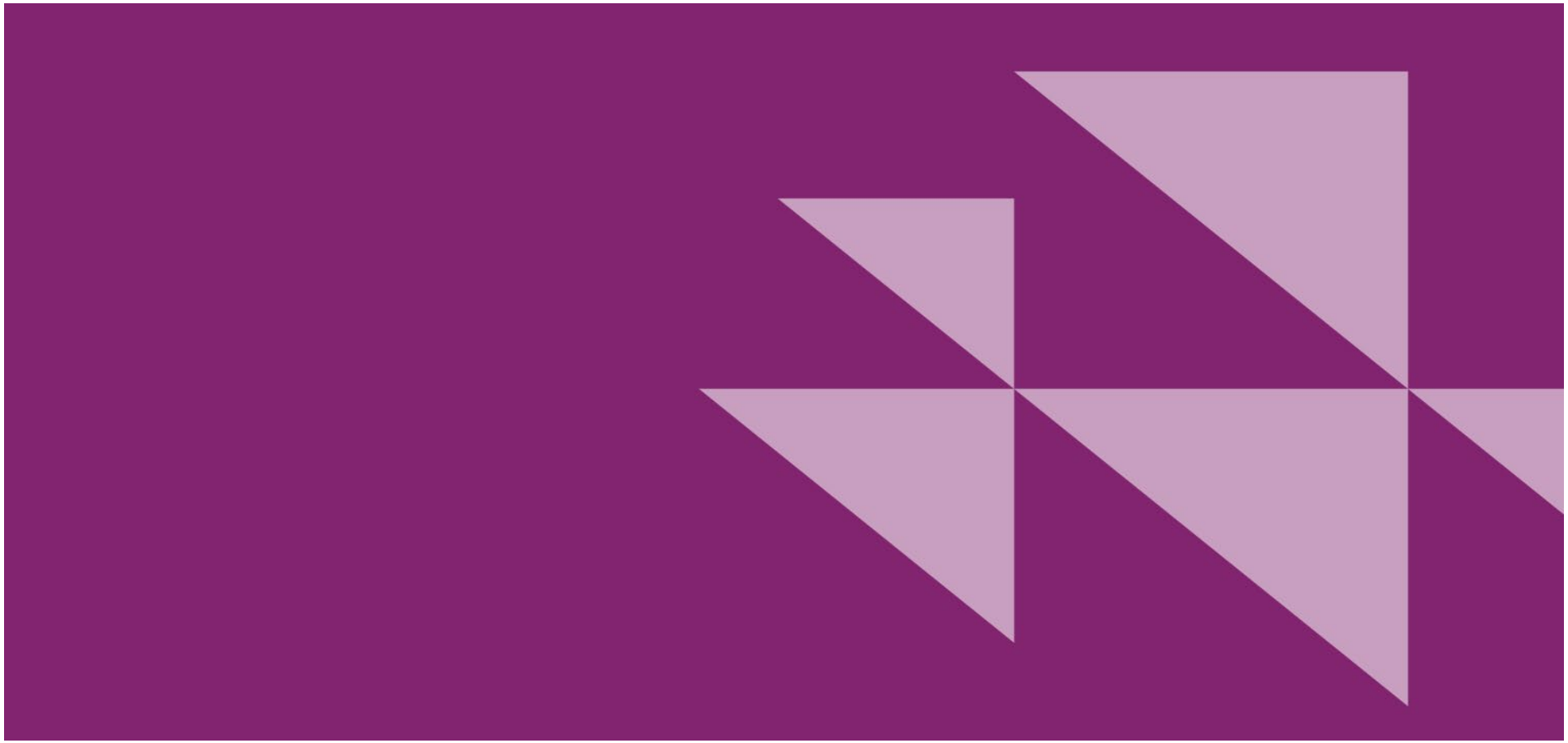
CDP 2025 Questionnaire – BAYER AG



1 Introduction

1.1 In which language are you submitting your response?

Select one option
• English

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

Currency
• EUR

1.3 Provide an overview and introduction to your organization.

Organization type	Description of organization
• Publicly traded organization	Bayer is a life science company and a global leader in health and nutrition. Our innovative products support efforts to overcome the major challenges presented by a growing and aging global population. Our work helps prevent, alleviate and treat diseases, empowers people to take better care of their own health needs, and also plays a part in ensuring that enough agricultural products are produced while respecting our planet's natural resources. Our activities are systematically guided by our mission: "Health for all, Hunger for none." We aim to enhance our company's earning power and create value for patients, farmers, consumers, shareholders, employees and society. Innovation, growth and sustainability are integral parts of our strategy. As the parent company of the Bayer Group, Bayer AG – represented by its Board of Management – performs the principal management functions for the entire enterprise. This mainly comprises the Group's strategic alignment, resource allocation and the management of financial affairs and managerial staff, along with the management of the Group-wide operational business of the Crop Science, Pharmaceuticals and Consumer Health divisions. The enabling functions support the operational business. Our company has a global footprint. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in around 80 countries. We are reporting according to the financial control approach to provide an accurate picture of Bayer's life science business. **Forward-Looking Statements** This report may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

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

	End date of reporting year	Alignment of this reporting period with your financial reporting period	Indicate if you are providing emissions data for past reporting years	Number of past reporting years you will be providing Scope 1 emissions data for	Number of past reporting years you will be providing Scope 2 emissions data for	Number of past reporting years you will be providing Scope 3 emissions data for
Row 1	12/31/2024	• Yes	• No	• N/A	• N/A	• N/A

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

46,606,000,000

1.5 Provide details on your reporting boundary.

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

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

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

1.7 Select the countries/areas in which you operate.

Country/area
Dominican Republic, France, Saudi Arabia, United Arab Emirates, Argentina, Austria, Australia, Bangladesh, Belgium, Burkina Faso, Bulgaria, Bolivia (Plurinational State of), Brazil, Canada, Switzerland, Côte d'Ivoire, Chile, China, Colombia, Costa Rica, Curacao, Cyprus, Czechia, Germany, Denmark, Algeria, Ecuador, Egypt, Spain, Finland, United Kingdom of Great Britain and Norther Ireland, Greece, Guatemala, Hong Kong SAR, China, Honduras, Croatia, Hungary, Indonesia, Ireland, Israel, India, Italy, Japan, Kenya, Republic of Korea, Kazakhstan, Lithuania, Luxembourg, Morocco, Mexico, Malaysia, Nicaragua, Netherlands, Norway, New Zealand, Panama, Peru, Philippines, Pakistan, Poland, Puerto Rico, Portugal, Paraguay, Romania, Serbia, Russian Federation, Sweden, Singapore, Slovenia, Slovakia, El Salvador, Thailand, Turkey, Taiwan, China, Ukraine, United Republic of Tanzania, United States of America, Uruguay, British Virgin Islands, Viet Nam, South Africa, Zambia

1.8 Are you able to provide geolocation data for your facilities?

Are you able to provide geolocation data for your facilities?	Comment
• No, this is confidential data	We are only reporting geolocation data for sites in water scarce regions. Please see question 9.3.1.

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

Commodity	Produced and/or sourced	Commodity value chain	Indicate if you have direct soy and/or embedded soy in your value chain	Indicate if you are providing the total commodity volume that is produced and/or sourced	Total commodity volume (metric tons)	Of the total commodity volume, state how much is embedded soy (metric tons)	Of the total commodity volume, state how much is direct soy (metric tons)	Did you convert the total commodity volume from another unit to metric tons?	Original unit
Palm oil	• Sourced	• Manufacturing	N/A	Yes, we are providing the total volume	7,277	N/A	N/A	No	N/A
Soy	• Sourced	• Manufacturing	• Direct soy only	Yes, we are providing the total volume	12,129	N/A	N/A	No	N/A

Forest risk commodity	Provide details of the methods, conversion factors used and the total commodity volume in the original unit	Form of commodity	% of procure-ment spend	% of revenue depen-dent on commo-dity	In the questionnaire setup did you indicate that you are disclosing on this commodity?	Is this commodity considered significant to your business in terms of revenue?	Please explain
Palm oil	• N/A	• Palm kernel oil derivatives	• <1%	• 21-30%	• Yes, disclosing	• No	Compared to our overall procurement spend, Bayer only sources a small number of palm (kernel) oil derivatives for our businesses (less than 1% of our procurement spend). Bayer is not sourcing palm (kernel) oil directly, but its derivatives produced out of the oil (at the end of a highly complex supply chain, many tier levels, high number of raw materials, many processing sites). We started to transition our supply chain to RSPO mass balance certified sustainable palm oil in 2021. Though there are various challenges, including the availability of products, we aim for at least 90% of palm oil derivatives purchased by 2027 to be covered with RSPO mass balance.
Soy	• N/A	• Soy derivatives	• <1%	• 11-20%	• Yes, disclosing	• No	We use SOY DERIVATIVES in a very small number (less than 1% of procurement spend) of our products. Bayer is not sourcing soy directly, but its derivatives produced out of the oil (at the end of a highly complex supply chain: many tier levels, high number of raw materials, many processing sites). We support the production of sustainable soy via the purchase of credits certified by the Round Table on Responsible Soy (RTRS). Bayer has been a member in the RTRS board since 2017. 99% of our purchases of soy derivatives are covered by RTRS credits in 2024. The purchase of these credits rewards farmers

							who grow soy in a legal and ecologically, socially and economically sustainable way and who demonstrate this as part of an audited certification process. Since 2022, we have also significantly increased our efforts to gain more insights into the value chain, with the result that we can trace approximately 80% of our purchases to a jurisdictional area. We assume that most of soy in our supply chain origins from Brazil. This is WHY Bayer is taking the lead to increase SUSTAINABLE SOY FEEDSTOCK with its PRO Carbono Commodities program in Brazil. In May 2023, Bayer delivered the first load of Brazilian soybeans with a traceable, deforestation-free carbon footprint.

1.24 Has your organization mapped its value chains?

Value chain mapped	Value chain stages covered in mapping	Highest supplier tier mapped	Highest supplier tier known but not mapped	Smallholder inclusion in mapping	Description of mapping process and coverage
• Yes, we have mapped or are currently in the process of mapping our value chain	• Upstream value chain • Downstream value chain	• Tier 2 suppliers	• Tier 4+ suppliers	• Smallholders relevant and included	TOOLS AND METHODS: Our SUPPLIER CODE OF CONDUCT (SCoC) considers the well-established principles of sustainability incl. CLIMATE CHANGE, FORESTS, WATER and BIODIVERSITY. The SCoC promotes the application of broadly recognized sustainability standards and certifications. Sustainability issues are evaluated through an ANNUAL RISK EVALUATION for ALL our TIER 1 suppliers. Identified suppliers (based on country and business category sustainability risks) are validated through an EVIDENCE-BASED ASSESSMENT (EcoVadis) or physical ON-SITE AUDIT (TfS or PSCI). Bayer's NET-ZERO DEFORESTATION as well as the HUMAN RIGHTS COMMITTMENT along the value chain includes the ambition to source sustainable palm (kernel) oil and soy derivatives. Bayer believes in sustainable value chains with the focus on sustainable production, transparency, traceability and certification. Our activities are aligned with the elements of the ACCOUNTABILITY FRAMEWORK. We collaborate with our partners and suppliers to further decrease our environmental footprint and set social and ethical standards. For PALM OIL, in 2024, we have been answering the WWF PALM OIL SCORECARD. We are working towards implementing the new EU NON-DEFORESTATION REGULATION (EUDR) and strengthening the due diligence obligations: collection of geolocation information, risk assessment, risk mitigation measures. December 2020 is our deforestation cut-off date in line with the EUDR. COVERAGE: We have mapped 100% of our Tier 1 suppliers. In the past, we have contacted major PALM OIL suppliers to further understand their current activities and promote sustainable behavior. Once we have an indication that a PALM OIL or SOY supplier is not complying with our standards, we start to investigate and map the value chain (Tier 1-4+ and smallholders). For example, in 2021 and 2022, we have looked at one refiner (beyond Tier 1 supplier) and which supplier receives palm oil from this refiner. For soy, more than 80% of our soy volume comes from one supplier in Brazil, who is a RTRS member and informed us that the soybean used originates nationally, usually from the Brazilian middle-west region. For both PALM OIL and SOY derivatives, the value chains are complex. As a purchaser of derivatives for selected materials, we are tier six, seven or eight within the value chain. Therefore, mapping is highly

					complex, and transparency is limited. We are continuously improving our processes and aiming for increased transparency and traceability.

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

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

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

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

Commodity	Value chain mapped for this sourced commodity	Highest supplier tier mapped for this sourced commodity	% of tier 1 suppliers mapped	% of tier 2 suppliers mapped	% of tier 3 suppliers mapped	% of tier 4+ suppliers mapped	Highest supplier tier known but not mapped for this sourced commodity
Palm oil	• Yes	• Tier 2 suppliers	100%	1-25%	N/A	N/A	• Tier 4+ suppliers
Soy	• Yes	• Tier 2 suppliers	100%	76-99%	N/A	N/A	• Tier 4+ suppliers

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

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

Time horizon	From (years)	Is your long-term time horizon open ended?	To (years)	How this time horizon is linked to strategic and/or financial planning
Short-term	0	N/A	1	Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM designed to ensure the continued existence and future target attainment of the Bayer Group through the early identification, assessment and treatment of risks. The risk management system is oriented towards 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 corporate policies. In addition, we conducted a DOUBLE MATERIALITY ASSESSMENT (DMA) and identified several material impacts, risks and opportunities in our own operations and in the upstream and downstream value chains. Oriented towards our Enterprise Risk Management (ERM), our DMA looked at the probability of financial risks and opportunities occurring over a 10-year horizon. We estimate that short-term impacts such as possible regulatory changes and market adjustments can be realized over a short- to medium-term period of one to five years. We expect long-term impacts pertaining to the environment, such as the physical effects of climate change, over a long-term period of 5 to 10 years or longer. We have also defined clear time horizons for our sustainability statement to establish transparency for our strategic planning: short-term time horizon corresponds to the reporting period in our financial statements.
Medium-term	1	N/A	5	Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM designed to ensure the continued existence and future target attainment of the Bayer Group through the early identification, assessment and treatment of risks. The risk management system is oriented towards 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 corporate policies. In addition, we conducted a DOUBLE MATERIALITY ASSESSMENT (DMA) and identified several material impacts, risks and opportunities in our own operations and in the upstream and downstream value chains. Oriented towards our Enterprise Risk Management (ERM), our DMA looked at the probability of financial risks and opportunities occurring over a 10-year horizon. We estimate that short-term impacts such as possible regulatory changes and market adjustments can be realized over a short- to medium-term period of one to five years. We expect long-term impacts pertaining to the environment, such as the physical effects of climate change, over a long-term period of 5 to 10 years or longer. We have also defined clear time horizons for our sustainability statement to establish transparency for our strategic planning: short-term time horizon corresponds to the reporting period in our financial statements.
Long-term	5	• No	10	Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM designed to ensure the continued existence and future target attainment of the Bayer Group through the early identification, assessment and treatment of risks. The risk management system is oriented towards internationally recognized standards and principles such as the ISO 31000 risk management standard, and is defined and implemented with the help of binding corporate policies.

				In addition, we conducted a DOUBLE MATERIALITY ASSESSMENT (DMA) and identified several material impacts, risks and opportunities in our own operations and in the upstream and downstream value chains. Oriented towards our ERM, our DMA looked at the probability of financial risks and opportunities occurring over a 10-year horizon. We expect long-term impacts pertaining to the environment, such as the physical effects of climate change, over a long-term period of 5 to 10 years or longer. We have also defined clear time horizons for our sustainability statement to establish transparency for our strategic planning: Long-term time horizon: more than five years. In the climate-related scenario analysis, which also covers the resilience of our business fields, we include a longer time horizon considering long-term risks as risks arising between 2036 and 2050. We use the results of our scenario analysis to assess from this perspective the effects on our company and thus the Group's financial position or results of operations.

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

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

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

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

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

Environ-mental issue	Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue	Value chain stages covered	Coverage	Supplier tiers covered	Type of assess-ment	Frequency of assessment	Time horizons covered	Integration of risk management process
Climate change	• Dependencies • Impacts • Risks • Opportunities	• Direct operations • Upstream value chain • Downstream value chain	• Full	• Tier 1 suppliers	• Qualitative and quantitative	• More than once a year	• Short-term • Medium-term • Long-term	• Integrated into multi-disciplinary organization-wide risk management process

Water	• Dependencies • Impacts • Risks • Opportunities	• Direct operations • Upstream value chain • Downstream value chain	• Full	• Tier 1 suppliers	• Qualitative and quantitative	• More than once a year	• Short-term • Medium-term • Long-term	• Integrated into multi-disciplinary organization-wide risk management process
Forests	• Dependencies • Impacts • Risks • Opportunities	• Direct operations • Upstream value chain • Downstream value chain	• Full	• Tier 1 suppliers • Tier 2 suppliers	• Qualitative and quantitative	• More than once a year	• Short-term • Medium-term • Long-term	• Integrated into multi-disciplinary organization-wide risk management process
Bio-diversity	• Dependencies • Impacts • Risks • Opportunities	• Direct operations • Upstream value chain • Downstream value chain	• Full	Tier 1 suppliers	• Qualitative and quantitative	• Annually	• Short-term • Medium-term • Long-term	• Integrated into multi-disciplinary organization-wide risk management process
Plastics	• Dependencies • Impacts • Risks • Opportunities	• Direct operations • Upstream value chain • Downstream value chain	• Full	• Tier 1 suppliers	• Qualitative and quantitative	• Annually	• Short-term • Medium-term • Long-term	• A specific environmental risk management process

Environ-mental issue	Location-specificity used	Tools and methods used	Risk types and criteria considered	Partners and stakeholders considered	Has this process changed since the previous reporting year?
Climate change	• Site-specific • Local • Sub-national • National	Commercially/publicly available tools • LEAP (Locate, Evaluate, Assess and Prepare) approach, TNFD • TNFD – Taskforce on Nature-related Financial Disclosures • Trase • Other commercially/publicly available tools, please specify: EcoVadis, SEDEX, WRI Aqueduct, WWF Biodiversity Risk Filter, WWF Water Risk Filter Enterprise Risk Management • Enterprise Risk Management • ISO 31000 Risk Management Standard International methodologies and standards • IPCC Climate Change Projections • ISO 14001 Environmental Management Standard • Life Cycle Assessment	Acute physical • Cyclones, hurricanes, typhoons • Drought • Flood (coastal, fluvial, pluvial, ground water) • Heat waves • Heavy precipitation (rain, hail, snow/ice) Chronic physical • Changing precipitation patterns and types (rain, hail, snow/ice) • Increased severity of extreme weather events • Soil erosion • Water availability at a basin/catchment level • Water stress Policy • Carbon pricing mechanisms • Changes to international law and bilateral agreements	• Customers • Employees • Investors • Local communities • NGOs • Regulators • Suppliers • Other, please specify: industry associations, academic institutions, health service providers	• Yes

		Other • Desk-based research • External consultants • Internal company methods • Materiality assessment • Partner and stakeholder consultation/analysis • Scenario analysis	Market • Availability and/or increased cost of raw materials Reputation • Increased partner and stakeholder concern and partner and stakeholder negative feedback • Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress) Technology • Transition to lower emissions technology and products Liability • Non-compliance with regulations		
Water	• Site-specific • Local • Sub-national • National	Commercially/publicly available tools • EcoVadis • WRI Aqueduct • WWF Water Risk Filter Enterprise Risk Management • Enterprise Risk Management • ISO 31000 Risk Management Standard International methodologies and standards • IPCC Climate Change Projections Databases • FAO/AQUASTAT • Regional government databases Other • Desk-based research • External consultants • Internal company methods • Materiality assessment • Partner and stakeholder consultation/analysis • Scenario analysis • Other, please specify: on-site audits	Acute physical • Cyclones, hurricanes, typhoons • Drought • Flood (coastal, fluvial, pluvial, ground water) • Heat waves • Heavy precipitation (rain, hail, snow/ice) Chronic physical • Water availability at a basin/catchment level • Water stress • Water quality at a basin/catchment level • Increased ecosystem vulnerability Policy • Changes to international law and bilateral agreements • Introduction of regulatory standards for previously unregulated contaminants Market • Availability and/or increased cost of raw materials • Inadequate access to water, sanitation, and hygiene services (WASH) Reputation • Increased partner and stakeholder concern and partner and stakeholder negative feedback • Stakeholder conflicts concerning water resources at a basin/catchment level • Impact on human health	• Customers • Employees • Investors • Local communities • Indigenous peoples • NGOs • Regulators • Suppliers • Water utilities at a local level • Other water users at the basin/catchment level • Other, please specify: industry associations, academic institutions, health service providers	• Yes

			Technology • Transition to water efficient and low water intensity technologies and products Liability • Non-compliance with regulations		
Forests	• Local • National • Not location specific	Commercially/publicly available tools • Other commercially/publicly available tools, please specify: EcoVadis, WWF Biodiversity Risk Filter Enterprise Risk Management • Enterprise Risk Management • ISO 31000 Risk Management Standard Other • Desk-based research • Materiality assessment • Partner and stakeholder consultation/analysis • Internal company methods • Other, please specify: a) benchmarking and interaction with peer companies; b) external reports and assessments	Acute physical • Drought Chronic physical • Changing temperature (air, freshwater, marine water) • Increased ecosystem vulnerability • Water stress Policy • Changes to international law and bilateral agreements • Changes to national legislation Market • Availability and/or increased cost of certified sustainable material • Availability and/or increased cost of raw materials • Changing customer behavior • Leakage markets Reputation • Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress) Technology • Data access/availability and monitoring systems Liability • Non-compliance with regulations	• Customers • Employees • Investors • Local communities • Indigenous peoples • NGOs • Regulators • Suppliers • Other commodity users/ producers at a local level • Other, please specify: industry associations, academic institutions, health service providers	• Yes
Bio-diversity	• Site-specific	Commercially/publicly available tools • TNFD – Taskforce on Nature-related Financial Disclosure Databases • Other databases, please specify: World Database of Key Biodiversity Areas (KBA), World Database	Acute physical • Cyclones, hurricanes, typhoons • Drought • Flood (coastal, fluvial, pluvial, ground water) • Heat waves • Heavy precipitation (rain, hail, snow/ice) Chronic physical • Declining ecosystem services	• Customers • Employees • Investors • NGOs • Regulators • Suppliers • Other, please specify: industry	• Yes

		on Protected Areas (PA), IUCN Red List of Threatened Species Other • Desk-based research • Materiality assessment • Partner and stakeholder consultation/analysis • Internal company methods	• Increased ecosystem vulnerability • Other cronic physical driver, please specify: Presence of species/habitats listed as globally threatened (IUCN Red List categories CR, EN, VU). Policy • Changes to international law and bilateral agreements • Changes to national legislation Market • Availability and/or increased cost of certified sustainable material • Availability and/or increased cost of raw materials Reputation • Impact on human health • Increased partner and stakeholder concern and partner and stakeholder negative feedback Liability • Non-compliance with regulations	associations, academic institutions, health service providers	
Plastics	• Site-specific	Other • Desk-based research • Materiality assessment • Partner and stakeholder consultation/analysis • Internal company methods	Acute physical • Pollution incident Policy • Changes to international law and bilateral agreements • Changes to national legislation Market • Availability and/or increased cost of raw materials • Availability and/or increased cost of recycled or renewable content Technology • Data access/availability or monitoring system • Transition to recyclable plastics products • Transition to increasing recycled content Liability • Non-compliance with regulations	• Customers • Employees • Investors • NGOs • Regulators • Suppliers • Other, please specify: industry associations, academic institutions, health service providers	• Yes

Environmental issue	Further details of process

Climate Change	As part of our annual planning activities, we identify OPPORTUNITIES by analyzing internal and external factors that may affect our business, e.g. of a social, economic or environmental nature. Our planning process involves a comprehensive analysis of the markets. In addition, we identify and leverage opportunities as part of our regular business operations and through our daily monitoring of internal processes and markets. Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM, which is oriented towards internationally recognized standards and principles such as ISO 31000. It consists of risk identification, assessment, treatment, reporting and process monitoring and improvement. The risks are monitored CONTINUOUSLY by risk owners in the operational business units and functions. The risk portfolio is reviewed REGULARLY by the Bayer Assurance Committee. Within our integrated holistic risk management system, the impact of each risk is rated according to quantity and/or quality. The QUANTITATIVE ASSESSMENT reflects a potentially negative effect on cash flows. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence. The potential impact is determined on a scale from 1 (above EUR 500 to 750 million), 2 (EUR 750-1,000 million), 3 (EUR 1,000-1,500 million), 4 (EUR 1,500-2,500 million) to 5 (above EUR 2,500 million). The QUALITATIVE EVALUATION is based on criteria such as strategic impact, effects on our reputation, or potential loss of trust among stakeholder groups. The higher rating – qualitatively or quantitatively – determines the overall assessment. Where applicable, we take into account the potential impact on people and/or the environment as an additional criterion in our assessment. The likelihood of occurrence is assessed on a scale ranging from very unlikely (less than 10%), unlikely (10-30%), possible (30-50%), likely (50-70%), very likely (above 70%) over a maximum PERIOD OF 10 YEARS. The risk owners define a risk management strategy as well as risk management measures. In 2024, we also conducted a DOUBLE MATERIALITY ASSESSMENT (DMA) in accordance with the European Sustainability Reporting Standards (ESRS). Through our DMA, we have identified several MATERIAL IMPACTS, RISKS AND OPPORTUNITIES in our OWN OPERATIONS and in the UPSTREAM and DOWNSTREAM value chains. The DMA process for identifying, evaluating and prioritizing the financial risks and opportunities is oriented toward the ERM method to ensure a consistent and comprehensive risk assessment. We take into account dependencies and the material impacts as the input for identifying financial risks and opportunities. This approach enables us to understand the POTENTIAL LINKS between the identified impacts and the associated financial risks and opportunities. Sustainability risks are treated with equal importance to the other risk categories. The results of the materiality assessment are thus approved by the Board of Management to ensure that the material impacts, risks and opportunities are accounted for in strategic decisions. The findings are taken into consideration in our enterprise risk management process. In conducting our DMA, we analyzed impacts, risks and opportunities related to CLIMATE CHANGE. Here we particularly took into account the following sustainability matters: Climate change adaptation, Climate protection and Energy.
Water	As part of our annual planning activities, we identify OPPORTUNITIES by analyzing internal and external factors that may affect our business, e.g. of social, economic or environmental nature. Our planning process involves a comprehensive analysis of the markets. In addition, we identify and leverage opportunities as part of our regular business operations and through our daily monitoring of internal processes and markets. Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM, oriented towards internationally recognized standards and principles such as ISO 31000. It consists of risk identification, assessment, treatment, reporting and process monitoring and improvement. Risks are monitored CONTINUOUSLY by risk owners in the operational business units and functions. The risk portfolio is reviewed REGULARLY by the Bayer Assurance Committee. Within our integrated holistic risk management system, the impact of each risk is rated according to quantity and/or quality. The QUANTITATIVE ASSESSMENT reflects a potentially negative effect on cash flows. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence. The potential impact is determined on a scale from 1 (above EUR 500 to 750 million), 2 (EUR 750-1,000 million), 3 (EUR 1,000-1,500 million), 4 (EUR 1,500-2,500 million) to 5 (above EUR 2,500 million). The QUALITATIVE EVALUATION is based on criteria such as strategic impact, effects on our reputation, or potential loss of trust among stakeholder groups. The higher rating – qualitatively or quantitatively – determines the overall assessment. Where applicable, we take into account the potential impact on people and/or the environment as an additional criterion in our assessment. The likelihood of occurrence is assessed on a scale ranging from very unlikely (less than 10%), unlikely (10-30%), possible (30-50%), likely (50-70%), very likely (above 70%) over a maximum PERIOD OF 10 YEARS. The risk owners define a risk management strategy as well as risk management measures. In 2024, we also conducted a DMA in accordance with ESRS. Through our DMA, we identified several MATERIAL IMPACTS, RISKS AND OPPORTUNITIES in our OWN OPERATIONS and in the UPSTREAM and DOWNSTREAM value chains. The DMA process for identifying, evaluating and prioritizing the financial risks and opportunities is oriented toward the ERM method to ensure a consistent and comprehensive risk assessment. We take into account dependencies and the material impacts as input for identifying risks and opportunities. This approach enables us to understand the POTENTIAL LINKS between the identified impacts and the associated financial risks and opportunities. Sustainability risks are treated with equal importance to the other risk categories. The results of the materiality assessment are thus approved by the Board of Management to ensure that the material impacts, risks and opportunities are accounted for in strategic decisions. The findings are taken into consideration in our enterprise risk management process. In our DMA process, we systematically examined our activities to identify real and potential impacts, risks and opportunities related to WATER AND MARINE RESOURCES, focusing particularly on our production sites that could present an elevated risk of adverse effects on marine resources. We further analyzed the pollution of air, water and soil.

Forests	As part of our annual planning activities, we identify OPPORTUNITIES by analyzing internal and external factors that may affect our business, e.g. of a social, economic or environmental nature. Our planning process involves a comprehensive analysis of the markets. In addition, we identify and leverage opportunities as part of our regular business operations and through our daily monitoring of internal processes and markets. Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM, which is aligned to internationally recognized standards and principles such as the ISO 31000 risk management standard. It consists of risk identification, assessment, treatment, reporting and process monitoring and improvement. The risks are monitored CONTINUOUSLY by risk owners in the operational business units and functions. The risk portfolio is reviewed REGULARLY by the Bayer Assurance Committee. Within our integrated holistic risk management system, the impact of each risk is rated according to quantity and/or quality. The QUANTITATIVE ASSESSMENT reflects a potentially negative effect on cash flows. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence. The potential impact is determined on a scale from 1 (above EUR 500 to 750 million), 2 (EUR 750-1,000 million), 3 (EUR 1,000-1,500 million), 4 (EUR 1,500-2,500 million) to 5 (above EUR 2,500 million). The QUALITATIVE EVALUATION is based on criteria such as strategic impact, effects on our reputation, or potential loss of trust among stakeholder groups. The higher rating – qualitatively or quantitatively – determines the overall assessment. Where applicable, we take into account the potential impact on people and/or the environment as an additional criterion in our assessment. The likelihood of occurrence is assessed on a scale ranging from very unlikely (less than 10%), unlikely (10-30%), possible (30-50%), likely (50-70%), very likely (above 70%) over a maximum PERIOD OF 10 YEARS. The risk owners define a risk management strategy as well as risk management measures. In 2024, we also conducted a DOUBLE MATERIALITY ASSESSMENT (DMA) in accordance with ESRS. Through our DMA, we identified several MATERIAL IMPACTS, RISKS AND OPPORTUNITIES in our OWN OPERATIONS and in the UPSTREAM and DOWNSTREAM value chains. The DMA process is oriented toward the ERM method to ensure a consistent and comprehensive risk assessment. We take into account dependencies and the material impacts as the input for identifying financial risks and opportunities. This approach enables us to understand the POTENTIAL LINKS between the identified impacts and the associated financial risks and opportunities. Sustainability risks are treated with equal importance to the other risk categories. The results of the materiality assessment are thus approved by the Board of Management to ensure that the material impacts, risks and opportunities are accounted for in strategic decisions. The findings are taken into consideration in our enterprise risk management process. Within the scope of our DMA, we identified, assessed and prioritized the impacts, risks and opportunities related to DEFORESTATION as well as BIODIVERSITY AND ECOSYSTEMS. We did not identify any forest-related risk or opportunity material for Bayer.
Biodiversity	As part of our annual planning activities, we identify OPPORTUNITIES by analyzing internal and external factors that may affect our business, e.g. of social, economic or environmental nature. Our planning process involves a comprehensive analysis of the markets. In addition, we identify and leverage opportunities as part of our regular business operations and through our daily monitoring of internal processes and markets. Bayer has implemented a holistic and INTEGRATED RISK MANAGEMENT SYSTEM, which is oriented towards internationally recognized standards and principles such as ISO 31000. It consists of risk identification, assessment, treatment, reporting and process monitoring and improvement. The risks are monitored CONTINUOUSLY by risk owners in the operational business units and functions. The risk portfolio is reviewed REGULARLY by the Bayer Assurance Committee. Within our integrated holistic risk management system, the impact of each risk is rated according to quantity and/or quality. The QUANTITATIVE ASSESSMENT reflects a potentially negative effect on cash flows. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence. The potential impact is determined on a scale from 1 (above EUR 500 to 750 million), 2 (EUR 750-1,000 million), 3 (EUR 1,000-1,500 million), 4 (EUR 1,500-2,500 million) to 5 (above EUR 2,500 million). The QUALITATIVE EVALUATION is based on criteria such as strategic impact, effects on our reputation, or potential loss of trust among stakeholder groups. The higher rating – qualitatively or quantitatively – determines the overall assessment. Where applicable, we take into account the potential impact on people and/or the environment as additional criterion in our assessment. The likelihood of occurrence is assessed on a scale ranging from very unlikely (less than 10%), unlikely (10-30%), possible (30-50%), likely (50-70%), very likely (above 70%) over a maximum PERIOD OF 10 YEARS. The risk owners define a risk management strategy as well as risk management measures. In 2024, we also conducted a DOUBLE MATERIALITY ASSESSMENT (DMA) in accordance with ESRS. Through our DMA, we identified several MATERIAL IMPACTS, RISKS AND OPPORTUNITIES in our OWN OPERATIONS and in the UPSTREAM and DOWNSTREAM value chains. The DMA process is oriented toward the ERM method to ensure a consistent and comprehensive risk assessment. We take into account dependencies and the material impacts as the input for identifying financial risks and opportunities. This approach enables us to understand the POTENTIAL LINKS between the identified impacts and the associated financial risks and opportunities. Sustainability risks are treated with equal importance to the other risk categories. The results of the materiality assessment are thus approved by the Board of Management to ensure that the material impacts, risks and opportunities are accounted for in strategic decisions. The findings are taken into consideration in our enterprise risk management process. Within the scope of our DMA, we identified, assessed and prioritized the impacts, risks and opportunities related to BIODIVERSITY AND ECOSYSTEMS, with regard to the following sustainability matters: Direct impact drivers of biodiversity loss, Impacts on the state of species, Impacts on the extent and condition of ecosystems, Impacts and dependencies on ecosystem services.

Plastics	As part of our annual planning activities, we identify OPPORTUNITIES by analyzing internal and external factors that may affect our business, e.g. of a social, economic or environmental nature. Our planning process involves a comprehensive analysis of the markets. In addition, we identify and leverage opportunities as part of our regular business operations and through our daily monitoring of internal processes and markets. In 2024, we also conducted a DOUBLE MATERIALITY ASSESSMENT (DMA) in accordance with ESRS. Through our DMA, we identified several MATERIAL IMPACTS, RISKS AND OPPORTUNITIES in our OWN OPERATIONS and in the UPSTREAM and DOWNSTREAM value chains. The DMA process is oriented toward the ERM method to ensure a consistent and comprehensive risk assessment. We take into account dependencies and the material impacts as the input for identifying financial risks and opportunities. This approach enables us to understand the POTENTIAL LINKS between the identified impacts and the associated financial risks and opportunities. Sustainability risks are treated with equal importance to the other risk categories. The results of the materiality assessment are thus approved by the Board of Management to ensure that the material impacts, risks and opportunities are accounted for in strategic decisions. The findings are taken into consideration in our enterprise risk management process. The issue of pollution was comprehensively accounted for in our double materiality assessment. In the identification, evaluation and prioritization of impacts, risks and opportunities in this area, we analyzed MICROPLASTICS as one sustainability matter in particular. During this process, we did not identify any plastics-related risk or opportunity material for Bayer.

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

Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed	Description of how interconnections are assessed	Primary reason for not assessing interconnections between environmental dependencies, impacts, risks and/or opportunities	Explain why you do not assess the interconnections between environmental dependencies, impacts, risks and/or opportunities
• Yes	To assess interconnections between environmental dependencies, impacts, risks and/or opportunities, Bayer follows a systematic and comprehensive approach. This involves several steps and methodologies: Our DOUBLE MATERIALITY ASSESSMENT in accordance with ESRS was based on extensive experiences and methods from earlier evaluations, such as our most recent materiality assessment, and the climate scenario analysis. The analysis was conducted in close coordination with our ENTERPRISE RISK MANAGEMENT (ERM). In our analysis, we made the assumption that the planetary limits and the needs of our stakeholders are especially crucial for identifying issues. We also assumed that regulatory changes, economic conditions, technological progress, environmental changes and sustainability in the value chains will continue to significantly impact the materiality of certain aspects in the future. There are several elements to our process for identifying, evaluating, prioritizing and monitoring the impacts on people and the environment, involving both internal and external experts. First, we identify potential material impacts by conducting comprehensive research, followed by a detailed assessment to evaluate our impacts. We then apply specific thresholds to prioritize and identify the materiality of the identified impacts. Our process takes into account all significant activities and business relations in the Crop Science, Pharmaceuticals and Consumer Health divisions. Here we particularly focus on our production activities and the resources used during these processes that can lead to an elevated risk of adverse effects. The process thus also involves analyzing the impacts that can result both from our own activities, such as research, development and production, and from our business relationships in the up- and downstream value chain. Such consultations are validated by our Sustainability Council, which comprises external ESG experts. This is intended to ensure that we adequately account for the opinions and concerns of relevant stakeholder groups. The DMA process is oriented toward the ERM method to ensure a consistent and comprehensive risk assessment. We take into account the material impacts as the input for identifying financial risks and opportunities. This approach enables us to understand the	N/A	N/A

	POTENTIAL LINKS between the identified impacts and the associated financial risks and opportunities. Furthermore, our ENVIRONMENTAL MANAGEMENT SYSTEMS comply with international standards such as ISO 14001 which helps us to systematically manage and improve environmental performance. Our non-financial Group TARGETS and KPIs help us track our performance. Also, our continuous investment in technology and innovation for sustainable solutions enables us to unlock environmental opportunities. By integrating these steps and methodologies, we assess and manage the interconnections between environmental dependencies, impacts, risks and opportunities.		

2.3 Have you identified priority locations across your value chain?

Identification of priority locations	Value chain stages where priority locations have been identified	Types of priority locations identified	Description of process to identify priority locations	Will you be disclosing a list/spatial map of priority locations?	Provide a list and/or spatial map of priority locations	Primary reason for not identifying priority locations	Explain why you do not identify priority locations
• Yes, we have identified priority locations	• Direct operations	Sensitive locations • Areas important for biodiversity • Areas of limited water availability, flooding, and/or poor quality of water • Areas of importance for ecosystem service provision Locations with substantive dependencies, impacts, risks, and/or opportunities • Locations with substantive dependencies, impacts, risks, and/or	WATER: Climate change will further exacerbate the problem of water scarcity in various regions of the Earth in the future. To avert future and current risks for our sites and the local communities, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 T cubic meters. We identify these regions using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites in regions with a high level of water stress (Baseline Water Stress indicator is greater than or equal to 0.4). The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. FORESTS: In most regions across the world, FORESTS play a critical role in balancing ecosystems and mitigating climate change. In 2023, we launched our global “Bayer Forest Protection Strategy”, which aims to increase our positive impact on the agricultural chain and take a leading role in the conservation of forests and biomes. Brazil is the first country in which we are developing this program, since it holds important environmental assets, such as the Cerrado, a biodiverse savanna in eastern Brazil, the Amazon rainforest and other habitats. BIODIVERSITY:	• Yes, we will be disclosing the list/geospatial map of priority locations	Bayer_CDP_Water Priority Sites	N/A	N/A

		opportunities relating to water • Locations with substantive dependencies, impacts, risks, and/or opportunities relating to biodiversity	Using the World Database of Key Biodiversity Areas (KBA), the World Database on Protected Areas (PA) and the IUCN Red List of Threatened Species, we analyzed the geographic proximity of relevant conservation areas and endangered species to our 485 production sites, agricultural field and breeding stations, and mining operations. With an impact radius of action 10 times greater than the size of the respective site asset, we found 46 sites near conservation areas (PA or KBA), including 19 production sites, six seed production facilities, 18 field and breeding stations and three phosphate mines (two legacy and one future mine). Eight of these 46 sites and nine additional Bayer sites are located near areas in which more than 10 different species are endangered (EN) or critically endangered (CR) according to the IUCN Red List.				

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

Effect type	Type of definition	Indicator used to define substantive effect	Change to indicator	% change to indicator	Absolute increase/ decrease figure	Metrics considered in definition	Application of definition
Risks	• Qualitative • Quantitative	• Other, please specify: Cash flow, and/or effect on our strategy or reputation, the potential loss of stakeholder confidence, as well as potential impact on people and/or the environment	• Absolute increase	N/A	500,000,000	• Time horizon over which the effect occurs • Likelihood of effect occurring	Risks are classified as high, medium or low when assessing their materiality within the overall risk portfolio. The extent of the impact is rated in quantitative and/or qualitative terms. The quantitative assessment reflects a potentially negative effect on cash flows, while the qualitative evaluation is based on criteria such as strategic impact, effects on our reputation, or potential loss of trust among stakeholder groups. Where applicable, we take into account the potential impact on people and/or the environment as an additional criterion in our assessment. Risks are assessed on a net basis, taking into account the risk control measures in place to mitigate the potential impact and/or likelihood of occurrence. The likelihood of occurrence is assessed on a scale ranging from very unlikely (less than 10%), unlikely (10-30%), possible (30-50%), likely (50-70%), very likely (above 70%) over a period of 10 years. The potential impact is determined on a scale from 1 (above EUR 500 to 750 million), 2 (EUR 750-1,000 million), 3 (EUR 1,000-1,500 million), 4 (EUR 1,500-2,500 million) to 5 (above EUR 2,500 million). In 2024, we also conducted a DOUBLE MATERIALITY ASSESSMENT (DMA) in accordance with ESRS. The DMA process for identifying, evaluating and prioritizing the financial risks and opportunities is oriented toward the ERM method to ensure a consistent and comprehensive risk assessment. First, we record the potential material risks and opportunities, which are then assessed by internal and external experts with regard to their likelihood of occurrence and potential financial scope. We then apply specific thresholds to determine the materiality of the identified risks and opportunities. To determine materiality, we consult both external and internal experts. To prioritize and determine impact materiality, we use an average view with a threshold of 2.5 on a scale of 1 to 5. There are different TIME HORIZIONS in which the identified impacts, risks and opportunities can be realized. We estimate

							that short-term impacts such as possible regulatory changes and market adjustments can be realized over a short- to medium-term period of one to five years. We expect long-term impacts pertaining to the environment and social aspects, such as the physical effects of climate change, biodiversity loss and the development of human rights in our supply chains, over a long-term period of 5 to 10 years or longer.
Opportuni-ties	• Qualita-tive • Quanti-tative	• Revenue	• Absolute increase	N/A	10,000,000	• Time horizon over which the effect occurs • Likelihood of effect occurring	As part of our annual planning activities, we identify opportunities by analyzing internal and external factors that may affect our business. These may be factors of a social, economic or environmental nature, for example. Our planning process involves a comprehensive analysis of the markets. We build on this by analyzing the respective market environments to identify opportunities. We use different TIME PERIODS across our various planning activities since trends or developments may impact our business over the shorter or longer term. In addition, we identify and leverage opportunities as part of our regular business operations and through our daily monitoring of internal processes and markets. Depending on developments, factors affecting our business, such as market risks, may result in either risks or opportunities. In 2024, we also conducted a DOUBLE MATERIALITY ASSESSMENT (DMA) in accordance with ESRS. The DMA process for identifying, evaluating and prioritizing the financial risks and opportunities is oriented toward the ERM method to ensure a consistent and comprehensive risk assessment. First, we record the potential material risks and opportunities, which are then assessed by internal and external experts with regard to their likelihood of occurrence and potential financial scope. We then apply specific thresholds to determine the materiality of the identified risks and opportunities. To determine materiality, we consult both external and internal experts. To prioritize and determine impact materiality, we use an average view with a threshold of 2.5 on a scale of 1 to 5. There are different TIME HORIZIONS in which the identified impacts, risks and opportunities can be realized. We estimate that short-term impacts such as possible regulatory changes and market adjustments can be realized over a short- to medium-term period of one to five years. We expect long-term impacts pertaining to the environment and social aspects, such as the physical effects of climate change, biodiversity loss and the development of human rights in our supply chains, over a long-term period of 5 to 10 years or longer.

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

Identification and classification of potential water pollutants	How potential water pollutants are identified and classified*	Please explain

• Yes, we identify and classify our potential water pollutants	i) POLICIES AND PROCESSES For ALL products we determine Predicted No Effect Concentrations (PNEC), widely accepted as safe levels for the ecological integrity of water bodies. PNEC are based on experimental data, reflect the ecotoxicological profile of the products and can range from few ng/m³ to several g/m³. Experimental studies and derivation of PNEC values follow INTERNATIONAL TEST GUIDELINES (OECD) and SECTORIAL RULES AND REGULATIONS (ECHA, EFSA, EMA), respectively. PNEC are the basis for our environmental risk assessments following a STEPWISE APPROACH: Define the ecotoxicological profile of our Active Ingredients (AI), Develop specific PNEC, Set voluntary internal discharge limits that are specific to each site and each AI, If our emissions can potentially cause a PNEC exceedance a risk mitigation roadmap must be developed. All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes according to our POLICIES (HSE key requirements, Group regulation on safe design and operation of processes and plants). For active (pharmaceutical) ingredients the approach is described in our Group-wide knowledge document "SAFE DISCHARGE LIMITS FOR AIs/APIs IN WASTEWATER", which applies to all relevant production sites. Compliance with internal and external thresholds is regularly monitored, overseen by supervisory and regulatory authorities, and reviewed at regular intervals during on-site audits by internal experts. To mitigate the risks associated with possible pollution hazards related to substances of (very) high concern, we apply our GLOBAL POLICY GOVERNING THE ASSESSMENT OF CHEMICAL SUBSTANCES. It describes how we monitor substances of concern identified by the EUROPEAN CHEMICALS AGENCY (ECHA) and what measures we subsequently undertake in our company. It aligns with international regulations (e.g. EU REACH and CLP), ensuring substances are properly classified, labeled, and registered before being marketed. ii) METRICS + INDICATORS to identify pollutants in our CORPORATE DIRECTIVE ON THE ASSESSMENT OF CHEMICAL SUBSTANCES: ALL substances with ANNUAL VOLUME ABOVE 1T require a comparable minimum data set with physical, chemical, toxicological, and ecotoxicological data (e.g. melting point, boiling point, density, vapor pressure, solubility, flash point); potential for irritation, mutagenicity, sensitization, acute aquatic toxicity, biodegradation; carcinogenic, teratogenic, or reproduction-impacting effects.	n/a

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

Water pollutant category	Description of water pollutant and potential impacts	Value chain stage	Actions and procedures to minimize adverse impacts	Please explain

• Pesticides	Our products (Plant Protection Products and Pharmaceuticals) are designed to have an impact on the metabolisms of living organisms and must be managed adequately to prevent adverse environmental impacts.
	
	Pesticides:
	Bayer's consistent safety standard aims that our crop protection products are safe for humans (from operators to consumers) and cause no undue harm to the environment if used according to label instructions. Before crop protection products and technologies can be introduced to the market, it must be demonstrated that their label-compliant use is without harm for
		• Direct operations
		• Upstream value chain
		• Downstream value chain
			• Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
			• Beyond compliance with regulatory requirements
			• Implementation of integrated solid waste management systems
			• Industrial and chemical accidents prevention, preparedness, and response
				HOW RISKS ARE MANAGED WITH THESE PROCEDURES:
				// At all our production and formulation facilities, we set voluntary internal discharge limits for our Active Ingredients in order to comply with safe levels in the water bodies.
				// All our facilities comply with strict safety standards as described in our HSE Key Requirements.
				// All solid waste is handled in a safe way according to standards described in our HSE Key Requirements.
				// All our facilities have detailed state-of-the-art programs for accident prevention, preparedness, and response, as described in our HSE Key Requirements
				// Detailed instructions on product use can be found on the packaging label.

	humans and does not expose the environment to an unjustifiable risk. They therefore require official approval, which is governed by numerous international and national laws and regulations. We test products in compliance with the applicable official regulations and perform extensive risk assessments. We support safe and label-compliant use of our products by stewardship activities (e.g. training of users, provision of best practice instructions, technical solutions).
	Uncontrolled release of pesticides from production and formulation facilities could lead to local hotspots with concentrations above the widely accepted safe levels (i.e. PNECs) and therefore cause local negative impacts on the ecological integrity of our water bodies.
			• Provision of best practice instructions on product use
			• Reduction or phase out of hazardous substances
			• Requirement for suppliers to comply with regulatory requirements
			• Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements
				// Our Supplier Code of Conduct requires suppliers to comply with all regulatory requirements.
				// All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes, either in our own treatment facilities or in third-party facilities.
				With these measures we prevent risks coming from uncontrolled outlets and ensure safe discharges.
				
				EVALUATING SUCCESS: Success is defined as compliance with our HSE requirements and regulatory limits. In accordance with the Group Regulation on HSE Management and HSE Key Requirements, our sites must have environmental management systems in place that follow recognized international standards, e.g. ISO 14001. We aim to cover 80% of business activities with certification to ISO 14001 or 45001 by the end of 2025 (2024: 79% with ISO 14001/EMAS validation).

• Other synthetic organic compounds	Our products (Plant Protection Products and Pharmaceuticals) are designed to have an impact on the metabolisms of living organisms and must be managed adequately to prevent adverse environmental impacts.
	
	Other synthetic compounds:
	Although the largest contribution to the occurrence of pharmaceuticals in the environment comes from patient excretions and improper disposal of unused medicines (and is therefore not in our hands), uncontrolled release from production and formulation facilities could lead to local hotspots with concentrations above the widely accepted safe levels (i.e. PNECs) and therefore cause local negative impacts on the ecological integrity of our water bodies.
	We collaborate with the German Fraunhofer-Gesellschaft and industry partners to reduce Iodine from patients' urine in hospital wastewater.
	To lower Iodine and Gadolinium levels in wastewater further, we also collect leftover contrast media from hospitals to recover these substances through our re:contrast program.
		• Direct operations
		• Upstream value chain
		• Downstream value chain
			• Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
			• Beyond compliance with regulatory requirements
			• Implementation of integrated solid waste management systems
			• Industrial and chemical accidents prevention, preparedness, and response
			• Provision of best practice instructions on product use
			• Requirement for suppliers to comply with regulatory requirements
			• Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements
				HOW RISKS ARE MANAGED:
				// At all our production and formulation facilities, we set voluntary internal discharge limits for our Active Ingredients in order to comply with safe levels in the water bodies.
				// All our facilities comply with strict safety standards as described in our HSE Key Requirements.
				// All solid waste is handled in a safe way according to standards described in our HSE Key Requirements.
				// All our facilities have detailed state-of-the-art programs for accident prevention, preparedness, and response, as described in our HSE Key Requirements
				// Detailed instructions on product use can be found on the packaging label.
				// Our Supplier Code of Conduct requires suppliers to comply with all regulatory requirements.
				// All relevant wastewater discharges are treated using sector-specific and state-of-the-art treatment processes, either in our own treatment facilities or in third-party facilities.
				
				With these measures we prevent risks coming from uncontrolled outlets and ensure safe discharges.
				
				MEASURING AND EVALUATING SUCCESS: Success is defined as compliance with our HSE requirements and regulatory limits. In accordance with the Group Regulation on HSE Management and HSE Key Requirements, our sites must have environmental management systems in place that follow recognized international standards, e.g. ISO 14001. We aim to cover 80% of our business activities with certification to ISO 14001 or ISO 45001 by the end of 2025 (2024: 79% with ISO 14001/EMAS validation).

3 Disclosure of dependencies, risks, and opportunities

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

Environmental issue	Environmental risks identified	Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain	Please explain
Climate change	• Yes, both in direct operations and upstream/downstream value chain	N/A	N/A
Forests	• No	• Environmental risks exist, but none with the potential to have a substantive effect on our organization	In 2024, through our double materiality assessment, we have identified several material impacts, risks and opportunities in our own operations and in the upstream and downstream value chains. These impacts, risks and opportunities comprise, for example, possible environmental and health risks, social challenges at the workplace and the potential for innovation and sustainable development in the value chain. All identified material impacts, risks and opportunities fall under the disclosure requirements of the ESRS. This assessment was based on extensive experiences and methods from earlier evaluations, such as our most recent materiality assessment, our human rights risk assessment and the climate scenario analysis. The analysis was conducted in close coordination with our enterprise risk management (ERM). In our analysis, we made the assumption that the planetary limits and the needs of our stakeholders are especially crucial for identifying issues. We also assumed that regulatory changes, economic conditions, technological progress, environmental changes and sustainability in the value chains will continue to significantly impact the materiality of certain aspects in the future. Through our DMA, we have not identified any FOREST-related risk with a substantive effect on our direct operations or value chain in the reporting year.
Water	• Yes, both in direct operations and upstream/downstream value chain	N/A	N/A
Plastics	• No	• Environmental risks exist, but none with the potential to have a substantive effect on our organization	In 2024, through our double materiality assessment, we have identified several material impacts, risks and opportunities in our own operations and in the upstream and downstream value chains. These impacts, risks and opportunities comprise, for example, possible environmental and health risks, social challenges at the workplace and the potential for innovation and sustainable development in the value chain. All identified material impacts, risks and opportunities fall under the disclosure requirements of the ESRS. This assessment was based on extensive experiences and methods from earlier evaluations, such as our most recent materiality assessment, our human rights risk assessment and the climate

			scenario analysis. The analysis was conducted in close coordination with our enterprise risk management (ERM). In our analysis, we made the assumption that the planetary limits and the needs of our stakeholders are especially crucial for identifying issues. We also assumed that regulatory changes, economic conditions, technological progress, environmental changes and sustainability in the value chains will continue to significantly impact the materiality of certain aspects in the future. Through our DMA, we have not identified any PLASTIC-related risks with a substantive effect on our direct operations or value chain in the reporting year.

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

Risk 1

part 1

Environmental issue the risk relates to	Risk identifier	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/area where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Climate change	• Risk1	Policy • Carbon pricing mechanisms	• Direct operations	• Austria • Belgium • Bulgaria • China • Croatia • Czechia • Denmark • Finland • France • Germany • Greece • Hungary • Italy • Ireland • Lithuania • Luxembourg • Netherlands • Norway • Poland • Portugal • Romania • Slovenia • Slovakia • Spain • Sweden	We identified the risk of high capital expenditure requirements to adapt to new climate-change-related regulations and laws e.g. as regards the emission of greenhouse gases during production processes such as emissions trading systems (ETS). Transitory risks are necessitating significant investment to adapt production processes to the envisaged ambition level and ensure compliance with possible new regulations, laws and guidelines. Based on the Paris Agreement, the most important countries and regions in which we operate have committed to limiting global warming by reducing their GHG emissions. The EU published the Green Deal to accelerate transformation towards a net Zero future; China committed to become Net Zero in 2060.The EU ETS is the main regulatory framework that poses a risk to European industry. A further increase in carbon prices is expected through the reduction in the number of carbon allowances (EUA) on the market. A further impact on the ETS factor is expected from the framework for the EU Roadmap 2030. To prevent the transfer of production to countries with less stringent emission rules, the EU is introducing CARBON BORDER ADJUSTMENT mechanisms from 2026 onwards. This would place a carbon price on imports of certain goods from outside the EU. As part of the revision of the EU ETS, a new Emissions Trading System was created in 2023, covering CO2 emissions from the combustion of fuels in buildings, road transport, and small-scale industry (ETS2).	• Increased direct costs

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Long-term	Likely	• Low	N/A	Transitory risks are 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. They are also expected to increase operational cost (e.g. EU ETS and CBAM). In light of this risk, the EU ETS has already influenced Bayer directly and indirectly: directly through its own combined heat and power (CHP) plants, which receive fewer free-allocated EUAs, and indirectly through the energy industry. As a globally operating company with a widely diversified value chain, the carbon border adjustment mechanisms could affect Bayer in its direct operations and its procurement. The additional carbon price on imports could increase the price of primary purchasing products. Overall, the degree to which Bayer is affected is rather minor as the scope of the Carbon Border Adjustment Mechanism is limited and as a life science company we don't have any energy intensive production in the EU.	• Yes

part 3

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

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response

i) APPROACH:
In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5.
The scale is defined as 1: above EUR 500 to 750 million, 2: above EUR 750 to 1,000 million, 3: above EUR 1,000 to 1,500 million, 4: above EUR 1,500 to 2,500 million to 5: above EUR 2,500 million.
This risk was assessed quantitatively and qualitatively with a higher qualitative assessment of 1. The range of this scale (above EUR 500 million to EUR 750 million aggregated cash flow impact over 3 years) determines the minimum and the maximum anticipated effect if the risk was assessed financially.
 	
ii) CALCULATION:
In addition to the financial assessment, following our risk analysis method, the risk was evaluated qualitatively and was classified as risk with a corresponding financial impact between EUR 500 to 750 million according to Bayer's risk methodology (low impact according to CDP drop down options).
 	
iii) ASSUMPTIONS:
The transitional changes are expected to increase operational cost (e.g. EU ETS and CBAM) and require higher CapEx investments to comply with the tightened requirements.
Overall, the indirect impact of the EU ETS should remain relatively low as Bayer has invested heavily in energy efficiency measures in the past.
	Infrastructure, technology and spending
	• Increase environment-related capital expenditure
		200,000,000	Both Scope 1 and 2 GHG emissions can be reduced through more modern and energy-efficient buildings, plants and processes. We implemented numerous such projects between 2019 and 2024 that had a positive impact on our Scope 1 or Scope 2 emissions overall. We expect the capital expenditures necessary for investment in our buildings, plants or processes at our sites to achieve further reductions through 2029 to total up to EUR 200 million in the coming years. This amount is accounted for in our divisions' capital expenditure budgets.
			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.
				Through our strategy for decarbonization, with a focus on reducing GHG emissions on the pathway to a 1.5 degree Celsius scenario, we are reducing the risk of additional costs being caused by the expected regulations.
				We are pursuing the goal of achieving net zero GHG emissions (net zero target) by 2050, including the entire value chain. This means an at least 90% reduction in Scope 1, 2 and 3 GHG emissions compared with the base year 2019. The remaining 10% GHG emissions should be offset by long-term emission credits.
				We already reduced total direct GHG emissions (Scope 1) and indirect GHG emissions (Scope 2, market-based) by 21.3% between 2019 and 2024 at those of our sites where energy consumption exceeds 1.5 terajoules. The main levers to further reduce emissions from 2025 to 2029 are:
				// Conversion to 100% purchased electricity out of renewable energies,
				// Energy efficiency and production process optimization and electrification,
				// Decarbonization of additionally purchased indirect energy sources (heating, cooling),
				// By 2030, we aim to switch our fleet of currently some 23,000 vehicles over to electric vehicles wherever technically and economically feasible.
				We reduced GHG emissions in the value chain (Scope 3) by 12.7% between 2019 and 2024. We plan to reduce our Scope 3 GHG emissions further e.g. by 4.2 percentage points by 2029 (compared with 2019) in cooperation with our suppliers. With regard to individual Scope 3 activities, including warehousing, transport, travel and packaging, we expect a further reduction contribution in Scope 3 GHG emissions.
				In addition, new technologies – including carbon capture and storage – will be needed both for our own sites and along our value chain to achieve the net zero GHG emission target by 2050. Beyond the decarbonization of our own activities, we can make an additional contribution by supporting climate protection projects and promoting our concept of regenerative agriculture and innovations in agriculture.

Risk 2 in the CDP system

part 1

Environmental issue the risk relates to	Risk identifier	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/ area where the risk occurs	River basin where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Water	• Risk 2	Policy • Introduction of regulatory standards for previously unregulated contaminants	• Direct operations	• Germany	• Rhine	We identified the risk of losses on sales due to regulatory restrictions for products containing substances of concern. Increasing requirements for the use of crop protection, pharmaceutical or chemical products under the EU Green Deal for existing and upcoming EU Directives may lead to restrictions in some uses and an increasing need for measures to reduce the concentration of respective active ingredients mainly in surface water. This might impact individual Bayer products. This discussion is relevant for whole Europe with specific aspects (like trace substances) for Germany where Bayer's headquarter is located. Restrictive regulations for active ingredients might lead to limitation or even ban of use. A thorough internal Bayer analysis came to the result that pharma active substances are out of scope, a prohibition on certain active ingredients for Crop Science would require the replacement or exchange of these active ingredients in our products. This would require, in most countries, a new registration of the product. The risk could have a significant impact on our product portfolio. Moreover, the risks could generate significant sales losses. To manage and minimize the risk an internal high level Steering Committee has been implemented.	• Constraint to growth

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Medium-term	• Unlikely	• Medium	N/A	Restrictive regulations for active ingredients might lead to limitation or even ban of use. A thorough internal Bayer analysis came to the result that pharma active substances are out of scope, a prohibition on certain active ingredients for Crop Science would require the replacement or exchange of these active ingredients in our products. This would require, in most countries, a new registration of the product. The risk could have a significant impact on our product portfolio. Moreover, the risks could generate significant SALES LOSSES. Regulatory changes may also lead to higher product development costs and longer development times, or even necessitate adjustments to our product portfolio, which in turn may negatively impact our reputation.	• Yes

part 3

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

part 4

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1: above EUR 500 to 750 million, 2: above EUR 750 to 1,000 million, 3: above EUR 1,000 to 1,500 million, 4: above EUR 1,500 to 2,500 million to 5: above EUR 2,500 million. This risk is assessed qualitatively with 2. The range of this scale (above EUR 750 to 1,000 million) determines the minimum and the maximum anticipated effect if the risk was assessed financially. ii) CALCULATION During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning water cannot be singled out easily from the overall risk related to intensified regulations that could constrain growth and thus, have not been evaluated stand alone. During our risk assessment, it was concluded that the primary potential impact cannot be evaluated financially. Following our risk analysis method, the risk was evaluated qualitatively with regard to strategic effects and sustainability and was classified as risk with impact 2 (medium impact according to CDP drop down options). For risks that can be evaluated quantitatively, risks with impact 2 are defined to have a financial impact of above EUR 750 - 1,000 million aggregated cash flow over 3 years. Therefore, we came up with an estimated financial impact between EUR 750 million and EUR 1,000 million for this risk. This represents ca. 2% of CropScience sales over 3 years: EUR 22,259 million x 2% x 3 years equals EUR 1,335 million.	• Engage with regula-tors/ policy-makers	8,500,000	As Bayer's EU lobbying work also included water-related discussions (zero pollution ambition), we added the costs incurred at our liaison offices in Europe in 2024 to estimate the costs of our engagement with policy makers in the EU: Including human resources, material and project expenses, the costs incurred at our liaison offices totaled approximately EUR 2.1 million in Germany and EUR 6.4 million in the EU (CALCULATION of total costs: EUR 2.1 m plus EUR 6.4 m equals EUR 8.5 million). The costs represent 2024 costs and are recurring each year.	We counter such risks by monitoring changes in regulatory requirements in order to adequately address them within the company. We pursue a global strategy that bundles our strong product portfolio and sustainability commitments, and leverages our global business presence. In addition, we deploy in-house R&D capacities, make acquisitions and enter into collaborations to adapt to such developments, and align our product portfolio to reflect anticipated changes. We also address these risks by engaging in dialogue with the authorities with the goal of promoting science-based decision-making, and by taking appropriate action to defend against challenges to product approvals. Bayer has built management structures to participate actively in the discussion on EU level and to evaluate the associated risks internally as well as defining mitigation measures. Bayer also remains involved in the stakeholder dialogue initiated by the German government with the goal of drawing up a strategy for dealing with trace substances in bodies of water. In roundtable formats that bring together stakeholders from water management, environmental authorities and associations, health service providers and industry, measures are developed that aim to reduce the discharge of relevant trace substances.

Risk 3 in the CDP system

part 1

Environ-mental issue the risk relates to	Risk identifier	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/area where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Climate change	• Risk3	Chronic physical • Changing precipitation patterns and types (rain, hail, snow/ice)	• Down-stream value chain	• Argentina • Belgium • Brazil • China • France • Germany • India • Mexico • Spain • United States of America	We identified the risk of a potential decline in demand and associated losses of sales for certain products because the current product range is not fully aligned to 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). For a number of years now, we have conducted a climate-based scenario analysis with which we analyze the impacts, risks and opportunities of climate change. In our analysis we focus on the impacts on our businesses, especially agriculture. In 2024, we also further developed our own agricultural climate model to analyze impacts on agricultural productivity in relation to the different scenarios. The long-term natural and physical effects of climate change will have a particular impact on the permanent water cycle (for example through a transition to a wetter or drier climate or a delay in the monsoon season), the spread of diseases and insect pests, and further coupling effects of temperature changes. These effects will be particularly relevant for our agricultural business. We develop strategies to help farmers increase their resilience against the effects of climate change. At the same time, we want to help farmers reduce their own greenhouse gas emissions and cultivate healthy crops. NOTE: The risk applies globally. To ensure readability, we selected our 10 largest countries.	• Decreased revenues due to reduced demand for products and services

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Long-term	• Likely	• Medium-high	N/A	Global agriculture and food systems in particular are confronted with major challenges, such as climate change (in terms of both mitigation and adaptation), water scarcity and population growth. In the area of climate change, we face both numerous 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 DECLINES for certain products in case the current product portfolio does not meet future customer requirements related to the effects of climate change. However, 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	• Yes

				models that help to reduce greenhouse gas emissions (including carbon farming, low-carbon products and products with low global warming potential).	

part 3

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

part 4

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1: above EUR 500 to 750 million, 2: above EUR 750 to 1,000 million, 3: above EUR 1,000 to 1,500 million, 4: above EUR 1,500 to 2,500 million to 5: above EUR 2,500 million. This risk is assessed qualitatively with 1. The range of this scale (above EUR 500 million to EUR 750 million aggregated cash flow impact over 3 years) determines the minimum and the maximum anticipated effect if the risk was assessed financially. ii) CALCULATION: We have made a calculation for the entire risk and climate modeling to get a better understanding. Calculation can only be provided with limited accuracy as we are looking until 2050 or longer. Following our risk analysis method, the risk was evaluated qualitatively and was classified as a risk with impact of 1. The equivalent financial impact is above EUR 500-750 million. This is in line with external market assumptions which assume that Climate Change already had a market impact of 1-2%. If total CropScience sales are multiplied by 1% and aggregated over three years this results in EUR 667.8 million, which is in the range of a moderate impact in our ERM (above EUR 500-	Diversification • Develop new products, services and/or markets	2,611,000,000	Bayer's 2024 R&D investment of EUR 2.6 billion in our Crop Science division points to a robust innovation pipeline spanning seeds and trait technologies, crop protection and digital solutions. Our business planning takes account of research and development expenses for product innovations that can help adapt our business model to the impacts of climate change. Planned product launches are included in our product innovation pipeline. Specific allocations of R&D expenses cannot be disclosed for competitive reasons. R&D investments of the CropScience division represent 42% of total R&D expenses of Bayer	The long-term natural and physical effects of climate change will have a particular impact on the permanent water cycle, the spread of diseases and insect pests, and further coupling effects of temperature changes. We develop strategies to help farmers increase their resilience against the effects of climate change. At the same time, we want to help farmers reduce their own greenhouse gas emissions and cultivate healthy crops. Our plant scientists today routinely advance solutions that help farmers combat environmental challenges such as pests, diseases or drought. Plants bred to be adapted to certain climates or more resistant to changing environmental conditions have better chances of survival in the field, which leads to more productive harvests. Examples: For example, our Arize® hybrid rice seed AZ 7006 is specially designed to survive even in extreme flood conditions, producing consistent yields despite unfavorable weather conditions. This helps safeguard the nutrition and livelihoods of people in countries struck by weather-related calamities, such as those occurred in the Philippines, India, and Bangladesh. At Vegetables by Bayer, we are working to improve growers' resilience to water and climate stress. Over the last two years, we conducted trials with our Seminis® processing tomato varieties, comparing different irrigation schedules by mimicking growers' practices to adapt to water restrictions. In 2024, we also further developed our own agricultural climate model to analyze impacts on agricultural productivity in relation to the different climate scenarios. At the same time, we can use this climate model for various other analyses; for example, as a useful extension of specific

750 million aggregated CF over 3 years): EUR 22,259 million x 1% x 3 years equals EUR 667.8 million. iii) ASSUMPTIONS: During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning climate on our business cannot be singled out easily from the overall global effects which are closely linked together. And thus, have not been evaluated stand alone at this point.			AG as shown by the following BREAKDOWN OF THE COST CALCULATION: 2.611 billion divided by 6.209 billion equals 42%.	analyses on the impacts and opportunities of climate change as regards our business activities in agriculture.

Risk 4 in the CDP system

part 1

Environ-mental issue the risk relates to	Risk identi-fier	Risk types and primary environ-mental risk driver	Value chain stage where the risk occurs	Country/ area where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Climate change	• Risk 4	Acute Physical • Heat wave	• Down-stream value chain	• Argentina • Belgium • Brazil • China • France • Germany • India • Mexico • Spain • United States of America	We identified the risk of disruption of the value chain and production processes due to extreme weather events and climate-related natural disasters caused or exacerbated by climate change. For a number of years now, we have conducted a climate-based scenario analysis with which we analyze the impacts, risks and opportunities of climate change. In our analysis we focus on the impacts on our businesses, especially agriculture. In 2024, we further developed an agricultural climate model to analyze the impacts on agricultural productivity in relation to the different scenarios. 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. PLEASE NOTE: The risk applies globally. To ensure readability, we selected our 10 largest countries.	• Decreased revenues due to reduced demand for products and services

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Medium-term	• About as likely as not	• Medium-high	N/A	Extreme weather events or changing climatic conditions can have negative impacts at upstream production sites in the supply chain, at our own sites and in the downstream supply chain. These risks are accounted for in our companywide risk management process as part of our enterprise risk management (ERM) system. In the area of climate change, we face both numerous 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 DECLINES for certain products in case the current product portfolio does not meet future customer requirements related to the effects of climate change. However, 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).	• Yes

part 3

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

part 4

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1: above EUR 500 to 750 million, 2: above EUR 750 to 1,000 million, 3: above EUR 1,000 to 1,500 million, 4: above EUR 1,500 to 2,500 million to 5: above EUR 2,500	Diversification • Develop new products, services	2,611,000,000	Bayer's 2024 R&D investment of EUR 2.611 billion in our Crop Science points to a robust innovation pipeline spanning seeds and trait technologies, crop protection and digital	Extreme weather events or changing climatic conditions can have negative impacts at upstream production sites in the supply chain, at our own sites and in the downstream supply chain. To reduce these impacts and maintain the availability of our products, we take this into account for relevant cases in

million. This risk is assessed qualitatively with 3. The range of this scale (above EUR 1000m to EUR 1,500m aggregated cash flow impact over 3 years) determines the minimum and the maximum anticipated effect if the risk was assessed financially. The overarching risk of seasonal and economic fluctuations could negatively affect our Crop Science business. The potential impact of this risk is a reduced demand for products and impacts liquidity of the value chain, a negative annual sales growth rate in total for all our Crop Science products and services at global level, which arise in different areas of the world. Volatile weather conditions – which are anticipated to increase in frequency due to climate change, are one driver of this overarching risk. ii) CALCULATION: We have made a calculation for the entire risk of economic and seasonal fluctuations. Following our risk analysis method, the risk was evaluated qualitatively and was classified as a risk with an impact of above EUR 1,000-1,500 million. This is in line with external market assumptions which assume that Climate Change already had a market impact of 1-2%. If total CropScience sales are multiplied by 2% and aggregated over 3 years, this is in the range of an impact of 3 of our ERM (above EUR 1,000-1,500 million): EUR 22,259million x 2% x 3 years equals EUR 1,335 million. iii) ASSUMPTIONS: During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning weather/climate on our business cannot be singled out easily from the overall global effects which are closely linked together. And thus, have not been evaluated stand alone at this point.	and/or markets		solutions. Our business planning takes account of research and development expenses for product innovations that can help adapt our business model to the impacts of climate change. Planned product launches are included in our product innovation pipeline. Specific allocations of R&D expenses cannot be disclosed for competitive reasons. R&D investments of the CropScience division represent 42% of total R&D expenses of Bayer AG as shown by the following BREAKDOWN OF THE COST CALCULATION: 42% x EUR 6.209 billion equals EUR 2.611 billion. 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.	business continuity plans, take out insurance coverage, invest in modernization measures and undertake other activities, for example in our procurement strategies. 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.

Risk 5

part 1

Environ-mental issue the risk relates to	Risk identifier	Risk types and primary environmental risk driver	Value chain stage where the risk occurs	Country/ area where the risk occurs	River basin where the risk occurs	Organization-specific description of risk	Primary financial effect of the risk
Water	• Risk5	Reputation • Increased partner and stakeholder concern or negative partner and stakeholder feedback	• Up-stream value chain	• India	• Damodar • Godavari • Krishna	We identified the risk of operational disruptions due to supply chain interruptions resulting from pollution. From the perspective of the Bayer Group as a whole, there is a risk that our partners, such as suppliers, do not pay due attention to our requirements concerning ethics, compliance and sustainability. Low enforcement of wastewater standards for pharmaceutical or chemical suppliers could potentially lead to incidences of increased respective concentrations of harmful substances in water bodies and potentially in drinking water, e.g. in 2019, there was a spill-over in India related to suppliers of several companies in the industry. After diligent investigations by Bayer, it was confirmed that Bayer suppliers were not affected. With the zero liquid discharge strategy of the Indian government this is especially relevant in India. Not meeting the wastewater quality norms would lead to a stoppage of production by the State Pollution Control Board. We see no risk of discharging any wastewater not meeting the norm in our own operations. Our facilities in India installed online analyzers to monitor critical parameters at the outlets of their wastewater treatment plants. The analysis results are transmitted directly to the government's Central Pollution Control Board, and the outlet valve of the treatment plant closes automatically if the thresholds are exceeded.	• Brand damage

part 2

Time horizon over which the risk is anticipated to have a substantive effect on the organization	Likelihood of the risk having an effect within the anticipated time horizon	Magnitude	Effect of the risk on the financial position, financial performance and cash flows of the organization in the reporting year	Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effect of the risk?
• Medium-term	• Unlikely	• Medium	N/A	A sustainability issue at a supplier company may lead to negative media coverage, affecting public opinion, Bayer's image and perception by stakeholders. Consequences could be a potential reputational impact, increased organizational effort or interruption of supply as we can't use the supplier any longer. With the zero liquid discharge strategy of the Indian government this risk is especially relevant in India. Not meeting the wastewater quality norms would lead to a stoppage of production by the State Pollution Control Board. If the topic receives high media coverage, this could affect our brand image, even if our own production wastewater or suppliers are not affected. If the case of brand damage occurs, this could lead to a decline in demand for our products. Depending on the extent of the reputational damage and the decline in demand, this could lead to a suboptimal workload at our production sites and thus to INCREASED COSTS.	• Yes

part 3

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

part 4

Explanation of financial effect figure	Primary response to risk	Cost of response to risk	Explanation of cost calculation	Description of response
i) APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. The scale is defined as 1: above EUR 500 to 750 million, 2: above EUR 750 to 1,000 million, 3: above EUR 1,000 to 1,500 million, 4: above EUR 1,500 to 2,500 million to 5: above EUR 2,500 million. This risk is assessed qualitatively with 2. The range of this scale (above EUR 750-1,000) determines the minimum and the maximum anticipated effect if the risk was assessed financially. ii) CALCULATION: During our risk assessment, it was concluded that the potential impact of the specific part of the risk concerning water cannot be singled out easily from the overall risk related to our external suppliers and thus, has not been evaluated stand alone. In addition to the financial assessment, following our risk analysis method, the risk was evaluated qualitatively and was classified as risk with financial impact above EUR 750 to 1,000 million according to Bayer's risk methodology (medium impact according to CDP drop down options). This represents ca. 1% of Bayer Group sales, aggregated over 3 years: EUR 46,606 million x 1% x 3 years equals EUR 1,398 million.	Compliance, monitoring and targets • Improve monitoring of upstream and downstream activities	220,000	To estimate the reported costs, we aggregated the membership fees for the two supplier initiatives and the interface to EcoVadis and CDP Supply Chain. In 2024, we spent about EUR 120,000 for membership fees for supplier initiatives and EcoVadis and CDP Supply Chain and about EUR 100,000 on initiatives related to the engagement with suppliers and their assessment and audits in relation to sustainability topics, including water. In addition, we conduct internal HSE audits, PSCI audits and supplier-paid TfS audits and EcoVadis assessments. As these are part of our regular HSE management or paid by suppliers, we do not include them as extra costs. CALCULATION:	Bayer's Code of Conduct covers our commitment to acting responsibly along the entire value chain and to comply with all applicable regulations regarding the generation, use, storage, and disposal of waste, emissions, hazardous chemicals, and other materials. We are committed to preventing uncontrolled pollution in our supply chain by evaluating the performance of our chemical suppliers. This is achieved through a combination of assessments, audits and the implementation of corrective measure plans. These measures are designed to identify areas requiring improvement and ensure compliance with the Bayer Supplier Code of Conduct (SCoC). Whenever material impacts are identified, we cooperate with the affected parties to provide remedial measures and support corrective measures. The SCoC deals with the management of hazardous materials, substances of concern, natural resources, climate protection and compliance with laws and regulations related to pollutants and substances. It addresses our potential impacts on pollution by prescribing strict compliance with environmental and safety standards, and the responsible procurement and handling of hazardous substances, including substances of concern and very high concern, thereby reducing the risk of uncontrolled emissions and ensuring compliance with legal requirements to prevent operational and sales disruptions. E.g., suppliers must have safety programs and management systems in place to manage and maintain all of their production processes in compliance with applicable safety standards. Bayer verifies the observance of the code requirements by means of EcoVadis online assessments and through audits conducted by both external and Bayer auditors. In total, EcoVadis assessed 1,324

			EUR 120,000 plus EUR 100,000 equals EUR 220,000.	suppliers on our behalf in 2024. In 2024, 131 audits were conducted at our suppliers by external or internal auditors. Audit criteria included both the specifications of our SCoC and the requirements of industry initiatives such as TfS and PSCI.

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

Environmental issue	Financial metric	Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)	% of total financial metric vulnerable to transition risks for this environmental issue	Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)	% of total financial metric vulnerable to physical risks for this environmental issue	Amount of CAPEX in the reporting year deployed towards risks related to this environmental issue	Explanation of financial figures
Climate change	• OPEX	500,000,000	• Less than 1%	0	• Less than 1%	N/A	RATIONALE: Risk 1: Transitory risks are 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. They are also expected to increase operational cost (e.g. EU ETS and CBAM). In light of this risk, the EU ETS has already influenced Bayer directly and indirectly: directly through its own combined heat and power (CHP) plants, which receive fewer free-allocated EUAs, and indirectly through the energy industry. As a globally operating company with a widely diversified value chain, the carbon border adjustment mechanisms could affect Bayer in its direct operations and its procurement. The additional carbon price on imports could increase the price of primary purchasing products. Overall, the degree to which Bayer is affected is rather minor as the scope of the Carbon Border Adjustment Mechanism is limited and as a life science company we don't have any energy intensive production in the EU. CALCULATION APPROACH: In our holistic and integrated Risk Management System, the potential impact of each risk is rated according to quantity and/or quality. The impact is determined on a scale from 1 to 5. This risk was assessed quantitatively and qualitatively with a higher qualitative assessment of 1. The range of this scale (above EUR 500 million to EUR 750 million aggregated cash flow impact over 3 years)

							determines the minimum and the maximum anticipated effect if the risk was assessed financially. EUR 500 million (minimum aggregated cash flow impact of Climate-related transitory risk in our ERM over 3 years) / 3 years / EUR 27,186 million (Selling expenses plus R&D expenses plus General administration expenses plus Other operating expenses 2024) equals 0.6% ASSUMPTIONS: The transitional changes are expected to increase operational cost (e.g. EU ETS and CBAM) and require higher CapEx investments to comply with the tightened requirements. Overall, the indirect impact of the EU ETS should remain relatively low as Bayer has invested heavily in energy efficiency measures in the past.
Water	• Other, please specify: effect on brand damage or constraint to growth and thus potentially revenue	750,000,000	• Less than 1%	0	• Less than 1%	N/A	RATIONALE: Risk 2: Increasing requirements for the use of crop protection, pharmaceutical or chemical products under the EU Green Deal for existing and upcoming EU Directives may lead to restrictions in some uses and an increasing need for measures to reduce the concentration of respective active ingredients mainly in surface water. Risk 5: Low enforcement of wastewater standards for pharmaceutical or chemical suppliers could potentially lead to incidences of increased respective concentrations of harmful substances in water bodies and potentially in drinking water. A sustainability issue at a supplier company may lead to negative media coverage, affecting public opinion, Bayer's image and perception by stakeholders. Consequences could be a potential reputational impact, increased organizational effort or interruption of supply as we can't use the supplier any longer. CALCULATION APPROACH: In our holistic and integrated Risk Management System, both WATER-related transitional risks are assessed qualitatively, with 2. The range of this scale (more than EUR 750 million to EUR 1,500 million aggregated cash flow impact over 3 years) determines the minimum and the maximum anticipated effect if the risk was assessed financially. EUR 750 million (minimum aggregated cash flow impact of Water-related transitory risks in our ERM over 3 years) / 3 years / EUR 46,606 million (Total Revenue 2024) equals 0.5% ASSUMPTIONS: During our risk assessment, it was concluded that the potential impact of the specific parts of the two risks concerning water cannot be singled out easily from the overall risks related to intensified regulations or increased stakeholder concerns and thus, have not been

							evaluated stand alone. During our risk assessment, it was concluded that the primary potential impact cannot be evaluated financially. Following our risk analysis method, the risk was evaluated qualitatively with regard to reputational effects and sustainability.
Climate Change	• Revenue	0	• Less than 1%	1,000,000,000	• Less than 1%	N/A	RATIONALE: Risk 3: Global agriculture and food systems in particular are confronted with major challenges, such as climate change (in terms of both mitigation and adaptation), water scarcity and population growth. In the area of climate change, we face both numerous 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 DECLINES for certain products in case the current product portfolio does not meet future customer requirements related to the effects of climate change. Risk 4: 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. Extreme weather events or changing climatic conditions can have negative impacts at upstream production sites in the supply chain, at our own sites and in the downstream supply chain. The overarching risk of seasonal and economic fluctuations could negatively affect our Crop Science business. The potential impact of this risk is a reduced demand for products and impacts liquidity of the value chain, a negative annual sales growth rate in total for all our Crop Science products and services at global level, which arise in different areas of the world. Volatile weather conditions – which are anticipated to increase in frequency due to climate change, are one driver of this overarching risk. CALCULATION APPROACH: We have made a calculation for the entire risk of economic and seasonal fluctuations. Following our risk analysis method, the risk was evaluated qualitatively and was classified as a risk with an impact of above EUR 1,000-1,500 million aggregated cash flow over 3 years. This is in line with external market assumptions which assume that Climate Change already had a market impact of 1-2%. This covers both, Risk 3 and Risk 4. EUR 1,000 million (min. aggregated cash flow impact of Climate-related physical risks in our ERM over 3 years) / 3 years / EUR 46,606 million (Revenue 2024) equals 0.7% ASSUMPTIONS: During our risk assessment, it was concluded that the potential impact of the specific parts of the two risks concerning climate on our business cannot be singled out easily from the overall global effects, which are

							closely linked together. And thus, have not been evaluated stand alone at this point.

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

Country/ Area &River basin	Value chain stages where facilities at risk have been identified in this river basin	Number of facilities within direct operations exposed to water-related risk in this river basin	% of your organization's total facilities within direct operations exposed to water-related risk in this river basin	Number of facilities within downstream value chain exposed to water-related risk in this river basin	Number of facilities in upstream value chain exposed to water-related risk in this river basin	% organi-zation's total global revenue that could be affected	Please explain
Spain • Other, please specify: Tagus 2, Tagus	• Direct operations	1	• Less than 1%	N/A	N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks (Weighted Aggregated Water Risk Total by Default Weighing Scheme indicator is greater than or equal to 3) and all sites in regions with a high level of water stress (Baseline Water Stress indicator is greater than or equal to 0.4). The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
Germany: Elbe River	• Direct operations	2	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers

							all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Indonesia: Other please specify: Java-Timor; Cisadane	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.

• Mexico: Other please specify; Mexico, Northwest Coast; Culiacán	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Spain: Other, please specify: Spain, South and East Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual

							back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Germany: Rhine	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• United States of America: Other please specify: Middle San Joaquin/ Chowchilla / Fresno / Panoche	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We

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• United States of America: Mississippi River	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• India: Godavari	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources.

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• Peru: Other, please specify: Ica, Peru, Pacific Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Mexico: Other, please specify: Lerma / Sala-manca, Rio Lerma	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated

							the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• United States of America: Other please specify: Río Grande – Bravo; El Paso / Las Cruces	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Mexico: Other, please specify: Lerma / Toluca, Rio Lerma	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis

							on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm³. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• United States of America: Other please specify: North America, Colorado; Brawley Wash	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm³. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Chile: Other, please specify: Maipo, North	• Direct operations	2	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the

Chile, Pacific Coast							highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm³. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• United States of America: Other, please specify: Columbia and Northwestern United States; Middle Snake / Payette	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm³. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.

• South Africa: Orange	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Thailand: Chao Phraya	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual

							back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Mexico: Other, please specify: Ameca / Ixtapa, Pacific Central Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Chile: Rapel	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We

							operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• United States of America: Other, please specify: Columbia and Northwestern United States; Blackfoot	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Mexico: Other, please specify: Río Lerma; Santiago Guadalajara	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources.

							Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• Mexico: Balsas	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• India: Other, please specify: Sarya, India West Coast	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated

							the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.
• United States of America: Other, please specify: Cache - California Central Valley Aquifer System	• Direct operations	1	• Less than 1%	• N/A	• N/A	• Unknown	We identify regions with water risks using the data from the Aqueduct Water Risk Atlas 4.0 of the World Resources Institute (WRI). The evaluation covers all sites impacted by water risks and all sites in regions with a high level of water stress. The data is extracted for the exact geolocalization of every single site. If a site is operated on more than one land plot, the plot with the highest water stress or water risk at the beginning of the study was evaluated to ensure a conservative approach. To avert current and future risks for our sites and the local communities, particularly in the context of climate change, we are placing special emphasis on sites that will be threatened by high water stress by 2030 (WRI, basic scenario) and that have water withdrawals above 50 Tm^3. In 2023, we met our goal of establishing suitable water management systems at all those sites. In 2024, we have revised the evaluation system and updated the sites in scope, based on new WRI data. The key characteristics of a sustainable water management are a balance between water consumption and availability, and the optimal conservation of water resources. Bayer divisions operate global production networks with multiple production steps for a single product across different sites (internal and external). We operate sites around the world. As of December 31, 2024, the Bayer Group comprised 291 consolidated companies in approximately 80 countries. Depending on market and customer demands, productions have individual back-up and flexibility strategies. Revenue contribution of individual sites can therefore not directly be allocated.

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

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

• No	N/A	To identify and monitor water-related environmental or compliance issues, we reviewed answers provided by our sites for Bayer's Annual Report regarding the corresponding GRI indicators for environmental compliance as well as their answers in internal tools such our central reporting platform, where we report "environmental incidents". For environmental incidents, we report on emissions of substances listed in the European Pollutant Release and Transfer Register into the air, water and/or soil, and on emissions of so-called substances of concern and very high concern according to ESRS. We report the emissions volumes of substances whose emitted volumes lie above the threshold values of the E-PRTR or the concentration thresholds of the CLP regulation. We define environmental incidents as all transport and plant incidents occurring at one of our sites worldwide in the current reporting period and entered into our central reporting platform by the HSE officers of the respective site.

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

- Yes

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

- EU ETS

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

System name	% of Scope 1 emissions covered by the ETS	% of Scope 2 emissions covered by the ETS	Period start date	Period end date
EU ETS	13	0	01/01/2024	12/31/2024

Allowances allocated	Allowances purchased	Verified Scope 1 emissions in metric tons CO2e	Verified Scope 2 emissions in metric tons CO2e	Details of ownership	Comment
156,283	0	248,000	0	• Facilities we own and operate	13% of our Scope 1 greenhouse gas emissions were generated in 2024 at sites that are subject to a regulated emissions trading system in which we participate (2023: 14%). In 2024, we participated in European emissions trading with a total of five plants (2023: five plants). The greenhouse gas emissions of these plants amounted to approximately 248,000 metric tons of CO2 equivalents in 2024 (2023: approximately 265,000 metric tons of CO2 equivalents).

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

Bayer's strategy to make sure we comply with the EU ETS is to keep sufficient allowances. Additional allowances will be bought if our own allowances do not meet the needs under regulatory national calculation. FOR EXAMPLE, we appraise our situation in terms of allowances for each year. We match our expected requirements of allowances against our expected apportionment and our sizeable buffer to decide whether there is a need to buy additional allowances.
Furthermore, Bayer has introduced an ambitious strategy for decarbonization, with a focus on reducing greenhouse gas emissions on the pathway to a 1.5 degree Celsius scenario. Our ambitious GHG reduction plan helps to comply with the EU ETS and to manage risks that arise from this scheme and potential future emission cap-and-trade systems.

We are pursuing the goal of achieving net zero greenhouse gas emissions (net zero target) by 2050, including the entire value chain. This means an at least 90% reduction in Scope 1, 2 and 3 greenhouse gas emissions compared with the base year 2019. The remaining 10% greenhouse gas emissions should be offset by long-term emission credits.
We already reduced total direct greenhouse gas emissions (Scope 1) and indirect greenhouse gas emissions (Scope 2, market-based) by 21.3% between 2019 and 2024 at those of our sites where energy consumption exceeds 1.5 terajoules. The main levers to further reduce emissions from 2025 to 2029 are:
// Conversion to 100% electricity from renewable energies,
// Energy efficiency and production process optimization and electrification,
// Decarbonization of additionally purchased indirect energy sources (heating, cooling),
// By 2030, we aim to switch our fleet of currently some 23,000 vehicles over to electric vehicles wherever technically and economically feasible.
We reduced GHG emissions in the value chain (Scope 3) by 12.7% between 2019 and 2024. We plan to reduce our Scope 3 greenhouse gas emissions by 4.2 percentage points by 2029 (compared with the base year 2019) in cooperation with our suppliers. With regard to individual Scope 3 activities, including warehousing, transport, travel and packaging, we expect a further reduction contribution in Scope 3 greenhouse gas emissions.
In addition, new technologies – including carbon capture and storage (CCS) – will be needed both for our own sites and along our value chain to achieve the net zero GHG emission target by 2050. Beyond the decarbonization of our own activities, we can make an additional contribution by supporting climate protection projects and promoting our concept of regenerative agriculture and innovations in agriculture.
Furthermore, we are aligning our capital expenditures to our target of achieving net zero greenhouse gas emissions by 2050. To make the carbon footprint of a capital expenditure visible for the decision-making process, we have introduced for the calculation of a capital expenditure an internal CO2 shadow price of EUR 100 / metric ton CO2 equivalents for the greenhouse gas emissions expected with a 10-year use of the investment. The internal CO2 shadow price covers both the expected Scope 1 emissions and the Scope 2 emissions from the capital expenditures. Excluded here is the use of electricity associated with the capital expenditure, for which our strategy to transition to electricity from renewable energies is the crucial factor. The calculation of the internal CO2 price is part of our capital expenditure decision analysis for projects with a volume exceeding EUR 10 million that are directly related to the consumption of fossil fuels or the use of cooling or heating energy. This calculation is part of the environmental assessment, which takes into consideration both emissions reduction and energy efficiency measures. In some cases, the internal CO2 price is also voluntarily applied for projects with a volume below EUR 10 million that are directly related to the consumption of fossil fuels or the use of heating or cooling energy. The following criteria were used to determine our CO2 price:
// Conformity with the price of CO2 emissions certificates within an emissions trading system
// Conformity with the price of a carbon tax
// Societal costs of carbon
// Price/cost of voluntary carbon compensation certificates
// Cost of measures needed to attain greenhouse gas emissions reduction targets
// Valuation compared with competitors.

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

Environmental issue	Environmental opportunities identified	Primary reason why your organization does not consider itself to have environmental opportunities	Please explain
Climate change	• Yes, we have identified opportunities, and some/all are being realized	• N/A	N/A
Forests	• No	• Opportunities exist, but non anticipated to habe a substantive effect on organization	In 2024, through our double materiality assessment, we have identified several material impacts, risks and opportunities in our own operations and in the upstream and downstream value chains. These impacts, risks and opportunities comprise, for example, possible environmental and health risks, social challenges at the workplace and the potential for innovation and sustainable development in the value chain. All identified material impacts, risks and opportunities fall under the disclosure requirements of the ESRS. This assessment was based on extensive experiences and methods from earlier evaluations, such as our most recent materiality assessment, our human rights risk assessment and the climate

			scenario analysis. The analysis was conducted in close coordination with our enterprise risk management (ERM). In our analysis, we made the assumption that the planetary limits and the needs of our stakeholders are especially crucial for identifying issues. We also assumed that regulatory changes, economic conditions, technological progress, environmental changes and sustainability in the value chains will continue to significantly impact the materiality of certain aspects in the future. Through our DMA, we have not identified any FOREST-related OPPORTUNITIES with a substantive effect on our direct operations or value chain in the reporting year.
Water	• Yes, we have identified opportunities, and some/all are being realized	• N/A	N/A

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

Opportunity 1

part 1

Environmental issue the opportunity relates to	Opportunity identifier	Opportunity type and primary environmental opportunity driver	Value chain stage where the opportunity occurs	Country/area where the opportunity occurs	Organization specific description	Primary financial effect of the opportunity
Climate change	Opp1	Products and services • Development of new products or services through R&D and innovation	• Downstream value chain	• Argentina • Belgium • Brazil • China • France • Germany • India • Mexico • Spain • United States of America	Through our double materiality assessment, we identified opportunities for an increase in demand: 1) for products adapted to climate change and 2) for products to manage the consequences of climate change. 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 long-term natural and physical effects of climate change will have a particular impact on the permanent water cycle (for example through a transition to a wetter or drier climate or a delay in the monsoon season), the spread of diseases and insect pests, and further coupling effects of temperature changes. These effects will be particularly relevant for our agricultural business. We develop strategies to help farmers increase their resilience against the effects of climate change. At the same time, we want to help farmers reduce their own greenhouse gas emissions and cultivate healthy crops. There is also the opportunity of increased demand for products that help to cope with the negative effects of climate change, particularly in the prescription and non-prescription medicines and nutritional supplements of our Pharmaceuticals and Consumer Health divisions. Health risks such as cardiovascular disease can intensify due to hotter summer months or more frequent heatwaves. This could create increased demand for products for cardiovascular disease or nutritional supplements.	• Increased revenues resulting from increased demand for products and services

Time horizon over which the opportunity is anticipated to have a substantive effect on the organization	Likelihood of the opportunity having an effect within the anticipated time horizon	Magnitude	Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period	Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effects of the opportunity?
• Long-term	• Virtually certain (99-100%)	• Low	N/A	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. The long-term natural and physical effects of climate change will have a particular impact on the permanent water cycle (for example through a transition to a wetter or drier climate or a delay in the monsoon season), the spread of diseases and insect pests, and further coupling effects of temperature changes. These effects will be particularly relevant for our agricultural business. We develop strategies to help farmers increase their resilience against the effects of climate change. At the same time, we want to help farmers reduce their own greenhouse gas emissions and cultivate healthy crops. As there are no uniform solutions in agriculture, farmers need numerous options from which they can select the most suitable for their fields and the prevailing local conditions. In addition, health risks such as cardiovascular disease can also intensify due to hotter summer months or more frequent heatwaves. This could create INCREASED DEMAND for products for cardiovascular disease or nutritional supplements. PLEASE NOTE: This opportunity applies globally. To ensure readability of this report, we selected our 10 largest countries of operation.	• Yes

part 3

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

part 4

Explanation of financial effect figures	Cost to realize opportunity	Explanation of cost calculation	Strategy to realize opportunity
i) APPROACH: Financial implications apply to Crop Science as a whole affecting sales of EUR 22.259 billion in 2024, of which Seed & Traits has a major impact with EUR 10.39 billion. ii) CALCULATION: Assuming an exemplary growth of demand by 0.5-1% related to our Seed & Traits business, this would translate into minimum ca. EUR 50 million and maximum EUR 100 million additional revenues. MIN impact: Seed & Traits sales EUR 10 billion * 0.5% equals EUR 50 million; MAX impact: Seed & Traits Sales EUR 10 billion * 1% equals EUR 100 million iii) ASSUMPTIONS: We expect the global seed and crop protection market to see moderate growth of between 0 and 2% in 2025 (2024: –2%) amid continued market volatility, in particular in crop protection segments and in connection with geopolitical developments that may impact the industry. Positive development is anticipated in the seeds and traits segments, driven by acreage increases in corn, particularly in Latin America, with further growth expected to come from vegetable seeds and cereals.	375,000,000	Leaps by Bayer is Bayer's strategic impact investment unit. Founded in 2015, our mission is to invest in breakthrough technologies and disruptive business models that align with or are adjacent to Bayer's core businesses. By leveraging minority equity to both establish new ventures and invest in existing start-ups, we offer support to portfolio companies that extends beyond financial backing. With a focus on early-stage innovation within the life sciences across all Bayer divisions, Leaps aims to drive progress in two critical areas: advancing healthcare from treatment to cure and prevention and improving agriculture by moving from more food production to better and more sustainable food. With 2+ billion USD invested in 65+ companies since our founding in 2015, we aim to build and accompany companies from creation until successful exit. Total investments into the agricultural Leaps portfolio amounted to ca. EUR 375 million with ca. EUR 225 million until 2020, and ca. EUR 150 million from 2021 to 2024. Cost calculation: EUR 225 million plus EUR 150 million equals EUR 375 million.	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). For us, 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, which can be achieved, for instance, by improving soil health, reducing on-field GHG 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). Climate change also has significant impacts on human health. We are therefore working on innovative solutions in the Pharmaceuticals and Consumer Health divisions. Our R&D activities focus on the cardiovascular system, women's healthcare, respiratory diseases, allergies and nutritional supplements. Through our Leaps by Bayer program, we invest in future-oriented ideas across all divisions that also address the challenges presented by climate change. Among others, the Leaps portfolio company Pairwise Plants LLC, United States, entered into a five-year cooperation agreement with the Crop Science Division to jointly optimize gene-edited short-stature corn. Short-stature corn offers a number of sustainability benefits, including protections from crop loss due to increasingly severe weather events and extreme winds brought about by climate change.

Opportunity 2

part 1

Environmental issue the opportunity relates to	Opportunity identifier	Opportunity type and primary environmental opportunity driver	Value chain stage where the opportunity occurs	Country/ area where the opportunity occurs	River basin where the opportunity occurs	Organization specific description	Primary financial effect of the opportunity
Water	Opp2	Products and services • Increased sales of existing products/ services	• Downstream value chain	• India • Ethiopia • Kenya • Mozambique • Nigeria • South Africa • United Republic of Tanzania • Uganda	• Ganges - Brahmaputra • Other, please specify: Several river basins in Ethiopia, Kenya, Mozambique, Nigeria, South Africa, Tanzania, Uganda	Through our double materiality assessment (DMA), we identified opportunities for an increase in demand: 1) for products adapted to climate change and 2) for products to manage the consequences of climate change. The long-term natural and physical effects of climate change will have a particular impact on the permanent water cycle (for example through a transition to a wetter or drier climate or a delay in the monsoon season), the spread of diseases and insect pests, and further coupling effects of temperature changes. These effects will be particularly relevant for our agricultural business. We have identified several positive impacts and opportunities in connection with water management. The opportunities associated with product innovations include the development of more resilient seeds and varieties (e.g. early varieties, stress tolerance, improved resilience against flooding). Examples include Seminis™ Aryaman tomatoes, Deltapine™ cotton varieties and Arize™ hybrid rice. We also promote digital empowerment and good agronomic practices, as well as the formation of partnerships, to advance water-efficient agriculture on a broad scale. For example, we participate in the TELA project (previously Water Efficient Maize for Africa [WEMA]) to improve sub-Saharan farmers' yields, food quality and profitability through improved drought-tolerant hybrids. The Food and Agriculture Organization (FAO) of the United Nations evaluated the TELA project as part of a case study in 2023.	• Increased revenues resulting from increased demand for products and services

part 2

Time horizon over which the opportunity is anticipated to have a substantive effect on the organization	Likelihood of the opportunity having an effect within the anticipated time horizon	Magnitude	Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period	Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effects of the opportunity?
• Long-term	• Likely (66–100%)	• High	N/A	FINANCIAL IMPLICATIONS apply to Crop Science SALES affecting Crop Science as a whole with sales of EUR 22.259 billion in 2024 of which crop protection has a major impact with EUR 10.265 billion. Our offerings of products/services helping farmers to use water more efficiently are contributing to this growth.	• Yes

part 3

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

part 4

Explanation of financial effect figures	Cost to realize opportunity	Explanation of cost calculation	Strategy to realize opportunity
FINANCIAL IMPLICATIONS apply to Crop Science as a whole with sales of EUR 22.259 billion in 2024 of which crop protection has a major impact with EUR 10.265 billion. We expect the global seed and crop protection market to see moderate growth of between 0 and 2% in 2025 (2024: –2%) amid continued market volatility, in particular in crop protection segments and in connection with geopolitical developments that may impact the industry. Positive development is anticipated in the seeds and traits segments, driven by acreage increases in corn, particularly in Latin America, with further growth expected to come from vegetable seeds and cereals. A continued growth of the crop protection demand by 0.5% - 1% would translate into EUR 50-100 million additional revenues. CALCULATION: MINIMUM: EUR 10 billion (Crop protection sales 2024) x 0.5% equals EUR 50 million; MAX: EUR 10 billion x 1% equals EUR 100 million.	2,611,000,000	Bayer's 2024 R&D investment of EUR 2.611 billion in our Crop Science division is leading to a robust innovation pipeline spanning seeds and trait technologies, crop protection and digital solutions. Our business planning takes account of research and development expenses for product innovations that can help adapt our business model to the impacts of climate change. Planned product launches are included in our product innovation pipeline. Specific allocations of R&D expenses cannot be disclosed for competitive reasons. R&D investments of the CropScience division represent 42% of total R&D expenses of Bayer AG as shown by the following BREAKDOWN OF THE COST CALCULATION: 2.611 billion divided by 6.209 billion equals 42%.	Our innovation potential is leveraged to develop scientific solutions, promote sustainable farming practices and enter into partnerships to strengthen water resilience in agriculture, among other goals. EXAMPLES: Through Water Efficient Maize for Africa (WEMA, now operating as the TELA Maize project), a public-private partnership supported by the Bill and Melinda Gates Foundation and USAID, we are helping protect harvests in water-limited conditions. The project uses conventional and advanced plant breeding together with biotechnology in the development of maize varieties designed to tolerate drought and resist pests. The program helps these smallholder farmers acquire locally adapted maize hybrids from local African seed companies without paying a trait royalty fee, allowing them to feed their families and communities, thus improving food security as well as their livelihoods, even in the presence of drought conditions. Since 2013, more than 100 drought-tolerant hybrids have been approved for commercial release in Ethiopia, Kenya, Mozambique, Nigeria, South Africa, Tanzania and Uganda. The first 50 tons of TELA Maize hybrids seeds were available to Nigeria's smallholder farmers for planting in June 2024. We promote the use of direct seeded rice (DSR) in agriculture. DSR is one of the most promising cultivation methods for enabling water resilience in rice production, which is traditionally very water-intensive. This technologically driven and less resource-intensive cultivation system has the potential to reduce water use in rice production by up to 40% and the associated GHG emissions by up to 45%. The adoption of DSR can also reduce the demand for manual labor by up to 50% and thus help alleviate the labor shortage in rural areas. India is the focus of Bayer's approach. DSR has the potential to be transformational, as DSR acreages are estimated to grow by around 8–10% CAGR, driven by labor and water shortages. By 2030, Bayer plans to bring the direct seeded rice system to one million hectares in India, supporting over one million early-adopter smallholder rice farmers through our DirectAcres program. We plan to introduce DirectAcres in other rice-growing countries in Asia/Pacific, starting with the Philippines in 2025.

part 1

Environmental issue the opportunity relates to	Opportunity identifier	Opportunity type and primary environmental opportunity driver	Value chain stage where the opportunity occurs	Country/area where the opportunity occurs	Organization specific description	Primary financial effect of the opportunity
Climate change	Opp3	Products and services • Development of new products or services through R&D and innovation	• Downstream value chain	• Canada • Italy • Spain • United States of America	We identified the opportunity of new business models in the agricultural value chain due to changed climate conditions. The perception of the effects of climate change (e.g. extreme weather conditions, low water levels, rising temperatures) can accelerate the development of new business models that help to reduce GHG emissions (incl. carbon farming, low-carbon products and products with low global warming potential). Increased pressures due to climate change combined with a growing population have created a pivotal moment in how our customers provide food, fuel and textile fibers for a world that needs to find ways to manage its limited resources responsibly. With our innovation pipeline across Seeds & Traits, Crop Protection and Digital Farming, a deep digital ecosystem, a leading global footprint and a multitude of partnerships, we are very well positioned moving forward, with a clear focus on new, resilient business models. We develop innovative system solutions for our customers, such as our Preceon™ Smart Corn System, our next-generation herbicide-tolerant soybean varieties and the first new post-emergent broadacre herbicide mode of action in 30 years, as well as novel system solutions such as wheat hybrids, direct-seeded rice, biotechnology traits for corn in Africa and Asia, biological crop protection products, and carbon farming.	• Increased revenues resulting from increased demand for products and services

part 2

Time horizon over which the opportunity is anticipated to have a substantive effect on the organization	Likelihood of the opportunity having an effect within the anticipated time horizon	Magnitude	Effect of the opportunity on the financial position, financial performance and cash flows of the organization in the reporting period	Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons	Are you able to quantify the financial effects of the opportunity?
• Medium-term	• Very likely (90-100%)	• High	N/A	The landscape is changing in agriculture: Increased pressures due to climate change combined with a growing population have created a pivotal moment in how our customers provide food, fuel and textile fibers for a world that needs to find ways to manage its limited resources responsibly. These challenges have spurred rapid, disruptive changes in the industry, changing competition across the value chain, creating new players and opening up new adjacent market opportunities. In this dynamic environment, the speed and scale of innovation and a focus on sustainable results for our customers are crucial factors for success. We aim to launch 10 blockbuster products (each more than EUR 500 million in SALES) in the next 10 years to support farmers worldwide with new technologies. With our innovation pipeline across Seeds & Traits, Crop	• Yes

				Protection and Digital Farming, a deep digital ecosystem, a leading global footprint and a multitude of partnerships, we are in close proximity to our customers and very well positioned moving forward, with a clear focus on new, resilient business models.	

part 3

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

part 4

Explanation of financial effect figures	Cost to realize opportunity	Explanation of cost calculation	Strategy to realize opportunity
i) APPROACH: In Crop Science, we have successfully launched the breeding version of our Preceon™ Smart Corn System in the United States and are currently introducing it in Italy and Spain. Crop Science has announced a total of ten potential blockbusters in the next decade, i.e. products with a peak sales potential of more than EUR 500 million each. Crop Science is also supporting medium- to long-term growth by working on innovative crops that can be used in the production of low carbon intensity biofuels, which will help decarbonize the transport sector. ii) CALCULATION: We aim to launch 10 blockbuster products (each more than EUR 500 million in SALES) in the next 10 years to support farmers worldwide with new technologies. Preceon™ has the potential to attain more than 1.5 billion Euros in peak sales and the opportunity to reach more than 220 million acres globally. The financial effect of this opportunity provides the range for the launch of one blockbuster (peak sales potential of more than EUR 500 million) the potential for Preceon™ to attain more than EUR 1.5 billion in peak sales. This represents ca. 2% to 6.5% of CropScience sales: MAX: EUR 22,259 million x 6.5% equals EUR 1.45 billion; MIN: EUR 22,259 million x 2% equals EUR 445 million iii) Further details: We have successfully launched the breeding version of our Preceon™ Smart Corn System in the United States and are currently introducing it in Italy and Spain.	2,611,000,000	Our business planning takes account of research and development expenses for product innovations that can help adapt our business model to the impacts of climate change. Planned product launches are included in our product innovation pipeline. Bayer's 2024 R&D investment of EUR 2.611 billion in our Crop Science division is unparalleled in the industry, leading to a robust innovation pipeline spanning seeds and trait technologies, crop protection and digital solutions. Specific allocations of R&D expenses cannot be disclosed for competitive reasons. R&D investments of the CropScience division	One example of the possibilities offered by plant breeding innovations is our PreceonTM Smart Corn System. This crop system will include digital support tools and agronomic recommendations to improve the way corn is grown to make it more sustainable. Through plant breeding, we have succeeded in developing corn 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. Due to its short stature, the corn hybrids of the PreceonTM Smart Corn System also allow farmers in-season access, which enables optimized application of crop protection products and nutrients such as nitrogen.We completed the first market launch of our Preceon™ Smart Corn System in 2024. Combining our portfolio with digital insights increases the benefits for farmers, as is the case with our Climate FieldView™ digital software platform, for example. In addition, we generate value in the business-to-business area through a variety of digital platforms (e.g., through AgPowered Services, our partnership with Microsoft). Our digital developments accelerate innovation, drive process automation and increase R&D pipeline productivity. Our majority holding in CoverCress Inc., the producer of the eponymous cash crop which is used to produce biofuels, offers us additional market opportunities. Planted as a cash crop, this oilseed

The PRECEON™ biotech approach in partnership with BASF has advanced to Phase 4 and is scheduled to launch in the US in 2027 with Canada expected to follow in 2029. The biotech approach will allow short corn to be combined with a wide array of germplasm to enable broad acre application in more environments. The PRECEON™ gene editing approach in partnership with Pairwise was announced in 2024 and will allow the system to fit within diverse environments while accelerating further development.		represent 42% of total R&D expenses of Bayer AG as shown by the following BREAKDOWN OF THE COST CALCULATION: 2.611 billion divided by 6.209 billion equals 42%.	can help reduce erosion, improve soil health, reduce water and nutrient loss and boost carbon sequestration in soil. Our vision is to transform the agricultural sector at scale by enabling the adoption of regenerative farming systems to create a more prosperous and resilient food production system.

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

Environ-mental issue	Financial metric	Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)	% of total financial metric aligned with opportunities for this environmental issue	Explanation of financial figures
Climate change	• Revenue	1,500,000,000	• 1-10%	RATIONALE: Opportunity 1: 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. We develop strategies to help farmers increase their resilience against the effects of climate change. At the same time, we want to help farmers reduce their own greenhouse gas emissions and cultivate healthy crops. Opportunity 3: The perception of the effects of climate change (e.g. extreme weather conditions, low water levels, rising temperatures) can accelerate the development of new business models that help to reduce GHG emissions (incl. carbon farming, low-carbon products and products with low global warming potential). We develop innovative system solutions for our customers, such as our Preceon™ Smart Corn System, our next-generation herbicide-tolerant soybean varieties and the first new post-emergent broadacre herbicide mode of action in 30 years, as well as novel system solutions such as wheat hybrids, direct-seeded rice, biotechnology traits for corn in Africa and Asia, biological crop protection products, and carbon farming. CALCULATION: We aim to launch 10 blockbuster products (each more than EUR 500 million in sales) in the next 10 years to support farmers worldwide with new technologies. Preceon™ has the potential to attain more than 1.5 billion Euros in peak sales and the opportunity to reach more than 220 million acres globally. EUR 1,500 million (Preceon™ peak sales potential) / EUR 46,606 million (Total Revenue 2024) equals 3.2% FURTHER DETAILS: We have successfully launched the breeding version of our Preceon™ Smart Corn System in the United States and are currently introducing it in Italy and Spain. The PRECEON™ biotech approach in partnership with BASF has advanced to Phase 4 and is scheduled to launch in the US in 2027 with Canada expected to follow in 2029. The biotech approach will allow short corn to be combined with a wide array of germplasm to enable broad acre application in more environments.

				The PRECEON™ gene editing approach in partnership with Pairwise was announced in 2024 and will allow the system to fit within diverse environments while accelerating further development.
Water	• Revenue	50,000,000	• Less than 1%	RATIONALE: Opportunity 2: We have identified several positive impacts and opportunities in connection with water management. The opportunities associated with product innovations include the development of more resilient seeds and varieties (e.g. early varieties, stress tolerance, improved resilience against flooding). Examples include Seminis™ Aryaman tomatoes, Deltapine™ cotton varieties and Arize™ hybrid rice. We also promote digital empowerment and good agronomic practices, as well as the formation of partnerships, to advance water-efficient agriculture on a broad scale. Through Water Efficient Maize for Africa (WEMA, now operating as the TELA Maize project), a public-private partnership supported by the Bill and Melinda Gates Foundation and USAID, we are helping protect harvests in water-limited conditions. We promote the use of direct seeded rice (DSR) in agriculture. DSR is one of the most promising cultivation methods for enabling water resilience in rice production, which is traditionally very water-intensive. CALCULATION: Financial implications apply to Crop Science as a whole with sales of EUR 22.259 billion in 2024 of which crop protection has a major impact with EUR 10.265 billion. A continued growth of the crop protection demand by 0.5% to 1% would translate into EUR 50 to 100 million additional revenues. EUR 50 million (potential growth of crop protection revenues by 0.5%) / EUR 46,606 million (Total Revenue 2024) equals 0.1%

Governance – Module 4

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

Board of directors or equivalent governing body	Frequency with which the board or equivalent meets	Types of directors your board or equivalent is comprised of	Board diversity and inclusion policy	Briefly describe what the policy covers	Attach the policy (optional)
• Yes	• More frequently than quarterly	• Executive directors or equivalent • Non-executive directors or equivalent • Independent non-executive directors or equivalent	• Yes, and it is publicly available	Pursuant to Section 76, Paragraph 3a of the German Stock Corporation Act (AktG), the Supervisory Board must ensure that the Board of Management includes at least one woman and at least one man if it consists of three or more members. An additional aspect that the Supervisory Board has resolved to pursue is diversity. Without basing selection decisions on this aspect in individual cases, the Supervisory Board aims to ensure that different age groups are adequately represented on the Board of Management, while also taking into account the experience required for a position on the Board of Management. The composition of the Board of Management should adequately reflect the company's international operations. The Supervisory Board therefore endeavors to include on the Board of Management several members of different nationalities or with an international background. The Supervisory Board also strives to ensure diversity with regard to the educational and professional backgrounds of the members of the Board of Management. The Supervisory Board has also resolved to pursue diversity in its own composition, e.g. with regard to age, gender, education and professional background. It endeavors to ensure that its members collectively possess the necessary expertise, skills and professional experience to properly perform their duties. This also includes key sustainability aspects for the company, such as climate protection and biodiversity (see attachment, p. 242f.).	Bayer Annual Report 2024

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

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

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

Environ-mental issue	Positions of individuals or committees with accountability for this environmental issue	Positions' accountability for this environmental issue is outlined in policies applicable to the board	Policies which outline the positions' accountability for this environmental issue	Frequency with which this environmental issue is a scheduled agenda item	Governance mechanisms into which this environmental issue is integrated	Please explain
Climate Change	• Chief Sustainability Officer (CSO)	• Yes	• Board mandate	• Scheduled agenda item in every board meeting (standing agenda item)	• Overseeing the setting of corporate targets • Monitoring progress towards corporate targets • Reviewing and guiding annual budgets • Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities • Overseeing and guiding the development of a business strategy • Monitoring the implementation of the business strategy • Monitoring supplier compliance with organizational requirements • Approving and/or overseeing employee incentives • Overseeing and guiding the development of a climate transition plan • Monitoring the implementation of a climate transition plan • Overseeing and guiding public policy engagement	i) STRUCTURE AND MECHANISMS: The chairman of the Board of Management (CEO) holds the function of Chief Sustainability Officer (CSO). Together with the full Board of Management (BoM), this role forms the first level of responsibility for managing the IMPACTS, RISKS AND OPPORTUNITIES associated with sustainability. An external Sustainability Council advises the BoM. The BoM is supported by the Public Affairs, Sustainability & Safety (PASS) Enabling Function and the global company organization. The head of PASS reports directly to the CEO. The Supervisory Board's ESG Committee supports the full Supervisory Board in the oversight of the BoM as regards integrating sustainability into the BUSINESS STRATEGY AND BUSINESS CONDUCT, as well as on sustainability-related opportunities and risks. The PASS Enabling Function supports the CSO and the BoM in identifying risks and opportunities, developing STRATEGIES and defining TARGETS AND GUIDELINES for sustainability management. The BoM uses defined non-financial targets and metrics to steer the company's orientation toward the UN SDGs. These are reflected in the Bayer Group's planning and steering process as management indicators and metrics. Our Group-wide sustainability targets are integrated into the compensation system for the BoM. ii) WHO BRIEFS THE BOARD ON WHAT / AGENDA ITEMS: In REGULAR JOUR FIXES, the CSO and the Head of PASS discuss operational topics in the field of sustainability, incl. climate-related issues. Climate-related strategic decisions are brought up in board discussions by the Head of PASS or the CSO as needed. In REGULAR MEETINGS of the BoM, the Sustainability Council, the Supervisory Board and the ESG Committee, the Group-wide sustainability strategy incl. climate-related issues is discussed. The Head of PASS informs the board about environmental KPIs incl. climate-related KPIs and target achievement in the annual board meeting dedicated to the approval of our Annual Report and monthly reports HSE KPIs to the CSO. One of the issues dealt with by the administrative, management and supervisory bodies or their responsible committees in 2024 was mitigating and

					• Overseeing and guiding acquisitions, mergers, and divestitures • Overseeing and guiding major capital expenditures • Overseeing and guiding scenario analysis • Overseeing reporting, audit, and verification processes • Approving corporate policies and/or commitments • Monitoring compliance with corporate policies and/or commitments • Reviewing and guiding innovation / R&D priorities • Overseeing and guiding value chain engagement	adapting to climate change: negative impacts on the environment, e.g. emissions through production processes; financial risks and opportunities due to physical and transitional effects of climate change. iii) EXAMPLE DECISIONS: The governance mechanisms selected contribute to an informed view of the board on climate-related issues and ensure a coherent and Group-wide response. EXAMPLE: The CSO decides on our Science Based climate targets. Through the reporting of climate-related KPIs, the board can ensure a group-wide response in case of any deviations of CO2 emissions or energy efficiency KPIs from the target values.
Forests	• Chief Sustainability Officer (CSO)	• Yes	• Board mandate	• Scheduled agenda item in some board meetings – at least annually	• Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities • Overseeing the setting of corporate targets • Monitoring progress towards corporate targets • Overeseeing and guiding the development of a business strategy • Monitoring the implementation of the business strategy • Overseeing and guiding acquisitions, mergers, and divestitures • Overseeing and guiding major capital expenditures • Reviewing and guiding annual budgets • Reviewing and guiding innovation/R&D priorities	i) STRUCTURE AND MECHANISMS: The chairman of the Board of Management (CEO) holds the function of Chief Sustainability Officer (CSO). Together with the full Board of Management (BoM), this role forms the first level of responsibility for managing the IMPACTS, RISKS AND OPPORTUNITIES associated with sustainability. An external Sustainability Council advises the BoM. The BoM is supported by the Public Affairs, Sustainability & Safety (PASS) Enabling Function and the global company organization. The head of PASS reports directly to the CEO. The Supervisory Board's ESG Committee supports the full Supervisory Board in the oversight of the BoM as regards integrating sustainability into the BUSINESS STRATEGY AND BUSINESS CONDUCT, as well as on sustainability-related opportunities and risks. The PASS Enabling Function supports the CSO and the BoM in identifying risks and opportunities, developing STRATEGIES and defining TARGETS AND GUIDELINES for sustainability management. The BoM uses defined non-financial targets and metrics to steer the company's orientation toward the UN SDGs. These are reflected in the Bayer Group's planning and steering process as management indicators and metrics. Our Group-wide sustainability targets are integrated into the compensation system for the BoM. FOREST-RELATED RESPONSIBILITIES: The highest level of responsibility for FOREST-related issues lies with Bayer's CEO who also functions as CSO. As CSO he is RESPONSIBLE FOR THE

					• Approving and/or overseeing employee incentives • Overseeing and guiding public policy engagement • Overseeing and guiding value chain engagement • Other, please specify: Reviewing and guiding business plans, Reviewing and guiding corporate responsibility strategy, Reviewing and guiding major plans of action	GROUP-WIDE SUSTAINABILITY PROGRAM INCLUDING CLIMATE-RELATED TARGETS AND MEASURES with a linkage to FOREST. ii) WHO BRIEFS THE BOARD ON WHAT / AGENDA ITEMS: In REGULAR JOUR FIXES, the CSO and the Head of PASS discuss operational topics in the field of sustainability, incl. forest-related issues. Forest-related strategic decisions are brought up in board discussions by the Head of PASS or by the CSO as needed. In REGULAR MEETINGS of the Board and the Supervisory Board the group-wide sustainability strategy incl. forest-related issues is discussed. In addition, the CSO and the CFO are informed several times e.g., by the Annual Report taskforce during the reporting cycle. The Head of PASS monthly reports HSE KPIs to the CSO. The governance mechanisms selected contribute to an informed view of the Board and ensure a coherent and Group-wide response, if needed. iii) EXAMPLE DECISIONS: The BoM was involved in decisions related to the Bayer Forest Protection initiative, which aims to increase our positive impact on the agricultural chain and take a leading role in the conservation of forests. Brazil is the first country in which we are developing this program, since it holds important environmental assets, such as the Cerrado, the Amazon rainforest and other habitats.
Water	• Chief Sustainability Officer (CSO)	• Yes	• Board mandate	Scheduled agenda item in every board meeting (standing agenda item)	• Monitoring progress towards corporate targets • Overseeing the setting of corporate targets • Overseeing and guiding acquisitions, mergers, and divestitures • Overseeing and guiding major capital expenditures • Approving and/or overseeing employee incentives • Reviewing and guiding annual budgets • Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities • Overseeing and guiding the development of a business strategy	i) STRUCTURE & MECHANISMS: The CEO holds the function of CSO. Together with the full Board of Management (BoM), this role forms the first level of responsibility for managing the IMPACTS, RISKS AND OPPORTUNITIES associated with sustainability. An external Sustainability Council advises the BoM. The BoM is supported by the Public Affairs, Sustainability & Safety (PASS) Enabling Function and the global company organization. The head of PASS reports directly to the CEO. The Supervisory Board's ESG Committee supports the full Supervisory Board in the oversight of the BoM as regards integrating sustainability into the BUSINESS STRATEGY AND BUSINESS CONDUCT, as well as on sustainability-related opportunities and risks. The PASS Enabling Function supports the CSO and the BoM in identifying risks and opportunities, developing STRATEGIES and defining TARGETS AND GUIDELINES for sustainability management. The BoM uses defined non-financial targets and metrics to steer the company's orientation toward the UN SDGs. These are reflected in the Bayer Group's planning and steering process as management indicators and metrics. Our Group-wide sustainability targets are integrated into the compensation system for the BoM. ii) WHO BRIEFS ON WHAT / AGENDA ITEMS:

					• Reviewing and guiding innovation/R&D priorities • Overseeing and guiding public policy engagement • Overseeing and guiding scenario analysis • Overseeing reporting, audit, and verification processes • Approving corporate policies and/or commitments • Monitoring compliance with corporate policies and/or commitments • Monitoring supplier compliance with organizational requirements • Overseeing and guiding value chain engagement • Monitoring the implementation of the business strategy	Water-related strategic decisions are brought up in board discussions by the Head of PASS or the CSO as needed. The Head of PASS informs the board about environmental KPIs incl. water-related KPIs and target achievement in the context of the annual board meeting dedicated to the approval of our Annual Report (AR). The CSO and the CFO are informed several times by the AR taskforce during the reporting cycle. The Head of PASS monthly reports HSE KPIs to the board. One issue dealt with by the administrative, management and supervisory bodies or their responsible committees in 2024 included water as an integral element of agriculture: dependency on water as a resource and potential positive impacts on water use, e.g. through transitioning to an innovation-driven system of direct seeded rice. iii) EXAMPLE DECISIONS: 1) Our Water Stewardship Strategy was approved by the BoM and launched at the UN Water Conference in 2023. 2) The Board approved the integration of water quality and quantity into business decisions and processes. It was a board decision to sign the WASH Pledge. The governance mechanisms selected contribute to an informed view of the board on water-related issues and ensure a coherent and Group-wide response. Through the reporting of water-related KPIs, the board can ensure a Group-wide response in case of any deviations from the required values. Through the integration of water-related issues in major investment decisions, the review of water-related risks, and integration of water-related issues in the review of strategic decisions or R&D priorities, the board can ensure an adequate inclusion of water risks and opportunities in our business, sustainability or risk management strategy.
Bio-diversity	• Chief Sustainability Officer (CSO)	• Yes	• Board mandate	• Scheduled agenda item in some board meetings – at least annually	• Monitoring progress towards corporate targets • Overseeing the setting of corporate targets • Overseeing and guiding acquisitions, mergers, and divestitures • Overseeing and guiding major capital expenditures • Approving and/or overseeing employee incentives • Reviewing and guiding annual budgets	i) STRUCTURE AND MECHANISMS: The chairman of the Board of Management (CEO) holds the function of Chief Sustainability Officer (CSO). Together with the full Board of Management (BoM), this role forms the first level of responsibility for managing the IMPACTS, RISKS AND OPPORTUNITIES associated with sustainability. An external Sustainability Council advises the BoM. The BoM is supported by the Public Affairs, Sustainability & Safety (PASS) Enabling Function and the global company organization. The head of PASS reports directly to the CEO. The Supervisory Board's ESG Committee supports the full Supervisory Board in the oversight of the BoM as regards integrating sustainability into the BUSINESS STRATEGY AND BUSINESS CONDUCT, as well as on sustainability-related opportunities and risks.

					• Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities • Overseeing and guiding the development of a business strategy • Reviewing and guiding innovation/R&D priorities • Overseeing and guiding public policy engagement • Overseeing and guiding scenario analysis • Overseeing and guiding value chain engagement	The PASS Enabling Function supports the CSO and the BoM in identifying risks and opportunities, developing STRATEGIES and defining TARGETS AND GUIDELINES for sustainability management. The BoM uses defined non-financial targets and metrics to steer the company's orientation toward the UN SDGs. These are reflected in the Bayer Group's planning and steering process as management indicators and metrics. Our Group-wide sustainability targets are integrated into the compensation system for the BoM. The highest level of responsibility for sustainability issues incl. biodiversity lies with Bayer's CSO who is responsible for the group-wide sustainability program including activities focusing on the RESPONSIBLE USE OF NATURAL RESOURCES TO CONSERVE AND PROTECT ECOSYSTEMS, SPECIES AND GENETIC BIODIVERSITY. ii) WHO BRIEFS ON WHAT / AGENDA ITEMS: The Head of PASS is responsible for Bayer's sustainability strategy including Bayer`s BIODIVERSITY STRATEGY. Relevant topics in the field of sustainability incl. biodiversity topics are discussed during regular meetings between the Head of PASS and the CSO. iii) EXAMPLE DECISIONS: Deforestation is one of the climate change and biodiversity loss drivers, with complex root causes and land use dynamics. Globally, Bayer has made a public commitment for net-zero deforestation in its supply chain and aspires to become a positive impact generator on nature by assuming a leading role on forest protection. One issue dealt with by the administrative, management and supervisory bodies or their responsible committees in 2024 included: Our products contain substances of (very) high concern: several potential negative impacts, e.g. on biodiversity through uncontrolled release into the air, water and soil (industrial accidents, improper use of products, improper disposal of waste). In 2023, we launched the Bayer Forest Protection initiative, which aims to increase our positive impact on the agricultural chain and take a leading role in the conservation of forests. Brazil is the first country in which we are developing this program, since it holds important environmental assets, such as the Cerrado, the Amazon rainforest and other habitats.

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

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

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

Environmental issue	Management-level responsibility for this environmental issue	Primary reason for no management-level responsibility for environmental issues	Explain why your organization does not have management-level responsibility for environmental issues
Climate Change	• Yes	n/a	n/a
Forests	• Yes	n/a	n/a
Water	• Yes	n/a	n/a
Biodiversity	• Yes	n/a	n/a

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

Environ-mental issue	Position of individual or committee with responsibility	Environmental responsibilities of this position	Reporting line	Frequency of reporting to the board on environmental issues	Please explain
Climate Change	Executive level • Chief Sustainabili-ty Officer (CSO)	• Assessing future trends in environmental dependencies, impacts, risks, and opportunities • Assessing environmental dependencies, impacts, risks, and opportunities • Managing environmental dependencies, impacts, risks, and opportunities • Setting corporate environmental policies and/or commitments • Monitoring compliance with corporate environmental policies and/or commitments • Setting corporate environmental targets • Measuring progress towards environmental corporate targets • Measuring progress towards environmental science-based targets • Managing public policy engagement related to environmental issues • Managing value chain engagement related to environmental issues • Managing engagement in landscapes and/or jurisdictions • Managing supplier compliance with environmental requirements • Conducting environmental scenario analysis	• Reports to the board directly	• More frequently than quarterly	As Bayer's CEO, the CSO is the Chairman of the Board of Management. In this position, he and the other Board members report to the Supervisory Board. The CEO is the direct superior of the Head of Public Affairs, Science, Sustainability (PASS). The PASS Enabling Function supports the CSO and the BoM in identifying risks and opportunities, developing strategies and defining targets and guidelines for sustainability management. Sustainability management is integrated into the existing management and governance structures and the core processes of the organization. Operational implementation takes place in the divisions and along the value chain. Each of our divisions has an established sustainability organization, with sustainability aspects also being integrated into the processes of Enabling Functions such as Internal Audit & Risk Management, Human Resources, Procurement, and Mergers, Acquisitions & Licensing. The CSO WAS SELECTED on management-level for oversight of all climate-related issues to ensure that climate-related targets and measures are monitored and driven on Group-level to ensure a comprehensive and cohesive approach. The CSO carries DIRECT RESPONSIBILITY FOR the Group-wide sustainability program incl. CLIMATE-RELATED TARGETS AND MEASURES. The CSO is CONTINUOUSLY INFORMED ABOUT THE STATUS OF CLIMATE-RELATED TARGETS AND MEASURES during his regular meetings with the Head of PASS. The Head of PASS is the direct superior of the ESG Head, who is responsible for the day-to-day management of climate-related targets and measures, their monitoring, reporting and verification of related milestones. During the official sign-off process of the Annual and Sustainability Report, the CSO is RESPONSIBLE FOR the non-financial section including our CLIMATE-RELATED REPORTING. The CSO is further informed on progress on climate related KPI as they

		• Developing a climate transition plan • Implementing a climate transition plan • Developing a business strategy which considers environmental issues • Implementing the business strategy related to environmental issues • Managing acquisitions, mergers, and divestitures related to environmental issues • Managing major capital and/or operational expenditures relating to environmental issues • Managing annual budgets related to environmental issues • Managing priorities related to innovation/low-environmental impact products or services (including R&D) • Managing environmental reporting, audit, and verification processes • Providing employee incentives related to environmental performance			are part of the board compensation targets. The CSO is also responsible for SIGNING OFF BAYER'S CDP RESPONSE.
Forests	Executive level • Chief Sustainability Officer (CSO)	• Assessing environmental dependencies, impacts, risks, and opportunities • Managing environmental dependencies, impacts, risks, and opportunities • Setting corporate environmental policies and/or commitments • Setting corporate environmental targets • Measuring progress towards environmental corporate targets • Managing public policy engagement related to environmental issues • Managing value chain engagement related to environmental issues • Implementing the business strategy related to environmental issues • Managing acquisitions, mergers, and divestitures related to environmental issues • Managing major capital and/or operational expenditures relating to environmental issues • Providing employee incentives related to environmental performance	• Reports to the board directly	• Annually	As Bayer's CEO, the CSO and the other Board members report to the Supervisory Board. The CEO is the direct superior of the Head of Public Affairs, Science, Sustainability (PASS). The PASS Enabling Function supports the CSO and the BoM in identifying risks and opportunities, developing strategies and defining targets and guidelines for sustainability management. Sustainability management is integrated into the existing management and governance structures and the core processes of the organization. Operational implementation takes place in the divisions and along the value chain. Each of our divisions has an established sustainability organization, with sustainability aspects also being integrated into the processes of Enabling Functions such as Internal Audit & Risk Management, Human Resources, Procurement, and Mergers, Acquisitions & Licensing. The CSO is CONTINUOUSLY INFORMED ABOUT THE STATUS OF CLIMATE-RELATED TARGETS AND MEASURES incl. FOREST-RELATED ISSUES during his regular meetings with the Head of PASS who monitors all relevant topics in the field of sustainability. The Head of PASS is an expert in the field of sustainability incl. FOREST with 25 years of experience. The CSO is responsible for our sustainability strategy, which includes forest-related activities including global carbon offsetting. Bayer's offsetting supports reforestation and other carbon compensation programs. In our Sustainability Council (SC) we have an expert within sustainability incl. FOREST with more than 30 years of experience. His focus is among others in biodiversity science and policy, including as Executive Secretary of the UN Convention on Biological Diversity and as National Secretary for Biodiversity and Forests in Brazil's Ministry of the Environment.

					During the official sign-off process of the Annual and Impact Report, the CSO is RESPONSIBLE FOR the non-financial section including our FOREST-RELATED REPORTING. The CSO is also responsible for SIGNING OFF BAYER'S CDP RESPONSE.
Water	Executive level • Chief Sustainability Officer (CSO)	• Assessing future trends in environmental dependencies, impacts, risks, and opportunities • Assessing environmental dependencies, impacts, risks and opportunities • Managing environmental dependencies, impacts, risks and opportunities • Setting corporate environmental targets • Measuring progress towards environmental corporate targets • Developing a business strategy which considers environmental issues • Managing annual budgets related to environmental issues • Managing major capital and/or operational expenditures related to environmental issues • Managing acquisitions, mergers, and divestitures related to environmental issues • Providing employee incentives related to environmental performance • Managing public policy engagement related to environmental issues • Managing value chain engagement related to environmental issues • Implementing the business strategy related to environmental issues • Conducting environmental scenario analysis • Managing engagement in landscapes and/or jurisdictions • Managing supplier compliance with environmental requirements • Monitoring compliance with corporate environmental policies and/or commitments • Setting corporate environmental policies and/or commitments • Managing environmental reporting, audit, and verification processes • Managing priorities related to innovation/low-environmental impact products or services (including R&D)	• Reports to the board directly	• More frequently than quarterly	As Bayer's CEO, the CSO and the other Board members report to the Supervisory Board. The CEO is the direct superior of the Head of Public Affairs, Science, Sustainability (PASS). The PASS Enabling Function supports the CSO and the BoM in identifying risks and opportunities, developing strategies and defining targets and guidelines for sustainability management. Sustainability management is integrated into the existing management and governance structures and the core processes of the organization. There are regular meetings with the Head of PASS, in which sustainability topics are discussed. The Head of PASS is the direct superior of the ESG Head, who is responsible for the day-to-day management of sustainability-related targets and measures, their monitoring, reporting and verification of related milestones. Operational implementation takes place in the divisions and along the value chain. Each of our divisions has an established sustainability organization, with sustainability aspects also being integrated into the processes of Enabling Functions such as Internal Audit & Risk Management, Human Resources, Procurement, and Mergers, Acquisitions & Licensing. In REGULAR MEETINGS of the BoM, the Supervisory Board and the Sustainability Council, the Group-wide sustainability strategy incl. water-related issues is discussed. Target achievement is reported ANNUALLY to the BoM in a REGULAR BOARD MEETING. The CSO is responsible for the Group-wide sustainability program incl. water-related targets and measures and for fulfilling Bayer's commitment to the CEO Water Mandate. He signs off the CDP Report, the sustainability section in our Annual Report and our Impact Report, including all water-related information. Furthermore, the CSO decided to join the Water Resilience Coalition, substantiating the ambitions of the CEO Water Mandate at the private-sector level. The BoM approved our new Water Stewardship Strategy launched at the UN Water Conference in New York in 2023.

Bio-diversity	Executive level • Chief Sustainability Officer (CSO)	• Managing environmental dependencies, impacts, risks, and opportunities • Setting corporate environmental policies and/or commitments • Setting corporate environmental targets • Measuring progress towards environmental corporate targets	• Reports to the board directly	• Annually	The highest management level of responsibility for sustainability issues incl. biodiversity lies with Bayer's CEO who also functions as Bayer's CSO. As CSO he is RESPONSIBLE FOR THE GROUP-WIDE SUSTAINABILITY PROGRAM INCLUDING ACTIVITIES FOCUSING ON THE RESPONSIBLE USE OF NATURAL RESOURCES TO CONSERVE AND PROTECT ECOSYSTEMS, SPECIES AND GENETIC BIODIVERSITY. As Bayer's CEO, the CSO and the other Board members report to the Supervisory Board. The CEO is the direct superior of the Head of Public Affairs, Science, Sustainability (PASS). The PASS Enabling Function supports the CSO and the BoM in identifying risks and opportunities, developing strategies and defining targets and guidelines for sustainability management. Sustainability management is integrated into the existing management and governance structures and the core processes of the organization. Operational implementation takes place in the divisions and along the value chain. Each of our divisions has an established sustainability organization, with sustainability aspects also being integrated into the processes of Enabling Functions such as Internal Audit & Risk Management, Human Resources, Procurement, and Mergers, Acquisitions & Licensing. Relevant topics in the field of sustainability incl. biodiversity topics are discussed during regular meetings between the CSO and the Head of PASS. The Head of PASS is the direct superior of the ESG Head, who is responsible for the day-to-day management of sustainability-related targets and measures, their monitoring, reporting and verification of related milestones. During the official sign-off process of the Annual and Impact Report, the CSO is RESPONSIBLE FOR the non-financial section including our reporting on biodiversity. The CSO is also responsible for SIGNING OFF BAYER'S CDP Report including all sections on biodiversity.

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

Environ-mental issue	Provision of monetary incentives related to this environmental issue	% of total C-suite and board-level monetary incentives linked to the management of this environmental issue	Please explain
Climate Change	• Yes	10	For employees responsible for our climate-related strategy or management, climate-related issues form part of the variable salary component. For the calculation of the long-term stock-based compensation (LTI) for members of the Board of Management (BoM) and LTI-entitled managerial employees, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. GHG emissions reduction targets (10%) and social targets (10%) each account for half of the sustainability component. Sustainability targets can also be accounted for within individual targets for BoM members in connection with short-term variable compensation (factor for individual targets: plus/minus 20%). E.g. 2024 targets for two BoM members were: 1) Implement EU taxonomy/CSRD, 2) Successfully scale regenerative agriculture.
Forests	• Yes	3	For employees responsible for our forest-related management, forest-related issues form part of the variable salary component.

			For the calculation of the long-term stock-based compensation (LTI) for members of the Board of Management (BoM) and LTI-entitled managerial employees, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. GHG emissions reduction targets are weighted at (10%), of which offsetting remaining emissions is one of the three GHG reduction targets. This includes purchasing certificates from verified climate protection projects, primarily in forestry and agriculture. Sustainability targets can also be accounted for within individual targets for BoM members in connection with short-term variable compensation (factor for individual targets: plus/minus 20%). E.g. 2024 targets for two BoM members were: Implement EU taxonomy/CSRD, Successfully scale regenerative agriculture.
Water	• Yes	10	For employees responsible for water management, water-related criteria form part of the variable salary component. For the calculation of the long-term stock-based compensation (LTI) for members of the Board of Management (BoM) and LTI-entitled managerial employees, sustainability is weighted at 20% including i) Climate and ii) social targets (each 10%). Water can be linked to these targets e.g.: i) by improving energy-intensive processes like water purification, cooling, or wastewater treatment; or ii) by integrating water-efficient practices (e.g. direct seeded rice) into the delivery of support to smallholder farmers. Sustainability targets can also be accounted for within individual targets for BoM members in connection with short-term variable compensation (factor for individual targets: plus/minus 20%). E.g. 2024 targets for two BoM members were: Implement EU taxonomy/CSRD, Successfully scale regenerative agriculture.

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

Environ-mental issue	Position entitled to monetary incentive	Incen-tives	Performance metrics	Incentive plan the incentive are linked to	Further details of incentives	How the position's incentive contributes to the achievement of your environmental commitments and/or climate transition plan
Climate Change	Board or executive level • Chief Sustainability Officer (CSO)	• Bonus - % of salary • Shares	Targets • Progress towards environmental targets • Achievement of environmental targets • Reduction in absolute emissions in line with net-zero target Strategy and financial planning • Board approval of climate transition plan	• Both Short-Term and Long-Term Incentive Plan, or equivalent	To link economic success with social and environmental responsibility, the compensation system for the Board of Management takes into account both Bayer's financial success and sustainability-related performance aspects. The total compensation of the members of the Board of Management of Bayer AG comprises fixed and variable components. The calculation model for long-term stock-based compensation (LTI) takes into account the attainment of targets newly established each year on the basis of our Group sustainability targets through 2030. For the calculation of the LTI, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. Greenhouse gas emissions reduction targets	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. A core element of our Transition and Transformation Plan is the reduction of greenhouse gas emissions. Our compensation system for the Board of Management takes into account our targets for reducing our greenhouse gas emissions. By including the reduction targets in the calculation of the LTI, we want to ensure the continued reduction of our greenhouse gas emissions. Further details: We embrace sustainability in our activities, helping to safeguard our future social and economic viability. As a leader in nutrition and health, we aim to play our part in overcoming some of the world's biggest challenges by leveraging our innovative products and services. This includes combating hunger and

			● Achievement of climate transition plan
			
			Emission reduction
			● Implementation of an emissions reduction initiative
			
			Resource use and efficiency
			● Energy efficiency improvement
					(10%) and social targets (10%) each account for half of the sustainability component.
					
					Sustainability targets can also be accounted for within the individual targets to be newly established each year (multiplication factor of between 0.8 and 1.2) for the respective members of the Board of Management in connection with short-term variable compensation.
					The short-term variable cash compensation (STI) incentivizes operational success in the form of profitable growth, with a focus on increasing cash flow. In addition, strategy development and execution are evaluated as part of a multiplicative factor that allows additional financial and non-financial targets (e.g., ESG targets) to be set.
					
					Within the scope of our Group sustainability targets through 2030, our 100 million targets and our greenhouse gas emissions reduction targets represent sustainability-related performance metrics that are integrated into the compensation policy as performance benchmarks. At least 70% of contractually agreed target direct compensation is performance-based (assuming 100% target attainment for variable compensation and excluding fringe benefits and the pension installment).
					
					As part of the Board of Management, the above incentive system applies to the CSO.
						improving healthcare, as well as taking measures to reduce our carbon footprint. Against this backdrop, we have set ourselves sustainability targets as part of our sustainability strategy. These targets are also reflected in our long-term compensation system (LTI).
						
						At the beginning of each LTI tranche, the Supervisory Board defines measurable sustainability targets for the respective four-year performance period that are in line with our corporate strategy. In setting the sustainability targets, the Supervisory Board takes care to ensure that they are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed.
						Sustainability targets for the 2024-2027 tranche include the following:
						// Reduction in Scope 1 and 2 greenhouse gas emissions
						// Reduction in Scope 3 greenhouse gas emissions from relevant categories
						// Offsetting of remaining Scope 1 and 2 greenhouse gas emissions (by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture)
						// Number of smallholder farmers supported in low- and middle-income countries
						// Number of people supported with self-care in underserved communities
						// Number of women in low- and middle-income countries with access to modern contraception

Forests	Board or executive level ● Chief Sustainability Officer (CSO)	● Bonus - % of salary ● Shares	Targets ● Progress towards environmental targets Strategy and financial planning ● Achievement of climate transition plan Resource use and efficiency	● Both Short-Term and Long-Term Incentive Plan, or equivalent	To link economic success with social and environmental responsibility, the compensation system for the Board of Management takes into account both Bayer's financial success and sustainability-related performance aspects. The total compensation of the members of the Board of Management of Bayer AG comprises fixed and variable components. The calculation model for long-term stock-based compensation (LTI) takes into account the attainment of targets newly established each year on the basis of our Group sustainability targets through 2030. For the calculation of the LTI, the components of relative capital market performance and sustainability	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. A core element of our Transition and Transformation Plan is the reduction of greenhouse gas emissions. Our compensation system for the Board of Management takes into account our targets for reducing our greenhouse gas emissions. This includes offsetting by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture. By including the reduction targets in the calculation of the LTI, we want to ensure the continued reduction of our greenhouse gas emissions.

			● Eliminating deforestation and conversion of other natural ecosystems in direct operations and/or other parts of the value chain		serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. Greenhouse gas emissions reduction targets (10%) and social targets (10%) each account for half of the sustainability component. One of the three GHG reduction targets is to offset remaining Scope 1 and 2 greenhouse gas emissions by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture.
					
					Sustainability targets can also be accounted for within the individual targets to be newly established each year (multiplication factor of between 0.8 and 1.2) for the respective members of the Board of Management in connection with short-term variable compensation. The short-term variable cash compensation (STI) incentivizes operational success in the form of profitable growth, with a focus on increasing cash flow. In addition, strategy development and execution are evaluated as part of a multiplicative factor that allows additional financial and non-financial targets (e.g., ESG targets) to be set.
					
					Within the scope of our Group sustainability targets through 2030, our 100 million targets and our greenhouse gas emissions reduction targets represent sustainability-related performance metrics that are integrated into the compensation policy as performance benchmarks. At least 70% of contractually agreed target direct compensation is performance-based (assuming 100% target attainment for variable compensation and excluding fringe benefits and the pension installment).
						Further details:
						We embrace sustainability in our activities, helping to safeguard our future social and economic viability.
						As a leader in nutrition and health, we aim to play our part in overcoming some of the world's biggest challenges by leveraging our innovative products and services. This includes combating hunger and improving healthcare, as well as taking measures to reduce our carbon footprint. Against this backdrop, we have set ourselves sustainability targets as part of our sustainability strategy. These targets are also reflected in our long-term compensation system (LTI).
						In setting the sustainability targets, the Supervisory Board takes care to ensure that they are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed.
						Sustainability targets for the 2024-2027 tranche include the following:
						// Reduction in Scope 1 and 2 greenhouse gas emissions
						// Reduction in Scope 3 greenhouse gas emissions from relevant categories
						// Offsetting of remaining Scope 1 and 2 greenhouse gas emissions by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture
						// Number of smallholder farmers supported in low- and middle-income countries
						// Number of people supported with self-care in underserved communities
						// Number of women in low- and middle-income countries with access to modern contraception

Water	Board or executive level ● Chief Sustainability Officer (CSO)	● Bonus - % of salary ● Shares	Targets ● Progress towards environmental targets ● Achievement of environmental targets Resource use and efficiency	● Both Short-Term and Long-Term Incentive Plan, or equivalent	To link economic success with social and environmental responsibility, the compensation system for the Board of Management takes into account both Bayer's financial success and sustainability-related performance aspects. The total compensation of the members of the Board of Management of Bayer AG comprises fixed and variable components. The calculation model for long-term stock-based compensation (LTI) takes into account the attainment	We embrace sustainability in our activities, helping to safeguard our future social and economic viability. As a leader in nutrition and health, we aim to play our part in overcoming some of the world's biggest challenges by leveraging our innovative products and services. This includes combating hunger and improving healthcare, as well as taking measures to reduce our carbon footprint. Against this backdrop, we have set ourselves sustainability targets as part of our sustainability strategy. These targets are also reflected in our long-term compensation system (LTI).

			• Improvements in water efficiency – direct operations
			
			Pollution
			• Improvements in waste water quality – direct operations
					of targets newly established each year on the basis of our Group sustainability targets through 2030.
					For the calculation of the LTI, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. Greenhouse gas emissions reduction targets (10%) and social targets (10%) each account for half of the sustainability component.
					Water can be linked to these targets e.g.: i) by improving energy-intensive processes like water purification, cooling, or wastewater treatment (GHG reduction targets); or ii) by integrating water-efficient practices (e.g. direct seeded rice) into the delivery of support to smallholder farmers (social targets).
					
					Sustainability targets can also be accounted for within the individual targets to be newly established each year (multiplication factor of between 0.8 and 1.2) for the respective members of the Board of Management in connection with short-term variable compensation.
					The short-term variable cash compensation (STI) incentivizes operational success in the form of profitable growth, with a focus on increasing cash flow. In addition, strategy development and execution are evaluated as part of a multiplicative factor that allows additional financial and non-financial targets (e.g., ESG targets) to be set.
					
					Within the scope of our Group sustainability targets through 2030, our 100 million targets and our greenhouse gas emissions reduction targets represent sustainability-related performance metrics that are integrated into the compensation policy as performance benchmarks. At least 70% of contractually agreed target direct compensation is performance-based (assuming 100% target attainment for variable compensation and excluding fringe benefits and the pension installment).
						In setting the sustainability targets, the Supervisory Board takes care to ensure that they are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed.
						Sustainability targets for the 2024-2027 tranche include the following:
						// Reduction in Scope 1 and 2 greenhouse gas emissions
						// Reduction in Scope 3 GHG emissions from relevant categories
						// Offsetting of remaining Scope 1 and 2 GHG emissions
						// Number of smallholder farmers supported in low- and middle-income countries
						// Number of people supported with self-care in underserved communities
						// Number of women in low- and middle-income countries with access to modern contraception
						
						At the core of Bayer's climate strategy is the Transition and Transformation Plan. A core element of our Transition and Transformation Plan is the reduction of GHG emissions. By including the reduction targets in the calculation of the LTI, we want to ensure the continued reduction of our GHG emissions.
						Water can be linked to our Climate and social targets. For example: Improving energy-intensive processes like water purification, cooling, or wastewater treatment can help reduce GHG emissions. By developing drought-tolerant maize varieties, we aim to enhance food security and support smallholder farmers in building a sustainable agricultural future. We successfully brought 'Direct Seeded Rice' to around 18,700 hectares in India, with the goal of reaching 1 million hectares by 2030. Direct Seeded Rice is a less resource-intensive rice cultivation system, offering several environmental benefits, such as reduced water use and lower GHG emissions.

Climate Change	Board or executive level	• Bonus - % of salary • Shares	Targets • Progress towards environmental targets	Both Short-Term and Long-Term	To link economic success with social and environmental responsibility, the compensation system for the Board of Management takes into account both Bayer's financial success and sustainability-related	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

	• Board/ Executive Board		• Achievement of environmental targets
			• Reduction in absolute emissions in line with net-zero target
			
			Strategy and financial planning
			• Achievement of climate transition plan
			• Other, strategy and financial planning-related metrics, please specify: Implement EU taxonomy/CSRD; Successfully scale regenerative agriculture
			
			Emission reduction
			• Implementation of an emissions reduction initiative
			
			Resource use and efficiency
			• Energy efficiency improvement
				Incentive Plan, or equivalent	performance aspects. The total compensation of the members of the Board of Management of Bayer AG comprises fixed and variable components.
					
					The calculation model for long-term stock-based compensation (LTI) takes into account the attainment of targets newly established each year on the basis of our Group sustainability targets through 2030.
					For the calculation of the LTI, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. Greenhouse gas emissions reduction targets (10%) and social targets (10%) each account for half of the sustainability component.
					
					Sustainability targets can also be accounted for within the individual targets to be newly established each year (multiplication factor of between 0.8 and 1.2) for the respective members of the Board of Management in connection with short-term variable compensation.
					The short-term variable cash compensation (STI) incentivizes operational success in the form of profitable growth, with a focus on increasing cash flow. In addition, strategy development and execution are evaluated as part of a multiplicative factor that allows additional financial and non-financial targets (e.g., ESG targets) to be set. For two BoM members individual targets in 2024 were 1) Implement EU taxonomy / CSRD, 2) Successfully scale regenerative agriculture.
					
					Within the scope of our Group sustainability targets through 2030, our 100 million targets and our greenhouse gas emissions reduction targets represent sustainability-related performance metrics that are integrated into the compensation policy as performance benchmarks. At least 70% of contractually agreed target direct compensation is performance-based (assuming 100% target attainment for variable compensation and excluding fringe benefits and the pension installment).
						climate program from 2020. A core element of our Transition and Transformation Plan is the reduction of greenhouse gas emissions. Our compensation system for the Board of Management takes into account our targets for reducing our greenhouse gas emissions. By including the reduction targets in the calculation of the LTI, we want to ensure the continued reduction of our greenhouse gas emissions.
						
						Further details:
						We embrace sustainability in our activities, helping to safeguard our future social and economic viability.
						As a leader in nutrition and health, we aim to play our part in overcoming some of the world's biggest challenges by leveraging our innovative products and services. This includes combating hunger and improving healthcare, as well as taking measures to reduce our carbon footprint. Against this backdrop, we have set ourselves sustainability targets as part of our sustainability strategy. These targets are also reflected in our long-term compensation system (LTI).
						
						At the beginning of each LTI tranche, the Supervisory Board defines measurable sustainability targets for the respective four-year performance period that are in line with our corporate strategy. In setting the sustainability targets, the Supervisory Board takes care to ensure that they are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed.
						Sustainability targets for the 2024-2027 tranche include the following:
						// Reduction in Scope 1 and 2 greenhouse gas emissions
						// Reduction in Scope 3 greenhouse gas emissions from relevant categories
						// Offsetting of remaining Scope 1 and 2 greenhouse gas emissions (by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture)
						// Number of smallholder farmers supported in low- and middle-income countries
						// Number of people supported with self-care in underserved communities

						// Number of women in low- and middle-income countries with access to modern contraception

Climate Change	Senior-mid management
	● Management group
		● Bonus - % of salary
		● Shares
			Targets
			● Progress towards environmental targets
			● Achievement of environmental targets
			● Reduction in absolute emissions in line with net-zero target
			
			Emission reduction
			● Implementation of an emissions reduction initiative
			
			Resource use and efficiency
			● Energy efficiency improvement
			
			Strategy and financial planning
			● Other, strategy and financial planning-related metrics, please specify: Company performance against sustainability indices (e.g., DJSI, CDP Climate, etc.)
				Both Short-Term and Long-Term Incentive Plan, or equivalent	The attainment of our Group targets for reducing greenhouse gases is factored into the long-term compensation of the Board of Management and Bayer's LTI-entitled managerial employees. The compensation-relevant target is based on Bayer's necessary contribution to a Science Based Targets (SBTi)-validated 1.5 °C scenario.
					
					The calculation model for long-term stock-based compensation (LTI) takes into account the attainment of targets newly established each year on the basis of our Group sustainability targets through 2030.
					For the calculation of the LTI, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. Greenhouse gas emissions reduction targets (10%) and social targets (10%) each account for half of the sustainability component. By including the reduction targets in the calculation of the LTI, we want to ensure the continued reduction of our greenhouse gas emissions.
						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. A core element of our Transition and Transformation Plan is the reduction of greenhouse gas emissions. By including the reduction targets in the calculation of the LTI, we want to ensure the continued reduction of our greenhouse gas emissions.
						
						Further details:
						We embrace sustainability in our activities, helping to safeguard our future social and economic viability.
						As a leader in nutrition and health, we aim to play our part in overcoming some of the world's biggest challenges by leveraging our innovative products and services. This includes combating hunger and improving healthcare, as well as taking measures to reduce our carbon footprint. Against this backdrop, we have set ourselves sustainability targets as part of our sustainability strategy. These targets are also reflected in our long-term compensation system (LTI).
						
						At the beginning of each LTI tranche, the Supervisory Board defines measurable sustainability targets for the respective four-year performance period that are in line with our corporate strategy. In setting the sustainability targets, the Supervisory Board takes care to ensure that they are aligned with the Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed.
						Sustainability targets for the 2024-2027 tranche include the following:
						// Reduction in Scope 1 and 2 greenhouse gas emissions
						// Reduction in Scope 3 greenhouse gas emissions from relevant categories
						// Offsetting of remaining Scope 1 and 2 greenhouse gas emissions (by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture)
						// Number of smallholder farmers supported in low- and

						middle-income countries
						// Number of people supported with self-care in underserved communities
						// Number of women in low- and middle-income countries with access to modern contraception

Forests	Board or executive level ● Board/ Executive board	● Bonus - % of salary ● Shares	Targets ● Progress towards environmental targets Strategy and financial planning ● Achievement of climate transition plan ● Other, strategy and financial planning-related metrics, please specify: Implement EU taxonomy/CSRD; Successfully scale regenerative agriculture Resource use and efficiency ● Eliminating deforestation and conversion of other natural ecosystems in direct operations and/or other parts of the value chain	● Both Short-Term and Long-Term Incentive Plan, or equivalent	To link economic success with social and environmental responsibility, the compensation system for the Board of Management takes into account both Bayer's financial success and sustainability-related performance aspects. The total compensation of the members of the Board of Management of Bayer AG comprises fixed and variable components. The calculation model for long-term stock-based compensation (LTI) takes into account the attainment of targets newly established each year on the basis of our Group sustainability targets through 2030. For the calculation of the LTI, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. Greenhouse gas emissions reduction targets (10%) and social targets (10%) each account for half of the sustainability component. One of the three GHG reduction targets is to offset remaining Scope 1 and 2 greenhouse gas emissions by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture. Sustainability targets can also be accounted for within the individual targets to be newly established each year (multiplication factor of between 0.8 and 1.2) for the respective members of the Board of Management in connection with short-term variable compensation. The short-term variable cash compensation (STI) incentivizes operational success in the form of profitable growth, with a focus on increasing cash flow. In addition, strategy development and execution are evaluated as part of a multiplicative factor that allows additional financial and non-financial targets (e.g., ESG targets) to be set. For two BoM members individual targets in 2024 were 1) Implement EU taxonomy / CSRD, 2) Successfully scale regenerative agriculture.	At the core of Bayer's climate strategy is the Transition and Transformation Plan. For transformation, our business areas can be part of the solution when it comes to adapting to the effects of climate change. This is how we can help to reduce the negative impacts that climate change has, particularly on our agricultural customers. We are working on numerous innovations, particularly in the areas of new varieties, biotechnology, small molecules, biologicals, digital farming and systems for our concept of regenerative agriculture. We want to contribute to achieve long-term food security with our concept of regenerative agriculture. As part of our Forest Protection Strategy, our PRO Carbono Commodities Program currently includes soybean production by Brazilian growers and agricultural companies in the state of Mato Grosso, within the Cerrado and Amazon biomes. As a prerequisite for taking part in this initiative, farmers may not work on agricultural fields that have been converted from natural vegetation in the last 10 years, even if legally authorized and commit to conserving the surplus of natural vegetation on their properties. ProCarbono has undergone extensive testing, confirming key assumptions about the benefits of regenerative agriculture. Farms implementing regenerative agricultural practices have achieved a 10% increase in yield and a boost in carbon sequestration compared to farms using non-regenerative methods. Another core element of our Transition and Transformation Plan is the reduction of greenhouse gas emissions. Our compensation system takes into account our targets for reducing our greenhouse gas emissions. This includes offsetting by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture. By including the reduction targets in the calculation of the LTI, we want to ensure the continued reduction of our greenhouse gas emissions. In setting the sustainability targets, the Supervisory Board takes care to ensure that they are aligned with the

					Within the scope of our Group sustainability targets through 2030, our 100 million targets and our greenhouse gas emissions reduction targets represent sustainability-related performance metrics that are integrated into the compensation policy as performance benchmarks. At least 70% of contractually agreed target direct compensation is performance-based (assuming 100% target attainment for variable compensation and excluding fringe benefits and the pension installment).	Sustainable Development Goals (SDGs) of the United Nations as a minimum, and are also in step with international best practice, such as the Science Based Targets initiative (SBTi), with respect to how they are determined, measured and reviewed.
Forests	Senior-mid management ● Management group	● Bonus - % of salary ● Shares	Targets ● Progress towards environmental targets Strategy and financial planning ● Achievement of climate transition plan ● Other, strategy and financial planning-related metrics, please specify: Company performance against sustainability indices (e.g., CDP Forest) Resource use and efficiency ● Eliminating deforestation and conversion of other natural ecosystems in direct operations and/or other parts of the value chain	● Both Short-Term and Long-Term Incentive Plan, or equivalent	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements. For employees responsible for our forest protection strategy or management, forest-related issues form part of the variable salary component. The attainment of our Group targets for reducing greenhouse gases is factored into the long-term compensation of the Board of Management and Bayer's LTI-entitled managerial employees. One of these targets includes offsetting remaining Scope 1 and 2 greenhouse gas emissions by purchasing certificates from verified climate protection projects, primarily in forestry and agriculture. The calculation model for long-term stock-based compensation (LTI) takes into account the attainment of targets newly established each year on the basis of our Group sustainability targets through 2030. For the calculation of the LTI, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. Greenhouse gas emissions reduction targets (10%) and social targets (10%) each account for half of the sustainability component.	At the core of Bayer's climate strategy is the Transition and Transformation Plan. For transformation, our business areas can be part of the solution when it comes to adapting to the effects of climate change. This is how we can help to reduce the negative impacts that climate change has, particularly on our agricultural customers. We are working on numerous innovations, particularly in the areas of new varieties, biotechnology, small molecules, biologicals, digital farming and systems for our concept of regenerative agriculture. We want to contribute to achieve long-term food security with our concept of regenerative agriculture. As part of our Forest Protection Strategy, our PRO Carbono Commodities Program currently includes soybean production by Brazilian growers and agricultural companies in the state of Mato Grosso, within the Cerrado and Amazon biomes. As a prerequisite for taking part in this initiative, farmers may not work on agricultural fields that have been converted from natural vegetation in the last 10 years, even if legally authorized and commit to conserving the surplus of natural vegetation on their properties. ProCarbono has undergone extensive testing, confirming key assumptions about the benefits of regenerative agriculture. Farms implementing regenerative agricultural practices have achieved a 10% increase in yield and a boost in carbon sequestration compared to farms using non-regenerative methods. Another core element of our Transition and Transformation Plan is the reduction of greenhouse gas emissions. Our compensation system takes into account our targets for reducing our greenhouse gas emissions. This includes offsetting by purchasing certificates from verified climate protection projects, primarily in forestry

						and agriculture. By including the reduction targets in the calculation of the LTI, we want to ensure the continued reduction of our greenhouse gas emissions.

Water	Board or executive level
	● Board/ Executive board
		● Bonus - % of salary
		● Shares
			Targets
			● Progress towards environmental targets
			
			Strategy and financial planning
			● Achievement of climate transition plan
			● Other, strategy and financial planning-related metrics, please specify: Implement EU taxonomy/CSRD; Successfully scale regenerative agriculture
			
			Resource use and efficiency
			● Improvements in water efficiency – direct operations
			
			Pollution
			● Improvements in waste water quality – direct operations
				● Both Short-Term and Long-Term Incentive Plan, or equivalent	To link economic success with social and environmental responsibility, the compensation system for the Board of Management takes into account both Bayer's financial success and sustainability-related performance aspects. The total compensation of the members of the Board of Management of Bayer AG comprises fixed and variable components.
					
					The calculation model for long-term stock-based compensation (LTI) takes into account the attainment of targets newly established each year on the basis of our Group sustainability targets through 2030.
					For the calculation of the LTI, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. Greenhouse gas emissions reduction targets (10%) and social targets (10%) each account for half of the sustainability component.
					Water can be linked to these targets e.g.: i) by improving energy-intensive processes like water purification, cooling, or wastewater treatment (GHG reduction targets); or ii) by integrating water-efficient practices (e.g. direct seeded rice) into the delivery of support to smallholder farmers (social targets).
					
					Sustainability targets can also be accounted for within the individual targets to be newly established each year (multiplication factor of between 0.8 and 1.2) for the respective members of the Board of Management in connection with short-term variable compensation.
					The short-term variable cash compensation (STI) incentivizes operational success in the form of profitable growth, with a focus on increasing cash flow. In addition, strategy development and execution are evaluated as part of a multiplicative factor that allows additional financial and non-financial targets (e.g., ESG targets) to be set. For two BoM members individual targets in 2024 were 1) Implement EU taxonomy / CSRD, 2) Successfully scale regenerative agriculture.
						We embrace sustainability in our activities, helping to safeguard our future social and economic viability.
						As a leader in nutrition and health, we aim to play our part in overcoming some of the world's biggest challenges by leveraging our innovative products and services. This includes combating hunger and improving healthcare, as well as taking measures to reduce our carbon footprint. Against this backdrop, we have set ourselves sustainability targets as part of our sustainability strategy. These targets are also reflected in our long-term compensation system (LTI).
						Sustainability targets for the 2024-2027 tranche include the following:
						// Reduction in Scope 1 and 2 GHG emissions and in Scope 3 GHG emissions from relevant categories
						// Offsetting of remaining Scope 1 and 2 GHG emissions
						// Number of smallholder farmers supported in low- and middle-income countries
						// Number of people supported with self-care in underserved communities
						// Number of women in low- and middle-income countries with access to modern contraception
						
						A core element of our Transition and Transformation Plan is the reduction of GHG emissions. By including the targets in the calculation of the LTI, we want to ensure the continued reduction of our GHG emissions. Water can be linked to our Climate and social targets, e.g. by improving energy-intensive processes like water purification, cooling, or wastewater treatment. By developing drought-tolerant maize varieties, we aim to enhance food security and support smallholder farmers in building a sustainable agricultural future. We successfully brought Direct Seeded Rice to around 18,700 hectares in India, with the goal of reaching 1 million hectares by 2030. Direct Seeded Rice is a less resource-intensive rice cultivation system, offering several environmental benefits, such as reduced water use and lower GHG emissions.
						
						Our business areas can be part of the solution when it comes to adapting to the effects of climate change.

					Within the scope of our Group sustainability targets through 2030, our 100 million targets and our greenhouse gas emissions reduction targets represent sustainability-related performance metrics that are integrated into the compensation policy as performance benchmarks. At least 70% of contractually agreed target direct compensation is performance-based (assuming 100% target attainment for variable compensation and excluding fringe benefits and the pension installment).	The long-term natural and physical effects of climate change will have a particular impact on the permanent water cycle (for example through a transition to a wetter or drier climate or a delay in the monsoon season), the spread of diseases and insect pests, and further coupling effects of temperature changes. Our innovation potential is leveraged to develop scientific solutions, promote sustainable farming practices and enter into partnerships to strengthen water resilience in agriculture, among other goals.

Water	Senior-mid management
	● Management group
		● Bonus - % of salary
		● Shares
			Strategy and financial planning
			● Other, strategy and financial planning-related metrics, please specify: Suitable water management systems at all relevant sites that are or will be threatened by water scarcity by 2030; Company performance against sustainability indices with water-related factors (e.g., DJSI, CDP Water, etc.)
			
			Resource use and efficiency
			● Improvements in water efficiency – direct operations
			
			Pollution
			● Improvements in waste water quality – direct operations
				● Both Short-Term and Long-Term Incentive Plan, or equivalent	Bayer remunerates employees in accordance with a transparent and fair system that includes fixed and variable salary components. The variable component is determined by the company performance, the divisions, corporate functions and business services performance and by the individual employee's achievements.
					For employees responsible for our water strategy or management, water-related issues form part of the variable salary component.
					
					The attainment of our Group targets is factored into the long-term compensation of the Board of Management and Bayer's LTI-entitled managerial employees.
					
					The calculation model for long-term stock-based compensation (LTI) takes into account the attainment of targets newly established each year on the basis of our Group sustainability targets through 2030.
					For the calculation of the LTI, the components of relative capital market performance and sustainability serve as a factor by which the change in the share price is multiplied. The relative capital market performance is weighted at 80% and sustainability at 20%. Greenhouse gas emissions reduction targets (10%) and social targets (10%) each account for half of the sustainability component.
					Water can be linked to these targets e.g.: i) by improving energy-intensive processes like water purification, cooling, or wastewater treatment (GHG reduction targets); or ii) by integrating water-efficient practices (e.g. direct seeded rice) into the delivery of support to smallholder farmers (social targets).
						At the core of Bayer's climate strategy is the Transition and Transformation Plan. Our business areas can be part of the solution when it comes to adapting to the effects of climate change.
						The long-term natural and physical effects of climate change will have a particular impact on the permanent water cycle (for example through a transition to a wetter or drier climate or a delay in the monsoon season), the spread of diseases and insect pests, and further coupling effects of temperature changes. Our innovation potential is leveraged to develop scientific solutions, promote sustainable farming practices and enter into partnerships to strengthen water resilience in agriculture, among other goals.
						
						We have set ourselves sustainability targets as part of our sustainability strategy. These targets are also reflected in our long-term compensation system (LTI). Sustainability targets for the 2024-2027 tranche include the following:
						// Reduction in Scope 1 and 2 GHG emissions
						// Reduction in Scope 3 GHG emissions from relevant categories
						// Offsetting of remaining Scope 1 and 2 GHG emissions
						// Number of smallholder farmers supported in low- and middle-income countries
						// Number of people supported with self-care in underserved communities
						// Number of women in low- and middle-income countries with access to modern contraception
						
						A core element of our Transition and Transformation Plan is the reduction of GHG emissions. By including the targets in the calculation of the LTI, we want to ensure

			Policies and commitments ● Increased access to workplace WASH - direct operations ● Increased access to workplace WASH - upstream value chain (excluding direct operations) Engagement ● Implementation of employee awareness campaign or training program on environmental issues			the continued reduction of our GHG emissions. Water can be linked to our Climate and social targets, e.g. by improving energy-intensive processes like water purification, cooling, or wastewater treatment. By developing drought-tolerant maize varieties, we aim to enhance food security and support smallholder farmers in building a sustainable agricultural future. We successfully brought 'Direct Seeded Rice' to around 18,700 hectares in India, with the goal of reaching 1 million hectares by 2030. Direct Seeded Rice is a less resource-intensive rice cultivation system, offering several environmental benefits, such as reduced water use and lower GHG emissions.

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

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

4.6.1 Provide details of your environmental policies.

Environ-mental issue covered	Level of coverage	Value chain stages covered	Explain the coverage	Environmental policy content	Indicate whether your environmental policy is in line with global environmental treaties or policy goals	Public avail-ability	Attach the policy
• Climate Change • Forests • Water • Bio-diversity	• Organi-zation-wide	• Direct operations • Upstream value chain • Down-stream value chain	We publicly communicate commitments related to climate change, forests, water and biodiversity in Bayer's "CORPORATE POLICY SUSTAINABILITY". This Policy outlines the role of sustainability at Bayer as well as clear standards, roles & responsibilities in sustainability management throughout the entire organization. The policy is applicable for EVERY BAYER EMPLOYEE. ALL CORE PROCESSES are in scope. With our SUPPLIER CODE OF CONDUCT, we extend our GROUP-WIDE sustainability policy to our SUPPLIERS.	Environmental commitments • Commitment to comply with regulations and mandatory standards • Commitment to take environmental action beyond regulatory compliance • Commitment to engage in integrated, multi-stakeholder landscape (including river basin) initiatives to promote shared sustainability goals • Commitment to implementation of nature-based solutions that support landscape restoration and long-term protection of natural ecosystems • Commitment to respect legally designated protected areas • Commitment to stakeholder engagement and capacity building on environmental issues Climate-specific commitments • Commitment to 100% renewable energy • Commitment to net-zero emissions Forests-specific commitments • Commitment to best management practices for soils and peat • Commitment to conduct or support restoration and/or compensation to remedy for past deforestation or conversion • Commitment to facilitate the inclusion of smallholders into the value chain • Commitment to no land clearance by burning or clearcutting • Commitment to no-conversion of natural ecosystems by target date, please specify: Bayer has committed to help 100 million smallholder farmers increase their livelihood in farming. We believe that the increase in productivity will decrease the need to convert forest into agricultural land. • Commitment to no-deforestation by target date, please specify: Bayer aims for net-zero deforestation in its supply chain. We are committed	• Yes, in line with the Paris Agreement • Yes, in line with Sustainable Development Goal 6 on Clean Water and Sanitation • Yes, in line with the Kunming-Montreal Global Biodiversity Framework	• Public ly avail-able	Attachment with: • Bayer Sustainability Policy • Bayer Supplier CoC • Bayer_Positio n_Global_Cli mate_Policy_ FIN.pdf • Renewable Electricity Quality and Portfolio Definition • Position on Deforestation and Forest Degradation • Bayer Water Position Update • Position on biodiversity • HSE Key Requirements • Bayer Responsible Care

			In order to communicate environmental specific commitments and targets, Bayer has published the following policies, positions and internal regulations – that cover our OWN OPERATIONS AND PRODUCT PORTFOLIO, OUR DIRECT SUPPLIERS AND OUR DOWNSTREAM VALUE CHAIN:
			// Global climate policy position
			// Renewable Electricity Quality and Portfolio Definition
			// Position on Deforestation and Forest Degradation
			// Water Position
			// Conservation and Restoration of Biodiversity in Agriculture and Forestry
			// HSE Key Requirements
			// Guidelines for Responsible Care
				to using Bayer's expertise and technologies to support Brazil's goal of restoring 12 million hectares of native forest by 2030.
				
				Water-specific commitments
				• Commitment to reduce or phase out hazardous substances
				• Commitment to control/reduce/eliminate water pollution
				• Commitment to reduce water consumption volumes
				• Commitment to reduce water withdrawal volumes
				• Commitment to safely managed WASH in local communities
				• Commitment to the conservation of freshwater ecosystems
				• Commitment to water stewardship and/or collective action
				• Other water-related commitment, please specify: Water efficiency in agriculture
				
				Social commitments
				• Adoption of the UN International Labour Organization principles
				• Commitment to promote gender equality and women's empowerment
				• Commitment to respect and protect the customary rights to land, resources, and territory of Indigenous Peoples and Local Communities
				• Commitment to respect internationally recognized human rights
				• Commitment to secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities'
				
				Additional references/Descriptions
				• Acknowledgement of the human right to water and sanitation
				• Description of dependencies on natural resources and ecosystems
				• Description of impacts on natural resources and ecosystems
				• Description of environmental requirements for procurement
				• Description of grievance/whistleblower mechanism to monitor non-compliance with the environmental policy and raise/address/escalate any other greenwashing concerns
				• Description of renewable electricity procurement practices
				• Recognition of environmental linkages and trade-offs
				• Reference to timebound environmental milestones and targets		

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

Are you a signatory or member of any environmental collaborative frameworks or initiatives?	Collaborative framework or initiative	Describe your organization's role within each framework or initiative
• Yes	• CEO Water Mandate • Climate Action 100+ • Science-Based Targets Initiative (SBTi) • UN Global Compact • Water Resilience Coalition • Other, please specify: Business Ambition for 1.5°, RTRS, Leaf Coalition, SAI	Among others, we are signatory member of the following collaborative frameworks and initiatives: BUSINESS AMBITION FOR 1.5°C: Bayer has undertaken to achieve a net zero target for greenhouse gas emissions throughout the entire value chain by 2050 or earlier. As an external expression of commitment to net zero greenhouse gas emissions, the company also signed the Business Ambition for 1.5 °C, a campaign of the SBTi in partnership with the UN Global Compact and the We Mean Business Coalition. CLIMATE ACTION 100+: In line with our goals, we critically scrutinize our memberships in relevant industry associations and their positions as regards climate policy measures. The analysis forms the basis for Bayer's further efforts to advocate for scientifically founded policies to combat climate change through its member associations. In developing this approach, we have worked together with Climate Action 100+, an investor initiative that cooperates with the world's biggest industrial companies on the issue of climate change. UN GLOBAL COMPACT, CEO WATER MANDATE, CARING FOR CLIMATE: Bayer has been among the first signatories of the United Nations Global Compact and their 10 principles in 2000. Bayer will continue to show the way as a LEAD company in the United Nations Global Compact. We believe the UNGC plays an important role in the delivery of the Sustainable Development Goals and that multisector engagement is crucial to do so. Over the past decade we have steadily expanded our commitment to the Global Compact. For example, we became a signatory to the CEO WATER MANDATE and the Caring for Climate initiative. And we have signed the Women's Empowerment Principles, a set of seven principles governing gender equality that sum up how women can be strengthened in the workplace, on the employment market and in the community. In 2019, we joined the Science Based Target Initiative and thus support ambitious goals with respect to the protection of water resources and the climate. SCIENCE-BASED TARGETS INITITIVE (SBTi): Climate change affects us all and is one of the greatest challenges that humankind will face in the future. Bayer considers climate protection and the related reduction of greenhouse gas emissions to be a top priority. We support the Paris Agreement and the objective of limiting global warming to 1.5 °C relative to the preindustrial level. The Science Based Targets initiative (SBTi) has validated our target and confirms our contribution to fulfilling the Paris Agreement. CEO WATER MANDATE, WATER RESILIENCE COALITION: Bayer has a strong network through its participation in various initiatives. These include the Water Resilience Coalition. We want to support these strong partnerships to ensure the engagement of the private sector in the upcoming water debate. Bayer continues to support the CEO WATER MANDATE of the UN Global Compact with the goal of working with key stakeholders to develop sustainable strategies for water usage. We are also a member of the WATER RESILIENCE COALATION (WRC), which concretizes and complements the ambitions of the CEO Water Mandate at a private-sector level.

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

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment	Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals	Global environmental treaties or policy goals in line with public commitment or position statement	Attach commitment or position state-ment	Indicate whether your organization is registered on a transparency register	Types of transparency register your organization is registered on	Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization	Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

• Yes, we engage directly with policy makers
• Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation
	• Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals	• Paris Agreement
		• Kunming-Montreal Global Biodiversity Framework
		• Sustainable Development Goal 6 on Clean Water and Sanitation
			Bayer_Positions_ClimatePolicy_Deforestation_Water	• Yes	• Mandatory government register
					• Voluntary government register
						// EU Transparency Register, ID 3523776801-85
						// Lobbying Register of the German Bundestag, ID R002249
						// Transparency Register of the Federal Republic of Germany
						- Bayer Vital GmbH, ID R002256
						- Bayer CropScience Deutschland GmbH, ID R002257 We publish details of costs, employee numbers, and additional data required by each registry such as in the transparency registers of the EU, the U.S. Congress, and Germany We also report data for countries in which there is no legal disclosure obligation.
							We have established clear accountabilities for governing the exertion of political influence and lobbying. In this connection, the head of Global Public Relations reports to the global head of Public Affairs, Sustainability & Safety, who reports directly to our Chairman of the Board of Management (CEO). Both regularly inform the Board of Management and the Supervisory Board – either individually or jointly, depending on the issue – about material developments of relevance for us in the area of public relations. We strive to continuously increase transparency not just in our political lobbying work, but also as regards the focus areas of our efforts. For this purpose, we publish our political positions on the most pressing issues associated with our activities, where we have also listed our most important political lobbying focuses. These focuses are in line with the findings of our double materiality assessment and the resulting ambitions to reduce negative material impacts and risks and to leverage positive material impacts and opportunities. Central elements of our political activities and our public relations function comprise, for example, sustainability issues in connection with consumers and end-users, as well as affected communities.
							Bayer's initiative-specific climate policy positions and engagement activities around the globe are guided by our climate commitments and Global Climate Policy Position. These positions are informed by the latest climate science and requirements set out by the Intergovernmental Panel on Climate Change in limiting global warming to no more than 1.5°C. The positions outlined in our Global Climate Policy Position reflect the goals of our transition decarbonization policy, set out in our Transition and Transformation Plan. They are the benchmark for our interactions with stakeholders and their policies, be it our own actions or activities of industry associations.
							Our aim is to achieve the broadest possible alignment with our positions with a focus on stakeholders who can make a difference on climate policies. In turn, our positions reflect the concrete measures for achieving the goals of the Paris

							Agreement and therefore the requisite policy support, to enable realization of the projections and baseline requirements captured in our Transition and Transformation Plan.

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

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

ENG 1

Specify the policy, law, or regulation on which your organization is engaging with policy makers	Environmental issues the policy, law, or regulation relates to	Focus area of policy, law, or regulation that may impact the climate	Geographic coverage of policy, law, or regulation	Country/area/ region the policy, law, or regulation applies to	Your organization's position on the policy, law, or regulation
National, regional and global policy developments concerning Sustainable Aviation Fuels (SAF)	• Climate Change	Energy and renewables • Alternative fuels • Other energy and renewables, please specify: Feedstock eligibility, Mandates, Emissions-CO2, Carbon offsets	• Global	N/A	• Support with minor exceptions

Details of any exceptions and your organization's proposed alternative approach to the policy, law or regulation	Type of direct engagement with policy makers on this policy, law, or regulation	Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)	Explain the relevance of this policy, law or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement and how you measure the success of your engagement?	Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals	Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation
Clear definitions concerning the eligibility of feedstocks, especially intermediate crops	• Discussion in public forums • Other, please specify: Meetings with decision-	0	Bayer's focus area is further promoting the uptake of sustainable aviation fuels. Oil-based crops have a significant role to play in meeting the increasing demand for alternative fuels. Currently, global production remains insufficient, with announced projects covering only 30 – 40% of global fuel supply in 2030. If this production gap remains unaddressed, the aviation sector will fail to decarbonize on the scale required to reach net zero emissions by 2050. The role of agriculture and novel biobased feedstock such as intermediate oil seed crops should be particularly promoted to further meet global sustainable aviation fuel demands.	• Yes, we have evaluated, and it is aligned	• Paris Agreement • Another global environmental treaty or policy goal, please specify: ICAO long term aspirational goal

	makers and stakeholders		At UNFCCC COP29 in Baku, Bayer actively participated in discussions including in a co-organised roundtable regarding carbon neutral aviation.		

ENG 2

Specify the policy, law, or regulation on which your organization is engaging with policy makers	Environmental issues the policy, law, or regulation relates to	Focus area of policy, law, or regulation that may impact the climate	Geographic coverage of policy, law, or regulation	Country/area/ region the policy, law, or regulation applies to	Your organization's position on the policy, law, or regulation
Benefit sharing on Digital Sequence Information (DSI) / reduction of pollution risk and impact targets/ support for biotechnological innovation for food security and sustainable food production	• Water	Environmental protection and management procedures • Restoration / Rehabilitation • Other environmental protection and management procedures, please specify: protection and restoration of biodiverse watersheds, Genetic resource preservation, prior informed consent, gene banks, Rights of local and Indigenous communities, Non monetary benefit sharing eg capacity building, in-kind conservation services	• Global	N/A	• Neutral

Details of any exceptions and your organization's proposed alternative approach to the policy, law or regulation	Type of direct engagement with policy makers on this policy, law, or regulation	Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)	Explain the relevance of this policy, law or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement and how you measure the success of your engagement?	Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals	Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation
N/A	• Discussion in public forums • Responding to consultations	0	At CBD COP16, Bayer constructively partnered with industry allies (ICC, CLI, ISF) and supported negotiations by the CBD Parties committed to establish a multilateral mechanism, including a global fund, to share the benefits from uses of digital sequence information (DSI) on genetic resources more fairly and equitably. Its main purpose is to establish a global mechanism for fairly sharing the benefits that arise from the commercial use of DSI on genetic resources—such as genomic data from plants, animals, or microbes—used in biotechnology, agriculture, pharmaceuticals, etc. The Cali Fund will partially support biodiversity conservation in developing countries and its local and indigenous communities. This fund can positively influence climate, forest and water-related issues by	• Yes, we have evaluated, and it is aligned	• Kunming-Montreal Global Biodiversity Framework • Another global environmental treaty or policy goal, please specify: SDG 2 Zero Hunger • Sustainable Development Goal 6 on Clean Water and Sanitation

			directing funding - potentially up to US $1 billion annually – to protection and restoration of FORESTS and biodiverse WATERsheds to help secure clean water sources. Bayer urged policymakers to better understand major levers how business can contribute to meeting the reduction of pollution risk and impact targets and to agree that innovation is critical for sustainable productivity in agriculture and to recognize the benefits of biotechnology in current and future agriculture applications.		

ENG 3

Specify the policy, law, or regulation on which your organization is engaging with policy makers	Environmental issues the policy, law, or regulation relates to	Focus area of policy, law, or regulation that may impact the climate	Geographic coverage of policy, law, or regulation	Country/area/ region the policy, law, or regulation applies to	Your organization's position on the policy, law, or regulation
EU Green Deal	• Climate change	Environmental impacts and pressure • Emissions – CO2 • Emissions – other GHGs • Other environmental impacts and pressures, please specify: In addition to impacts and pressures, the EU Green Deal also focuses on Low-carbon, non-renewable energy generation, Circular economy, Low environmental impact innovation and R&D, Recycling and recyclability	• Regional	EU 27	• Support with no exceptions

Details of any exceptions and your organization's proposed alternative approach to the policy, law or regulation	Type of direct engagement with policy makers on this policy, law, or regulation	Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)	Explain the relevance of this policy, law or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement and how you measure the success of your engagement?	Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals	Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation
N/A	• Regular meetings • Participation in working groups organized by policy makers	0	In February 2024, Bayer became a signatory to The Antwerp Declaration, calling for a European Industrial Deal to complement the EU Green Deal. The Declaration, now supported by over 1,000 organizations, highlights the investments and supportive policy conditions needed to achieve Europe's transition to climate neutrality.	• Yes, we have evaluated, and it is aligned	• Paris Agreement

			Bayer was a key partner in this process, working closely with Cefic, as well as our sector-specific industry associations, CropLife Europe, AESGP and EFPIA. Among other objectives, at the heart of the Declaration is a focus on ensuring Europe is a globally competitive provider of clean energy and de-risking of private investment into clean technologies. Lean and supportive policy levers are key to enabling Europe's industry, not unintentionally frustrating its growth or development. A revision of existing legislation under the EU Green Deal is in no way intended to dilute existing climate goals. Quite the opposite, Bayer is a signatory on the basis that the policy changes suggested will help ensure the region can achieve important climate and industrial policy objectives hand-in-hand. Critical dialogue and collaboration by industry and policymakers is imperative to enhancing the realization of shared goals and supporting innovation fundamental to European competitive advantage, climate mitigation, and resilience all in one. Apart from the active involvement in the development of the Antwerp Declaration together with Cefic and other industry associations, Bayer's CEO engaged directly with EU president Ursula von der Leyen.		

ENG 4

Specify the policy, law, or regulation on which your organization is engaging with policy makers	Environmental issues the policy, law, or regulation relates to	Focus area of policy, law, or regulation that may impact the climate	Geographic coverage of policy, law, or regulation	Country/area/region the policy, law, or regulation applies to	Your organization's position on the policy, law, or regulation
EU Carbon Removals Certification Framework Regulation (CRCF) and underlying delegated and implementing acts.	• Climate change	Environmental impacts and pressures • Other environmental impacts and pressures, please specify: Carbon Removal	• Regional	• EU27	• Support with no exceptions

Details of any exceptions and your organization's proposed alternative approach to the policy, law or regulation	Type of direct engagement with policy makers on this policy, law, or regulation	Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)	Explain the relevance of this policy, law or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement and how you measure the success of your engagement?	Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals	Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation
N/A	• Participation in working	0	The Carbon Removal Certification Framework (CRCF) Regulation provides a solid basis for the	• Yes, we have evaluated, and it is aligned	• Paris Agreement

	groups organized by policy makers • Responding to consultations		voluntary certification of carbon removals. The most relevant quality criteria for carbon removals are addressed in general provisions and the proposed mechanism supports necessary harmonization of approach. The proposed governance structure contributes to both independence, transparency, and standardization, which is crucial to creating the necessary trust in carbon removals. Bayer recognizes the importance of carbon removals to mitigate climate change, in addition to necessary emission reductions. Climate mitigation, first and foremost, must be based on emission reduction. Carbon removals should only be used in addition to the emission reduction required to stay below 1.5 degree Celsius. Carbon removals will be essential for the EU to reach its ambitious 2030 55% net emission reduction target, its 2050 climate neutrality target and its 2030 310MtCO2e carbon removal target. Where possible, we will actively contribute to the development of land-based carbon removals in the EU. Bayer has contributed to the work of the EU expert group on the CRCF (although not a member). This includes providing a response to the EU survey on an EU certification methodology on carbon removals and soil emission reductions through carbon farming under the CRCF regulation in November 2024. Our assessment has proven an alignment with our own climate goals. In 2021, Bayer launched its EU Carbon Program, where we engage in partnerships to create a business case for farmers and their value chain partners on climate mitigation (emission reduction and carbon removal). We are designing our EU Carbon Program to reach a multitude of objectives that include carbon and go beyond to yield social, environmental, and economic benefits. The CRCF provides a constructive regulatory setting for our program. Bayer is engaging on the drafting of the Draft elements for an EU certification methodology on carbon removals and soil emission reductions through carbon farming under the CRCF		

			Regulation. Type of activity: soil carbon in mineral soils and agro forestry. These draft elements will be a basis for a draft delegated regulation scheduled for publication end 2025.		

ENG 5

Specify the policy, law, or regulation on which your organization is engaging with policy makers	Environmental issues the policy, law, or regulation relates to	Focus area of policy, law, or regulation that may impact the climate	Geographic coverage of policy, law, or regulation	Country/area/region the policy, law, or regulation applies to	Your organization's position on the policy, law, or regulation
EU 2040 Climate Targets	• Climate change	Environmental impacts and pressures • Emissions – CO2 • Emissions – Other GHGs • Other environmental impacts and pressures, please specify: In addition to environmental impacts, the EU 2040 Climate Targets also focus on Energy efficiency requirements, Renewable energy generation	• Regional	EU 27	Support with no exceptions

Details of any exceptions and your organization's proposed alternative approach to the policy, law or regulation	Type of direct engagement with policy makers on this policy, law, or regulation	Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)	Explain the relevance of this policy, law or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement and how you measure the success of your engagement?	Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals	Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation
N/A	• Participation in working groups organized by policy makers • Responding to consultations • Other, please specify:	0	The European Commission presented its assessment for a 2040 climate target for the EU in February 2024. The Commission recommended reducing the EU's net greenhouse gas emissions by 90% by 2040 relative to 1990. Bayer welcomes the EU's initiative to develop a GHG reduction pathway towards the 2050 climate neutrality objective. Setting the 2040 climate target would provide businesses with much needed clarity and predictability on the future framework for decarbonization of EU economy. Bayer believes that land-based carbon removals have a role to play under the future EU climate policy framework.	• Yes, we have evaluated, and it is aligned	• Paris Agreement

	Bayer has engaged through trade associations on this topic.		We want to stress that climate mitigation first and foremost must be based on emission reduction. Carbon removals should only be used in addition to the emission reduction needed to stay below 1.5°C. Carbon removals will be essential for the EU to reach its ambitious 2030 55% net emission reduction target, its 2050 climate neutrality target and its 2030 310MtCO2e carbon removal target. Where possible Bayer will actively contribute to the development of land-based carbon removals in the EU. Bayer has engaged key industry and sectoral stakeholders on this topic. In 2021 Bayer launched its EU Carbon Program where we engage in partnerships to create a business case for farmers and their value chain partners on climate mitigation (emission reduction and carbon removal). We are designing our EU Carbon Program to reach a multitude of objectives that include carbon and go beyond to yield social, environmental and economic benefits.		

ENG 6

Specify the policy, law, or regulation on which your organization is engaging with policy makers	Environmental issues the policy, law, or regulation relates to	Focus area of policy, law, or regulation that may impact the climate	Geographic coverage of policy, law, or regulation	Country/area/region the policy, law, or regulation applies to	Your organization's position on the policy, law, or regulation
Green Power Purchase Agreements (PPA)	• Climate change	Energy and renewables • Green electricity tariffs/renewable energy PPAs	• National	• Germany	• Support with minor exceptions

Details of any exceptions and your organization's proposed alternative approach to the policy, law or regulation	Type of direct engagement with policy makers on this policy, law, or regulation	Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)	Explain the relevance of this policy, law or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement and how you measure the success of your engagement?	Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals	Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation
Bayer advocates to remove the following obstacles: // Misguided incentives for subsidies for renewable energies: Marketing of RE from solar/wind is usually based on the RE subsidy, which does not reflect the market value of the assets/investment and thus does not allow for a cost increase.	• Discussion in public forums • Other, please specify: Bayer is in talks with companies, trade unions and academia to find concepts to	0	Bayer has advocated for a better regulatory framework for Green PPAs in talks with politicians, inter alia in a panel discussion during the German Economic Day in June 2024. The demand for renewable energies (RE) continues to increase – especially in view of the decommissioning of conventional power plants, advancing electrification and new technologies such as AI.	• Yes, we have evaluated, and it is aligned	• Paris Agreement

// High costs for companies: The financing and hedging of longer-term PPAs lead to additional work and additional costs for companies (high CAPEX demand among producers).
// No needs-based expansion: Investments are not based on supply and demand (Example solar: strong surplus and increasingly negative electricity prices).
// Too large volumes: For many SMEs Assets/PPAs are generally only marketed to one buyer – this is not in line with the needs of small volumes of SMEs.
// Too long runtimes: Usual terms of PPAs (approx. 10-20 years) often contradict market requirements (approx. 1-5 years).
	overcome existing hurdles for a massive expansion of Green PPA-Projects in Germany.		The German government is facing the challenge of achieving its sustainability goals without jeopardizing the prosperity of the German economy.
			Bayer is promoting for a better framework for Green Power Purchase Agreements (PPAs). These contracts between providers of renewable energy projects and customers (such as industry) have the potential to significantly accelerate the transformation of the energy sector and significantly reduce costs for companies. The right framework conditions to be able to develop the instrument in its full effect can be significantly improved with little effort and thus activate private capital for energy transformation.
			
			The difficult situation of an internal non-alignment of the traffic light coalition, resulting in a premature end in November 2024, led to a paralysis of ambitioned climate legislation. Bayer advocates in its Policy Positions for the National Federal Legislation (taking place in February 2025), published in November 2024, again for an improved framework for Green PPAs.		

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

ENG INDIRECT TRADE ASSOCIATION 1

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

Indicate whether your organization attempted to influence the	Describe how your organization's position is consistent with or differs from the organization or	Funding figure your organization provided to this organization or	Describe the aim of this funding and how it could influence policy, law or	Indicate if you have you evaluated whether your organization's	Global environmental treaties or policy goals aligned with your

organization or individual's position in the reporting year	individual's position, and any actions taken to influence their position	individual in the reporting year, (currency)	regulation that may impact the environment	engagement is aligned with global environmental treaties or policy goal	organization's engagement on policy, law or regulation

• Yes, and they have changed their position	i) POSITION OF THE ASSOCIATION:
	The VCI acknowledges the commitment of the chemical industry in Germany to sustainability and promotes the sustainable development in companies. The VCI holds the position that, with its products and with its efficient co-generation plants, the chemical industry is contributing to sustainable development. The VCI is committed to international standards for sustainability and works closely with global organizations for the promotion of sustainable development, climate mitigation and resource efficiency.
	ii) CONSISTENCY:
	In 2024, Bayer published the Climate Advocacy Report. The report also compares the climate policy positions of our industry associations with our own climate goals. As our industry associations represent us in the public debate, we disclose where we agree with these positions and where they diverge from ours:
	// Support transition to net-zero: Aligned.
	// Policies to enable net-zero: Partially misaligned. VCI highlights changed geopolitical framework and ongoing energy crisis as a reason for "inclusion of the global perspective" in setting the EU's 2040 climate target.
	// Promote technologies & innovation to improve climate performance: Aligned.
	// Source 100% energy of electricity from renewables by 2029: Aligned.
	// Acknowledge climate related trade measures within rules-based trade system: Aligned.
	// Carbon offsetting & natural climate solutions to deliver net zero: Aligned.
	iii) ATTEMPT TO INFLUENCE:
	Bayer's CEO Bill Anderson joined the presidium of VCI. Bayer chairs the VCI Trace substances working group, which was involved in the National Water Dialogue with the Federal Ministry of Environment. Water-related topics on the VCI agenda in 2024 included the Urban Wastewater Directive and EU Water resilience strategy.
	
	Furthermore, Bayer regularly participates in the Task Force on the EU Deforestation Regulation (EUDR). The VCI officially supports the objectives of the EUDR - preventing global deforestation and its associated risks
		1,000,000	The value in the funding of ca EUR 1 million represents an approximation of the membership fees. We are part of the association since the VCI is the main chemical association in Germany and it therefore represents the industry interests towards politicians, authorities, and other relevant stakeholders. Furthermore, it offers a platform for best practice sharing within the industry.	• Yes, we have evaluated, and it is aligned	• Paris Agreement
					• Kunming-Montreal Global Biodiversity Framework
					• Sustainable Development Goal 6 on Clean Water and Sanitation

	(e.g., biodiversity loss, agricultural expansion). However, it emphasizes a need for clarity and practicability in verifying deforestation-free sourcing - companies must collect geolocation data, conduct risk assessments, implement mitigation strategies, and submit declarations before market entry.				

ENG INDIRECT TRADE ASSOCIATION 2

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

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

• Yes, and they have changed their position	i) POSITION OF THE ASSOCIATION:
	The IVA is committed to the goals of the United Nations Agenda 2030, which in turn covers goals of the Paris Agreement.
	
	ii) CONSISTENCY:
	In 2024 Bayer published its Climate Advocacy Report. This report compares the climate policy positions of our industry associations with our own climate goals. As our industry associations represent us in the public debate, we disclose where we agree with these positions and where they diverge from ours:
	// Support transition to net-zero: Partially misaligned. Despite content on regenerative agricultural practices and stating that man-made climate change is the greatest ecological, economic and social challenge of this Century, IVA does not focus on net zero transition, but only on THG-reduction.
	// Lower GHG emissions in agriculture by 30%: Aligned. IVA has produced an in-depth study looking at ways to ensure innovations can reduce the GHG footprint of agriculture.
		1,000,000	The value in the funding of ca EUR 1,000,000 represents an approximation of the membership fees.
			
			IVA issued a "summary of climate positions"-paper promoting climate friendly agricultural production in 2024.
				• Yes, we have evaluated, and it is aligned	• Paris Agreement

	// Promote technologies & innovation to improve climate performance: Aligned. IVA has produced an in-depth study looking at ways to ensure innovations can reduce the GHG footprint of agriculture.
	// Market-based approaches to carbon pricing & trading: Aligned. IVA supports carbon capture and storage, in particular through regenerative farming techniques.
	// Carbon offsetting & natural climate solutions to deliver net zero: Aligned. IVA sets out clear support for achieving qualitative biodiversity targets as part of Germany's 2025 federal election.
	
	iii) ATTEMPT TO INFLUENCE:
	Bayer has engaged with IVA to encourage the association to be clearer on their climate ambitions. As a result, IVA underlined the need to reduce GHG especially against the background of the German climate protection law, inter alia in its climate study.				