. The products and services we offer help farmers to optimally utilize their farmland, and thus contribute to food security and better adapt local agriculture to the respective environmental conditions going forward. We are only at the beginning of our journey toward regenerative agriculture. We also realize there is not one single solution for every farm, but instead a combination of different solutions that deliver a regenerative agriculture system and its benefits. Some of the innovations and solutions we have developed have the potential to advance the future of regenerative farming (e.g. short-stature corn, hybrid wheat, direct seeded rice).

In the area of climate change, we face various risks and opportunities that could impact our operating activities. There are acute and chronic physical and transitory risks that could lead to a reduction in demand and corresponding sales losses for certain products in case the current product portfolio does not meet changed customer requirements related to the effects of climate change (e.g. shift in production zones, altered product requirements). In addition, extreme weather events and climate-related natural disasters are causing acute physical risks that could disrupt production processes and business practices along the entire value chain.

At the same time, these challenges also result in opportunities. It is possible that extreme weather events and climate-related natural disasters could result in higher demand for products that are particularly suited to climate change adaptation in agriculture. The perception of the effects of climate change (e.g. extreme weather conditions, low water levels, rising temperatures) can also accelerate the development of new business models that help to reduce greenhouse gas emissions (including carbon farming, low-carbon products and products with low global warming potential). There is also the opportunity of increased demand for products that help to cope with the negative health effects of climate change, particularly in the prescription medicines business of our Pharmaceuticals Division.

In the area of greenhouse gas emissions reduction measures, there are transitory risks necessitating significant investment to adapt production processes to the envisaged ambition level and ensure compliance with possible new regulations, laws and guidelines, such as those related to the emission of greenhouse gases during production processes as part of emissions trading systems. In connection with our reduction targets for greenhouse gas emissions, we have assessed and budgeted for our capital expenditure requirement through 2029. The capital expenditures needed to achieve our ambitious climate target of net zero greenhouse gas emissions in 2050 are subject to various uncertainties due to the long timeframe, which is why we currently are not publishing any possible capital expenditure costs for the years after 2029. We are continuously monitoring the markets and technologies so we can respond to this risk. For more details on our capital expenditure requirements related to the reduction of greenhouse gas emissions, please see the section “Transition: reducing greenhouse gas emissions” in Chapter A 4.2.2 Climate Change.

Beyond our direct sphere of influence, there are potential environmental effects due to greenhouse gas emissions along the value chain, mainly through industrial agriculture, including changed land use, livestock farming, biofuels and food losses. As part of the value chain, we selectively provide inputs and thus contribute partly to greenhouse gas emissions reduction within the downstream value chain. Reducing these greenhouse gas emissions and improving soil health through carbon capture present opportunities for new activities in the area of regenerative agriculture.

As regards climate change adaptation, acute physical risks are caused by extreme weather events and climate-related natural disasters that could disrupt production processes and business practices along the entire value chain. We cooperate with our suppliers, particularly in the upstream value chain, and take out insurance coverage for our own production sites, and review our activities. We regularly review our actions to ensure business capability and production.

For more information:
// Bayer Sustainability Statement in the Annual Report 2025 – E1 Climate Change
// Bayer Transition and Transformation Plan

2.4 Next steps

As data models and insights into climate change are constantly evolving, we will continue to expand and refine our scenario description and analysis. At the same time, we are enhancing our analytical capabilities and expanding our climate models e.g. in order to better understand how various climate zones are changing. By doing this, we aim to be in a position to describe future challenges and opportunities as accurately as possible to derive short-, medium- and long-term mitigation measures. Findings from these analyses will play a bigger role in our strategic, portfolio and operational processes.

For more information:
// Bayer Sustainability Statement in the Annual Report 2025 – E1 Climate Change

2.5 Targets – roadmap to net zero

Through our Transition and Transformation Plan, we support the Paris Agreement and the objective of limiting global warming to 1.5 °C compared with the preindustrial level.

We report in detail about the progress of our transition towards net zero in our Sustainability Statement in the Annual Report and in our Transition and Transformation Plan. Therefore, this is just a high level summary.

Targets for 2029

In 2020, we set ourselves a target of achieving a 42% reduction in absolute combined Scope 1 and 2 greenhouse gas emissions[5] compared to the base year 2019 by the year 2029. The base year for our reduction target is 2019, at 3.76 million metric tons of CO_2 equivalents. Our combined Scope 1 and 2 target was once again validated by the SBTi in 2024; it is commensurate with the target path of 1.5 °C. We will offset the remaining greenhouse gas emissions from our own operational processes by 2030 by purchasing certificates from verified climate protection projects.

In 2025, we reduced our combined Scope 1 and Scope 2 greenhouse gas emissions by 25.9% (2024: 21.3%) compared to the base year 2025. In 2025, we reduced our Scope 1 greenhouse gas emissions by 9.4% (2024: 9.4%) compared to the base year 2019. This is equivalent to a reduction of 0.19 million metric tons of CO_2 equivalents (2024: 0.2 million metric tons of CO_2 equivalents). In 2025, we reduced our (market-based) Scope 2 greenhouse gas emissions by 46.3% (2024: 36.8%) compared to the base year 2019. This is equivalent to a reduction of 0.78 million metric tons of CO_2 equivalents (2024: 0.63 million metric tons of CO_2 equivalents). In 2025, we reduced our (location-based) Scope 2 greenhouse gas emissions by 16.3% (2024: 6.8%) compared to the base year 2019. This is equivalent to a reduction of 0.29 million metric tons of CO_2 equivalents (2024: 0.12 million metric tons of CO_2 equivalents).

In 2020, we had set ourselves a target of achieving a 12.3% reduction in absolute Scope 3 greenhouse gas emissions compared to the base year 2019 by the year 2029. The reduction was based on the five categories of Scope 3 greenhouse gas emissions according to the GHG Protocol that were target-relevant for us at the time: (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. This target was validated by the SBTi in 2020 and supports the target path “well-below 2 °C.” Scope 3 greenhouse gas emissions based on the five target-relevant Scope 3 categories amounted to 8.82 million metric tons of CO_2 equivalents in the base year 2019. With the target that was adjusted in 2024 and validated once again by the SBTi, we now want to achieve a 25% reduction in Scope 3 greenhouse gas emissions by 2029 (compared to the base year 2019); this is commensurate with the target path “well below 2 °C.” This adjusted reduction target includes all Scope 3 categories. In addition to expanding our reporting by including additional Scope 3 categories, we undertook adjustments to the methodology that enable a more complete calculation of greenhouse gas emissions. The inclusion of all Scope 3 categories also changes our Scope 3 greenhouse gas emissions in the base year 2019 to 10.34 million metric tons of CO_2 equivalents. In 2025, we reduced our Scope 3 greenhouse gas emissions by 12.0% compared to the updated reference value from 2019. This corresponds to a reduction of 1.24 million metric tons of CO_2 equivalents. For more information on the Scope 3 categories, please see the section “4.3 Metrics.”

Net zero target 2050

Our target is to achieve net zero greenhouse gas emissions including the entire value chain by 2050[6]. This corresponds to a 90% reduction in absolute Scope 1, 2 and 3 greenhouse gas emissions compared to the base year 2019. We intend to offset the remaining 10% greenhouse gas emissions through the purchase of certificates with long-term carbon capture[7]. We will thereby ensure that these residual emissions are offset in the long term. This target was validated in 2024 by the SBTi and is in line with the UN Sustainable Development Goals, the Paris Agreement to limit warming to 1.5 °C, and the Business Ambition for 1.5 °C of the

[5] 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 whose annual water withdrawal is greater than or equal to 50 Tm^3. The target includes biogenic, land-related greenhouse gas emissions and the degradation of greenhouse gases from bioenergy raw materials.

[6] 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 whose annual water withdrawal is ≥ 50 Tm^3. The goal includes biogenic, land-related greenhouse gas emissions and the degradation of greenhouse gases from bioenergy raw materials. Scope 3 includes all Scope 3 categories defined in the GHG Protocol.

[7] The neutralization of the remaining greenhouse gas emissions is carried out in accordance with the standards of the Science Based Targets initiative (SBTi).

UN Global Compact Initiative. Our target of net zero greenhouse gas emissions by 2050 relates to the absolute figure compared to the base year 2019 and also includes any future changes or fluctuations in our greenhouse gas emissions (e.g. due to changed production volumes). Through the inclusion of all Scope 3 categories and through adjustments in the method of some Scope 3 categories, the baseline value of our total greenhouse gas emissions (Scope 1, 2 and 3) in the base year 2019 changes to 14.10 million metric tons of CO_2 equivalents.

In 2025, we reduced our total greenhouse gas emissions (Scope 1, 2 and 3) by 15.7% compared to the updated baseline value for 2019. This corresponds to a reduction of 2.21 million metric tons of CO_2 equivalents. For more information on the Scope 3 categories, please see the section “4.3 Metrics.”

We have set our greenhouse gas emissions reduction targets for the years 2029 and 2050. We have not defined any other target years. Our reduction targets for Scope 1, 2 and 3 greenhouse gas emissions are in line with the findings from our double materiality assessment and the global requirements of the GHG Protocol, as well as the cross-sector guideline of the SBTi. We regularly review our targets, target attainment based on the achieved reductions, and our total inventory of greenhouse gas emissions. For more information, please see the section “4.3 Metrics.” In 2024, our reduction targets were revalidated by the SBTi. We measure the effectiveness of our activities and actions based on target attainment. In implementing the measures, there are numerous dependencies, particularly as regards the available technologies, suitability for implementation along the value chain and regulatory requirements. When it comes to the reduction targets for Scope 3 greenhouse gas emissions in particular, there are only indirect, limited opportunities to exert influence. At present, we can see that the global community is not doing enough to meet the Paris climate goals. One example is the insufficient availability of renewable energies. Our target attainment measures are described in the section “Management of impacts, risks and opportunities in relation to reducing greenhouse gas emissions and
energy.” We use two scenarios in our climate analysis that we also take into account when shaping our reduction plans.

For more information:
// Bayer Sustainability Statement in the Annual Report 2025 – E1 Climate Change
// Bayer 2025 Impact Report – Chapter 7.2 Climate

3. Risk Management

As a global life science enterprise, we are exposed to a wide range of internal and external developments and events that could significantly impact the achievement of our financial and nonfinancial objectives. Opportunity and risk management is therefore an integral part of corporate steering at Bayer. We regard opportunities as positive deviations, and risks as negative deviations, from projected or target values for potential future developments. We augment our risk definition process by also taking into account any potential adverse effects that our business operations could have on people and/or the environment. We have implemented a holistic and integrated risk management system designed to ensure the continued existence and future target attainment of the Group through the early identification and assessment of and response to risks.

Our risk management system is aligned toward internationally recognized standards and principles, such as the ISO 31000 risk management standard of the International Organization for Standardization, and is defined and implemented with the help of binding Group regulations. Responsibility for identifying, assessing, responding to and communicating risks lies with the operational business units in the divisions and enabling functions.

To ensure reliable sustainability reporting, risks associated with the information acquisition and handling process are analyzed and mitigated through internal controls. The internal control actions are adapted to the respective process steps. We assess and prioritize risks related to sustainability reporting based on their

likelihood and their potential impact. In 2025, we formalized respective controls as part of the Internal Control System over Sustainability Reporting (ICSoSR).

The material risks related to sustainability reporting pertain to incomplete or incorrect data that can arise both during data collection (e.g. at the sites, in the countries or in our functions) and during subsequent central calculation or consolidation, as well as the transference of metrics. There is also a risk of imprecise or incomplete qualitative information, if not all regulatory requirements were observed or not all relevant internal stakeholders were integrated into the validation process. To mitigate these risks, we employ various types of controls such as the application of the dual control principle or automated data transfers.

As soon as we identify material risks in the reporting process, internal controls are developed to mitigate them. The corresponding information on the process risks and the implementation of the internal controls is passed on to our company's relevant internal functions and decision-makers. Both the Board of Management and the Supervisory Board are notified about the sustainability reporting process. In 2025, the Audit Committee of the Supervisory Board was particularly informed about the further development of the ICSoSR. We continuously evolve our internal controls, for example in connection with our double materiality assessment.

In 2025, we looked at the risks and opportunities stemming from the effects of climate change from various perspectives to evaluate them even better in relation to our company and integrate them into our strategy and measures. Climate-related risks are already accounted for in our Group-wide enterprise risk management (ERM) system. With our strategy to reduce greenhouse gas emissions, we are also reducing the risk of additional costs caused by the expected local regulations.

In addition, we carried out a double materiality assessment in line with the requirements of the European Sustainability Reporting Standards (ESRS) defining climate change as a material environmental matter. Financial risks and opportunities were identified as well as potential and actual positive and negative impacts. See more on the results of our double materiality assessment in our Sustainability Statement ion the Annual Report 2025 – General Information on the Sustainability Statement.

For more information:

// Bayer Sustainability Statement in the Annual Report 2025 – General Information on the Sustainability Statement

4. Metrics and Targets

4.1 Climate reporting

We have committed to transparently communicating our climate targets and progress, as well as the impact that climate change has on Bayer.

Through our longstanding and continuous participation in CDP, we disclose our climate-related activities and progress with a high degree of detail.

In developing the Transition and Transformation Plan, we utilized the standards of the Transition Plan Taskforce and CDP (formerly Carbon Disclosure Project).

4.2 Measures/actions taken to achieve our climate targets

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 (credits/offsets). 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.

Our most important framework for the management principles we utilize to make decisions in the area of climate mitigation and adaptation is our Transition and Transformation Plan. This plan is a central element of our overall strategy, and establishes targets and actions for the transition to low-carbon business activities, including the reduction of our greenhouse gas emissions in line with the Paris Agreement with the objective of limiting global warming to 1.5 °C compared to the pre-industrial value. For this reason, we do not report on any other concepts in the area of climate protection.

Reduction of greenhouse gas emissions for Scope 1 and Scope 2 through 2029

The first step we have taken to attain our ambitious climate target of net zero[8] greenhouse gas emissions in 2050 is the development of a roadmap through 2029 that comprises effective actions to reduce our greenhouse gas emissions. The most important actions in our roadmap through 2029 to reduce total Scope 1 and Scope 2 greenhouse gas emissions comprise the procurement of electricity from renewable energy sources, the improvement of energy efficiency in our production plants, facilities and buildings, the decarbonization of our sites and the conversion of our vehicle fleet to electromobility.

Procurement of electricity from renewable energy sources

We are currently converting our power supply and plan to derive all our externally procured electricity from renewable sources by 2029. Here we take into account specific criteria such as additionality and geographic proximity to our sites. For further information, please see “Renewable Electricity Quality and Portfolio Definition” on our website. We currently already procure 51.2% of our total purchased electricity from renewable energy sources.

We expect to achieve a further 12% reduction in our total Scope 1 and Scope 2 greenhouse gas emissions by 2029 (compared to the base year 2019) by converting our electricity procurement to renewable energy sources. This measure encompasses the global procurement of electricity from renewable sources to reduce our dependency on fossil fuels and increase the sustainability of our energy supply. We plan to transition completely to electricity from renewable resources if regulatory and local circumstances allow this. This measure is scheduled to be fully completed by 2029. We assume we will purchase more electricity in the future due to the electrification of various processes and other actions.

[8] This corresponds to a 90% reduction in absolute Scope 1, 2 and 3 greenhouse gas emissions compared to the base year 2019. We intend to offset the remaining 10% greenhouse gas emissions through the purchase of certificates with long-term carbon capture. The neutralization of the remaining greenhouse gas emissions is carried out in accordance with the standards of the Science Based Targets initiative (SBTi).

We procure electricity from renewable energy sources in various ways, depending on local conditions and legal requirements. In 2023, for example, we signed a long-term, structured renewable energy credit (REC) purchase agreement with Cat Creek Energy. Under the agreement, our contract partner is required to build several facilities to produce power from renewable energies, as well as energy storage systems. The agreement is set to allow Bayer to secure 40% of its global and 60% of its US-purchased electricity demand out of renewable sources. As the corresponding power generation facilities are not yet operational, no RECs were purchased in 2025 under the agreement. Full capacity is expected to be reached during 2028, subject to some uncertainties. To nonetheless meet demand, RECs were purchased by other means as an offset.

Optimization of energy efficiency in our facilities and buildings
To reduce our greenhouse gas emissions, we plan to drive forward our energy efficiency and process optimization by 2029. The actions involve increasing the energy efficiency of our plants and buildings through process innovations, efficient technologies and optimized energy management systems. Certifications according to the international standards ISO 14001 (environmental management) and ISO 50001 (energy management) help to identify energy consumption savings potential both in existing production processes and in the development of new production processes and the conversion of existing ones. These certifications enable us to manage and reduce energy consumption at our production sites. Each year, various of these measures are implemented at many of our sites. We expect a further 2% reduction in our Scope 1 and Scope 2 greenhouse gas emissions by 2029 (compared to the base year 2019). The implementation of the measures depends on local circumstances, as well as technological developments. In 2025, we invested in heating, ventilation and air conditioning technology, and various process improvements at the sites, among other things. We continuously evaluate the projects for reducing our energy consumption and their influence on our total greenhouse gas emissions. We currently expect the capital expenditures needed to attain our targets to amount to at least €100 million in the period up to 2029. These capital expenditures are accounted for in the capital expenditure budgets of the divisions. Operating expenditures related to energy efficiency are not being tracked separately.

Emissions reduction at our sites through the purchase of energy for heating and cooling
To achieve our ambitious climate target of net zero greenhouse gas emissions in 2050, we must also reduce emissions at our sites from utility services, particularly for heating and cooling. By 2029, we want to conclude individual agreements at various sites to procure low-greenhouse-gas-emission utility services or have them generated from renewable energies. Implementation of this measure is scheduled to be fully completed by 2029. We expect the future measures to reduce total Scope 1 and Scope 2 greenhouse gas emissions by a further 1% (compared to the base year 2019). The implementation of the measures depends on local circumstances, as well as technological developments.

Conversion of our vehicle fleet to electromobility
To further reduce our greenhouse gas emissions, we want to convert our vehicle fleet to electromobility by 2030 wherever technically and economically feasible. This affects about 22,000 vehicles worldwide. To validate our activities in line with the criteria, we have joined the EV100 initiative of the Climate Group. So far, we have begun transitioning to electromobility in 50 countries (including Germany) that account for about 86% of our entire vehicle fleet. The proportion of hybrid and electric vehicles in our fleet at the end of 2025 was approximately 20%. The conversion will make an approximately 1% contribution to the reduction of our Scope 1 and Scope 2 greenhouse gas emissions. We do not expect the conversion of our vehicle fleet to have a significant impact on capital and operating expenditures. The implementation of the measures depends on local circumstances (including availability of suitable vehicles and charging infrastructure), as well as technological developments.

Complementary climate protection certificates
We will offset the remaining greenhouse gas emissions from our own operational processes (Scope 1 and Scope 2) by 2030 by purchasing certificates from verified climate protection projects. We have established specific criteria for procuring certificates from climate protection projects. In this process, we focus on nature-based climate solutions, preferably concerning forest conservation and agriculture projects. We currently mainly purchase certificates from projects focused on forest conservation and reforestation. Beyond this, we want to invest in innovative projects to promote the development of voluntary emissions trading. The most important factors in the procurement of climate protection certificates for us are the contribution they make to climate protection and the additionality of the supported project. The implementation of the measures depends on local circumstances, as well as the quality and availability of the certificates.

As protecting forests is one of the most important measures in terms of climate protection and conservation of biodiversity, we are a participant in the LEAF (Lowering Emissions by Accelerating Forest Finance) coalition. This also includes further developing agricultural practices in Brazil to prevent further deforestation. Certificates from activities undertaken in connection with LEAF will be part of our certificate portfolio for the first time in 2026.

Reduction of greenhouse gas emissions for Scope 3 through 2029

Our goal is to reduce our Scope 3 greenhouse gas emissions in the value chain by the end of 2029. Our roadmap for Scope 3 sets out the underlying actions.

Cooperation with and selection of suppliers

To attain our objectives, we are intensifying our cooperation with suppliers, particularly as regards the transition to the use of renewable energies. This is not a one-off measure but instead takes place on an ongoing basis. We therefore continuously strive to reduce the carbon footprint of the products we purchase within the value chain and increase transparency in our reporting on Scope 3 greenhouse gas emissions. Our current assessment shows that the current emissions reduction targets of our suppliers are still insufficient to attain our Scope 3 emissions reduction target. Only 36 of our 200 most important suppliers have currently set themselves “near-term” reduction targets that are SBTi-validated. A supplementary internal maturity segmentation of the climate activities of our suppliers confirms this in addition. We thus continue to interact intensively with selected suppliers and strive to conclude partnerships with suppliers who commit to reducing greenhouse gas emissions and to decarbonization. In 2025, we continued developing a carbon price approach for Scope 3 greenhouse gases. Our goal is to apply in the future a carbon price component during sourcing events to inform decision-making and serve as an incentive for suppliers to develop and offer products with a lower carbon footprint. This measure is to be implemented without a significant increase in our specific operating expenditures.

We have also joined forces with other companies within various initiatives. Together, we are working to standardize the calculation of greenhouse gas emissions along the value chains, identify climate risks and develop reduction measures. To do so, we are active in the Together for Sustainability (TfS) initiative of the chemical industry and the Partnership for Carbon Transparency (PACT) of the World Business Council for Sustainable Development (WBCSD). Both initiatives strive to standardize methods, exchange product carbon footprints (PCFs) and provide guidance for calculating PCFs and accounting for Scope 3 greenhouse gas emissions. We are also a member of the Decarbonization Team of the Pharmaceutical Supply Chain Initiative (PSCI). Together with other members of the PSCI, we support the Energize program to increase the use of renewable energies by our suppliers in the pharmaceutical supply chain. We expect to reduce more than 6% of our Scope 3 greenhouse gas emissions through this measure by 2029 (compared to the base year 2019). The success of this measure depends only indirectly on us, with the general regulatory and climate-specific transformation playing a more significant role here.

Procurement of electricity from renewable sources by our suppliers

We expect the transition to electricity from renewable sources to be a crucial lever for decarbonization both in our own operations and in those of our suppliers. For this reason, our suppliers should strive to procure 100% of their electricity from renewable sources by 2030 and continuously improve energy efficiency. Compliance with the procurement requirements defined in our Supplier Code of Conduct is especially important. These are based on the criteria of RE100 (a global initiative that brings together companies that have committed to cover their entire electricity demand from renewable sources). We will support our suppliers in this transition, especially within the context of our meetings with them. In our supplier segmentation, we also integrate the share of electricity from renewable sources that our suppliers use. The implementation of the measures depends on local circumstances, as well as technological developments. We expect to reduce a further 3% of our Scope 3 greenhouse gas emissions through this measure by 2029 (compared to the base year 2019).

We are working together with our suppliers and partners on a number of solutions. In 2025, we switched, for example, from a supplier’s standard solution to an alternative. This alternative utilizes electricity from renewable energies for the electrolysis of an important process step. This reduces CO_2 emissions by about 2,500 metric tons annually and does not result in any additional costs.

Reduction of energy-related emissions through the transition to renewable raw materials
We continuously increase the share of renewable energies in our production facilities; this includes the transition to electricity from renewable energy sources as well as the use of liquid and solid biomass and of residues and waste to produce thermal energy and fuel. This transition will also indirectly impact the Scope 3 category by reducing emissions in the upstream chain. We expect to achieve a 1.8% reduction of our emissions in this area by 2029.

Electrification and use of electricity from renewable raw materials in warehousing and freight transport
Our warehousing and logistics suppliers play a major part in decarbonizing our supply chain. We engage in discussions and want to focus more intensively on the use of energy from renewable raw materials and the electrification of their vehicle fleets. At the same time, we want to further optimize logistics and make greater use of digital technologies. As a member of the EcoTransIT World Initiative, we use the EcoTransIT system to calculate transport-related greenhouse gas emissions in a standardized way on the basis of the best available data. We are planning a reduction in air transport and a switch to rail and waterway transport. Road freight accounted for 96.6% of our transportation routes in 2025, while water freight accounted for 1.3%, air freight for 1.9% and rail freight for 2%. The implementation of the measures depends on local circumstances, as well as technological developments. We expect to reduce a further 1% of our Scope 3 greenhouse gas emissions through this measure by 2029 (compared to the base year 2019). Furthermore, this measure will continue to be implemented through 2050.

Efficient use of packaging materials and business travel
An efficient use of packaging materials reduces greenhouse gas emissions in various stages of a product's life cycle and therefore positively impacts various Scope 3 categories. It reduces greenhouse gas emissions from the production of the material (Scope 3.1), leads to less transportation (Scope 3.4, 3.9) and less waste (Scope 3.5) and thereby also to lower greenhouse gas emissions in the disposal of the packaging material (Scope 3.12). Furthermore, we strive to use more packaging materials based on paper and recycled materials. Together with selected suppliers, we are investing in low-carbon packaging materials and services to accelerate decarbonization. In 2024, we became the first healthcare company to introduce a one-material blister pack made of polyethylene terephthalate (APET) for Aleve™. This reduces the carbon footprint of this packaging by 38% and has further positive environmental characteristics (including with respect to recycling) through the nonuse of polyvinyl chloride (PVC). This is accompanied by the transition from materials of fossil origin to plant-based materials.

We also want to reduce greenhouse gas emissions from business travel. Actions here include increased use of virtual meetings and a special information page for employees on the connection between travel and sustainability. The implementation of these measures depends on local circumstances, as well as further technological developments.

We expect to be able to reduce a further 0.7% of our Scope 3 greenhouse gas emissions through efficient use of packaging materials and business travel by 2029 (compared to the base year 2019). This package of measures will be continuously implemented even beyond 2029 and through 2050.

Reduction of greenhouse gas emissions for Scope 1, 2 and 3 through 2029

The attainment of our ambitious climate target of net zero greenhouse gas emissions in 2050 depends on numerous framework conditions. We have developed a roadmap that shows how we can reach the net zero target by 2050 or earlier. Key actions include the use of innovative and available technologies, the development of new products and the management of residual and unavoidable emissions.

Innovative and available technologies
The availability of renewable energies and innovative technologies, such as carbon capture, storage and utilization, or the use of hydrogen to generate energy at competitive costs is decisive for our long-term greenhouse gas emissions reduction. We monitor this availability continuously, and implementation in our plants and buildings depends on the technological progress and local circumstances. This is not a one-off measure but instead takes place on an ongoing basis.

New products
We work on innovations to continue to reduce the emissions associated with our products in the future, for example by developing new synthesis routes. One example is the research and development (R&D) of new

radiology products, for which we have begun to introduce criteria according to a sustainability-by-design approach. Using checkpoints we would like to examine the sustainability-related impacts of future radiology products in various phases of R&D. This is not a one-off measure but rather takes place continuously so as to introduce new products and innovations.

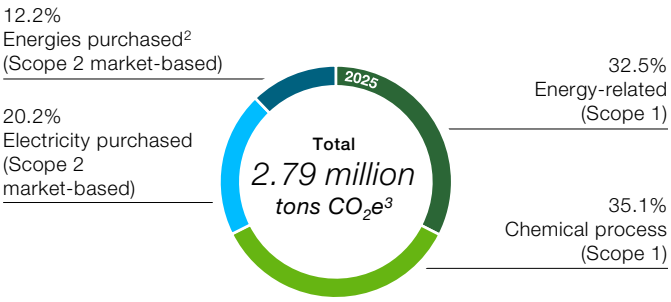
Residual and unavoidable emissions
We expect that there will likely still be some residual, unavoidable greenhouse gas emissions in our value chain in 2050. We plan to offset these emissions through long-term emissions reduction certificates.

For more information:
// Bayer Sustainability Statement in the Annual Report 2025 – E1 Climate Change
// Bayer Transition and Transformation Plan

4.3 Metrics

At our company, direct greenhouse gas emissions (Scope 1) primarily result from the combustion of primary energy sources (mostly gas and oil) to produce electricity and thermal energy. Greenhouse gas emissions are also generated by our vehicle fleet and in the extraction and processing of raw materials (32.5%). Another portion of greenhouse gas emissions is attributable to chemical processes (35.1%). The purchase of electrical energy and of further energies, primarily for heating and cooling, accounts for the biggest shares of Scope 2 greenhouse gas emissions (market-based), at 20.2% and 12.2% respectively.

Sources of Greenhouse Gas Emissions Scope 1 & 2[1] at Bayer



[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 whose annual water withdrawal is ≥ 50 Tm³.
[2] Steam, cooling, other than electricity
[3] Million metric tons of CO_2 equivalents

In accordance with the SBTi and the GHG Protocol, we take into account all Scope 3 categories for reporting on the attainment of our reduction target for Scope 3 greenhouse gas emissions. As we do not operate any franchise activities, while category (3.14) franchises is taken into consideration, it is currently not applicable. For more information, please see the section “2.5 Targets – roadmap to net zero.”

In 2025, changes were undertaken particularly in the calculation of Scope 3 greenhouse gas emissions. This encompasses the following areas:

// The number of reportable Scope 3 categories was increased to 15 categories. As part of the revalidation of the reduction targets by the SBTi, all parts of the upstream and downstream value chain were examined to identify additional greenhouse gas emissions. Although the calculation of the other Scope 3 categories showed that these additional greenhouse gas emissions are low in relation to overall emissions, we nonetheless included them in Scope 3 reporting and the calculation of the reduction target for Scope 3 greenhouse gas emissions.
// Changes also occurred in the transport-related Scope 3 categories (3.4) and (3.9). This includes changes resulting from the use of so-called well-to-wheel-based product carbon footprint (PCF) data from the EcoTransIT database, the separate reporting of the Scope 3 category (3.9) downstream transportation and distribution and the indicative quantification of greenhouse gas emissions from the storage of our products by wholesalers and retailers.

In 2025, we reduced the sum of our Scope 1 and Scope 2 (market-based) greenhouse gas emissions by 5.8% compared with 2024. This could be achieved in particular through a further increase in electricity procured from renewable energies. In Scope 3, our greenhouse gas emissions rose slightly by 0.28 million metric tons of CO_2 equivalents. Category (3.1) purchased goods and services accounts for the most significant share of our Scope 3 greenhouse gas emissions, at around 69%.

Scope 1, 2 and 3 greenhouse gas emissions[1]

million t CO_2eq	Retrospective Base year 2019	2024	2025	Change (%)
Gross Scope 1 GHG emissions[2]	2.08	1.88	**1.89**	0.5
Share of Scope 1 GHG emissions from regulated emission trading schemes (%)	–	13.00	**13,6**	4.6
Gross location-based Scope 2 GHG emissions	1.77	1.65	**1.48**	–10.3
Gross market-based Scope 2 GHG emissions	1.68	1.08	**0.9**	–16.7
Gross Scope 3 GHG emissions	10.34	8.82	**9.10**	3.2
of which (3.1) Purchased goods and services	6.62	5.87	**6.25**	6.5
of which (3.2) Capital goods	0.51	0.37	**0.36**	–2.7
of which (3.3) Fuel-and-energy-related activities (not included in Scope 1 or 2)[3]	0.73	0.64	**0.67**	4.7
of which (3.4) Upstream transportation and distribution[3]	0.78	0.85	**0.82**	–3.5
of which (3.5) Waste generated in operations[3]	0.35	0.30	**0.27**	–10.0
of which (3.6) Business travel	0.30	0.21	**0.13**	–38.1
of which (3.7) Employee commuting	0.12	0.12	**0.11**	–8.3
of which (3.8) Upstream leased assets	0.002	0.002	**0.004**	100.0
of which (3.9) Downstream transportation	0.03	0.02	**0.02**	–
of which (3.10) Processing of sold products	0.07	0.05	**0.09**	80.0
of which (3.11) Use of sold products	0.005	0.005	**0.005**	–
of which (3.12) End-of-life treatment of sold products[3]	0.72	0.27	**0.29**	7.4
of which (3.13) Downstream leased assets	0.10	0.10	**0.10**	–
of which (3.14) Franchises	n/a	n/a	**n/a**	n/a
of which (3.15) Investments	0.009	0.015	**0.004**	–73.3
Total GHG emissions (location-based)[3]	**14.19**	**12.35**	**12.47**	**0.9**
Total GHG emissions (market-based)[3,4]	**14.10**	**11.78**	**11.89**	**0.9**

[1] We have established our greenhouse gas emissions reduction targets for 2029 and 2050. We have not additionally established any explicit greenhouse gas emissions reduction targets for 2030. For more information on our greenhouse gas emissions reduction targets, please see the section "2.5 Targets – roadmap to net zero."

[2] The greenhouse gas emissions from the use of bioenergy are part of the Scope 1 greenhouse gas emissions. Here we assume that the greenhouse gas emissions from energy production are equal to the prior associated greenhouse gas removals.

[3] 2024 and base year values restated owing to an extension to the methodology and the use of more precise emissions factors

[4] For us, the GHG Protocol's market-based method is the most reliable at reflecting Scope 2 emission values and the success of emissions reduction measures.

There were no significant changes in the corporate structure and value chain in 2025 that could impact the reportable greenhouse gas emissions. Nor were there any significant results or changes with regard to greenhouse gas emissions between our closing date and that of the companies in our supply chain.

Due to the varying depth of value creation, direct and indirect greenhouse gas emissions (Scope 1 and Scope 2) are unequally distributed among our divisions. Our raw material extraction activities, including treatment and downstream processing, for the manufacture of the crop protection intermediates of Crop Science are especially energy-intensive – this division therefore accounts for the greatest share of our greenhouse gas emissions.

Gross Scope 1 Greenhouse Gas Emissions by Division

million t CO_2eq	2023	2024	2025
Gross Scope 1 GHG emissions	1.89	1.88	**1.89**
Crop Science	1.55	1.56	**1.59**
Pharmaceuticals	0.17	0.17	**0.13**
Consumer Health	0.02	0.02	**0.02**
Other segments[1]	0.16	0.13	**0.13**

[1] These include greenhouse gas emissions from the vehicle fleet and emissions caused by the enabling functions.

Gross Market-based Scope 2 Greenhouse Gas Emissions by division

million t CO_2eq	2023	2024	2025
Gross market-based Scope 2 GHG emissions	1.12	1.08	**0.90**
Crop Science	0.94	0.93	**0.76**
Pharmaceuticals	0.11	0.08	**0.08**
Consumer Health	0.05	0.04	**0.03**
Other segments[1]	0.02	0.03	**0.03**

[1] These include greenhouse gas emissions from the vehicle fleet and emissions caused by the enabling functions.

Carbon dioxide (CO_2) accounts for the biggest share of our greenhouse gas emissions.

Gross Scope 1 Greenhouse Gas Emissions by emitted greenhouse gas

million t CO_2eq	2023	2024	2025
Gross Scope 1 GHG emissions	1.89	1.88	**1.89**
of which carbon dioxide (CO_2)	1.84	1.83	**1.84**
of which ozone-depleting substances	0.003	0.003	**0.003**
of which partially fluorinated hydrocarbons (HFCs)	0.04	0.04	**0.03**
of which nitrous oxide (N_2O)	0.01	0.01	**0.01**
of which methane (CH_4)	0.003	0.003	**0.003**

In 2025, approximately 14% of our Scope 1 greenhouse gas emissions were generated at sites that are subject to a regulated emissions trading scheme in which we participate (2024: 13%). In 2025, we participated in European emissions trading with a total of five plants (2024: five plants). The greenhouse gas emissions of these plants amounted to approximately 256,550 metric tons of CO_2 equivalents in 2025 (2024: approximately 248,000 metric tons of CO_2 equivalents).As part of our energy procurement policy, we use various contractual instruments for the purchase of electricity from renewable sources depending on different regulatory requirements and local circumstances.

Contractual instruments related to purchased electricity from renewable sources

	2023	2024	2025
Purchased or acquired electricity from renewable sources (thousand MWh)	1,183	1,331	**1,745**
of which share of electricity from renewable sources purchased through power purchase agreements (%)	42	56	**51**
of which share of electricity purchased from renewable sources evidenced by renewable energy certificates (%)	58	44	**49**

For more information:

// Bayer Sustainability Statement in the Annual Report 2025 – E1 Climate Change
// Bayer Transition and Transformation Plan
// Bayer 2025 Impact Report – Chapter 7.2 Climate
// We address our climate protection activities in our latest response to the CDP questionnaire (formerly the Carbon Disclosure Project): www.bayer.com/cdp

Masthead

Published by
Bayer AG, 51368 Leverkusen, Germany

Date of publication
Wednesday, March 4, 2026

Public Affairs, Sustainability and Safety
Sebastian Leins
Email: sebastian.leins@bayer.com

Katja Schulz
Email: katja.schulz@bayer.com

Gudrun Schumann
Email: gudrun.schumann@bayer.com

Bayer on the internet: www.bayer.com